

Media Release
Association for Savings and Investment South Africa (ASISA)
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Savings and investment industry supports proposed reshape of regulatory environment

Government's proposed "twin-peaks" approach to regulation, which aims to separate prudential and market conduct regulators, carries the support of the savings and investment industry, according to Johan van Zyl, chairman of the Association for Savings and Investment South Africa (ASISA).

Speaking at the opening of the 2011 ASISA Conference in Sun City this morning, Van Zyl said the industry also shares many of the sentiments expressed in National Treasury's policy document titled "A safer financial sector to serve SA better".

"ASISA will start in-depth discussions with National Treasury on the proposed new framework in May. We welcome the holistic approach that has been proposed and look forward to actively engaging and collaborating with all stakeholders on the way forward."

Van Zyl pointed out that South Africa has come to a major junction in its history where increasing the growth rate of the economy in an inclusive way is imperative. Furthermore, job creation is critical.

"The efficient provision of financial services has an important contribution to make in achieving this objective, and we accept the challenge enthusiastically. As ASISA we therefore support, and want to participate in, all discussions that will take us forward on this road. The clarity provided by National Treasury's policy document is therefore appreciated."

He pointed out, however, that while the reshaping of the South African regulatory environment is welcomed when aimed at ensuring efficiency, the policymaker needs to caution against creating regulatory arbitrage opportunities in the process.

Van Zyl said ASISA was formed specifically to represent the savings and investment industry as a collective when engaging with Government and other key stakeholders. In existence since October 2008, the association represents the majority of South Africa's asset managers, collective investment scheme management companies, linked investment service providers, multi-managers and life insurance companies. At the end of December 2010, a total of 160 member companies managed R3.2 trillion in assets.

The two-day 2011 ASISA Conference has brought together local and international stakeholders in the global savings and investment industry from the private sector and government. The aim is to address South Africa's as well as the industry's strategic goals through partnership by finding common ground.

Conference delegates were also provided with a global perspective on issues and trends in regulatory reform for the securities markets by Tajinder Singh, deputy secretary general of the International Organization of Securities Commission (IOSCO). The 36th Annual IOSCO Conference takes place in Cape Town next month.

Dr Yoshihiro Kawai, secretary general of the International Association of Insurance Supervisors (IAIS), provided delegates with a progress update on work being done to analyse and assess systemic risk and its importance for global insurers. This project is due for completion in September this year.

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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).