



QUANTIFYING RISK, ENABLING OPPORTUNITY

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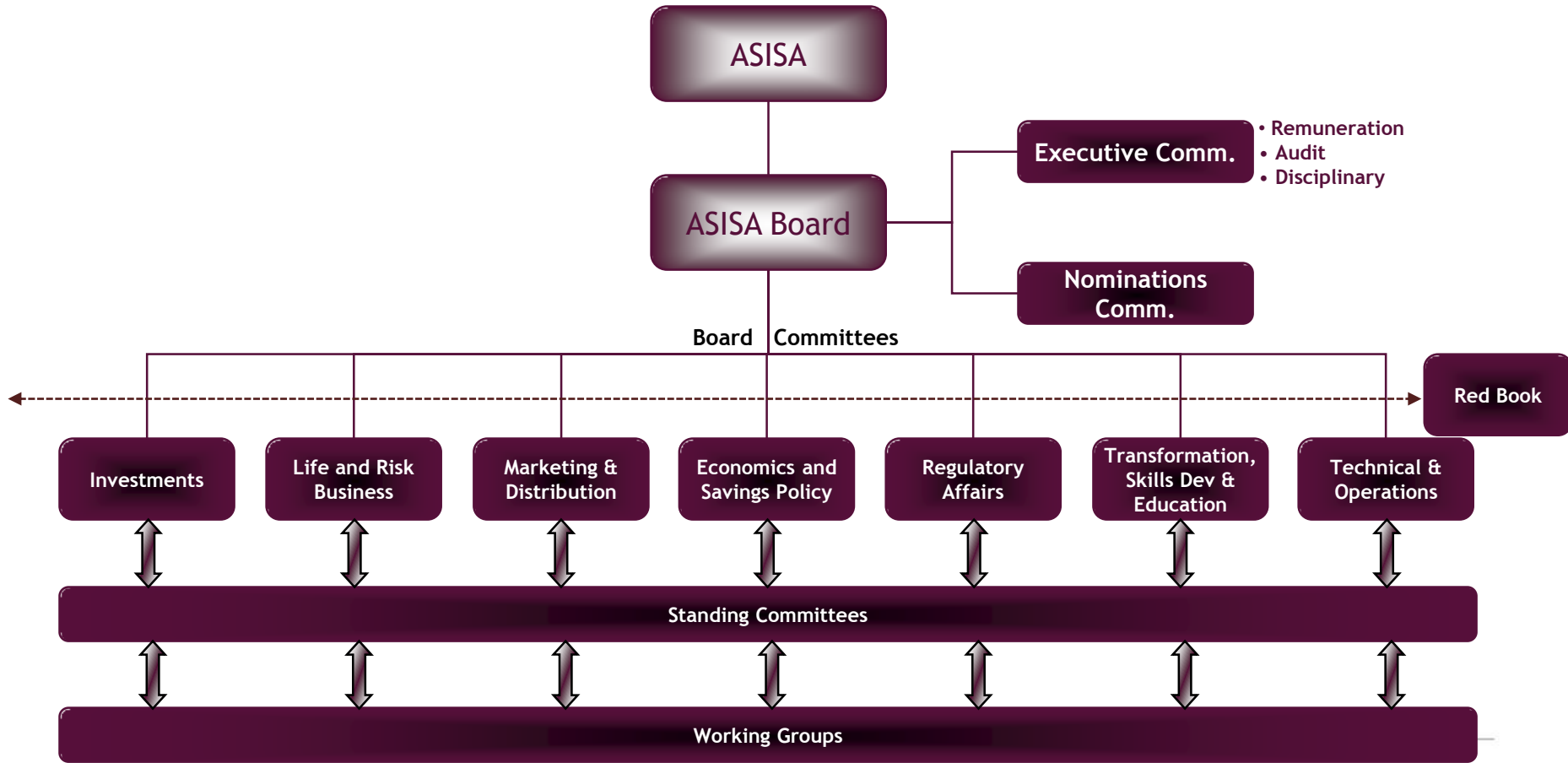
SA AND FINANCIAL SECTOR - THE WAY FORWARD

Investments Seminar

# Agenda

1. ASISA in Perspective
  - Structure
  - Some Facts
2. Industry Perspective
3. The Landscape
4. International Agenda
5. SA Regulatory and Policy Responses
6. The Way Forward
7. Some Thoughts

# ASISA IN PERSPECTIVE: STRUCTURE



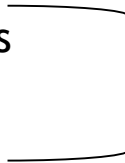
# ASISA IN PERSPECTIVE : SOME FACTS

1. Start Date: 1 October 2008
    - Replaced LOA, ACI, LISPA, IMASA
  
  2. Membership
    - At highest appropriate level in organisation
    - 112 members
    - One institution one vote (voting members)
  
  3. Board
    - Only the most senior executive
  
  - 4. Staff
    - Management 3
    - Senior Policy Advisers 14
    - Support 13
-

# ASISA IN PERSPECTIVE: SOME FACTS

## 5. How Structure Operates

- 7 Board Committees
- 40 Standing Committees
- 68 Work Groups
- 1200 Member Reps



Supported by  
Management  
14 Policy Advisers  
Selected Support Staff

## 6. Foster the Future

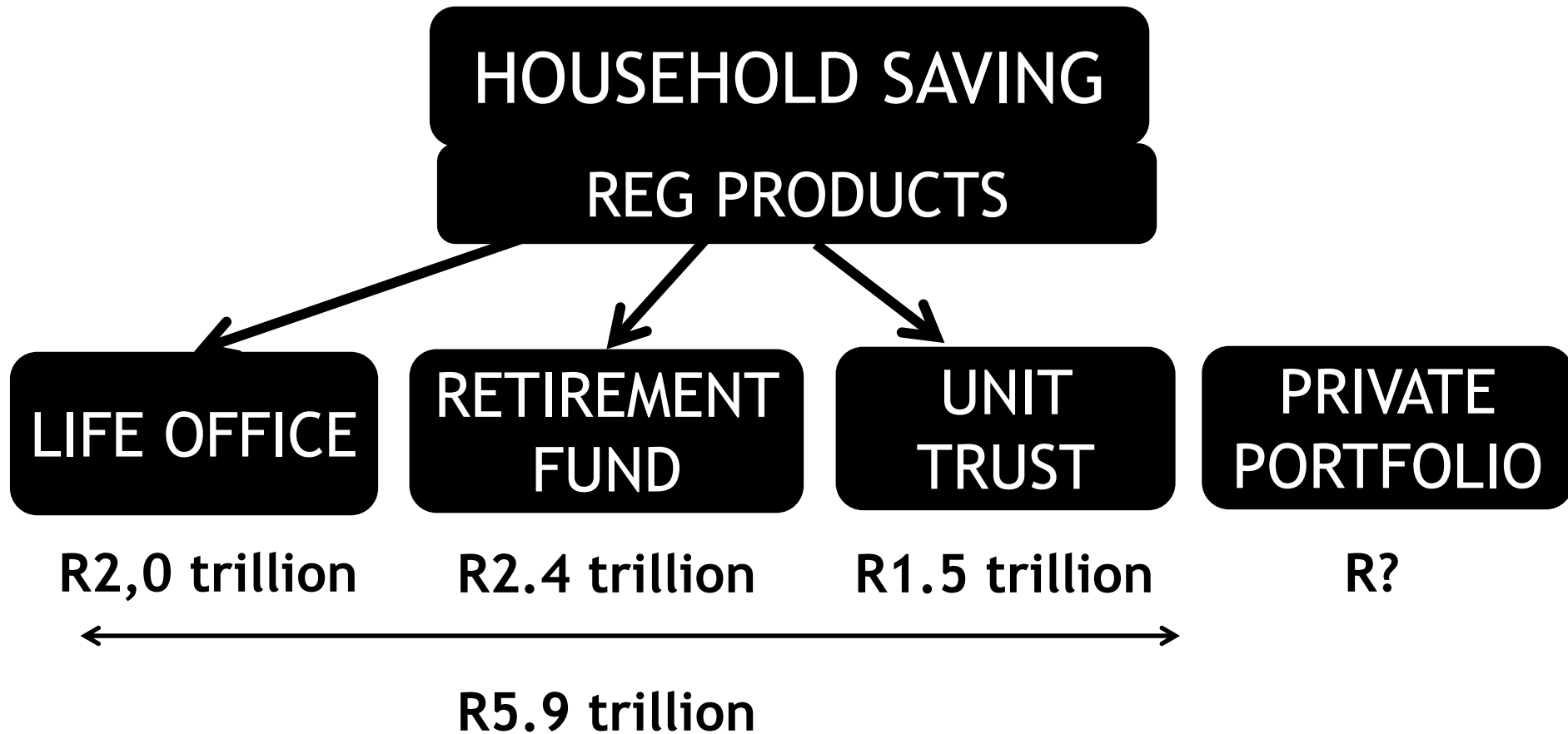
- Academy
- ED Fund
- Foundation

# ASISA IN PERSPECTIVE: SOME FACTS

## 7. International Contacts - ASISA member of:

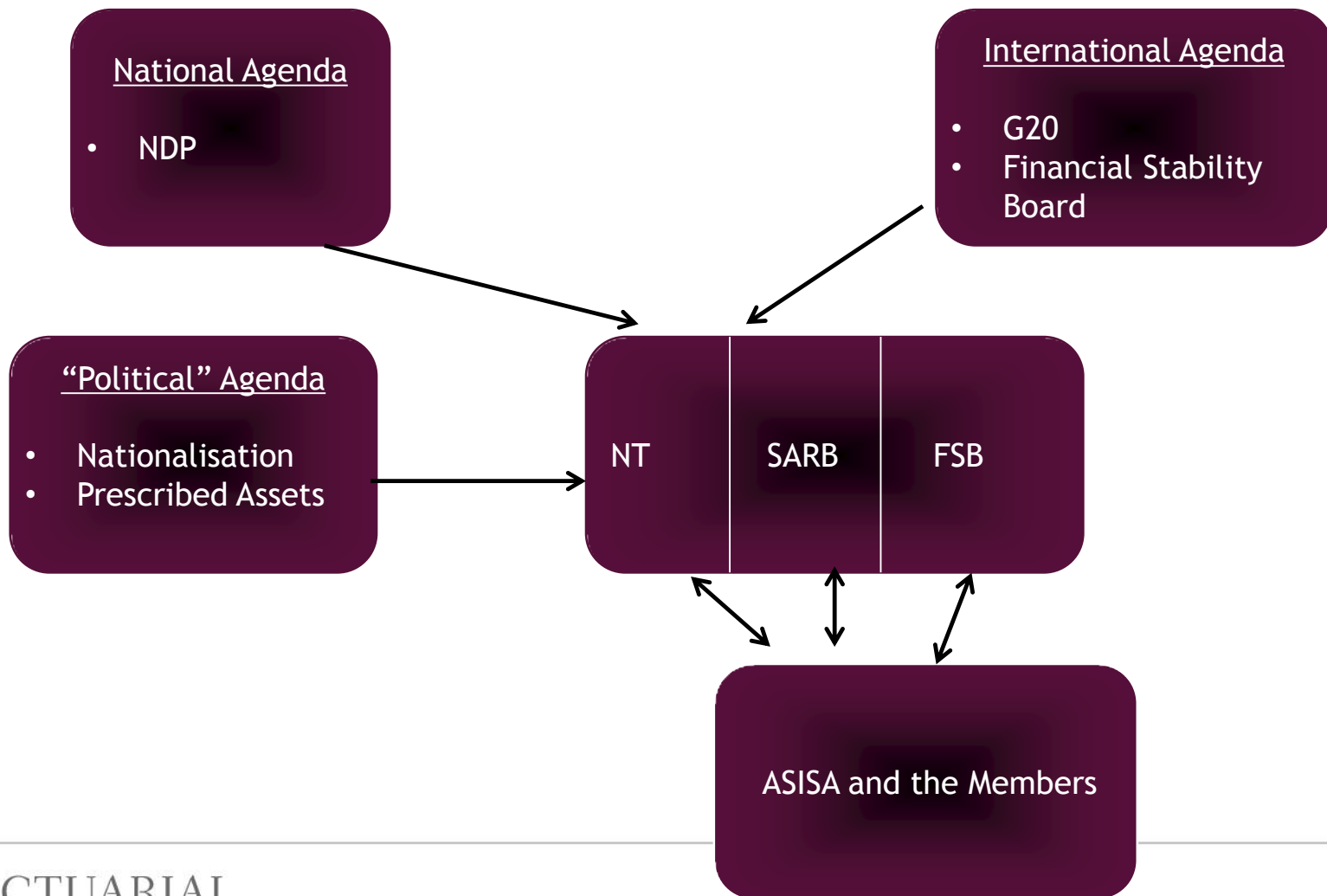
- International Investment Fund Association (IIFA) - IOSCO
- Global Federation of Insurance Associations - (GFIA) - IAIS
- OECD Task Group - Infrastructure
- International Forum for Investor Education - IFIE

# Industry Perspective



**ASISA members manage approximately R5.8 trillion**

# Landscape





# International Agenda

Driven by:

- G20
- Financial Stability Board

} SA a member

Global Policy Alignment



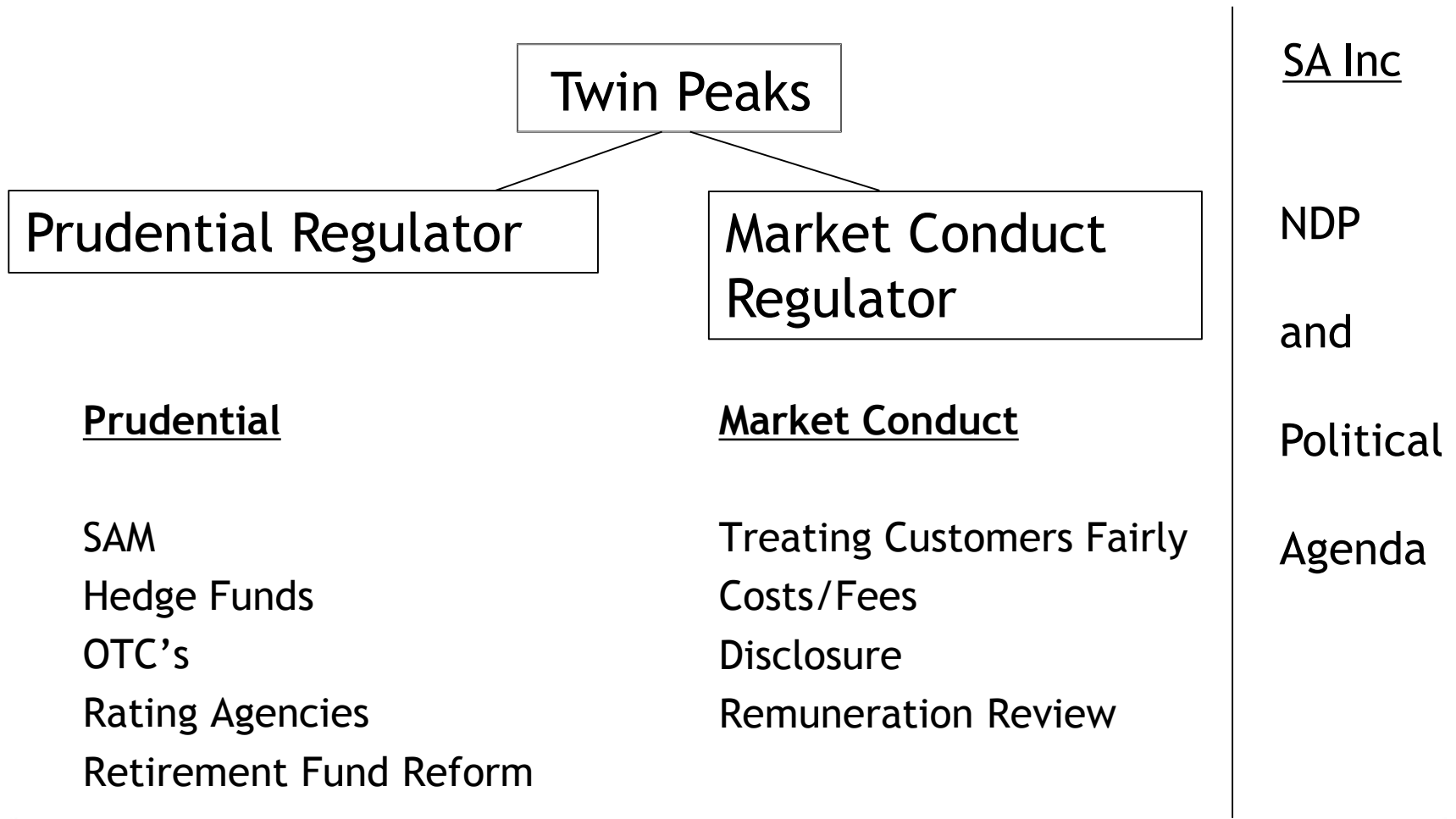
Prudential

Basle III  
Solvency II  
Capital Buffer - MM Funds (CNAV)  
Structures (ETF's)  
Hedge Fund Regulation  
Rating Agencies  
OTC's

Market Conduct

Remuneration Models - Better align interest of advisor with client  
Disclosure and Transparency  
Product Regulation and Simplification  
Performance Fees - Open ended funds  
Other Fees  
Dark Pools  
High Frequency Trading

# SA Regulatory and Policy Responses



# The Way Forward

- ASISA Board: Strategy to align initiatives with NDP  
Focus on four major initiatives

## 1. Retirement Reform/Access/Inclusion

- Preservation
  - Compulsion
  - Consolidation
  - Inclusion/Simplification/Access
    - Vulnerable Workers Fund
    - Fundisa
    - Fundisa for housing
    - Default products
- 
- NDP: Increase Savings

# The Way Forward

2. Infrastructure: Cannot do infrastructure programme just with borrowed money.
- ASISA members:
    - R960 billion paper
    - R74 billion projects
  - Infrastructure Task Group
    - NT (Chair)
    - PICC
    - SOE's
    - DFI's
    - Labour
    - ASISA
    - BASA

# The Way Forward

2. Infrastructure: Cannot do infrastructure programme just with borrowed money.

- ASISA co-ordinated:-
  - One on one meetings with ASISA members by govt delegation
  - Diagnostic - impediments to flow of funds
  - ASISA/NT - Interaction with OECD
  - Create innovative solutions
- NDP: Economic growth, employment

# The Way Forward

## 3. SA Financial Centre for Africa

- Inward Listed
- Tax
- Exchange Control
- Initiatives
  - Headquarter regime
  - Foreign Members Fund
- Regulated product to attract capital for SA and Africa
- Market Infrastructure
  - Fixed Interest Trading Platform
  - T+3
  - OTC Register and Central Clearing
- Africa Desk
  - NT
  - ASISA

# The Way Forward

## 3. SA Financial Centre for Africa

- NDP:
- Attract Capital
- Develop Markets
- Onshoring
- Create jobs

# The Way Forward

## 4. Foster the Future

- 4.1 ASISA Academy (Seta Accredited)
  - TSIBA Initiative
    - Work ready
    - Internship
  - UCT Endorsed courses
  - CFA Institute endorsed
  - Educate & professionalise
    - 3000 students
    - 350 industry professionals



# The Way Forward

## 4. Foster the Future

- 4.2 ASISA Foundation
  - Consumer Financial Literacy
    - Hammanskraal
    - Trustee Training (Academy)
  - Board of Trustees
    - Govt
    - Labour
    - Community
    - Business

# The Way Forward

- Foster the Future
- 4.3 ASISA Enterprise Development Fund (Employment)
  - Consolidate supplier data base
  - Supply Chain Development
  - Process to Sustainability
    - Incubation
    - Development/Assistance
    - Investment/Money
    - Post Investment Development
    - Growth
    - Job Creation
    - Social Impact
- NDP:
- Education
- Social Impact
- Job Creation

# Some Thoughts

## A. Default Product/Access

1. Product Platform: (Run by Industry)
  - Simple/Default
  - Cost Effective
  - Access/Inclusion
  - Transparent
2. Governance Structure - FSC Council

## B. Regulated Product

- CIS Structures
  - Hedge Fund
  - Private Equity
  - Venture Capital
  - Infrastructure

## C. Investment Products

- Through CIS Structures
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