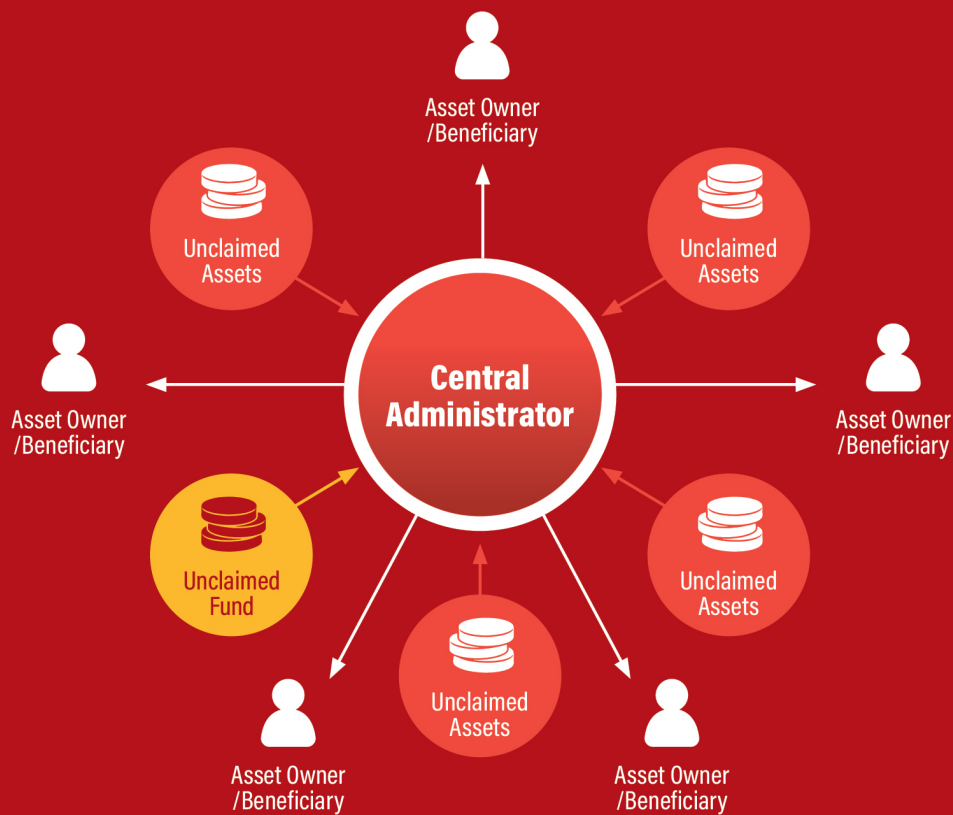




## A FRAMEWORK TO CENTRALISE UNCLAIMED FINANCIAL ASSETS IN SOUTH AFRICA 2026



**national treasury**

Department:  
National Treasury  
REPUBLIC OF SOUTH AFRICA

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# A FRAMEWORK TO CENTRALISE UNCLAIMED FINANCIAL ASSETS IN SOUTH AFRICA

## 1. INTRODUCTION

South Africa has more than R80 billion in unclaimed financial assets held in dormant or “lost” accounts. This paper builds on the Financial Sector Conduct Authority’s (FSCA) 2022<sup>1</sup> and 2024<sup>2</sup> reports on unclaimed benefits.

Unclaimed financial assets include dormant bank accounts, unclaimed retirement benefits, and unpaid investment and insurance proceeds. In many cases, these amounts remain unpaid indefinitely because approaches to identification of lost accounts and tracing their beneficiaries are fragmented across the sector. Also, even where there is active tracing, beneficiaries cannot be located, records are incomplete or outdated, and claims processes are fragmented across institutions. In its 2022 report, FSCA indicated that there was approximately R88.56 billion in unclaimed assets across banking and non-banking sectors, and the total continues to grow. In some instances, tracing is outsourced and subject to ‘tracing fees’ that are not consistently regulated in respect of governance, timelines, or pricing. A clearer mechanism and a more effective, coordinated strategy are, therefore, needed.

Beyond the consumer-protection and governance concerns, the scale of unclaimed assets raises broader policy questions about whether, and on what basis, funds that are unlikely to be claimed after extensive tracing efforts could be managed more efficiently, without immediately extinguishing the rights of owners and beneficiaries.

This paper explores a centralised model in which the Corporation for Public Deposits (CPD), working in partnership with a public or private administrator, would receive, invest, and safeguard unclaimed assets on behalf of owners and beneficiaries, while improving the tracing and claims process.

The paper also proposes consolidation and centralised administration to address the growing stock of unclaimed assets. A central administrator could strengthen tracing, provide a single portal for claims and enquiries, and support economies of scale in the administration and investment of unclaimed assets, subject to appropriate governance and safeguards.

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<sup>1</sup> FSCA (2022), *A framework for unclaimed financial assets in South Africa: Discussion paper*. September 2022. [[https://www.fsca.co.za/\\_api/cr3ad\\_regulatoryframes\(ae6c29ee-32f2-f011-8406-7ced8d481885\)/cr3ad\\_document/\\$value](https://www.fsca.co.za/_api/cr3ad_regulatoryframes(ae6c29ee-32f2-f011-8406-7ced8d481885)/cr3ad_document/$value)]

<sup>2</sup> FSCA (2024). *A framework for unclaimed financial assets in South Africa: FSCA response to Comments on Discussion paper*. September. [[https://www.fsca.co.za/\\_api/cr3ad\\_regulatoryframes\(ae6c29ee-32f2-f011-8406-7ced8d481885\)/cr3ad\\_document/\\$value](https://www.fsca.co.za/_api/cr3ad_regulatoryframes(ae6c29ee-32f2-f011-8406-7ced8d481885)/cr3ad_document/$value)]

## 2. INTERNATIONAL LESSONS/PRACTICES

International experience shows that there is no single, uniform definition of “unclaimed” or “lost” pension benefits or unclaimed financial assets more generally. A common definition for the retirement fund sector that is used by the International Organisation of Pension Supervisors (IOPS)<sup>3</sup> is that an asset is lost when an administrator of a pension fund does not have the contact details of the holder of an account during the accumulation or at the payout phase. An unclaimed benefit exists where a member who has a right to claim benefits does not make an application or take the necessary steps to claim the benefit.

A specific definition used in Australia defines a lost member as inactive and not contactable, while an unclaimed benefit is one with a balance of less than AU\$4 000 or has been inactive for 12 months and has insufficient records to ever identify the account holder. In Switzerland, funds that are not claimed before the member reaches the statutory retirement age are considered unclaimed benefits. Claims may be made until the account holder reaches the age of 100 years. After that age, the owner or beneficiaries may not claim.

The International Organisation of Pension Supervisors (IOPS)<sup>4</sup> notes a wide variation across jurisdictions, including in the extent to which service providers must report on lost accounts and unclaimed benefits to a supervisor or other central body.

Jurisdictions also differ in the measures used to re-establish contact with members and beneficiaries. Some prescribe detailed tracing requirements (for example, the form of notice and minimum contact attempts), while others leave tracing methods largely to the discretion of funds and administrators. In several jurisdictions, member data (including contact details) is maintained at a central collection point, which, subject to data quality, can materially improve traceability and reduce duplication of effort.

In some jurisdictions, lost accounts and unclaimed benefits remain in retirement funds indefinitely or are treated under general “unclaimed property” regimes. In others, legislation prescribes the ultimate treatment after a defined period, including:

- i) transfer to a central body for administration under a prescribed process;
- ii) utilisation for a defined public-interest purpose after a specified period (for example, Colombia, Mexico and Switzerland);
- iii) transfer into government revenue; or
- iv) allocation to the fund’s income<sup>5</sup>.

In Australia, Namibia, Serbia and Tanzania, for example, certain lost accounts and unclaimed benefits are transferred to government revenue.

In the Swiss banking sector, banks must report all assets in cases where they are unable to establish any contact with the client to a central database, which anyone with a claim to such assets may search via the Swiss Banking Ombudsman. Sixty (60) years after the last

<sup>3</sup> IOPS (2016). *Supervision of lost accounts and unclaimed pension benefits*. IOPS Working Papers on Effective Pensions Supervision, No.26 [[https://www.oecd.org/content/dam/iops/en/working-papers/WP\\_26\\_Lost-Accounts-Unclaimed-Benefits.pdf](https://www.oecd.org/content/dam/iops/en/working-papers/WP_26_Lost-Accounts-Unclaimed-Benefits.pdf)]

<sup>4</sup> IOPS (2016) *Supervision of lost accounts and unclaimed pension benefits*. IOPS Working Papers on Effective Pensions Supervision, No.26 [[https://www.oecd.org/content/dam/iops/en/working-papers/WP\\_26\\_Lost-Accounts-Unclaimed-Benefits.pdf](https://www.oecd.org/content/dam/iops/en/working-papers/WP_26_Lost-Accounts-Unclaimed-Benefits.pdf)]

<sup>5</sup> International Organisation of Pension Supervisors (IOPS) (2016). *Supervision of lost accounts and unclaimed pension benefits*. IOPS Working Papers on Effective Pensions Supervision, No.26. [[https://www.oecd.org/content/dam/iops/en/working-papers/WP\\_26\\_Lost-Accounts-Unclaimed-Benefits.pdf](https://www.oecd.org/content/dam/iops/en/working-papers/WP_26_Lost-Accounts-Unclaimed-Benefits.pdf)]

contact with the client, these assets are published on a website for a period of one year. This requirement to publish applies to all assets with a total value exceeding CHF 500 per client relationship, as well as assets of unknown value. If no contact is received from an entitled claimant within this period, the bank transfers the assets to the federal government. Assets up to a maximum value of CHF 500 are transferred to the federal government after 60 years without such publication being made. The transfer of the assets renders all claims null and void<sup>6</sup>.

IOPS<sup>7</sup> concludes that in large and diverse pension systems, it is inevitable that some members will remain uncontactable, despite reasonable tracing efforts. Clear rules and an agreed framework are, therefore, needed to determine (a) when a benefit should be treated as “unclaimed” or “untraceable”, (b) the minimum tracing standards required, and (c) the ultimate disposition and governance safeguards applicable to such benefits.

While national legal frameworks differ, international practice highlights several recurring policy levers that are relevant for South Africa:

- i) clearer definitions and reporting duties;
- ii) minimum tracing standards and supervision;
- iii) a central point of data collection and a public-facing search capability; and
- iv) transparent rules on custody, investment, fees, and the long-term treatment of assets that remain unclaimed.

A common feature in several jurisdictions is a form of centralisation either through a central register/search tool, a requirement to transfer certain unclaimed balances to a designated public body, or both. Where implemented effectively, these arrangements can improve transparency for consumers and reduce duplication across multiple institutions.

In the United Kingdom, individuals can trace lost or unclaimed retirement entitlements through the free government Pension Tracing Service<sup>8</sup> and by contacting former employers and pension providers. In addition, private-sector services (including financial technology firms such as Gretel) support consumers in identifying potential unclaimed financial assets, including pensions.

More broadly, international experience points to the value of secure data-matching and analytics (within applicable privacy and data-protection rules) to improve the quality of member records and the success rate of tracing. For South Africa, this underscores the importance of investment in data quality, governance, and appropriately authorised interfaces with relevant datasets.

In the United States, unclaimed property frameworks are not fully centralised across all financial sectors, and search tools typically exist at different levels and for different asset types. In the retirement context, certain unclaimed benefits may be transferred to the Pension Benefit Guaranty Corporation<sup>9</sup> (PBGC) under its role in supporting missing participants for some private-sector plans.

<sup>6</sup> <https://hyposwiss.ch/wp-content/uploads/2025/07/Dormant-Assets-FR.pdf>

<sup>7</sup> International Organisation of Pension Supervisors (IOPS) (2016). *Supervision of lost accounts and unclaimed pension benefits. IOPS Working Papers on Effective Pensions Supervision, No.26.*

[[https://www.oecd.org/content/dam/iops/en/working-papers/WP\\_26\\_Lost-Accounts-Unclaimed-Benefits.pdf](https://www.oecd.org/content/dam/iops/en/working-papers/WP_26_Lost-Accounts-Unclaimed-Benefits.pdf)]

<sup>8</sup> <https://www.gov.uk/find-pension-contact-details>

<sup>9</sup> <https://www.pbgc.gov/workers-retirees/find-unclaimed-retirement-benefits/search-unclaimed>

**BOX 1 CONSIDERATIONS FOR AGE OR TIME LIMIT FOR CLAIMING LOST ASSETS**

Keeping in mind that the plan for South Africa is to widen the scope of unclaimed assets beyond retirement benefit assets, it may be necessary to combine the elements of lost contact, the age of the owner (say 110 years), failure of the owner to claim when a claim is due, and the specific nature of an asset to declare them as unclaimed and untraceable.

**a) Time Limit for Claims on Unclaimed Assets**

Given the international experience and the circumstances of South Africa, a clear cut-off period may be introduced for claims on unclaimed financial assets.

Two options are suggested for establishing a final limit on claims relating to unclaimed financial assets, to promote legal certainty, encourage timely claims, and reduce the administrative costs associated with maintaining unclaimed assets indefinitely.

**Option 1: Age-Based Cut-Off (e.g. 110 Years)**

Under this option, an unclaimed financial asset would cease to be claimable once the owner reaches, or would have reached, the age of 110 years. The cut-off would apply to all claims, including those by beneficiaries. The rationale for this approach is that a perpetual right to claim provides no incentive for owners or beneficiaries to actively search for and recover assets. A defined age limit introduces finality while still providing a lengthy period within which claims can be made. It also limits the costs associated with maintaining records and conducting tracing activities indefinitely.

**Option 2: Fixed Period of Unclaimed Assets (45 Years)**

Under this option, an asset would cease to be claimable 45 years after it first becomes unclaimed. For example, if an endowment policy matured and became unclaimed in 2015, it would become non-claimable in 2060. This approach provides a clear and objective rule that is easy to administer and does not require determining or monitoring the owner's age. It also enables the unclaimed assets system to be cleared of dormant assets more quickly, reduces long-term administrative and tracing costs, and creates a long enough period for owners and beneficiaries to claim assets.

While both options address the challenge of perpetual claims, the 45-year limitation period achieves greater administrative efficiency and provides certainty regarding the final disposition of unclaimed assets. Once the cut-off period is reached, the asset should cease to be claimable by the owner or beneficiary and be used in accordance with the approved CPD framework.

Kenya<sup>10</sup> established an Unclaimed Financial Assets Authority (UFAA), an agency of the National Treasury, to receive, safeguard, invest, and disburse unclaimed financial assets to rightful owners and beneficiaries. The framework requires asset holders to either trace owners or surrender qualifying unclaimed assets to the Authority, supported by oversight measures such as reporting and inspections.

These examples support the case for consolidating unclaimed assets data into a single, public-facing portal, backed by clear rules on reporting, tracing, custody, and governance elements that align with the proposed role of a central administrator in South Africa.

### 3. PROPOSED CENTRALISATION MODEL

The proposal to centralise unclaimed financial assets is driven by the scale and persistent growth of such balances, despite ongoing tracing efforts. At present, management of unclaimed assets is fragmented across the financial sector, with differing definitions, reporting practices, tracing approaches and cost structures. Centralisation is intended to support consistent standards, clearer accountability, and a more effective, consumer-facing claims process.

Unclaimed benefits are defined in the Pension Funds Act for retirement funds, but equivalent definitions are not consistently provided for other asset classes (for example, dormant bank accounts and investment products). A key design requirement is, therefore, a sector-wide framework that defines when an asset is “unclaimed” (i.e., due and payable but unpaid after a prescribed period and reasonable tracing attempts).

A centralised approach can address several regulatory and market conduct challenges that arise under the current, decentralised model. First, information on unclaimed assets is not consistently published or easily searchable across sectors, which limits consumer awareness and weakens accountability. Second, tracing practices and service-level standards vary considerably, including where tracing is outsourced, and there is limited consistency in how tracing fees, timelines and governance are applied. Third, data quality and record-keeping are uneven, and there is no single set of standards for the format, completeness, and ongoing maintenance of claimant and beneficiary information. Fourth, the absence of a common reporting framework makes it difficult for supervisors and policymakers to assess outcomes (including recovery rates, costs, and backlogs) and to benchmark performance across institutions. Centralisation, supported by clear rules and oversight, could improve recovery rates, strengthen transparency, and create a single point of access for enquiries and claims.

Centralisation also increases the importance of robust information security and privacy controls, given the volume of sensitive personal data involved. Any framework should, therefore, specify governance arrangements for data collection, transfer, storage, access, and retention, aligned with the Protection of Personal Information Act (POPIA) and relevant cybersecurity standards. Key safeguards include strong authentication and access controls, audit trails, encryption, segregation of duties, and clear accountability for data breaches. As the central dataset is enhanced and operationalised, appropriate data-sharing arrangements would be required to enable the transfer of relevant records from asset holders to the administrator for tracing and claims administration.

<sup>10</sup> <https://ufaa.go.ke/wp-content/uploads/2020/07/Unclaimed-Financial-Asset-Act-2011-1.pdf>

Public trust and transparency are critical, given the large values involved and the fact that these assets remain the property of owners and beneficiaries. A central arrangement should, therefore, be accompanied by clear public communication and regular reporting on the governance and performance of the system, for example, the value of assets under administration, recovery rates, turnaround times for claims, complaints handling, and the basis on which fees and costs are charged. A single, accessible portal (or equivalent channel) would also reduce consumer friction by providing one place to submit enquiries, check claim status, and understand the claims requirements.

Managing unclaimed financial assets in South Africa requires a clearer institutional model to address current gaps and future volumes. This paper proposes that unclaimed assets be deposited with the central administrator, which then makes a bulk deposit with the Corporation for Public Deposits (CPD). In this case, the unclaimed asset will transfer from the balance sheet of the financial institution to the CPD. The central unclaimed financial assets administrator maintains the consolidated dataset, conducts or coordinates tracing, administers individual records, and processes claims. Under this model, the CPD would focus on custody and investment (within its statutory mandate), while the administrator would focus on data, tracing, and customer-facing service delivery, subject to appropriate oversight. Should a claimant come forth while their assets are with the CPD, they will be entitled to the net balance of their account, i.e., interest earnings minus administration fees.

Legislative changes would require financial institutions to transfer assets that meet the prescribed “unclaimed” criteria to the CPD through the central administrator after defined periods, together with a standardised schedule of supporting customer and beneficiary information to the administrator. This, in turn, requires consistent sector-wide definitions and minimum tracing standards. For example, under the Pension Funds Act, a benefit becomes “unclaimed” if it has not been paid within 24 months from the date it became legally due and payable, during which period the fund must take steps to trace the member or beneficiaries. Where the member or beneficiaries cannot be located within that period, the benefit is treated as unclaimed for purposes of reporting and further handling. The framework would then determine that this unclaimed benefit should be transferred for centralisation.

Whether established as a new entity or an existing service provider is appointed, a central administrator (or outsourced administration arrangement) would enable specialised capability focused on record-keeping, tracing, claims handling, and service standards. With appropriate governance and supervision, it could apply uniform processes across asset types, improve consistency in decision-making and communications, and reduce the administrative burden on individual institutions through standardised interfaces and workflows.

### **3.1. Corporation for Public Deposits**

The Corporation for Public Deposits (CPD), a subsidiary of the South African Reserve Bank, is a fund tasked with managing public deposits from various governmental entities. Established through legislation (Corporation for Public Deposits Act 46 of 1984 (CPD Act)), the CPD plays a vital role in ensuring that public funds are well managed and earn an income.

The operational framework of the CPD is defined in the CPD Act, which outlines its mandate and scope of authority. This legislative backbone provides both direction and

accountability, establishing a governance structure that includes various oversight mechanisms.

The CPD Act specifies that the CPD may invest funds received from the public sector in non-market investments at the SA Reserve Bank and other permissible investment instruments. The CPD is managed by a board of directors appointed by the Minister of Finance, and the SARB is responsible for the CPD's daily operations.

The CPD's permissible investment instruments, risk parameters and liquidity requirements are set out in legislation and related governance arrangements. For purposes of an unclaimed-assets framework, CPD's investment approach remains appropriately safe and liquid, with positive interest/returns which could be credited to unclaimed assets under management and disclosed accordingly. Any additional investment permissions (if required) would need to be provided for in legislation.

The CPD is subject to established governance, reporting and audit requirements. These mechanisms support accountability over the custody and investment of funds and provide a basis for transparency to stakeholders through regular financial reporting and oversight. All deposits placed with the CPD, and the related accrued interest, are available for withdrawal on demand.

Subject to the approval of the Minister of Finance, the CPD may also accept deposits from other eligible depositors. The transfer process into the CPD would need to be outlined in the enabling legislative framework or granted the necessary approval by the Minister of Finance, given that only public deposits from various governmental entities can be deposited with the CPD. It is proposed that the central administrator would be granted the required approval by the Minister of Finance in terms of the CPD Act. Qualifying unclaimed financial assets would then be deposited by financial institutions with the central administrator for further transfer into the CPD. Transfers to the central administrator should be accompanied by a standardised schedule of information (for example, source institution, product/benefit type, owner/beneficiary identifiers, last-known contact details, amount transferred, and key dates) to enable accurate record-keeping, tracing, and payment of valid claims.

Consolidating custody and investment through the CPD may be a cost-effective approach relative to establishing a new investment function, because the CPD is an existing institution with defined governance arrangements. This can reduce duplication and support consistent treatment of funds, with the roles of the CPD and the appointed administrator clearly separated and subject to appropriate oversight. The CPD also invests in safe assets, which would preserve the value of unclaimed assets.

The proposed framework would permit the investment of unclaimed funds through the CPD in accordance with its permissible investment mandate, including investments in Government instruments. This approach allows unclaimed funds to contribute to national funding requirements while ensuring that the funds remain available to satisfy valid claims. Importantly, this does not amount to the appropriation of unclaimed assets, as ownership remains with potential claimants until the expiry of the prescribed claims period.

### **3.2. Central Unclaimed Financial Assets Administrator**

A central unclaimed financial assets administrator would be responsible for maintaining the consolidated dataset of unclaimed assets, supporting tracing activities, administering individual unclaimed-asset records, and processing claims submitted by owners and beneficiaries. The administrator would also support public education and communication

by publicising the existence of unclaimed assets and providing clear guidance on how to submit and track claims.

There are several advantages to the model proposed in this paper. First, once qualifying assets are deposited with the investment manager, the administrator can apply standardised tracing methods and service standards across asset types. Second, a single portal reduces consumer friction by avoiding multiple search processes across different institutions. Third, subject to the necessary legal permissions, data-sharing arrangements with relevant public datasets (for example, the South African Revenue Service, the Department of Home Affairs, the Independent Electoral Commission and using artificial intelligence) could improve data quality and tracing outcomes. Finally, it is envisaged that economies of scale may reduce average administration costs, given the currently large amount of unclaimed assets once consolidated. Overall, the central administrator role must result in excellent tracing of assets.

Key risks relate to the quality and timeliness of data transfers from asset holders, as well as privacy and information-security obligations. The framework should therefore prescribe minimum data fields, file formats, validation checks, and reconciliation processes, together with POPIA-aligned controls on access, retention and permissible use. Even with enhanced tracing, some owners and beneficiaries may remain untraceable due to incomplete or outdated records; the framework would need to define escalation steps, decision points, and the treatment of such cases.

There are different models available for the centralised administration of unclaimed financial assets. One option is to establish a new institution with its own governance structure and funding model, under the auspices of the National Treasury. This could be an entity like the Government Pensions Administration Agency (GPAA). GPAA, a government component operating under the National Treasury, is an administrator for the Government Employees Pension Fund and other benefits payable from the state. Given the volumes that GPAA currently handles, it may not be efficient and cost-effective to use them for the administration of unclaimed assets.

An independent structure, similar to GPAA, to handle unclaimed asset administration is proposed. It would have to meet service level agreement (SLA) standards set and must face sanctions in the event of failure to meet the SLA standards. Such an agency will need to have a suitably qualified Chief Executive Officer (CEO) and an executive management team.

An alternative is for the National Treasury to appoint an existing institution as the central administrator. This may allow the framework to leverage existing systems, operational capability and experience in record administration and customer service. The administrator's costs would be recovered from assets under administration/management on a transparent, regulated basis; the appropriate funding model would depend on the final institutional design.

Establishing a new institution offers the benefit of designing systems and governance arrangements from first principles and creating dedicated capacity. However, establishing a new institution may delay implementation and entail start-up and resourcing challenges.

Appointing an existing administrator would still require systems changes and additional resourcing, but it may be able to leverage existing infrastructure and expertise. A pure cost-recovery model may be less attractive to a commercial provider unless supported by a clear mandate and predictable funding. In all cases, accountability and transparency will be central, and the FSCA's role will be to supervise and oversee the functioning and effectiveness of the central administrator within its regulatory mandate.

Self-administration is not recommended with the CPD proposal, whereby they do the tracing and payout of beneficiaries of unclaimed assets, because it would take it away from its mandate.

### 3.3. Phased approach to centralising unclaimed assets

The phasing approach to centralising unclaimed assets refers to starting with retirement benefits and later extending to other financial assets. A phased rollout reduces implementation risk and allows definitions, data standards, processes, and systems to be tested and refined before extending the model across the full financial sector. The paper proposes starting with unclaimed retirement fund benefits, followed by banking, insurance, and investment unclaimed benefits.

Phase 1 would:

- i) build and populate a consolidated dataset for unclaimed retirement benefits using improved and enforceable reporting requirements,
- ii) have the central administrator maintain records, coordinate tracing, and operate a public-facing portal, and
- iii) implement the operational process and legal mechanism for transferring qualifying retirement benefit balances to the investment manager.

With the process of consolidating the dataset, the FSCA could review and strengthen the Request for Information (RFI) instrument to improve the consistency and completeness of reporting on members, benefit amounts, and status. Continuing with data collection via the RFI, with monitored submission and enforcement, pending a future Conduct Standard, could be an interim measure. This could be coupled with contracting a service provider to clean and enrich the dataset, including matching against other datasets (such as SARS data), subject to the necessary approvals and governance controls.

Phase 2 would extend the framework to other unclaimed financial assets (including dormant bank accounts, unclaimed insurance proceeds and investment products) once sector-wide definitions, transfer triggers, reporting standards and enabling legislative amendments (where required) are finalised.

Further work will be required to identify and incorporate unclaimed financial assets in other industry segments. This includes confirming sector-specific definitions and transfer triggers, setting minimum data and reporting standards, and amending the relevant legislation and conduct standards to enable consistent transfer, record administration, tracing, and claims processing across banking, insurance, and investments. This foundational work will run in parallel to Phase 1 and build upon sector initiatives already underway.

## 4. CONCLUSION

Unclaimed financial assets in South Africa present a challenge that requires a coordinated policy response aimed at strengthening governance arrangements, improving regulatory oversight, enhancing consumer awareness, and leveraging technology to improve tracing and recovery outcomes.

The proposed centralisation of unclaimed financial assets represents a departure from the current fragmented approach and is intended to address structural inefficiencies in the existing framework. Consolidating such assets through the proposed mechanisms would

enable improved accountability, standardised administration, and more effective recovery processes. A designated administrator would be better positioned to focus on tracing rightful owners, ensuring proper recordkeeping, and managing assets in a manner consistent with policy objectives and fiduciary standards.

Consumer education remains a critical enabler in reducing the accumulation of unclaimed assets. Targeted awareness initiatives can contribute to limiting growth in both the value and number of unclaimed accounts, while improved consumer engagement may encourage individuals to maintain up-to-date personal records with financial institutions and to actively pursue outstanding claims.

Strengthened governance arrangements, sustained consumer education, and the strategic use of technology can support the development of a more coherent, efficient, and transparent system for the management of unclaimed financial assets. Such a system would improve recovery outcomes and ensure that more funds are returned to their rightful owners within appropriate regulatory and operational parameters when they have been traced.

A key implementation risk relates to operational complexity. Migrating unclaimed assets and associated records from multiple institutions into a centralised system may present challenges, particularly where records are incomplete, inconsistent, or outdated. This risk may be mitigated through phased implementation, clear data standards, and transitional arrangements.

## 5. QUESTIONS FOR CONSULTATION

Responses are requested on the following points. Please keep responses to less than 10 pages, addressed to Ms Alvinah Thela at [retirementreform@treasury.gov.za](mailto:retirementreform@treasury.gov.za) by **19 September 2026**.

- 5.1. Should the central unclaimed financial assets administrator be established as a new entity or appointed from existing service providers, and what are the relative advantages and risks of each approach?
- 5.2. Self-funded management is recommended for the administrator from assets under management; which other models should be considered?
- 5.3. Please provide your views on the incremental approach to centralised unclaimed financial assets, i.e., starting with unclaimed retirement fund benefits first. What should be the next financial sectors to be incorporated, in sequence?
- 5.4. Would it be feasible and appropriate to apply a uniform minimum standard for the tracing, contact, and reporting of unclaimed assets across all financial sector industry segments? Please explain your answer.
- 5.5. The text box proposes that an asset should cease to be classified as unclaimed when the owner reaches the age of 110 years, or 45 years after the asset became payable to the owner. Should there be a statutory limit on the period during which a claim may be made against an unclaimed asset? Please explain your answer. If so, which of these options would be the most practical and least burdensome to implement, and why?

- 5.6. The Pension Funds Act defines an unclaimed benefit as any lump sum or pension benefit due to a retirement fund member (or their beneficiaries) that remains unclaimed for a period of 24 months. Would this definition be suitable for application across the broader financial sector? Please explain why you agree or disagree.
- 5.7. What measures should be put in place to reduce the future accumulation of unclaimed financial assets?
- 5.8. Other: Any other suggestions that may assist in the effective and efficient pursuit of any of the proposals to enhance the management and administration of unclaimed assets.

# **A FRAMEWORK TO CENTRALISE UNCLAIMED FINANCIAL ASSETS IN SOUTH AFRICA 2026**

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