



# GOVERNMENT GAZETTE

## OF THE

# REPUBLIC OF NAMIBIA

N\$8.00

WINDHOEK - 27 September 2024

No. 8456

### CONTENTS

*Page*

#### GENERAL NOTICE

No. 560	Financial Intelligence Centre: Determination under the Financial Intelligence Act, 2012 as amended: Determination on (1) the amount of transaction above which accountable and reporting institutions must establish identity of clients; and (2) to provide that multiple-related transactions be considered a single transaction for purposes of meeting identification threshold .....	1
---------	---	---

## General Notice

### FINANCIAL INTELLIGENCE CENTRE

No. 560

2024

DETERMINATION UNDER THE FINANCIAL INTELLIGENCE ACT, 2012  
AS AMENDED: DETERMINATION ON (1) THE AMOUNT OF TRANSACTION ABOVE  
WHICH ACCOUNTABLE AND REPORTING INSTITUTIONS MUST ESTABLISH IDENTITY  
OF CLIENTS; AND (2) TO PROVIDE THAT MULTIPLE-RELATED TRANSACTIONS BE  
CONSIDERED A SINGLE TRANSACTION FOR PURPOSES OF MEETING  
IDENTIFICATION THRESHOLD

In my capacity as the Director of the Financial Intelligence Centre (hereinafter referred to as the Centre), under the powers vested in the Centre by virtue of section 9(2)(e) read with section 21 of the Financial Intelligence Act, 2012 (Act No. 13 of 2012) as amended, I hereby issue the Determination on (1) the amount of transaction above which accountable and reporting institutions must establish identity of clients; and (2) to provide that multiple-related transactions be considered a single transaction for purposes of meeting identification threshold. This Determination shall become effective on **1 October 2024**.

**B. EISEB**  
**DIRECTOR**  
**FINANCIAL INTELLIGENCE CENTRE**

**DETERMINATION NO. FICD 1 of 2024****DETERMINATION ON THE AMOUNT OF TRANSACTION ABOVE WHICH ACCOUNTABLE AND REPORTING INSTITUTIONS MUST ESTABLISH IDENTITY OF CLIENTS; AND CONSIDERATION OF MULTIPLE-RELATED TRANSACTIONS AS A SINGLE TRANSACTION FOR PURPOSES OF MEETING IDENTIFICATION THRESHOLD****Arrangement of Paragraphs****PART I  
PRELIMINARY**

1. Short title
2. Authorization
3. Application
4. Definitions

**PART II  
STATEMENT OF POLICY**

5. Purpose
6. Scope
7. Responsibility

**PART III  
OVERVIEW AND IMPLEMENTATION REQUIREMENTS**

8. Overview
9. Implementation Requirements

**PART IV  
REMEDIAL MEASURES**

10. Remedial Measures

**PART V  
EFFECTIVE DATE**

11. Effective Date

**PART VI  
GENERAL AND ENQUIRIES**

12. General
13. Enquiries

**PART 1: PRELIMINARY****1. Short Title**

Determination on client identification threshold and to provide that multiple related transactions are treated as one (for purposes of meeting client identification threshold).

## **2. Authorization**

The authority for the Financial Intelligence Centre to issue this Determination is provided for under section 9(2)(e) of the Financial Intelligence Act, 2012 (Act No. 13 of 2012), as amended, hereinafter referred to as the Act.

## **3. Application and Determination**

This Determination applies to all Accountable and Reporting Institutions as provided for under Schedules 1 and 3 of the Act.

## **4. Definitions**

Terms used within this Determination are as defined in the Act.

4.1 “Accountable Institution” means a person or institution referred to in Schedule 1, including branches, associates, or subsidiaries outside of that person or institution and a person employed or contracted by such person or institution and agent of such person or institution.

4.2 “Act” means the Financial Intelligence Act, 2012 (Act No. 13 of 2012) as amended and Regulations issued thereunder. In this context, the term FIA also refers to this Act.

4.3 “Centre” means the Financial Intelligence Centre established in terms of the Act.

4.4 “Client” means a person, group of persons or entity who receives a service, or product from a business or professional in return for payment. In the context of administering the FIA, the terms ‘client’ and ‘customer’ have the same meaning and are used interchangeably.

4.5 “Director” means the Director of the Centre appointed in terms of the Act.

4.6 “Determination” means a determination made under the Act.

4.7 “Reporting Institution” means a person or institution set out in Schedule 3 of the Act, including branches, associates, or subsidiaries outside of that person or institution and a person employed or contracted by such person or institution.

4.8 “Single transaction” means a transaction other than a transaction concluded in the course of a business relationship and includes a cash deposit by a person, other than the client, into a client’s bank account. This means not more than one transaction and within this context of client identification, has the same meaning (or attracts similar compliance obligations) as an “Occasional transaction”.

## **PART II: STATEMENT OF POLICY**

### **5. Purpose**

The purpose of this Determination is to align the national identification framework to the evolving maturity level of risk management systems across different sectors in Namibia. With the promulgation of the Financial Intelligence Act, 2007 (Act No. 3 of 2007), as repealed, Namibia formally commenced efforts to establish the Anti-Money Laundering, Combatting the Financing of Terrorism and Proliferation framework. These efforts included the publication of Government Gazette No. 4256 which set the client identification threshold for single transactions at Five Thousand Namibia Dollars for all Accountable and Reporting Institutions, and Twenty Five Thousand Namibia Dollars for Casinos and Gambling Institutions.

Over the years, the national, sectoral and institutional level risk management measures have improved, as reflected in the various National and Sectoral Risk Assessments, amongst others. This improvement, which is premised on gradual risk management maturity, is aligned to the risk-based approach. The natural consequence of enhanced risk-based management is a measured approach to conducting due diligence measures to enhance financial inclusion objectives, amongst others. In furtherance of the aforesaid, this Determination provides for the following:

- 5.1 **Identification threshold:** increases the financial value, of a single transaction above which Accountable and Reporting Institutions must establish the identity of clients as per the Act, from Five Thousand Namibia Dollars to Ten Thousand Namibia Dollars while maintaining the Casino and Gambling Institutions' client identification threshold at twenty-five thousand Namibia Dollars.
- 5.2 **Multiple-related transactions:** reiterates that multiple transactions that are related must be considered as a single transaction for purposes of meeting the identification threshold, where such transactions appear to have been separated or structured to circumvent the need for client identification (or transactions below the threshold) in terms of the Act. The periods within which such transactions occur will depend on each unique set of circumstances. As a general principle, where the facts and circumstances indicate that the multiple transactions would have been handled as a single transaction, such set of transactions must be treated as a single transaction for purposes of this Determination. In cases where transactions are spread over a longer period, Accountable and Reporting Institutions must take concerted efforts to detect such transactions and manage the related and associated risks.

## 6. Scope

- 6.1 This Determination applies to all Accountable and Reporting Institutions as listed under Schedules 1 and 3 of the Act.

## 7. Responsibility

- 7.1 In line with the Act, the management of each Accountable and Reporting Institution shall be responsible for implementing measures and procedures to align institutional risk management to this Determination.

## PART III: OVERVIEW AND IMPLEMENTATION

### 8. Overview

- 8.1 The Centre is executing its statutory mandate under the Act by aligning the financial value identification threshold to enhancements in national and sectoral risk management maturity levels while reiterating that multiple related transactions be treated as a single transaction for purposes of mitigating activities that seek to circumvent the effectiveness of the identification threshold.

### 9. Implementation Requirements

- 9.1 Except for Casinos and Gambling Institutions, all other Accountable and Reporting Institutions must ensure that all transactions with financial values of Ten Thousand Namibia Dollars or more, are subjected to client identification measures as per the Act, its accompanying regulations and all other directives, circulars and guidance notes issued by the Centre.
- 9.2 Casinos and Gambling Institutions must continue maintaining the current identification regime with the identification threshold at Twenty-Five Thousand Namibia Dollars.

- 9.3 The FIC reiterates that the minimum or basic identification information obtained for transactions with financial values below the above-mentioned thresholds should be adequate to enable Accountable and Reporting Institutions to implement effective sanctions screening and implement Targeted Financial Sanctions as per the Act and the Prevention and Combatting of Terrorist and Proliferation Activities Act, 2014 (Act No. 4 of 2014), as amended.
- 9.4 Where there is a suspicion of Money Laundering, Terrorist or Proliferation Financing activities, Accountable and Reporting Institutions must subject such relevant client(s) to enhanced identification measures as per the Act.
- 9.5 Where the Accountable or Reporting Institution has doubts about the veracity or adequacy of previously obtained customer identification information, the institution must subject such relevant client(s) to enhanced identification measures as per the Act.

#### **PART IV: REMEDIAL MEASURES**

##### **10. Remedial Measures**

- 10.1 An Accountable or Reporting Institution which, in the absence of valid exemptions, fails to comply with this Determination, remains subjected to relevant enforcement measures as provided for in the Act.

#### **PART V: EFFECTIVE DATE**

- 11. Effective Date** – This Determination shall come into effect on **1 October 2024**.

#### **PART VI: GENERAL AND ENQUIRIES**

##### **12. General**

- 12.1 This Determination is not exhaustive and may be supplemented and/or amended from time to time.
- 12.2 Any Office/Ministry/Agency (OMAs) uncertain of the contents of this Determination should initiate engagements with the Centre for clarification.

##### **13. Enquiries**

All enquiries related to this determination shall be forwarded to:

The Director: Financial Intelligence Centre  
P. O. Box 2882, Windhoek  
71 Robert Mugabe Avenue  
Tel: +264 61 283 5037  
Email: helpdesk@fic.na

---