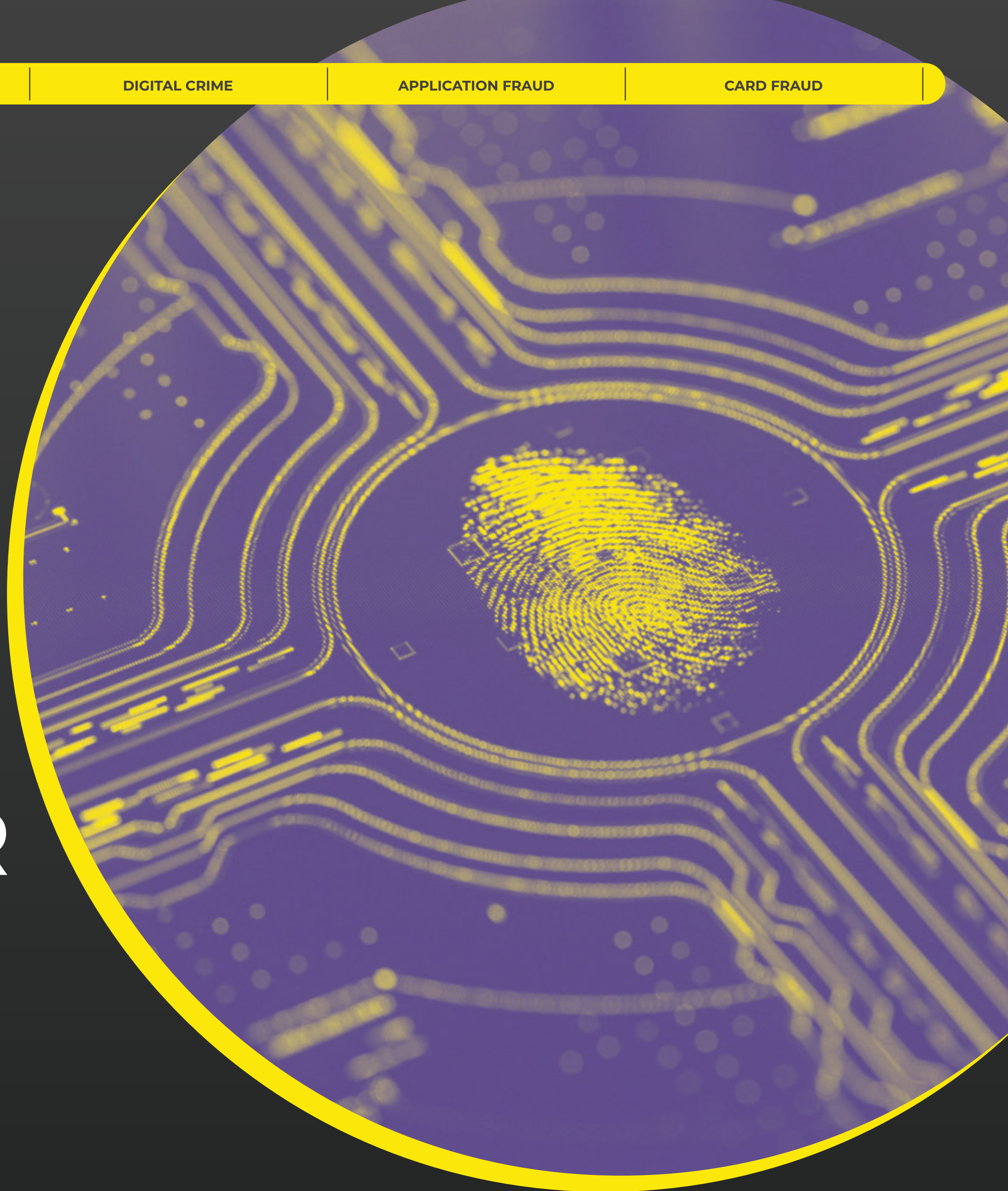
ANNUAL CRIME STATISTICS

2023

SABRIC South African Banking Risk Information Centre



PARTNERING FOR A STRONGER SOUTH AFRICA

“Combating financial crime through **collaboration**”

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EXECUTIVE SUMMARY

South African lost almost 3.3 billion Rand in 2023 due to financial crime. This number includes banks, bank customers and merchants and undermines our economic stability, stifles opportunities for growth and investment and has grave implications for the people of our country.

Cybercrime, including phishing, ransomware, and online fraud, saw a substantial increase. Reports from cybersecurity firms and the South African Cyber Security Hub highlighted a growing number of attacks targeting individuals, businesses, and government entities. This saw the digital banking sector face an unprecedented **45%** increase in fraud in 2023, resulting in a **47%** surge in financial losses. Banking app fraud emerged as the dominant threat, accounting for **60%** of all digital banking crimes, experiencing an alarming **89%** year-over-year increase. This trend highlights the evolving sophistication of cybercriminal tactics despite ongoing security enhancements.

A particularly concerning trend is the emergence of generative AI for fraudulent purposes, demonstrating the adaptability of cybercriminals. While the industry is working on staying ahead of these threats, it is essential for both users and institutions to remain vigilant and adopt advanced security measures such as multi-factor authentication, biometrics, and regular software updates.

Card fraud remains a significant issue in South Africa, with various forms impacting both consumers and businesses. The growth in online shopping and digital payments contributed to the rise in card fraud enabling fraudsters to exploit the increased volume of online transactions. Card Not Present (CNP) contributed **68%** of gross fraud losses, an increase of almost **19%**. SABRIC continues to urge all merchants to deploy advanced security measures like two-factor authentication to make it more difficult for fraudsters to commit CNP fraud.

On a positive note, counterfeit card fraud for both credit and debit cards accounted for just **2%** of all card fraud, a significant decrease of **48%** from the previous year. This can be attributed to the implementation of various security measures such as EM V chip technology, stronger authentication methods and contactless payments.

Financial contact crime refers to violent crimes where financial motives are a key factor. In South Africa, these typically include crimes such as bank robberies, ATM attacks, and armed robberies targeting financial institutions or individuals carrying large amounts of cash.

Robberies that took place within the premises of a financial institution, such as a bank or a credit union also known as associated robbery sub-type inside branch incidents, increased by **85%** (24 incidents) during 2023 compared to 13 incidents in 2022. Although the overall figures are low, this is alarming due to the increased risk to bank customers and staff.

Criminal activities where explosives were used to target ATMs to gain unauthorised access to the cash contained within them continued to plague Gauteng which saw 196 incidents in total, and only decreased by one incident when compared to 2022. Although dye-stain was duly activated during ATM attacks using explosives, several instances occurred where the perpetrators, notwithstanding the activation, still removed the stained cash.

Robberies at State Owned Banking Institutions decreased by **41%** which was attributed to the shift in cash payments of SASSA grant payments to card payments which enabled beneficiaries to withdraw cash at ATM machines and supermarket tills.

Application fraud in South Africa refers to fraudulent activities that occur during the process of applying for financial products or services and typically involves the use of false or stolen information to obtain credit, loans, insurance, or other financial benefits. Fraudulent applications for vehicle asset finance (VAF) increased by more than **100%** while mortgage loan incidents increased by **46%**. Unsecured fraud, which refers to fraudulent activities related to financial transactions or credit where the borrower or user does not have to provide collateral or security for the financial product or service, rose by over **100%**.

A comprehensive approach involving technology, regulation, and awareness is crucial to effectively mitigate the risks and impacts of these fraudulent activities.

SABRIC, through its collaborative model, continues to fortify the foundations of our nation's financial security by sharing intelligence with its member banks and law enforcement agencies, working with regulatory bodies and industry partners, and collaborating with international partners to build a global network of allies.

absa

access

African Bank

alBaraka

Bidvest Bank

CAPITEC BANK

citibank

Discovery

FIDELITY
A MEMBER OF THE FIDELITY SERVICES GROUP

FNB

GRINDROD BANK

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sasfin
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SBV
Smart thinking. Secure solutions.

Standard Bank

TymeBank

ubank

COLLABORATIVE PARTNERS

ASISA

HAWKS
DIRECTORATE FOR PRIORITY CRIME INVESTIGATION

SOUTH AFRICAN POLICE SERVICE

WITS UNIVERSITY 100 1922 2022

communications & digital technologies
Department: Communications & Digital Technologies
REPUBLIC OF SOUTH AFRICA

consumer goods council of south africa
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University of Pretoria

SAMLIT
South African Anti-Money Laundering Integrated Task Force

ISPA INTERNET SERVICE PROVIDERS' ASSOCIATION

COMRiC

THE BANKING ASSOCIATION SOUTH AFRICA

BANKSERVAFRICA

National Prosecuting Authority of South Africa

state security
State Security Agency
REPUBLIC OF SOUTH AFRICA

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MANDELA INSTITUTE

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CASH-IN-TRANSIT ASSOCIATION OF SOUTH AFRICA

home affairs
Department: Home Affairs
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Financial Intelligence Centre

INSURANCE CRIME BUREAU
INTELLIGENCE THAT WORKS

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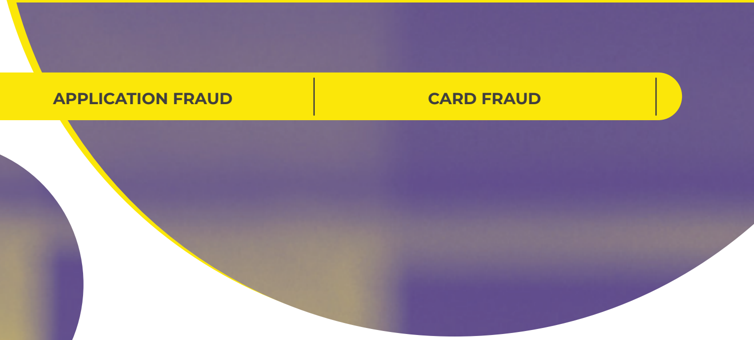
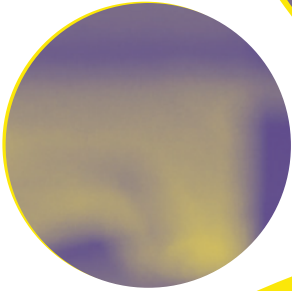
QUALIFICATION OF INFORMATION





The information utilised in this publication was provided by SABRIC members and collaborative partners. The statistics used in the report cover the period, 1 January to 31 December 2022 and 2023. The statistics contained in this publication may differ slightly from previous publications due to the continuous reporting of information post-publication, regular data verification processes followed by SABRIC, as well as ongoing investigations.

The information used was as follows:

- For the comparative analysis, 2023 was compared to 2022.
- All calculations are based on the date that the incident or fraudulent transaction occurred.
- All contact crime losses mentioned in this publication refer to cash that was robbed or stolen and excludes cash that was recovered or other damages that were incurred.
- All fraud losses mentioned in this publication refer to gross fraud losses.
- Loss figures are rounded to the nearest R1 million, unless otherwise stated and therefore the sum of the separate losses (for example per loss category/fraud type) may differ from the rounded loss reflected.

TOTAL FINANCIAL CRIME FROM 2022 TO 2023 AT A GLANCE

GRAND TOTAL

Year	Total (Potential) Losses Reported to SABRIC*	Actual Losses*	Reported Cases/Incidents/Transactions*
2023	R23 723 099 523	R3 357 849 785**	1 591 974

*The categorisation is based on inputs as per reporting bank protocols and definitions are not necessarily comparable between crime types.

Total/Potential Losses refer to the estimated financal impact that occurred due to fraud and represents what crimminals attempted to steal, but may have been unsuccessful in doing so.

Actual Losses are the real, confirmed financial damage incurred as a result of fraudulent criminal activities. They include the immediate monetary amount that was stolen, or the value of transactions that were executed fraudulently, including unauthorised transfers.

**This excludes card transactions because chargebacks are an ongoing process which transcend the timelines against which we are reporting, and it would be misleading since they do not fall within the 12 month reporting period.

BREAKDOWN OF FINANCIAL CRIME PER CRIME TYPE

CONTACT CRIME

Month	Gross Losses (Potential)	Actual	Incidents
Jan		R12 824 156	175
Feb		R13 200 247	169
Mar		R7 957 460	150
Apr		R9 486 645	152
May		R5 741 402	155
Jun		R8 534 355	178
Jul		R5 412 481	152
Aug		R7 494 509	211
Sep		R6 624 494	192
Oct		R5 505 716	186
Nov		R9 220 106	191
Dec		R4 038 092	126
Total	**N/A**	**R96 039 662**	**2 037**

DIGITAL BANKING CRIME

Month	Gross Claim Amount (Potential)	Actual	Cases
Jan		R71 370 416	3 543
Feb		R81 612 926	3 475
Mar		R89 512 342	4 076
Apr		R79 482 112	4 089
May		R86 555 352	4 949
Jun		R109 229 975	4 872
Jul		R101 067 938	4 343
Aug		R86 663 926	4 239
Sep		R77 470 863	3 867
Oct		R85 558 443	4 190
Nov		R94 217 792	5 053
Dec		R119 651 024	5 888
Total	**N/A**	**R1 082 393 109**	**52 584**

APPLICATION FRAUD

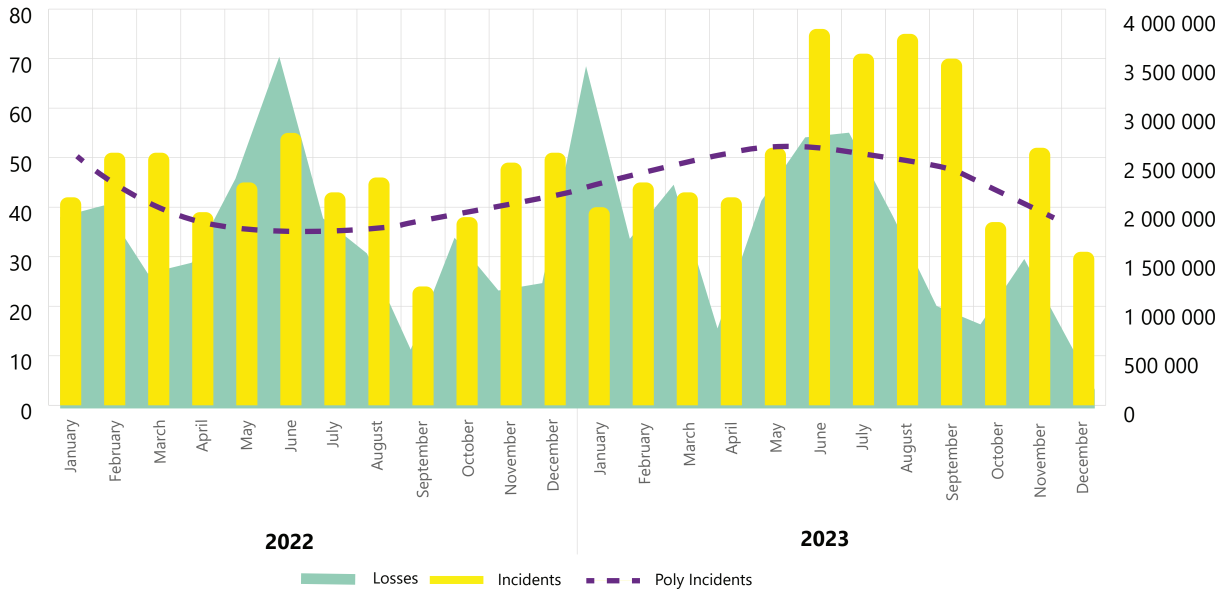
Month	Gross and Actual Loss (Potential)	Actual	Incidents
Jan	R2 379 533 563	R711 098 529	4 167
Feb	R1 621 593 843	R190 338 355	3 927
Mar	R1 928 337 781	R733 554 167	4 309
Apr	R1 148 832 911	R75 491 766	4 797
May	R1 751 505 663	R48 949 053	6 625
Jun	R2 011 468 898	R60 266 201	8 742
Jul	R1 650 348 537	R49 527 307	6 306
Aug	R1 852 518 264	R84 454 297	6 723
Sep	R1 626 869 944	R91 112 729	6 071
Oct	R2 410 118 531	R57 412 023	9 189
Nov	R2 646 359 646	R57 393 191	10 183
Dec	R1 569 263 357	R19 819 397	6 870
Total	**R22 596 750 939**	**R2 179 417 014**	**77 909**

CARD FRAUD

Month	Gross Fraud Losses: Credit & Debit (Potential)	Actual (N/A)	Transactions
Jan	R111 136 361		116 400
Feb	R94 338 090		103 991
Mar	R91 769 216		110 362
Apr	R80 103 823		118 400
May	R112 223 207		146 450
Jun	R93 613 195		125 963
Jul	R91 439 104		120 477
Aug	R92 308 183		118 828
Sep	R77 497 296		116 123
Oct	R89 098 912		119 895
Nov	R90 431 720		118 196
Dec	R102 389 477		144 359
Total	**R1 126 348 584**	**N /A**	**1 459 444**

CONTACT CRIME

ASSOCIATED ROBBERY: Trend



In 2023, the industry recorded a **19%** increase in associated robbery incidents and a **2%** increase in associated losses to customers when compared to 2022. Associated robbery incidents pose a reputational risk to the banking sector as bank customers suffer the cash loss. The increase in associated robbery incidents can be attributed to ATM related incidents where customers withdraw or deposit cash. The decrease in branch before deposit incidents and branch after withdrawal incidents can be attributed to the enhanced security inside branches where it is more difficult to loiter and spot customers that withdraw large amounts of cash. As most associated robbery incidents are reported by the South African Police Service under common robbery and aggravated robbery, it is not always possible to identify every single incident. Victims also often report incidents to a bank branch but do not report them to the South African Police Service as well.

Incident Sub-Type	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
Associated Robbery – Branch Before Deposit	141	119	-16%	R9 159 484	R8 184 411	-11%
Associated Robbery – ATM After Withdrawal	96	256	167%	R459 487	R1 734 437	277%
Associated Robbery – ATM before Deposit	25	47	88%	R570 440	R494 000	-13%
Associated Robbery – Branch After Withdrawal	189	119	-37%	R7 676 398	R6 173 011	-20%
Associated Robbery – Cash Centre After Withdrawal	0	1	100%	R0	R126 300	100%
Associated Robbery – Inside Branch	13	24	85%	R1 284 448	R2 429 143	89%
Associated Robbery – Other – Bogus Bank Employee	9	0	-100%	R344 235	R0	-100%
Associated Robbery – Other – Money bomb	14	29	107%	R134 579	R146 389	9%
Associated Robbery – Other – Muti	20	18	-10%	R933 149	R537 177	-42%
Associated Robbery – Other – Theft out of vehicle	2	1	-50%	R210 000	R1 600 000	662%
Associated Robbery Other (Determined by MO)	22	20	-9%	R430 951	R242 260	-44%
Associated Robbery – Other – Competition scam	3	0	-100%	R26 047	R0	-100%
Total	**534**	**634**	**19%**	**R21 229 218**	**R21 667 127**	**2%**

The sub-type, branch before deposit incidents, decreased by 16% and financial losses in the same category decreased by **11%** during 2023 when compared to 2022. During 2021 and 2022, branch before deposit incidents increased due to restrictions on the number of customers permitted inside a branch, which saw perpetrators target bank customers on their way to the facility. The decrease in branch before deposit incidents can be attributed to the arrest of main suspects as well as the sharing of information with branches.

The main modus operandi (MO) used by perpetrators was to target victims that park close to the branch in the parking area. A person exiting a vehicle, carrying a bag that appeared to contain cash was identified as a potential target and was then robbed.

The sub-type, inside branch incidents, increased by **85%** (24 incidents) during 2023 compared to 13 incidents during 2022. The banking industries ‘Associated Robbery’ project proved to be successful, resulting in several significant arrests and not a single associated robbery inside a branch was reported after these arrests in November 2023.

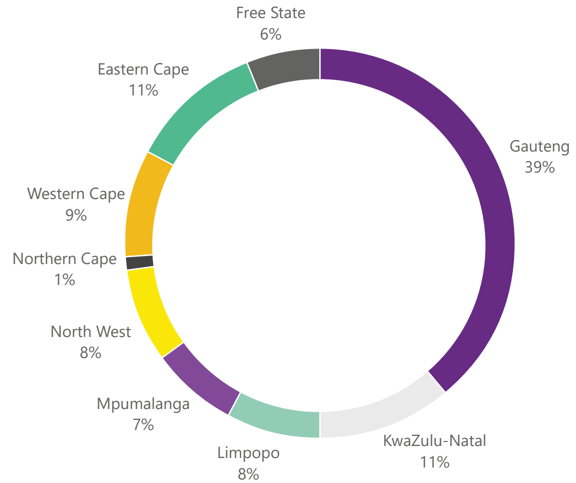
ASSOCIATED ROBBERY: Per Province

INCIDENTS

Province	2022	2023	%
Eastern Cape	51	72	41%
Free State	28	35	25%
Gauteng	224	249	11%
KwaZulu-Natal	54	72	33%
Limpopo	55	53	-4%
Mpumalanga	28	43	54%
North West	57	49	-14%
Northern Cape	5	5	0%
Western Cape	31	56	81%
Grand Total	533	634	19%

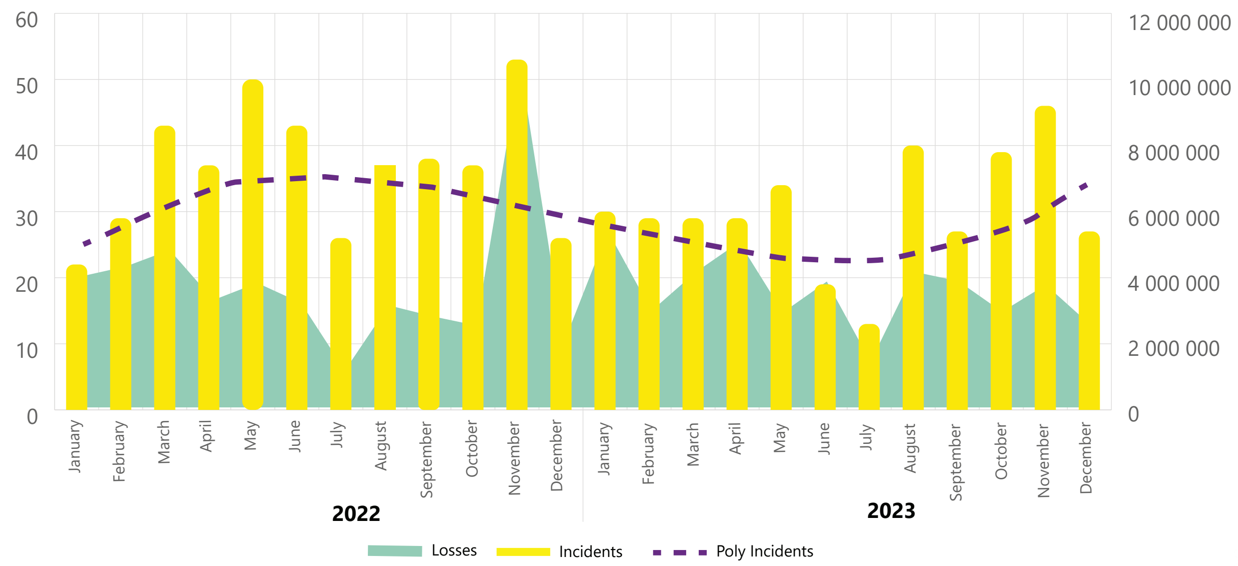
CASH LOSS (R)

Province	2022	2023	%
Eastern Cape	R2 517 727	R1 958 030	-22%
Free State	R802 900	R422 987	-47%
Gauteng	R7 573 427	R11 065 754	46%
KwaZulu-Natal	R2 421 552	R1 270 240	-48%
Limpopo	R1 885 066	R1 806 032	-4%
Mpumalanga	R1 481 542	R2 118 091	43%
North West	R2 768 455	R1 702 748	-38%
Northern Cape	R401 900	R43 324	-89%
Western Cape	R1 369 319	R1 279 921	-7%
Grand Total	**R21 221 888**	**R21 667 127**	**2%**



Gauteng experienced the highest number of reported Associated Robbery incidents **(39%**) followed by the Eastern Cape (**11%**) and KwaZulu-Natal (**11%**).

ATM ATTACKS: Trend



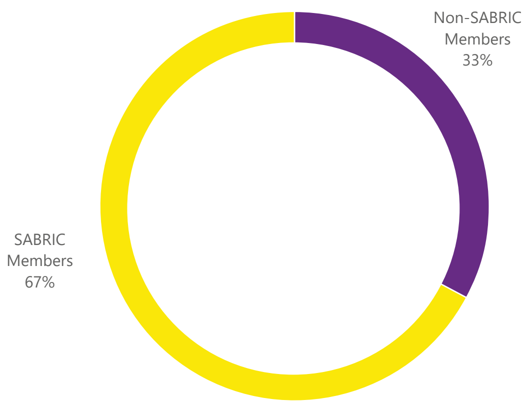
Overall, there was an **18%** decrease in ATM attacks during 2023, resulting in a **5%** decrease in cash losses. **67%** of reported incidents were attributed to SABRIC member banks, while the remaining **33%** were reported by non-SABRIC member institutions.

ATM ATTACKS: Incident Sub-Type

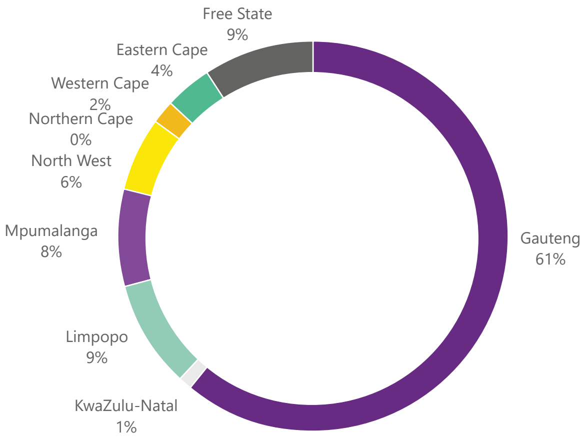
Incident Sub-Type	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
ATM Attack – Burglary	41	11	-73%	R0	R0	0%
ATM Attack – Cutting Torch	9	5	-44%	R1 864 145	R498 430	-73%
ATM Attack – Explosives	333	304	-9%	R33 055 060	R36 102 288	9%
ATM Attack – Grinder	32	26	-19%	R9 384 510	R5 388 780	-43%
ATM Attack – Theft	6	1	-83%	R311 550	R0	-100%
ATM Attack – Tools	20	15	-25%	R928 270	R1 056 230	14%
Total	441	362	-18%	R45 543 535	R43 045 728	-5%

From an industry perspective, the majority of ATM attacks occurred in Gauteng at **61%**, followed by Limpopo and the Free State at **9%**. ATM attack incidents in the Free State increased by **39%** during 2023 when compared to 2022.

ATM ATTACKS: SABRIC Members vs Non-SABRIC Members



ATM ATTACKS: Per Province

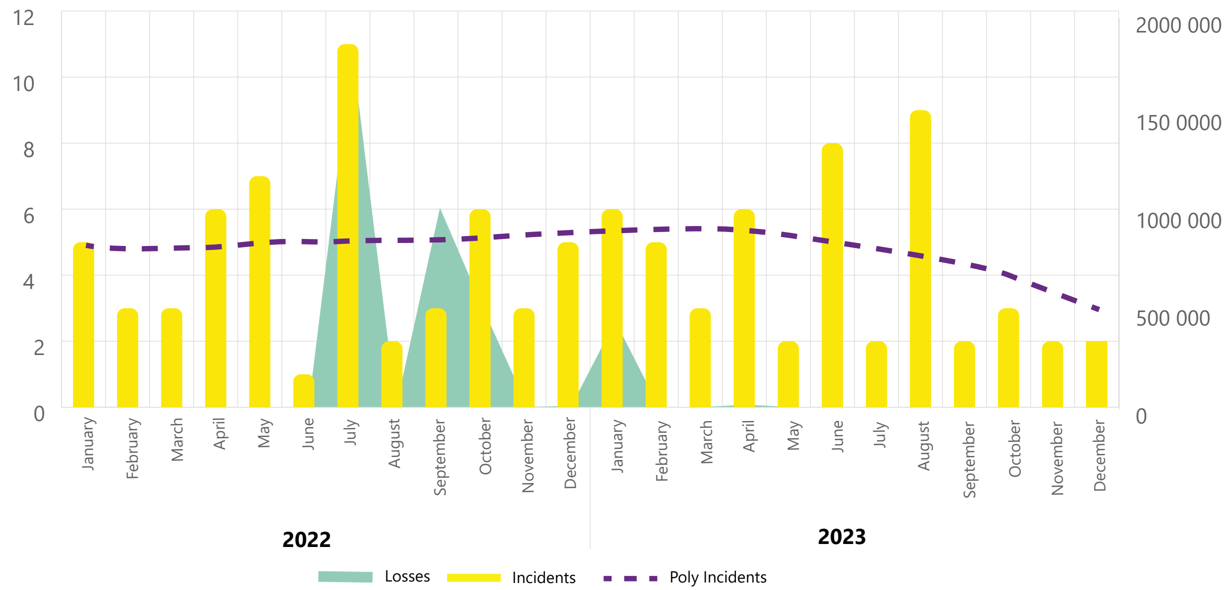


ATM attack – explosives incidents decreased by **9%** during 2023. SABRIC member banks reported **62%** of occurrences, with non-SABRIC institutions reporting the remaining **38%**. In **83%** of ATM attack – explosives incidents the perpetrators were successful in accessing the cash. Although dye-stain was duly activated during these attacks, several instances occurred where the perpetrators, notwithstanding the activation, still removed the stained cash. Gauteng saw the most ATM attack – explosives incidents at a rate of **63%** followed by Limpopo at a rate of **10%**. Southern Gauteng was most affected which included Ekurhuleni at **40%** and Soweto at **23%**. The use of explosives to attack an ATM made it possible for perpetrators to execute the operation quickly, especially at service stations where there were two or more ATM machines. In some instances, perpetrators also robbed the service station shop and attacked drop safes.

ATM attack – angle-grinder incidents decreased by **19%** from 32 in 2022 to 26 incidents during 2023. In **54%** of ATM attack – grinder incidents, perpetrators were successful in accessing the cash in the ATM whether dye stained or not. In most instances, perpetrators wearing guards' uniforms targeted shopping centers where they held the guard's hostage and kept watch while the rest of the perpetrators used grinders to force their way into the ATM. Grinding an ATM requires a well-coordinated approach, a large group of perpetrators and a significant amount of time. The risk to perpetrators is high due to prompt responses from reaction teams that respond after an alarm signal loss. However, during load shedding, perpetrators were able to limit their risk due to signal loss and by dressing as guards indicating to reaction teams that all was in order.

Province	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
Eastern Cape	33	14	-58%	R1 120 900	R613 960	-45%
Free State	23	32	39%	R1 865 585	R824 420	-56%
Gauteng	229	220	-4%	R24 863 170	R31 110 699	25%
KwaZulu-Natal	16	5	-69%	R1 024 560	R392 960	-62%
Limpopo	37	32	-14%	R5 505 000	R3 235 010	-41%
Mpumalanga	44	29	-34%	R5 920 410	R3 177 419	-46%
North West	48	23	-52%	R4 922 070	R3 658 790	-26%
Northern Cape	4	1	-75%	R0	R32 470	100%
Western Cape	7	6	-14%	R321 840	R0	-100%
Grand Total	**441**	**362**	**-18%**	**R45 543 535**	**R43 045 728**	**-5%**

BURGLARY – COMMERCIAL PRIVATE BANKING INDUSTRY: Trend

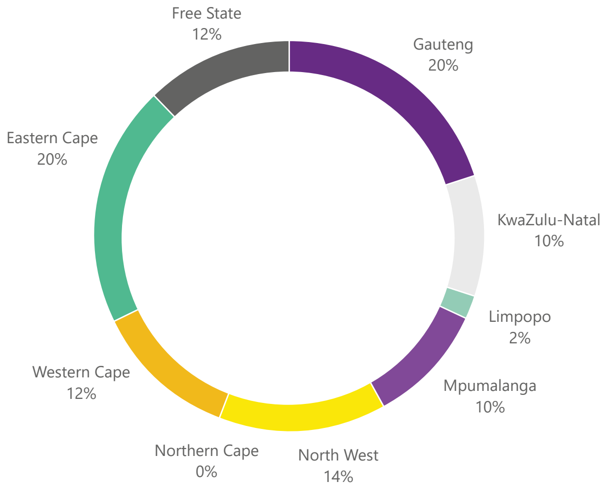


There was a **9%** decrease in bank branch burglary incidents in 2023 with related cash losses decreasing by **87%**. Only nine incidents where cash was targeted during a burglary were reported in 2023. Perpetrators also targeted assets such as laptops and computers. In **42%** of burglary incidents, nothing was stolen.

Incident Type	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
Burglary – Asset	7	18	157%	R0	R0	0%
Burglary – Cash	10	9	-10%	R3 337 610	R449 950	-87%
Burglary – Computer	6	2	-67%	R0	R0	0%
Burglary – Nothing Stolen	32	21	-34%	R0	R0	0%
Total	**55**	**50**	**-9%**	**R3 337 610**	**R449 950**	**-87%**

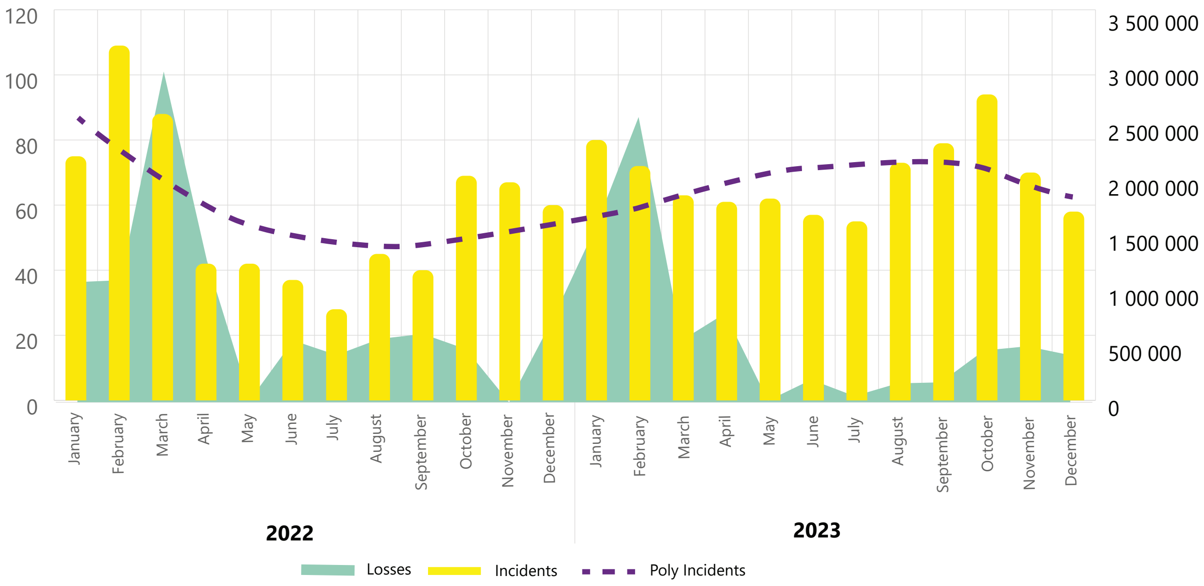
A familiar modus operandi where perpetrators accessed the back of the bank branch by climbing onto the roof and cutting through the corrugated iron prevailed. Jackhammers and grinders were used to breach the safe inside the bank. Gauteng and the Eastern Cape had the highest number of reported branch burglary incidents with 10 incidents each.

BURGLARY – COMMERCIAL BANKS: Per Province



Province	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
Eastern Cape	15	10	-33%	R496 400	R0	-100%
Free State	2	6	200%	R0	R0	0%
Gauteng	9	10	11%	R6 000	R449 950	7399%
KwaZulu-Natal	13	5	-62%	R2 835 210	R0	-100%
Limpopo	2	1	-50%	R0	R0	0%
Mpumalanga	4	5	25%	R0	R0	0%
North West	3	7	133%	R0	R0	0%
Northern Cape	1	0	-100%	R0	R0	0%
Western Cape	6	6	0%	R0	R0	0%
Grand Total	**55**	**50**	**-9%**	**R3 337 610**	**R449 950**	-87%

BURGLARY – STATE-OWNED BANKING INSTITUTIONS: Trend



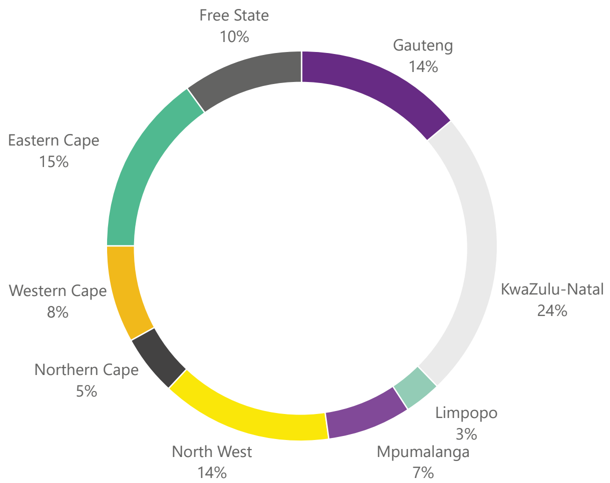
The South African Post Office burglary incidents in 2023 saw a **17%** increase with the related cash losses decreasing by **25%** during 2023.

Incident	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
Burglary – Asset	75	115	53%	R0	R0	0%
Burglary – Cash	499	561	12%	R10 131 957	R7 579 812	-25%
Burglary – Computer	15	5	-67%	R0	R0	0%
Burglary – Nothing Stolen	113	143	27%	R0	R0	0%
Total	**702**	**824**	**17%**	**R10 131 957**	**R7 579 812**	**-25%**

The increase in the South African Post Office burglaries was attributed to the perception that there were cash holdings. Perpetrators also targeted assets such as laptops, computers, vehicle registration documents and South African Social Security Agency (SASSA) cards.

The most prevalent modus operandi utilised by perpetrators was to access the office through a back door by breaking a window or by climbing onto the roof and cutting through the corrugated iron to gain access. Jackhammers and grinders were also often used to breach the safe. In most incidents, the perpetrators targeted anything of value and even opened parcels for couriers stored on the premises.

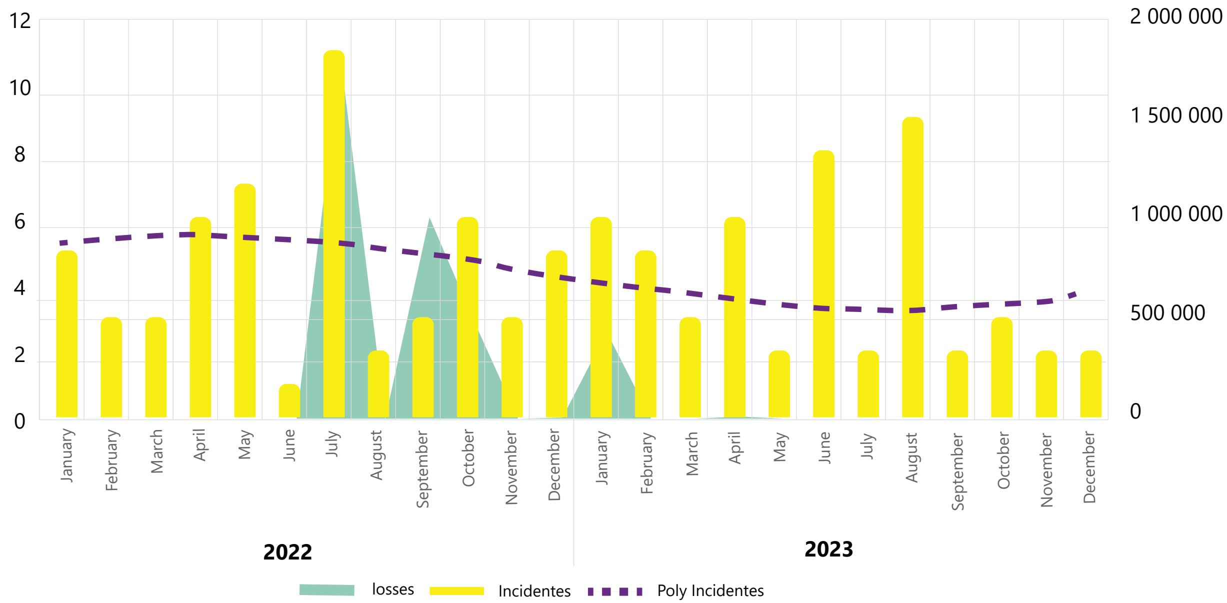
BURGLARY – STATE-OWNED BANKING INSTITUTIONS: Per Province



KwaZulu-Natal had the highest number of reported incidents (**24%**) followed by the Eastern Cape at **15%**.

Province	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
Eastern Cape	178	124	-30%	R3 319 223	R3 751 912	13%
Free State	77	78	1%	R656 670	R488 459	-26%
Gauteng	56	113	102%	R816 895	R1 088 350	33%
KwaZulu-Natal	100	201	101%	R2 136 428	R288 194	-87%
Limpopo	46	28	-39%	R169 920	R21 800	-87%
Mpumalanga	65	59	-9%	R1 104 503	R542 222	-51%
North West	97	114	18%	R1 133 631	R545 054	-52%
Northern Cape	48	39	-19%	R329 714	R307 722	-7%
Western Cape	35	68	94%	R464 972	R546 100	17%
Grand Total	**702**	**824**	**17%**	**R10 131 957**	**R7 579 812**	**-25%**

ROBBERY – COMMERCIAL PRIVATE BANKING INDUSTRY: Trend

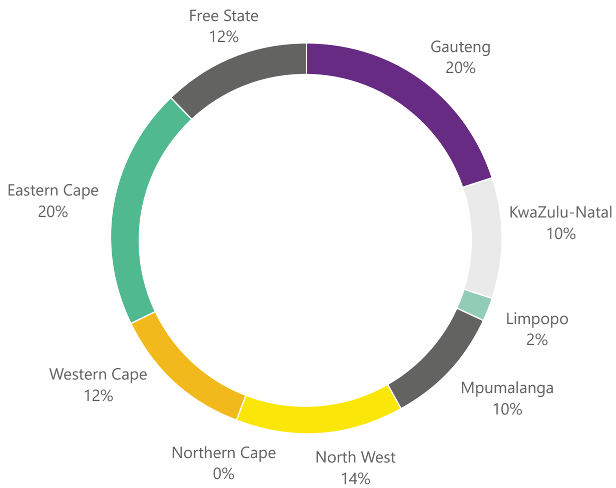


In 2023, the banking sector reported six bank robbery incidents compared to 15 incidents in 2022

Incident Sub-Type	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
Robbery	15	5	-67%	R2 317 458	R1 334 084	-42%
Robbery at ATM Site	0	1	100%	R0	R652 460	100%
Total	**15**	**6**	**-60%**	**R2 317 458**	**R1 986 544**	**-14%**

Only five bank robbery incidents were reported during 2023 resulting in a **67%** decrease. During 2022, opportunistic perpetrators targeted single tellers to obtain relatively low cash amounts kept in the teller drawers. These perpetrators initially targeted bank branches in the Eastern Cape before moving to the Western Cape. Collaboration between banks resulted in the arrests of these suspects. No traditional bank robbery incidents, where a group of suspects held up bank staff and customers at gunpoint took place in 2022 and 2023 due to robust safety mitigation tactics implemented by the banks.

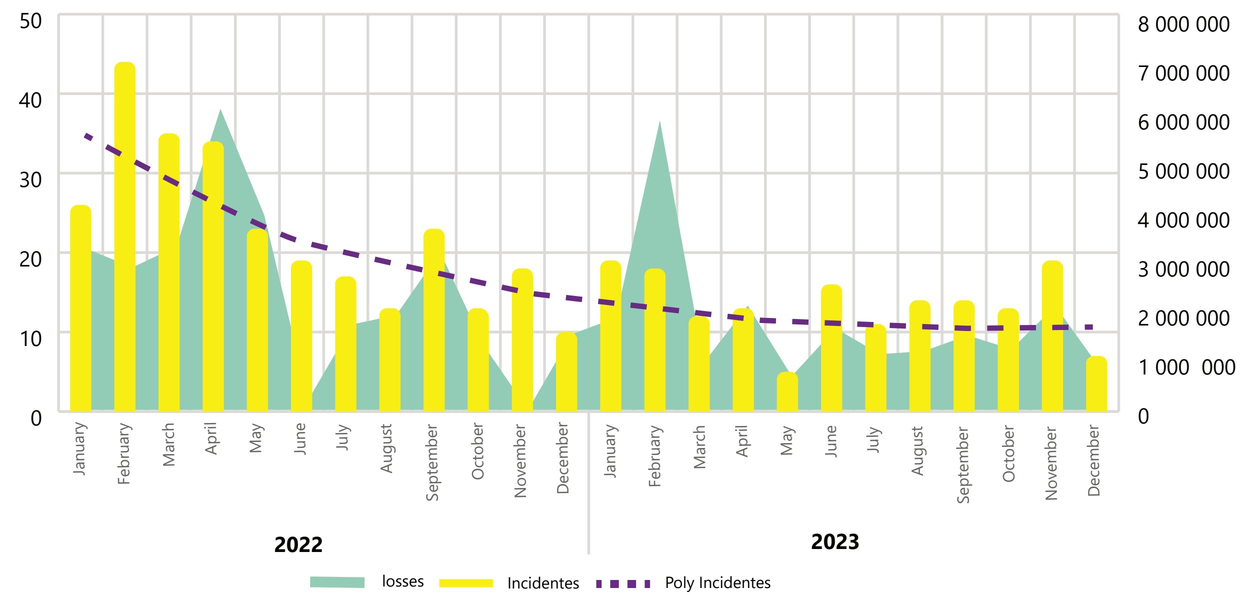
ROBBERY – COMMERCIAL BANKING INDUSTRY: Per Province



The Eastern Cape (**33%**) and Gauteng (**33%**) were the provinces with the highest number of reported bank robbery incidents.

Province	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
Eastern Cape	4	2	-50%	R2 045 178	R1 303 044	-36%
Free State	0	0	0%	R0	R0	0%
Gauteng	4	2	-50%	R195 130	R31 040	-84%
KwaZulu-Natal	0	0	0%	R0	R0	0%
Limpopo	0	0	0%	R0	R0	0%
Mpumalanga	0	1	100%	R0	R652 460	100%
North West	0	1	100%	R0	R0	0%
Northern Cape	0	0	0%	R0	R0	0%
Western Cape	7	0	-100%	R77 150	R0	-100%
Grand Total	**15**	**6**	**-60%**	**R2 317 458**	**R1 986 544**	**-14%**

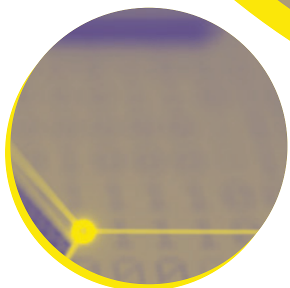
ROBBERY – STATE-OWNED BANKING INSTITUTIONS: Trend



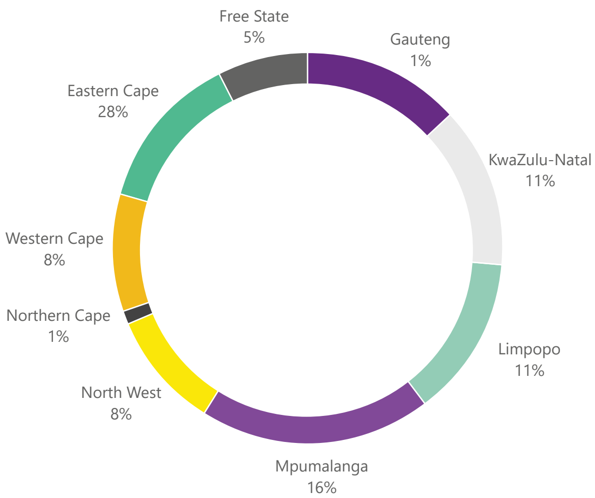
The 2023 reporting period revealed that robberies at state owned banking institutions decreased by **41%** and their related losses by **32%**.

Incedance Sub-Type	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
Robbery	275	161	-41%	R31 435 101	R21 310 501	-32%
Grand Total	**275**	**161**	**-41%**	**R31 435 101**	**R21 310 501**	**-32%**

The decrease in robberies at post offices can be attributed to the shift in cash payments of SASSA grants to card payments where beneficiaries were able to withdraw cash at ATM machines and supermarket tills. This changed the perpetrators perception that there were higher cash holdings at post offices during periods where social grants were being paid out.



ROBBERY – STATE-OWNED BANKING INSTITUTIONS: Per Province



In 2023, criminals opted to rather burgle post offices as there were more opportunities to obtain cash, parcels, and branch assets such as computers. The highest number of robberies at state-owned banking institutions were reported in the Eastern Cape **(25%)** followed by Mpumalanga (**16%**). The most targeted state-owned banking institutions were in the rural areas of each province where its seems that the risk to perpetrators was lower.

Province	Incidents			Cash Loss		
	2022	2023	%	2022	2023	%
Eastern Cape	79	41	-48%	R11 435 248	R6 387 053	-44%
Free State	12	8	-33%	R881 412	R748 231	-15%
Gauteng	27	25	-7%	R2 375 297	R1 857 715	-22%
KwaZulu-Natal	50	17	-66%	R5 762 932	R2 122 669	-63%
Limpopo	18	17	-6%	R1 704 971	R2 455 306	44%
Mpumalanga	25	25	0%	R4 419 520	R3 845 579	-13%
North West	19	13	-32%	R965 448	R1 910 450	98%
Northern Cape	4	2	-50%	R407 590	R298 520	-27%
Western Cape	41	13	-68%	R3 482 682	R1 684 978	-52%
Grand Total	**275**	**161**	**-41%**	**R31 435 101**	**R21 310 501**	**-32%**

DIGITAL CRIME

Digital banking fraud in 2023 saw a significant increase in both incidents and financial losses, with a **45%** rise in reported cases and a **47%** increase in financial impact compared to 2022. This surge was primarily driven by fraud cases related to banking applications, which accounted for **60%** of digital banking crimes. Social engineering techniques, such as spear phishing and vishing, were commonly used to manipulate individuals into revealing sensitive information. The recruitment of unwitting individuals as intermediaries, or 'mules,' also played a pivotal role in expanding cybercriminal networks. Money laundering techniques, including the use of cryptocurrencies, posed significant challenges for law enforcement. Emerging trends include the use of generative AI for 'do-it-yourself' fraud and the potential resurfacing of dormant synthetic identities created during the COVID pandemic. Therefore, there is a need for increased user awareness and vigilance, particularly when using banking applications and online banking platforms.

DIGITAL BANKING FRAUD

In 2023, the prevalence of digital banking fraud increased significantly as cybercriminals adapted their tactics to overcome increasingly more sophisticated banking industry-implemented cybersecurity measures. Reported incidents of digital banking fraud rose by **45%** compared to the previous year – from **36 178** in 2022 to **52 584** in 2023. This rise was primarily driven by fraud cases related to banking applications. In conjunction with this rise, financial losses increased from **R734 698 765** in 2022 to **R1 082 393 109** in 2023, reflecting a **47%** increase. Social engineering techniques such as spear phishing and vishing made individuals more susceptible to manipulation.

Cybercriminals exploited human psychology to gain unauthorised access to sensitive information. Spear phishing, whaling, and business email compromise also played a pivotal role in the perpetration of this fraud. Additionally, cybercriminals recruited unwitting individuals as intermediaries (mules) to open bank accounts for illicit activities. By recruiting unwitting individuals as intermediaries (mules), cybercriminals expanded their networks. These mules unknowingly facilitated money laundering and promulgated other illicit activities and faced legal repercussions when authorities traced fraudulent transactions back to their accounts. Some were unaware of their involvement, while others knowingly participated for financial gain.

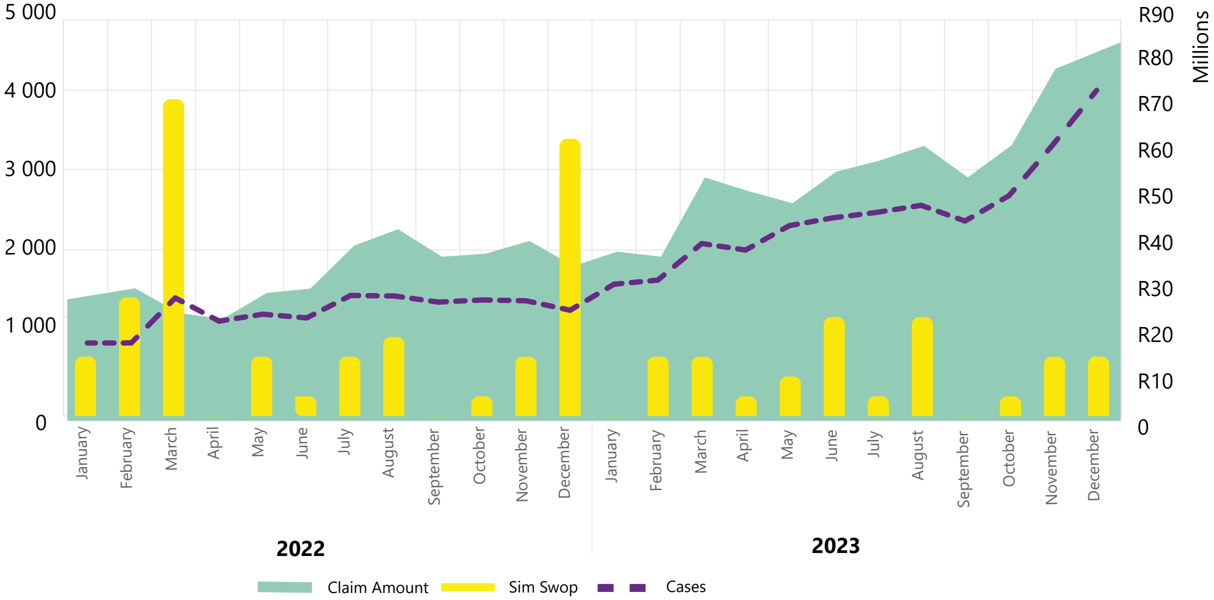
Money laundering techniques, such as the **obfuscation of funds** (a complex money laundering technique involving multiple accounts and cryptocurrencies to obscure the origin of illicit funds) and the leveraging of cryptocurrencies for money laundering due to their perceived anonymity, made it challenging for law enforcement to track and recover stolen money.

As mentioned, the use of **generative AI** to accelerate "do-it-yourself" fraud is on the increase and includes deepfake content such as emails, voice, video, and code creation to set up scam websites. **Synthetic identity fraud** which makes use of **dormant synthetic identities** created during the COVID pandemic is a combination of fictitious and real information and is likely to resurface. Fraudsters could use these accounts for various illicit activities including mule accounts, the purchase of high-value goods or applications for credit.

Scams utilising cause-related appeals and investment deception to evoke an emotional response to gain access to personal information are also likely to continue.

BANKING APPLICATIONS

In 2023, incidents of fraud related to **banking applications** experienced a significant surge, with an **89%** increase compared to the previous year. The number of reported cases rose from **16 689** in 2022 to **31 612** in 2023. This segment accounted for **60%** of digital banking crimes, making it the most targeted area. Associated gross losses also escalated by **74%**, reaching **R625 712 552** in 2023, up from **R359 378 098** in 2022. SIM swops formed part of the total number of investigations conducted in only **0.1%** of cases.



The growing number of users adopting banking applications played a significant role in the surge of fraudulent activities on this channel. As more individuals rely on these apps for financial transactions, fraudsters identify new opportunities to exploit vulnerabilities, employing various social engineering techniques to obtain victims' information. They manipulate users into revealing confidential data, such as usernames and passwords, which is then used for fraudulent purposes.

Vishing (Voice Phishing), a tactic where scammers posed as bank officials or service providers during phone calls was most frequently used to manipulated victims into disclosing sensitive information, which was subsequently exploited for fraudulent activities. To date, no confirmed compromises of banking applications have been reported.

Fraudsters also targeted transactional verification tokens, and transaction approval requests during vishing incidents to persuade victims to approve transactions or provide verification numbers during these calls.

Despite awareness efforts, the rise in fraud on this channel can be attributed to users' apathy towards adopting safe practices when using banking apps.

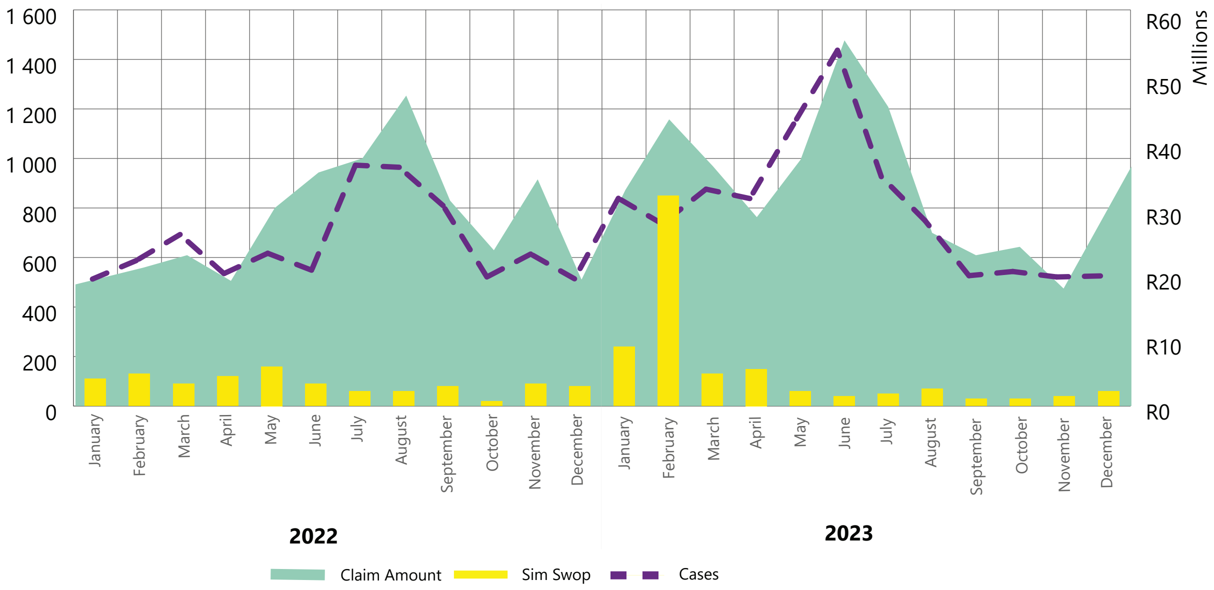
The financial impact of fraud perpetrated on this channel was as follows:

- **Average loss per incident:** The average financial loss per incident decreased from **R21 533** in 2022 to **R19 793** in 2023, reflecting an **8%** decrease. Despite this decrease, the segment still experienced the highest proportion of financial losses at **58%**.
- **Total gross losses:** Associated gross losses escalated by **74%**, reaching **R625 712 552** in 2023, up from **R359 378 098** in 2022. This substantial increase highlights the severity of the issue.
- **Economic consequences:** The surge in fraud impacts both individual consumers and financial institutions. While victims face financial losses, banks are forced to allocate additional resources for investigations and security enhancements.

In 2022, a concerning trend emerged which involved the kidnapping or hijacking of individuals to gain unauthorised access to their banking applications. Here, perpetrators resorted to threats or physical force, compelling victims to open their banking apps and initiate money transfers. This criminal activity posed a substantial risk to both personal safety and financial security.

ONLINE BANKING

Although online banking fraud accounted for only **21%** of reported incidents (**11 068**) of digital banking crime, it resulted in the second-highest proportion of gross losses (**R411 706 461**), reaching **38%.** Between 2022 and 2023, there was a **2%** increase in financial losses per incident. The average value per incident in 2022 was **R36 614,** while in 2023, it rose to **R37 197.** Despite the relatively small increase, online banking fraud still exhibited the highest average financial impact compared to other digital banking fraud categories. In **1.6%** of cases, a SIM swop formed part of the total number of investigations conducted.



Total gross losses resulting from online banking fraud made up a significant proportion of digital banking fraud, accounting for **26%** of all reported digital banking crime losses.

These losses have a substantial economic impact on both individual victims and financial institutions.

While online banking fraud accounted for only **21%** of reported incidents, its financial consequences are notable due to the higher average value per incident.

PREFERRED METHODS USED BY FRAUDSTERS IN 2023

- **Phishing:** Fraudsters send phishing emails enticing victims to click on links within the email. These links redirect victims to spoofed (fake) websites closely resembling legitimate bank sites. Victims are prompted to verify or update their contact details or provide other sensitive financial information.

- **Vishing (Voice Phishing)**: In some cases, vishing is employed to acquire transactional verification tokens, and transaction approval requests.

FRAUD TRENDS IN 2024

- **Synthetic identity** fraud remains the most common form of identity theft where fraudsters create fictitious identities by combining real and fake information, making detection challenging.

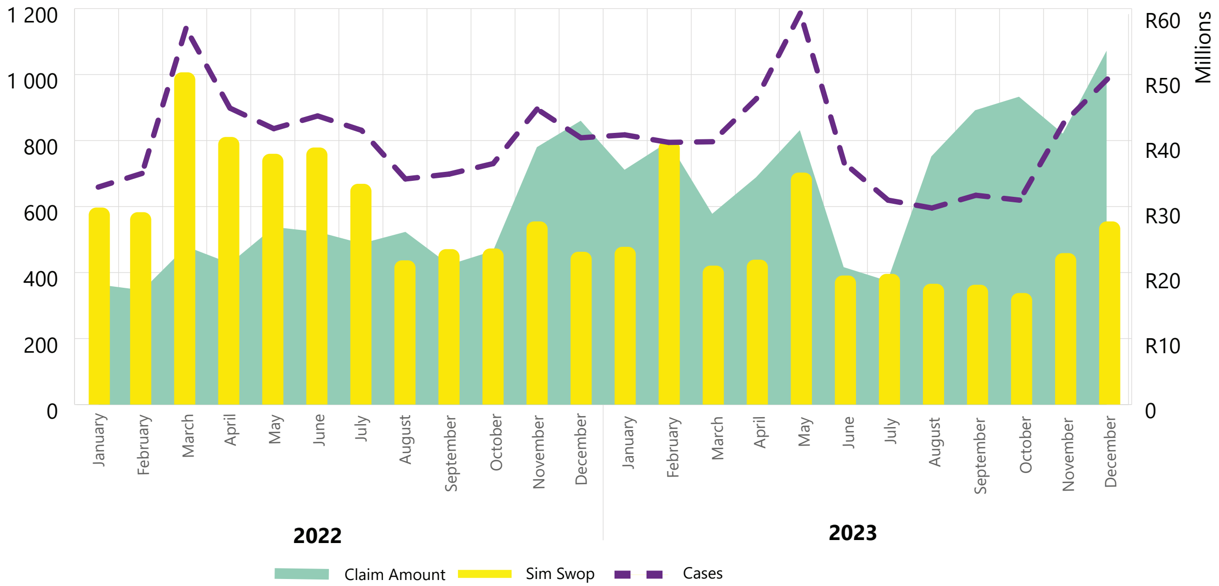
- Fraudsters are increasingly leveraging **AI** for sophisticated attacks. AI can emulate voices, create fake IDs, and manipulate biometric tools, posing significant risks.

- The rise of **'fraud-as-a-service'** platforms allow criminals to access tools, techniques, and resources for conducting fraud. These services make fraud more accessible and scalable.

- **Unconventional threats** such as 'pig butchering' has emerged and will remain a top payment threat. 'Pig butchering' is a term used to describe a type of cyber scam that targets people using online messages. In this scam, fraudsters pretend to befriend or romance their victims, gradually gaining their trust. They then persuade victims to send money to various accounts, promising high returns. The name alludes to the practice of fattening a pig before slaughter, reflecting how victims are gradually manipulated into making fake investments. While unconventional, it highlights the need for vigilance against unexpected attack vectors.

MOBILE BANKING

Mobile banking fraud, although more frequent, resulted in less significant financial losses per case compared to online banking.



In 2023, mobile banking fraud accounted for **19%** of reported digital banking crimes (down from **28%** in 2022). Reported fraud incidents on mobile banking channels decreased by **2%** between 2022 (**10 100** cases) and 2023 (**9 904** cases). Mobile banking can be used on any type of mobile device, including non-smart devices, as no data or airtime is needed. Total gross losses resulting from mobile banking fraud increased from **R21 549 492** in 2022 to **R44 974 096** in 2023. Although this represents a significant **43%** increase in gross losses, it only accounts for **4%** of total losses in 2023. In 2022, **75%** (**7 605**) of mobile banking fraud incidents involved SIM swaps, but this percentage decreased to **58%** (**5 709**) in 2023. Despite the decline in reported incidents, mobile banking fraud remains a significant concern, emphasising the need for continued vigilance and proactive measures. A SIM swap occurs when a fraudster convinces a mobile network operator to transfer a victim's phone number to a new SIM card under their control, allowing them to intercept authentication messages and gain unauthorised access to the victim's accounts.

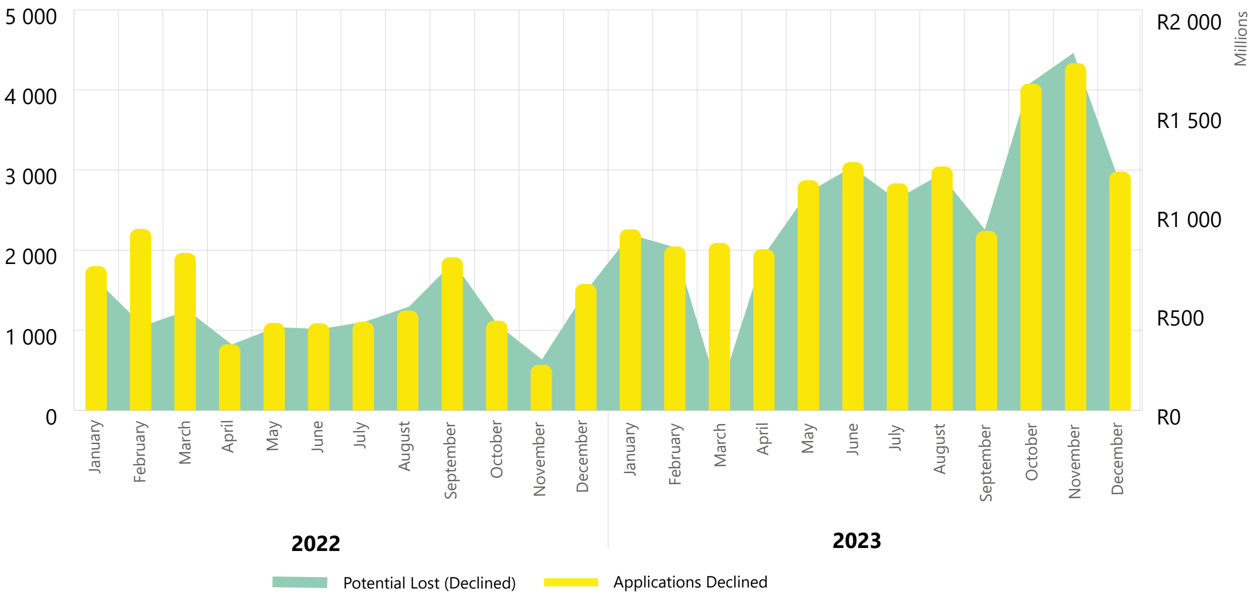
APPLICATION FRAUD

SECURED FRAUD (2022 & 2023)

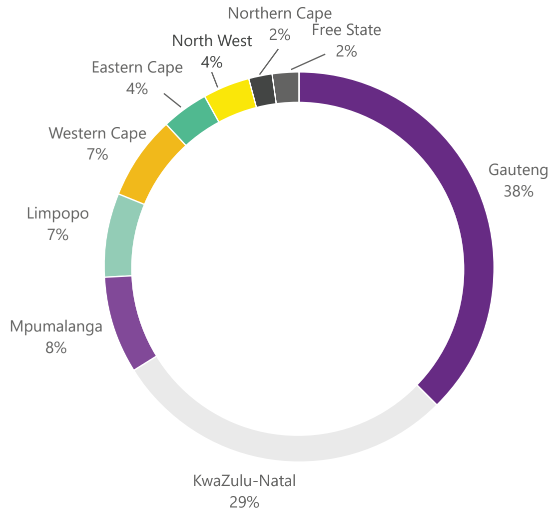
VEHICLE ASSET FINANCE (VAF) FRAUD

Product	2022	2023	Increase/ Decrease
Incidents	16 559	33 903	>100% increase
Potential Loss	R 5,7 bn	R 13,5 bn	>100% increase

In 2023, there was a more than **100%** increase in fraudulent applications for VAF (Vehicle Asset Finance) fraud with 33 903 reported incidents, compared to the previous year's 16 559 reported occurrences. The data indicates that potential losses also increased by more than **100%** from R5.7 bn in 2022 to R13.5 bn in 2023.



Nationally, more than half of the reported fraudulent applications in 2023 were concentrated in Gauteng and KwaZulu-Natal, with percentages of **38%** and **29%,** respectively.



PROMINENT MODUS OPERANDI

CLONED MOTOR VEHICLES

The most prominent modus operandi for VAF fraud are cloned motor vehicles and illegal change of Vehicle Ownership/Title.

A cloned vehicle can be described as a stolen or hijacked vehicle that assumes the identity of a legitimate vehicle on e-NaTIS which sees it undergo multiple changes in ownership within short time periods, involving three or four different individuals, before being sold to unsuspecting dealers or individuals.

Illegal change of Vehicle Ownership/Title is where the bank (financing institution) is fraudulently removed as the vehicle's titleholder, and the vehicle re-registered under the name of another person. This makes it easy for these vehicles to leave the country or be sold within South Africa to unsuspecting dealers or individuals, which explains their circulation.

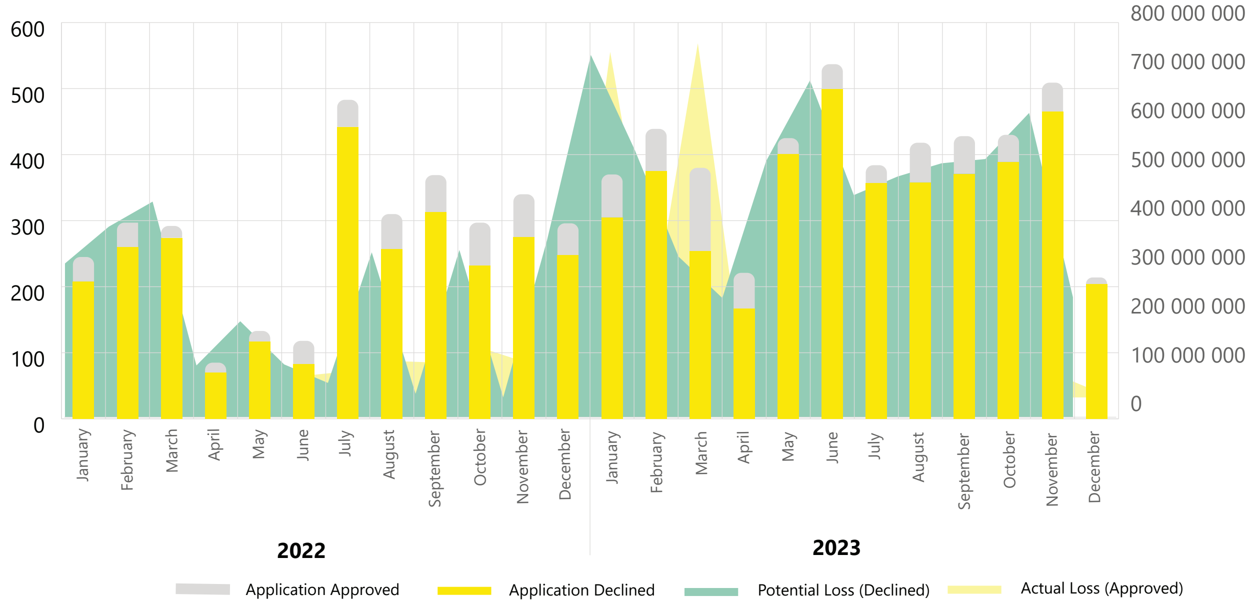
HOME/MORTGAGE LOAN FRAUD

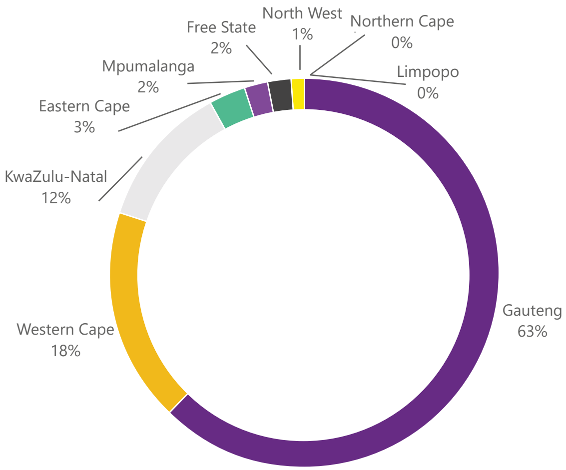
Product	2022	2023	Increase / Decrease
Incidents	3 265	4 755	46% increase
Potential Loss	R 4,2 bn	R 5,9 bn	42% increase
Actual Loss	R 647 m	R 2.1 bn	>100% increase

Fraudulent applications for home and mortgage loans saw a **46%** increase with the number of incidents rising from 3 265 in 2022 to 4 755 in 2023. However, only **13%** of reported fraudulent applications were successful in 2023.

Potential losses due to these fraudulent applications grew by **42%**, with losses amounting to R4.2 billion in 2022 and R5.9 billion in 2023. The actual loss **more than doubled**, increasing from R647 million in 2022 to R2.1 billion in 2023. This loss was mitigated as the property still belonged to the bank.

In almost all cases where fraudulent applications were successful, banks still incurred significant expenses related to legal proceedings and eviction processes despite the deployment of safeguards such as bonds and property deed registrations.





Most fraudulent applications for home/mortgage loans were primarily concentrated in Gauteng (**63%**), followed by the Western Cape (**18%**) and KwaZulu-Natal (**12%**).

PROMINENT MODUS OPERANDI

Home loan fraud can take various forms. The **misrepresentation of application data** has been identified as the most prevalent method of fraud and refers to the deliberate falsification, alteration, or omission of information provided on loan applications to deceive lenders.

One such prominent form of misrepresentation is **income fraud**, where individuals falsify or inflate income information to meet lender requirements to qualify for larger loan amounts. This is particularly evident when discrepancies are found in the income stated on payslips.

Another significant concern in this arena is **credit profile building**, which involves unlawful and deceptive practices used to artificially enhance creditworthiness or create a misleading impression of financial stability. Individuals or entities often transfer funds into and out of an account over an extended period without a valid reason, solely to generate turnover. This activity aims to simulate a legitimate salary or income, even though the applicant or company did not genuinely earn that income. The goal is to present the person or company as authentic and creditworthy. Syndicates frequently employ this modus operandi, utilising both South African and non-South African citizens and companies to establish creditworthy profiles. This form of fraud, which can be described as going from 'zero to hero', ranks as the third-highest reported type of fraudulent activity and is used across all platforms of application fraud.

Other forms of home loan fraud include:

- **Employment fraud:** Misrepresenting employment history or position to appear more financially stable or secure than in reality.
- **Identity theft:** Using stolen or fabricated identities to apply for various loans, finance or accounts without the knowledge or consent of the person whose identity is being used.
- **Property fraud:** Providing false information about a property's value, condition, or intended use to obtain a loan or secure a higher loan amount.
- **Straw buyer fraud:** Recruiting a person with good credit to act as a 'straw buyer' who applies for a loan on behalf of someone else who does not meet the lender's criteria.
- **Omission of debts or liabilities:** Failing to disclose existing debts or financial obligations to appear less risky to lenders.
- **Fabrication of documents:** Creating fake documents, such as payslips, bank statements, or tax returns, to support fraudulent claims.

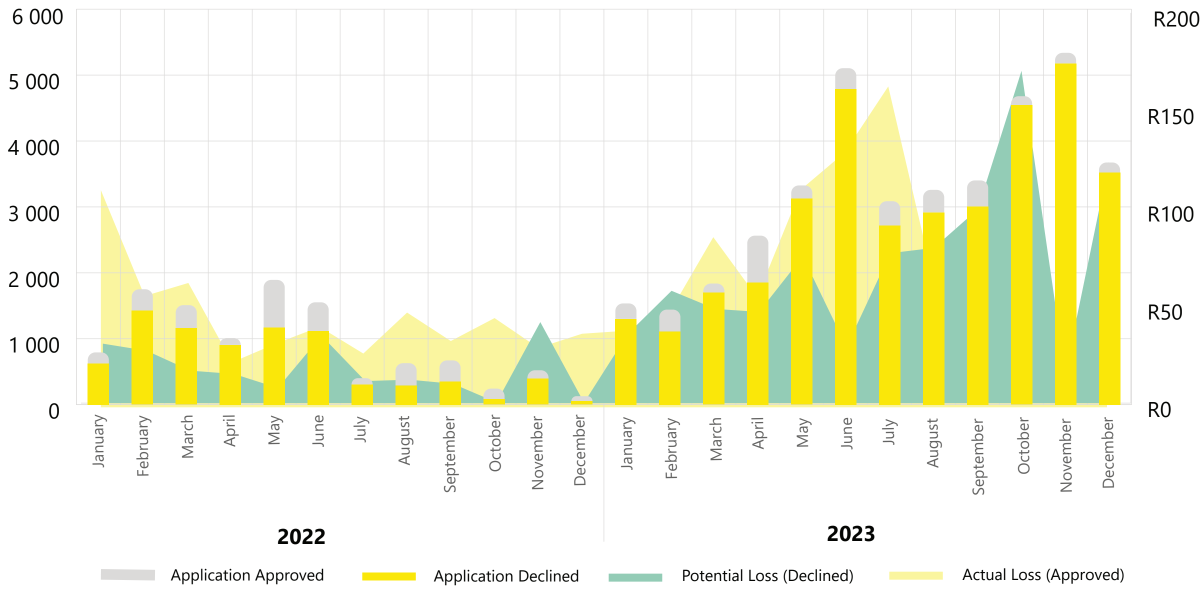
UNSECURED FRAUD (2022 & 2023)

Product	2022	2023	Increase / Decrease
Incidents	11 110	39 251	100% increase
Potential Loss	R206.5m	R997.1m	100% increase
Actual Loss	R55.3m	R82.9m	>50% increase

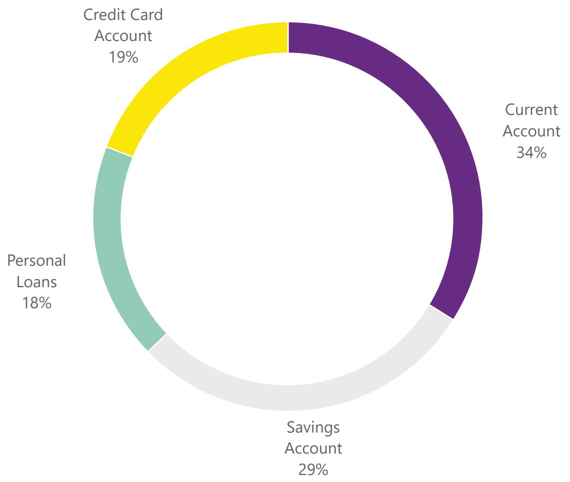
Unsecured fraud consists of various financial accounts, including current, cheque and savings accounts and personal loans.

In 2023, unsecured fraud incidents reported to SABRIC rose by over **100%** with 39,251 occurrences in comparison to the previous year's 11 110 occurrences. This surge does not necessarily signify an increase in fraud but rather reflects enhanced reporting efforts from all parties to ensure the implementation of optimal mitigation practices.

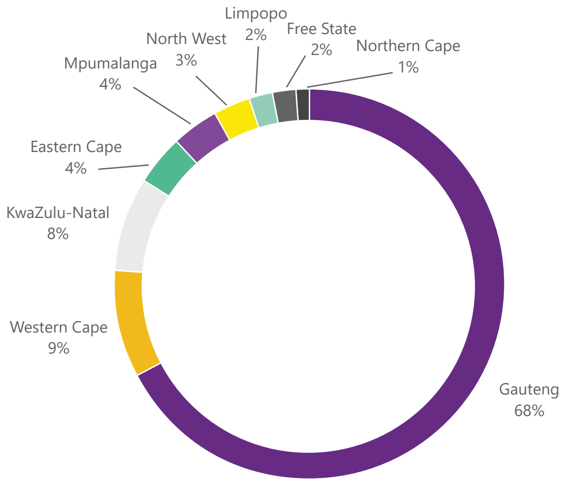
The potential loss also increased by more than **100%** from R206.5 million in 2022 to R997.1 million in 2023. While the actual loss increased by **49.9%** from R55.3 million in 2022 to R82.9 million in 2023, a significant **91%** of the reported applications in 2023 were flagged as fraudulent and were subsequently declined.



UNSECURED FRAUD APPLICATIONS



In 2023, the largest portion of unsecured fraud, comprising **34%** of fraudulent applications on accounts was associated with current accounts, while savings accounts represented **29%.** Credit card accounts and personal loans made up a smaller proportion with **19%** and **18%,** respectively.



In 2023, Gauteng experienced the highest percentage of fraud cases at **68%**, followed by the Western Cape at **9%** and KwaZulu-Natal at **8**%.

PROMINENT MODUS OPERANDI

The use of **mule accounts** for application fraud is prevalent particularly in the **unsecured fraud space** where cash can be easily acquired and transferred quickly into other accounts. One such method is where fraudsters funnel illicit funds using mule accounts to receive and transfer money obtained via fraudulent loan applications. Once the loan is approved and disbursed, the funds are quickly moved through one or more mule accounts to make it difficult to track to obscure the money trail. Fraudsters may also create synthetic identities (combinations of real and fake information) to open mule accounts. These accounts are then used to apply for loans or credit, with the ultimate goal being to default and launder the loan proceeds through other mule accounts.

CARD FRAUD

FINANCIAL CRIME OVERVIEW: Credit & Debit (2022 & 2023)

CREDIT & DEBIT CARD FRAUD LOSSES: All Fraud Types, All Countries

Product	2022	2023	Increase / Decrease
Gross Fraud (Credit & Debit)	R959 435 838	R1 126 348 584	17.4% increase
Credit	R374 462 465	R426 581 138	13.9% increase
Debit	R584 973 373	R699 767 446	19.6 increase

Total gross fraud losses for South African issued cards increased by **17.4**% from 2022 (R959.4m) to 2023 (R1.1bn). Gross fraud losses on South African issued credit cards specifically, amounted to R426.5m in 2023, an increase of **13.9**% when compared to 2022 (R374.4m).

Gross fraud losses on South African issued debit cards amounted to R699.7m in 2023, a **19.6%** increase when compared to 2022 (R584.9m). Debit cards remained the card type with the highest fraud amount in 2023 when compared to 2022.

CREDIT & DEBIT CARD FRAUD LOSSES: All Fraud Types, South Africa Only

Product	2022	2023	Increase / Decrease
Gross Fraud (credit & debit)	R414 426 297	R452 317 145	9.1% increase
Credit	R144 851 037	R156 651 979	8.1% increase
Debit	R269 575 260	R295 665 165	9.6 increase

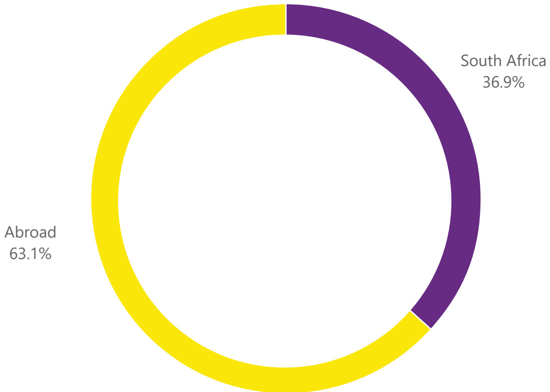
Total gross fraud losses for 2023 (R452.3m) for South African issued cards where fraudulent transactions took place in South Africa increased by **9.1**% when compared to 2022 (R414.4m).

Credit card fraud increased by **8.1%** in 2023 (R156.6m) compared to 2022 (R144.8m), debit card fraud increased by **9.6**% when comparing 2023 (R295.6m) to 2022 (R269.5m).

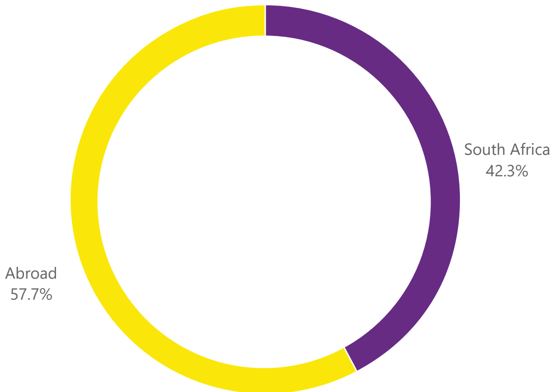
In 2023, CNP (**44.2%**), Lost and/or Stolen (**37.5%**) and Counterfeit (**11.2%**) contributed to most of the card fraud in South Africa.

SOUTH AFRICA VS ABROAD

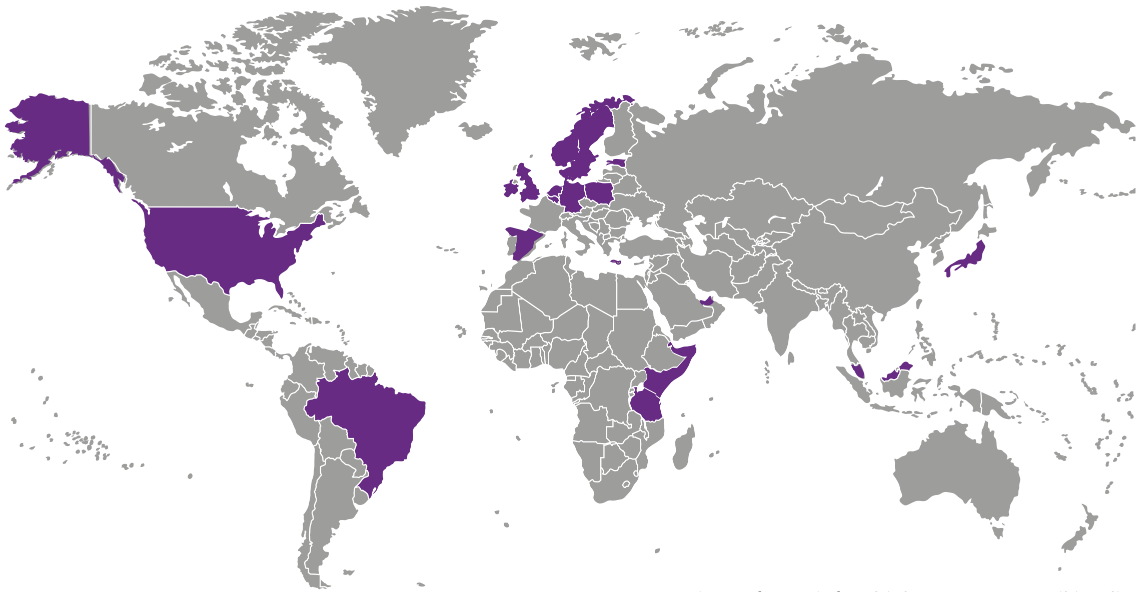
CREDIT CARD



DEBIT CARD



Most fraud (**63.1%**) on South African issued credit cards occurred outside South Africa. There has been a notable shift in fraud patterns on South African issued debit cards, with **57.7%** of fraud occurring outside the country when compared to 2022.



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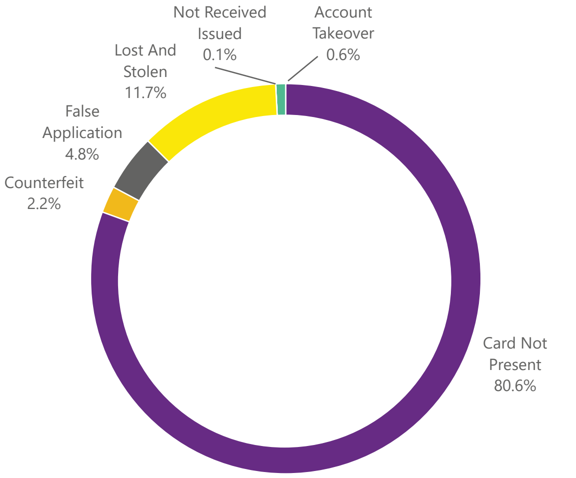
Cyprus
Estonia
Hong Kong
Ireland
Luxembourg
Netherlands
Spain
United States
United Kingdom
United Arab Emirates

This map highlights the countries where fraudulent activities involving South African issued credit and debit cards have taken place.

FRAUD TYPES: ALL COUNTRIES – 2023

Credit	Rand Values		Debit	Rand Values
Account Takeover	R2.5m		Account Takeover	R1.1m
Card Not Present	R338.5m		Card Not Present	R425.9m
Counterfeit	R9.4m		Counterfeit	R12.6m
False Application	R20.1m		False Application	R2.9m
Lost and/or Stolen	R48.9m		Lost and/or Stolen	R222.2m
Not Received Issued	R407k		Not Received Issued	R594k

CREDIT CARD



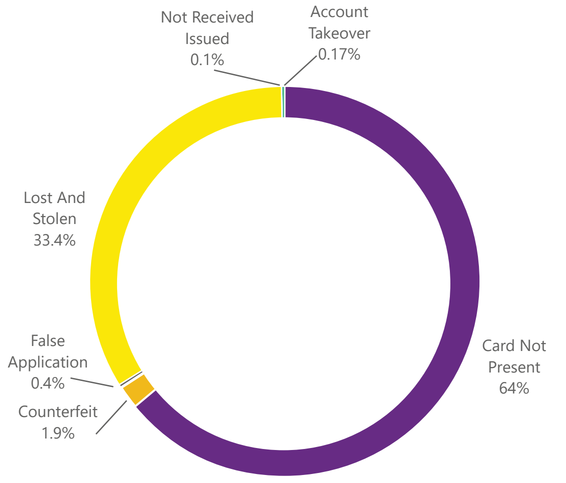
In 2023, Card Not Present (CNP) fraud contributed to **80.6%** of gross fraud losses on South African issued credit cards, followed by Lost and/or Stolen (**11.7%**) and False Applications (**4.8%**).

CNP fraud (R338.5m) increased by **18.4%** compared to 2022. Lost and/or Stolen fraud (R48.9m) increased by **26.9%** compared to 2022 (R38.5m).

CNP continued to be the fraud type that accounted for the largest portion of fraud. In 2023, the banking industry continued to report phishing and OTP vishing as prominent scams, mirroring trends from previous years. In these schemes, unsuspecting customers were deceived by way of social engineering techniques into providing their banking details to fraudsters.

Tokenisation, a process where card information is replaced with a non-sensitive token or placeholder and used as an identifier during the payment process. Unfortunately, fraudsters are exploiting this technology by creating virtual cards, which are used to commit fraud.

DEBIT CARD



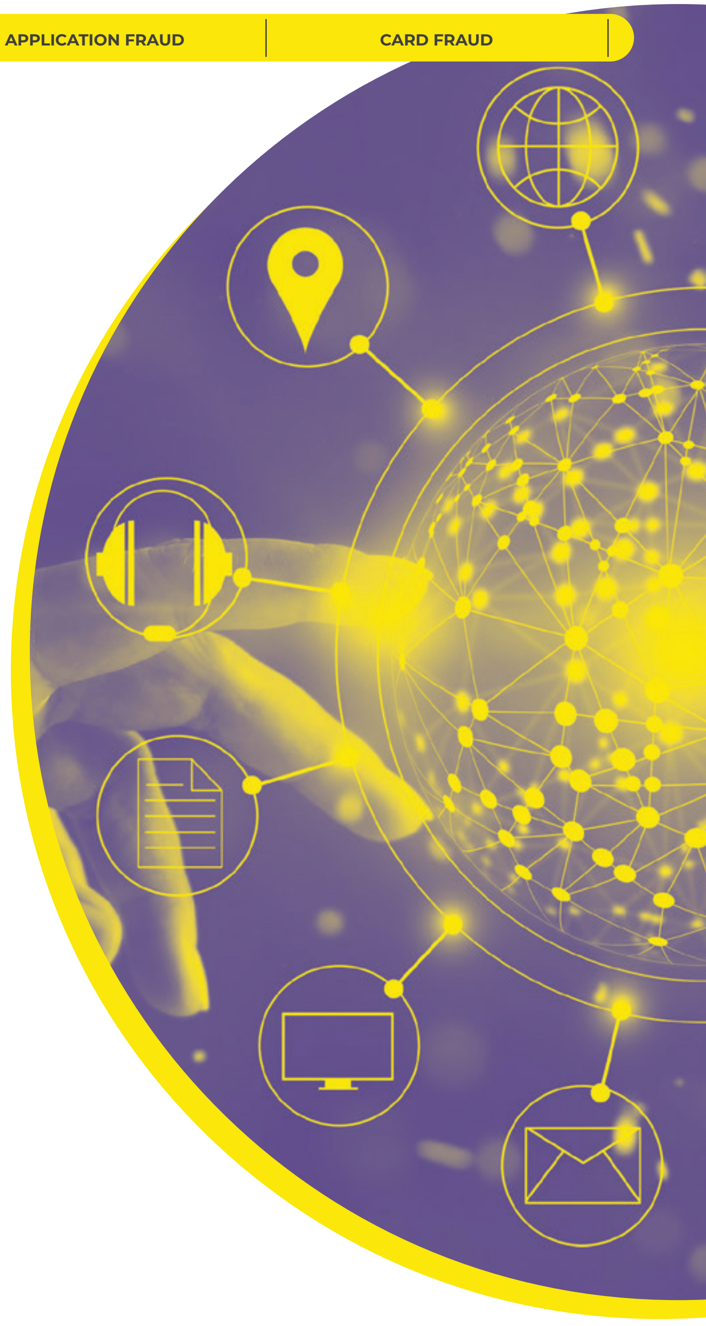
In 2023, CNP fraud with a debit card contributed **64.0%**, followed by Lost and Stolen **(33.4%)** and Counterfeit (**1.9%**).

Card Not Present fraud (R425.9m) increased by **18.9%** compared to 2022 (R358.1m). With the growing popularity of e-commerce, more people are using debit cards for online purchases, creating more opportunities for CNP fraud.

Lost and/or Stolen fraud (R222.2m) increased by **36.7%** compared to 2022 (R162.5m). Card theft or swopping at ATMs, linked to Lost and/or Stolen card fraud remained a prominent crime during 2023.

Fraudsters continued to employ various tactics at ATMs, misleading customers by claiming that certain ATM functionalities had changed. They would then offer 'assistance' with the withdrawal process and use this opportunity to obtain the client's card and PIN.

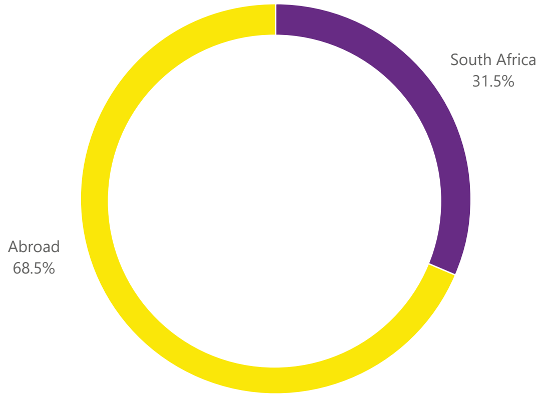
High-risk ATMs were identified and communicated to banks, prompting the mobilisation of their service providers to enhance security measures resulting in significant arrests in connection with these crimes. However, in some cases where SABRIC worked with SAPS to address issues, challenges persisted, particularly in instances where they declined to register cases.



CARD NOT PRESENT (CNP)

Product	2022	2023	Inc/Dec	Card Not Present as % of Gross Fraud Loss
Credit	R285 949 377	R338 561 670	18.4% increase	79.4%
Debit	R358 180 823	R425 942 371	18.9% increase	63.1%

CREDIT: 2023

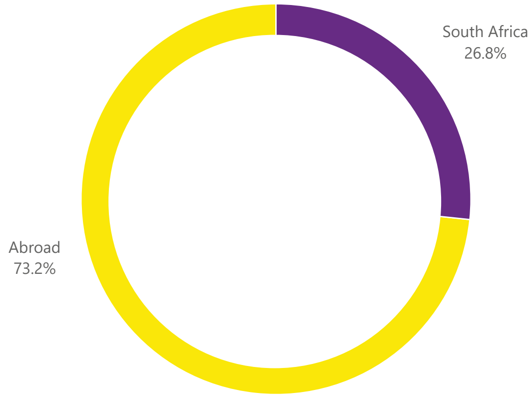


In 2023, **68.5%** of CNP credit card fraud occurred abroad.

Prominent merchant groups were:

- Travel Agencies
- Advertising Services
- Electronic Sales
- Miscellaneous General Merchandise
- Supermarkets

DEBIT: 2023



In 2023, **73.2%** of CNP debit card fraud occurred abroad.

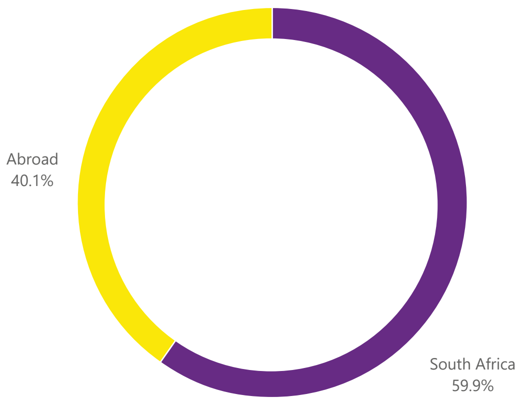
Prominent merchant groups were:

- Dating Services
- Taxicabs
- Digital Goods
- Advertising Services
- Travel Agencies

LOST AND/OR STOLEN

Product	2022	2023	Inc/Dec	Lost/or Stolen as % of Gross Fraud Loss
Credit	R38 576 236	R48 951 588	26.9% increase	11.5%
Debit	R162 596 732	R222 237 361	36.7% increase	31.8%

CREDIT 2023



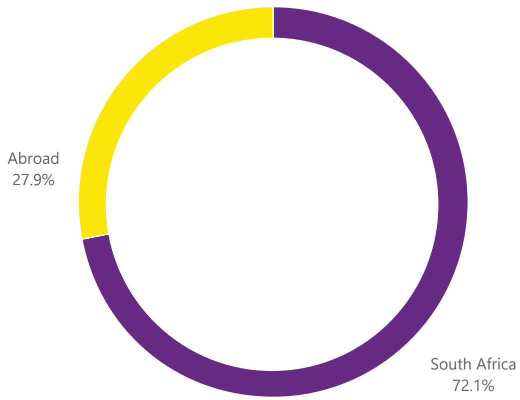
In 2023, **59.9%** of Lost and/or Stolen credit card fraud occurred in South Africa.

Prominent merchant groups were:

- Tollgates
- Supermarkets
- ATMs
- Advertising Services
- Telecommunications Services
- Precious Stones and Metals

15.6% of the gross fraud losses on Lost and/or Stolen cards occurred at tollgates.

DEBIT 2023

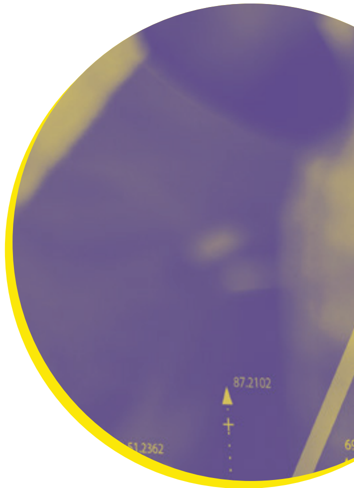


In 2023, **72.1%** of Lost and/or Stolen debit card fraud occurred in South Africa.

Prominent merchant groups were:

- ATMs
- Tollgates
- Supermarkets
- Taxicabs
- Liquor Stores

The gross fraud losses on Lost and/or Stolen debit cards, **15.7%** were due to ATM withdrawals, and **12.5%** occurred at tollgates.



COUNTERFEIT

Product	2022	2023	Inc/Dec	Counterfeit as % of Gross Fraud Loss
Credit	R14 032 393	R9 416 794	32.9% decrease	2.2%
Debit	R28 761 109	R12 651 044	56.0% decrease	1.8%

CREDIT 2023

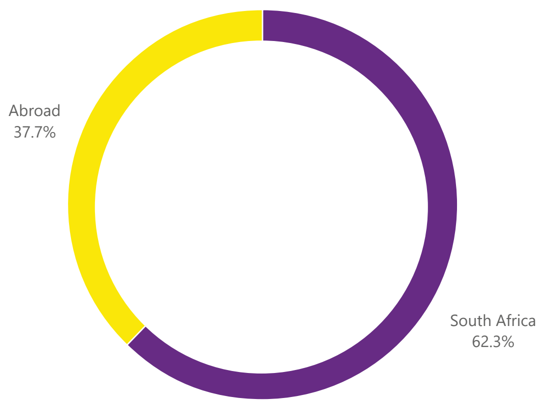
In 2023, **48.8%** of Counterfeit credit card fraud occurred in South Africa.

Prominent merchant groups were:

- Tollgates
- Supermarkets
- Travel Agencies
- Electronic Sales
- Restaurants

20.6% of the gross fraud losses on Counterfeit credit cards occurred at tollgates.

DEBIT 2023



In 2023, **62.3%** of Counterfeit debit card fraud occurred in South Africa.

Prominent merchant groups were:

- Supermarkets
- ATMs
- Service Stations
- Toll Gates
- Liquor Stores

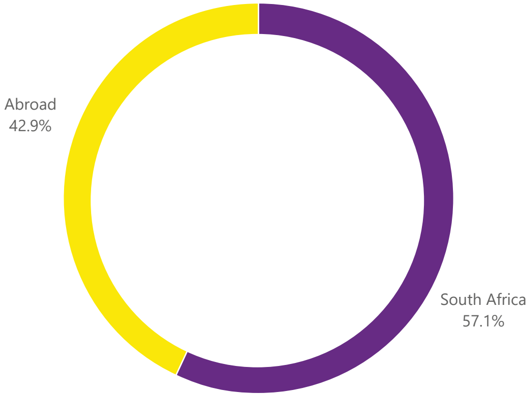
Supermarkets contributed **15%** of the gross fraud losses on Counterfeit debit cards and **12.5%** ATMs.

Although this report does not provide a comprehensive overview of fleet card fraud, it is worth noting that counterfeit fraud with a fleet card constituted a significant outlier, accounting for **65.8%** of such fraud. In comparison, counterfeit fraud accounted for **14.5%** with credit cards and **19.5%** with debit cards.

FALSE APPLICATION

Product	2022	2023	Inc/Dec	False Application as % of Gross Fraud Loss
Credit	R28 334 207	R20 182 435	28.8% decrease	4.7%
Debit	R4 448 085	R2 906 358	34.7% decrease	0.4%

CREDIT 2023



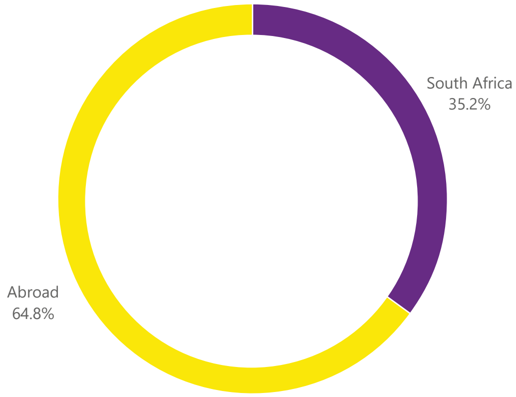
In 2023, credit card fraud with a False Application (**57.1%**) occurred in South Africa.

Prominent merchant groups were:

- ATMs
- Miscellaneous Personal Services
- Travel Agencies
- Lodging Hotels
- Liquor Stores

7.1% of the gross fraud losses on False Application credit cards occurred at ATMs.

DEBIT 2023



In 2023, debit card fraud with a False Application (**64.8%**) occurred abroad.

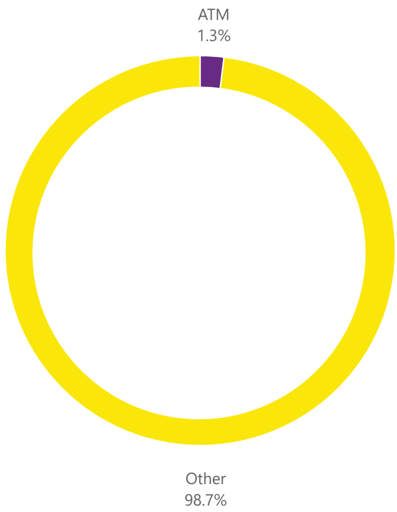
Prominent merchant groups were:

- ATMs
- Miscellaneous Food Stores
- Miscellaneous and Speciality Stores
- Miscellaneous General Merchandise
- Betting

12% off the gross fraud losses on False Application debit cards were ATM withdrawals.

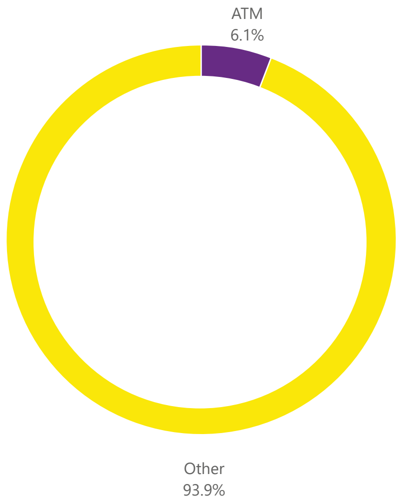
CARD FRAUD: ATM vs Point Of Sale (Pos)

CREDIT RAND VALUE



Transactions at POS devices contributed to **98.7%** of credit card fraud when compared to ATM withdrawals.

DEBIT RAND VALUE

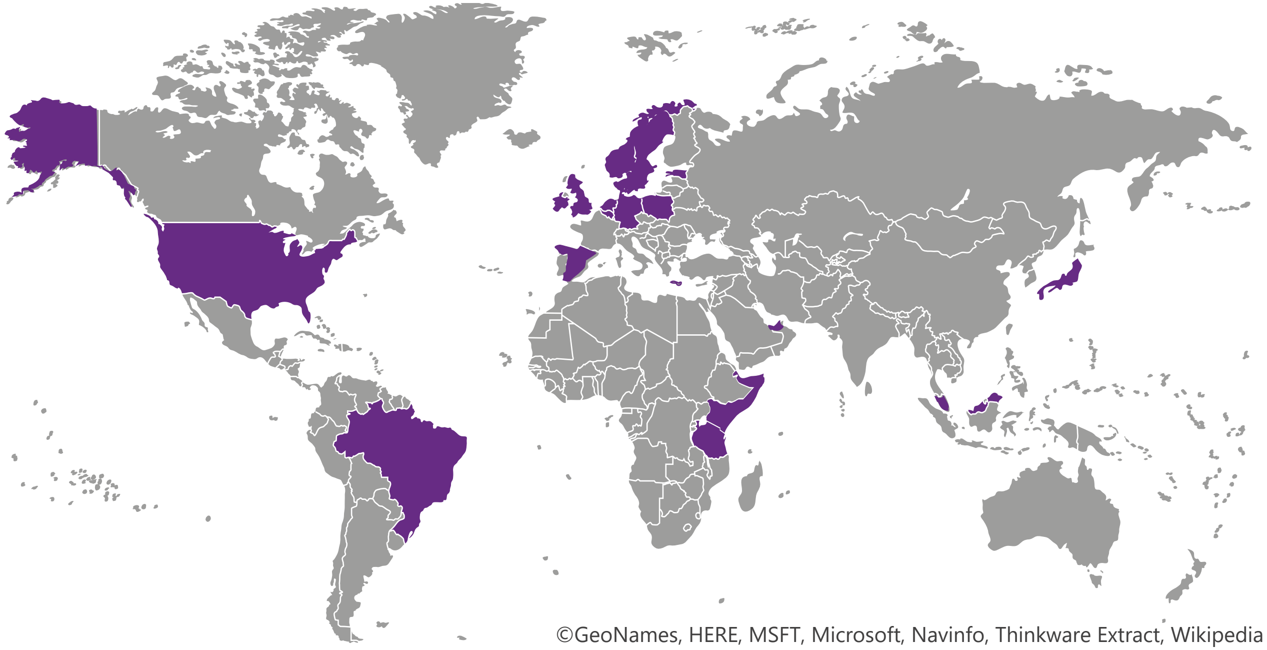


Debit card fraud at ATMs (R42.2m) contributed to **6.1%** of gross fraud losses when compared to POS (**93.9%)** transactions.

INTERNATIONAL PERSPECTIVE

CREDIT CARD

Card Not Present, Counterfeit and Lost and/or Stolen fraud were prominent in the countries detailed in the chart below.



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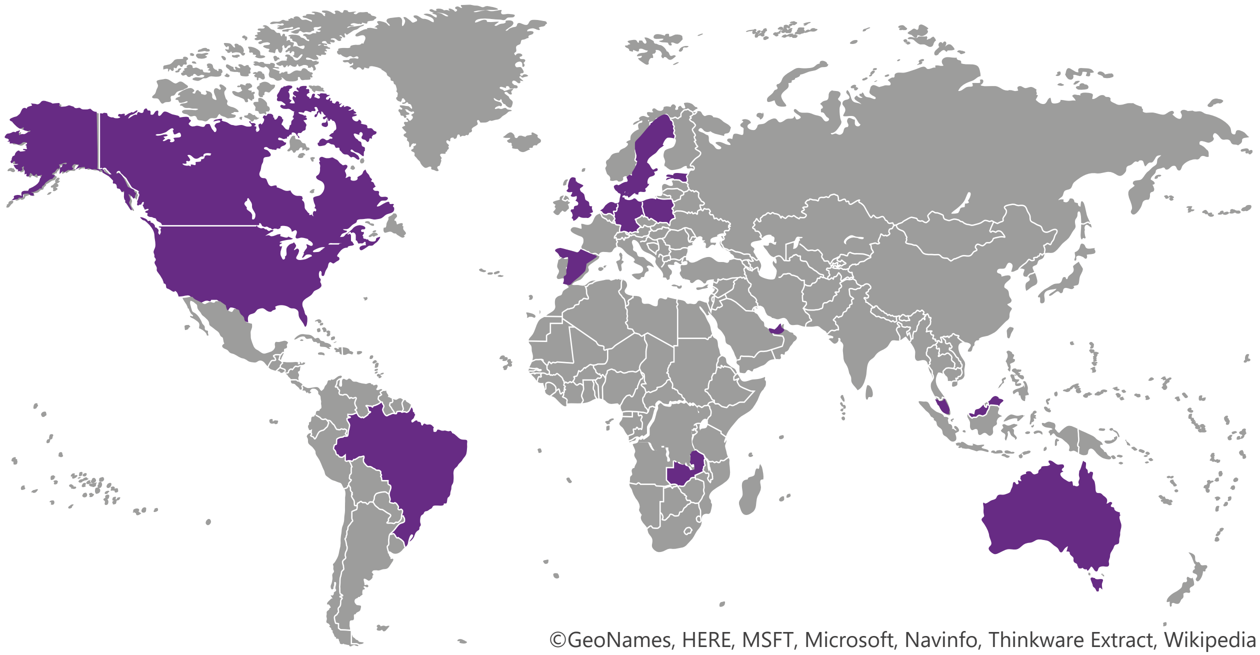
Card Not Present (CNP)	Counterfeit (CTF)	Lost and/or Stolen (L&S)
United States	United Arab Emirates	United States
United Kingdom	United States	Netherlands
Ireland	United Kingdom	Sweden
United Arab Emirates	Brazil	United Kingdom
Netherlands	Sweden	United Arab Emirates
Hong Kong	Spain	Ireland
Cyprus	Netherlands	Poland
Sweden	Ireland	Luxembourg
Malaysia	Germany	Hong Kong
Spain	Malaysia	Malaysia

DEBIT CARD

Card Not Present, Counterfeit and Lost and/or Stolen fraud were prominent in the countries reflected below.



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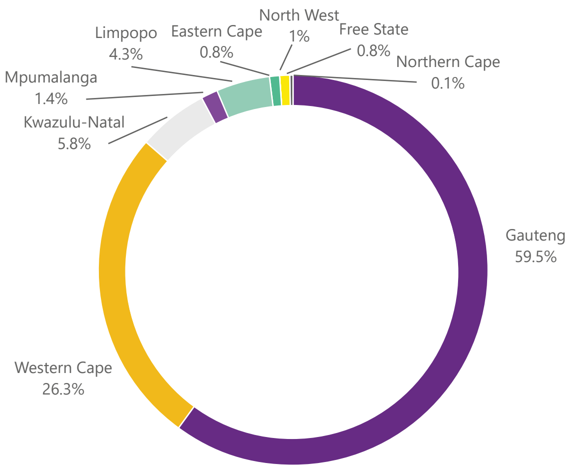
Card Not Present (CNP)	Counterfeit (CTF)	Lost and/or Stolen (L&S)
United States	United States	United States
United Kingdom	United Kingdom	United Kingdom
Ireland	Ireland	Estonia
Cyprus	Brazil	Ireland
Netherlands	Zambia	Cyprus
Estonia	United Arab Emirates	Netherlands
United Arab Emirates	Hong Kong	United Arab Emirates
Luxembourg	Canada	Panama
Spain	Zimbabwe	Australia
Hong Kong	Spain	Germany

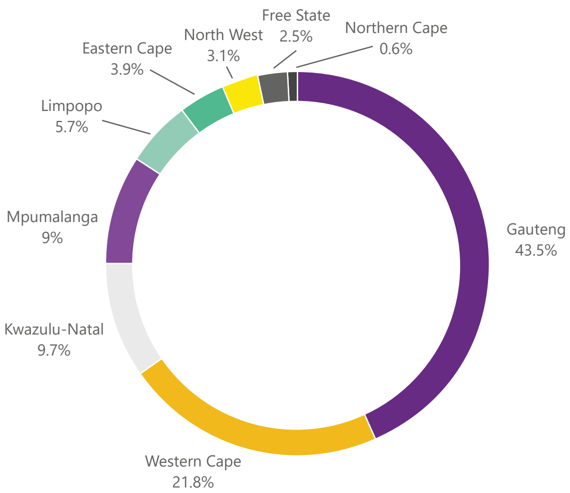
PROVINCIAL OVERVIEW

CREDIT CARD – RAND VALUE



2023 saw Gauteng most affected by credit card fraud (**59.5%**), followed by the Western Cape (**26.3%**) and KwaZulu-Natal (**5.8%**). Card Not Present (**67.9%**) and Lost and/or Stolen (**18.7%**) fraud transactions with a credit card were prominent in South Africa during 2023.

DEBIT CARD – RAND VALUE



Gauteng (**43.5%**), the Western Cape (**21.8%**), and KwaZulu-Natal (**9.7%)** were the top three provinces affected by debit card fraud in 2023. **54.1%** of fraudulent transactions in South Africa took place with a Lost and/or Stolen debit card followed by Card Not Present (**38.5%**).

SABRIC | South African Banking Risk Information Centre

2023

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