TUESDAY, 14 JULY 2020

irfa dispatch

THE RETIREMENT INDUSTRY NEWSLETTER

TABLE OF CONTENT

LOCAL NEWS

Progressive changes for the retirement fund industry in FSCA draft Conduct Standards

On 8 June 2020, the Financial Sector Conduct Authority published three draft conduct standards for public comment to be made by 31 July 2020.

The purpose of the draft conduct standards is to regulate the:

1. conditions for living annuities in an annuity strategy;
2. communication of benefit projections to members of pension funds; and
3. conditions for investment in derivative instruments for pension funds.

Conditions for living annuities in an annuity strategy

The Draft Conduct Standard requires boards of pension funds to only include a living annuity in their annuity strategy if the annuity strategy ensures that more protection is afforded to the members as compared to the case where a member makes a specific choice to participate in a living annuity based on their own circumstances and research.

Pension funds will be required to measure and monitor the sustainability of income of a living annuity in the annuity strategy by considering the continued payment of a particular income over the lifetime of a pensioner where the income payments increase in line with a targeted percentage of inflation. The Conduct Standard outlines recommended and maximum drawdown rates for the living annuities included in the annuity strategy, which must be communicated to members.

Communication of benefit projections to members of pension funds

This Draft Conduct Standard seeks to provide consistency in the manner in which pension funds provide member projection statements by regulating the frequency at which these are to be provided to members as well as the content to be included. The purpose of providing these statements is to ensure that the expectations of members are managed and also to influence members' behaviour in managing their benefits.

Pension funds will be compelled to provide benefit projection statements to members when a member joins the pension fund, on an annual basis subsequent to joining, and provide a pre-retirement withdrawal statement that will illustrate the impact of preserving retirement savings until retirement. The draft Conduct Standard provides methods for both defined contribution funds and defined benefit funds on what the projected benefit should be based on and the assumptions to be taken into account.

Conditions for investment in derivative instruments for pension funds.

Pension funds who wish to invest in derivative instruments will be required to adopt and implement risk management policies to manage and mitigate the risks of derivative instruments and the contribution of these risks to the overall risk profile of the fund's investment portfolio. This draft Conduct Standard seeks to restrict the use of derivative instruments by regulating when and why a pension fund may invest in a derivative instrument.

The Conduct Standard provides restrictions in that the pension fund can only invest in derivative instruments where the counterparties, defined as juristic persons with whom the pension fund executes a derivative transaction, are specifically identified by the FSCA. The Conduct Standard will require pension funds to ensure that the calculation of assets referred to in regulation 28 includes the effective economic derivative exposure.

Compliance with the limits set out in regulation 28 are netted off against the effective economic derivative exposure where the reference asset of the derivative instrument is identical or similar to the other assets held by the pension fund.

FA News | 30 June 2020

6 steps to prepare for retirement as an entrepreneur

The importance of entrepreneurship and the people who drive it can never be overemphasised. The main reason could be that entrepreneurs create new products and services, thereby stimulating the micro- and macro-economy. Maybe it is because entrepreneurs create and disrupt the normal into a new normal by challenging the status quo.

Whatever the reasons are, most people acknowledge that entrepreneurs create jobs and wealth, influence the community and community development, and in general improve products, services, and the lives of people. For many entrepreneurs, the current climate of lockdown, limited movement and a ban on certain products are a horror story on its own. Add to this the usual challenges of limited cash flow, sales, marketing, taxes and trying to stay ahead of the pack and you are left with two things on the backburner – paying yourself a salary and preparing for retirement (no matter your age).

Most business owners admit they either are still young and will make up for lost ground later when the business is more successful, or they plan retirement around the successful sale of their business. And since the reality is mostly the opposite in this volatile and risky environment, most entrepreneurs are most likely setting themselves up for a lifetime of hardship by being totally unprepared for retirement. Since South Africa has one of the lowest savings rates in the world, don't make the mistake that you will change and form the habit of saving later in life. You won't, trust me. Statistics don't lie.

So, what to do? Here are six steps to help you prepare for retirement as you, after many years of dedication to be an entrepreneur, duly deserve:

1. Diversify Investments

In South Africa there are mainly three options that include a Retirement Annuity (you cannot touch this money before you are 55), a Tax-free investment (maximum contribution of R33 000 per annum, or R500 000 your entire lifetime) and investing your money in various investment portfolios. Most likely the Tax-free investment will not be enough, and the stock exchange can be a very risky game, so a holistic investment plan using a variety of asset classes is a more viable option. Take note that your most important commodity in all these options is TIME. Start as early as you can for good returns.

2. Plan ahead (short term)

Set aside three to six months' worth of household expenses to help you get by during the lean months, or when an unexpected lockdown strikes. Once this is established, build a second, separate fund to help cover emergencies. With these saving cushions in place, start by saving diligently for retirement. It is hard, and it doesn't come quickly, but it will make a big difference for your future peace of mind.

3. Plan an exit strategy (medium to long term)

Whether you are a young entrepreneur or an older version who still garners the tenacity to grind a business to success, you have to know what you want to do when you retire. Are you planning to sell the company and live off the profit you've made? Or maybe you are planning to transfer the company's ownership to one or some of the employees? Whatever you do, do not leave things too late. Even if it is many years into the future, you have to think about succession planning, grooming the right leader(s) and making sure you, as a personal brand, are separated from the business when you are ready to sell it.

4. Have a flexible budget

First of all, you must be VERY WARY OF DEBT! Thinking how your budget can be supported by your investments to last for your whole retirement period should be a top priority. Secondly, since income can be unpredictable, your budget and payments could be altered from time to time, but this should be the exception, not the rule. Be aware of your cash flow and remember, it is sometimes harder to stick to a budget than to be an entrepreneur.

5. Automate your savings

Take time off from your diary, sit down and review your earnings over the past 12-month period. You should be able to establish an average that you can set aside as savings on a monthly basis. Start saving this amount, but crucially, AUTOMATE the deduction to your retirement account. It is so easy to skip a payment or two because you are putting it back into the business. Don't. Set up that automated transfer and forget about it. You will be extremely grateful the day you retire.

6. Reduce and eliminate your debt

Investing and making deposits into your savings account or a Retirement Annuity are not the only way to ensure a worry-free retirement. The most overlooked step or opportunity to have money available is to reduce and, if possible, eliminate your debt. Paying off debt can be the best investment you will ever make, and emotionally, it's also the most rewarding. By following these six steps, you should be much closer to a financially free retirement. Above all, most entrepreneurs are working extremely hard, and using the services of a financial adviser can simplify and eliminate difficult decisions.

Personal Finance | 10 July 2020

Build Back Better": COVID-19 Brings the "S" From ESG Into Focus

Dislocations resulting from the pandemic shine a light on environmental, social and governance (ESG) issues, which can be used as an additional tool to identify leading companies from the laggards, according to Franklin Templeton's Global Head of ESG, Julie Moret. She explains why she believes the pandemic has propelled "S" issues to the forefront, and how this environment could cultivate a fertile backdrop for active management. We're still in the early stages of understanding the longer-term impact the COVID-19 pandemic will have on the real economy.

That said, the immediate impact on people's lives and the dislocation of markets is evident. While the crisis has no doubt emphasized how critical balance sheet resilience is now for companies and their longer-term viability, it has also accelerated a number of environmental, social and governance (ESG) themes which existed before the crisis. Many investors and executives argue that now is the time to "build back better" and create a more sustainable corporate world. Against this backdrop, we see three near-term implications for investors which we believe will be sustained over the longer term.

Wider Stakeholder-Oriented Models and Focus on Stewardship—A Luxury or Necessity?

The crisis has both intensified and highlighted a range of societal issues, such as growing inequality and the fragility of customers and employees, especially in certain segments of the economy which have been left with little protection. It has also underscored the interconnectedness of people, the planet and profit.

These drivers will increasingly require us to reframe what a well-managed business looks like. It reflects the increased pressure all companies face to manage a wider group of stakeholders beyond just shareholders. What we're advocating are the ingredients that go into capturing quality and incorporate wider attributes. The crisis shines a light on the growing relevancy to corporates of wider stakeholder-oriented models, which provide equitable returns not just to shareholders but to employees, customers and suppliers, as well as the effective management of environmental externalities. All these considerations ultimately earn a company's social license.

This infers a focus on stewardship and active engagement by investors. As investors, we are responsible stewards of our clients' capital, which is to say we look after the assets our clients have entrusted us, with a view of returning them in a better condition than which we acquired them in the first place. ESG information provides an assessment on how companies are managing these issues. As such, it becomes a tool not only to further differentiate between well-run businesses versus the laggards, but also identify companies that are making a positive societal impact.

We've been advocating this for quite some time—companies need to consider wider stakeholder models in a changing world. We are mindful that businesses today are facing significant cost pressures in regard to allocating capital towards the welfare of staff, customers and suppliers. The conversations we've had with companies during this uncertain period have revolved around the strength of balance sheets, cash flow sufficiency and liquidity—all of which we use to assess whether a business can continue to operate over the long term.

Our messaging has focused on exercising prudence and caution with a view that management should review the appropriateness of dividend and buyback programs, examining whether these policies could weaken the operational viability of the business in the face of the near-term pressures we outline above. ***Full Report:*** ***https://www.fanews.co.za/article/covid-19-coronavirus-disease/1425/investments-economy/1432/build-back-better-covid-19-brings-the-s-from-esg-into-focus/29477***

FA News | 30 June 2020

Retirement: How to improve your savings

For many South Africans who were already finding it difficult to save for retirement, Covid-19 has created additional financial pressures which may take years to overcome. If you stopped contributions to your retirement annuity, or took a payment holiday on your pension or provident fund, you might be worried about the shortfall created, and how you're going to catch up. Stop worrying and take action to avoid retiring with insufficient funds.

There are many ways to contribute to your retirement, from employer and employee contributions to pension or provident fund, monthly contributions to a Retirement Annuity or a tax free savings account. With many people having a reduced income due to the economic ramifications of Covid-19, it might be impossible to contribute a large monthly amount to catch up while having concerns such as debt to pay, but I recommend starting with your budget. This will aid you not only by freeing up extra funds to catch up your retirement contributions with, but could also create some peace of mind with an opportunity to pay debts off faster or save some discretionary money.

There are many reasons why it is important to follow a monthly budget. Besides reducing stress levels by keeping an eye on your spending habits, it also allows you to track your debts, finding opportunities to top up emergency funds or save extra towards your retirement. A budget goes hand-in-hand with setting and achieving financial goals. A budget does create an additional administrative burden and requires time to update. I have my budget on an Excel spreadsheet and update it monthly when making EFT payments.

Costs for entertainment, groceries and petrol are variable in nature and change each month. You might end up not using all the funds set aside for these variable costs. Adding these leftover funds at the end of the month to your savings is a good habit to inculcate. The immediate impact might seem small but over time will make a positive outcome to both your retirement and the development of a savings mind-set. When you are able to free up some money each month, start automating your savings.

Instead of having a variable amount go towards savings, set up an automatic contribution, where you "pay yourself first". Set up an automatic debit for your retirement savings and you'll grow these funds without having to think about it. One of the most important decisions you can take to help make your retirement comfortable is preserving your retirement funds when changing employer. When starting new employment or if you are coming out of a payment holiday, try matching your employer's monthly contribution toward your pension or provident fund, or if on a total cost to company structure, start on the maximum employee contribution percentage.

By doing this as well as automating your savings, you get use to contributing those amounts and could potentially have a larger nest egg at retirement. Remember that life happens, and your budget might come under strain – many of us have experienced this during the pandemic. If you have been going through a difficult financial time, it is time to reassess and ask yourself, what in your budget is necessary and what is actually a luxury? It is never too late to start sorting out your finances, but the earlier you start, the better, and more achievable, the outcome will be.

Personal Finance | 10 July 2020

Regular saving towards retirement may not have the desired outcome

As many as 94% of South Africans will not retire with enough money saved to maintain their lifestyle. In other words, 94% of us will be poorer in retirement than we are now. This is not always because they don't plan. Often it comes down to poor planning. Too often retirement savers go to brokers and advisors to create a retirement plan and work out what they need to save, only to realise a few years down the line that they are nowhere near achieving their retirement goal. There are a variety of reasons why outcomes fall short of projections. Often these reasons combine, compounding the shortfall. Projections from brokers and advisers, or even from calculators on websites, can be out of sync with reality for a number of reasons, including:

Retirement age: Gone are the days when everybody expected to retire at 60 or 65 (and hoped for 55). Many of us will need to keep working until the official retirement age. But, as many people are finding now in these straitened times, early retirement is not always a choice. Even if you are still doing a reasonable job and your colleagues appreciate your experience and wisdom, when employers are obliged to reduce head-count they often look to those approaching retirement. This is a double whammy as you not only miss out on a few extra years of saving and investment returns, but you will also depend on those savings for longer.

Thinking incorrectly about inflation: Inflation is an important consideration for retirement saving because it affects the purchasing power of your money over time. However, it is impossible to predict future inflation with any kind of certainty. The danger lies in setting a savings goal that appears adequate by today's standards yet making assumptions on investment returns that include inflationary growth. You will find that you achieve your nominal savings goal quite easily but, once you adjust for inflation, you fall far short of the money you actually need to preserve your lifestyle in retirement.

One way to avoid this disappointment is to work in current money terms only. In other words, set a savings goal based on how much money you would need today to retire, and then devise a retirement savings plan that ignores inflationary salary increases and the inflationary component of investment returns.

Underestimating your required income: Many living expenses reduce as we get older. You will pay a lower average tax rate once you are living off reduced (annuity) income; you will no longer be saving for retirement; your bond payments should be proportionately less than when you bought your property or, ideally, you should not have any bond repayments anymore; and any children will hopefully be supporting themselves. Work-related expenses, from wardrobe to transport, will be reduced.

But you will have more free time on your hands, which can be expensive. Also, some outlays, such as for medical treatment, tend to increase both in quantity and price as we get older. There is no point hoping that 30 or 40% of your current earnings will cover your lifestyle. The 10X retirement calculator uses a base income replacement ratio of 60% of final salary, but allows the user to adjust that according to their own circumstances.

Exaggerated performance: Although the range of realised investment returns for different asset classes is quite narrow over the long-term, once we adjust for inflation, it tends to be much wider over short periods. Projecting long-term returns based on a few good years, or generally just projecting unrealistic returns, will likely end in much lower savings than planned. To avoid disappointment, err on the side of caution in your return assumptions, and rather make up the difference by saving a bit more, and reducing your investment costs.

Calculations don't include all fees: Advisers and retirement calculators often rely on average historical asset class returns to project a portfolio's future return. However, they often fail to consider tha, for investors, these returns are reduced by investment fees. An additional 2% fee p.a. over 30 or 40 years would reduce your savings outcome by between 40% and 60%. This would be bad enough if you were paying just 2% but most South Africans pay significantly more. According to a Treasury estimate, the average fees paid by South African retirement savers is 3% of the total value of their savings per year.

It may be the case that some of the fees, say management and platform fees, are factored into projections, but not all. The adviser might add another 1%, which can make all the difference. The 10X Investments retirement saving calculator, which is free to use online, empowers retirement investors to take their future into their own hands. It factors in fees, so you don't fall 40% to 60% short of your retirement goal. There is an option to select a below-average return to answer that worrisome question of, "What if markets don't perform well enough?" It gives you the flexibility to continuously review if you are on track to retiring with dignity.

Personal Finance | 9 July 2020

INTERNATIONAL NEWS

Pensions tax relief and triple lock spared - for now

Pensions tax relief and the triple lock have once again been spared by the chancellor, although changes to these costly policies are expected down the line. In a spend-heavy economic statement, chancellor Rishi Sunak chose not to mention how the government would pay for its VAT and stamp duty cut, among other announcements, in a move which saw the triple lock and tax relief protected.

The triple lock

There was speculation from the industry that the chancellor would look to either scrap or reform the pensions triple lock to remove the earnings link to mitigate any extraordinary rises that may occur as a result of coronavirus and pay off any debts. Under current rules, the state pension is increased by the triple lock which is the highest of earnings growth, price inflation or 2.5 per cent a year. As inflation is low at the moment, a mere 0.5 per cent in May, the state pension is likely to be increased by a minimum of 2.5 per cent or earnings growth.

And as a result of the furlough scheme there could be a sharp decline in average earnings this year followed by a quick and full recovery in the next causing a double digit increase in 2022. Steven Cameron, pensions director at Aegon, said continuing to "blindly" follow this formula as the country moves past coronavirus could "create bizarre results which were never intended and which would fail any test of intergenerational fairness".

Mr Cameron said: “The chancellor will have to make a call as to whether to suspend the earnings related element, adjust it to smooth out sharp fluctuations or to make a more fundamental change, with some people viewing it as overly generous. “But after prioritising younger generations in this summer statement, the chancellor will have a careful balancing act to perform to sell changes to state pensions to older generations.”

Pensions tax relief

The chancellor also remained silent on whether he was looking at reforms to the pensions tax relief system. When paying into a pension savers receive tax relief on any contributions they make and under the current system tax relief is paid at the highest rate of income tax any saver pays. This system costs the Treasury almost £40bn a year in lost income tax revenue, which could be used to pay off the government's increasing Covid-19 support debt.

Earlier this year (February 10), it was reported that former chancellor Sajid Javd was looking to make the system fairer for those on lower incomes, by cutting high earner's relief to 20 per cent. There could also be a revival of the old debate around introducing a 30 per cent flat rate of tax relief or turning the system on its head so relief is given at point of withdrawal.

Autumn Budget

It is expected that these policies will not get off so freely in the Autumn Budget with Jon Greer, head of retirement policy at Quilter, claiming that maintaining the triple lock in its current form was “simply not an option”. Mr Greer said: “In the autumn, the government are likely to make a change to the triple lock and could temporarily amend the triple lock by uprating the state pension based on the higher of 2.5 per cent, inflation or five-year rolling average wage growth.

"This will smooth any abnormal wage effects whilst protecting real incomes and saving the government a considerable amount each year. “The government should use this opportunity to carefully consider the merits of moving to a long-term solution, such as a smoothed earnings link, so that pensioners share in the proceeds of economic growth, whilst protecting their income against inflation and ensuring intergenerational fairness.” The government looks as though it is "putting off the bad news until later in the year", according to Tom Selby, senior analyst at AJ Bell.

He said: "The chancellor was clear stabilising the public finances and paying off the estimated £300bn bill racked up during the pandemic will be a key priority in his Autumn Budget. "The choice facing the government is simple, if unpalatable: retain the triple-lock and gouge an even bigger hole into the Treasury’s balance sheet, or abandon the policy – perhaps temporarily – and hope those affected will forgive them.” Andrew Tully, technical director at Canada Life, agreed that the Autumn Budget was where there will be more focus around spending plans for future years.

He said: “Far from being kicked into the long grass, that is likely to be where we see at least temporary changes to the state pension triple lock. The government may also look again at pension tax relief although the difficulty in implementing change in a simple, straightforward manner continues to be a significant issue." Meanwhile, Alistair McQueen, head of savings and retirement at Aviva, applauded Mr Sunak for leaving pensions alone in his statement so as to not panic savers at such a volatile time.

Mr McQueen said: "With so much uncertainty, today was not the day to panic on pensions. We've been encouraging pension savers not to panic and to focus on the longer term. It's good to see the chancellor has also followed this course of action. "For our industry, all eyes now turn to the autumn budget. The chancellor signalled this is when he hopes to begin balancing the books. As to how he should move, it's premature to say. But not even the chancellor knows where the economy, or the coronavirus, will be in four months."

Financial Times Adviser | 8 July 2020

How you can speed up the growth of your pension tree

DID you know that your pension is like a tree?

It is not static. It's not like an insurance policy, that you can arrange once and then file away in a drawer and forget about. Your pension is organic. It is growing and developing, and as it grows, just like a tree it must be regularly tended, checked and reviewed. People talk about 'pension saving' but a pension is also an investment, and one that has to be monitored, and possibly updated, because it can change every year.

If you have your pension checked yearly, it will not only develop but flourish: growing your money as quickly as it can grow, building you a pot that gives you a good return on the lifetime of contributions you put in. But there's always a downside, isn't there? In this case, the downside is that if you don't have your pension checked and monitored, your money might not be working as hard as it should. In fact, because you didn't make that one phone call a year to ask your financial adviser to check for you, then at the end of the road, when you come to retire, you could find you missed out on thousands of pounds of growth you could so easily have had.

Our regular wake-up call on the need to review comes from the investment research company Bestinvest, which keeps tabs on the investment funds where our pensions are invested. Their latest report identifies 91 funds they classify as under-performers. These are funds which have missed their growth targets – known as their 'benchmark index' – by a substantial margin in each of the last three years. Between them, these 91 funds hold a staggering £43.9 billion in assets, and all of that money has, quite simply, not been growing as it should.

This means that if all or part of your pension is invested there, it's you who have missed out, too. It's a big increase since last year's Bestinvest report, which discovered only 59 under-performing funds with total assets of £32.6 billion. In the financial services industry, under-performing funds are known as 'dog funds' and they can seriously affect your wealth – but not in a good way. I mean, when a dog approaches your pension ‘tree', well .... we all know what dogs do when they're passing a tree.

Bestinvest are not all doom and gloom, though, they are fair and balanced. They don't highlight only the under-performers, they also highlight the top performers - those funds that are doing very well. This time round, it's funds that invest in smaller companies that are doing well. In fact, in the UK Smaller Companies sector, where active managers have enjoyed a high success rate of beating their index benchmarks, there were no under-performing funds at all.

Well done, boys and girls! For you the pension saver, the good news is that your money can be switched out of under-performing funds and into top performers, so that you're riding the wave of maximum growth, getting the best available, every year. A pension check is a bit like getting a service done on your car. Getting rid of the ‘dog' funds and switching your money over into the best-performing funds is like having your car engine serviced so that it's purring like new, giving you the best possible pension for the pounds you are putting in.

Just by asking for a pension review, and then if necessary switching, the additional long-term growth you can achieve can win you thousands of pounds you otherwise wouldn't have had. When you think about it, it's free money. We can speed up the growth of your pension tree! Michael Kennedy and Shaun Doherty are independent financial advisers and pensions specialists, and can be contacted on 028 71886005 . Further information on our Facebook page “Kennedy Independent Financial Advice Ltd” or our website www.mkennedyfinancial.com

The Irish News | 13 July 2020

OUT OF INTEREST

ASISA commits to B4SA compact for economic recovery

The Association for Savings and Investment South Africa (ASISA) and its members are firmly committed to the new social and economic compact being forged between the private sector under the banner of Business for South Africa (B4SA), Government and other key social partners with the purpose of addressing South Africa’s economic and social challenges with urgency.

Confirming the support of the savings and investment industry for the B4SA Accelerated Economic Recovery Strategy announced earlier today, Leon Campher, CEO of ASISA, says while the strategy is ambitious, it is achievable provided all stakeholders commit to this partnership. “We are hopeful that this is the beginning of a completely inclusive partnership between business, Government, labour and other key stakeholders with the common goal of helping South Africa achieve its full potential for the benefit of all its people.

It is important to recognise that the strategy put forward by B4SA is not an end in itself, but rather the start of a journey towards economic recovery.” Campher points out that this journey started when the private sector rallied together earlier this year to assist Government in the response to the Covid-19 pandemic. B4SA was formed as a united business platform in March 2020 to coordinate a flood of offers from various businesses to contribute towards navigating the Covid-19 crisis by making specialised skills available pro bono.

The founding organisations of B4SA are Business Unity South Africa (BUSA) and the Black Business Council (BBC), supported by Business Leadership South Africa (BLSA), the Banking Association of South Africa (BASA), the Minerals Council and ASISA.

“Various workstreams were established at great speed and very senior people from Government and the private sector have been working tirelessly in partnership to find solutions to problems that often seem insurmountable,” says Campher. Campher says South Africa’s response to Covid-19 has highlighted the power of public private partnerships. “Together we have managed to conceive, conceptualise and implement projects in a matter of weeks that would have taken months and often years to realise under normal circumstances.

Based on what has been achieved over the past four months, we believe that this solidarity will enable us to address the legacy problems of this country with the same urgency and goodwill.” The Accelerated Economic Recovery Strategy, announced by B4SA today, prioritises a number of initiatives, which were identified as part of a detailed assessment of key issues and constraints.

According to Campher, ASISA members and the banking sector will play a crucial role in devising funding strategies and mobilising local funding. “We recognise, however, that the demand for funding will be great. Therefore, our ability to position South Africa as an attractive domicile for foreign capital will be key to the success of the economic recovery strategy.”

Campher also points out that existing successful public-private partnerships such as the Public-Private Growth Initiative (PPGI) and the Investment and Infrastructure Office (IIO) in the Presidency must be acknowledged for laying solid foundations from which to launch some of the initiatives prioritised by the B4SA strategy.

He says the formation of the IIO by the President, under the insightful and strategic leadership of Dr Kgosientsho Ramokgopa, has removed many of the blockages that previously hampered infrastructure investment in South Africa. “In just over six months the IIO and its technical working groups managed to review 276 projects and fast track 55 of them for delivery.” Campher adds that the Technical Assistance and Mentorship Development (TAMDEV) initiative, conceptualised during the Presidential Job Summit held in October 2018, is another public-private partnership that is already up and running.

The TAMDEV initiative places experienced individuals from the private sector in Government-directed roles to assist in the improvement of service delivery and to mentor public servants at the same time. Campher says ASISA and its members have always maintained that they are willing to support bankable projects. “We are encouraged by the progress made and we are committed to playing our part in this new all-encompassing plan for SA.”

FA News | 10 July 2020

Switchboard : 011 450 1670 / 081 445 8722
Fax : 011 450 1579
Email : reception@irfa.org.za
Website: www.irf.org.za

2nd Floor Leppan House
No 1 Skeen Boulevard
Bedfordview 2008