

INTRODUCTION

Following the increasing interest in Nigerians abroad to take part in the Nigerian pension reform scheme, it is pertinent to note that Cross Border employment often leads to loss of pension rights as a result of waiting or vested periods imposed by some schemes. Quite a number of schemes also do not allow for transfer of rights to countries they do not have cross border arrangement with.

One key objective of the guidelines on **Cross Border Arrangement (CBA)** is to seek to encourage the participation of Nigerians abroad in the contributory pension scheme and assist them to save in Nigeria towards their old age and subsequent return.

The CBA shall involve the conditions and/or the set of guidelines under which Nigerian citizens serving in other countries could participate in the Nigerian Pension Scheme. The CBA therefore makes provision for **Nigerians in Diaspora**, who may wish to make Voluntary Contributions as provided in the Nigerian Pension Reform Act 2004.

WHAT WILL CROSS BORDER ARRANGEMENT DO?

- ✚ Establish a standard set of rules and procedures for foreign nationals and Nigerians resident abroad to participate in the new contributory pension scheme.
- ✚ Encourage participation of Nigerians abroad in the contributory pension scheme and assist them to save in Nigeria towards their retirement & subsequent return.
- ✚ Provide a platform to accommodate foreigners working in Nigeria in the new scheme, thus guaranteeing a better retirement life for them.

WHO QUALIFIES?

✚ Foreign nationals working in Nigeria

Any foreign employee of a company registered in Nigeria shall, at his/her discretion, join the scheme, without considering whether or not he/she has a pension arrangement in his/her home country.

The employee shall inform his employer of his interest to join the scheme.

✚ Nigerians Working Abroad

Any Nigerian working abroad, who is interested in joining the new pension scheme, shall be allowed to participate by making voluntary contributions.

Nigerian employees of Nigerian institutions with offices abroad shall be allowed to participate in the scheme.

Where the employee joins a retirement benefit scheme abroad, he/she shall be allowed to repatriate his/her accumulated benefits to his/her RSA with a PFA in Nigeria.

✚ Nigerian Employees Moving Abroad

Any Nigerian employee already contributing into his/her RSA going on transfer to another country or leaving his/her employment in the country for another employment abroad, shall notify his/her PFA through his/her previous employer.

Pursuant to the above, the employee shall indicate whether he/she intends to send voluntary contributions into the RSA.

✚ Nigerians Returning from Foreign Employments

A Nigerian previously working abroad shall be part of the scheme if upon his/her return to the country, secures an employment.

Where the Nigerian wants to repatriate his accrued benefits into his RSA, he/she shall obtain anti-money laundry clearance/approval from relevant authorities in the home country (Nigeria) and the host country (where he was previously working)

What Do I Need To Sign Up?

A Contributor under this arrangement (CBA) shall be required to provide such documents that specify his/her status, to the PFA. As applicable, these documents may include;

- ✚ Evidence of employment in host country
- ✚ Evidence of remuneration (pay advice)
- ✚ Evidence of nationality (i.e. copy of international passport)
- ✚ Evidence of resident permit in host country
- ✚ Employment letter from his/her employer
- ✚ Evidence of resident permit in Nigeria, e.t.c

Modalities (How will it Operate?)

The approved currency shall be the Nigerian Naira.

- ✚ The prevailing official exchange rate as at the date of receipt of the contribution shall be used in converting all contributions.
- ✚ A minimum of 15% must be made; that is, 7.5% by the employer and 7.5% by employee.
- ✚ Where the individual is a foreigner and voluntarily opts to join the contributory scheme, the individual could contribute the entire 15%.
- ✚ Voluntary contributions shall be at a rate pre-determined by the individual.

WITHDRAWAL

Contributions and/or accumulated retirement benefits repatriated/imported shall be paid into the domiciliary account of the PFA/PFC

Upon retirement, benefits of foreign nationals permanently relocating outside Nigeria shall be converted to the desired currency and paid into the domiciliary account from where it shall be remitted as instructed by the participant.

Accumulated retirement benefits shall be ready for collection as and when due in the country where the account is domiciled.

WHY LEADWAY PENSURE PFA?

With over 1000 private organizations under our pension management system, including the blue chip companies; a real time, online retirement Saving Account monitoring, and a responsive customer service and relationship management, Leadway Pensure PFA remains the Pension Fund Administrator of choice.

As the PFA of choice, Leadway Pensure PFA has remained committed and in the fore front of ensuring that the new scheme is a huge success because for us, the comfort of our customers in retirement remains our passion.