



MINISTRY OF FINANCE

REPUBLIC OF SOUTH AFRICA

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PRESS RELEASE

Minister of Finance, Mr. Trevor A Manuel, MP, is pleased to announce to names of the Board of Trustees of the Government Employers Pension Fund (GEPF). The Board will take over from Minister Manuel who served as sole interim trustee of the GEPF.

The GEPF was formally established with effect from 1 May 1996 when the then disparate government pension dispensations and benefits of the public service were amalgamated into one homogeneous fund. Pensions for public servants were previously provided for in ten separate pension funds, inclusive of the former constitutional entities, which existed prior to the enactment of the new Constitution.

During the first 9 years of the existence of the GEPF, the Fund has appreciated from an overall asset base of R127bn to just over R350bn. This growth represents an improvement in the financial soundness of the Fund from a funding level of 72% at inception to over 96% funded in the 31 March 2004 actuarial valuation.

Section 6 of the Government Employees Pension Law provides for the management of the Fund by a duly elected Board of Trustees with equal representation between employees and employers. It also provides for the Minister of Finance as interim Trustee of the GEPF until such time as a Board of Trustees is elected.

The Board of Trustees consist of 16 members of which 8 members are from the side of the employee and 8 from the employees, including one elected from the pensioner members.

The finalisation of the Board involved multiple nomination and election processes aimed at convening the full Board, and relieving the Minister of Finance of the sole Trustee responsibility that he has carried since the inception of the Fund. The Electoral Institute of

Southern Africa (EISA) and the Independent Electoral Commission (IEC) assisted the GEPF to elect the pensioner member of the Board in early 2004. EISA also assisted in a similar process by the uniformed services members to elect their representative and substitute in the latter half of 2004. The election of the pensioner member on the Board had proven to be a major logistical exercise reaching out to some 280 000 pensioners to obtain nominations, distributing and receiving postal ballot papers to the eventual sign-off by the outside parties. The election of the uniformed services representative and substitute followed a similar process albeit on a smaller scale.

The other six representatives from the employees were appointed by due process through the Public Service Co-ordinating Bargaining Council (PSCBC) and a collaborative effort on the employer side has assisted in identifying the employer and independent representation. In addition, the list of employer representatives has also been finalised.

The first meeting of the newly appointed Board of Trustees is to take place in Pretoria on 20 June this year.

The names of the Board of Trustees of the GEPF and their substitutes are attached.

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