



PUBLIC NOTICE

RE: REGISTRATION OF SCHEMES/MODE OF OPERATION

This public notice is issued by the National Pensions Regulatory Authority (NPRA) for the guidance of all stakeholders:

1.0 Number of Applications/Schemes Evaluated for Registration

A total of **179** applications for Registration of Schemes have been received and evaluated.

No.	Type of Schemes	Number of Applications Received
1	Master Trust Occupational Pension Schemes	33
2	Employer Sponsored Occupational Pension Schemes	64
3	Master Trust Provident Fund Pension Schemes	25
4	Employer Sponsored Provident Fund Pension Scheme	48
5	Group Personal Pension Schemes	6
6	Personal Pension Schemes	3
Total		179

Details of the Approved Schemes Registered and other Schemes which have been granted Provisional Approval are published in **Tables 1 to 12** and posted on the NPRA website. [www.npra.gov.gh]

2.0 Tier Two (2) Schemes

2.1 Collection of Tier Two (2) Contributions by Approved Schemes

- (a) Approved Tier Two (2) Master Trust and Employer Sponsored Schemes are to begin receiving contributions for the month of November 2012 and later from Employers, effective 1st December 2012. Thus, all November 2012 Tier two (2) contributions on behalf of employees are to be sent to Custodians duly selected by approved Schemes (Custodians duly Registered by NPRA) from 1st December 2012.
- (b) Approved Master Trust Schemes can only receive such contributions effective 1st December 2012, after providing proof of signed contracts to the NPRA, between the Trustees and the Participating Employers.
- (c) A penalty of 3% per month on the total contributions due would be imposed on employers and to be borne by **EMPLOYERS** only, **IF** employers fail to pay Tier Two (2) contributions on behalf of employees by the 14th day of the month following the month of contributions due. No waiver on the penalty will be granted to defaulting employers.
- (d) Trustees of approved schemes are required to inform NPRA by the end of each month on contributions received and defaulting employers.

2.2 Payment of Employee Tier Two (2) Contributions by Employers who belong to a registered Scheme

- (a) Payment of Monthly Contributions from November 2012
 - (i) All employers who belong to a Master Trust Scheme or have set up an Employer Sponsored Scheme are required to pay their Tier Two (2), 5% monthly contributions of their employees to the NPRA Registered Custodian of their approved scheme, beginning with the monthly contributions for November 2012.
 - (ii) Any Employer who transfers any contributions to any scheme, and any trustee who receives any contributions before this date, will be sanctioned as per the National Pensions Act, 2008 (Act 766).

- (iii) Copies of Employees Contributions Report for the month of November 2012 and thereafter, all subsequent months should be sent to NPRA for reconciliation purposes.
- (b) Payment of Monthly Contributions for October 2012 and earlier months

For the avoidance of doubt, all employers, as above, are to continue to pay the 5% monthly contributions of their employees for October 2012 and, earlier months through the SSNIT designated branches as currently exists, and such contributions will continue to be transferred to the Temporary Pension Fund Account (TPFA) at Bank of Ghana to be invested in Treasury Bills.

- (c) Any Employer who fails to adhere to directives will be sanctioned as per the Pensions Act, 2008 (Act 766).

2.3 Employers who have not signed up with any Master Trust Schemes or have not set up any Employer Sponsored Scheme

2.3.1 Membership of Schemes

The NPRA notes that NOT all employers have duly signed up in the approved Occupational Pension Schemes and, thus, their employees are not members of any scheme. After due consultation—with Ghana Employers Association; Organized Labour; SSNIT and Licensed Corporate Trustees, the following guidelines are to be strictly adhered to by all employers within this category.

- (a) Employers must, by 31st December 2012;
 - (i) Join an approved Master Trust Scheme, or
 - (ii) Set up a stand-alone Employer Sponsored Scheme, or
 - (iii) Together with other employer group(s), take appropriate steps, and in line with the National Pensions Act, 2008 (Act 766) and the Guidelines already issued, establish a Master Trust Scheme.

- (b) The NPRA will impose a fine on any employer who fails to; sign up onto an approved Master Trust scheme, or establish a Master Trust Scheme, or set up a stand-alone scheme by 31st December 2012.
- (c) All Employees are requested by this Public Notice to ensure that their employers take the appropriate steps to either join an approved Master Trust Scheme, establish a Master Trust Scheme, or set up an Employer Sponsored Scheme to manage their contributions.

2.3.2 Payment of Worker Contributions by Employers who do not currently belong to any Scheme

The NPRA further notes and directs that;

- (a) All employers, as above, and who do not belong to any Scheme are to continue to pay the Tier two (2), 5% monthly contributions of their employees through the SSNIT designated branches as currently exists, and such contributions will continue to be transferred to the Temporary Pension Fund Account (TPFA) at Bank of Ghana to be invested in Treasury Bills.
- (b) Any Employer who fails to adhere to this directive will be sanctioned as per the Pensions Act, 2008 (Act 766).
- (c) Deadline for all employers in this category to regularize and get their members onto Schemes is 31st December 2012.

2.4 Request for Employee Data [1st January 2010 – 31st October 2012]

NPRA advises all Corporate Trustees of Master Trust Schemes and Trustees of Employer Sponsored Schemes in Tier two (2) to send request, as per the format determined by NPRA, for data in respect of contributions for periods from 1st January 2010 to 31st October 2012 on behalf of employees enrolled in their schemes for reconciliation and validation leading to the eventual transfer of funds to the Schemes.

2.5 Reconciliation and Validation process for historical Tier Two (2) Contributions [1st January 2010 – 31st October 2012]

The objective of this process is to reconcile the Temporary Pension Fund (TPF) Administrator records with employer-provided historical records for effective and smooth transfer of funds to the approved schemes. Thus:

- (a) Trustees of approved schemes will submit names of registered employers and data request to the NPRA for the Authority to authorize information release by the TPF Administrators.
- (b) TPF Administrator will release relevant data to trustees. Data will include contributions and accrued returns separately identified.
- (c) Trustees will collect historical contributions data, and proof-of-payment of those contributions from employers registered with their schemes.
- (d) Trustees will match employer-provided historical contributions data to the data provided by the TPF Administrators in order to reconcile the employee-level data for all contributions paid by the employer.
- (e) Trustees will highlight exceptions, and Trustees and TPF Administrators will resolve the exceptions within thirty (30) days.
- (f) Once all exceptions are resolved for an employer, the NPRA will authorize the payment to the scheme of the balance of contributions paid by the employer, plus the accrued returns on those contributions.
- (g) Any benefits for employees who are no longer with the employer as at the time of transfer are immediately moved to a preservation account pending instructions from the employee involved, and as per directives to be issued by NPRA.

2.6 Transfer of Funds to Schemes

- a. NPRA, subsequent to the reconciliation of the TPF, will transfer contributions to respective Master Trusts and Employer Sponsored Tier Two (2) Schemes effective, 1st January 2013.
- b. Transfer of funds to Approved Master Trust Schemes will only be made based on proof of signed contracts to the NPRA, between the Trustees and the Participating Employers.

2.7 Penalty for Non Compliance by Employers

- (a) The NPRA notes that between 1st January 2010 to October 2012, certain employers may have defaulted as a result of non-payment or delayed payments of workers contributions. A reconciliation exercise is currently underway and the appropriate penalty will be charged for non-compliance.
- (b) Non-payment of workers contributions or delayed payment by Employers, after the transfer of functions to trustees of approved schemes, will also attract penalty.
- (c) Trustees of approved schemes are required to furnish NPRA with compliance/defaulters list at the end of each month.

3.0 Tier Three (3) Schemes

The NPRA will issue further directives on Tier Three (3) Approved Schemes in due course regarding the effective date of operations and collection of contributions.

4.0 Past Credits

The NPRA notes the ongoing discussions with SSNIT on Past Credits. The NPRA will, not later than 31st December 2012, issue further directives regarding the transitional provisions of 25% lump sum benefit(s) mandated by Section 94(1)d of the Pensions Act, 2008 (Act 766) and as agreed with SSNIT.

5.0 Tax Issues

The NPRA is continuously reviewing and will update all stakeholders on the Tax deductibility issues with Ghana Revenue Authority.

6.0 Status of Evaluated Applications for Schemes Registration

Details of the Approved Schemes Registered and other Schemes which have been granted Provisional Approval are published in **Tables 1 to 12** and posted on the NPRA website. [www.npra.gov.gh]

“Ensuring Retirement Income Security”