



national treasury

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MEDIA STATEMENT

PROPOSED AMENDMENTS TO PUBLIC SECTOR PENSION LAWS TO PROVIDE FOR TWO POT RETIREMENT SYSTEM FOR INCLUSION IN PENSION FUNDS AMENDMENT BILL [B 3-2024]

The National Treasury today publishes the proposed amendments to various pieces of legislation governing public sector pension funds. The amendments provide the necessary legislative amendments required to effectively implement the two-pot retirement system changes in public sector funds and relate to the following public sector pension laws:

Government Employees Pension Law, 1996 (Proclamation 21 of 1996)
Post and Telecommunications-related Matters Act, 1958 (Act 44 of 1958)
Transnet Pension Fund Act, 1990 (Act 62 of 1990)

The proposed amendments insert certain definitions to provide for the introduction of the savings withdrawal benefit; to provide for the appropriate account of a member's interest in the savings, retirement, and vested components and to provide for deductions that may be made by the funds. These amendments seek to align pension laws across all sectors to ensure that pension funds can amend the fund rules and implement the two-pot retirement system on the effective date of 1 September 2024.

The amendments to the public sector pension laws will be proposed for inclusion in the Pension Funds Amendment Bill [B3—2024] which is currently under consideration of the Standing Committee on Finance. Parliamentary hearings on the Pension Funds Amendment Bill will be held on 12 March 2024, including these public sector pension laws amendments.

The proposed amendments to the public sector laws may be found on the National Treasury website (www.treasury.gov.za).

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