PSSF
PUBLIC SERVICE SUPERANNUATION FUND
Empowering Futures

THE Superannuation NEWSLETTER

Issue 005 (April-June 2026)

PSSF Charts New Investment Path For Half a Million Members

PSSF Targets 600 Delegates as Pan-African Pensions Conference Shifts Focus to Reform Delivery

My Pension
My Access
ANDROID APP ON
Google play

Vision

A trusted retirement benefits provider

Mission

To collect contributions, optimally invest and pay benefits to scheme members and their beneficiaries sustainably through sound financial, good governance and risk management policies in pension fund administration

PSSF
PUBLIC SERVICE
SUPERANNUATION FUND
Empowering Futures

Core Values

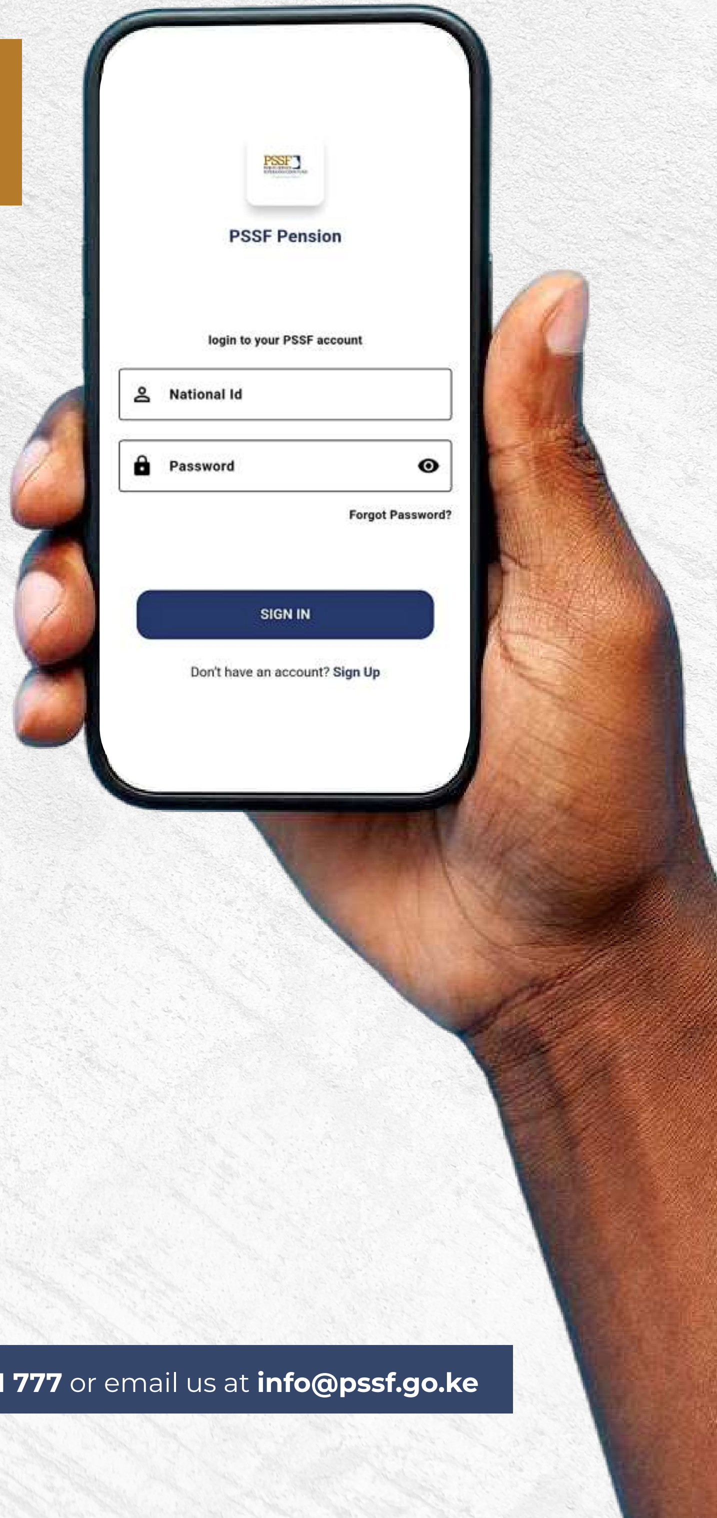
- Responsiveness
- Independence
- Fairness
- Transparency and accountability
- Integrity
- Teamwork

PSSF
PUBLIC SERVICE
SUPERANNUATION FUND
Empowering Futures

MY PENSION
MY ACCESS

Download the **PSSF Pension App** on the **Google Play Store** and access your pension services anywhere, anytime. Scan the QR code to download.

Scan Me!



In case of any queries, call us on **0746 111 777** or email us at **info@pssf.go.ke**

THE BOARD **OF TRUSTEES**

Hon. Amb. Hussein Dado
Chairman

Ms. Agnes Mwenda
Vice Chair

Mr. Amos Cheptoo
Trustee

Mr. David William Okoth Ochiel
Trustee

Dr. Kiprono Philemon, Ph.D
Trustee

Mr. Ndiku Muuo
Trustee

Ms. Rosemary Kuraru, EBS, ndc(k)
Trustee

Mr. Wicks Njenga
Trustee

CS. Cavin Anyuor
Trustee

Dr. Jonah Aiyabei, Ph.D
Chief Executive Officer/
Secretary to The Board

CONTENTS

Publisher:
Public Service
Superannuation Fund

Managing Editor:
Dr Jonah Ayabei
Chief Executive Officer

Editor:
Ngumbo Njoroge,
Head of Corporate
Communication

Editorial Team:
Timothy Machi
Collins Nyamu

Contributors:
Bomikazi Zeka
Cornelia Fwaya
Lorna Sang
Douglas Asanyo
Frankline Kubai
Bridget Kaari
Angela Kiptoo

Photography:
Collins Nyamu
Timeless Motions

Graphics:
Collins Nyamu

Layout Design:
Timon M Irene
Lloyds Africa Insights

PSSF
PUBLIC SERVICE
SUPERANNUATION FUND
Empowering Futures

CBK Pension Tower, 1st Floor
P.O. Box 3561 - 00200
Nairobi, Kenya
+254746 111 777, +25420 787 2220
info@pssf.go.ke

FROM THE CEO’S DESK

There are moments in an institution’s journey that, with the benefit of hindsight, stand out as genuine turning points. I believe this period is one of them for PSSF.

We are now a Fund responsible for the retirement savings of over 517,236 members. That number is not a statistic to us. It is a daily reminder of who we exist to serve, and the weight of that obligation shapes every decision we make.

This period has been one of deliberate, purposeful action.

Investing for the Long Term

The Board of Trustees approved a new Investment Policy Statement that marks the most significant shift in how we manage the Scheme’s assets. We are moving decisively away from our heavy reliance on government securities — currently at 78.6% of the portfolio — towards a more balanced, diversified position that includes property, offshore investments, and for the first time, alternative assets. We have adopted the Prudent Investor Rule and formally embedded Environmental, Social and Governance (ESG) principles into our investment framework.

Alongside this, the Board approved a landmark alternative investments strategy to deploy investments into private equity and infrastructure by 2028, targeting returns of at least 12 percent. We have already made our first commitments, to Africa50 and the Africa Finance Corporation. For our members, 99.5% of whom are more than a decade from retirement, this approach is not only appropriate, but also responsible.

Meeting Members Where They Are

Strong investment returns mean little if members do not understand or trust the Fund. That is why we took our pension education programme directly to the ground.

Working with the National Police Service, our teams conducted sensitisation sessions for 4,135 officers across 41 counties. Remarkably, 3,300 of those officers left with active accounts on the PSSF member portal. That is the digital transformation we have been working towards, not systems for their own sake, but tools that put real information in the hands of real people.

Our 2nd Annual HR Summit brought together payroll officers, HR directors and pension administrators from Ministries, Departments, Agencies and County Governments. The theme was partnership, and the conversations were candid and constructive. When employers and the Fund work in close alignment, members are the ones who benefit.

Leading the Continental Conversation

In November, PSSF will host the 2nd Pan-African Pensions Conference, bringing together more than 600 delegates from over 15 countries. Last year’s inaugural event shaped the agenda for reform across the continent. This year’s theme — From Reform to Reality: Building Pension Systems That Work for Africa — demands accountability. It asks not what we plan to do, but what we have actually delivered. It is a question we are equally directing at ourselves.

None of what we have described here happens in isolation. It is the product of a committed Board, a dedicated team, strong employer partnerships, and above all, the trust of our members. We do not take that trust for granted. The best of PSSF is ahead of us.

Dr Jonah Aiyabei, PhD
Chief Executive Officer

FACTSHEET

The **Public Service Superannuation Scheme** is a **defined contribution pension scheme** that covers **Civil Servants**, **Teachers employed by TSC** and **Disciplined Services personnel**. As at 31st March 2026, the scheme's membership was **517,236** with a fund value of **KES 322 billion**.

Membership Growth

Since inception on 1st January 2021, membership has grown steadily.

510,661	31-Dec 2025
443,639	30-Jun 2024
416,449	30-Jun 2023
368,795	30-Jun 2022
330,318	1-Jan 2021

517,236
Total Membership
31-03-2026

326,934	Teachers
116,487	Disciplined Service
57,501	Civil Servants
16,314	Counties

Assets Under Management

KES 322B

As at 31st March 2026, making it the second largest pension scheme in Kenya.

Interest Declared

17.68%

for the FY 24/25 marking an upward trajectory from the previous year's 11.9%

PSSF CHARTS NEW INVESTMENT PATH FOR HALF A MILLION MEMBERS

By Ngumbo Njoroge

PSSF has adopted a new Investment Policy Statement (IPS), setting a dynamic investment framework that will govern the retirement savings of over 517,000 teachers, civil servants and disciplined services personnel from across Kenya.

The new policy commits the Scheme to achieving real rate of return of at least 4% per annum above inflation, net of costs, over three-year rolling periods.

PSSF Board of Trustees Chairman Amb. Hussein Dado said the shift is a decisive move to diversify the scheme's portfolio away from its current heavy concentration in government bonds.

The scheme currently holds 78.6% of its assets in long-term government securities, above the new strategic target of 57.5%. It sets ambitious targets for property (10%), offshore investments (7.5%) and alternative assets (7.5%).

Amb. Hussein Dado said that the Board of Trustees has adopted a "moderately aggressive" investment strategy, a choice, he noted, is justified by the demographic composition of the scheme membership.

"With an average member age of 39 years and approximately 99.5% of members more than a decade from retirement, the Scheme can tolerate short-term market volatility in pursuit of higher long-term gains. The IPS also formally integrates Environmental, Social and Governance (ESG) considerations into investment decisions for the first time, requiring fund managers to provide quarterly ESG updates on the portfolio."

In addition, the IPS has expanded the Scheme's offshore investment mandate, permitting investments in collective investment schemes through unit trusts or mutual funds managed by globally reputable asset management companies.

The Board said the offshore allocation is to reduce concentration risk arising from holding the bulk of assets in a single country and to improve overall portfolio diversification.

The new IPS formally adopts the "Prudent Investor Rule," under which all investments must be made with care and judgment "considering the probable safety of capital as well as the probable income to be derived."

On performance accountability, the Board has set a composite benchmark plus 1.0% per annum over three-year rolling periods as the standard against which fund managers will be evaluated. The Finance, Investments and Strategy Committee, the Board's sub-committee for investment oversight, will meet quarterly to monitor compliance, review portfolio performance, and report to the full Board.

> "With an average member age of 39 years and approximately **99.5%** of members more than a decade from retirement, the Scheme can tolerate short-term market volatility in pursuit of **higher long-term gains**...
>
> **Dr Jonah Aiyabei, PhD**
> Chief Executive Officer

PSSF BETS ON PRIVATE EQUITY AND INFRASTRUCTURE IN LANDMARK DIVERSIFICATION PUSH

By Ngumbo Njoroge

The PSSF Board of Trustees has approved a landmark alternative investments strategy to direct up to Ksh41.6 billion into private equity and infrastructure funds by 2028, targeting returns of at least 12%.

The Board notes that this is a first-of-its-kind allocation covering the 2026–2029 period. It sets a target of 7.5% of total assets to alternative investments, well within the Retirement Benefits Authority's 10% ceiling.

"This strategy represents a critical step forward in our mandate to secure the financial futures of Kenya's public servants," said Board Chairman Ambassador Tuneya Hussein Dado.

"By diversifying into private equity and infrastructure, asset classes that have consistently outperformed traditional markets globally, we are positioning the scheme to deliver superior long-term returns that will translate into better retirement outcomes for our members."

Two thirds of the alternative investments' portfolio, 67%, will be directed to private equity, split between African funds (38% of the alternatives allocation) and international funds (29%). The remaining 33% will be channelled into infrastructure investments.

The decision to include international private equity alongside African funds reflects a clear-eyed reading of the data. Global private equity funds managed by firms such as Blackstone, KKR and EQT have delivered median 10-year returns of approximately 14% in US dollar terms , the equivalent of roughly 17% in Kenya shilling terms.

African private equity funds have delivered a median of approximately 8.5% in Kenya Shillings terms over the same horizon, according to the strategy document. Selecting top-quartile African funds, the strategy notes, is therefore essential to meeting the performance target.

"We have done our homework," said PSSF Chief Executive Officer Dr. Jonah Aiyabei. "The evidence shows clearly that a well-constructed portfolio combining African and international private equity funds with infrastructure assets can consistently outperform traditional fixed-income and listed equity investments. For our members, this means a stronger fund that can meet its obligations with confidence, even as the Scheme continues to grow rapidly."

PSSF has already made its first moves, committing USD 5 million each to Africa50 infrastructure fund and the Africa Finance Corporation.

The strategy proposes infrastructure investment will span a broad range of sectors; energy production, transport networks and digital infrastructure.

The strategy has been designed with governance at its core. All alternative investments will be made exclusively through fund structures managed by rigorously vetted external fund managers, not through direct investments in individual companies, at least during the initial three-year period. Every commitment will require a formal, written recommendation from a formally appointed and qualified fund manager before the Board of Trustees approves it.

The strategy also establishes strict minimum criteria for fund selection: fund managers must have at least USD 200 million in assets under management, a track record spanning at least two previous funds, and a target internal rate of return of no less than 10% net of fees.

The strategy explicitly excludes venture capital, which it classifies as a high-risk asset class unsuitable for a pension fund. African private credit funds have also been deferred for the initial three-year period, pending the development of a sufficient performance track record on the continent.

The investment strategy will be reviewed every three years, or sooner in the event of significant regulatory changes, material shifts in PSSS membership, or major changes in the investment environment.

> All alternative investments will be made exclusively through fund structures managed by rigorously vetted external fund managers, not through direct investments in individual companies

HOW DO I PLAN FOR MY RETIREMENT? STEP ONE – START RIGHT AWAY

By Bomikazi Zeka

Planning for retirement is important because it will help you build the nest egg you'll need to financially sustain your retirement years.

Past studies have shown that those who plan for their retirement are more likely to be better off at retirement compared to those don't.

The sooner the planning process gets underway, the better. This gives your money more time to grow by generating investment returns. And the income from your first job is your first opportunity to save for retirement. As the saying goes: "The best time to plant a tree was 20 years ago. The second best time is now."

As people can expect to live longer, they must save more for retirement so that they don't outlive their savings. This is particularly true given that the pensions landscape worldwide has undergone some major changes.

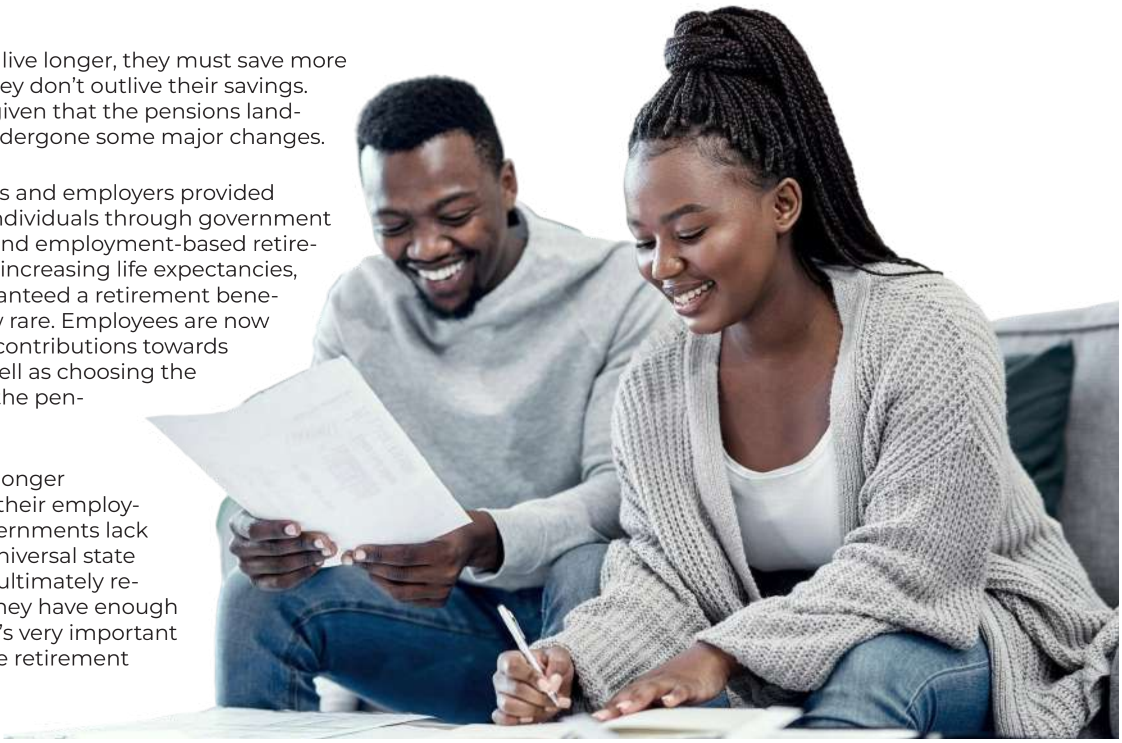
In the past, governments and employers provided retirement income for individuals through government social security benefits and employment-based retirement funds. Because of increasing life expectancies, pension plans that guaranteed a retirement benefit to employees are now rare. Employees are now responsible for making contributions towards their own pensions as well as choosing the investments offered by the pension fund.

Since employers are no longer responsible for funding their employees' retirement and governments lack resources to provide a universal state pension, each person is ultimately responsible for ensuring they have enough retirement savings. So it's very important to know the basics of the retirement planning process.

As a researcher, I'm interested in how people use financial products to overcome economic challenges and build wealth. One of the things I investigate is whether planning for retirement leads to better retirement outcomes. For instance, my research has found that individuals whose financial affairs are in order are more likely to maintain their standard of living at retirement.

Given that everyone's financial situation is unique, it's always a good idea to speak to a financial planner for tailored financial advice.

If you haven't given retirement planning much thought or don't know where to start, here are four points to help get the ball rolling.



What are my retirement goals?

Retirement goals make you think about what you want to achieve by the time you retire and what you need to do to achieve it. Some people may have a goal in mind about when they want to retire, or how much wealth they'd like to have by the time they retire. And since wealth has different meanings for different people, others may think about maintaining or improving their standard of living at retirement.

Once you've thought about your retirement goals, the "smart" goals framework is a useful guide. It outlines that goals should be: specific, measurable, attainable, relevant and time-bound.

When goals are clear, within reach, achievable, realistic and time-sensitive, they become a blueprint to help you turn them into a reality.

How do I start saving for retirement?

For those who have a job that comes with retirement fund membership, a workplace pension is used to provide for retirement. But there are also other options available to help you save.

For instance, retirement annuity funds are voluntary retirement savings. Personal assets such as unit trusts or tax-free investments can also be used as a savings tool. Unit trusts are generally better suited for people willing to take on risk because their value is tied to the movements of financial markets. In other words, they can generate positive returns but they can also lose value.

Each of these options has its advantages and disadvantages and what works best for one person may not be best for another. But there are several ways to save for retirement depending on your financial situation and retirement goals. Getting professional advice will help you determine what's best for you.

Will my retirement savings be enough?

Once you've set your retirement goals and have a retirement savings plan in place, you can calculate whether you are saving enough to achieve your retirement goals.

You might have to increase the monthly amount you're putting away for retirement or reconsider your retirement age. The retirement calculators are also a useful tool for regular check-ins on your progress should your financial situation change – for example, if you change employers and earn a different salary.

What other issues should I consider?

It's also important to think about your lifestyle and priorities.

For instance:

- do you aim to retire with your mortgage settled?
- are there debts you plan to clear before you retire or children who need financial support at retirement?
- would you like to renovate your home?
- would you like to buy a new car when you reach retirement age?

Another important consideration is healthcare costs. Many people assume that they will be able to work indefinitely and overlook the fact that healthcare costs may increase with age.

Starting early matters

Many people plan to work after retirement age, while others don't plan to retire at all. It may be that they can't afford to. They may have accessed their retirement benefits too soon, made inconsistent retirement fund contributions, or had to pay high administrative costs that eroded the final value of a retirement payout.

So best be prepared. Retirement may seem like a distant event to plan and save for, especially when there are more pressing financial needs. It's important to think about the financial decisions you make now that may cost you in the future. If you start to plan for your retirement now, your future self will thank you for it.

The article was first published by The Conversation

> When goals are clear, within reach, achievable, realistic and time-sensitive, they become a blueprint to help you turn them into a reality.

SHOULD YOU USE YOUR RETIREMENT SAVINGS TO PAY OFF DEBT? THREE THINGS TO KEEP IN MIND

By The Conversation

A host of countries have taken steps to reform the terms under which people can access their retirement benefits. South Africa is the most recent. In 2024 it introduced changes that allow access to some retirement savings while ensuring that most of the money is still preserved for later.

Other countries that have changed the rules to allow members to dip into their savings before retirement include Australia, Chile, India and Portugal. Changes were introduced to ease the financial strain caused by COVID-19 pandemic lockdowns. People across the world are grappling with debt and the cost of living.

Policymakers have considered this an avenue that offers financially distressed fund members the flexibility to access their retirement funds while still supporting long-term retirement savings. Retirement funds are also often the only sizeable savings that fund members have.

A recent report by South Africa's Discovery Corporate and Employee Benefits, which represents 3,000 employers that provide pension and provident funds for just over one million employees, found that people aged between 35 and 45 made the most claims to access the savings component of their retirement.

When asked what they used the funds for, 24% of members said their withdrawals were for financing home or car expenses. Another 21% of members were using their funds to pay off short-term debt. The majority of members who withdrew their retirement savings were low-income earners (earning up to R125,000 or US$7,000 a year). On the other hand, withdrawals were lowest among high-income earners (earning more than R1 million or US$56,000 a year).

This data provides evidence that most low- to middle-income South African consumers are grappling with the trade-off between preserving their capital for retirement and meeting their monthly financial obligations.

Given that everyone's financial situation, goals and needs are different, it's always best to speak to a financial advisor to assess whether using your retirement savings to pay off debt will be a sound move. But, as academics who have focused on financial planning, we offer three pointers to consider:

- understand what you owe, to whom, and what it's costing you
- plan beyond paying off debt
- weigh the pros and cons carefully.

> ...it's always best to speak to a financial advisor to assess whether using your retirement savings to pay off debt will be a sound move.

> When considering withdrawing from your retirement savings to pay down debt, it’s also important to remember this will be at the expense of building your retirement nest egg.

Know which debt to settle first

Debt with a high interest rate often takes longer to repay, because at the start of the loan repayment period, most of the repayments are going towards interest payments – not reducing the capital amount. If you use your retirement proceeds towards this, it could shorten the period that it would take to settle the loan and reduce the interest repayments, which are compounded according to the outstanding loan balance.

Short-term loans, such as those with a repayment term of up to 18 months, tend to have higher interest rates. Unsecured debt, which is debt that is not tied to an asset, also attracts high interest rates because they have little to no collateral requirements. Collateral provides the lender with a guarantee of compensation in the event of default. When there is no collateral, the cost of debt becomes more expensive. Using your retirement proceeds towards settling these short-term loans can free up cash that can be used towards settling other debt and will improve your credit score.

Understanding borrowing behaviour

Using your retirement savings to settle debt should be a priority if you have a plan in place to ensure that your overall financial position will improve. Once the debt is cleared, consider how you can use your free cash in your favour. This could mean boosting your savings or acquiring assets and investments.

But if retirement savings are being used to pay off debt while you accumulate more debt, this indicates on ongoing cycle of debt. For example, paying off the minimum amount due on a loan but also consuming the balance that becomes available on the same loan is a sign of poor borrowing behaviour. A more extreme example is taking on more debt to service existing debt.

Without a change in borrowing behaviour, using your retirement savings to pay off debt will leave you worse off. You will have missed out on the opportunity to grow your retirement savings and you will have got into more debt.

Debt repayments vs retirement returns

When considering withdrawing from your retirement savings to pay down debt, it’s also important remember this will be at the expense of building your retirement nest egg. For instance, if a 35-year-old were to draw down R30,000 from their retirement fund, that same amount could have grown their retirement capital by over R200,000 by the time they reached 55 years old (assuming an investment return of 10%).

Withdrawing your retirement savings on a frequent basis could also mean you may need to work longer and past your intended retirement age to compensate for the withdrawals. Or you may need to find ways to supplement your retirement savings through other investments, or consider reducing your standard of living at retirement.

Is this a sound move?

Remember, withdrawal from retirement savings is subject to tax.

While retirement may seem far off when there are more pressing financial needs, using your savings to pay down debt has its advantages and drawbacks. Since withdrawals are being used to pay for expenses and service debt, it’s also important to reflect on borrowing behaviours that may need to be corrected. Otherwise, using retirement savings could become a financial crutch that could make your retirement income less secure.

Settling debt using your retirement savings should be done after careful consideration and planning. If in doubt, speak to a financial advisor.

The Conversation

PSSF TARGETS 600 DELEGATES AS PAN-AFRICAN PENSIONS CONFERENCE SHIFTS FOCUS TO REFORM DELIVERY

By Ngumbo Njoroge

Building on the success of the inaugural event, PSSF has set in motion preparations for the second Pan-African Pensions Conference in November, aiming to shift the continent's retirement industry from policy commitments to measurable reform outcomes.

Scheduled for November 18–20, 2026, the conference will convene more than 600 delegates from over 15 countries, expanding participation beyond East Africa to include West and Southern Africa.

The 2025 inaugural meeting drew 343 participants from 11 countries from Africa and around the world.

This year's theme, *"From Reform to Reality – Building Pension Systems That Work for Africa,"* signals a pivot from agenda-setting to execution, with organisers emphasizing accountability for commitments made last year.

Africa's pension sector has grown steadily, with rising assets under management and maturing regulatory frameworks. Yet structural challenges persist, including low coverage, especially among informal workers, fragmented regulation across jurisdictions, limited investment diversification and increasing macroeconomic pressures.

"The question is no longer whether reform is necessary, but how effectively it is being implemented," said PSSF CEO Dr Jonah Aiyabei.

The 2026 edition will open with an accountability review assessing implementation gaps and institutional follow-through.

A major focus will be inclusion, as policymakers and fund managers grapple with extending pension coverage to Africa's largely informal workforce. Sessions will highlight micro-pension models, mobile-based enrolment systems and portable benefits for cross-border workers, alongside gender-focused reforms aimed at closing the retirement savings gap for women.

Investment strategy is also expected to dominate discussions. With Africa facing an estimated annual infrastructure financing gap exceeding $100 billion, pension funds are increasingly being viewed as a source of long-term capital. Delegates will examine opportunities in infrastructure, housing, green finance and alternative assets such as private equity and real estate, while balancing risk and return expectations.

Technology will feature prominently, reflecting the sector's push toward digital transformation. Topics will include artificial intelligence in pension administration, blockchain applications for transparency and fraud prevention, and cybersecurity risks in increasingly digitized systems.

PSSF is also targeting stronger regional integration, with increased participation expected from countries such as Nigeria, Ghana, South Africa and Morocco. The expanded footprint reflects a broader ambition to create a unified African pension reform agenda and facilitate cross-border collaboration.

The conference is structured as a self-financing event, with projected revenue from delegate fees and sponsorships exceeding costs.

Beyond discussions, the meeting is expected to deliver concrete outputs, including updated policy recommendations, strengthened institutional partnerships and the formal launch of the Pan-African Pensions Dialogue Platform as a standing body.

For PSSF, the conference is part of a broader effort to position itself as a continental thought leader in pension reform and institutional investment. The 2025 event helped elevate its profile, generating significant media reach and establishing the forum as a recurring platform for industry dialogue.

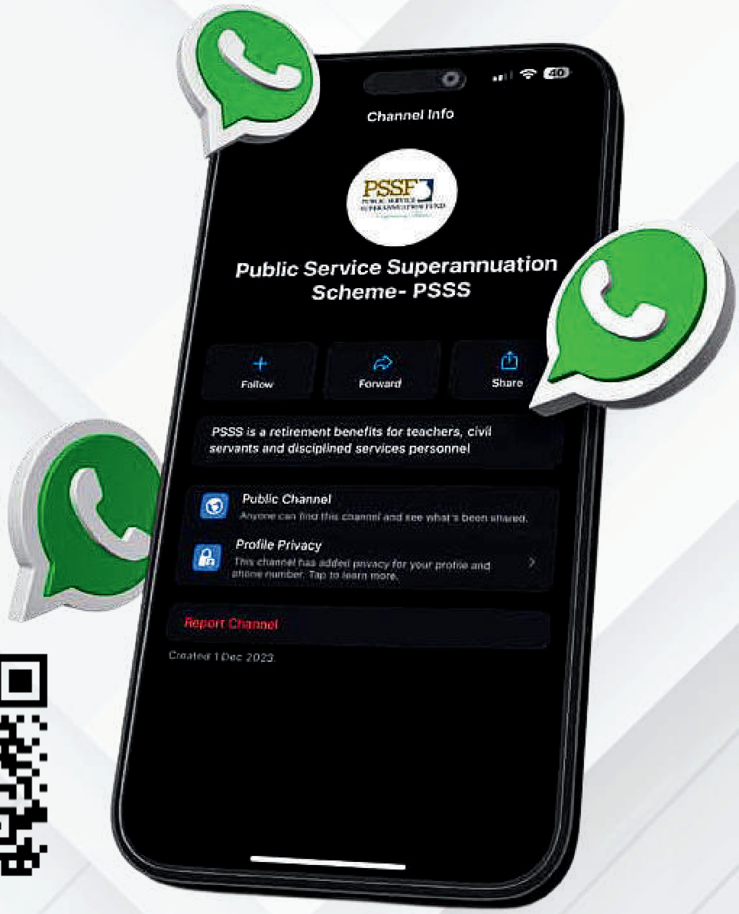
The 2026 edition will test whether that influence can translate into action.

As African economies seek sustainable financing sources and greater financial inclusion, the role of pension funds is increasingly under scrutiny. November's conference may offer an early indication of whether the sector can move from ambition to execution.

PSSF
PUBLIC SERVICE SUPERANNUATION FUND
Empowering Futures

Follow us on Social Media

Like
Share



Scan to follow our Whatsapp Channel

Let's Get Connected for Our Latest News & Updates

Facebook: Public Service Superannuation Fund - PSSF

X: pssf_kenya

LinkedIn: Public Service Superannuation Fund - PSSF

YouTube: pssf_kenya

TikTok: pssf_kenya

STRONG GROWTH, BOLD REFORMS DRIVE AFRICA'S PENSION INDUSTRY TRANSFORMATION

By Timothy Machi

Kenya's pension industry closed 2025 on a high, with total Assets Under Management (AUM) rising to KSh2.81 trillion in December, marking an 11.06% growth over six months and an impressive 24.57% year-on-year increase. According to the Retirement Benefits Authority (RBA) Industry Brief (December 2025), the expansion was driven by KSh157.06 billion in new contributions and KSh122.87 billion in investment income and valuation gains, reflecting both strong inflows and favourable market performance.

In the report, government securities dominated pension portfolios, accounting for 52.14% of total assets at KSh1.47 trillion, even as yields declined following the Central Bank Rate easing to 9.0%. During the period, quoted equities emerged as a key growth driver, surging by 22.6% to KSh312.84 billion.

The report further highlights increased portfolio diversification as a key feature of this growth, with pension funds allocating capital across a broad mix of traditional and alternative asset classes. The investment mix was complemented by substantial allocations to guaranteed funds (KSh522.39 billion) and quoted equities (KSh312.84 billion).

Investments in immovable property stood at KSh240.96 billion, while offshore assets reached KSh85.20 billion. Short-term and liquidity-focused instruments, including fixed deposits and cash and demand deposits, accounted for KSh56.50 billion and KSh33.17 billion respectively.

At the same time, exposure to alternative investments continued to expand, with private equity rising to KSh29.93 billion, listed corporate bonds to KSh28.29 billion, and unquoted equities to KSh8.90 billion. Additional allocations were made to REITs, commercial paper, and other specialised investment vehicles, reflecting a deliberate shift toward broader diversification and enhanced return opportunities.

Macroeconomic stability further underpinned investment performance. Inflation averaged 4.4% in the second half of 2025, remaining within the government's target range, while the Kenya shilling held steady against the US dollar at approximately KSh129. This stability preserved the value of offshore investments and supported predictable returns.

In capital markets, the Nairobi Securities Exchange recorded robust gains, with the NASI and NSE 20-Share Index rising by 22% and 29% respectively, boosting pension fund equity valuations. However, reduced trading volumes pointed to cautious investor sentiment despite rising market capitalisation.

Uganda: Civil servants to start contributing towards their pensions

Civil servants in Uganda will begin contributing toward their pensions from July 2026. The reform follows the enactment of the Public Service Pension Fund Act, 2025, which replaces the long-standing non-contributory system with a funded, contributory scheme.

For decades, Uganda's public servants relied on a government-funded pension arrangement, where retirement benefits were paid directly from the Consolidated Fund. However, rising fiscal pressures and growing pension liabilities prompted the need for reform. According to the Uganda Retirement Benefits Regulatory Authority (URBRA), the new framework introduces a shared contribution model aimed at improving sustainability, transparency and timely payment of benefits.

Under the new law, civil servants will contribute 5% of their salaries, while the government will contribute 10% as the employer. These contributions will be deducted and remitted monthly into the Public Service Pension Fund beginning July 2026, creating a steady pool of long-term savings to finance future retirement benefits.

The new system will be governed under a regulated framework with licensed fund managers, custodians, and administrators overseeing the scheme.

South Africa: Government scraps automatic retirement age of 60

South Africa has scrapped the default retirement age of 60, marking one of the most significant pension reforms in Africa, as authorities move to respond to rising life expectancy and mounting pressure on pension systems.

The shift, effected through regulatory changes in January 2026, removes the long-standing benchmark that allowed many workers to retire at 60. Instead, retirement age will now be determined by employment contracts and individual pension fund rules.

Data from Statistics South Africa shows that average life expectancy has increased beyond 65 years, making earlier retirement increasingly unsustainable. Policymakers argue that extending working life will ease fiscal strain, improve pension adequacy and align South Africa with global trends.

Under the new framework, both public and private sector schemes are expected to adjust their rules, with many workers likely to retire closer to 65–67 or beyond. The changes also interact with the country's evolving two-pot retirement system, requiring funds to recalibrate access to savings and benefits.

As the changes take effect, proponents say the reform supports sustainability, retains critical skills and strengthens long-term retirement security, while critics warn it could worsen unemployment in the Rainbow Nation by slowing workforce turnover and limiting opportunities for younger entrants.

Ghana mandates 5% of pension funds into innovation

Ghana is reaping the benefits of a policy shift that is channelling at least 5% of pension fund assets into private equity and venture capital, unlocking long-term domestic capital estimated at about USD 330 million to fuel innovation, startup growth and technology-led firms.

The directive, issued by the National Pensions Regulatory Authority, is designed to reposition pension savings as a strategic source of innovation financing rather than being confined largely to traditional fixed-income instruments.

With total pension assets projected to exceed USD 6.6 billion by end of 2026, the 5% allocation is beginning to redirect significant long-term capital into innovation-heavy sectors such as fintech, health technology, agri-tech, logistics and climate-smart solutions. These sectors are increasingly seen as central to digital transformation and job creation.

The reform is also easing one of Ghana's most persistent constraints on innovation: limited access to patient, risk-tolerant capital for startups and SMEs. By expanding domestic venture and private equity funding, the policy is helping local entrepreneurs scale solutions within the economy rather than relying heavily on foreign capital.

The initiative is increasingly viewed as a structural shift in how pension capital is deployed in Africa, positioning Ghana's retirement savings system as an active enabler of innovation-led economic transformation.

Morocco implements tax-free regime for pensions

Morocco has fully exempted pensions from basic retirement schemes from income tax effective January 1, 2026 under the country's latest Finance Law.

The reform marks the completion of a phased policy introduced by the government, which applied a 50% tax reduction in 2025 before transitioning to full exemption this year. The measure covers pensions paid under core public schemes, including those managed by the National Social Security Fund.

The move is aimed at strengthening social protection and improving the purchasing power of more than 700,000 pensioners. The reform is estimated to cost the state over USD 120 million annually in foregone tax revenue.

However, the exemption does not extend to complementary or private pension schemes, which remain subject to income tax under existing rules.

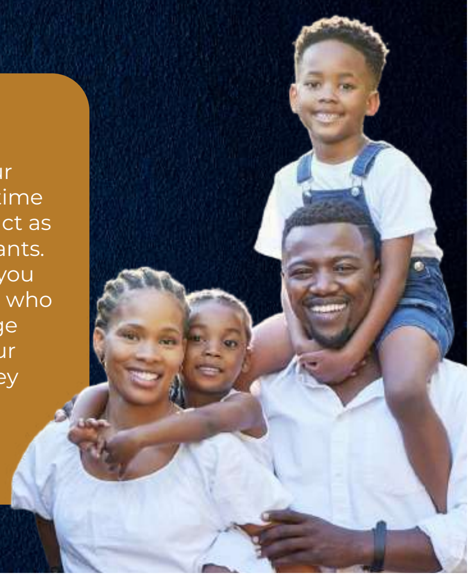
The tax-free regime builds on a series of pension-focused interventions in recent years, including benefit increases and expanded eligibility under national schemes.

Morocco's move positions it among a small but growing group of countries using tax policy to directly support retirees, as governments across Africa explore reforms to improve pension outcomes and financial security in old age.

DID YOU KNOW?

Your pension beneficiary doesn't have to be a family member.

A **beneficiary** is the person you nominate to receive your pension benefits when the time comes, and in some cases, act as a guardian for your dependants. In the absence of a spouse, you may choose a trusted friend who can receive and help manage the benefits on behalf of your minor children, ensuring they are cared for and supported if you are no longer there.



2ND ANNUAL HR SUMMIT PROMOTES STRATEGIC PARTNERSHIP

By Collins Nyamu

PSSF convened its 2nd Annual HR Summit to strengthen partnerships with employers as it advances its mandate to deliver retirement benefits to members.

The Summit brought together Human Resource Directors, payroll accountants and officers, internal auditors, and pension officers from Ministries, Departments, Agencies, and County Governments (MCDAs) to strengthen coordination and ensure the timely payment of benefits to members as they fall due.

Themed *'Strengthening Stakeholders Partnership for Effective Service Delivery'*, this year's discussions majored on system integrations, improving compliance with pension regulations, strengthening employer responsibilities in pension administration, and promoting the use of digital platforms such as the employer and member portals.

"Digitization is not just about technology; it is about improving efficiency, strengthening accountability, and delivering a seamless experience to both employers and members," said PSSF CEO Dr. Jonah Aiyabei, reaffirming the Fund's commitment to innovation and service excellence.

Also present were Ms. Agnes Mwenda, Vice Chair of the Board of Trustees, and Mr. David William Okoth Ochiel, Trustee representing the Ministry of Public Service, Human Capital Development and Special Programmes.

The discussions also focused on role of employers on the PSSF portal, highlighting the digitization of processes such as submission and approval of PSSS forms, specimen signatures for claims, and access to employer statements.

Participants were also guided through the member interface, including how members can access contribution statements, member benefit statements, and the member portal and mobile application.

The State Department for Public Service delivered a presentation on the Human Resource Information System (HRIS) and its role in supporting efficient management of public service records and pension administration.

"The new system integration no longer relies on codes because data is now referenced using terms. This makes it easy to capture member information," said Naomi Ndambuki, a representative from the Human Resource Information System (HRIS).

She added that the integration of systems provides real-time updates and enhances transparency in pension processes.

Further, discussions focused on the submission of contribution schedules and member biodata through the employer portal, emphasizing the required formats and procedures for submission. The Summit emphasized compliance with pension matters, and the need for effective oversight and internal control mechanisms.

Participants noted the need for effective communication and sensitization efforts, suggesting that meetings be decentralized to reach more members, particularly teachers, in various counties – a general sentiment of collaboration and commitment to improving service delivery for pension members.

"HR officers have a mandate to ensure seamless pension processes so that all our members retire with dignity," said Mr. David William Okoth Ochiel.

> "The new system integration no longer relies on codes because data is now referenced using terms. This makes it easy to capture member information.
>
> **Naomi Ndambuki,**
> Human Resource Information Systems Officer

Vice Chair Agnes Mwenda, Trustee David William Okoth Ochiel, CEO Dr. Jonah Aiyabei and Ag Manager, Benefits Administration Obed Mbuvi at the 2nd Annual HR Summit

Vice Chair Agnes Mwenda gives opening remarks at the 2nd Annual HR Summit

Trustee David William Okoth Ochiel addresses HR Directors, Payroll Managers and Internal Auditors at the 2nd Annual HR Summit

Human Resource Information Systems Officer, Naomi Ndambuki, sensitizes HR Directors, Payroll Managers and Internal Auditors on system integrations during the 2nd Annual HR Summit

Attendance during the 2nd Annual HR Summit

Trustee David William Okoth Ochiel poses for a photo with a HR Practitioner during a gift session at the 2nd Annual HR Summit

BRIDGING THE KNOWLEDGE GAP: PSSF SENSITIZES POLICE OFFICERS ON PENSION CONTRIBUTIONS

By Cornelia Fwaya

The Public Service Superannuation Fund (PSSF), in collaboration with the National Police Service (NPS), has rolled out a nationwide sensitisation programme as part of a long-term strategy to ensure every member fully understands the Fund's operations and structures as well as rights and obligations.

The initial awareness campaigns covered police officers in 41 counties across Kenya. Led by PSSF trustees, four teams each comprising two officers from PSSF and three from the National Police Service (NPS) took officers through how their contributions are invested, the role of employer top-up and the overall structure of the Fund.

The teams, spread across different parts of the country, guided officers on how and when to access their benefits upon exit from service – whether through retirement, resignation, dismissal, invalidity or death and how the beneficiaries can file claims for pension benefits.

Through interactive sessions, the teams highlighted key member rights and responsibilities. Specifically, the disciplined officers among them Administration Police, Kenya Police and the Directorate of Criminal Investigations, were encouraged to keep checking their contribution statements, review their records regularly, update personal and beneficiary details and keep their contact information current as circumstances change. The members were also guided on how to access PSSF services online through the member portal and the PSSF Pension App.

Notably, 3,300 out of the 4,135 officers sensitized, were able to create accounts on the portal, marking a significant step in the Fund's journey towards full digital transformation which is one of the key targets for the Fund.

The sessions also featured interactive Q&A segments with the PSSF team responding to questions and concerns raised by the police officers.

Over time, awareness of pension contributions has grown. This programme builds on that progress by offering clearer and more practical information. It helps our members better understand how their contributions work, how funds are managed and the benefits available in the long term.

A key highlight of the exercise was the opportunity for officers to access their individual contribution statements. For many, this was the first time they were able to view their balances, with records reflecting contributions from 2021 to date. This practical component not only enhanced transparency but also helped build trust and confidence in the Fund.

During the sessions, Trustee David Ochiel encouraged officers to consider Additional Voluntary Contributions to strengthen their retirement savings. Trustee Rosemary Kuraru urged participants to share the knowledge gained with colleagues who were unable to attend while Vice Chairperson Agnes Mwendwa emphasised the importance of financial discipline, especially after exiting service and beginning to draw pension benefits.

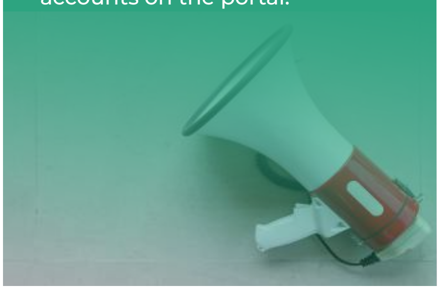
The programme not only seeks to strengthen transparency, but also improves financial literacy and boosts member participation in pension planning.

41 Counties

across Kenya were covered in the initial awareness campaigns targeting police officers.

3,300 Officers

sensitized were able to create accounts on the portal.



PENSION SCHEMES AND EMPLOYERS MUST COLLABORATE TO SERVE MEMBERS

By Lorna Sang

Delivering a superior member experience within the pensions sector requires a coordinated and deliberate effort between the Scheme and employers. The employer's role is central, as it forms the first and most consistent point of contact for members.

Ensuring accurate payroll data, timely remittances, and effective staff sensitization are not merely administrative obligations; they are critical enablers of efficient pension administration and the foundation upon which member confidence and trust are built.

Employers directly influence how quickly contributions are posted, how accurately member statements reflect savings, and how seamlessly benefits are processed. When these processes function effectively, members experience transparency, predictability and reassurance, which strengthen the overall pension journey.

PSSF recently hosted its inaugural Pan African Conference, convening over 350 pension sector leaders, policymakers and regulators across the continent. This event underscored our commitment to cultivating a knowledge driven, sustainable and future ready pension industry. While retirement may appear distant for many members, employers play a pivotal role in ensuring that employees begin preparing early and remain adequately informed throughout their careers.

Despite being a relatively young Scheme at five years, PSSF continues to demonstrate strong performance and institutional maturity. We recently recorded the highest investment return in the country at 17.68 per cent, with all gains reinvested directly into members' savings. This growth, combined with ongoing reforms and improved operational efficiency, is a testament to the Scheme's dedication to safeguarding member benefits and enhancing service delivery.

These achievements carry significant value for employers. They provide assurance that employees' retirement savings are prudently managed, consistently growing, and accessible when required. A strong pension partner in PSSF not only enhances employee financial security but also supports employers in fostering a stable, motivated and future focused workforce.

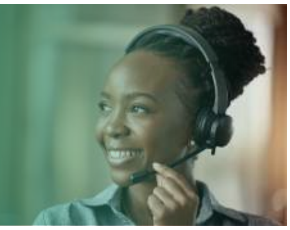
Furthermore, employers who actively collaborate with PSSF contribute greatly to demystifying pensions for their staff. Employees who understand their benefits exhibit greater financial confidence, reduced anxiety, and enhanced productivity. These outcomes positively influence workplace performance and organizational culture.

The transition to internal administration has further strengthened PSSF's ability to meet the needs of both members and employers. Centralized operations have led to faster feedback loops, timely resolution of inquiries, and prompt payment of benefits. Employers now receive tailored support aligned with their specific requirements, creating a more responsive and reliable service experience.

Today, PSSF can confidently state that it has reshaped the traditional narrative surrounding pension administration. Together with employers, we are building a pension environment that is transparent, efficient and anchored in member dignity.

The great partnership between employers and PSSF extends beyond administrative coordination. It reflects a shared commitment to empowering members, supporting families and maintaining institutional trust.

> Centralized operations have led to faster feedback loops, timely resolution of inquiries, and prompt payment of benefits.



WHY KENYA NEEDS A ONE-STOP PENSION DASHBOARD NOW

By Ngumbo Njoroge

The Retirement Benefits Authority data shows that 7.5 million Kenyans are actively saving for retirement, with many contributing to multiple pension schemes through employer-sponsored schemes, Government-backed schemes or individual pension schemes.

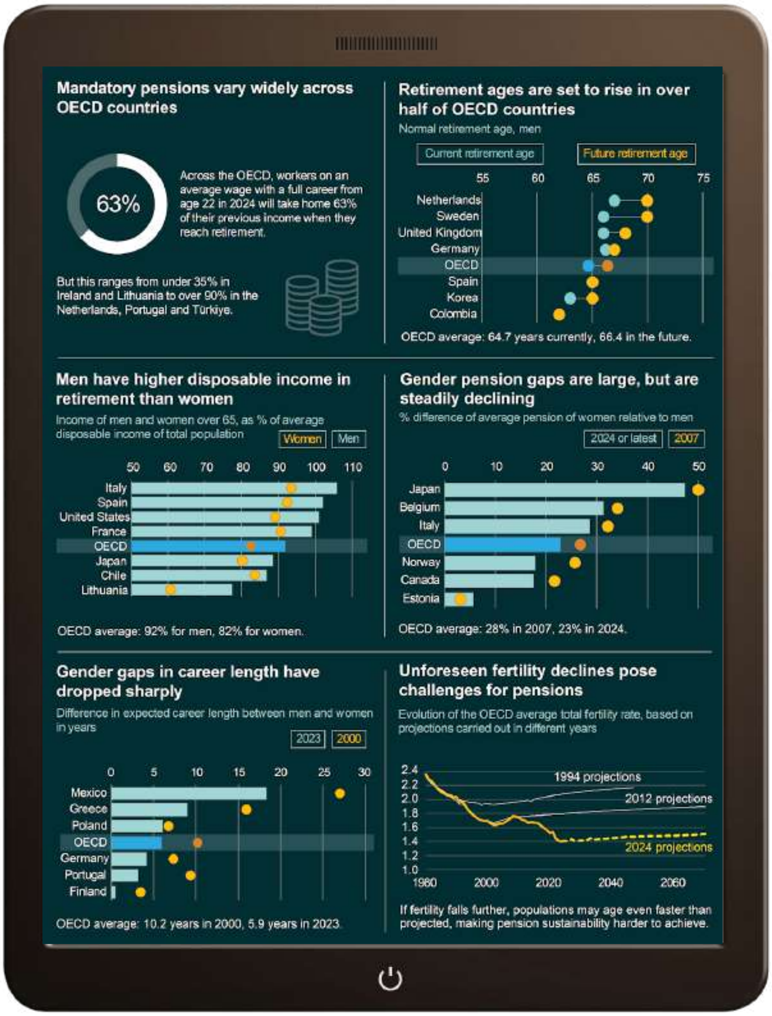
Keeping track of projected benefits, contribution history, and fund performance across different schemes can be challenging for these members. Without a centralised view, managing retirement savings requires navigating different platforms, statements and customer service portals.

The global pensions landscape is changing and offering solutions to savers on multiple retirement benefits schemes, enhancing pension communication by making information readily available and easy to understand.

According to a recent OECD Pensions Outlook report, pension dashboards, an online tool which lets people view information about their pensions in one place, offers a game-changing solution by consolidating all pension information into a single, user-friendly platform.

With real-time access to their savings, members can build a greater sense of individual control and ownership. This not only enhances communication between pension schemes and members but also increases engagement, empowering members to take a more active role in planning for their future.

The report draws on best practices from OECD countries that can inform the design and development of individual pension dashboards in Kenya. Several OECD countries have developed individual pension dashboards to provide a centralised source of information for individuals to see the pensions that they have accumulated from multiple sources on a single platform.



In the United Kingdom, the ongoing development of the pension dashboard seeks to help people understand their pensions and prepare for financial security in later life. The introduction of pensions auto-enrolment in 2012 requires employers to enrol employees to a workplace pension scheme, increasing the number of schemes that employees have at retirement. The UK has also pointed to the shift from defined benefits schemes to defined contribution pension schemes expanding the people's decision-making responsibility.

The functionalities offered by an individual pension dashboard vary across different countries surveyed for the report, and are linked to the purpose for which it is developed in the context of the design of the pension system.

In Belgium, Croatia, Denmark, Germany, Latvia and the Netherlands, pension dashboards include information on accrued rights from public pensions, with some dashboards allowing individuals to manage their accounts.

These international examples offer lessons that Kenya can adopt in the implementation of individual pension dashboards, including the functionality, design and development.

The tools can improve the provision of information and increase awareness about pensions and retirement income even among Kenyans outside the retirement savings sector. The pension sub-sector report by FinAccess and the Retirement Benefits Authority shows that the country has as a 26 per cent coverage of the labour force, meaning about three-quarters of workers are not yet covered by a pension scheme.

The report cites lack of information as a barrier to pension access, with the findings suggesting a need for better communication and more flexible products.

Individual pension dashboards can allow Kenyans to have a full view of the retirement income they can expect to receive from occupational schemes, public pensions and personal pensions.

At present, this information is fragmented across different plans. Public pension schemes, such as the Public Service Superannuation Fund, have individualised pension portals that enhance communication with members on their contributions and benefits. Members can login to the portal or USSD code, and among other functions, download their contribution statements or update records of their beneficiaries.

However, while such schemes cater to members in stated clusters, a harmonised pension dashboard can present information of member benefits from different schemes in a layered approach.

The dashboard can incorporate additional relevant information such as investment performance, asset allocations and fees charged by the schemes.

Lessons from OECD countries demonstrate that implementing these tools in Kenya requires a collaborative approach among pension schemes, the regulator and service providers to ensure seamless data integration across multiple schemes.

The long-term benefits of an efficient pension dashboard are significant. By increasing pensions communication, these tools would help Kenyans make more informed decisions about their retirement planning, leading to dignified life after service. Policymakers and stakeholders in the pension sector should consider this innovation as a step towards retirement preparedness and enhancing trust in pension schemes.

The writer is the Head of Corporate Communication at the Public Service Superannuation Fund (PSSF)

The long-term benefits of an efficient pension dashboard are significant. By increasing pensions communication, these tools would help Kenyans make more informed decisions about their retirement planning, leading to dignified life after service.

DELIBERATE PLANNING AS AN ESSENTIAL BRIDGE TO DIGNIFIED RETIREMENT

By Douglas Asanyo

The day we retire should be one of pride. Years of service rendered, a chapter closing. Yet for too many of us, that day arrives shadowed by a financial anxiety we rarely speak aloud. The pension is real and it is earned, but it's often not enough on its own to sustain a household through the twenty or more years that retirement now typically spans. The gap between what a pension provides and what a dignified retirement actually costs is real, it is wide, and it can only be bridged by planning.

Start with an honest assessment of your numbers. Be as precise as possible about what will be coming in and what will be going out. Don't focus only on your PSSF benefit—factor in your SACCO savings, investments, and any other income sources. At the same time, account for all expected expenses, including the full cost of running your household and costs that typically rise with age, especially medical care. Once you have these projections, compare total income against total expenditure. The gap between the two is the most critical figure in a member's financial plan.

The Public Service Superannuation Fund (PSSF), operationalised in 2021, represents a genuine turning point. For the first time, members contribute toward their own retirement pot, which is invested, grows, and can be tracked throughout a member's career. Crucially, the scheme allows members to make additional voluntary contributions (AVCs) above the mandatory rate. A member who understands the power of compounding and acts on it early will arrive at retirement with a materially stronger position than one who contributes only the minimum. It is up to us to engage with the available retirement projection tools, understand what the current trajectory produces, and make a conscious decision about whether that is enough.

> **Retirement does not announce itself until it is already here. The members who meet it with confidence are not the ones who earned the most. They are the ones who prepared the most deliberately.**

> Retirement will come regardless of whether you planned for it or not. The only question is whether it arrives as something you built or something you merely endure."
>
> **Douglas Asanyo**

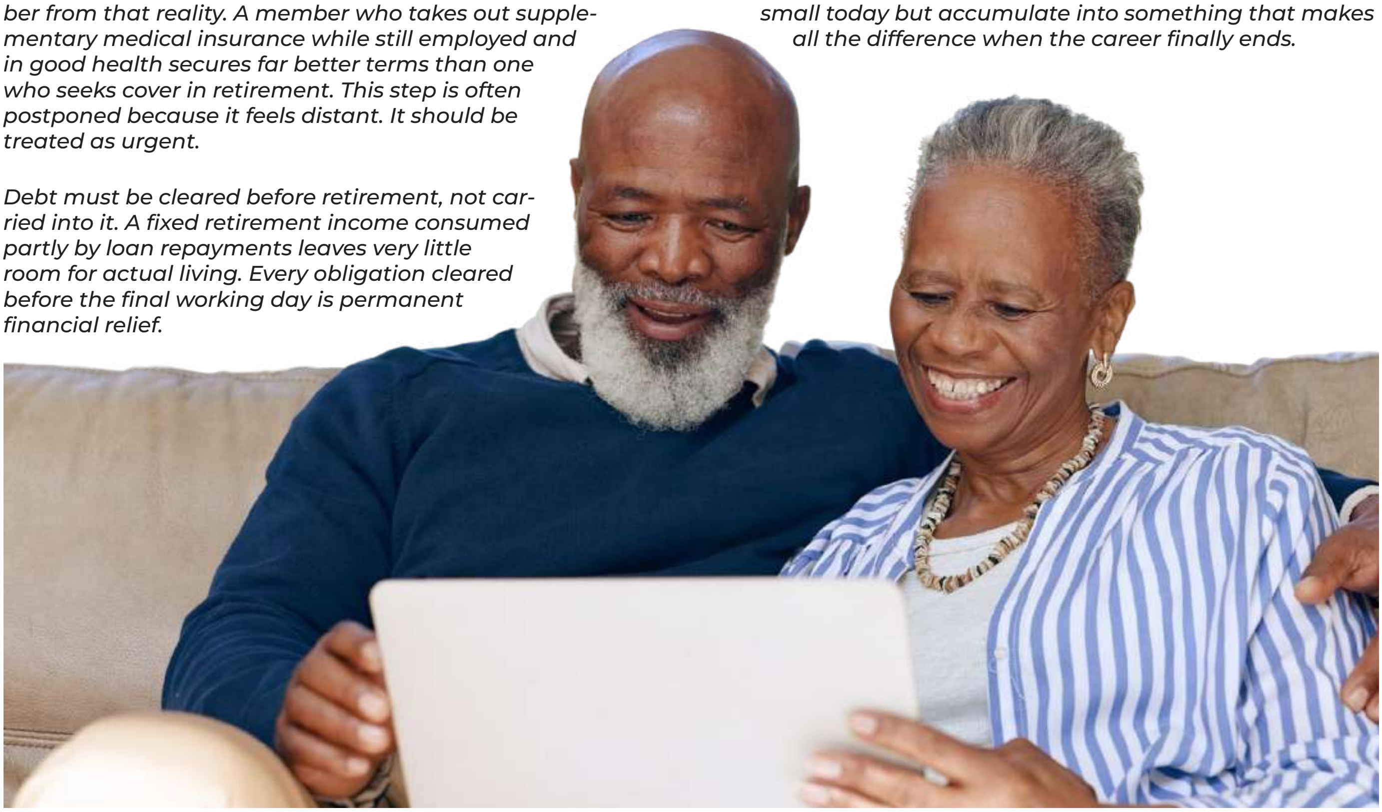
Beyond the PSSF with AVCs, one needs at least one additional income stream that will be active by the time they retire. A consistently funded Sacco account, a money market fund, Investment in Government Securities, or rental income from property all serve this purpose. Dependence on a single source of retirement income is fragile. Building a second pillar during the working years, even through modest and regular contributions, creates the resilience to increase the Income Replacement Ratio (IRR) for a retiree. Income Replacement Ratio is the percentage of your pre-retirement salary needed to sustain your standard of living after you stop working.

Let's be honest about healthcare: our bodies demand the most attention exactly when our employer-provided cover ends. Medical costs, left unplanned for, can erode savings rapidly. Medical expenses alone can send a member into old age poverty. Planning beyond just pension protects a member from that reality. A member who takes out supplementary medical insurance while still employed and in good health secures far better terms than one who seeks cover in retirement. This step is often postponed because it feels distant. It should be treated as urgent.

Debt must be cleared before retirement, not carried into it. A fixed retirement income consumed partly by loan repayments leaves very little room for actual living. Every obligation cleared before the final working day is permanent financial relief.

We have all seen it happen with painful regularity where colleagues retire and invest their entire gratuity into a new business they have never run, only to watch their life savings vanish in two years. It is a heartbreaking, but avoidable, mistake. Those who thrive in post-retirement enterprise tend to build on deep professional expertise, moving into consultancy or advisory work in fields they spent careers mastering. For those drawn to business but without that foundation, the wiser path is to commit only a limited portion of the gratuity to any venture, keeping the bulk in stable instruments, because there is no salary coming to replace what is lost.

The retirees who go back to doing small jobs simply to meet daily needs are not people who failed. They are people who did not have the information or the support to plan differently. That outcome is avoidable, and the time to avoid it is now, in the working years, through decisions that may feel small today but accumulate into something that makes all the difference when the career finally ends.



LESSONS FOR THE NEXT GENERATION ENTERING THE WORK FORCE

By Frankline Kubai

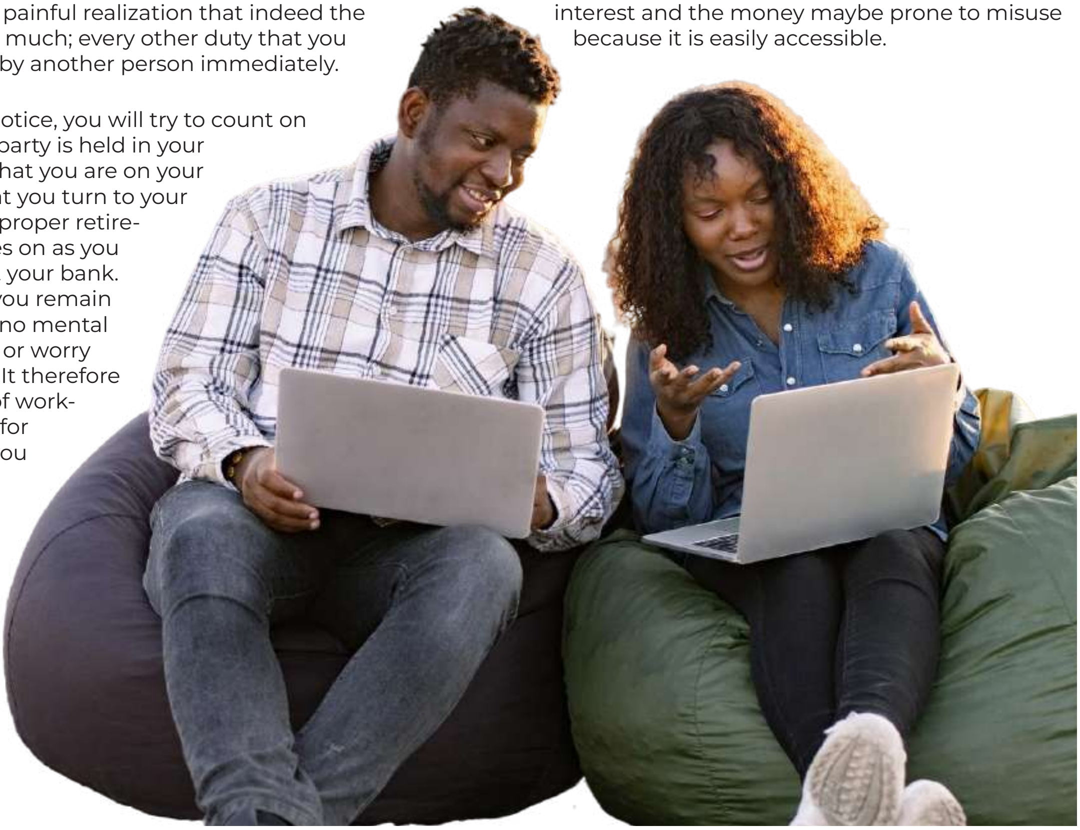
The reality that we are aging hits us hard when finally, the employer sends us the retirement notice with catchy words that we have been aware of during the whole of our working life. The notices are always nice. They will begin with the statement ‘ Records held in this office indicate that you were born in the year 19... and therefore, you will have attained the age of.....on this date’. While this type of a notice is welcome and appreciates the employee for the years they have served, it is also a painful reminder of the uncertainty that follows.

There is the pain of leaving the offices that one held, the pain of leaving colleagues that one authoritatively controlled and directed , the pain of sudden stop of bank alerts updating you about salary credits and the painful realization that indeed the employer really doesn’t care much; every other duty that you performed can be taken up by another person immediately.

Initially, after receiving the notice, you will try to count on friends but when a farewell party is held in your honour, you quickly realize that you are on your own. It is at this juncture that you turn to your pension scheme. If you had proper retirement savings then life moves on as you can continue to get alerts at your bank. If you contributed enough, you remain healthy - there is absolutely no mental stress, psychological torture or worry about affording living costs. It therefore follows that our early years of working should shape us to plan for retirement. In fact, the day you get your employment letter should be the day you start contributions to a reputable pension scheme.

With the Public Service Superannuation Scheme, one’s contributions are protected and safely managed. In addition the contributions grow when annual interest declared by the scheme is credited to members account. Contributions to the scheme are matched by the employer at a percentage that has been set by the law. You can also make further arrangements to top up your account and member statements and balances are easily accessible through the PSSF app and member portal.

With a team of seasoned investment personnel, the PSSF will definitely return value for a member’s contribution. The returns are always above inflation trends meaning that there is absolutely no worry of inflation outrunning one’s savings. Gone are the days when employed people saved money in banks. Bank accounts hardly pay meaningful interest and the money maybe prone to misuse because it is easily accessible.



The Next Generation must therefore think wisely. They should realize that banks are for transactional purposes and look further when it comes to investments. A fulfilled retirement life will only be lived by considering today's proper planning. Some employees keep their money in chamas or merry go groups. These arrangements give a false sense of security and offer little value in planning our retirement. The traditional model where the retiring members would bank on children for support is quickly diminishing.

Statistics from Kenya National Bureau point to a trend where 81.5% of retired people in Kenya aged over 60 years are looking for informal jobs to cater for basic needs. This must never be the case with young employees. Our retirement savings must comfortably carry us through retirement .

Future generation of employees must avoid pitfalls that waste their retirement lumpsum payment when they finally exit service. These include upgrading their lifestyles too fast, taking up capital intensive projects, starting business ventures where they have no experience among others. Such pitfalls drain a retiree's money leaving them bankrupt and birthing the dependency syndrome. Eventually they become stressed up. Committing retirement lumpsum to vie for MCA posts or other political positions is equally dangerous. Marrying a second spouse to help one manage retirement lumpsum payments can be catastrophic.

The Next Generation of employees must also think aggressively about ways of generating passive income. This can be achieved by joining a reputable Sacco where they will earn interest and dividends on their savings. There are other instruments that young employees can also use to grow passive income.

Young employees must remember to live within budgets. They must be guided to spent wisely. Reading a lot about financial planning and getting to interact with financial planners should be a habit. Expenditures must be prudent and justified. Any salary increments must be well utilized for example by increasing our Sacco contributions to guarantee ourselves financial stability.

The Next Generation must always remember that all jobs have an entry day and an exit day. The exist day coming as a result of retirement must be planned for. Retirement must be dignified. It must be prepared for with the right attitude.

As a young employee therefore, we must be guided by facts. We will never remain young forever and retirement is coming however far it may look like. With proper planning one can never go wrong. All of us must be obligated to make sacrifices now for our own future, otherwise, we shall have a date with destiny if we fail to plan. The best time to think about retirement is doing so before the employer starts thinking of retiring you.

The writer is a teacher and a member of the Public Service Superannuation Scheme

The Next Generation must always remember that all jobs have an entry day and an exit day. The exist day coming as a result of retirement must be planned for. Retirement must be dignified. It must be prepared for with the right attitude.

WHY TIMELY REMITTANCE OF MEMBER CONTRIBUTIONS IS CRITICAL

By Bridget Kaari

Timely remittance of members' contributions is a fundamental compliance obligation in the management of pensions. Contrary to how most employers perceive pension contributions, they are not discretionary payments; they are statutory deductions held in trust by the employer on behalf of employees.

In view of this, any failure to remit on time constitutes a breach of both their statutory obligation and their fiduciary duty to act in the best interest of their employees.

In Kenya, all employers who deduct pension contributions from employees' remuneration are legally obligated to remit pension funds to the pension schemes within a defined period. This obligation is based on the regulatory framework of the Retirement Benefits Authority which stipulates that employers must pay both employee and employer contributions within fifteen days from the deduction.

Not only does the regulatory system set the remittance deadlines, but it also allows the Authority to levy fines, interest, and other monetary charges when delays take place in the payment process. These actions are put in place to protect and redirect contributions from the employer and into pension schemes safely and promptly to ensure that they are in a regulated environment that manages them prudently and holds responsibility for them.

On the compliance side, timely remittance should serve three basic purposes:

01 First, to separate members' contributions from the employer's resources and have them transferred to a regulated custodial environment without unreasonable delay.

02 Second, to maintain accurate member records and reconciliation of their funds, which in turn promotes transparency, accountability, and auditability.

03 Thirdly, it contributes to governance discipline where employers cannot use the deducted amounts as working capital.

The effects of remittance or lack thereof on employees are both significant and measurable. Retirement benefits offered under the defined contribution framework, for example, are tied to both contributions made by the employer and the employee and the returns received from investments. Contributions can only begin to generate returns when the scheme receives the funds and invests them. Any delay in remittance also means that the funds are not invested on time, thus lost potential investment income. Since the accumulation of pensions is long-term, these investment opportunities compound over time, contributing to a decrease in the member's eventual take-home amounts.

Non-remittance also raises systemic risks about governance. It erodes the integrity of pension scheme data, complicates the calculation of benefits, and raises the administrative costs for reconciliation and recovery. Apart from this, it easily reduces the trust members have in the autonomy that the pension system has. Trust is key in any long-term savings programs especially in an ecosystem such as Kenya's. The perception that contributions aren't managed in a manner consistent with industry rules and regulations can undermine participation and compliance across board.

For employers, the main responsibility is to ensure that pension contributions are given the same treatment as statutory deductions, such as taxes. Delays are not just administrative fumbles but also have legal implications which directly impact the employees' financial retirement position.

For workers, knowing if their contributions are owed is also key. The responsibility is on them to schedule periodic checks of their payslips and pensions so that contributions aren't left unrecorded.

Timely payment of pension contributions is a legal obligation and is non-negotiable. It safeguards compliance, protects pension assets from misuse, and allows retirement savings to grow through compounding. To mitigate the risks associated with non-remittance or delayed contributions, strict adherence to timelines prescribed in the regulatory framework is required. This ensures that pension schemes meet their obligations as they fall due and continue to provide benefits to members.

RETIREMENT BENEFITS AND LEGAL PROTECTION: WHAT PSSS MEMBERS MUST DO

By Angela Kiptoo

Kenya's pension sector is grounded in a constitutional commitment to social security. Article 43(1) of the Constitution of Kenya, 2010 guarantees every person the right to social security.

This constitutional guarantee is operationalised for PSSS members through a clear legal framework comprising the Public Service Superannuation Scheme Act, Cap 189A, the Public Service Superannuation Scheme Regulations, 2025, the Retirement Benefits Act, Cap 197, and its subsidiary regulations and guidelines.

Together, these instruments define the legal relationship between members, trustees, and the broader scheme administration framework, establishing both enforceable rights and binding obligations. This article focuses on the statutory and regulatory obligations of PSSS members, which are outlined below.

01 Obligation to Provide Accurate Personal and Beneficiary Information

Members must provide all necessary, accurate, and timely information to the Fund to enable the trustees the proper discharge of their legal functions. This includes completing Membership Enrolment Forms and Beneficiary Nomination Forms. Under the PSSS Regulations, every member shall, at first appointment or upon joining the Scheme, complete and submit the Membership enrolment form and the Beneficiary nomination form provided under the regulations. Members who joined the Scheme before the commencement of the 2025 Regulations were required to complete and submit these forms through the employer within three months of commencement of the Regulations. Members are also required to review and update beneficiary nominations whenever their circumstances change. Failure to provide accurate information can impair the correct computation of benefits and the processing of claims.

02 Obligation to Verify Contribution Deductions and Statements

The mandatory contributions are prescribed under section 7 of the PSSS Act, which requires members to contribute 7.5% of their monthly pensionable emoluments to the Scheme, with the Government contributing at least 15%. The PSSS Regulations impose a specific duty on members to confirm that their employer is deducting the correct contribution monthly, to scrutinise the annual statements issued by the Scheme, and to notify the Scheme promptly of any errors. This calls for members to exercise reasonable vigilance to complement trustees' duties to maintain accurate records and publish accurate statements. This is a proactive obligation that places partial responsibility for ensuring the accuracy of contributions on the member.

03 Obligation to Attend Meetings

Members are obligated to attend annual general or special meetings convened by the Fund. By attending these meetings, members get the opportunity to engage with reports presented by the trustees, and to make their voices heard through questions, votes, or even complaints. The Retirement Benefits (Good Governance Practices) Guidelines, 2018 envisage active member participation as part of sound governance. Participation in scheme governance is not merely a right but a responsibility, ensuring that members hold trustees accountable and that governance remains participatory.

Parting Shot

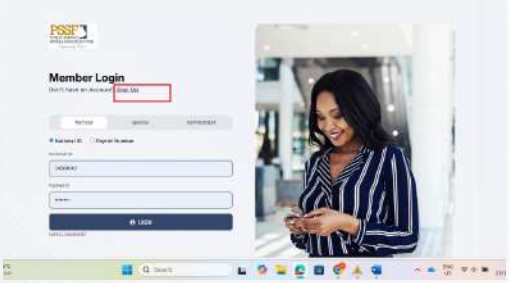
The legal framework governing pension scheme membership strikes a deliberate balance between protecting members' financial interests and imposing reciprocal duties of proactiveness, cooperation and compliance. Members' rights are most effectively protected where members discharge their corresponding obligations diligently: contributing consistently, providing accurate data, verifying their statements, and engaging actively in scheme governance. Ultimately, the security of retirement savings depends as much on informed and responsible membership as it does on sound regulatory oversight.

PSSF MEMBER SELF-SERVICE PORTAL REGISTRATION & NAVIGATION GUIDE

01
Accessing the Portal

i. Open your browser and go to mss.pssf.go.ke.

ii. You will land on the Member Self-Service login page.

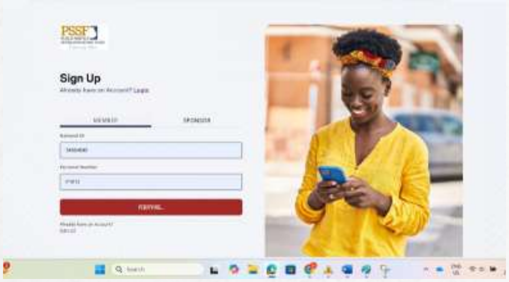


02
First-Time Registration

If you are accessing the portal for the first time, you must Sign Up.

i. Click on Sign Up on the login page.

ii. You will be redirected to the registration window..



03
Member Verification

In the registration window:

i. Enter your **National ID Number.**

ii. Enter your **Personal Number/Payroll Number**.

iii. Click **Verify.**

The system will confirm your details.

04
Email Confirmation

After verification:

i. The **Email Address** field becomes editable.

ii. Confirm the email displayed OR update it with your current active email.

iii. Click **Continue** once the email is correct.

05

Setting Your Password

You will then be prompted to create a password.

- Ensure the password is strong, containing:
  - Numbers
  - Uppercase and lowercase letters
  - Symbols
- Save your password securely.

Once completed, you now have access to the portal.

06

Accessing the Dashboard

After logging in:

- The Dashboard displays:
  - Your **Personal Details**
  - **Account Balance**
  - Number of **Beneficiaries**

As you scroll further down:

  - You can view your **Beneficiary Listing**
  - If you have lodged any claims, you will also see a **Claim Status** section.

07

Viewing & Downloading Statements

Members can generate their statements through the portal.

i. Click on the **Statement Generation** option (labelled as “1” in the portal).

ii. Select the type of statement you wish to generate:
  - **Contribution Statement**
  - **Benefit Statement**

iii. The system will generate a document preview.

You will be required to input a **Security Code** shown on the screen. Once entered, your statement will be generated and available for download or printing.

08

Updating Beneficiary Details

If you need to make any changes to your beneficiary information:

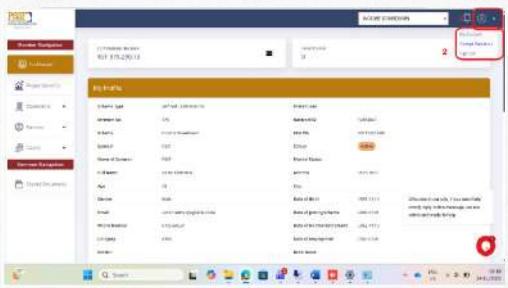
i. Go to the **Beneficiaries** section on your dashboard.

ii. Click on the **Change Request** action.

This will open a form where you can update or correct your beneficiary details.

  - Ensure all required fields are **accurately filled** in.
  - Submit the request for approval.

Once your change request is reviewed and approved by the scheme administrator, the updates will be applied and will reflect in the system.



09

Logging Out of Your Account

After you are done accessing or updating your account:

i. Go to the top-right corner of the portal.

i. Click on the Sign Out option.

This ensures your account is securely closed, especially when using a shared or public device.

PSSF
PUBLIC SERVICE
SUPERANNUATION FUND
Empowering Futures

Public Service Superannuation Fund

+254 746 111 777

info@pssf.go.ke

CBK Pension Tower, 1st Floor,
Harambee Avenue, Nairobi