

To create a world class supply chain, the SA logistics industry needs better, faster KYC

Estimates suggest the logistics industry contributes around [10 to 12 percent](#) towards South Africa's GDP. But in order for the country to command a larger market share for its products on the global stage, supply chains need to be world class to ensure efficient delivery of goods. One way to increase efficiencies is by implementing KYC measures that really work says Sameer Kumandan, Managing Director of SearchWorks, an innovative data aggregation platform that allows users to conduct live, accurate searches on individuals and companies and in-depth KYC checks online.

"No business process can be managed without necessary, up-to-date information. For the logistics industry, in which planning and coordinating various processes simultaneously is a prerequisite, having the right information about customers, suppliers and employees can assist in making better business decisions that have a tangible impact on the company's bottom line," notes Kumandan.

Every industry faces its own unique challenges and risk factors and while it is impossible to eliminate risk entirely, Kumandan says implementing more stringent Know Your Customer (KYC) and Know Your Business (KYB) measures means organisations can protect themselves from dodgy, fly-by-night suppliers, and from fraud and financial crime.

"With the increase in fraudulent and criminal activities, robust KYC measures ensure businesses in the logistics sector only deal with legitimate partners and suppliers and their legitimate directors. Verifying a company and its creditworthiness is crucial, but the SearchWorks platform takes KYC a step further by providing a report on any negative news a company may have received in the media," Kumandan explains.

Although KYC is a priority for most businesses, conducting manual checks is onerous, time-consuming, and open to human error and oversight. Kumandan advises using a single, credible platform for faster and more effective results. "Better decision making in the hiring process is another way to ensure the sector improves its operations in line with global standards. One example is verifying the validity of a driver's professional driver's permit, an employee's stated qualifications, and whether employees appear on any international Politically Exposed Persons (PEP) or sanctions lists," he says.

As the largest data aggregator in South Africa, SearchWorks has the ability to provide data or verify existing data from various sources and is aligned with the National Credit Regulator and the credit bureaus to ensure that searches are performed within the confines of the law and the governing bodies of the associated organisations.

“Businesses in the logistics sector can action CIPC and credit searches, verify whether individuals appear on the worldwide PEP and sanctions lists – and have all this information integrated into one convenient report. As margins become tighter, mitigating risk is a crucial component in staying competitive,” says Kumandan.

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