

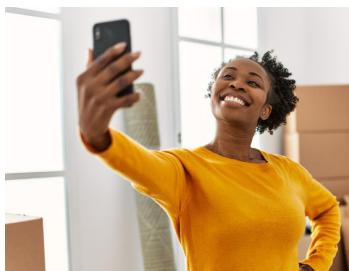
Premium Pension

BULLETIN

For Staff, Pension Desk Officers (PDOs) and HR Managers

Premium Pension appoints Gen. Bitrus Kwaji as Chairman

Pg. 5



Members Utilize Equity Contributions For Residential Mortgage

Pg. 4



Premium Pension holds its quarterly PDO/HR Managers Forum

Pg. 8



Overview of the Pension Industry

Pg. 3

OVERVIEW OF THE NIGERIAN ECONOMY

In its recently released GDP report, the National Bureau of Statistics (NBS) estimates that the Nigerian economy grew by 2.51% in Q2 2023, a slight increase from the 2.31% in Q1 2023 but down from the 3.54% growth recorded in Q2 2022. This growth was driven mainly by the non-oil sectors, with the top-contributing sectors being agriculture (23%), trade (16.8%), and telecommunications (16.06%), which grew by 1.5%, 2.4% and 9.7%, respectively (Stears Articles).

The Nigerian economy was expected to grow at a slower rate of 2.8% in the 2nd Quarter (Q2) of 2023 in a forecast published by the World Bank. Factors attributed to the slow growth include continued high inflation, high fuel costs due to subsidy removal and shortage of foreign exchange. An increase in oil revenues was witnessed during the quarter due to surge in the price of crude oil, resulting from production cap set by Organization of the Petroleum Exporting Countries (OPEC) for its member countries.

Additionally, the removal of oil subsidy regime had contributed to the realized revenue. In line with global events, the domestic economy continued to experience rising inflation, as the rate increased to 22.79% in June, 2023 from 22.04% in March, 2023. The Monetary Policy Committee of the Central

Bank of Nigeria increased the Monetary Policy Rate (MPR) to 18.50% from 18.00% in March 2023 to help reduce domestic money supply and moderate exchange rate pressures. However, inflationary pressures are expected to continue in tandem with global trends.

2.31%

Q1 2023

2.51%

Q2 2023

National Bureau of Statistics (NBS)

Retire with confidence



Tips for ensuring consistent contributions

Make a Budget

Create a budget that includes your Voluntary pension contributions. Be sure to include all of your income sources and expenses. Knowing your expenses will help you prioritize your spending and save for retirement.

Automate your contributions

Informal Micro Pension contributors can automate their pension contributions to build consistency. Set up a direct debit from your bank account accompanied by the schedule to your pension account, so your contributions are made automatically each month. This will help you avoid missing payments or forgetting to contribute.

Review your contributions regularly

Review your pension contributions regularly and adjust them using Voluntary Contributions as needed. This can help you stay on track with your retirement savings goals and make sure you're contributing enough to meet your needs. Consider increasing your contributions whenever you receive a raise or bonus to help accelerate your retirement savings or when no more expenses are to be incurred.

OVERVIEW OF THE PENSION INDUSTRY



The total pension contributions remitted to individual Retirement Savings Account (RSAs) in Q2 2023 stood at ₦263.91 billion. Out of this total, the public sector accounted for ₦146.14 billion or 55.38%, while the private sector contributed ₦117.73 billion or 44.61%. Micro Pension accounted for ₦41.96 million or 0.02%. The cumulative pension contributions from inception to the end of the second quarter of 2023 amounted to N9.37 trillion.

The total value of Pension Fund assets as at 30 June 2023 was N16.76 trillion, which comprised of N11.86 trillion, RSA 'Active' Funds (i.e. RSA Funds I, II, III, V and VI active); N1.27 trillion, RSA Retiree Fund IV and Fund VI; N2.02 trillion, CPFAs; and N1.61 trillion, Approved Existing Schemes. Pension Fund Assets were mainly invested in Federal Government Securities (FGN), which accounted for 64.78% of total assets. The composition of investments in FGN Securities were as follows: FGN Bonds, 95.82%; Treasury Bills, 1.77%; and Agency Bonds, Sukuk and Green Bonds, 2.41%.

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OUR MEMBERS UTILIZE EQUITY CONTRIBUTION FOR RESIDENTIAL MORTGAGE

Within the quarter, we successfully paid fourteen customers who have applied to access 25% of their pension savings as Equity Contributions for Residential Mortgage. This is in line with the Guidelines on accessing RSA Balance towards Payment of Equity Contributions for Residential Mortgage for RSA Holders released by the National Pension Commission (PENCOM) in September 2022.

The arrangement is designed to facilitate home ownership by RSA holders, deepen the Mortgage sector through provision of sustainable long-term finance, and spur socio-economic development by narrowing the nation's lingering housing deficit.

The Company has successfully paid the sum of N216, 863,162.00 (Two Hundred and Sixteen Million, Eight Hundred and Sixty-Three Thousand, One Hundred and Sixty-Two Naira) to the primary mortgage institutions of the fourteen customers. The Company understands that owning a home is an essential part of financial security and retirement planning for its Members, and we are pleased to have played a crucial role in making this dream a reality. We remain committed to supporting our Members through this journey.

PREMIUM PENSION APPOINTS GEN. BITRUS KWAJI AS CHAIRMAN, NENADI USMAN, GARBA MAKARFI AND MANSUR ALIERO AS DIRECTORS

The Board of Premium Pension Limited has announced few changes at the corporate level, which includes the appointment of Gen. Bitrus Kwaji (rtd) OON as its new Chairman effective 19th August 2023. This followed the retirement of the erstwhile Chairman Mr. Ibrahim Alhassan Babayo who held the position since 2020. Similarly, Senator Nenadi Esther Usman, DCG Garba Bala Makarfi (Rtd) and Dr. Mansur Aleiro have joined the Board of the Company as Non-Executive Directors in September 2023.

General Kwaji (rtd), a career soldier trained by the Nigerian Army to become a chartered accountant is an alumnus of Ahmadu Bello University, Zaria and Strayer University Washington DC, USA, among others. Until his retirement from the Nigerian Army in 2014, General Kwaji, was the Group Managing Director, Nigerian Army Welfare Ltd/Gte, a non-profit organization, registered by the Nigerian Army under the Companies and Allied Matters Act, 1990. During his over thirty (30) years career in the Nigerian Army, he held several positions, including Deputy Defence Attaché Finance, Washington DC, General Manager (Investments) Nigerian Army Welfare Scheme, Director of Finance Defence Intelligence Agency, Commandant Nigerian Army School of Finance and Administration as well as Chairman, Military Pensions Board.

Gen. Kwaji, is a distinguished Fellow of the Association of National Accountants of Nigeria (FCNA).

Until his appointment as Chairman, Board of Directors, he chaired the Board Audit Committee as well as Finance and General Purposes Committee that had oversight over the development of the Company's Strategic Plan and is responsible for periodic review as well as monitoring the implementation of the Plan. It is these wide-ranging experiences, garnered over the years, deep understanding of the business as well as the Strategic Plan of the Company that he is bringing to bear on his new assignment as the Chairman of the Board of Premium Pension Limited.



General Bitrus Kwaji (rtd)



Nenadi Usman



Mansur Aliero



Garba Bala Makarfi

Dr. Nenadi Esther Usman is a distinguished and accomplished leader and respected public personality with a diverse and impressive background. She holds a Doctorate Degree in Geography from the famous Ahmadu Bello University, Zaria and a Master's Degree in Strategy and Security Management as well as expertise in Administration and taxation respectively. She has exhibited a lifelong commitment to education, leadership, and public service. She served as the Minister of Finance in the administration of President Olusegun Obasanjo, where she played a pivotal role in shaping economic policies and strategies for Nigeria, meant to bolster economic development of the nation.

Mr. Garba Bala Makarfi is a highly accomplished professional with a rich educational background and extensive experience in leadership roles. He holds a Diploma in Library Science and a Bachelor of Science (BSc) degree in Library and Information Science, both earned from Ahmadu Bello University, Zaria demonstrating his commitment to continuous penchant for scholarship. Mr. Makarfi's professional journey is marked by a series of notable achievements and training experiences that have enhanced his expertise and leadership abilities.

Notable among his trainings are participation in the first Nigerian Business Investment Forum and Exhibition of Modern Nigeria Product in the United Arab Emirates (UAE), a Professional Development workshop in Canada, and the Transformation Initiatives

Leadership training in Canada. These experiences have equipped him with a global perspective and valuable insights into business and leadership. His distinguished career within the Nigerian Customs Service highlights his rise through the ranks, holding positions such as Superintendent, Chief Superintendent, Assistant Controller of Customs, and Deputy Comptroller General (DCG) in charge of Finance, Administration, and Technical Services.

Dr. Muhammadu Mansur Aliero is a consummate academician and an entrepreneur with a strong educational foundation, distinguished academic career spanning various institutions and degrees. He attended Usman Danfodio University Sokoto. He completed his PhD and Msc degrees in year 2018 and 2012 respectively at University Putra Malaysia. Dr. Aliero's academic achievements, professional expertise, and commitment to ongoing learning underscore his dedication to contributing to the fields of education, Business and enterprise GIS. His extensive training and memberships in professional organizations reflect his continuous pursuit of excellence and knowledge in his chosen career. In his quest for knowledge, Dr. Mansur attended notable international conferences in Tunisia, Malaysia, Indonesia and China among others.



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 **csu@premiumpension.com**

Premium Pension holds its Quarterly PDOs/HR Managers Forum

Premium Pension had a PDO forum in September. This engagement created an avenue for sharing the latest industry initiatives as well as feedback and enlightenment. An overview of the people in presence.





Everybody wants a *good*
life at retirement

At Premium Pension

We put the *good* in
the good life

