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KNOW YOUR RIGHTS

Imal Matters



June - Jul 2024

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Unlocking South Africa's digital identity revolution

absa

Every year millions of rands are lost due to banking fraud. Absa cares about their customers' money safety and takes it seriously.

We've been tasked to create awareness around this issue and to also educate our customers about banking safety and security using the **#ProtectTheKeysToYourSafe** platform.

To bring this platform to life, we've identified 4 key safety points that customers need to focus on.

And to help do this, we've come up with 4 keys that we are going to use as our key visual for the campaign.

These keys are going to address all the safety points and further illustrate how customers can **#ProtectYourKeysToTheSafe**.



Absa
Safely banking is smart banking. Smart banking means using your Absa App for your digital transactions. #ProtectYourKeysToTheSafe

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Call our 24-7 troubleline on 0860 557 557

Money safety. Let's do this. [absa.co.za/protectthekeystoyoursafe](#)



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DEBT COUNSELLING RELATED COMPLAINTS

Ordinary complaints about Credit Providers and Bureaus
Fax : 087 234 7822 - Email : dccountains@ncr.org.za

The National Consumer Commission
Telephone : +27 12 762 5000 / +27 12 470 9080 - Fax : +27 86 764 1422 / +27 12 348 3447
Email: info@faisombud.co.za Website: www.faisombud.co.za

Consumer Products And Services
The National Consumer Commission

Telephone Number 012 428 7000
Email: enquiries@thenc.org.za - www.thenc.org.za



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editors note

Imali Matters Media Company

Celebrating Youth Month: Empowering Financial Freedom

As we commemorate Youth Month, we pay homage to the indomitable spirit of South Africa's youth, whose courage and resilience shaped history during the Sharpsville Massacre of 16 June 1976. This pivotal moment marked a stand against apartheid laws, igniting a flame of resistance that burns brightly in our collective memory.

In the year 2024, our youth embark on a different but equally significant journey - the pursuit of financial liberation. Imali Matters Magazine is proud to stand alongside today's youth, recognizing their unique mandate to achieve financial freedom and assert their financial rights.

In a world marked by economic complexities, our youth grapple not only with traditional barriers but also with the need for financial literacy and inclusion. The struggle for financial autonomy is as vital as ever, and Imali Matters Magazine is committed to providing the tools, knowledge, and insights necessary to navigate this terrain successfully.

Throughout this issue, we celebrate the resilience, creativity, and determination of our youth. From exploring saving techniques to understanding consumer rights, each article is crafted with the vision of empowering our readers to take charge of their financial futures.

As we honor the legacy of those who paved the way, let us also look to the future with optimism and determination. Together, let us embrace the journey towards financial empowerment and ensure that every youth in South Africa has the opportunity to thrive.

With warm regards

Editor-in-Chief
Imali Matters Magazine



Tel: 011 425 4991 / 4952 / 5094

Fax: 086 572 0020

Email: info@wisewater.co.za

ADMIN & ACCOUNTS

Managing Director

Dominic Dzimba

dominic@wisewater.co.za

Tel: 011 452 4991 / 4952 / 5094

ADMINISTRATOR / ACCOUNTS

Fike Eunica

fike@wisewater.co.za

EDITORIAL

Dominic Dzimba

hillary@wisewater.co.za

MARKETING & SALES TEAM

Mthokozisi, Fortune, Russou

Tel: 011 452 4991 / 4952 / 5094

sales@wisewater.co.za

PRODUCTION

Production Manager/Creative Designer

Tony Makhaya

tony@wisewater.co.za

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Better Together

The future is in your hands

CULTIVATING FINANCIAL DISCIPLINE AND LITERACY IN THE YOUTH



In a world where financial security is becoming increasingly elusive, the importance of financial literacy and planning cannot be overstated. The youth of South Africa, ranging from ages 16 to 35, face a dynamic and ever-changing financial landscape. To shed light on this critical issue, we bring you a conversation between Geraldine Fowler, President of the Institute of Retirement Funds Africa (IRFA), and Enos Ngutshane, former IRFA President and current board member. Their insights aim to empower young South Africans with the knowledge and tools needed to navigate their financial futures.

Geraldine Fowler begins by emphasizing the sense of pride and accountability that comes with saving. "As young people, retirement might seem like a distant concept," she says. "However, the journey towards financial security begins now, and it starts with cultivating a sense of pride and accountability in

saving. When we save, we are not just putting money away; we are investing in our future and taking responsibility for our financial well-being."

Enos Ngutshane agrees, highlighting the importance of financial literacy and planning. "Financial literacy and planning indeed instil discipline and accountability in managing finances," he notes. "It requires us to track our spending, adhere to a budget, and make conscious choices about saving and investing. These habits, when cultivated from a young age, become ingrained behaviours that lay the groundwork for long-term financial success."

Fowler continues, pointing out the broader benefits of financial stability. "Financial stability is not just about having money; it's about the choices it gives us. When we have savings, we have the freedom to make decisions that align with our goals and values. Whether it's pursuing further education, starting a business, or traveling, financial stability opens up opportunities."

Ngutshane adds, "In the South African financial environment, which is dynamic and diverse, young people need to be prepared for changes, especially with the advancements in fintech. Despite the depreciation of our currency and the challenges posed by our financial system, it's crucial to understand that retirement planning should start early."

Fowler then shifts the focus to the evolving nature of retirement. "With people living longer, retirement has become a misnomer," she explains. "We need to be creative in our planning and adjust our mindsets. It's not just about stopping work but about ensuring we have the resources to live comfortably for a longer period."

Ngutshane elaborates on this point, stressing the importance of understanding financial concepts. "Currently, only six percent of South Africans can retire comfortably. Understanding concepts like the replacement ratio is vital. This concept suggests that you will need 75% to 90% of your pre-retirement income annually to retire comfortably. Therefore, developing a culture of financial literacy within our schooling system will empower the youth to manage their future earnings and investments effectively."

Fowler brings attention to the power of compound interest. "Starting to save early means your money has more time to grow. Compound interest can significantly boost your savings over time, turning small, consistent contributions into substantial sums. This principle is a game-changer

for young people."

Fowler concludes with a powerful analogy. "Planning for retirement when young is like planting a tree. At first, it seems small and inconsequential, but with time and nurturing, it grows into a strong and sturdy foundation, providing shade and sustenance for the future."

This engaging discussion between two financial experts underscores the critical need for young South Africans to start their financial planning journey early. By understanding and implementing the principles of financial literacy, saving, and investing, the youth can secure a future of financial stability and freedom.



For further information, contact Wayne Hiller van Rensburg at wayne@irfa.org.za

you will need 75% to 90% of your pre-retirement income annually

Empowering Consumers in Trade: NRCS's Role in

In a world where consumerism is at its peak, the importance of safeguarding consumer rights cannot be overstated. Every year, March marks a significant period dedicated to raising awareness about consumer rights globally.

The theme for World Consumer Rights Day 2024, was **"Safe Products, Safe Consumers: Fostering Accountability and Compliance,"** resonating deeply with the mandate of the National Regulator for Compulsory Specifications (NRCS), a key player in ensuring consumer safety in South Africa. As we delve into the significance of this month and the pivotal role of the NRCS, it becomes evident that NRCS' mandate extends far beyond mere regulation; it is a cornerstone for products safety and consumer protection.

The NRCS's mandate is clear: protect consumers against unsafe products and ensure fair trade by enforcing these compulsory specifications and regulations. NRCS works tirelessly to ensure that products offered in the South African market do comply with safety requirements as set out in our various compulsory specifications and technical regulations.

In pursuance of this mandate, the NRCS confiscated non-compliant products worth approximately R928 million

from the market in the last financial year. The majority of these were products were found non-compliant in terms of the Legal Metrology Act amounting to R675 million and electro-technical products to the value of R160 million. Other non-compliances were for chemicals, materials and mechanicals to the value of R39,5 million, food products worth R26,7 million and automotive products amounting to R26,3 million.

World Consumer Rights Day 2024: A Call for Accountability

World Consumer Rights Day is not just a date on the calendar; it is a global rallying point for consumer advocates, policymakers and businesses to come together and address pressing issues concerning consumer protection. In 2024, the theme underscored the crucial link between safe products and the well-being of consumers. It emphasised the need for accountability and compliance across the supply chain, from farm to fork in terms food safety.

At the heart of this theme was the acknowledgment that consumers have the right to expect safe products that meet safety requirements. Consumers deserve products that are not only functional but also pose no threat to their health and safety. Achieving this requires a concerted effort from all stakeholders, including regulatory bodies

like NRCS.

NRCS: Regulation of Compulsory Specifications

Established under the National Regulator for Compulsory Specifications Act 5 of 2008, NRCS plays a pivotal role in ensuring that products meet safety requirements before market distribution. These products span across the automotive, chemicals, mechanicals and material, electro-technical, legal metrology and foods and associated industries.

Furthermore, NRCS continues to certify exported products and approval of imported products. In the last financial year, the NRCS issued over 8,000 health guarantees, facilitating the exportation of fish and fishery products valued at R6, 3 billion to various export markets.

The works in conjunction with governmental bodies and various agencies to facilitate market entry for small, medium, and micro-enterprises (SMMEs), with a specific focus on the food sector. An illustrative case is canned fish, which serves as a crucial and economical protein source utilised in school meal programs throughout South Africa. Recognising the inherent risks associated with canned fish processing, the NRCS undertakes regulatory measures governing fish and fishery products. This oversight aims to uphold food safety standards,

safeguarding vulnerable consumer groups such as children, the elderly and individuals facing socio-economic hardships.

Additionally, the NRCS Published Compulsory Specifications for Efficiency of Electric motors, Energy Efficiency and safety of general service lamps to enhance consumer protection.

Furthermore, NRCS have developed and recommended for approval by the Minister of Trade, Industry and Competition, the Compulsory Specifications for Live Lobsters and Oysters to ensure the safety of fishery products

Economic Impact of Consumer Safety

While the primary goal of NRCS is to protect consumers, its role extends beyond ensuring the safety of products; it also contributes to economic growth and development. A safe and reliable marketplace instils confidence among consumers, encouraging increased consumption and fostering a healthy business environment. When consumers trust that the products they purchase meet quality and safety standards, they are more likely to make repeat purchases and recommend those products to others.

NRCS certification process enhances the

ers and Ensuring Fair Consumer Rights

competitiveness of South African products in both domestic and international markets. By ensuring compliance with global standards, NRCS facilitates access to export markets, thereby boosting trade and foreign exchange earnings. This, in turn, stimulates economic growth and creates employment opportunities across various sectors.

Challenges and Opportunities

Despite its significant contributions, NRCS faces several challenges in fulfilling its mandate effectively. One of the primary challenges is the spread of counterfeit and substandard products in the market. These products not only pose risks to consumer safety but also undermine the credibility of legitimate businesses. Combatting this requires enhanced collaboration between NRCS, law enforcement agencies and other stakeholders to crack down on illicit trade and enforce regulations rigorously.

Looking Ahead: Towards a Safer and Sustainable Future

As we commemorated the World Consumer Rights Day, it was essential to reflect on the progress made in protecting consumer rights and the challenges that lie ahead. NRCS mandate in ensuring safe products and fostering accountability is critical not only for consumer safety but also for

economic growth and development. By ensuring compliance with compulsory specifications, the NRCS enhances consumer confidence in locally produced goods and fosters international trade partnerships.

World Consumer Rights Month served as an opportune moment for consumers to familiarise themselves with the services offered by the NRCS. Whether it is seeking assistance with product complaints or accessing information about product safety standards, consumers can rely on the NRCS as a trusted resource.

Ultimately, a safer and more sustainable marketplace benefits everyone – consumers, businesses and society as a whole. As we strive towards this goal, let us recall that consumer rights are not just a matter of regulation; they are a fundamental aspect of human dignity and well-being. By upholding these rights, we can create a world where every consumer can shop with confidence, knowing that their safety and interests are protected.

As we navigate the complexities of the modern marketplace, let us remember that consumers are at the heart of every transaction. By upholding consumer rights and promoting safe products, we can build a more equitable and prosperous society for all.

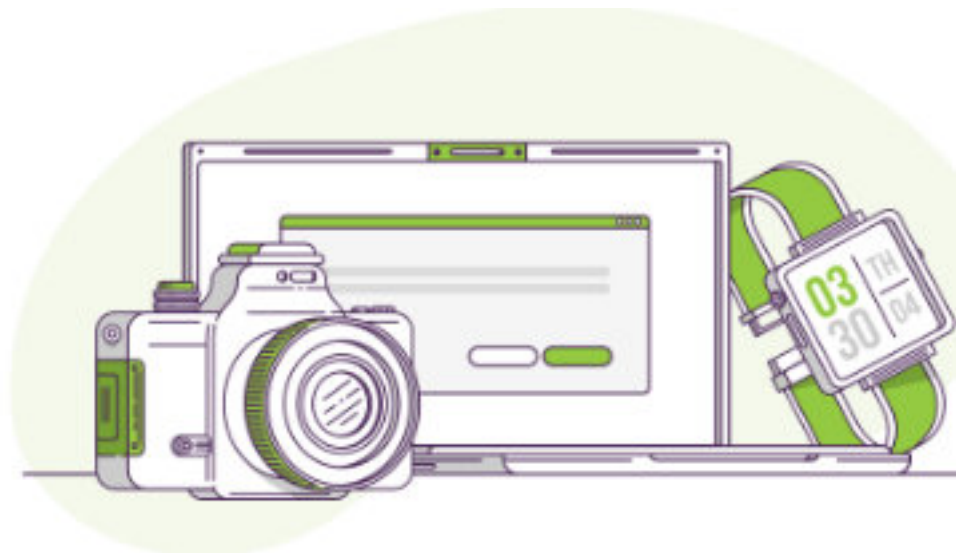


NRCS issued over 8,000 health guarantees

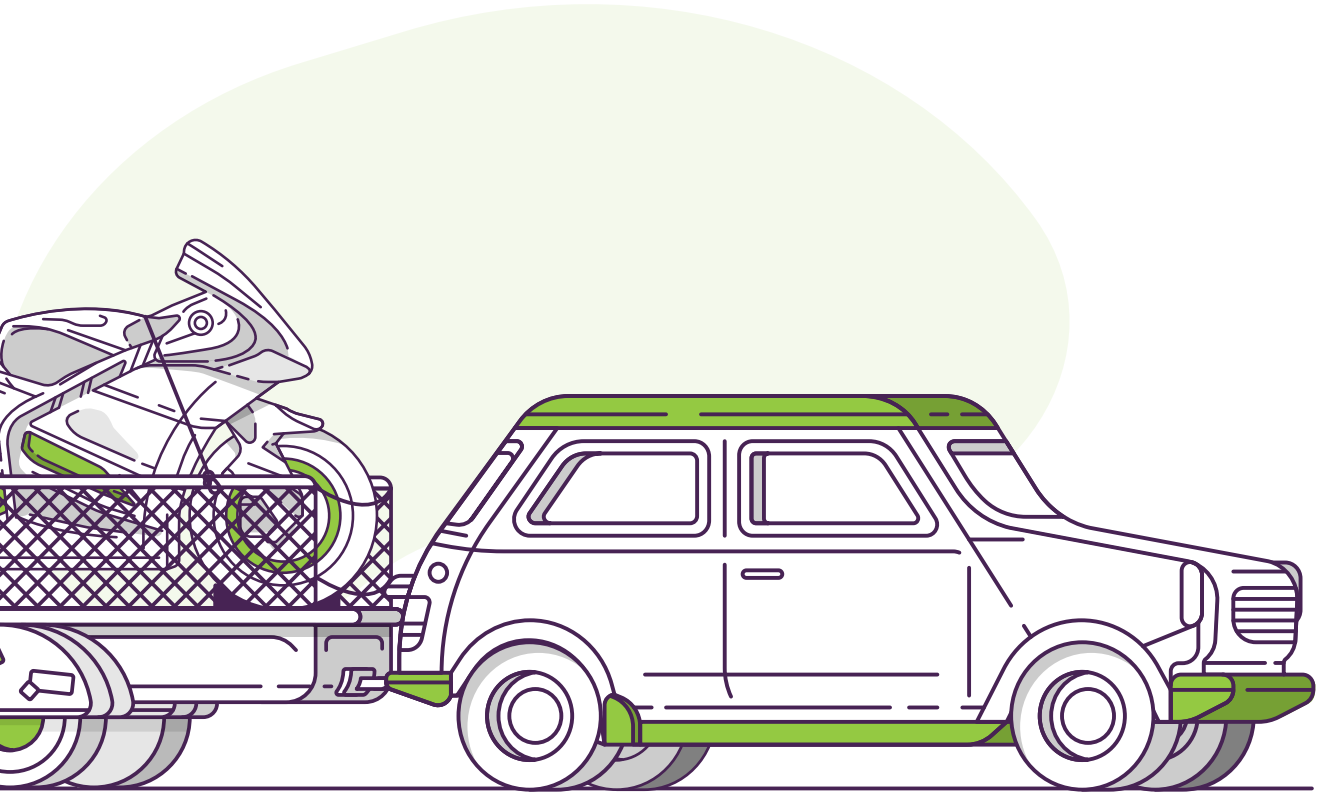


Insurance for cars and other vehicles

Cover your car, motorbike, caravan or trailer and get a range of great benefits, such as a fixed excess, 12-month guaranteed premiums and our famous cash OUTbonus. Plus, enjoy the backup of 24/7 roadside assistance



08 600 60 000



Portable possessions insurance (OUT-and-about)

If you leave the house with items of value, you'll want to take your insurance with you. From jewellery to electronics, it's all covered against damage, theft and loss.



An increased fraud landscape risk that faces all South A

The South African fraud landscape has steadily increased over the past five years, making this one of the top risks South Africans face daily.

"This increase is alarming and indicative of how South Africans are becoming easy targets for fraudsters and scammers who are highly motivated to find their next victim," says Manie van Schalkwyk, CEO of the Southern African Fraud Prevention Service (SAFPS).

The recent SAFPS Fraud Statistics paint a comprehensive picture of where criminals target consumers and how consumers become victims.

A 32% increase in fraud incidents

The 2024 Fraud Statistics point out a 32% increase in the number of fraud incidents reported to the SAFPS in 2023.

"Once again, certain sectors are more open for fraudsters than others. Banking fraud made up 45% of the fraud incidents reported last year. This was followed by the Micro Finance Sector (19%) and the Clothing Retail Sector (14%). This indicates that financial institutions and the retail sector are under significant pressure regarding fraud," says Van Schalkwyk.

Looking specifically at how fraud is perpetrated in these sectors, Van Schalkwyk points out that money muling is still one of South Africa's most significant challenges; forged documents, impersonation fraud and employee application fraud follow this.

The Money Mule challenge

Van Schalkwyk points out that fraudsters and scammers are becoming increasingly creative in scams. Money muling has again been flagged as a significant issue, and many South Africans are becoming willing victims.

One of the most common forms of money muling is when a victim is approached by someone claiming that they need to receive money from a family member in another country and they need a bank account to perform this transaction. Many people want to help and willingly let these fraudsters use their bank accounts. While this may seem an innocent crime, research from Cifas in the UK points out that money-muling funds activities such as drug and human trafficking and terrorist activities.

"The repercussions of being a money mule are significant. The guilty party will be listed with the SAFPS, and the result is

that the individual could struggle to get access to finance for ten years. It is one of the biggest issues that the SAFPS is currently facing, and it is important for the public to know about the seriousness of this crime," says Van Schalkwyk.

Employee application fraud

South Africa is currently in the midst of an economic crisis that has little to no resolution. This is causing an increase in the unemployment crisis, which is also becoming a major issue in the country.

"To provide for their families, many more employees are turning towards application fraud. This is the practice whereby they forge documentation which may indicate that they have specific qualifications which would make them a suitable candidate for the job that they are applying for," says Van Schalkwyk, who adds that this is one of the primary reasons why the retail industry is under increased pressure.

Regional epicentres

As with previous years, Gauteng, KwaZulu-Natal and the Western Cape are the main centres that experience fraudulent activity. However, there has been a significant increase in the Free State.

"While the Free State is only a small contributor to the country's fraud statistics, the province has experienced a 56% increase in fraudulent activity. Our investigations have picked up that this is being driven by money muling, which is very prevalent in the province," says Van Schalkwyk.

Protective Registration

There is a silver lining to the increased fraud statistics. Because of the risks people face, South Africans are increasingly turning towards the SAFPS' Protective Registration to give them an extra layer of protection.

Protective Registration is one of the SAFPS' most essential services and is the core of its offering.

Protective Registration is a free service protecting individuals against future fraud. Consumers apply for this service, and the SAFPS alerts its members to take additional care when dealing with that individual's details. Protective Registration provides an added layer of protection and peace of mind regardless of whether the applicant's identity has been compromised.

cape is an increasing Africans warns the SAFPS

Our investigations have picked up that this is being driven by money muling

Why own a car when you can subscribe to it?

Do you remember buying your first car?

The feeling of picking up the keys for the first time, smelling that new car smell, and getting out onto the road. This may be a fond memory for many drivers, but the truth is that car ownership is cumbersome and costly in this age of economic austerity and constriction. Given the market's evolution, in my view, the question drivers will be asking in the future is 'do you remember subscribing to your first car?' and why that new car feeling will remain just memorable.

As we ponder the milestones and memories of acquiring a car, it's undeniable that traditional ownership comes with its share of burdens – loans, maintenance, and the uncertain resale value. Yet, as we stand at the crossroads of technological advancement, the automotive industry and consumers have already embarked on a crucial paradigm shift. Based on the trends, the future of vehicles is transitioning towards a subscription-based model, redefining our relationship with mobility and the hassle that comes with car ownership.

You may be thinking that subscribing to a car is an outlandish concept but consider this. When we seek to accomplish a task on our computers, we subscribe to software services for seamless

access – Microsoft Office 365 being a prime example. This same principle can now be applied to our journey from point A to point B. In envisioning a future where mobility is not merely convenient but universally accessible, we herald a revolution in transportation.

Enter car subscriptions – a pioneering mobility model that offers unparalleled flexibility and choice without the financial stress of ownership.

Traditional car ownership comes bundled with a host of hassles that can weigh heavily on individuals and families alike. From the financial burdens of hefty loans and the uncertainty of resale values to the ongoing expenses of maintenance and repairs, the costs can quickly add up. Moreover, the inflexibility of ownership means being locked into long-term commitments with limited options for adaptation or change. This rigidity can be particularly daunting in a world where lifestyles and needs are constantly evolving.

Fortunately, subscription-based models offer a refreshing alternative to the traditional woes of car ownership. With subscriptions, drivers can enjoy the benefits of flexibility, choice, and cost-effectiveness. Subscription models typically include all-inclusive packages that cover everything from

insurance to maintenance, simplifying the process and eliminating the stress of unexpected expenses, provide the freedom to switch between different vehicle models, and adjust plans according to changes needs.

When we launched Kinto One over two years ago now, we knew the market was ready for this shift. It was an easy sell because it integrates the vehicle, insurance, maintenance, and roadside assistance into a single, transparent monthly payment, freeing us from the traditional constraints of car ownership.

The implications of car subscriptions extend beyond individual wallets. Picture cities with reduced traffic congestion and lower emissions, courtesy of fewer idle cars occupying garage spaces. Shared mobility and efficient fleet management pave the way for a more sustainable future, where car ownership becomes an option rather than a necessity.

Moreover, technological advancements further enhance the allure of car subscriptions. Advanced algorithms will personalise subscriptions based on driving habits, automatically adjusting parameters like mileage limits and insurance premiums.

Speaking of tech, subscriptions will also

encourage more adoption of electric and hybrid vehicles as drivers don't have to take on the high cost of these vehicles. More electric cars on the road will mean fewer emissions and a more competitive electric vehicle market.

In essence, the potential of car subscriptions transcends mere transportation; it signifies a redefinition of freedom, flexibility, and sustainability in mobility. So, let us embrace this transformative shift towards subscription-based models, and drive towards a future where mobility is not bound by ownership but enriched by accessibility and choice.

As we embark on this journey, let us dare to imagine a world where the road ahead is not merely traversed but experienced with newfound liberation and possibility. The future of cars is here, and it beckons us to subscribe to a more connected tomorrow.

The future of cars is here

M
ure of
here

Tips to trade your way

Since launching its trading academy, marketsClub,

Markets.com, a retail forex and contracts for differences (CFDs) broker owned by the Finalto Group, has seen the initiative achieve remarkable growth, attracting a vibrant community of more than 1,400 members, all sharing a common goal: achieving financial freedom.

The multi-award-winning and highly regulated online trading broker has over 15 years of experience in CFDs on Forex, Share, Commodity, ETFs, Cryptocurrency, Indices and Bonds. What sets its marketsClub apart is its holistic approach to education.

Dany Mawas, CEO of Finalto Africa says it's not just about providing free learning materials, but about assisting and guiding traders through a comprehensive curriculum designed to build a strong and tangible foundation, aiming to steer them toward achieving various levels of financial freedom. "From understanding the very basics of trading to crafting personalised and elaborate trading strategies, marketsClub covers it all."

However, true mastery in online trading comes from real-world experience. That's why marketsClub goes beyond theoretical knowledge by offering daily market insights in various ways. This is led by Head of

Education, Ruan Landsberg, who says these insights provide invaluable updates and practical tips for navigating the ever-changing market landscape.

"Learning from your own mistakes can be costly if not addressed swiftly. That's where marketsClub's weekly mentorship sessions come in. Members have the opportunity to interact with experienced trainers, gaining insights based on real-life trading experiences. Whether it's overcoming losses or refining their approach, these sessions offer personalised guidance to help traders stay on track," adds Landsberg.

Here are Landsberg's top five tips on how to achieve financial freedom:

1. Consistent Commitment: You have heard this many times, you have to be consistent with your craft. You have to show up every single day, and put in the effort. Yes, you will have bad days, but try again tomorrow. If you lay one brick at a time, sooner or later you will have a house. I strongly believe that achieving financial freedom follows the same logic; it starts with day-by-day effort.

2. Harnessing Momentum: Momentum is one of the hardest things to get, but once you have that momentum on your side, your efforts become easier by the day. We have to start by giving 1%, then 2%, and gradually building it up. Let me put it this way,

it may be possible to stop a car that is driving slowly, but once it builds up speed (i.e. momentum), it becomes nearly impossible.

3. Risk-to-Reward Ratio:

This is the ultimate tool that will help you make the right financial decisions, whether it is in trading, investing, business, or even in your personal life. What am I risking and what are my possible gains? Having a good risk-to-reward ratio in life will allow you to be wrong most of the time, but you will still end up making gains.

4. Mastering Risk Management:

You must learn how to manage your risk. Everyone can make money, but not everyone can keep making money consistently. Manage your risk, manage your money and manage your time. Misused resources can never be retrieved.

5. Mindset Mastery:

Your mindset will always influence your results, whether it is in business, trading or in your personal life. You have to put in the right effort into creating a strong, determined and winning mindset. If you believe you can be financially free, you are already 50% there.

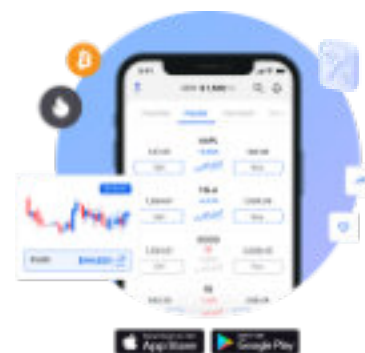
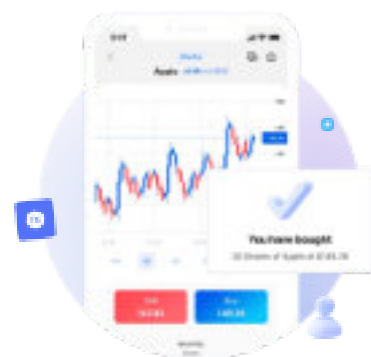
Ultimately, marketsClub isn't just an education centre; it's a thriving community of traders united by their passion for the markets. Together, they collaborate, learn and grow, all with the shared goal of creating value and achieving financial

independence.

To become a member of marketsClub, simply complete a quick, free sign-up!

<https://www.markets.com/promo/marketsclub-fsca/en/index.html>

*CFDs are complex instruments and come with a high risk of losing money rapidly due to leverage. 74%-89% of retail investor accounts lose money when trading CFDs. You should consider whether you understand how CFDs work and whether you can afford to take the high risk of losing your money.



to Financial Freedom



STOCK MARKET



*you are already
50% there*

Young people:

The time to make decisions about your retirement is now

The Office of the Pension Funds Adjudicator

(OPFA) often receives complaints from retirement fund members dissatisfied with their pension values at retirement, which is often too late. In some cases, especially with defined contribution funds which do not guarantee a specific amount at retirement, little can be done to assist members. This is because a defined contribution fund calculates exit benefits based on contributions made on behalf of the member plus investment returns. In a defined contribution fund, which are common in South Africa, a member bears the investment risk if the investment does not perform well.

Members need to take responsibility for their retirement benefits during their contribution years, to ensure that they retire comfortably. During this Youth Month, it is important to remind those under 35 years of age that decisions made before retirement significantly impact their benefits at retirement. The time to make decisions about retirement is when you are still young. According to the Association for Savings and Investments, only 6% of

South Africans retire comfortably. This means that those who have not saved enough may need to work during retirement or rely on family members.

It is important for members to know how much money they will need when they retire. This helps them take the right steps closer to a comfortable retirement. To do this, they can use retirement projection tools provided by funds, this includes a fund benefit statement which contains information on the benefit an individual is likely to receive at retirement. Where a member is not on track to retire comfortably, they can increase contributions or make additional voluntary contributions to the fund.

Where employers do not pay contributions, this can also lead to lower retirement benefits for members. Checking a benefit statement helps members confirm if contributions are being made. If not, members can lodge a complaint about the outstanding contributions.

Preserving withdrawal benefits when changing jobs contributes to a comfortable retirement.

The two-pot system,

effective 1 September 2024, will allow certain limited access to retirement fund savings without the need to leave employment. However, it is important to understand that accessing retirement savings early can negatively impact the benefit a member will receive at retirement, so this decision must be carefully considered.

Members must know what benefit they will receive at retirement and where their money is invested to ensure they are satisfied with the growth. If dissatisfied, members can contact the fund's principal officer for information and take the necessary steps during the contribution years to ensure a comfortable retirement. Whilst some funds provide for member investment choice (where members choose the investment portfolios they want to invest in), most members opt for the default life-stage investment portfolios provided by the fund. Over the long run, it is important for members to keep an eye on investment costs as these may also erode benefits at retirement. Where unsure, members are advised to seek the assistance of a financial advisor. **Happy investing!**



Nondumiso Ntshangase
Senior Legal Advisor

During this Youth Month, it is important to remind those under 35 years of age that decisions made before retirement significantly impact their benefits at retirement.

Navigating Financial Independence: A Blueprint for South Africa's Youth

In the records of South African history, the month of June holds profound significance. It is a time when we reflect on the courage and sacrifice of the youth who took a stand against oppression during the Sharpsville Massacre of 1976. Yet, as we honor their legacy, it's crucial to recognize that the struggles of today's youth have evolved, manifesting in a different battleground - the pursuit of financial freedom.

In the year 2024, the youth of South Africa are faced with a unique mandate: to navigate the complex landscape of financial independence. This mandate is not merely about securing a paycheck or making ends meet; it is about empowering oneself with the knowledge and tools to build a stable and prosperous future.

Central to this journey is the concept of financial literacy - the ability to understand and manage one's finances effectively. In a society where economic disparities persist, financial literacy is more than just a skill; it is a form of empowerment. It equips individuals with the confidence to make

informed decisions about their money, from budgeting and saving to investing and planning for the future.

At the heart of financial literacy lies the principle of knowing one's rights as a consumer. In a marketplace inundated with products and services, understanding consumer rights is paramount to safeguarding oneself against exploitation and fraud. Whether it's knowing the terms and conditions of a contract or understanding your rights in the event of a dispute, being informed empowers you to assert your rights confidently.

Beyond consumer rights, financial literacy also encompasses practical skills such as budgeting and saving. Budgeting is the cornerstone of financial stability, enabling individuals to allocate their resources wisely and prioritize their spending. By setting financial goals and tracking expenses, young people can cultivate disciplined financial habits that lay the foundation for long-term success.

Similarly, saving is not just about setting aside money for a rainy day; it's about

cultivating a mindset of abundance and security. Whether it's through traditional savings accounts or more sophisticated investment vehicles, saving is a powerful tool for building wealth and achieving financial goals. By harnessing the power of compound interest and diversifying their portfolios, young people can set themselves on the path to financial independence.

Yet, achieving financial freedom is not without its challenges. In a society where economic opportunities are often unequal, marginalized communities face additional barriers to accessing financial resources and opportunities. Addressing these disparities requires a concerted effort from policymakers, educators, and civil society to ensure that all young people have the resources and support they need to succeed.

As we celebrate Youth Month, let us recommit ourselves to the pursuit of financial empowerment for all. Let us equip our youth with the knowledge, skills, and opportunities they need to navigate the complexities of the modern economy. By investing in their financial

education and well-being, we not only honor the legacy of those who came before us but also pave the way for a brighter and more prosperous future for generations to come.

In conclusion, let us remember that financial independence is not just a destination; it's a journey. And as we embark on this journey together, let us empower each other to dream big, work hard, and build a future where every young person has the opportunity to thrive.



Unlocking South Africa's digital identity revolution

In recent years, South Africa has witnessed a significant evolution in the realm of digital identification systems, marking a transformative shift in how individuals authenticate their identities and interact with essential services.

Encompassing electronically captured and stored attributes and credentials that uniquely identify an individual, the adoption of pioneering technologies and innovative solutions has been one of adaptation, progress and potential.

According to Vic Esterhuizen, Head of Identity at Tesseract, the emergence of COVID-19 in South Africa not only mandated the widespread adoption of digital technologies, from schools pivoting to online learning to in-person meetings transitioning to virtual platforms, but also underscored the critical importance of digital identification in facilitating remote interactions and transactions.

"Our digital identities have undergone a substantial evolution, mirroring rapid technological advancements and our growing dependence on digital platforms," adds Esterhuizen. "Transitioning from basic usernames and

passwords, digital identifications of today comprise sophisticated biometric authentication, cryptographic keys, and digital certificates issued by trusted authorities."

In the financial sector, where the risks are particularly high, securing one's identity and sensitive information online is critical. In South Africa, the influence of digital identification in this sector has been witnessed firsthand.

"With the widespread adoption of smartphone applications, mobile devices have become ubiquitous tools for identity verification. Mobile authentication apps and solutions leverage device-specific characteristics, such as SIM card information and device fingerprints, to enhance security," says Esterhuizen.

"Advanced adoption of these technologies has become critically important, given that the South African Banking Risk Information Centre (SABRIC) Annual Crime Stats 2022 report suggests that the country witnessed a 36% surge in online banking fraud in 2022."

Another emerging trend is the integration of blockchain technology into digital identification systems. Blockchain offers

decentralised and tamper-proof record-keeping, ensuring the integrity and immutability of identity data. By leveraging blockchain, organisations can create secure and transparent identity management platforms, reducing the risk of data breaches and identity theft.

Moreover, there are several other industries utilising technologies to enhance the overall experience. In the healthcare sector, electronic health records (EHRs) and patient portals rely on digital identification to grant secure access to sensitive medical information while maintaining patient privacy. Similarly, government agencies use digital identification systems for issuing electronic IDs, passports, and driver's licences, simplifying identity verification processes and reducing administrative burdens.

This includes the retail space, where some have adopted facial recognition technology for personalised customer experiences and targeted marketing campaigns.

"In some instances, new technologies have bolstered the shopping experience through frictionless "walk out" technology, making the need to stand in a queue unnecessary. Customers simply register the cards and payment instruments

when they enter the store, after which a virtual shopping basket is then created," says Esterhuizen.

The technology utilises a combination of computer vision, object recognition, advanced sensors, deep machine learning models, and generative AI. Upon leaving the store, the goods are deducted from the customer's registered payment method.

Despite its many benefits, digital identification technologies also pose significant challenges. Privacy concerns, data security risks, and potential biases in biometric algorithms are among the key issues that need to be addressed. Moreover, the digital divide, which refers to disparities in access to technology among different demographic groups, remains a barrier to widespread adoption.

To address challenges with digital identification, it is imperative to prioritise privacy, enhance security, tackle biases, bridge the digital divide, educate users, ensure inclusivity, and foster collaboration among stakeholders. This includes measures such as robust privacy protections, advanced cybersecurity, bias mitigation in algorithms, the promotion of digital literacy and inclusive design," adds Esterhuizen.

Africa's Evolution

Looking ahead, digital identification is poised to continue its evolution, driven by advancements in AI, biometrics and blockchain. As businesses and governments strive to create more secure and user-friendly identification systems, innovations such as decentralised identity solutions and self-sovereign identity models are likely to gain traction.

To stay ahead of the evolving landscape of digital identification, individuals and organisations must prioritise cybersecurity awareness and education. Implementing multi-factor authentication, regularly updating security protocols, and staying informed about emerging threats and best practices are essential steps.

"Digital identification technologies hold immense potential to transform how we authenticate identities and access digital services. By staying informed, embracing innovation and addressing challenges proactively, businesses and individuals can harness the power of digital identification to navigate the complexities of the modern digital landscape securely," concludes Esterhuizen.



***Digital identification
technologies hold
immense potential***

South Africa needs more stringent cybersecurity enforcement

South Africa's vulnerability to cyber crimes and overall attitude to cybersecurity must be urgently addressed if the country has any ambitions to become a global player in the digital economy.

The current state of the country's Economic Crisis, which is worsening as we enter into a critical election period, is being exacerbated by the current volatility that the mining sector is experiencing regarding commodity demand and commodity prices. Many of the country's top economists have urged the government to diversify the South African economy. However, the recent Companies and Intellectual Property Commission (CIPC) and Government Employees Pension Fund hacks have exposed the vulnerability of South Africa's digital economy ambitions.

"South Africa holds immense potential to be a major global player in the digital economy. Recent studies project that by 2030, Africa will surpass both China and India in population, and by 2035, one in four global workers will be African. It's crucial to envision the future of work and enable this

workforce to thrive, thereby securing our digital economy ambitions," points out Trisha Govender, a Manager at the MANCOSA School of Information and Digital Technology (SIDT).

A significant impact

According to the 2021 Interpol African Cyberthreat Assessment Report, South Africa is not just the most attacked country in Africa, but also the third most attacked country in the world. In 2021 alone, South Africa recorded a staggering 230 million threat detections, while Kenya had 72 million and Morocco 71 million. These figures underscore the severity of the cyber threat we face.

"This gives a bit more perspective to the scale of losses South Africa could face if a major cyber attack or data leak took place," points out Govender.

She adds that the impact on the economy could be catastrophic. "Cyberattacks can result in direct financial damage to businesses through theft of financial information, ransom payments (in the case of ransomware attacks), and the loss of valuable intellectual property. These financial implications extend to the costs associated with

system repairs, security updates, and potential legal fees if customer data breaches lead to lawsuits. Further, regular cyberattacks can shake investor confidence and deter foreign investment as investors may perceive the high risk of cyber incidents as a sign of instability or insufficient protection. This could lead to reduced investment flows into the country," says Govender.

As SMMEs play an increased role as economic drivers, they must note their vulnerability. SMEs are particularly vulnerable to cyberattacks as they often lack the resources and infrastructure to defend against sophisticated cyber threats. A successful attack can devastate small businesses, potentially leading to bankruptcy or significant operational disruptions.

Global cooperation

Govender points out that it is essential to note that the cybercriminals who are orchestrating these attacks are part of large syndicates that are well-run, well-funded, and up-to-date with the latest tactics when it comes to cybercrime.

"If we are ever going to get ahead of this, we need to

change the narrative and approach this problem from an innovative angle," says Govender.

South Africa is actively working towards strengthening its cybersecurity framework. This gap is being addressed through a deliberate, multi-year legislative process expected to culminate in introducing a comprehensive Cybersecurity Bill. As part of this process, the State Security Agency initiated consultations with critical public and private stakeholders in December 2023 to discuss the development and scope of the proposed bill.

"While this is a significant step in the right direction, we need to realise that South Africa needs to become stricter in enforcing its legislation. The effective enforcement of existing cybersecurity laws, such as the Cybercrimes Act and the Protection of Personal Information Act (POPIA), must be paired with developing new policies that address emerging technological trends. Innovating in cybersecurity solutions and adopting cutting-edge technologies like AI and blockchain will further enhance the security and efficiency of digital services. Additionally, international collaboration is

ls to become th its cyber ment

critical. By aligning with global cybersecurity standards and participating in international initiatives, South Africa can bolster its defences against global threats and secure a position as a reliable and safe digital economy player," says Govender.

Proactive vs reactive

While much is being done to establish a legislative framework that will govern the country's cyber security, this will be a reactive response to any cyber attack/breach. More needs to be done to improve the digital skills of South Africa's youth.

However, MANCOSA has previously pointed out that one of the biggest challenges facing higher education institutions is that students begin their academic journey with varying digital skills.

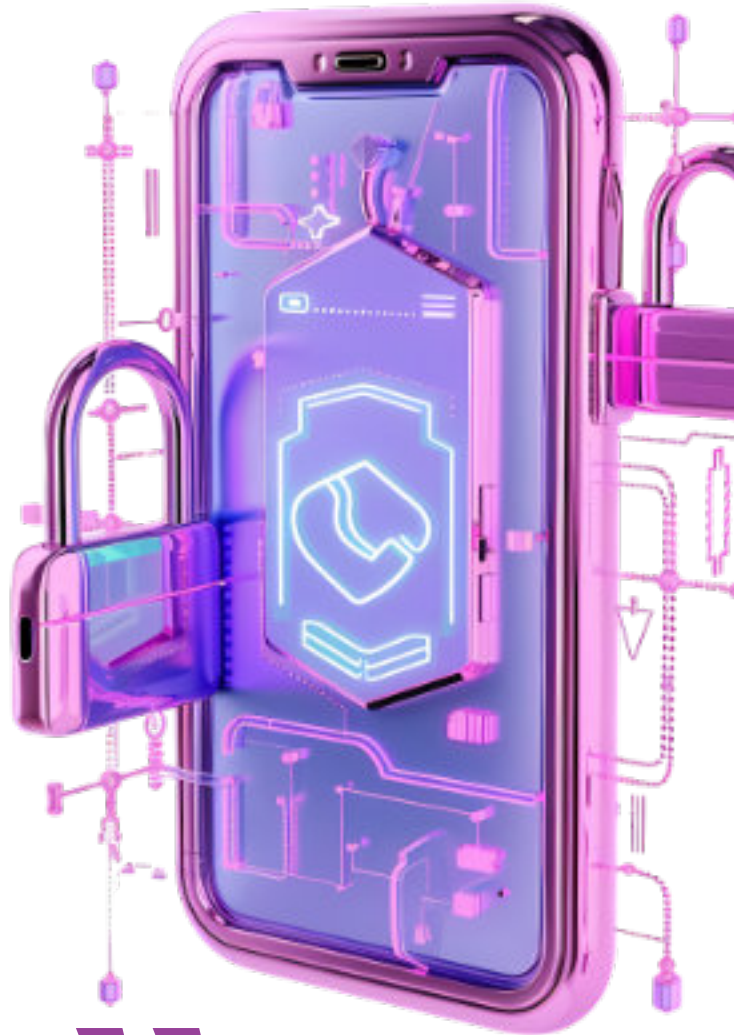
"This is a challenge that needs to be addressed. MANCOSA is actively piloting innovative projects to enhance our students' digital skills, ensuring they are well-prepared for the evolving demands of the modern workforce. These initiatives, still in their early stages, are focused on embedding advanced digital competencies through

targeted curriculum updates and strategic partnerships with technology leaders. These efforts are part of our broader strategy to equip our students with the necessary tools and knowledge to thrive in the digital age," says Govender.

A bright future

Despite the imminent cyber threat, Govender points out that significant measures are being implemented to address future cyber threats. If the enforcement of South Africa's cyber security laws becomes stringent and South Africa invests in improving human capital in this area, the country can become a significant global player in the digital economy.

"Through strategic investments in technology, human resources, and policies, South Africa can overcome its cybersecurity challenges and establish a secure, dynamic, and successful digital economy," says Govender



W *SMEs are particularly vulnerable to cyberattacks*

The top 3 focus areas for creatives who are chasing financial freedom

Social media influencers are a growing force across platforms

like Instagram and TikTok, successfully promoting brands and products that resonate with their audiences. This work calls for a fair price tag and sees many digital content creators gaining great financial ground and a consistent stream of work from the ROI their influence generates, but what are they doing with their hard-earned income?

It's no secret that creatively minded individuals often have a better time crafting content than crunching numbers, and many don't consider or conduct their work on social media as a business with targets and reinvestment rates. A lot of influencers don't have the luxury of a manager to help them with their finances, but the good news is that even influencers without structured support teams can get financially savvy with some simple planning tips.

Being an influencer comes with some unique financial challenges. The irregular income and lack of traditional employer-sponsored benefits such as retirement plans, make being proactive about your financial future that much more crucial.

Saving for retirement is not as exciting as splurging to reward yourself for the paid partnering efforts but having a plan does give your finances some longevity. A quiet moment

alone to consider how you'll afford your lifestyle if you live past 60 years makes one take the future a little more seriously. Putting money aside now makes all the difference.

Here are three top considerations to get on track:

Know your life stage.

If you're in your 20s-40s, which many influencers are, you may consider getting married, buying a house, or having kids. Even if you already have the textbook adulting metrics covered or if you're still working towards them, considering your long-term wealth plan is important right now. You don't need a house or family before you get a retirement plan. But you do need as much time as possible to build a favorable retirement plan.

Know the cost of time.

The secret sauce to a comfortable retirement is compound interest. This is when your money makes money (interest) and then that interest earns interest (compounds), and so it builds, provided it remains untouched to grow into a substantial amount of savings for your golden years. You can start saving for the future with a Retirement Annuity (RA) from as little as R250 per month and you can increase, decrease, or pause your contributions as your earning potential changes, while the money you have saved continues to grow.

Lifestyle inflation is a very common issue to watch out for over time. When we earn more money, we get used to spending more too. The habits and aesthetics of it all make us accustomed to a certain lifestyle. Money has the power to grow if used wisely, but R1000 today vs in the year 2065, won't buy you the same number of grocery items. The longer you put off saving, the harder it will be to have enough. The sooner you start saving for retirement, the better – this adage exists because it's a fact.

Know your budget.

Making money as a digital content creator is unpredictable. One month you've secured a multi-month retainer deal, the next, the requests for collaboration are little to none. When the money is good, it's tempting to spend that on nice things for yourself, family, or friends. But it's important to budget for your monthly expenses and make provision to start saving for retirement. The flexibility of retirement products to pause contributions as it suits your pocket makes them less daunting, so there is no reason to delay.

Like 9-5 employees; with their set paydays and timeous debit orders, as an influencer with a little less guarantee, it's important to avoid overspending in favour of saving. Your budget needs to match your goals and flourishing financially is a worthwhile goal to have.

A good trick to mitigate frivolous spending is whether you can afford to buy that exorbitantly priced item twice. If you can't, then you can't afford it. Don't let YOLO leave you broke.

Another great perk when saving for retirement is the tax benefit you get every year along the way – helping you to stay the course even though you can't access your retirement savings for many years.

30 million economically active South Africans do not have a retirement plan. Anyone, regardless of their level of income, can work towards a financially secure future and a financial adviser can help to guide that planning and answer any questions you may have.

Future-proofing your finances as early as possible will alleviate financial stress and give you even more time to curate ideas, experiment creatively and secure more brand partnership bags.





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Helpful Information

Regulator

| | |
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| National Home Builders Registration Council | www.nhbrc.org.za |
| National Consumer Commission | www.thencc.org.za |
| Financial Services Board | www.fsb.co.za |
| The Public Protector | www.pprotect.org |
| National Consumer Tribunal | www.thenct.org.za |
| National Gambling Board | www.ngb.org.za |
| National Lotteries Commission | www.nlcsa.org.za |
| Compensation Fund | www.labour.gov.za |
| Competition Commission | www.compcom.co.za |
| Council of Medical Schemes | www.medicalschemes.com |
| Government Employees Pension Fund | www.gepf.gov.za |
| Pension Fund Adjudicator | www.pfa.org.za |
| National Regulator for Compulsory Specifications | www.nrsc.org.za |
| Independent Communications Authority of South Africa (ICASA) | www.icasa.org.za |
| South african banking risk information centre sabric | www.sabric.co.za |

Ombudsman

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| The Office of the Credit Ombud | www.creditombud.org.za |
| Consumer Goods and Services Ombud | www.cgso.org.za |
| The Ombudsman for Banking Services (OBS) | www.obssa.co.za |
| Short Term Insurance Ombud | www.osti.co.za |

COMPLAINTS

Ordinary complaints about Credit Providers and Bureaus
Fax: 087 234 7822 - Email: complaints@ncr.org.za

DEBT COUNSELLING RELATED COMPLAINTS

Ordinary complaints about Credit Providers and Bureaus
Fax: 087 234 7822 - Email: dccomplaints@ncr.org.za

CREDIT RELATED MATTERS AND DEBT COUNSELLING

Telephone: 011 554 2600 - Fax: 011 805 4905
Email: info@ncr.org.za

CONSUMER PRODUCTS AND SERVICES

National Consumer Commission

Telephone Number 012 428 7000
Email: enquiries@thenc.org.za - www.thenc.org.za

BANKING - The Ombudsman for Banking Services

The Ombudsman for Banking Services

Telephone: 011 838 0035/38/39 - Fax: 011 838 0043
Email: info@obssa.co.za

CREDIT BUREAU AND NON-BANK FINANCIAL SERVICES

Credit Ombud

Telephone: (011) 993 4973 - Call centre: 086 166 2837
Email: ombud@creditombud.org.za

FINANCIAL ADVICE

The Office of the Ombud for Financial Services Providers

Telephone: 012 470 9080 - Fax: 012 348 3447
Email: info@faisombud.co.za

INVESTMENTS

The Financial Services Board

Telephone: 012 428 8000 - Fax: 012 347 0211
Email: info@fsb.co.za

LIFE ASSURANCE

Ombudsman for Long-term Insurance.

Telephone: 021 657 5000 - Fax: 021 674 0951
Email: complaints@ncr.org.za

MEDICAL SCHEME

The Council for Medical Schemes

Telephone: 012 431 0500 - Fax: 012 431 0560
Email: support@medicalschemes.com

PENSION FUND

The Pension Funds Adjudicator

Telephone: 012 748 4000 - Fax: 086 572 1961
Email: enquiries@pfa.org.za Website: www.pfa.org.za

NHBRC

Telephone: 0800 200 824 - E-mail: thenhbrc@nhbrc.org.za

NRCS - Head Office

Telephone: +27 12 482 8700 - Fax: +27 12 428 5199
SABS Campus 1 Dr Lategan Road Groenkloof Pretoria
PO Box: NRCS Private Bag X25, Brooklyn 0075

SHORT-TERM INSURANCE

The Ombudsman for Short-term Insurance

Telephone: 011 726 8900 - Fax: 011 726 5501 - Email: info@osti.co.za

The Office of the Ombud for Financial Services Providers

The National Consumer Commission

Telephone: +27 12 762 5000 / +27 12 470 9080 - Fax: +27 86 764 1422 / +27 12 348 3447
Email: info@faisombud.co.za Website: www.faisombud.co.za

NERSA

National Energy Regulator of South Africa

Telephone: 021 401 4600 - Fax: 012 401 4700 - Email: ombud@creditombud.org.za

OFFICE OF THE TAX OMBUD

Telephone: 0800 662 837 or (+27) 12 431-9105 - Fax: (+ 27) 12- 452-5013
Email: complaints@taxombud.gov.za

ICASA

Telephone: +27 (11) 566 3000/3001 - Email: info@icasa.org.za
Postal: Private Bag X10002, Sandton 2146, Physical: Blocks A, B, C and D, Pinmill Farm
164 Katherine Street Sandton

SABRIC - The South African Banking Risk Information Centre

Telephone: +27 11 847 3000 - E-mail: info@sabric.co.za

Provincial Consumer Affairs Department

Eastern Cape

Telephone: 0860 007255 - Fax: 086 611 4305 - Email: consumer.protector@dedea.gov.za

Gauteng

Telephone: 011 355 8006 - Fax: 011 355 8110 - Email: consumer.protector@dedea.gov.za

Mpumalanga

Telephone: 013 766 4802 - Fax: 013 766 4966 - Email: nnkosi@mpg.gov.za

Limpopo

Telephone: 015 295 5740 - Fax: 015 293 8300 - Email: findo@ledet.gov.za

North West

Telephone: 018 387 7700 - Fax: 018 384 9440 - Email: Rbalepile@nwpg.gov.za

Free State

Telephone: 015 400 4852 / 086 514 6112 - Fax: 051 400 9610
Email: Radikelt@detea.fs.gov.za

Kwa-Zulu Natal

Telephone: 033 264 2500 - Fax: 033 264 2676 - Email: Rabotapil@kznded.gov.za

Northern Cape

Telephone: 053 831 5562 - Fax: 053 831 5547 - Email: Aleciaph100@yahoo.com

Western Cape

Telephone: 021 483 5133 / 080 000 7081 - Fax: 021 483 5872
Email: consumer.protector@westerncape.gov.za



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