

# Digest

Pensions

[www.ubapensions.com/newsletter](http://www.ubapensions.com/newsletter)

Vol. 1 Issue 6. May 2019



**The Launch of the  
Micro Pension Plan**

**2019 UBA Pensions'  
Sports Tournament**

**Nigerians Spent N304m on  
'Avengers: Endgame' in the First Week!**

# Message from the Editor

Dear Reader,

It is indeed a pleasure to bring you this edition of the UBA Pensions Digest, which we hope you will enjoy.

You will find a review of our financial performance for the year ended December 31, 2018, a beautiful picture story of our 10th annual Sports Tournament, news of the launch of the Micro Pensions Plan by President Muhammad Buhari and lots of interesting variety articles.

We have also introduced a new series called the “What I Need to Know about Pensions”, it is an educational series to keep readers abreast with the subject – Pensions.

With the launch of the Micro Pensions Plan this quarter, we hope to see more self-employed Nigerians and those working in the informal sector actively participate and enjoy the benefits of the Contributory Pension Scheme.

Many thanks to the Editorial Team who have worked tirelessly to bring this edition of the newsletter, and Ramadan greeting to our Muslim colleagues.

We welcome your feedback by a return email to [ubapensionsdigest@ubagroup.com](mailto:ubapensionsdigest@ubagroup.com)

Do share the UBA Pensions Digest.

Thank you.

## Our Editorial Team

Temitope Hassan – Editor-in-Chief  
Samuel Udegbe  
Daniel Wajuihian  
Odinaka Okoronkwo  
Jumoke Saka-Bello  
Lilian Onwudinjo  
Faruk Suleiman  
Daniel Ithunokha  
Kelani Kafar

## The Launch of the Micro Pension Plan

The Micro Pension Plan was launched on Thursday March 28, 2019 by President of the Federal Republic of Nigeria, Muhammadu Buhari at the State House in Abuja.

The Micro Pensions Plan is an initiative of the National Pension Commission (PenCom), aimed at providing pension services to self-employed persons in the informal sector and employees of organizations with less than 3 staff, with the aim of achieving a coverage of 30 million people in the informal sector by 2024.

This initiative gives the self-employed professionals,

entertainers, lawyers, doctors, entrepreneurs, artisans, and casual workers among others the opportunity to save for their pension. The formal launch signifies the commencement of activities that will lead to the full implementation of the MPP.

**Shewu Owolabi,**  
Technical Adviser to the MD



Present in the Picture are:  
President of the Federal Republic of Nigeria – Muhammadu Buhari  
MD UBA Pensions- Bayo Yusuf  
MD Leadway Pensure PFA- Ronke Adedeji  
MD Sigma Pensions- Dave Uduanu  
MD Trustfund Pensions- Helen Da-Souza  
Head Business Development FCMB Pensions- Osarhieme Osaghae

✘      ✔

# What i need to know about

# PENSION



**Temitope Hassan,**  
Company Secretary/Legal Adviser

**1** If I have problem with my PFA, who do I complain to?

**Answer:**  
The National Pension Commission (PenCom)



**2** Can a contributor use part of his RSA Balance to secure a mortgage?

**Answer:**  
Yes



**3** Can I make a lump sum withdrawal of 50% of my RSA Balance at retirement?

**Answer:**  
Yes; provided that the remaining RSA balance can fund Programmed Withdrawal or Annuity of not less than 50% of the retiree's annual remuneration at the date of retirement



**4** What should an employee do if the employer fails to remit pension deductions?

**Answer:**  
Employee should report to PenCom, with full name and address of the employer.



**5** On what basis will an employee be able to access 25% of his RSA Balance?

**Answer:**  
If he is disengaged and unable to secure a job within 4 months.





## Nigeria Debt to GDP Ratio: A Cause for Concern or Unnecessary Panic?

Debt to GDP ratio is the ratio of a country's public debts to its Gross Domestic Product (GDP). In other words, it is comparing what a country owes to what it produces. The ratio measures ability of a nation to pay back what it owes. It is an economy health indicator and an important factor in sustainability of government finance.

During an economic boom, the debt to GDP is usually lower compared to war or recession periods where countries have to borrow to wage war or stimulate economy towards growth path.

Nigeria's debt profile has almost doubled in the last three years, perhaps this is due to the economic recession the country experienced between 2016 and 2017. The main worry will be if government borrowings were not channelled towards bridging the massive infrastructure gap in the country.

Nigeria's debt to GDP ratio stood at around 22% as at the end of 2018, this is one of the lowest in the world. However, this rate is risky and unsustainable because large percentage of government revenue is spent on servicing its debts. In 2018, 31% of total revenue was budgeted while 24% of total revenue is proposed to be spent in 2019 budget.

Nigeria government has to increase its tax net to include more entities and more importantly prudence in resource allocation is key at this time of low economic growth.

According to new IMF working paper- 'The Key to the Affordability of Debt', Government debt is often quoted as debt to GDP, and sustainable debt models usually presume that the government will run a primary surplus

(the excess of government income over spending before interest costs) sufficient to pay back all the debt over a defined time horizon. But governments in good standing generally don't repay debt, they refinance it. So what really matter is the debt service cost. To be sustainable, debt interest must be comfortably payable from current income. For a country, therefore, public debt is sustainable indefinitely if the interest rate is equal to or less than the growth rate of nominal gross domestic product (NGDP).

In 2018 the GDP growth rate was 1.93% while weighted interest rate on all public debts was over 10%. The is a pointer that huge public debt is not sustainable unless the government is continually running a surplus budget.

There are concerns on whether Nigeria's increasing debt is sustainable. The big question is; what other alternative do we really have?

We must look in-wards.

**Muideen Okunola,**  
**Performance Measurement**



Array OF Tournament Medals

## Sport Tournament

### Lilian Onwudinjo, Client Service

The UBA Pensions' Sports Tournament is fashioned towards fostering bonding between UBA Pensions and its existing as well as prospective clients. The Sports Tournament started in 2008 with a 5-a-side Football Tournament with more games introduced each year as the participation increased.

The 2019 edition of the Annual UBA Pensions' Sports Tournament was held on Saturday April 6, 2019 with attendance and participation by staff and families of Top Pension Fund Administrators (PFAs) across the country, UBA Plc (Event Management Team) and Avon Medicals.

The event started at 10.00am with a Match past by all the participating Team.

In his opening remarks the Managing Director, welcomed everyone on behalf of UBA Pensions Board and Management.

This edition, which was held at Upbeat Centre Admiralty Road, Lekki, Phase 1 Lagos had about 850 participants in attendance, with the presence of top Management Team from Leadway Pensure (MD-Mrs. Aderonke Adedeji), Sigma Pensions (MD-Mr. Dave Uduanu), AICO Pension ED (Mr. Babatunde Ottun) and FCMB Pensions (GM - Mr. Osarhieme Godfrey).

Aside her emergence as the overall winner of the competition, Leadway Pensure PFA Ltd equally won the flagship 5-A-Side Competition:

The activities for the tournament included the 5-a-side Football Competition for men, Sack Race Relay, Table Tennis (male and female), Egg & Spoon Race (female), Chess, Scrabble, Snooker, Penalty Shoot-out and the FIFA 19 Virtual Game.

Children were not left out of the event as lots of entertaining games were provided with plenty to eat and drink.

This year's edition was very interesting with positive feedbacks, and appreciation messages sent through our social media platforms, expressing profound gratitude for hosting them in a grand style.



Inspection of Medals by MD, UBA Pensions

<b>Trophy Table</b>				
Participant	Gold	Silver	Bronze	Total
Leadway Pensure PFA Ltd	2	2	0	4
StanbicBTC Pensions Ltd	2	1	3	6
Aiico Pensions	1	2	2	5

Celebration- Overall Winner  
Leadway Pensure



Table Tennis Tournament



Participants from StanbicBTC Pensions



Participants from AllCO Pensions



Participants from FCMB Pensions



Chess Competition

## 2018 Performance Highlights

2018 was a challenging year in terms of regulatory and macroeconomic environments, despite this the Company achieved double digit growth in most of the Key Performance indicators as illustrated in the table below:

	2018	2017	Growth (%)
<b>AUC (! 'T)</b>	2.06	1.80	14
<b>PBT (! 'B)</b>	5.31	4.79	11
<b>Opex (! 'B)</b>	1.38	1.74	21
<b>Total assets(! 'B)</b>	10.94	10.94	9
<b>Shareholder's Fund (! 'B)</b>	5.09	4.51	13
<b>Cost to income</b>	21%	22%	1
<b>Return on Assets</b>	37%	22%	68

### Strategic Outlook for 2019

Our strategic imperatives for 2019 would be to consolidate our leadership position in the Industry as one of the top tier pension custodian in the country. We would leverage on our investment in technology and human capital to provide efficient and effective value creation to our esteemed customers. We will continue to deepen our market share, ensure compliance with regulatory guidelines with utmost corporate governance practices knowing that we are entrusted with the pensionable assets of vast majority of Nigerians.

We remain committed to providing superior values to all our stakeholders, our customers, our people and our shareholders.

## Why do we stay here on earth except to grow?

Ope Oyekanmi, Safekeeping Department

*Truth is heavy, so few men carry it*

Why stay we here on earth except to grow (Robert Browning). Just about anyone would agree that growth is a good thing, but relatively few people dedicate themselves to the process: if we don't change we don't grow, if we don't grow, we are not really living. People say that wisdom comes with age. I don't believe that's true; sometimes age comes alone. If you want to grow and become the best person you can be, you've got to be intentional about it.

Growth demands a temporary surrender of security; taking new steps, uttering a new word which is what most people fear most. Everybody thinks of changing the world, but no one thinks of changing himself and the ironic thing is that people unwilling to grow will never reach their full potential. Unsuccessful people and successful people don't differ substantially in their abilities. They vary in their desire to reach their potential.

Abraham Lincoln said: "I don't think much of a man who is not wiser today than he was five years ago." Never dig in, always take the offensive. If you want better children, you must become a better person; the only thing you truly have the ability to improve is yourself. When nothing changes within you, nothing changes around you. And the amazing thing is that when you do, everything else around you suddenly gets better. According to Oliver Wendell Holmes: "Mans mind, once stretched by new ideas, never regains its original dimensions." Growth today is an investment for tomorrow.

Start growing today. Napoleon Hill said: "it's not what you are going to do but it's what you're doing now that counts." Many unsuccessful people have what I call someday syndrome; I will do it someday, I will take that step someday. No matter where you may be starting from, don't be discouraged, everyone who got where he is started from where he was; despise not little beginning, be comfortable in your baby steps.



## Workplace Rumours

Rumours are pieces of unverified information. On only few occasions are they true, at most other times, they are heavily enhanced truths, outright lies, and spurious falsehood. We have seen individuals, and organisations struggle to mitigate destructive impact of rumours.

### Why do rumours fester!

As Charles Spurgeon would say; a lie can travel half way round the world while the truth is (still) putting on its shoes. Being enhanced version of original stories, or outright beautiful lies, rumours look appealing. Who would not share 'beautiful' stories!

At work place, little or lack of formal communication makes it possible for information to emanate from unauthenticated sources in an attenuated or enhanced forms, giving rise to rumours.

### How do we deal with it?

Most times, rumours are injurious. At all times, organisations should dispel rumours before it gains traction. When the rumours are half-truths, accurate information should be given out and propagated effectively.

We can help ourselves! Please don't spread information that you are neither authorised to share, nor have enough facts to authenticate.

Rumours can ruin families, organisations and even nations!

Kelani Kafar,  
Contributions Processing





# The Beautiful People Of UBANG

*Cross River State*

All we knew were masculine and feminine terms, we never knew there are male and female languages till we meet the Ubang People of Cross River State, Nigeria. Ubang is a Bendi language; it is notable for having male and female forms. A population of over 11,000(2013), the Ubang male and female grow to adults speaking distinct languages, however, both understand themselves. In early days of boys, they speak female language as they spend most of their childhood in the midst their mothers and other women. At the age of 10, however, boys are expected to speak the "male language". If they do not switch to the 'correct' language by a certain age, they are considered "abnormal".

Anthropologist Chi Chi Undie, who has studied the community, has said: 'It's almost like two different lexicons... There are a lot of words that men and women share in common, then there are others which are totally different depending on your sex. They don't sound alike, they don't have the same letters, they are completely different words.'

A woman in Ubang would call stone 'koka', while the men call it 'okai; you would call shirt 'ariga'

while men call it Nki; you would call yam, Iri(irui), while men call it ketung(itung); you would call water Banu; while the men folk call it 'Amie'; a woman would say 'Uruo' when she asks you to go, while a man would say Mbie for same command.

Ubang is beautiful. In your next vacation to Obudu Cattle Rand, make a stop at Ubang; you will live to cherish the experience!!

**Odinaka Okoronkwo,**  
Safekeeping Department





## It's the ENDGAME and Winter is Here Nigerians Spent N304m on 'Avengers: Endgame' in the First Week!

**Adebola Ayeni, Benefit Department**

The season is upon us, for almost two years we have all waited for the final showdown and the epic battle and now Winter is here. For those that haven't guessed already, I am talking about Game of Thrones (GOT), one of the greatest shows on TV. The GOT is a program set in medieval times and based on tales of old, a group of individuals fight for the throne to rule seven kingdoms while at the same time facing the eminent threat of undead soldiers known as White Walkers, with the indomitable night king as their leader.

For months, fans have speculated different theories of what might possibly play out but we have been promised a breath taking experience.

We have so much to look forward to and we are here for it; from the truth about Jon Snow to Jamie and Cersei Lannister fighting from different teams (who would have thought), the epic battle between the Army of the Dead and the Army of the Living but most of all, who will sit on the Iron Throne?

While the question in the mouth of GOT fans is who is going to die/ for Marvel fans, the question is who is coming back after the cliff-hanger ending as we all know, "what is dead may never die but come back harder and stronger".

With just the original six Avengers left, they will require additional help in defeating Thanos and we know that Ant-man would be one of the key factors in this fight.

But the major factor in the fight is Captain Marvel, who apparently would be their saving grace in the Avengers: Endgame.

But most of all we all want to see the fitting ending to the 11-year movie run of the Marvel franchise. In this month of May there's something for everyone so walk into the cinema with a bag of popcorn in hand, sit back, and enjoy!



## Events

The Company and well-wishers came together to witness the joining in holy matrimony of Miss Blessing Onoja of our Contribution Administration Department and her husband, Adoche; and Miss Maria Ayodeji of our Finance Department and her husband Kayode.

Hearty congratulations, and marital bliss!



UPCL Staff at Blessing's Wedding  
L-R: Alade, Mary, the Groom and the Bride, Nkem



UPCL Staff Members and Family at Maria's Wedding  
L-R: Patrick (ED) and his wife, Koleosho, the Bride and the Groom, Temitope, Michael



*Ramadan*  
KAREEM

We welcome your feedback, return email to  
[ubapensionsdigest@ubagroup.com](mailto:ubapensionsdigest@ubagroup.com)

Do share the UBA Pensions Digest.

Thank you.

Temitope Hassan  
Editor-in-chief