

Why you should consider automating FICA compliance

When a well-known fund manager was [fined R16 million](#) earlier this year for failing to comply with the Financial Intelligence Centre Act (FICA) stipulations for [accountable institutions](#), many companies in sectors such as real estate, law, and accounting jumped to action to ensure their compliance.

But the mammoth task this can sometimes present means full compliance can be extremely difficult to attain through manual processes alone. In the case of Ashburton Fund Managers above, many of the compliance points were in fact met. But the devil was in the details - for example, the company failed to screen its clients against the Targeted Financial Sanctions lists.

Automating FIC Act requirements can be a game-changer for accountable institutions, not only ensuring compliance but also freeing up valuable time that would otherwise be spent on completing these often intricate processes manually.

Introducing VOCA

VOCA, powered by data aggregation platform SearchWorks, is a Verification, Onboarding, and Compliance Application that does exactly that, says Sameer Kumandan, Managing Director of SearchWorks. "VOCA is an app designed to streamline the compliance processes for accountable institutions. The aim is for any accountable institution to be able to do exactly what the name suggests: verify, onboard, and do compliance checks on individuals and companies – but automating these processes means they'll spend much less time, energy, and resources than if they were to do so manually."

VOCA's automated system is based on the unique rule sets and risk appetite of each client. Every check will generate a full report on an individual or business and will also include a risk rating report based on the real-time data returned. This will allow clients to ensure compliance with the FIC Act, while creating a full audit trail as proof that the necessary checks were done.

Key benefits and features include:

- **Streamlined verification:** The app can perform ~~CSI~~ KYC/KYB checks, CIPC checks, ID verification, ID Photo verification, PEP/sanction checks, FIC questionnaires, Adverse news

checks, and Account verification. Users receive a detailed, real-time report on each verification, enabling informed decision-making and proactive risk management.

- **Comprehensive compliance:** VOCA ensures that businesses adhere to the FIC Act by implementing essential Anti-Money Laundering (AML) and Counter-Terrorism Financing (CFT) measures, such as documented and easily accessible verification checks, ensuring full audit trails. Meticulous records of transactions and customer information are maintained for a minimum of five years. Furthermore, the app can perform comprehensive risk assessments to identify and address potential money laundering and terrorist financing risks, as well as assist with compliance-mandated employee training to equip staff with the necessary knowledge and skills to recognise and report any suspicious activities.
- **Seamless onboarding:** While thorough compliance can be a hassle for businesses and their customers alike, VOCA simplifies the onboarding process with automated checks, facial verification, 3D liveness and data verifications, reducing manual effort and enhancing efficiency – and, importantly, customer retention.

Why it's important

Not only does comprehensive compliance mitigate legal risks and possible financial penalties, but it also enhances your business. The improved security and reduced human error will help protect your business from financial crime, while increased efficiency saves time and resources.

And, although the FIC Act was created to prevent financial crime, following the guidelines set out in the Act will also improve a company's reputation, ultimately attracting a more desirable clientele. Beyond your own business interests, ensuring your compliance as an accountable institution will play a part in strengthening the country's economy. The Act and its stringent stipulations for accountable institutions was created to protect those who operate in or deal with industries that are more vulnerable to money laundering and terrorist financing, including sectors such as real estate, credit provision, law, and high-value sales.

Non-compliance not only puts these entities at risk of inspections and sanctions, but hurts the broader economy as well as international perceptions of it – especially after South Africa was [greylisted](#) by global financial crime watchdog the Financial Action Task Force in February 2023. Says Kumandan: "It's crucial for those operating in these sectors to understand what is required of them

by the FIC Act, and to comply as soon as possible. FICA compliance has really become a matter of national importance.”

Find out more: <https://www.voca.co.za/>

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