The Emergence of Super Pension Fund Administrators and its Implication on the Pension Industry in Nigeria

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***Abstract*: In the year 2004, the Federal Government of Nigeria put in place the new contributory pension scheme for both the public and private sectors employees in Nigeria. The new contributory pension scheme was established by the Pension Reform Act, 2004. Ten years later, another pension scheme called Pension Reform Act, 2014 which was intended to improve and enhance the earlier Pension Reform Act of 2004 was fashioned out. The two Pension Reform Acts were designed to address the problems of the old pension scheme, which was characterized then by failure or inability of many public sectors to regularly pay the pension liabilities of retiring workers. As a result, the new contributory pension scheme of 2004, there was need for government to seek for Fund Managers that will properly handle the money of the contributors. That is the main reason why we have Pension Fund Administrators and Pension Fund Custodians. The Government in her wisdom then set a regulatory Agency called the National Pension Commission. Recently the Pension Fund Administrators in Nigeria are merging together to form what an authority called New Super Pension Fund Administrators. This paper examined the emergence of Super Pension Fund Administrators and its implication on the pension industry in Nigeria. Secondary data from the National Pension Commission, the naira metrics and in depth interview from some pensioners were relied upon by the author. In April 2021, the National Pension Commission compelled all the Pension Fund Administrators to increase their minimum regulatory capital base from one billion naira to five billion naira. This has resulted into merging and acquisition in the pension industry in Nigeria. The new development has helped some Pension Fund Administrators to raise more funds for their operations, hence the term Super Pension Fund Administrator. The paper concluded that the emerging new trend has positive impact on the pension industry in Nigeria.**

***Keywords*: New Contributory Pension Scheme, Pension Reform Act, Pension Fund Administrators, Pension Fund Custodians, National Pension Commission, Federal Government of Nigeria, Pension Industry, Employees, Employer, Emergence, Super, Implication.**

I. INTRODUCTION

The purpose of any pension scheme is to provide the employees of an establishment with a means of securing, on retirement a standard of living, which is consistent with what the retiree enjoyed when he or she was in the service, however, the recent Global Economy Meltdown, which has resulted in increasing cost of living and the urge to meet the basic necessities of life such as clothing, shelter and food, after retirement as created a lot of interest in having a workable pension scheme in the country.

Before the year 2004, Nigeria has operated a Defined Benefits Pension Scheme, especially in the public sector. The Defined Benefit Scheme is also called Pay-As-You-Go Pension Scheme. The scheme is essentially non-contributory; it was funded by the government through budgetary allocation. Albeit, the non-contributory pension scheme was marred by many challenges some of the challenges are persistent deficit in government funding, delay or at times outright non-payment of retirees, problem of improper documentation, difficulty experienced in record stage and retrieval, delay in processing papers and the fact that government required large amount of money to pay the pension and gratuity of retirees.

In an attempt to solve these problems, the Federal Government of Nigeria, fashioned out a new pension scheme through the Pension Reform Act 2004. The new pension scheme is also called New-Contributory Pension Scheme. The aim of the scheme is to take care of all the lapses experienced in the operation of the old pension scheme, after ten years of operating the new contributory pension scheme, another pension scheme called the Pension Reform Act 2014 was designed to address the problems faced in the implementation processes of the year 2004 Act. In addition to this new provisions were made and there are also stiffer penalties for infractions.

Consequently after the Pension Reform Act 2004 was put in place the government realized the need to look for pension managers that will manage the pension contributions of both the employers and employees. Hence we have the Pension Fund Administrators and Pension Fund Custodians. The pension act of 2004 also favored the establishment of a regulatory agency that will supervise the activities of the Pension Fund Administrators and Pension Fund Custodians. Thus we have the National Pension Commission.

In April 2021, the National Pension Commission mandated all the Pension Fund Administrators to increase their capital base from one billion naira to five billion naira. The marching order generated into a process of merging and acquisition among the twenty two Pension Fund Administrators that we have in Nigeria. It is the emergence of the Pension Fund Administrators with more fund as their capital base, that is being referred to as the Super Pension Fund Administrators. The expectation is that there will be more funds to carry out their activities and thus the retirees will be in a better position at the end of the day.

II. HISTORICAL DEVELOPMENT OF PENSION ADMINISTRATION IN NIGERIA

A pension plan was put in place by the British Colonial Administrator before Nigeria independence. The plan was initially meant for colonial administrators; however it was later extended to the indigenous staffs who are Nigerians. The 1951 pension ordinance (Pension Act 1951) was the first pension legislation in Nigeria. This pension scheme, which is the 1951 pension ordinance, had a retrospective effect from first January 1946. However when the laws of Nigeria were codified in 1958, the 1951 Act became known as the Pension Act Cap.147 of Laws of Nigeria, 1958.

Few of the features of the ordinance are as follows;

i. It made provision for the payment of pension or gratuity by the colonial administration, who is the employer in this case and who rewards long and faithful service at its discretion.
ii. The pension given for public service at that time was regarded as an ex gratia payment and not a right or an entitlement and then the pension could be withheld.
iii. According to section 6 of the 1951 Pension Act; it is stated that 'no officer shall have an absolute right to compensation for past service or to pension or gratuity.'

Udoji Commission Pension Reform

The Udoji Commission was set up to review the Pension Commission in Nigeria. The pension scheme put in place by the commission was regarded as a milestone in the annals of the Nigeria public service. This is because the commission not only did a comprehensive review work on the on the pension scheme, but its recommendations was regarded as momentum because it covered all levels of government. Some of the principles of the Udoji Commission Pension reform in the public service are as follows:

i. The payment of pension or gratuity should be seen as a deferred payment.
ii. An employee should be vested with the pension rights. That is the pension benefits for which a public servant qualifies are by his or her right and as such cannot be withheld, reduced or tampered with.
iii. The payment of pensions and gratuity shall be taken from money voted for the purpose by the government that is non-contributory, pay-as-you-go arrangement.
iv. The public sector scheme should be modified to promote mobility of labour within the public service.
v. All the workers that fall within the umbrella of the Pension Act, circulars, standard directions and rules, should be eligible for the same retirement benefits.
vi. As for the private sector companies, they were allowed to continue to run their individual pension schemes.
vii. Finally, the commission also emphasized that any time, new salary scales are approved there should be corresponding increase in retirement benefits.

Pension Acts Number 102 of 1979

As a result of the acceptance of the recommendation of the Udoji commission reform what can be called the first major reform of the Public Service Pension Schemes in Nigeria commenced. According to circular 6/1979 entitled '*The New Pension Scheme'* and the Administrative Rules attached to it gave effect to the reform measures. It is this Administrative Rules that became the drafting instructions for the promulgation of the Pension Act 102 of 1979.

Some of the characteristics of the 1979 act are as follows:

a. It encompasses the recommendations of Udoji commission on public sector pensions.
b. It incorporates the pension and gratuity scale that was devised by the commission.
c. It also consolidated all enactment and circulars on pension that were already in force prior to the promulgation of the law.
d. Finally, it repealed all the existing thirteen pension laws that were hitherto in force.

III. PENSION ADMINISTRATIVE REFORMS

The available record revealed that between 1st September 1979 when the act was enacted and December 2003, the pension's office issued eighty four administrative circulars that directly relates to pension issues. A lot of these circulars dealt with review of the qualifying length of service pension rates, computation of benefits and other related issues.

In 1989, the technical committee on the review of the civil service pension scheme carried out an intensive research and found out that the federal government of Nigeria will not be able to sustain the non-contributory pension scheme or the pay-as-you-go system due to budgetary constrain and lack of fund. The technical committee therefore recommended the replacement of the non-contributory system, the computerization of service wide personnel records and the establishment of a Central investment Agency.

In conformity with the administrative reform the Federal Government of Nigeria set up the presidential committee on the harmonization of public and private sector pension scheme. As a result of this the Presidential Committee made the following recommendations;

i. That there should be a contributory scheme which should accumulate the interest and paid in a lump sum to the employee as his gratuity.
ii. The establishment of an identical scheme for the inner core and public service to be managed by two different bodies; and
iii. The creation of a separate scheme for the private sector and the establishment of a regulatory authority to be known as Private Pension Commission.

Why Was There A Need For A New Pension Scheme?

There is no gain saying the fact that the erstwhile, Pay-As-You-Go system or the non-contributory pension scheme was confronted with a lot of challenges. The global economic meltdown had resulted in the inability of the employers of labour to pay the pension and gratuity of their pensioners.

Other problems of the non-contributory pension scheme are as follows;

i. There was persistent deficit in the government funding.
ii. There was the delay or outright non-payment of retirees entitlement as at when due.
iii. There is the problem of improper documentation and difficult record storage and retrieval.
iv. Another problem is the bottleneck experienced in processing the papers and payment of retirees; and
v. The fact that the government usually required a large amount of money to pay the pension and gratuity of retirees.

IV. THE NEW CONTRIBUTORY PENSION SCHEME OF 2004

The National Assembly of the Federal Republic of Nigeria enacted a contributory pension scheme for employees in the public and private sectors. The Pension Act stated *inter alia* that;

> *'there shall be established for any employment in the Federal Republic of Nigeria a contributory pension scheme for payment of retirement benefits of employees to whom the scheme applies under the act'*

The new act of 2004 automatically repealed the Pensions Act 102 of 1979, and established a uniform contributory pension scheme for both the public and private sectors in Nigeria.

V. FEATURES OF THE PENSION ACT OF 2004

It was clearly stated in the Act that the new scheme is a contributory, fully funded privately managed pension scheme that is based on individual accounts. It ensures that everyone who has worked either in the public or private sector of the economy receives his retirement benefits as at when due.

Some of the highlights of the Pension Act of 2004 are as follows;

a. It established a uniform scheme for both the public and private sectors;
b. It prescribes that retirement benefits shall be funded by both the employer and the employee;
c. It also privatizes the management of all pensions in the Federal Republic of Nigeria;
d. The pension fund assets are to be privately managed and invested by professional pension fund managers;
e. There is strict regulation of the activities of the Pension Fund Administrators and Pension Fund Custodian in the Act; and
f. There is the provision of the establishment of National Pension Commission, which is charged with the responsibility for matters relating to the regulation, supervision and effective administration of all pension schemes and for all other matters connected therewith.

VI. PENSION FUND ADMINISTRATORS AND CUSTODIANS

The National Pension Commission defined a Pension Fund Administrator (PFA) as an entity licensed by the commission and charged with the responsibility of managing and investing the pension funds. Furthermore the commission also defined the Pension Assets Custodians as an entity licensed by the National Pension Commission to hold pension assets in safe custody.

Functions of Pension Fund Administrators

The Act requires the Pension Fund Administrators to perform the following functions;

a. Open retirement savings account for all employees with a Personal Identity Number (PIN) attached;
b. Invest and manage pension funds and assets in accordance with the provisions of the Act;
c. Maintain book of account on all transactions relating to pension funds managed by it;
d. Provide regular information on investment strategy, market returns and other performance indicators to the commission and employees or beneficiaries of the retirement savings account; and
e. Cause to be paid retirement benefits to employees in accordance with the provisions of the Act.

Name of Pension Fund Administrators in Nigeria (PFA)

a. AIICO Pension Managers Limited
b. APT Pension Fund Managers Limited
c. ARM Pension Managers Limited
d. AXA Mansard Pension Limited
e. Crusader Sterling Pensions Limited
f. FCMB Pensions Limited
g. Fidelity Pensions Manager
h. First Guarantee Pension Limited
i. IEI Anchor Pension Managers Limited
j. Investment One Pension Managers Limited
k. Leadway Pensure PFA Limited
l. Nigerian University Pension Management Company (NUPEMCO)
m. NLPC Pension Fun d Administrators Limited
n. NPF Pensions Limited
o. OAK Pensions Limited
p. Pensions Alliance Limited
q. Premium Pension Limited
r. Radix Pensions Managers Limited
s. Sigma Pension Limited
t. Stanbic IBTC Pension Managers Limited
u. Trust Fund Pension Limite
v. Veritas Glanvills Pension Limited (**National Pension Commission 2005)**

VII. FUNCTION OF THE PENSION FUND CUSTODIANS

According to the Pension Act 2004, the custodian shall carry out the following functions;

a. Receive the total contributions remitted by the employer under section 11 of the Act on behalf of the Pension Fund Administrator within 24 hours of the receipt of the contributions from any employer.
b. Holds pension funds and assets in safe custody on trust for the employee and beneficiaries of the retirement savings account.
c. On behalf of the Pension Fund Administrators settle transactions and undertake activities relating to the administration of pension fund investments including the collection of dividend and related activities.
d. Another function is to undertake statistical analysis on the investments with respect to pension funds in its custody and provide data and information to the pension fund administrator and the commission.

Name of Pension Fund Custodians in Nigeria (PFC)

a. Access Pension Fund Custodians Limited
b. First Pension Custodian Nigeria Limited
c. UBA Pensions Custodian Limited
d. Zenith Pensions Custodian Limited (**National Pension Commission 2005)**

Highlight of the Pension Reform Acts 2014

i. Upward Review of Contribution Rate to 18 %of employees' monthly emolument. That is Employer will pay minimum of 10% and Employee will pay a minimum of 8%. S4(1)
ii. Enhanced coverage of the Contributory Pension Scheme (CPS) and informal sector participation.
iii. Utilization of Pension Funds for National Development.
iv. Exemption of income on investment of Pension Fund from tax.
v. Funding of the minimum pension guarantee and establishment of Pension Protection Fund.
vi. Periodic Review of Pension.
vii. Adoption of the Contributory Pension Scheme by State and Local Governments.
viii. Exemption of personnel of the Military and Security Agencies.
ix. Review of retirement age and benefits of University Professors.
x. Restructuring the system of Administration of pension under defined benefits scheme.
xi. Opening of temporary retirement savings account for employees that fail to do so.
xii. Reduction in the waiting period to access benefits in the event of loss of jobs.
xiii. Objective of contributory pension scheme (section 1, PRA 2014) such that additional benefits could be paid to employee upon retirement or cessation of employment.
xiv. New offences were created and stiffer penalties provided to serve as deterrence against mismanagement and or diversion of pension funds.
xv. Provide for prompt corrective actions on failing licensed Operators by moving pension assets from one Pension Fund Administrator to another.
xvi. Access to Retirement Savings Account to pay equity contribution on residential mortgage. (**National Pension Commission 2015)**

The National Pension Commission

In an attempt to make the execution of the New Contributory Pension Scheme workable and effective, there was the need to establish and compose the National Pension Commission. According to the Pension Act of 2004 '*the Commission shall be a body Corporate with perpetual succession and a common seal; and the Commission "may sue and be sued in its corporate name.'* The main objective of the Commission is to regulate, supervise, and ensure the effective administration of pension matters in Nigeria.

Powers of the Commission

The National Pension Commission shall have the following powers:

i. Formulate, direct and oversee the overall policy on Pension in Nigeria;
ii. Fix the term and conditions of service including remuneration of the employees of the Commission;
iii. Request or call for information from any employer or Pension Administrator or Custodian or any other person or Institution on matters relating to retirement benefits;
iv. Charge and collect such fees, levy or penalties as may be specified by the Commissions;
v. Establish standard rules and regulations for management of the Pension Fund under this Act;
vi. Investigate any Pension Fund Administrator, Custodian or other party involved in the management of pension funds; and
vii. Impose administrative sanctions or fines on erring employer or Pension Fund Administrators or Custodians. (Pension Act 2004).

Functions of the Commission

The National Pension Commission shall perform the following functions:

i. Regulate and supervise the Scheme establish under the Act;
ii. Issue guidelines for the investment of Pension Funds;
iii. Approved, License, Regulate and Supervise Pension Fund Administrators Custodians and other Institutions relating to Pension matters as the Commission may, from time to time determine;
iv. Establish standard rules and guidelines for the management of the Pension Fund under the Act;

v. Ensure the maintenance of a National Data Bank on all Pension matters;
vi. Carry out Public awareness and education on the establishment and management of the Scheme; and
vii. Receive and investigate complaints of impropriety leveled against any Pension Fund Administrator, Custodian or Employer or any of their staff or Agent. (Pension Act 2004).

VIII. GAP IDENTIFIED IN THE IMPLEMENTATION OF THE TWO PENSION REFORMS

In Nigeria today, majority of the Employer still embraced what is in the Pension Act 2004, as far as the contribution to the Retirement Savings Account is concerned. The 2004 Pension Act says Employer should pay 7.5% and Employees should also pay 7.5%. In the 2014 Pension Act Employer was mandated to pay a minimum of 10%, while the Employee is expected to pay a minimum of 8%. This not yet implemented in many establishment in Nigeria.

Advantages Of the New Pension Scheme

The following are the advantages of the New Contributory Pension Scheme:

i. It ensure availability of funds for the payment of Pensions to the beneficiaries as at and when due;
ii. It eliminate the terrible situation of delay in payment of retirement benefits which was usually associated with the erstwhile Pay--As--You--Go Scheme;
iii. The new Scheme will create a level playing ground for all the operators;
iv. The Scheme will also build a robust pool of funds to be harnessed in the Capital market for investment and social economic development;
v. The ghost Pensioner syndrome which had become the bane of the former sector pension scheme, will be removed;
vi. The new reform will also bestowed ownership and stakeholders status on the Employees;
vii. The new Scheme will ensure that employees in all sectors of the economy are brought into the social safety net, which the pension has provided; and
viii. Another good thing about the new Scheme is that, it will provide a comprehensive regulatory framework for all pension matters in Nigeria.

Challenges of the New Contributory Pension Scheme

The following points have been identified as the demerits of the New Pension Scheme;

a. In some State of the Federation were the New Pension Scheme has taken off, the workers are paying their own contributions every month. That is, every month 7.5% of the basic salary, rent and transport allowances of the workers will be deducted from their salaries and sent to the Pension Fund Administrators. However some State Government has not being paying regular their own counterpart contributions to the Scheme.
b. The ability of the Pension Fund Managers to manage the contributory funds is another serious concern. This is because experience in the past has shown those funds are not properly taken care of in some case in Nigeria.
c. Most of the Pension Fund Managers/ Administrators invested part of the contributory funds in the Capital Markets. We all know the problem in the Nigeria capital markets, which occasionally experience a crash in the value of stocks and shares. It means any worker that retires during the glitch period may likely find it difficult to collect his or her or her own retirement benefits in good time.
d. The success of the New Contributory Pension Scheme is largely dependent on the ability of the regulator or supervisor of the Scheme. The National Pension Commission that is expected to regulate and supervise is controlled by the Government appointees, which is worrisome to the stakeholders.

Frequently Asked Questions on Pension in Nigeria.

a. What is a Pension?

A Pension is a regular payment made during a person's retirement, from an investment fund or account to which that person and their employer(s) contributed during their time as an active member of the labour force. In Nigeria the Pension Reform Act 2014(PRA) governs the framework and Procedure for the pensions. The PRA establishes a Contributory Pension Scheme whereby the Employers and the Employees contribute minimum Percentage of the employee's salary every month. The minimum contribution for the employer is 10% and 8% for the employee. That is what is stated in the 2014 Pension Reform Act. For an example Ayo earns #400,000 monthly and works as a Senior Manager for Access Bank. The Access Bank is supposed to contribute a minimum of #40,000 every month to the scheme, while Ayo contribute a minimum of #32,000 to the scheme monthly. If Ayo or Access Bank so wish, they can decide to increase the amount they contributed monthly; however the two parties cannot contribute anything less than 8% and 10% respectively. The money contributed monthly goes into what is known as a Retirement Savings Account.

b. Am I Entitled to a Pension Plan?

i. Yes, if you are an employee working in the Public Sector, then the contribution is mandatory.
ii. Yes, if you are an employee in the Private Company with over 15 other employees then this contribution is mandatory.
iii. Yes, if you are an employee in a Private Company, with more than 3 employees (or are self employed, then you are entitled to participate in the Scheme subject to Pension Commission guidelines. Having a pension plan is one of the most secure insurance policies for your future upon retirement and it is important that when you are about to start a new job, you should ensure that a pension plan is part of your package.

c. How is Pension Managed?

The Pension Reform Act of 2014 establishes a body called National Pension Commission. The job of the Commission is to enforce and administer the Pension regulations as laid down by the Pension Reform Act of 2014. It regulates two types of Companies that is Pension Fund Administrators (PFAs) and Pension Fund Custodian (PFCs). The employee is at liberty to select a PFA that will manage his / her pension. There are number of registered PFAs in Nigeria, so that the employees have a variety of choices. Once the PFA is chosen by an employee, he or she needs to inform the Employer.

What then happen next is when the Pension contributions is deducted; they are paid to the PFC specified by the PFA. The PFC upon receipt of the contribution then inform the PFA of receipts of the funds and the PFA then credits the Retirement Savings Account of the employee. If the employee changes jobs, the law provides that the employee can keep his account with the PFA if so wishes; however he can switch to another PFA, but not more than once in a year.

Let us now talk about what happens to the pension contributions when they are deducted? The contribution did not sit in the account, until the employee retires, and waiting to withdraw the fund. The Pension Fund Administrator take the fund and invest them in a certain approved investments, like Government bonds, bills and other securities, shares in public limited companies real estate development and other investments. Howbeit the investment ventures is strictly being monitored by the National Pension Commission, with substantial fines and penalty for the erring Pension Fund Administrators.

d. How Can You Finally Access Your Pension?

In the first instance, employees are not allowed access to the Retirement Savings Account until they retired or attain the age of 50 years. So if you retire at 35years, you will wait until you are 50 years old, and if you are 55 years old and still working, you cannot access the account until you retire. Upon retirement the individual is able to utilize account for the following benefits: s

i. Withdraw a lump sum from the total amount, provided that the amount left after the lump sum withdrawal is sufficient to procure a programmed fund withdrawals or annuity for life.
ii. Programmed monthly or quarterly withdrawals calculated on the basis of expected life span.
iii. Annuity for life purchased from a life insurance company.

Note that the 50 years retirement rule is the general rule, however there are exception provided if the person leaves employment before age 50 years for medical reasons or in accordance with the terms and conditions, if his/her employment allow for partial lump sum removal in certain circumstances.

e. What Happens to an Employer Who does not remit?

It is mandatory for your employer to remit the Pension contributions; any non-remittance or late remittance is illegal. The penalty is payment of the amount which is due to be paid, plus not less than 2%of the amount due. So if your company has not remitted three months worth of contribution which let say amounted to #600,000. The company is liable to remit #600,000 plus an additional #12,000 as penalty.

(Pension Contribution Reform Act 2014)

IX. THE NEW SUPER PENSION FUND ADMINISTRATORS

The National Pension Commission (PENCOM) directed all the Pension Fund Administrators (PFAs) in Nigeria to increase their Minimum Regulatory Capital (that is Shareholder's Fund) from #1 billion to #5 billion. The Commission approved the recapitalization exercise for all the PFAs early last year. The National Pension Commission in its own wisdom then gave all the Pension Fund Administrators a period of 12 months for the transition, which is from April 2021 to April 2022.

The reason for the exercise was due to the fact that, the value of Pension fund Assets under management and custody had grown exponentially by 244 per cent, that is from #3 trillion in 2012 when the previous recapitalization was done to #12.29 trillion as at 31st December, 2020. This development of sustained growth in assets means a greater fiduciary responsibility that requires more operational capacity by the PFAs. Furthermore, there is an urgent need to build up PFAs capacity, so as to manage the increasing number of registered contributors.

It is on record that as at 31st December 2021, ten Pension Fund Administrators met the regulatory capital requirements of #5 billion. Others also geared up their efforts so as to meet the deadline of 27th April, 2022. This has resulted into some mergers and acquisitions and even partnership, which summed up into the reduction of the number of PFAs in Nigeria from 22 to 20. It is a thing of joy to note that by the end of the transition period, that 27th April, 2022, all the Pension Fund Administrators in Nigeria had met the regulatory capital requirements of #5 billion. With the approval of the National Pension Commission, AIICO Pension Managers Limited was acquired by FCMB Pension Limited, The merger of Tangerine Pension Limited and APT Pension Fund Manager Limited was also given approval by the Commission. This led to the subsequent change of name of the merged entity to Tangerine APT Pension Limited.

Another example of merging and acquisition is the go--ahead given by the Commission to Norrenberger to acquire IEI--Anchor Pension Manager Limited. This was done by the acquisition of the majority shareholder stake of IEI--- Anchor Plc. The expectation is that at the end of the recapitalization exercise, all stakeholders especially Retirement Savings Account holders will enjoy increased efficiency and effectiveness as well as better service delivery.

Implication of the Increase Regulatory Capital of The Pension Administrators on The Pension Industry in Nigeria.

As a result of the increase in Regulatory Capital from #1 billion to #5 billion the following things are expected to happen in the Pension Industry.

i. The Pension Fund Administrators will have more funds for their day to day operation;
ii. There will be more funds at the coffers of the PFAs, to invest, in shares and securities;
iii. As a result of increase in investment, there will be corresponding increase in profit. This will translate to more profit for the Pensioners;
iv. Also the Pensioners will enjoy better services from their various PFAs;
v. There will be regular payments of the holders of Retirement Savings Account;
vi. The retirees will receive payment alert from the PFAs, as at and when due; and
vii. There will be more money in the economy of the Nation, which can be use for Social and Economic Development.

X. CONCLUDING REMARKS

The New Contributory Pension Scheme started in Osun State, of Nigeria in the year 2013. That is Osun State in one of the few States that fully joined the new scheme. To the Glory of God, the Author retired in April 2019 in Osun State Civil Service. As such the Author is in a better position to relate his experience as far as the operation of the Pension Fund Administrators is concerned. The Author will not only relate his experience, but the experiences of 9 other colleagues who retired when the new contributory pension scheme is in place. The name of the Pension Fund Administrator of the Author is called APT Pension Fund Managers Limited, which was later changed to Tangerine APT Pension Limited. Since the Author started dealing with the PFA as from November 2019, the monthly pension is regular. The PFA normally pay on 20th of every month. After the merger of the entity, the payment date was changed to 15th of every month. Another good thing that the PFA does is to alert us every month about the payment of the pension. What distinguishes Tangerine APT Pension Limited from others is the monthly update the Pensioners dealing with this PFA usually receive in form of Bank alert. The update contains the retirees' first name, the fund balance, net contribution, total withdrawal and gain/profit. As an example the update looks like these."Dear Pensioner, Your Retiree Fund Balance as at 1st September 2022 is #6,000,000. Net Contribution #10,000,000, Total withdrawal #6,000,000. Gain/ Profit #2,000,000"It will end with we value your patronage.

The experiences of other nine colleagues is similar to the one narrated by the Author, except in the area of the monthly update. From the in depth interview conducted by the researcher the following are some of their experiences. A Pensioner that is dealing with AIICO Pension Managers Limited since 2017, was aware of the new acquisition by the FCMB Pension Limited. According to him, the Pension payments day use to be 21st of every month but after the acquisition it changed to 17th of every month, and the regular payment is being maintained.

Another retiree who makes use of Fidelity Pension Managers also corroborated that the payment is regular both before and after the merging and acquisition. She went further to say that the date of payment of Pension was changed to 20th of every month, instead of 24th of the month, that use to be the payment date.

With all the experiences of the retirees that was largely revealed in the course of the in--depth interview, it is safe to conclude that the Pensioners are enjoying regular payments, better service delivery, increased in their Gain/Profit, regular Bank alert on payment of Pension and a relatively peace of mind. What the Author observed is the bottleneck in the area of collecting the contributions of the Employers and that of the Employees. Immediately the Funds are with the Pension Fund Administrators things are better then. The in--depth interview of the retirees, also revealed that it is only few Pension Fund Administrators that formed the habit of given an update to the retirees every month. As a result of this many Pensioners did not know the amount of their Profit, that is with their individual Pension Fund Administrators.

The researcher also noticed that the Gain/Profit is not reflected in the monthly pension given to the retirees every month. That is if a person retires in year 2017 and he is collecting #80,000 every month, the #80,000 did not change till today. I am of the opinion that the Profits should be spread and the PFAs can make the Gain part of the monthly stipend. On the other hand, the Fund Managers can release certain percentage of the Profits at once. Many Pensioners are still wondering what will happen to their Gain/Profits at the end of the day. Let us hope for the best.

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