

Press Briefing

11 December 2024

One Year: The Digital and Financial Forensic
Analysis Centre

DIGITAL AND FINANCIAL FORENSICS ANALYSIS CENTRE & THE DIGITAL SERVICE OF S205 SUBPOENAS





BACKGROUND AND COLLABORATION

SPEAKER: LIEUTENANT GENERAL DR ADV. GODFREY LEBEYA

Business is a crucial partner in the fight against crime. The digital landscape in which the Directorate for Priority Crime Investigation (DPCI) operates - against pervasive organised crime - is evolving at a rapid speed. In order to effectively execute its mandate, the DPCI has needed to, equally fast, advance its capacity to investigate and navigate in the digital sphere.

Digital forensics play a crucial role in the investigation of Serious Organised Crime, Serious Commercial Crime and Serious Corruption. The collection and analysis of electronic data, which can contain valuable evidence, is often costly. This requires a partnership between government and business.

The National Priority Crime Operational Committee (NPCOC) was established in terms of Section 17J of the SAPS Act

to review, monitor and support the work of relevant government entities and structures, addressing national priority offences, through the multi-disciplinary approach. This is in line with Section 17F of the South African Police Service Act 68 of 1995, read in the context of Section 41 of the Constitution of the Republic of South Africa, 1996.

Combating corruption and money laundering cannot be undertaken by a single agency acting in isolation, no matter how competent this agency and its staff may be. The NPCOC practices inter-agency collaboration in the spirit of Section 41(1)(h) of the Constitution of the Republic of South Africa, 1996, which encourages cooperation between government departments and organs of state. This lawful exchange of information and sharing of resources, is based on mutual trust and good

faith.

The objective of the Joint Initiative on Crime and

Corruption Sub-Committee (JICC) of NPCOC is to mobilize business support for a Digital Evidence Unit to support prosecution of state capture cases and to ensure South Africa's removal from the Financial Task Force (FATF) grey list, by demonstrating the country's intent and capacity to prosecute complex money laundering-related cases.

The impact of technology on modern criminal investigations has transformed the way the DPCI approaches the investigation of national priority offences. As technology continues to advance, the criminal justice system must navigate new ethical and legal considerations to ensure that the pursuit of justice, in the digital age, remains transparent and respectful of individual rights.

The successful launch of the Section 205 digital subpoena project follows the establishment of a cutting-edge Digital and Financial Forensic Analysis Centre for the DPCI in 2023. The centre is a collaborative effort between the Hawks, the Banking Association South Africa (BASA), and the South African Banking Risk Information Centre (SABRIC), and forms part of the joint effort between government and business, which is led by President of the country, Honourable Cyril Ramaphosa.

The digital Section 205 subpoena, which allows the DPCI to serve subpoenas for bank records

electronically, will assist in bringing DPCI Investigators closer to those they are seeking; and help ensure that the financial trail leads to the recovery of assets bought with money amassed from ill-gotten gains.

So far:

- 58 DPCI members onboarded with the forensic centre.
- 147 cases and 910 exhibits were acquired and processed.
- 114 bank statements in PDF format were converted, verified and analysed.

- 782 law enforcement officers have been trained on bank statement analysis.
- 68 DPCI, Investigators, Digital Forensic Investigators and Financial analysts were trained over two days on 11 modules, covering Conducting Forensic Investigation, Digital Forensics and Financial Analysis.

This is just the beginning. Even though this project is still at its infancy, the roadmaps that have been laid out, as well as its achievements so far, helps to confirm that this initiative by President Ramaphosa will take our investigation techniques to greater heights.

DIGITAL FINANCIAL & FORENSIC ANALYSIS CENTRE AND THE S205 DIGITAL SUBPOENA

SPEAKER: MR NISCHAL MEWALALL

The Digital and Financial Forensic Analysis Centre (DFAC) is a three-way partnership between the Banking Association South Africa (BASA), the South African Banking Risk Information Centre (SABRIC) and the Directorate for Priority Crime Investigation – better known as the Hawks.

The purpose of the DFAC centre is to bolster South Africa's capacity to investigate and prosecute financial crime, by making cutting edge digital and financial forensic analysis capacity available to the Hawks. The centre provides:

- Advanced training for senior investigators in financial forensic analysis,
- State-of-the-art software and hardware – along with the necessary technical support - for use in the investigation of a broad

spectrum of serious crime including money laundering and terrorism funding; and

- The promotion and on-going collaboration, high ethical and professional standards, and innovation among those working for – and with – the centre.

BASA – as the representative of the banking industry – and SABRIC, as the implementing agency – embarked on this project, because:

1. South Africa's grey listing by the Financial Action Task Force (FATF) highlighted deficiencies in combating financial crime and money laundering. While South African banks largely comply with international standards and require no FATF-mandated reforms, they could not stand to

one side when the country's economic interests are being hampered. The proposed centre offers a practical way for banks to enhance law enforcement's capacity while supporting government efforts to exit the grey list.

2. Fighting crime and corruption is one of the priorities for the partnership between government and business aimed at boosting inclusive economic growth. This is because by addressing crime, government creates the conditions necessary for robust and inclusive economic development, benefiting businesses, individuals, and the overall economy. The resourcing and training component of this project will – over the longer term – strengthen the capacity



of South Africa to successfully investigate prosecute financial and other crimes. BASA and SABRIC will continue to work to improve collaboration, communication, and processes and between banks and law enforcement.

3. The initiative was driven by a direct request from the Directorate for Priority Crime Investigation (DPCI) to the banking sector. Our view is that partnerships between business and government should not compromise the independence of either parties; instead, it must allow responsible corporate citizens to contribute to building an effective public service that can help deliver prosperity for everyone.

While BASA and SABRIC are the DPCI's partners and have made these resources available, the Hawks are in control of their investigation plan. Banks have no influence. This has been a fundamental principle of the partnership since its conception, and there are stringent legal and governance safeguards in place to ensure this.

In the past year:

- For the Digital and Financial Forensic Analysis Centre to function effectively, it needs dedicated capacity. At least 64 people work in this Centre (comprising of 58 Hawks and

6 technical support staff) with skills in digital and financial forensics and data management. This team then has access to a broader team of IT and data science experts and have successfully developed, tested and implemented processes for the analysis value chain, including new ways of working with state of art technology and data management.

- One of the technologies now at the disposal of the centre is the ability to convert digital and hard copy bank statements into an electronic analysis format. This dramatically reduces data processing time and allows for the data to be analysed faster, and money flows to be detected more efficiently. Investigative journalists will have a deep appreciation for such technology. More than 114 bank statements that span years with millions of transactions have already been processed using this technology. As a result, the Hawks are now leveraging the centre's capabilities, processing 147 cases and 910 exhibits to date. This has led to shorter investigation timelines and quicker prosecutorial decisions.
- A specialized training curriculum comprising 11 modules covering both digital and financial forensics for users - investigators, prosecutors and forensic experts - has been

developed. 68 DPCI members have already been trained on this program. We are creating a pipeline for future digital and financial forensics experts.

- To ensure that the skills needed to carry out financial investigation is not concentrated in one area, we have also trained 782 law enforcement officials on how to analyse bank statements, so that following the money becomes part of the investigative practice in South Africa.
- On 28 November 2024, we introduced a groundbreaking initiative for South Africa: the digital service of Section 205 subpoenas. The Hawks have already successfully served 10 subpoenas through this digital platform.
- The Hawks in Gauteng are now connected to 11 banks via a secure communication network, enabling them to serve subpoenas electronically. Banks can acknowledge receipt and respond to information requests through the same platform, streamlining the process.

This development marks a significant milestone in the modernization and digital transformation of investigative procedures. Most importantly, it reduces investigation timelines and facilitates faster prosecutorial decisions.

In the coming year, we aim to expand this ini-

tiative to all nine provinces and eventually roll it out nationally for the South African Police Service (SAPS).

In conclusion, the establishment of the Digital Financial and Forensic Analysis Centre and the introduction of the S205 Digital Subpoena represent a groundbreaking step in modernizing South Africa's response to financial crime. This partnership between BASA, SABRIC, and the Hawks is not only an example of collaboration, at its best, but is also a testament to what can be achieved when innovation meets determi-

nation.

These advancements are pivotal strides toward removing South Africa from the FATF grey list, bolstering economic confidence, and promoting a culture of accountability.

As we move forward, this partnership serves as a model of how responsible corporate citizenship and government collaboration can foster an effective public service. Together, we are not only tackling today's challenges but also laying the foundation for a safer, more prosperous future for all South Africans.

ALIGNMENT WITH JICC

SPEAKER: DR GRAHAM WRIGHT

- This SABRIC/BASA/DPCI initiative forms part of the broader government/business partnership established by President Ramaphosa in 2023 to address priority areas which would benefit from the specialised skills and resources of business.
- The entities in this partnership agreed to establish the Joint Initiative on Crime and Corruption (JICC) to co-ordinate and monitor the delivery of collaborative interventions intended, in the short-term, to curtail acts of criminality and vandalism, and to support Government's existing long-term efforts to modernise and streamline the criminal justice system.
- The JICC plays a critical role in forging cooperation between the private sector and the many government agencies and departments across the criminal justice system.
- It is a Presidency-led structure which defines and enables the support and collaborative relationship between Government and Business Against Crime South Africa (BACSA) on behalf of Business for South Africa (B4SA)
- Business provides defined support on an arms' length basis, respecting the independence of the justice system, especially the autonomy and professional independence of the various agencies and departments of the criminal justice system, including the DPCI, the IDAC, the NPA, the SAPS, the SARS, and the SIU. Initiatives undertaken through the JICC structure include bolstering the forensic capabilities of the DPCI to combat financial and digital crimes – which refers to this Section 205 digitisation initiative.
- This partnership is an example of the benefits which can be derived for the country through a structured partnership which tackles a national imperative.

CLOSING GLOSSARY

With these advancements, the DPCI is taking a significant step toward becoming a leader in modern crime investigation.

We remain committed to supporting law enforcement agencies in their fight against priority crimes and ensuring a safer future for all South Africans.

1. DPCI: Directorate for Priority Crime Investigation, also known as the Hawks.
2. BASA: Banking Association South Africa.
3. SABRIC: South African Banking Risk Information Centre¹.
4. NPCOC: National Priority Crime Operational Committee.
5. JICC: Joint Initiative on Crime and Corruption³.
6. FATF: Financial Action Task Force.
7. SAPS: South African Police Service.
8. S205: Section 205 of the Criminal Procedure Act, which allows for the issuing of subpoenas⁵.