

# FINANCIAL INTELLIGENCE CENTRE (FIC)

## Circular No. 01 of 2017

**Additional obligations for Accountable Institutions (AIs) and Reporting Institutions (RIs) to report Suspicious Transactions (STRs) and Suspicious Activities (SARs) relating to Financing of Terrorism (FT) and Proliferation (PF), section 33 of the Financial Intelligence Act 2012, Act 13 of 2012, as amended (herein referred to as The FIA).**

### Introduction

This circular is issued in terms of Section 9(1) (h) of The FIA and bears reference to the issued Financial Intelligence Centre (FIC) Circular 1 of 2013.

The FIC, as part of its continued efforts to assist the Government of the Republic of Namibia to reduce the National Money Laundering (ML), Terrorist Financing (TF) and Proliferation Financing (PF) risks will be circulating lists derived from the United Nations Security Council of designated individuals, entities and other groups<sup>1</sup>. These lists will be communicated via circulars to AIs and RIs whenever updates are made on the said lists.

### **The United Nations Security Council Resolution lists (1267/1989/2253, 1988 & 1718)**

Attached hereto find the following UN Security Council lists on which Accountable Institutions (AIs) and Reporting Institutions (RIs) are required to take relevant action as per the FIA:

- 1. Annexure "A"** The List established and maintained by the 1267, 1989 and 2253 Committee with respect to individuals, groups, undertakings and other entities associated with ISIL (Da'esh) & Al-Qaida as updated on **18 January 2017**.

The ISIL (Da'esh) & Al-Qaida Sanctions List consists of two sections, specified below:

- a) Individuals associated with ISIL (Da'esh) & Al-Qaida Sanctions: and

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<sup>1</sup> This is as per mandate by the Prevention and Combatting of Terrorist and Proliferation Activities Act, 2014 (Act No. 4 of 2014) (PACOTAPAA) and its complementing regulations

- b) Entities and other groups and undertakings associated with ISIL (Da'esh) & Al-Qaida Sanctions.

The said list and updates thereto, can also be accessed at:

[https://www.un.org/sc/suborg/en/sanctions/1267/aq\\_sanctions\\_list](https://www.un.org/sc/suborg/en/sanctions/1267/aq_sanctions_list)

The press release, which provides a detailed outline of the update can be accessed on the following link:

<https://www.un.org/sc/suborg/en/sanctions/1267/press-releases>

**2. Annexure “B”** The List of individuals and entities established pursuant to Security Council Resolution 1988 (2011) as updated on **23 December 2016**.

The 1988 list consists of the following two sections as specified below:

- a) Individuals associated with the Taliban; and
- b) Entities and other groups and undertakings associated with the Taliban

The said list and updates thereto, can also be accessed at:

<https://www.un.org/sc/suborg/en/sanctions/1988/materials>

**3. Annexure “C”** The consolidated list contains the entities and individuals subject to assets freeze and/or travel ban as decided by the Security Council and the Sanctions Committee established pursuant to resolution 1718 (2006) as updated on **30 November 2016**.

The said list and updates thereto, can also be accessed at:

<https://www.un.org/sc/suborg/en/sanctions/1718/materials>

**3.1 Lists of Items Prohibited for Export to and Import** from The Democratic People's Republic of Korea (DPRK) pursuant to Security Council Resolution 1718 (2006). Kindly note that affected stakeholders should access and familiarise themselves with the various Lists of Items Prohibited for Export to and Import from the DPRK, in order to take the necessary preventative measures. As at 07 March 2016, the Lists noted by the FIC are eight (8) and they can be accessed via the following link:

<https://www.un.org/sc/suborg/en/sanctions/1718/prohibited-items>

Als and RIs are directly in terms of the FIA, and indirectly in terms of the PACOTAPAA, mandated to screen names of all their new and existing clients, as

well as all transactions processed by the institution, against the names of the individuals and organisations on all the above sanctions lists (including the relevant attachments) and the updates thereto.

Whilst the FIC will at all times circulate the updates to the above identified lists to AIs and RIs, as per applicable legislative provisions contained in the PACOTAPAA and its complementing Regulations, both AIs and RIs have the responsibility to continuously and timeously familiarize themselves with updates made by the United Nations Security Council to the above lists.

Potential matches resulting from such screening must be subjected to enhanced customer due diligence measures as required by sections 23 and 24 of the FIA. In the event that a positive match is determined and enhanced customer due diligence is performed, AIs and RIs should report this as well as any details of any funds held on behalf of the listed party, immediately to the FIC as required by section 33 of the FIA.

Further, it should be noted that, it is an offence in terms of sections 2, 3 and 23 of the PACOTAPAA to deal with, enter into or facilitate any transaction or perform any other act in connection with funds connected with or owned by individuals, entities and other groups associated with listed individuals or entities. The prohibitions contained in the above sections further establishes an effective freeze over the funds connected with or owned by the said individuals, entities and other groups as contained in the lists to ensure no transaction or any other act is performed in connection with such funds.

An AI or RI which provides products or services to these individuals, entities and other groups as per the said lists, as a result of failing to implement adequate screening measures, commits an offence and in addition exposes itself to an extremely high risk of Terrorist Financing or/and advancing weapons proliferation objectives.

### **Methods of reporting Suspicious Transaction Reports or Suspicious Activity Reports relating to Financing of Terrorism to the FIC**

AIs and RIs can report Suspicious Transaction Reports or Suspicious Activity Reports relating to Financing of Terrorism to the FIC through:

- a) Electronic submission(online/web based or xml by clicking on <https://www.fic.na/goaml/>); or
- b) Completion of manual STR/SAR form (form can be send to [helpdesk@fic.na](mailto:helpdesk@fic.na))

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

Any non-compliance with the directions and specifications contained in this Circular is an offence in terms of 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

Fax: +264 - 61-283-5259

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 or PACOTAPAA including Regulations issued thereunder. The circular does vary the existing guidance note on reporting of suspicious transactions regarding ML as far as adding the obligations pertaining reporting of Financing of Terrorist and Proliferation transactions or activities are concerned. The said guidance note can be accessed at [www.fic.na](http://www.fic.na).

The information contained herein is current as at the date of this document.

Date issued: **19 January 2017**

**Director: Financial Intelligence Centre**