

Media Release

Association for Savings and Investment South Africa (ASISA)

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Creating “green” jobs in partnership with the Green Outcomes Fund

The Enterprise and Supplier Development (ESD) initiative of the Association for Savings and Investment South Africa (ASISA) has made its first “green” investments in line with the requirements of South Africa’s new Green Outcomes Fund (GOF). Two Cape Town based black-owned businesses, Waste Want and Sensor Networks, were selected for their strong “green” characteristics and high job creation potential.

Waste Want is a 100% black-owned waste management company founded by a mother wanting to help her family survive financially and Sensor Networks is a black-owned Internet of Things (IoT) tech start-up.

Francois Adriaan, senior policy advisor at ASISA, says the ASISA ESD investments into Waste Want and Sensor Networks via the GOF were facilitated by Edge Growth, the ASISA ESD fund manager. Edge Growth is one of the GOF’s four South African Catalytic Finance Partners (CFPs). The others are Mergence Investment Managers, an ASISA member, Conservation International Ventures Fund and Business Partners South Africa.

The GOF is a first of its kind South African blended finance model, which was launched earlier this year as a public/private partnership between the Jobs Fund (a National Treasury initiative) and Green Cape, a non-profit organisation that drives the widespread adoption of economically viable green solutions in South Africa. The GOF brings together public and private capital as well as concessionary and commercial funding to incentivise South African fund managers to invest in Small, Medium and Micro-sized Enterprises (SMMEs) that can generate verifiable green outcomes while at the same time creating jobs.

Adriaan explains that as an outcomes based fund, the GOF incentivises local fund managers to increase investment in green SMMEs by paying for green outcomes such as green job creation, climate mitigation, and improved water and waste management.

“By effectively subsidising green investments, the GOF is mitigating risk for fund managers thereby creating an incentive for growing the South African green impact investing market.”

Adriaan says the ASISA ESD initiative is partnering with the GOF, via its fund manager Edge Growth, as part of its mandate to help grow black owned SMEs to create jobs and facilitate social impact.

“We invest capital while developing SME management and supporting the enterprises with specialist expertise to unlock accelerated growth. Our portfolio consists of SMEs with high growth potential, ASISA member supply chain alignment, differentiated competitive advantage and the strategic business fundamentals required to succeed.”

Adriaan explains that Waste Want, through its recycling initiatives, and Sensor Networks, via its smart geyser and water management technology, both exhibit strong green characteristics and align with the mandate of the GOF, namely to improve human wellbeing and social equity, while significantly reducing environmental risks.

Waste Want

In 2010, Waste Want was started as a small recycling business in Stikland, Cape Town, by Lydia Anderson-Jardine to earn extra money for her family. Today, Waste Want is run by Lydia's son, Rowan Anderson, and has grown into a successful recycling and waste management company that specialises in dry, non-hazardous waste. Waste Want employs 322 people, many of them previously homeless, and counts amongst its clients the City of Cape Town and the Western Cape Government. The company's business model places emphasis on job creation and the empowerment of unskilled labourers.

Waste Want has been part of the ASISA ESD investment portfolio since 2014. Selected from Sanlam's supply chain in 2013, the company completed two years of business development support with the Sanlam ESD Programme, which is run by the ASISA ESD initiative.

Recognising the company's potential for growth and job creation, Waste Want was approved by the ASISA ESD initiative for investment in 2014. The ASISA ESD initiative provided Waste Want with additional funding in July 2019 to support its expansion objectives.

Sensor Networks

Sensor Networks is a Cape Town based technology business specialising in sensing devices and data points that can be managed through easy to use mobile applications. The company develops sensors that act as early warning systems for geyser failure, security systems and fire alarms, providing substantial cost-cutting benefits to short-term insurers and mitigating risk and damage for their clients.

Sensor Networks was founded in 2015 by Mark Allewell and was first included in the ASISA ESD investment portfolio in early 2018. The initial investment was used to support the company's continued growth by funding further technology development and providing additional working capital.

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Association for Savings and Investment South Africa (ASISA)

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.