



2017



ASISA

FOUNDATION

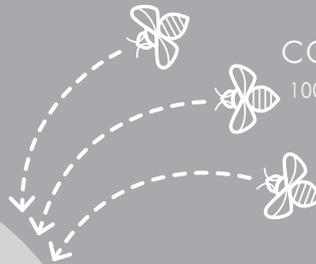


ASISA Consumer Financial Education
Standing Committee

BOARD OF TRUSTEES
50% INDEPENDENT
50% BLACK
25% BLACK WOMEN

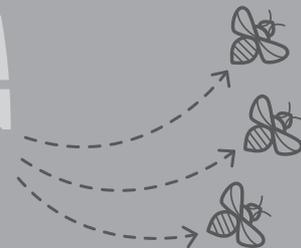


CFE PROJECTS / PROGRAMMES



GRANT CONTRIBUTIONS
100% CFE / SED POINTS
IMMEDIATELY FOR
CONTRIBUTORS

SA BENEFICIARIES
85% BLACK PERSONS
40% BLACK WOMEN





The ASISA Foundation is a non-profit industry initiative that delivers effective and objective financial literacy and micro enterprise development programmes to South Africa's most vulnerable groups. The aim is to achieve a long-term sustainable and positive impact on the financial well-being of communities, particularly the poor and needy, through facilitating greater financial capability and economic participation by all South African citizens.

The quality and long-lasting impact of each of the Foundation's projects are affirmed through independent monitoring and evaluation.

The efforts of the Foundation are guided and overseen by a Board of Trustees consisting of individuals from stakeholders including organised labour, organized community, National Treasury and the Financial Sector Charter Council. The Board of Trustees also includes representatives from ASISA structures including the Transformation, Skills Development and Education Board Committee and the Consumer Financial Education Standing Committee.

The Foundation is fully compliant with the Financial Sector Code (FSC) and funders can immediately claim their FSC Consumer Education or Socio-Economic Development points based on their level of contribution.

Together with the ASISA Academy and the ASISA Enterprise and Supplier Development (ESD) Fund the Foundation forms part of ASISA's Foster the Future initiative, created some four years ago with the aim of leveraging collective expertise and funding to ensure greater economic inclusion for all South Africans through financial education, skills development, and job creation.



REFLECTIONS
FROM THE
CEO



Have we made a difference over the past five years since the Foundation was established and are we still relevant? It would be easy to simply answer in the affirmative and to underpin the response with impressive numbers of programmes completed, money spent and people reached. But those who truly understand the critical importance of consumer financial literacy and the challenges associated with getting it right would see right through a response like that. This is because meaningful consumer financial literacy is not about bums on seats, but rather about changing long-term behaviour, one consumer at a time.

When it comes to consumer education, there is no quick fix and there are no short cuts. Therefore, our biggest learning over the past five years has been to really appreciate the value of independent and objective monitoring and evaluation (M&E) - even if it sends you back to the drawing board again and again.

and is so powerful that they feel compelled to share their learnings with others. Only if we achieve this are we making a meaningful impact.

The results of the M&E conducted on the various programmes are hugely encouraging and confirm that the Foundation is making a positive impact in the target communities.



ENHANCING IMPACT THROUGH MONITORING AND EVALUATING

I am proud of the fact that every single project delivered by the Foundation is monitored and evaluated on conclusion by an independent service provider. Often the learnings from one project are relevant across the spectrum of programmes offered. This approach has enabled us to apply meaningful changes to each project phase, making it possible to enhance our effectiveness and impact.

But while regular independent M&E confirms the success of programmes as well as provides learnings, there is nothing more honest than unsolicited feedback from project partners and beneficiaries. I was particularly touched by a letter received in July this year from the Department of Cooperative Governance and Traditional Affairs (COGTA) in Kwazulu-Natal, thanking the Foundation for delivering a programme that has proven to be "undoubtedly the most successful one of its kind in the province".

In addition, we have also implemented what we refer to as "longitudinal M&E", which takes place several months after a project has been completed. Programme participants are asked to share information such as whether they continue to apply the knowledge gained, whether their financial well-being has improved and whether they have influenced others to change their approach to working with money and saving.

The programme in question is the Foundation's Saver Waya Waya WageWise programme targeting workers who earn less than R15 000 a month.

For the Foundation, the true measure of success is influencing sustainable behaviour change that has a positive impact on participants' personal well-being

The letter from COGTA goes on to say that employees have not only implemented the tools and strategies provided during the training, especially on avoiding unnecessary spending and debt, but many have also shared their new skills with families and members of their communities. COGTA confirmed that it would like to continue partnering with the Foundation "towards the realization of a mutually shared objective".

As stated earlier, our success is measured, not by bums on seats, but by knowledge transfer that results in consumers changing their attitude towards spending and saving, in the process changing their behaviour and influencing others to do the same. In the case of the Foundation's Saver Waya Waya WageWise programme in Kwazulu-Natal we clearly achieved this.



TEACHING AND CREATING HOPE

The past five years have also taught us another critical lesson: you cannot teach people who have no hope. We came to realise that unless we provide our most vulnerable groups with the skills, tools and opportunity to create an income, there is little point in teaching them the importance of saving.

This resulted in the launch of the pilot Saver Waya Waya Financial Literacy and Micro Enterprise (FLAME) project in 2016. In addition to teaching financial literacy to low-income earners, the programme also included entrepreneurial and business development workshops. Some 30 participants with micro enterprises were then selected for further seed funding, business support and mentoring. The incubation phase of the FLAME programme is currently in progress.

At the graduation ceremonies held in June this year we received an outpouring of gratitude from FLAME participants, who told us how the Foundation had changed their lives through the FLAME programme. The fact that the Queen Mother of the Royal Bafokeng Nation, Mmemogolo Molotlegi, attended the graduation ceremony in Rustenberg highlighted just how much the Foundation's work is being valued by the communities that benefit from our projects. I would like to encourage you to click [HERE](#) to watch this short video clip of the ceremony to gain an insight into how special this event was for us

By implementing learnings from M&E across all projects we managed to create a programme with FLAME that goes beyond teaching financial literacy. FLAME provides communities with a real chance of participating in the country's economy by creating micro enterprises that not only generate an income, but that eventually create employment opportunities for others.



FINANCIAL LITERACY FOR YOUNG ADULTS

We have achieved good outcomes with programmes targeting young adults. A good example is the 2016 Saver Waya Waya Technical Vocational Education and Training (TVET) college financial education programme.

The programme was conceptualised based on the findings from the evaluation of the Saver Waya Waya pilot programme in 2014. One of the key lessons from the 2014 pilot was that young people were most receptive to financial education, because they are positive about their future prospects. They have hope and are therefore eager to learn about how to create a better financial future for themselves.

Based on this finding, Saver Waya Waya TVET was designed to specifically target young people attending TVET colleges, who were about to enter the workplace. The aim of this programme was to equip the students with skills necessary for entering the job market and managing their money once they start earning an income.

Were we successful? While 42% of participants were willing to buy on credit at the start of the programme, this reduced to 16% of respondents at the end of the programme. Several months later the longitudinal M&E determined that only 8% were willing to buy on credit. Similarly, the percentage of respondents that agreed to the statement "You often have to spend more money than you have available" decreased from 44% at the start of the programme to 21% at the end of the programme and 10% at follow up several months later.



HELPING TRUSTEES SAFEGUARD RETIREMENT SAVINGS

The importance of truly independent trustee education is a given. Statistics from the 2015 Annual Report of the Registrar of Pension Funds at the Financial Services Board (FSB), show that more than 16 million South Africans trust some 14 000 retirement fund trustees with the safeguarding of their retirement savings of around R4 trillion.

I am pleased to report therefore that another area where the Foundation has made strong inroads is retirement fund trustee education. Our independent

and fully-sponsored retirement fund trustee education workshops are delivered across the country in partnership with the ASISA Academy and the Batseta Council of Retirement Funds for South Africa.

This year we have seen unprecedented demand for all seven workshops, which are funded by the Foundation from grant funding received from sponsors. This funding approach ensures the independence of the education programme.



LOCAL SOLUTIONS TO GLOBAL PROBLEMS

It was a privilege to represent the Foundation at the 2017 International Investor Education Conference in Brazil earlier this year and to share with delegates some of the successes and learnings of the Foundation's financial literacy programmes.

The conference was hosted by the International Forum for Investor Education (IFIE) and the International Organization of Securities Commissions (IOSCO).

Under the theme "A changing era in financial capability/investor education programming", country representatives exchanged information about current and emerging risks as well as challenges facing investors and regulators in the various regions.



IN CLOSING

More detailed feedback on each of the Foundation's programmes is available further on in this report. I'm confident that you will agree with me that the Foundation has delivered in line with its vision and mission over the past five years.

As we enter the next five years of our lifecycle, our biggest challenge is to achieve meaningful scale in order to bring our programmes to more people at a faster pace without compromising on quality and independence. This will require more funding and strategically aligned partnerships.

A key strategic objective for the Foundation is to contribute to Thought Leadership in the field of Consumer Financial Literacy through strategies and programmes which facilitate:

... *Influencing the mindsets and agendas of key stakeholders concerning financial literacy in SA;*

... *Collaboration with aligned partners, including ASISA members, the Financial Services Board, Government and Batseta, to achieve maximum scale; and*

... *Implementation of strategic, innovative, relevant and effective financial education and micro enterprise development programmes for South Africa's most vulnerable groups together with impact assessments.*

I would like to thank each and every one who has been involved with the Foundation over the past five years and who has helped us make a difference. I look forward to working with all of you towards reaching the scale required to enable the major impact that our country so desperately needs.

A special thank you goes to the following project partners:

... *Grounded Media, our primary financial literacy implementing partner and the company behind much of the creative content delivered at our programmes;*

... *The ASISA Academy;*

... *Driven to Succeed, the team responsible for the micro enterprise development training and coaching;*

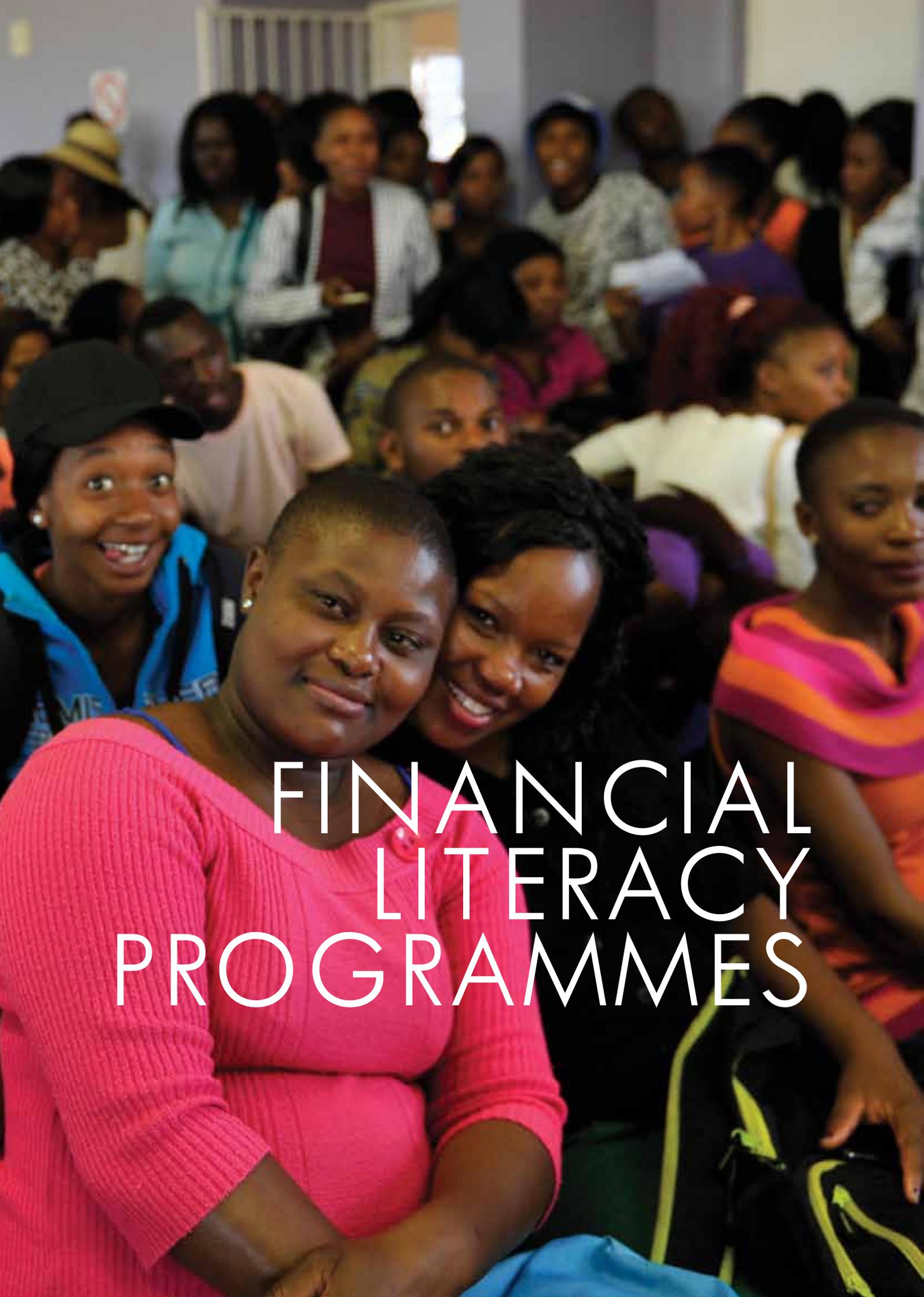
... *Genesis Analytics and Vula Vula Research Services, who are contracted to monitor and evaluate the Foundation's programmes; and*

... *The various project steering committee members, as well as the team members at ASISA and the ASISA Foundation, whose enthusiastic and dedicated involvement has contributed to the success of each project.*

I am also hugely appreciative of the guidance and support received on an ongoing basis from the ASISA Consumer Financial Education Standing Committee.

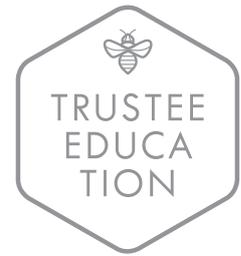
Together with the Board of Trustees of the ASISA Foundation I would also like to sincerely thank our funders for your continued support that makes our programmes possible.

Ruth Benjamin-Swales
CEO of the ASISA Foundation



FINANCIAL LITERACY PROGRAMMES

RETIREMENT FUND TRUSTEE EDUCATION



In partnership with the ASISA Academy and the Batseta Council of Retirement Funds for South Africa, the Foundation has to date delivered 86 high-quality, independent and fully-sponsored workshops to some 1 038 retirement fund trustees and principal officers.

We offer the following workshops:

- ... *Investment Fundamentals*
- ... *Retirement Fund Trustee Governance and Ethics*
- ... *Responsible Investing*
- ... *Annual Financial Statement Analysis*
- ... *Investment Policy Statement Formulation and Assessment*
- ... *Employee Benefits*
- ... *Death Benefits*

In 2017, we have seen unprecedented demand for all seven workshops, which are funded by the ASISA Foundation from grant funding received from sponsors. This funding approach ensures the independence of the education programme.

FINANCIAL LITERACY FOR THE WORKFORCE



The Foundation has been very successful in rolling out the Saver Waya Waya WageWise programme for economically vulnerable workers across all sectors.

To date more than 8 600 workers in Gauteng, Free State, Mpumalanga, Limpopo and KwaZulu-Natal who earn less than R15 000 a month have benefitted from this programme. As part of the WageWise programme, the Foundation collaborated with the National Union of Mineworkers (NUM) to deliver customised consumer education and financial literacy workshops to economically vulnerable workers in the mining sector. This project is known as Project Qaphela.

FINANCIAL LITERACY AND MICRO-ENTERPRISE



With the aim of fostering economic inclusion amongst South Africa's most vulnerable groups, the Foundation introduced its flagship initiative, the Saver Waya Waya Financial Literacy and Micro Enterprise (FLAME) Programme, last year. With FLAME the Foundation has been able to leverage its existing financial literacy programmes and address additional financial wellness pillars such as generating an income and job creation.

The first phase of the FLAME programme delivered interactive financial literacy workshops to some 550 low-income earners from Hammanskraal, Soshanguve, Garankuwa and Rustenberg.

In the second phase, close to 300 of these participants elected to attend the micro enterprise bootcamps where they were taught basic business skills needed to start up or grow a micro business. The micro enterprise bootcamps concluded in April this year. A very rewarding outcome was that 99 of the bootcamp participants delivered business pitches to a panel of judges in accordance with the methodologies taught on the programme for their businesses to be considered for incubation. This exceeded our expected number of business pitches by 180%.

The third phase of the FLAME programme started in June with the 30 selected micro entrepreneurs at grass roots entering the incubation phase, which provides them with limited seed funding, personalised business support and mentoring.

FINANCIAL LITERACY FOR STUDENTS



The Foundation has developed a financial literacy programme tailored to meet the financial literacy learning needs of young adults at Technical Vocational Education and Training (TVET) colleges. Since inception in 2016, some 1 300 students have been reached.





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