



REPUBLIC OF ZAMBIA

REPORT

OF THE

**COMMITTEE ON MEDIA, INFORMATION AND COMMUNICATION
TECHNOLOGIES**

ON THE

NATIONAL PENSIONS SCHEME BILL, N.A.B. NO. 68 OF 2026

FOR THE

FIFTH SESSION OF THE THIRTEENTH NATIONAL ASSEMBLY

Published by the National Assembly of Zambia

FOREWORD

Honourable Madam Speaker, the Committee on Media, Information and Communication Technologies has the honour to present its Report on the National Pensions Scheme Bill, N.A.B. No. 68 of 2026, for the Fifth Session of the Thirteenth National Assembly. The functions of the Committee are set out under Standing Orders 205(b) and 207(j) of the National Assembly of Zambia Standing Orders, 2024.

The Committee held five meetings to consider the Bill. In order to gain insight into the ramifications of the Bill, the Committee sought both written and oral submissions from various stakeholders. The list of stakeholders is at Appendix II of the Report.

The Report is in three Parts. Part I contains the salient provisions of the Bill. Part II highlights concerns raised by stakeholders, while Part III contains the Committee's observations and recommendations.

The Committee wishes to pay tribute to all stakeholders who appeared before it and tendered both oral and written submissions. It further wishes to thank you, Madam Speaker, for affording it an opportunity to study the Report on the National Pensions Scheme Bill, N.A.B. No. 68 of 2026. The Committee also appreciates the services rendered by the Office of the Clerk of the National Assembly during its deliberations.



Eng. Raphael S Mabenga, MP
CHAIRPERSON

May, 2026
LUSAKA

TABLE OF CONTENTS

Foreword.....	i
1.0 Membership of the Committee.....	1
2.0 Background	1
3.0 Objects of the Bill.....	1
4.0 Salient Provisions of the Bill.....	2
5.0 Concerns Raised by Stakeholders.....	3
6.0 Committee’s Observations and Recommendations.....	5
7.0 Conclusion.....	8
Appendix I.....	9
Appendix II.....	10

1.0 MEMBERSHIP OF THE COMMITTEE

Eng. Raphael S Mabenga, MP (Chairperson); Ms Melesiana Phiri, MP; Mr Sydney Mushanga, MP; Mr Andrew Lubusha, MP; Mr Romeo Kangombe, MP; Mr Andrew Tayengwa, MP; Mr Walusa Mulaliki, MP; Eng. Chanda A B Katotobwe, MP; Mr Elias Daka, MP and Mr Stanley Kakubo, MP.

2.0 BACKGROUND

Zambia's pension framework has undergone several amendments since 1996, including changes to the retirement age, compliance and penalty provisions, pre-retirement access to benefits, and expanded coverage to informal and self-employed workers. These repeated amendments indicate that the original legal framework no longer adequately reflects current operational realities, particularly given shifts in the labour market, advances in digital systems, and the National Pension Scheme Authority's (NAPSA) expanded role as a major institutional investor. The Bill, therefore, seeks to repeal and replace the *National Pension Scheme Act, 1996*, and to modernise the legal and institutional framework governing the National Pension Scheme in Zambia. The Bill further seeks to harmonise and rationalise pension benefits payable by NAPSA, provide for the establishment of sub-schemes and address other inconsistencies in the existing Act.

Currently, the *National Pension Scheme Act, Cap. 256* of the Laws of Zambia does not provide for sustainable and adequate pension benefits that reflect the current economic conditions. Further, the current Act applies only to persons employed in the formal sector who contribute at the prescribed rate, and excludes citizens employed outside the country, as well as members who wish to supplement their retirement savings beyond the prescribed contributions. Therefore, the Bill, once enacted, will, among others, provide for sustainable and adequate pension benefits for the members of the National Pension Scheme, enhance the minimum pension payable to a member and extend the National Pension Scheme coverage to citizens employed outside the country.

3.0 OBJECTS OF THE BILL

The objects of this Bill are to:

- (i) continue the existence of NAPSA and re-define its functions;
- (ii) reconstitute the Board of the NAPSA and redefine its functions;
- (iii) continue the existence of the membership, contributions and benefits structure under the National Pension Scheme and provide for its administration and management;
- (iv) provide for the establishment of sub-schemes;
- (v) establish the National Pensions Scheme Fund and provide for its administration and management;
- (vi) provide for the registration of employers and members;
- (vii) provide for the payment of pension contributions;
- (viii) provide for the payment of benefits;
- (ix) repeal and replace the *National Pensions Scheme Act, 1996*; and
- (x) provide for matters connected with, or incidental to, the foregoing.

PART I

4.0 SALIENT PROVISIONS OF THE BILL

The salient provisions of the Bill are as set out hereunder.

Clause 3 – Non-application of Act

Clause 3 specifies that the Act does not apply to low-income earners below a set threshold, international or diplomatic personnel, members of the military and security services, and public officers already enrolled in legacy pension schemes.

Clause 6 – Board of Authority

Clause 6 constitutes the Board of the Authority. The clause further provides for the nomination of members of the Board by their respective Ministries, institutions, and organisations for appointment by the Minister, and sets out the circumstances under which a person may be disqualified from being nominated or appointed as a member of the Board.

Clause 8 – Director General

Clause 8 provides for the appointment of the Director-General and designates the Director-General as Chief Executive Officer of the Authority. It also sets out the qualifications for appointment as a Director-General.

Clause 11 – Sub-schemes

Clause 11 empowers the Minister, on the recommendation of the Authority and in consultation with the Pensions and Insurance Authority (PIA), to establish sub-schemes by Statutory Instrument and to provide for their governing rules. Further, the clause mandates the Authority to administer and manage the sub-schemes and maintain the funds of the sub-schemes separately from the funds of the National Pension Scheme Fund.

Clause 18 – Prohibition from Employing a Person Who Is Not Registered under the Act

Clause 18 prohibits a contributing employer from employing an eligible person who does not have a social security number. The clause further provides a sanction for failure to comply with the prohibition.

Clause 21 – Temporary Suspension of Employer Account

Clause 21 requires a contributing employer who intends to cease business for more than two months to notify the Director-General in a prescribed manner, and mandates the Director-General to suspend the employer's account where the Director-General is satisfied that the employer has ceased operations.

Clause 23 – Notification of Termination of Employment, Resignation and Placement on Unpaid Leave or Secondment

Clause 23 mandates a contributing employer to notify the Authority where, among others, an employee's contract of employment is terminated, an employee resigns or an employee dies. Further, the clause requires a contributing employer to cease making contributions for an employee who, among others, resigns or dies and relieves a contributing employer from the obligation to make contributions during the period that an employee is on unpaid leave or secondment.

Clause 24 – Registration of Exempted Employer

Clause 24 provides for the voluntary registration of an exempted employer as a contributing employer.

Clause 25 – Payment of Contributions

Clause 25 requires a contributing employer to remit both the employer's and the member's contributions to the Scheme at a prescribed rate determined through actuarial assessment. The clause further provides that the member's contribution shall be deducted from the member's earnings, while prohibiting the employer from deducting the employer's share from the member's earnings. Additionally, the clause requires contributions to be paid to the Scheme before the tenth day of each month.

Clause 29 – Attachment of Debt

Clause 29 empowers the Director-General, by notice, in writing, to require a person holding or owing money to a contributing employer to pay to the Authority an amount sufficient to discharge the contributions due. Further, the clause provides for an offence and penalty for failure to comply with such notice.

Clause 30 – Retirement and Conditions for Award of Retirement Pension

Clause 30 provides for the retirement of a member on reaching pensionable age. Further, the Act permits a member to retire at the ages of fifty-five and sixty-five years, subject to the conditions specified in the Act.

Clause 61 – Powers of Inspectors

Clause 61 empowers an inspector, for purposes of enforcing the provisions of the Act, to enter, inspect, and search any land, building, premises, or vehicle without prior notice where there are reasonable grounds to believe that an offence has been or is likely to be committed.

Clause 62 – Joint Venture, Partnership and Co-Investment

Clause 62 empowers the Authority, for the purposes of carrying out the Authority's functions, to enter into a joint venture, partnership and co-investment or other collaborative arrangement with a person and permits the Authority to co-invest by way of equity participation or any other financial arrangements with a person, in a project, undertaking, or enterprise that is consistent with the Authority's mandate.

PART II

5.0 CONCERNS RAISED BY STAKEHOLDERS

While some stakeholders who appeared before the Committee were in support of the Bill, others raised concerns as outlined below.

5.1 Non-application of Act (Clause 3)

Stakeholders raised concern that Clause 3(a) and (g) does not require the Minister to consult the Tripartite Consultative Labour Council when prescribing matters under the Act. This differed from section 2 of the *Employment Code Act, Cap 268*, which expressly seeks to provide for consultation with the Council before regulations are made by statutory instrument.

5.2 Board of Authority (Clause 6)

Stakeholders submitted that Clause 6(4), while providing for qualifications, relevant specialisation, and experience as criteria for appointment to the Board, did not include a requirement for registration with a recognised professional body or nomination by a recognised professional institution. The absence of such a requirement could weaken the verification of professional and ethical standing, potentially exposing the appointment process to political patronage.

5.3 Director-General (Clause 8)

Stakeholders raised concern that the Bill empowered the Minister to appoint both the Board and the Director-General, which could weaken institutional independence, accountability, and effective supervision. This arrangement was inconsistent with principles of good corporate governance, established practice in similar public institutions, and the National Corporate Governance Code.

5.4 Sub-schemes (Clause 11)

Clause 11 allowed the Minister to establish sub-schemes on the recommendation of NAPSA and in consultation with the PIA, but it did not give the PIA any ongoing supervisory role. As a result, the Bill did not address the broader issue of fragmented oversight in the pension sector, where the National Pension Scheme was regulated separately from private pension schemes.

5.5 Prohibition from Employing a Person That Is Not Registered Under the Act (Clause 18)

Stakeholders noted with concern that Section 18(1) prohibited employers from engaging a person who did not possess a social security number, effectively introducing a precondition for employment. This requirement was inconsistent with the *Employment Code Act* and could have negative practical and economic consequences. Further, the provision would be impractical to implement immediately due to existing structural and administrative challenges relating to the issuance of National Registration Cards (NRCs) and registration on the NAPSA digital system, particularly in remote areas.

5.6 Temporary Suspension of Employer Account (Clause 21)

Stakeholders raised concern that the threshold for suspension of an account upon temporary cessation of operations for a period exceeding six months was impractical and failed to take into account unforeseen operational crises that may disrupt business activities for shorter periods. The provision could result in employers remaining liable for contributions and penalties even where employees had been placed on forced leave without pay in accordance with the *Employment Code Act, Cap 268*.

5.9 Retirement and Conditions for Award of Retirement Pension (Clause 30)

Stakeholders raised concern that the Bill did not clearly distinguish between retirement under the National Pension Scheme and retirement as determined by the contractual employment relationship between an employer and employee. The lack of clarity could create uncertainty and legal disputes regarding the applicable retirement age, particularly in light of judicial pronouncements confirming that retirement age was primarily a contractual matter dependent on the nature of employment and conditions of service.

5.10 Definition of Child (Clause 45)

Stakeholders noted with concern that section 45, which provided for the duration of a survivor's pension and referred to payments to "an eligible child... until the age of eighteen", may be inconsistent with the definition of a "child" under *Article 266 of the*

Constitution of Zambia. They submitted that any deviation from the constitutional definition of a child as a person below the age of eighteen could create legal uncertainty.

5.11 Applications for Benefits (Clauses 39 and 50)

Stakeholders raised concern that the Bill assigned the Director-General responsibility for determining applications for benefits, despite the Director-General's role being primarily administrative in nature. They submitted that this approach was inconsistent with other provisions of the Bill that vested operational and decision-making functions in the Authority, and could create ambiguity regarding the proper exercise of statutory powers.

5.12 Powers of Inspectors (Clause 61)

Stakeholders raised concern that the Bill implied document retention obligations through the inspector's enforcement powers without expressly establishing the obligation, scope, and duration of document retention requirements. They submitted that, unlike the *Employment Code Act, Cap 268*, and the *Income Tax Act, Cap 323*, which provided clearer frameworks for the keeping and production of records, the Bill did not prescribe retention periods or limitation timelines for inspections and document requests.

GENERAL CONCERNS

i. Recognition of Exempted Employers (Clause 3)

Stakeholders noted with concern that the provision only listed categories of exempted employees without corresponding recognition of exempted employers. They submitted that this approach may create ambiguity in the application of the Act, as exemptions appear to arise from the nature of the employer rather than the employee, and may limit the coherent interpretation of related provisions such as sections 19 and 24.

ii. Functions of the Board (Clause 7)

Stakeholders submitted that there was a grammatical error in the third line and suggested an amendment from "the Boards functions" to "the Board's functions".

PART III

6.0 COMMITTEE'S OBSERVATIONS AND RECOMMENDATIONS

The Committee makes the observations and recommendations outlined below.

6.1 Policy Uncertainty in Pension Regulation

The Committee observes that, while Clause 11 requires the Minister to consult the PIA in establishing sub-schemes, the Bill does not provide for any ongoing prudential supervisory role for the PIA over NAPSA or its sub-schemes. This may reinforce fragmented oversight within the pension sector, where private pension schemes are subject to independent regulation under the Pension Scheme Regulation framework, while NAPSA continues to be governed primarily by its own statute and ministerial oversight.

In this regard, the Committee recommends that the Bill be amended to provide for a clearer and more structured prudential supervisory role for the PIA over NAPSA and its sub-schemes, in order to enhance regulatory coherence, strengthen oversight, and promote consistency within the pension sector.

6.2 Governance of Actuarial Functions

The Committee observes that, while Clauses 13 and 14 aim to ensure actuarial recommendations are acted upon, the Bill lacks adequate safeguards on their independence, validation, and oversight. The Committee notes the absence of provisions for peer review or clear professional standards, and is concerned that limited transparency and scrutiny may weaken the Board's fiduciary role and pose risks to the Scheme.

The Committee, therefore, recommends that the Bill be amended to strengthen the safeguards governing actuarial functions by providing for the independence and professional standards of the actuary, as well as mechanisms for validation, such as peer review or second opinions.

6.3 Investment Safeguards

The Committee notes with concern that Clause 62 grants NAPSA broad authority to enter into joint ventures, partnerships, and co-investment arrangements without providing sufficient safeguards to protect pension assets. The absence of clear provisions on independent due diligence, conflict-of-interest controls, investment thresholds, and reporting requirements could expose the Fund to undue risk and undermine its primary fiduciary obligation to safeguard members' benefits, as illustrated by the events surrounding Society Business Park.

In this regard, the Committee recommends that Clause 62 be strengthened to require that any joint venture, partnership, or co-investment undertaken by the Authority be subject to fiduciary principles, prescribed investment limits, independent due diligence, conflict-of-interest controls, and actuarial input where necessary. The Committee further recommends that investments above a prescribed threshold be subject to prior independent valuation and approval by the Board, and be disclosed to the National Assembly within a prescribed period.

6.4 Consultation with the Tripartite Consultative Labour Council

The Committee observes that Clause 3(a) and (g) do not require the Minister to consult the Tripartite Consultative Labour Council when prescribing matters under the Act. The Committee notes that this differs from section 2 of the *Employment Code Act, Cap 268*, which expressly provides for such consultation before regulations are made by statutory instrument. The absence of this requirement may weaken stakeholder participation and undermine the principle of tripartism in labour and social security matters.

Therefore, the Committee recommends that Clause 3(a) and (g) be amended to require the Minister to act in consultation with the Tripartite Consultative Labour Council when prescribing matters under the Act, in line with the approach under *section 2 of the Employment Code Act, Cap 268*.

6.5 Lack of Disqualification Criteria for Survivor Benefits

The Committee observes that Clause 44, which provides for the payment of a survivor's pension, does not include a proviso to address situations where a survivor may have caused the death of the member of the Scheme. The Committee notes that the absence of such a safeguard may create a legal and ethical gap in the administration of survivor benefits.

In this regard, the Committee recommends that the Bill be amended to include a proviso prohibiting the payment of survivor benefits to any person who is found to have caused

the death of the member in order to promote integrity in the administration of the Scheme.

6.6 Gaps in Qualification Criteria for Board Appointments

The Committee notes that while Clause 6(4) provides for qualifications, relevant specialisation, and experience as criteria for appointment to the Board, it does not include a requirement for registration with a recognised professional body or nomination by a recognised professional institution. The Committee notes that the absence of such a requirement may weaken the verification of professional and ethical standing, potentially exposing the appointment process to political patronage.

In this regard, the Committee recommends that Clause 6(4) be amended to include an additional requirement that a person qualifies for appointment as a member of the Board only if that person is a member in good standing of a registered professional association or body representing practitioners in any of the relevant fields specified under paragraph (c). This will enhance the verification of professional and ethical standing, strengthen accountability, and promote integrity in the appointment process.

6.7 Centralisation of Appointment Powers

The Committee observes that the Bill empowers the Minister to appoint both the Board and the Director-General, which may weaken institutional independence, accountability, and effective supervision. The Committee further notes that limiting the Board's role to recommending the appointment of the Director-General may increase the risk of political patronage and undermine public confidence.

In this regard, the Committee recommends that the Bill be amended to align the appointment of the Director-General with established practice in other social security legislation, including the Public Service Pensions Fund (PSPF) and Local Authorities Superannuation Fund (LASF) frameworks, by providing that the Board shall appoint the Director-General.

6.8 Social Security Number Requirement

The Committee observes that Section 18(1), which prohibits employers from engaging a person who does not possess a social security number, effectively introduces a precondition for employment. The Committee notes that this requirement is inconsistent with the *Employment Code Act* and may have adverse practical and economic consequences, including limiting access to employment for first-time job seekers and those in the informal sector.

In this regard, the Committee recommends that Section 18(1) be revised to avoid creating an immediate precondition for employment and instead adopt a phased and flexible implementation approach. The Committee further recommends aligning the provision with existing employment and registration processes, while allowing a reasonable timeframe for employees to obtain a social security number.

6.9 Threshold for Suspension of Employer Accounts

The Committee observes that the threshold for suspension of an account, based on temporary cessation of operations exceeding six months, may be impractical and does not adequately take into account unforeseen operational disruptions of shorter duration.

The Committee, therefore, recommends that the requirement for temporary cessation of operations exceeding six months be removed to allow employers to notify the Director-

General of operational disruptions as they arise. This will ensure flexibility in responding to unforeseen circumstances, including arrangements such as forced leave under the *Employment Code Act*.

6.10 Definition of Retirement under the Scheme

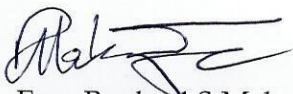
The Committee observes that the Bill does not clearly distinguish between retirement under the National Pension Scheme and retirement as determined by the contractual employment relationship between an employer and employee. The Committee notes that this lack of clarity may create uncertainty and potential legal disputes regarding the applicable retirement age. This is particularly important in light of judicial pronouncements recognising retirement age as primarily a contractual matter dependent on the nature of employment and conditions of service.

In this regard, the Committee recommends that Clause 30(1) be amended to provide that a member shall retire from pensionable employment upon attaining pensionable age. This clarification will distinguish retirement under the Scheme from retirement under an employment contract, and make clear that the provision relates to cessation of contributions rather than termination of employment.

7.0 CONCLUSION

The Committee supports the broad policy objective of modernising the legal framework of the National Pension Scheme through the National Pensions Scheme Bill, N.A.B. No. 68 of 2026. The Bill is a meaningful step forward as it seeks to consolidate fragmented amendments, improve governance structures, strengthen employer compliance mechanisms, and establish a clear legal identity for the National Pensions Scheme Fund. However, it is critical that the views and concerns expressed by stakeholders, as well as the observations and recommendations of the Committee, are taken into account, as this Bill represents a significant step towards a more robust, transparent, and prudentially sound social security framework that safeguards members' interests and enhances public confidence in the Scheme.

We have the honour to be, Madam Speaker, the Committee on Media, Information and Communication Technologies, mandated to consider the National Pensions Scheme Bill, N.A.B. No. 68 of 2026.



Eng. Raphael S Mabenga, MP
CHAIRPERSON

May, 2026
LUSAKA

APPENDIX I

LIST OF NATIONAL ASSEMBLY OFFICIALS

Mrs Charles Haambote, Director (Social Committees);
Mrs Chitalu K Mumba, Deputy Director (Social Committees);
Ms Darius Kunda, Senior Committee Clerk (SC1);
Mr Leon J N Haangala, Committee Clerk;
Mrs Rachael M Kanyumbu, Administrative Assistant;
Mr Daniel Lupiya, Committee Assistant;
Mr Muyembi Kantumoya, Committee Assistant; and
Ms Emma Mwandila, Intern.

APPENDIX II

LIST OF WITNESSES

Local Authorities Superannuation Fund (LASF)

Ministry of Justice

Ministry of Labour and Social Security

National Economic Advisory Council (NEAC)

National Pension Scheme Authority (NAPSA)

Pensions and Insurance Authority (PIA)

Public Service Pension Fund (PSPF)

Zambia Chamber of Commerce and Industry (ZACCI)

Zambia Congress of Trade Union (ZCTU)

Zambia Federation of Employers (ZFE)