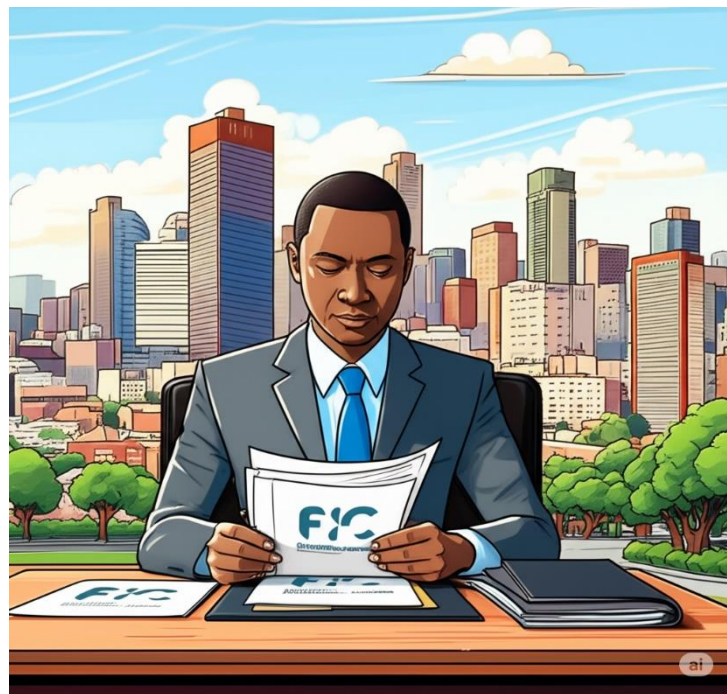




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## Is Your Legal Practice FICA-Compliant? What Every Sole Practitioner Must Know in 2025



The regulatory landscape for South African legal practitioners has intensified dramatically, with South Africa having addressed 20 of 22 FATF action items and targeting a potential greylist exit by October 2025. For sole legal practitioners, this means unprecedented scrutiny and enforcement from the Financial Intelligence Centre (FIC) – making compliance not just advisable, but absolutely critical for business survival.

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## The Stark Reality: Non-Compliance is the Norm

Recent FIC inspections reveal a shocking truth about our legal profession's readiness. The statistics paint a concerning picture that every sole practitioner must confront immediately.



FIC inspection results showing 80% non-compliance rate among legal practitioners

With approximately 80% of inspected legal practitioners found non-compliant, the question isn't whether the FIC will focus on your practice – it's when. The most common failures include inadequate Risk Management and Compliance Programmes (RMCPs), insufficient customer due diligence, and failure to properly register with the FIC.

## Current Enforcement Reality

The regulatory environment has shifted into high gear with Budget 2025 allocating additional funding for financial crime enforcement, meaning more frequent audits and compliance checks. Legal practitioners face immediate deadlines, including the recent 12 March 2025 requirement for RMCP submissions to the FIC. Those failing to meet these obligations are being labelled as "*delinquent high-risk entities requiring inspection*".



## The Price of Non-Compliance

The consequences extend far beyond administrative inconvenience. Current penalties include:

- Administrative fines up to R10 million for individuals and R50 million for companies
- Criminal charges with potential fines reaching R100 million
- Imprisonment for up to 15 years for serious breaches
- Personal liability for senior managers and directors

Major institutions like Capitec, Old Mutual, HSBC, and Standard Bank have faced sanctions ranging from R7.7 million to over R50 million. These aren't isolated cases – they represent the new enforcement reality.

## Your FICA Obligations: A Complex Web

As a sole legal practitioner, your compliance obligations are comprehensive and interconnected:

### Registration Requirements:

- Free registration via the FIC's goAML platform
- Each branch requires separate registration
- Ongoing maintenance of registration details

### Risk Management and Compliance Programme (RMCP):

- Customised risk assessment specific to your practice
- Documented policies and procedures
- Board or senior management approval
- Regular updates and reviews

### Operational Compliance:

- Customer due diligence procedures
- Ongoing monitoring of client relationships
- Suspicious transaction reporting
- Record-keeping requirements
- Staff training programs
- Compliance officer appointment



## Why Legal Practitioners Are High-Risk Targets

The legal profession's inherent characteristics make it vulnerable to money laundering abuse. Services such as property conveyancing, trust management, legal entity creation, and client fund handling create multiple entry points for criminal exploitation. The FIC has specifically identified attorneys in high-priced property conveyancing areas as increased risk targets.

## The Time for Action is Now

With South Africa's potential FATF greylist exit creating heightened regulatory focus and enforcement activity increasing dramatically, sole practitioners cannot afford compliance gaps. The choice is clear: proactive compliance or reactive penalties.

## Cyclopedic Consulting: Your Complete FICA Solution Partner

Navigating this complex regulatory maze requires specialised expertise that understands both the legal profession and compliance requirements. Cyclopedic Consulting offers comprehensive support. Cyclopedic Consulting transforms compliance from a burden into a competitive advantage, ensuring your practice not only meets current requirements but is positioned for success in the evolving regulatory landscape.

Don't become part of the 80% non-compliance statistic. Contact Cyclopedic Consulting today to secure your practice's future through expert FICA compliance guidance, registration support, RMCP development, and FIC liaison services.

*Let us handle the complexity while you focus on serving your clients.*

By [Harry Pretorius](#) 2025/06/12