



South African Reserve Bank  
Financial Surveillance Department

# Illicit Financial Flows

March 2019

# Presentation overview



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- FinSurv: Enforcement Role
- Enforcement actions
- Collaboration with stakeholders
- Interventions by FinSurv
- Questions





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# FinSurv: Enforcement Role

- The Financial Surveillance Department of SARB (FinSurv) is empowered to investigate illicit foreign currency transactions and to take administrative action against alleged perpetrators (blocking of funds, attachment of money and/or assets, forfeiture and/or the referral to law enforcement) where appropriate
- Law enforcement agencies to pursue matters from a criminal point of view





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# Enforcement actions

Period	2017-04-01 to 2019-02-28	2015-04-01 to 2017-03-31
<b>Blocking orders issued</b>		
Total funds blocked	R1 962 835 211.15	R487 682 339.15
Number of cases	259	179
Number of accounts 'blocked'	641	300
<b>Forfeiture notices published</b>		
Total funds forfeited	R256 843 001.03	R371 729 739.57
Number of cases	81	61
Number of accounts from which funds forfeited	182	90



# Collaboration with stakeholders



Period	2017-04-01 to 2019-02-28	2015-04-01 to 2017-03-31
<b>Enquiries</b>		
Referrals from FIC	44	11
Referrals to FIC	9	11
Enquires from SARS/SAPS/NPA/AFU	268	204
Referrals to SARS	23	N/A
Criminal cases reported	25	25





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# Collaboration with stakeholders (continued)

- **Authorised Dealers (ADs)** - increased number of referrals received
- **Prudential Authority** - sharing of information for inspection purposes
- **Training sessions** - presented to various stakeholders including SAPS, SARS and ADs





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# Collaboration with stakeholders (continued)

- **Criminal cases reported**
  - Since last feedback in March 2017:
    - 7 cases successfully prosecuted
    - 2 cases – prosecutions declined
    - 2 cases currently in court





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# Interventions by FinSurv

- **Set-off scheme**

- Operated abroad and in RSA
- R74 million 'blocked'
- Prevented IFFs of estimated R2 bn

- **Debit/credit card abuse**

- Investigation involving debit/credit card abuse
- 73 accounts successfully 'blocked'
- Enhanced detection and deterrence measures implemented







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# Interventions by FinSurv (continued)

- **Cross-border Ponzi scheme**
  - FinSurv 'blocked' approximately R70 mill
  - Matter was subsequently handed over to the AFU and law enforcement
  - Criminal investigation ongoing
- **Unauthorised export and sale of aircraft**
  - R19 mill 'blocked'





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# Questions

