

Did you know that the National Pension Commission (“the Commission” or “PenCom”) recently issued a directive that has an impact on employers in Nigeria.

The Directive: The Commission has directed employers who have remitted their employees’ pension contributions with incomplete documents to regularise their filings by 31 December 2023 (“the Directive”).

Background: PenCom has observed that some employers are remitting the pension contributions of their employees with incomplete documentation. As a result of this incomplete documentation, the Pension Fund Administrators (“PFAs”) have been unable to credit the Retirement Savings Accounts (“RSAs”) of the affected employees.

Key Points to note:

- 1. Compliance Obligation:** The provisions of the Pension Reform Act 2014 (“PRA”) require employers with three or more employees to compulsorily remit pension contributions for their employees into their selected RSAs held with PFAs. With respect to employees who are yet to open RSAs, the PRA further mandates employers to remit their pension contributions into nominal RSAs with any PFA chosen at the employer’s discretion.
- 2. List of Defaulting Employers:** The PenCom has published a list of the affected employers and employees on its official website. The list can be accessed by visiting this link: [Uncredited Contributions](#). The information is also available on the website of PFAs.
- 3. Consequence of Non-compliance:** The PenCom has stated that in line with the provisions of the PRA 2014, it will take appropriate regulatory actions against employers who fail to comply with this directive and rectify their documentation by 31 December 2023.
- 4. Urgent Action Required:** To avoid being penalised, it is important to immediately take steps to comply with the Directive if your organisation’s name appears on the list. You can access the Directive by visiting this link: [PenCom Press Release](#).
- 5. How can UUBO Assist you?:** We would be happy to support you to ensure your organisation complies with the Directive and any other regulatory obligations that have an impact on your business. If you have any questions or require assistance with this update or want to find out about our service offerings, please do not hesitate to reach out to us at el@uubo.org

If your organisation and employees are on the list, it is important that you provide the necessary information to the relevant PFAs promptly. This will facilitate the crediting of the pension contributions into the employees’ RSAs.

