

**NATIONAL ASSEMBLY**  
**QUESTION FOR WRITTEN REPLY**  
**QUESTION NUMBER: 1052 [NW2208E]**  
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**1052. Ms Z Majozi (IFP) to ask the Minister of Finance:**

- (1) Whether he can furnish Ms Z Majozi with a list of unregistered pension funds and/or pension schemes that are operating illegally in the Republic; if not, why not; if so, what are the relevant details;
- (2) is the National Treasury taking any steps or intends taking any steps to protect unwitting pensioners from the specified schemes; if not, why not; if so, what are the relevant details?

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**REPLY:**

- (1) No, we are not aware of any unregistered pension funds and / or pension schemes that may be operating illegally but invite the Honourable Member to provide any such illegal scheme to the Divisional Executive: Retirement Funds Supervision (Financial Sector Conduct Authority), and indicate what schemes the Honourable Member is referring to with regard to 'unwitting pensioners'. The Financial Sector Conduct Authority (FSCA) does keep a record of registered pension funds, in terms of the Pension Funds Act (Act 24 of 1956), which requires the registration and incorporation of all retirement funds. The Act prohibits any person from carrying on the business of a pension fund, unless that fund has been provisionally registered or finally registered under the Act. In terms of section 4 of the Pension Funds Act,

*Every pension fund must, prior to commencing any pension fund business—*

*(a) apply to the registrar for registration under this Act; and*

*(b) be provisionally or finally registered under this Act;*

- (2) The FSCA has as one of its key objectives, the protection of financial customers through fair treatment by financial institutions; and providing and promoting financial education and literacy. Needless to say, it is not possible to always protect ordinary members of the public from the many illegal financial schemes targeting ordinary members of the public but the FSCA is open to any suggestions to better target the protection of potential financial customers. The Pension Funds Act also empowers the FSCA to investigate and take enforcement action against any person, which the Divisional Executive: Retirement Funds Supervision has reason to suspect that they might be carrying on a business of a pension fund without being registered to actual and potential financial customers.