

FNB implements online FICA system after complaints

 By [Nicci Botha](#)

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Following a series of complaints about bungled Financial Intelligence Agency Act (FICA) procedures nearly putting some small enterprises out of business, FNB has introduced an online document loading system to try and smooth the administration process.

Legislation compels all financial institutions in South Africa, including banks to know your customer (KYC) and verify their sources of income and funds. According to FNB, it regularly reviews its compliance with FICA and KYC regulations, and on an ongoing basis identifies accounts that are non-compliant.

“These business owners are notified of their accounts’ non-compliance via SMS and email, requesting that they provide the bank with updated information and documentation,” the bank says in a statement.



Things go wrong

However, in a recent drive, things seem to have gone awry. A number of business owners claimed that even though they had submitted the required documentation, these seemed to disappear, and they had to resubmit several times. Or in the worst cases, business accounts were frozen, leaving owners unable to operate or pay wages.

[The Sunday Times](#) reported an instance where a Cape Town small business operator claims that incompetence in the process nearly sank her.

In response, FNB has launched KYC Doc Uploader, which allows non-compliant business owners to upload outstanding FICA documents online.

Two working days

These customers will now get a message prompting them to update their FICA documents when logging into their FNB online banking profile. Once all the outstanding documents have been uploaded, their information and FICA status will be verified within two working days.

“KYC Doc Uploader has now broadened communications channels around FICA by enabling us to effectively use our online banking platform to notify clients about compliance. This is done at a time when banking is top of mind, providing clients with a safe and easier way of submitting FICA documents anytime, from the comfort of their homes or workplace,” says Marcel Klaassen, head of sales at FNB Business.

Guided through the process

Klaassen, says KYC Doc Uploader is not only an efficient way of driving the FICA message, but also gives customers peace of mind by simplifying the FICA process. “Furthermore, we consider it a significant milestone as it complements the bank’s efforts to comply with FICA and KYC regulations, helping us to ensure that all client accounts are supported by updated, legally required information and documentation.”

He urges businesses that are not yet FICA compliant to take advantage of this solution and submit all outstanding documentation and information to the bank as soon as possible. Customers using KYC Doc Uploader will be guided through the process and will be able to upload their documents in a number of different formats.

“Once we have exhausted all means to reach customers and encourage them to comply with FICA, we will be legally obliged by the South Africa Reserve Bank (SARB) to freeze non-compliant accounts. This action is regrettably carried out as the very last resort,” explains Klaassen.

ABOUT NICCI BOTHA

Nicci Botha has been wordsmithing for more than 20 years, covering just about every subject under the sun and then some. She's strung together words on sustainable development, maritime matters, mining, marketing, medical, lifestyle... and that elixir of life - chocolate. Nicci has worked for local and international media houses including Primedia, Caxton, Lloyd's and Reuters. Her new passion is digital media.

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