

Economic transformation is important for South Africa because it can help to reduce inequality, create jobs, promote sustainable development, address historical injustices, and attract investment. Retirement Funds and corporates have a key role to play in truly transforming and developing South Africa.



Overview

Motswedi provides a specialist advisory and multi-management service to support retirement funds and corporates, in either the management of their funds' assets or the disbursement of enterprise and supplier development (ESD) spend. Its focus is on researching and advising on the placement of monies with black-owned asset managers, in both the listed and private markets space.

The Importance of Economic Transformation and Financial Inclusion

Economic transformation is crucial for South Africa because it is a key component in addressing the country's socio-economic challenges and achieving sustainable development. South Africa is a middle-income country with significant income inequality, poverty, and unemployment rates. Economic transformation aims to create a more inclusive economy that benefits all South Africans, including historically marginalised groups such as black people, women, and youth.

Financial inclusion refers to the process of providing access to financial services and products to individuals and businesses who are excluded from the traditional banking system. The lack of financial inclusion is a significant problem in many developing countries and for disadvantaged populations around the world. Without access to financial services, individuals may be forced to rely on informal or unsafe financial systems, limiting their economic opportunities and making it difficult to save for the future.

As custodians of most of South Africa's savings, the asset management community has a vital role to play in achieving economic transformation and financial inclusion, starting with their own industry. Currently less than 10% of the savings pool is managed by organically grown black-owned asset managers and transformation at decision making level has been limited to-date amongst a small number of mainstream providers. Motswedi exists to support retirement funds and corporates in finding and investing with/supporting quality black-owned asset managers.

Motswedi also serves corporates in the management of their enterprise and supplier development (ESD) programs for the recognition of maximum B-BBEE points. This involves the allocation of financial resources and investments towards initiatives that promote business growth and enhance supplier capabilities, like the development of black-owned asset managers. These programs are designed to support businesses, entrepreneurs, and suppliers through funding, loans, grants, subsidies, and other incentives.

Key Motswedi Features

- 1 Research**
The Motswedi investment team has approximately 100 interactions/meetings (including annual due diligence) with black-owned asset managers every year. This culminates in a range of client friendly notes and reports and a detailed scoring and ranking of the available manager set, all of which is made available to clients.
- 2 Co-ordination and Record Keeping**
Motswedi co-ordinates and consolidates all interactions and reporting for its clients.
- 3 Governance Oversight**
To provide independent oversight and additional experienced input, Motswedi presents its research to an investment committee.

4 Flexible Access for Retirement Funds and their Advisors

To fit your budget and compliment your existing advisory relationships, Motswedi provides 3 ways of accessing its research and advice:

Bronze

Subscribe and join a monthly on-line webinar @ R8,700 + VAT per month and receive one free hour per month of one-on-one time to address specific queries you may have.

Silver

Motswedi attends your meetings either in person or on-line and provides advice and monitoring of your black-owned asset managers/selection thereof, @ est. R36,500 + VAT per month.

Gold

Access Motswedi's multi-managed solutions consisting of only black-owned asset managers, @ 0,2% per annum + VAT on assets invested.

How You will Benefit

For Retirement Funds, you will:

Identify the Best Managers

Follow sound advice based on the in-depth (and ongoing) due diligence of black-owned asset managers, each rated according to specific detailed criteria.

Create Tangible Impact

By supporting up-and-coming, black-owned asset managers, you will accelerate economic transformation, social equity, and financial inclusion in South Africa.

Achieve Strong Returns

Statistics prove conclusively that the investment performance of black-owned asset managers is consistently competitive versus the peer group.

Manage Your Risk

You are able to identify and monitor areas of risk that may impact the sustainability of your chosen asset managers.

Exceed the requirements of COFI

The COFI bill, (Conduct of Financial Institutions), aims to introduce a more comprehensive regulatory framework for financial services. Retirement funds will be impacted as they will need to adhere to stricter standards of reporting, governance and accountability, including requiring funds to support and enhance black ownership and financial inclusion in their activities.

For Enterprise and Supplier Development Programs (ESD) you will:

Achieve Sustainable Results

Support select black-owned asset managers through grants and loans as they scale from start-up to going concern and ultimately a sustainable and competitive enterprise.

Create Meaningful Impact

Promote financial inclusion, economic development and transformation, and forge a more competitive and efficient asset management industry.

Enhance your B-BBEE Scorecard

Improve your company's B-BBEE rating by maximising points available using a proprietary funding model developed by Motswedi.

Benefit from Streamlined Administration and Reporting

Have a greater impact by supporting multiple parties while avoiding the hassle of having to administer and liaise with each individually.

Motswedi Mission Statement

To help develop the South African economy, through the asset management industry, by encouraging economic transformation, financial inclusion, gender equality, pay equity, job creation, and social equity in a systematic and responsible way, both in the listed and private markets. In doing so, to stimulate the asset management industry to deliver a more competitive and vibrant environment for capital investors.

Contact

Contact us today to learn more about our services and how we can help you.

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About ICTS (www.icts.co.za)

Motswedi is a member of the ICTS Group of Companies. Investment Consulting and Trustee Services (ICTS) is a B-BBEE Level 2 niche financial services company providing independent support services to administrators, consultants and trustees/manco's in the retirement fund industry. Established in 1995, ICTS has developed long term partnerships with clients, built on consistent delivery. ICTS has been acknowledged by trustees, Principal Officers and service providers in the industry for its contributions in education, tracing and technology. Importantly, ICTS is independent and unaffiliated to any service providers, funds or industry organisations.

ICTS offers the following additional niche services:

Communications

Specialised communication services for retirement funds, to facilitate member understanding and informed decision-making.

Death Benefit Services

Support for retirement funds in allocating death benefits according to the requirements of Section 37c.

Independent Trustee Services

Independent trustees and advisory services for retirement fund boards and/or investment committees.

Legal Services

One of the few dedicated and specialist retirement fund legal services businesses in South Africa.

Tracing Services

Offering a comprehensive range of solutions for tracing current and former retirement fund members or beneficiaries.

Training

Assisting, through education, trustees, principal officers, manco members and their consultants to fulfil their duties as fiduciaries.

Wealth

Helping formulate financial solutions for both individuals and businesses.

Pensions World SA

Keep up with the latest news and trends about South African retirement funds and employee benefits with a quarterly publication, available digitally and in hard copy.

EBnet

An independent employee benefits knowledge portal for industry professionals in South Africa.