

NATIONAL ASSEMBLY
QUESTION FOR WRITTEN REPLY
QUESTION NUMBER: 1768 [NW2158E]

1768. Dr D T George (DA) to ask the Minister of Finance:

With regard to the assets of deregistered pension funds, what (a) total amount of unclaimed benefit funds is held, (b) steps are being taken to trace and pay beneficiaries and (c) total number of beneficiaries have been traced and paid since January 2017?

NW2158E

REPLY:

The Financial Sector Conduct Authority (FSCA) has informed the National Treasury that deregistered retirement funds should generally not have any unclaimed benefits. Prior to the liquidation of a fund or exemption from liquidation, these benefits are transferred to unclaimed benefit funds. If there are no unclaimed benefit funds that are willing to accept these benefits, the unclaimed benefits are paid to the Guardians Fund.

The FSCA has also pointed out that some retirement funds with assets were erroneously deregistered by their administrators, as part of a consolidation exercise. These funds have been or are in the process of being reinstated, as is the case when such errors are identified, and to ensure no loss to any members who have not been paid out. If the question is directed at ascertaining the amounts of unclaimed benefits in respect of these funds, unfortunately, the FSCA does not have these statistics. Further, the administrators are currently undertaking investigations on which funds have assets and were erroneously deregistered. The administrators would, therefore, likely not be in a position to know the value of these unclaimed benefits at this stage given that their processes are still underway.