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TO: **ALL PARTICIPANTS IN THE MOTOR INDUSTRY**

NOTICE: **PUBLICATION OF THE NAMES OF PENSION FUNDS AND EMPLOYERS WITH ARREAR CONTRIBUTIONS, PER FSCA COMMUNICATION 12 OF 2026 (RF)**

1. PURPOSE

The Financial Sector Conduct Authority (FSCA) has issued Communication 12 of 2026 (RF) regarding the publication of the names of pension funds and employers with arrear pension fund contributions.

The Communication reinforces the statutory obligation on employers to ensure that pension fund contributions are paid within the prescribed period and highlights the consequences of non-compliance with section 13A of the Pension Funds Act, 1956 (PFA).

2. CORE COMPLIANCE REQUIREMENT

Employers are required to pay:

- contributions deducted from employees' remuneration; and
- contributions for which the employer is liable under the pension fund rules.

The amounts deducted from the employees and employer's contributions are paid by the employers by the 10th of the month following the deduction month. *The payment requirement is therefore a critical compliance deadline.*

3. REGULATORY ENFORCEMENT AND PUBLICATION

The FSCA has progressively published lists of non-compliant employers. Communication 12 of 2026 constitutes the fifth publication of this nature.

The Authority has disclosed the employers identified as contravening section 13A(3)(a), based on information supplied by the relevant pension funds. The FSCA has further indicated that it intends to publish similar lists on a regular basis.

Important implication

Arrear contributions are no longer solely an internal employer/fund matter. Persistent non-compliance may result in the employer's name being publicly disclosed by the regulator.

4. LEGAL CONSEQUENCES OF NON-COMPLIANCE

Contravention or failure to comply with section 13A of the PFA constitutes an offence.

On conviction, the responsible person may face:

- a fine of up to R10 million;
- imprisonment for up to 10 years; or
- both the fine and imprisonment.

This substantially elevates the importance of effective payroll, contribution reconciliation, payment and governance controls by employers.

5. REPORTING AND GOVERNANCE OBLIGATIONS

The Conduct Standard places notification and reporting obligations on pension fund boards, principal officers or other authorised persons where employers contravene the relevant provisions of section 13A.

Persons responsible for receiving contributions must report where contributions payable under section 13A(1) have not been received within the prescribed timeframe.

Pension funds must also:

- maintain proper records of reports relating to arrear contributions;
- ensure information reported to the FSCA is accurate; and
- ensure reports are submitted timeously.

6. IMMEDIATE COMPLIANCE ACTION FOR EMPLOYERS

Employers are strongly encouraged to undertake an immediate review of their pension fund contribution controls and confirm that:

a. All employee deductions are correctly accounted for.
b. Employer contributions are correctly calculated in accordance with the fund rules.
c. Contributions are paid by the employers by the 10th of the month following the deduction month.
d. Payroll records reconcile with contribution schedules and payments made to the fund.
e. Any historical arrears are identified, quantified and resolved without delay.
f. Any payment arrangements with the relevant fund are formally documented and monitored.
g. Outstanding contribution queries or discrepancies are escalated to appropriate management.
h. Documentary evidence of payments, reconciliations and correspondence with the fund is retained.

7. KEY INDUSTRY TAKE-AWAYS

For Employers

Pay pension fund contributions within the prescribed period. Do not treat contribution arrears as an administrative matter; section 13A non-compliance carries significant regulatory, financial and potential criminal consequences.

For Pension Funds

Maintain complete and accurate arrears records, implement effective monitoring and ensure prescribed notifications and reports are submitted accurately and on time.

For Trustees and Governance Structures

Ensure that contribution monitoring, arrears escalation, reporting and corrective action form part of effective fund governance and oversight.

For Industry Stakeholders

The regulatory direction is clear: *arrear pension fund contributions are subject to active regulatory scrutiny and increasing public disclosure*.

8. COMPLIANCE IMPERATIVE

All affected parties should treat this Communication as a prompt to immediately assess their section 13A compliance position, close outstanding contribution gaps and strengthen controls to prevent recurring arrears.

Issued for industry awareness and compliance action.

Source: FSCA Communication 12 of 2026 (RF), *Publication of the Names of Pension Funds and Employers with Arrear Contributions*, published 30 June 2026.

NOTE: Please refer to the MIBCO website HERE for more information on actual companies listed.

The MIBCO Team

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