



# BOTSWANA PENSIONS SOCIETY 2018 ANNUAL CONFERENCE, A RESOUNDING SUCCESS

The Botswana Pensions Society (BPS) held a successful one-day conference at the Gaborone International Convention Centre (GICC) in Gaborone about one and a half weeks ago on 27<sup>th</sup> February. The well attended conference which was held under the theme, **"Pension Fund Governance in Africa: Challenges and Potential Solutions"** attracted various industry participants, ranging from pension funds, fund service providers (such as fund administrators, asset managers), insurance companies, banks and other interested stakeholders. On the other hand it also attracted local, regional as well as international speakers.

In his welcome remarks, Mr Peter Hikhwa, the Chairman of BPS, started by giving a brief review of the Society's successful activities in the 2017 Calendar Year, which included two Trustee Seminars. He then went on to describe the impact of the Retirement Funds Act, 2014 and its Regulations of 2016, on the pension funds industry. Hikhwa proceeded to make a call to the industry to act accordingly as it was now the "implementation time", whereby all those thick compliance documents required to be executed.

Hikhwa went on to say he was concerned that at "implementation time", there were negative media reports about some industry players which made the industry to look bad. In this regard, Hikhwa said that in Africa it had been observed that some of the causes of poor governance and / or governance failures were incompetence, ignorance, lack of capacity from leadership as well as inadequate infrastructures and corruption and that pension funds were not exempted from these factors.

In his conclusion, Hikhwa said that the BPS was thankful for the successful sponsorships over the last two years, which had left the Society well resourced. He also thanked the following Sponsors for the current conference sponsorships: **Investec** (Platinum Sponsor), **Stanbic Bank** and **AON** (Gold Sponsors), **Alexander Forbes**, **Bifm** & **Botswana Life** (Silver Sponsors), **Allan Gray**, **African Alliance**, **IPro Botswana** and **Stanlib** (Bronze Sponsors), and **Kgori Capital** (Other Sponsors).

In his official opening address, Mr Carter Morupisi, the Permanent Secretary to the Office of the President and Chairman of the Board of Trustees of the Botswana Public Officers Pension Fund, said "The theme for the conference, **Pension Fund Governance in Africa: Challenges and Potential Solutions**, has come at the right time, taking into account the various recent national legislative and regulatory development and reforms".

He went on to elaborate, "It is important to note that governance of pension funds have attracted attention not only in Botswana and Africa but worldwide, emanating from the fact that: Pension funds play an increasingly important role as both channels

for retirement savings and as intermediaries in financial markets. This combined role make them a prime concern of governments and regulators from a variety of perspectives. In this regard, the Retirement Funds Sector contributes significantly to the economy of Botswana, with total assets to GDP ratio of 44% in 2016".

Morupisi progressed his address, by remarking, "I note with delight that the theme **"Pension Fund Governance in Africa"** captures governance beyond the confines of our borders. This has come at a very opportune time considering that Africa is often characterized with "negatives," such as war, hunger, poverty, riots, poor governance and poor funds management. I wish to challenge all delegates to this Conference, that, **it is time to adopt good fund governance for the benefit of the fund members"**.

As, Morupisi drew towards the end of his address, he said, "I would like to challenge all of us, to always bear in mind principles of good governance in executing our duties. These principles, namely: **Accountability, Transparency, Responsiveness, Effectiveness and Efficiency, Equitability and Inclusiveness, and the Rule of Law and Participatory and Consensus** are applicable to any corporate body as well as pension funds".

He concluded by encouraging the Botswana Pensions Society to intensify on its mandate, particularly on education and training.

Ms Berenice Francis, the guest / key note speaker and President of The Institute of Risk Management South Africa (IRMSA), in her presentation started by defining the **duties of pension fund trustees and risk management** as "a continuous, proactive and systematic process, effected by management, applied in strategic planning and across the entity, designed to **identify potential events** that may affect the entity, and manage risks to be within its **risk tolerance**, to provide reasonable assurance regarding the achievement of objectives". She then tackled the "importance of risk management in governance" and the "King Code of Governance", with a particular emphasis on pension funds.

Ms Bopelokgale Soko, Director for Retirement Funds Dept, Non Bank Financial Institutions Regulatory Authority (NBFIRA), speaking at the same event, made a presentation on **"Aging Population and Pension Funds: Friends or Foes?"**

Various other speakers/presenters also made their contributions at the conference and these were: **Martinus Seboni** & **Therese Nihlasson** (Investec), **Johan Botha** (AON), **Dave Pike** (on behalf of Stanbic Bank), **Khalil Modarisi** (Bifm) and **Paul Masie** (Alexander Forbes).

The conference closed with a panel discussion session, facilitated by Professor Emmanuel Bothale of the University of Botswana, together with panelists drawn from the various conference sponsors.



Gabriel Tlagae – Master of Ceremonies



Peter Hikhwa – BPS Chairman



Mr Carter Morupisi – Permanent Secretary to the President and Chairman of Board of Trustees of BPOPF



Bopelokgale Soko – Director, Retirement Funds Dept, NBFIRA



Berenice Francis – Guest Speaker, President of The Institute of Risk Management South Africa



Martinus Seboni – Managing Director, Investec, Botswana



Presenters attending to questions



Johan Botha – Manager, Retirement & Risks Benefits, Aon South Africa



Therese Nihlasson – Head of Global ESG, Investec Asset Management



Dave Pike – Member Elected Trustee, Standard Bank Group Retirement Fund



Khalil Modarisi – Chief Investment Officer, Bifm



Paul Masie – Managing Director, Alexander Forbes



Professor Emmanuel Bothale and Panelists drawn from various Sponsors



Delegate asking a question



Conference Delegates



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