

# SA retirement fund giant eyes Ghana and Tanzania

SA's largest retirement fund administrator, Alexander Forbes, has announced it is working on making an acquisition in Ghana within a year.



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A successful deal in Ghana will expand Alexander Forbes's footprint to seven African countries. The expansion would also be in line with the company's plans to leverage off the pension reforms in countries such as Ghana and Tanzania.

"Tanzania is probably in the short to medium term. Ghana is more short term. The idea is to buy businesses that are small and leverage them with the brand (Alexander Forbes) and technology as well as the skills and grow that," Alexander Forbes Afrinet (rest of Africa network) MD Luendran Pillay said in an interview on Monday, 20 April, following the announcement of the company staff black economic empowerment deal.

Pillay said the business Afrinet was acquiring in Ghana would potentially be in the employment space as well as consulting and actuarial space.

With a presence in Ghana there is an opportunity for Alexander Forbes to pursue business opportunities from its South African clients that do business in the West African country.

Pillay said the company had done work in Ghana on a flyin, fly-out basis, and that had given it an opportunity to test the

market and the regulatory environment.

He added Alexander Forbes's entry strategy in the rest of Africa was pension-fund reform in an Anglophone footprint.

It also involved leveraging off the existing infrastructure to support the African businesses.

Over the past three years about 10% of the company's staff component in the rest of Africa received training in SA.

The staff training was important to embed the skills, technology, culture, risk and compliance measures that Alexander Forbes espoused.

As the company makes acquisitions it will also seek to grow the businesses organically.

As an example, Pillay said the company was piloting the rollout of its retail client offering in countries such as Namibia, Botswana and Kenya.

Meanwhile, Alexander Forbes announced yesterday it was issuing 2.9% (about 39-million shares) of its issued share capital as part of an employee share-ownership plan aimed at promoting broad-based black economic empowerment.

Black women participants are expected to receive 70% of the distribution.

*Source: Business Day*

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