

Association for Monitoring and Advocacy of Government Pensions

(AMAGP)

NPO Registration No: 198-822



The Association for Monitoring and Advocacy of Government Pensions: An independent group of pensioners and civil servants concerned about the long term viability of the GEPF and sustainability of its return on investments.

www.AMAGP.co.za

f [GEPF Watchdog - Wagbond](#)



NEWSLETTER NO 9 of 2020

AMAGP – Association for Monitoring and Advocacy of Government Pensions

BOT – Board of Trustees [of the GEPF]

DFI – Development finance institution

FSCA – Financial Sector Conduct Authority [previously the FSB]

GEPF - Government Employees' Pension Fund

PIC – Public Investment Corporation

PSA – Public Servants' Association

ROI – return on investment

SCOF – Standing Committee on Finance

SCOPA - Standing Committee on Public Accounts

SOE – state owned entities

The Government Employees Pension Fund (GEPF) is Africa's largest pension fund. We have more than 1,2 million active members, in excess of 450 000 pensioners and beneficiaries, and assets worth more than R1,8 trillion. <https://www.gepf.gov.za/>

DIVERSITY UNITE TOGETHER WE STAND

1,7m between 18 to 100+ yrs
47 National Departments
35 Indigenous Languages
9 Provinces

ONE GOAL Protect our fund

MEMBERSHIP IS FREE

AMAGP is run by a core group of highly qualified dedicated pensioners with ONE GOAL only, to PROTECT THE GEPF from LOOTING and MISMANAGEMENT

The Editor's Word

The prospect of going back to work seems to have reawakened the onslaught on our Fund. It means the lockdown allowed the thoughts about how to exploit our Fund to crystallise into proposals, ample proof is in this newsletter.

To begin with, we easily accept what GEPF Management is prepared to inform us, but neglect checking the foundation and background of such information. The GEPF AR provides an astounding amount of detail, which we should read and consider. I am going to share some of the interesting bits from the AR in various newsletters, the first is the external investment managers below.

The investment managers below are quoted from the 2019 GEPF AR, specifically the Report of the Board of Trustees, which is part of the AR. One of the reasons for the increase in the Fund's expenses: the massive number of external asset managers! Quoted from the Trustee Report:

"2.1 Management of Investments

The assets of the GEPF are managed primarily by the PIC. In terms of its mandate, the PIC appointed the following external asset managers to manage part of the Fund's portfolio:

- Aeon Investment Management (Pty) Ltd
- Afena Capital (Pty) Ltd
- Aluwani Capital Partners (Pty) Ltd
- Argon Asset Management (Pty) Ltd
- Benguela Global Fund Managers (Pty) Ltd
- **Black Rock Advisors UK Ltd**
- **Cheyne Capital LLP**
- **Coronation Asset Management (Pty) Ltd**
- **Enko Capital Management LLP**
- First Avenue Investment Management (Pty) Ltd
- Gemcorp Capital LLP
- **Goldman Sachs Asset Management International**
- All Weather Capital (Pty) Ltd
- **International Bank for Reconstruction and Development**
- **Investec Asset Management (Pty) Ltd**
- **JP Morgan Asset Management (UK) Ltd**
- Kagiso Asset Management (Pty) Ltd
- Legacy Africa Fund Managers (Pty) Ltd
- **Mazi Capital (Pty) Ltd**

- Meago (Pty) Ltd
- Mergence Investment Managers (Pty) Ltd
- Mianzo Asset Management (Pty) Ltd
- Oasis Asset Management (Pty) Ltd
- Perpetua Investment Managers (Pty) Ltd
- Prowess Investment Managers (Pty) Ltd
- Prudential Investment Managers South Africa (Pty) Ltd
- **Robeco Institutional Asset Management B.V**
- **Sanlam Investment Management (Pty) Ltd**
- Sentio Capital Management (Pty) Ltd
- Umthombo Wealth (Pty) Ltd
- Vele Asset Managers (Pty) Ltd
- Vunani Fund Managers (Pty) Ltd

The balance of the assets of the GEPF is invested in

African Development Partners II LP (ADP II) that is managed by Development Partners International,

Pan African Infrastructure Development Fund (PAIDF) that is managed by Harith Fund Managers,

South Suez African Fund II LP (South Suez) that is managed by South Suez Capital Limited,

Verod Capital Growth Fund II LP (Verod) that is managed by Verod Capital Management and Capital

Alliance Private Equity IV (Cape IV) that is managed by Capital Alliance Private Equity IV Limited on behalf of the Fund.

Standard Bank of South Africa Limited performed the custody and investment accounting function on behalf of the Fund."

Yes, there really are 36 of them. I am probably too cynical, but why are we paying the PIC to pay others to invest our Fund's funds? And also paying the PIC to work for us? Of course, a fund the size of our Fund needs many investment managers, but 36! Please note the ones in bold: the Fund has some financial link to those investment managers, either in shareholding, loans, bonds, or other. I'm not sure what it really means, but what I'm actually wondering is where is the money generated really going? Are they being paid double?

Now for the news.

The PSA, FF+, DA, Solidarity and others are up in arms at the PIC proposing to throw our money at Eskom. There are several reports below from the enraged political parties, and one from Solidarity confirming court action to stop this.

COVID-19 is going to be used as an excuse to exploit our Fund. The many reports below are ample proof of the assault intensifying. Remember the one single pension fund planning some time ago? The 'government' now wants to access our workers' savings in the name of 'development'. Or to force the savings industry to invest even more in the 'development' of our country. The GEPP AR and other pension funds have ample evidence in their annual reports of the pension funds already doing precisely that. So what does 'government' really want to use our funds for?

The appointment of Mr Sithole as the new PIC CEO seems to be a step in the right direction. Let's give him the time to prove he can turn it around. However, the questions by MP Bantu Holumisa of the UDM cast serious doubts. Also the proposal to exchange Eskom bonds for shares comes from the PIC, of which he is the new CEO.

The Daily Friend has a down to earth realistic analysis of the reasons the ANC is lusting after our Fund's funds. Telling it like it is.

Cosatu wants pension contributors to be able to access some of their savings to tide them over this lockdown period of no or little income. Legislation does not currently provide for this but the Disaster Management Act might make it possible. Not a good thing as amending the relevant section would allow 'government' to promulgate new regulations without parliamentary oversight.

The PIC is a new stockholder in Aradei of Morocco, of about \$50mn. Moving further out into Africa. It probably is GEPP funds and not PIC funds as stated in the report. Read about it.

The SAA saga doesn't seem to have any intention of fading. It seems a new national airline must arise from the ashes of the old, albeit with massive 'government' funding, similar in size to the bailout required to keep SAA afloat. The business relief isn't final yet, however.

Lastly, for information, a letter of appreciation from the AMAGP chairman to one of our members for constructive proposals for improving the AMAGP.

NEWS NUUS NEWS

Synopsis

MEDIA RELEASE

PSA SLAMS THE PIC'S PROPOSAL TO BAIL OUT ESKOM

8 May 2020

The PSA has slammed the PIC proposal to once again willingly waste pensioners monies on Eskom. The proposal by the PIC Chairperson made to the media, to convert Eskom debts into equity shares, is viewed as direct endorsement of Cosatu's proposal to use public servants hard earned pension monies for an institution that has not shown any signs of recovery.

The PSA is of the view that, although the GEPP is a defined benefit fund, this does not give the PIC the mandate to continuously fund Eskom and other entities that have been besieged by maladministration, fraud, corruption, and poor governance. In addition, such a decision may impact negatively on the asset liability model read together with the Fund's Developmental Investment Policy.

Eskom is one of the highest fossil fuel producers and the GEPP as a responsible investor should consider its environmental impact before taking any decision in this regard.

The PSA outrightly condemns such a proposal, as it will be regarded as reckless and irresponsible, given the economic environment and the fact that Eskom is not able to fulfil its financial obligations.

The PSA calls on the new incoming Executive Director and CEO of the PIC to immediately halt any proposal to fund Eskom and rather sell its holdings in the troubled entity.

Synopsis

GEPF pensioners in real danger of being impoverished by corrupt ANC

FF Plus

May 30, 2020

The PIC proposal to the government to convert Eskom bonds to equity is extremely reckless and could result in a storm of litigation. The PIC invested in these bonds on behalf of the GEPF.

It is clear that as investment manager the PIC is not acting in the best interest of the GEPF pensioners, but in the best interest of the ANC government that has for years been dealing recklessly with taxpayers' money by way of general mismanagement and corruption, particularly with regard to Eskom.

The Chairperson of the PIC, Reuel Khoza, stated in an interview with eNCA on 28 May 2020, that the PIC could help Eskom get rid of at least R200 billion of its debt by converting all the Eskom bonds in which the PIC and GEPF invested to equity.

Converting these Eskom bonds to shares would be like giving the GEPF pensioners Zimbabwean dollars in exchange for their valuable assets. Eskom shares have no real market value.

In fact, what the PIC is planning to do now is exactly the same as what the trustees did with the Transnet Pension Fund, when they and Transnet co-operated and one-sidedly cancelled valuable Transnet bonds, which was one of the main causes of the rapid impoverishment of the Transnet pensioners.

Thus, the FF Plus will send an official letter to the PIC and the BOT to caution them that they are playing with fire. If they proceed with their plan, they will walk in the footsteps of the Transnet Pension Fund and they will also come up against a wall of litigation instigated by GEPF pensioners.

The Transnet Pension Fund court case has already set a legal precedent that can be used to oppose this plan in court. On top of that, the trustees of the GEPF and the directors of the PIC could become personally liable for their reckless actions.

Furthermore, it appears as if the PIC held secret talks with Cosatu, which initially made the proposal to government. It is suspicious that the PIC suddenly decides of its own accord to submit Cosatu's proposal to government. The only explanation is that informal discussions were conducted in secret so that it does not appear as if the PIC is yielding to Cosatu and so that the decision can be presented as being completely autonomous and reasonable.

The FF Plus, however, believes that the truth will come out and that the GEPF pensioners will not be deceived like the Transnet pensioners were.

Read the original article in Afrikaans by Adv Anton Alberts on [FF Plus](#) South Africa Today – South Africa News

Synopsis

PIC tables Eskom bailout proposal

28 May 2020

Source

eNCA

The PIC has tabled a proposal to help bail out Eskom. Cosatu had previously mooted using R250-billion in PIC funds to pay some of the utility's burgeoning debt.

PIC chairperson Reuel Khoza said they haven't received any formal communication from Cosatu, but he believes there is a way to help Eskom. Khoza said, "we ourselves submitted a proposal that we believe could go a long way to help Eskomjointly the GEPF and the PIC have bonds with Eskom and those would amount to just under R200-billion.

"If we could enter into the discussion and they meet certain requirement it is possible that we can convert those bonds."

Regsaksie om pensioengeld uit Eskom te hou

4 Junie 2020

Solidariteit het vandag met regstappe begin om die verruiling van Eskomskuld vir Eskomaandele te stuit. In 'n aanmaningskrywe gerig aan die Staatspensioenfonds (GEPF) en die Openbare Beleggingskorporasie (OBK), eis Solidariteit dat sodanige planne deur die OBK geskrap word. Dit volg nadat die OBK aangedui het dat hy dit oorweeg om effekte wat die OBK namens die GEPF hou, te ruil vir aandele in Eskom om sodoende Eskom se skuld te verlig.

Solidariteit is sterk gekant teen sodanige skuif of verruiling van effekte vir aandele, spesifiek in Eskom, en is van mening dat dit 'n swak belegging sal wees wat geen voordeel sal inhou vir GEPF-lede en pensioenarisse nie. Sodanige aksie sal bloot die ruil wees van inkomstetraande effekte vir waardelose aandele wat vir die volgende dekade en langer geen inkomste aan die OBK/GEPF gaan lewer nie. Prakties gesproke beteken dit bloot dat ongeveer R200 miljard se Eskom-skuld afgeskryf word ten koste van staatsdiensamptenare se aftreesekerheid.

In die aanmaningskrywe wys Solidariteit die Trustees op hul fidusiêre plig, en ook dat individuele trustees en direksielede persoonlik aanspreeklik gehou sal word vir enige nadeel indien hulle nie hul fidusiêre plig nakom nie. Die mandaat van die GEPF en die OBK is om in die beste belang van die pensioenfondselede op te tree, en dit is nie in die beste belang van lede van die GEPF om Eskom-skuld te verruil vir aandele wat geen opbrengs sal lewer nie.

“Solidariteit sal nie skroom om verdere regsaksie teen die GEPF en OBK in te stel nie,” sê Anton van der Bijl, hoof van Solidariteit se Regsdienste. “Dit is net 'n ander manier om gewone mense se aftreegeld sonder hul toestemming te gebruik om 'n sukkelende staatsonderneming te befonds. Ons sal alles in ons vermoë doen om hierdie gewetenlose uitbuiting stop te sit.”

Zirk Gous
Solidariteit: Sektororganiseerder

Anton van der Bijl
Hoof: Arbeidsregsdienste

Kommentaar/Comment
Hierdie kommentaar dek al die vorige berigte.

Hofgedinge voorkom dikwels dwaashede, soos in hierdie geval. Dit is voor die hand liggend dat Eskom aandele slegs waarde sal inhou indien Eskom self waarde inhou vir beleggers. Enige maatskappy met meer skuld as inkomste lok nie beleggers nie. In hierdie geval blyk dit die OBK goedsmoeds, op aandrang van Cosatu/ANC, die Eskom effekte [bonds] wil omskep in aandele, wat geen waarde gaan hê as niemand aandele koop nie.

The seriousness of these political parties' releases indicates concern and awareness of the dangers our Fund and other pension funds face. Which awareness they wouldn't have had if AMAGP hadn't kept them informed!

Synopsis



Concerns over alleged ANC plan to 'prop-up economy using pension funds'

by [Tom Head](#)

31 May 2020 in [News](#)

Political opponents have already sounded a warning to government and citizens alike on Sunday, after reports of an ANC ploy to strategically target public pensions, went public this weekend.

Will Pension Funds Be Targeted For Economic Recovery?

The document, which was allegedly leaked to Business Live, proposes amending regulation 28 of the Pension Funds Act “to increase access [to] the savings of South Africans to fund long-term infrastructure capital projects”. That would target the collective pension funds of workers across the country.

This is by no means the first time the ANC has flirted with the idea of 'raiding the pension pot', and they were rumoured to be eyeing a similar bailout for Eskom. The shadow minister of finance, Geordin Hill-Lewis, has

advised the PIC to come clean about any proposed move to essentially 'pick the pockets' of pensioners:

"If the PIC has indeed prepared an internal document, which also proposes a R90 billion Eskom debt-for-equity swap plan, then this document should be publicly released immediately. Even the rumour of this proposal has caused distress among other Eskom debt holders, the debt market, and our pensioners." "The PIC has a duty to play open cards with the public and the millions of pensioners it serves and should release this document. They must not hide anything from the people of this country."

Geordin Hill-Lewis

Not Everyone Is On Board...

However, it's believed that the trillions of rand in the pension reserve would rather be strategically invested by the PIC into a number of rebuilding projects, aimed at greasing the wheels of business and economic progress post-lockdown. But shadow trade minister Dean Macpherson has little faith in the alleged plans:

"They are not content with mismanaging the economy, education and health care, the ANC government and Cyril Ramaphosa now want to use your pension to fix what they broke. Every pension fund manager and contributor needs to fight this to the bitter end."

Dean Macpherson

Synopsis

BUSINESS

ANC proposes greater financial intervention to revive economy after pandemic

31 May 2020 Caiphus Kgosana and Sibongakonke Shoba

Sunday Times



Picture: ISTOCK

An ANC document on economic reconstruction proposes using private pension savings and direct financial interventions by the PIC and the Reserve Bank to "fund long-term infrastructure and capital projects", to help revive the economy after the Covid-19 crisis.

It calls for more state intervention across all sectors, including speeding up the creation of a state-owned bank, establishing a state-owned pharmaceutical company to help decrease the price of medicines, and more interventions in mining, manufacturing, energy and other sectors.

The document proposes amending regulation 28 of the Pension Funds Act "to increase access [to] the savings of South Africans to fund long-term infrastructure capital projects managed by development finance institutions (DFIs)".

It calls for a "necessary regulatory mechanism to ensure increased pension fund investments directly into projects such as real assets, which can unlock capital that is currently not finding its way into [these] projects".

When approached for comment, Enoch Godongwana, chair of the ANC's economic transformation committee, said this was not an attempt to introduce prescribed assets via the back door. He said regulation 28 prescribes where pension funds should invest, which is the stock exchange and bonds, and loosening this regulation would allow fund trustees to make a decision to direct their funds to more developmental projects.

"Pension funds are not allowed to put funds directly to DFI. Those funds have to get there through asset managers. But funds that reach DFI have a cost structure of those asset managers." As a result, the bulk of the funds go to the stock exchange and bonds, and "very little goes to DFI", he said. "It undermines development objectives."

The draft document also proposes that the bank create a funding instrument to the tune of R500bn that will allow DFI to access funding for infrastructure projects at favourable rates. "This should be offered at a developmental yield to maturity, with time horizons that are beyond the appetite of

funding from private commercial banks. DFI should be allowed to deploy this funding for infrastructure projects."

It also wants a similar engagement with the PIC "with the aim of releasing funds for long-term projects through DFI".

Godongwana said there was never a difference of opinion in the ANC about the centrality of the role of the state in the economy. "The difference has been on the modus operandi. What form should that state centrality take? Clearly in the current circumstances, Covid-19 has put that on top of the agenda, because if we have to stimulate this economy it must be the state that must assume the central role."

Martin Kingston, vice-president of Business Unity SA (Busa), said it agreed there was an urgent need for interventions across many aspects of the economy for quicker recovery from Covid-19. But he said Busa disagreed with the proposals for a state-owned bank, and there would have to be more discussions about where money for a state-owned pharmaceutical company would come from. Kingston said priorities should be identified instead of longer-term interventions.

Comment

Please look up what DFI actually means and entails. It is scary.

Our Fund's funds are already hugely invested in DFI with ROI on these investments really being murky. DFI are already aimed at very long term [read never ending] with ROI to match.

As to the state bank and pharmaceutical company, where do you, dear reader, think the funding is going to be expected from. And what do you expect the ROI will be for those invested in those two institutions? And who do you think are going to be appointed to manage these institutions for the 'government'?

It seems the ANC wants to go into business for itself? A bank, pharmaceuticals, construction, etc?

Synopsis

Asset Prescription: The ANC is firmly committed to economic insanity

Issued by Geordin Hill-Lewis MP – DA
Shadow Minister of Finance
31 May 2020 in News

An ANC document on post-Covid economic recovery specifically proposes for the first time the amendment of Regulation 28 to prescribe pension fund investments. Having alluded to it often before, this document is the clearest indication yet that the ANC definitely intends to introduce asset prescription in South Africa.

The document, at page 32, proposes to "Amend Regulation 28 of the Pension Fund Act in order to increase the access of the Savings of South Africans to fund long-term infrastructure and capital projects, as a result increase the availability of funds to DFI and financial intermediaries at a reasonable rate of interest." This is ANC-speak for forcing pension funds to lend money to SOE and other development finance institutions like the Land Bank, which recently defaulted on its own debts, and a future State Bank, which the document also proposes.

The DA will fight this proposal every step of the way because it is fundamentally destructive to economic confidence, and it undermines the pension savings of millions of hard working South Africans. Every person who saves diligently for retirement, and every asset manager and pension fund who manages those savings, should help to stop this.

Even if this move is eventually blocked, which we will fight to ensure, the economic fallout of even trying to introduce asset prescription will be disastrous for South Africa's economy. It will sap confidence in the economy, deter investment, and disincentivise pension savings.

South Africa's best hope to recover from the current economic situation is to pivot from the failed policies of the last decade towards a high growth trajectory. Instead, the document amounts to a doubling down of the ANC's commitment to the same destructive economic policies that got South Africa's economy to where it is now. It shows that the enemies of growth in the ANC have an incentive to prolong economic malaise and high unemployment to further their ideological dreams. It recommits to the mantra of ever greater state control, even seeing

opportunity to abuse this crisis to assert more state control. How this will be achieved when the state is near-bankrupt is revealed in the proposal to prescribe assets. We will fight to stop this economic insanity.

Comment

It seems the DA has the right words. We don't need more state control with its demonstrated incapability to manage the economy; we need less, we need a vibrant economy not proscribed by outdated ANC policy.

Synopsis

Abel Sithole appointed as new PIC head

27 May 2020

fin24



Abel Sithole

Cabinet has approved the appointment of Abel Sithole as the CEO and Executive Director of the PIC, the Finance Minister announced on Wednesday.

He will serve for five years.

He will be replacing Dan Matjila, whose conduct was criticised in detail in a damning report by the Mpati Commission of Inquiry, which probed allegations of maladministration at the state-owned asset manager.

Sithole is currently Principal Executive Officer of the GEPF as well as being Commissioner of the FSCA. Prior to joining the GEPF, he was Deputy Executive Director at the Institute of Futures Research at the University of Stellenbosch.

Synopsis

What you need to know about Abel Sithole, who's now in charge of R2 trillion of SA savings

Business Insider SA

30 May 2020

Abel Sithole, previously in charge of the GEPF, is the new head of the PIC. Sithole has a long career in financial services and academia. He has a reputation as a straight arrow, so far unbowed by political pressures.

Abel Sithole has been in charge of the GEPF since 2015. Given his time at the GEPF, with decades of experience in asset management and financial services, you couldn't get a better, eminently qualified and more experienced person, says Bonang Mohale, former CEO of Business Leadership South Africa and chancellor of the University of the Free State.

Sithole served two terms as chairperson of the Institute of Retirement Funds (IRF), was also on the boards of the Financial Planning Institute (FPI) and the Savings Institute of South Africa (SISA), and chaired the Financial Services Board.

Sithole has a reputation as a straight arrow, so far unbowed by political pressures. Last year, amid new revelations about how the PIC wasted money on dud, politically-linked investments, he made noises indicating that the GEPF was not obliged to allocate its money to the PIC.

He has also been pushing government to allow the GEPF to invest savings directly overseas. The local government pension fund was heavily exposed to South Africa, and needed access to other economies, and international companies that are performing well, that are outside of South Africa, he said in an interview with Classic Business.

Sithole is certainly not a fan of prescribed assets. In the same interview, he said that South Africa's history showed that prescribed assets "hasn't served us very well".

Sithole studied in the US, where he started his career as a teacher. When he came to South Africa, he worked at Southern Life in Johannesburg. He qualified as a chartered financial planner, and later completed an MBA at Wits.

He was in charge of Eskom's pensions. In 2001, Sithole quit as chief executive of Eskom's pension and provident fund in the middle of the fund's restructuring.

After Eskom, Sithole moved to Metropolitan Life, where he stayed for seven years in several positions, including chief executive of the asset management cluster, managing director of Metropolitan Asset Managers, and chief executive of Metropolitan Employee Benefits.

After his time at Metropolitan he went into academia, joining the Institute for Futures Research at the University of Stellenbosch Business School as deputy director. Morne Mostert, director of the Institute, worked with Sithole at the time and believes he is an excellent choice as PIC head – due in part to his calm demeanour. "He is calm and thoughtful, which will be enormously valuable in making complex decisions."

Comment

He seems well qualified and experienced to take over the PIC, with intimate knowledge of the GEPF. Time will tell if he can turn the decline in our Fund's funds around. Don't expect miracles in the first year, more likely by the third year.

However, read the Questions by MP Bantu Holomisa below... these questions place an entirely different perspective on the appointment.

Composition of PIC interim board: beneficiaries should not be members

Honourable Minister Mboweni
QUESTIONS AROUND THE COMPOSITION OF PUBLIC INVESTMENT CORPORATION'S BOARD: BENEFICIARIES SHOULD NOT BE ALLOWED TO SERVE

1. Some time has lapsed since the 995-page report of the Judicial Commission of Inquiry into allegations of impropriety at the Public Investment Corporation, as lead by the Honourable Justice Lex Mpati ('the Mpati Commission'), was handed over to President Ramaphosa and was released to the public on 12 March 2020.

2. One of the consequences of the Coronavirus lockdown is that I had the opportunity and time to read the voluminous Mpati Commission's report and apply my mind to the size of the task of implementing its recommendations, over and above the management of the Public Investment Corporation's (PIC) day-to-day business.

3. From my personal experience of the way the Mpati Commission functioned and reading its report, I believe that the commission did a sterling job. We will hopefully see sweeping changes that will lead to the PIC being a responsible organisation, as well as rooting out corruption and poor administration. South Africans will hopefully see the police, the Directorate for Priority Crime Investigation (Hawks) and the National Prosecuting Authority continue investigating and bring culprits to book.

4. Regarding the implementation of the Mpati Commission's recommendations at the PIC, the complexity of the job ahead and the fortitude required to complete it requires the most competent, qualified, and trustworthy individuals. The PIC's board and administrators must have the best interests of the PIC, and by extension the South African Government Employees Pension Fund (GEPF), at heart.

5. This knowledge and given the poor track-record of past PIC boards brought me to my next exercise, which was to look at the composition of the PIC's incumbent interim board which you appointed in consultation with cabinet almost a year ago.

6. To my surprise, in doing my quick study, I came across an individual who now sits on the PIC's interim board, who is a past PIC beneficiary.

7. That person is Ms Irene Charnley; the company is her Smile Telecoms Limited, to which the PIC committed an investment of

\$100 000 000 in 2015. This is a little more than R1,7 billion when calculated at today's Rand/Dollar exchange rate. The PIC Investment Details sheet where I obtained this information, is available at <https://www.pic.gov.za/DocPresentations/95.-Smile-Telecoms-Holdings.pdf>).

8. It is an interesting side-note that, at the time, the now disgraced former PIC CEO, Dr Daniel Matjila, said: "We are excited about our investment in Smile Telecoms as it provides us with an opportunity to accelerate and realise our mandate to invest in the rest of the African continent."

9. Given this information I have provided thus far, I could not help but ask whether history was repeating; and it left me feeling quite uneasy.

10. This discovery piqued my interest and I also did a cursory internet search on Smile Telecoms Limited ('Smile') and found the following information, the context of which will become clear in my later questions to you:

10.1. "Capitalworks" is listed as Smile's "partner" on its website but is named "CapitalWorks SSA" on the Investment Details sheet. Presumably, this name difference is due to there being different divisions of the same company.

I then found an announcement that an entity called "Capitalworks Group", in 2017, had launched "Africa Capitalworks", an investment company, which aimed to raise USD 300 million to "...deploy permanent equity capital in mid-market companies in strategically selected sectors across Sub Sahara Africa ("SSA") (excluding South Africa)".

This discovery in itself is not interesting, what however is, is that they had "... already secured early support and substantial investment, including from CDC, the UK's development finance institution, and the Public Investment Corporation SOC Limited (PIC) on behalf of its client the South African Government Employees Pension Fund (GEPF)."

10.2. I also found a PIC document called "ISIBAYA DETAILED INVESTMENT SCHEDULE AS AT 31 MARCH 2017" which is available on investigative journalism

organisation Amabhungane's website at https://amabhungane.org/wp-content/uploads/2018/08/170331_PICUnlisted-assets.pdf.

Under the column called "FRESG Performance" the following is written about Smile:

- "Financially Underperforming – economic headwinds, devaluation of local currencies mainly Nigeria and stiff competition led to underperformance",
- "Owner Managed Companies – Corporate governance principles are compromised- Governance policy, Delegation of Authority, succession planning and risk management framework need to be in place"
- "Establishment of Social and Ethics Committee to manage the Representatives of local people on the boards be increased to ensure legislation in countries that advocate local representation on the board."

11. Given the above information the following questions arose in my mind:

11.1. Were you aware that Ms Charnley had been a PIC beneficiary when you appointed her as an interim board member? If so, do you consider this to be a healthy situation and what were your reasons for continuing with her appointment despite the knowledge?

11.2. What was the agreement in terms of the \$100 000 000 investment the PIC made in Smile and has investment paid dividends, especially given the PIC's 2017 conclusion that Smile was "financially underperforming"? What were the implications of this lack of performance? Did the PIC write off this investment and if so, would this not constitute mere looting?

11.3. The PIC concluded that Smile's "Corporate governance principles are compromised" whilst the company was squarely under Ms Charnley's management. Would you agree that this casts doubt on Ms Charnley's suitability to function at board level?

11.4. Did CapitalWorks SSA/Capitalworks Group/Africa Capitalworks receive PIC/GEPF funding? If so, what are the details, and would you consider it compromising that a Board

member has yet another link to a PIC beneficiary?

Gallo Images / Financial Mail / Tyrone Arthur) Less

The United Democratic Movement would argue that there is enough evidence that warrants that Ms Charnley must vacate her seat on the PIC board immediately.

One other matter I would like to raise with you is the appointment of Mr Abel Sithole as the new PIC CEO. It would serve us well to remember that the GEPP wrote off billions of rands in investment losses, as was reported in 2018, whilst he was that entity's Principal Executive Officer. Some of those so-called investments were quite dodgy and this scenario means that Mr Sithole is a man who failed at his job.

Surely there were other competent individuals available for your consideration. We do not want to conclude that his appointment is to merely clean-up the mess he was part of and covering tracks in the process.

We look forward to your response.
Yours sincerely
Mr Bantu Holomisa, MP
President of the United Democratic Movement

Comment
Valid questions. See the Business Maverick report below for more detail.
The leader of the UDM isn't afraid of airing his views and has actively supported our Fund before.

Synopsis
BUSINESS MAVERICK
Holomisa objects to Smile Telecoms CEO Irene Charnley being on the PIC board

By Ruan Jooste and Ray Mahlaka • 3 June 2020



Irene Charnley during an interview 2 August 2009 in Johannesburg, South Africa. (Photo:

In a letter to the Finance Minister, UDM leader Bantu Holomisa raises questions around the appointment of former trade unionist and businesswoman Irene Charnley to the interim Board of the PIC. Holomisa said Charnley is a former beneficiary of the PIC's funding initiatives, making her ineligible to serve as a Board member.

About Irene Charnley

Charnley first made her mark on the African business community as a negotiator for South Africa's National Union of Mineworkers where she spent 13 years co-ordinating various divisions of the union's operations. She later went on to become an executive director for the MTN Group and was one of the founding members of the National Empowerment Consortium that eventually owned 35% of Johnnic Holdings, now Johnnic Communications.

Charnley left MTN in controversial circumstances, following the telecommunications group's legal battle involving its Turkish operator, Turkcell, and the awarding of its operating licence in Iran. Turkcell alleged that MTN was granted a licence after it paid bribes to officials in Iran. Turkcell was pursuing not only MTN but former MTN Group CEO Phuthuma Nhleko and its now-former director — Charnley. Both executives were intimately involved in the negotiations with the Iranians. Business Maverick sources state the case is coming up in the Johannesburg High Court soon.

Charnley has since set up shop as CEO of Smile Telecoms, a Mauritius-based telecommunications group with operations in Nigeria, Tanzania and Uganda. She is only one of two directors of the company that are registered with the Companies and Intellectual Property Commission (CIPC) in 2003. The directorships stated on the CIPC database differ from the PIC investment sheet on Smile, from which Holomisa quotes his information.

Beneficiary of PIC funding

The Smile investment fell under the PIC's unlisted investments of the Isibaya Fund, which mostly includes loans and equity

investments made to companies with strong BEE profiles.

According to Smile's website, it owns and operates 4G LTE mobile broadband networks and offers nationwide mobile broadband services to its customers.

By the end of 2015, Smile had one of the biggest 4G LTE mobile broadband networks in Africa and continues to expand its network coverage. Its objective is to become the broadband provider of choice in Nigeria, Uganda, Tanzania and the Democratic Republic of the Congo, with over 300 million customers.

However, the PIC's investment in Smile hasn't lived up to its expectations. In his letter to Mboweni, Holomisa referred to the performance of investments under the PIC's Isibaya Fund as at 31 March 2017. Over the period, the Smile investment generated a negative 0.03% internal rate of return for the Isibaya Fund.

Charnley said in a statement that the PIC's shareholding in Smile Telecoms Holdings, on behalf of GEFP is part of its Isibaya portfolio for unlisted investments, which was concluded on 3 March 2015, "long before I was appointed to the current Interim Board of the PIC".

Since the 2016/17 financial year, the PIC has published a detailed schedule of [all investments in the Isibaya portfolio](#).

"The PIC, like any other reputable organisation, requires that all directors and employees who may be conflicted or potentially conflicted must fully declare their interests upfront and, in certain instances, recuse themselves".

"I have followed all these requirements and has never participated in any Board discussions as and when Smile Telecoms were being discussed. Additionally, on my own accord, I have submitted to the PIC an enhanced declaration on the PIC's investment in Smile," Charnley said. **BM/DM**

Comment

It is good practice to have Board members who have experience in thinking and working in Rbillions, as in this case. Our exposure to

Smile is 10% according to the March 2018 PIC unlisted investments schedule, meaning Smile has market capitalisation of about \$1billion in four countries in middle Africa. Let's wait and see where this is going. Interesting the director details of CIPC and the PIC investment sheet on Smile differs.

Synopsis

BUSINESS MAVERICK

PIC assembles crack team to investigate individuals implicated in ill-fated deals

By Ray Mahlaka • 2 June 2020

The PIC has appointed former Constitutional Court Justice Yvonne Mokgoro to assist in implementing wide-ranging recommendations of the Commission of Inquiry into the PIC's governance affairs.

PIC board chair Reuel Khoza said an independent body has been established, led by Mokgoro, to assist the Board and executive management in implementing the recommendations of the inquiry.

Mokgoro was a justice of the Constitutional Court from its inception in 1994 until the end of her 15-year term in 2009. Khoza said Mokgoro is assembling a panel of legal, forensic investigation and corporate governance experts for the independent body, which "will be a sounding board and guide" for the PIC board.

"We are a Board and governance issues are our main responsibility. But there may be key challenges that may be of a legal and forensic nature, which is not our key focus. And overall, we might need a sounding board to help us implement recommendations of the Mpati inquiry," Khoza told *Business Maverick*.



Justice Yvonne Mokgoro (Supplied)

It has been nearly three months since the publication of the Inquiry's final report into improprieties at the PIC. But the PIC is yet to implement most of the report's recommendations.

Khoza takes umbrage at suggestions that the PIC board has been slow to act on the inquiry's recommendations. Some recommendations are complex, including reorganising the PIC's corporate structure and procedures to improve governance.

PIC board term ends soon

He admits that the Covid-19 lockdown has "slowed things but didn't stop them" and the Board still has a long way to go in the process of accountability. "But we didn't have to wait on the Mpati inquiry to know that there were guilty parties. We knew that there were guilty parties in Independent Media," he said.

The PIC is relying on the courts to recover money owed by Sekunjalo Group. The PIC is still forging ahead with its liquidation application of Sekunjalo Independent Media (SIM), created by Survé's Sekunjalo Investment Holdings for the purpose of buying Independent Media.

But the PIC Board, appointed in July 2019 on an interim basis, is racing against time on the liquidation application and implementing the inquiry's recommendations as its term ends in July 2020. It's not clear if the Finance Minister will extend the Board's term. **BM/DM**

Comment

It seems the new Board is really working to comply with its responsibilities. The intricate and complicated aspects of such huge investments and the time delay make speedy resolution difficult. The lockdown didn't speed up the process either.

Synopsis



The South African Communist Party (SACP), which has long used its dominance over the African National Congress (ANC) to set the policy agenda for the ruling party, reiterated last week that it wants to 'mobilise' the 'ample resources' in both 'public and private financial institutions' to finance 'sustainable recovery and development' by introducing 'investment requirements' or 'prescribed assets'.

In similar vein, a leaked ANC discussion document proposes to 'Amend Regulation 28 of the Pension Fund Act in order to increase the access of the savings of South Africans to fund long-term infrastructure and capital projects...at a reasonable rate of interest'.

As the Democratic Alliance (DA) puts it, 'this is ANC-speak' for compelling pension funds to invest in government and state-owned enterprise (SOE) bonds, along with capital projects financed by the Land Bank (currently in default on its debt) and the country's other development finance institutions.

The pensions pot is particularly attractive because its value stands at some R4 trillion. And Regulation 28 can easily be used to the state's advantage because it already allows the government to set binding parameters for pension fund investments by limiting, for example, the extent of the equity or foreign exposure they may have. Those parameters can be changed by appropriate regulation and without having to push an amendment bill through Parliament.

The ANC/SACP alliance has thus been wanting for many years to compel pension funds to invest in the developmental projects of its choice. This is the first time, however, that specific wording for amending Regulation 28 has been put forward.

Some 11 million South Africans with pension savings now confront an increased threat that the monies they have accumulated over years of hard work and thrift will be siphoned off to help fund new state projects unlikely to be any less disastrous than previous ones have proved.

Plagued by design flaws

Take Eskom's infrastructure programme, for example. Its two new power stations at Medupi (Limpopo) and Kusile (Mpumalanga) have been plagued by design flaws, lengthy delays, faulty construction, major cost overruns, flawed procurement, corruption amounting to at least R130bn (the sum currently under investigation by the Special Investigations Unit), and persistent breakdowns at units now supposed to be fully operative.

Construction costs, which were initially put at R69bn for Medupi and R81bn for Kusile, have already ballooned to more than R300bn. Yet the new units, according to energy expert Ted Blom, could well cost another R200bn to complete. Billions more will still be required thereafter to rectify their many defects.

Relevant too is the Passenger Rail Agency of South Africa (Prasa), an SOE with a monopoly over the provision of commuter and inter-city rail services. Its recent capital expenditure on upgrading its locomotives and other equipment has likewise been plagued by irregular spending, pervasive corruption, specialised equipment unfit for purpose: locomotives too tall to fit under railway electricity cables or align with existing platforms, and supposedly high-speed electronic passenger gates that in practice operate manually.

'Unlawful and irregular'

A similar story is evident at Transnet, an SOE with a monopoly over freight rail in the country. In March 2014 Transnet signed four contracts for the purchase of 1 064 locomotives with South China Rail and three other companies. But the contracts were 'unlawful and irregular' from the start, as subsequent investigation has shown. In addition, the R54,5bn price tag was a major escalation on the original estimated cost of R38,6bn – with the difference going mainly to benefit those linked to the notorious Gupta family.

Performance at PetroSA is also worrying. In 2015 this SOE wasted R15bn on a failed gas exploration quest in an area off South Africa's south coast where Total has since discovered

a huge gas and oil reserve. The contrast in the success rates of the two entities, as former *Financial Mail* deputy editor Sikonathi Mantshantsha pointed out, could not be more stark.

Inefficiency, wastage and poor performance are evident in the capital projects undertaken by the public service too. To name but some examples: 87% of RDP houses are badly built 'high-risk' structures; essential water and other infrastructure cannot be expanded because the state (in the words of former Finance Minister Trevor Manuel) lacks 'the capacity to get projects off the ground'; and vital financial controls over these (and other) projects are persistently disregarded because 'inadequately skilled people' have been appointed to 'crucial positions'.

The ANC/SACP alliance is now trying to pretend that compelling pension funds to invest in the state's capital projects will give pension fund members rare opportunities to invest in 'real assets'. Little could be further from the truth.

Capital projects managed by inefficient and often corrupt state entities are unlikely to generate adequate returns for those compelled to invest in them. The pensions grab also has far more grubby motives than the alliance is willing to acknowledge.

Needs of the revolution

Much of the underlying aim is ideological: to 'mobilise...the immense resources... controlled by...private capital' into serving the needs of the revolution, as the SACP states in *The South African Road to Socialism*.

Practical necessities weigh heavily in the balance too, as tax revenues and public borrowings can no longer meet the scale of need. But the ruling party requires a constant flow of fresh funds to sustain its patronage machine. Nor is it willing to heed the truth of Margaret Thatcher's pithy saying that 'the problem with socialism is that eventually you run out of other people's money'.

These are the real reasons why pension funds are now in the ANC's crosshairs – and why the ruling party is indifferent to the increased economic suffering its

rapaciousness is likely to cause to 11 million people and their families.

Comment

If I summarise the introductory paragraphs: SACP = ANC = state = government. Added to this the ANC, not the voters, decides who gets which position where, irrespective of qualifications, suitability, experience, etc. The cadres thus deployed are also royally remunerated. And the Daily Friend clearly states the ANC wants to use our Fund for their own political purposes not related to governing the country.

Synopsis

New push to allow South Africans to access their retirement funds during coronavirus lockdown

Staff Writer 25 May 2020



Cosatu has submitted an urgent request to the Finance Minister to allow workers to access part of their retirement fund savings for coronavirus financial relief. Cosatu said that other than the 'very meagre' TERS benefit, many of its members are not receiving income as they are not working during the lockdown period.

The trade federation said it now wishes to explore the possibility of members accessing their retirement fund withdrawal benefits. "Specifically, we are seeking a facility where our members could, on an urgent and expedited basis and in the immediate period ahead, access a portion of their retirement fund withdrawal benefits, in order to help plug the income gap between what they are entitled to receive from the UIF, and their normal wages/salaries."

Cosatu said it has been preliminarily advised that

- Pre-retirement access to retirement fund withdrawal benefits is currently mainly

legally only possible for purposes of assistance relating to housing;

- The FSCA does not have the authority and/or powers to waive the provisions as set out above, to allow pre-retirement access in the manner that we envisage;
- It might be possible for the Minister of Finance to intervene on an urgent basis in terms of the provisions of the Disaster Management Act, by issuing an emergency direction in this regard.

"We accept that there might be some practical issues to consider, such as how such pre-retirement emergency withdrawal is treated by our country's tax regime, as well as the specific amounts involved," Cosatu said "At this stage, we estimate that such emergency pre-retirement withdrawal benefit for emergency Covid-19 relief would be no more than the equivalent of 6 month's wages or salary."

However, Cosatu said that that once-off access to withdrawal benefits will not detrimentally affect the medium to long term sustainability of eventual retirement withdrawal benefits.

Comment

This effectively means using your savings for retirement to allow you to survive now, to live in penury when you retire. However, the need is very real and very immediate.

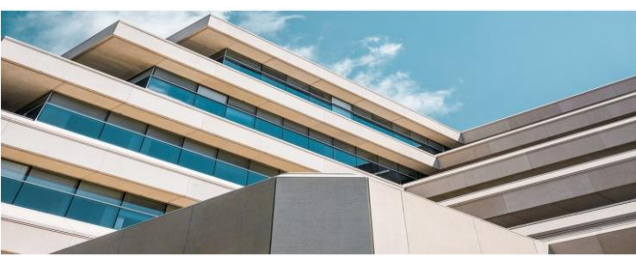
Note; no mention of Cosatu dispensing the millions[billions?] it has in the bank, created by membership fees of its members. What is Cosatu saving it for?

Synopsis

Aradei Capital welcomes South African shareholder PIC in its Shareholding PIC invests 50 million USD in Aradei Capital

27 May 2020

Embassy of Morocco In South Africa



The PIC on behalf of its client, the GEPF, has acquired a 13% stake in Aradei Capital for \$50million.

Aradei Capital is a real estate platform headquartered in Morocco that specialises in commercial real estate assets. It has a presence in 15 Morocco cities. Through this investment, the PIC joins other reputable investors in Aradei Capital that include the European Bank for Reconstruction and Development (EBRD), Label’Vie (LBV), a leading food retailer and franchisee of the Carrefour brand in Morocco, SANAM Holding and Best Financière which has interests in large and medium retail properties in Morocco.

Aradei Capital aims to be a leading platform in commercial real estate in Morocco since the country recently enacted legislation that enables real estate investment trust (REIT).

Against the backdrop of the COVID-19 crisis, the completion of this transaction is a testament to the strong fundamentals and growth prospect still forecasted in this segment. “We are proud to welcome the GEPF to the shareholding and look forward to a long-term partnership” said Mr. Nawfal Bendefa, CEO of Aradei Capital. “This capital investment is key to funding our identified pipeline and we anticipate strong growth emerging from this global COVID-19 crisis. We expect such growth will be driven by a migration to commercial real estate with higher standards” he added.

Mr. Vuyani Hako, the PIC’s acting Chief Executive Officer, believes the investment in Aradei Capital is in line with its Africa Property strategy. “We believe that partnerships are essential for us to deliver on the Africa strategy. Aradei Capital has the necessary expertise in Morocco that will enable us to deliver on our partnership approach to investing in African property markets”.

“We are, particularly excited about future growth prospects informed by Aradei Capital’s clear and solid strategy to diversify into new asset categories and other yield generating real estate asset classes. We believe that our client, the GEPF, stands to benefit from this investment in the long run,” he added.

Comment

Clear statement of the diversification of investments from South Africa only, which the PIC is pursuing. Seems like a good investment on the basis of this report only. The Funds’ real estate portfolio is massive, look it up in the AR.

Synopsis

Exclusive: Government agrees to a R21 billion new bailout for SAA

Issued by Alf Lees MP, DA Member of SCOPA
1 Jun 2020 in News

A draft new SAA Business Rescue Plan, prepared by Business Rescue Practitioners (BRP) Siviwe Dongwana and Les Matuson; and seen by the DA, reveals that the government has agreed to a new R21 billion bailout for SAA.

The draft business rescue plan can be accessed [here](#).

This proposal is part of a plan for a re-imagined ‘new airline’ that is to be established as a state-owned company by the government in terms of the proposed restructure. According to the draft business rescue plan, **“government has agreed to”** provide funding for the following:

Item	Cost Rbn
Working capital injection to restart the airline post Covid-19	2
Retrenchment of employees	2
Payment of lenders	16, 4
Payment of the general concurrent creditors	0,6
Total	21

The draft business rescue plan envisages the “new SAA” to fall under a new holding company called “New HoldCo” which shall also oversee SAA City Centre (SACC), SAA Technical, Air Chefs, and Mango airlines.

Renewed plans by the BRP calling for the establishment of a new airline are hardly surprising. It follows a spirited political campaign by Gordhan to discredit the business rescue process and resurrect the folly of failure by calling for the establishment of a new state airline.

That the BRPs are now singing from the same hymn book as Gordhan clearly shows that the minister has hijacked the process.

If this draft business rescue plan is approved in its current form, SAA will continue to be a fiscal black hole for years to come. The BRP are projecting that the “new SAA” will trade at massive losses totalling R 19,9 billion for the first three years:

- Year 1 – R8,1 billion loss
- Year 2 – R7,5 billion loss
- Year 3 – R4,3 billion loss

These losses exclude trading losses by Mango, SAA Technical, Air Chefs, and SACC subsidiaries which are also likely to rake up tens of thousands or even billions of Rands in losses.

The insanity that is the “rescue” of SAA, on the basis laid out by the BRP, should not be given any serious consideration. The only credible course of action for the BRP is to apply for the liquidation of SAA as is required by Section 81 of the Companies Act.

Comment

The money involved for the ‘new’ SAA is the same as that which the SAA wanted to continue operating, which the government refused to provide.

It seems the business rescue isn’t, it looks like the BRP are only adding substance to what Minister Gordhan and the unions are telling them to do.

With no further detail it seems to be perpetuating the image of a dysfunctional national airline without any reason for its existence.

A letter in reply to one of our member’s contributions

Beste mnr de Vries

Dankie vir n positiewe brief met konstruktiewe voorstelle. Dit is duidelik dat u die omvang van gebeure en die moontlike gevare vir ons pensioen goed verstaan.

AMAGP se getalle het met rasse skrede gegroei, maar ongelukkig is die mannekrag kapasiteit en finansies nog beperk. Die organisasie het ‘n omvattende strategiese ontleding gedoen om ons te vergewis van al die "SWOT" aspekte en ons strategie daarbinne geformuleer. Soos u reeds bewus is, is ons doel regmatigheid en volhoubaarheid van die Fonds.

Agv beperkinge is besluit om saam te werk met instansies wat gemeenskaplike belang het en is gepoog om met alle vakbonde kontak te maak. Die VSA en Solidariteit was eintlik die enigste wat oop was vir verdere skakeling. Daar is ook daadwerklike poging aangewend om met instansies soos die FW Stigting, Helen Suzman organisasie, OUTA, IFF en ander soos Efficient Group te skakel. Oor die algemeen is daar n gunstige verhouding geskep. Groot sukses is ook verkry deur samewerking met sekere politieke groepe, vanweë hulle verteenwoordiging in die Parlement.

Daar is ook direk geskakel met die Minister van Finansies, die Openbare Beskermer en GEPF Trustees met gemengde sukses. AMAGP se standpunt oor die moontlike aanwending van GEPF Fondse om enige SBI te red is duidelik gestel. Die standpunt is deurgaans gehuldig dat die Fonds belê moet word tot voordeel van die lede en dat die Fonds aan die lede behoort en nie die Staat nie.

Die moontlikheid van litigasie is bespreek intern asook met van die bogenoemde instansies en ondernemings is gegee dat, sou lede negatief geraak word, dit die sneller vir sodanige optrede kan wees. AMAGP op die stadium is finansieël nie in staat om op eie ‘n litigasie aanhangig te maak. Ons hoop dat as ons gedwing word om die roete te volg daar voldoende ondersteuning sal wees. Back a Buddy inisiatief is op die punt om geloods te word. Daar is ook reeds met SARS geskakel en ‘n motivering ingedien om enige skenkings aan

AMAGP belasting aftrekbaar te maak te magtig.
Die saak is al meer as 12 maande aan die gang.

Mnr de Vries weereens dankie vir n opbouende brief en ondersteuning. AMAGP het tans net n paar lede wat vrywillig aktief werk in belang van alle GEPF lede en ons sal alles in ons vermoë doen om dit wat ons s'n is te beskerm.

Mooi dag.

ANTONIE VISSER
VOORSITTER AMAGP

IMPORTANT NOTICE. PLEASE READ

OR READ AGAIN IF YOU HAVE ALREADY

SEE THE BOX ON THE NEXT PAGE TOO

Please take a while or two or three to consider what the all-volunteer AMAGP is all about and is actually and continuously achieving. Our Facebook page has more than 31 000 members and continually growing; we must be doing something right. We need you to inform and motivate all the civil servants, policemen, soldiers, correctional services members, etc, you know to join the AMAGP to strengthen our voice when promoting the sustainability of your pension. We need many more AMAGP members, not just the Fb page. Of which there are already over 4 000, but not enough yet if we consider over a million GEPF members. Keep in mind we have just less than 2 million members, of which about 450 000 are pensioners and the other about 1 380 000 are still working but contributing members of our Fund.

- ROLE OF THE FACEBOOK PAGE - GEPF WATCHDOG/WAGHOND

This Facebook page is the social media platform of the non-profit organisation "The Association for the Monitoring and Advocacy of Government Pensions" (AMAGP). The AMAGP has only one agenda point – safeguarding the GEPF against looting and mismanagement.

Most of our GEPF members are content with the fact that pensioners still get their monthly pension (and some increases annually), and they are convinced by GEPF newsletters and ambitious briefings by the GEPF Board of Trustees that our Pension Fund is in a superb condition. There is, however, another side to the coin!

As a member of the GEPF (working or retired), this Facebook page will keep you updated about any developments affecting the health of YOUR Pension Fund. It also provides you with the opportunity to participate in the debate and raise issues of concern. Although it is not part of the core business of this page, you may also raise matters regarding the day to day management of your pension administration, which we will gladly refer to the Government Pensions Administration Agency (GPAA). Please read the articles that are posted on the wall, BUT also read items saved under "Announcements" and "Files". You can get further information on our website – there is no reason to be in the dark regarding our Pension Fund, and what you must do as a member.

This page will only have any value for you if you join the AMAGP. Kindly take note that you do not have to pay membership fees, or do any work for the AMAGP if you do not wish to do so – BUT your membership will add one more brick to the wall that the AMAGP is building to protect our/your money. You can complete the online registration form under "Announcements" (English and Afrikaans) at the top of the Facebook page, or you can visit our website at www.AMAGP.co.za, and complete the online application form that you will find under "Membership". There are also registration forms in English and Afrikaans that you can print, complete and return to us under "Files" on the Facebook page.

JOIN THE MOVEMENT



STEP 1 JOIN THE FACEBOOK GROUP

STEP 2 BECOME AN AMAGP MEMBER

- 1: Scroll to the top of the AMAGP page;
- 2: Click on "Announcements";
- 3: Click on "amagp membership";
- 4: Complete the form :)

PROTECT OUR FUND

The AMAGP does not want any GEPF member to leave the Fund, because it still is the best pension fund in the RSA – BUT, we as members and owners of the Fund have to protect it against abuse.

Welcome to our page – please help us to get thousands more GEPF members to join this page and the AMAGP, so that we will have the required bargaining power. **We are the owners of the GEPF**, and we have the right and the power to force the GEPF Board of Trustees, and the Public Investment Corporation (PIC), to manage and invest OUR money in a responsible and profitable way.

VRYWARING

Die AMAGP maak die Nuusbrieff beskikbaar as 'n diens aan beide die publiek en AMAGP lede.

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