



## NATIONAL PENSION COMMISSION

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### PRESS RELEASE

#### PRESIDENTIAL APPROVAL FOR PAYMENT OF OUTSTANDING PENSION LIABILITIES UNDER THE CONTRIBUTORY PENSION SCHEME

1. The National Pension Commission (PenCom) is pleased to inform all its stakeholders, particularly retirees of Treasury-funded Federal Ministries, Departments and Agencies (MDAs), that His Excellency, President Muhammadu Buhari, GCFR, has approved PenCom's submission on the payment of some critical aspects of the outstanding pension liabilities of the Federal Government under the Contributory Pension Scheme. Specifically, the President has approved:
  - a. Payment of outstanding accrued pension rights for **verified and enrolled retirees** of treasury-funded MDAs that retired but are yet to be paid their retirement benefits, as well as the back log of death benefits claims due to beneficiaries of deceased employees of treasury funded MDAs.
  - b. Payment of 2.5% differential in the rate of employer pension contribution for FGN retirees and employees which resulted from the increase in the minimum pension contribution for employers from 7.5% to 10% in line with Section 4(1) of the PRA 2014. Payments for retirees and existing employees would take effect from July 2014.
2. It is worthy to note that subsequently, the Federal Government of Nigeria is expected to continue with the payment of the 10% rate of employer pension contribution for its employees, thus ensuring a remittance of at least 18% monthly (employer 10% and employee 8%) as provided by the PRA 2014.
3. Funds have already been made available for the settlement of the above stated pension liabilities. Accordingly, remittance into the various Retirement Savings Accounts (RSAs) of the affected retirees and employees is currently being processed. The affected retirees and employees would be notified in due course by their respective Pension Fund Administrators (PFAs).
4. The settlement of the outstanding accrued pension rights of verified and enrolled FGN retirees and compliance with the reviewed rate of pension contributions are significant developments, that have resolved the challenges in these aspects that have lingered since 2014.
5. Finally, the Board and Management of the Commission, reiterates their appreciation to His Excellency Mr. President for his untiring support and commitment to the implementation of the Contributory Pension Scheme and ensuring welfare of retirees.

**SIGNED: MANAGEMENT**