



# NIGERIA SOCIAL INSURANCE TRUST FUND



Housing



Medicare



Welfare



Scholarships

**PROVIDING SOCIAL SECURITY SERVICES  
FOR NIGERIANS**

**Corporate Profile**

**"THE POOR CANNOT SLEEP  
BECAUSE THEY ARE HUNGRY...  
THE RICH CANNOT SLEEP  
BECAUSE THE POOR ARE  
AWAKE."**

**The New NSITF "... Building a Caring and Inclusive Society, Together."**



PROVIDING SOCIAL SECURITY SERVICES FOR NIGERIANS



**NIGERIA SOCIAL INSURANCE TRUST FUND**

**PROVIDING SOCIAL SECURITY SERVICES  
FOR NIGERIANS**

**Corporate Profile**





## Your right under the Constitution:

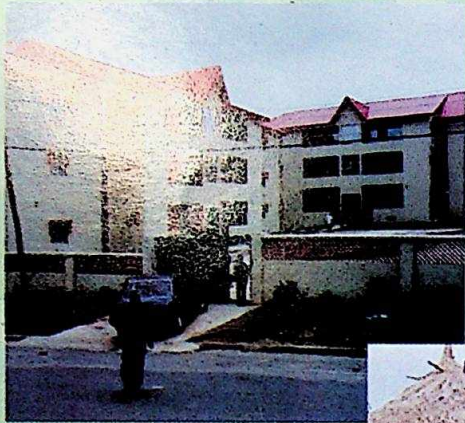
*“The State shall direct its policy towards ensuring that suitable and adequate shelter, suitable and adequate food, reasonable national minimum living wage, old age care and pensions, and unemployment, sick benefits and welfare of the disabled are provided for All citizens.”*

- THE CONSTITUTION OF THE FEDERAL REPUBLIC OF NIGERIA, 1999; Chapter II, Section 16 (2) (d)



# CONTENTS

<b>1.0 NSITF: A Brief History</b>	<b>6</b>
1.1 Incorporation and Transfer of assets to <i>Trustfund Pensions Plc</i>	7
<b>2.0 The New Mandate: The Social Security Provider</b>	<b>10</b>
2.1 From Constitution to Conventions	10
2.2 Our New Management Team	14
2.3 Our New Vision, Mission & Motto	16
2.4 Basis for our New Vision	16
2.5 Features and Coverage of the Scheme	17
2.6 Funding and Management of the Scheme	17
<b>3.0 Our Core Values</b>	<b>20</b>
<b>4.0 Summary of Strategic Objectives and Plans</b>	<b>22</b>
4.1 Short Term Goals	22
4.2 Medium Term Goals	26
4.3 Long Term Goals	27





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# NSITF - A BRIEF HISTORY

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## 1.0 NSITF - A BRIEF HISTORY

The Nigeria Social Insurance Trust Fund (NSITF) was established vide Decree No. 73 of 1993 as a successor to the defunct National Provident Fund (NPF). The NPF was established in 1961 by an Act of Parliament to manage the National Provident Fund Scheme for all employees in the private sector of the Nigerian economy nationwide.

In 1992, the Federal Government accepted the recommendations of the Technical Committee on Privatization and Commercialization (now the Bureau of Public Enterprises) to

convert the NPF scheme into a limited Social Insurance Scheme and the change of its name to the Nigeria Social Insurance Trust Fund (NSITF) to reflect its new role and mandate. To give effect to this, the Federal Government in 1993, promulgated the NSITF Act and repealed the NPF Act



and vested all the assets and liabilities of the NPF in the NSITF. The new scheme came into being in July 1994.

Under the provisions of the NSITF Act, the Fund is the sole government agency statutorily vested with the function of providing social security, social protection for the poor, the aged, and the disabled and disadvantaged members of the population. Section 16 of the NSITF Act, No. 73 of 1993 mandates the Fund to provide the following benefits: retirement pension benefit; survivors benefit; retirement grant; death grant; invalidity benefit; invalidity grant; and such other benefit as may be approved from time to time by the Board.





A total of 21,543 employers and 1,469,909 employees were registered into the scheme between July 1994 and October 2004. A basic minimum pension of N4,400.00 or 80% of National Minimum Wage (whichever is higher) was established in 2002 and paid to all pensioners. The Fund paid the sum of N2,162,091,000.00 to 162,467 claimants between July 1995 and October 2006, when it transferred its assets and pensions management responsibility to Trustfund Pensions Plc.

### **1.1 Incorporation and Transfer of Assets to *Trust Fund Pensions Plc***

Following the cessation of the pensions business by the Fund in accordance with the Pension Reform Act 2004 and in compliance with Section 42 of the Act, the NSITF incorporated *Trustfund Pensions PLC* in partnership with other stakeholders in 2004. i.e. Afribank Plc, Niger Insurance PLC, Denham Management Ltd, Nigeria Employers Consultative Association, Nigeria Labour Congress and Trade Union Congress.

*Trustfund Pensions Plc* was licensed by the National Pension Commission in December 2005 and commenced operation in January 2006 with assets in excess of **N54 billion!** In addition, NSITF, had over the years established other subsidiaries such as *Profund Securities Ltd, Profund Properties Ltd, Profund Insurance Brokers Ltd, Profund Financial Services Ltd* and *Central Business Towers Ltd*, which have created job opportunities for thousands of Nigerians. The *Trustfund Pensions Plc* remains the most capitalized, sophisticated and subscribed PFA in the industry.







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# **NEW NSITF: THE SOCIAL SECURITY PROVIDER**

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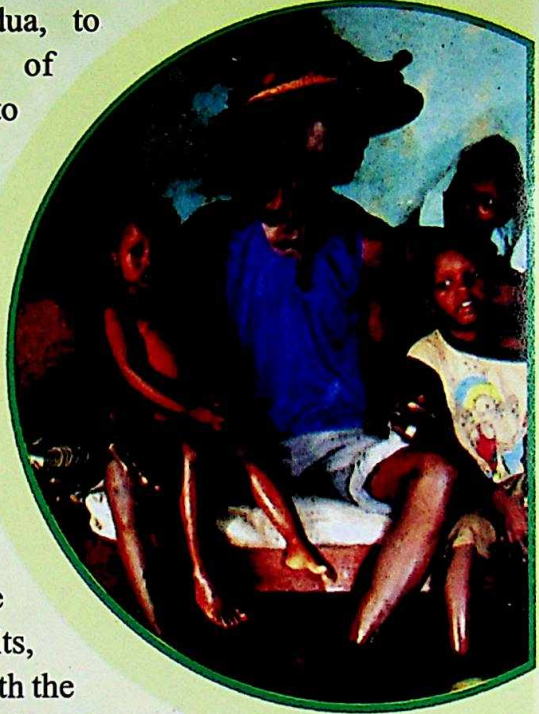




## 2.0 NEW MANDATE: The Social Security Provider

The new NSITF is emerging at the onset of a new Administration under the leadership of President Umaru Musa Yar'Adua, to execute its statutory mandate of providing social security services to the disadvantaged and vulnerable members of our society as contained in the NSITF Act 1993 and the Pension Reform Act, 2004.

In addition, Stakeholders which include Labour, Civil Society, the ILO and the general public, in November 2005 and October 2007 at two separate national social security summits, endorsed NSITF as the agency, with the experience and expertise, for the implementation of a National Social Security Scheme and poverty alleviation related programmes in Nigeria.



Furthermore, the **National Labour Advisory Council** (made up of Government, Employers and Labour) and the ILO have also endorsed the NSITF as the implementation agency to provide **Employees' Compensation Scheme** to the working population of Nigeria.

### 2.1 From Constitution to Conventions:

The following national and international statutes underscore the need to provide social security:



- i. Chapter II, Section 16 (2) (d) of the Constitution of the Federal Republic of Nigeria, 1999 states that:

*“The State shall direct its policy towards ensuring that suitable and adequate shelter, suitable and adequate food, reasonable national minimum living wage, old age care and pensions, and unemployment, sick benefits and welfare of the disabled are provided for All citizens.”*

- ii. Universal Declaration of Human Rights (1948)

#### Article 22

*“Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each state, of the economic, social and cultural rights indispensable for their dignity and the free development of their personality.”*

#### Article 25(1)

*“Everyone has the right to a standard of living adequate for the health and well-being of their family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond their control.”*

- iii. International Covenant on Economic, Social and Cultural Rights (1966 - came into force 1976)

#### Article 9

*“The States Parties to the present Covenant recognize the right of everyone to social security, including social insurance.”*





### Article 11 (1)

The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions.

### iv. Convention on the Rights of the Child (1989)

#### Article 25(i)

“States parties shall recognise for every child the **right to benefit from social security, including social insurance**, and shall take the necessary measures to achieve the full realisation of this right in accordance with their national law.”

#### Article 27 (1)

“States parties recognise the right of every child to a standard of living adequate for the child's physical, mental, spiritual, moral and social development.”

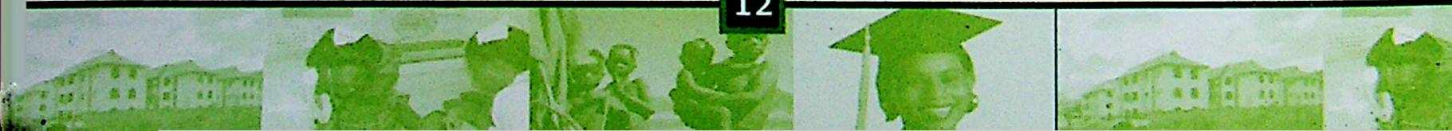
#### Article 27 (3)

“ ... and shall in case of need provide material assistance and support programmes, particularly with regard to nutrition, clothing and housing.”

v. **The ILO Social Security (Minimum Standards) Convention, 1952 (No. 102)** establishes worldwide-agreed minimum standards for nine branches of social security to be provided by all member nations including Nigeria. These branches are:

- **Medical Care:**

Partially provided here in Nigeria to the formal sector by the **National Health Insurance Scheme (NHIS)** under a contributory scheme.





- **Old-age Benefit:**  
Partially provided to the formal sector by **National Pension Commission (PENCOM)** through Pension Fund Administrators under a contributory scheme.
- **Employment Injury Benefit:**  
Bill for the enactment of an **Employment Compensation Scheme** to replace the **Workmen's Compensation Act** has been approved by a **Ministerial Committee** during the lifespan of the last Administration. The new scheme is a **"no-fault"** scheme.

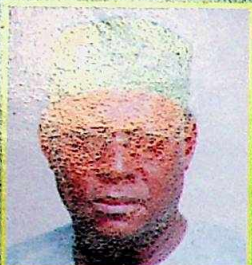
- Sickness benefit
- Unemployment benefit
- Family benefit
- Maternity benefit
- Invalidity benefit; and
- Survivors' benefit.

Yet to be provided  
under the new NSITF  
Social Security Mandate





**DR. ENUKORA JOE OKOLI**  
*Managing Director/CEO*



**UMAR MUNIR ABUBAKAR**  
*Executive Director*



**CHINWEORDER C. AWA**  
*Head, ICT*

## OUR NEW MANAGEMENT TEAM



**ISMAIL MOHAMMED AGAKA**  
*Head, Special Duties*



**OLUFUNKE M. ALESHINLOYE (MRS.)**  
*Head, Admin & Human Resources*



**DANLADI SANJ MAGAJI**  
*Head, Operations*



**CHRIS ESEDEBE**  
*Senior Manager Projects*



**IBRAHIM WAKAWA**  
*Head, Legal Services*





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# OUR NEW VISION, MISSION & MOTTO

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## 2.2 Our New VISION, MISSION and MOTTO:

### VISION

*“To be the leading Social Security institution in Africa, setting the agenda for change, social policy, economic empowerment and poverty alleviation in Nigeria.”*

### MISSION

*“To be proactive in providing social security protection and safety nets for all Nigerians against deprivations and income insecurity in accordance with national and international laws, conventions and world best practices.”*

### MOTTO

*“NSITF... Building a Caring and Inclusive Society, Together.”*

## 2.3 Basis for our New Vision:

Based on our new mandate and the strategic objectives adopted by the new management, the new vision of the NSITF is anchored on the:

- i. Need for the establishment of an Integrated National Social Security Scheme which would not only cushion the effect of poverty on the citizenry, but also guarantee decency of human life and protection of vulnerable citizens against income insecurity arising from economic reforms and the vagaries of





today's market-driven economy;

- ii. Need for the establishment of a social security scheme in Nigeria to help maintain harmonious and stable employer-employee relationships and promote worker productivity;
- iii. Need for the immediate domestication of International Labour Organization (ILO) Convention 102 of 1952 which specifies the Social Security Minimum Standards ratified by Nigeria. This will enable Nigeria to fulfil international standards in the provision of social security services.

#### **2.4 Features and Coverage of the Scheme:**

- i. Cover both the formal and informal sector employees and all categories of self-employed persons in both urban and rural areas; the aged, the sick and the physically challenged;
- ii. Reflect Nigeria's peculiar social, economic, cultural and political circumstances;
- iii. Must cover social security contingencies including unemployment, old age, disability & invalidity, employee compensation, survivors, medicare, sickness benefit.

#### **2.5 Funding and Management of the Scheme:**

- i. Social Security financing to be made a mandatory component of government budgets at all levels and adequate budgetary provisions made for its funding, as applicable in most countries.
- ii. All relevant international organizations and agencies to be approached to part-fund specific contingencies or parts thereof, where appropriate.



- iii. Enactment of enabling law to empower NSITF to establish and operate the social security scheme, as recommended by the National Social Security Summits of November 2005 and October 2007, in Abuja.
- iv. Immediate establishment of a **National Advisory Council on Social Security**, as recommended in the Communiqué of 2007 National Social Security Summit, in Abuja.
- v. In partnership with relevant agencies, work for the establishment of a reliable database of all citizens and the different categories of beneficiaries and types of social security schemes to apply to them.
- vi. The Federal Government to demonstrate the needed political will on the establishment of a comprehensive social security scheme in accordance with the Federal Government's 7-point Agenda and 20:2020 vision.





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# OUR CORE VALUES

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### 3.0 OUR CORE VALUES



**Social responsibility and advocacy for the poor and disadvantaged**



**Service with compassion**



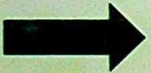
**Transparency and integrity**



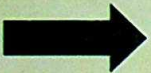
**Financial prudence and accountability**



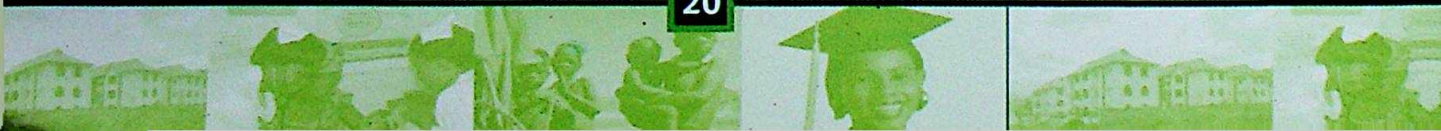
**Relentless pursuit of excellence and full public satisfaction**



**Good corporate governance**



**Research, innovation and enterprise culture.**





PROVIDING SOCIAL SECURITY SERVICES FOR NIGERIANS



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# **SUMMARY OF STRATEGIC OBJECTIVES & PLANS OF THE NEW NSITF (2007-2020)**

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## 4.0 SUMMARY OF STRATEGIC OBJECTIVES AND PLANS (2007 - 2020)

In a bold and strategic move, aimed at actualizing its new mandate, NSITF management has set for itself the following short, medium and long term goals:

### 4.1 Short Term Goals:

i. **The enactment of the Employees Compensation Bill (ECB) and its immediate implementation by NSITF.**

The proposed Employees' Compensation Scheme when operational will replace the obsolete Workmen's Compensation Act in line with global best practices and trends. The scheme is designed to provide adequate and timely compensation for employees who suffer injuries/diseases in the course of their employment. In addition, it will provide rehabilitation for injured employees in the work place and it will be a “no-fault claim” scheme. The Employees Compensation Bill is being considered by the Government before it is presented to the National Assembly for enactment;

ii. **Establish Health Maintenance Organization (HMO):**

This would be in tandem with the **medical care and sickness benefit strands** of social security provided by the ILO Convention No. 102, which Nigeria has long ratified. The HMO would, using our branch offices nationwide,







reach out and provide healthcare to a greater number of Nigerians. When fully operational in urban areas, it would be deployed with our intervention programmes in the underdeveloped areas of Nigeria, using the Niger Delta region as a pilot scheme;

**iii. Youth Opportunitites Programme (YOP)**

The Youth Opportunities Programme (YOP) is conceived to target youths in exceptionally difficult circumstances, including “street children” most of whom may have been orphaned early in life, or have come from extremely poor families. The aim will be to catch them young and keep them focused for the rest of their lives.

The Youth Empowerment Scheme will give hope to youths who by reason of the difficult circumstances they found themselves would not have the chance to live a normal productive life.

The scheme will pay allowances to the target population provided they enrol in the Skills Acquisition Centres for Basic Education and Employment Skills. The scheme will reduce the number of “street children”, youths attracted to crime, violence and other social vices

**iv. Informal Sector Programme (ISP)**

The informal sector provides employment opportunities for over 60 per cent of Nigeria's population. These include, market women, tailors, shoe makers, farmers' associations/co-operatives, “Okada” transporters etc. However, because this sector over the years has remained largely undeveloped, scattered and unregulated, its impact on the economy has not been adequately felt or recognised. The new NSITF has therefore put in place a new articulated programme to help grow this sector by assisting them in building solid structures and legal frameworks for long-term sustainability.

The new NSITF will provide the sector with business templates, assist them in negotiating business in-puts, advise them on risk-

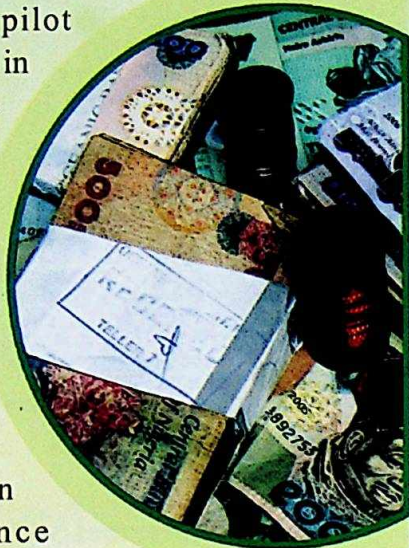




pooling, and generally partner with key groups in identifying suitable welfare programmes and investments for long-term viability. The objective shall be to help such groups transform into formal and serious ventures creating sustainable employment, enterprise culture and impact on the overall growth and development of Nigeria's economy.

v. **Establish a Micro Finance Scheme for the Physically Challenged:**

This is another programme of **social security intervention** that will cover the six geo-political zones. The scheme will begin with a pilot programme to be executed initially in one state in each of the six geo-political zones. The social security assistance under this scheme is an aspect of the **Disability Benefit** under the ILO Convention 102 already ratified by Nigeria.

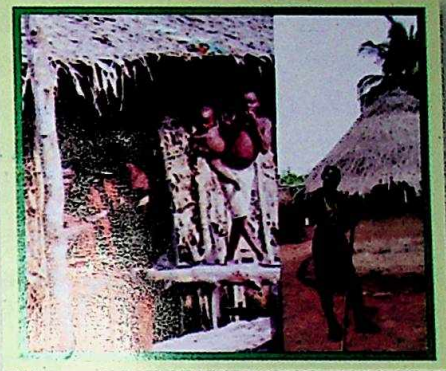


It is a fact that disability is not necessarily inability; therefore, an investment in micro finance institutions would thus enhance the spirit of entrepreneurship and productivity amongst our population that are physically challenged. This would come in the form of training for the physically challenged in vocational skills via specialized agencies, to empower them to become employable, to engage in entrepreneurial activity, to enable them earn decent livelihood and thus take them off the streets.

The implementation of this scheme will be through partnering with vocational skills providers, technical institutes, ICT centres, Master-trainers. Areas of focus will include arts and crafts, packaging, data processing, computer programming, software development, call centre operations, tailoring, etc.



- vi. **Intervention Programmes in the Underdeveloped Areas of Nigeria:** These are specially designed programmes of **social assistance** that will be carefully implemented in areas classified as underdeveloped in all the geo-political zones of Nigeria. The proposed social assistance benefits under this programme will include: Old Age Allowance; Widows Support Allowance; Disability Allowance; Child Support Allowance; Frictional Unemployment Allowance, and Free Medicare under the NSITF Health Maintenance Organization (HMO).



The aim is to use the scheme to reach the most needy, tackle desperate situations and emergencies and forestall further deterioration of peace and harmony.

The pilot scheme will begin with the **Niger Delta region**. It is envisaged that Government would fund the entire programme, while NSITF with its existing offices and infrastructure across the region would generate the necessary database and administer the benefits to would-be beneficiaries.

- vii. **Social Security Pilot Scheme for Limbless-physically challenged Nigerians in the six geo-political zones in Nigeria.** Like the intervention programme in the Underdeveloped Areas of Nigeria, this programme will target this specific group for full rehabilitation and re-integration into the nation's productive economy. Upon takeoff, it will generate the necessary database for other social security programmes and statistical information for national planning.



viii. **Establish Research and Publications Department**

The Research and Publications Department when established will carry out surveys on social security issues, maintain a database on social security issues and institutions; organize seminars and conferences with themes on social security, and publish periodical reports/journals on proceedings.

Research and Publications which is a common feature of social security institutions is expected to be self-sustaining through marketing of its publications, statistical data etc, to the general public and institutions.

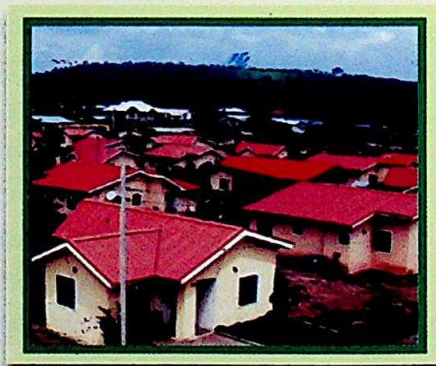
**4.2 Medium Term Goals:**

i. **Promote Health and Safety Education:**

As part of the Employees' Compensation Scheme, the new NSITF will promote Health and Safety Education through seminars, workshops, production of information, communication, educational materials and teaching aids to help prevent workplace injuries and diseases. This will encourage healthy and safe workplace practices and ultimately increase productivity by workers.

ii. **Mass Housing Scheme/Owner Occupier:**

The Mass Housing Scheme is an aspect of **Family Benefit** under the ILO Convention 102, in which NSITF has tremendous experience (e.g. the provision of 146 medium income 2/3 bedroom flats at Karu, Abuja). In particular, this will form one of the investment outlets for funds that will be generated under the Employees' Compensation Scheme. This is with a view to assisting government in its desire to deliver affordable houses on owner-occupier basis to particularly, the low income group.





This will promote social inclusion, increase government's ability to provide decent homes for its citizens and reduce slum dwelling with its attendant health hazards. The provision of decent housing for Nigerians in the low income group will reduce the incidence of slums in the urban centers.

### 4.3 Long Term Goals

- i. Establish enduring reputation as the foremost agency of Government with a "human face" that cares for the people. Entrench *Recognition, Reliability and Credibility (RRC)* as "watchwords" and key drivers of the Fund as provider of Social Security services to all Nigerians;
- ii. Promote the harmonization and rationalization of all providers of social security schemes in the country with the new NSITF as the apex institution as endorsed by stakeholders at the Social Security Summits held in November, 2005 and October, 2007; in accordance with its statutory mandate and in tandem with the International Labour Organisation (ILO) Convention No. 102 on standards of Social Security as contained in other relevant ILO conventions which Nigeria has ratified;
- iii. Establish an Integrated Social Security Scheme: The scheme must be extended to cover both the formal and informal sectors of the Nigerian economy;
- iv. Promote Social Assistance to the Destitute and Aged: This will be designed to cover the destitute and the aged who are not covered by the PRA, 2004. A pilot scheme will be launched in partnership with willing and reputable Non-Governmental Organizations (NGOs). This would be in tandem with the old age benefit strand of social security as specified in the ratified ILO Convention 102;
- v. Endowing a Chair on Social Security Studies: At the moment, there are no serious academic studies in areas of



social security in the country. The new NSITF is therefore, committed to endowing a chair in at least three of the premier Nigerian Universities with a view to broadening knowledge in social security issues amongst the Nigerian youth and generally sensitizing the general public on the need for social security and social justice in our society. Encouraging responses have been received from some universities for this proposal;

- vi. **Institute a Students' Loan Scheme for Social Security Studies:** This is a social assistance/employment protection aspect of the ratified ILO Convention 102, designed to provide loans to students pursuing academic studies to improve their employability prospects.



Preference shall be given to social security studies at the post graduate level and this will be in conformity with international best practices e.g. Social Security Insurance Trust (SSNIT), Ghana. Many youths are indigent and lack access to educational opportunities thereby making them unemployable, disaffected and disgruntled. This situation

increases the rate of anti-social and criminal tendencies among our youth. It is envisaged that the scheme will offer assistance to cover tuition, books, accommodation and feeding for two (2) academic sessions. The new NSITF and its subsidiaries will also offer employment opportunities to deserving beneficiaries of the scheme upon graduation.

- vii. **New Schemes**

New schemes will be researched and introduced from time to time within International Labour Organisation (ILO) guidelines and world best practices, subject to availability of funding and approval of the Board.

**Let us think**

**"NO SOCIAL SECURITY ...NO  
NATIONAL SECURITY."**

**For further enquiries, please contact:**

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**The New NSITF "... Building a Caring and Inclusive Society, Together."**

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