



Media Release
Association for Savings and Investment South Africa (ASISA)
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ASISA says Enterprise Development Fund on the cards

South Africa will struggle to attract international corporate fixed investment until the local private sector takes the lead. This is the view of Leon Campher, CEO of the Association for Savings and Investment of South Africa (ASISA). Campher was speaking at the second day of the 2011 ASISA Conference at Sun City today.

Addressing more than 300 delegates from the savings and investment industry, National Treasury, Financial Services Board and other key stakeholders, Campher explained that the South African economy was reliant on the growth and deployment of three savings pools - household, corporate and Government.

“We cannot expect foreign companies to commit to long-term fixed investments in South Africa if local companies are not prepared to do the same with their accumulated savings,” explained Campher.

“Critical for South Africa is growing the country’s savings pool. This goes beyond encouraging household savings, but also requires a concerted savings effort by the private sector as well as Government.”

Campher said to this end the ASISA Board recently approved the establishment of the ASISA Foundation, which will drive corporate social responsible investment and consumer education initiatives by the savings and investment industry.

“Through the ASISA Foundation we will also push for greater innovation in the development of access products to ensure that low income earners have access to appropriate products. Another priority will be to ensure greater retirement savings by all South Africans.”

Campher also announced that the ASISA Board had approved the budget required to create an Enterprise Development Fund, which will channel investments from the savings and investment industry towards developing micro, small and medium enterprises.

According to Campher the Enterprise Development Fund will not only channel funding towards micro, small and medium enterprises, but will also focus on developing them.

Campher also reiterated the commitment from the savings and investment industry to work with Government in a co-ordinated fashion on providing the National Growth Plan with the momentum it requires.

“Our industry is also supportive of Government’s regulatory reform efforts aimed at achieving a safer financial sector to serve SA better. It is our duty to unpack the proposals in partnership with National Treasury and to point out where our industry is already doing a great job. Equally we need to acknowledge where we are not meeting requirements and change.”

However, said Campher, it is imperative that the regulatory reform process does not result in unintended consequences where regulation blocks, rather than unblocks, the flow of increased savings into the right channels.

“In partnership we need to ensure that we marry regulation and Government policy imperatives with the real needs of the economy.”



During the second day of the ASISA Conference delegates also debated proposed market conduct and prudential policy within the regulatory framework, and whether South Africa is capable of becoming a savings and economic powerhouse that is acknowledged as the gateway to Africa and beyond.

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ASISA represents the majority of South Africa's asset managers, collective investment scheme management companies, linked investment service providers, multi-managers, and life insurance companies. ASISA was formed in 2008 by members of the Association of Collective Investments (ACI), the Investment Management Association of South Africa (IMASA), the Linked Investment Service Providers Association (LISPA) and the Life Offices' Association (LOA).