

# FIC EMBRACES THE DIGITAL AGE



The coronavirus (COVID-19) has accelerated the adoption of digital technologies at the FIC. For the Compliance and Prevention (C&P) division, this has manifested in how it conducts supervision and compliance monitoring, to assess compliance with the Financial Intelligence Centre Act.

Considering the safety of employees and stakeholders and the need to continue delivery, C&P reviewed its operational functions and converted these, where possible, into digital channels and engagements. These included stakeholder engagements, monitoring, compliance reviews, inspections, enforcement, and awareness.

Most of C&P's operations and activities are client facing. With this in mind, C&P fast-tracked its digitalisation plans to mitigate the potential spread of COVID-19 and implemented measures that included physical distancing, digital meetings and others.

Christopher Malan, C&P Executive Manager said: "The division's decision to embrace digital delivery was to ensure continued delivery to stakeholders given the COVID-19 constraints and to maintain and even expand the FIC's reach through the digital medium, where possible".

## INSPECTION AND ENFORCEMENT

A key remit of the division is to conduct inspections, both on its own and in support of supervisory bodies, to determine accountable and reporting institutions' level of compliance with the FIC Act. Usually the inspections take place on-site. Outcomes of inspections can vary from a request to rectify any non-compliance to an administrative sanction depending on the levels of non-compliance.

The division adapted to the challenges brought about by the reality of the pandemic and the accompanied lockdown measures and restrictions to curb its spread by conducting inspections remotely via virtual platforms.

## ON-SITE COMPLIANCE REVIEWS

C&P also conducts on-site compliance reviews which aims to increase awareness, improve the quality and quantity of regulatory reports, and assist with compliance-related matters.

Like the inspections, on-site visits have traditionally been conducted in person, but were also taken online over the past year. Compliance reviews help guide and advise accountable and reporting institutions on how to rectify possible compliance issues.

## CREATING AWARENESS

C&P develops and issues guidance in consultation with the Legal and Policy division of the FIC and provides compliance awareness to assist stakeholders in understanding their compliance obligations as outlined in the FIC Act. These obligations are to assist with the combating of money laundering and the financing of terrorism.

As part of its Guidance and Prevention function, C&P hosts regular FIC Act awareness events with accountable and reporting institutions such as face-to-face engagements, roadshows, telematic sessions and virtual conferences for sharing compliance and other information.

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In the past the division predominantly held these public awareness events countrywide, in person. However, since the pandemic and the lockdown, these sessions went fully online.

While C&P held online telematics learning sessions before the COVID-19 outbreak, the format has moved from an 'in studio' format to presenting to viewers via webinar technology.

"We completely revamped the material introducing several new topics while focusing on sectors," said Ashleigh Mooij of C&P.

"Our reach has increased manifold and the response to the public awareness has just been absolutely phenomenal."

Compliance awareness includes the publication of articles and, due to the pandemic, the division targeted media with a digital footprint such as online publications and digital magazines.

## **INTO A HYBRID FUTURE**

Digital technologies have allowed C&P to deliver on its mandate in a cost-effective manner despite the operational challenges created by the pandemic and the measures to curb the spread of COVID-19.

There is still a case to be made for in-person interactions with stakeholders and the division is unlikely to adopt a fully digital operating model.

A post-pandemic environment may see a shift towards a hybrid model where some functions remain in the virtual space while others return to face-to-face interactions, or both.

A hybrid model would increase the FIC's reach to audiences where travel and or potential further limitations could potentially limit the effectiveness of the FIC.

Please visit our [YouTube Channel](#) to see some of our webinars.