

MEMBER ALERT



FOR IMMEDIATE RELEASE

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GIPF Member Alert

Proposed Compulsory Preservation of Retirement Benefits

The Government Institutions Pension Fund (GIPF) is aware of the interest generated by the proposed compulsory preservation of retirement benefits on social media platforms in recent days.

The proposal for active members to preserve at least 75% of their retirement benefits upon early withdrawal is contained in a draft regulation proposed under the new Financial Institutions and Markets Act, No. 2 of 2021 (FIMA). This draft regulation is one of many critical regulations and standards that are being proposed to operationalize the FIMA.

The GIPF is aware that NAMFISA, as the institution that will be responsible for administering the FIMA (and the regulations and standards under the FIMA), has commenced consultations with various stakeholders on the critical standards. The GIPF awaits feedback from NAMFISA in this regard.

In the interim, the GIPF cautions all its members to refrain from panic as the FIMA is not yet in force, and the proposed regulations and standards are not yet approved. Thus, the proposed compulsory preservation of retirement benefits is not expected to come into force on or before 1 October 2022.

Rest assured the GIPF will continue to act in the best interest of its members.

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