

FICA for Accountable Institutions



It is recommended that your RMCP document is incorporated into this content.

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FICA – Module 1 – Money laundering: So what is the problem?

This module explains what **money laundering and terrorist-related financing** is and provides an overview of South African **legislation and institutions** that aim to prevent these activities. (30 minutes)

On completion of this module you should be able answer the following questions:

- ▶ What is money laundering (ML)?
- ▶ What is terrorism financing (TF)?
- ▶ How does the ML and TF processes work?
- ▶ What are the consequences of ML and TF?
- ▶ What legislation aim to prevent ML and TF?
- ▶ Who enforces ML/TF legislation in South Africa?
- ▶ What are the consequences of non-compliance with ML/TF legislation?

FICA – Module 2 – FICA: A risk-based approach to compliance

This module provides more information on the South African Financial Intelligence Centre Act (FICA) and explains the **risk-based approach** to compliance required by FICA. (45 minutes)

On completion of this module you should be able answer the following questions:

- ▶ What are the objectives of FICA?
- ▶ Who regulates compliance with FICA?
- ▶ Who must comply with FICA?
- ▶ What does FICA expect from an accountable institution?
- ▶ What should a Risk Management and Compliance Programme (RMCP) address?
- ▶ What can an accountable institution do to understand its ML/TF risks?
- ▶ What is an ML/TF risk?
- ▶ What can an accountable institution do to manage its ML/TF risks?
- ▶ What mitigation and monitoring measures does FICA require?
- ▶ How will the FIC know that an accountable institutions understands and manages its risk?



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FICA – Module 3 – RMCP, FICA governance and CDD: What is it all about?

This module explains the risk mitigation and monitoring tools that FICA requires an accountable institution to have in place. (45 minutes)

- ▶ What is the RMCP?
- ▶ Who is responsible for FICA compliance in the business?
- ▶ What is CDD?
- ▶ What are the steps of the CDD process?
- ▶ How do we establish a client's identity?
- ▶ What is meant by the risk profile of the client?
- ▶ What is meant by verification?
- ▶ When must verification take place?
- ▶ What does it mean to "understand the transaction"?
- ▶ What is meant by "the source of funds"?
- ▶ What is a suspicious transaction?
- ▶ Who is a suspicious client?

FICA – Module 4 – Training, recordkeeping, and reporting: Doing it right

This module explains **training**, **recordkeeping** and **reporting obligations** of accountable institutions. and provides guidelines on the responsibilities of the business and the employee. (30 minutes)

On completion of this module you should be able answer the following questions:

- ▶ Why is training important?
- ▶ What does FICA require with regard to training?
- ▶ What are the recordkeeping obligations prescribed by FICA?
- ▶ What documents must be kept and for how long?
- ▶ What must be reported?
- ▶ What is a cash transaction?
- ▶ What is a suspicious transaction?
- ▶ Who must report a suspicious transaction?
- ▶ When and how should a person report a suspicious transaction?
- ▶ What if a client is a sanctioned person?
- ▶ May a transaction proceed once it has been reported?
- ▶ What protection is offered to those who report ML/TF activities?
- ▶ Summary: What are your personal FICA responsibilities?



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