**WELCOME REMARKS BY CHINELO ANOHU-AMAZU, DIRECTOR GENERAL, NATIONAL PENSION COMMISSION AT THE COMMEMORATIVE DINNER OF THE 10TH ANNIVERSARY OF THE PENSION REFORM IN NIGERIA AT THE LANDMARK CENTRE, VICTORIA ISLAND, LAGOS ON THURSDAY 30 OCTOBER, 2014**

Protocols.

Distinguished Ladies and Gentlemen

I am delighted to welcome you to the Commemorative Dinner of the 10th Anniversary of the Pension Reform in Nigeria holding in Lagos. We are highly honored by the presence of all our distinguished guests at tonight's occasion, amidst your engaging commitments. This Dinner is being held as part of the commemorative activities of the 10th Anniversary of the implementation of the Pension Reform in Nigeria which commenced at Abuja in July, 2014. It would be recalled that these activities were kick started with the successful hosting by Nigeria, through PenCom, of the maiden World Pension Summit 'Africa Special', organized in collaboration with the World Pension Summit Organization, Amsterdam, The Netherlands. It was followed by the Commemorative Gala held at the Presidential Villa, Abuja where some Icons of the Pension Reform were also recognized for their various distinguished roles in its actualization. It is noteworthy to mention that His Excellency, President Goodluck Ebele Jonathan, GCFR was present at both events as Special Guest of Honour, which was indicative of the Government's commitment to the pension industry and confidence in its modest accomplishments. This event therefore, commemorates the milestone of a journey which sought to break Nigeria away from an endless cycle of despair in its pension sector and launch it into a new era of blissful retirement for all employees. The assemblage brings together private sector leaders, the Icons of the pension reform and other important stakeholders to celebrate as well as usher in the strategic focus of the reform as it transits into the next decade.

Distinguished guests, the pension reform process commenced in 2003 with the inauguration of the Fola Adeola Pension Reform Committee by President Olusegun Obasanjo. The highpoint of the Committee's recommendations was the establishment of the Contributory Pension Scheme (CPS) for both the public and private sectors through the enactment of the Pension Reform Act (PRA) 2004. The reform was envisioned as a well thought out process of addressing a catalogue of challenges that impeded pension administration in Nigeria, all of which could be summarized into the failure to deliver on a promise of consistent and timely income for workers at retirement. This failure came with negative consequences, foremost amongst which was untold hardship experienced by retirees especially in the public sector and creation of estimated liabilities of over N2Trillion.

The CPS was novel and seemingly ambitious such that not a few doubted if Nigeria could transit into it and implement successfully. Today, ten years thereafter, the scorecard is somewhat self explanatory. This emanated mainly from the fundamental structures upon which the Scheme was built. Indeed, the cardinal principle of separation of custody from management and supervision has resulted in a pension scheme with sound internal mechanism for transparency and accountability. Whereas the Pension Fund Administrators (PFAs) manage the pension funds they do not have access to same as custody is vested in the Pension Fund Custodians (PFCs) and the Commission ensures both parties adhere strictly to regulations governing the pension funds. The ring fencing of pension fund assets and regulatory non-interference has resulted in the consistent growth in a large pool of pension assets of over N4.5 trillion which are invested in structured and safe financial instruments; a remarkable growth when compared with huge estimated pension liabilities in the public sector prior to the reform in 2004. The reform has also engendered a regime of regular payment of retirement benefits to all employees who retired under the scheme since 2007 without any delays as was the practice in the old system. Since inception, 111,210 retired employees have received payouts of over ~~N~~268 billion. Also, through an enhanced compliance regime, 6.26million contributors have so far been registered into the CPS. Despite these records, we are by no means suggesting that journey has reached its destination. We are not unmindful of some challenges that are yet to be extinguished, for instance issues around the old Defined Benefit Scheme in the public sector. In addition, there are some issues that cropped up only in the course of implementing the PRA 2004.

In the quest to usher the Pension reform into its second decade, a major review of the PRA 2004 was carried out with a view to proffering solutions to the noted implementation challenges. Having undergone extensive legislative scrutiny, the Pension Reform Act 2014 was re-enacted in July, 2014. Some of its salient provisions include the expansion of coverage for private sector employees, upward review of minimum contribution rate geared at enhancing the adequacy of pension benefits, upward review of sanctions and penalties against infractions, informal sector participation in the scheme, standards for the participation of States and Local Governments in the Scheme, amongst others. As we focus on the implementation of these new provisions, we seek your usual unflinching support in order to sustain what we collectively achieved over the past 10 years.

A lot of diligence was exhibited by various stakeholders, especially in the private sector which had resulted in the concrete milestones being highlighted at the 10th Anniversary of the pension reform. We acknowledge once again, all the Icons of the Pension Reform for their efforts. In particular, former President Olusegun Obasanjo, President Goodluck all members of the Fola Adeola Committee on Pension Reform, past and present members of the Senate and House Committees with responsibility for pension matters, the Labour unions, employers and pioneer Executive Committee of PenCom. We also specially recognize 'State Government Pension Icons' comprising of states that have remained supportive of the CPS from its onset and are now beneficiaries of its superior ideals.

Distinguished guests, while thanking you for honouring our invitation, I have the pleasure once again, on behalf of the Board, Management and Staff of PenCom to invite you to commemorate the epoch 10th Anniversary of the pension reform in Nigeria by enjoying tonight's event.

Thank you and God bless.