



**INTERVENTION BY**

**THE REPUBLIC OF SOUTH AFRICA AT THE**

**18<sup>TH</sup> SESSION OF THE WORKING GROUP ON ASSET RECOVERY**

**AGENDA ITEM 3A & 3B: THEMATIC DISCUSSION**

**14 JUNE 2024**

**VIENNA, AUSTRIA**

**Check against delivery**

**Chairperson,**

The South African delegation welcomes the thematic discussion focusing on beneficial ownership information in order to detect, deter and prevent acts of corruption as well as illicit financial flows and challenges, obstacles and barriers to international cooperation. We equally thank all panellists for their valuable presentations.

South Africa reaffirms that an effective beneficial ownership disclosure regime is an essential policy tool in the fight against corruption, the prevention of money-laundering, and the countering of illicit financial flows. I am thus pleased to inform that South Africa affected legislative amendments to the Companies Act and the Trust Property Control Act to introduce a register for beneficial owners of legal persons and trusts. These changes were made through the implementation of the General Laws (Anti-Money Laundering and Combatting Terrorism Financing) Amendment Act, which also provided for amendments to three other Acts, including the Financial Intelligence Centre Act. South Africa also reconstituted the Inter-departmental Committee on Beneficial Ownership Transparency (IDC-BOT) in 2021, to coordinate and enhance multi-stakeholder co-operation to guide the implementation of a Beneficial Ownership Transparency National Framework in line with the relevant international commitments.

**Chairperson,**

In line with the 2021 Political Declaration, South Africa underscores that preventing and countering corruption including illicit financial flows and the recovery and return of stolen assets, contributes to effective resource mobilization, poverty eradication, sustainable development and the enjoyment of all human rights, To this end, South has put in place stringent measures to deal with illicit financial flows at both domestic and international levels by entering into agreements that allow authorities to exchange information relating to offshore accounts as well as the sharing of information, between tax administration authorities, relating to high risk tax assessments. South Africa also established an inter-agency working group coordinated by the Financial Intelligence Centre aimed at coordinating and fast-tracking matters related to illicit financial flows.

Money laundering and illicit financial flows are very complex in nature and therefore requires a continuous evaluation of implement measures to ensure that these continue to be effective and serve the intended prevention purpose. Money laundering and illicit financial flows, complex schemes as they are, will continue increasing their complexity therefore necessitating continued corroboration and concerted efforts to achieve the intended objective of curbing the scourge.

The South African Delegation welcomes the observation/recommendations proposed towards ensuring enhanced international cooperation to facilitate the return of stolen assets to their countries of origin. To this end, South Africa reiterates the principled position of unconditional return of stolen assets to their countries of origin.

**Chairperson,**

The provisions of the International Cooperation in Criminal Matters Act, 1996 (ICCMA) enables South Africa to provide the widest legal assistance, both with regard to natural and legal persons, including all types of assistance listed in the UNCAC.

My Delegation recognises that inadequate legislation and/or procedures for international cooperation coupled with insufficient institutional arrangements; ineffective inter-agency coordination; complicated asset recovery procedures; lack of capacity and resources of competent authorities as well as the lack of a case management system to measure the effectiveness of measures; immensely contribute to hindering timeous, efficient and effective mutual legal assistance towards corruption prevention and asset recovery.

We are convinced that the effective implementation of the recommendations and observations emanating from the review process will accelerate compliance while ensuring full implementation of the UNCAC and other related international obligations in the fight against transnational organised crime.

**I thank you**