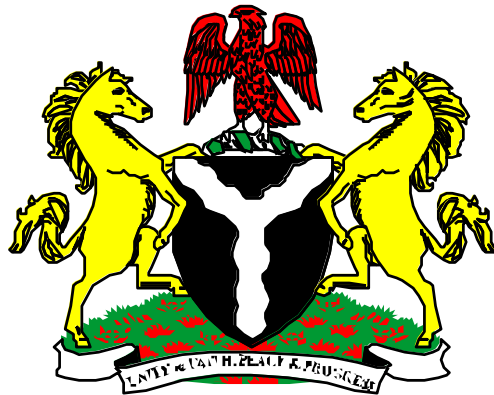


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**NATIONAL PENSION COMMISSION
(PenCom)**

**2013 ANNUAL REPORT
& *Statement of Accounts***

CORPORATE VISION AND MISSION STATEMENT

Corporate Vision

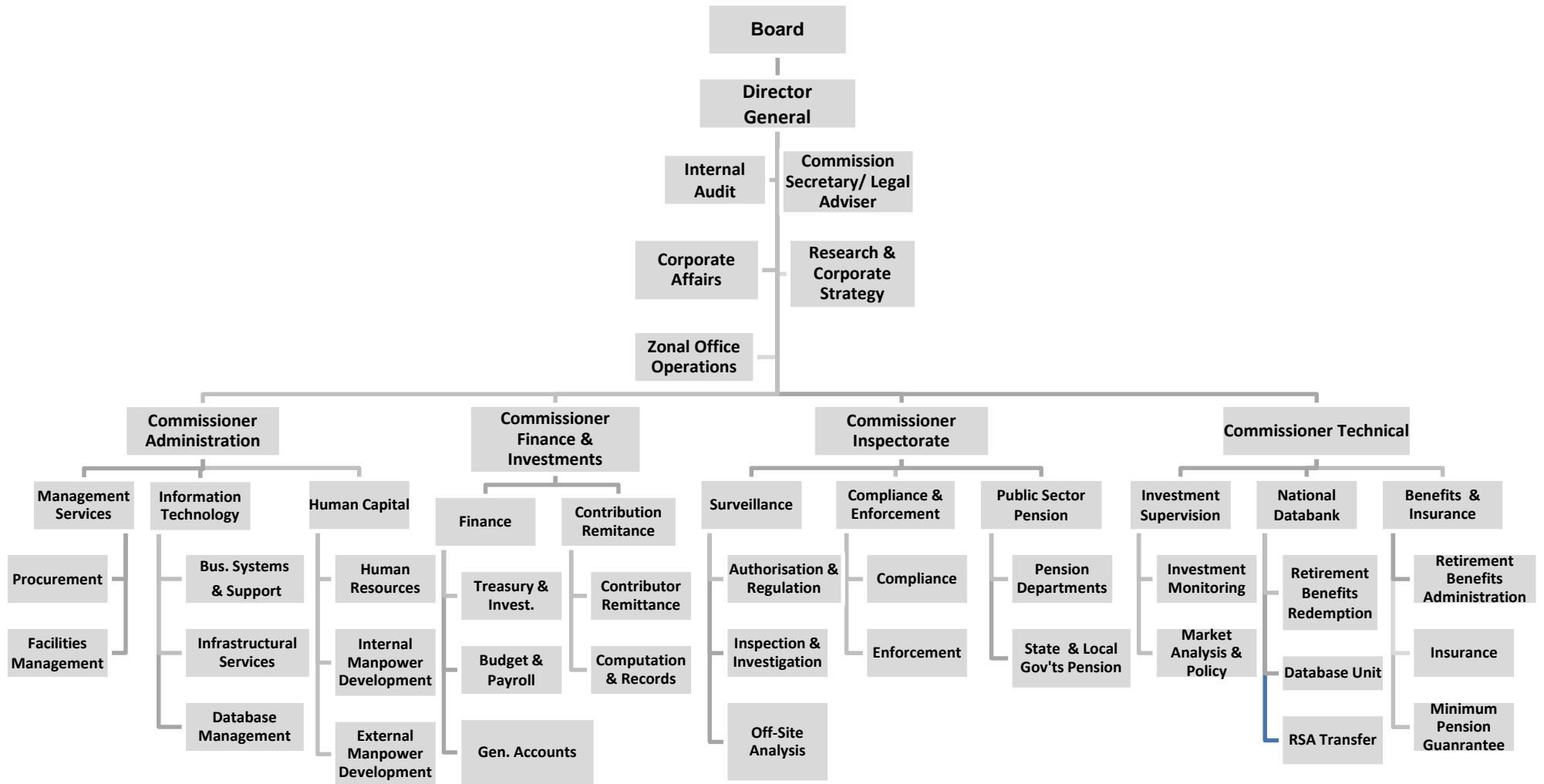
“To be a world-class organisation that ensures the prompt payment of retirement benefits and promotes a sustainable pension industry that positively impacts on the economic development of Nigeria”

Mission Statement

“To be an effective regulator and supervisor that ensures the safety of pension assets and fair return on investment utilising appropriate technology, with highly skilled and motivated staff”

MANAGEMENT CONSULTATIVE COMMITTEE MEMBERS

Mrs. Chinelo Anohu-Amazu	Ag. Director General
Mrs. Aisha I. Mustafa	Head (Management Services Department)
Mr. Muhammad B. Umar	Head (Compliance & Enforcement Department)
Mrs. Grace Usoro	Head (Public Sector Pensions Department)
Mr. Muhammad Y. Datti	Head (Surveillance Department)
Mr. Moses O. Loyinmi	Head (Benefits & Insurance Department)
Mrs. Ekanem B. Aikhomu	Head (National Databank Department)
Mr. Inuwa O. Iyodo	Head (Finance Department)
Dr. Dan Ndackson	Head (Human Capital Department)
Dr. Umaru F. Aminu	Head (Research & Corporate Strategy Department)
Mr. Ehimeme Ohioma	Head (Investment Supervision Department)
Mr. Aliyu A. Tijjani	Head (Contributions Remittance Department)
Muminey A. Odebiyi	Head (Information Technology Department)
Mr. Nickolas Z. Mbajwa	Head (Internal Audit Department)
Mr. Muhammad S. Muhammad	Ag. Head, Legal Department



OFFICIAL CONTACT DETAILS

National Pension Commission
Plot 174, Adetokunbo Ademola Crescent, Wuse II
PMB 5170, Wuse
Abuja, Nigeria

Tel: +234-094610466, 094610467, 094610468
Website: www.pencom.gov.ng
E-mail: info@pencom.gov.ng

PENCOM ZONAL OFFICES

South-East Zonal Office

Opposite Government House,
Onitsha-Enugu Expressway
Awka, Anambra State

Tel: 08055999337

North-East Zonal Office

Plot No. 10, Gombe-Biu Road
Gombe, Gombe state

Tel: 08055999339

South-South Zonal Office

Plot 9, PCN Layout, Diamond Hill
Calabar, Cross River State

Tel: 08055999332

North-Central Zonal Office

Plot 1, Aderemi Adeleye Street, Off
Fate Road, GRA
Ilorin, Kwara State

Tel: 08055999341

South West Zonal Office

88A Oduduwa Crescent, Ikeja, GRA
Lagos State

North-West Zonal Office

No. 22, Kazaure Road, Off Barracks
Road, Kano, Kano State

Tel: 08055999335

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ABBREVIATIONS AND ACRONYMS

TRIPP	Transparency Responsiveness Integrity Proactivity Professionalism
NPF	Nigerian Police Force
NUPEMCO	Nigerian Universities Pension Management Company Limited
MPG	Minimum Pension Guarantee
PenRSS	Pension Returns Rendition System
RMAS	Risk Management and Analysis System
CBN	Central Bank of Nigeria
PRA 2004	Pension Reform Act 2004
CPFA	Closed Pension Fund Administrators
CPS	Contributory Pension Scheme
CRR	Cash Reserve Ratio
CRS	Contributor Registration System
DB	Defined Benefits
DC	Defined Contribution
NSITF	National Social Insurance Trust Fund
PenCom	National Pension Commission
FGN	Federal Government of Nigeria
GDP	Gross Domestic Product
IFC	International Finance Corporate
LR	Liquidity Ratio
MCC	Management Consultative Committee
MDA	Ministries, Departments and Agencies
MPR	Monetary Policy Rate
NAHCO	Nigerian Aviation Handling Company
NAICOM	National Insurance Commission
NAV	Net Assets Value
NECA	Nigeria Employers Consultative Association
NOK	Next of Kin
NSE	Nigeria Stock Exchange
NUPEMCO	Nigerian Universities Pension Management Company
PE	Private Equity
PFA	Pension Fund Administrator
PFC	Pension Fund Custodian
PTAD	Pension Transitional Arrangement Directorate
RBBRFA	Retirement Benefit Bond Redemption Fund Account
ROI	Return on Investment
RSA	Retirement savings Account
SPV	Special Purpose Vehicle
TBs	Treasury Bills

AES	Approved Existing Scheme
WARR	Weighted Average Rate of Return
REITS	Real Estate Investment Trusts
DMO	Debt Management Office
ASI	All Share Index

PART ONE

MANDATE AND CORE VALUES

1.1 ORGANIZATIONAL MANDATE

Section 14(1) of the Pension Reform Act (PRA) 2004 provides for the establishment of the National Pension Commission (PenCom) to “*regulate, supervise and ensure the effective administration of pension matters in Nigeria*”.

1.2 CORE VALUES

The core values of PenCom form an integral part of its people and culture, which are imbibed by its staff to effectively actualise its mandate. The core values emphasize **Transparency, Responsiveness, Integrity, Proactivity** and **Professionalism (TRIPP)**.

- **Transparency:** PenCom regulates and supervises a transparent and accountable pension industry. In this regard, its employees are required to maintain the highest ethical standards as well as creating an atmosphere of mutual trust and confidence through openness and clarity in the discharge of their responsibilities.
- **Responsiveness:** The requirement for promptness and efficiency as well as the culture of timeliness and accuracy in service delivery is a cardinal quality of staff of PenCom.
- **Integrity:** Staff are expected to attain the highest level of integrity in both their personal and official engagements. Commitment to honesty and dedication are virtues that are a hallmark of all staff of PenCom.
- **Proactivity:** In the commitment to the creation of an anticipatory and change-oriented organisation, PenCom staff are required to possess the ability to act in advance of a future situation, rather than reacting to it.
- **Professionalism:** Staff of PenCom are expected to exhibit a high degree of professionalism in the discharge of their responsibilities. As such, staff must be competent, accountable, respectful, creative and above all, team players.

1.3 PenCom Charter

A tailored approach in meeting the needs of each class of its stakeholders has been adopted by PenCom as demonstrated below:

Stakeholder	Promise
Pensioners	<ul style="list-style-type: none"> ▪ Timely payment of pension ▪ Security of pension assets
Contributors	<ul style="list-style-type: none"> ▪ Security of pension assets ▪ Ensure compliance of employers ▪ Ensure effective service delivery by Pension Operators
Government	<ul style="list-style-type: none"> ▪ A safe and sound industry ▪ Positive contribution to economic development ▪ Contribution to social safety net
PenCom Staff	<ul style="list-style-type: none"> ▪ Recognition and reward for good performance ▪ Provision of a learning environment, opportunities for career advancement/ development ▪ Promotion of team spirit and provision of conducive working environment ▪ Provision of effective communication channel
Public	<ul style="list-style-type: none"> ▪ Effective communication and enlightenment ▪ Responsible corporate citizen ▪ Environment friendly organization
Employers	<p><i>Employers whose staff opened RSAs</i></p> <ul style="list-style-type: none"> ▪ Pro-activity and responsiveness ▪ Ensure compliance <p><i>Employers that maintained their Existing Schemes</i></p> <ul style="list-style-type: none"> ▪ Safety of pension assets and fair returns on investment ▪ Effective supervision
Pension Operators	<p><i>PFAs, CPFAs & PFCs</i></p> <ul style="list-style-type: none"> ▪ Effective and efficient regulation and supervision ▪ Prompt regulatory and supervisory intervention on all Pension Operators' issues ▪ Effective capacity development for the industry <p><i>Insurance and Pension Transitional Arrangement Department (PTAD)</i></p> <ul style="list-style-type: none"> ▪ Continuous collaboration with NAICOM for a flourishing life insurance business ▪ Effective supervision (PTAD) ▪ Technical support for both PTAD and insurance companies in the implementation of the CPS

PART TWO: CORPORATE ACTIVITIES

2.1 Regulatory and Supervisory Activities

In 2013, the regulatory and supervisory activities of the Commission continued in an open, transparent and consultative nature in adoption of measures in the areas of issuance of guidelines and regulations for the smooth functioning of the pension industry; surveillance; compliance and enforcement activities; investments monitoring; and the maintenance of a databank on pension matters.

2.1.1 Issuance of Guidelines and Regulations

During the year 2013, three applications for licences were received by Surveillance Department from Heirs Pensions Limited, Nigerian Police Force Pensions Limited (NPF) Pensions Limited and the Nigerian Universities Pension Management company Limited (NUPEMCO). The application from Heirs was rejected, NPF Pensions Limited has been granted Approval in Principle while the application from NUPEMCO was still under processing.

The Commission issued the following Circulars during the year:

- (i) Circular on Importance of Training for Staff of Pension Fund Operators;
- (ii) Revised Circular on Minimum Information to be displayed on Operators website
- (iii) Circular on Service Delivery by Pension Fund Operators; and
- (iv) Circular on Execution of Technical Agreement with Third Parties.

The Commission incorporated a proposal on the modalities for funding Minimum Pension Guarantee (MPG) as part of the Pension Reform 2013 (Amendment). The passage of the Act will serve as a good springboard for the implementation of MPG.

However, all the Regulations, Guidelines and Frameworks issued by PenCom are available on www.pencom.gov.ng.

2.1.2 Surveillance of the Pension Industry

The number of Pension Operators under the supervision of the Commission remained thirty one (31) as at 31 December, 2013. This comprised of 4 Pension Fund Custodians (PFCs), 20 Pension Fund Administrators (PFAs and 7 Closed Pension Fund Administrators (CPFAs).

(i) Summary of On-Site Examination

Routine Examination was conducted on 30 Pension Operators that comprised 19 Pension Fund Administrators (PFAs), 7 Closed Pension Fund Administrators' (CPFAs) and 4 Pension Fund Custodians (PFCs). In line with the Risk Based Examination approach of the Commission, Risk Matrices were developed for the examination of the PFAs, CPFAs as well as the PFCs.

The matrix for PFAs now has 10 examination areas, including a new section on Service Delivery introduced in the year 2013 examination as part of the Commission's effort at improving the quality of service delivery in the industry. The main areas of concern were Fund Management and Service Delivery, which accounted for 40% of the risk weight. The Risk Matrix for the CPFAs on the other hand, had 9 examination areas with the highest risk weights of 30% and 20% allocated to the Company and Fund Management respectively. With regards to the examination of the PFCs, 11 examination areas were reviewed based on the risk Matrix and the major areas of concern that had the highest weights were Collection of pension contributions and Corporate Action with 25% and 15% allotted respectively.

(ii) Special Examination of Pension Operators

Special Examinations were conducted on GTB-AM Pensions Limited and IEI-Anchor Pension Managers Limited during the year. The special examinations were ordered to address issues relating to the shareholding and capital structure of the concerned PFAs.

(iii) Update on Returns Rendition System

The Pension Operators are required to render monthly/quarterly returns on the Funds under their management/custody and on the Company to the Commission through the Pension Returns Rendition System (PenRRS). The review of the returns rendered to the Commission by the Pension Operators during the year indicated an increase in the pension assets under management/custody of the Pension Operators. In furtherance of its commitment to ensure prompt returns renditions by all Pension Operators, the Commission penalised five (5) Pension Operators during the year for non/late submission of returns.

(iv) Update on Risk Management and Analysis System (RMAS)

The RMAS is an in-house developed electronic returns rendition system that went live effective 1 April, 2013. Subsequently, Pension Operators commenced the

rendition of their returns through the medium in addition to the PenRRS for the remaining part of the year. The PenRSS would be decommissioned in 2014 after the trial run of the new returns rendition system i.e. RMAS.

(v) Compliance Reports

The major issues observed from the assessment of the compliance reports forwarded by Pension Operators during the year under review included the following: non-compliance with investment limits by some PFAs; un-credited pension contributions; delay in the payment of retirement benefits to retirees; receipt of pension contributions without appropriate schedules; huge backlog of unresolved complaints; failure to fill vacant top management positions; failure of some Pension Operators to renew Group Life Insurance Policy; and non-implementation of Disaster Recovery Plans. The Commission issued letters to the affected Pension Operators on the above mentioned issues and advised on the correction actions.

2.1.3 Compliance and Enforcement Activities

(a) Risk Management

The review of the Risk Management Reports forwarded by the Pension Operators to the Commission during the year ended 31 December, 2013 revealed that some operators were faced with operational risks associated with receipt of pension contributions without appropriate schedule, litigations, portfolio investment concentration and non-funding of RSAs by employers. The Commission had accordingly advised the concerned Pension Operators to further strengthen their mitigating measures to avert those risks and are being monitored to ensure compliance.

(b) Actuarial Valuation of Defined Benefit Schemes

The Commission had during the year 2013 reviewed the Actuarial Valuation Reports of sixteen approved Defined Benefit Schemes for the financial year ended 31 December, 2012. The review of the reports revealed that some of the schemes were under funded. Letters were written to the operators managing the schemes directing them to advise the scheme sponsors to ensure the injection of funds to close the identified funding gaps.

(c) Corporate Governance

The Commission reviewed twenty seven (27) Corporate Governance Reports for the year ended 31 December, 2012 of Pension Operators during the year under review. The review of the reports indicated violations of the Code of Corporate Governance for Pension Operators in the following areas: late submission and non-evaluation of the performance of the Boards, Board Committees and Individual Directors; and inadequate attendance by Board members to both Board and Committees meetings. However, the affected Pension Operators had been accordingly advised on the aforementioned Corporate Governance issues and the Commission expects significant improvements in 2013.

(d) Issuance of Compliance Certificate

During the year under review, the Commission received a total of 1,399 applications for issuance of compliance certificate. Out of that number, 1,163 certificates were issued while 236 applications were declined due to non-remittance of pension contributions and provisions of Group Life Insurance Policy for the staff.

(e) Public Awareness/Interactive Session

As part of efforts to increase the current level of compliance with the provisions of the PRA 2004, the Commission held a one-day interactive session with the Nigeria Employers Consultative Association (NECA) in Lagos and Port Harcourt on 5 and 7 November, 2013 respectively. The employers were enlightened on salient compliance issues as prescribed by the PRA 2004.

(f) Recovery of Outstanding Pension Contributions and Penalty from defaulting employers

Recovery activities are still in progress. Following the issuance of demand notices to defaulting employers whose liabilities have been established by the consultants, some employers have remitted the outstanding pension contributions and penalty. During the year, the consultants recovered the sum of ₦3,405,376,169.58 representing principal contribution of ₦3,130,117,227.16 and penalty of ₦275,258,942.42.

(g) Update on National Social Insurance Trustfund (NSITF) Fund

During the year ended 31 December, 2013, the Commission reviewed and conveyed concurrence to Trustfund for the transfer of ₦1,058,647,432.59 into 14,689 Retirement Savings Account (RSAs). This brings the total of NSITF contributions transferred to Retirement Savings Account to ₦8,243,541,408.88. The amount was transferred on behalf of 113,610 employees.

Regarding requests for lumpsum payments, Two Thousand, Seven Hundred and Twenty Six (2,726) applications amounting to ₦275,676,943.04 were received from NSITF contributors during the year. Out of the 2,726 request, 1,389 requests in the sum of ₦68,689,267.12 were processed. The Commission gave a “no objection” to Trustfund Pensions Plc to pay the sum of ₦18,308,534.35 as lump sum to 438 NSITF contributors who qualified for lump sum payments. The request with respect to the remaining 1,337 requests was rejected because they were supposed to have opened RSAs to which their contributions would be transferred. Thus, the Commission had granted a “no objection” to Trusfund for the payment of ₦1,290,030,402.56 to 17,924 NSITF contributors as lump sum as at 31 December, 2013.

In addition, the Commission also granted concurrence to Trustfund for monthly pension payments totalling ₦334,890,979.36 in respect of 5,196 NSITF pensioners. As at 31 December, 2013, the total pension payment to NSITF pensioners amounts to ₦2,868,533,185.73

2.1.4 Supervision of Investment of Pension Assets

The Commission continued its analysis of the daily and monthly investment valuation reports submitted by Pension Operators through the PENRSS and RMAS electronic platforms. The valuation reports availed the Commission the opportunity to monitor pension fund investments to ensure compliance with the regulations on investment, valuation and fees structure as well as take prompt corrective actions, where necessary.

2.1.5 Databank on Pension Matters

(a) Enrolment of Federal Government Employees due for Retirement In 2014

The Commission conducted a nationwide enrolment exercise of Federal Government employees in the Treasury Funded MDAs due for retirement in 2014 between 3 June and 11 July, 2013. In addition, in-house enrolment exercise was also conducted for prospective retirees who missed the nationwide exercise. A total of 11,761 prospective retirees were enrolled during the year.

(b) Update On Retirement Benefits Bond Redemption Fund Account

As at 31 December 2013, the Federal Government of Nigeria had remitted the total sum of ~~N~~404.32 billion into Retirement Benefits Bond Redemption Fund (RBBRF) Account, being 5% of the total monthly wage bill from January, 2005 to December, 2013. In addition, the sum of 7.76 billion was generated as investment income on the account from 1 September, 2006 to September 2009 when the last investment was liquidated. The Commission had granted approval and funds were released for the payment of benefits of 79,228 statutory/voluntary retirees as well as to the Next of Kin (NOK) of the deceased employees who retired or died between July, 2004 and December 2013 amounting to ~~N~~410.94 billion.

(c) PenCom Pension Operators Consultative Forum

During the period under review, the Commission organised quarterly Operational Consultative Forum meetings with Pension Operators where developments as well as challenges in the pension industry were discussed and solutions proffered during the year. In addition the Commission organized the Compliance Officers Forum in November, 2013 where issues relating to the functions of Compliance Officers were discussed.

PART THREE

THE PENSION INDUSTRY

3.1 The Operating Environment

3.1.1 Macroeconomic Developments

The pension industry operated in an atmosphere of improved macroeconomic condition in year 2013 as the growth rate of the country's rebased GDP moved from 4.21 percent in 2012 to 5.49 percent in 2013. The growth in GDP recorded in 2013 was largely accounted for by the manufacturing sector which recorded a growth of 22 percent as against 14 percent obtained in 2012. It is noteworthy that the growth of the manufacturing sector accounted for one third of total GDP growth recorded in 2013. The food, beverage and tobacco sub-sector accounted for half of the growth of the manufacturing sector as it grew from 7.00 percent in 2012 to 12.00 percent in 2013.

The rate of inflation however decelerated from 12.29 percent in 2012 to a single digit rate of 8.00 percent. Although the 8.00 percent rate of inflation is still high, it represents a good signal for achieving positive returns on pension fund investment if the rate can be further sustained in 2013.

3.1.2 Developments in the Stock Market

There was a notable increase in stock market trading activities in 2013 as revealed by some notable indicators relative to 2012. The market capitalization of listed equities increased from ₦8.97 trillion in December, 2012 to close at ₦13.23 trillion in 2013. This shows that investors' portfolio grew by ₦4.26 trillion or 47.44 percent. Similarly, the Nigerian Stock Exchange (NSE) All Share Index (ASI) grew to 40,000 points in 2013 as against the 28,079 points recorded in 2012, representing an increase of 42.46 percent.

Apart from the attractive valuation of the market, the resurgence of the stock market could be partly explained by the renewed confidence of local investors in the market and its attraction to foreign portfolio investors following the 35 percent return on investment witnessed in 2012.

3.1.3 Developments in the Bond Market

The Bond market witnessed a slight improvement in 2013 as the bond market capitalization moved from ₦5.82 trillion in 2012 to ₦5.85 trillion in 2013, representing a marginal increase of 0.51 percent. In the year under review, while four new state bonds were issued, only one corporate bond was issued respectively. Similarly, a supra-national bond was also issued in the year. The Debt Management Office (DMO) issued a total of ₦835 billion worth of bonds in 2013 which were oversubscribed by about 113 per cent. This could be explained by the relatively high yields on these fixed income securities, which on the average was 12.20 percent across various tenors.

3.1.4 Developments in the Money Market

The monetary policy stance of the Central Bank of Nigeria (CBN) was largely restrictive in the year as the Monetary Policy Rate (MPR) was maintained at 12.0 per cent throughout the year. Similarly, the Liquidity Ratio (L/R), Cash Reserve Ratio (CRR) and the Net Open Position were maintained at 30.00, 12.00 and 1.00 percent respectively. In furtherance of the restrictive monetary policy stance, the CBN also introduced 50.00 percent CRR on all public sector deposits for better management of monetary conditions in the market.

As a consequence of the tight monetary policy stance of the CBN, all rates on deposits of various maturities rose from a range of 2.44 – 7.59 per cent in the third quarter to a range of 2.48 – 7.92 per cent in the year. At the interbank funds segment, the weighted average inter-bank call rate, which stood at 14.25 per cent at the end of the third quarter of 2013, fell by 3.23 percentage points to 11.02 per cent in the fourth quarter of 2013, reflecting the liquidity condition in the banking system

3.1.5 Developments in the Insurance Industry

The insurance industry witnessed some significant achievements in 2013 with the introduction of policies and enforcement mechanisms to deepen insurance growth and eliminate premium debts in the industry. Pursuant to the need for deepening the insurance market, the National Insurance Commission (NAICOM) enforced the no premium no cover as provided in Section 50(1) of the Insurance Act, 2003. The section provides that “the receipt of an insurance premium shall be a condition precedent to a valid contract of insurance and there shall be no cover in respect of an insurance risk, unless premium is paid in advance”. NAICOM upheld the provision of the law by ensuring that underwriters and brokers who failed to uphold the provision law risks severe sanctions. In addition, NAICOM inaugurated the Insurance Consultative Forum.

3.2 Licensing of Pension Operators

The Commission did not issue any new license in 2013. Thus, the number of Pension Operators remained 50 as was the case in 2012. A breakdown of the Pension Fund Operators between 2011 and 2013 is given in Table 3.1.

Table 3.1: Number of Pension Operators as at December 2013

Pension Operators	2011	2012	2013
Pension Fund Administrators	24	20	20
Pension Fund Custodians	4	4	4
Closed Pension Fund Administrators	7	7	7
Approved Existing Schemes	19	19	19
Total	54	50	50

3.3 Membership of Pension Schemes

The total membership of pension schemes increased from 5,461,299 in 2012 to 5,988,511 in 2013, representing an increase of 527,212 (9.65 percent). Membership of RSA scheme dominated total pension scheme memberships at 5,919,299, representing a proportional contribution of 98.84 percent. The AES and the CPFA however accounted for the balance of 1.26 percent

3.3.1 RSA Scheme Membership

The total RSA registration in the private and public sectors witnessed an increase of 595,510 as total registration moved from 5,393,001 in 2012 to 5,919,299 in 2013, representing an increase of 11.04 percent. The public sector accounted for

a higher proportion of total registration in 2013 at 2,907,698 representing 53.92 percent. A graphical presentation of public/private sector memberships of RSA is presented in Figure 3.2.

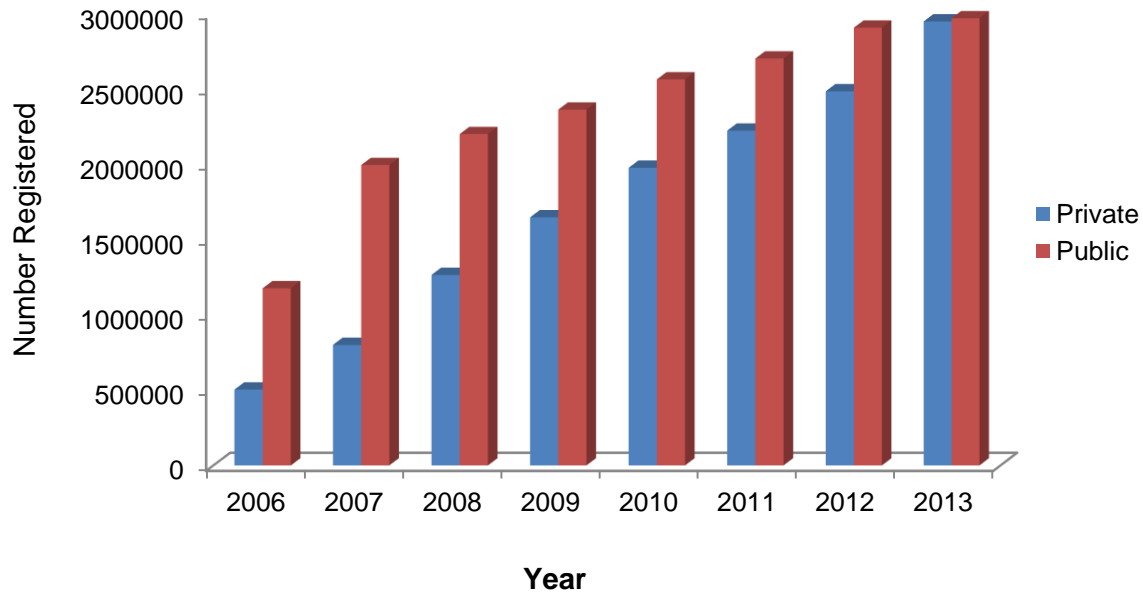


Figure 3.2: RSA Registration by Sector

A review of Figure 3.2 shows that the total number of registered RSA holders increased in both the public and private sectors from 2006 to date. It can however be seen from the figure that the rate of growth of the private sector RSA registration was higher than that of the public sector as the gap between the two sectors was almost closed in 2013.

The increase in private sector RSA registrations could be explained by the following: efforts of the Recovery Agents whose functions were to recover outstanding pension contributions liabilities from private sector employers as well as interest penalties on the liabilities, and to ensure that private sector organizations that employ 5 or more employees comply with the scheme; enforcement of the provision in the Public Procurement Act 2007 which stipulates that Bidders for Federal Government Contracts must provide evidence of compliance with PRA 2004 as part of the requirements for such bids; and the level of awareness created in the private sector through sensitization workshops and seminars organized by the Commission.

However, the increase in the public sector RSA registrations could be ascribed to the continuous buy-in from the State Governments and other Federal Government

Agencies. All these accounted for the continuous dominance of the public sector in 2013. In fact, while 21 State Governments have enacted their CPS Bills into Law, 14 others were at various stages of implementing the CPS as at 31 December, 2013.

Table 3.1: RSA Registrations in 2013

Age Range	Public Sector		Private Sector		Total		Grand Total	
	Male	Female	Male	Female	Male	Female	Number	% of Total
Less than 30 yrs	192,960	76,309	357,250	156,681	550,210	232,990	783,200	13.23
30 - 39 yrs	674,436	340,650	964,045	336,762	1,638,481	677,412	2,315,893	39.12
40 - 49 yrs	532,755	325,112	573,405	137,795	1,106,160	462,907	1,569,067	26.51
50 - 59 yrs	443,382	214,323	285,928	43,845	729,310	258,168	987,478	16.68
60 – 65 yrs	111,503	34,945	61,289	6,306	172,792	41,251	214,043	3.62
Above 65 yrs	20,032	3,737	23,667	2,182	43,699	5,919	49,618	0.84
TOTAL	1,975,068	995,076	2,265,584	683,571	4,240,652	1,678,647	5,919,299	100.00

A review of RSA registration by age distribution of participants shows that the contributors in the age range “30-39” accounted for the highest proportion of RSA holders in 2013 at 39.12 percent of total registrations as shown in Table 3.1. RSA holders in the age ranges “40-49” made the second highest proportional contribution at 26.51 percent in the year under review. In all, these two age ranges accounted for more than half of the RSA holders at 65.63 percent in 2013. Similarly, RSA holders who were less than 39 years accounted for 52.35 percent of total RSA holders in 2013.

The foregoing suggests that RSA holders are relatively young. This provides a safe haven for investing Pension Funds in relatively long-term investments without risk of any investment mismatch. Thus, pension funds can conveniently be invested in asset classes such as instruments such as infrastructure bonds, REITs, Private Equity (PE) and other long term asset classes.

It is expected that RSA registration will continue to grow as more state governments and private sector employers buy into the scheme in view of the compliance efforts of the Commission and the marketing strategies of the PFAs. It is expected that the Pension Industry would continue to leverage on the stable macro-economic policies, robust economic growth, and collaboration with other regulatory agencies upon which the industry had blossomed in the past.

3.3.2 Memberships of CPFA and AES

The respective memberships of CPFAs and AES were 24,699 and 43,130 as at 31 December, 2013. While membership of AES dropped by 503 or 1.15 percent in 2013, membership of CPFAs actually increased marginally by 0.14 percent over the same period. The reduction in membership of AES was largely due to retirement of some members of the scheme.

Table 3.2: Membership of AES in 2013

Enrolment Type	Number		Number	
	2012	% of Total	2013	% of Total
Active Members	27,443	62.90	26,299	60.98
Current pensioners	14,807	33.94	15,448	35.82
Deferred Pensioners	149	0.34	149	0.35
Dependants	1,234	2.83	1,234	2.86
Total	43,633	100.00	43,130	100.00

Note: Dependants are protégés of deceased employees

Deferred pensioners are pensionable retirees who are not eligible to start drawing pensions until they reach certain age in accordance with the rules and regulations of their respective schemes.

Table 3.3: Membership of CPFA in 2013

Enrolment Type	2012		2013	
	Number	% of Total	Number	% of Total
Active Members	18,699	75.81	18,504	74.92
Current pensioners	5,371	21.78	5,600	22.67
Deferred Pensioners	595	2.41	595	2.41
Total	24,665	100.00	24,699	100.00

3.4 Pension Contributions

Total pension contributions into the RSA of employees in the private and public sectors amounted to ~~N~~503.92 billion in 2013 as shown in Tables 3.4 and 3.5. The public sector accounted for ~~N~~278.50 billion, which represents 55.27 percent of total pension contributions in the year. However, cumulatively, total pension contributions as at 31 December, 2013 amounted to ~~N~~2,247.79 billion. This was made up of ~~N~~1,376.90 billion contributions from the public sector, which represents 61.26 percent of total contributions and ~~N~~870.89.38 billion from the private sector, which represents the remaining balance of 38.74 percent.

Table 3.4: Public Sector Pension Contributions as at December 2013

Year	Amount (N Billion)	Percentage of Total
2004	15.60	1.13
2005	34.68	2.52
2006	37.38	2.72
2007	80.63	5.86
2008	99.28	7.21
2009	137.10	9.96
2010	162.46	11.80
2011	228.92	16.63
2012	302.24	21.95
2013	278.50	20.23
TOTAL	1,376.90	100.00

The total contributions of the public sector included ~~N~~106.13 billion from participating State, Local Governments employees and self-funding State and FGN agencies. The average monthly contributions for the public sector decreased from ~~N~~27.60 in 2012 to ~~N~~23.21 in 2013, representing a decrease of 15.91 percent.

Table 3.5: Private Sector Pension Contributions as at December 2013

Year	Amount (N Billion)	Percentage of Total
2006	23.03	2.64
2007	68.34	7.85
2008	80.81	9.28
2009	91.21	10.47
2010	103.03	11.83
2011	119.53	13.73
2012	159.52	18.32
2013	225.42	25.88
TOTAL	870.89	100.00

However, the private sector pension contribution recorded an increase of 41.31 percent in 2013 as it moved from N159.52 billion in 2012 to N225.42 billion in 2013. However, the average monthly pension contribution increased from N14.54 billion in 2012 to N18.79 billion in 2013, representing an increase of 29.20 percent.

3.5 Industry Portfolio Analysis

The unaudited value of pension fund assets grew by N904.33 billion (29%) from N3.15 trillion on 31 December 2012 to N4.06 trillion as at 31 December 2013. The growth was primarily due to receipt of pension contributions into the RSA Funds, which averaged N42 billion per month and investment income, which amounted to N376.75 billion during the year under review.

The portfolio of pension funds as at 31 December 2013 as well as comparative figures for 2012 is given in Table 3.5.

Table 3.5: Pension Fund Portfolio as at 31 December 2013

S/N	Asset Class	2013						2012		Variance Between 2013 and 2012	
		RSA Active	RSA Retiree	AES	CPFA	2013		Amount (N Billion)	(%)	Amount (N Billion)	(%)
		Amount (N Billion)	Amount (N Billion)	Amount (N Billion)	Amount (N Billion)	Amount (N Billion)	(%)				
1	Quoted Ordinary Shares	334.56	3.19	142	112.41	592.16	14.6	364.06	11.6	228.1	25.2
2	FGN Bonds	1,204.75	167.68	202.2	164.99	1,739.62	42.9	1,459.62	46.3	280	31
3	Treasury Bills	417.4*	61.44	103.82	65.07	647.73	16	312.07	9.9	335.66	37.1
4	State Government Securities	135.2	29.94	30.02	15.1	210.26	5.18	167.11	5.3	43.15	4.77
5	Corporate Debt Securities	30.13	6.61	16.43	27.77	80.94	1.99	70.52	2.24	10.42	1.15
6	Local Money Market Securities	306.53	50.24	66.93	48.28	471.98	11.6	487.28	15.5	-15.3	-1.7
7	Open/Close end Funds	14.71	-	2.9	3.32	20.93	0.52	16.17	0.51	4.76	0.53
8	Supranational Bonds	1.25	-	-	0.52	1.77	0.04	-	-	1.77	0.2
9	Infrastructure Funds	-	-	-	-	-	-	-	-	-	-
10	Private Equity Funds	2.71	-	-	5.37	8.08	0.2	6.5	0.21	1.58	0.17
11	Real Estate Properties	-	-	68.59	123.73	192.32	4.74	189	5.99	3.32	0.37
12	Foreign Equities	-	-	-	52.57	52.57	1.3	39.96	1.27	12.61	1.39
13	Foreign Money market Securities	-	-	-	0.86	0.86	0.02	5.18	0.16	-4.32	-0.5
14	Cash & other Assets	20.33	5.21	10.43	2.25	38.22	0.94	35.65	1.13	2.57	0.28
	Total	2,467.57	324.31	643.32	622.24	4,057.44	100	3,153.12	100	904.33	100

Note: * This includes ₦104 billion balance of unremitted contributions of FGN Treasury funded employees managed by the CBN

As can be noted from Table 3.1, investments in Federal Government Securities (FGN Bonds and Treasury Bills) had the highest allocation of 59% of total pension fund assets. During the year, PFAs showed a preference for Treasury Bills compared to Money Market Instruments of banks and discount houses due to the relative higher yields. Investments in Treasury Bills grew significantly by 108%, increasing from ₦312.07 billion on 31 December 2012 to ₦647.73 billion as at 31 December 2013. There was also a significant growth in the value of investments in Ordinary Shares from ₦364.06 billion to ₦592.16 billion indicating a growth of 63% over the review period. However, the value of money market investments in banks and discount houses decreased by 3% during the year.

The PFAs invested in the International Finance Corporation (IFC) Naira denominated Bond that was issued in February 2013. This was the first time Nigerian pension fund assets were invested in supranational bonds. In addition, the market has continued to attract pension fund investments through new issues of State Government Bonds, Corporate Bonds and Real Estate Investment Trusts.

These included the Lagos State 7-year Bond and Niger State 5-year bond, UAC Property Development Company (UPDC) Real Estate Investment Trust, Nigerian Aviation Handling Company (NAHCO), La Casera Company Bond and FSDH Special Purpose Vehicle (SPV) Bond.

3.6 Analysis of RSA Funds

3.6.1 The RSA 'Active' Funds

The unaudited value of pension fund assets in the RSA 'Active' Funds amounted to ₦2.47 trillion as at 31 December 2013. This represented a net growth of ₦0.65 trillion (35.74 percent) over the total value of ₦1.82 trillion as at 31 December 2012. Although the value of the increase was higher than ₦0.53 trillion recorded at the end of 2012, the proportion of the growth was slightly lower than 41 percent recorded in 2012. The pension fund assets were spread across eight asset classes. However, the major investments were in Federal Government of Nigeria Securities (66.74%), Quoted Equities (13.56%) and Money Market Instruments (12.42%).

Table 3.6: Portfolio of RSA Active Funds as at 31 December 2013

S/N	ASSET CLASS	Portfolio Limit (%)	2013		2012		Variance Btw 2013 & 2012	
			Amount (N Billion)	%	Amount (N Billion)	%	Amount (N Billion)	%
1	Quoted Ordinary Shares	25	334.56	13.56	186.4	10.25	148.16	79.48
2	Federal Government Securities:	80	1,622.15	66.74	1,166.88	64.18	455.28	39.02
	i. FGN Bonds		1,204.75	48.82	953.74	52.46	251.01	26.32
	ii. Treasury Bills		417.4	16.92	213.13	11.72	204.27	95.84
3	State Government Bonds	20	135.2	5.48	96.02	5.28	39.18	40.8
4	Corporate Debt Securities	35	30.13	1.22	29.84	1.64	0.29	0.97
5	Money Market Instruments	35	306.53	12.42	317.83	17.48	-11.3	-3.56
6	Open/Close-End Funds	20	14.71	0.6	8.49	0.47	6.22	73.26
7	Supranational Bonds	20	1.25	0.05	-	-	1.25	100
8	Infrastructure Funds	5	-	-	-	-	-	-
9	Private Equity Funds	5	2.71	0.11	1.95	0.11	0.76	38.97
10	Cash & Other Assets		20.33	0.82	10.47	0.58	9.86	94.17
	Gross Asset Value		2,467.57	100	1,817.88	100	649.7	35.74

3.6.2 Sources of Portfolio Growth/Diminution

The growth of the RSA 'Active' Fund was largely due to pension contributions and investment income. There was also a balance of ₦104 billion in the contribution account of Treasury Funded FGN employees that is being managed by the CBN.

During the year under review, monthly pension contribution averaged ₦42 billion and was 2.85 percent higher than the average contribution of ₦41.71 billion received in 2012. This could be attributed to timely remittances of contributions and increased compliance by the Private Sector employers. The sources of portfolio growth for the year under review are presented in Table 3.3.

Table 3.7: Sources of Portfolio Growth for RSA 'Active' Fund

S/N	SOURCES OF PORTFOLIO GROWTH	2013	2012	Variance Btw 2013 & 2012
		Amount (N Billion)	Amount (N Billion)	Amount (N Billion)
1.	New Inflow of Funds <ul style="list-style-type: none"> • Contributions 	514.82*	500.57	14.25
2.	Investment Income <ul style="list-style-type: none"> • Interests/Coupons • Dividends • Net realized gains/ (losses) 	209.86 9.24 7.15	160.37 5.08 4.96	49.49 4.16 2.19
3.	Net unrealized gains/ (losses) on quoted equities/equity funds	78.79	41.52	37.27
4.	Benefits Paid / Transfers to Retiree Fund	(123.97)	(86.46)	(37.51)
5.	Asset Based Fees (and VAT)	(46.20)	(31.90)	(14.30)
	Total	649.69	594.14	55.55

Note: * These are reconciled contributions from contributions received in 2013 as well as unreconciled contributions received in previous years that were unitized.

Interest and coupons earned on investments in money market instruments and bonds totalled ₦209.86 billion, which was 30.86 percent higher than ₦160.37 billion earned on such investments in 2012. This coincided with 31.79 percent increase in the value of investments in interest bearing securities.

A total of ₦9.24 billion was received as dividends on investments in equity/equity fund, which marked an increase of 82 percent over total dividends received on these investments in 2012. The increase was primarily due to the improved performance of quoted companies, especially the banking, breweries and

food/beverages sub-sectors. In addition, the net unrealized gains increased by 89.76 percent from ₦41.52 billion recorded in 2012 to ₦78.79 billion in 2013. A significant proportion of the unrealized gains were traceable to the banking stocks. The sum of ₦7.15 billion was recorded as net realized gains on the sale of equities and bonds.

Transfers from the RSA 'Active' Fund and as benefits due to temporary unemployment amounted to ₦123.97 billion. This represented an increase of 43 percent over what was paid in 2012 due to 34.72 percent increase in the number of retirees during the year under review. Similarly, 2.26% was charged to the Fund as asset based fees and VAT during the year.

3.6.3 Portfolio Performance

The Weighted Average Return on Investment (ROI) on the RSA 'Active' Fund, net of fees and taxes increased from 14.04 percent in 2012 to 14.56 percent in 2013, which gave a real return of 6.06 percent based on the inflation rate of 8.5 percent in 2013.

The yields on interest-bearing securities, which constituted a significant portion of the RSA 'Active' Funds, remained stable during the year as a result of tight monetary policy measures adopted by the CBN. The Monetary Policy Rate (MPR) was maintained at 12 percent throughout 2013 though the increase in Cash Reserve Requirement (CRR) on Public Sector Funds from 50 percent to 75 percent in July had significantly impacted on interest rates during the 3rd and 4th quarters of 2013. The yields on primary auction FGN Bonds averaged 11.43 percent during the 1st and 2nd quarters of 2013, but increased to an average of 13.22 percent during the 3rd and 4th quarters of the year. Also, yields on Treasury Bills averaged 10.76 percent during the 1st and 2nd quarters of 2013, but increased to an average of 11.86 percent during the 3rd and 4th quarters. The average deposit rate on investment in money market Instruments of banks and discount houses was 13 percent depending on the tenor and volume of placements.

3.6.4 Review of Asset Classes

The value of the investment of RSA 'Active' Funds in quoted ordinary shares was 14 percent of portfolio value, which was an increase of 79.48 percent over the value of ₦186.40 billion recorded in 2012. Financial Services Sub-sector, mostly banking stocks, accounted for 35 percent of total placements in ordinary shares. Consumer Goods and Industrial Goods accounted for 26 percent and 20 percent respectively.

FGN Bonds accounted for 80 percent of total investments in FGN Securities by RSA Active Funds, while Treasury Bills accounted for the remaining 20 percent. There was a 2 percent increase in the value of placements in FGN Securities in the review period. The 'Term to Maturity' profile of the FGN Bonds as at 31 December 2013 is shown in Table 3.8.

Table 3.8: Term to Maturity Profile of FGN Bonds

S/N	Term to Maturity	Amount ₦ Billion	Weight (%)
1	Below 3years	235.62	19.56
2	3years – 5years	316.32	26.26
3	Above 5years – 10yrs	387.64	32.18
4	Above 10years	265.17	22.01
	Total	1,204.75	100

Table 3.8 shows that most investments in FGN Bonds were in bonds with term to maturity between 5 and 10 years. The average yields on FGN Bonds were between 11 percent and 13 percent depending on their term to maturity and liquidity. However, the average yield on investments in 364-days Treasury Bills was 11.78 percent per annum, which signified a decline from an average of 14.17 percent per annum obtained in 2012.

Placements in State Government Bonds accounted for 5 percent of the total portfolio of RSA 'Active' Funds. During the year, Lagos and Niger States issued new 7-year and 5-year tenured bonds with coupon rates of 13.50 percent per annum and 14.00 percent per annum respectively. The distribution of pension fund investments in State Government Bonds is given in Table 3.9.

Table 3.9: Breakdown of Investments in State Government Bonds

S/N	State	Credit Rating	Maturity Date	Tenor (Years)	Coupon Rate (%)	Market Value of Investment (N Billion)	Weight (%)
1	Bayelsa	A	30/06/2017	7	13.75	7.60	5.62
2	Delta	A	30/09/2018	7	14.00	20.52	15.18
3	Ebonyi	A	30/09/2015	5	13.50	2.24	1.66
4	Imo	A	30/06/2016	7	15.50	2.66	1.97
5	Kaduna	A	31/08/2015	5	12.50	2.63	1.95
6	Kwara	A	08/05/2014	5	14.00	5.84	4.32
7	Lagos State (Series 1)	A	02/09/2014	5	13.00	14.81	10.95
8	Lagos State (Series 2)	A	19/04/2017	7	10.00	9.47	7.00
9	Lagos State (Series 1)	A	22/11/2019	7	14.50	21.15	15.64
10	Lagos State (Series 2)	A	27/11/2020	7	13.75	27.63	20.44
11	Niger State (series 1)	A	15/10/2014	3	14.00	2.63	1.95
12	Niger State (series 2)	A	26/09/2018	7	14.00	6.84	5.06
13	Osun	A	12/12/2019	7	14.75	11.18	8.27
Total Bond						135.2	100.00

Table 3.9 shows that up to ₦73.07 billion has been invested by RSA 'Active' Funds in bonds issued by Lagos State Government, which accounted for 54.05 percent of total investments in State Government Bonds. This was followed by investments in Delta State Bond at ₦20.53 billion (15.18 percent); Osun State Bond ₦11.18 billion (8.27 percent); Niger State Bond ₦9.45 billion (6.99 percent); and Bayelsa State Bond ₦7.60 billion (5.62 percent).

Investments in Corporate Debt Securities accounted for 1.22 percent of total portfolio value. This signifies an increase of 0.97 percent over the value of investments in this instrument in 2012. In general, there is an upward trend in the value of the annual investments by pension funds into this asset class, which was a result of increased number of Corporates raising funds through this vehicle.

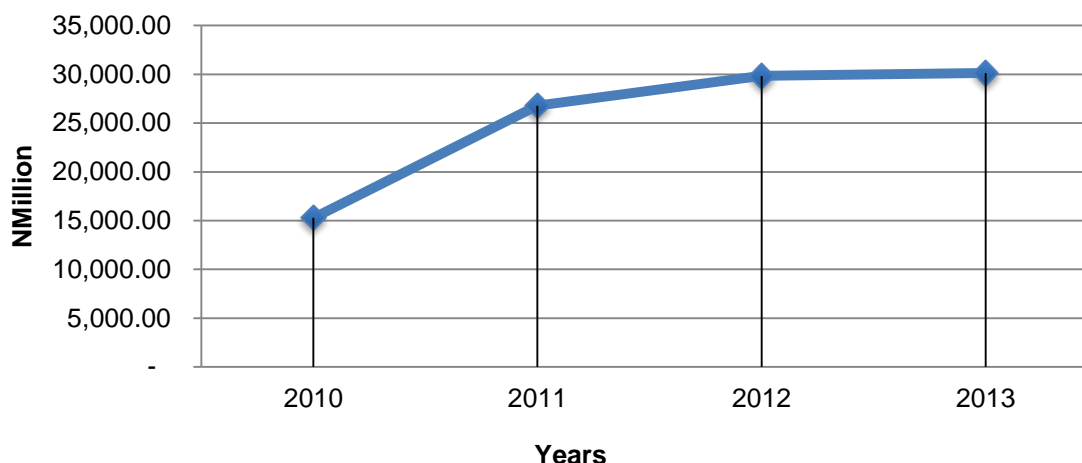


Figure 3.1: Trend of Investments in Corporate Debt Securities (2010-2013)

Table 3.10 provides the breakdown of pension fund investments in various Corporate Debt Securities as at 31 December 2013.

Table 3.10: Summary of Investments in Corporate Debt Securities

S/N	Name of Issuer	Maturity Date	Tenor (Years)	Coupon (%)	Value of Investment (₦ Billion)	Weight (%)
1	C & I Leasing	20/11/2017	5	17.50	0.40	1.33
2	Dana Group Plc	09/04/2018	7	MPR + 7	0.14	0.46
3	Flour Mills Plc	09/12/2015	5	12.00	0.40	1.33
4	FSDH SPV	25/10/2016	3	14.25	0.21	0.70
5	GTB Plc	18/12/2014	5	13.50	7.94	26.35
6	La Casera Company Plc	18/10/2018	5	15.25	0.52	1.73
7	Lafarge Wapco Plc	10/10/2014	7	11.50	4.69	15.57
8	Nigeria Aviation Handling Company Plc	20/09/2016	5	13.00	1.14	3.78
9	Nigeria Aviation Handling Company Plc	12/05/2020	7	15.25	0.65	2.16
10	Tower Funding Plc	09/09/2018	7	MPR+7/MPR + 5	0.44	1.46
11	UAC Plc	17/08/2015	7	10.00	0.65	2.16
12	UBA Plc (Series 1)	30/09/2017	7	13.00	3.51	11.65
13	UBA Plc (Series 2)	20/09/2018	7	14.00	7.89	26.19
14	UPDC Plc	17/08/2015	5	10.00	1.55	5.14
Total					30.13	100.00

There was a decrease of 3.56 percent in the value of placements in money market instruments issued by banks and discount houses compared to ₦317.83 billion as at 31 December 2012. The decrease was largely due to the decline of interest rates from an average of 15.81 percent in 2012 to 13.08 percent in 2013. Similarly, investments in Discount Houses decreased significantly in 2013 due to concerns about the financial stability of Discount Houses following the intervention of the CBN in Express Discount House and Consolidated Discount House during the year. Indeed, no pension fund assets were lost due to the issues that prompted the regulatory intervention on the two Discount Houses by the CBN.

Total investments in Mutual Funds and Supranational Bonds represented 0.60 percent and 0.05 percent of the total value of the assets of RSA 'Active' Funds under management respectively. The investment in Supranational Bonds was wholly in the 'AAA' rated Naira-denominated 5-year Bond issued in 2013 by the International Finance Corporation (IFC) at 10.29 percent. Placements in Private Equity Funds remained very low at 0.11 percent due to the non-availability of this instrument that satisfied the minimum quality requirements for pension fund investments in Nigeria.

Un-invested cash balance was ₦20.33 billion as at 31 December 2013. This represented newly unitized pension contributions awaiting deployment into the approved asset classes as well as matured tenured placements awaiting re-investment. The average interest rate on un-invested cash balances ranged between 2 and 5 percent.

3.7 The RSA 'Retiree' Funds

The unaudited value of pension fund assets in the RSA 'Retiree' Fund amounted to ₦324.31 billion as at 31 December 2013. As shown in Table 3.11, investments were mainly spread across five major asset classes, namely the Federal Government Securities (70.64 percent), which was made up of FGN Bonds (51.70 percent) and Treasury Bills (18.94 percent); Money Market Instruments (15.49 percent); and State Government Bonds (9.23 percent).

Table 3.11: Portfolio of RSA 'Retiree' Fund

S/N	Asset Class	Portfolio Limit (%)	2013		2012		Variance
			Amount (₦ Billion)	Weight (%)	Amount (₦ Billion)	Weight (%)	Amount (₦ Billion)
1	Quoted Equities	10	3.19	0.98	1.52	0.6	1.67
2	Federal Government Securities	80	229.11	70.64	165.92	65.98	63.47
	(i) FGN Bonds		167.68	51.7	139.59	55.51	28.09
	(ii) Treasury Bills		61.44	18.94	26.33	10.47	35.11
3	State Government Bonds	20	29.94	9.23	19.88	7.91	10.06
4	Corporate Debt Securities	35	6.61	2.04	5.26	2.09	1.35
5	Money Market Instruments	35	50.24	15.49	52.69	20.95	-2.45
6	Cash & Other Assets		5.21	1.61	6.18	2.46	-0.97
	Gross Asset Value		324.31	100	251.45	100	72.86

3.7.1 Sources of Portfolio Growth or Diminution for the Retiree Fund

The sources of growth for the RSA Retiree Fund are shown in Table 3.12 below.

Table 3.12: Sources of Portfolio Growth for the Retiree Fund

S/N	Sources of Portfolio Growth	2013	2012	Variance
		Market Value (₦ Billion)	Market Value (₦ Billion)	Amount (₦ Billion)
1	New Inflow of Funds • Transfers from RSA 'Active' Balances/ Accrued Rights	185.89	146.25	39.63
2	Investment Income • Interest/Coupons • Dividend • Net Realized Gains	33.71 0.42 0.44	25.97 0.00 0.26	7.74 0.42 0.18
3	Net Unrealized Gains/Losses on Equity Funds	1.33	0.39	0.94
4	Retirement Benefits Paid	(146.17)	(94.84)	(51.33)
5	Charges • Income Based Fees + VAT	(2.76)	(2.07)	(0.69)
	Total	72.86	75.96	(3.11)

The Table shows that though all investment incomes increased in 2013, there was a drop of ₦3.11 billion in the growth of the Retiree Fund relative to 2012 growth largely due to the large increase in the amount paid as pension benefit. The largest growth variable was the transfers of ₦185.89 billion from RSA balances and accrued rights. Similarly, investment income, which stood at ₦34.57 billion in 2013 was 31.8 percent higher than ₦26.23 billion earned in 2012 while net unrealized gains increased by about a billion naira.

3.7.2 Portfolio Performance of the RSA Retiree Fund

The RSA Retiree Fund recorded a Weighted Average Rate of Return (WARR) of 12.51 percent in 2013. This was slightly higher than 12.34 percent recorded in 2012. The increased placements of the Retiree Fund assets in ordinary shares coupled with the improved performance of the NSE-ASI compensated for the slightly lower yields on fixed income securities during the year.

Total value of investments in quoted ordinary shares was ₦3.19 billion, of which 47 percent was invested in stocks of Financial Services Sub-sector. A sectorial breakdown of Retiree Fund investment in quoted equities is shown in Figure 3.2.

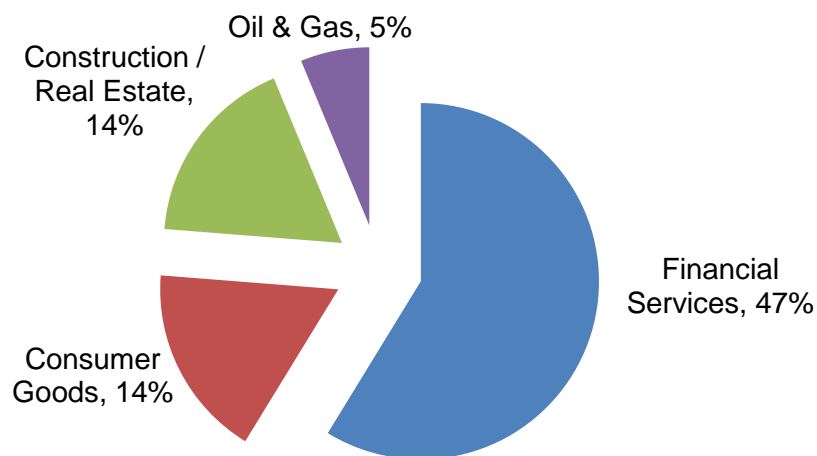


Figure 3.2: RSA Retiree Fund Investments in Quoted Equities

Investments in Federal Government Securities (Bonds and Treasury Bills) increased by 38 percent during the year and accounted for 71 percent of the portfolio of the RSA Retiree Funds. The Term to Maturity profile of the portfolio of FGN Bonds held by the Retiree Funds is provided in Table 3.13.

Table 3.13: Term to Maturity profile of FGN Bonds held by Retiree Funds in 2013

S/N	Term to Maturity	Amount (₦ Billion)	Weight (%)
1	Below 3 years	37.45	22.33
2	3 years – 5 years	45.53	27.15
3	Above 5 years – 10yrs	36.97	22.05
4	Above 10 years	47.73	28.46
	Total	167.68	100.00

Investment in State Government Bonds also increased by 50.60 percent during the year under review. The increment was primarily due to new bond issues by Lagos and Niger States in 2013 with attractive coupons of 13.50 percent and 14.00 percent respectively. Table 3.14 gives the portfolio of investments in the various State Government Bonds by the Retiree Funds.

Table 3.14: Retiree Fund Investments in State Government Bonds

S/N	State Governments	Credit Rating	Maturity Date	Tenor (Years)	Coupon Rate (%)	Total (₦ Billion)	Weight (%)
1.	Bayelsa	A	30/06/2017	7	13.75	1.20	4.01
2.	Delta	A	30/09/2018	7	14.00	2.80	9.35
3.	Ebonyi	A	30/09/2015	5	13.50	0.41	1.37
4.	Imo	A	30/06/2016	7	15.50	1.10	3.67
5.	Kaduna	A	31/08/2015	5	12.50	0.21	0.70
6.	Kwara	A	05/08/2014	5	14.00	2.81	9.39
7.	Lagos (Series 1)	A	09/02/2014	5	13.00	1.80	6.01
8.	Lagos (Series 2)	A	19/04/2017	7	10.00	2.08	6.95
9.	Lagos (Series 1)	A	22/11/2019	7	14.50	3.18	10.62
10.	Lagos (Series 2)	A	27/11/2020	7	13.75	5.17	17.27
11.	Niger (Series 1)	A	15/10/2014	3	14.00	0.82	2.74
12.	Niger (Series 2)	A	26/09/2018	7	14.00	3.28	10.96
13.	Osun	A	12/12/2019	7	14.75	5.08	16.97
	Total					29.94	100.00

In a similar vein, investment in Corporate Debt Securities had increased by 25.66 percent. Placements were distributed in bonds issued by 10 companies as shown in Table 3.15 below.

Table 3.15: Breakdown of RSA ‘Retiree’ Fund investments in Corporate Debt Securities

S/N	Name of Issuer	Maturity Date	Tenor (Years)	Coupon (%)	Total Amount (₦ Billion)	Weight (%)
1	C & I Leasing	20/11/2017	5	17.50	0.04	0.61
2	Dana Group Plc	09/04/2018	7	MPR+7	0.05	0.76
3	Flour Mills Plc	09/12/2015	5	12.00	0.07	1.06
4	FSDH SPV	25/10/2016	3	14.25	0.20	3.03
5	GTB Plc	18/12/2014	5	13.50	0.81	12.25
6	Lafarge WAPCO Plc	10/10/2010	7	11.50	0.31	4.69
7	Nigeria Aviation Handling Company Plc	20/09/2016	5	13.00	0.52	7.87
8	Nigeria Aviation Handling Company Plc	12/05/2020	7	15.25	0.21	3.18
9	Tower Funding Plc	09/09/2018	7	MPR+7/MPR+5	0.01	0.15
10	UBA Plc (Series 1)	30/09/2017	7	13.00	0.78	11.80
11	UBA Plc (Series 2)	20/09/2018	7	14.00	2.89	43.72
12	UPDC Plc	17/08/2015	5	10.00	0.72	10.89
	Total				6.61	100.00

Investments in money market instruments was, however, slightly lower by 4.65 percent compared to 2012. PFAs had gradually reduced their allocation to money market instruments due to higher yields on FGN Securities. Un-invested cash balance was ₦5.21billion as at 31 December 2013 and was in respect of matured tenured placements awaiting re-investment and transfers from RSA ‘Active’ Fund awaiting deployment.

3.7.3 Review of Unaudited vs Audited Valuation Reports of RSA Funds

A comparison of the unaudited and Audited Valuation Reports of the various RSA Funds showed some variances between the values of pension fund assets as reported in the two reports as at 31 December, 2012. The variances were mainly due to un-reconciled pension contributions in the Contribution/Reconciliation Accounts that PFAs maintained with the PFCs. The funds in these accounts were not available for investment and therefore not reported in the PFAs’ valuation reports, but reported in the audited accounts for reasons of completeness and audit trail.

3.8 Review of the CPFA Funds

There are seven Closed Pension Fund Administrators (CPFAs), four of which operated Defined Benefit Schemes while the remaining three operated Contributory Schemes. All the CPFA Funds were governed by their individual Internal Investment Guidelines approved by the Commission.

The value of pension assets of the CPFA Funds had a net growth of ₦86.15 Billion, which was an increase of 17 percent from ₦536.09 Billion as at 31 December 2012. The investments were mainly in Ordinary Shares (26 percent); FGN Securities (37 percent); State Government Securities (2 percent); Money Market Instruments (domestic: 8 percent, foreign: about (1 percent); Corporate Debt Securities (4 percent); and Real Estate Properties (20 percent). The investment portfolio of the CPFAs as at 31 December 2013 is provided in Table 3.16.

Table 3.16: Portfolio of the CPFA Funds

S/N	Asset Classes	2013		2012		Variance	
		Amount	Weight	Amount	Weight	Amount	Weight
		(₦ Billion)	(%)	(₦ Billion)	(%)	(₦ Billion)	(%)
1	Domestic Ordinary Shares	112.41	18.07	89.75	16.74	22.66	26.31
2	Foreign Ordinary Shares	52.57	8.45	39.96	7.45	12.61	14.64
3	Federal Government of Nigeria Securities	230.06	36.97	176.54	32.93	53.52	62.13
4	State Govt. Securities	15.1	2.43	12.82	2.39	2.28	2.65
5	Corporate Debt Securities	27.77	4.46	22.77	4.25	5	5.8
6	Supranational Bonds	0.52	0.08	0	0	0.52	0.6
7	Domestic Money Market Securities	48.28	7.76	55.35	10.32	-7.07	-8.21
8	Foreign Money Market Securities	0.85	0.14	5.18	0.97	-4.33	-5.03
9	Open/Close-End Funds	3.33	0.54	5.42	1.01	-2.09	-2.43
10	Real Estate Properties	123.73	19.88	122.38	22.83	1.35	1.57
11	Private Equity Funds	5.37	0.86	4.55	0.85	0.82	0.95
12	Cash & Other Assets	2.25	0.36	1.37	0.26	0.88	1.02
	Total Assets	622.23	100	536.09	100	86.14	100

3.8.1 Sources of Portfolio Growth/Diminution

During the year under review, the funds injected by Scheme Sponsors and new contributions made by members in the Defined Contribution Schemes increased by 33.84 percent to ₦47.18 Billion while the total interests/coupons received increased by ₦9.21Billion over the interest income of ₦30.76 Billion in 2012, which was primarily due to increased fixed income investments by CPFAs. Similarly, CPFAs increased the levels of investment in equities, which coupled with improved dividend payouts by some companies to increase the dividends received on investment in ordinary shares by 33.87 percent from ₦3.10 Billion recorded in 2012.

Rental income also increased by 1.86 percent from ₦3.23 Billion and included revaluation surplus of ₦357.23 Million by one of the CPFAs. In a similar vein, both net realized and unrealized gains increased by 443.42 percent and 3.21 percent respectively. There were unrealized losses of ₦0.76 billion in 2012, which explained the high percentage increase of the net realized gains in 2013.

Table 3.17: Sources of CPFA Portfolio Growth for 2013

Sources of Growth	2013	2012	Variance	
	Amount (N Billion)	Amount (N Billion)	Amount (N Billion)	Weight (%)
New Contribution/Funds Injected by the Scheme Sponsors	46.08	34.43	11.65	33.84
Interest/Coupon Income	39.97	30.76	9.21	29.94
Dividend Income	4.15	3.1	1.05	33.87
Rental Income	3.29	3.23	0.06	1.86
Net Unrealized Gains/Losses on Equities	36.05	34.93	1.12	3.21
Net Realized Gains/Losses on Equities & Bonds	2.61	(0.76)	3.37	443.42
Other Investment Income	0.00	11.15	(11.15)	(100.00)
Payment of Retirement Benefits	(31.16)	(28.73)	(2.43)	(8.46)
Asset Based Fees	(3.44)	(3.06)	(0.38)	(12.42)
Other Charges & Expenses	(11.4)	(3.61)	(7.79)	(215.79)
Total	86.15	81.44	4.71	5.78

A total of ₦3.44 billion asset based fees were charged, which was 0.84 percent lower than the maximum allowable rate of 1.55 percent chargeable on the CPFA Funds. Other Charges and Expenses increased by ₦7.79 billion and covered audit expenses, VAT and Withholding Taxes.

3.8.2 Portfolio Performance of the CPFA Fund

The CPFA Funds recorded an average of 15.84 percent return on investment in 2013, which was boosted by return on investments in real estate and private equity. Investments in real estate were valued at 20 percent of total CPFA portfolio, an increase of ₦1.35 billion over the value of ₦122.38 billion in 2012. The increase was mainly attributable to revaluation surpluses and capitalization of expenses in respect of ongoing development projects.

Quoted equity investments increased by 1 percent and accounted for 18 percent of the portfolio of CPFA Funds. Consumer Goods accounted for 50 percent of domestic equity investments. Other significant investments were in Financial Services (32 percent); Construction/Real Estate (6 percent) and Industrial goods (2 percent). Foreign equity investments accounted for 8 percent of portfolio of CPFA Funds, which was also a 1 percent increase in 2013.

Investments in Federal Government Securities (Bonds and Treasury Bills) were valued at ₦230.06 billion as at 31 December 2013 and accounted for 37 percent of CPFAs total portfolio value compared to 33 percent in 2012. The 'Term to Maturity' profile of investments in FGN Bonds and Treasury bills is presented in Table 3.18.

Table 3.18: Term to Maturity Profile of FGN Bonds Held by CPFAs

FGN SECURITIES	VALUE (₦ Million)	WEIGHT (% OF TOTAL)
BONDS		
0 - 3yrs	35.58	15.47
3yrs - 5 yrs	71.79	31.21
5yrs - 10yrs	43.00	18.69
Above 10 yrs	14.61	6.35
Total Bonds	164.98	71.71
Treasury Bills	65.07	28.29
Total FGN Securities	230.05	100.00

As shown in Table 3.18, about 31 percent of investments were in FGN bonds with term to maturity of between 3 to 5 years while investment in Treasury Bills (TBs) amounted to ₦65.07 Billion with an average yield of 11.78 percent p.a. Investments in State Government Bonds was ₦15.10 billion in 2013 representing an 18 percent increase over the value of CPFA holdings in State Government Securities in 2012.

Table 3.19: CPFA Investment in State Government Bonds

State Government	Credit Rating	Coupon Rate (%)	Tenor (years)	Maturity Date	Value of Investment (₦ Million)
Bayelsa	A	13.75	7	30/06/2017	1,061.25
Delta	A	14.00	7	30/09/2018	834.61
Kaduna	A	12.5	5	31/08/2015	515.08
Lagos (Series 1)	A	13.00	5	02/09/2014	8,951.12
Lagos (Series 2)	A	10.00	7	19/04/2017	3,741.12
Total					15,103.18

Investment in Corporate Debt Securities was 4 percent of CPFA Fund value, which was an increase of 22 percent over the value of ₦22.77 billion in 2012. The increase was mainly attributed to additional investments made in the Eurobonds of First Bank and GTB as well as in the 5.55 percent FTSE 100 Linked Notes of Barclays Bank and in First Bank's 5 year Fixed Deposit.

There was a decrease of 13 percent in the value of CPFA investments in domestic money market securities compared to the value in 2012. Interest rates on money market securities increased due to the increase in Cash Reserve Requirement (CRR) on Public Sector Funds by the CBN in July 2013. On average, deposit rates were 13.30 percent in the first quarter; 12 percent in the second quarter; 14 percent in the third quarter; and 13 percent in the fourth quarter of 2013. Similarly, there was a significant decrease in foreign money market investments from ₦5.18 billion in 2012 to ₦856.33 million in 2013, which was attributed to the matured investment in JP Morgan Chase Bank. In addition, investments in Open/Closed End Funds decreased by 38.56 percent. Accrued coupon on the IFC bond increased the CPFA holdings in supranational bonds by 4 percent between February and December of 2013.

3.9 Review of Approved Existing Schemes' Funds

The value of pension fund assets of Approved Existing Schemes (AES) increased from ₦547.68 Billion in 2012 to ₦643.32 Billion as at 31 December 2013, indicating a net growth of about 17 percent. The portfolio of the AES Fund is provided in Table 3.20.

Table 3.20: Portfolio of AES Funds

S/N	Asset Class	2013		2012		Variance	
		Amount (₦ Billion)	Weight (%)	Amount (₦ Billion)	Weight (%)	Amount (₦ Billion)	Weight (%)
1	Ordinary Shares	142.01	22.07	86.39	15.77	55.62	64.38
2	Federal Government Securities	306.01	47.57	262.35	47.9	43.66	16.64
3	State Government Securities	30.02	4.67	38.39	7.01	-8.37	-21.8
4	Corporate Debt Securities	16.43	2.55	12.65	2.31	3.79	29.96
5	Money Market Instruments	66.93	10.4	61.41	11.21	5.52	8.99
6	Open/Close-end Funds	2.9	0.45	1.71	0.31	1.19	69.59
7	Real Estate Properties	68.59	10.66	66.22	12.09	2.37	3.58
8	Cash & Other Assets	10.43	1.62	18.57	3.39	-8.14	-43.83
	Total	643.32	100	547.68	100	95.64	17.46

3.9.1 Sources of Portfolio Growth/Diminution

The sources of portfolio growth for the AES Funds in 2013 are presented in Table 3.21.

Table 3.21: Sources of the AES Portfolio Growth for 2013

Sources of Growth	Year 2013	Year 2012	Variance	Weight (%)
	Amount (₦ Billion)	Amount (₦ Billion)	Amount (₦ Billion)	
New Contributions/Funds Injected by Scheme Sponsors	29.69	76.95	(47.35)	(61.53)
Interest/Coupon Income	56.64	30.21	26.43	87.49
Dividend Income	4.45	3.43	1.02	29.74
Net Unrealized Gains/(Losses) on Equities	38.11	25.97	12.14	46.75
Net Realized Gains/(Losses) on disposal of Securities	4.26	(3.35)	7.61	227.16
Rental Income	0.41	0.62	(0.21)	(33.87)
Revaluation Surplus	0.15	2.4	(2.25)	(93.75)
Payment of Retirement Benefits	(31.19)	(23.87)	(7.32)	(30.67)
Asset Based Fees	(6.79)	(5.76)	(1.03)	(17.88)
Transfer to RSA 'Active' Fund	0.00	(78.5)	78.5	100.00
Total	95.64	28.1	67.54	240.36

New fund inflows amounted to ~~N~~29.69 Billion, which represented pension contributions and funds injected by Scheme Sponsors to bridge funding deficits in some of the Funds. The major source of portfolio growth was from Interests/Coupons on fixed income investments, which amounted to ~~N~~56.64 Billion, representing an increase of 87.49 percent over the amount realized in 2012. Dividend received on quoted equities increased by ~~N~~1.02 billion compared to ~~N~~3.43 billion received in 2012.

Rental income decreased significantly from ~~N~~622.70 million in 2012 to ~~N~~413.28 million in 2013. This was due to outstanding rental incomes occasioned by non-payment of rents by tenants. The Commission had already given a deadline to Pension Operators concerned to recover the outstanding rental incomes due to the Fund. In addition to the rental income, the sum of ~~N~~153 million was recorded as revaluation surplus for some of the real estate properties.

The net unrealized gains on investments in equities/equity funds amounted to ~~N~~38.11 billion. This was higher than the net unrealized gains of ~~N~~25.97 billion recorded in 2012. The increase could be attributed to the improved performance of the Nigerian Stock Market in 2013. A significant portion of the unrealized gains were traced primarily to banking stocks, which accounted for 33% of total equity investments by AES Funds. Similarly, the net realized gains of ~~N~~4.26 billion on sale of ordinary shares and FGN bonds indicated an increase of 227.16 percent due to the losses of ~~N~~3.35 billion realized in 2012.

A total of ~~N~~31.19 billion was paid as retirement benefits during the year. This was an increase of 30.67 percent over the amount paid in 2012. This was due to the increased number of AES retirees in 2013. Asset Based Fees of ~~N~~6.79 Billion were charged and debited to the Fund in 2013 and it included both Withholding and Value Added Taxes of ~~N~~520.22 million. On average, 0.96 percent of Net Assets Value was charged as fees, which was significantly lower than the maximum allowable rate of 1.55 percent of Net Assets Value.

3.9.2 Portfolio Performance

The Rates of Return on the individual AES Funds ranged between 6.63 percent and 24 percent. The rates were largely dependent on the asset composition in the portfolios of the Funds. The Funds with large holdings in ordinary shares outperformed those with lower holdings in this asset class.

Investments in ordinary shares were mainly in financial sector securities and accounted for 22 percent of the total AES Funds under management. This represented an increase of 64 percent over the portfolio value of ~~N~~86.39 Billion as

at 31 December 2012. Other significant investments were in Consumer Goods (25 percent), Industrial Goods (13 percent) and Conglomerates (8 percent) as shown in Figure 3.3.

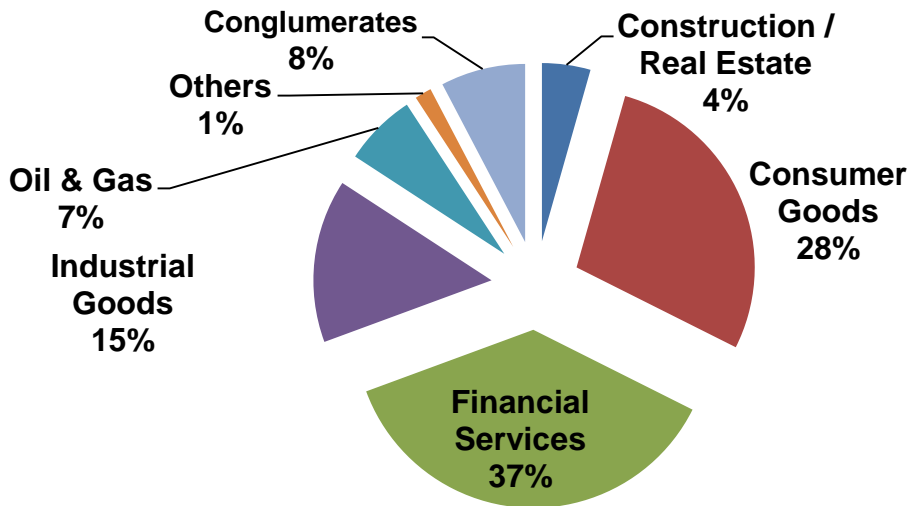


Figure 3.3: Breakdown of Investments in Ordinary Shares by AES Funds

There were unrealized gains of ₦21.23 billion on equity investments due to appreciation in market prices and realized gains of ₦2.37 billion resulting from sale of equities during the period under review.

Federal Government Securities (Bonds and Treasury Bills) constituted the largest investment by AES Funds at 48 percent of portfolio value and represented an increase of 17 percent over the value of ₦262.35 billion in 2012. This growth was primarily due to the competitive yields of 11.78 percent on Treasury Bills relative to other interest bearing securities. The Term to Maturity profile of investments in FGN Bonds as at 31 December 2013 is presented in Table 3.22.

Table 3.22: Term to Maturity Profile of FGN Bonds

S/N	Term to Maturity	Amount (₦ Million)	Weight (%)
	Bonds		
1	Below 3years	48,257.81	15.77
2	3years – 5years	59,668.31	19.50
3	Above 5years – 10yrs	63,953.43	20.90
4	Above 10years	31,554.19	10.31
	Total Bonds	203,433.73	
	Treasury Bills	102,581.43	33.52
	Total Securities	306,015.16	100.00

Placements in State Government Bonds decreased by 21.80 percent due to coupon payments and part redemption of the principal amounts of some State Government Bonds. It attracted an average coupon rate of 13.65 percent during the period. The Lagos State Government Bond (Series I and II) accounted for 47 percent of total investment in this asset class. Breakdown of total investment in State Government Bonds by AES Funds is provided in Table 3.23.

Table 3.23: Placements by AES Funds in State Government Bonds

State Governments	Credit Rating	Coupon Rates (%)	Tenor (Years)	Maturity Date	Market Value of Investments (₦ Million)	Weight (%)
BAYELSA	A	13.75	7	30/06/2017	3,803.86	12.67
DELTA	A	14	7	30/09/2018	4,053.22	13.50
EBONYI	A	13.5	5	30/09/2015	686.04	2.29
IMO	A	15.5	7	30/06/2016	1,984.65	6.61
KWARA	A	14	5	08/05/2014	1,098.63	3.66
LAGOS (SERIES I)	A	13	5	02/09/2014	8,358.41	27.85
LAGOS (SERIES II)	A	10	7	19/04/2017	5,709.91	19.02
NIGER (SERIES I)	A	14	3	15/01/2014	641.90	2.14
NIGER (SERIES II)	A	14	7	26/09/2018	310.87	1.04
OSUN	A	14.75	7	12/12/2019	3,369.32	11.22
TOTAL					30,016.81	100.00

Investment in Corporate Debt Securities increased by 30 percent over the value of ₦12.64 billion 2012, which was due to additional placements in new corporate bond issues and accrued coupons. Breakdown of investments in corporate debt securities by AES Funds is provided in Table 3.24.

Table 3.24: Breakdown of Investment in Corporate Bonds by AES Funds

S/N	Name of Issuer	Maturity Date	Tenor (Years)	Coupon (%)	Total Investments (₦ million)	Weight (%)
1	GTB Plc	18/12/2014	5	13.50	1,331.61	8.01
2	Flour Mills Plc	09/12/2015	5	12.00	85.39	0.51
3	UBA Plc (Series I)	30/09/2017	7	13.00	8,152.40	49.02
4	UBA Plc (Series II)	20/09/2018	7	14.00	3,988.69	23.98
5	UPDC Plc	17/08/2015	5	10.00	2,447.56	14.72
6	FSDH Funding SPV Bond	25/10/2016	3	14.25	624.70	3.76
	TOTAL				16,630.35	100.00

Domestic Money market investments were valued at 11 percent of AES Fund value, which was an increase of 9 percent of the value of domestic money market investments of ₦61.41billion in 2012. Money market investments were in twelve (12) banks as shown in Table 3.25, which all met the minimum quality requirement for pension fund investments.

Table 3.25: Breakdown of AES Investments in Money Market Instruments

S/N	Issuing Bank	Amount (₦ million)	Weight (%)
1	Skye Bank Plc	13,021.27	19.46
2	FCMB Plc	10,479.13	15.66
3	Access Bank	10,033.58	14.99
4	Fidelity Bank	9,212.62	13.77
5	UBA Plc	8,964.51	13.39
6	First Securities	4,442.36	6.64
7	Zenith Bank Plc	2,575.42	3.85
8	Ecobank Nigeria	2,523.54	3.77
9	First Bank of Nigeria	1,472.22	2.20
10	Diamond Bank	1,396.08	2.09
11	Sterling Bank Plc	1,080.07	1.61
12	Enterprise Bank	604.49	0.90
13	Stanbic IBTC Bank	598.59	0.89
	Sub Total	66,403.88	99.22
	Discount Houses		
1	Associated	522.29	0.78%
	Sub Total	522.29	
	Grand Total	66,926.18	100.00%

The value of investments in Open/Closed End Funds was less than 1 percent of the total AES Fund value as at 31 December 2013. However, it was an increase of 70 percent when compared to the value of investments of ₦1.71billion in this

asset class in 2012. The increase was due to the appreciation in the market value of the mutual funds as a result of the improved performance of the stock market in 2013.

The real estate properties were valued at ~~N~~68.59 Billion, which accounted for about 11 percent of the total value of AES Funds and represented an increase of 4 percent compared to the value in 2012. Un-invested cash represented matured investments awaiting re-investment. Interest rate on such cash balances averaged 3 percent, but attracted up to 5% at the later part of the year.

3.10 Processing of Retirement/Terminal Benefits

3.10.1 Programmed Withdrawal

The total number of retirees on Programmed Withdrawal increased by 34.72 percent in 2013 from 59,104 recorded in 2012 to 79,624 in 2013. Table 3.26 shows that while the Federal Government of Nigeria (FGN) retirees accounted for 62,236 retirees (78.16 percent), the States accounted for 3,209 (4.03 percent) while the private sector accounted for 14,179 (17.81 percent) during the year.

Table 3.26: Number of Retirees on Programmed Withdrawal

Sector	Year					
	2011		2012		2013	
	Number	Weight (%)	Number	Weight (%)	Number	Weight (%)
FGN	36,774	86.23	48,671	82.35	62,236	78.16
State	670	1.58	1,427	2.41	3,209	4.03
Private	5,200	12.19	9,006	15.24	14,179	17.81
Total	42,644	100	59,104	100	79,624	100

Lump-sum and monthly Programmed Withdrawals increased from ~~N~~37.27 billion and ~~N~~455.37 million in 2012 to ~~N~~47.03 billion and ~~N~~634.24 million respectively as shown in Table 3.27. This marked increase of 26.19 percent and 39.28 percent respectively.

Table 3.27: Payment of Retirement Benefits through Programmed Withdrawal

Sector	2012					
	Male	Female	Total	Weight (%)	Average Monthly Annuity (N Million)	Lumpsum (N Million)
FGN	9,329	2,505	11,834	72.17	375.99	32,485.58
STATE	412	345	757	4.62	23.09	1,892.21
PRIVATE	3,348	458	3806	23.21	56.29	2,888.63
TOTAL	13,089	3308	16,397	100	455.37	37,266.42
Sector	2013					
	Male	Female	Total	Weight (%)	Average Monthly Annuity (N Million)	Lumpsum (N Million)
FGN	10,308	3,171	13,479	65.69	375.99	38,394.58
STATE	743	724	1467	7.15	50.17	3,853.06
PRIVATE	4,796	777	5573	27.16	104.43	4,782.03
TOTAL	15,847	4,672	20,519	100	634.24	47,029.67

3.10.2 Retirement by Annuity

A total of 5,065 requests for payment of retirement benefits by Annuity were approved during the year under review. The cumulative number of retirees on annuity, which had been approved from inception to December, 2013 stood at 7,499. These retirees had received a total lumpsum of ₦18.13 billion while the sum of ₦36.83 billion was transferred to insurance companies as premium for their monthly life annuities amounting to ₦367.50 million as at 31 December 2013. A summary of the approvals on retirement by annuity is as presented in Table 3.28.

Table 3.28: Payment of Retirement Benefits through Life Annuity

Sector	2012					
	Male	Female	Total	Weight (%)	Average Monthly Annuity	Lumpsum
FGN	1,452	398	1,850	76.01	84.48	5,956.84
STATE	160	229	389	15.98	16.46	1,185.88
PRIVATE	175	20	195	8.01	17.12	841.97
TOTAL	1,787	647	2,434	100	118.06	7,984.69
Sector	2013					
	Male	Female	Total	Weight (%)	Average Monthly Annuity	Lumpsum (₦ Million)
FGN	4,428	1,554	5,982	79.77	281.28	14,028.20
STATE	294	460	754	10.05	33.16	2,049.41
PRIVATE	617	146	763	10.17	53.06	2,050.27
TOTAL	5,339	2,160	7,499	100	367.5	18,127.88

It can be seen from Tables 3.27 and 3.28 that 26.76 percent of retirees were under Life Annuity, while 73.24 percent were under Programmed Withdrawal as at the end of the period under review. It can also be seen that the number of retirees on Life Annuity had significantly increased by over 200 percent during the same period. A breakdown of annuitants and the monthly annuity per insurance company as well as the premium paid to each insurance company are presented in Table 3.29.

Table 3.29: Breakdown of Annuitants by Insurance Companies

S/N	NAME OF INSURANCE COMPANY	NO. OF RETIREES	PREMIUM RECEIVED FROM PFAS (₦ Million)	MONTHLY ANNUITY PAYABLE TO RETIREES (₦ Million)
1	African Alliance Insurance Plc	1,328	5,979.47	63.67
2	AllCO Insurance Plc	1,436	7,179.29	75.82
3	ARM Life	25	118.99	1.14
4	Custodian Life Insurance	3	13.32	0.13
5	Cornerstone Insurance Plc	1	1.88	0.01
6	Crusader Life Insurance Limited	26	95.44	0.88
7	Crystal Life Assurance PI C	4	7.87	0.68
8	Lasaco Assurance Limited	1	5.53	0.05
9	Leadway Assurance Company Limited	4,547	22,461.61	212.54
10	Mansard Insurance	116	861.61	11.65
11	Mutual Benefits Life Assurance Ltd	1	7.28	0.06
12	Royal Exchange Prudential Assurance	3	11.64	0.09
13	Standard Alliance Life	1	0.64	0.01
14	Union Assurance Co Limited	7	90.10	0.77
	Total	7,499	36,834.67	367.50

3.10.3 Payment of Death Benefits

During the year under review, 8,916 approvals were given for accessing death benefits of deceased employees from the FGN, State and Private organisations. A total of ₦25.13 billion was paid as the corresponding amount to the Next of Kins (NOKs) of the deceased. Payments to the beneficiaries of deceased FGN employees accounted for 82 percent of the total amount paid, while payment to beneficiaries of deceased employees of the Private Sector and State Governments accounted for 16 percent and 2 percent respectively. The breakdown of these payments is presented in Table 3.30.

Table 3.30: Approval of Death Benefits for the year 2013

Sector	Deceased Employees			Benefits (₦ Million)	Weight (%)
	Male	Female	Total		
Federal Government of Nigeria	6,511	1,021	7,532	20,650.38	82.17
State Governments	48	45	93	379.72	1.51
Private Sector	1,120	171	1,291	4,102.53	16.32
Total	7,679	1,237	8,916	25,132.63	100.00

3.10.4 Withdrawal of 25 Percent of RSA Balances

During the year under review, ₦5.47 billion was approved for the payment of 25 percent of RSA balances in respect of 24,135 RSA holders of which 711 retired from the services of the FGN, 23,379 from the private sector and 45 from the State Government. An analysis of these requests showed that private sector employees accounted for 96.45 percent of the total withdrawals of 25 percent of RSA balances while disengaged/retired employees of the FGN 2.95 percent as shown in Table 3.31. Most of these requests came from employees of construction companies and banks.

Table 3.31: Withdrawal of 25% of RSA Balance for the year 2013

Sector	Retirees				Retirement Benefits	
	Male	Female	Total	Weight (%)	Total RSA Balance (N Million)	Total Requests (N Million)
Federal Government of Nigeria	530	181	711	2.95	1,037.38	258.75
State Governments	32	13	45	0.19	60.32	15.08
Private Sector	19,552	3,827	23,379	96.45	20,759.64	5,193.52
Total	20,114	4,021	24,135	100	21,857.34	5,467.35

3.10.5 En-bloc payment

During the year under review, ₦2.22 billion was approved for en-bloc payments of RSA balances to 9,241 RSA holders comprising of 378 retired FGN employees, 28 retired State employees and 8,835 retired Private Sector employees as shown in Table 3.32.

Table 3.32: En-bloc Payments in 2013

Sector	Retirees				Total Requests (N Million)
	Male	Female	Total	Weight (%)	
Federal Government of Nigeria	313	65	378	4.09	98.33
State Governments	20	8	28	0.30	9.07
Private Sector	8,194	641	8,835	95.61	2,115.08
Total	8,527	714	9,241	100	2,222.48

3.10.6 Retirement on Medical Grounds

Requests were reviewed and approved for the payment of ₦29.29 million and ₦0.61 million as lumpsum and monthly pension, respectively, to 61 eligible contributors who retired on medical grounds during the year under review. Breakdown of these payments are presented in Table 3.33.

Table 3.33: Payment of Benefits to Retirees on Medical Grounds

Sector	Retirees				Total Lumpsum	Monthly Programmed Withdrawal
	Male	Female	Total	Weight (%)		
Federal Government of Nigeria	11	3	14	22.95	7,706,559.99	233,825.95
State Governments	0	1	1	1.64	190,186.06	4,280.55
Private Sectors	42	4	46	75.41	21,398,296.69	366,940.32
Total	53	8	61	100	29,295,042.74	605,046.82

For this category of retirees, retirement benefits were approved on the advice of a suitable qualified physician or a properly constituted Medical Board, which certified that the employees were no longer mentally or physically capable of carrying out their official functions.

3.10.7 Retirement of Foreign Nationals

During the year under review, 146 foreign nationals disengaged from various employments in the country and were paid retirement benefits totalling ₦272.55 million as shown in Table 3.34.

Table 3.34: Payment of Retirement Benefits to Foreign Nationals

Sector	Retirees				Total Lumpsum (₦ Million)
	Male	Female	Total	Weight (%)	
Federal Government of Nigeria	1	0	1	0.68	11.96
Private	134	11	145	99.32	260.59
Total	135	11	146	100	272.55

3.10.8 Missing Person

A Board of Inquiry (BOI) was constituted in line with the Provisions of Section 6 (1) of the PRA 2004 to consider the case of a missing Federal Government employee. Consequent upon its examination of the available facts on the case, the BOI concluded that the missing employee could be presumed dead. The missing person's retirement benefits were processed as death benefits.

3.10.9 Life Insurance Policy for Employees

Evidences of implementation of a Group Life Insurance Policy for employees were received from 1,412 organisations/institutions across different sectors as shown in Table 3.35.

Table 3.35: Submission of Evidence of Implementation of Group Life Insurance

S/N	Sector	Number of Submissions
1	Financial Institutions	305
2	Educational Institutions	5
3	Construction	337
4	Oil & Gas	15
5	Manufacturing	70
6	Hospitality	46
7	Pension Operators	24
8	Commercial	307
9	Government Institutions	0
10	Others	303
	Total	1,412

3.10.10 Payment of NSITF Contributors

Two Thousand, Seven Hundred and Twenty Six (2,726) requests for lump sum payments in the sum of ₦275,676,943.04 were received from contributors during the year. Out of the 2,726 request, 1,389 requests in the sum of N68,689,267.12 were processed. The Commission gave a “no objection” to Trustfund Pensions Plc to pay the sum of ₦18,308,534.35 as lump sum to 438 NSITF contributors who qualified for lump sum payments. The request with respect to the remaining 1,337 requests was rejected because they were supposed to have opened RSAs to which their contributions would be transferred. Thus, to date, the Commission has granted a “no objection” to Trusfund for the payment of ₦1,290,030,402.56 to 17,924 NSITF contributors as lump sum.

The Commission during the year granted concurrence to Trustfund for monthly pension payments totalling ₦334,890,979.36 in respect of 5,196 NSITF pensioners. To date, the total pension payment to NSITF pensioners amounts to ₦2,868,533,185.73

PART FOUR

4.0 PENSION OPERATORS STATISTICS

4.1 RSA Registration by PFA

The PFAs registered a total number of 5,745,168 RSA holders as at 31 December, 2013 (see Table 4.1). An analysis of membership by PFAs shows that IBTC PFA has the highest proportion of RSA registrations with 25.80 percent of the total registration (1,482,116 RSA holders). Sigma Pensions Limited and Trustfund Pensions Plc followed with 9.92 percent (570,106 RSA holders) and 9.88 percent (567,664 RSA holders) respectively. GT-AM Pension and Apt Pension Fund Managers Limited had the least registrations with 21,848 (0.38 percent) and 20,593 (0.36 percent) RSA holders respectively.

Table 4.1 RSA Registrations by PFA

S/N	PFA	Total RSA Registration	Weight (%)
1	AllCO Pension Managers	227,029	3.95
2	Apt Pension Fund Managers Limited	20,593	0.36
3	ARM Pension Manager Limited	498,656	8.68
4	Crusader Sterling Pension Limited	218,653	3.81
5	Fidelity Pension Managers Limited	65,715	1.14
6	First Guarantee Pension Limited	198,813	3.46
7	Future Unity Glanvills Pensions Limited	27,042	0.47
8	GT- AM Pension	21,848	0.38
9	IEI-Anchor Pension Fund Managers Limited	66,845	1.16
10	Leadway Pensure PFA Limited	381,201	6.64
11	Legacy Pension Managers Limited	240,894	4.19
12	NLPC Pension Fund Administrators Ltd	170,151	2.96
13	Oak Pensions Limited	112,646	1.96
14	Penman Pensions Limited	48,868	0.85
15	Pension Alliance Limited	356,539	6.21
16	Premium Pension PFA	469,789	8.18
17	Sigma Pensions Limited	570,106	9.92
18	Stanbic IBTC Pension Manager Limited	1,482,116	25.80
19	Trustfund Pensions PLC	567,664	9.88
	Total	5,745,168	100.00

A ranking of PFAs based on RSA registrations indicates that the top 3 PFAs accounted for 45.60 percent of total RSA registrations as demonstrated in Table 4.2. The top 5 and top 10 PFAs accounted for 62.46 and 87.25 percent proportion of the total RSA registrations respectively.

Table 4.2: RSA Registrations by Rank of PFAs

Rank	Total	Percentage of Total
Top 3	2,619,886	45.60
Top 5	3,588,331	62.46
Top 10	5,012,647	87.25
Bottom 3	69,483	1.21
Bottom 5	184,066	3.20
Bottom 10	951,174	16.56

In addition, the Table 4.2 further shows that the bottom 3 PFAs accounted for 1.21 percent of total RSA registration. The bottom 5 and 10 PFAs accounted for 3.20 and 16.58 percent respectively during the review period.

4.2 Pension Fund Assets under Management by PFA

The analysis of total RSA Fund Assets under management revealed a PFA remaining dominant accounting for 36.98 percent of total pension assets as at 31 December, 2013 as shown in Table 4.3. A classification of PFAs by the quantum of their pension fund assets shows that the top 3 PFAs had 56.13 percent of total pension fund assets under their management as shown in Table 4.4. The Table further shows that ten PFAs accounted for 91.44 percent of total pension fund assets under management in the reporting period.

The foregoing implies that the remaining 10 PFAs accounted for 8.56 percent of total pension fund assets under management. While the bottom 3 and 5 PFAs accounted 0.36 and 1.45 percent respectively of the total pension fund assets under the management.

Table 4.3: Pension Fund Assets under the Management of PFAs

S/N	Pension Fund Administrator (PFA)	RSA	RETIREE	Total	% of Total
		(N' Million)	(N' Million)	(N' Million)	
1	AllCO Pension Managers	34,519.86	2,499.43	37,019.29	1.38
2	Apt Pension Fund Managers Limited	17,493.17	326.02	17,819.19	0.66
3	ARM Pension Managers Limited	227,740.19	23,424.32	251,164.51	9.35
4	Crusader Sterling Pension Limited	84,348.00	12,010.94	96,358.94	3.59
5	Fidelity Pension Managers Limited	16,959.45	420.48	17,379.93	0.65
6	First Guarantee Pension Limited	77,648.82	15,017.75	92,666.57	3.45
7	Future Unity Glanvills Pensions Limited	19,005.96	2,063.05	21,069.01	0.78
8	IEI-Anchor Pension Managers Limited	11,213.95	697.74	11,911.69	0.44
9	IGI Pension Fund Managers Limited	461.20	11.77	472.97	0.02
10	Leadway Pensure PFA Limited	123,607.31	15,378.62	138,985.93	5.17
11	Legacy Pension Managers Limited	78,561.86	10,149.76	88,711.62	3.30
12	NLPC Pension Fund Administrators Ltd.	79,415.03	14,397.19	93,812.22	3.49
13	Oak Pensions Limited	24,847.40	1,733.58	26,580.98	0.99
14	Penman Pensions Limited	5,731.33	270.62	6,001.95	0.22
15	Pension Alliance Limited	117,952.95	11,939.58	129,892.53	4.83
16	Premium Pension	219,290.30	44,138.66	263,428.96	9.80
17	GT-AM Pension	3,171.35		3,171.35	0.12
18	Sigma Pensions Limited	170,453.62	34,039.88	204,493.50	7.61
19	Stanbic IBTC Pension Managers Limited	882,291.03	111,370.44	993,661.47	36.98
20	Trustfund Pensions PLC	168,060.71	24,408.93	192,469.64	7.16
	TOTAL	2,362,773.49	324,298.76	2,687,072.25	100.00

Table 4.4: Pension Fund Assets by Rank of PFAs

Rank	Total (N' Billion)	% of Total
Top 3	1,508.25	56.13
Top 5	1,905.22	70.90
Top 10	2,456.93	91.44
Bottom 3	9.65	0.36
Bottom 5	38.94	1.45
Bottom 10	230.14	8.56

The ranking of PFAs by the quantum of RSA Active Fund Assets shows that the top 3 PFAs accounted for more than half of the total assets under management at 56.26 percent as shown in Table 4.5.

Table 4.5: RSA Active Fund Assets by Rank of PFAs

Rank of PFA	Total (N Billion)	% of Total
Top 3	1,329.32	56.26
Top 5	1,667.84	70.59
Top 10	2,151.72	91.07
Bottom 3	9.36	0.004
Bottom 5	37.54	1.59
Bottom 10	211.05	8.93

The table also shows that the top ten PFAs had 91.07 percent of total assets under their management. However, the bottom 3, 5 and 10 PFAs had 0.004, 1.59 and 8.93 percent of the pension assets under their management respectively.

The rank of PFAs by the volume of Retiree Funds under management shows that the top 3 PFAs accounted for 58.45 percent of the RSA Retiree Fund Assets. The top 5 and 10 PFAs accounted for 73.20 and 90.69 percent of the assets respectively.

Table 4.6: Retiree Fund by Rank of PFA

Rank of PFA	Total (N Billion)	% of Total
Top 3	189.55	58.45
Top 5	237.38	73.20
Top 10	294.12	90.69
Bottom 3	0.28	0.09
Bottom 5	1.03	0.32
Bottom 10	18.17	5.60

Table 4.6 further shows that the distributions of RSA Retiree assets are skewed in favour of the top 10 PFAs which accounted for 90.69 percent of total Retiree assets. The bottom 3 PFAs accounted for an infinitesimal proportion 0.09 percent of RSA Retiree Fund assets. Similarly, the bottom 10 PFAs accounted for a modest proportion of 5.60 percent of total RSA Retiree Fund assets.

4.3 Pension Fund Contributions by PFA

A summary of the Pension Fund contributions received by PFAs suggest that a PFA dominated with 35.02 percent of total pension fund contributions as at 31 December, 2013. The position also shows that all other PFAs with exception of Premium Pensions (13.19 percent) had less than 10 percent of pension contributions as shown in Table 4.7.

The Table further shows that GT-AM Pension and Penman Pensions Limited and had the least contributions with 0.13 and 0.28 percent respectively.

Table 4.7: Pension Fund Contribution by PFA

S/N	Pension Fund Administrator	Total (₦ Million)	% of Total
1	AllCO Pension Managers	37,099.92	1.72
2	IEI-Anchor Pension Managers Limited	10,954.13	0.51
3	APT Pension Fund Managers Limited	10,423.86	0.48
4	ARM Pension Managers Limited	188,866.22	8.75
5	Crusader Sterling Pension limited	78,609.88	3.64
6	Fidelity Pension Managers Limited	13,051.07	0.60
7	First Guarantee Pension Limited	85,697.24	3.97
8	Future Unity Glanvills Pensions Limited	16,859.95	0.78
9	GT- AM Pension	2,890.96	0.13
10	Stanbic IBTC Pension Managers Limited	734,066.38	33.99
11	Legacy Pension Managers Limited	105,412.56	4.88
12	NLPC Pension Fund Administrators Limited	68,809.76	3.19
13	OAK Pensions Limited	31,605.25	1.46
14	Penman Pensions Limited	5,991.14	0.28
15	Pension Alliance Limited	119,394.02	5.53
16	Leadway Pensure PFA Limited	113,348.69	5.25
17	Premium Pension	240,797.28	11.15
18	Sigma Vaughn Sterling Pension Limited	128,085.10	5.93
19	Trustfund Pension Plc	167,655.78	7.76
	Total	2,159,619.19	100

A categorization of PFAs by market share of pension contributions illustrates that the top 3 PFAs presented 58.17 percent share of total pension fund contributions while the bottom 3 PFAs had 0.82 percent of the total contributions as shown in Table 4.8.

Table 4.8: Pension Fund Contribution by Rank of PFA

Rank of PFA	Total (N' Billion)	% of Total
Top 3	1,163,729.88	53.89
Top 5	1,459,470.76	67.58
Top 10	1,961,933.15	90.85
Bottom 3	19,305.96	0.89
Bottom 5	43,311.16	2.01
Bottom 10	276,295.92	12.79

PART FIVE

OUTLOOK OF THE PENSION INDUSTRY

The regulatory outlook for the pension industry in 2014 will be shaped mainly by the passage of the bill to amend the PRA 2004 by the National Assembly. As envisaged in the draft bill, the Contributory Pension Scheme in Nigeria would be further strengthened through a number of measures. Firstly, the enhancement of coverage of the scheme to cover both the states and importantly, the informal sector, which accounts for a greater percentage of the Nigerian labour force. Secondly, there is the likely increase in the rate of contributions by both the employer and employee. In conjunction with the proposed changes in the funding of the Retirement Bond Redemption Fund Account by the Federal Account as well as the recognition and implementation of the Constitutional provision for periodic increases in pension, the issue of relatively low retirement benefits would be addressed. Thirdly, the amendment of the PRA 2004 is further expected to reposition the Pension Transition Arrangement Department (PTAD) to ensure greater efficiency and accountability in the administration of the Defined Benefit scheme in the federal public service.

Continuous dialogue between regulators and other supervisory authorities is critical given the importance of pension funds and the need to secure the future of contributors. In 2014, PenCom would increase the level of collaboration with other regulatory agencies in order to ensure synergy in regulation. Collaborations would be intensified with regulators such as the Securities and Exchange Commission (SEC) to encourage the development of the corporate bond market and Debt Management Office (DMO) to enhance the secondary market for government bonds.

PenCom would continue to fine-tune its risk-based supervisory approach in the discharge of its supervisory and regulatory functions. This would enable the Commission to build on the successes in its surveillance activities.

To overcome identified implementation challenges and strengthen the drive to ensure full compliance by all employers covered by the CPS, a number of initiatives would be implemented to allow PenCom fully regulate and supervise the industry. In this regard, PenCom would conclude implementation of the Risk Management and Analysis System (RMAS) which would strengthen the supervision of Pension Operators. Similarly, a framework for the supervision of pension schemes operated by states would be implemented. In addition, a database of working population would be established to enable full implementation of a compliance monitoring framework that was developed to ensure that employers covered by the CPS are implementing the scheme for their employees.

PenCom plans to introduce dynamic investment monitoring procedures that would focus on risk issues as they affect the investment portfolios of the pension funds. Towards this end, support activities had commenced towards the development of corporate bond market and new investment vehicles that would improve investment returns. Similarly, plans were underway to introduce multi-funds in order to align investments with the demographic structure of contributors and deepen pension fund investment horizon. In order to ensure successful implementation of these programmes, research capabilities would be enhanced in investment and risk management.

A framework would be developed to uniquely identify contributors and match their pension contributions with their respective RSAs and allow for tracking/reporting of the pension contributions. Plans are in place to develop a framework for tracking terminal benefits of both public and private sector employees. A clearing house would also be created for the contributors to transfer their RSAs between PFAs. The retirement benefits approval process would be automated and a framework for auctioning annuities for retirees under the CPS would be developed. Studies have commenced on the possibility of introducing guaranteed minimum pension as provided for by Section 71 of the PRA 2004.

Due to the importance of the numerous complaints received from PenCom's stakeholders, the SERVICOM Unit would be empowered to handle broader functions of issues resolution and complaint management.

A long term strategic plan was developed by the Commission to cope with the current and perceived challenges of the industry in terms of efficiency of service delivery and effectiveness in the regulation and supervision of the industry. This plan would be concluded and made operational in the coming year.

In conclusion, the anticipated passage of the revised Pension Reform Act is expected to provide further impetus to the consolidation of the reform of the pension industry. However, a stable and predictable macroeconomic environment is a necessary condition for the continuous development of the Pension Industry to realise the optimal benefit to the Nigerian workers and the economy.

PART SIX: ADDRESSES AND PROFILES OF PENSION OPERATORS

6.1 Contact Details of Pension Fund Operators

Table 6.1: Pension Fund Administrators

<i>S/N</i>	<i>Name of Operator</i>	<i>Managing Director</i>	<i>Address</i>	<i>Phone No.</i>	<i>E-mail and Web Addresses</i>
1	Aiico Pension Managers Limited	Eguarekhide J. Longe	Plot 2, Oba Akran Avenue, Ikeja Lagos	08157306868	elonge@aiicopension.com www.aiicopension.com
2	ARM Pension Managers (PFA) Limited	Sadiq Mohammed	5, Mekunwen Road Off Onyinkan Abayomi Drive Ikoyi, Lagos	08034021705	sadq.mohammed@armpension.com www.armpension.com
3	Apt Pension Funds Managers Limited	Dr. Al-Mujtaba Abubakar	Federal Mortgage Bank House, Plot 266, Cadastral AO, Central Business District, Garki, Abuja	08033146939	gummia@aptpension.com www.aptpensions.com
4	Crusader Sterling Pensions Ltd	Adeniyi Falade	Plot 14, Keffi Street Off Awolowo Way Ikoyi, Lagos	08058084953	adeniyi.falade@crusaderpensions.com www.crusaderpensions.com
5	Fidelity Pension Managers Limited	Amaka Andy-Azke (Ag.MD/CEO)	2 Adeyemo Alakija Street, Victoria Island, Lagos	08033257523,	amaka.azike@fidelitypensionmanagers.com www.fidelitypensionmanagers.com
6	First Guarantee Pensions Limited	Chima Akalezi (Ag.MD/CEO) Interim Management Committee	Irorun Plaza 65, Kudirat Abiola Way Oregun, Ikeja , Lagos.	08033279973	cakalezi@firstguaranteepension.com www.firstguaranteepension.com

Table 6.1: Pension Fund Administrators (Cont'd)

S/No	Name of Operator	Managing Director	Address	Phone No.	E-mail and Web Addresses
7	Future Unity Glanvills Pensions Limited	Usman Suleiman	26 Commercial Avenue Yaba, Lagos	08033435906,	usuleiman@fugpensions.com www.fugpensions.com
8	IEI-Anchor Pension Managers Limited	Solomon Okodi	No. 51A, Oro Ago Crescent, Garki II, Abuja.	08087184223,	info@anchorpension.com www.anchorpension.com
9	IGI Pension Fund Managers Limited	Stannis Uchenna Ezeobi	8, Adeola Odeku Street, Victoria Island, Lagos	08084995466	sezeobi@igipfm.com www.igipfm.com
10	Investment One Pensions Limited	Azubuike Okonkwo	Plot 871 Tafawa Balewa Way Opposite NICON Luxury Hotel Area 11, Garki Abuja	08023204661	azubuike.okonkwo@gtbampensions.com www.gtbampension.com
11	Leadway Pensure PFA Limited	Aderonke Adedeji	121/123 Funsho Williams Street, Surulere Lagos	08066438653,	r-adedeji@leadway-pensure.com www.leadway-pensure.com
12	Legacy Pension Managers Limited (PFA)	Misbahu Umar Yola	No. 39, Adetokunbo Ademola Crescent, Wuse II, Abuja	08022235807,	misbahuyola@legacypension.com www.legacypension.com
13	NLPC Pension Fund Administrators Limited	Wale O. Kolawole	No. 312A, Ikorodu Road, Anthony, Lagos	08034027008,	wale.kolawale@nlpcpfa.com www.nlpcpfa.com

Table 6.1: Pension Fund Administrators (Cont'd)

S/No	Name of Operator	Managing Director	Address	Phone No.	E-mail and Web Addresses
14	Oak Pensions Limited	Samuel Inyang	266 Muritala Mohammed Way Yaba, Lagos	08033094625	sami@oakpensions.com www.oakpensions.com
15	Penman Pensions Limited	Peter E. Udo	NACRDB Plaza, Link Block Independence Avenue, Central Business District, Abuja	08037016157	pudo@penmanpensions.com www.penmanpension.com
16	Pensions Alliance Limited	Emenike D. Uduanu	9th Floor UBA Building 57 Marina, Lagos	08034039191	duduanu@palpensions.com www.palpension.com
17	Premium Pension Limited	Wilson Ndidi Ideva	No. 4, Agwu Close Off Faskari Crescent Area 3, Garki Abuja	08073399874	wideva@premiumpension.com www.premiumpension.com
18	Sigma Pensions Limited	Umaru H. Modibbo	No. 29 Durban Street, Off Adetokunbo Ademola Crescent, Wuse II, Abuja	08033164996	modibbouh@sigmapensions.com www.sigmapensions.com
19	Stanbic IBTC Pension Managers Limited	Dr. Ademola Sogunle	Plot 1678, Olukunle Bakare Close, Off Sanusi Fafuwa Street Victoria Island, Lagos	08034020097	demola.sogunle@stanbicibtc.com www.stanbicibtcpension.com
20	Trustfund Pensions Plc	Helen Da-Souza	Plot 820/821, Labour House, Central Business District, Abuja	08052090315	helen@trustfundpensions.com www.trustfundpensions.com

Table 6.2: Closed Pension Fund Administrators

S/No	Name of Operator	Managing Director	Address	Phone No.	E-mail and Web Addresses
1.	Chevron Nigeria Pension Plan Limited	Obafunke Alade-Adeyefa	SPG Complex (Agungi Bus Stop), Lekki/Ajah Express Way, Lagos	08035250363	aladeos@chevron.com www.chevron.com/nigeria
2.	Nestle Nigeria Trust (CPFA) Limited	Adeyale Fakoya	22/24 Industrial Avenue, Ilupeju, Lagos	08034020175	adewale.fakoya@ng.nestle.com www.ng.nestle.com
3.	Nigerian Agip CPFA Limited	Vacant	No 1 Elsie Femi Pearse Street Off Adeloa Odeku Street Victoria Island, Lagos	07034161327	Ighojovbe.oghenekaro@naoc.agip.it www.naoc.agip.it
4.	Progress Trust CPFA Limited	H.T. Lawani	No 1, Abebe Village Road, Iganmu, Lagos	08053184274	titi.lawani@heineken.nl www.progresstrustcpfa.com
5.	Shell Nig. Closed Pension Fund Administrator Ltd	Yemisi Ayeni	1st Floor C-Wing, Bank of Industry Building, 23 Marina, Lagos	08070362007	yemisi.ayeni@shell.com www.shellnigeria.com
6.	Total (E & P) Nig. CPFA Ltd	Emmanuel Essien	30 Kofo Abayomi Street Victoria Island, Lagos	08039799842	emmanuel.essien@totalcpfa-ng.com www.total.com
7.	UNICO CPFA Limited	Muyibat Abbas	Niger House, 1-5 Odunlami Street, Lagos	08033340592	mabbas@uacnplc.com www.unicocpfa.com

Table 6.3: Pension Fund Custodians

S/No	Name of Operator	Managing Director	Address	Phone No.	E-mail and Web Addresses
1.	Diamond Pension Fund Custodian Limited	Chinedu Osundu Ekeocha	1A Tiemiyu Savage Street, Victoria Island, Lagos	07034111256	cekeocha@diamondpfc.com www.diamondpfc.com
2.	First Pension Custodian Nigeria Limited	Kunle Lawal Jinadu	124 Awolowo Road, Ikoyi, Lagos	08034022126	kunle.jinadu@firstpensioncustodian.com www.firstpensioncustodian.com
3.	UBA Pensions Custodian Limited	Oluwatomi A. Soyode (Somefun)	Plot 22b, Idowu Taylor Street, Victoria Island, Lagos	08038077700	tomi.soyode@ubagroup.com www.ubagroup.com
4.	Zenith Pensions Custodian Limited	Nkem Oni-Egboma	No 22 Akin Adesola Street Victoria Island Lagos	08023164118	nkem.oni-egboma@zenithcustodian.com www.zenithcustodian.com

6.2 Profile of Pension Fund Operators

Table 6.4: Profile of Pension Fund Administrators

<i>S/N</i>	<i>PFA Name</i>	<i>Board of Directors</i>	<i>Paid-up Share Capital (N' million)</i>	<i>Number of Branches and Service Centre</i>	<i>External Auditors</i>	
1.	Aiico Pension Managers Limited	Ebi Ernest Chukwudi Mr. Eguarekhide J. Longe Chief (Dr.) O. Fajemirokun B. J. Oluwadiya Ademola Abimbola Adebisi Akinjide Orimolade Adewale Adegbite Edwin Igbiti Vacant	Chairman Managing Director/CEO Director Director Director Director Director Director Independent Director	1,575,000,000	36	Ernst & Young
2.	APT Pension Funds Managers Limited	HRH Chief Ombo Odibo Tom Big Harry JP Al-Mujtaba Abubakar Gumi Kasimu Garba Kurfi Ahmed Rufai Alti Tanimu Yakubu Mohammed-Ja Festus Oladejo Ajani Garba Ahmed	Chairman Managing Director/CEO Director Director Director Director Director	1,378,400,000	4	Muhtari Dangana & Co. (Chartered Accountants)
3.	ARM Pension Managers Limited	Christopher Nonyelum Okeke Vacant Olayiwola Afolabi Ms. Jumoke Ogundare Aliyu Asgar Yar'Adua Akojobi Ndunaka Daniel Souleyman Ba Kamar Bakrin Emmanuel Ikazoboh	Chairman Managing Director/CEO Executive Director Director Director Director Director Director Independent Director	1,190,476,189	52	KPMG Professional Services

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors		Paid-up Share Capital (N' million)	Number of Branches and Service Centre	External Auditors
4.	Crusader Sterling Pension Limited	Oluwole Bankole Oshin Adeniyi Falade Lanre Adesanya Tofarati Augusto Razack Adeyemi Adeola Richard Asabia Larry O. Ademeso Femi Oyetunji Kunle Omilani Ms. Bennedikter C. Molokwu Olusola Ojelade Segun Oluyori	Chairman Managing Director/CEO Director Director Director Director Director Director Director Independent Director Alternate Director to Tofarati Augusto Alternate Director to Razak A. Adeola	1,341,205,947	41	Pannel Kerr Forster
5	First Guarantee Pension Limited	Comrade Issa Aremu Chime Akalezi Johnny Ojeaga	Chairman (Interim Mgt. Committee) Ag. Managing Director Member (Interim Mgt. Committee)	583,847,417	31	Grant Thornton (Chartered Accountants)
6.	Future Unity Glanvills Pensions Limited	Ahmed A. Mu'azu Adeyinka O. Sogunle Usman B. Suleiman Anthony Ojeshina Chief A.O.Omisore Kins U. Ebebuike Gambo Shuaibu Garba Hungu John Abuh Oyidih Agbajegorite O. Edema Odunayo Francis Akinola Osijola Adefunke Adenike Samuel Ojo Shehu Ibrahim	Chairman Vice Chairman Managing Director/CEO Director Director Director Director Independent Director Alternate Director Alternate Director Alternate Director Alternate Director Alternate Director	1,500,000,000	28	Muhtari Dangana & Co & Ahmed Zakari & Co

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors	Paid-up Share Capital (N' million)	S/N	Number of Branches and Service Centre	External Auditors
7.	Fidelity Pension Managers Limited	Chief Christopher Eze Amaka Andy Azike Mike Osime Reginald Ihejiahi Chukwuemeka Obiagwu Professor Ike S. Ndolo	Chairman Managing Director/CEO Director Director Director Independent Director	1,576,583,829	26	Company and RSA: Akintola Williams Deloitte & Touche Retiree: D.C.C Alaibe & Co
8.	IEI-Anchor Pension Managers Limited	Sen. (Dr) Jonathan Silas Zwingina Solomon Okoli Rufai S. Hanga Martins Wayer Roselin Ekeng Francis Okwedy Adewole Adeosun	Chairman Managing Director/CEO Director Director Director Director Independent Director	2,222,000,000	20	Pannel Kerr Forster
9.	IGI Pension Fund Managers Limited	Apostle (Dr.) Hayford Alile, OFR Stanislaus Uchenna Ezeobi Doyin Adebambo Remi Olowude, OON Gen. (Dr.) Yakubu Gowon(Rtd), GCFR Rotimi Fashola Chief Eugene Okwor Yinka Obalade	Chairman Managing Director/CEO Executive Director Director Director Director Independent Director Director	1,000,000,000	5	Akinola Akintunde & Co
10.	Investment One Pension Managers Limited	Alex Okoh Azubuike Okonkwo Mr. Nicholas Nyamali Mr. Bayo Omojola Mrs. Taiwo A. Mudasiru Abimbola Afolabi -Ajaji	Chairman MD/CEO Director Director Director Director	1,301,447,368	1	KL & Co. (Nigeria) Chartered Accountants

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors		Paid-up Share Capital (N' million)	Number of Branches and Service Centre	External Auditors
11	Leadway Pensure PFA Limited	Lt. Gen. Garba Duba (Rtd)	Chairman	1,695,340,087	35	Akintola Williams Deloitte & Touche
		Mrs. Aderonke Adedeji	Managing Director/CEO			
		Olusakin Adebawale Labeodan	Executive Director			
		Olanrewaju Taofeek Idris	Executive Director			
		Oye Hassan-Odukale	Director			
		Kofo Majekodunmi	Director			
		Tunde Hassan-Odukale	Director			
		Ike Osakwe	Director			
		Dr. Anandi Prakash Mittal	Director			
		Ibrahim Waziri	Director			
		Mr. Muftau O. Oyegunle	Alternate Director to Mr. Hassan Odukale Oye			
		Debo Fasuyi	Alternate Director to A. P. Mittal			
12	Legacy Pension Managers Limited PFA	Lamis Dikko	Chairman	800,000,000	29	KPMG Professional Services
		Misbahu Umar Yola	Managing Director/CEO			
		Umar Sanda Mairami	Executive Director			
		Christopher Babatunde Bajowa	Executive Director			
		Ahmed Lawan Kuru	Director			
		Segun Fowora	Director			
		Mrs. Bukola Smith	Director			
		Mahdi Mohammed	Director			
		Salihu Shuaibu Makarfi	Director			
		Peter Obaseki	Director			
		Nurudeen Rafindadi	Director			
		Suzanne O. Iroche	Independent Director			

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors	Paid-up Share Capital (N' million)	Number of Branches and Service Centre	External Auditors	
13	NLPC Pension Fund Administrators Ltd.	J. O. Emmanuel A. O. Kolawole Mrs. C. O. Oyeleye Samuel Adewole Balogun E. O. Eleramo A. A. Adeyeye Chief F. R. A. Marinho Senator O. O. Omilani Ahmed Musa Muhammad Remilekun Odunlami	Chairman Managing Director/CEO Executive Director Executive Director Director Director Director Director Director Independent Director	1,460,216,440	5	Ajibade Durojaiye & Co (Chartered Accountants)
14	Oak Pensions Limited	Dr. Awa Ibraheem Samuel Inyang Muhammed Baba Ganiyu Musa Anirejuoritse Ojuyah Adeyemi Abdullateef	Chairman Managing Director/CEO Director Director Director Independent Director	1,050,000,000		Ernst & Young
15	Penman Pensions Limited	Umaru A. Mutallab, CON Peter E. Udo Amb. Ibrahim Y. Abdullahi, OON Umaru Kwairanga Abdulkadir Idris Barrister Wada Ibrahim Sulaiman Dauda Karofi Engr. Boni C. Madubunyi Mai Musa A. Kaku Usman Bayero Nafada Suleyman A. Ndanusa, OON Adekunle O. Alonge Anthony E. Nzenwata	Chairman Managing Director/CEO Director Director Director Director Director Director Director Independent Director Independent Director Alternate Director	1,723,060,000	11	PKF Professional Services (Panell Kerr Forster)

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

<i>S/N</i>	<i>PFA Name</i>	<i>Board of Directors</i>	<i>Paid-up Share Capital (N' million)</i>	<i>Number of Branches and Service Centre</i>	<i>External Auditors</i>	
16.	Pensions Alliance Limited	Rilwan Bello Osagie Emenike.D. Udanu Aliyu Abdullahi Mohammed Godwin Onoro Daniel Agbor Mrs Hamda Ambah Junaid Dikko Alphonse O. Okpor Ms. Olufunsho Olusanya Folashade Laoye	Chairman Managing Director/CEO Executive Director Executive Director Director Director Director Director Director Independent Director	1,100,000,000	37	Company : PriceWaterhouseCoopers (PWC) RSA & Retiree: KPMG Professional Services
17.	Premium Pension Limited	Aliyu A. Dikko Wilson Ideva Adamu Musa Mele Kayoed Akande Ahmed Almustapha Mohammed Inuwa Yahaya Ibrahim Alhassan Babayo Idris Saeed Engr. Victor Chukwudi Anohu Mr. Nelson Chidozie Nweke Paul Usoro (SAN)	Chairman Managing Director/CEO Executive Director Executive Director Director Director Director Director Director Director Independent Director	657,126,772	40	PriceWaterhouseCoopers (PWC)
18.	Sigma Pensions Ltd	Rasaki Oladejo Umaru H. Modibbo Chief Cletus Imasuen Mrs. Titilayo T. Adebisi Mohammed A. Jalingo Dunami Stanley Balami Ms. Yimebe Joi Nunieb	Chairman Managing Director/CEO Director Director Director Director Independent Director	984,539,474	31	Muhtari Dangana & Co. (Chartered Accountants)

Table 6.4: Profile of Pension Fund Administrators (Cont'd)

S/N	PFA Name	Board of Directors	Paid-up Share Capital (N' million)	Number of Branches and Service Centre	External Auditors	
19.	Stanbic IBTC Pension Managers Limited	Mrs. Olusola A. David-Borha Dr. Ademola Sogunle Steve Elusope Eric Fajemisin Ahmed Dasuki Mr. Godwin U. S. Wiggle Mr. Dominic Bruyneels Oladipo Ajose-Adeogun	Chairman Managing Director/CEO Executive Director Executive Director Director Director Director Independent Director	1,000,000,000	194	Company : KPMG Professional Services RSA & Retiree: Akintola Williams Deloitte & Touche
20.	Trustfund Pensions Plc	Ngozi Olejeme Helen Da-Souza Musa Nasr Oluwo Olawole Wasiu Akinwumi Oladeji Peter Esele Abdulwaheed Omar Mobolaji Oludamilola Balogun (Chief) Richard Uche Ayyuba Wabba Faith Tuedor Mathew Dauda Kolapo Adedeji Aderemi Adegboyega Oseretin Demuren Jude Chiemeka	Chairman Managing Director/CEO Executive Director Executive Director Director Director Director Director Director Director Director Director Independent Director Alternate Director	1,000,000,000	17	Akintola Williams Deloitte & Touche

Table 6.5: Profile of Closed Pension Fund Administrator

S/N	CPFA Name	Name of Director	Appointment	Paid-up Share Capital (N' million)	
1.	Chevron Nigeria Pension Plan Limited	Robert C. Neff Obafunke Alade-Adeyefa Emmanuel O. Imafidon Ezekiel Olasupo Shadiya J. U. Uwakwe Samuel Samson Udokwe Eyitemi Ned Mojuetan Ihuoma Onyearuha Frank Esanubi Peter Akiakeme Jerry L. Morgan	Chairman Managing Director/CEO Director Director Director Director Director Director Director Directors Independent Director	150,000,000	PriceWaterhouseCoopers (PWC)
2.	Nestle Nigeria Trust (CPFA) Limited	Dharnesh Gordon Adewale Abiodun Fakoya Syed Saiful Islam David Chidolue Ifezulike Marie Owoniti S. O. Solesi	Chairman General Manager/CEO Director Director Director Independent Director	2,500	KPMG Professional Services.
3.	Nigerian Agip CPFA Limited	Massimo Insulla Ighojovbe Oghenekaro Engr. Naaman F. Dienye Giuseppe Cerrito Antonino Cacopardi Chukwudi N. Illoh	Chairman Managing Director/CEO Director Director Director Director	1,262,500	Ernst & Young
4.	Progress Trust CPFA Limited	Mark Rutten Mrs. H. T. Lawani Anthony Anyansi Dick Okeke Ogbe Ogochukwu Agu Raphael Kunle Tukur	Chairman Managing Director/CEO Director Director Director Independent Director	150,000,000	PriceWaterhouseCoopers (PWC)

Table 6.5: Profile Closed Pension Fund Administrators (Cont'd)

S/N	CPFA Name	Name of Director	Appointment	Paid-up Share Capital (N' million)	External Auditors
5.	Shell Nig. Closed Pension Fund Administrator Ltd	Muti Sunmonu Mrs. Yemisi Ayeni Mrs Claire Ighodaro Beatrice Iyetule Spaine Jonathan Anolu Guy Janssens Tony Attah Mallam Balla Manu	Chairman Managing Director/CEO Director Director Director Director Director Independent Director	200,000	PriceWaterhouseCoopers (PWC)
6.	Total (E & P) Nigeria CPFA Limited	Emmanuel Essien Paul Odekina Mrs.Chantal Bellaird Olalere Babasola Mrs. Edith Ofili-Okonkwo Leo Klink John Emenike Aki Onuoha Oyisi Okatah Emmanuel Ekut Harriet Ann Adesola	Managing Director/CEO Director Director Director Director Director Director Director Director Director Director Independent Director	5,000,000	KPMG Professional Services.
7.	Unico CPFA Limited	Larry Ephariam Ettah Mrs. Muhibat O. Idowu Abbas Abdul Akhor Bello Brabindo Oruware Ogun Abimbola Olashore Olayiwola A. Adetuniwa Olawole M. Anyinla	Chairman Managing Director/CEO Director Director Director Director Independent Director	150,000,000	Akintola Williams Deloitte & Touche

Table 6.6: Profile of Pension Fund Custodians

S/N	PFC Name	Name of Director	Appointment	Paid-up Share Capital (N' million)	External Auditors
1.	Diamond Pension Fund Custodian Limited	Oladele Akinyemi Chinedu Ekeocha Chizoma Okoli Joe Kyari Gadzama Adedoyin Salami	Chairman Managing Director/CEO Director Director Director	2,000,000,000	KPMG Professional Services.
2.	First Pension Custodian Nigeria Limited	Mallam Umar Yahaya Kunle Jinadu Urum Kalu Eke Ijeoma E. Jidenma Philip Bandele Olufunwa Adebayo O. Odeniyi	Chairman Managing Director/CEO Director Director Director Independent Director	2,000,000,000	Akintola Williams Deloitte & Touche
3.	UBA Pensions Custodian Limited	Victor Odozi Bayo Yusuf Bismarck Rewane Dr. (Mrs.) Vivien Elumelu Tukur Bello Ingawa Apollos Ikpobe Johnson Agoreyo	Chairman Managing Director/CEO Director Director Director Director Director	2,000,000,000	Akintola Williams Deloitte & Touche
4.	Zenith Pensions Custodian Limited	Peter Amangbo Nkem Oni-Egboma Adaora Umeoji Steve Omojafor Ebenezer Onyeagwu Prof. Grace Alele Williams	Chairman Managing Director/CEO Director Director Director Independent Director	2,000,000,000	KPMG Professional Services

**APPENDIX:THREE YEAR FINANCIAL SUMMARY OF PENSION FUND
ADMINISTRATORS FOR THE PERIOD 2011 – 2013**

AllCO Pension Fund Managers Limited	2013	2012	2011
	(N'000)	(N'000)	(N'000)
Assets			
Cash & cash equivalents	277,999	639,691	91,915
Trade and other receivables	100,731	124,562	125,832
Other Assets	9,597	14,497	1,836
Financial Instruments – Available for sale	3,331	16,561	16,771
Financial Instruments – Held to maturity	505,396	-	74,086
Investment			
Property, plant and equipment	124,890	131,972	37,324
Intangible Assets	13,689	7,568	4,584
Deferred Tax assets	165,752	182,153	198,979
Total Assets	1,201,384	1,117,003	551,327
Liabilities			
Trade and Other payables	32,588	37,720	40,702
Preference Share Dividend Payable	69,750	-	-
Income tax payable	10,246	8,155	4,209
Interest-bearing loans and borrowings	67,750	67,789	250,054
Total Liabilities	180,333	113,664	294,965
Equity			
Issued share capital	800,000	800,000	800,000
Irredeemable preference shares	775,000	775,000	-
Share premium	40,365	40,365	39,200
Statutory reserves	14,629	3,611	220
Available for sales reserve	985	3,514	-
Convertible loan reserve	-	-	57,980
Retained loss	(609,929)	(617,304)	(641,038)
Total Equity	1,021,050	1,003,339	256,362
Total liabilities and equity	1,201,384	1,117,003	551,327
Statement of comprehensive income for the year ended 31 December			
Total operating income	728,756	524,615	376,173
Impairment losses on financial investments		(3,725)	(9,504)
Net operating income		520,890	366,668
Total operating expenses	614,692	469,534	(375,925)
Profit/(loss) before Taxation	114,064	51,357	(9,257)
Income tax expenses		(24,232)	(7,674)
Profit/(loss) for the year	88,143	27,125	(16,930)
Total comprehensive income for the year, net of tax		30,639	(16,930)
Earnings/(loss) per share		Kobo	Kobo
Basic	-	3.39	(2.12)
Dilute	-	0.29	(2.12)

Apt Pension Funds Managers Limited	2013	2012	2011
	(N'000)	(N'000)	(N'000)
ASSETS			
Fixed Assets			5,850
Investments			2,725
Cash & Bank			875
Advances & prepayments			97,040
	-		106,490
LIABILITIES			59,077
NET ASSETS	-		47,412
FINANCED BY:			
Share Capital			699,400
Share Premium			20,200
Accumulated Loss			-672,187
SHAREHOLDER'S FUNDS	-		47,412
INCOME			
Fund management & Admin fees			161,975
Others			467
	-		162,442
Less Operating expense			-160,553
Profit/(loss) Before Tax	-		1,888
Tax			-
Profit/(loss) After Tax	-		1,888

ARM Pension Managers (PFA) Limited	Dec-13 (N'000)	Feb-13 (N'000)	Feb-12 (N'000)
Assets			
Property and equipment	218,153	217,632	193,514
Intangible assets	899,381	875,441	831,367
Deferred Tax Asset	-	-	10,385
Non current assets	1,117,534	1,093,073	1,035,266
Trade and other receivables	843,935	872,544	83,438
Prepayments	130,148	68,290	82,393
Investment securities	1,137,873	-	972,434
Cash and cash equivalents	1,280,929	1,378,047	662,330
Current assets	3,392,885	2,318,881	1,800,595
Total assets	4,510,419	3,411,954	2,835,861
Retirement benefit obligation	-	80,769	97,203
Deferred tax	3,034	5,466	-
Non-current liabilities	3,034	86,235	97,203
Other creditors and accrued expenses	755,502	367,977	349,310
Tax payable	617,453	432,784	311,888
Current liabilities	1,372,955	800,761	661,198
Total liabilities	1,375,989	886,996	753,401
Equity			
Share Capital	1,190,476	1,190,476	1,190,476
Share Premium	18,162	18,162	18,162
Statutory Reserves	474,500	309,030	178,688
Retained Profit/(Loss)	1,451,292	1,007,290	690,134
Total equity	3,134,430	2,524,958	2,077,460
Total equity and liabilities	4,510,419	3,411,954	2,835,861
Profit(loss) on ordinary activities before tax	1,954,950	1,430,878	946,211
Taxation	(631,192)	(388,142)	(361,571)
Profit on ordinary activities after taxation	1,323,758	1,042,736	584,640
Earnings/(Loss) Per Share	111	88	49

Crusader Sterling Pension Limited			
	2013	2012	2011
	(N'000)	(N'000)	(N'000)
Gross income			
Fee income	1,360,067	1,044,084	807,118
Interest income	187,120	168,982	47,553
Other income	3,020	1,798	1,396
Administrative expenses	1,550,207	1,214,864	856,067
Profit on ordinary activities before	(911,689)	(768,801)	(537,765)
Taxation	638,518	446,063	318,302
Earnings per share (EPS) kobo	32.53	22.51	28.94
Balance Sheet			
Assets			
Cash and cash equivalents	1,557,108	1,392,277	983,076
Other assets	305,396	136,858	108,324
Fixed assets	432,803	111,771	126,896
Deferred tax asset	-	-	8,118
Total assets	2,295,307	1,640,906	1,226,414
Liabilities			
Creditors and accrued expenses	228,413	107,359	116,778
Staff pension fund	-	23	-
Taxation	233,514	136,444	12,050
Total liabilities	461,927	243,826	128,828
Capital and reserve			
Ordinary Share Capital	1,341,206	1,341,206	725,875
Preference Share Capital	-	-	225,166
Deposit for shares	-	-	401,870
Share premium	13,540	13,540	4,284
Statutory contingency Reserve	171,806	117,268	79,525
Revenue reserve	306,828	(74,934)	(339,134)
Shareholder's funds	1,833,380	1,397,080	1,097,586
Total liabilities and equities	2,295,307	1,640,906	1,226,414

Fidelity Pensions Managers Limited	2013 (N'000)	2012 (N'000)	2011 (N'000)
ASSETS			
Bank balances		298,423	410,810
Short term investments		4,863,467	2,321,885
Long term investments		7,220,163	5,482,655
Other assets		288,455	132,370
		12,670,508	8,347,720
LIABILITIES			
Sundry creditors and accruals		6,802	19,208
Other liabilities		211,221	222,308
		218,023	241,516
Contributors' fund			
Members' contribution		10,328,517	7,132,992
Revenue reserve		2,123,968	973,212
		12,452,485	8,106,204
		12,670,508	8,347,720
INCOME AND EXPENDITURE			
Total income		1,393,588	620,456
Total expenses		(242,833)	(213,281)
Profit/Loss for the year transferred to revenue reserve		1,150,755	407,175

First Guarantee Pension Limited	2013 (N'000)	2012 (N'000)	2011 (N'000)
ASSETS			
Cash and Bank		23,127	68,503
Debtors and Prepayments		574,421	134,541
Fixed assets		46,987	149,963
Intangible asset		-	-
Stock		94,500	-
Total asset		644,629	353,007
Liabilities			
Creditors and accruals		266,189	234,626
Bank overdraft		11,467	-
Taxation		11,467	-
		277,656	234,626
Capital and reserves			
Paid up capital		583,847	583,847
Reserves account		47,119	6,249
Loss account		(263,993)	(471,715)
		366,973	118,381
Shareholders' funds		644,629	353,007
Gross earnings		769,340	556,153
Profit/(loss) before taxation		338,428	18,777
Profit/(loss) after taxation		326,961	18,777
Statutory reserve		(40,870)	(2,347)
Profit/(loss) per share (kobo)		28	2

Future Unity Glanvills Pensions Limited	2012	2011	2010
	(N'000)	(N'000)	(N'000)
ASSETS			
Cash & Bank Balances			331,512
Debtors and prepayments			6,307
Others			21,964
Fixed Assets			170,160
Deferred Taxation			34,360
			564,303
	-		
CURRENT LIABILITIES			
Trade and Bank balances			41,351
Other liabilities			12,602
Tax Payable			-
Creditors failing due more than one year			2,524
			56,477
	-		
NET ASSETS			507,529
	-		
CAPITAL AND RESERVES			
Share Capital			1,000,000
General Reserve			-492,175
			507,825
SHAREHOLDER'S FUNDS			
	-		
Revenue			111,819
Profit/(loss) Before Tax			-62,568
Tax			-
Profit/(loss) After Tax			-62,568
	-		
Earnings/(Loss) Per Share			
Loss per share	-		(6)k

IGI Pensions Fund Managers Limited	2012	2011	2010
	(N'000)	(N'000)	(N'000)
ASSETS			
Cash & Bank Balances			228
Short-term Investments			3,718
Other Assets			37,462
Fixed Assets			37,848
Total Assets			79,256
	-		
CURRENT LIABILITIES			
Sundry Creditors			4,901
Total Liabilities			4,901
	-		
CAPITAL AND RESERVES			
Share Capital			250,000
Revenue Reserve			-175,645
Accumulated deficit			
			74,355
SHAREHOLDER'S FUNDS			
	-		
PROFIT AND LOSS ACCOUNT			
Fee Income			25,597
Interest Income			5,960
Administrative expenses			-112,265
Loss on Ordinary Activities before Taxation			-80,708
Taxation			-
Loss for the year			-80,708
	-		
Appropriations			
Transfer to Statutory Reserve	-		-
Loss for the year transferred to Revenue Reserve			-80,708

Leadway Pensure PFA Limited	2013	2012	2011
	(N'000)	(N'000)	(N'000)
ASSETS			
Cash & bank balances		37,322	20,361
Placement with financial institutions		1,091,507	641,922
Treasury bills		-	94,348
Equity securities		86	1,372
Other assets		706,248	402,530
Intangible assets		11,380	2,237
Property plant and equipment		147,292	70,945
Total assets		1,993,835	1,233,716
LIABILITIES			
Creditors and accrued expenses		156,938	114,262
Tax Payable		276,268	96,070
Deferred Taxation		5,529	-
Total liabilities		438,735	210,332
Equity			
Share Capital		1,589,382	1,589,381
Share premium		33,333	33,333
Statutory Reserve		153,781	87,316
Retained earnings		(221,396)	(686,647)
Total equity		1,555,100	1,023,384
Total liabilities and equity		1,993,835	1,233,716
Profit and Loss Account			
Gross Earnings		1,765,427	1,273,630
Profit/(loss) Before Tax		727,206	443,322
Profit/(loss) After Tax		531,716	353,263
Earnings (loss)per share - kobo			12.3

Legacy Pension Managers PFA Limited	2013	2012	2011
	(N'000)	(N'000)	(N'000)
BALANCE SHEET			
ASSETS			
Property and equipment		112,499	55,560
Intangible assets		27,827	20,167
Differed tax assets		2,553	23,155
Trade and other receivables		453,979	276,644
Prepayments		42,994	55,181
Cash and cash equivalent		1,102,431	696,115
Total assets		1,742,283	1,126,822
LIABILITIES			
Taxation payable		173,697	39,560
Trade and other payables		111,168	110,690
Provisions		35,368	25,345
Other liabilities		196	177
Employee benefits		65,542	-
Deferred tax liability		-	-
Deposit for shares		70,786	204,860
Total liabilities		456,757	380,632
Net assets		1,285,526	746,190
CAPITAL AND RESERVES			
Share Capital		735,096	566,681
Share Premium		371,690	286,059
Transfer to Statutory Reserves		102,075	58,767
Retained earnings (accumulated losses)		76,664	(165,317)
Shareholder's funds		1,285,525	746,190
Pension funds under management		114,228,968	90,298,712
Gross Revenue		1,253,119	983,432
Profit/(loss) on ordinary activities before taxation		522,337	423,104
Taxation		(175,871)	(145,030)
Profit/(loss) on ordinary activities after taxation		346,466	278,074
Earnings/(Loss) Per Share		0.47	0.49

NLPC Pension Fund Administrators Limited			
	2013	2012	2011
	(N'000)	(N'000)	(N'000)
BALANCE SHEET			
ASSETS			
Property, plant and equipment		95,771	98,062
Intangible assets		14,289	-
Financial assets		977,129	92,832
Net current assets		142,184	144,588
			360,350
CAPITAL AND RESERVES			
Paid up share capital		1,460,216	880,000
Share premium		19,561	-
Statutory reserve		58,334	21,569
General reserve		(308,738)	(566,087)
		1,229,373	335,482
Turnover and profit			
Total income		1,228,676	888,449
Profit/(loss) before Tax		307,246	112,988
Taxation		(17,199)	(15,180)
Profit/(loss) after taxation		294,113	97,807
Basic earnings/(loss) per N1 ordinary share		20.14	11.11
Net assets per N1 ordinary share		84.19	38.12

OAK Pensions Limited	2013	2012	2011
	(N'000)	(N'000)	(N'000)
BALANCE SHEET			
ASSETS			
Cash & Bank Balances			1,637,667
Investments			2,232,000
Receivables			22,404,266
Fixed Assets			131,917,277
Deferred Taxation			93,538,281
			251,729,491
	-		
CURRENT LIABILITIES			-87,262,915
NET ASSETS			164,466,576
	-		
CAPITAL AND RESERVES			
Share Capital	-		500,000,000
Share Premium	-		200,000,000
Revenue Losses	-		-535,533,424
			164,466,576
SHAREHOLDER'S FUNDS			
	-		
Operating Income			118,523,586
Profit/(loss) For the year			-68,312,420

Penman Pensions Limited	2012	2012	2011
	(N'000)	(N'000)	(N'000)
BALANCE SHEET			
ASSETS			
Cash and bank balances		42,407	1,235
Investments		1,030,000	19,900
Debtors and prepayments		56,810	90,097
Property, plant and equipment		29,323	11,842
Intangible assets		19,789	-
		1,178,329	123,074
CURRENT LIABILITIES			
Trade and Other Creditors		4,700	13,972
Other liabilities		82,850	89,882
Taxation		4,345	409
Deposit for Shares		-	-
		91,903	104,263
Long Term Liabilities			
Creditors falling due more than one year		12,119	-
Net assets		1,074,307	18,811
Capital and reserves			
Share capital		1,638,431	605,841
Share premium		63,659	63,659
Statutory reserve		2,970	1,812
General reserve		(630,753)	(652,501)
Total shareholders equity		1,074,307	18,813
Revenue		188,452	117,127
Profit/(loss) before taxation		13,047	710
Taxation		-	-
Profit/(loss) after taxation		13,047	710
Profit/(loss) per share		0	1

Pensions Alliance Limited			
	2012	2012	2011
	(N'000)	(N'000)	(N'000)
BALANCE SHEET			
ASSETS			
Cash and bank balances	470,024	920,078	534,186
Investment	819,093	-	-
Other assets	833,647	579,570	434,517
Deferred tax asset	-	-	17,634
Intangible assets	16,598	3,889	6,125
Property and equipment	239,898	168,170	173,690
	2,379,260	1,671,707	1,166,152
LIABILITIES			
Current income tax liability	344,258	114,203	30,928
Deferred income tax liability	31,745	15,696	-
Other liabilities	184,965	148,646	69,445
Deposit for Shares	-	-	351,000
	560,968	278,545	451,373
Net Assets	1,818,292	1,393,162	714,779
CAPITAL AND RESERVES			
Share Capital	1,100,000	1,100,000	800,000
Share premium	51,000	51,000	-
Retained earnings	502,649	144,410	(142,050)
Statutory reserve	164,643	97,752	56,829
Shareholder's Funds	1,818,292	1,393,162	714,779
Total operating income	1,997,547	1,515,813	1,070,233
Total operating expense	(1,205,550)	(1,053,207)	(732,075)
Profit/(loss) before taxation	791,997	462,606	338,158
Taxation	(256,867)	(135,223)	(95,595)
Profit/(loss) after taxation	535,130	327,383	242,563
Earnings/(Loss) per share (kobo)	49	31	30

Premium Pension Limited	2013	2012	2011
	(N'000)	(N'000)	(N'000)
ASSETS			
Cash and cash equivalents	2,133,751	1,421,477	361,325
Investment securities	717,666	-	-
Prepayments	150,481	129,983	83,223
Other assets	540,015	467,708	341,374
Property and equipment	1,455,014	1,411,110	1,247,913
Intangible assets	39,337	5,218	10,802
Total assets	5,036,264	3,435,496	2,044,637
LIABILITIES			
Tax payable	958,442	601,627	327,158
Deferred tax liabilities	183,562	155,979	100,078
Retirement benefit obligations	258	7,678	-
Other liabilities	507,368	533,875	319,458
Interest bearing loans and borrowings	-	-	1,465
Total liabilities	1,649,630	1,299,159	748,159
Equity			
Share capital	657,126	657,126	597,387
Share premium	97,161	97,161	156,900
Retained earnings	2,142,787	1,109,812	395,373
Other components of equity	489,560	272,238	146,818
Total equity attributable to equity holders of the company	3,386,634	2,136,337	1,296,487
Total liabilities and equity	5,036,264	3,435,496	2,044,637
Profit and Loss Account			
Operating Income	4,225,856	3,183,703	2,176,886
Expenses	(1,875,112)	(1,696,807)	(1,240,373)
Profit before income tax	2,350,744	1,486,896	936,513
Income tax expenses	(726,125)	(467,172)	(306,772)
Profit/(loss) After Tax	1,624,619	1,019,724	629,741
Earnings Per Share (K)	247	155	105

Sigma Pensions Limited	2013	2012	2011
	(N'000)	(N'000)	(N'000)
Assets			
Cash and cash equivalent		440,029	269,305
Loans and receivables		277,962	189,940
Other assets		487,444	479,381
Deferred tax asset		2,452	-
Statutory reserve investments		211,678	134,515
Property, plant and equipment		492,715	409,806
Intangible asset		173,635	125,724
Total Assets		2,085,915	1,608,671
Liabilities		308,929	179,007
CAPITAL AND RESERVES			
Issued share capital		984,540	965,313
Share Premium		77,511	75,313
Statutory reserves		243,623	180,584
Treasury shares		(34,072)	(10,106)
Retained earnings/(accumulated loss)		505,385	218,561
Total shareholders' equity		1,776,987	1,429,665
Total shareholders' liabilities and equity		2,085,916	1,608,672
Revenue			
Fund management and admin fees		2,155,137	1,641,926
Others		75,464	56,381
Less operating expenses		(1,422,292)	(1,073,827)
Profit/(loss) before taxation		808,308	624,480
Information technology development levy		(8,083)	(6,245)
Taxation		(295,914)	(157,111)
Profit/(loss) after taxation		504,311	461,124
Earnings per share (kobo) – Basic/Diluted)		0.51	0.48

Stanbic IBTC Pension Manager Limited			
	2013	2012	2011
	(N'000,000)	(N'000,000)	(N'000,000)
BALANCE SHEET			
ASSETS			
Cash and cash equivalents	4,798	3,823	3,022
Financial assets	10,527	7,258	4,651
Trade receivables	1,510	1,056	789
Prepayments	816	364	280
Property and equipment	407	385	340
Intangible assets	-	-	2
Total assets	18,058	12,887	9,194
LIABILITIES			
Trade and Other Payables	3,155	3,025	1,550
Tax	3,404	1,926	1,433
Deferred tax	87	75	71
TOTAL LIABILITIES	6,646	5,026	3,054
NET ASSETS	11,412	7,861	6,140
CAPITAL AND RESERVES			
Share Capital	1,000	1,000	1,000
Reserves	10,412	6,861	5,140
SHAREHOLDER'S FUNDS	11,412	7,861	6,140
Statement of Comprehensive income			
Gross Income		11,751	8,191
Operating Expenses		(5,448)	(3,468)
Profit before tax		6,303	4,723
Tax		(1,919)	(1,404)
Profit After Tax		4,384	3,319
Net changes in fair value of available for sale financial assets		245	(3,59)
Total comprehensive income		4,629	2,960
Appropriation			
Transfer to statutory reserve		548	415
Transfer to retained earnings		3,836	2,904
		4,384	3,319
Earnings Per Share (basic)		438k	332k
Earnings Per Share (adjusted)		438k	332k
Dividend per share		380k	291k

Trustfund Pensions PLC	2013	2012	2011
	(N'000)	(N'000)	(N'000)
ASSETS			
Cash and bank balances	133,973	89,557	8,287
Fixed term deposit	-	-	304,734
Equity securities	-	-	11,709
Loans and receivables	44,577	47,722	220,514
Debt security	-	392,116	350,520
Other assets	1,065,107	996,907	787,003
Intangible assets	53,876	56,724	46,787
Property, plant and equipment	587,951	334,255	237,388
Investment property	2,518,919	1,854,461	912,950
Total assets	4,404,403	3,771,742	2,879,892
LIABILITIES			
Payables and accrued expenses	536,029	571,002	445,986
Provisions	59,662	57,100	50,353
Tax payable	282,266	424,963	343,485
Deferred tax	129,953	87,963	46,179
Total liabilities	1,007,910	1,151,041	886,003
NET ASSETS	3,396,493	2,620,701	1,993,889
CAPITAL AND RESERVE			
Share capital	1,000,000	1,000,000	1,000,000
Revenue reserve	1,939,727	1,289,659	749,703
Statutory reserve	456,766	331,042	232,477
Other reserves	-	-	11,709
Shareholder's Funds	3,396,493	2,620,701	1,993,889
Profit and Loss Account			
Gross earnings	3,897,293	3,308,584	2,170,377
Profit/(loss) before taxation	1,089,909	1,037,999	54,691
Profit/(loss) after taxation	1,005,792	788,521	345,041
Earnings per share - kobo	1.01	0.79	0.35