

VISA Global Acquirer Risk Standard (GARS) Reviews

As the merchant payment acceptance landscape diversifies, to support an ever more increasing number of channels, the value chain becomes more complex with multiple intermediaries participating in the model, from first contact at onboarding to fund settlement in merchant accounts.

Acquirers play a pivotal role in enabling businesses to grow their customer base by facilitating access to global card payment networks. In turn acquirers must evidence compliance with VISA Global Acquirer Risk Standards (GARS): acquirers commit to applying appropriate due diligence and risk monitoring practices to ensure the suitability, integrity and legality of their merchant portfolios.

Under the umbrella of the VISA Integrity Risk Program (VIRP), VISA GARS provide stakeholders with a risk control framework to limit financial and reputational damage whilst protecting the integrity of the payment network. VISA acts as a regulatory body, providing oversight through its rules, regulations and suite of monitoring programmes. If a member is identified as non-compliant or fails to implement an approved remediation plan, VISA may impose penalties.

The GARS set requirements which acquirers need to adhere to, to minimise risk to the community of payment stakeholders. Two sections of the GARS provide detailed controls designed specifically to mitigate the risks of the third party agent acquiring model. Overall, the onus is on the acquirers to evidence their readiness to meet the challenges of this model and to apply appropriate and proportionate risk remediation controls if they wish to contract merchants through third party agents. The greater the perceived risk the more the card schemes will expect acquirers to demonstrate resilience and preparedness.

How AJC Can Help

AJC is a VISA approved and trusted independent GARS assessor. We specialise in examining and evaluating risk mitigating approaches, as well as guiding acquirers and third party agents in their risk remediation journey, offering an unbiased view and realistic recommendations proportionate to the risk.

AJC operates globally from its UK headquarters, with a team of over 30 experienced consultants. Our experts cover regions including mainland Europe, Africa, the Middle East, Asia, the USA, and Australia and have the capability of engaging in various languages, such as French, German, and Russian, to best serve our clients.

How AJC Can Help cont.

Our ever growing list of clients demonstrates our commitment and ability to tailor compliance and remediation solutions, catering to the specific demands of the high risk merchant sector. We take pride in our ability to adapt to the unique requirements of each client.

AJC became a VISA GARS approved auditor in 2019.

AJC's VISA GARS Audit Services

AJC holds a distinctive position among the limited number of VISA approved firms, offering valuable assistance and assurance to acquiring businesses via bespoke reviews and remediation approaches, whether they engage with merchants directly or through third-party agents.

Our VISA GARS experts specialise in understanding the evolving risks faced by acquirers and payment facilitators in the high-risk merchant arena. Our consultants comprise of practitioners and former senior executives from the card schemes and prominent acquiring banks, ensuring the execution of each engagement is handled with the appropriate diligence and expertise.

Our process involves examining the acquirer's risk mitigating approach at every step of the life cycle of the merchant and/or agent, including the investigation and resolution of exception items and a defined mitigation plan (if required) when a merchant and/or agent is operating out of acceptable bounds. Our expertise allows us to assess any areas where VISA compliance may not be met, and define specific recommendations to address gaps in:

- > Underwriting practices
- > Transaction monitoring
- > Settlement procedures
- > Third party agent models

Typically, our team engages directly over a period of five days to generate a comprehensive assessment report. The report provides a gap analysis and offers bespoke recommendations to remedy the challenges experienced by the acquirer.

Our approach includes:

- > Analysing and evaluating the current status of operations, policies, processes, and procedures.
- > Assessing current operations against VISA rules, requirements, and regulations to pinpoint areas of non-compliance.
- > Identifying gaps in processes and policies, deviations from card scheme network requirements, and documenting necessary remedial actions.
- > Offering specific recommendations to address these gaps, ensuring adherence to card scheme network rules, and providing reporting to VISA (as required).
- > Providing ongoing support for the implementation of corrective measures, including follow-up to ensure sustained compliance with the implemented corrections.

Our services are tailored to each individual business, aimed at delivering outstanding value and the appropriate, proportionate solution.