

MEDIA RELEASE



FOR IMMEDIATE RELEASE

19 April 2023

GIPF INCREASES MONTHLY PENSION BENEFITS BY 5.46%

The Government Institutions Pension Fund (GIPF) is pleased to announce a pension benefit increase of 5.46% from the 4.62% increase for 2022/2023. The pension benefit increase is effective 01 April 2023 for all GIPF pensioners. The Board of Trustees decided on the rate after a thorough actuarial due diligence that amongst others looked at the Fund's average annual return over the last five years, the current and future liabilities and the assets of the Fund. Given the fact that returns are volatile from year to year, the Fund has adopted a 3-year averaging method for the GIPF, with the returns of each December year-end serving as a reference point.

Therefore, amidst the current volatile economic outlook resulting in increasing fuel and commodity prices, the Fund continues to provide guaranteed benefits to members. In awarding pension increments, the Fund constantly strikes a delicate balance by considering the volatile investment returns, global geo-political circumstances, the need to manage expectations regarding pension increases and to ensure that our pensioners live reasonably within inflation parameters.

"A pension increase serves to cushion pensioners from unexpected changes in their purchasing power and hence the incessant ability to increase members' benefits annually is driven by the Fund's collective commitment to guard and grow members' financial security. The Fund aims to match the Namibian Consumer Price Index (NCPI)" to ensure that pensions in payment retain their purchasing power over time, subject to affordability", said David Nuyoma, GIPF CEO and Principal Officer.

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