

# ANNUAL REPORT 2023/24





The Financial Intelligence Centre (FIC) is tasked to serve as a regulator and supervisor of anti-money laundering and of combating the financing of terrorism and proliferation activities, and to serve as a centre to receive and analyse suspicious reports filed by the regulated entities in respect of the Financial Intelligence Act, 2012 (No. 13 of 2012); hereinafter, the FIA.

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The success of the FIC depends on the strong networks it creates and maintains with its stakeholders. This annual report demonstrates how these connections have impacted our results from 01 April 2023 to 31 March 2024 (2023/2024) of the previous financial year 01 April 2022 to 31 March 2023 (2022/2023)

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# Acronyms & Concepts

<b>ACC</b>	Anti-Corruption Commission
<b>ADLA</b>	Authorised dealer in foreign exchange with limited authority
<b>AML/CFT/CPF</b>	Anti-Money Laundering and Combatting the Financing of Terrorism and Proliferation Financing
<b>BAN</b>	Banker's Association of Namibia
<b>BIPA</b>	Business and Intellectual Property Authority
<b>BoN</b>	Bank of Namibia
<b>COMPETENT AUTHORITIES</b>	Any supervisory body, The Namibian Police Force, The Anti-Corruption Commission, The Namibia Central Intelligence Service, The Prosecutor- General, The Namibia Revenue Agency, The FIC and Any other authority that may, in terms of any law, investigate unlawful activities
<b>CBMCR</b>	Cross-border movement of cash report
<b>CTR</b>	Cash transaction report
<b>DNFBP</b>	Designated Non-Financial Businesses and Profession
<b>EGMONT</b>	Egmont Group of Financial Intelligence Units
<b>ESAAMLG</b>	Eastern and Southern African Anti-Money Laundering Group
<b>FATF</b>	Financial Action Task Force
<b>FIC</b>	Financial Intelligence Centre
<b>FIU</b>	Financial Intelligence Unit
<b>ICRG</b>	International Cooperation Review Group
<b>IFT</b>	International fund transfer
<b>IITT</b>	Integrated Investigation Task Team
<b>LEAs</b>	Law enforcement agencies
<b>MER</b>	Mutual Evaluation Report
<b>ML</b>	Money Laundering
<b>MVTS</b>	Money Value Transfer Services
<b>NamPol</b>	Namibian Police Force
<b>NamRA</b>	Namibia Revenue Agency
<b>NCIS</b>	Namibian Central Intelligence Services
<b>NPOs</b>	Non-Profit Organisations
<b>NRA</b>	National Risk Assessment
<b>OPG</b>	Office of the Prosecutor-General
<b>PF</b>	Proliferation Financing

<b>REGULATED ENTITIES</b>	Accountable Institutions and Reporting Institutions, as identified in the FIA
<b>SAR</b>	Suspicious activity report
<b>STR</b>	Suspicious transaction report
<b>TF</b>	Terrorist Financing
<b>TFS</b>	Targeted Financial Sanctions
<b>THE COUNCIL</b>	The Anti-Money Laundering and Combatting the Financing of Terrorism and Proliferation Council
<b>UNODC</b>	United Nations Office Against Drugs and Crime
<b>UNSC</b>	United Nations Security Council
<b>UNSCR</b>	United Nations Security Council Resolution

# Lists of Legislation

<b>FIA</b>	Financial Intelligence Act, 2012 ( No. 13 of 2012) as amended
<b>PACOTPAA</b>	The Prevention and Combatting of Terrorist and Proliferation Activities Act, 2014 (No. 4 of 2014) as amended
<b>POCA</b>	Prevention of Organised Crime Amendment Act, 2024 (No. 29 of 2024) as amended





# 01

## Overview of the FIC

### The FIC

The FIC is a national Agency established by the Financial Intelligence Act, to combat ML, TF, and PF activities.

### This is what We Do



We receive, collect and analyse reports pertaining to suspicious transactions and activities filed by entities, and we share the outcomes of these analyses with LEAs.



We ensure that the entities we regulate comply with the FIA, and we take appropriate action if non-compliance is identified.

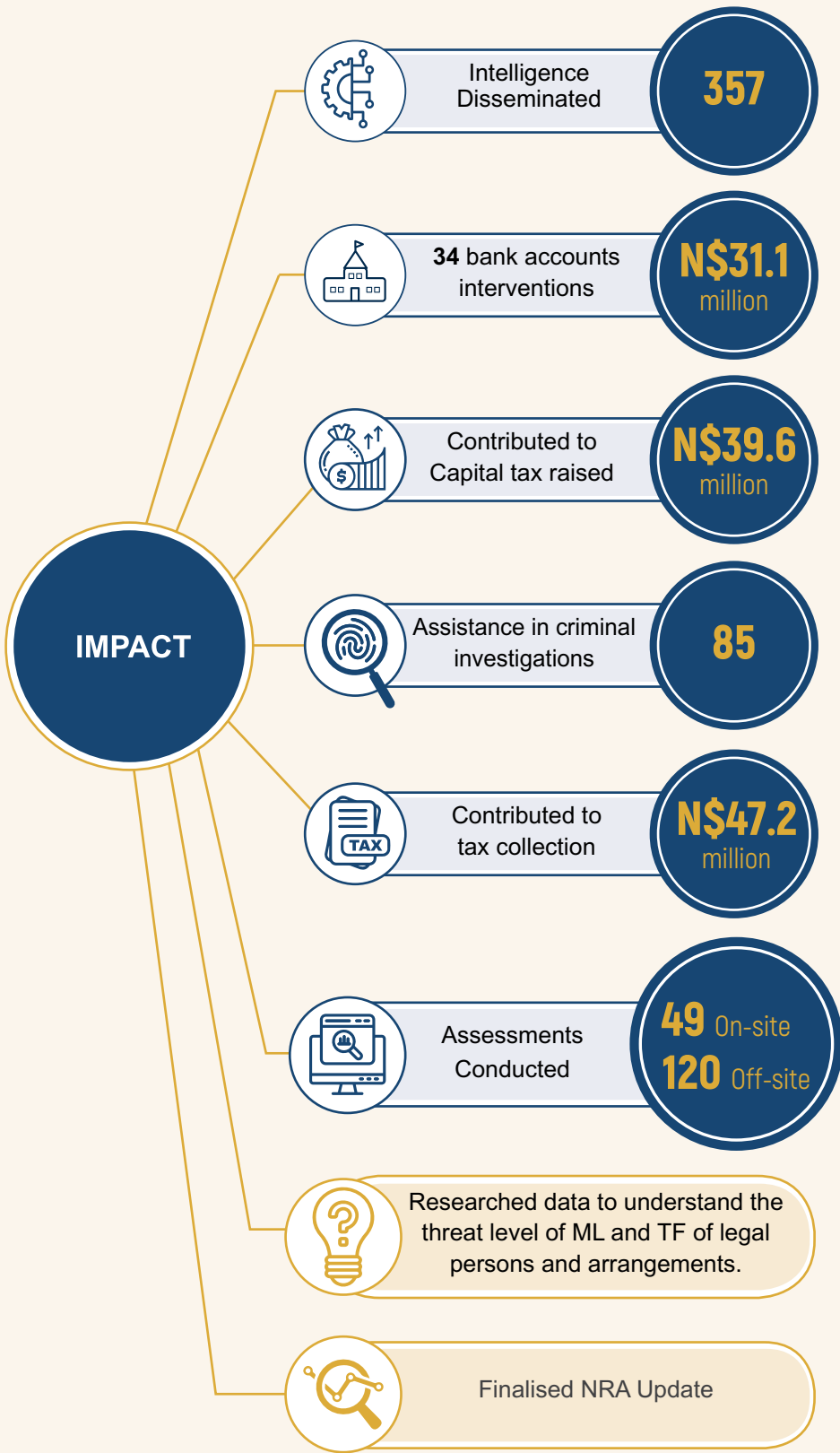


We produce strategic analysis reports to develop knowledge and shape the work of LEAs and the entities we regulate.



We ensure that the FIA is understood through guidance notes and directives, awareness, outreach and various other stakeholder engagements.

Key Highlights of the Year



New Registrations

**730** Entities  
**29** Stakeholders

Awareness efforts

- » Developed Online training portal on FIA obligations.
- » 35 LEA Trainings/ Awareness

Digital Transformation

- » Introduced the Prioritisation Model for Suspicious Reports
- » Implemented the Automated Supervision Tool
- » Introduced the robot: UNSC Bot.

Mutual Evaluation Activities

- » Coordinated amendments to 9 laws and promulgation 4 new laws
- » Facilitate remediation of 59 out of 72 Mutual Evaluation Action Items
- » 40 Stakeholder engagements

Recognizing Our Colleague



We are excited and proud to celebrate our  
**Ms Zenobia Barry**  
who made it as one of the finalist nominees for the Financial Crime Fighter of the Year 2023.

The Global Coalition to Fight Financial Crime awards this prestigious title to organisations or individuals who have provided exceptional leadership in the following capacities:

- The prevention or detection of financial crime
- Financial crime harm reduction or collaboration and or innovation in the public, private or civil society sectors.



02

## Messages from our Leaders

### Board Chairperson



Adv. Charmaine Van Der Westhuizen

**A**s the Chairperson of the inaugural Board of Directors of the FIC it is a with a feeling of gratitude and great enthusiasm that the 2023/24 Annual Report is tabled. The Annual Report is prepared in line with the FIA and contains the key achievements of the FIC for the 2023/2024 Financial Year.

In an era marked by unprecedented challenges and evolving threats to financial stability, the role of the FIC has never been more crucial. As the frontline defence against money laundering, terrorism financing, and other financial crimes, we stand as guardians of integrity, ensuring that our financial systems remain robust, transparent, and accountable. This past year has been a testament to the collective dedication, resilience, and unwavering commitment to the vital mission of safeguarding our financial systems from illicit activities.

The FIC is responsible for implementing the national AML/CTF/CPF framework in Namibia and by doing so, the FIC coordinates and cooperates with various national offices, ministries and agencies as well as the private sector. In addition, the FIC coordinates and cooperates with regional bodies such as the ESAAMLG and international institutions such as the FATF and the global FIU affiliation body, Egmont. As such, the FIC focused strongly on national

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As we chart the course for the future, I am confident that our collective determination and firm commitment to excellence will enable us to overcome any challenge and achieve even greater success.

cooperation of the Mutual Evaluation process, particularly on the activities for the post-observation period of the Mutual Evaluation. In this regard, the FIC has achieved remarkable successes, leveraging technologies and strategic partnerships to enhance capabilities. Through rigorous analysis, innovative methodologies, and proactive collaboration, the FIC has made significant strides towards safeguarding the integrity of our financial systems and protecting the interests of our stakeholders.



In respect of historic arrangements, the FIC's strategic focus areas are included as part of the Bank of Namibia's (BoN) Strategic Plan; the latest inclusion represents the period 2022-2024. In this regard, the FIC mainly contributed to the strategic objective of 'maintaining a stable and inclusive financial system' under the Purpose Pillar of the BoN's Strategic Plan. This position has recently changed due to statutory reform to ensure operational autonomy of the FIC.

In contributing to the BoN's Strategic Plan, it is notable to highlight that the FIC achieved an 85% positive execution rate and thus ensured that the risk to money laundering, terrorism financing and proliferation financing was adequately mitigated. In executing its mandate, the FIC successfully contributed to financial stability and, importantly, the integrity of the formal financial sector. The FIC has also actively engaged various stakeholders to strengthen inter-institutional relationships and to create awareness on the AML/CTF/CPF regime in Namibia. As a result of the diligent execution of its strategy, the FIC has demonstrated our ability as a country to deal with the scourge of economic crimes. It remains a top priority for the FIC to collaborate with the ACC, NamPol, NamRA, OPG, and other public and private sector institutions to root out economic crimes where it rears its ugly head.

During the review period, the FIC coordinated the development and amendment of various laws, these include amongst others the amendment of the POCA and the FIA. The amendment of the FIA significantly enhances the operational independence and autonomy of the FIC, enabling it to administer the Act without fear, favour, or prejudice. In addition, the FIA now provides for the establishment of the Board of the FIC. This development is new and it underscores the independence of the FIC. To this end, the inaugural Board of Directors was appointed on 15 March 2024. The FIA maintained and expanded the Council in addition to the Board; however, the FIA clearly distinguishes the functions of these two bodies. The Board is responsible for advising the FIC in its functions that relate to financial management, the annual budget, human resources management, and the appointment of the Director. The Council remains the AML/CTF/CPF policy advisor to the government.

For these highlighted milestones achieved by the FIC in the execution of its mandate over the past year, I extend my deepest appreciation to our exceptional team under the leadership of the Director. The team's tireless effort and unwavering dedication have been the driving force behind these recent accomplishments.

Looking ahead regarding the new institutional arrangement of the FIC, our strategy will remain focused on innovation, collaboration and continuous improvement. We are committed to leveraging technologies and building capacity to enhance our detection capabilities and to stay ahead of evolving threats. Moreover, we will continue to strengthen our partnerships with regulatory authorities, law enforcement agencies, and international organisations to foster greater coordination and effectiveness in the combating of financial crime. The inaugural Board of Directors is tasked with the development and adoption of a fit-for-purpose strategic plan that will guide the FIC's operations for the next three to five years. This strategy will consider various aspects regarding development in the AML/CTF/CPF space, which will enable Namibia to proactively respond to the risk and threats of these crimes.

As we chart the course for the future, I am confident that our collective determination and firm commitment to excellence will enable us to overcome any challenge and achieve even greater success. Together, we will continue to uphold the highest standards of integrity, professionalism and accountability to ensure that the FIC remains a beacon of excellence in the domestic, regional and global fight against financial crime.

In conclusion, I extend my heartfelt appreciation to our valued stakeholders, partners and colleagues for their support and collaboration. Together, let us continue to strive for excellence and to make a lasting impact by safeguarding the integrity of our financial systems and protecting the interests of society at large.



**Adv. Charmaine van der Westhuizen**  
Chairperson: The Board

## Council Chairperson's Remarks



**Johannes !Gawaxab**

**Over the last three decades, the fight against financial crime has witnessed remarkable developments; however, the threat has not faded away and criminal networks remain a risk to our economies. To stay ahead, we have to share the responsibility of building next-generation national institutions that continuously adapt to today's and tomorrow's challenges, while fully embracing digital and environmental transitions and strengthening cross-border collaboration to build a robust National AML/CFT/CPF Framework. This ongoing commitment is crucial as we acknowledge the challenges and the need for continuous improvement.**

With the above in mind, it is important to mention certain changes during 2023 that affect the National AML/CFT/CPF Policy Framework. With the amendment of FIA, the Council's role as the government's main policy advisor on AML/CFT/CPF matters has been solidified. The Financial Intelligence Amendment Act, 2023 (No. 6 of 2023) separates the FIC's governance and national policy advisory functions, leaving the formulation of the National AML/CFT/CPF Policy in the capable hands of the Council. The Financial Intelligence Amendment Act further established a Board to take over the FIC's governance functions,

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**We extend our appreciation to the FIC for the coordinating role it played during the observation period to ensure that Namibia presents the best possible results to the FATF ICRG Joint Group. Similarly, we commend all the national stakeholders that worked tirelessly to attain the aforementioned good results.**



which was appointed by the Minister of Finance and Public Enterprises on 15 March 2024.

It is equally important to announce that a new substantive Director, Mr Bryan Eiseb, was appointed for the FIC in terms of Section 11 of the FIA. Mr Eiseb took office on 1 January 2024. On behalf of the Council, I herewith wish Mr Eiseb success in his new role, and we have faith in his capabilities to take the FIC to new heights.

As we know, Namibia underwent her second peer review, which is more commonly known as the Mutual Evaluation (ME). The ME was aimed at assessing the country's compliance with international AML/CFT/CPF measures. During the ME, Namibia's technical compliance (i.e. the laws) and effectiveness (i.e. the implementation of these laws) were assessed. The MER was adopted by the ESAAMLG Council of Ministers on 2 September 2022 at Victoria Falls in Zambia.

Due to low effectiveness ratings and financial sector assets that exceeded USD5 billion, Namibia was placed under an enhanced follow-up by the Financial Action Task Force's (FATF) International Cooperation Review Group (ICRG). Namibia underwent a twelve-month observation period, which ended on 30 October 2023.

During this period, Namibia made significant progress by enacting four new laws and amending nine existing laws in order to address technical compliance deficiencies. At the same time as the amendments of these laws, a project team comprising all national AML/CFT/CPF stakeholders was established to ensure progress regarding the effective implementation of the legal framework, considering Namibia's 72 action items that needed addressing in terms of effectiveness.

At the end of the observation period, a Post-observation Progress Report was submitted to the FATF ICRG Africa/Middle East Joint Group. The report highlighted the positive and tangible progress made in respect of the 72 key recommended actions contained in the MER. The FATF ICRG Joint Group found that Namibia had achieved technical compliance with the promulgation and amendment of the laws, and that the country had achieved positive and tangible progress for 59 of the 72 key recommended actions, with only 13 remaining action items. This significant progress is a testament to our collective efforts and commitment.

However, due to the remaining 13 action items that were not adequately addressed, the FATF placed Namibia on the list of jurisdictions under enhanced monitoring by the FATF (also known as the greylist) on 23 February 2024. The FATF provided Namibia with an agreed Action Plan, which is required to be completed within 24 months from the date of the grey listing. The Namibian government has accorded the highest level of political commitment to the Action Plan and has resolved to address it within the shortest possible time. This requires that all institutions effectively prioritise, commit to and collaborate with the FIC as the coordinating agency in order to address the strategic deficiencies highlighted in the FATF Action Plan.

During these 24 months, Namibia is required to report its progress at set intervals as indicated in the Action Plan. The first progress report will be submitted in October 2024. For the purpose of tracking the progress made, the National Focal Committee is required to report to the Joint Cabinet Committees on Treasury (CCT) and Trade and Economic Development (CCTED) on a bi-monthly basis after reporting to the AML/CFTP Council.

As a country, we acknowledge the urgent measures that must be taken to address the weaknesses in our AML/CFT/CPF Framework, and we acknowledge the need to strengthen law and order to safeguard the integrity of our financial system. The steps being taken do not only address the FATF Action Plan, they also form part of the country's broader strategy to fight against financial and other crimes that weaken the social fibre of our great nation. The strategic collaboration of all the role players throughout the government will help us to exit the grey listing in a timeous manner.

We extend our appreciation to the FIC for the coordinating role it has played during the observation period to ensure Namibia presents the best possible results to the FATF ICRG Joint Group. In addition, we commend all the national stakeholders who have worked tirelessly to attain the aforementioned good results. We wish you all the best in your endeavours to ensure that Namibia exits the greylist as soon as reasonably possible



**Johannes !Gawaxab**  
Chairperson: The Council

## FIC: Director



**Bryan Eiseb**

**It is with a great sense of appreciation and delight that we present the FIA's 2023/2024 Annual Report. This report is the FIC's premier publication that serves to inform the public and its readers about the FIC's overall strategic and operational performance.**

The primary function of the FIC is to combat money laundering, terrorist financing and proliferation financing. In addition, it serves as the national coordinating body for AML/CTF/CPF matters, and, in doing so, it cooperates with regional and international institutions. During 2023, despite having to fulfil its statutory obligations, the FIC was largely occupied with the coordination of the post-2022 Mutual Evaluation activities. In this regard, a key policy development resulted in the amendment of the FIA. The Act now entrenches the operational independence and autonomy of the FIC. The amendment of the FIA also provides for the establishment of the Board of Directors but maintains the Anti-money Laundering Advisory Council. The functions of the Board and the Council are distinct: the Board is vested with the administrative and governance oversight of the FIC, and the Council retains its AML/CTF/CPF policy advisory mandate. The membership of the Council has been expanded to include other offices, ministries and agencies to enable a wider reach regarding

**We want to thank all our stakeholders for their dedication and commitment to ensuring that our National AML/CTF/CPF regime is proactively responsive, thereby serving as a disincentive from the perceived benefits of financial crimes.**

policy consultation. The FIC strategically executes its mandate through the supervision, monitoring and enforcement of compliance with regard to the entities it regulates. Furthermore, the FIC conducts financial intelligence analyses and supports law enforcement agencies with the investigation of complex financial crimes.

In relation to its supervisory, monitoring and compliance powers, the FIC follows a risk-based approach that is premised on prioritising supervisory interventions in areas where higher risk exposure to ML, TF and PF is observed. In this report, we cover the second year of the FIC's three-year supervision plan, which requires the FIC to execute compliance assessments of and to provide training and outreach activities for high- and medium-risk entities. Overall, the FIC noted an enhanced compliance behaviour in over 70% of the entities that underwent or were engaged in compliance assessments. Those entities that could not satisfactorily demonstrate effective AML/CTF/CPF risk management were guided in the implementation of remedial measures. Those entities that could not demonstrate improvement in their risk management practices were referred for administrative enforcement.

In addition to the AML/CTF/CPF supervisory and compliance function, the FIC, through its Financial Intelligence and Analysis Division, receives suspicious transaction reports and suspicious activity reports from various sources. The FIC focuses its analysis on high-risk reports, which are shared with LEAs for investigation. Much of the intelligence we share with the LEAs indicates offences such as money laundering, tax-related offenses, corruption, fraud and dealing in illicit drugs. The FIC issues freezing orders for bank accounts that have been identified as being abused for ML/TF/PF purposes, which serves as a proactive tool to prevent the dissipation of money emanating from the proceeds of crime and to discourage the use of our financial system to launder money.

To streamline the coordination and cooperation between the FIC and LEAs, the FIC established the Law Enforcement and Prosecutorial Support Division, which is responsible for ensuring the use and integration of intelligence. The Division assists these institutions with parallel financial investigations, prosecutions and other related matters. To achieve this objective, the Division contributes to the setting up of multi-agency specialised teams that focus on complex financial crimes. These specialised teams are known as Integrated Investigative Task Teams.

To ensure compliance with the provisions of the Financial Intelligence Act, the FIC, through its Legal and Enforcement Division, is responsible for executing the administrative enforcement powers of the FIC and for providing legal advice to the FIC.

It is noteworthy to report that during our second Mutual Evaluation in 2023, we coordinated the amendments of nine laws and the promulgation of four new laws. In addition, we spearheaded the remediation of 72 key recommended actions identified in the MER. Namibia submitted a Post- observation Report to the FATF ICRG and ESAAMLG Joint Reporting Group. It was reported that Namibia has addressed 59 of the 72 key recommended action items. However, despite this significant progress, 13 recommended action items were not sufficiently addressed; as a result, the FATF placed Namibia on the list of countries under enhanced monitoring, commonly known as the greylist.

Apart from our preoccupation with coordinating the Mutual Evaluation activities, we continued to build internal capacity by participating in our regional obligations and training staff members with the required expertise. In addition, through embracing the ever-evolving technological landscape we have acquired various technologies to assist with the execution of our mandate. Furthermore, we maintained excellent stakeholder relations and implemented high ethical standards in our governance framework, financial management, and information management.

Looking ahead regarding the new amendments of the FIC and the elevation of our fight against money laundering and other economic crimes, we will now embark on the formulation of our own corporate strategy that will include a comprehensive assessment of the fast, risky and rapidly evolving environment in which crime operates.

I would like to thank Ms Leonie Dunn, the former and founding Director of the FIC, for her great contribution towards ensuring and maintaining the integrity of the financial system. Her contribution over the years is commendable and speaks of her dedication to our nation.

We thank all our stakeholders for their dedication and commitment to ensuring that our national AML/CTF/CPF regime is proactively responsive, thereby serving as a disincentive of the perceived benefits of financial crimes.



**Bryan Eiseb**  
Director

## Statement of Accountability

**To the best of my knowledge and belief, I confirm the following:**

**All information and amounts disclosed in this Annual Report are consistent with the Annual Financial Statements audited by the FIC's external Auditors. This Annual Report is complete, accurate and free from any material omissions.**

The Annual Financial Statements have been prepared in accordance with the applicable standards.

The FIC, with the administrative support provided by the Bank of Namibia as per the Financial Intelligence Act, is responsible for the preparation of the financial statements and for the judgements made in this regard.

The FIC is responsible for establishing and implementing a system of internal control to provide

reasonable assurance regarding the integrity and reliability of the Annual Performance Information, Human Resources Information, and the Annual Financial Statements.

The external auditors were engaged to express an independent opinion on the Annual Financial Statements.

This Annual Report adequately and fairly reflects the operations, performance, human resources management, and financial management of the FIC for the financial year ending 31 March 2024.



**Bryan Eiseb**  
Director





## Tribute to the Founding Director



Leonie Dunn

**It is our special honour for the FIC to pay tribute to its founding Director, Ms Leonie Dunn, who led the FIC from its infancy to a regionally and globally recognised financial intelligence unit.**

Ms. Dunn, started as the Director of the FIC in 2006 after she was recruited by the Bank of Namibia for this purpose, while serving at NAMFISA as a legal advisor. At the time the FIC operated under the auspices of the Bank of Namibia.

Between 2006 and 2009 Ms Dunn spearheaded the establishment of the FIC through the appointment of staff and setting up mechanisms and systems to operationalize the FIC.

Her appointment as Director of the FIC made her the first female to occupy such a position on the African continent and one of only ten women in the world who at that time, held such a position.

Ms Dunn held, the position of FIC Director until 1 January 2022, when she was appointed as a Deputy Governor at the Bank of Namibia.

Under her leadership, the FIC evolved into an independent entity established by statute. In this position Ms. Dunn, amongst others, led the Namibian delegation to ESAAMLG, which is the regional AML/CFT watchdog.

She led Namibia through its first FATF Mutual Evaluation 2012 and ensured that Namibia's legal framework is aligned with the 40 FATF Recommendations. This was done by the promulgations of the FIA and the PACOTPAA.

Another significant achievement under her leadership was the admission of Namibia to the Egmont Group of FIUs. Apart from these achievements, Ms Dunn remains committed to the AML/CTF/CPF efforts in Namibia.

We thank Ms Dunn for her valuable contribution to the FIC's growth and we wish her success in her new position.





# Anti-money laundering and counter-terrorist financing measures Namibia

## Mutual Evaluation Report

September 2022

03

## Mutual Evaluation Update

### The Mutual Evaluation Journey

**Our country's mutual evaluation process began in August 2020 and the main purpose was to evaluate whether our laws comply with the FATF international standards on ML/TF/PF. The assessment also aimed to determine the effectiveness of our laws in combating ML/TF/PF. In October 2022, Namibia was placed under a 12-month Observation Period following the adoption of our Mutual Evaluation Report in September 2022.**

Since the adoption of the Mutual Evaluation Report, the AML/CFT/CPF combatting stakeholders worked diligently to address 72 recommended actions items in the MER. Hence, the end of July 2023, Namibia promulgated 4 new laws, and the amended 9 existing laws to address legal gaps identified in the MER.

Furthermore, after the Observation period ended on 30 October 2023, Namibia submitted a Post Observation Period Report to the ICRG Joint Group, which was considered in Abu Dhabi during January 2024. The Post Observation Report was further submitted to the FATF ICRG Africa/Middle East Joint Group to determine whether Namibia has made positive and tangible progress in respect of the 72 key recommended actions contained in the Mutual Evaluation Report. The FATF ICRG Africa/Middle East Joint Group found that Namibia achieved Technical Compliance with the promulgation and amendment

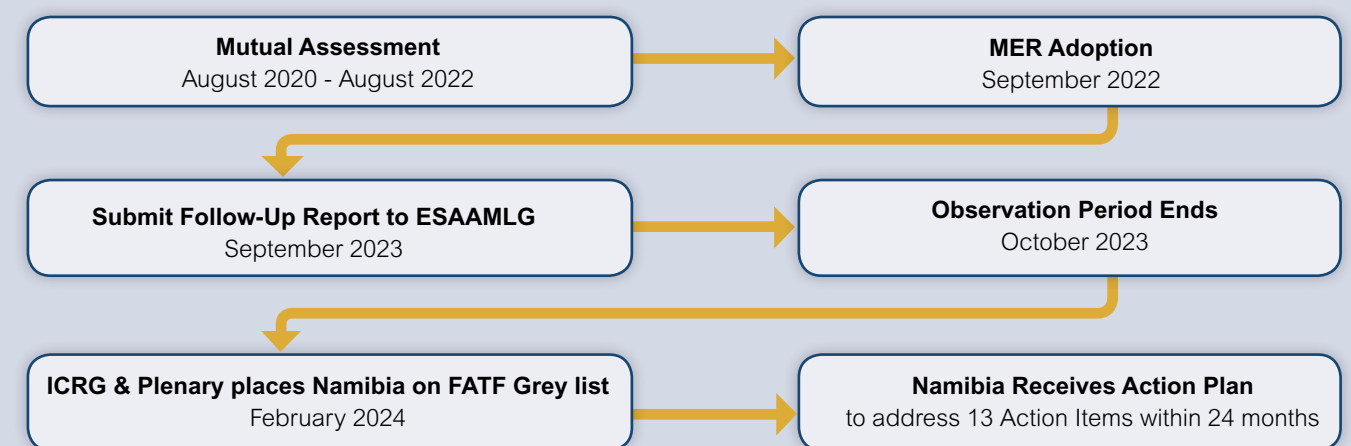
of the laws and achieved positive and tangible progress in 59 out of the 72 key recommended actions. Resultantly, only 13 action key recommended action items remained.

Following this process, on 23 February 2024 Namibia was placed on the jurisdictions under enhanced monitoring (Grey list) by the FATF. Consequently, the FATF issued an Action Plan on the remaining 13 action items which must be completed within the timelines set out in the Action Plan. This means that Namibia must report progress at set intervals during the 24-month period, with the first progress report expected to be ready by October 2024.

To track progress, the FIC has begun engagements with AML/CFT/CPF combatting stakeholders operating as the National Focal Committee to execute the FATF Action Plan. In turn, the National Focal Committee reports to the Joint Cabinet Committees on Treasury and Trade and Economic Development on a bi-monthly basis, after having reported to the AML/CFTP Council.

Namibia remains committed to addressing the action items within the stipulated time-period. This comprehensive approach aims to coordinate efforts to strengthen Namibia's AML/CFT/CPF regime and restore international confidence in its financial system.

#### The journey of Namibia's Mutual Evaluation process





## Understanding the FATF Grey List: What You Need to Know

The FATF grey list refers to the FATF's practice of placing jurisdictions under increased monitoring. FATF maintains two distinct lists pertaining to ML, TF, and PF deficiencies, namely:

jurisdictions under “increased monitoring” that are actively working with the FATF to address strategic deficiencies in their regimes. Under increased monitoring, the jurisdictions commit to swiftly resolve the identified strategic deficiencies in their regime to counter ML, TF, and PF within agreed timeframes by actively working with the FATF. Further, the FATF does not call for the application of enhanced due diligence measures to be applied to these jurisdictions. Instead, the FATF calls for the application of a risk-

based approach by encouraging its members and all jurisdictions to take into account the jurisdiction's information on enhanced monitoring in their risk analysis. Namibia is on this list; and “high-risk jurisdictions subject to a call for action” that are not actively engaging with the FATF to address their strategic deficiencies. Countries that do not demonstrate effective progress on the list of increased monitoring are also escalated to this list, the so-called blacklist. The FATF normally calls for action against such countries which has the same effect as sanctions being imposed.

The FATF grey list has tangible consequences for a jurisdiction's economy and financial system, which includes, amongst others, restrictions on cross-border transactions, which may negatively impact a jurisdiction's ability to obtain credit, and further places limitations on inward foreign investment.







# 04

## Governance

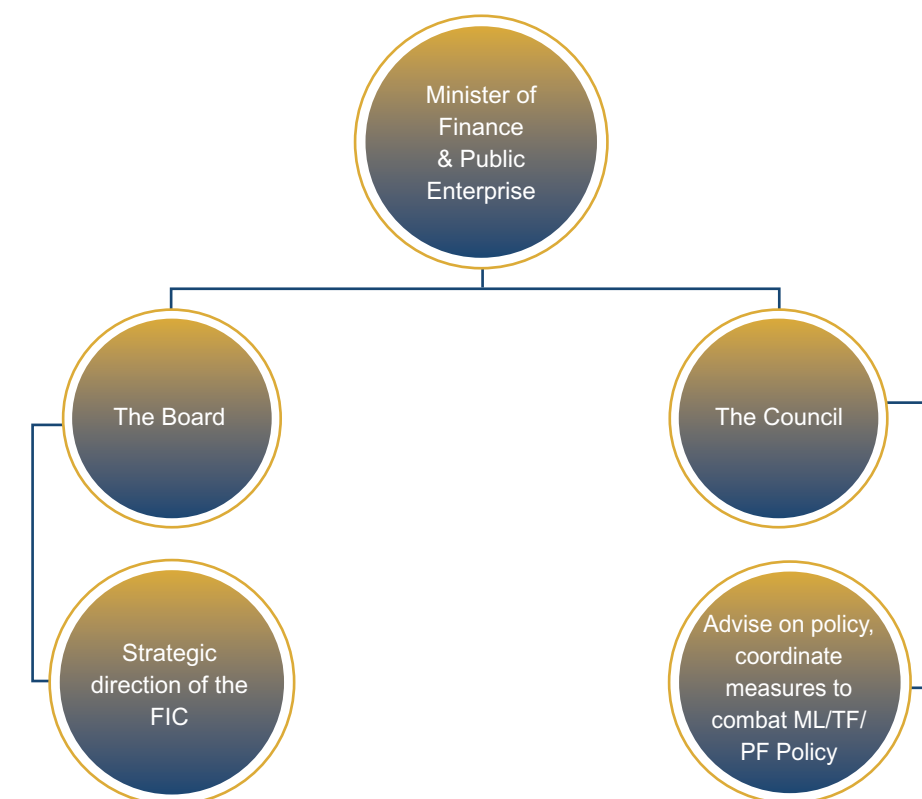
## Governance

To enhance the operational autonomy of the FIC, the FIA was amended to address the gaps identified in the MER by providing for: -

- the operational independence and autonomy of the FIC;
- the establishment of the Board of the FIC;
- the inclusion of certain persons as members of the Council.

The Council is tasked with AML/CTF/CPF policy development and providing advice to the Government of the Republic of Namibia. The FIC Board is responsible for the administrative oversight of the FIC. Figure 2 presents the current governance structure of the FIC.

**Figure 1: Governance Structure of the FIC**



### Role of the Bank of Namibia

The Bank of Namibia provides administrative support to the FIC in respect of remuneration and other payments, performance management, and financial accounting services; however, the FIC's financials are separately audited by external auditors.

## Meet Our Board Members



### Chairperson

**Adv. Charmaine van der Westhuizen** is a highly experienced legal practitioner with over 19 years of experience in various legal fields. Adv. Van der Westhuizen has obtained an LLB degree and an MBA (cum laude) from the University of Stellenbosch. From June 2007 to June 2020, she served as a member of the Society of Advocates of Namibia and currently practices as an independent counsel. Adv. Van der Westhuizen has served on the Boards of the Bank of Namibia and Agra Ltd. Her extensive experience includes corporate governance, risk management, compliance, strategic intervention, and corporate social responsibility.



### Board Member

**Mrs Hilya Herman** holds an LLB degree from the Rhodes University; an LLM degree from the University of the Witwatersrand, specialising in company law, mergers and acquisitions, banking and securities; and a specialised Master of Philosophy in Development Finance from the Stellenbosch University Business School. Mrs Herman is an admitted legal practitioner with over 15 years of experience, specialising in financial services. Her specific expertise includes AML/CFT/CPF and legal and statutory compliance. She is currently employed as the Legal Director at Namibia Breweries Ltd.



### Board Member

**Ms Hannelie Eksteen** has a BCom Law degree from the University of South Africa, an Honours degree in Business Management and Administration, and an MBA from the University of Stellenbosch Business School. Ms Eksteen has 30 years of experience in the financial sector, mainly in banking, and has worked in Botswana, Zambia and Namibia. Currently, she is a Senior Consultant at the Namibia Institute of Public Administration and Management, where she provides training and consultancy services in strategic management, performance management, and business process management. Ms Eksteen's expertise in legal, compliance, and governance makes her an asset to the Board.



### Board Member

**Mr Pendukeni Filippus** has a BCom degree from the University of Namibia, a BCom Honours degree from the University of Cape Town, and a Master of Philosophy in Internal Auditing from the University of Pretoria. Mr Filippus is a certified Internal Auditor and a registered member of the Institute of Internal Auditors and the Information Systems Audit and Control Association. Mr Filippus has 19 years of professional experience, of which 14 years were spent in the internal audit and risk management field, and five years in finance and administration of a non-governmental organisation. Mr Filippus has a good understanding of governance, risk management, and compliance frameworks, and is currently serving as the Chief Internal Auditor at the University of Namibia.

## Council Membership

Following the amendment to the FIA on 23 July 2023, the composition of the Council was expanded to include the Executive Director of the Ministry International Relations and Cooperation, the Commissioner of the Namibia Revenue Agency, the Chief Executive Officer of the Business and Intellectual Property Authority and the Master of the High Court.



The Council held two meetings during the review period. The following table presents the attendance record of the two meetings held on 26 April 2023 and 9 August 2023.

Table 1: Council Meetings: Attendance Record

Council Member	Institution	26 April 2023	09 August 2023
Mr J. !Gawaxab (Chairperson)	Governor: BON	✓	✓
Mr P. Noa (Deputy Chairperson)	Director-General: ACC	✓	✓
Adv. O. Imalwa	Prosecutor-General: OPG	✓	✓
Lt. General Shikongo	Inspector-General: NamPol	×	×
Mr E. Maritz	Executive Director: Ministry of MoHAISS	✓	×
Mr E. Tjipuka	Chairperson: Banker's Association of Namibia	×	✓
Ms G. Pickering	Executive Director: Ministry of Justice	✓	✓
Mr J. Kandjeke	Auditor General: PAAB	✓	✓
Mr J. Kaupitua	Director: NCIS	✓	✓
Mr K. Matomola	Chief Executive Officer: NAMFISA	×	✓
Mr S. Haihambo	Executive Director: Ministry of ITSMED	×	✓
Mr S. SHIVUTE	Commissioner General: Namibia Revenue Agency	-	✓
Mr T. Ndove	Executive Director: Ministry of Finance and Public Enterprises	×	✓
Ms B. Hans	Chairperson: Banker's Association of Namibia	×	-
Ms E. Angula	Law Society of Namibia	✓	✓
Ms G Erasmus	The Master of the High	-	×
Mr P Naanda	Executive Director of the Ministry of International Relations and Cooperation	-	×
Ms V. Katjuongua	BIPA	-	×
Mr C. Dempsey	Chairperson: Banker's Association of Namibia	-	-

Note:

Mr E. Tjipuka joined in May 2023 and resigned in September 2023

Ms B. Hans term concluded in May 2023

Ms E. Angula resigned in September 2023

Mr C. Dempsey joined in September 2023

✓ = attended; × = apology; - = not a member

Meet Our Senior Management

Mr Bryan Eiseb: Director



Mr Bryan Eiseb has been appointed as the new Director of the FIC, effective from 1 January 2024. Mr Eiseb is the second director of the FIC since its establishment in 2007.

Mr Eiseb's extensive experience in law enforcement, his comprehensive network within the criminal justice system, and his past role as the Director of Exchange Control and Legal Services at the Bank of Namibia make him the perfect candidate to lead Namibia's financial intelligence unit.

Mr Eiseb holds an LLM (Corporate Law) from UNISA, an LLB (Hons), a B. Juris from UNAM, a National Diploma in Police Science from the Polytechnic of Namibia, as well as various executive development certifications. Mr Eiseb is an admitted Legal Practitioner of the High Court of the Republic of Namibia.

Ms Melintha Fleermuys: Deputy Director: Financial Intelligence and Analysis Division



Ms Melintha Fleermuys has been a part of the FIC since 2010. Since 1 September 2023, Ms Fleermuys has been serving as the Deputy Director in the Financial Intelligence and Analysis Division. Prior to joining the FIC, she worked as an Assistant Financial Accountant at the Bank of Namibia. With over 13 years of experience in AML/CFT/CPF, Ms Fleermuys is a trained assessor on AML/CFT and has played a crucial role in asset recovery and the prevention of financial crime.

Ms Fleermuys holds a Master of Science degree in Forensic Accounting, a Certificate in Forensic Accounting, and a Bachelor of Accounting degree. Ms Fleermuys is a certified Anti-money Laundering Specialist and a certified Financial Crime Specialist, and has completed the Senior Management Development Programme.

Mr Kristian Hamutenya: Deputy Director: Monitoring, Supervision and Strategic Analysis Division



Mr Kristian Hamutenya worked in the public and private sectors, primarily in Financial Management and Auditing, before joining the FIC in 2012. Mr Hamutenya has spent the greater part of the last 12 years in the FIC's Compliance Monitoring, Supervision and Strategic Analysis Division and has served as the Deputy Director of the Division since November 2016.

Mr Hamutenya holds a Master's in Philosophy of Internal Auditing, a Bachelor's in Law, and a Bachelor's in Forensic Investigations. Mr Hamutenya is a certified Internal Auditor and a Candidate Legal Practitioner with the Justice Training Centre.



## Meet Our Senior Management



**Mr Gerrit C Eiman:** Deputy Director: Law Enforcement Agency & Prosecutorial Support Division

Mr Gerrit Eiman is a highly qualified law enforcement expert with over 30 years of experience in various law enforcement disciplines. Since 1 September 2023, Mr Eiman has served as the Deputy Director of the Law Enforcement Agency and Prosecutorial Support Division. Prior to this role, he worked as a Senior Financial Intelligence Analyst and the Deputy Director of the Financial Investigations and Analysis Division. Overall, Mr Eiman has been part of the FIC team for more than 15 years.

Mr Eiman holds a B Juris and an LLB degree, is an admitted legal practitioner of the High Court of Namibia, and has completed various training programmes and workshops, including the Senior Management Development Programme.



**Ms Zenobia Barry:** Deputy Director: Legal, Policy & Enforcement

Ms Zenobia Barry has 29 years of experience in the legal field, which includes serving as a Public Prosecutor and a Lecturer in Law at the Vista University in South Africa between 1994 and 1998. Ms Barry joined the FIC in April 2009 and is currently holding the position as Deputy Director of the Legal, Policy and Enforcement Division.

Before joining the FIC, Ms Barry held the position of Deputy Prosecutor-General, serving as a State Advocate in the Office of the Prosecutor-General for nine years.

Ms Barry represents the country and the FIC at various regional and international forums, most notably as the Chairperson of the ESAAMLG Review Group A for more than 10 years.

Ms Barry holds a BA (Law) degree and an LLB degree, is an admitted legal practitioner, and has been a qualified Anti-money Laundering and Terrorist Financing Assessor since 2014.

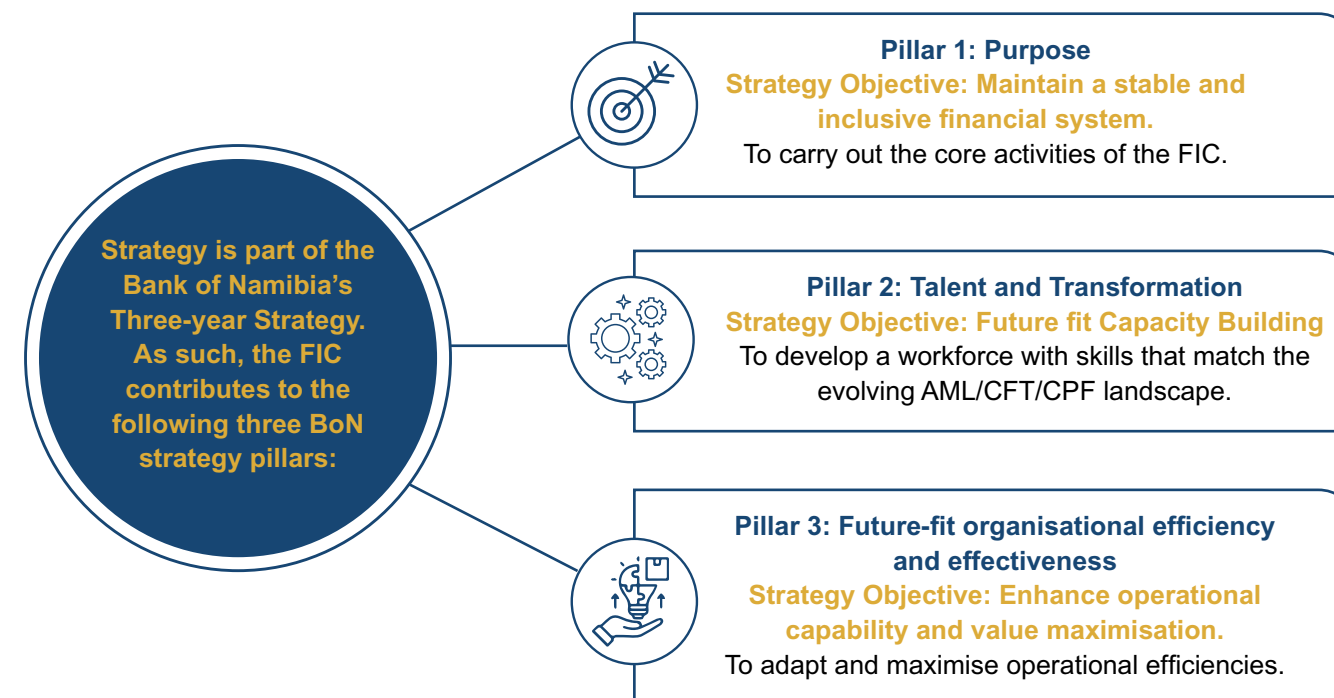




# 05

## Strategic Overview

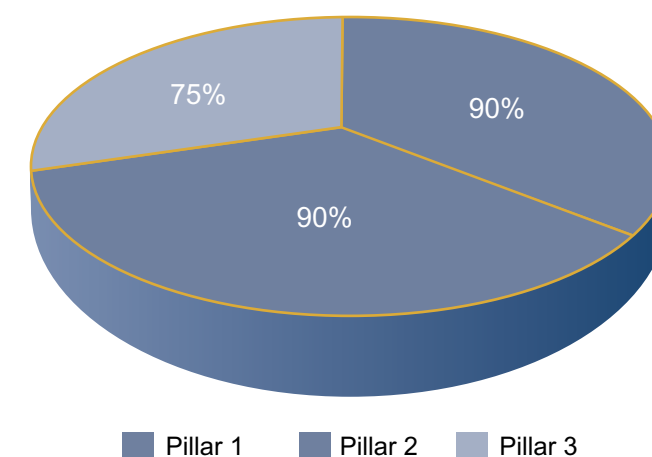
### Strategy Execution



The strategy execution for the year under review has been completed up to 85%. This is a significant achievement considering that we directed most of our efforts towards helping the country overcome the deficiencies highlighted in the MER report.



Strategy Execution





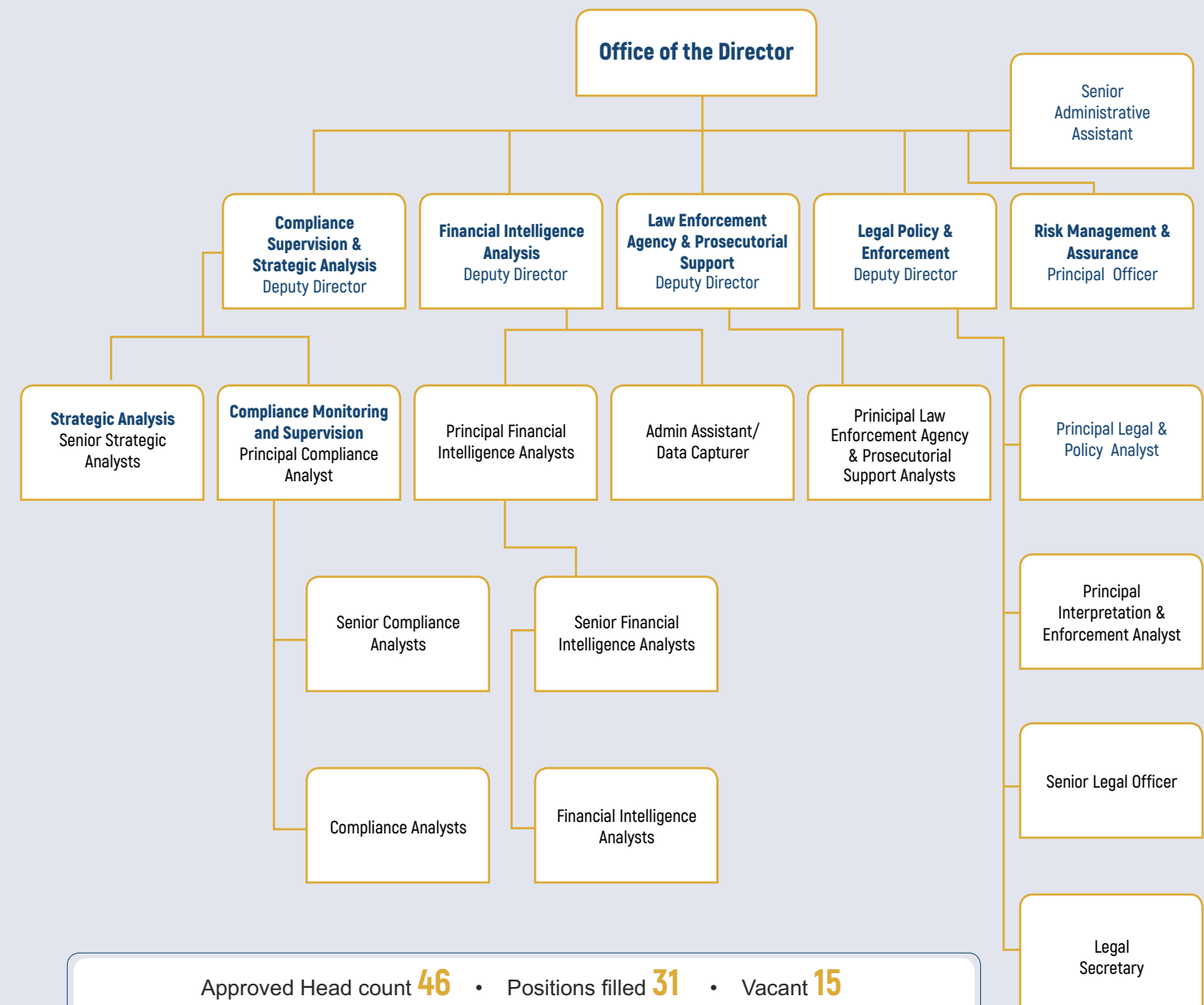


# 06

## Our operations

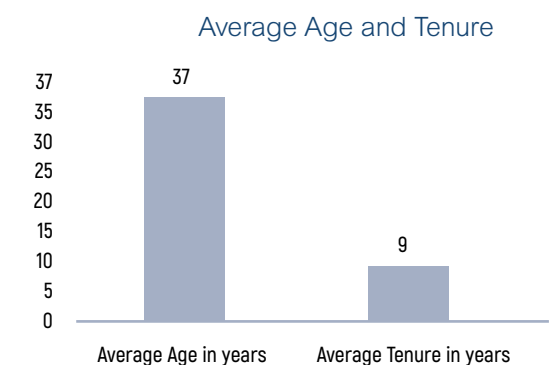
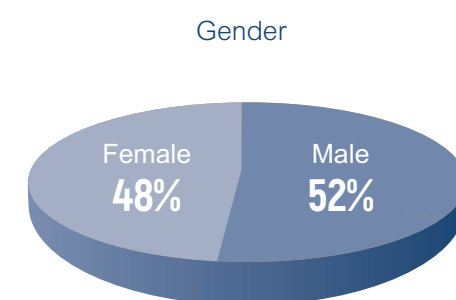
## Organisational Structure

The Office of the Director ensures that the FIC is strategically positioned to fulfil its mandate, through the various operational activities. These activities are categorised into 6 distinct yet interdependent functions. These are Financial Intelligence and Analysis, Law Enforcement Agency and Prosecutorial Support, Compliance Monitoring and and Strategic Analysis, Legal, Enforcement and Policies, and Risk Management and Assurance.

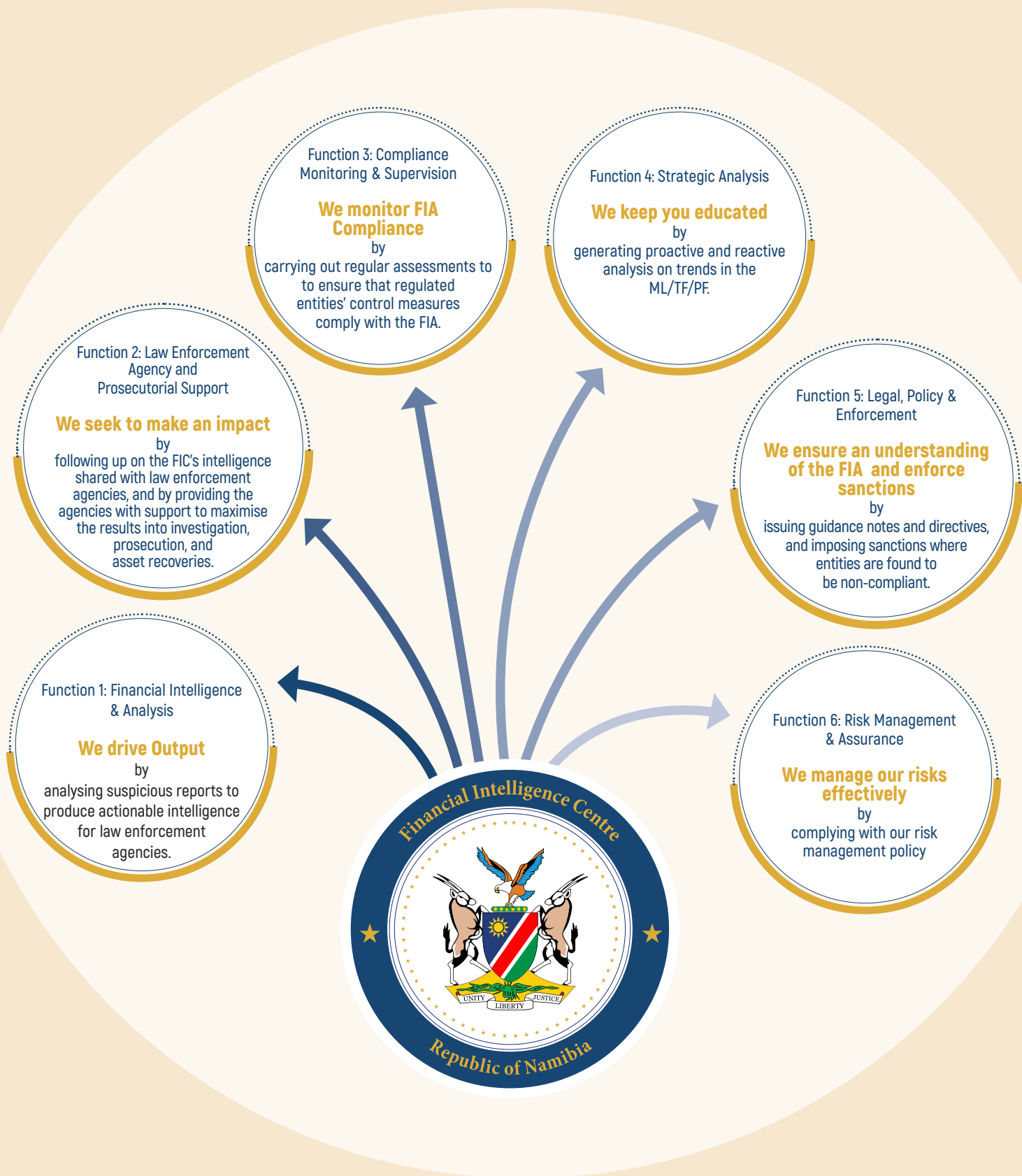


Approved Head count **46** • Positions filled **31** • Vacant **15**

### Our Demographics



# Understanding the interconnectedness of the FIC's functions



# Function 1: Financial Intelligence and Analysis

The FIC receives, collects and analyses information to identify insightful indicators of financial criminal activities. The FIC uses the information received from the entities we regulate as well as from other external databases to generate actionable intelligence. This intelligence is shared with relevant domestic LEAs to either integrate it into existing investigations or initiate new investigations. Where necessary, the FIC can share this intelligence with international counterparts, such as FIUs in other countries.

The intelligence shared by the FIC comprises ML, TF and PF, fraud, tax-related offences, illegal mining, illicit drug dealing and corruption, any other form of organised crime, and threats to Namibia's national security.

## Spontaneous Disclosures Trend Analysis

Wherever potential criminal activities are detected, the FIC produces financial intelligence reports and shares these reports with LEAs and/or other stakeholders without them being requested. These reports are known as spontaneous disclosures.

During the review period, the FIC produced 214 spontaneous disclosures, compared with the same number shared in 2023, which indicates a 0% increase.

**Table 2** indicates that 64% of the spontaneous disclosures presented possible non-compliance with tax obligations; as such, 137 reports were disseminated to NamRA. Disclosures for NamPol followed in second place, representing 14%.

The top five underlying predicate offences associated with spontaneous disclosures shared by the FIC include 1) tax-related offences, 2) corruption, 3) fraud, 4) illegal deposit taking/Ponzi schemes, and 5) dealing in drugs.

**Table 2: Total Spontaneous Disclosures per Competent Authority**

Competent Authority	2024	2023
ACC	7	4
NamRa	137	91
NamPol	31	50
OPG	18	19
Others (incl. NCIS)	19	48
Foreign FIUs	2	2
<b>Total</b>	<b>214</b>	<b>214</b>

**Potential prevalent predicated offences noted in Spontaneous Disclosures include: -**

- Tax-related offences
- Corruption
- Fraud
- Illegal deposit taking/Ponzi Schemes
- Drugs dealings

## Requests for Information: Received and Responses Issued

The FIC recognises the significance of promptly sharing information with stakeholders involved in combating ML/TF/TF. The FIC receives requests for information from domestic LEAs and foreign FIUs. During the review period, the FIC received a total of 245 information requests, and in return provided 175 responses or disclosures.

The number of requests for information received by the FIC increased from 175 in 2022/2023 to 245 in 2023/2024, indicating an increase of 40% (Table 3).



Requests for Information sent to Foreign FIUs.

Requests to foreign FIUs experienced a decrease of -50%. Fourteen requests were sent in 2022/2023, compared with seven in 2023/2024. Note that requests to foreign FIUs are determined by the factors of each particular case.

Table 3: Requests Received and Responses issued

	Requests Received		Responses issued	
	2024	2023	2024	2023
Domestic	237	172	138	139
Foreign FIU	8	3	5	3
Total	245	175	143	142

Table 4: Requests for Information sent to Foreign FIUs

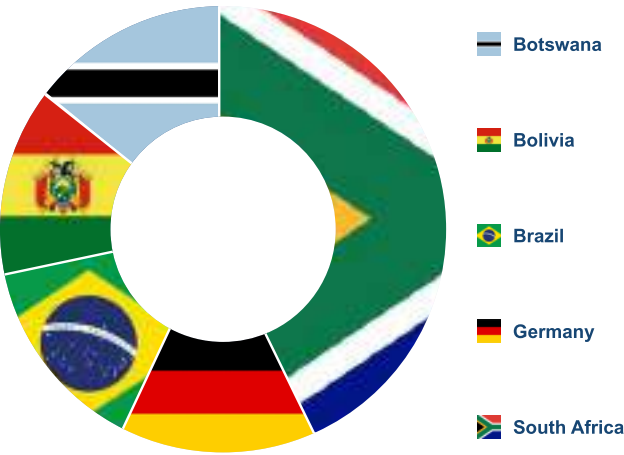
	2024	2023
Requests to foreign FIUs	7	14

Tables 3 and 4 show an encouraging exchange of information between the FIC and LEAs. The FIC recognises that the successful combating of ML, TF and PF requires coordination and cooperation within the AML/CFT framework, which involves interactive engagements among all the key players.

The top five underlying predicate offences in respect of the responses to the received requests for information include:

- Fraud
- Illegal mining
- Tax-related offences
- Dealing in drugs
- Corruption

International Exchanges: Top Five Countries



Freezing of Accounts

The FIA empowers the FIC to direct banks or any other entity to freeze any account that is suspected of holding the proceeds of crime. The freezing period is allowed for a maximum of 18 working days. This period enables the FIC to carry out the relevant enquiries regarding the suspicious transaction(s) and, when necessary, it provides the FIC with the time to inform and advise the relevant LEA or other competent authority with regard to taking further action in order to secure the funds.

During the review period, the FIC directed four banks and one asset management entity to freeze 28 bank accounts with a cumulative value of N\$33.1 million, compared with 25 restrictions valued at N\$15.4 million recorded for the previous year, which indicates a 105% increase in 2023/2024 (Table 5). This underpins the successful cooperation and coordination mechanisms between the FIC and the LEAs.

Table 5: Freezing Orders Issued

	2024	2023
Number of Freezing Orders	27	25
Estimated Value (N\$ millions)	33.1	15.4
Number of Bank accounts Involved	48	62

Function 2: Law Enforcement Agency and Prosecutorial Support

The Law Enforcement Agency and Prosecutorial Support Division is responsible for speeding up the use and integration of the FIC’s intelligence. The main goal is to enhance parallel financial investigations between the FIC, LEAs and other competent authorities, main goal is to enhance parallel financial investigations and prosecution of criminals, seizure, preservation, confiscation, and recovery of ill-gotten assets, the forfeiture of the proceeds of crime and convictions.

Division contributes to the setting up of multi-agency specialised teams that focus on complex financial crimes, money laundering, and terrorist financing. These specialised teams are known as Integrated Investigative Task Teams (IITTs).

The IITTs help with parallel financial investigations with LEAs and other competent authorities, targeting the predicate offences.

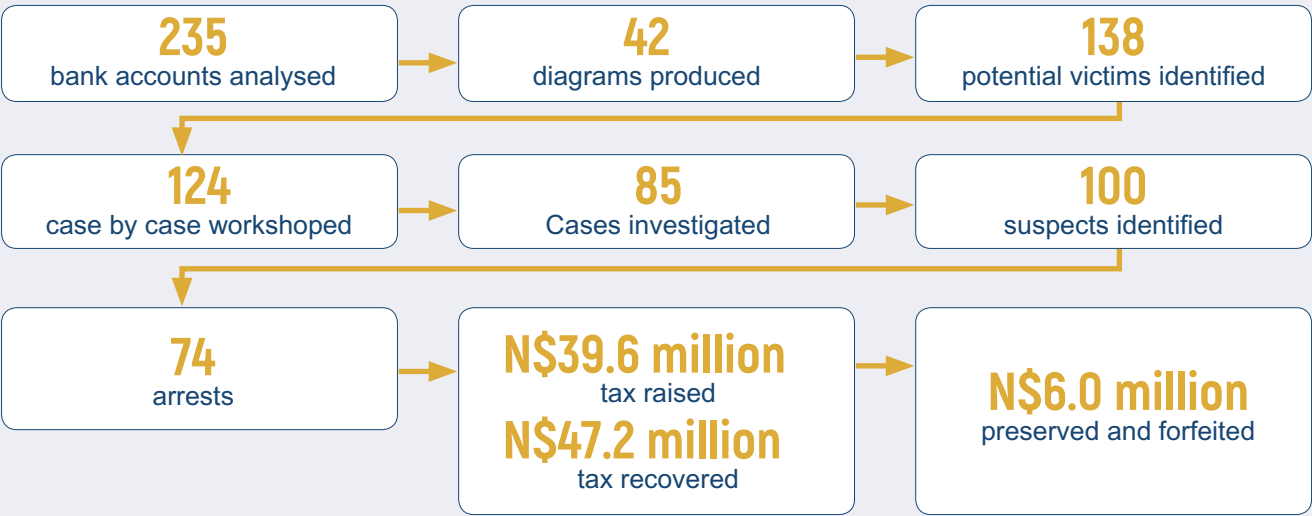
Support Activities

The Division provides support to various LEAs and other competent authorities. This support includes:

- » coordinating joint analysis and/or investigation task teams;
- » presenting intelligence to LEAs to either initiate new investigations or integrate the intelligence into existing cases;
- » streamlining access to evidence, bank statements, and other documents for the LEAs to fast-track their collection of intelligence and evidence;
- » identifying subjects for arrest and prosecution;
- » identifying potential witnesses and entities of interest;
- » identifying criminal proceeds and instrumentalities for intervention, seizure, preservation, forfeiture, confiscation, and restraint;
- » identifying potential unexplained cases of wealth; and
- » assisting with the coordination of Mutual Legal Assistance requests, where required.

The Impact of our Intelligence

The following figure indicates the overall impact of the FIC’s intelligence.



**Diagrams** these are flows, links charts that the FIC use to demonstrate predicate offences, various types/ modes of ML/TF money/asset flows, associations, victims, witnesses, location of proceeds of crime, suspected persons/entities, FIC interventions, seizures to LEAs and other Competent Authorities.

**The top five predicate offences in criminal investigations include:**

- » Fraud
- » Theft
- » Illegal mining
- » Environmental crimes
- » Corruption

**Law Enforcement Agency Capacity Building**

The FIC and NamPol have agreed that the FIC provides financial investigation training to NamPol. As such the FIC has a standing slot to provide such training as and when required. During the year of review, the FIC delivered 11 presentations to police investigators at the Police Training College in Windhoek, where a total of 375 investigators received training on financial investigative techniques. Additionally, the division provided training on bank statement analysis and on how to use the IBM Analyst Notebook Tool in showcasing the financial flows in financial investigations, to 24 investigators from NamRA and NamPol on bank statement analysis and how to use the IBM Analyst Notebook Tool to showcase financial flow in financial investigations.

**Feedback on Our Intelligence NamPol**

A total of 78 cases were under investigation: 138 victims and 100 suspects were identified, and 74 arrests were conducted.

The top predicate offences included:

- » Fraud/Ponzi scheme
- » Theft by false pretence
- » Dealing in illicit drugs; dealings in diamonds,
- » Tax offences and environmental crimes.

**The ACC**

A total of seven intelligence disclosures were shared, all of which have been investigated. Two matters were finalised before the Court and convictions were awarded.

**Case 1:** Sentenced in October 2023: N\$10,000 fine or 12 months imprisonment; N\$5,000 was suspended.

**Case 2:** Sentenced: N\$106,000 fine or 12 years imprisonment for counts 1-3 and counts 4-191.

The investigated offences include procurement corruption and abuse of power for self-gratification.

**NamRA**

The intelligence disclosures shared with NamRA resulted in N\$39 million raised in tax assessments and N\$47,3 million recovered for the state in 2023 (Table 6).

**Table 6: Tax Audit and Outcomes**

Year	Completed Compliance Checks	Number of Audits	Assessment Raised (N\$ millions)	Tax Collected (N\$ millions)	Criminal Case Opened
2024	-	152	39.6	47.2	5
2023	26	36	135	2.9	26

**Office of the Prosecutor-General**

The use and integration of FIC intelligence resulted in 11 successful preservation orders and 4 forfeiture orders, valued at N\$6.0 million each.

**Table 7: Preservation Orders Granted.**

Numbers of Preservation Orders	2024	2023
o preservation orders	11	6
o bank accounts involved	22	11
o Number of movable properties (vehicles)	3	1
Value of Preservation Orders (N\$ million)	2024	2023
o Cash preserved	4.5	14.1
o Value of immovable property (vehicles)	1.3	0.222
o Value of movable property	0.18	0
Total	6.0	14.3

**Table 8: Forfeiture Orders Granted.**

Numbers of Forfeiture Orders	2024	2023
o Forfeiture orders	4	6
o Bank accounts involved	22	17
Value of Forfeiture Orders (N\$ million)	2024	2023
o Estimated value of cash forfeited	6.0	11.4





# Box Articles: Intelligence Investigations

The Division was involved in multiple ongoing law enforcement agency investigations in order to provide continuous intelligence on illegal financial flows, potential suspects, and the identification of criminal assets. This include sharing of real-time intelligence during the course of on-going investigations

The following box articles are summaries of key joint intelligence investigations.



### Theft of Fuel

This case originated from a request for information by law enforcement regarding the theft of fuel from a national oil storage facility, valued at N\$1 million, which was sold to various fuel retailers. In collaboration with the LEA, the FIC traced the buyers of the stolen fuel. The cooperation led to a swift investigation and the successful granting of a Preservation Order. Approximately N\$48,612.93 was preserved. The fraudsters were arrested, and the criminal investigation is ongoing.



### Poaching of Rhino Horns

This case involves cash found in a vehicle during a Police operation, which led to the uncovering of a rhino poaching syndicate. Seven vehicles were seized, and two suspects were arrested. The arrested suspects appeared before the Court. The investigation is ongoing.

**It was in this case that the first Unexplained Wealth Order was ever issued in Namibia.**



### Illegal Mining

The FIC contributed to NamPol's investigation regarding the illegal mining of the blue lace mineral. The mineral was being sold locally and in a neighboring country; 39 suspects were traced and arrested. A preservation order of N\$302,741.51 was secured, and vehicles were identified as gains from the crime. The criminal investigation is ongoing.



### Fraud/Alternative Theft

The FIC received a request for information from NamPol regarding the theft of a significant amount of funds, and the dubious transferal of funds from an internal bank account to various associates' bank accounts. This joint financial analysis and investigation with NamPol and other stakeholders resulted in the identification of 16 suspects, who were charged with money laundering and fraud/alternative theft.



### Fraud

The Division contributed to the following cases of fraud:

- » the identification and forfeiture of two properties, valued at more than N\$1,6 million, acquired with the proceeds of unlawful activities; and
- » the return of more than N\$60,000 to lawful owners who had fallen victim to financial scams.



## Function 3: Compliance Monitoring and Supervision

**The Compliance Monitoring and Supervision Division is responsible for gaining reasonable assurance that regulated entities implement effective risk management measures to reduce the risks of ML, TF and PF. The Division implements interventions to enhance risk management activities at the individual entity and sectoral levels.**

Since the commencement of the FIC's compliance monitoring and supervision activities in 2011/2012, there has always been over 2,000 entities have been under supervision as per the FIA. The Division applies a risk-based approach to enable the prioritisation of supervision activities in respect of the identified risks. In practice, higher risks require that the entity (i.e. sector or individual entity) is accorded more intense and frequent supervisory activities until the FIC gains assurance that risk mitigation is at an acceptable level.

To assist with the identification and understanding of present risks, the Division conducts Sectoral Risk Assessments (SRAs) and National Risk Assessment (NRA) activities every three to five years. During the period under review, the supervision activities were mainly informed by the recommended action items in the MER. The Division conducted targeted compliance assessment activities and several outreach activities to raise awareness and enhance the regulated sectors' understanding of the FIA's obligations.

The supervision activities focused on high-risk areas such as targeted financial sanctions, politically exposed persons, prominent influential persons, ultimate beneficial ownership, and the prompt reporting of suspicious transactions.

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The supervision activities focused on high-risk areas such as targeted financial sanctions, politically exposed persons, prominent influential persons, ultimate beneficial ownership, and the prompt reporting of suspicious transactions.

### Registration of New Institutions

Various supervisory activities were conducted in the FIA regulated sectors, including outreach and awareness regarding AML/CFT/CPF obligations, and encouraging high-risk NPOs to register with the FIC, as per the amendments to the FIA. In addition, according to the results of the 2023 NRA, registration awareness sessions were conducted for NPOs.

It is crucial for identified institutions, as per the FIA, that fall under the supervisory coverage of the FIC are registered with the FIC. This enhances the FIC's ease of access to and supervision of these institutions. During the review period, the FIC registered 730 institutions, compared with 248 during the previous review period. The total number of registered regulated entities stood at 3,491 as at 31 March 2023 (Table 9), of which 2,842 entities are regulated by the FIC, and the remainder by NAMFISA as a supervisory body.

**Table 9: Supervisory Coverage of Regulated Institutions as at 31 March 2024**

Sectors	Total Registered March 2022/2023	Total Registered March 2023/2024	Risk Rating	Total Assessed March 2022/2023	Total Assessed March 2023/2024	Coverage March 2022/2023 in %	Coverage March 2023/2024 in %	Coverage Difference in %
Accountants and Auditors	84	249	L	8	8	10%	3%	-6%
Authorised Dealers with Limited Authority	4	4	H	4	4	100%	100%	0%
Auctioneers	21	20	L	16	17	76%	85%	9%
Banks	10	10	H	10	10	100%	100%	0%
Casinos	4	4	M	4	4	100%	100%	0%
Customs Clearing and Forwarding Agents	230	244	M	8	8	3%	3%	0%
Dealers in Precious Metals and Stones	15	20	L	7	17	47%	85%	38%
Legal Practitioners	275	296	M	170	172	62%	58%	-4%
Lending Institutions	9	11	M	5	9	56%	82%	26%
Money and Value Transfer Service Providers	9	6	L	3	4	33%	67%	33%
Motor Vehicle Dealers	115	121	M	73	74	63%	61%	-2%
Non-Profit Organizations	52	229	H	0	0	0%	0%	0%
Real Estate Agencies	1281	1391	M	127	153	10%	11%	1%
Trust and Company Service Providers	46	236	L	3	16	7%	7%	0%
Virtual Asset Service Providers	0	1	H	1	1	0%	100%	0%
<b>Total</b>	<b>2155</b>	<b>2842</b>		<b>439</b>	<b>496</b>			

### FIA Awareness and Training Activities

The Division's targeted monitoring and compliance activities continue to increase supervisory coverage throughout high- to medium-risk sectors, and for products and services. The Division's core activities include awareness and training engagements, which will continue alongside other supervisory activities to ensure that a tailored supervisory approach is maintained throughout the supervised populace. As such, the Division launched the FIA Compliance Training Portal in order to achieve a wide coverage

of targeted training for all sectors and institutions throughout the country.

During the review period, the FIC provided training to over 350 institutions by means of the portal, focusing on general FIA obligations, FIC registration, risk assessment, the risk-based approach, and prominent influential persons. **Figure 2** presents the statistics for the training, awareness and outreach activities provided during the review period. **Figure 3** presents the statistics for the online training modules provided during the review period.





Figure 2: Statistics for Training, Awareness and Outreach-related Activities

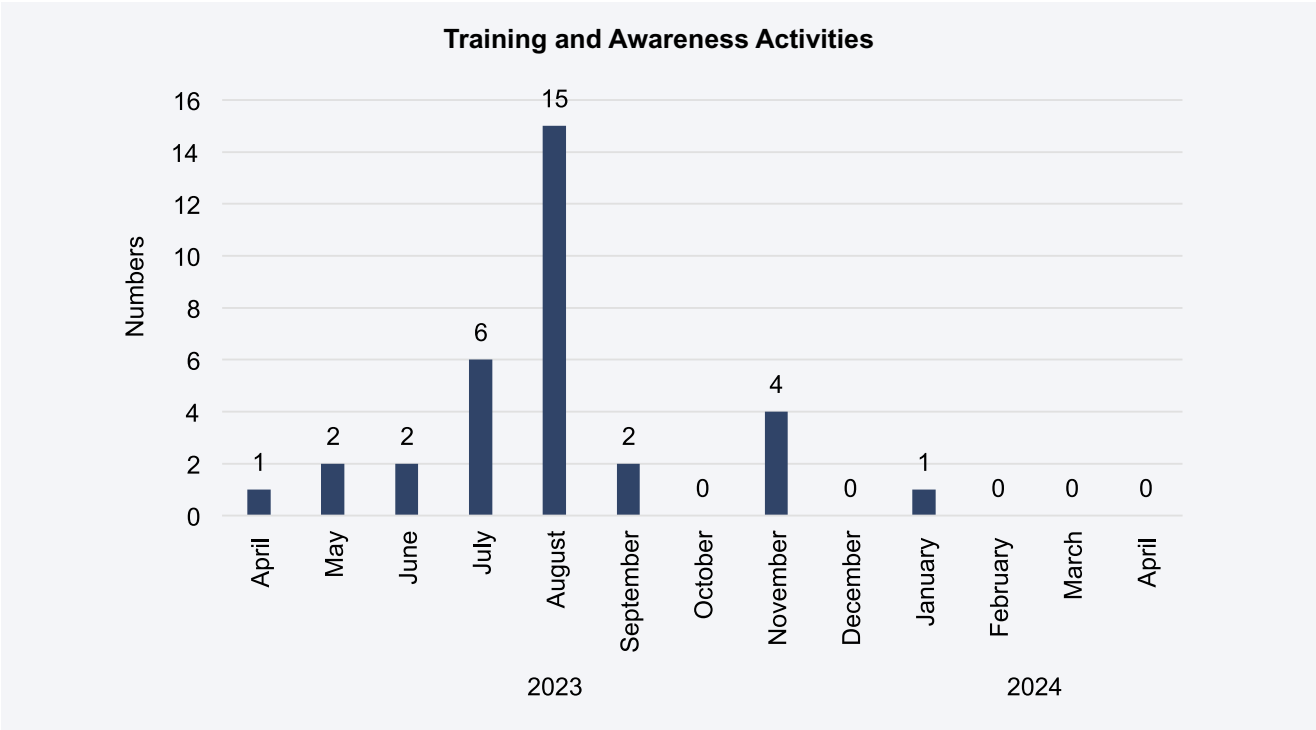
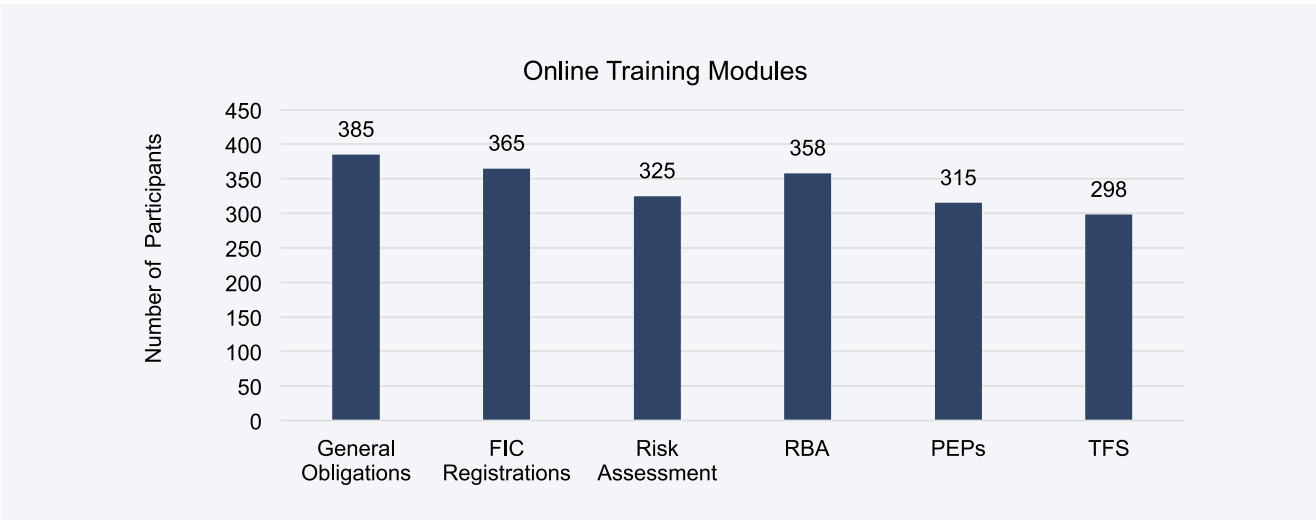


Figure 3: Statistics for Online Training Modules



FIA Compliance Assessments

The Division conducts on-site and off-site compliance assessments to evaluate the effectiveness of ML, TF and PF risk management systems at the institutional level. These assessments are important supervisory undertakings as they help to identify and mitigate risks. Once the level of risk management effectiveness has been determined, the supervisory function then plans and implements the necessary

corrective interventions to mitigate the risks. During the review period, the Division conducted 120 off-site assessment activities; and 49 targeted on-site assessments, compared with 28 in the previous reporting period.

The off-site assessments, which are often less intensive, were conducted for medium- to low-risk institutions and sectors, and the on-site assessments were conducted for high-risk institutions and sectors.

The type of assessment activities used for institutions and sectors depends on various factors such as the level of risk exposure and the improvement of supervisory coverage. Targeted supervisory

activities were conducted to increase supervisory coverage. **Figures 4** and **5** present the statistics for the on- and off-site compliance assessments.

Figure 4: FIA On-site Compliance Assessment Coverage as at 31 March 2024

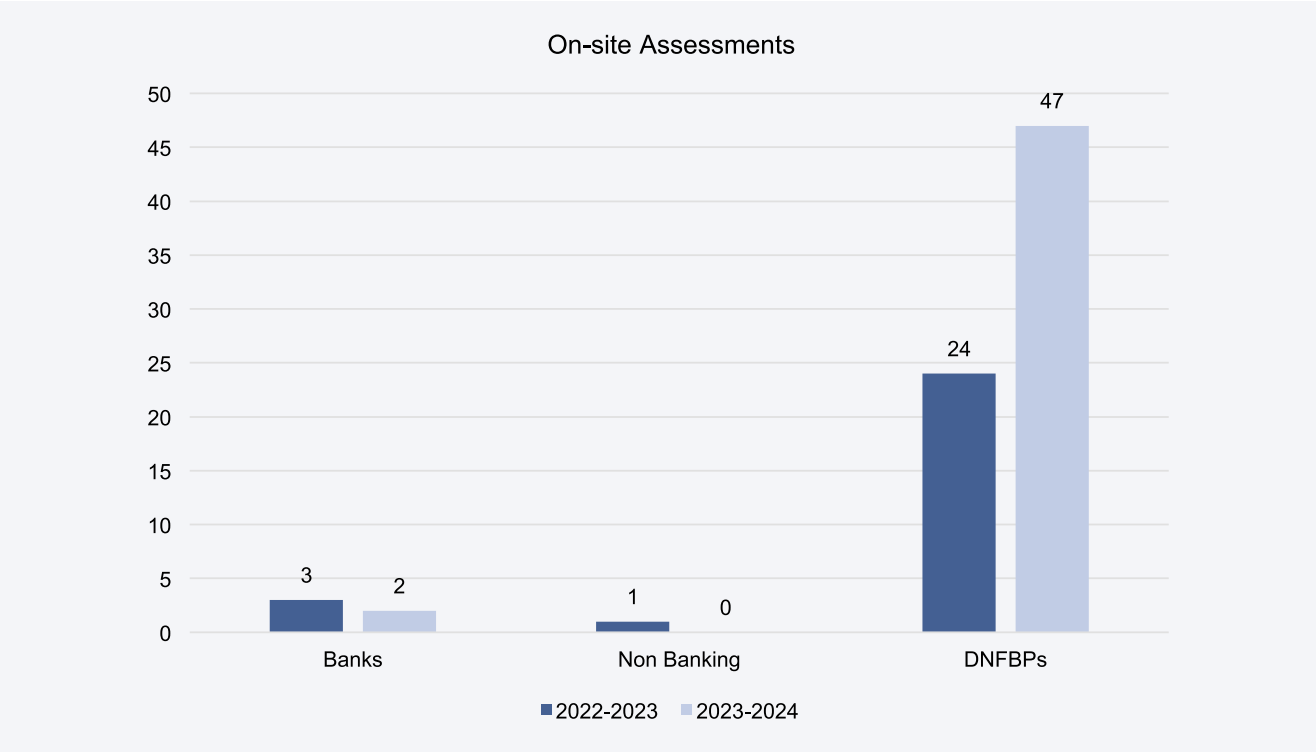
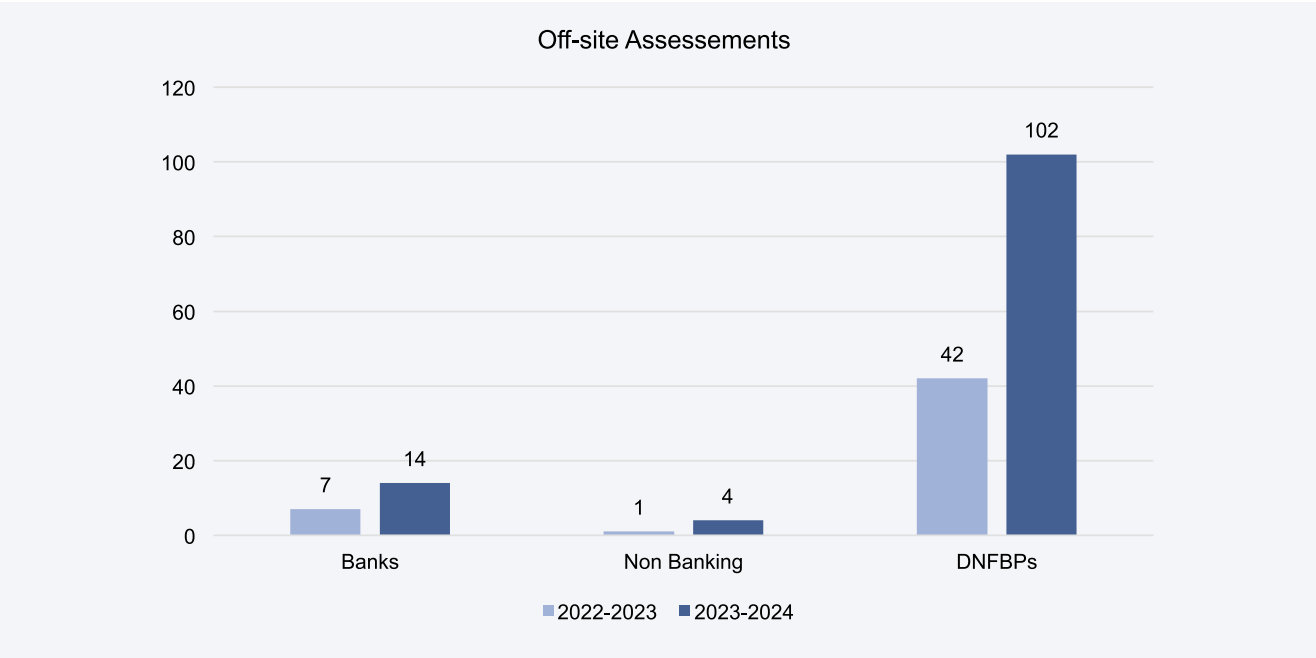


Figure 5: FIA Off-site Compliance Assessment Coverage as at 31 March 2024



# Function 4: Strategic Analysis

## Strategic Analysis

**Strategic analysis helps law enforcement agencies and preventative authorities to develop knowledge that shapes their work. By means of strategic analysis, law enforcement agencies are able to take proactive measures towards minimising threats. Preventative authorities and other stakeholders rely on strategic analysis to enhance risk mitigation efforts in anticipation of potential risks.**

This involves the systematic examination of financial data, intelligence and other relevant information to detect, analyse and respond to threats associated with financial crimes such as ML, TF and PF. Strategic analysis in the FIC serves the following key purposes:

- 1. Detection of Financial Crimes:** Strategic analysis involves analysing large volumes of financial data and intelligence to identify suspicious patterns, trends and anomalies that may indicate potential financial crimes.
- 2. Risk Assessment:** Strategic analysis helps to assess the risks associated with various financial activities, entities and sectors. By identifying financial high-risk areas and vulnerabilities, the FIC prioritises its efforts to allocate resources that will mitigate these risks effectively.
- 3. Investigation Support:** This support provides valuable intelligence regarding financial crimes. By analysing and synthesising financial data and intelligence from various sources, the FIC can provide actionable information to LEAs and other stakeholders to support their investigative efforts.
- 4. Intelligence Sharing:** Through sharing intelligence and information and collaborating with domestic and international partners (including other FIUs, LEAs, regulatory authorities, and regulated entities), the FIC can enhance its ability to combat transnational financial crimes and disrupt illicit networks.

- 5. Policy Development:** Strategic analysis informs the development of policies, regulations, and guidance to prevent and combat financial crimes. By analysing emerging trends, vulnerabilities and threats in the financial system, the FIC can recommend considerations to policymakers to strengthen the legal and regulatory framework.
- 6. Strategic Planning:** Strategic analysis supports the development of strategic plans and initiatives to enhance the effectiveness and efficiency of the FIC's operations. By evaluating its internal capabilities, resources, and processes, the FIC can identify areas for improvement and implement measures to enhance its operational effectiveness and responsiveness to emerging threats.

Within the FIC, strategic analysis is a critical function that enables the proactive detection and analysis of and effective response to financial crimes. This empowers the FIC to safeguard the integrity of the financial system and protect society from the harms associated with illicit financial activities.

## Reports Published

During the review period, the FIC compiled and shared the following 26 strategic analysis reports with stakeholders:

- » 12 monthly ML/TF/PF Statistical Reports.
- » 4 quarterly ML/TF/PF Statistical Reports.
- » 8 Trends & Typology / similar types of Reports, and
- » 2 Forewarning Reports.
- » These strategic analysis reports can be accessed on the FIC website: [www.fic.na](http://www.fic.na).

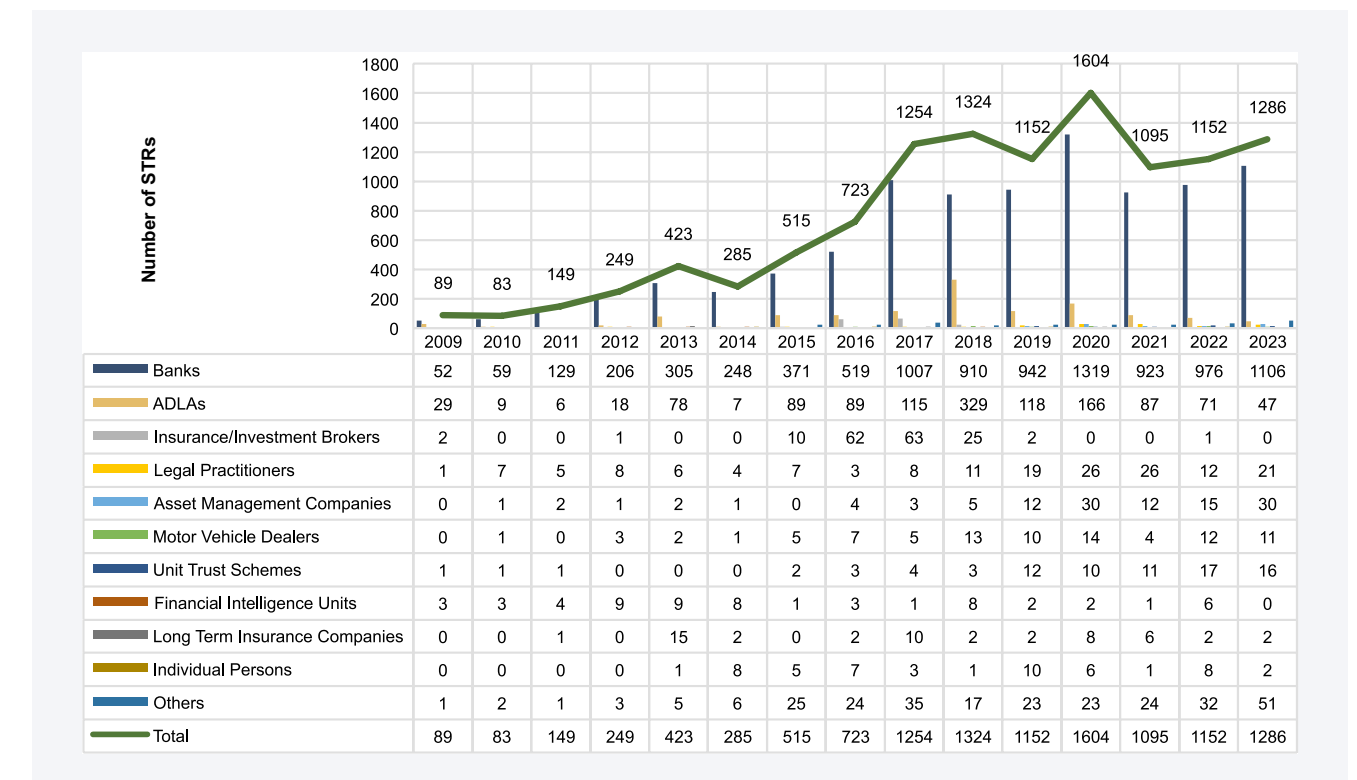
## Reporting Behaviour

A suspicious transaction report (STR) arises when an institution has knowledge of any suspicious transactions concluded by it, suspects that it has received or is about to receive the proceeds of unlawful activities, or has been used or is about to be used in any other way for ML, TF or PF purposes. As soon as a suspicious transaction is detected, the institution must report the transaction to the FIC without delay.

A suspicious activity report (SAR), which differs from an STR, is not a transaction as such; instead, it is an activity that may escalate to a future transaction or activity that gives rise to reportable or suspicious concerns.

Figures 6 and 7 present a record of the STRs and SARs received by the FIC from various reporting sectors since the FIA came into operation in 2009 up to 31 December 2023.

**Figure 6: Annual STRs Received from Reporting Sectors**

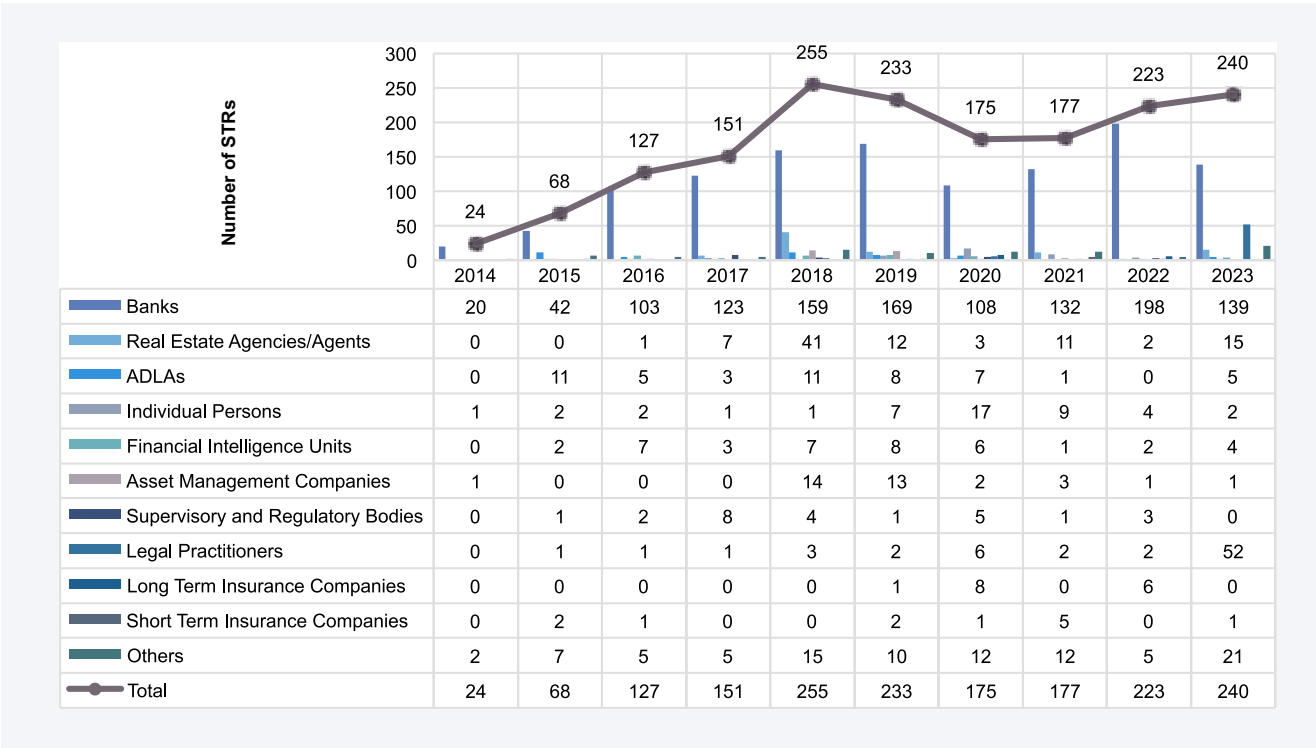


During the review period, the banking sector submitted the most reports, filing 9,073 reports (80%), followed by the authorised dealers in foreign exchange with limited authority (ADLAs), filing 1,258 reports (11%).

This supports the NRA observations over the years, which rate banks and ADLAs as being the highest risk sectors in the national AML/CFT/CPF regime. The highest number of STRs were received in 2020, with a record high of 1,604.



Figure 7: Annual SARs Received from Reporting Sectors



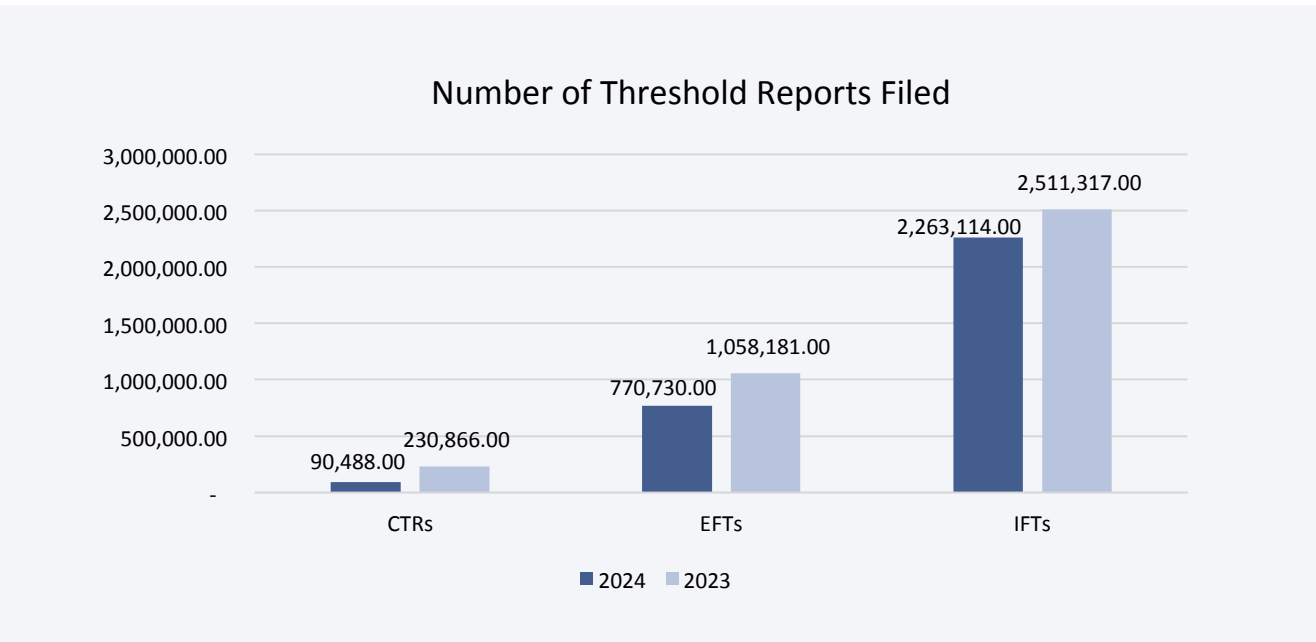
Since the start of the reporting obligation, the number of SARs filed by the reporting entities totalled 1,673 by the end of the 2023 calendar year, the banking sector collectively submitted a total of 1,193 SARs (71%), followed by real estate agencies and ADLAs (Figure 7).

The FIC conducted a study to understand the vulnerability or rate of abuse of various legal persons and arrangements. The results indicated that the highest volume of SARs reported to the FIC involved natural persons at 65%, followed by proprietary limited companies at 23%, and trusts at 8%.

Threshold Reports

The FIC also receives reports that are collectively referred to as threshold reports. All cash transactions, electronic transactions, and cash that is moved across the border that are equal to or more than the prescribed amount of N\$99,999.99 must be reported to the FIC. Regulated entities report on cash transaction reports (CTRs), electronic fund transfers (EFTs), and international fund transfers (IFTs), and NamRA's Customs and Excise Department compiles the cross-border movement of cash reports (CBMCRs). These reports augment the data used by the FIC and LEAs to collect intelligence, conduct investigations, and generate strategic analysis products.

Figure 8: Number of Threshold Reports Filed



During the review period, CTRs decreased significantly by 61%, and the number of reported EFTs experienced a 27% decrease. The decrease in EFTs is mainly attributed to the banking sector, which accounts for 99.8% of all EFTs. In 2024, the number of IFTs increased by 11%.

In order to promote reporting during review periods, the FIC conducted national awareness sessions for Customs and Excise officials and LEAs. As such, the number of CBMCRs increased by 9%.

Forewarning Reports

Forewarning reports contain alerts or notifications generated by the FIC to warn supervised entities, the general public, LEAs and other stakeholders about potential risks, threats or suspicious activities related to financial crimes. These reports are based on the analysis of financial data, intelligence, and other relevant information. During the review period, forewarning reports regarding affinity fraud schemes and cybercrime were issued.

Affinity Fraud Schemes

Affinity fraud schemes are fraudulent investment schemes. Typically, these schemes target members of specific groups based on characteristics such as their race, language, age, cultural background, minority status, religion, profession or occupation, and place of employment. In order to successfully earn trust, the affinity fraudsters pretend to be members of these groups, where they exploit the trust and friendship that exist in these groups of people who have something in common. The affinity fraudsters may even recruit respected leaders from within a group to carry out their scheme, and in some cases these leaders are paid to promote an illegitimate scheme without them realising it.

Affinity fraud takes place in the following forms:

	<p><b>Investment Scams</b></p> <p>The perpetrators of these scams offer fraudulent investment opportunities to members of a specific community. These scams may involve stocks, real estate or other types of investments, and they typically promise high returns with minimal risk</p>
	<p><b>Pyramid and Ponzi Schemes</b></p> <p>These scams exploit the generosity and goodwill of a targeted community by posing as representatives of a charity or good cause to solicit donations. In reality, the funds collected are used for the scammers' personal gains.</p>
	<p><b>Charitable Donation Scams</b></p> <p>Scammers exploit the generosity and goodwill of a targeted community by posing as representatives of a charity or cause and soliciting donations. In reality, the funds collected are used for the scammer's personal gain.</p>
	<p><b>Fraudulent Business Opportunities</b></p> <p>These fraudulent business opportunities promote opportunities such as franchises or distributorships to members of a specific community. These scams often involve exaggerated claims regarding potential earnings and the viability of the business.</p>



Cybercrime Forewarning:

Cybercrime comprises online Internet crimes that are undertaken on devices such as computers, laptops, tablets, Internet-enabled televisions, game consoles, and smartphones by individuals or organisations. Most cybercrimes are committed by cybercriminals or hackers to illicitly defraud people of their money. However, occasionally cybercriminals damage computers or networks for political or personal reasons rather than for profit.

How to Protect Yourself from Cybercrime



**Use strong passwords:** Maintain different password and username combinations for each of your accounts, and resist the temptation to write them down. Weak passwords can be easily cracked through various attacking methods.



**Be social media savvy:** Be sure to keep your social networking profiles (e.g. Facebook, Twitter, YouTube) set at 'private', and check that your security settings are in place and active. Always think carefully about the information you intend to post online, because once it is on the Internet, it is there forever.



**Secure your mobile devices:** Many people are not aware that mobile devices are also vulnerable to malicious software and activities, such as viruses and hacking. Be sure to only download applications from trusted sources. It is also crucial that you keep your operating system up-to-date, install anti-virus software, and use a secure screen lock.



**Protect your computer with security software:** Several types of security software are necessary for basic online security. Security software essentials include firewalls and anti-virus programs. A firewall is usually your device's first line of defence, as it controls who and what can communicate with your computer online.



**Protect your identity online:** When it comes to protecting your identity online it is better to be too cautious than not cautious enough. It is critical that you be cautious when giving out personal information such as your name, address, phone number, and/or financial information on the Internet; and



**Scrutinise all email requests:** Carefully scrutinise all email requests for the transfer of funds to determine if the requests are out of the ordinary.



Should you become a victim of cybercrime or any other fraudulent activity, it is crucial that you,

- 1) immediately contact the nearest police station to initiate a criminal investigation, and
- 2) file a suspicious transaction or activity report with the FIC. The suspicious transaction or activity report forms can be downloaded from the FIC website.



# Function 5: Legal, Policy and Enforcement

The Legal Policy and Enforcement Division ensures that the national AML/CFT/CPF policies, laws, and the implementation framework are aligned with international AML/CFT/CPF obligations, standards, and best practices. The Division provides legal advice to the FIC, and issues determinations and directives to regulated entities and other stakeholders. The Division recommends the appropriate enforcement action against entities that fail to comply with AML/CFT/CPF legislation. The Division is responsible for coordinating all of Namibia’s ESAAMLG/FATF Mutual Evaluation activities domestically, regionally and internationally.

## Development and Amendment of Laws

To ensure that Namibia’s AML/CFT/CPT legislative framework meets the international standards on the combating of ML, TF and PF, the Division facilitated activities that resulted in the development and amendment of various laws.

These laws include the:

- 1. Virtual Assets Act, 2023 (No. 10 of 2023);
- 2. Financial Intelligence Amendment Act, 2023 (No. 6 of 2023); and
- 3. Prevention and Combating of Terrorist and Proliferation Activities Amendment Act, 2023 (No. 8 of 2023).

In addition, the Division facilitated the amendment of other existing laws that relate to the National ML/TF/PF Legal Framework. (Table 14).

## ML/TF/PF Framework

The FIC served as the national focal point for the collection and submission of all information requested by:

- » ESAAMLG reviewers regarding Namibia’s re-rating of the technical compliance of 15 FATF recommendations in respect of the amended and promulgated laws; and

- » FATF’s ICRG Joint Group assessors regarding Namibia’s Post-observation Period Report, which was discussed during the Namibian delegation and FATF Joint Group’s meeting in Abhu Dhabi at the beginning of January 2024.

The FIC facilitated continuous progress reporting on the ME action items to the heads of national AML/CFT/CPF stakeholder institutions, the Chairperson of the AML/CFT/CPF Council, and the Minister of Finance and Public Enterprises.

The Division prepared and facilitated the participation of a Namibian AML/CFT/CPF stakeholder delegation in the ESAAMLG Task Force of Senior Officials plenary meetings in Kasane, Botswana, from 3-9 September 2023.

The FIC provided technical assistance by organising the logistical arrangements for the technical support workshops offered by the International Monetary Fund and Open Ownership. These workshops focused on the implementation of the action items by national AML/CFT/CPF stakeholders as per the National Action Plan.

In addition, the FIC attended to the enhancement of the National AML/CFT/CPF Policy and Strategy with the latest FATF developments.

## Stakeholder Relations

During the review period, the FIC held 40 stakeholder engagements that focused on the implementation of the action items required to address the shortcomings in Namibia’s National AML/CFT/CPF Framework, as highlighted in the MER.

Table 10: Significant Stakeholder Consultations

Sector/ Institution	Scope
LEAs	FATF Post-observation Period -  » Consultations for the drafting of the amendments to the existing laws  » Consultation for the drafting of the new laws  » Guidance on the implementation of remedial actions regarding the deficiencies in the MER  » Continuously following progress on ME action items  » Preparation of the national stakeholders for attendance of the ESAAMLG and FATF ICRG Joint Group meetings
National offices, ministries and agencies	
Supervisory authorities	
Regulatory authorities	
Private Sector (banking institutions, insurers, asset managers, microlenders, legal practitioners, real estate agents, accountants, and auditors, MVTs),	
Self-regulatory bodies	
Master of the High Court	Revision and finalisation of the FATF Beneficial Ownership requirements to enable development of the National UBO Register
BIPA	
General public	
BIPA	

## Enforcement Action

In terms of the mandate conferred upon the FIC by virtue of Section 56 of the FIA, the FIC can initiate administrative sanctions against the regulated entities that are found to be non-compliant with the FIA. The imposed sanctions function as a means towards

encouraging compliance and dissuading entities in various sectors and industries from contravening similar provisions of the FIA and the PACOTPAA.

During the year of review, administrative sanctions amounting to N\$8.5 million were imposed on 16 entities in the banking sector. Tables 11-13 present the administrative fines issued for non-compliance.

Table 11: Administrative Fines Issued in terms Section 56(3)(a)(b) of the FIA

Sector	Non-compliance	Sanction imposed
Lending Institutions	Section 23, 24, 32, 33, & 39 of the FIA & Regulation 1 & 15(5) of the FIA	Enforceable Undertaking
Legal Practitioners	Section 24 & 39(1) & Regulations 1 & 15 of the FIA – read with section 25 of the PACOTPAA & Section 23, read with Regulations 6, 12, 15 of the FIA	Enforceable Undertaking
Casinos	Section 21, 22, 23, 24, 39(1) of the FIA & Regulation 1 & 15 of the FIA – read with section 25 of the PACOTPAA & section 23, read with Regulations 6, 12, 15 of the FIA	Enforceable Undertaking
Virtual Asset Service Providers	Section 23, 24, 26, 27, 33,39(1), (3), (4), (5),(7),(8) of the FIA & Regulation 1 & 15 of the FIA – read with section 25 of the PACOTPAA	Enforceable Undertaking

Table 12: Administrative Fines Issued in terms Section 56(3)(a)(b) of the FIA

Sector	Non-Compliance	Sanction Imposed
Real Estate Agents - 1	Section 24 & Regulations 1 & 15 of the FIA – read with section 25 of the PACOTPAA & Section 24 & Regulations 1 & 15 of the FIA – read with section 25 of the PACOTPAA & Section 23, read with Regulations 6, 12, 15 of the FIA	Caution & Directive
Real Estate Agents - 2		Caution & Directive
Real Estate Agents - 3		Caution & Directive
Real Estate Agents - 4		Caution & Directive
Real Estate Agents - 5	Section 23, 24, 39, 39(3), 39(4),39(5) of the FIA & Regulation 1 read with Regulation 15(5) of the FIA	Caution & Directive
Casinos	Section 21, 22, 23, 24, 39(1) of the FIA & Regulation 1 & 15 of the FIA – read with section 25 of the PACOTPAA & section 23, read with Regulations 6, 12, 15 of the FIA	Directive

Table 13: Administrative Fines Issued in terms Section 56(3)(f) of the FIA

Sector	Non-compliance	Sanction imposed (N\$ million)
Commercial Bank	Section 32 and 33 of the FIA	2,0
Commercial Bank	Section 21, 23, 24, 26, 27, 33 and 39(1) of the FIA	1,0
Savings Bank	Section 24 & Regulations 1 & 15 of the FIA – read with section 25 of the PACOTPAA & Section 23, read with Regulations 6, 12, 15 of the FIA	1,0
Commercial Bank	Inadequate CDD and EDD	5,0
Commercial Bank	Section 24 & Regulations 1 & 15 of the FIA – read with section 25 of the PACOTPAA & Section 23, read with Regulations 6, 12, 15 of the FIA	1,5
Legal Practitioners	Section 24 & Regulations 1 & 15 of the FIA – read with section 25 of the PACOTPAA & Section 23, read with Regulations 6, 12, 15 of the FIA	1,0

Table 14: Introduced or Amended Laws

Laws	New/Amended
Financial Intelligence Amendment Act, 2023 (No. 6 of 2023)	Amended
Prevention of Organised Crime Amendment Act, 2023 (No. 9 of 2023)	Amended
Companies Act Amendment Act, 2023 (No. 4 of 2023)	Amended
Close Corporation Amendment Act, 2023 (No. 5 of 2023)	Amended
Criminal Procedures Amendment Act, 2023 (No. 7 of 2023)	Amended
Extradition Amendment Act No. 2 of 2023	Amended
International Co-operation in Criminal Matters Amendment Act, 2023 (No.12 of 2023)	Amended
Trust Administration Act, 2023 (No. 11 of 2023)	New
Payment Systems Management Act, 2023 (No.14 of 2023)	Repealed the Payment Systems Management Act 18 of 2003
Police Amendment Act, 2023 (No.3 of 2023)	Amended
Banking Institutions Act, 2023 (No.13 of 2023)	Repealed the Banking Institutions Act 2 of 1998
The Virtual Assets Act, 2023 (No. 10 of 2023)	New
The Prevention and Combating of Terrorist and Proliferation Activities Amendment Act, 2023 (No. 8 of 2023)	Amended





Other Administrative Orders

The FIC is responsible for administering the Cross Border Cash Declaration under Section 36 of the FIA. In consultation with LEAs, the FIC can impose sanctions on travellers who have failed to declare cash.

During the review period, the FIC issued three Administrative Orders amounting to N\$1,6 million for the failure to declare cash (Table 15).

Table 15: Failure to Declare Cash

Year	Non-compliance	Amount Forfeited (million)
2023	Failure to declare	N\$ 1,3
2023	Failure to declare	N\$ 0.057 ZAR 0.0002 USD 0.0075
2023	Failure to declare	ZAR 0.112

Appeals

The Division has provided administrative support to the FIA Ad Hoc Appeal Board, as envisaged in the FIA, and to the Appeal Board Regulations. This administrative support included:

- » assisting the Appeal Board Chairperson with the administration of all Appeal Board meetings through the independent Secretary to the Appeal Board;

- » the Appeal Board Secretary attending to all correspondence received, dispatching all pleadings, filing and recording all records relating to the appeals lodged in terms of the FIA, and preparing all the appeals for the hearings scheduled to take place during the 2024/2025 financial year; and
- » attending to three appeals against the administrative enforcement actions taken by the FIC, for which judgement is still to be delivered.

Additional work

The Division assisted with the procurement of an electronic system to host the National Beneficial Ownership Register. The system will contain the beneficial ownership information of BIPA and the Master of the High Court. The system is currently under development, which is being led by the Division.

The Division was instrumental in the development of a robot (UNSC Bot.) to monitor the UN Security Council website three times a day, to automatically generate information from the website, and to circulate updates on the active UN Sanctions Lists. The robot was put into production in October 2023. As a result, the reviewers at the ESAAMLG meeting in September 2023 determined that Namibia had made significant progress on FATF recommendations 5, 6 and 7.

Function 6: Risk Management and Assurance

Enterprise Risk Management Framework

The FIC has finalised its newly established risk management and assurance function. The core focus of the newly established function during the financial year included the establishment of the Governance Framework, which will enable effective enterprise risk management of the FIC. The relevant policy and procedures have been developed and presented to the Council's Risk Management and Assurance Committee for recommendation and approval.

Before the amendment of the FIA on 23 July 2023, the FIC's Management and the Council's Risk Management and Assurance Committee were responsible for the monitoring of strategic and operational risks and their mitigation strategies. During the review period, a strategic foresight methodology for the management of risk was adopted. In addition, a risk identification process was initiated, which resulted in the development of the FIC's Risk Register, from which the top risks are pulled and monitored by Management and the Council.

The key risk management achievements for the review period include:

- » continuous monitoring and periodic reporting of the top risks in the FIC's operations;
- » risk assessments of the FIC's functions; and
- » Council's approval of the Risk Management Policy and Procedures.

Internal Auditing

The second major role of the newly established risk management and assurance function is the internal audit, which is an independent assurance provider to the Council on the effective functioning of internal control systems. The internal audit function is governed by the approved Internal Audit Charter, which is based on the International Professional Practices Framework (IPPF). The IPPF is the conceptual framework that organises authoritative guidance promulgated by the Institute of Internal Auditors. The internal audit plan for the 2023/24 financial year, which was approved by the Council's Risk Management and Assurance Committee, reached a completion rate of only 67%.

This low rate was due mainly to the availability of resources for some areas of the audit. As such, areas of improvement were identified, for which Management has initiated actions to improve the control environment through the implementation of timelines that are tracked by the function.







# 07

## Stakeholder Engagements

### Stakeholder Engagements

In order to address the shortcomings mentioned in the MER, the FIC engaged in multiple stakeholder contacts throughout the year under review. Among the events were beneficial ownership training, outreach sessions on the AML/CFT/CPF regulations for NPOs, and awareness-raising about cross-border cash reporting with NamRA and NamPol. Among the interactions with stakeholders are the ones seen in the images below:







Financial crime knows no borders, and, typically, criminals work closely together. Therefore, to effectively combat ML, TF and PF, it is vital that AML/CFT/CPF stakeholders adopt a seamless and coordinated approach.

In this regard, the FIC recognises and values the importance of an effective and collective approach to combating ML, TF and PF domestically, regionally and globally. Therefore, the FIC is resolute in its intention to build an effective AML/CTF/CPF regime that is founded on strong stakeholder relations. Key stakeholders include policy makers, judiciaries, authorities, LEAs, financial institutions, non-financial institutions, FIUs and international organisations.

Given the constant changes to the 40 FATF recommendations, it is essential that all continue to work closely together to ensure compliance with the international standards.

Domestic Interactions

During the year 2023/24, the FIC facilitated numerous meetings with various stakeholders to address the gaps identified in the MER, and to draft Namibia's Post-observation Period Report.

The main topics on the various agendas included:

The main agenda items include.

- » Implementation of the National Action Plan, following the adoption of Namibia's Mutual Evaluation Report in September 2022.
- » Progress reporting by the Heads of national AML/CFT/CPF stakeholder institutions in respect of the MER's deficiencies.
- » Discussion and drafting of Namibia's Follow Up Report, which was discussed in Kasane, Botswana in September 2023.
- » Discuss and draft Namibia's Post-observation Period Report.
- » Discuss and draft Namibia's Post-observation Period Report.

The FIC and Competent Authorities

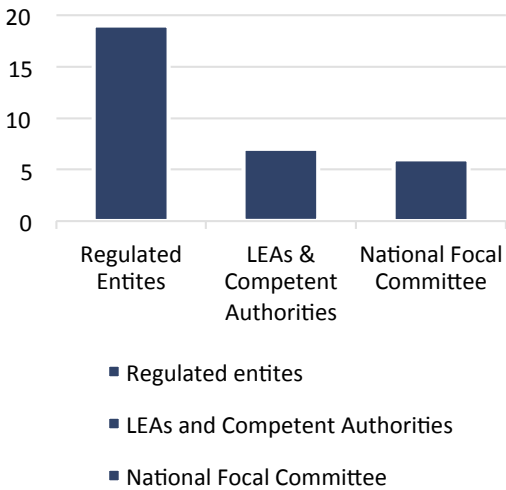
Seven Technical Committee meetings were held by the FIC, LEAs and other competent authorities. These meetings focused on increasing the use of the FIC's intelligence, aligning the statistics of the FIC and LEAs, and providing feedback on investigations and prosecutions.

The FIC and its Regulated Entities

The FIC held 19 meetings with its regulated entities, which were attended by 671 representatives. These meetings focused on the following topics:

- » The reporting timeline of suspicious transactions or activities.
- » The licensing regime and ultimate controls for beneficial ownership.
- » Generate awareness of Guidance Note 07, 2023, with regard to the implementation of the Targeted Financial Sanctions to sensitise NPOs on the need to register with the FIC.
- » Discuss and provide a way forward on the recommended action items in the MER that affect the regulated entities.

Domestic Engagements

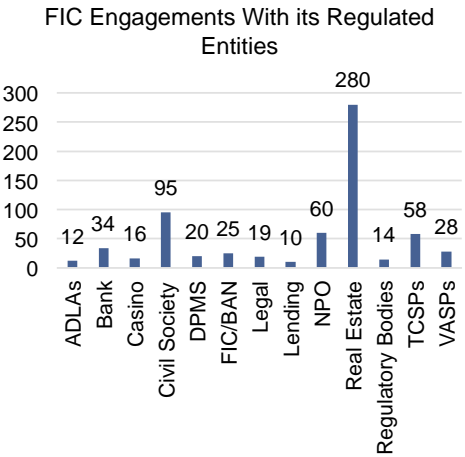


The National Focal Committee

The National Focal Committee held six meetings throughout the period May 2023 to August 2023, with an average attendance of 40 representatives from enforcement agencies, regulatory and supervisory bodies, private institutions, and governmental offices, ministries and agencies.



Figure 9: FIC Engagements with Regulated Entities



The FIC and other Regulators/Supervisors

The FIC maintains a strong relationship with supervisory bodies and prudential regulators to monitor the progress of accountable and reporting institutions. This association allows the institutions to share their experiences relating to sectoral ML/TF/PF risk assessments, inspections and enforcement, and to harmonise their approaches to supervision and enforcement.

NAMFISA's relationship with FIC is of operational and strategic importance. The FIC's relationship with prudential regulators, including the Bank of Namibia, is equally important. Regular consultations and meetings between the institutions are essential to enhance compliance and to mitigate risks in the relevant sectors.

FIC assists BIPA

The FIC assisted with the procurement of an electronic system to host the National Beneficial Ownership Register. The system will contain the beneficial ownership information of BIPA and the Master of the High Court. The system is currently under development.

International Interactions

At international level, the FIC has engaged various international partners, specially to leverage on technical assistance that would assist the country take measures that are addressing the weakness in the MER, thereby avoiding FATG grey listing.

Technical Support

Various international organisations offered their technical support to assist Namibia with addressing the MER deficiencies. An inadequate capacity among LEAs and other stakeholders in the fields of ultimate beneficial ownership, the prevention of terrorism financing, and investigative techniques was identified as a major deficiency in the MER. To address this inadequacy, the technical support offered training courses, workshops, and practical meetings to increase the capacity of each field (Table 16).

This technical support has been beneficial and supportive in our journey towards addressing the items in Namibia's FATF Action Plan.

The technical support was offered by the following institutions:

- » The ESAAMLG
- » International Monetary Fund
- » Open Ownership
- » The United Nation Office on Drugs and Crime

Table 16: Technical Support

Training/Workshop	Month
Ultimate Beneficial Ownership	08, 10 & 11 August 2023
National Training Course on Prevention, Countering of terrorism and Violent extremism	September 2023
Counter Terrorism, Financing investigative techniques	May 2023



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## General Information

<b>Country of incorporation and domicile</b>	Namibia
<b>Nature of business and principal activities</b>	Administering the Financial Intelligence Act (FIA) in preventing and combating Money Laundering (ML), Terrorist Financing (TF) and Proliferation Financing (PF).
<b>The Anti-Money Laundering, Combatting the Financing of Terrorism and Proliferation Council</b>	<p>J. !Gawaxab (Chairperson)</p> <p>P. Noa (Deputy Chairperson)</p> <p>O. Imalwa</p> <p>J. Kandjeke</p> <p>J. Shikongo</p> <p>K. Matomola</p> <p>J. Kaupitua</p> <p>E. Maritz</p> <p>S. Haihambo</p> <p>T. Ndove</p> <p>G. Pickering</p> <p>C. Dempsey</p> <p>P. Naanda</p> <p>S. Shivute</p> <p>G. Erasmus</p> <p>V. Katjiuongua</p> <p>E. Tjipuka (joined - May 2023; resigned - September 2023)</p> <p>B. Hans (term concluded - May 2023)</p> <p>E. Angula (resigned - September 2023)</p>
<b>Non-executive Board of Directors</b>	<p>C. van der Westhuizen (Appointed 15 March 2024)</p> <p>H. Herman (Appointed 15 March 2024)</p> <p>P. Filippus (Appointed 15 March 2024)</p> <p>H. Eksteen (Appointed 15 March 2024)</p>
<b>Business address</b>	<p>71 Robert Mugabe Avenue</p> <p>Windhoek</p> <p>Namibia</p>
<b>Postal address</b>	<p>P.O. Box 2882</p> <p>Windhoek</p> <p>Namibia</p>
<b>Auditors</b>	<p>Grand Namibia</p> <p>Registered Accountants and Auditors</p> <p>Chartered Accountants (Namibia)</p>

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Financial Statements Overview

Key points	Financial statement line	2024 N\$	2023 N\$
The surplus for the year increased by N\$ 28.3 million from a N\$ 3.5 million deficit in 2023 to a surplus of N\$ 24.8 million in 2024.	Surplus/(deficit) for the year	24 787 635	(3 469 779)
Total operating expenses increased by N\$ 3.9 million from N\$ 45.2 million in 2023 to 49.1 million in 2024.	Operating expenses	49 126 596	45 223 364
Total assets increased by N\$ 25 million from N\$ 26.9 million in 2023 to N\$ 51.9 million in 2024.	Total assets	51 887 563	26 902 551
Total investments decreased by N\$ 8.9 million from N\$ 12.6 million in 2023 to N\$ 3.7 million in 2024.	Total Investments	3 725 248	12 621 388

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Directors' Responsibilities and Approval

The Directors are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is the Directors' responsibility to ensure that the annual financial statements fairly present the state of affairs of the Financial Intelligence FIC ("the FIC") as defined as at the end of the financial year and the results of its operations and cash flows for the period then ended in conformity with the basis of preparation as set out in note 1.1. The external auditors are engaged to express an independent opinion on the annual financial statements. The annual financial statements are prepared in accordance with appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial controls established by the FIC and place considerable importance on maintaining a strong control environment. To enable the Board of Directors to meet these responsibilities it sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and the adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the FIC and all employees are required to maintain the highest ethical standards in ensuring the FIC's business is conducted in a manner that in all reasonable circumstances is above reproach.



**Adv. Charmaine van der Westhuizen**  
Chairperson  
Windhoek  
26 June 2024

The focus of risk management in the FIC is on identifying, assessing, managing and monitoring all known forms of risk across the FIC. While operating risk cannot be fully eliminated the FIC endeavours to minimise it by ensuring that appropriate infrastructure controls systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

Based on the information and explanations given by management, the Directors are of the opinion that the system of internal controls provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial controls can provide only reasonable and not absolute assurance against material misstatements or loss.

The Directors have reviewed the FIC's cash flow forecast for the year ended 31 March 2025 and in the light of this review and the current financial position they are satisfied that the FIC has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the FIC's annual financial statements. The annual financial statements have been examined by the FIC's external auditors and their report is presented on pages 72-73.

The annual financial statements set out on pages 74 to 89 which have been prepared on the going concern basis were approved by the Board of Directors and were signed on its behalf by the following representatives:



**Pendukeni Filippus**  
Board Member  
Windhoek  
26 June 2024



## Independent Auditor's Report

## To the Board of the FIC

## Opinion

We have audited the annual financial statements of FIC set out on pages 74 to 89 which comprise the statement of financial position as at 31 March 2024 and the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended and the notes to the annual financial statements including a summary of significant accounting policies and the Boards' report.

In our opinion the annual financial statements present fairly in all material respects the financial position of the FIC at 31 March 2024 and its financial performance for the year then ended in accordance with the basis of accounting described in note 1.

## Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of our report. We are independent of the of the FIC in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable in performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Other Information

The Board is responsible for the other information. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements our responsibility is to read the other information and in doing so consider whether the other information is materially inconsistent with the annual financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If based on the work, we have performed on the other information that we obtained prior to the date of this auditor's report we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Board for the Annual Financial Statements

The Board is responsible for the preparation and fair presentation of the annual financial statements in accordance with the basis of accounting described in note 1 and for such internal control as the Board determine is necessary to enable the preparation of annual financial statements that are free from material misstatement whether due to fraud or error.

In preparing the annual financial statements the Board is responsible for assessing the FIC ability to continue as a going concern disclosing as applicable matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate the FIC or to cease operations or have no realistic alternative but to do so.

## Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance

## Independent Auditor's Report

is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with ISAs we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- » Identify and assess the risks of material misstatement of the annual financial statements whether due to fraud or error design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion forgery intentional omissions misrepresentations or the override of internal control.

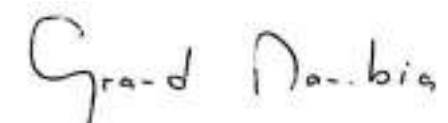
## Independent Auditor's Report (continued)

- » Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the FIC's internal control.
- » Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board.

- » Conclude on the appropriateness of the Board's use of the going concern basis of accounting and based on the audit evidence obtained whether a material uncertainty exists related to events or conditions that may cast significant doubt on the FIC ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the FIC to cease to continue as a going concern.

- » Evaluate the overall presentation structure and content of the annual financial statements including the disclosures and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board regarding among other matters the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.



**Grand Namibia**  
**Registered Accountants and Auditors**  
**Chartered Accountants (Namibia)**  
**Per: P NGHIPANDULWA (Partner)**  
**Windhoek**  
**26 June 2024**

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Directors' report

The Directors have pleasure in submitting their report on the annual financial statements of the FIC for the year ended 31 March 2024.

### 1. Main business and operations

The primary work of the FIC in terms of the FIA is to combat money laundering, the financing of terrorism and proliferation activities in collaboration with other law enforcement agencies.

The FIC generated a surplus for the 2024 financial year of N\$ 24 787 635 (2023 deficit: N\$ 3 469 779).

The accumulated surplus as at 31 March 2024 amounted to N\$ 44 067 927 (2023: Surplus N\$ 19 280 292).

The operating results and state of affairs of the FIC are fully set out in the attached annual financial statements and do not, in our opinion, require any further comment.

### 2. Governing bodies

The members of the Council and the Board in office at the date of this report are as follows:

#### Council

J. !Gawaxab (Chairperson)  
P. Noa (Deputy Chairperson)  
O. Imalwa  
J. Kandjeke  
J. Shikongo  
K. Matomola  
J. Kaupitua  
E. Maritz  
S. Haihambo  
T. Ndove  
G. Pickering  
C. Dempsey  
P. Naanda  
S. Shivute  
G. Erasmus  
V. Katjiuongua  
E. Tjipuka (joined - May 2023; resigned September 2023)  
B. Hans (term concluded - May 2023)  
E. Angula (resigned - September 2023)

#### Non-executive Board of Directors

C. van der Westhuizen (Appointed 15 March 2024)  
H. Herman (Appointed 15 March 2024)  
P. Filippus (Appointed 15 March 2024)  
H. Eksteen (Appointed 15 March 2024)

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Directors' report

### 3. Events after the reporting period

The Board is not aware of any material event which occurred after the reporting date and up to the date of this report.

### 4. The FIC's Governance

The FIC is managed by a Director who is appointed by the Minister of Finance. Mr Bryan Eiseb was appointed as director effective 1 January 2024.

The Anti-Money Laundering, Combatting the Financing of Terrorism and Proliferation Council appointed Ms Zenobia Barry as the Acting Director with effect from 1 April 2023 until such a time that a substantive director was appointed, effective 1 January 2024.

### 5. Administrative arrangement

In terms of Section 7(2) of the FIA, the Bank of Namibia must provide administrative services to the FIC.

### 6. Going concern

The accumulated surplus as at 31 March 2024 amounted to N\$ 44 067 927 (2023: N\$ 19 280 292).

The annual financial statements are prepared on a going concern basis. This basis presumes that funds will be available as detailed in the directors' report to finance future operations and that the realisation of assets and settlement of liabilities, contingent liabilities and commitments will occur in the ordinary course of business.

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Statement of Financial Position as at 31 March 2024

	Notes	2024 N\$	2023 N\$
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property and equipment	2	7 119 300	1 079 634
Intangible assets	3	5 225 304	238 183
Leasehold improvements	4	68 925	-
<b>Total Non-Current Asset</b>		<b>12 413 529</b>	<b>1 317 817</b>
<b>Current Assets</b>			
Investments	5	3 725 248	12 621 388
Receivable from Bank of Namibia	11	33 452 031	12 368 882
Other receivables	12	2 296 755	594 464
<b>Total Current Assets</b>		<b>39 474 034</b>	<b>25 584 734</b>
<b>Total Assets</b>		<b>51 887 563</b>	<b>26 902 551</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Accumulated surplus		44 067 927	19 280 292
<b>Total Equity</b>		<b>44 067 927</b>	<b>19 280 292</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Employee provisions	10	4 017 254	2 787 650
Other trade payables	13	3 802 382	4 834 609
<b>Total Current Liabilities</b>		<b>7 819 636</b>	<b>7 622 259</b>
<b>Total Equity and Liabilities</b>		<b>51 887 563</b>	<b>26 902 551</b>

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Statement of Comprehensive Income for the Year Ended 31 March 2024

	Notes	2024 N\$	2023 N\$
Grant received	6	72 044 000	41 157 000
Operating expenses	9	(49 126 596)	(45 223 364)
<b>Operating surplus/(deficit)</b>		<b>22 917 404</b>	<b>(4 066 364)</b>
Investment revenue	5	400 925	596 108
Other income	7	1 469 306	477
<b>Surplus for the year</b>		<b>24 787 635</b>	<b>(3 469 779)</b>
<b>Other comprehensive income</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive surplus/(deficit) for the year</b>		<b>24 787 635</b>	<b>(3 469 779)</b>



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Statement of Changes In Equity for the Year Ended 31 March 2024

	Accumulated surplus	Total
	N\$	N\$
<b>Opening Balance at 1 April 2022</b>	<b>22 750 071</b>	<b>22 750 071</b>
Deficit for the year	(3 469 779)	(3 469 779)
<b>Balance at 31 March 2023</b>	<b>19 280 292</b>	<b>19 280 292</b>
Surplus for the year	24 787 635	24 787 635
<b>Balance at 31 March 2024</b>	<b>44 067 927</b>	<b>44 067 927</b>

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Statement of Cash Flows for the Year Ended 31 March 2024

	Notes	2024 N\$	2023 N\$
<b>Cash flow from operating activities</b>			
Cash generated by operations	8	25 850 039	970 568
Foreign exchange gains on foreign currency transactions		56 750	477
Investment Income	5	400 925	596 108
<b>Net cash flows from operating activities</b>		<b>26 307 714</b>	<b>1 567 153</b>
<b>Cash flows from investing activities</b>			
Purchases of property and equipment	2	(6 916 802)	(235 391)
Purchase of intangible assets	3	(7 134 979)	(276 575)
Net movement in financial assets		8 827 215	(656 476)
<b>Net cash flows from investing activities</b>		<b>(5 224 566)</b>	<b>(1 168 442)</b>
<b>Cash flows from financing activities</b>			
<b>Movement in receivables</b> from the Bank of Namibia		<b>(21 083 148)</b>	<b>(398 711)</b>
Net cash flows from <b>financing activities</b>		<b>(21 083 148)</b>	<b>(398 711)</b>
Total cash and cash equivalents movement for the year		-	-
Cash and cash equivalent at the beginning of the year		-	-
<b>Total cash and cash equivalents movement at the end of the year</b>		<b>-</b>	<b>-</b>

The FIC does not hold a bank account. The receipts and payments are executed and administered by the Bank of Namibia through an intercompany account that finances the operations of the FIC.

## Notes to the Annual Financial Statements

**1. Accounting Policies**

The annual financial statements have been prepared in accordance with the accounting policies set out below. The annual financial statements have been prepared on the historical cost basis.

**1.1 Basis of preparation**

The financial statements of the FIC have been prepared in accordance with the FIC basis of accounting. They have been prepared under the historical cost convention.

The preparation of financial statements is in conformity with the FIC policies that require the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the FIC's accounting policies

**1.2 Property and equipment**

Property, plant and equipment are tangible items that:

- » are held for use in the production or supply of services, for rental to others or for administrative purposes; and
- » are expected to be used during more than one period.

Property and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively, if appropriate, if there is an indication of a significant change since the last reporting date. The useful lives of the assets are as follows:

Item	Depreciation method	Average useful lives
Computer hardware	Straight-line	2-6 years
Motor vehicles	Straight-line	4 years
Furniture, fittings and equipments	Straight-line	1-20 years

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property and equipment is included in profit or loss when the item is derecognised. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within other income in the statement of comprehensive income. An

## Notes to the Annual Financial Statements

assets' carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

**1.3 Leasehold improvements**

In terms of section 7 (2) of the FIA. The Bank of Namibia must provide administrative support to the FIC. Improvements made to office premises occupied by the FIC will be capitalised and amortized using a straight-line method over the shorter of the useful lives and period the FIC will be occupying the building. Amortization commences when the building is in a condition ready for occupation by the FIC .

**1.4 Intangible assets - Computer Software**

On acquisition the software is capitalised at its purchase price and amortised on a straight-line basis with zero residual value. The estimated useful lives, residual values and amortisation methods are reviewed at each year-end with the effect of any changes in the estimate accounted for on a prospective basis. The FIC reassesses the residual value and useful life of computer software on an annual basis and the useful life has been set to range between 1 and 8 years.

An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Internal and external factors are used to assess whether there are indications that intangible asset is impaired. Impairment losses are recognised in the statement of comprehensive income.

**1.5 Revenue recognition****Government Grant**

This principally relates to income received from the Ministry of Finance and Public Enterprises as reimbursement for costs incurred by the FIC. Government grants received are presented separately as part of profit or loss in the statement of comprehensive income and are recognised on a cash receipt basis.

The FIC, with the approval of the Minister of Finance and Public Enterprises may accept financial donations or contributions from any other source.

**Investment revenue**

Interest is recognised in profit or loss using the effective interest rate method

## Notes to the Annual Financial Statements

**1.6 Expenses**

Expenses are recorded on the accrual basis.

**1.7 Other receivables**

Other receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method.

Other receivables are classified as loans and receivables at amortised cost.

**1.8 Other payables**

Other payables are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method

**Appeal Fees**

Appeal fees are payable and recognised in terms of Regulation 35A(1)(b) of the amended Financial Intelligence Act Regulations under the FIA. These fees are due upon date of lodging the notice of appeal

**Fines and penalties**

Administrative penalties issued for non-compliance with the provisions of sections 23, 24 and 39(1) of the FIA as amended, read with Guidance Note 7 of 2023, further read with sections 23, 24 and 45 of the Prevention and Combatting of Terrorist and Proliferation Activities Act 2014 (Act No. 4 of 2014) (PACOTPAA) and Revised Guidance Note 1 of 2019. Institutions are notified in terms of section 56(7)(b) of the FIA that they have the right to appeal against the decisions of the FIC and a written Notice of Appeal must be lodged. Penalties received as a result of the non-compliance are recognized as a liability and only recorded as income after the outcome of the appeal board decision.

**Provisions**

Provisions are recognized when the FIC has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

## Notes to the Annual Financial Statements

**1.9 Employee benefits**

The cost of short-term employee benefits (those payable within 12 months after the service is rendered - leave and bonuses) are recognised in the period in which the service is rendered and are not discounted. The expected cost of bonus payments and leave is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

**1.10 Investments**

These funds are held and invested in money market accounts. They are held at cost and interest is recognized using the effective interest rate method.

**1.11 Key estimates and significant judgements**

There were no key estimates and significant judgements taken during the current and prior financial year.



## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Notes to the Annual Financial Statements

## 2. Property and equipment

	Motor Vehicles	Furniture & Fixtures	Equipment & Fittings	Computer Hardware	Minor Assets	Total
	N\$	N\$	N\$	N\$	N\$	N\$
<b>2024</b>						
<b>Cost</b>						
At 1 April 2023	676 520	494 519	482 050	1 686 427	10 169	3 349 685
Additions	1 476 300	144 761	14 094	5 281 647	-	6 916 802
<b>At 31 March 2024</b>	<b>2 152 820</b>	<b>639 280</b>	<b>496 144</b>	<b>6 968 074</b>	<b>10 169</b>	<b>10 266 487</b>
<b>Accumulated depreciation</b>						
At 1 April 2023	169 593	426 155	292 061	1 372 073	10 169	2 270 051
Depreciation	170 138	18 836	62 595	625 122	-	876 691
Assets adjustment	-	-	-	445	-	445
<b>At 31 March 2024</b>	<b>339 731</b>	<b>444 991</b>	<b>354 656</b>	<b>1 997 640</b>	<b>10 169</b>	<b>3 147 187</b>
<b>Carrying value</b>						
At 1 April 2023	506 927	68 364	189 989	314 354	-	1 079 634
<b>At 31 March 2024</b>	<b>1 813 089</b>	<b>194 289</b>	<b>141 488</b>	<b>4 970 434</b>	<b>-</b>	<b>7 119 300</b>
<b>2023</b>						
<b>Cost</b>						
At 1 April 2022	676 520	464 157	482 050	1 487 998	3 569	3 114 294
Additions	-	30 362		198 429	6 600	235 391
<b>At 31 March 2023</b>	<b>676 520</b>	<b>494 519</b>	<b>482 050</b>	<b>1 686 427</b>	<b>10 169</b>	<b>3 349 685</b>
<b>Accumulated depreciation</b>						
At 1 April 2022	463	409 277	228 554	1 000 015	3 569	1 641 878
Depreciation	169 130	16 878	63 507	372 503	6 600	628 618
<b>At 31 March 2023</b>	<b>169 593</b>	<b>426 155</b>	<b>292 061</b>	<b>1 372 518</b>	<b>10 169</b>	<b>2 270 496</b>
<b>Carrying value</b>						
At 1 April 2022	676 057	54 880	253 496	487 983	-	1 472 416
<b>At 31 March 2023</b>	<b>506 927</b>	<b>68 364</b>	<b>189 989</b>	<b>314 354</b>	<b>-</b>	<b>1 079 634</b>

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Notes to the Annual Financial Statements

## 3. Intangible assets-computer software

	Computer software	Total
	N\$	N\$
<b>2023</b>		
<b>Cost</b>		
At 1 April 2023	1 787 575	1 787 575
Additions	7 134 979	7 134 979
<b>At 31 March 2024</b>	<b>8 922 554</b>	<b>8 922 554</b>
<b>Accumulated amortisation and impairment</b>		
At 1 April 2023	1 549 392	1 549 392
Amortisation	639 485	639 485
Impairment loss	1 508 373	1 508 373
<b>At 31 March 2024</b>	<b>3 697 250</b>	<b>3 697 250</b>
<b>Carrying value</b>		
At 1 April 2023	238 183	238 183
<b>At 31 March 2024</b>	<b>5 225 304</b>	<b>5 225 304</b>
<b>2023</b>		
<b>Cost</b>		
At 1 April 2022	1 511 000	1 511 000
Additions	276 575	276 575
<b>At 31 March 2023</b>	<b>1 787 575</b>	<b>1 787 575</b>
<b>Accumulated amortisation</b>		
At 1 April 2022	1 511 000	1 511 000
Amortisation	38 392	38 392
Transfers to/(from) BoN	-	-
<b>At 31 March 2023</b>	<b>1 549 392</b>	<b>1 549 392</b>
<b>Carrying value</b>		
At 1 April 2022	-	-
<b>At 31 March 2023</b>	<b>238 183</b>	<b>238 183</b>

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Notes to the Annual Financial Statements

## 4. Leasehold improvements

2024	2023
N\$	N\$
68 925	-

The leasehold improvements pertain to planned renovation to the DR site which will serve as the new office location for the FIC. The cost already incurred and capitalized relates to the architectural expenses. All expenses to renovate the DR site will be borne by the FIC.

## 5. Investments

## Rand currency investments

South African Reserve Bank (SARB) - Corporation for Public Deposits (CPD)  
Money market instruments

2 295 740	10 521 388
1 429 508	2 100 000

## Total Investments

3 725 248	12 621 388
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## Investment revenue

400 925	596 108
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Surplus funds from the previous years are invested to enable financial reserves to be built for the FIC to buffer the organisation reduce space future operational funding shortages.

Funds are invested with the Bank of Namibia's Corporation for Public Deposits (CPD) account at the SARB and Money Market Instruments to enable the Fund to earn interest at a low risk.

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Notes to the Annual Financial Statements

## 6. Grant received

Ministry of Finance and Public Enterprises

2024	2023
N\$	N\$
72 044 000	41 157 000

## 7. Other income

Gains from foreign exchange transactions  
Sundry income

56 750	477
1 412 556	-
1 469 306	477

Sundry income relates to a refund receivable from a supplier to compensate for an item of intangible assets which they discontinued before the end of its useful life.

## 8. Cash generated from operations

Surplus/(deficit) for the year

24 787 635 (3 469 779)

## Adjustment for:

Depreciation, amortization and impairment	3 024 549	667 010
Foreign exchange gains on foreign currency transactions	(56 750)	(477)
Interest revenue	(400 925)	(596 108)
Asset adjustment	445	-

Changes in working capital:

Increase in other receivables	(1 702 292)	(183 363)
(Decrease)/ increase in employee provisions and other payables	197 377	4 553 285
Cash generated from operating activities	25 850 039	970 568

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Notes to the Annual Financial Statements

## 9. Operating Expenses

	2024	2023
	N\$	N\$
Advertising & recruitment expenses	173 210	161 849
Asset adjustment	445	-
Audit fees	75 000	148 216
Appeal board fees	631 280	-
Compliance & inspection expense	740 047	532 339
Computer consultancy expenses	1 350 845	4 211 450
Computer maintenance expenses	766 515	621 293
Conferences hosted expenses	1 134 648	538 246
Conferences attended expenses	1 851 803	-
Consultants' fees	-	2 094 206
Corporate identity expenses	10 419	-
Depreciation and amortization	1 516 176	667 010
Impairment	1 508 373	-
Council sitting fees	49 000	-
Employee costs	33 696 214	28 932 910
Entertainment expenses	19 672	27 694
Equipment rental expenses	499 929	91 643
Financial investigation expenses	645 698	532 458
Legal costs	1 227 871	430 558
Membership fees	169 426	99 059
Miscellaneous expenditure	4 342	4 461
Printing & publications expenses	133 905	35 944
Staff training	735 587	1 347 180
Stationery expenses	37 294	15 499
Staff expenses	412 578	332 976
Subscription expenses	-	10 974
Telephone & telex expenses	105 699	20 850
Vehicle expenses	108 964	58 531
Travel, subsistence & accommodation	1 521 655	1 932 819
Donations	-	2 375 199
	<b>49 126 596</b>	<b>45 223 364</b>

## 10. Employee Provisions

Provision for bonuses	915 851	81 814
Provision for leave pay	3 101 403	2 705 836
	<b>4 017 254</b>	<b>2 787 650</b>

## ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

## Notes to the Annual Financial Statements

## 11. Receivable from Bank of Namibia

The receivable from Bank of Namibia was determined after considering all the grants received and expenditures incurred by FIC for the year ended 31 March 2024.

2024	2023
N\$	N\$
<b>33 452 031</b>	<b>12 368 882</b>

## 12. Other receivables

Other receivables	1 712 556	-
Prepayments	567 119	577 384
Staff debtors	17 080	17 080
	<b>2 296 755</b>	<b>594 464</b>

Other receivables balance includes administrative penalties receivables at year end.

## 13. Trade and other trade payables

Other payables	2 232 507	4 426 317
Trade payables	418 695	95 503
Appeal liabilities	1 060 000	55 000
Audit fees accrual	91 180	257 789
	<b>3 802 382</b>	<b>4 834 609</b>

Other payables consist of accrued expenses at year end

## 14. Going Concern

The accumulated surplus as at 31 March 2024 amounted to N\$ 44 068 927 (2023: N\$ 19 280 292). The annual financial statements are being prepared on a going concern basis. This basis presumes that funds will be available as detailed in the Directors' report to finance future operations and that the realisation of assets and settlement of liabilities contingent obligations and commitments will occur in the ordinary course of business.

## 15. DR site renovations

The Procurement and Facilities Management division of the Bank of Namibia responsible for property management has highlighted the necessity for the FIC to relocate to the DR site due to space challenges in the current building. This recommendation implies a binding commitment which cannot be avoided. The FIC has already expended N\$ 68 925 on architectural work for the DR site. Estimated cost of the renovations are reliably measured to be N\$ 3 017 504.



## NOTES



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