



FINANCIAL INTELLIGENCE CENTRE

P.O. BOX 2882, Windhoek

Tel: +264 61 283 5100 / 5216 / 5283, Fax +264 61 283 5259

Web address: www.fic.na

E-mail address: helpdesk@fic.na

REVISED CIRCULAR 03 OF 2015

INITIALLY ISSUED: 30 JANUARY 2015

FIRST REVISION: 28 MAY 2015

SECOND REVISION: 17 SEPTEMBER 2021

REVISED ADDITIONAL REPORTING OBLIGATIONS

1. BACKGROUND

The Financial Intelligence Centre (FIC) first issued Circular 03 of 2015 in January 2015, followed by a subsequent revision in May 2015. Such was needed to create a framework around requirements of additional obligations related to the reporting of Cash Threshold Reports (CTRs) and Electronic Funds Transfer (EFT) Reports in terms of sections 32 and 34 of the Financial Intelligence Act 2012 (Act 13 of 2012) as amended. The said circular was issued in terms of Section 9(2) (e), read with Section 9(2) (g) of FIA. The circular guides all Accountable Institutions (AIs) and Reporting Institutions (RIs) in complying with the said reporting obligations.

Virtual Asset Service Providers (VASPs) as defined in FIC Directives 01 and 02 of 2021¹ are required to comply with the FIA, with effect from 17 September 2021. Circular 03 of 2015 is hereby also revised to incorporate VASPs' reporting obligations. Primarily, the Circular provides that all reporting obligations which apply to Banks and Money or Value Transfer Businesses and/or Authorized Dealers with Limited Authority (ADLAs) equally apply to VASPs. All other reporting obligations in the prior Circular issued in May 2015 remain unchanged.

The Revised Circular recalls and replaces the Circulars previously issued with the same subject heading, speaking to the CTR and EFT reporting obligations.

2. CASH THRESHOLD REPORTS (CTRS)

- a) All transactions concluded by or on behalf of a client² in cash (received and paid) above the threshold of Ninety-Nine Thousand Nine Hundred and Ninety-Nine Namibian Dollars and Ninety-Nine Cents (NAD 99,999.99), must be reported to

¹ See definition of VASPs as per the said Directives on the FIC website: <https://www.fic.na/index.php?page=2021-directives>.

² 1 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.

the FIC within five (5) working days as from date the transaction was concluded, by all AIs and RIs except for Casinos;

- 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 (NAD 24,999.99), must be 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; and
- 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 VASPs; and
 - ii. Cash deposits or cash withdrawals.

3. ELECTRONIC TRANSFER OF FUNDS REPORTS (EFT REPORTS)

- a) Only Banks and ADLAs are required to report electronic transfers of money as required 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 and ADLAs on behalf or on the instruction of a client, must be reported to the FIC;
- c) All electronic transfers of money within Namibia (domestic) executed or facilitated by the Banks and ADLAs on behalf of or on the instruction of a client in excess of the threshold of NAD 99,999.99, must be reported to the FIC;
- d) Given the borderless nature of Virtual Asset (VA) transactions, VASPs are required to report **all** transactions facilitated by them directly or indirectly (e.g P2P³), to the FIC; and
- e) All such reports should be submitted with the prescribed information, within five (5) working days as from the date the transactions were concluded;
- f) The following types of electronic transfers of funds remain 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.

Note the need for VASPs to however ensure reporting **all** transactions.

4. METHODS OF REPORTING CTRS AND EFTS TO THE FIC

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

³ P2P – Peer to Peer. See FIC Directives 01 and 02 on description of P2P transactions. The generally accepted definition is direct remittances between users, often without inputs from a facilitator such as an Exchange house.

- 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 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).

5. EFFECTIVE DATE

The Revised Circular comes into operation on **01 October 2021**. VASPs are required to register with the FIC by 30 September 2021, as per FIC Directives 01 and 02 of 0221.

6. FURTHER INFORMATION

Enquiries can be directed to the FIC as per contact details on the cover page.

7. NON-COMPLIANCE WITH PROVISIONS OF THIS CIRCULAR

Failure to comply with this Circular undermines Namibia's Anti-Money Laundering, Combatting the Financing of Terrorism and Proliferation (AML/CFT/CPF) framework. Such may therefore result in enforcement considerations as per the FIA.

8. GENERAL

The Circular may contain statements of policy which reflect the FIC's administration of the FIA in carrying out its statutory mandate. This Circular is issued without prejudice to

the FIA and its complementing Regulations. It serves to provide a summary on these matters and is not intended to be comprehensive.

The Circular can be accessed at: <https://www.fic.na/index.php?page=2015-circulars>

DIRECTOR: FINANCIAL INTELLIGENCE CENTRE