RETIREMENT BENEFITS
SECTOR REPORT
2019

URBRA

UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY

Protecting Your Retirement Benefits

A Publication of the Uganda Retirement Benefits Regulatory Authority (URBRA)
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URBRA's MANDATE AND PRIORITIES

Mandate

i) Regulate and supervise the establishment, management and operation of Retirement Benefits Schemes

ii) Protect the interests of scheme members and beneficiaries

iii) Improve understanding and promote development of the Retirement Benefits Sector

iv) Advise the Minister of Finance, Planning and Economic Development on all matters relating to the development and operation of the Retirement Benefits Sector

v) Implement Government policy relating to the Retirement Benefits Sector

Priorities

- Intensify supervision of licensed entities
- Enhance investment in risk-based supervision
- Increase coverage of formal sector workers
- Extend coverage to informal sector workers
- Reduce Sector operational costs and encourage additional savings
- Promote preservation of pre and post retirement incomes

URBRA's VISION, MISSION AND CORE VALUES

Vision:
A vibrant, secure and sustainable Retirement Benefits Sector

Mission:
To regulate, supervise and promote the development of a stable and effective Retirement Benefits Sector

Values:
Proficiency, Integrity, Innovation, Transparency, Accountability

Strategic Goals

- A Sound Supervisory Framework
- A Trusted and Respected Regulatory Authority
- Effective and Efficient Service Delivery

Safety | Adequacy | Sustainability | Stability

URBRA's SUPERVISORY APPROACH

URBRA's supervisory approach is focused on the particular characteristics of each supervised entity. The approach has key and consistent underlying themes focusing on:

- a detailed understanding of the strengths, weaknesses and major risks facing supervised entities through rigorous off-site and on-site analysis, and strategic discussions with trustees and service providers;
- ensuring that supervised entities are effective in their operations, and constantly demonstrate that they are financially sound and prudently managed.

Objective	Encourage regulated entities to operate in a manner that will protect members	Understand their own risks Effectively manage their risks
	Identify risks that regulated entities will not meet obligations to members	Financial soundness Market conduct
	Focus supervisory attention on the most significant risks	High risk entities High risk activities
	Intervene to require remediation of supervisory concerns	Timely and effective Make the regulated entities responsible for solving their problems
Procedure	Encourage regulated entities to operate in a manner that will protect members	Financial requirements Operational requirements Market conduct requirements
	Identify risks that regulated entities will not meet obligations to members	Knowledge of business Offsite analysis Onsite inspection Market analysis
	Focus supervisory attention on the most significant risks	Varying supervisory intensity Risk assessment reports
	Intervene to require remediation of supervisory concerns	Intervention powers Intervention policy Supervisory decision-making Follow-up and enforcement

LIST OF ACRONYMS

AUM	Assets Under Management
BOU	Bank of Uganda
CMA	Capital Markets Authority
FY	Financial Year
IRA	Insurance Regulatory Authority
KACITA	Kampala City Traders Association
MOFPED	Ministry of Finance, Planning and Economic Development
NSSF	National Social Security Fund
PPS	Parliamentary Pension Scheme
PSPS	Public Service Pension Scheme
RBS	Retirement Benefits Scheme
SAGE	Social Assistance Grant for Empowerment
SPF	Staff Provident Fund
UBOS	Uganda Bureau of Statistics
UGX	Uganda Shillings
URBRA	Uganda Retirement Benefits Regulatory Authority
SVS	Supplementary Voluntary Schemes

GLOSSARY

Act of Parliament	Legislation that is passed by Parliament intended to create a new law or to amend an existing law.
Active member	An individual who is making contributions.
Administration	The operation and oversight of a retirement benefits scheme.
Administrator	A company or individual ultimately responsible for the operation and oversight of retirement benefits scheme.
Annuity	A form of financial contract mostly sold by life insurance companies that guarantees a fixed or variable payment income benefit for a specified period.
Asset Management	The act of investing scheme assets following an investment strategy.
Beneficiary	An individual who is entitled to a benefit.
Benefits	Payment made to a member or beneficiaries upon qualification.
Contribution	A payment made to a scheme by a member or employer.
Contribution Rate	The amount (typically expressed as a percentage of the contribution base) that is needed to be paid into a scheme.
Corporate Trustee	Entity authorized by law to act in a fiduciary capacity for members.
Custodian	The entity responsible for holding scheme assets and for ensuring their safe keeping.
Deferred Member	A member that no longer contributes to or accrues benefits from the scheme but has not yet begun to receive retirement benefits from that scheme.
Defined Contribution Scheme	A scheme in which the employer, employee or both make contributions.
Deferred Retirement Benefit	A benefits arrangement in which a portion of an employee's income is paid out at a date after which the income is actually earned.
Deposit Administration Plan	An arrangement in which the sponsor/employer deposits an asset (such as cash) in an insurance company account. Upon the retirement of the plan's beneficiary, the insurance company withdraws the funds from the account as a lump sum payment to the beneficiary. Under this arrangement the insurance company guarantees a certain percentage of interest to members on an annual basis.
Diversified Holdings	These are investments in firms that have multiple, unrelated businesses, produce different products or provide different services.
Fiduciary	Any person responsible for the control, administration or management of a scheme. (Trustees and all other service providers are fiduciaries).
Formal Sector	Sector which encompasses all jobs with formal contracts, specified normal working hours and regular wages/salaries, and are recognized as income sources on which income taxes must be paid.

Funding	The act of accumulating assets in order to finance a retirement benefits plan.
Gross Rate of Return	The rate of return of an asset or portfolio over a specified period, prior to discounting any fees or expenses.
Indexation	Adjustment taking into account changes in the cost of living (for example prices and/or earnings).
Informal Sector	Informal sector consists of a large number of small units established, owned and operated by self-employed persons, either alone or in partnership with others, for the primary purpose of generating their own employment and income through the production or distribution of goods or the provision of services.
Lump sum	This is a mode of payment where a person is paid all his savings at once.
Mandatory Scheme	Means a scheme established under Act of Parliament which requires all eligible employers and employees to register and make contributions.
Market Value	The price an asset would fetch in the market place.
Member	An individual who is either active or passive (retired, and hence receiving benefits), or deferred (holding deferred benefits) participant in a retirement benefits scheme.
Micro-pension Scheme	A voluntary, defined contribution, individual account plan for the informal sector (or low income earners).
Net Contributions	Total contributions less benefits.
Net Rate of Return	The rate of return of an asset or portfolio over a specified period, after discounting any fees or expenses.
Pension	Regular payment made to a member (beneficiary) after retirement and until death.
Provident Fund	A fund into which the employer, employee or both make contributions, so that when the employee retires, he or she receives his or her benefits as a Lump sum payment.
Rate of Return	The income earned by holding an asset over a specified period.
Scheme	An arrangement designed to replace employment income upon retirement. These arrangements may be set up by employers, insurance companies, trade unions, the government, or other institutions.
Social Pension	Cash-transfer based programs providing non-contributory old age provision for underprivileged citizens.
Trust Deed	A legal document executed between the sponsor and the trustees for purposes of setting up a scheme.
Trustee	A person or company acting for the benefit of members, with fiduciary and legal responsibilities, and is responsible for managing assets of beneficiaries.
Umbrella Retirement Benefits Scheme	A scheme which collects contributions of employees of a single employer or a group of employers, individuals, members of an association or a professional body.

Effective Monitoring & Evaluation framework

... the Board ensured that the new Strategic Plan provides for an effective Monitoring and Evaluation framework that focuses on member outcomes, that will address contingencies of old age.

CHAIRMAN'S STATEMENT

Andrew Derek Kasirye
Chairman, Board of Directors

On behalf of the Board of the Uganda Retirement Benefits Regulatory Authority, I am pleased to present the Annual Report of the Retirement Benefits Sector for the year 2019. I must also state with immense satisfaction, that the Sector asset base is now over UGX 13 trillion, supported by better supervision, and growth in the contributions made by members, their employers, and investment income.

The period under review forms part of the last year of implementation of the Strategic Plan 2014/15-2019/20. I am proud that we have built the capacity of the Authority, and have recorded significant progress in risk assessment, supervisory response and risk monitoring.

However, further reforms are needed to increase coverage, preservation and adequacy, and to enhance the Authority's supervisory focus on member outcomes through additional resourcing to intensify supervision, investment in risk-based supervision, with a clear intent to hold entities accountable for promptly addressing deficiencies.

Towards this aim, the Board developed a Strategic Plan for the next five years (2020/21-2024/25). The Plan is deliberately outward looking and places the Authority's attention firmly on what stakeholders' expectations are, and how they shall be met.

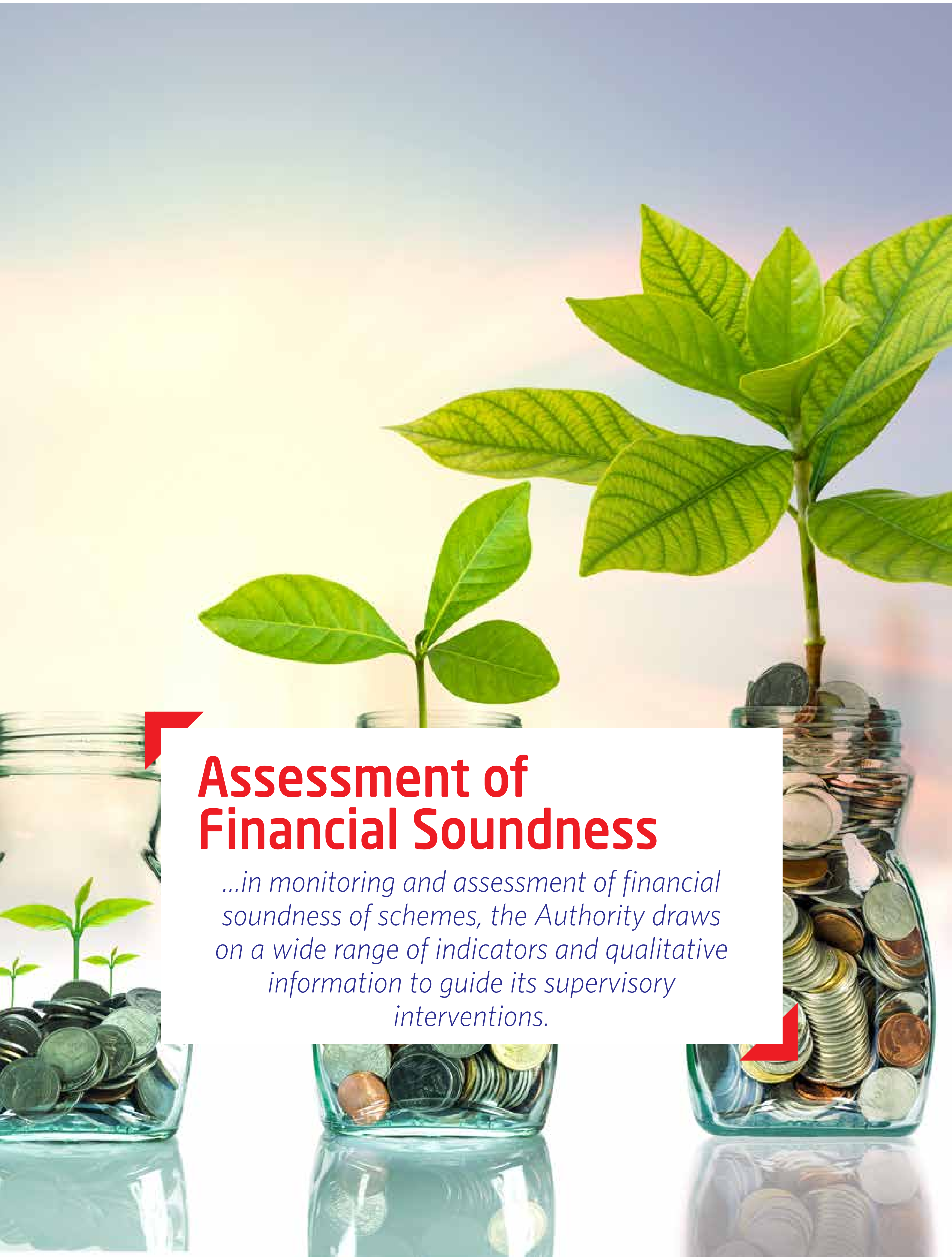
Members must get the best possible outcomes from their retirement savings. On this premise, the Board ensured that the new Strategic Plan provides for an effective Monitoring and Evaluation framework that focuses on member outcomes, that will address contingencies of old age.

The Board also tasked Management and Staff to think like entrepreneurs, stay connected with the dynamics of the Sector, and the forces that shape the operating context and conduct of licensed entities. The first step has been enhancement of service to stakeholders by aligning all activities to modern technology. I therefore express my gratitude towards Management and Staff for establishing a high-quality inquiry service that addresses issues of concern and queries raised by stakeholders that are within the Authority's statutory remit.

Let me also take this opportunity to congratulate Mr. Martin A. Nsubuga, the Chief Executive Officer of the Authority upon his election as a Member of the International Organization for Pension Supervisors (IOPS) Executive Committee. His appointment has raised URBRA's profile among international pension supervisors, and is expected to enhance the Authority's ability to embed best practice in its operations and sector development.

The Board also wishes to express its sincere gratitude to all stakeholders who have contributed to milestones achieved. I wish to assure them that the trust reposed in the Authority is well founded, now and in the future, and that every endeavor will be made to deliver our Vision of a vibrant, secure and sustainable Retirement Benefits Sector.

Andrew Derek Kasirye
Chairman, Board of Directors



Assessment of Financial Soundness

...in monitoring and assessment of financial soundness of schemes, the Authority draws on a wide range of indicators and qualitative information to guide its supervisory interventions.

CHIEF EXECUTIVE OFFICER'S STATEMENT

Martin Anthony Nsubuga
Chief Executive Officer

The year 2019 was of remarkable progress in the Retirement Benefits Sector. As you will see from this Report later, Sector performance continued to post a positive trend, and the Authority accomplished over 80% of the key performance indicator (KPI) targets that were set at the beginning of the year.

The Sector currently has an asset base of over UGX 13 trillion and accounts for 10.3% of GDP compared to UGX 11.6 trillion (10.1% of GDP, revised from the earlier reported 11.5% following UBOS' rebasing from 2009/10 to 2016/17) in 2018. In 2019, the Sector grew at a rate of 13.8%, and earned a rate of return of 8.9% on its average portfolio. This enabled appropriation of an average interest rate of 9.69% on the year-end member balances.

To sustain and further grow the sector, the Authority enhanced its Risk-Based Supervision Framework to support the Authority's supervisory business operations. In monitoring and assessment of financial soundness of schemes, the Authority draws on a wide range of indicators and qualitative information to guide its supervisory interventions.

In addition, the Authority developed a Trustee Certification Program aimed at driving up standards of trusteeship, embarked on the implementation of its Strategy to extend coverage to informal sector workers, and provided policy advice to government and private entities on proposed Sector reforms. These interventions are meant to establish a credible Retirement Benefits Sector that will increase coverage, and grow workers' assets as they build up over their work life, and ensure reliable flows of retirement consumption.

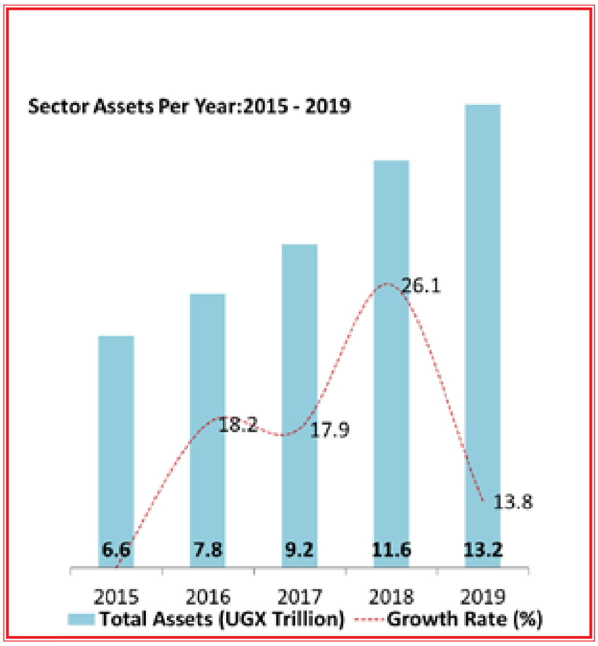
Going forward, all schemes will experience supervisory oversight at ever increasing levels of intensity, depending on the risk they pose. Management will therefore ensure that all Retirement Benefits Sector services and products demonstrate and deliver the best possible outcome for members.

I am grateful to the Chairman Board of Directors, Mr. Andrew Derek Kasirye, the Board as a whole, and all URBRA staff for their continued support, expertise and commitment to the Authority over the past year. I feel confident that our work to re-focus the organisation as per the Strategic Plan 2020/21-2024/25 will substantively strengthen the capacity of the Authority to regulate, supervise and promote the development of a stable and effective Retirement Benefits Sector.

Martin Anthony Nsubuga
Chief Executive Officer

2019 HIGHLIGHTS

Growth of the Sector

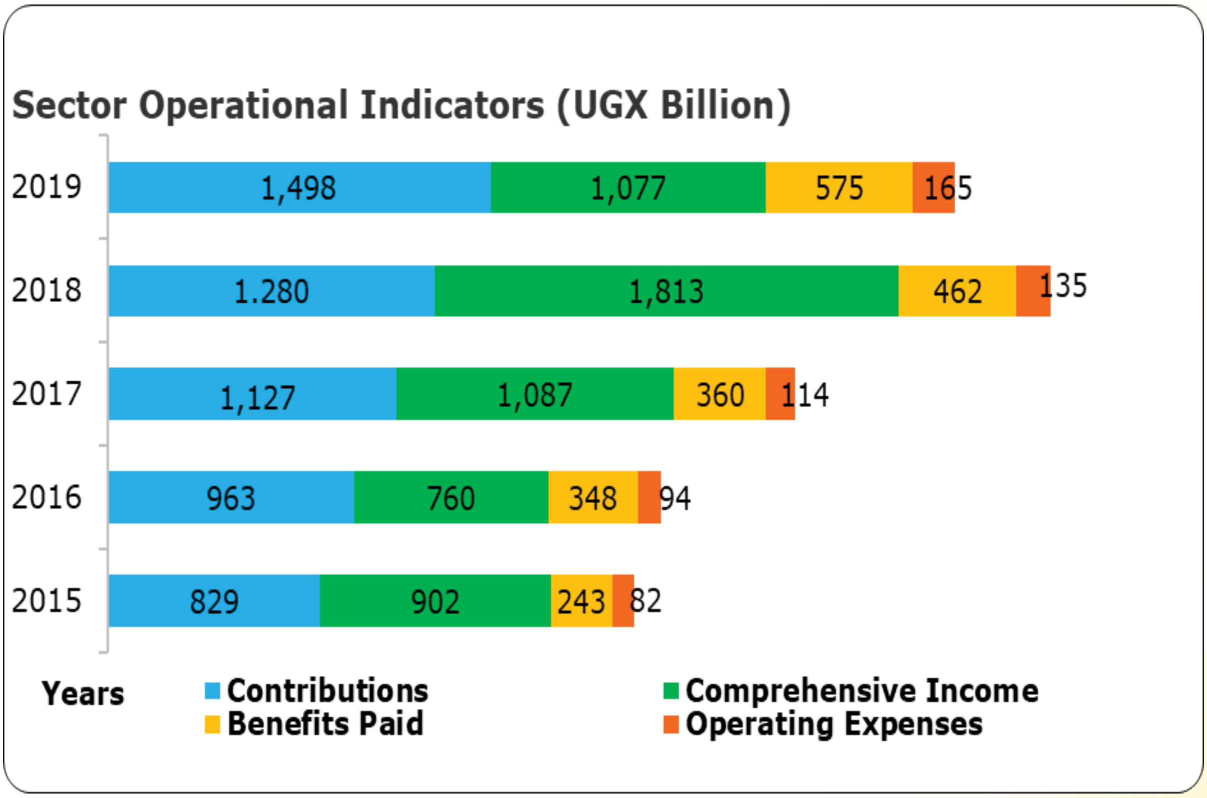


Note: Sector Assets are based on the Audited Financial Statements for the two reporting periods of 30th June, 2019 and 31st December, 2019

Year	2019	2018	2017	2016	2015
Asset to GDP Ratio*	10.3	10.1	8.5	7.5	6.6
Coverage Ratio	16	14	14	11	11

* During the period under review, Uganda Bureau of Statistics rebased the Gross Domestic Product (GDP) from 2009/10 to 2016/17 base year hence affecting all previous GDP estimates. These have been revised accordingly.

Sector Operational Indicators



Operational Ratios(%)	2019	2018	2017	2016	2015
Cost – Income*	13	13	13	10	13
Benefits - Contributions	38	36	32	36	30
Cost - Contributions	11	10	10	10	10
Cost - Asset	1.3	1.2	1.2	1.2	1.3
Return on Investments	8.9	18.4	14	11.6	18.2

* Income = Realized Income less Withholding Tax

Note:

- Assets and operational indicators are based on Audited Financial Statements for two reporting periods (30th June & 31st December).
- Appendix VI provide the details on Scheme Level Performance

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UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY
Protecting Your Retirement Benefits

"Protecting Your Retirement Benefits"

CORPORATE STRATEGY IMPLEMENTATION

1. CORPORATE STRATEGY IMPLEMENTATION

The Authority Strategic Plan for the 2015-2020 period envisioned a Vibrant, Secure and Sustainable Retirement Benefits System. During the period under review, the Authority made substantial progress in the implementation of the Plan. This section of the Annual Report sets out the activities undertaken by the Authority in 2019 per Strategic Goal.

1.1 Strategic Goal One: Improve Regulation and Supervision of the Sector

1.1.1 Enhancement of the Regulatory Framework

i) Two Regulations to support implementation of the URBRA Act, 2011 were published in the Uganda Gazette:

- URBRA (Operation and Management of Retirement Benefits Schemes) Regulations 2020. Statutory Instrument No. 43 of 2020.
- URBRA (Merger & Winding up of Retirement Benefits Schemes) Regulations, 2020. Statutory Instrument No. 44 of 2020.

ii) Developed the Draft URBRA (Establishment of Retirement Benefits Scheme) Regulations, 2019. The regulations include provisions aimed at facilitating extension of coverage to the informal sector. Upon enactment, it is expected that the regulatory framework will deliver an appropriate design, products and operational features that will attract low income earners into saving for retirement.

iii) Provided technical and policy advise on the following;

- NSSF (Amendment) Bill, 2019
- Public Service Pension Fund Bill, 2020
- Parliamentary Pension Scheme (Amendment) Bill, 2020

Amidst all the proposed sector reforms, the Authority's focus is on increasing coverage, security, adequacy, and to guarantee life-term income streams.

1.1.2 Supervision

The Authority derives its powers from the URBRA Act, 2011, and established Regulations, to protect the interests of scheme members by licensing, profiling and undertaking risk assessments of licensees, and implementing necessary supervisory measures.

Supervision of the Sector has been streamlined with a greater focus on ensuring that all Retirement Benefit Schemes including National Social Security Fund (NSSF), Parliamentary Pension Scheme, Public Service Pension Scheme, Supplementary Voluntary Occupational Schemes, Supplementary Voluntary Individual Schemes, and service providers deliver good governance and value for money.

This has been possible following:

i) **Licensing of Schemes and Services Providers** using appropriate mechanisms including due diligence and fit and proper tests for licensing of schemes and service providers. This involves assessment of the fiduciary's conduct, financial integrity and proficiency with the goal of mitigating operational and governance risks. Refer to Appendix I and II for details of licensed schemes and service providers.

ii) **Establishment of a Robust Risk-based Supervision Framework** that enables decisions to be rigorous and defensible, and sharpens the focus on Scheme governance and risk management. Supervisory activities have been integrated in the Risk-based Supervision Framework. This in turn serves as a vital and highly reliable tool for examination of the compliance status of licensees and prioritizing of on-site inspections. Unlike the Compliance-based Supervision Approach that was initially used, the Risk-based Supervision Approach has enabled the Authority to have a deeper understanding of both internal and external factors that may adversely affect licensees' conduct of business, and to better align the Authority's risk assessment process to the licensees' organization and management of risks.

iii) **Trustee Training** to improve compliance and governance in scheme investment management. In addition, the Authority developed a Trustee Certification Framework aimed at increasing standards of trusteeship to permit execution of fiduciary responsibilities in line with requirements of the URBRA Act.

1.2 Strategic Goal Two: Improve Understanding and Promote Development of the Sector

1.2.1 Public Education and Awareness

The Authority embarked on public education and awareness campaigns, and was able to:

- Publish articles in print media, and prepare Monthly Bulletins, Quarterly Investment Snap shots and the Annual Report, 2018 which provide important Sector data to stakeholders. Corporate brochures were also published to inform the public about URBRA's Mandate.
- Sensitize the general public using Billboards, Television and Radio talk shows about the Mandate of the Authority, its services, and the importance and avenues of saving for retirement.

- Participate in the commemoration of the International Day of Older Persons, undertake a Health Camp in Lira District, conduct pre-retirement seminars, university student engagements and informal sector awareness seminars. At these events, the Authority disseminated information about its mandate, services, and the importance and avenues of saving for retirement.
- Update the URBRA Website with information about its mandate, statutory public notices and events. There is on-going updating and monitoring of information on the website which facilitates exchange of feedback from members of the public on a regular basis. The Authority also maintained its social media presence on Facebook, Twitter and Youtube targeting stakeholders that heavily rely on social media for information.

1.2.2 Sector wide research

The Authority commissioned a survey to update the trustee fact sheet (*Refer to Appendix XIII for a summary of the Retirement Benefits Sector Trustees' Factsheet*), and to examine the ability of Trustees to fulfil their roles and responsibilities. The findings of the survey indicate that Trustees generally believed that their knowledge and skills were adequate, but acknowledged gaps in Boards of Trustee self-evaluations, service providers' performance evaluation, understanding of the URBRA Act and Scheme Investments. They also noted that being a fiduciary has no renumeration yet they are required to invest a lot of time to discharge their duties including collection of contributions, investing assets, payment of benefits, keeping records, and responsibilities (licensing of schemes, payment of fees, disclosure of information, compliance with statutory obligations etc) effectively. The key recommendations from the survey include:

- Improve Trustees' and Members' knowledge and awareness of service provider charges;
- Training to ensure compliance with recently introduced requirements for Annual Statements;
- Provide support service to Trustees setting out principles and best practice in Scheme administration and management;
- Introduce a fee structure for services rendered by individual Trustees.

1.2.3 Extension of Coverage

The Authority developed policy recommendations, and an action plan necessary for an urgent regulatory and business response to build an Inclusive, Secure, Affordable and Sustainable Micro-Pension Scheme for Uganda. These are part of the long-term strategy to design and deploy a scalable and inclusive model that will ensure that all Ugandans have an opportunity to accumulate retirement savings.

1.2.4 Engagements with International and Regional Regulatory Bodies:

i) **Participation in International Organization of Pension Supervisors (IOPS) Projects:** The Authority shared and drew upon collective experiences of a broad membership of pension supervisors, and was engaged in drafting, editing and supplying project inputs for the Working Papers released, or further developed including:

- introduction of automatic enrolment programmes to increase private pension coverage;
- designing the pay-out phase;
- controlling and reducing costs and fees and ensuring value for money pension scheme;
- nonstandard work arrangements and retirement income;
- factors impeding effective delivery of retirement income;
- design features of funded pensions affecting participation, contribution levels and pension outcomes of individuals in non-standard forms of work;
- roadmap for the good design of DC pension plans;
- supervision of cybersecurity in private pension arrangements (risk-based supervision and/or cybersecurity);
- supervision of infrastructure investments;
- update on the adoption of the IOPS Supervisory guidelines on the integration of Environmental Social and Governance factors in the investment and risk management of pension.

ii) Self-Assessment on IOPS Principles

URBRA undertook a self-assessment against IOPS Principles of Pension Supervision as a basis for benchmarking and introduction of reforms. The Assessment identified funding (own & sufficient budget), regulatory/intervention powers, independence, regulation of mandatory schemes, cross border regulation as areas to improve for full compliance with the principles.

iii) East Africa Pension Supervisors Association (EAPSA)

In line the EAPSA Work Plan for the FY 2019/20, the Authority undertook a self-assessment on compliance with the EAC Retirement Benefits Sector Principles including:

- EAC pension investment principles;
- EAC Retirement Benefits policy and its implementation strategy;
- EAC Informal sector paper and principles;
- EAC Paper on Annuity products
- EAC Consumer Protection Guidelines for the pension sector;
- EAC principles for regulation and supervision of the pension sector.

Key areas that the Authority (Uganda) must work on to comply with the principles include:

- Development of consumer protection regulations;
- Full adoption of a risk-based approach to supervision;
- Extension of coverage to formal and informal sector workers.

1.3 Strategic Goal Three: Strengthen Institutional Capacity and Development

The Authority continued to focus on building its performance capability and effectiveness. Focus was put on improvements to operational processes, systems and controls, building staff capabilities and fostering a culture based on the Authority's values and the Retirement Benefits Sector supervisory business culture.

Below are the key achievements during the period under review:

i) **New Strategic Plan Development:** The Authority 2020/21-2024/25 Strategic Plan was finalised. The Strategy seeks to develop a credible retirement benefits sector that will facilitate growth of members' assets to enable reliable income flows at retirement.

ii) **Information and Communication Technology (ICT):** Functionality of existing ICT systems was enhanced, including:

- Upgrade of the HR system to include performance appraisal modules, and the Integration of Procurement and Finance SAGE Systems, to enable issuance of system generated LPOs.
- Onboarding of the Convene E-Board Software. The system facilitated the automation of the Board meeting process and has since improved business efficiency.

iii) **Development of Human Capital:** The Authority recruited staff and continually organized training sessions conducted by both local and external professionals through seminars/ trainings in the regulatory and supervisory fields in the training plan as informed from the prior period's needs assessment.

iv) **Management Systems:** In the period under review, the Authority finalised the development and commenced the implementation of Standard Operating Procedures (SOPs) covering all the critical business processes across departments/directorates. Further activities intended to culminate in to the attainment of a total QMS-ISO certification will commence in the first year of implementation of the new Strategic Plan for the 2020/21-2024/25 period.

RETIREMENT BENEFITS SECTOR OUTLOOK

2. RETIREMENT BENEFITS SECTOR OUTLOOK

2.1 Economic Environment

During the period under review, the Uganda Bureau of Statistics rebased the Gross Domestic Product (GDP) from 2009/10 to 2016/17 base year. As a result, all previous GDP estimates were revised accordingly. GDP for FY 2017/18 was estimated at UGX 115.2 trillion, an upward revision of 15.2 percent from the previously published GDP estimate of UGX 100 trillion.

Following the rebasing process, the economy is estimated to have grown by 6.5 percent in FY 2018/19. This growth was 0.3 percentage points higher than the growth of 6.2 percent registered in previous FY 2017/18. The positive change in the economy growth was fostered by Agriculture, Forestry and Fishing sector activities which grew by 5.0 percent in FY 2018/19 from 3.8 percent registered in FY 2017/18, and Industry sector activities which grew by 10.8 percent in FY 2018/19 compared to 8.0 percent in FY 2017/18.

GDP Per Capita (US$) increased from 864 (revised from initial 799) in FY 2017/18 to 878 in FY 2018/19. However, the annual headline inflation also increased to 2.9 percent in 2019 compared to the 2.6 percent recorded in 2018, with the acceleration in price of food crop and related items accounting for the increase.

The Central Bank Rate (CBR), which is the rate at which commercial banks borrow from the Central Bank was maintained at 10% from the start of the calendar year to September, 2019 after which it was reduced to 9% for the rest of the period. Uganda's Shilling appreciated against the dollar to Ushs 3,704/USD, compared to the Ushs 3,727/USD in 2018.

In 2019, the total Retirement Benefits Sector Assets accounted for 10.3% of GDP (2018: 10.1% revised from 11.5%). Table 2.1 below provides details on the economic indicators.

Table 2.1: Economic Indicators

Year	2019	2018	2017	2016	2015
Gross Domestic Savings (% of GDP)	21.3	20.25	16.48	15.46	17.65
GDP at Market Prices (Ushs Trillion)	128.7	115.2	108.5	104.4	99.7
GDP Growth Rate (Real Growth) (%)	6.5	6.2	3.9	4.8	5.2
Inflation Rate (Headline) (%)	2.9	2.6	5.6	5.5	5.5
The Ushs/US$ Exchange Rate (Annual)	3,704	3,727	3,612	3,421	3,241

Source: UBOS, BoU and World Bank

Note: During the period under review, Uganda Bureau of Statistics rebased the Gross Domestic Product (GDP) from 2009/10 to 2016/17 base year hence affecting all previous GDP estimates. These have been revised accordingly.

2.2 Industry Coverage

According to the National Labour Force Survey 2016/17, the size of working population is estimated at 15.3 million. In effect, the proportion of Uganda's workforce under some form of retirement benefit arrangement is estimated at only about 16%.

The low coverage is attributable to the current traditional yet non-exhaustive system. Reforms aimed at extending coverage to the informal sector, self-employed persons and Micro, Small and Medium Enterprises (MSMEs) employing less than five persons, are crucial if old age poverty is to be mitigated in the country. Table 2.2 below provides coverage figures per retirement benefit arrangement.

Table 2.2: Industry Coverage Statistics

Retirement Benefit Arrangements	Total Number of Members
Tier 1: Social Assistance Grant for Empowerment	
Senior Citizens Grants as at Dec, 2019	≈166,498
Tier 2: National Mandatory Schemes	
National Social Security Fund as at Jun, 2019	Registered Members: 1,954,787 (Including 20,091 voluntary members) Member Activity rate: 34.2%
Tier 3: Mandatory Employer-based Pension Schemes	
Public Service Pension Scheme as at Oct, 2019	≈391,376
Armed Forces Pension Scheme	-
Parliamentary Pension Scheme as at Jun,2019	973
Tier 4: Supplementary Voluntary Occupational Schemes	
Voluntary Segregated Occupational Schemes as at Dec, 2019	31,343
Umbrella Schemes as at Dec, 2019	12,954
Tier 5: Supplementary Voluntary Individual Schemes	
Supplementary Voluntary Individual Schemes as at June, 2019	2,029

Notwithstanding the low coverage, the few persons that are covered receive lumpsum benefits upon qualification, often squandering them in a short period of time from receipt. The lack of preservation of pre-retirement incomes evident through the access of accumulated benefits at change of job for occupational schemes, including cases of exempted employment and emigration grant for NSSF members interrupts the accumulation phase.

People approaching retirement today have the prospect of living longer lives than previous generations did. There is therefore need to not only introduce a regulatory framework aimed at facilitating portability/transfer of benefits, but also to introduce appropriate vehicles for converting savings into income to provide means for surviving in old age.

1.3 Current Sector Initiatives

During the period under review, a number of proposals aimed at facilitating Sector development were made. These include the following;

i) **Public Service Pension Fund Bill, 2020**: Ministry of Public Service working together with the First Parliamentary Counsel finalized the draft Public Service Pension Fund Bill, 2020. This development arouse out of the 2018 Cabinet approval of the principles for reforming the PSPS from the current unfunded, non-contributory, PAYGO scheme into a fully funded and contributory Defined Benefit (DB) pension scheme, and directing of the Ministry of Public Service to issue drafting instructions to the First Parliamentary Counsel for the Public Service Pension Fund Bill.

The Bill seeks to address issues of affordability and long-term sustainability of the scheme given its current operation as an Unfunded Defined Benefit Scheme. The proposed Public Service Pension Fund Bill once passed will make the scheme contributory where government and public servants make contributions, enable accumulation of assets which will facilitate timely payment of benefits. It is envisaged that the Public Service Pension Fund Scheme will be established in July, 2021.

ii) **NSSF (Amendment) Bill, 2019**: On August 13th 2019, the Youth and Children Affairs State Minister, Hon. Florence Nakiwala Kiyingi on behalf of Ministry of Labour tabled the NSSF (Amendment) Bill, 2019 before parliament. The Bill seeks to introduce changes to the NSSF Act, Cap 222 that was enacted in 1985. Stakeholder consultations on the Bill and its constituent sections is currently ongoing. Given its cross-cutting nature, the Bill is being handled by a joint Parliamentary Committee of Parliament with representation from both Gender and Finance committees of Parliament. This Bill seeks to among others empower the Fund to expand coverage by making membership to the Fund mandatory for all formal sector employers, permit those employed in both the formal and informal sectors to make voluntary contributions to the Fund, provide for introduction of new benefits, and improve governance.

iii) **Reforms in Public Service Pension Management**: In 2014, the Ministry of Public Service embarked on a pension management reform agenda. Over the years, the Ministry has finalized the Integration of the pension payroll with the active payroll, Migration of pension records from the Pension Information Management System (PIMS) and payment of monthly pension through IPPS, and partial decentralization of processing of new retirement files through the IPPS by Votes from January, 2015.

Section 2 of the Pensions Act Cap 286 confers upon the Permanent Secretary, Ministry of Public Service, the responsibility of a Pension Authority. Pursuant to Section 24 of the same Act, the Pension Authority delegated some powers to manage retirement benefits to Responsible Officers in Ministries, Departments and Agencies (MDAs) and Local Governments (LGs). Consequently, effective January 2019, the Ministry of Public Service fully decentralized Gratuity and Pension processing and management to respective MDAs and LGs.

iv) **National roll-out of the Senior Citizen's Grant**: The Senior Citizens Grant under the Social Assistance Grants for Empowerment (SAGE) program pilot commenced in 2011. Under this arrangement, qualifying senior citizens receive a monthly stipend of 25,000 shillings, with sponsorship from Government of Uganda and Development Partners. The program has been in existence for the past 9 years. Its rollout has grown from the initial 15 pilot districts at commencement to currently over 51 districts, covering over 160,000 elderly persons. With an aim to roll out the program to the entire country, qualification age is to be revised from the initial 65 years (and 60 years for Karamoja region) to at least 80 years. Persons over 65 years that were already enrolled will however continue to benefit as the age revision will only affect new beneficiaries.

iv) **Extending coverage to the self-employed and the informal sector:** Currently, sector coverage is largely focused on the few persons in traditional/formal employment systems. With a view to increase coverage and mitigate old age poverty, the Authority finalized the draft Strategy of Extending coverage self-employed persons and those in the informal sector.

Additionally, in an effort to fast-track projects aimed at extending coverage to the informal sector in the East African Region, partner states formulated project guiding principles. The principles were informed by current efforts to improve coverage for the informal sector in the region coupled with lessons learnt from other countries. These principles include:

i) Partner States should put in place pension policies and legal frameworks that encourage inclusion and participation of informal sector workers.

ii) Pension plans for informal sector should be simple, flexible, and innovative to cater for the unique characteristics.

iii) Partner States should create awareness on the need to save for retirement to the informal sector through financial education and awareness campaigns.

iv) Partner States should put in place mechanisms for consumer protection.

v) Pension plans should leverage on the wide range of available ICT platforms to penetrate the informal sector pension coverage.

vi) Informal sector pension plans should embrace robust risk management frameworks.

vii) Regulators should leverage on the established business associations that bring together the informal sector workers as avenues for reaching out to their members.

viii) Partner States should put in place incentives for informal sector workers to encourage participation

ix) Partner States should put in place guidelines and policies that ensure prudent investment for the informal sector.

The above principles prioritize convenience and easy product selling, and seek to attract voluntary participation. It is envisaged that, if duly considered while executing strategies aimed at extending retirement benefits sector coverage to the informal sector, they will deliver effective entry points in to the informal sector in the EAC region.

URBRA
UGANDA RETIREMENT BENEFITS REGULATORY AUTHORITY
Protecting Your Retirement Benefits

"Protecting Your Retirement Benefits"

PERFORMANCE OF THE SECTOR

3. PERFORMANCE OF THE SECTOR

3.1 Contributions and Benefit payments

The Sector contribution rates remained stable. The average monthly contribution rates for mandatory schemes were 20% and 10% from employers and employees respectively. On the other hand, average total monthly contribution rates for supplementary voluntary occupational schemes was 12.5%, with 7.9% and 4.7% being employer and employee contributions respectively. The contribution rates for voluntary individual schemes remained at a minimum of UGX 2,000. *Refer to Appendix III for scheme level contribution rates.*

In 2019, total contributions increased by 17.2% to UGX 1.50 trillion from UGX 1.28 trillion in 2018. This increase was attributed to improved compliance in remittance by employers to schemes owing to ongoing supervisory activities, new employer and employee registrations and annual employee salary increments.

Total benefits paid to members and beneficiaries in 2019 were worth UGX 575 billion, registering an increase of 24.5% over UGX 462 billion paid in 2018. Accordingly, the net contribution increased by 12.7% to UGX 923 billion compared to UGX 819 billion in the previous year. *Refer to Appendix VII for details on benefits paid to members.*

3.2 Income and Operating Expenditure

During the period under review, the Sector earned UGX 1.5 trillion on account of interest, rental income, dividends, associates, and other income. However, there was a UGX 452 billion loss resulting from marking to market of the equity portfolio and foreign exchange loss. In effect, the Sector recorded total income of UGX 1.1 trillion, although short-term fluctuations do not affect long-term Sector performance. Table 3 provides details on income of the Sector.

Table 3.1: Income of the Sector

Year	2019	2018	2017
Amount (UGX Billion)	**1,077**	**1,813**	**1,087**
Share	**%**	**%**	**%**
Interest Income	125.3	62.1	84.3
Rental Income	1.2	0.7	1.3
Dividend Income	8.8	3.7	6.0
Other Income	3.0	1.0	2.2
Associates	3.6	2.2	1.6
Fair Value Gains/(Losses)	(42.0)	30.3	4.6

Total operation expenditure of the Sector registered a 22.2% increment to UGX 165 billion in 2019 compared to UGX 135 billion in 2018. The increase in the operational costs was on account of a 19.1% increase in scheme staff costs, 17.7% increase in service provider costs, 70.9% increase in trustee indemnity cover costs and 34.4% increase in other costs including group premiums among others. *Refer to Appendices VII and VIII for a detailed Sector Statement of Changes in Net Asset, and Statement of Net Assets Available for Benefit respectively.*

Scheme staff expenses accounted for 50.6% of total operational expenditure while service providers, non-cash expenses and statutory levies accounted for 12.8%, 6.6% and 4.5% respectively. Other operational costs including AGMs, trustee indemnity cover, group premiums, consultancy costs among others accounted for the remaining 25.5%.

The Sector cost-income ratio was maintained at 13% as in the previous period. On the other hand, the Sector cost-asset ratio increased to 1.3% compared to 1.2% in 2018, attributable to the rate of increase in Sector operation costs (22.2% increase to 165 Billion from 135 Billion in 2018) exceeding the rate of increase in Sector assets (13.8% increase from to 13.2 Trillion from UGX 11.6 Trillion in 2018).

In 2019, the rate of return on the sector's investment portfolio was 8.9% compared to the 18.4% in 2018, enabling an average Sector rate of return of 9.69% to savers (averages of 9.50%, 9.74% and 9.83% for mandatory, supplementary voluntary segregated and supplementary voluntary umbrella schemes respectively). *Refer to Appendix VI scheme level operational indicators of cost-income ratio, cost-asset ratio and interest declared to members.*

Operational costs must be considered among the most potentially decisive factors affecting Sector performance. The process of achieving an understanding of fees, while challenging, should result in better comprehension of the relationships between the Sector portfolio investment risk, return and expense structure over the long term.

3.3 Sector Investment Portfolio

As per Statutory Returns of end December, 2019, Sector investments totaled to UGX 14.28 trillion, registering a 20.9% increment compared to UGX 11.8 trillion as at end December, 2018. The growth in the Sector investments is largely attributed to positive net flows due to increased investment earnings and contribution.

The Sector investment of scheme funds regulations prescribe the East African Community as a domestic market, hence permissible for investment. During the period under review, Uganda recorded the highest concentration of regional diversification of investments at 62.4% of the total Sector investments. Kenya, Tanzania, Rwanda and Burundi each accounted for 25.9%, 10.5%, 0.9% and 0.3% respectively of the total Sector investments.

In terms of diversification amongst permissible asset allocations, Retirement Benefit Schemes upheld a conservative investment strategy. The government debt securities portfolio accounted for 74.83% (2018:74.52%). On the other hand, quoted equities accounted for 13.45% (2018:13.95), real estate 6.14% (2018:5.71%), and unquoted equity 2.61% (2018:2.83%). Fixed deposits, corporate bonds, guaranteed funds and other investments accounted for the remaining 2.97%.

The value of the equity portfolio, which consists of both the listed and unlisted equities increased by UGX 130 billion (6.6%) from UGX 1.98 trillion in 2018 to UGX 2.11 trillion in 2019 mainly due to dividends paid. The mark to market value of the equity portfolio decreased by UGX 452 billion. Table 3.2 provides a detailed breakdown of the sector's investments.

Table 3.2: Retirement Benefits Sector Investment Portfolio

	December, 2019				December, 2018			
Investments	**Voluntary**	**PPS**	**NSSF**	**Sector**	**Voluntary**	**PPS**	**NSSF**	**Sector**
Total UGX (Trillion)	**1.80**	**0.28**	**12.20**	**14.28**	**1.4**	**0.2**	**10.2**	**11.8**
Share	**%**	**%**	**%**	**%**	**%**	**%**	**%**	**%**
Government Securities	68.30	64.55	76.03	74.83	69.11	68.92	75.41	74.52
Quoted Equities	21.57	18.47	12.14	13.45	26.12	19.75	12.10	13.95
Investment Property	1.35	0.08	6.99	6.14	1.13	0.00	6.49	5.71
Fixed Deposits	5.43	10.44	1.14	1.86	2.78	4.95	1.49	1.71
Unquoted Equities	2.14	0.00	2.74	2.61	0.01	0.00	3.29	2.83
Corporate Bonds	0.45	0.12	0.70	0.66	0.49	0.21	1.06	0.97
Other Investments*	0.76	6.34	0.26	0.45	0.36	6.17	0.17	0.31

*Other investments include collective investment schemes, unit trusts, guaranteed funds, etc

Note:

- These Investment Figures are based on Statutory Returns for period ending December, 2019
- For details on assets per scheme and assets managed per fund manager, refer to appendices IV and V respectively.

APPENDICIES

4. APPENDICIES

APPENDIX I: LICENSING STATISTICS

Licensed Schemes and Service Providers		
Year	**2019**	**2018**
Schemes		
National Mandatory Schemes*	1	1
Mandatory Employer-based Schemes	1	1
Segregated Supplementary Voluntary Occupational Schemes	51	53
Umbrella Schemes	11(138 participating employers)	10 (131 participating employers)
Supplementary Voluntary Individual Schemes	2	2
Total Number of Schemes	66	67
Service Providers		
Administrators	11	9
Fund Managers	7	7
Custodians	5	5
Corporate Trustees	3	3
Individual Trustees	191	148

*The NSSF also operates a Voluntary Membership Plan which targets employers and workers that are not compelled to save by the mandatory provisions of the NSSF Act. They are given an opportunity to voluntarily save for their retirement.

APPENDIX II: LICENSED SERVICE PROVIDERS

No.	Corporate Trustees	
1.	Jomo Investments and Trustee Services Limited	Plot 374 Block 392, Sekiunga, Busiro Wakiso
2.	Kenya Commercial Bank Uganda Limited	Commercial Plaza, Plot 7, Kampala Road
3.	Vivo Energy Uganda Limited	Plot 9/11, 7th Street Industrial Area, Kampala

No.	Administrators	Address
1.	Enwealth Financial Services Uganda Limited	UAP Nakawa Business Park, Plot 3-5 Old Port Bell Road
2.	ICEA Life Assurance Company Uganda Limited	Plot 2 and 4A, Rwenzori Courts, Nakasero Road, P.O. Box 33953, Kampala
3.	Jubilee Insurance Company Uganda Limited	Jubilee Insurance Centre, Parliament Avenue, P.O Box 10234, Kampala
4.	Liaison Financial Services Limited	Liaison House, Plot 44 Lumumba Avenue, P. O. Box 22607, Kampala
5.	Minet Uganda Limited	Plot 16 Clement Hill Road, P.O. Box 3123, Kampala
6.	Octagon Uganda Limited	5th Floor, Padrepio House, Plot 32, Lumumba Avenue, P.O. Box 2255, Kampala
7.	Padre Pio Insurance Brokers	Plot 12A Turffnell Drive, Kamwokya, P.O. Box 7446, Kampala
8.	Prudential Life Assurance Uganda Limited	Zebra Plaza, 9th Floor, Plot 23 Kampala Road, P.O Box 2660, Kampala
9.	Sanlam Life Insurance Limited	Plot 15, Princess Ann Drive, Bugolobi
10.	UAP Old Mutual Life Assurance Uganda Limited	UAP Nakawa Business Park, 1st Tower, 6th Floor, Plot 3-5, Old Port Bell Road, P.O. Box 1610, Kampala
11.	Zamara Actuaries, Administrators and Consultants Uganda Limited	2nd Floor Studio House, 5 Bandali Rise, P. O. Box 73302, Bugolobi, Kampala

No.	Custodians	Address
1.	Bank of Africa Uganda Limited	Plot 45, Jinja Road P. O. Box 2750, Kampala
2.	Housing Finance Bank	Investment House, Plot 4 Wampewo Avenue Kololo, P. O Box 1539, Kampala
3.	KCB Bank Uganda Limited	Commercial Plaza, Plot 7 Kampala road, P.O Box 7399, Kampala
4.	Stanbic Bank Uganda Ltd	Plot 17 Hannington Road 2nd Floor Crested Towers, P.O Box 7131, Kampala
5.	Standard Chartered Bank	Plot 5 Speke Road, P.O Box 7111, Kampala

No.	Fund Managers	Address
1.	Britam Asset Managers Company (Uganda) Limited	Plot 24 Akii Bua Road - Nakasero, P.O Box 36583, Kampala
2.	Gen-Africa Asset Managers	P.O Box 75200, Plot 4 Parliament Avenue, Eco Bank Plaza, Kampala
3.	ICEA Asset Management Company Limited	Ground Floor, Rwenzori Courts, Plot 2 and 4A, Rwenzori Courts, Nakasero Road, P.O. Box 33953, Kampala
4.	Sanlam Investments East Africa	Workers House, 7th Floor, Plot 1 Pilkington Road, P.O. Box 9831, Kampala
5.	Stanlib Uganda Limited	Office Suite 6B, 9 Kitante Road, P.O. Box 7131, Kampala
6.	UAP Old Mutual Financial Services Limited	UAP Nakawa Business Park, 1st Tower, 6th Floor, Plot 3-5, Old Port Bell Road, P.O. Box 1610, Kampala
7.	Xeno Investment Management Uganda Limited	Workers House, 6th Floor Workers House, Plot 1 Pilkington Road

APPENDIX III: CONTRIBUTION RATES PER SCHEME

No.	Retirement Benefits Scheme	Employer	Employee	Total
		%		
	National Mandatory Schemes			
1.	National Social Security Fund	10	5	15

No.	Mandatory Employer-basedSchemes			
1.	Parliamentary Pension Scheme	30	15	45

No.	Supplementary Voluntary Occupational Scheme			
1.	AAR Health Services Uganda Limited Staff Retirement Benefits Scheme	5	2.5 min	7.5 min
2.	ABSA Bank of Uganda Limited Staff Pension Fund	3.5	-	3.5
3.	AIG Uganda Staff Provident Fund	15	5	20
4.	AIRTEL Uganda Staff Provident Fund Scheme	5	5	10
5.	Bank of Africa Staff Provident Fund	7.5	5	12.5
6.	Bank of Uganda Defined Contributory Scheme	17.1	4	21.1
7.	Bank of Uganda Staff Retirement Benefits Scheme	17.1	4	21.1
8.	Centenary Bank Staff Defined Contribution Scheme	8	3	11
9.	Century Bottling Company Ltd Provident Fund	5% for EE< 5, else 6.5%	Less or equal to15	Av.13.25
10.	Crown Beverages Staff Retirement Benefits Scheme	10	5	15
11.	DFCU Limited Staff Provident Fund	7.5	7.5	15
12.	Equity Bank (U) Staff Provident Fund Scheme	4	4	8
13.	Heifer International Uganda Staff Retirement Benefits Scheme	10	-	10
14.	Housing Finance Bank Retirement Benefits Scheme	10	5	15
15.	International Union For Conservation of Nature (U) Staff Provident Fund	6	3	9
16.	Kampala Capital City Authority Staff Retirement Benefits Scheme	3	3	6
17.	KCB Bank Uganda Staff Provident Fund	5	5	10
18.	Kinyara Sugar Works Limited Staff Provident Fund	10	5	15
19.	Makerere University Business School Staff Retirement Benefits Scheme	-	2	2
20.	Makerere University Retirement Benefits Scheme	10	5	15
21.	Minet Uganda Ltd Staff Retirement Benefits Scheme	10	20/3	50/3
22.	Monitor Publications Staff Provident Fund**	3	5	8

23.	MTN Uganda Contributory Provident Fund	6% for members with over 5 year's employment. others 5%	5	Av.10.5
24.	NARO Retirement Benefits Scheme	10	5	15
25.	National Housing and Construction Company Ltd Staff Provident Fund	5	5	10
26.	National Social Security Fund Staff Provident Fund	10	5	15
27.	Nile Breweries Staff Provident Fund	Based on grades; 6.25, 6.67 or 10.42	5	Av.12.78
28.	NWSC Staff Provident Fund	5	5	10
29.	Opportunity Bank Staff Retirement Benefits Scheme	10	5	15
30.	Orient Bank Staff Defined Contribution Scheme	7	5	12
31.	PostBank Uganda Provident Fund	5	5	10
32.	Pride Microfinance Retirement Benefits Scheme	5	0.5-10	Av.10
33.	Royal Danish Embassy Local Staff Retirement Benefits Scheme	5	5	10
34.	Stanbic Bank Uganda Staff Pension Fund	5	2.5	7.5
35.	Standard Chartered Bank Uganda Pension Trust Fund	8	4	12
36.	State Wide Insurance Company Limited Staff Retirement Benefits Scheme	5	5	10
37.	Toyota Uganda Limited Staff Retirement Benefits Scheme	2.5	-	2.5
38.	Tullow Uganda Limited Staff Retirement Benefits Scheme	10	5	15
39.	UAP Staff Retirement Benefits Scheme	10	5	15
40.	Uganda Breweries Limited Retirement Benefits Scheme	10	5	15
41.	Uganda Christian University Staff Retirement Benefits Scheme	8.3	1	9.3
42.	Uganda Clays Staff Provident Fund	10	5	15
43.	Uganda Coffee Development Authority Staff Retirement Benefits Scheme	15	5	20
44.	Uganda Communications Commission Staff Provident Fund	10	5	15
45.	Uganda Communications Employees Contributory Pension Scheme - DC	10	5	15
46.	Uganda Electricity Generation Company Limited Staff Retirement Benefits Scheme	25	5	30
47.	Uganda Revenue Authority Staff Retirement Benefits Scheme	6	6	12
48.	UNRA Staff Retirement Benefits Scheme	5	5	10

49.	UMEME Ltd Staff Retirement Benefits Scheme	5	5	10
50.	UNEB Staff Retirement Benefits Scheme	10	5	15
51.	URBRA Staff Retirement Benefits Scheme	5	5	10
52.	VIVO Energy Uganda Limited Staff Provident Fund	12.5	5	17.5
53.	WATOTO Ministries Provident Fund	5	5	10

**Joined Umbrella Scheme

	Umbrella Schemes	Employer	Employee	Total
		%		
No.	Britam Umbrella Retirement Benefits Scheme			
1.	Transcultural Psychosocial Organization Uganda (TPO)	5-15	5-8.3 (since 60-100% of EEs monthly salary is contributed annually by ER)	10-23.3
2.	International Justice Mission Uganda (IJM)	5	5	10
3.	Uganda Pentecostal Medical Bureau (UPMB)	10	5	15

	Umbrella Schemes	Employer	Employee	Total
		%		
No.	Enwealth Uganda Umbrella Retirement Scheme			
1.	Enwealth Financial Services (UG) SMC Ltd	7.5	7.5	15
2.	Metro Waste Solutions (U) Ltd	10	10	20

	Umbrella Schemes	Employer	Employee	Total
		%		
No.	ICEA Umbrella Retirement Scheme			
1.	A Global Health Foundation Care	7	5	13
2.	Acholi Child and Family Program	10	5	15
3.	Africhild	10	5	15
4.	AGDEVCO Uganda Limited	8.33	-	8.33
5.	Bible Society of Uganda	3	-	3
6.	BROLL Uganda Limited	15	5	20
7.	Busia Area Communities Federation	10	5	15
8.	Child Fund International	10	5	15
9.	Community Efforts for Child Empowerment	10	5	15
10.	CSquared	5	-	5

11.	Diakonia Sweden	-	Annual 13th cheque i.e 8.33% monthly	8.33
12.	Enterprise Support & Community Development Trust (ENCOT)	5	5	10
13.	Family Health International	10	5	15
14.	Feed the Children	15	10	25
15.	Financial Intelligence Authority	5	5	10
16.	Future Options Consulting	10	0	10
17.	GLI Institute	10	5	15
18.	ICEA Agency	-	UGX50,000 min	UGX50,000 min
19.	ICEA Staff	5	5	10
20.	Insurance Regulatory Authority of Uganda	15	10	25
21.	Kampala Area Federation of Communities	10	5	15
22.	Kilimo Trust	8.33	-	8.33
23.	Lango Child and Community Development Feder-ation	10	5	15
24.	Life Church	10	10	20
25.	Life Water International	8	-	8
26.	Management Sciences for Health	8.33	0	8.33
27.	Masindi Child Development Federation	10	-	15
28.	Mbale Area Federation	10	5	15
29.	Mildmay Uganda	10	5	15
30.	NC Bank	7	5	12
31.	Ntende Finance	15	5	20
32.	Operations and Maintaince Energy (U) Limited	8	5	13
33.	Participatory Ecological Landuse Management	10	5	15
34.	Partners for Children World Wide	10	15	25
35.	PCP staff provident Fund	8.33	-	8.33
36.	Royal Danish Embassy	5	5	10
37.	Sanitation Solutions	10	-	10
38.	Sustainet E.A Limited	UGX 680,000	UGX 680,000	UGX 1,360,000
39.	The Insurance Institute of Uganda	8.3	1.7	10
40.	Uganda Bankers' Association	5	2.5	7.5
41.	Uganda Security Printing Company Limited	10	5	15
42.	Vision Fund	10	5	15
43.	WaterAid Uganda	10	5	15

	Umbrella Schemes	Employer	Employee	Total

No.	JUBILEE Life Umbrella Retirement Scheme			
1.	African Risk and Insurance Services Limited (former Balaji Insurance)	5	10	15
2.	Aga Khan Foundation	10	5	15
3.	AVSI Foundation	8.33 (1/12th of Salary)	-	8.33 (1/12th of Salary)
4.	Eagle Africa Insurance Brokers	1	2.5	3.5
5.	FINCA Uganda & FINCA Network Support	2.5	2.5	5
6.	Flitlinks International	8.34	-	8.34
7.	Fountain Publishers Ltd	10	10	20
8.	Internal Needs	2	5	7
9.	Kansai Plascon Uganda Ltd	9.5% for below 5 years and 13% for 5 years & above	5	Av.15.75
10.	Life Ministry Uganda	10	5	15
11.	Monitor Publication Limited	3	5	8
12.	MWH Trust Uganda	6	6	12
13.	Palladium Uganda	5	0	5
14.	Swiss contact	10	-	10
15.	Willis Tower Watson Uganda (Grassavoye)	10	5	15
16.	World Renew (CRWRC)	10	5	15

	Umbrella Schemes	Employer	Employee	Total
		%		
No.	UAP Umbrella Retirement Benefits Scheme			
1.	Actionaid Uganda	3	-	3
2.	ADRA Uganda	10	5	15
3.	Advance Uganda Microfinance	5	5	10
4.	Bugema University	2.5	2.5	5
5.	Build Africa	8.33	3.67	12
6.	C&G Andijes Group	2.5	2.5	5
7.	Capital Markets Authority	15	5	20
8.	Cipla Quality Chemicals Industries	1	5	6
9.	FAWE Uganda Chapter	10	5	15
10.	FIDA	5	5	10
11.	Guaranty Trust Bank	5	5	10
12.	Habitat for humanity	9	5	14
13.	Hima Cement Mining	5	-	5
14.	HIVOS NGO	10	5	15

15.	Kobil Energy	7.5	UGX-52,164min	
16.	Ligomarc	10	-	10
17.	Pentecostal Assemblies of God Uganda	UGX500 min	UGX500 min	UGX1,000 min
18.	Post Bank Uganda Limited (EXCO)	20	-	20
19.	Self Help Africa	10	10	20
20.	Send A Cow Uganda	10	5	15
21.	Spear Motors	-	UGX-31,500min	UGX31,500min
22.	Swan Air Tour and Travel Safaris	-	UGX-50,000min	UGX-50,000min
23.	UAP Life agents DAP	-	UGX-50,000min	UGX50,000min
24.	UGAFODE Microfinance	2	2	4
25.	Uganda Biodiversity Fund	8.33	1.67	10
26.	Uganda Flowers Exporters Association	10	5	15
27.	Unbound Uganda	10	-	10
28.	Vredeseilanden Country Office Uganda (Veco)	10	5	15

	Umbrella Schemes	**Employer**	**Employee**	**Total**
		%		
No.	**Liaison Personal Retirement Plan Scheme**			
1.	Cayman Consults	USD10	USD5	USD15
2.	Eco bank Uganda Limited SPF	10	5	15
3.	Ericsson Uganda Staff Provident Fund	10	7.5	17.5
4.	Liaision Financial Services	UGX50,000min	-	UGX50,000min
5.	National Curriculum Development Centre	5	5	10
6.	People Performance Group	-	10	10

7.	Q-Sourcing	USD1,059	-	USD1,059
8.	Ultra-Uganda Limited	10	5	15

	Umbrella Schemes	Employer	Employee	Total
		%		
No.	Octagon Uganda Umbrella Retirement Benefits Scheme			
1.	AAR Sales	-	UGX30,000 – UGX 500,000	UGX30,000 – UGX 500,000
2.	Octagon Uganda Limited	6	6	12
3.	Opportunity International	2-4	2-6	4-10
4.	Citi Bank	5	5	10

	Umbrella Schemes	Employer	Employee	Total
		%		
No.	Stanlib Uganda Umbrella Fund			
1.	ADD International	10	-	10
2.	Africa Center For Apologetics Research (ACFAR)	5	10	15
3.	BAT Uganda Ltd Staff Pension Scheme	12	8	20
4.	Clinton Health Access Initiative Staff Fund	5	1-10	6-15
5.	Eskom Staff Provident Fund	8	5-15	13-23
6.	Fields of Life Provident Fund	3-10	-	3-10
7.	Infectious Disease Research Collaboration (IDRC)	2	Add. Vol contributions	2 min
8.	Liberty Insurance	5	-	5
9.	Medical Access Staff Provident Fund	7	5	12
10.	Mother To Mother	5	5	10
11.	New Vision Printing and Publishing	5-25	-	5-25
12.	Participatory Ecological Land Use (PELUM) Staff Pension Fund	5	10	15
13.	Pentecostal Evangelical Revival Ministries (PERM)	-	Av. 150,000 per quarter	Av. 150,000 per quarter
14.	Save the Children	5	10	15
15	Share an Opportunity	5	5	10

16.	Uganda National Oil Company (UNOC)	5 - 15	0 - 15	5-30
17.	Uganda Wildlife Education Centre (UWEC)	5	5	10
18.	Water for People Staff Pension Fund	10	5	15

	Umbrella Schemes	Employer	Employee	Total
		%		
No.	Umoja Umbrella Retirement Benefits Scheme			
1.	Agency for Cooperation & Research in Development (ACORD)	0	10	10
2.	Catholic Relief Services	Matches EE rate but to a maximum of 5	1 (Minimum)	EE chosen rate + ER matching rate
3.	Padre Pio Insurance Brokers Ltd	2.5	5	7.5

	Umbrella Schemes	Employer	Employee	Total
		%		
No.	SARA Umbrella Retirement Benefits Scheme			
1.	Program for Accessible Health, Communication and Education (PACE)	8.3	5	13.3
2.	Population Services International (PSI)	8.3	5	13.3

	Umbrella Schemes	Employer	Employee	Total
		%		
No.	Zamara Retirement Fund			
1.	Zamara (formerly Alexander Forbes) Financial Services Uganda Limited	5	5	10
2.	American Tower Cooperation (ATC Uganda)	5	5	10
3.	Citibank Uganda Limited	5	5	10
4.	Commercial Bank of Africa	3	3	6
5.	Exim Bank Uganda Limited (formerly Imperial Bank)	5	5	10
6.	Hutchinson Centre for Research Institute	6	3,5,9	9-15
7.	ICCO Cooperation	10	5	15
8.	ICPAU	5	5	10
9.	Joint Medical Stores	10	5	15
10.	Lancent Laboratories	0	5	5
11.	Living Goods	0	10	10
12.	Makerere University School of Public Health Fellowship Programme	10	-	10
13.	Marsh Uganda Limited	5	5	10
14.	Mercantile Credit Bank	5	5	10
15.	MUBS Entrepreneurship Centre	5,6	5	10-11

16.	Rakai Health Science Program	15	3 (average)	18
17.	Sanlam General Insurance Company Limited	5	5	10
18.	Total Exploration and Production	10	5	15
19.	Total Uganda	10	5	15
20.	Uganda Development Bank	7	3	10
21.	Unilever Uganda Limited	7	5	12
22.	Watoto Founders	UGX 50 million	0	UGX 50 million

No.	Supplementary Voluntary Individual Schemes			
1.	KACITA-Uganda Provident Fund	n/a	UGX10,000min	UGX10,000min
2.	MAZIMA Voluntary Individual Retirement Benefits Scheme	n/a	UGX2,000min	UGX2,000min

Note: n/a implies that these are not occupational schemes
- Implies that the employer/employee's contribution is zero

APPENDIX IV: ASSETS PER SCHEME

	Retirement Benefits Schemes	2019	2018	% Change (Y-o-Y)
		Assets ('000,000)		
No.	**National Mandatory Schemes**			
1.	National Social Security Fund*	11,338,974	9,983,045	13.5
No.	**Mandatory Employer-based Schemes**			
1.	Parliamentary Pension Scheme*	258,999	207,756	24.6
No.	**Supplementary Segregated Voluntary Occupational Schemes**			
1.	AAR Health Services Uganda Limited Staff Retirement Benefits Scheme	1,533	1,341	21.0
2.	ABSA Bank of Uganda Limited Staff Pension Fund	40,906	34,154	19.8
3.	AIG Uganda Staff Provident Fund	394	490	(19.6)
4.	AIRTEL Uganda Staff Provident Fund Scheme*	5,247	4,136	26.9
5.	Bank of Africa Staff Provident Fund	11,342	9,660	17.4
6.	Bank of Uganda Defined Contributory Scheme*	19,222	13,857	38.7
7.	Bank of Uganda Staff Retirement Benefits Scheme*	450,159	424,289	6.1
8.	Centenary Bank Staff Defined Contribution Scheme	105,272	87,988	19.6
9.	Century Bottling Company Ltd Provident Fund	14,928	10,762	38.7
10.	Crown Beverages Staff Retirement Benefits Scheme	9,378	7,023	33.5
11.	DFCU Limited Staff Provident Fund	19,074	16,773	13.7
12.	Equity Bank (U) Staff Provident Fund Scheme	7,858	5,653	39.0
13.	Heifer International Uganda Staff Retirement Benefits Scheme	1,360	1,203	13.1
14.	Housing Finance Bank Retirement Benefits Scheme	14,381	12,124	18.6
15.	International Union For Conservation of Nature (U) Staff Provident Fund	657	576	14.1
16.	Kampala Capital City Authority Staff Retirement Benefits Scheme***	-	-	-
17.	KCB Bank Uganda Staff Provident Fund	5,482	-***	-
18.	Kinyara Sugar Works Limited Staff Provident Fund	11,806	12,498	(5.5)
19.	Makerere University Business School Staff Retirement Benefits Scheme*	5,246	4,191	25.2
20.	Makerere University Retirement Benefits Scheme*	179,477	144,814	23.9

21.	Minet Uganda Ltd Staff Retirement Benefits Scheme	3,393	2,948	15.1
22.	Monitor Publications Staff Provident Fund**	-	2,558	-
23.	MTN Uganda Contributory Provident Fund	37,026	31,988	15.7
24.	NARO Retirement Benefits Scheme*	42,222	43,147	(2.1)
25.	National Housing and Construction Company Ltd Staff Provident Fund	1,382	1,183	16.8
26.	National Social Security Fund Staff Provident Fund*	42,945	34,877	23.1
27.	Nile Breweries Staff Provident Fund*	18,079	19,134	(5.5)
28.	NWSC Staff Provident Fund***	-	-	-
29.	Opportunity Bank Staff Retirement Benefits Scheme	4,711	3,597	31.0
30.	Orient Bank Staff Defined Contribution Scheme	6,772	6,028	12.3
31.	PostBank Uganda Provident Fund	7,498	5,743	30.6
32.	Pride Microfinance Retirement Benefits Scheme	7,572	5,440	39.2
33.	Royal Danish Embassy Local Staff Retirement Benefits Scheme**	-	2,276	-
34.	Stanbic Bank Uganda Staff Pension Fund	68,786	59,689	15.2
35.	Standard Chartered Bank Uganda Pension Trust Fund	41,394	36,607	13.1
36.	State Wide Insurance Company Limited Staff Retirement Benefit Scheme	1,256	1,005	25.0
37.	Toyota Uganda Limited Staff Retirement Benefits Scheme	2,012	-***	-
38.	Tullow Uganda Limited Staff Retirement Benefits Scheme	12,360	11,960	3.3
39.	UAP Staff Retirement Benefits Scheme	4,752	5,813	(18.3)
40.	Uganda Breweries Limited Retirement Benefits Scheme*	22,157	19,872	11.5
41.	Uganda Christian University Staff Retirement Benefits Scheme	7,345	-***	-
42.	Uganda Clays Staff Provident Fund	6,925	5,987	15.7
43.	Uganda Coffee Development Authority Staff Retirement Benefits Scheme*	3,712	2,404	54.4
44.	Uganda Communications Commission Staff Provident Fund*	15,357	12,421	23.6
45.	Uganda Communications Employees Contributory Pension Scheme*	-	-	-
46.	Uganda Electricity Generation Company Limited Staff Retirement Benefits Scheme*	9,968	6,436	54.9
47.	Uganda Revenue Authority Staff Retirement Benefits Scheme*	140,524	124,628	12.8

48.	UMEME Ltd Staff Retirement Benefits Scheme	16,330	9,305	67.6
49.	UNEB Staff Retirement Benefits Scheme*	7,678	5,463	40.5
50.	UNRA Staff Retirement Benefits Scheme*	13,500	-***	-
51.	URBRA Staff Retirement Benefits Scheme*	812	418	94.2
52.	VIVO Energy Uganda Limited Staff Provident Fund	10,324	8,583	20.3
53.	WATOTO Ministries Provident Fund	12,425	10,905	13.9
	Total	**1,488,567**	**1,271,132**	**17.1**

Retirement Benefits Schemes		2019	2018	% Change (Y-o-Y)
		Assets ('000,000)		
No.	**Umbrella Schemes**			
1.	Britam Umbrella Retirement Benefits Scheme***	-	-	-
2.	Enwealth Uganda Umbrella Retirement Scheme***	-	-	-
3.	ICEA Umbrella Retirement Scheme	20,150	11,789	70.9
4.	JUBILEE Life Umbrella Retirement Scheme	16,062	11,027	45.7
5.	Liaison Personal Retirement Plan Scheme	12,115	10,653	13.7
6.	Octagon Uganda Umbrella Retirement Benefits Scheme	295	129	128.7
7.	SARA Umbrella Retirement Benefits Scheme*	1,543	-***	-
8.	Stanlib Uganda Umbrella Fund	23,288	17,547	32.7
9.	UAP Umbrella Retirement Benefits Scheme	20,475	17,502	17.0
10.	Umoja Umbrella Retirement Benefits Scheme*****	744	51	
11.	Zamara (formerly Alexander Forbes) Retirement Fund	38,290	31,978	19.7
	Total	**132,962**	**100,676**	**32.1**
No.	**Supplementary Voluntary Individual Schemes**			
1.	KACITA-Uganda Provident Fund****	-	-	-
2.	MAZIMA Voluntary Individual Retirement Benefits Scheme*	1,109	898	23.5
	Total	**1,109**	**898**	**23.5**

*Scheme Assets are based on Schemes Audited Financial Statements as at 30th June, 2019. Scheme Assets of other Schemes is based on Audited Financial Statements as at 31st December, 2019

**Joined Umbrella Scheme

***New Scheme

****Did not submit Audited Financial Statements

***** Umoja Umbrella Retirement Benefits Scheme commenced in 2017 with only one (1) participating employer and assets worth UGX 3 million as of December, 2017. As of December 2019, two (2) participating employers joined the Scheme, hence its growth of assets from UGX 51 Million to UGX 744 Million.

APPENDIX V: ASSETS MANAGED PER FUND MANAGER

Fund Manager	Assets UnderManagement ('000,000)			
	Dec, 2019		Dec, 2018	
Total	**2,079,986**	**%**	**1,649,330**	**%**
Britam Asset Managers Company (Uganda) Limited	149,291	7	64,351	4
Gen-Africa Asset Managers	534,706	26	376,443	23
ICEA Asset Management Company Limited	47,798	2	42,713	3
Sanlam Investments East Africa	802,703	39	759,592	46
Stanlib Uganda Limited	475,249	23	357,660	22
UAP Financial Services Limited	70,238	3	48,570	3
Xeno Investment Management Uganda Lim-ited	0	0	-	-

*Xeno Investment Management Uganda Limited was licensed during the period under review

Share (%) of Asset Allocation Per Fund Manager as at Dec, 2019							
Fund Manager	Britam Asset Managers Company (Uganda) Limited	Gen-Africa Asset Managers	ICEA Asset Management Company Limited	Sanlam Investments East Africa	Stanlib Uganda Limited	UAP Financial Services Limited	Total
AUM in Million	**149,291**	**534,706**	**47,798**	**802,703**	**475,249**	**70,238**	**2,079,986**
Government Securities	72.38	75.25	81.82	66.23	61.05	55.03	67.79
Quoted Equities	10.48	21.08	7.08	27.37	17.26	9.02	21.15
Fixed Deposits	11.67	1.42	11.07	4.11	9.27	28.2	6.11
Investment Property		1.97		1.67	0.1		1.17
Corporate Bonds	1.6	0.02		0.2	0.04	5.77	0.4
Private Equities	0.02			0.17	7.78		1.85
Other Investments*	3.85	0.25	0.04	0.25	4.5	1.97	1.53

*Other investments include collective investment schemes, unit trusts, guaranteed funds, etc

APPENDIX VI: 2019 PERFORMANCE INDICATORS PER SCHEME

No.	Retirement Benefits Scheme	Cost-Income Ratio (%)	Cost-Asset Ratio (%)	Interest Declared by BoT (%)
No.	**National Mandatory Schemes**			
1.	National Social Security Fund*	13.28	1.28	11.00
No.	**Mandatory Employer-based Schemes**			
1.	Parliamentary Pension Scheme*	17.17	1.76	8.00
No.	**Supplementary Segregated Voluntary Occupational Schemes**			
1.	AAR Health Services Uganda Limited Staff Retirement Benefits Scheme	7.57	0.85	10.50
2.	ABSA Bank of Uganda Limited Staff Pension Fund	14.10	1.34	8.00
3.	AIG Uganda Staff Provident Fund	1.26	0.24	10.50
4.	AIRTEL Uganda Staff Provident Fund Scheme*	12.32	1.18	8.40
5.	Bank of Africa Staff Provident Fund	7.04	0.59	9.94
6.	Bank of Uganda Defined Contributory Scheme*	15.70	1.78	9.11
7.	Bank of Uganda Staff Retirement Benefits Scheme*	9.84	0.94	5.00
8.	Centenary Bank Staff Defined Contribution Scheme	6.63	0.73	11.51
9.	Century Bottling Company Ltd Provident Fund	13.57	1.25	11.00
10.	Crown Beverages Staff Retirement Benefits Scheme	9.70	0.86	13.88
11.	DFCU Limited Staff Provident Fund	9.60	0.85	9.12
12.	Equity Bank (U) Staff Provident Fund Scheme	0.41	0.04	10.50
13.	Heifer International Uganda Staff Retirement Benefits Scheme	1.05	0.09	10.50
14.	Housing Finance Bank Retirement Benefits Scheme	13.19	1.38	10.36
15.	International Union For Conservation of Nature (U) Staff Provident Fund	29.24	2.10	8.24
16.	Kampala Capital City Authority Staff Retirement Benefits Scheme***	-	-	-
17.	KCB Bank Uganda Staff Provident Fund***	14.36	0.92	6.00
18.	Kinyara Sugar Works Limited Staff Provident Fund	13.30	1.61	10.45

19.	Makerere University Business School Staff Retirement Benefits Scheme*	37.14	2.72	6.00
20.	Makerere University Retirement Benefits Scheme*	5.69	0.91	10.60
21.	Minet Uganda Ltd Staff Retirement Benefits Scheme	20.91	1.89	4.14
22.	Monitor Publications Staff Provident Fund**	Joined Jubliee Life Umbrella Scheme		
23.	MTN Uganda Contributory Provident Fund	10.63	1.08	11.00
24.	NARO Retirement Benefits Scheme*	10.94	1.06	4.53
25.	National Housing and Construction Company Ltd Staff Provident Fund	26.06	1.16	-
26.	National Social Security Fund Staff Provident Fund*	6.01	0.57	7.00
27.	Nile Breweries Staff Provident Fund*	10.91	1.14	7.73
28.	NWSC Staff Provident Fund***	-	-	-
29.	Opportunity Bank Staff Retirement Benefits Scheme	6.60	0.66	20.00
30.	Orient Bank Staff Defined Contribution Scheme	7.30	1.00	17.00
31.	PostBank Uganda Provident Fund	11.01	0.98	9.75
32.	Pride Microfinance Retirement Benefits Scheme	24.36	2.33	9.20
33.	Royal Danish Embassy Local Staff Retirement Benefits Scheme**	Joined ICEA Umbrella Retirement Scheme		
34.	Stanbic Bank Uganda Staff Pension Fund	6.04	0.76	15.44
35.	Standard Chartered Bank Uganda Pension Trust Fund	7.86	0.77	10.15
36.	State Wide Insurance Company Limited Staff Retirement Benefit Scheme	1.03	0.09	10.50
37.	Toyota Uganda Limited Staff Retirement Benefits Scheme	0.73	0.07	10.50
38.	Tullow Uganda Limited Staff Retirement Benefits Scheme	12.46	1.13	9.26
39.	UAP Staff Retirement Benefits Scheme	14.32	1.80	7.18
40.	Uganda Breweries Limited Retirement Benefits Scheme*	8.38	0.71	12.38
41.	Uganda Christian University Staff Retirement Benefits Scheme	4.83	0.35	7.00
42.	Uganda Clays Staff Provident Fund	17.30	1.50	8.50
43.	Uganda Coffee Development Authority Staff Retirement Benefits Scheme*	16.01	1.42	9.89
44.	Uganda Communications Commission Staff Provident Fund*	13.23	1.43	9.10
45.	Uganda Communications Employees Contributory Pension Scheme*	-	-	N/A

46.	Uganda Electricity Generation Company Limited Staff Retirement Benefits Scheme*	11.87	1.13	9.58
47.	Uganda Revenue Authority Staff Retirement Benefits Scheme*	8.88	0.84	8.11
48.	UMEME Ltd Staff Retirement Benefits Scheme	14.04	1.05	10.30
49.	UNEB Staff Retirement Benefits Scheme*	14.37	1.20	7.00
50.	UNRA Staff Retirement Benefits Scheme***	8.34	0.86	11.56
51.	URBRA Staff Retirement Benefits Scheme*	4.52	0.26	5.20
52.	VIVO Energy Uganda Limited Staff Provident Fund	7.78	1.05	14.15
53.	WATOTO Ministries Provident Fund	15.99	1.69	10.47

No.	Umbrella Schemes			
1.	Britam Umbrella Retirement Benefits Scheme ***	-	-	-
2.	Enwealth Uganda Umbrella Retirement Scheme ***	-	-	-
3.	ICEA Umbrella Retirement Scheme	0.95	0.08	10.50
4.	JUBILEE Life Umbrella Retirement Scheme	8.72	0.92	9.50
5.	Liaison Personal Retirement Plan Scheme	12.81	1.33	11.35
6.	Octagon Uganda Umbrella Retirement Benefits Scheme^	0.00	0.00	11.33
7.	SARA Umbrella Retirement Benefits Scheme	14.91	1.12	4.27
8.	Stanlib Uganda Umbrella Fund	10.85	1.02	▪ Corporate 10.8% ▪ Individual 8.5%
9.	UAP Umbrella Retirement Benefits Scheme	11.65	1.16	14.00
10.	Umoja Umbrella Retirement Benefits Scheme	12.73	0.39	6.86
11.	Zamara (formerly Alexander Forbes) Retirement Fund	21.70	1.60	11.00

^ Octagon Uganda Umbrella Retirement Benefits Scheme operational expenses are met by the sponsor

No.	Supplementary Voluntary Individual Schemes			
1.	KACITA-Uganda Provident Fund****	-	-	-
2.	MAZIMA Voluntary Individual Retirement Benefits Scheme	16.98	1.62	11.50

*Performance is based on Schemes Audited Financial Statements as at 30th June, 2019. Performance of other Schemes is based on Audited Financial Statements as at 31st December, 2019

**Joined Umbrella Scheme

***New Scheme

****Did not submit Audited Financial Statements

APPENDIX VII: SECTOR STATEMENT OF CHANGES IN NET ASSETS

CONTRIBUTIONS	2019	2018	2017
Employers Contributions	955,700,237,877	841,851,956,594	745,326,798,622
Employees Contribution	488,514,974,224	422,175,928,789	369,800,176,271
Members Additional	4,682,308,077	9,197,535,886	6,422,808,546
Individual Transfers	24,586,252,094	438,489,720	5,191,570,364
Group Transfers	24,719,822,542	6,685,906,302	-
Total Contribution (A)	**1,498,203,594,814**	**1,280,349,817,291**	**1,126,741,353,803**

BENEFITS			
Lumpsum	364,297,672,086	315,009,673,966	231,815,833,800
Pensions	11,253,987,662	9,578,615,259	8,927,046,077
Deaths	12,576,603,263	10,074,894,842	9,580,357,912
Disability	33,655,756,000	25,105,400,955	18,470,060,226
Emigration Grant	65,876,462,000	50,135,331,498	50,948,222,000
Exempted Employee	79,612,342,000	51,089,383,909	37,634,757,000
Transfers Out	8,197,686,481	603,972,451	2,964,682,670
Total Benefits (B)	**575,470,509,492**	**461,597,272,880**	**360,340,959,685**
Net Dealing with Members (C=A-B)	**922,733,085,322**	**818,752,544,411**	**766,400,394,118**

INCOMES			
Government Securities	1,308,257,851,902	1,077,171,434,138	42,952,522,989
Corporate Bonds	12,251,415,098	13,523,446,666	16,600,103,791
Fixed Deposits	23,739,623,498	27,213,224,040	50,913,627,685
Interest Income on Loans	4,515,262,539	4,380,062,371	3,846,702,000
Incomes from Guaranteed Funds	132,225,026	2,061,300,015	2,007,715,259
Dividends	94,980,860,172	67,683,426,596	5,609,568,433
Rental Income	12,995,107,774	12,828,899,960	13,815,287,000
Incomes from Associates	39,011,232,285	39,094,248,562	17,658,797,000
Changes in Market Value of Investments	(214,514,614,298)	230,869,189,274	55,297,749,938
Gain/ (Loss) on Sale of Investments	1,779,697,818	(1,813,421,378)	(260,039,068)
Net Foreign Exchange Gain/ (Loss)	(239,562,381,609)	319,905,042,495	(5,008,307,938)
Incomes from Collective Investment Scheme	885,837,240	1,641,862,986	104,385,079
Total Investment Income	**1,044,472,117,445**	**1,794,558,715,725**	**1,063,538,112,168**
Other Incomes	**32,607,431,509**	**18,722,544,781**	**23,633,949,986**
Total Comprehensive Income	**1,077,079,548,954**	**1,813,281,260,506**	**1,087,173,042,154**

EXPENSES			
Governance Costs	4,729,482,007	4,496,997,600	3,525,816,105
Service Provider Costs			
Custodian	3,234,156,522	3,110,262,001	1,267,553,283
Fund Manager	10,026,369,933	7,878,709,252	5,493,164,610
Administrator	2,182,041,279	1,966,390,842	1,799,342,934
Auditors	761,708,684	705,981,680	654,312,600
Actuaries	265,275,332	337,134,000	196,348,000
Total Service Providers Costs	**16,469,551,750**	**13,998,477,775**	**9,410,721,427**
Consultancy Costs	1,621,213,606	1,497,007,520	8,056,276,550
Staff Expense	83,598,350,344	70,193,186,516	53,116,907,146
Statutory Costs	7,410,748,228	5,439,407,091	4,419,012,038
AGM	374,909,686	345,622,920	336,618,950
Trustee Indemnity Cover	125,701,730	73,558,364	107,566,258
Other Costs*	39,979,787,051	29,747,132,155	27,704,743,046
Non-Cash Expenses	10,900,770,914	8,841,421,395	7,264,227,027
Total Operational Expenses	**165,210,515,316**	**134,632,811,336**	**113,941,888,547**
Surplus Before Tax	**911,869,033,638**	**1,678,648,449,170**	**973,231,153,607**

TAX			
Corporate Tax	9,879,742,244	3,875,606,127	5,935,806,938
Withholding Tax	203,820,438,967	175,463,701,113	155,720,947,761
Deferred Tax	(8,504,037,589)	3,362,341,768	1,973,260,630
Surplus After Tax	706,672,890,016	1,495,946,800,162	809,601,138,278

Increase Decrease in Fund Value	**1,629,405,975,338**	**2,314,699,344,573**	**1,576,001,532,396**
Opening Net Assets	11,484,847,362,261	9,169,578,474,658	7,593,371,542,127
Restatements**	1,829,957,093	569,543,030	205,400,135
NET ASSETS available for Benefits	**13,116,083,294,692**	**11,484,847,362,261**	**9,169,578,474,658**

**Other costs include group premiums*
***Restatements among others include Heifer Retirement Benefits Scheme Assets worth UGX 1,359,938,658 which were not captured in 2018 due to late submission of audited accounts.*

Note: *The Statement of Changes in Net Assets is based on the Audited Financial Statements for the two reporting periods of 30th June and 31st December*

APPENDIX VIII: STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

ASSETS	2019	2018	2017
Government Bonds	9,762,271,783,218	8,314,381,173,940	6,508,742,804,723
Quoted Equities	1,698,267,375,712	1,808,328,212,151	1,252,385,235,200
Unquoted Equities	573,710,646	304,092,836	136,996,200
Fixed Deposits	238,404,783,527	143,080,006,742	304,183,142,494
Pooled Investments	10,908,704,062	14,551,375,294	26,952,723,070
Loans*	25,090,154,739	33,810,456,050	26,879,508,000
Investment in Associates	317,606,819,677	298,309,966,972	266,525,086,000
Investment Property	851,983,907,197	692,622,591,901	563,969,252,640
Contributions Receivable	9,164,219,932	5,739,325,813	5,910,870,502
Corporate Bonds & Paper	78,418,842,899	95,278,266,182	101,715,828,828
Investments Income Receivables	8,787,646,570	52,993,574,732	41,446,800,910
Cash Bank Balances	34,531,310,251	32,138,941,802	79,743,854,245
Others**	168,977,737,991	70,838,936,467	70,172,452,651
Total Assets	**13,204,986,998,440**	**11,562,376,920,882**	**9,248,764,555,463**
LIABILITIES			
Tax Payable	11,991,565,820	17,685,684,075	21,720,947,693
Benefits Payable	4,274,561,700	6,457,671,399	12,321,514,926
Accrued Expenses	72,637,576,228	53,386,203,147	45,143,618,186
Total Liabilities	**88,903,703,748**	**77,529,558,621**	**79,186,080,805**
Net Assets	**13,116,083,294,692**	**11,484,847,362,261**	**9,169,578,474,658**

**Loans are in relation to NSSF and Parliamentary Pension Scheme*
***Other Assets includes among others capital works in progress, inventory, tax credits, and property, plant and equipment*

Note: The Statement of Net Assets Available for Benefits is based on the Audited Financial Statements for the two reporting periods of 30th June, and 31st December

APPENDIX IX: PERFORMANCE OF MANDATORY SCHEMES - National Social Security Fund (NSSF): Performance as at June, 2019

Year	2018/19	2017/18
Indicator		
Membership (Total Registered Members)	**1,954,787**	**1,225,894**
Active Members	669,061	595,809
Contributions	**Amounts in UGX Billion**	
Contributions Credited to Member Accounts	1,208	1,049
Special Contributions Received	14.5	8.8
Unallocated Members' Funds	54.9	49.5
Benefits	**UGX 450 Billion**	**UGX 360 Billion**
	% Composition	
Age Benefits	30	36
Withdraw Benefits	28	27
Exempted Employee Benefits	18	14
Invalidity Benefits	7	7
Survivors Benefits	3	2
Emigration Grant Benefits	15	14
Operational Expenditure	**UGX 145 Billion**	**UGX 115 Billion**
Cost to Income Ratio	13.28	12.89
Cost to Asset Ratio	1.28	1.16
Assets	**UGX 11,339 Billion**	**UGX 9,983 Billion**
Investments	**UGX 11,170 Billion**	**UGX 9,857 Billion**
	% Composition	
Government Securities	75.7	73.7
Quoted Equities	12.1	14.6
Fixed Deposits	1.3	1.0
Real Estate	7.2	6.5
Corporate Bonds	0.7	0.9
Other Investments	3.0	3.3
Total Comprehensive Income	**UGX 891 Billion**	**UGX 1,614 Billion**
	% Composition	
Interest Income	131.0	60.6
Rental Income	1.2	0.7
Dividend Income	8.6	3.3
Other Income	1.3	0.1
Associates	4.4	2.4
Fair Value Gains/(Losses)	(46.5)	32.9
Tax Expenditure (withholding Tax)	**UGX 172.9 Billion**	**UGX 145.8 Billion**
Return on Investment (%)	8.61	19.80
Funds Allocated to Members as Interest	UGX 978 Billion	UGX 1,100 Billion
Interest Declared & Allocated to members (%)	11.00%	15.00%

- In FY 2018/19, the Fund recorded a 59% growth in the number of registered members to 1,954,787 compared 1,225,894 to members. However, the member activity rate worsened from the 48.6% in FY2017/18 to 34.2% in FY2018/19.
- In the period under review, total contributions credited to members' accounts increased by 15% to UGX 1.2 trillion compared to UGX 1.0 trillion in FY2017/18. On the other hand, benefits paid out by the Fund increased by 25% to UGX 450 billion compared to UGX 360billion in FY 2017/18, registering a 10% increase of the Fund's net contributions to UGX 758 billion compared to UGX 689 billion in the previous period.
- Unallocated Members' Funds comprise of unallocated contributions and accrued interest. These remain unallocated due to incomplete details of the members. In the period under review, these funds only grew on account of interest earned.
- In FY2018/19, The composition of the total age leaning benefits (Age Benefits and Withdraw Benefits) declined to 58% compared to 63% in the previous period. This depicts increased early access of benefits, magnifying prospects of old age poverty amongst accessing members.
- Total operation expenditure of the Fund registered a 26% increment to UGX 145 billion in FY 2018/19 compared to UGX 115 billion in FY 2017/18. During the period under review, staff expenses accounted for 56%, Non-cash expenses for 7%, statutory levies and license fees for 5%, service provider fees for 5%, and other operational costs including consultancy and meeting allowances among others accounted for the remaining 27%.
- The Fund registered a 44.8% reduction in total comprehensive income to UGX 891 Billion, compared to UGX 1,614 Billion in FY2017/18. This was attributed to the UGX 414 Billion loss (46.5% of comprehensive investment income) resulting from marking to market of the trading portfolio of listed equity, security selection, exchange rates, interest rate and credit duration that affected the value of investments and earnings. However, the bulk of the equity investments were made with a long-term focus. Unrealized gains or losses arising from short-term fluctuations in prices did not affect the profits of the Fund, on a net basis.
- For the FY2018/19, the Fund allocated an annual interest rate of 11% (FY2017/18:15%) on year-end member balances.

APPENDIX X: PERFORMANCE OF MANDATORY SCHEMES - Parliamentary Pension Scheme (PPS): Performance as at June, 2019

Year	2018/19	2017/18
Indicator		
Membership (Total Registered Members)	**973**	**959**
Contributions	**UGX 37.8 Billion**	**UGX 36.4 Billion**
Benefits	**UGX 2.8 Billion**	**UGX 3.7 Billion**
	% Composition	
Lump sum Benefits	28.2	30.3
Pension Benefits	69.4	50.2
Death Benefits	2.4	19.5
Operational Expenditure	**UGX 4.5 Billion**	**UGX 4.4 Billion**
Cost to Income Ratio	17.17	21.95
Cost to Asset Ratio	1.76	2.13
Assets	**UGX 259 Billion**	**UGX 208 Billion**
Investments	**UGX 238 Billion**	**UGX 199 Billion**
	% Composition	
Government Securities	68.6	62.2
Quoted Equities	20.2	23.0
Fixed Deposits	8.6	9.1
Corporate Bonds	0.2	0.3
Other Investments (Loans to members)	2.6	5.4
Total Comprehensive Income	**UGX 24.4 Billion**	**UGX 27.4 Billion**
	% Composition	
Interest Income	106.0	71.5
Dividend Income	10.5	5.0
Other Income	11.4	10.0
Fair Value Gains/(Losses)	(27.9)	13.6
Tax Expenditure	**UGX 5.6**	**UGX 4.1 Billion**
Return on Investment (%)	9.73	14.56
Interest Declared & Allocated to members (%)	8.00	10.00

- In the period under review, the scheme registered an improved net dealing (contributions less benefits) of UGX 35.0 Billion compared to the UGX 32.6 Billion in FY 2017/18. This was on account of a 3.8% increment of contributions to UGX 37.8 Billion compared to UGX 36.4 Billion in FY 2017/18, while benefits paid decreased by 24% to UGX 2.8 Billion compared to UGX 3.7 Billion in FY2017/18.
- Total operation expenditure of the Fund registered a 26% increment to UGX 145 billion in FY 2018/19 compared to UGX 115 billion in FY 2017/18. During the period under review, staff expenses accounted for 56%, Non-cash expenses for 7%, statutory levies and license fees for 5%, service provider fees for 5%, and other operational costs including consultancy and meeting allowances among others accounted for the remaining 27%.
- The total operational expenditure amounted to UGX 4.5 Billion in FY2017/18 compared to UGX 4.4 Billion in FY2017/18. However, the operating (cost to income) ratio decreased to 17.17% compared to 21.95% in the previous period, depicting improved operational efficiency of the scheme.
- The scheme registered a 10.9% reduction in total comprehensive income to UGX 24.4 Billion, com-

pared to UGX 27.4 Billion in FY2017/18. This was attributed to the UGX 6.8 Billion loss (27.9% of comprehensive investment income) resulting from the marking to market of the trading portfolio of listed equity, security selection, exchange rates, interest rate and credit duration that affected the value of investments and earnings. However, since the bulk of the equity investments were made with a long-term focus. Unrealized gains or losses arising from short-term fluctuations in prices did not affect the profits of the Fund, on a net basis.

- For the FY2018/19, the Parliamentary Pension Scheme allocated an annual interest rate of 8.00% (FY2017/18:10.00%) on year-end member balances.

APPENDIX XI: PERFORMANCE OF SUPPLEMENTARY VOLUNTARY SCHEMES

Year	2019	2018
Indicator		
Membership (Total Registered Members)	**46,326**	**43,932**
Contributions	**UGX 238 Billion**	**UGX 195 Billion**
Benefits	**UGX 123 Billion**	**UGX 98 Billion**
	% Composition	
Lump sum Benefits (before or at retirement)	84.72	90.67
Pensions	7.59	7.84
Death Benefits	1.01	0.84
Disability Benefits	0.00	0.03
Transfers Out	6.68	0.62
Operational Expenditure*	**UGX 15.5 Billion**	**UGX 14.5 Billion**
Cost to Income Ratio**	9.18	11.02
Cost to Asset Ratio**	0.96	1.06
Assets	**UGX 1,607 Billion**	**UGX 1,371 Billion**
Investments	**UGX 1,576 Billion**	**UGX 1,345 Billion**
	% Composition	
Government Securities	72.73	68.54
Corporate Bonds & Papers	0.17	0.67
Fixed Deposits	4.59	1.86
Real Estate	3.17	3.73
Quoted Equity	18.61	24.11
Unquoted Equity	0.04	0.02
Other Investments	0.71	1.08
Total Comprehensive Income	**UGX 161 Billion**	**UGX 171 Billion**
	% Composition	
Interest Income	97.01	74.8
Rental Income	1.41	1.1
Dividend Income	9.51	7.8
Other Income	11.54	8.4
Fair Value Gains/(Losses)	(19.48)	7.8
Tax Expenditure (Corporate & Withholding Tax)	**UGX 35 Billion**	**UGX 29 Billion**
Average Return on Investment (%)	10.3	12.6
Average Interest Declared & Allocated to members (%)	9.79	9.48

*Total operation expenditure of the supplementary voluntary schemes registered a 6.9% increment to UGX 15.5 billion compared to UGX 14.5 billion in 2018. 59% of the expenses were on account of service provider costs, 14% on account of governance related costs of trustees' training and renumeration, with the remaining 27% be on account of other costs including staff expenses, statutory fees, AGMs, consultancies, trustee indemnity, and non-cash expenses among others.

**In 2019, supplementary voluntary schemes registered improved efficiencies. The cost-income ratio and cost-asset ratio improved to 9.18 and 0.96 respectively, compared to 11.02 and 1.06 respectively registered in 2018.

APPENDIX XII: 2019 PERFORMANCE OF SUPPLEMENTARY VOLUNTARY SCHEMES PER SCHEME ARRANGEMENT

Scheme Arrangement	Segregated Schemes	Umbrella Schemes
Indicator		
Membership (Total Registered Members)	33,372	12,954
Contributions	**UGX 184 Billion**	**UGX 53 Billion**
Benefits	**UGX 90 Billion**	**UGX 33 Billion**
	% Composition	
Lump sum Benefits (before or at retirement)	87.9	76.0
Pensions	10.4	0.1
Death Benefits	1.4	0.0
Disability Benefits	0.0	0.0
Transfers Out	0.3	23.9
Operational Expenditure	**UGX 14.1 Billion**	**UGX 1.4 Billion**
Cost to Income Ratio*	8.96	12.19
Cost to Asset Ratio*	0.95	1.08
Assets	**UGX 1,474 Billion**	**UGX 133 Billion**
Investments	**UGX 1,446 Billion**	**UGX 129 Billion**
	% Composition	
Government Securities	72.88	70.97
Corporate Bonds & Papers	0.18	0.03
Fixed Deposits	3.80	13.38
Real Estate	2.92	5.99
Quoted Equity	19.47	8.92
Unquoted Equity	0.04	0.00
Other Investments	0.70	0.72
Total Comprehensive Income	**UGX 146 Billion**	**UGX 15 Billion**
	% Composition	
Interest Income	98.51	82.56
Rental Income	1.55	0.00
Dividend Income	10.07	4.14
Other Income	12.53	1.99
Fair Value Gains/(Losses)**	(22.66)	11.31
Tax Expenditure (Corporate & Withholding Tax)	**UGX 32.6 Billion**	**UGX 2.6 Billion**
Average Return on Investment (%)	9.97	14.14
Average Interest Declared & Allocated to members(%)	9.74	9.83

*The cost-income and cost-asset ratios of segregated schemes were 8.96 and 0.95 respectively, while Umbrella Schemes' cost-income and cost-asset ratios were 12.19 and 1.08 respectively. Umbrella schemes are expected to gradually become more cost efficient, broaden access to additional asset classes, and enhance risk management practices.

**Total equity allocation for segregated and umbrella scheme arrangements accounted for 19.51% (UGX 282 billion) and 8.92% (UGX 11.5 billion) respectively, of the total investment portfolio per scheme arrangement. The difference in the registered fair value gain/(losses) is on account of the difference in total equity asset class holding.

APPENDIX XIII: RETIREMENT BENEFITS SECTOR TRUSTEES' FACTSHEET

This factsheet provides a summary of the characteristics of sector trustees. The summarized information was obtained in 2019 during the execution of the Study on Trustees' Knowledge and Skills.

Age of Trustees (in years)	%age
Under 31	1.3
31-40	32.3
41-50	35.8
51-60	21.7
Over 60	8.9

Length of Service (in years)	%age
1.0 to 2.0	39.6
2.1 to 2.5	1.4
2.51 to 5.0	43.5
5.1 to 10.0	13.7
Over 10.0	1.8

Trustees' Nomination	%age
Employer nominated	17.8
Employee nominated	80.0
Individual/Independent Trustee	2.2

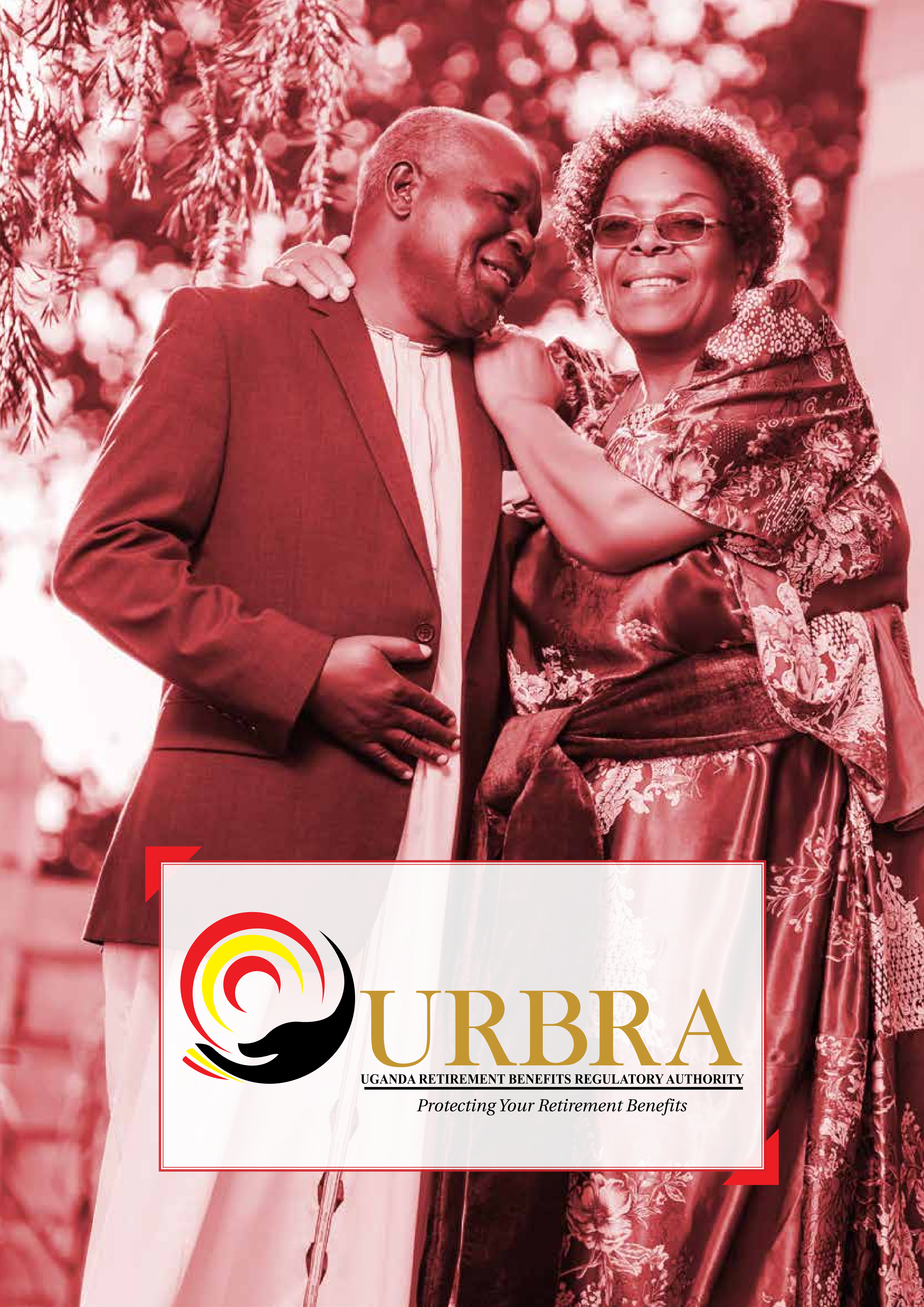
NB: In addition to the above, the Sector is comprised of 3 Corporate Trustees

Highest Level of Education Attained	%age
Certificate	2.2
Diploma	7.3
Bachelor's Degree	11.8
Post Graduate*	68.6
Professional Qualifications**	10.1

*Includes Post Graduate Diplomas, Masters and PhD
**Includes CPA, ACCA, ACI and ICSA

Field/Area of Education	%age
Arts and Humanities	28.5
Economics	9.9
Finance, Management or Accounting	21.2
Professional Accountancy	15.9
Others*	24.5

*Others includes Medicine, Psychology, Agriculture, Plant Pathology, Insurance, etc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Protecting Your Retirement Benefits

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