

# FINANCIAL INTELLIGENCE CENTRE (FIC)

## Circular 3/2015 – Additional Reporting Obligations

**Activation of additional obligations for Accountable institutions and Reporting Institutions to report Cash Threshold Reports and Electronic Fund Transfer Reports in terms of sections 32 and 34 of the Financial Intelligence Act 2012 (Act 13 of 2012) as amended.**

### INTRODUCTION

This circular is issued in terms of Section 9(2) (e), read with Section 9(2) (g) of the Financial Intelligence Act, 2012 (Act No. 13 of 2012) as amended (FIA).

The purpose of this circular is to assist and guide all Accountable Institutions (AIs) and Reporting Institutions (RIs) in complying with the additional obligations to report Cash Threshold Reports (CTR's) and Electronic Funds Transfer Reports (EFTR's) and is not intended to replace any of the provisions of the FIA and its complementing regulations.

This circular recalls and replaces the initial circular with the same subject heading issued on 30 January 2015 and has as its main objective to clarify the reporting obligations in terms of the FIA.

### 1. CASH THRESHOLD REPORTS (CTRS)

- a) All transactions concluded **by or on behalf of a client**<sup>1</sup> in cash (received and paid) above the threshold of Ninety Nine Thousand Nine Hundred and Ninety Nine Namibian Dollars and Ninety Nine Cents (N\$99,999.99), must be reported to the FIC within five (5) working days as from date the transaction was concluded, by all AIs and RIs except for Casino's;
- b) All transactions concluded **by or on behalf of a client** in cash (received and paid) above the threshold of Twenty Four Thousand Nine Hundred and Ninety Nine Namibian Dollars and Ninety Nine Cents (N\$24,999.99), must be

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<sup>1</sup> Client in terms of the FIA is defined as a person who has entered into a business relationship or a single transaction with an accountable or reporting institution, and the word customer has a corresponding meaning. This therefore means that only transactions involving clients are reportable.

reported by Casinos' and Gambling Houses **only**, to the FIC within five (5) working days as from date the transaction was concluded.

- c) Considering the thresholds described in (a) and (b) above, an AI or RI is required to put mechanisms in place to detect transactions structured in a manner to avoid the reporting threshold. If related transactions occur within 24 hours of each other and collectively exceed the prescribed threshold, then same must be reported to the FIC as a CTR. Furthermore, if the AI/RI assesses or deems such a transaction to be suspicious and/or unusual considering the established financial profile of the client, the AI/RI must report a Suspicious Transaction Report (STR) to the FIC, in addition to the CTR.
- d) The type of transactions reportable are limited to:
  - i. Cash received or cash paid (including cashing of cheques) by the AIs/RIs at its premises or at the Banks; and
  - ii. Cash deposit or cash withdrawal.

## 2. ELECTRONIC TRANSFER OF FUNDS REPORTS (EFT REPORTS)

- a) **Only** Banks, Money or Value Transfer Businesses and/or Authorized Dealers with Limited Authority (ADLAs) are required to report electronic transfers of money as required in (b) and (c) below. The EFT reports can be categorised into two types, namely:
  - i. Domestic Electronic Funds Transfer (EFT's); and
  - ii. International Funds Transfer (IFT's).
- b) **All** international electronic transfers of money **in** or **out** of Namibia (irrespective of the amount involved), executed or facilitated by the Banks, Money or Value Transfer Business and/or ADLAs **on behalf or on the instruction of a client**, must be reported to the FIC with the prescribed information within five (5) working days as from date the transaction was concluded;
- c) All electronic transfers of money **within** Namibia (domestic) executed or facilitated by the Banks, Money or Value Transfer business and/or ADLA's **on behalf of or on the instruction of a client** in excess of the threshold of N\$99,999.99, must be reported to the FIC with the prescribed information within five (5) working days as from date the transaction was concluded;
- d) The following types of electronic transfers of funds are currently excluded from being reported:

- i) All transactions between Banks, and between Agribank, DBN, NHE and NAMPOST with such Banks. Such transactions would be deemed to be inter-bank transactions; and
- ii) All card (Debit, Credit,) transactions.

### **3. METHODS OF REPORTING CTRS AND EFTS TO THE FIC**

Accountable institutions and reporting entities can report CTRs and EFTs to the FIC through:

- a) Electronic submission (online/web based or a xml report based on a GoAML schema provided by the FIC by clicking on <https://www.fic.na/goaml/>); or
- b) Electronic submission by completing/populating the relevant (CTR/EFT/IFT) report on the Go-AML portal form at <https://www.fic.na/goaml/>); or
- c) Manual submission (completed forms can be send to [helpdesk@fic.na](mailto:helpdesk@fic.na) or dropped off in the reporting box on the ground floor at the entrance to the Bank of Namibia **in exceptional cases** when the AI/RI is unable to use method (a) and (b) above).

#### **Effective date**

The CTR and EFT reporting obligations came into effect on **28 January 2015 with the Gazetting and publication of the attached regulations to the FIA.**

#### **Non-compliance with the provisions of this Circular**

Any non-compliance with the directions and specifications contained in this circular is a criminal offence in terms section 63 of the FIA.

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#### **Further information**

Enquiries can be directed to the FIC Help Desk by:

Email to [helpdesk@fic.na](mailto:helpdesk@fic.na)

Tel: + 264 - 61-283 5100/5287

Fax: +264 - 61-283 5656/5950

The information contained in this document is intended only to provide a summary and a general overview on these matters and is not intended to be comprehensive.

This document may contain statements of policy which reflect FIC's administration of the legislation in carrying out its statutory functions.

The guidance provided by the Centre in this circular, even though authoritative, is not intended to replace the FIA including Regulations issued thereunder.

Date of issue: 28 May 2015

**Director: Financial Intelligence Centre**