

Media Release

Association for Savings and Investment South Africa (ASISA)

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Life insurers and investment companies promise uninterrupted service during COVID-19 lockdown

The Association for Savings and Investment South Africa (ASISA) and its members commend President Cyril Ramaphosa for his strong and decisive leadership during this time of crisis as the country grapples with the COVID-19 fallout.

Leon Campher, CEO of ASISA, says the past week has shown how much can be achieved when Government and the private sector cooperate. "The joint task team set up by Business Unity South Africa has managed to facilitate critical interventions at phenomenal speed," comments Campher.

He says that ASISA and its members fully support the measures announced by President Cyril Ramaphosa. "We are committed to working with Government to ensure that the spread of COVID-19 is curbed aggressively while at the same time ensuring that the wheels of our economy keep turning."

Campher says that services rendered by ASISA member companies have been included on Government's list of enabling services considered "critical business continuity services".

ASISA's members including life insurers, investment managers, Collective Investment Scheme (CIS) companies and Linked Investment Services Providers (Lisps) have confirmed that contingency plans are in place to ensure that the savings and investment industry is able to provide policyholders, beneficiaries and investors with uninterrupted service during the 21-day lockdown period.

Campher says monthly payments in respect of pensions, annuities, regular income withdrawals from unit trust funds, and insurance policy pay-outs will be made during the lockdown period. "Beneficiaries may rest assured that they will receive these income payments as normal."

According to Campher, the significance of the savings and investment industry as represented by ASISA members is reflected in the following high-level statistics:

- ASISA members hold R6.3 trillion in assets on behalf of policyholders, investors and pension funds.
- Even in times of extreme market volatility ASISA members complete daily transactions worth around R50 billion on the JSE.
- ASISA members hold deposits of around R1 trillion with the banks on behalf of clients and Government bonds of R760 billion.
- In 2019 life insurers injected R491 billion into the economy through claims and benefit payments made to policyholders and beneficiaries. This equates to payments to the value of R2 billion per working day.

- Lips and investment management companies processed around 15.4 million income payments to beneficiaries in 2019, which translates to 1.3 million per month or 58 000 per working day. The value of these transactions is approximately R330 billion per annum.

Campher confirms that ASISA and its members are committed to ensuring that only business critical staff members are onsite, whether this be within the institution or outsourced service providers. He adds that companies have also done their level best to ensure that other operations can be executed by employees from home as far as possible

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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.