



JOINT CIRCULAR

REF: PenCom/NAICOM/JCIR/2025/001

DATE: 4 November 2025

TO: All Licensed Insurance Companies

SUBJECT: COMPLIANCE WITH THE PROVISIONS OF THE PENSION REFORM ACT 2014 BY LICENSED INSURANCE COMPANIES AND THEIR SERVICE PROVIDERS/VENDORS

1. Section 2 of the Pension Reform Act (PRA) 2014 mandates all employers in the public service of the Federation, Federal Capital Territory, State Governments, Local Governments, and private sector organizations to participate in the Contributory Pension Scheme (CPS), including the timely remittance of pension contributions not later than seven (7) working days after salary payment, and having in place Group Life Assurance (GLA) for Employees.
2. Despite continuous engagements and enforcement actions by the National Pension Commission (PenCom), a significant number of employers remain in breach of this statutory obligation.
3. Pursuant to its regulatory mandate, PenCom has appointed Recovery Agents (RAs) to audit defaulting employers, impose administrative sanctions, and pursue the judicial process of recovery of outstanding contributions and penalties. However, persistent non-compliance by some entities continues to undermine the objectives of the CPS.
4. To enhance enforcement, promote compliance, and expand pension coverage, PenCom, in collaboration with the National Insurance Commission (NAICOM), hereby jointly direct as follows:
 - i. Licensed Insurance Companies (LICs) shall henceforth possess a valid Pension Clearance Certificate (PCC) issued by PenCom as evidence of compliance with the PRA 2014, and GLA Certificates in compliance with the Nigerian Insurance Industry Reform Act (NIIRA) 2025.
 - ii. LICs shall ensure that every service provider and vendor they engage must present a valid PCC issued by PenCom as evidence of compliance with the PRA 2014, and GLA Certificates in compliance with NIIRA 2025. This shall be a precondition for entering into any Service Level or Technical Agreement by the LICs.

- iii. LICs are also mandated to ensure that all investments are undertaken only with companies and financial institutions that enforce the requirement of PCCs and GLA Certificates from their own vendors and service providers.
 - iv. Each counterparty shall be required to execute a Compliance Attestation, affirming its enforcement of the PCC and GLA Certificates requirement across its own vendor ecosystem. This attestation, which shall be updated annually, shall form part of the LICs' investment documentation. Attached herewith as Appendix I is the format of the Compliance Attestation to be executed by each counterparty.
 - v. Counterparties shall also submit, at every point of transacting with LICs, valid PCCs and GLA Certificates obtained from their vendors/service providers. This requirement shall apply to all investment transactions, including but not limited to commercial papers, bond issuances and bank placements.
 - vi. LICs are required to take appropriate steps to integrate these requirements into their internal policies, vendor selection processes, due diligence, governance and investment risk assessment procedures.
 - vii. The parent companies, subsidiaries, holding companies and institutional shareholders of LICs shall possess a valid PCC, have in place GLA for its Employees, and ensure that every vendor and service provider engaged by them complies with the requirements of the PCC and GLA Certificates as a precondition for entering into any Service Level or Technical Agreement.
5. A transition window of six (6) months from the date of this Joint Circular is hereby granted to enable full implementation of the above directives.
6. All enquiries regarding this Joint Circular should be directed to PenCom or NAICOM.



A. M. Saleem
Director, Surveillance Department
National Pension Commission



Dr. Talmiz Usman
Director (Legal, Enforcement & Market Devpt)
National Insurance Commission

SAMPLE COMPLIANCE ATTESTATION

Pursuant to Joint Regulatory Guidance issued by the National Pension Commission (PenCom) and the National Insurance Commission (NAICOM), we, the undersigned, hereby affirm the following with respect to our compliance with the Pension Reform Act (PRA) 2014 and the Nigerian Insurance Industry Reform Act (NIIRA) 2025:

1. We are fully compliant with the provisions of the PRA 2014, possess a valid Pension Clearance Certificate (PCC) and have GLA Certificate in compliance with the Nigerian Insurance Industry Reform Act (NIIRA) 2025, copies of which are attached hereto.
2. That we maintain an internal policy which mandates that all our vendors, contractors, and service providers shall submit valid PCCs and GLA Certificates as a precondition for engagement or renewal of service agreements.
3. We have attached valid copies of PCCs and GLA Certificates obtained from our current vendors/service providers as evidence of our enforcement of this requirement.
4. That we shall continue to submit updated PCCs and GLA Certificates from our Vendors/Service providers, in accordance with the applicable Joint Circular.
5. That we understand that failure to comply with the above, or any misrepresentation herein, may result in the disqualification of our Company from being considered in any business/transactional undertaking.

Executed this ____ day of _____, **20**.....

Company Name:

Name of Authorised Signatory:

Designation:

Signature:

Note: This Undertaking must be endorsed by a Commissioner for Oaths or Notary Public

