

Treasury advisors body launched

A voluntary organisation, the [South African Association of Treasury Advisors \(SAATA\)](#), was recently launched to represent both big and small treasury advisors; to offer them support and to facilitate constructive discussion and representation between members and regulators.



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Current trends which are pertinent to South Africans include a decrease in confidence in the South African economy and the resulting outflow of funds; an increase in emigrations; and clients requiring more guidance and support around cross border payments. SME importers also need more help to manage the risk of a volatile currency with their profit margins under increased pressure. Lastly, cyber-crime is on the up and treasury advisors are equipped to spot irregularities and potential cyber-crime risks.

“SAATA creates an opportunity to set industry benchmarks, enable collective transformation and focus on skills development in the industry. It will also give clients comfort on the integrity of the sector.” This is increasingly relevant as digital currencies challenge the traditional systems, and treasury advisors are best placed to support clients to adapt,” says Jill Wilmans, founding member and secretary of SAATA.

Two markets

There are two markets that treasury advisors service: private forex and commercial forex.

Individuals wishing to use their annual forex allowance will look to a treasury advisor to obtain keen rates from the banks, and get assistance with the relevant paperwork such as the South African Revenue Service (Sars) and South African Reserve Bank (Sarb) approval.

A commercial treasury advisor will work with an array of businesses, but primarily SMEs which want a high level of support and advice around their import and export related forex transactions. The treasury advisor will use the aggregated volumes of all their clients to negotiate keen rates and provide market news. A large part of their service is to assist clients to manage their currency exposure through risk hedging strategies. They will also assist with advice on exchange control and related matters

"Now, more than ever, clients are faced with choice in the financial services sector, and SAATA members can offer this to both private and corporate clients," says Richard Beddow, SAATA chairman.

Looking ahead

SAATA also has the potential to influence the Financial Sector Conduct Authority (FSCA) to establish an accredited training programme specific to the industry, which will ensure members and their staff will be better skilled to service the clients in South Africa. This is an opportune time for this to take place, with the Protection of Personal Information Act (PoPI) coming into effect, lots of change taking place in the industry, opportunistic business and global compliance standards increasing.

Recently SAATA was invited to participate in the FSCA's Market Conduct Committee (MCC) which facilitates regular engagement between the FSCA and the financial services industry.

All SAATA members are required to sign a binding statement of commitment to adhere to the 2018 FX Global Code published by the Global Foreign Exchange Committee. This set of principles of good practice for foreign exchange market participants aims to promote the integrity and effective functioning of the foreign exchange market.

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