

# Association for Monitoring and Advocacy of Government Pensions

# (AMAGP)

NPO Registration No: 198-822



*The Association for Monitoring and Advocacy of Government Pensions: A volunteer 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](http://www.AMAGP.co.za)

 GEPF Watchdog - Waghond

 GEPF Forum



## NEWSLETTER NO 18 of 2022

AMAGP – Association for Monitoring and Advocacy of Government Pensions

AR – annual report

BOT – Board of Trustees [of the GEPF]

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 entity

*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 R1.61 trillion. GEPF is a defined benefit pension fund that was established in May 1996 when various public sector funds were consolidated. Our core business, which is governed by the Government Employees Pension Law (or GEP Law), as amended, is to manage and administer pensions and other benefits for government employees in South Africa. <https://www.GEPF.gov.za/> dd 29 December 2022.*

***WE ARE THE OWNERS OF THE GEPF and we have the right to expect the GEPF BOT and the PIC to manage and invest OUR money in a responsible and profitable way, to the advantages of members and pensioners. Note the misbalance: the single pensioner on the BOT representing all 450 000 pensioners and the 15 representatives from the multitude of trade unions and government departments representing the 1,2 million active members.***

**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.**

## The Editor's Word

Dear reader, the three bullet paragraphs below were copied from the GEPF website – “About Us - “GEPF at a glance”.

“... ”

- Clients: Approximately more than 1.265 million active members from more than 325 government departments and about 473 312 pensioners and other beneficiaries.
- Funding level: 108% (based on the approved actuarial valuation conducted as at 31 March 2018).
- Accumulated funds and reserves: R2.09 trillion as per financials as at 31 March 2021.” ...

Note the difference in the fund's figures from the paragraph in small print on the page above, which was also copied from the GEPF website – “Home” – “Who is GEPF”. Both copied on 29 December 2022. The members and beneficiaries difference is easy to understand because of rounding. However, **the R0,5bn difference** in assets R1,61trn and accumulated funds and reserves R2,09trn insists on an explanation.

Do we have combined R3,7trn in assets, accumulated funds and reserves?

Hiermee 'n persoonlike boodskap van ons AMAGP Voorsitter:

“Geagte AMAGP lede en AMAGP Facebook deelnemers,

Dit is met groot trots dat AMAGP Bestuur met ons lede en ondersteuners aan die einde van 2022 kan kommunikeer. Ons bestuurspan en medewerkers het daarin geslaag om in die tweede jaar van die Covid pandemie, groter suksesse te bereik, gemeet teenoor ons doelstelling van VOLHOUBAARHEID!

1. Hoewel die Bestuurspan verklein het, het ons daarin geslaag om nuwe vaardighede doelgerig aan te wend.
2. Nuwe metodes van optrede is ook gebruik om groter druk op GEPF en die OBK te plaas, soos bv die " Fraud Hotline".
3. 'n Groter bewustheid is suksesvol by ons lede geskep, om gereelde donasies aan

AMAGP te maak ten einde adminkoste te kan delg.

4. Voormalige en nuwe Bestuurslede asook medewerkers, werk toegewyd om n R2 triljard fonds te monitor, en LT-BELANG te beskerm.

5. Jonger nuwe talent, help AMAGP om belangrike doelwitte te bereik, bv ons Openbare Skakelingssegsman Mnr Zirk Gous!

6. Ons nuwe Pensioenfonds Trustee verrig ook reuse-werk om pensioenarisse se belange te beskerm en te bevorder, onderworpe aan GEPF-Protokolreëls.

U kan dus verstaan dat ons n jaar afsluit met baie dankbaarheid, en beter vooruitsigte!

Bestuur wil graag aan al sy lede en ondersteuners 'n Geseënde Kersfees toewens.

Albert van Driel  
(AMAGP Voorsitter)”

The ANC's recent national conference will let us know the direction of the ANC politics for the next year, luckily taking some time from talking to implementing. Any influence on the country will only be clear once everybody is back at work, and then started working. There doesn't seem to be any significant influence on the GEPF at this stage. Which doesn't mean the threat to our Fund has gone away, not if the murky implementation of the Commission of Inquiry into the PIC findings is a criterion.

My contention is still that appeals resulting from court findings in corruption and fraud cases must go hand in hand with excruciatingly detailed attention by SARS about the money being talked and the people involved with that money. SARS is much harder to shake off and ignore.

Considering the ROI for our Fund's investments in the JSE and SOE. Our economy doesn't really need restructuring or transforming, it just needs the 'government' to keep its fingers out of it. It should fix itself soon enough I think, then the ROI would pick up. I might be over optimistic.

The Sunrise LPG project in Saldanha seems like a good investment. Now why does it seem to be on its way to being a loss? Our loan to the business is in jeopardy.

A note on our loss in Steinhoff. A good investment turned bad, but with sufficient warnings had.

Adamus Stemmet is a prolific writer of 'letters to the editor', with many of his letters being published in mainstream newspapers. His latest letter questions the lack of action after the Mpati report, as well as the lack of action after the huge embezzlement at Daybreak Farms. Good questions needing answers, which seem to be hiding amongst soon to be ignored new year's resolutions.

The ANC is considering moving Eskom to fall under the Department of Energy, which sounds logical but without the detail may not be. And other SOE casually mentioned in passing. Let's see what the 'government' eventually does with this, although it is part of the recent ANC national conference and may never go anywhere.

The African Development Bank has extended a credit line to the troubled DBSA.

Operation Vulindlela has released its quarterly report. The report doesn't really say what has been achieved in real terms, but the ideals are good. It includes cannabis.

The JSE has fined Ayo for a series of disclosure failures related to how it engaged with shareholders over related-party transactions in the listing of Ayo on the JSE. Read more below, far below.

Our President said at the ANC's recent national conference that state capture and mismanagement is the cause of Eskom's problems. We already knew those were some of the reasons but he doesn't seem to be anywhere nearer solutions now that we again know that.



## PIC, IDC stand to lose more than R1bn in Sunrise Energy

IOL  
BF Reporter  
12 December 2022

Both the PIC and the IDC have invested in the Sunrise Energy LPG project, which is situated in Saldanha Bay.

This project was executed on the back of a concession from the Transnet National Ports Authority. The project's aim was to build the infrastructure needed by LPG importers to supply LPG to the market.

The shareholding of Sunrise Energy is made up as follows:

- Group Holdings Proprietary (Ilitha): 9%
- IDC: 31%
- Mining, Oil and Gas Services (MOGS): 60%. The Mogs shareholding is made up by the Royal Bafokeng Holdings (RBH): 51% and the PIC 49%.

On Tuesday, an application from Ilitha was heard in the Western Cape High Court, in which Ilitha applied to place the Sunrise Energy Group into business rescue. The details in the application documents show Sunrise Energy business has been making a loss from the time of its commissioning in 2017.

An affidavit by Barthlo Harmse, a director at Ilitha, indicates that the position Sunrise finds itself in was a result of control that RBH has at board level. He states: "The board of the first respondent is controlled by RBH through MOGS and, in particular, by the first respondent's non-executive chairperson,

Albertinah Kekana (Kekana), who is also an executive director of RBH.”

“Kekana wields almost unfettered power over the affairs of the first respondent and has asserted the entitlement to take charge of the substantial decision making of the first respondent, despite and in disregard of the roles and functions of the board of directors of the first respondent.”

Kekana is a qualified chartered account, who held the position of chief financial officer at the PIC prior to taking up the role as MOGS chairperson.

Harmse further provides information. “One of the principal reasons for its (Ilitha’s) current and worsening distressed financial position is the onerous LPG handling and throughput take-or-pay agreement that MOG’s representatives caused the first respondent to have concluded with an LPG aggregator known as Vita Gas Proprietary Limited (Vita Gas). MOGS procured the Vita Gas agreement despite warning and vociferous protestation by me and the applicant.”

Further into the document, Harmse states: “In addition, the current management structure, led by Kekana, has allowed, through poor management and reckless borrowing, the first respondent to fall into a position where its liabilities well exceed its assets, as appears from the latest audited annual financial statements for the period ended December 2020.”

Harmse further confirmed: “The total capital cost of the terminal was approximately R1,1bn, funded via the shareholder loans, the balance being funded by way of senior debt, with the IDC providing a senior debt facility of R500 million and the balance of senior debt of R15m provided by the PIC”.

“Further funding of R480m in shareholder loans provided by the applicant and MOGS. It should be noted that PIC is a shareholder in MOGS.”

Previous research by IOL indicated that a facility of similar size to the Sunrise Energy facility (5 500 metric tons) should have cost around R400mn to construct. Total liabilities at October 2022 are recorded as being R1

452 380 902, with the total senior debt for the IDC and PIC at R926 939 561.

It would seem that despite Sunrise Energy enjoying a monopoly, the business is unable to generate any returns, or service the excessive debt obligations that have resulted in this application.

The project development phase of the project appears not to have included any individuals skilled in the development of LPG terminals and import storage facilities. This is evident from the excessive construction expenditure and the weather-prone infrastructure, which results in periodic supply issues.

This development now places key port infrastructure at risk as it is currently the only infrastructure available for LPG imports into the Western Cape.

While Sunrise Energy claims charging a higher tariff will help with business liquidity, the reality appears to be that higher tariffs will be passed on to consumers, and are the result of over-engineering and reckless borrowing. It is also premised on the fact that Sunrise will enjoy a “contrived monopoly” in Saldanha.

While the key theme in the court document is the claim that the Vita Gas contract is the reason it is unable to service its debt, experts indicate that even if the Vita gas contract were cancelled, the introduction of new aggregators would not generate sufficient revenue to cover the large-scale debt.

Further, Sunrise Energy last week told the Competition Tribunal that the Strategic Fuel Fund’s (SFF) takeover of gas importer and distributor Avedia would result in Sunrise having to close its doors.

As we navigate a period of constrained electricity supply, with communities turning to alternative energy sources, such as LPG, for their heating and cooking, the current situation at Sunrise Energy means the Western Cape and surrounding areas may potentially run out of gas as a result of weak project development and reckless management.

*Comment*

*We lent about R176,7mn to Sunrise.*

*The legal talk is a bit confusing but reading the article should make all clear. The first respondent is Sunrise.*

*Interesting how PIC officials continue to appear in the management of companies the PIC lent money to, our money.*

### Synopsis

## Steinhoff plummetts as shareholders may end up with nothing

BL Premium  
15 December 2022  
Katharine Child

Steinhoff International Holdings' share price more than halved on Thursday after the beleaguered retail holding company said its main debtholders will take majority control, leaving shareholders with no more than 20% and possibly even nothing.

The shares closed the session 64% lower at 58c, as investors scrambled to unload the stock, with just over 56,7 million shares traded. The stock is down almost 90% this year.

The group's debt of about €10bn, due in June 2023, is held by various lenders and exceeds the value of the group's assets, according to Steinhoff.

The company announced on Thursday morning it has reached agreement with 64% of lenders to extend the repayment deadline. The deal will leave shareholders with 20% of the firm while the debt holders will control 80%. Should shareholders not agree to the debt extension deal, they could lose all of their equity.

The lenders will also have 100% of the voting rights, leaving shareholders with no influence as the holding company gives up its main listing on the Frankfurt stock exchange and its secondary one on the JSE.

The firm's debt is financed at about 10% interest a year, high by European standards — requiring its underlying retail businesses to grow at that just to keep up with the interest.

Steinhoff owns just over 50% of SA retail firm Pepkor, a majority stake in European discounter Pepco, and Mattress Firm in the US as well as an Australian household goods manufacturer Greenlit Brands.

Steinhoff hopes at least 80% of its lenders will have agreed to the debt restructuring terms by the end of the year. Those lenders who agree to the settlement will be entitled to an early-bird fee.

### Comment

*The PIC/GEPF got about R4bn back in March via a global settlement. To all intents and purposes, the GEPF interest in Steinhoff is at an end. The loss? You can't win them all, although the signs of problems in Steinhoff were clear more than a year before the crash. The latest GEPF AR indicates we still have about R811mn invested in Steinhoff. There is still ROI.*

### Synopsis

## Who protects whom and why?

Editor,

The Mpati Commission which investigated irregularities at the PIC made 377 recommendations in March 2020. It is the state corporation whose main task is the investment of the funds of the GEPF. Some of the recommendations were serious and some even indicate possible criminal prosecutions.

When reporting on the implementation of these recommendations, the response by the PIC and GEPF is often that a vague X % has been implemented. The latest is 77%. What was carried out remains a secret. No criminal prosecutions or recovery of losses appear to have occurred or are ever reported.

One glaring case that has recently been disclosed in the media is the case of R150mn embezzled from Daybreak Farms. The bankrupt Daybreak Farms belongs to the GEPF/PIC. A solid R1,8bn is believed to be invested in it. The Mpati Commission pointed out that the person responsible for the loss had previously been found guilty in a disciplinary hearing. Dismissal was recommended but a senior ANC member, now a minister, ensured that the recommendation was not carried out.

It now appears that the PIC and certainly the GEPF also in January 2022 were already in possession of a forensic (audit?) report on the R150mn that was lost in a corrupt manner. When the PIC reported to a parliamentary committee on 14 June 2022, these important events were concealed. Also, the GEPF, which is in control of the pension fund's assets, is silent as the grave and does nothing. Why?

Should the PIC and Board of Trustees of the GEPF not now be held liable for the loss?

That the PIC and GEPF have long been aware of the corruption in this case certainly cannot be denied. That they were aware of corruption and did nothing about brings Section 34 of the Prevention and Combating of Corruption Law, 2004, in contention. This article states that any person who is aware of corruption or even just suspects it and does not report it is guilty of an offence. This involuntarily puts the PIC and the Board of Trustees of the GEPF in jeopardy. Don't both still violate this law? Why are they not charged? Another question is: Why is the person who embezzled the R150mn and went on a shopping spree, according to a report in the media on 9 October 2022, not prosecuted?

Who protects whom and why?

Adamus P. Stemmet

#### **Comment**

*The Mpati Commission's findings are wide ranging and extensive, being broadly divided into 'findings' and 'recommendations', often including actions that include the words 'should' and 'must', sometimes with dates or time periods added. They are all very clear.*

*However, the implementation of all these is vague and murky. It may be that all the important findings are resting peacefully and all the easy ones have been done. It is entirely possible that, now the public knowledge of the findings has been replaced by many other corruption and fraud cases, the implementation of the findings may be quietly fading into obscurity together with those responsible.*

*All progress is reported in percentages, conveniently providing absolutely no detail on what, actually, has been implemented.*

#### **Synopsis**

## **ANC wants Eskom to fall under energy department**

19 December 2022

Mary Papayya and Sam Mkokeli  
Business Day



Mmamoloko Kubayi at the ANC's 55th national conference at the Nasrec, in Johannesburg. Picture: FREDDY MAVUNDA

The ANC wants Eskom to fall under the Department of Energy and Minerals, according to party leaders attending the Nasrec conference.

Business Day was told that this was discussed in a policy discussion session under the auspices of the economic transformation committee on Sunday night. Some on the committee say they are fed up with the energy crisis and want the government to pay more attention to it and Eskom's performance.

Committee chair Mmamoloko Kubayi confirmed the discussion had taken place but said the committee report still needed to be discussed by the plenary of 4 200 delegates. Kubayi said the ANC felt Eskom needs more engineering skills at the top.

Eskom CEO André De Ruyter announced his resignation last week.

#### **Comment**

*We all know why Eskom is in the dire situation it is and the resultant load shedding. Fixing this can't be done by the same people or instances that caused it. Moving Eskom around won't change that but it might in the*

long term. This may also be a power play in the ANC, etc, etc.

### Synopsis

## ANC suggests moving SOE away from public enterprises department

20 December 2022  
Thando Maeko  
Businesslive



Mmamoloko Kubayi. Picture: Freddy Mavunda

The ANC is considering moving SOE from the Public Enterprises Department to their line departments to improve efficiency.

The move was mooted during policy discussions at the party's national conference but was not adopted, because the conference was adjourned and will reconvene on 5 January.

If the more than 4 000 delegates adopt it when the conference reconvenes, it would mean that crucial SOE such as Eskom and Transnet could be moved from Public Enterprises to the Mineral Resources & Energy department and the Department of Transport, respectively.

"Delegates were saying can we ensure that state-owned entities are put into the line department for policy and co-ordination," said the head of the party's economic transformation committee, Mmamoloko Kubayi.

The Treasury sees SOE as a major risk to the fiscal framework and has introduced a strategic equity partner into SAA and enabled private generation of electricity and is planning private participation in the freight rail

sector to increase competition, boost efficiency and reliability, and reduce costs for customers.

The committee did not discuss the establishment of a holding company that would oversee major SOE, which has previously been mooted by the presidential review committee and the presidential SOE council.

### Comment

*This sounds like just moving problems around without progressing in solving them. The Public Enterprises Department isn't going to be dissolved and its assets and staff transferred, it is going to remain unchanged in size while the other departments will expand. We have money in loans, bonds, etc in many of the SOE, such as ACSA, DBSA. Keep in mind this is what the recent ANC national conference discussed and may possibly be seen in 'government' activities next year. Eventually.*

### Synopsis

## African Development Bank approves R2,2bn credit facility for DBSA

20 December 2022  
Bekezela Phakathi  
Businesslive

The African Development Bank (AfDB) has approved a R2,2bn line of credit facility for the Development Bank of Southern Africa [DBSA] earmarked for strategic projects in energy, infrastructure, and communications technology in Southern Africa.

The DBSA is a state-owned bank specialising in development loans. It is a pivotal agency in the government's ambitious infrastructure drive which it hopes will reignite growth and help the country reduce the burden of poverty, unemployment and inequality...

### Comment

*We have about R6,7bn in the DBSA, only one of the many troubled SOE. The use of the credit hasn't been made public, so it might be prudent not to speculate where the money is going to end up.*

## Synopsis

### Operation Vulindlela report sets out priorities for 2023 first quarter

Four new reforms added, including cannabis cultivation and transport devolution to local authorities. Operation Vulindlela was established in October 2020 as a joint initiative between the Presidency and National Treasury.

15 December 2022  
Amanda Khoza  
Businesslive

The government is forging ahead with its plan to implement a feed-in tariff and tax incentive for rooftop solar panel owners by the end of the first quarter of 2023.

This is contained in an Operation Vulindlela third quarter report, which details the progress over the past two years in accelerating economic structural reforms announced in October 2020.

The operation's key goals include:

- Scaling up supply of electricity and water;
- Efficient transport;
- Reducing the cost of data and improving the quality of digital communications; and
- A new visa regime to attract skills and also grow tourism.

Four new reforms have been added, aimed at:

- Creating an appropriate legislative framework for hemp and cannabis;
- Enabling the devolution of passenger rail functions to local government;
- Titling reform for low-cost housing; and
- Developing a fit-for-purpose procurement regime for state-owned entities.

Earlier in 2022, Ramaphosa announced temporary measures to resolve the country's energy crisis. These included subsidising households and businesses to install roof solar panels.

In addition to the incentives, the report says progress on the energy action plan includes establishing a one-stop shop for energy projects and reducing approval times by 50%.

The government also wants to appoint an independent board to operationalise the transmission entity and table the Electricity Regulation Amendment Bill in parliament.

On transport, the state wants private-sector participation in container terminals and freight rail to deal with logistical bottlenecks. It also wants to complete the analogue switch-off and digital migration.

Then there is a plan to table the National Water Resource Infrastructure Agency Bill in parliament and establish a water partnerships office to improve investment in water resources.

## Comment

*Operation Vulindlela has lofty aims, which seem to bear fruit eventually. Our Fund is invested in many of the initiatives by means of shareholding in the JSE, loans, and those loans and investment in unnoted companies that we hear so little of.*

## Synopsis

### JSE fines Iqbal Survé-linked IT group Ayo Technology R1,5mn for disclosure failures



Getty Images

News24

22 December 2022

With assistance from Jan Cronje

- **The JSE has fined Ayo Technology Solutions R1,5mn for a series of breaches of listing requirements.**
- **The fine concerns disclosures of transactions and its relationship with asset manager 3 Laws.**



- **Ayo Technology has applied for a reconsideration of the JSE's decision, but a request for a suspension of the sanctions was rejected.**

Iqbal Survé-linked Ayo Technology Solutions has been fined R1,5mn by the JSE for a series of disclosure failures related to how it engaged with shareholders over related-party transactions.

On Wednesday, the Financial Services Tribunal dismissed Ayo's application for the suspension of the JSE's decisions, making them enforceable, the local bourse said in a statement.

Ayo has also applied for a reconsideration of the JSE's decisions, while it shares slumped more than a fifth to R2,40 in early trade on Thursday.

### **Related parties**

Ayo listed on the JSE on 21 December 2017. A day after listing, it entered into the first of three performance management agreements with an asset manager, 3 Laws, providing for the management of funds invested for and on behalf of the company.

When it entered into the agreements, the majority shareholder in 3 Laws was Sekunjalo Investment Holdings, which was founded and is chaired by Survé.

Sekunjalo held 85% of 3 Laws, as well as 61% of African Equity Empowerment Investments, which in turn held 49% of Ayo. Therefore, 3 Laws was a related party to Ayo.

After probing transactions between 2017 and 2019, the JSE concluded that Ayo had failed to comply with its listing requirements, in terms of both informing the market about sizeable related-party transactions, and failing to properly inform shareholders about the nature of the agreements.

Among the breaches, Ayo omitted to disclose that an amount of R400mn was paid to 3 Laws on 5 March 2018. In addition, "the JSE identified discrepancies in certain disclosures, information and dates contained in Ayo's group annual financial statements for the year ended 31 August 2019 and in Ayo's correspondence to the JSE."

The R1,5mn fine isn't the first time the JSE has taken action against Ayo. In August 2020, the bourse censured Ayo and fined it R6,5mn for the publication of a number of material errors in its 2018 interim results, while in February 2022, it disqualified two former board members from acting as directors of listed companies for five years.

### **Investment troubles**

Ayo has also been in the spotlight since the release of the report of the Mpati Commission of Inquiry in March 2020, which found that members within the boards of the Sekunjalo Group of companies were "not independent". The report concluded that the R4,3bn investment by the PIC in Ayo demonstrated the "malfeasance of the Sekunjalo Group [and] the impropriety of the process and practice of the PIC".

It recommended that the PIC conduct a forensic review of all transactions entered into with the Sekunjalo Group and take all "necessary steps" to recover the money it is owed, with the PIC then launching legal action.

Ayo has denied wrongdoing, and has accused the PIC, together with officials from National Treasury, of plotting to destroy it, something which the PIC has denied.

Following the release of the report, a number of banks started to close their accounts with Sekunjalo, citing reputational risk. But Sekunjalo also won interim relief in September, with the Competition Tribunal granting the group six months of interim relief pending the conclusion of an investigation by competition authorities.

### **Objection**

On 9 December 2022, Ayo applied to the Financial Services Tribunal for an order suspending the decisions of the JSE, while also applying for a reconsideration of the decisions of the JSE related to the R1,5mn fine. The JSE will oppose Ayo's reconsideration application, Thursday's statement read. The JSE did not oppose Ayo's initial suspension application and agreed not to implement the decision

and sanctions pending the finalisation of Ayo's bid.

The Tribunal dismissed Ayo's suspension application on 21 December. The investigation into the conduct of the individuals that presided at the company during the periods in question and who were bound by the listings requirements is ongoing, the JSE said.

### Comment

*A concise summary.*

*Take note of the fine imposed by the JSE and the key information not disclosed. The reconsideration application will probably be followed by further appeals and court action by Ayo.*

*The six months' grace for the banks' closing accounts with Sekunjalo will probably be followed by even more court action, keeping lawyers rich.*

### Synopsis

## State capture and mismanagement responsible for Eskom crisis, says Ramaphosa

The president says almost R3bn has been recovered from companies that had captured the power utility, while a further R5bn was being clawed back through legal processes

Businesslive

17 December 2022

Kgothatso Madisa



Picture: Sunday Times/Alaister Russell

State capture and mismanagement have destroyed Eskom, ANC president Cyril Ramaphosa said on Friday night. "The insecurity of the electricity supply continues to be one of the greatest impediments and risks to economic recovery in our country," he said.

"Poor policy decisions in the past, together with inadequate maintenance, mismanagement and state capture have left our electricity system in a state of real disrepair."

Eskom's failure to provide uninterrupted electricity has put severe pressure on the ANC-led government especially with national general elections scheduled to be held in 2024.

Ramaphosa told the more than 4 000 delegates at the opening of the conference his government had over the past five years started the process of rebuilding the power utility.

He attributed Eskom's failures, which have led to stage 6 blackouts, to companies that had received undue payments from the state-owned company. These illegal payments, running into billions, to companies that had captured Eskom were being recovered, he said.

So far, close to R3bn had been recovered, while a further R5bn was being clawed back through legal processes. "Apart from the immediate steps to stop state capture at Eskom and rebuild the utility, government has made significant policy changes to enable a more competitive, reliable, cost-effective and sustainable electricity industry," Ramaphosa said.

"An important part of the work to reverse the effects of state capture is the recovery of funds that were paid illegally or improperly to a number of companies.

The state capture commission found Eskom had entered into irregular contracts amounting to about R15bn. Most of the companies were linked to the Gupta family, which enjoyed a close relationship with then-president Jacob Zuma.

All of this, Ramaphosa said, has led to load-shedding, which will not end unless reforms are implemented. "Since the 54th national conference, we have undertaken several far-reaching measures to completely transform the country's energy sector," he said.

### Comment

*Convenient moving the blame around without coming closer to a solution. Eskom's woes won't be solved by confirming the causes.*

## THE GEPF WATCHDOG / WAGHOND FACEBOOK PAGE

Welcome to our page.

The GEPF Watchdog/Waghond 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.

**We are the owners of the GEPF**, and we have the right to expect the GEPF Board of Trustees, and the PIC, to manage and invest **OUR** money in a responsible and profitable way. To the advantages of members and pensioners!

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 GEPF Annual Reports that our Pension Fund is in a superb condition. The AMAGP newsletters and press releases tell a different story.

Our Facebook and AMAGP are together more than 58 000 members and continually growing, but this isn't enough. The continued growth confirms the ever increasing concern pension fund members and pensioners have about the future of their pensions.

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.

Please read the articles that are posted on the wall, BUT also "re" and "Files". You can get further information on our website – there is no reason to be in the dark regarding our/your Pension Fund, and what you must do as a member.

This page will only have any value for you if you join the AMAGP. Note there are no membership fees. You don't have to do any work for the AMAGP if you do not wish to do so – BUT your membership will add one more voice to AMAGP convince the government our pensions remain ours, not theirs to misuse.

### VRYWARING

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

The AMAGP is nie verantwoordelik en uitdruklik vrywaar alle aanspreeklikheid vir enige skade van enige aard wat sal ontstaan uit die gebruik of aanhaling of afhanklikheid van enige informasie vervat in die Nuusbrief nie. Alhoewel die informasie in die Nuusbrief gereeld opgedateer word, kan geen waarborg gegee word dat die informasie reg, volledig en op datum is nie.

Alhoewel die AMAGP Nuusbrief skakels mag bevat wat direkte toegang tot ander internet bronne verleen, insluitende ander webtuistes, is die AMAGP nie verantwoordelik vir die akkuraatheid of inhoudelikheid van informasie binne daardie bronne of webtuistes nie.

### DISCLAIMER

The AMAGP provides the Newsletter as a service to both the public and AMAGP members.

The AMAGP is not responsible, and expressly disclaims all liability, for damages of any kind arising out of use, reference to, or reliance on any information contained within the Newsletter. While the information contained within the Newsletter is periodically updated, no guarantee is given that the information provided in the Newsletter is correct, complete, and up to date.

Although the AMAGP Newsletter may include links providing direct access to other internet resources, including other websites, the AMAGP is not responsible for the accuracy or content of information contained in these resources or websites.