



**STATEMENT  
BY**

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OF THE REPUBLIC OF SOUTH AFRICA**

**AT THE 54<sup>TH</sup> SESSION  
OF THE  
COMMISSION ON NARCOTIC DRUGS**

**AGENDA ITEM 6 (C): IMPLEMENTATION OF THE POLITICAL DECLARATION  
AND PLAN OF ACTION ON INTERNATIONAL COOPERATION TOWARDS AN  
INTEGRATED AND BALANCED STRATEGY TO COUNTER THE WORLD DRUG  
PROBLEM: COUNTERING MONEY-LAUNDERING AND PROMOTING JUDICIAL  
COOPERATION TO ENHANCE INTERNATIONAL COOPERATION**

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**Check against delivery**

Madame Chairman,

South Africa attaches particular importance to this agenda item. Money-laundering is a global problem that has far reaching consequences. It is one of the sophisticated criminal acts which no country is capable of tackling on its own. Most importantly, the solution lies in strengthened, continuous and effective cooperation amongst Member States and the private.

Madame Chairman,

Like other countries, South Africa is also affected by the growing number of cases of money laundering. We have experienced that these crimes are often perpetrated by trans-national syndicates hence the call for regional and international cooperation. In the fight against these crimes, our government has ratified both the United Nations Convention against Illicit Trafficking in Narcotic Drugs and Psychotropic Substances, 1988 (Vienna Convention) and the United Nations Convention Against Transnational Organized Crime, 2000 (Palermo Convention).

The Prevention of Organized Crime Act, 1998 (POCA) which came into effect on 21 January 1999 is the main legislation criminalizing money laundering in South Africa in a manner that is largely consistent with the Vienna and Palermo Conventions. Money laundering has been criminalized in the three separate provisions of POCA which cover the conversion or transfer, concealment or disguise, possession, and acquisition of property.

South Africa has a Financial Intelligence Centre (the Centre), a national centre for receiving, analyzing and disseminating information on suspected money-laundering. South Africa has also begun a process of reviewing the current legislation framework with the view of improving our legal and institutional framework and strengthening the implementation of measures to combat money laundering and terrorist financing. One of the changes includes, the requirement that every accountable institution must register with the Centre. The Centre is also able to conduct inspections of institutions to ensure compliance with the Act.

Another key development in our country is the introduction of a reporting obligation relating to large cash transactions with effect from October 2010. This entails that accountable and reporting institutions are now obliged to report each cash transaction of R25000 or more to the Centre. The Centre has received more than one million reports of this nature during the period from October 2010 to February 2011.

As a member of the Financial Action Task Force since June 2003, South Africa has been compliant with the 40 recommendations of combating money laundering and the 9 recommendations on combating the financing of terror.

Madame Chairman,

My delegation would also like to emphasize the importance of technical assistance for developing countries. This is important as it can assist countries to put in place relevant systems aimed at addressing these criminal activities. In this regard, we welcome the report of the Executive Director on the activities of the United Nations Office on Drugs and Crime, in particular its recommendation for support to funding structures that would progressively allow enhanced cooperation to combat money-laundering and trafficking in persons.

I thank you.