****

**NATIONAL ASSEMBLY**

**QUESTION FOR WRITTEN REPLY**

**QUESTION NUMBER: 1634 [NW1840E]**

**DATE OF PUBLICATION: 9 JUNE 2017**

**1634. Mr D J Maynier (DA) to ask the Minister of Finance:**

Whether he has entered into any discussion about reinstituting the Counter Money Laundering Advisory Council; if not, why not; if so, what are the relevant details? NW1840E

**REPLY:**

Yes, a meeting was held with the Minister of Justice and officials regarding the implementation of the Financial Intelligence Amendment Act, which included a discussion on the consultative mechanisms to replace Counter Money Laundering Advisory Council. At the meeting it was agreed that an Inter-Departmental Anti-Money Laundering and Combating the Financing of Terrorism Forum be set up to operate initially, to improve the quality of consultation for implementation, after which we will consider how best to legislate such consultation forums.

The mandate of the Committee would be to promote discussion, collaboration and coordination between the relevant law enforcement agencies, government departments and regulatory authorities to ensure that the South African authorities are more effective in implementing both the spirit and letter of the complete legal framework against money laundering and terrorist financing. In addition, a consultative structure to facilitate engagements with accountable institutions in the private sector is also being established, with a Banking Sector AML/CFT Steering Committee already having been established. Treasury has published a consultation document to seek public comments on these new consultation mechanisms We will monitor how well these consultation forums work over the year or two, and thereafter make a decision on how best to formalize the consultation forums.

There is therefore no intention to legislate for the continuation of the CMLAC, as we want to deepen and improve our consultative mechanisms to strengthen implementation. The CMLAC played a significant role in the drafting of the initial regulations of the FIC Act when it was first enacted in 2003, but was not as effective as a forum for implementation. This was pointed out in the explanatory memo of the Amendment Bill when it was tabled in Parliament in 2015.