Association for Monitoring and Advocacy of Government Pensions (AMAGP)

NPO Registration No: 198-822

SEMPER VIGILANS

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

f GEPF Watchdog - Waghond

f GEPF Forum

GEPF your investment, your future

NEWSLETTER NO 8 of 2023

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
SLAPP - Strategic litigation against public participation
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 1 August 2023.

***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 contributing 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.

SOME WORDS DIRECTLY FROM AMAGP

Dear reader, please read the plea below thoroughly, with your 'pension to be' firmly and prominently in mind. The statements in the plea can all be independently verified:

Project 'My Secure Pension': Who is willing to contribute R100 per month to free the state employees' pension fund from toxic political control?

AMAGP has calculated that an amount of more than R35bn of the GEPF has been lost to politically friendly investing. The reason: the two acts of parliament that created the GEPF and the PIC created an environment where, in practice, the Minister of Finance has total control over these two entities. (Note: R1bn = nine zeroes = one thousand million)

On the other hand, the private pension fund environment is regulated by the Pension Funds Act (PFA), which contains a variety of principles that safeguard these funds from abuse e.g.:

i) funds must be invested 'in the best interest of the fund',
ii) funds 'may not be invested in the business of the employer', and
iii) others.

These safeguarding principles are not replicated in the Government Employees Pension Law (GEPL) or the Public Investment Corporation Act (PICA). To the contrary, the GEPL specifically determines that the GEPF trustees shall determine the investment policy of the GEPF in consultation with the Minister of Finance. In practice the Minister thus determines the policy.

A judicial commission (popularly known as the Mpati-commission) investigated allegations of improprieties at the PIC and its 2020 report specifically recommended that the PIC Board of Directors should not be appointed by the Minister of Finance, and that the chairperson of the Board should not be the Deputy Minister of Finance. In 2021 the PICA was nevertheless amended to allow exactly this: i.e. that

i) the PIC Board of Directors be appointed by the Minister, that
ii) the Deputy Minister of Finance may be appointed as the chairperson of the Board and, in addition,
iii) an 8-point list of political objectives is to be pursued during investing i.e. transformation and the creation of work.

The result: R81bn of GEPF pension money is invested 'in the business of the employer' i.e. Eskom, and the media group Independent Media was bought with the racial motivation 'to create a black Naspers' The result of the latter R4bn of GEPF pension money was squandered, clearly not in the best interest of the fund.

The political control over the GEPF's funds is a direct threat to the sustainability of the GEPF. It also contributed to the low pension increase that we received in 2023 i.e., 5,5%, being 75% of the inflation rate. The challenge is to rid the GEPF and PIC of toxic political control and as alternative implement the 'best interest of the fund' principle. Sound reasons exist for the above: e.g., the laws of parliament quoted above create an unequal and discriminatory pension environment where the pension funds of private sector employees enjoy sound statutory protection against abuse, whilst the pension fund for state employees does not enjoy equal statutory protection. The result: billions of state pension funds were, and still are being, diverted to political pockets.

Together with other institutions AMAGP is now launching a process to challenge the constitutionality of political control over our pension funds, with the primary purpose of strengthening the sustainability of our pension fund. Practically, we will approach the courts to set aside this discriminatory legislation and to declare the ministerial control over our fund as in conflict with the constitution. This may be a 4-year process.

Are you willing to contribute R100 per month (or an amount to your choice) to contribute to a fund to free the state employees' pension fund from toxic political control? These funds will be used for both the general administration of AMAGP and for the proposed legal process.

If you are not yet a member, join AMAGP by clicking on

https://amagp.coffeecup.com/forms/amagp membership/

and follow the instructions. Within a brief period, you will get a response and a membership number.

To donate to AMAGP and to this project to litigate against the status quo, please arrange with your bank for a monthly stop order to AMAGP's bank account: Bank – FNB, branch: Brooklyn 251345, cheque account 627 4334 7454, use your (new) membership number or ID number as reference number.

Zirk Gous
27 June 2023
084 512 5104
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Comment
1. Afrikaans version is at the end of this newsletter.
2. Note the entire AMAGP management is /are unpaid volunteers since its initial inception and establishment and still is/are, including the editor of the newsletter.
3. Any funding goes into the AMAGP bank account, which is audited and reported on annually and is available for detail scrutiny at the open AMAGP AGM.
4. Such donations may be tax deductable, check with your tax advisor.

The Editor's Word

"*The nine most terrifying words in the English language are: We are from the government and we are here to help*." Ronald Reagan.

It would be nice if the GEPF AR included the ROI for each one of the entries for the relevant financial year, it would be clear if the investment is worth continuing. I'm sure the horde of investment bodies, brokers the GEPF users and its own staff know what the ROI of each investment and property is.
Keep in mind one year's ROI doesn't reveal long term possible ROI, as such fluctuates over time with the state of the economy, politics and global economy.

The new buzz word…
Kakistocracy - a government run by the worst, least qualified, or most unscrupulous citizens [Wikipedia]; government by the least suitable or competent citizens of a state; a state or society governed by its least suitable or competent citizens [Oxford]; the total lack of integrity of the administration [Cambridge].

Confirming: the figures used in the comments below are taken from the 2022 GEPF AR, which on its own reflects the GEPF financial status as at the beginning of 2022. Said figures currently more than a year and a half old.

Now for news from the media

It isn't only the GEPF that is forced to invest in unlisted startups. Pension providers in the UK are moving that way now, possibly or probably without political interference.

The SA Post Office is being shepherded into business rescue, which doesn't influence the GEPF. Yet.

Telkom is in the news because of a possible purchase offer. Whatever happens, it won't be privatised.

Transnet announced that a Philippine company will 'take over' Durban container harbour. Said company evidently a world leader in managing harbours. Our harbours are evidently in the bottom 10 ranking of over 350 harbours in the world.

Sekunjalo has experienced another setback in its litigation about the closure of its bank accounts.

NEWSNUUSNEWS

Synopsis

UK pension funds agree to invest 5% of assets in startups

By Bloomberg
Business Maverick
11 Jul 2023

The UK government announced an agreement between nine of Britain's largest pension providers to boost their investment in growth companies, a move it said could unlock £50bn (R1,21trn) if the rest of the industry follows suit.

Aviva Plc, Legal & General Group Plc, M&G Plc, Scottish Widows, Aegon NV and Phoenix Group Holdings Plc, are among the firms to have joined the compact, which commits them to allocating 5% of assets in their default funds to unlisted stocks by 2030, Chancellor of the Exchequer Jeremy Hunt said in the annual Mansion House address on Monday evening. The pact and other reforms could benefit pension savers to the tune of more than £1 000 per year once they have retired, Hunt said.

"We will deliver not just more competitive financial services but a more innovative economy," Hunt said at the Square Mile's most prestigious dinner, to an audience of 350 of the City's top executives. The agreement will "boost returns and improve outcomes for pension fund holders whilst increasing funding liquidity for high-growth companies."

In addition to the pensions deal, Hunt said he will progress plans to roll back parts of European Union legislation that forced financial firms to separate the cost of investment research from trading expenses.

The pensions agreement and capital market reforms are part of Hunt's efforts to lift UK economic growth by spurring investment in innovative businesses. The chancellor is under pressure to show that Britain is open for business after a spate of corporate criticism about an unwelcoming environment for firms and policy inertia since the UK left the EU.

There's electoral pressure too: Britain's governing Conservative Party has faced a double-digit poll deficit against the opposition Labour Party for months, with a general election due by January 2025. The UK is in the grip of a cost-of-living crisis and growth is anaemic, which Hunt wants to fix.

Hunt's pensions deal is the latest in a series of financial services reforms announced since he became chancellor, as he tries to find post-Brexit benefits for the City. Those plans have included relaxing ring-fencing capital rules and consulting on EU-era regulations concerning short-selling.

'Turning point'

The challenge is to offset some of the negative effects of Brexit, which has seen London's financial industry lose some jobs and assets to the EU plus other finance centres like New York. Hunt said the pensions compact will increase returns for savers and the initial signatories represent a majority of the defined-contribution pension market.

The reforms "mark a historic turning point that will accomplish the dual aim of securing a brighter future for retirees and channelling billions into our economy," said Nicholas Lyons, the Lord Mayor of London, who helped organise the pact. It will "support firms to grow, stay and list in the UK," he said.

The statement also announced other reforms aimed at the City, including:

- Winding up low-performing pension plans into larger, better-performing funds.
- Consulting on doubling investments in private equity by local government pension funds to 10%, which could unlock £25bn by 2030.
- Simplifying investor prospectuses and creating an "intermittent trading venue" where private companies can access public markets without a full initial public offering.

Aside from low growth, high inflation is the other major economic problem Hunt is trying to address. BOE Governor Andrew Bailey, who also spoke at Mansion House, said inflation is likely to drop "markedly" this year and that the full impact of interest rate increases has yet to hit the economy.

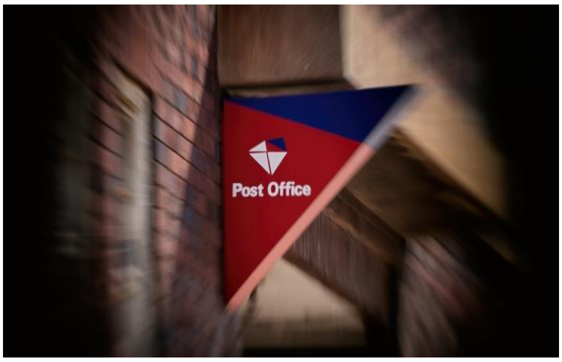
For his part, Hunt said he would continue to exercise restraint with public sector pay awards. "We will do what is necessary for as long as necessary to tackle inflation persistence and bring it back to the 2% target," Hunt said. "There can be no sustainable growth without eliminating the inflation that deters investment and erodes consumer confidence."

Comment

The UK seems to be facing some the same challenges South Africa is, although the political and economic situations are different. What they intend doing is similar to what the GEPF and PIC have been doing for long, but our murky unlisted investments aren't providing and haven't provided what the UK seems to want to provide.
Some of the wording seems quite familiar to those watching our 'government' in action.

Synopsis

Business rescue paves way for R6,2bn bailout of SA Post Office — and axing of 7,000 workers



(*Photo: Gallo Images / Sharon Seretlo)*

Business Maverick
By Ray Mahlaka
16 Jul 2023

The government is set to sink more taxpayer funds into another basket case state-owned enterprise (SOE), this time the SA Post Office. The SA Post Office was put into business rescue this week and the Cabinet has agreed to give it additional funding of R6,2bn to restructure and rehabilitate its operations. This is on top of the R10,39bn the entity has received over the past nine years — money wasted, as it is insolvent and cannot fulfil its basic function of delivering mail and parcels on time.

The R6,2bn will be paid in two tranches: R2,4bn from the 2023/24 Budget and an extra R3,8bn to fund the business rescue process.

The latter amount was part of a Pretoria High Court application by the Communications Minister to have the Post Office placed in business rescue. The application was successful, averting the SOE from being forced to close its doors permanently.

The Minister, who oversees the SA Post Office, told the court the government was prepared to inject more taxpayer money into it under business rescue, which is less draconian than liquidation.

Judge Elmarie van der Schyff, who delivered the high court judgment, said although a successful rescue of the SA Post Office depends “mainly on the political will to bring about a turnaround”, the government’s commitment to providing more money “weighs heavily in support” of business rescue.

Giving the SA Post Office money arguably goes against the Finance Minister promise to show SOEs “tough love” and reverse the entrenched culture of them depending on taxpayer funds for survival. *Daily Maverick* sent the Treasury a list of questions, which it acknowledged but had not responded to by the time of publication.

Too big to fail?

Many people in the government believe the SA Post Office is too big to fail — because of the services it is meant to provide. The SA Post Office is mainly responsible for mail delivery and for distributing social grants to more than 7 million beneficiaries every month. It also provides free transit of postal items to countries that are members of the Universal Postal Convention.

Despite R10,39bn being spent since 2014, it has failed to modernise. It has spectacularly failed to respond to structural market changes, with fewer people relying on mail and most turning to mobile and digital offerings. The SA Post Office struggles to compete with private sector couriers, and corruption and underinvestment in infrastructure hobble mail delivery.

It has an annual performance target of 60% for timeous delivery of mail across South Africa. For years, the delivery rate has languished at 50% — far below the 92% target set by the regulator, the Independent Communications Authority of SA.

The SA Post Office last generated profits 16 years ago and is now a debt defaulter, owing R9,4bn to creditors, including the SA Revenue Service, medical aids, unemployment insurance and landlords. The rescue plan promises to cut costs, including by shedding 7 000 jobs from a workforce of 14 460 to save more than R1,3bn in annual salaries.

The SA Post Office also wants to expand its mandate beyond postal services to include offering logistics and e-commerce services. To do this, a Post Office Amendment Bill has to be enacted.

SA Post Office creditors will not get back all the money they are owed. With business rescue, creditors will probably only be paid 10 cents for every rand they are owed. One of the creditors is Postbank, a small bank affiliated with the SA Post Office that holds just over R8bn in deposits from poor people in rural areas where there are no big banks. Postbank also has R3,5bn in assets.

Postbank provided the SA Post Office with a loan of R1bn in the early days of it becoming the social grants paymaster, growing the amount it is owed by the SOE to R3,9bn. Postbank is likely to receive about R400mn in the business rescue process. This has led to concerns that Postbank will not have the capital reserves required to qualify as a fully fledged state-owned bank and calls into question its ability to pay out deposits belonging to its customers as and when they require them. Postbank didn't respond to *Daily Maverick*'s questions on this.

Deposits held by Postbank or any other bank in South Africa have no protection in law; the government does not guarantee deposits. **DM**

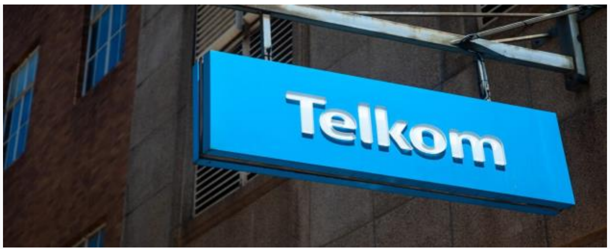
Comment

This is one SOE the GEPF has seen fit not to invest in or loan money to, according to the 2022 GEPF AR. Yet. However, don't underestimate the dire straits it is in and the funding it requires. Added to that it wants to expand into areas it has no expertise in. Which it seems the 'government' is going formalise by legislating it into being. Hmmm.
*Of especial interest is the "*fully fledged state-owned bank" *bit in the article and the* "government does not guarantee deposits*". Makes you think, doesn't it?*

Synopsis

Who really owns Telkom

Daily Investor
By Shaun Jacobs
25 Jul 2023



Telkom is effectively controlled by the government, which owns 40,51% in its own name, and the GEPF owns 13,6% – giving the government an effective stake of 54,11%.

A consortium comprising former CEO Sipho Maseko's Afrifund, Axian Telecom and the GEPF recently offered to acquire 34,9% of Telkom. Business Times reported that the Maseko consortium initially offered R46 a share for a controlling stake in Telkom. Telkom CEO Serame Taukobong said the company is worth over R60 per share, and any suitors should see that as a benchmark before making an offer.

The PIC backed the bid led by former CEO Maseko, whose consortium said the 34,9% stake could also be combined with the PIC's current shareholding to boost the group's overall holding to over 50%. This indicated that Maseko's consortium was most likely looking to purchase the government's stake to become the controlling shareholder with the PIC.

Speaking to The Money Show, Maseko said Telkom has valuable infrastructure, including a large fibre network, towers, and data centres. "In partnership with Axian, we intend to integrate their towers, data centres, and fibre to create a pan-African digital infrastructure business," Maseko said.

Maseko said he discussed the plan with the government, PIC, and other shareholders before approaching Telkom with an offer. He was disappointed with Telkom dismissing the deal before they had an opportunity to address the board and explain their proposal.

Who owns Telkom

Telkom's privatisation journey started when the fixed-line operator joined forces with mobile giant Vodafone to start Vodacom. It went one step further when it allowed Telekom Malaysia and SBC to buy a 30% stake in Telkom in 1997 through the Thintana consortium.

Many people see Telkom as a private company and a good case study of what the government should do with struggling state-owned enterprises like Eskom, Denel, and SAA.

The reality is that it is essentially still under the control of the government, with the government owning 40,51% and the GEPF 15,13%.

By effectively controlling over 50% of Telkom's shares, the government can say what goes.
Government and institutional shareholding

Comment

We have about R 3,4bn in Telkom.
The 'government' categorically stated it will not sell its 40% shareholding, leaving no doubt it will retain control over Telkom. Also, the article slips easily between GEPF and PIC; both might have an interest in Telkom or the author assumes they are both the same.
Telkom doesn't really seem interested in selling.

Synopsis

Durban Port to be partially privatised: Philippines' ICTSI partners with Transnet to transform Africa's largest harbour

Biznews
18 July 2023
By Antony Sguazzin

Africa's biggest harbour will be partly owned and operated by the Philippines' International Container Terminal Services Inc., a first for South Africa's national ports company.

The company, known as ICTSI, has been selected as an equity partner to run and expand Durban Container Terminal Pier 2. Almost three quarters of the freight volume moved there goes through the terminal and it accounts for 46% of South Africa's total port traffic, according to state logistics company, Transnet SOC Ltd.

This agreement "is a key catalyst for repositioning the Port of Durban as a container hub port," Transnet said in a statement on Monday.

South Africa is seeking to boost private participation in its ports, the poor performance of which is a drag on the economy. In a 2021 World Bank index of container port performance, Durban ranked 364th out of 370 and two other Transnet ports were in the bottom 10.

Transnet will own a 50% plus one share in a new company that will manage the terminal for 25 years and will seek to boost its annual capacity to 2,8 million twenty-foot equivalent units [TEU], from two million, it said. TEUs are used to measure trade volumes at container ports.

ICTSI will make an "up front" payment to Transnet for the stake. ICTSI operates terminals across six continents, was one of six bidders for the contract, Transnet said.

Ultimately Transnet wants to boost Durban's total container capacity to 11,4 million TEUs from 3,3 million. An announcement on the port of Ngqura will follow, Transnet said.

Transnet's arch critic heralds its Durban Port's Filipino partner as "best in world"

Bisnews
18 July 2023
by Alec Hogg

Francois Nortje, director of NT55 Investments and developer of the Port of Gauteng, unpacks the watershed public-private partnership deal announced yesterday by Transnet. Nortje, the parastatal's most vocal critic, is full of enthusiasm lauding Transnet's selection of ICTSI, a reputable Filipino company which is one of the world's leaders in this field – and valued at R135bn on the Manila Stock Exchange.

Edited transcript of the full interview with Francois Nortje

Alec Hogg: We have a logistics expert in our midst, Francois Nortje, the director of NT55 Investments and the developer of the Port of Gauteng. Francois, could you provide some context behind your interest in Transnet and the Port of Gauteng? What are the business reasons driving your involvement?
Francois Nortje: As the developer of the Port of Gauteng, our primary goal is to establish an inland port in Gauteng aiming to enhance logistics efficiency and reduce costs

associated with warehousing. Currently, the Port of Durban serves as the main source for approximately 90% of goods transported to Gauteng. However, Durban's high land costs and geographical challenges make it less favourable for large-scale warehousing.

Alec Hogg: The selected partner is ICTSI, a reputable Filipino company listed on the Manila Stock Exchange, with a market value comparable to major South African corporations such as Shoprite and Sanlam.

Francois Nortje: ICTSI is a dynamic entrepreneurial company from the Philippines with a rich history in managing ports. Having started 36 years ago by taking over the Port of Manila, they have since expanded their operations to 20 countries worldwide. Their selection as Transnet's partner in the Durban harbour aligns perfectly with their background and experience, making them an ideal choice.

Alec Hogg: It's noteworthy that, despite the two-year process, the chosen partner for Transnet isn't one of the Chinese competitors.

Francois Nortje: There were various rumours circulating, and I'm glad that a Filipino company was chosen. Regarding the Port of Ngqura, it hasn't been awarded yet, and I'm not sure why. Perhaps political factors were involved, potentially related to the Chinese.

Alec Hogg: Do we have any indication of when the collaboration will begin?

Francois Nortje: The announcement by Transnet only mentioned the awards, with no specific timeline provided. We'll have to wait for further clarification.

Alec Hogg: Francois, the press release refers to the partnership being on Pier 2, which handles a around three quarters significant of the Port of Durban's volume and almost half of South Africa's total port traffic.

Francois Nortje: Currently, Durban operates with Pier 2, which manages about 75% of the port's volumes and nearly 50% of South Africa's total port traffic. However, as part of the master plan, Durban aims to have a total of five piers in the future. Pier 2 is already operational, additional peers will be developed gradually to accommodate the projected growth in container traffic, which is expected to reach 11,3 million containers annually (from 3,3m today).

Alec Hogg: Do you think Transnet will continue seeking private sector involvement for the upcoming peers, or might they prefer to manage them internally?

Francois Nortje: I believe that ICTSI will set the international benchmark for port operations and other companies will follow. However, I don't think all the future piers should be awarded to a single company, as it would create a monopolistic situation. We don't want to replace Transnet's monopoly with a private sector monopoly.

Alec Hogg: Looking out at the Indian Ocean, it's not uncommon to see ships waiting outside the Durban Harbour. Do you think a more efficient port operator will reduce this congestion?

Francois Nortje: If you look at harbours like the Port of Los Angeles, the congestion is even greater due to logistics backlogs. It's not feasible for every ship to have immediate access to the harbour. While there will always be ships waiting at sea, the number may decrease. Congestion is a common issue in many harbours.

Alec Hogg: We should also consider the rail transportation from Durban Harbour to Gauteng, which is the country's largest market by far. Without an efficient rail network, achieving the desired benefits becomes uncertain. What are your thoughts on this aspect?

Francois Nortje: The rail infrastructure is being addressed. What's interesting about the awarding of this tender is that it went to an independent company, someone without a vested interest. I hope the same will happen with the railway line. It's crucial to select an independent and efficient operator who can ensure the best outcomes.

Alec Hogg: Are we seeing similar interest or is there likely to be similar interest on the rail link?

Francois Nortje: I've no idea. Some serious conditions. They want R5bn invested into the railway line and that you must take over all the staff at City Deep and Kaserne and the staff on that line. They've had similar conditions on the Durban Harbour. The harbour is the harbour, there's no competition for the harbour. But the railway line has the N3 competition and the trucks. It will be interesting if they accept that five billion and… taking over the employees. Time will tell.

Comment

Sounds good, doesn't it? A step in the right direction. We have about R174,25bn in Transnet. ROI from a 'government' entity such as this would certainly be worth it.

Synopsis

Appeal courts deal double blow for Sekunjalo Group of Companies

ENSafrica
By Aslam Moosajee and Shenaaz Munga
25 July 2023

A year ago, the Eastern Cape High Court dismissed an urgent application in which Talhado Fishing Enterprises Proprietary Limited, an entity linked to the Sekunjalo Group of Companies, sought an interim interdict to prevent First National Bank ("**FNB**") from closing its bank accounts pending the outcome of an application to review and set aside the bank's decision to close Talhado's accounts. Following the Eastern Cape High Court's decision, Talhado applied for leave to appeal to the Supreme Court of Appeal.

The Supreme Court of Appeal dismissed the application for leave to appeal on the grounds that:

- There is no reasonable prospect of success; and
- There is no other compelling reason why an appeal should be heard.

In addition, the Competition Appeal Court (CAC) delivered its judgment on 17 July 2023 in terms of which it upheld the appeals of Standard Bank, Mercantile Bank and Access Bank. In upholding the appeals, the CAC set aside the Competition Tribunal's orders which required these banks not to close bank accounts or to reopen and maintain accounts for entities forming part of the Sekunjalo Group of Companies.

The CAC found that there was no legal, nor factual, basis to find that the banks had acted in concert when refusing to deal with Dr Surve and his entities. In respect of the Competition Tribunal's finding that there was an abuse of dominance by the banks, the CAC held that the Sekunjalo Group of Companies failed to establish that the banks were dominant and abused that dominance in respect of the Sekunjalo Group. Bearing these findings in mind, the CAC concluded that there was no *prima facie* case of a prohibited practice under the Competition Act. Accordingly, the Competition Tribunal should not have granted the interim relief.

The Sekunjalo Group of Companies were also ordered to pay the costs of the appellant banks together with the costs of two counsel.

Comment

Hmmm. Our several investments in Sekunjalo companies, such as Ayo [from R4,3bn down to R698mn], seem to have lost their value by about 80% since the initial investments were made. Fortunately, it seems we aren't invested in this company, according to the 2022 GEPF AR.

AFRIKAANSE WEERGAWE

Projek 'My Veilige Pensioen': Wie sal R100 per maand bydra om ons staatsdienspensioenfonds van toksiese politieke beheer te red?

AMAGP se berekening is dat daar reeds meer as R35miljard van ons pensioenfondse deur polities vriendelike beleggings verlore gegaan het. Die rede: die twee wette wat die Government Employees Pension Fund en die Public Investment Corporation daarstel, plaas die Minister van Finansies prakties in totale beheer van ons pensioenfondse.

Die Pension Funds Act (PFA), wat die privaat pensioenfondse beheer, bevat 'n meervoud bepalings wat daardie fondse beskerm teen misbruik bv.
i) pensioenfondse mag nie belê word 'in the business of the employer' nie,
ii) alle beleggings moet in die beste belang van die fonds belê word en
iii) meer. Geeneen van hierdie beskermende bepalings kom in die Government Employees Pension Law (GEPL) of die Public Investment Corporation Act (PICA) voor nie. Inteendeel gee die GEPL aan die Minister van Finansies die bevoegdheid om, saam met die GEPF trustees, die beleggingsbeleid van die GEPF te bepaal – prakties skryf hy dit voor.

'n Geregtelike kommissie (bekend as die Mpati Kommissie) wat ondersoek ingestel het na onbehoorlikhede by die PIC, het in 2020 aanbeveel dat die Minister van Finansies nie die direkteure van die PIC mag aanstel nie en dat die Adjunk Minister van Finansies nie die voorsitter van die PIC direksie mag wees nie.

Die PICA is egter in 2021 spesifiek gewysig om dit statutêr te wettig dat i) die Minister wel die direksielede moet aanstel, ii) die adjunk minister wel die voorsitter van die PIC direksie mag wees en iii) pensioen-fondse belê kan word ter nastrewing van 'n 8-punt stel van politieke doelwitte bv. vir doeleindes van transformasie en werkskepping. Die gevolg: R81miljard is in die 'business of the employer' naamlik Eskom belê en die aankoop van Independant Media is met pensioengelde befonds met 'n ras-gedrewe doel i.e. 'to create a black Naspers' wat direk gelei het tot die verlies van R4miljard pensioengelde – duidelik nie in die beste belang van die fonds nie.

Politieke beheer oor die staatsdienspensioenfonds bedreig die volhoubaarheid van ons fonds en het tot gevolg die lae pensioenverhoging wat ons vanjaar gekry het nl. slegs 75% van die inflasiekoers - 5.5%. Ons moet wegdoen met die toksiese beheer deur die Minister van Finansies en die PFA-beginsel van 'beste belang van die fonds' as alternatief toepas. Daar is goeie gronde hiervoor: die wetgewing soos bo na verwys skep 'n ongelyke en diskriminerende pensioen stelsel in Suid Afrika waar privaat werknemers se pensioene statutêr beskerm word maar staatsdienswerknemers se pensioene nie gelyke statutêre beskerming geniet nie met miljarde wat in politieke sakke beland.

Saam met ander organisasies loods ons tans 'n proses wat daartoe moet lei dat die politieke beheer oor die fondse van die Staatsdienspensioenfonds uit die hande van politieke ampsdraers geneem word. Dit het ten doel dat ons die volhoubaarheid van ons maandelikse pensioene vir die jare wat kom wil verseker. Ons gaan dus die howe nader om die diskriminerende wetgewing ter syde te stel en om die beheer deur die Minister van Finansies onkonstitusioneel te verklaar. Dit kan 'n 4-jaar proses wees.

Wie sal bereid wees om R100 per maand (of 'n bedrag na u keuse) by te dra tot 'n fonds waardeur ons die staat voor die hof sal daag om hulle te dwing om politieke beheer oor die staatsdiens-pensioene prys te gee?

Sluit aan by AMAGP. Klik op die skakel https://amagp.coffeecup.com/forms/amagp%20membership-afr/en volg die instruksies. U sal binne ure bevestiging kry tesame met 'n lid nommer.

Vir die donasie om die litigasie teen die staat te ondersteun: reël asseblief met u bank vir 'n maandelikse aftrekorder na die AMAGP bankrekening: Bank – FNB, tak nommer Brooklyn 251345, tjek rekening nommer 627 4334 7454, gebruik u lid nommer of ID nommer as verwysing.

Zirk Gous
27 Junie 2023
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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 perhaps a non-inflation related increase sometimes. They are convinced by GEPF newsletters and ambitious GEPF Annual Reports that our Pension Fund is in a superb condition. The AMAGP newsletters, annua reports and press releases tell a different story.

Our Facebook and AMAGP are together more than 59 000 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

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