



NATIONAL PENSION COMMISSION

Plot 174, Adetokunbo Ademola Crescent, Wuse II, Abuja.

P.M.B. 5170 Wuse, Abuja, Nigeria

Tel: +234-9-4138736-40, 09-6720091, 6720094, 4133398, 4133363

www.pencom.gov.ng

CIRCULAR

REF: PenCom/INSP/Surv/2025/Aut/451

DATE: 12 March 2025

TO: All Licensed Pension Fund Operators

SUBJECT: APPROVAL OF BENEFITS TO HOLDERS OF RETIREMENT SAVINGS ACCOUNTS BY LICENSED PENSION FUND OPERATORS

- 1.0** The National Pension Commission (the Commission) had over the years issued several regulations, pursuant to its powers under the Pension Reform Act 2014 (PRA 2014), to establish clear guidelines, standards, and procedures for administering retirement and terminal benefits under the Contributory Pension Scheme (CPS).
- 2.0** Pursuant to Section 55 (f) and (g) of the PRA 2014, which mandated Pension Fund Administrators (PFAs) to undertake the computations and payment of retirement benefits to holders of Retirement Savings Accounts (RSAs), PFAs were mandated by the Commission to review, process and forward all applications for payments of benefits of RSA holders to the Commission for approvals, before benefit payments are credited into beneficiaries' accounts by appointed Pension Fund Custodians (PFC).
- 3.0** In furtherance of the Commission's commitment to improving the efficiency of processes and ensuring service delivery to RSA Holders, the Commission deemed it imperative to allow PFAs to solely perform their statutory functions in the administration of benefits as stipulated under Section 55 (f) and (g) of the PRA 2014.

4.0 Accordingly, the Commission hereby issues the following directives:

- i. **Effective from 1 June 2025**, the Commission **will no longer Approve or grant “No Objections”** to the following benefits applications before the PFAs process them for payments:
 1. Programmed Withdrawal;
 2. Retire Life Annuity;
 3. Access to Benefits upon Temporary Loss of Employment;
 4. En Bloc Payments to retirees whose RSA balances cannot provide a reasonable pension;
 5. Pre-Pension Reform Act Benefits Payments to retirees in the Private Sector;
 6. Voluntary Contributions;
 7. Payments to RSA holders towards payment of equity contributions for residential mortgages;
 8. Payment of Nigeria Social Insurance Trust Fund (NSITF) Contributions to retirees whose NSITF contributions were transferred to their RSAs;
 9. Changes in the periodicity of pension payments;
 10. Resolution of Errors from employers' remittances of pension contributions for Private Sector and Self-funding Agencies; and
 11. Refunds to persons exempted from participating in the CPS by the PRA 2014.
- ii. The processing, approval and payment of the above requests shall be concluded by the PFA within two (2) working days after completing the necessary documentations and instructing the appointed PFC to effect payment, with the Commission in copy.
- iii. The medium for forwarding instructions to the PFC for processing payments shall be the Shared Folders deployed by the Commission.
- iv. The PFCs shall effect payment into the beneficiaries' accounts within 24 hours upon receipt of instructions from the PFA.

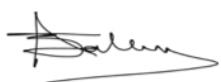
- v. PFAs shall continue to forward requests for approval to the Commission relating to depleted RSAs and death benefit applications in line with Section 8 (2) of the PRA 2014.

5.0 In order to facilitate the implementation of the above directives, the Commission has approved the amendment of the following Sections of five (5) regulatory instruments on benefits administration as specified in the table below:

Details	Current Provisions	Provisions of the Amendments
Revised Regulation on the Administration of Retirement and Terminal Benefits	Section 2.4.1 of the Regulation stipulates that PFAs shall forward all processed requests for retirement/death benefit payments to the Commission within two (2) days after the completion of necessary documentation and verification of the retiree.	<i>Pension Fund Administrators shall process and approve requests for all retirement payments after the completion of necessary documentation and verification of the retiree or legal beneficiary(ies).</i>
	Section 2.4.2 of the Regulation stipulates that the Commission shall within two (2) working days of receipt of the requests in 2.4.1 above, communicate its no-objection or rejection to the PFA.	<i>Deleted</i>
Guidelines on Voluntary Contribution Under the Contributory Pension Scheme	Section 3.26 of the VC Guidelines stipulates that PFAs shall be required to process and forward to the Commission the request for Voluntary Contributions withdrawal from an applicant within 72 hours (3 working days) of the receipts for approval.	<i>Pension Fund Administrators shall process and approve requests for Voluntary Contributions withdrawal from an applicant.</i>
	Section 3.34 of the VC Guidelines stipulates that PFA shall segregate the portion of Voluntary Contributions from mandatory and forward the request for the transfer to the Commission within 72 hours (3 working days).	<i>Pension Fund Administrators shall process and approve requests for transfers from the mandatory section of the RSA to the voluntary section.</i>
	Section 3.35 of the VC Guidelines stipulates that upon the receipt of such request, the Commission shall approve the	<i>Deleted</i>

	request within 72 hours (3 working days).	
<i>Guidelines on Accessing Retirement Savings Account (RSA) Balance Towards Payment of Equity Contribution for Residential Mortgage by RSA Holders</i>	Section 5.1.23 of the Guidelines on Equity Contributions stipulates that the PFA shall process the application and forwards same to the Commission within two working days of successful documentation review.	<i>Pension Fund Administrators shall process and approve requests from RSA holders accessing their RSA balances to pay equity contributions for a residential mortgage.</i>
	Section 6.1.2 of the Guidelines on Equity Contributions stipulates that the Commission shall communicate approval or decline to the PFA within one working day that such approval or decline was granted.	Deleted
<i>Framework on Additional Benefits for Existing Retirees Under the Contributory Pension Scheme</i>	Section 5.7 of the Additional Benefits Framework stipulates that PFAs are required to forward computed Additional Benefits Template requests to the Commission for approval.	<i>Pension Fund Administrators shall process and approve additional benefits requests using the Additional Benefits Template.</i>
<i>Framework on Pension Enhancement for Existing Retirees on Programmed Withdrawal Under the Contributory Pension scheme</i>	Section 5.10 of the Enhancement Framework stipulates that PFAs are required to forward computed enhanced pensions in batches to the Commission for approval using the Request for Pension Enhancement provided by the Commission.	<i>Pension Fund Administrators shall process and approve enhanced pensions using the Request for Pension enhancement provided by the Commission.</i>

6.0 All inquiries regarding this Circular shall be directed to the Head, Benefits and Insurance Department.



A. M. Saleem
Head, Surveillance Department