Investing in Africa’s Sustainable Future
Webinar on collective leadership for Sustainable Finance by the African Pension Sector
Co-hosted by
The Sustainable Banking and Finance Network (SBFN) and the African Pension Supervisors Forum — in collaboration with the World Bank's Finance, Competitiveness & Innovation Global Practice

January 2022 | Register here
8.00 am – 9.30 am EST / 3pm - 4.30pm SAST / 4pm - 5.30pm EAT

Background

The African Pension Supervisors Forum, established in 2019, is made up of the supervisory authorities from across the region, chaired by the Retirement Benefits Authority (RBA) of Kenya. The Forum aims to steer the development of the pension sector in Africa, addressing the challenges that are particularly pertinent to the region.

This webinar will explore the role of the African Pension Supervisors Forum, led by Kenya and South Africa, in convening dialogue and promoting collective regional efforts to mobilize the retirement sector to invest sustainably. It will also showcase research supported by the World Bank and IFC on regional ESG trends among pension funds in Sub-Saharan Africa and the opportunities for the sector to take a leadership role on sustainable finance in African capital markets.

As Africa tackles the growing impacts of climate change — alongside social inequalities, poverty, lack of infrastructure, and food insecurity — there is increased recognition of the need for investment in sectors, projects, and activities that help address climate change and achieve the Sustainable Development Goals (SDGs). Research by IFC in 2016 estimated at least $23 trillion in green and climate-friendly investments in emerging markets up to 2030 in sectors such as green buildings, climate-smart agriculture and transport, urban water infrastructure, waste management, and renewable energy. This includes an estimated total investment potential $783 billion for the climate-smart needs of four Sub-Saharan countries: Côte d’Ivoire, Kenya, Nigeria, and South Africa.

African pension funds collectively manage around $350bn of assets in sub-Saharan Africa, of which approximately $190bn is accounted for by the South African retirement sector. As of 2012, South Africa’s pension fund regulation has required retirement funds to integrate
consideration of environmental, social, and governance (ESG) factors into investment decision making. A survey in 2020 by South Africa’s Financial Sector Conduct Authority (FSCA) and IFC captured progress on sustainable finance from 139 funds representing 74% of assets. It found that a majority of the retirement funds (80%) have integrated ESG into their investment philosophies and objectives. However, most of the retirement funds surveyed do not have a specific policy that supports investments in green and climate finance, and these types of assets make up less than 10% of retirement fund assets. However, many retirement funds are willing to support a collective ambition by the South African retirement sector to increase allocations to sustainability-focused investments and reduce exposure to carbon intensive sectors.

At regional level, a 2021 study by the World Bank investigated how ESG considerations, climate risk management, and ESG disclosure are being adopted by some of the larger pension funds and issuers in the Sub-Saharan region. The study found that, while all of the funds provide good disclosure about their organisation and strategy, only half of the funds provide information on the importance of sustainability to their investments. Most concerningly, the funds do not appear to disclose any information on their approach to climate change. This is partly due to the fact that the local companies in which funds invest across the region do not report comprehensively on their sustainability performance and strategies.

This webinar will explore the research, trends, opportunities and challenges mentioned above, and how the African Pension Supervisors Forum is preparing pension funds for sustainable finance.

**Agenda (EST)**

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<td>08.00 – 08.05</td>
<td>Webinar opening &amp; technical housekeeping</td>
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<td>Welcome and introductions from SBFN moderator – Louise Gardiner, SBFN Africa and Working Groups Coordinator</td>
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<td>08.10 – 08.20</td>
<td><strong>Keynote remarks:</strong> Nzomo Mutuku, CEO, Retirement Benefits Authority (RBA) of Kenya and Chair of the African Pension Supervisors Forum</td>
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<td>08.20 – 08.30</td>
<td>South Africa’s journey to embed sustainability in the retirement sector: Olano Makhubela, Divisional Executive for Retirement Funds Supervision, Financial Sector Conduct Authority (FSCA), South Africa</td>
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<td>08.30 – 08.45</td>
<td>African Pension Funds - Environmental, Social &amp; Governance Factors: Fiona Stewart, Lead Financial Sector Specialist, Finance, Competitiveness &amp; Innovation, World Bank</td>
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Presentation of research in 2021 on
- Current Sustainability Reporting Practices by SSA Issuers and Pension Funds
- How climate risk is being addressed in the broader context of ESG
- Regional implications and opportunities for ESG Transparency in African Capital Markets
Speakers

Nzomo Mutuku — CEO, Retirement Benefits Authority (RBA) of Kenya and Chair of the African Pension Supervisors Forum

Mr. Nzomo Mutuku is the Chief Executive Officer of the Retirement Benefits Authority of Kenya and an ex-officio member of the Board of Directors. He holds a Masters of Arts degree in Economics as well as a first class honours Bachelor of Arts Degree (Economics) and is a Fellow of the Economists Society of Kenya. Prior to his appointment, Mr. Mutuku had been seconded to the National Treasury & Planning as a Senior Adviser, Financial Sector and Acting Director, Financial and Sectoral Affairs Department. Previously he was the Chief Manager, Research & Development at RBA, and had worked with RBA since 2000 when he joined from the Central Bank of Kenya. Mr. Mutuku has a wealth of experience in the operations and activities of the financial sector. He has undertaken training in pensions and financial markets in various countries including the UK, Canada and USA at Harvard University and the Wharton Business School. He was the founder Chairman of the Technical Committee on Collaboration between Financial Sector Regulators in Kenya and has authored a number of papers and made several presentations at international forums on issues relating to the retirement benefits industry. In September 2019, Mr. Mutuku was appointed as the Interim Chair of the African Pension Supervisors Forum (ASPF).

Olano Makhubela — Divisional Executive for Retirement Funds Supervision, Financial Sector Conduct Authority (FSCA), South Africa

Mr. Olano Makhubela is currently (as of 1 October 2017) the Divisional Executive for Retirement Funds Supervision at the Financial Sector Conduct Authority of South Africa — previously the Financial Services Board. Before that, he was with the National Treasury from 2000, during which time he assisted with the development of Government policy on retirement reforms, insurance, investment funds, financial integrity, prudential regulation, capital controls and flows, first tier banking and financial inclusion. He represented the National Treasury at the G20 Financial Access Working Group, Financial Sector Charter and Nedlac processes. Olano has a Bachelor of Commerce from the University of KwaZulu-Natal; Bachelor of Laws degree from the University of the Witwatersrand; BCom Honours
(Economics) (cum laude) from University of South Africa; and a Masters in Science in Development Economics from the University of London.
Fiona Stewart — Lead Financial Sector Specialist, Finance, Competitiveness & Innovation, World Bank

Ms. Fiona Stewart is part of the Long-term Finance Team in the World Bank’s Finance, Competitiveness & Innovation Global Practice. Fiona provides policy advice on pension and insurance market reform to governments around the world. She also coordinates the Bank’s work on sustainable finance, including representing the institution at the G20 Working Group on Sustainable Finance and Co-Chairing the Finance Taskforce under the UN Decade on Restoration. Previously, Fiona worked for the OECD’s Financial Affairs Division and led the Secretariat of the International Organisation of Pension Supervisors (IOPS). Prior to the OECD, Fiona worked in the pension fund industry. As head of American Express Asset Management in Japan she was responsible for investing $2bn in Asian equity markets, and, as part of an international team, for managing $20bn globally. She holds degrees from Oxford and Johns Hopkins Universities and a Chartered Financial Analyst qualification. She also served on the advisory board of one of the OECD’s own pension funds.

Martine Valcin — Global Manager, ESG Advisory, Knowledge and Learning, IFC

Ms. Martine Valcin is the Global Manager, Corporate Governance / ESG Advisory, Knowledge and Learning in the Sustainability and Gender Solutions Department at IFC in Washington, DC. In her role, she is responsible for global corporate governance investment risk management, the delivery of ESG advisory solutions, knowledge support to IFC staff and clients on best-in-class ESG risk management, and ESG-related technology and tools portfolio. She also leads ESG capacity-building initiatives globally over various issues such as disclosure and transparency, sustainable finance, corporate governance for small-medium enterprises and women in business leadership. She joined IFC in 2019 from Canada’s Public Sector Pension Investment Board (PSP), where she held the role of Senior Director, Responsible Investment, inaugurating and leading the integration of ESG factors for PSP’s global public equities and bonds portfolio. Before joining PSP in 2016, Martine worked at Toronto Stock Exchange for fifteen years, where she held roles of increasing responsibilities. In her last role as Director, Listed Issuer Services, she led a multi-disciplinary team of professionals tasked with listing companies and reviewing Canada’s principal stock exchange corporate finance transactions. Martine is a McGill University graduate and holds a Master of Industrial Relations from Queen’s University and an M.B.A (Finance) from École des Hautes Études Commerciales (HEC) in Montreal.
Ms. Louise Gardiner has been a sustainable finance and disclosure specialist with IFC, part of the World Bank Group, since 2005, and part of the Secretariat of the IFC-facilitated, Sustainable Banking and Finance Network (SBFN) since 2012. She is currently Working Groups and Africa Coordinator for SBFN and led development of SBFN's 2021 Global Progress and Country Reports — the most comprehensive benchmarking of national sustainable finance initiatives in emerging markets. She was previously Green Bond Working Group Coordinator and managed the 2018 SBFN report “Creating Green Bond Markets”. She has worked closely with SBFN members to advance national initiatives on sustainable finance. This has included support since 2011 to the South African pension and banking sectors, and support to South Africa’s National Treasury to develop a national green finance taxonomy.

About SBFN
The Sustainable Banking and Finance Network (SBFN) is a voluntary platform for knowledge sharing and capacity building on sustainable finance for central banks, financial sector regulators, ministries of finance and environment, capital market authorities, and industry associations across emerging markets that are committed to advancing sustainable finance in line with international good practice and national priorities.

Facilitated by IFC as secretariat, and supported by the World Bank Group, SBFN helps mobilize information, resources, and practical support for members to design and implement national initiatives that advance sustainable finance at national, regional, and global levels.

As of December 2021, members comprise 68 institutions from 45 countries and $43 trillion (86 percent) of the total banking assets in emerging markets. Among the 68 members, 4 are regional organizations from Latin America, including the Federation of Latin American Banks Federation (FELABAN); Central American Council of Superintendents of Banks, Insurance and Other Financial Institutions (CCSBSO); Association of Supervisors of Banks of the Americas (ASBA); and Eastern Caribbean Central Bank (ECCB). For more information, visit www.sbfnetwork.org

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