



# RF TALKS

## Q3 2025

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## FOREWORD



As we close off 2025, we reflect on a year marked by significant progress and renewed collaboration. It has been a year of meaningful regulatory developments across the retirement fund landscape.

South Africa once again takes centre stage within the global supervisory community through the International Organisation of Pension Supervisors (IOPS). Important steps have been taken to strengthen compliance, reporting and member protection. This year reinforced our shared commitment to building a resilient, transparent and well-governed retirement system.

The publication of the Conduct Standard for Benefit Administrators, updates to late payment interest, the publication of non-compliant employers and the submission of the draft Prudential Standard to Parliament all signal the FSCA's continued focus on accountability and improved reporting. These measures aim to deliver better outcomes for members.

We also note the major internal restructure of the Retirement Funds Supervision Division. This is an important shift designed to enhance supervisory focus and support the transition to future regulatory frameworks. It ensures that both conduct and prudential oversight are strengthened.

To all our stakeholders, industry partners, trustees, principal officers and colleagues: thank you for your engagement and resilience throughout the year. Your collaboration enables the progress we continue to make together.

We wish you a restful festive season and look forward to reconnecting in 2026 for another year of growth, innovation and strengthened supervision.

Kind regards,

***Deputy Commissioner***

*Astrid Ludin*

# 2025 HIGHLIGHTS

*By: Sanchia Petrie (Policy, Data and Project Support)*

## **IOPS: A Milestone Year for Global Pension Supervision**

2025 has been a landmark year for South Africa's engagement on the global retirement reform stage. The FSCA is proud to confirm that South Africa will host the International Organisation of Pension Supervisors (IOPS) Committee Meetings and Core Training Course in Cape Town from 14-18 September 2026. This will be the first time since 2011 that our country hosts this prestigious global event, demonstrating South Africa's renewed leadership role in international supervisory standards and best practices.

The appointment of FSCA Deputy Commissioner Astrid Ludin as President of IOPS reinforces South Africa's leadership in global pension supervision and amplifies South Africa's voice in shaping supervisory norms and global pension governance frameworks.

IOPS further published two important documents in 2025:

### **[IOPS Guidelines for the Supervisory Assessment of Pension Funds \(2025\)](#)**

### **[Implementation Note for the IOPS Supervisory Guidelines on the Integration of ESG Factors in the Investment and Risk Management of Pension Funds](#)**

These publications support the global movement toward robust governance, responsible investment and stronger supervisory regimes, priorities that align closely with the FSCA's mandate.

## **Updated Guidance on Late Payment Interest (LPI)**

The FSCA issued Communication 6 of 2025, revising the long-standing interpretation on how late payment interest should be calculated under section 13A of the Pension Funds Act, 1956. This followed legal review and industry feedback arising from inconsistent interpretations of earlier guidance.

Under the revised approach, late payment interest must now accrue from the 1st day of the month following the contribution period - not from the 8th day, as previously communicated in Communication 15 of 2023. This means that when contributions are not received within the first 7 days of the next month, interest applies retrospectively from the 1st day. This change ensures that members are not prejudiced by delays.

Communication 15 of 2023 has formally been withdrawn, and the FSCA has proposed legislative amendments to provide long-term clarity. This updated approach promotes fairness, consistency, and legal certainty to the treatment of contribution arrears, upholding the rights of members and reinforcing accountability among employers.

## **Publication of Employers with Arrear Contributions**

In Communication 18 of 2025, the FSCA announced the publication of the names of 5,830 employers that were in contravention of section 13A(3)(a) of the Pension Funds Act, 1956 for failing to pay contributions on time. This transparency initiative is a major milestone in advancing member protection, strengthening fund governance and curbing persistent non-compliance. The release follows the implementation of Conduct Standard 1 of 2022, which enhanced reporting duties for funds and principal officers.

The FSCA also continues to actively collaborate with key institutions such as: National Treasury, whose decisive measures, such as withholding equitable share allocations, have helped recover millions owed to funds and members; as well as the Auditor-General, law enforcement agencies and the Department of Labour, to reinforce accountability and drive remediation.

While some arrears may have been settled post reporting, publication serves as an important deterrent and reinforces the message that non-compliance will not go unnoticed. Protecting retirement savings remains central to the FSCA's mandate, and this initiative represents a meaningful stride toward safeguarding member benefits.

## **Submission of the Draft Prudential Standard to Parliament**

On 25 November 2025, the FSCA submitted the draft Prudential Standard and its supporting documents to Parliament in accordance with section 103(1) of the Financial Sector Regulation Act, 2017. This consolidated draft standard represents one of the most significant reforms to retirement fund reporting in recent years. Its objectives include replacing Board Notices 14 and 77, consolidating all audit and regulatory reporting obligations into a single instrument, aligning reporting formats with updated IFRS and IAS requirements, and providing enhanced clarity on key reporting and financial statement concepts.

By modernising and streamlining reporting requirements, the draft standard seeks to reduce fragmentation, promote comparability and improve the quality of data used for supervisory oversight. Ultimately, this reform supports stronger governance and more effective risk monitoring across the sector.

## Conditions Prescribed in respect of Pension Fund Benefit Administrators

FSCA Communication 15 of 2025 announces the publication of Conduct Standard 2 of 2025 (RF), which prescribes conditions for pension fund benefit administrators in terms of section 13B(1) of the Pension Funds Act, 1956. This new standard replaces Board Notice 24 of 2002, strengthening the regulatory framework governing benefit administrators responsible for managing contributions and benefits on behalf of retirement funds. The FSCA identified the need for enhanced oversight and compliance measures, leading to the development of this updated standard.

The Conduct Standard introduces improved requirements and reporting obligations, with most provisions effective immediately, while certain paragraphs have delayed implementation as outlined in the standard. In addition, the FSCA has published FSCA RF Notice 10 of 2025, which sets out the format for submissions required under the new framework.

## RFSD Restructure: Strengthening Supervisory Focus

The FSCA has announced a structural redesign of the Retirement Funds Supervision Department (RFSD), effective 1 November 2025. The restructure aims to sharpen supervisory focus by separating and strengthening both conduct and prudential responsibilities.

Key changes include:

- A dedicated **Transfers and Terminations Department** headed by **Ms Corlia Buitendag** (overseeing 3 696 terminating funds as at August 2025). This will allow for the requisite supervisory focus on active funds.
- **Registration of Funds, Employers, Trustees and Rules Department** (formerly Reviews and Authorisation) will **remain** under **Ms Fikile Mosoma**.
- **Frontline Conduct Supervision Department** (formerly Conduct Supervision) will be headed by **Ms Zareena Camroodien**.
- **Frontline Prudential Supervision** (formerly Prudential Supervision) will **remain** under **Ms Wilma Mokupo** until the move to the Prudential Authority in 2028.
- **Actuarial and Risk Support Department** (formerly Actuarial Services) will **remain** under **Ms Giulia Tognon** until the move to the Prudential Authority in 2028.
- A resource reporting to the Office of the Divisional Executive(DE). The resource will take over some of the prudential functions and be responsible for Policy, Data and Project Support.

This restructuring marks a major step in aligning the FSCA's supervisory model with future regulatory expectations and emerging industry risks. It ensures that supervisory teams are equipped with the right focus, capacity and clarity of mandate to enhance the wellbeing of South Africa's retirement fund members.

Registration of Funds, Employers, Trustees and Rules	Transfers and Terminations (Funds and Administrators)	Frontline Conduct Supervision (Employers, Funds and Administrators)	Office of the DE	Frontline Prudential Supervision	Actuarial and Risk Support
<ul style="list-style-type: none"> <li>• Register or record trustees, POs and employers, fund administered activities</li> <li>• Assess fitness and propriety of POs and persons as determined by law</li> <li>• Ensure accuracy, validity and completeness data on funds, employers, trustees, POs and administrators</li> <li>• Register funds, special rules, rule consolidation, revision and amendment</li> <li>• Default Regulations</li> <li>• Grant exemption and extension from board composition requirements, the time for submitting contributions</li> <li>• Issuance and analysis of RFIs</li> </ul>	<ul style="list-style-type: none"> <li>• Approval of liquidators</li> <li>• Supervision of liquidation process for funds and employers</li> <li>• Exemption, extension, revocation and amendment for transfers and liquidations</li> <li>• Approval of transfers</li> <li>• Fund cancellations</li> <li>• Employer terminations</li> <li>• Deregistration of administrators</li> <li>• Oversee compliance of terminating funds</li> </ul>	<ul style="list-style-type: none"> <li>• Analysis of conduct and other relevant returns and reportable irregularities</li> <li>• Development and implementation of supervisory plans for administrators and funds</li> <li>• Monitoring of and engagement with non-compliant employers</li> <li>• Co-ordination with other regulators</li> <li>• Research thematic issues</li> <li>• Supervisory engagements</li> <li>• Regulatory action and referral to enforcement</li> <li>• Issuance and analysis of RFIs</li> <li>• Issue regulatory guidance in consultation with RPD</li> <li>• Provide legal opinions on supervisory matters to the supervisors and coordinate with OGC on litigation</li> <li>• Inputs into regulatory standards and legislation</li> <li>• Grant exemption and extension from completion of the Trustee Training Toolkit</li> <li>• Monitoring and maintaining of the Trustee Training Toolkit</li> </ul>	<ul style="list-style-type: none"> <li>• Respond to data requests, prepare information requests and statistical reports</li> <li>• Coordinate industry and other stakeholder engagement</li> <li>• Liaison with international organisations</li> <li>• RFSD quarterly newsletter</li> <li>• Research thematic issues and local and international trends</li> <li>• Provide Training for Trustees, POs, Employers and Administrators on Legislative Requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Analysis of prudential returns and reportable irregularities</li> <li>• Approval of auditors</li> <li>• Development and implementation of supervisory plans for funds (and administrators)</li> <li>• Co-ordination with other regulators</li> <li>• Supervisory</li> <li>• Regulatory action and referral to enforcement</li> <li>• Issuance and analysis of RFIs</li> <li>• Extensions and exemptions related to financial matters</li> <li>• Initiating recovery action (curatorship)</li> </ul>	<ul style="list-style-type: none"> <li>• Assess financial condition of funds (valuation reports)</li> <li>• Approval of Section 18 schemes to fund deficit</li> <li>• Approval of surplus apportionment schemes (S15B)</li> <li>• Approval of transfers of Employer Surplus Account (S15E)</li> <li>• Provide actuarial opinions.</li> <li>• Refer conduct and prudential concerns to frontline supervision</li> </ul>



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