

GEPFF

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MONITOR

Staatsdienspensioenfonds- Moniteringsgroep



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Welkom by ons vyfde Nuusbrief

Geagte Vriende en mede-pensioentrekkers,

Ons groet hier uit Pretoria, dis lente en dis lekker warm in die ou hoofstad. Die Jakarandas het vanjaar pragtig geblom; net jammer die reent was so laat. Die vinke maak hul neste en die voëls en duiwe is volop in die tuin. Die tarentale kreun soos droë kruiwawiele hier teen Meintjieskop, net agter die Uniegebou. Voel of ons op 'n plaas is.

Ons geniet almal ons pensioen na jare in die tuig. Tans is die nie rede tot paniek nie maar ons span hou egter die situasie met valke oë dop. Dit was 'n besige maand gewees en ons groepie was aktief in beide Kaapstad en in Pretoria.

Vir u inligting haal ons vir u berigte aan uit koerante, uit PoliticsWeb en BizNews. 'n Ingeligte persoon is 'n berekende persoon. Wees verseker dat net ons pensioen se belange op die spel is.

Lees die volgende aangehaalde stukkies en ook ons verslae.

Baie groete

Hennie Heymans: Samesteller

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Revealed: PIC lent R1bn to Iqbal Surve – here’s full list of beneficiaries.

BizNews

[SA INVESTING](#) / October 18, 2016

The Public Investment Corporation (PIC), the South African government’s asset manager which is the retirement funds custodian for all public sector employees, lent more than R1bn to Iqbal Surve’s struggling Independent Media Group. The PIC reluctantly revealed this information after instructed to do so by Parliament. The detailed breakdown of its “investments” – many of which have been channelled to politically influential persons – is embedded in the article below. It makes disturbing reading for public sector retirees. The loan to Surve provided the cash for him to acquire the newspaper group at a price that is double what any other bidder was prepared to pay. It is justified by the PIC as it facilitated black ownership of the country’s print media – reasoning which falls way outside the PIC’s investment mandate. When explaining the rationale for the deal, the PIC described Independent as a large company that owns some of the most trusted titles. But few will believe that these are the real reasons the PIC has provided financial backing to the group.

For starters, there has been a stark deterioration in the quality of the journalism across Independent titles and a purge of senior journalists who stood their ground against management over editorial independence. More importantly, the ruling ANC has moved to take control of the messaging across the media industry, starting with the national broadcaster – the SABC, where buffoonish Zuma ally Hlaudi Motsoeneng has had a firm hand on the tiller. The Gupta family, also close associates of President Jacob Zuma and in the limelight in connection with not far off R7bn in questionable financial transactions, controls through Oakbay Investments The New Age newspaper and ANN7 outlets. Surve, who falsely claims to have been a struggle doctor who nursed none other than Nelson Mandela, was undoubtedly seen as an ally in the ANC campaign when the PIC opened the money tap. Surve was in India at the weekend at a Brazil, Russia, India, China, South Africa conference – also attended by Zuma who appointed him as one of the country’s five representatives onto the BRICS Business Councils. The PIC’s secrecy over its significant funding arrangements with the Independent group only adds to suspicions that decision-makers within the country’s largest asset manager are having their strings pulled by politicians instead of selecting assets based on sound investment principles. – Jackie Cameron

By Liesl Peyper

Cape Town – The Public Investment Corporation (PIC) on Tuesday disclosed details of 250 investments in its unlisted portfolio.

The PIC’s investment in this portfolio totalled R44.6m in the 2015/16 financial year.



David Maynier. Picture courtesy of Twitter @SABreakingNews
Democratic Alliance MP David Maynier has for five months put pressure on the PIC to disclose the name, type, value, rate of return and the names of all directors of the companies in the unlisted portfolio.

He wanted assurance from Deputy Finance Minister Mcebisi Jonas – who is also the chairperson of the PIC – and the entity’s CEO Dan Matjila that there are no “rent

seekers with political influence trying to raid the PIC” under the companies in which the PIC invests.

The PIC, which manages among others the assets of the Government Employees Pension Fund, the Unemployment Insurance Fund and the Compensation Fund, had a total of R1.8trn assets under management in the 2015/16 financial year.

It invested in unlisted companies through the Isibaya Fund – a corporate development investment fund that supports investments in the developmental sphere.

The state-owned entity has a R1.275bn investment in Independent Media Group, which is headed up by businessman and Sekunjalo Investments owner Iqbal Surve.



Iqbal Surve, head of Independent media group.

The PIC’s exposure to Independent Media is as follows:

- R166 333 000 – direct equity (25%)
- R579 683 083 – debt loan
- R183 000 000 – debt loan
- R346 096 192 – debt converted to bridge finance

Isibaya detailed investment schedule

The PIC earlier couldn’t disclose the exact sum of money it has made available to Sekunjalo Independent Media, but the document showed it provided more than R1bn in the form of debt financing to Sekunjalo.

In May, the PIC defended its decision to finance Sekunjalo’s acquisition of Independent Media, saying the media group is the “largest English language

newspaper publisher in South Africa that owns some of the most respected and trusted media titles in the country”.

- *Read also:* [James Myburgh: How Independent is Surve's Independent with R900m PIC debt](#)

“The media industry remains largely untransformed in terms of black ownership. In participating in the acquisition of Independent Media the PIC facilitated black ownership of the print media sector.

Full PIC statement to standing committee of finance

“The PIC funded the Sekunjalo Consortium, which comprises of Sekunjalo which is an empowered listed company and other broad-based empowerment groups,” PIC’s CEO said in a response to a question from Parliament’s Standing Committee on Finance. – Fin24

- **Source:** <http://www.fin24.com/Companies/Financial-Services/pic-discloses-exact-exposure-in-surves-media-group-20161018>

<http://www.biznews.com/sa-investing/2016/10/18/pic-lent-r1bn-iqbal-surves-independent/> afgelaai op 5 November 2016

- Om die hele: “**Isibaya detailed investment schedule**” te raadpleeg moet u op die skakel klik: <http://www.biznews.com/sa-investing/2016/10/18/pic-lent-r1bn-iqbal-surves-independent/>
- Om die “**Full PIC statement to standing committee of finance**” te sien moet u klik op: <http://www.biznews.com/sa-investing/2016/10/18/pic-lent-r1bn-iqbal-surves-independent/>

Parlementêre Portefeulje Komitee oor Finansies: AP Stemmet en James Galvin

Beste vriende

1. Ons het die vergadering van die Parlementêre Portefeulje Komitee oor Finansies bygewoon. Oor die debat doen ons later verslag. Intussen kyk News 24 se artikel deur Liesl Peyper wat haar ook aan ons kom voorstel het. Sy het ook geweet wie ons verteenwoordig.

2. Met die oog op die moontlik samesprekings, die volgende:

(a) Voor die vergadering het lede van die OBK en Raad vir Trustees ons kom groet. Hulle het gewet wie die Monitorgroep is en dat ons daar is. Voor en na die vergadering het ons gesprekke gevoer met meneer Abel Sithole, me. Linda Mateza en me. Adri van Niekerk van die GEPF asook dr. Daniel Matjila, meneer Deon Botha en me. Matsepo More. Dr. Matjila is die HUB, meneer Botha Hoof Koöperatiewe Aangeleenthede en me. More die Hoof Finansiële Beampte. In totaal was die OBK/GEPF afvaardiging twaalf sterk. Hulle was angstig om met ons te praat.

(b) Ons het reguit maar beleefd gesprek gevoer en in geen onsekere taal ons teleurstelling uitgespreek dat hulle nie ons vroe antwoord nie, dit systap en vir ons lesings gee oor onderwerpe wat ons ken. Dr. Matjila en meneer Botha en me. More was verbaas oor die vroe en het gevra of hulle dit kan kry. Ons het dit oorhandig. Ook dat ons direk met hulle kan skakel en alles wat ons aan die GEPF stuur ook na hulle kan verwys (cc). Hulle sal sorg dat ons antwoorde kry.

(c) Almal van die GEPF en OBK vra dat ons asseblief moet voortgaan met die samesprekings op 27 Oktober 2016. Ons het dit duidelik gestel dat ons sou verkies dat daar gelyktydig met beide liggame vergader word sodat daar tussen ons en die twee liggame geen onduidelikhede moet wees nie. Beide groepe, waarmee ons elke keer apart vergader het, het daartoe ingestem.

Ons beveel aan dat die vergadering op 27 Oktober 2016 moet voortgaan en dat die volle bestuur en ander lede moet bywoon. Hulle sal 'n groot groep wees. Ons het hulle gesê ons sal so aanbeveel maar hulle versoek om volledige antwoorde op ons vroe by die vergadering te verskaf. Hulle het dit so aanvaar. Ons het geen trusteelede gesien nie.

Ons was verras dat ons so vriendelik deur hierdie mense verwelkom is en dat hulle ons skerp kritiek oor verskeie onderwerpe in so goeie gees aanvaar het.

Groete

A P STEMMET
J GALVIN

In-diepte Verslag: Parlementêre Portefeulje Komitee oor Finansies

Op 18 Oktober het ek (AP Stemmet) en James Galvin die vergadering van die Portefeuljekomitee oor Finansies namens die Monitoringsgroep bygewoon.

Vir beide van ons was die besoek nostalgies omdat ons al twee in ons jeug daar diens gedoen het. Hy as 'n polisieman en ek as 'n parlementere amptenaar van Justisie. Al die ou wandelgange, vergadersale ens. van die ou gedeelte van die gebou is nog dieselfde. Maar dit is al wat dieselfde gebly het. In ons geestesoo het ons stoere ou figure uit die verlede gesien – dr. Verwoerd, menere Ben Schoeman, John Vorster, speaker Henning Kloppe – sir De Villiers Graaff en vele meer.

Die vergadering het gegaan oor verslagdoening deur die Openbare Beleggingskorporasie (OBK) wie se beleggings hoofsaaklik uit die

Staatsdienspensioenfonds kom, 88.8% daarvan, en die Raad vir Trustees van die Staatsdienspensioenfonds (GEPF / SWPF).

Daar was groot afwagting oor die openbaarmaking van die sogenaamde geheime (unlisted) beleggings wat op aandrang van die Opposisie sou plaasvind. Lede van die twee organisasies het aanbiedings gedoen, alles duidelik goed voorberei en professioneel aangebied. Indrukwekkend. Baie inligting is voorsien.

Die geheime beleggings was 'n openbaring. Al 250 van hulle. Sommige van hierdie beleggings was baie goed met hoe opbrengste. Sommige was net goed. Ander weer het geskok as gevolg van verliese gely.

Ons sal nie probeer om hiermee 'n volledige verslag van die debatte te gee nie. Die media het volledig verslag gedoen. Ons herhaal hiermee net enkele stellings wat gemaak is. Sommige waarmee 'n mens kan saamstem ander nie.

“We need economic growth to have assetgrowth.”

“With investments in Africa you must crawl before you can run.”

Beleggings in staatsbeheerde organisasies word bevraagteken.

Daar word net gepraat van “workshops”, “plans”, “Strategic Intent”. Iets meer konkreets word verwag.

Kritiek omdat daar nie vordering met die opleiding van swart beleggingsbestuurders gemaak word nie.

Die platteland moet meer baat deur beleggings kry.

Kritiek op geld wat aan munisipaliteite beskikbaar gestel is. 'n Ander een se weer dankie want die OBK het gehelp dat die mense by Madibeng se watervoorsiening herstel is.

Twee parlamentslede betwyfel of alle “geheime” beleggings nou openbaar is.

Pensioentrekkers word ouer en meer en goeie voorsiening moet dus deur middel van goeie beleggings gedoen word. En baie meer.

Wat 'n mens bekommerd maak is dat te veel parlamentslede, en nie net aan regeringskant nie, die Staatsdienswerknemerspensioenfonds as 'n spaarvarkie sien soos meneer David Maynier dit al uitgedruk het. Voorstelle oor die beskikbaarstelling van geld uit die fonds was legio. Daar is byvoorbeeld voorgestel dat geld uit die fonds beskikbaar gestel moet word vir onder ander behuising, gesondheid, opvoeding, klein sake en meer. Parlamentslid, meneer Floyd Shavambu het selfs voorgestel dat daar 'n heffing van 2.5% op die fonds moet wees vir “Fees must fall” want biljoene is in die fonds vergader en “ the money belongs to the people”.

Gelukkig het die OBK en meneer Abel Sithole, hoof uitvoerende beampte van die GEPF, sterk op hierdie voorstelle gereageer deur daarop te wys dat die fonds nie

sondermeer vir allerhande doeleindes aangewend kan word nie, omdat die geld van die fonds nie aan die regering of die GEPF behoort nie. Dit behoort aan lede van die pensioenfonds wat 'n seggenskap behoort te hê in die beleggings daarvan.

Meneer Sithole het ook gewaarsku dat staatsamptenare nie te vroeg moet aftree nie want dit is nog tot hul voordeel nog tot die van die fonds.

Daar is ook gesê dat daar 'n klagte meganisme geskep sal word aangesien daar net twee instansies wat is wat tans genader word nl. die Openbare Beskermer en die howe.

Etenstyd het ons die geleentheid gehad om informeel gesprekke te hê met dr. Daniel Matjila en lede van die afvaardiging van die OBK en die van die GEPF onder leiding van meneer Abel Sithole. Hierdie gesprekke was alhoewel op 'n beleefde wyse tog reguit en op die man af. Albei die groepe het ons hoflik hanteer, en saamgestem dat daar beter kommunikasie tussen ons groep en hulle moet wees. Hulle het ernstig versoek dat die voorgenome samesprekings tussen ons groep en die GEPF op 27 Oktober 2016 wat in die weegskaal was, moet plaasvind. Almal, ons ook, was van mening dat die OBK deel van die gesprek moet wees. Ons het dit sterker gestel en gesê dat dit 'n vereiste vir die samesprekings is.

Later het mnre. Maynier en Alberts het hul twyfel uitgespreek of alle geheime beleggings openbaar is. Soos hulle sal ons groep ook die situasie fyn dophou.

Opsommend ons is meer gerus dat die Opposisie die twee instansies op hul tone hou en hulle soos ons, fyn dophou. Die wandelgang gesprekke was waardevol en ons glo dit sal ons saak in die toekoms bevorder.

AP Stemmet

Who gains from investments of PIC? – Adv. Anton Alberts

Anton Alberts | 21 October 2016

Party launches application to determine who the shareholders are of the unlisted entities in which fund invested GEPF money

FF Plus launches application to determine who the shareholders are of the unlisted entities in which the PIC had invested the funds of the Government Employee's Pension Fund (GEPF)

The FF Plus wants to know who exactly gains from investments of the Public Investment Corporation (PIC) made with the Government Employee's Pension Fund (GEPF), Adv. Anton Alberts, the FF Plus' parliamentary spokesperson on Finance, says.

Adv. Alberts says the FF Plus is not satisfied with the information that the PIC had shared with the parliamentary portfolio committee on Finance on 18 October 2016. He said the report shows which amounts had been invested in various entities, and also indicates who the directors are, but no mention is made of to whom these entities belong, which had received investments from the GEPF.

The FF Plus therefore submitted an application in terms of the Promotion to Access of Information Act (PAI Act) to obtain this information.

“The key question is whether any politically connected persons hold direct or indirect shares or any other interests in the entities in which investments had royally been made. Given the extent of state capture which is currently unfolding, it is important to determine whether any politically connected individuals had gained a financial advantage through the PIC which made investments on behalf of the GEPF and the Unemployment Insurance Fund (UIF).

“It is well-known that the GEPF is ideally positioned to advantage politically connected individuals at the expense of GEPF members.

“The FF Plus, therefore, undertakes to sharpen its oversight of the GEPF to ensure that there isn’t another debacle like the one with Transnet’s pension funds,” Adv. Alberts says.

Issued by Anton Alberts, FF Plus parliamentary spokesperson, 21 October 2016
http://www.politicsweb.co.za/politics/who-gains-from-investments-of-pic--anton-alberts?utm_source=Politicsweb+Daily+Headlines&utm_campaign=a07cce29a5-DHN_24_Oct_2016&utm_medium=email&utm_term=0_a86f25db99-a07cce29a5-130042309 afgelaai op 23 Oktober 2016 op PoliticsWeb.

25 Oktober 2016: Mediaverklaring: Media Statement: AP Stemmet

MEDIAVERKLARING

ONDERWERP: SAMESPREKINGS TUSSEN DIE OBK, GEPF EN STAATSDIENSPENSIOENFONDS MONITERINGSGROEP

UITGEREIK DEUR: A P STEMMET SEGSMAN, NAMENS DIE VOORSITTER VAN DIE STAATSDIENSPENSIOENFONDS MONITERINGSGROEP.

DATUM 25 OKTOBER 2016

BELEGGINGSPROJEKTE VAN FONDSE VAN DIE STAATSDIENSPENSIOENFONDS WAT VOORHEEN IN DIE GEHEIM GEDOEN IS, WORD OP 27 OKTOBER 2016 IN PRETORIA OP 'N VERGADERING TUSSEN DIE OPENBARE BELEGGINGSKORPORASIE (OBK), DIE RAAD VIR TRUSTEES VAN DIE STAATSDIENSPENSIOEN FONDS(GEPF) EN DIE STAATSDIENSPENSIOEN MONITERINGSGROEP BESPREEK.

HIERDIE SAMESPREKINGS VIND OP VERSOEK VAN DIE MONITERINGSGROEP PLAAS.

DIE GROEP IS 'N APOLITIESE GROEP BESTAANDE UIT LEDE VAN DIE STAATSDIENSPENSSIOENFONDS, WAT BELEGGINGS WAT DIE OBK NAMENS DIE PENSIOENFONDS MAAK, MONITEER. DIE GROEP IS VAN MENING DAT DIE BESTAANDE PERSONEELORGANISASIES EN VAKBONDE NIE HIERDIE ROL VERVUL NIE. AANDAG WORD VERAL GEGEE AAN BELEGGINGS WAT NIE TOT DIE BESTE VOORDEEL VAN DIE FONDS GEMAAK WORD NIE EN OOK DIE MET OENSKYNLIK POLITIEKE DOELWITTE.

250 BELEGGINGS WAT VOORHEEN IN DIE GEHEIM GEDOEN IS, IS OP 18 OKTOBER 2016 BY 'N VERGADERING VAN DIE PORTEFEULJE OOR FINANSIES VAN DIE PARLEMENT DEUR DIE OBK BEKENDGESTEL EN WORD TANS DEUR DIE MONITERINGSKOMITEE BESTUDEER.

ANDER BELANGRIKE AANGELEENTHEDE WAT BESPREEK SAL WORD IS DIE BELEID OOR BELEGGINGS IN AFRIKA EN BUITELAND ASOOK BINNELANDSE BELEGGINGS WAT KOMMER WEK.

BELANGRIKE ONDERWERP SAL DIE SKEP VAN GOEIE VERHOUDINGS TUSSEN DIE ORGANISASIES WEES.

NAVRAE: A P STEMMET

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MEDIA RELEASE

SUBJECT: DISCUSSIONS BETWEEN THE PIC, GEPF AND THE GEPF MONITOR GROUP.

ISSUED BY: A P STEMMET: SPOKESMAN, ON BEHALF OF THE CHAIRPERSON, GEPF MONITOR GROUP.

DATE 25TH OCTOBER, 2016.

INVESTMENTS OF FUNDS OF THE GOVERNEMENT EMPLOYEES PENSION FUND WHICH IN THE PAST TOOK PLACE IN SECRET WILL BE DISCUSSED ON 27th OCTOBER, 2016 IN PRETORIA AT A MEETING BETWEEN THE PUBLIC INVESTMENT CORPORATION (PIC), THE BOARD OF TRUSTEES OF THE GOVERNMENT EMPLOYEES PENSIONFUND AND THE GOVERNEMENT EMPLOYEES PENSIONFUND MONITOR GROUP (MONITOR GROUP). THE MEETING WAS REQUESTED BY THE MONITOR GROUP.

THE MONITOR GROUP IS APOLITICAL AND ITS MEMBERS ARE MEMBERS OF THE PENSION FUND. ITS AIM IS TO MONITOR INVESTMENTS MADE BY THE

PIC ON BEHALF OF THE PENSION FUND. STAFF ORGANISATIONS AND TRADE UNIONS ARE NOT ACTIVE IN THIS FIELD. ATTENTION IS GIVEN ESPECIALLY TO INVESTMENTS WHICH CAN BE REGARDED NOT BE MADE IN THE BEST INTEREST OF THE FUND AND TO THOSE WITH POSSIBLE POLITICAL MOTIVES.

PARTICULARS ABOUT 250 INVESTMENTS PREVIOUSLY MADE IN SECRET WERE MADE PUBLIC AT A MEETING OF THE PORTFOLIO COMMITTEE ON FINANCE IN PARLIAMENT ON 18th OCTOBER, 2016 AND ARE AT PRESENT BEING STUDIED BY THE MONITOR GROUP.

OTHER IMPORTANT MATTERS WHICH WILL BE DISCUSSED ARE INVESTMENTS IN AFRICA AND ABROAD. INVESTMENTS IN THE RSA WHICH CAUSE CONCERN WILL ALSO BE DISCUSSED.

AN IMPORTANT MATTER ON THE AGENDA WILL BE A FUTURE GOOD RELATIONSHIP AMONGST THE THREE ORGANIZATIONS.

ENQUIRIES: A P STEMMET

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Brief aan Die Burger: AP Stemmet

Beleggings namens die Staatsdienswerkerspensioenfonds het heelwat media aandag geniet nadat 250 beleggings wat in geheim gemaak is op aandrang van opposisie politici op 18 Oktober in die Portefeulje Komitee vir Finansies, openbaar gemaak is.

Die Staatsdienswerkerspensioenfonds Moniteringsgroep waarsku al lank teen sinistere beleggings en beleggings met moontlike politieke motiewe. Selfs ons eie kollegas is skepties en beskuldig ons daarvan dat ons “wolf-wolf” skreeu. En nou? R4miljard geblaas op African Bank (ou nuus). Toe die “nuwe” African Bank onmiddellik na die inploffing van die oue gestig is, beleggings daarin gemaak is tot so ’n mate dat die OBK nou ’n 25% aandeel in daardie bank het. Weer ’n bank wat spesialiseer in ongesekureerde lenings. Een Marikana-staking en diè een is ook bankrot!

Verliese daaruit van tot 33.44% op geheime projekte wat miljarde beloop. Meer as R1 miljard daar in ’n dalende gedrukte mediamark toe Independent Newspapers teen dubbel sy boekwaarde gekoop is. Die doel volgens dr. Daniel Matjila, HUB van die Openbare Beleggingskorporasie: Om ’n “swart” Naspers te skep. Ek het nie geweet Naspers is “wit” nie!

Oor die jare is ons verseker hoe sterk die fonds is, nl. die grootste belegger in Afrika en ons is verseker oor die goeie beleggings wat gemaak word. Nou blyk dit dat nie almal so winsgewend is nie – veral van die wat in die geheim gedoen is. Ons is oor

en oor verseker dat ons niks te vrese het nie. Formele samesprekings vind op 27 Oktober in Pretoria plaas tussen die OBK, Raad vir Trustees en ons groep. 'n Verskeidenheid baie belangrike sake sal bespreek word.

Die fonds beweeg reeds op te veel terreine waarvoor die Staat verantwoordelik is soos byvoorbeeld, behuising, gesondheid, opvoeding en vele meer.

Op 18 Oktober en 25 Oktober in die Parlement word voorgestel dat daar 'n 2.5% heffing op die fonds geplaas moet word vir "Free Education" want die fonds het mos biljoene en ".....these money belongs to the people".

Wat nie waar is nie: dit behoort aan die lede van die fonds. Wat nog?

Die Staatsdienspensioenfonds het reeds meer as R186miljard in Staatsorganisasies belê: Sanral, Eskom, Landbank, Acsa is voorbeelde. Daar is vele meer.

Intussen kry staatsdienspensioentrekkers gewoonlik jaarliks 'n verhoging van 75% van die VPI en boer agteruit. Min van ons kla oor die verhogings maar die smaak in 'n mens se mond word bitter as jy al die vermorsing aanskou.

Ons wil ons kollegas gerusstel dat die fonds nog sterk is. Ons probeer hard om dit so te hou. Ons hoop ook om op 27 Oktober 2016 antwoorde op baie vrae te kry en beskou dit noodsaaklik om goeie verhoudings tussen die organisasies te skep. Glo u ons nou dat daar fout is?

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POLITICSWEB: OPINION: HELEN SUZMAN FOUNDATION

helen.suzman.foundation



PIC discloses details of its unlisted investments

Anton van Dalsen | 26 October 2016

The Public Investment Corporation discloses details of its unlisted investments for the first time

24 October 2016

The Public Investment Corporation (PIC) presented its 2015/2016 annual report to Parliament's Standing Committee on Finance on 18 October 2016. This presentation included disclosure of the PIC's unlisted investment portfolio for the first time.

Unlisted investments^[1]

The major elements relating to its unlisted investments are the following, as set out in the PIC's presentation:

- Its total unlisted investment portfolio amounts to an amount of R44.6 billion, representing 2.4% of its aggregate assets under management of R1.86 trillion. It should be noted that the figure of 2.4% indicated by the PIC relates to private equity and developmental investments but excludes unlisted property investments which represent 5.22%.
- Of the unlisted investments, R37.4 billion are in South Africa, with the major sectors being manufacturing (29%), renewable energy (16%), housing (9%), agriculture (7%) and property (6%).
- The balance of R7.2 billion of the unlisted portfolio is invested in the rest of Africa, mainly in financial services (33%), manufacturing (32%) and telecommunications (24%).
- The PIC classifies R23.5 billion of its unlisted portfolio as developmental investments and R21.1 billion as private equity;
- The return on the unlisted portfolio was 9.68% over 24 months.
- Within its broader aim of long-term financial sustainability, emphasis is placed on using its unlisted portfolio in growing the South African economy through developmental and private equity investments and to facilitate broad-based economic empowerment and skills development.
- Developmental and private equity investments are also made in this portfolio within a broader African context.

In order to provide an overall perspective of how the unlisted portion fits into the PIC's aggregate portfolio of R1.86 trillion, the following statistics are taken from the presentation:

Category	Percentage of total investments	Breakdown of category	Category as percentage of total investments
Domestic Listed	86%	Listed equity	48%
		Listed bonds	34%
		Cash/money market	4%
Domestic Unlisted	7.3%	Private equity	0.9%
		Developmental	1.2%
		Property	5.2%
Non-domestic Listed	6.2%	Equity	4.8%
		Bonds	1.4%
Non-domestic Unlisted	0.6%		0.6%

Note: The unlisted investments (excluding property) amount to a total of 2.7% in the above table, showing a discrepancy in relation to the 2.4% total mentioned by the PIC in the summary of its presentation and referred to above.

Controversial investments

A list of individual investments that make up the unlisted portfolio was published on the website www.businesslive.co.za following the PIC presentation to the Standing Committee on Finance. Public comment has centred on two investments from this

list: R1.27 billion equity and debt in Independent Media and R306 million in equity and loans to VBS Mutual Bank.

In respect of the Independent Media investment, the rationale was set out in the PIC's presentation to the Standing Committee on Finance on 10 May 2016, where it was stated that

The media industry remains largely untransformed in terms of black ownership ... We believe that this investment meets the key transformation objectives of the DTI surrounding ownership, management and being broad-based The previous international shareholders used to declare and pay out significant amounts of dividends and not much of the company's proceeds were invested in the South African economy. By supporting the Sekunjalo consortium to bring back the asset into South African hands, we've ensured that the asset will be utilised for the benefit of the South African economy.

In respect of the Independent Media investment, the list of PIC investments referred to above reflects an internal rate of return of minus 6.15% on the equity portion of R166m and a positive return between 10% and 15% on the debt portion of R1.1 billion.

Regarding VBS Mutual Bank investment, public interest is fuelled by the fact that this is the entity that had reportedly lent funds to President Zuma to enable him to repay the amount owing on the Nkandla renovations, in terms of the findings of the Public Protector. The return on this investment is reflected as ranging between 9% and 12.5% on the R300m debt and 14.36% on the R6m equity portion.

As far as the PIC itself is concerned, it is to be noted that its client base is made up of public institutions, with the Government Employees Pension Fund (GEPF) representing 88.2% of PIC's assets under management. The PIC reports to the Minister of Finance, who is the shareholder representative on behalf of the South African Government, which is in turn its sole shareholder. Funds invested by the PIC on behalf of the GEPF achieved a 10.98% return over the most recent 3-year period (compared to its benchmark of 11.04%).

In relation to the performance of its unlisted portfolio, the PIC's 2015/2016 annual report states that "unlisted investments also hurt performance over 3 years", in addition to the fact that "underperformance in global bonds detracted the most from relative returns".

Comment

As our own comment on the performance of the unlisted portfolio of private equity and development assets, it may be stated that it is usual for managers of general portfolios such as the PIC to include a small, higher risk portion in their portfolio. This higher risk portion would then potentially attract higher returns than lesser risk assets. The general experience of funds that are active in these areas is that their returns (when judged on an annual basis) tend to be less predictable than those consisting mainly of listed equity and bonds. Quite apart from valuation issues that may affect unlisted investments, they may take longer than initially expected to show a positive return on their eventual realisation (usually through a sale or listing). A

higher percentage of private equity investments may also have to be written off or impaired than is the case in the listed category (simply because of a higher risk element) - but those unlisted investments that are successful, may far outstrip other investments in their returns. Similar comments may be made on the developmental side of the portfolio, although the success of investments in that area also need to be judged within a more general context and not just within strict short-term financial return criteria.

The fact that the PIC had not released details of its unlisted assets in the past, led to much speculation about the potential beneficiaries of such investments. The transparency that the PIC has shown in the publication of these details will certainly lead to a greater degree of public confidence in the management of all aspects of the very substantial investment portfolio which the PIC administers, seen not only from the pension perspective of South African government employees but when considered within the broader context of the South African economy in general.

Anton van Dalsen, HSF

This article first appeared as an HSF Brief.

[1] Except where stated otherwise, all statistics are taken from the PIC's presentation of 16 October 2016 to the Standing Committee on Finance, the PIC's 2015/2016 annual report and a list of unlisted investee companies provided to the Standing Committee on Finance, as published on www.businesslive.co.za.

<http://www.politicsweb.co.za/opinion/public-investment-corporation-discloses-details-of> - PoliticsWeb: Afgelaai op 4 November 2016

Verslag: Ontmoeting met GEPF/SWPF en die OBK/PIC

'n Goed voorbereide span het met die bestuur van die GEPF en die PIC vergader. Hier is 'n opsomming van die ontmoeting.

Bestuur se verslag

1. Goed ontvang deur genl De Wit, mnr. A. Sithole, dr. SJ le Roux & Adri van Niekerk van GEPF asook slegs mnr. Botha van die OBK (Dr. D. Matjila het verskoning gemaak.)

2. Almal hulle het voorgelig. Was omslagtig maar ook insiggewend.

3. Ons het uiteindelik vir so 20-30 minute gepraat maar alg het tot so 1330 uur aangegaan.

4. Ja, mens kan nie anders as om beïndruk te wees tov hulle vermoëns en stelsels nie. Is 13% van aandelebeurs; bedrag wat hulle bestuur groter as regering bedrag. Dis oënskynlik welbedag en 'n geoliede masjien met baie wigte en teen wigte.

Voortvloeiend:

- Ons moet kennis neem van die inkomste sowel as die uitgawe kant
- Hulle uitdagings is: Kommunikasie wat verbeter moet word (met ons en andere); ons moet praat oor ons verskille;
- Uitgawes laas jaar bo normaal agv bedankings.

5. Ons het kans gehad om ons oordeel en persepsies oor te dra nl dat:

- Die pensioenaris geïgnoreer word.
- Politiek 'n rol by hulle speel sodat swak/riskante beleggings gedoen word.
- Ons nie genoeg neem met hulle swak antwoorde aan ons nie.
- Die kwessies tov African Bank, Rustenburg- en Venda-bewerings sowel as die munisipaliteite & Afrika is opgeneem.

6. Ons is baie verseker dat:

- politici nie vir hulle kan voorsê nie. Beweer hulle sal ook nie dit toelaat nie.
- Pensioenaris erken word.
- Venda Bank lening 'n ou reëling is, en wat die bank doen; nie hulle saak is nie. Hulle sorg dat terugbetaling plaasvind asook rentes betaal word.
- Rustenburg lening aan ANC is onwaar.
- Ja, hulle leen gedurig geld aan Munisipaliteite. Maar so ook aan groot firmas – met waarborge en rentes. Ons het uitgewys dat dit net voor verkiesing plaasgevind het – hulle beweer dis 'n sameloop van omstandighede.
- Afrika sal met nougesetheid oorweeg en bestuur word. Hulle wil verder diversifiseer.
- African Bank – beweer het alles mooi gehanteer maar 'some you win & some you lose'.
- Infrastruktuur beleggings – bydrae tot land, veilige belegging en redelik tot goeie rendement.
- Ook so met sosiale beleggings – lewer dikwels eers later rendement.
- OBK & GEPP het in detail hulle goedkeuring en kontrole stelsel voorgehou.
- Isibaja: groot bohaai oor 'n klein saak 2,4% of R42Bil. Kon nie voor tyd openbaar maak nie – kontrakte. Deur politici gedwing. Ons het uitgewys dat dit vir hulle baie skade gedoen het en dat hulle toe uiteindelik tog moes praat. Stem saam.
- Swak opbrengs afgelope jr word beweer agv lae groei van die ekonomie maar ook die groter uitgawes agv bedankings.

7. Dr. Le Roux het genoem dat hy die RSG programme wat AP toegesprek het as negatief belewe het. Spesifiek verwys na die 2,5% vir Universiteite. Hulle beweer dis nie 'n feit nie, dis 'n politieke party (EFF) se voorstel en kan nooit plaasvind nie. (Nou ja). Hulle daarop gewys dat hulle dit moet regstel met hulle kommunikasie, so ook Isibaja. Hulle neem kennis en stem saam.

8. Ten slotte ooreengekom om:

- Beter saam te werk.
- Meer te kommunikeer, hetsy met individue daar en met vergaderings.
- Dat ons bereid sou wees in ons blad inligting van hulle (positief teenoor hulle of feitelik) af te publiseer.
- Hulle sal aandag aan hulle eie bad gee wat volgens hulle nie op standard is nie.
- Gesamentlike persverklaring uit te reik.
- Belowe dat OBK ons antwoorde binnekort sal verskaf op ons vrae.

9. Gevolgtrekkings:

- Ja dalkies is ons *gemesmerais!* Maar dis ook waar dat mens nie net op emosies die ouens moet aanvat nie. Laat ons hulle antwoord mooi oorweeg.
- Groot ding is dat ons 'n beter verstandhouding en kanale het.
- Hulle weet ons is 'n waghond wat nie sommer weg sal gaan nie.

Die vergadering het meer as 2 uur en 30 minute lank geduur en nie alles kan in 'n paar woorde gesê word nie. Hier is die sekretaris se verslag en die verslag behels sy eie indrukke.

Sekretaris se verslag

1. 'n Openhartige vergadering met goeie twee-rigting verkeer het plaas gevind. Die pad vir verdere skakeling is oopgemaak. Ek het hulle as ontvanklik en eerlik ervaar. "See us as an instrument". GEPF bestaan slegs om pensioen te betaal en hul streef na goeie diens. (Ons kan ook probleme na hul stuur.)
2. Ons het kans gehad en vrae is gevra en ons antwoorde is voorlopig beantwoord. PIC sal volledige feiteverslag verstrek teen middel van November verstrek.
3. Sogenaamde "verliese" is beantwoord - die was die gevolg van verhoogde pensioen uitbetalings.
4. Die status van die pensionaris is bespreek. "Members are pensioners". Aldus genl. De Witt moet meer pensionarisse moet op die raad aangestel word.
5. Mnr. Abel Sithole het gesê daar is geen politieke beleggings gemaak nie.
6. Nie GEPF of PIC het in SAA belê.
7. 'n Siviele saak is teen Brits-munisipaliteit gemaak en PIC het die saak gewen - die betrokke minister moet opdok.
8. Tot datum het geen SOE ge-"default" nie en selfs SANRAL betaal. "Capital is secure" - mnr Albert Sithole. Die privaat sektor kon mislukkings ervaar word. Die "J"-kurwe; ander weer neem die gaping om daar te belê met oog op toekoms.
9. Hulle belê in die ganse RSA-ekonomie en moet soms berekende risiko's neem.
10. Meer aandag gaan aan kommunikasie bestee word. 2017 is die jaar van kommunikasie
11. Geen waarheid sê mnr. Botha dat geld aan die ANC-geskenk is.
12. Isibaya se beleggings is bespreek - al wat eintlik geheim is die kliënte se name spesiale toestemming is verkry om die name bekend te maak. Dis eintlik "market sensitive documents".
13. Hennie Roux is sterk ondersteun deur Albert en Errol. My dank aan jul drie se professionele optrede.
14. 'n Persverklaring gaan deur PIC en die GEPF opgestel word en sal aan ons voorgelê word.

Gesamentlike Persverklaring

Aanvanklik was besluit om 'n gesamentlike persverklaring uit te reik. Die GEPP en die PIC het later besluit om nie voort te gaan met 'n gesamentlike persverklaring nie. Ten spyte van die versuim om 'n gesamentlike persverklaring uit te reik is bande met die twee instansies gesmee tot voordeel van pensioentrekkers.

BizNews: The most important person in SA? Meet Cape Argus editor Aziz Hartley, legend in his own lifetime

Usually media companies tend to studiously ignore other media companies. But this is not the case in South Africa, where it has become of huge public interest to scrutinise the details of how newsrooms are being managed and how the news is being packaged at the Independent Media group. This is because, far from being politically independent as its name suggests, the Independent group is blatantly serving the ruling ANC in its news agenda. What's more, it is doing so at the expense of pension fund members whose hard-earned savings have been directed into funding the Independent group through the state-run Public Investment Corporation (PIC). Independent has received more than a staggering R1bn in loans from the PIC, a clear sign that its top managers aren't up to the job of running a business that can generate revenue on its own steam. After a national purge of mostly white journalists – who had to reapply for jobs but not the ones they were already doing – the Independent has installed a team of people who are unashamed in their sycophancy towards Independent's boss, Iqbal Surve. Adriana Senekal, who wrote a gushing soliloquy to Surve earlier this year, was rewarded with an appointment as executive editor for the group's business content while Aziz Hartley has illustrated that he too is committed to singing the praises of his paymasters in his first day on the job as Cape Argus editor. Hartley was so excited to rise to the top of the pile at Independent he forgot that there was a really big news story that was of even greater national importance than his own promotion. They really are dimwits over at Independent if they think their readers can't see past the amateurish commercial and political propaganda. Whoever at the PIC approved writing cheques out to this lot also needs to have his or her head read. If you are going to abuse funds for political ends, at least choose an outfit that is up to the task of doing your dirty work. Effective propaganda requires stealth and subtlety. – Jackie Cameron

By Jonathan Schrire

Aziz Hartley. Photo courtesy of Twitter @GasantAbarder

Well done on being promoted to Cape Argus Editor Aziz!

I am responding to the invitation in your editorial for us, the readers, “to get on board, be part of this newspaper” and to share our views.

The most glaring thing is your choice of front page headline articles. The NPA dropping charges against Gordhan is one of the biggest news items of the present. The entire literate population of SA is following this passionately. It is no exaggeration to say it is a part of the collapse of effective Government in SA.

So where do you decide to put this? In a smallish one-eighth-page box in the middle of page 2.

And what appears on the front page? **“Aziz Hartley appointed as new editor of Cape Argus”**. Your long editorial and the entire page 3 are also taken up with internal changes in INL complete with the usual picture of Iqbal.

Good Lord Aziz!

Do you honestly think that Iqbal shuffling the same old team around in management changes at INL is more important for your readers to know about than the dropping of charges against Gordhan? Have Iqbal’s delusions of grandeur and vulgar self-promotion infected you as well?

You were quoted recently as saying, quite correctly, that it is fine for INL to support the ANC. Yes, all over the world owners align their papers with one political party or another. We all know that Iqbal borrowed huge sums of money from the Gov pension fund at massively favourable terms, and in return his papers support the ANC. But you also said that you will still present the news in balanced and even way.

Well, actually you haven’t, – certainly if your first disgraceful day in the job is anything to judge you by.

The NPA dropping charges is part of a disaster that is overwhelming the ANC government and the entire country. It is symptomatic of everything that is wrong with the ANC, – incompetent people put in positions they are not qualified for, solely on the grounds of corruption and patronage. For you to hide that on page 2, indicates that **you are perverting news in order to minimise disasters for the ANC because they funded your paper.**

It remains for us to see if you can overcome the shame with which you have started as editor!

Oh yes, you are free to print this letter. Let's see what your other readers think!

- **BizNews visitor Jonathan Schrire shares a letter he has sent to Aziz Hartley, Cape Argus editor.**

Source: BizNews

<http://www.biznews.com/leadership/2016/11/01/aziz-hartley/>

Executive Summary of the Document: “Issues Regarding the Public Investment Corporation (PIC) and the Government Employees Pension Fund (GEPF) Developmental Investment (DI) Policy and Practice”: Albert van Driel

1. The South African Code for Responsible Investments (CRISA) resulted from the UN Principles for Responsible Investment (UNPRI). Its aim is to incorporate ESG-issues into main stream investment decision-making and ownership practices. (Source: PIC/GEPF Investment Policy Statement - IPS). The UNPRI is based on the premise that institutional investors and asset managers have duty to act in the best long term interests of their investors and therefore, need to give appropriate consideration, to how environmental, social and governance (ESG) issues can affect the performance of investment portfolios, “... by providing a framework for the integration of responsible business conduct ...” (Source: Wikipedia).

2. A trend (sic) has been developed by PIC/GEPF to over simplify Responsible Investments (RI), as being a springboard to apply Developmental Investments (DI) as a primary function of RI. (Source: A deduction from available IPS literature, including letters received from the GEPF Board of Trustees.) Such an approach and philosophy could severely “hamstring” an Institutional Investor. To disregard the UNPRI premise as indicated in para 1 supra (comments column), will be at the peril of the asset managers and institutional investors. (Sources: Wikipedia and available GEPF literature.)

3. A lack of transparency in the 2015 – 2016 PIC Report has made it extremely difficult to evaluate performance against “Strategic Asset Allocation”, as well as the mandate from GEPF-trustees. (Sources: PIC last two annual reports and IPS.) Difficult to determine percentages against parameters, with available detail. (Source: The late PIC Annual report.)

4. Investments in the Unlisted portfolio are R44.58Bn representing 2,786% of total assets. The detail of this was not made available to parliament. (Source: Presentation of PIC 2015/16 Report in Parliament.) What is very worrying is that the major part of these investments was apparently done in Domestic Property, and

in African countries, with some transactions bearing confidential clauses. These calculations do not include large property development projects e.g. Menlyn Maine, and neither does it include bond transactions in parastatals. Calculations in respect of known parastatal bonds, (excluding the municipalities) are indicated in para 9 infra in the comments column. (Sources: PIC 2015/16 Annual Report, and 2014/15 GEFP Annual Report.)

5. Conflicts exist (sic) in the fundamental intentions of the different laws. Although the developmental component of the PIC-Law was originally restricted to 3,5% of assets, this cap was later removed. (Source: PIC website.) As opposed to the GEFP 1996 law and rules, the PIC-law mandates them to invest “to promote Social Responsibility and Infrastructure Development.” This could clearly have been a course for “Conflict of Interests”. (Sources: PIC website, Act 53 of 2004 and Wikipedia.)

6. PIC and GEFP (sic: boastfully) referred to DI as follows “the GEFP continues to be an example for other investors in South Africa and globally.” (Note: The statement made as if above mentioned is the main purpose of GEFP.) (Source: PIC 2015/16 Annual Report.)

Another R3,349Bn was invested in MTN Nigeria representing 0.186% of GEFP assets. (Source: GEFP 2014/15 Annual Report.)

(Note: With MTN having being in the cross-fire of Nigerian authorities, and fat departure packages given to top MTN defaulting officials, the latter investment could hardly have been either prudent, nor responsible.)

Unclear what amount has been committed for these investments, including Africa. PIC reports reflect an amount of R35Bn, but 15% of GEFP assets represent an amount of R240Bn. The latter possibly over the medium term? Ultimately it may be virtually impossible to determine if investments in Africa are within the limit of 5%, due to it mainly falling within the Unlisted category. As at 31 March 2015 the Unlisted Developmental and Unlisted Private Equity investments in Africa were R2.436Bn equalling 0.135% of assets. (Sources: “Document I” depicting strategic asset allocation percentages in the IPS; GEFP 2014/15 Annual Report.)

7. PIC philosophy and strategy (sic: may contain serious contradictions given a dismal performance of 10.98% growth over the last three years), “... design to take into consideration a long term view of the macro environment ... to achieve strong long term capital returns, above clients’ benchmarks, ... supported by robust risk management.” (Source: PIC 2015/16 Annual Report.) If it is another organisation’s funds with a “High Risk Tolerance”, then it may be more comfortable to embark upon non-traditional investments.

8. “In South Africa the PIC and GEFP have pioneered in many non-traditional investment avenues, which the private sector has historically found to risky to contemplate.” (Source: PIC 2015/16 Annual Report.) Not surprisingly the PIC (by design) aborted the “asset liability modelling” for valuation assumptions on real returns, as indicated in “Document I” attached here to, having resulted in a dismal 2,4% growth in 2015/16.

9. Involvement at SOE's is described as "strategic partnerships" inter alia to support infra structure projects of national importance; also responding to key government objectives e.g. National Development Plan (NDP), BBBEE, transformation, and the "Green Economy". All in all the PIC may not exceed a total of 7% of assets on the bond portfolio. (Sources: PIC 2015/16 Annual Report, and letters to the Monitoring Group from GEPF.)

The GEPF Investment mandate to the PIC stipulates the restrictions (excluding government bonds), related to parastatal bonds. According to calculations gleaned from 2014/15 GEPF Annual Report, the figure for SOE Bonds represented 9.6% of assets and that is 2.6% higher than allowed; what makes the incongruence even worse is the fact that investments in municipalities were not included in the above calculations. To add insult to injury no figures for SAA (loans or investments) could be found in any annual report.

10. Investments in housing and mines and for student accommodation as part of DI-development (sic: aforementioned may well turn out to be problematic in terms of sustainable maintenance costs).

(Note: The question begs: "Which of the strategic partners would pick up the tag for maintaining such properties?") Source: PIC 2015/16 Annual Report.)

The so-called "robust risk management" at PIC may well land them in the hot water, and "brand" these type of projects as highly undesirable for pension funding. Question: Will the PIC ever recover funding from poor or unrealistic investments / projects? (Note: "One billion here and one billion there, and soon we will be talking REAL money – quote from a US senator.)

11. Principles for RI. As an introductory method, please turn to "Document I" to understand GEPF/PIC approach as related to RI better. Also read "Document G" for GEPF and PIC DI. The philosophy for involvement in SOE's is summarised in para. 9 supra and is clearly set out in "Document F". (Sources: IPS, GEPF letters, and PIC 2015/16 Annual Report.)

Kindly read "Document H" for an encapsulated summary of conclusions made. It has been conceptualised by means of an extended study related to UNPRI vis-a-vis the CRISA (RI in South Africa) approach. UNPRI revolves around the ESG equation where investment decisions must be such that these decisions are conducted with good practices; it must be responsible in order to protect the interests of the investor and stake holders with due regard for the ESG impact.

Documents with the technical data are not attached; otherwise the GEPF Monitor would become too long and cumbersome.

Our constitutional rights

Where is our right to be involved derived from?

Our right to be involved in the GEPF and PIC is derived from the Constitution of the Republic of South Africa, please refer to the sections copied below. We live in a

“rechtstaat” and that means that the Constitution is the supreme legal authority in the country.

The Constitution of the Republic of South Africa: Chapter 10: Public Administration

Sometimes it is good to return to basics. Let’s have a look at the Constitution of the Republic of South Africa and look at the basic values and principles governing public administration.

Basic values and principles governing public administration Sec 195.

(1) Public administration must be governed by the democratic values and principles enshrined in the Constitution, including the following principles:

- (a) A high standard of professional ethics must be promoted and maintained.
- (b) Efficient, economic and effective use of resources must be promoted.
- (c) Public administration must be development-oriented.
- (d) Services must be provided impartially, fairly, equitably and without bias.
- (e) People’s needs must be responded to, and the public must be encouraged to participate in policy-making.
- (f) Public administration must be accountable.
- (g) Transparency must be fostered by providing the public with timely, accessible and accurate information.
- (h) Good human-resource management and career-development practices, to maximise human potential, must be cultivated.
- (i) Public administration must be broadly representative of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past to achieve broad representation.

(2) The above principles apply to—

- (a) administration in every sphere of government;
- (b) organs of state; and
- (c) public enterprises.

(3) National legislation must ensure the promotion of the values and principles listed in subsection (1).

(4) The appointment in public administration of a number of persons on policy considerations is not precluded, but national legislation must regulate these appointments in the public service.

(5) Legislation regulating public administration may differentiate between different sectors, administrations or institutions.

(6) The nature and functions of different sectors, administrations or institutions of public administration are relevant factors to be taken into account in legislation regulating public administration.

Auditor General

Let's have a look at the function and duties of the Auditor General as defined in the Constitution:

Functions of Auditor-General Sec 188.

(1) The Auditor-General must audit and report on the accounts, financial statements and financial management of—

(a) all national and provincial state departments and administrations;

(b) all municipalities; and

(c) any other institution or accounting entity required by national or provincial legislation to be audited by the Auditor-General.

(2) In addition to the duties prescribed in subsection (1), and subject to any legislation, the Auditor-General may audit and report on the accounts, financial statements and financial management of—

(a) any institution funded from the National Revenue Fund or a Provincial Revenue Fund or by a municipality; or

(b) any institution that is authorised in terms of any law to receive money for a public purpose.

(3) The Auditor-General must submit audit reports to any legislature that has a direct interest in the audit, and to any other authority prescribed by national legislation. All reports must be made public.

(4) The Auditor-General has the additional powers and functions prescribed by national legislation.

Tenure Sec 189

The Auditor-General must be appointed for a fixed, non-renewable term of between five and ten years.

Brief: Leroy Abbott

Beste Hennie,

Dankie vir die nuutste Monitor. Baie dankie vir die werk om Monitor saam te stel. Ek kan jou verseker dat die poging hoogs waardeer word.

Wat die inhoud aanbetref, vind ek dit logies uitgelê en maklik leesbaar en verstaanbaar.

Die gevoel nadat ek deur gelees het is nog steeds baie bekommerd oor die ooglopende politieke inmenging van die fonds. Daar is darem ook 'n aanduiding dat

van die regte mense van ons bekommernis begin kennis neem en dat optrede sal volg. Ek sal baie tevrede wees die dag wat 'n afvaardiging 'n afspraak met die minister kan kry.

Groete en sterkte,

Leroy

Slot

Baie groete vanuit Kaapstad en Pretoria en miskien sal ons nog een belangrike GEPF-monitor uitreik voor die nuwe jaar!

Vriendelike groete,

Die Span by die GEPF-Monitor