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# NATIONAL PENSIONS REGULATORY AUTHORITY



NPRA/GD/ICT/02/24

## GUIDELINES ON INFORMATION AND COMMUNICATION TECHNOLOGY REQUIREMENTS FOR TRUSTEES

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## 1. Introduction

- (1) In exercise of the powers conferred on the National Pensions Regulatory Authority hereinafter referred to as the "Authority" under Section 208 of the National Pensions Act, 2008 (Act 766) and Regulations made under the Act, these Guidelines are issued this \_\_\_\_\_ day of \_\_\_\_\_, 2024.
- (2) The purpose of these Guidelines is to provide guidance to Approved Trustees on Information Communication Technology (ICT) requirements for their operations, pursuant to provisions of the National Pensions Act, 2008 (Act 766) hereinafter referred to as the Act.
- (3) These requirements are not intended to be all encompassing, references to the Act and the regulations shall always be taken into consideration.
- (4) Trustees shall comply with the Data Protection Act, 2012 (Act 843) in particular, Sections 29 and 30 for the purpose of these Guidelines.

## 2. General provisions

- (1) Pension processes require transactions and associated data to flow seamlessly between the Authority, approved trustees, pension fund managers and custodians.
- (2) A proactive management of the pension administration environment is imperative to a successful running of the system. Consequently, the desired system is based on the following major thrust:
  - (a) To enable effective and efficient customer service to the delight of the contributors.
  - (b) To provide cost efficient operations.
  - (c) To facilitate easy and accurate flow of information for the Defined Contribution Pension Scheme.
  - (d) To ensure easy collaboration among all stakeholders.
  - (e) To guarantee the distribution of payments to the individual accounts.
  - (f) The key issues to be considered for efficient information flow and effective system interoperability among the scheme's stakeholders are:
    - (i) **System Management:** hardware, operating system, application, database, storage and backup.
    - (ii) **Network Management:** telecom infrastructure management, configuration management.
    - (iii) **Security:** Information security management, business continuity planning,
    - (iv) **Governance:** IT governance.

**3. Hardware**

- (1) The desired system shall have all the standard specifications used for meeting critical operations like pension administration, including a high degree of interoperability with the other computer-based systems and devices.
- (2) **Servers**
  - (a) As a minimum requirement, each Approved Trustee shall operate in a domain (secured) environment, with the following physical Servers in place:
    - (i) Domain Controller (DC);
    - (ii) Application Server;
    - (iii) Web Server;
    - (iv) Database Server; and
    - (v) Backup Server.
  - (b) In a situation where these servers are configured to run in a virtual environment (virtual servers), the trustee should procure and install two high specification physical servers (minimum requirements of RAM: 128GB, HDD: 5\*1TB with RAID 5 fault redundancy tolerance. Processor: Two physical processors with dual core or quad core processing capabilities).
  - (c) The above server setup may be co-located subject to the written approval of the Authority.
  - (d) The Trustee shall utilise its servers for trust business only.
- (3) **Operating System:**
  - (a) A trustee may deploy any of the following operating systems with a valid licence(s):
    - (i) Linux,
    - (ii) Windows,
    - (iii) Mac OS X Server,
    - (iv) UNIX, or
    - (v) Any internationally recognised Server Operating System.
- (4) **Auxiliary Devices:**
  - (a) The key security features required in the server room shall include:
    - (i) Steel doors;
    - (ii) Fire extinguishers (carbon dioxide (CO<sub>2</sub>));
    - (iii) Smoke detectors;
    - (iv) Large flashlight and batteries
    - (v) Security firewall (Hardware);
    - (vi) Intrusion detection devices or intrusion detection & preventive devices;
    - (vii) Modems & routers;
    - (viii) Enterprise antivirus;
    - (ix) Power generators / invertors;
    - (x) UPS (at least 30 minutes duration without access to power from the National Grid);

- (xi) Primary air-condition unit(s) and Secondary air-condition unit(s) (to maintain required room temperature at all times);
- (xii) Security entry access control system; and
- (xiii) CCTV.

(5) **Communication:**

- (a) The following means of communication are required:
  - (i) Internet access (dedicated or shared);
  - (ii) Back-up internet link;
  - (iii) Virtual private network (VPN) links (through an appropriate medium);
  - (iv) Virtual private server (VPS);
  - (v) Interactive website;
  - (vi) Any other as may be determined.

(6) **Call Centre Systems / Complaints Management System**

- (a) A Trustee shall deploy the following:
  - (i) a well-equipped call centre with at least two (2) active phone lines;
  - (ii) a dedicated email address;
  - (iii) Interactive voice response (IVR).

(7) **International Organisation for Standardization Certification**

- (a) A Trustee shall subject itself for the processes and procedures towards the attainment of the following Certifications within three (3) years of implementation of these Guidelines:
  - (i) ISO 22301 – Business continuity plan (BCP)
  - (ii) ISO 27001 – Information security management system (ISMS)
  - (iii) ISO 9001 – Quality management systems

(8) **Cloud Services**

- (a) A trustee may store data of the scheme(s) under its management in the cloud provided an appropriate service level agreement (SLA) is in place, with the cloud service provider.
- (b) The Trustee shall submit the Service Level Agreement to the Authority for its review before signing off on the agreement.

**4. Pension application system requirements**

All the standard features that should be found in a pension administration package system, including a high degree of integration with the other standard front-office operations and back-office applications, are expected. The system shall be based on a standard open database connectivity (ODBC) platform running on a legacy operating system at the back end as prescribed in the table below:

Item No.	Requirement / Features
(1)	<p>The system shall consist of the following modules, among others:</p> <p><b>(a) Administration module</b></p> <p>(i) <b>Registration:</b></p> <ul style="list-style-type: none"> <li>• Schemes</li> <li>• Employers</li> <li>• Employees</li> </ul> <p>(ii) <b>Members account management:</b></p> <ul style="list-style-type: none"> <li>• Porting</li> <li>• Collection &amp; allocation of monthly contributions</li> <li>• Allocation of investment returns and fees</li> <li>• Voluntary contributions</li> <li>• Statement generation</li> <li>• Porting</li> <li>• Retirement services <ul style="list-style-type: none"> <li>✓ Pre-retirement notification</li> <li>✓ Post-retirement</li> <li>✓ Preservation account</li> </ul> </li> <li>• Benefits/Pay-out</li> <li>• Unclaimed benefits</li> </ul> <p><b>(b) Investment module</b></p> <p>(i) <b>Investment &amp; asset management:</b></p> <ul style="list-style-type: none"> <li>• Portfolio management (with valuation and limit administration);</li> <li>• Investment return calculator;</li> <li>• Multiple funds management;</li> <li>• Daily unitisation.</li> </ul> <p><b>(c) Risk management module:</b></p> <p>Approved Trustees shall use bespoke programmes that are based on certain pre-determined risk tolerance parameters, which will be able to generate exceptional reports that it can use to manage its risk profile and generate appropriate risk responses. The programme should have the following minimum features:</p> <p>(i) Risk modelling &amp; measurement concepts:</p> <ul style="list-style-type: none"> <li>• Risk types (market, credit, liquidity etc.);</li> <li>• Risk indicators;</li> <li>• Risk factors (interest rates, exchange rates, price indexes, stock indexes, etc.); and</li> <li>• Risk concentration, volatility, sensitivity analysis, etc.</li> </ul> <p><b>(d) Accounting module</b></p> <p>Accounting Management</p> <p><b>(e) Customer relations module</b></p> <ul style="list-style-type: none"> <li>- Customer relationship management;</li> <li>- Self-service centre; and</li> <li>- Interactive web site.</li> </ul>

Item No.	Requirement / Features
	<p><b>(f) Research / statistical and analytical system</b></p> <ul style="list-style-type: none"> <li>- Immediate recall of any information that the system statistically manages (e.g. contributors' historical data, display of the contributors' portfolios for any moment in the past).</li> </ul> <p><b>(g) Executive information system (Dashboard)</b></p>
(2)	All the modules of the system shall be seamlessly integrated with one another.
(3)	The system should be capable of using open architecture tools for scalability and compatibility with other systems (web, legacy systems) or databases (Oracle, Microsoft SQL Server, MySQL, DB2, Ingress Server 7, Sybase, etc.).
(4)	The system shall be easy to learn and use, as would be reflected by an intuitive user interface and helpful tools, e.g. wizards, to introduce key concepts to new users.
(5)	The system shall be web-enabled and with web transaction enablement.
(6)	Ability of the system to link to an Intranet site and facilitate occasional users sending information to the system and obtaining reports and other information from the system.

#### 5. Review and enquiries

- (1) These Guidelines shall be subject to review by the NPRA.
- (2) All Enquiries regarding these Guidelines shall be directed to the:

**CHIEF EXECUTIVE OFFICER,  
NATIONAL PENSIONS REGULATORY AUTHORITY,  
P. O. BOX GP 22331, ACCRA.**

**Website:** [www.npra.gov.gh](http://www.npra.gov.gh) **Email:** [info@npra.gov.gh](mailto:info@npra.gov.gh) **Telephone:** (302) 968692 / 968693

**Location:** 5<sup>TH</sup> / 6<sup>TH</sup> FLOOR, SSNIT EMPORIUM, AIRPORT CITY, ACCRA.

**Schedule '1'****Pension Application System Modules**

Item No.	Requirement / Features
<b>1. ADMINISTRATION MODULE</b>	
(1)	The system should be able to: (a) Set-up approved Schemes; (b) Capture details of enrolled employers per the Enrolment Form; and (c) Capture members' information per the Enrolment Form.
(2)	The system may offer a very high degree of reporting flexibility and offer a range of easily customizable pre-defined report templates with automated procedures, e.g. wizards to tailor reports (content and formatting) to suit individual preferences.
(3)	The system may be compatible with the standard payroll packages to enable contribution processing, data collection and reconciliation from employers.
(4)	The system should have the facility to accept and validate files generated by external systems.
(5)	The system should have the ability to generate output reports in MS Excel, MS Word, XML, PDF, etc. file formats.
(6)	The system shall be capable of integrating standard Biometric devices.
(7)	User defined standard reports shall be available online.
(8)	The system shall be available in a full client/server version, using an industry standard database on the server.
(9)	The system shall be capable of performing selective, incremental and full back-up, and recovery.
(10)	The system shall have Document Image Processing (DIP) facilities, including the ability to display scanned images of contributor forms and other source documents as part of standard enquiry routines.
(11)	The system shall have the option to post on a batch basis, with a full range of batch handling facilities, including the ability to print unfinished-posted batches, allow users to create but not to post batches, with only authorized users permitted to post batches.
(12)	The system shall have the option to allow specified users to post transactions on a real time basis.
(13)	The system shall have the facility to attach text memorandum notes to any header record/transaction, and to view such notes on demand.
(14)	Ability to print hard copy output on either pre-printed or blank stationery.
(15)	The system shall have a context sensitive online help facility, with help available at field-level.
(16)	Ability to capture contributions offline either on flash drive, CDs or any other storage media and update at a later time.
(17)	The system shall have the capacity to handle enrolment of Contributors - Employers/Employees from selected media (e.g. flash drive, CD, etc.)
(18)	Capacity to routinely reconcile the value on the contribution schedule with the payment record.

Item No.	Requirement / Features
(19)	Ability to differentiate a batch of transaction to be made up of each schedule from a given employer.
(20)	<p>(a) The system must have the capacity to facilitate the electronic/biometric identification of claimants. This could be by any or a combination of the following:</p> <ul style="list-style-type: none"> <li>(i) Photographic Identity;</li> <li>(ii) Verification of National Identification Card;</li> <li>(iii) Signature Verification;</li> <li>(iv) 10 fingers' capturing; and</li> <li>(v) Eye print capturing.</li> </ul> <p>(b) It shall be capable of identifying the claimant online by accessing his /her bio data.</p>
(21)	The system must generate up to date and accurate information on all contributors due for retirement at each relevant period.
(22)	Capability to generate the claim history of every claimant and to flag any duplicate claim for the same benefit.
(23)	The system shall provide sufficient security of access to allow user accounts to be defined for each type of user and segregation of duties to be maintained.
(24)	<p>The system shall have an audit trail functionality to be able to maintain a permanent log file which keeps information of all records created, edited, deleted or accessed.</p> <ul style="list-style-type: none"> <li>(a) Ability to access log files only by authorised personnel;</li> <li>(b) Ability of information stored to include time and date of operation, function performed, and user identification; and</li> <li>(c) Ability to produce exceptional reports on users who modify the system configuration and static data.</li> </ul>
(25)	<p>The system shall enable retirement phase management by providing:</p> <ul style="list-style-type: none"> <li>(a) Withdrawal facility options with detailed procedures;</li> <li>(b) Facility for accessing accrued benefit amounts by the appropriate contributors; and</li> <li>(c) The system should be able to trigger an alert to the contributor and the Trustee on a member of the scheme who has attained the retirement age and has not lodged a claim with the Trustee within 3 months of attainment of their retirement age.</li> </ul>
(26)	The system should create and maintain an Unclaimed Benefits account for retired contributors.
(27)	The system should be able to create and maintain members' Preserved Account in accordance with Regulation 58(5) of LI 1990.
(28)	<p>The system shall generate standard reports but not limited to the following:</p> <ul style="list-style-type: none"> <li>(a) Employer Remittance Reports;</li> <li>(b) Member Account Statement</li> <li>(c) Employer Enrolment List;</li> <li>(d) Monthly Contribution Data;</li> <li>(e) Contributors' Bio-Data;</li> <li>(f) Defaulter List; and</li> </ul>

Item No.	Requirement / Features
	(g) Unclaimed Benefits.
(29)	The system should be able to identify new contributors who join the scheme upon attaining age 45years and above to remit all their 18.5% contributions to Tier 2 as per section 63 (8) of the Act.
(30)	The system should be able to upload bulk Monthly Contribution Schedule received from Employers.
(31)	The system should be able to prompt the user when the schedule received from the Employer has an error, or the user enters a wrong figure.
(32)	The system should be able to alert the user and to generate an exceptional report when loading Monthly Contributions with wrong 5% Tier 2 contribution and the agreed contribution rates for Tier 3.
(33)	The system should be able to process for pay-out of accrued benefits for a member exiting the scheme. It should also notify /alert a member when payment is executed.
(34)	The system should be able to issue a certificate of membership to the contributor either by hardcopy or electronic soft copy as stated in Regulation 38 of L.I. 1990.
(35)	The system should be able to set approved fee rates for each Stakeholder per scheme (NPRA, Trustee, Custodian Bank & Fund Manager(s)).
(36)	The system should be able to create beneficiaries for each member of the Scheme and add up the percentage beneficiary distribution to 100%.
(37)	The system of the Trustee should be able to surcharge defaulting employers and allocate same to affected contributors.
<b>2. ACCOUNTING MODULE</b>	
(1)	<p><b>Accounting Management:</b></p> <p>(a) The accounting system shall have features and modules but not limited to the following:</p> <ul style="list-style-type: none"> <li>(i) Ledgers;</li> <li>(ii) Trial Balance;</li> <li>(iii) Financial Statements (Statement of Changes in Net Assets Available for Benefits, Statement of Net Assets Available for Benefits, Statement of Movement of Net Assets, Cash Flow Statement, Notes to the Accounts);</li> <li>(iv) Contribution Schedule;</li> <li>(v) Benefits Processing;</li> <li>(vi) Investment Assets Management;</li> <li>(vii) System Cheque Printing;</li> <li>(viii) Bank Reconciliation;</li> <li>(ix) Receipts;</li> <li>(x) Budgeting &amp; Forecasting;</li> <li>(xi) Maintenance;</li> <li>(xii) Variance Reports;</li> <li>(xiii) Cash Flow Projections &amp; Analysis; and</li> <li>(xiv) Comparative Statements, Ratios &amp; Charts.</li> </ul>
(2)	Capability to create and maintain individual Member accounts.

Item No.	Requirement / Features
(3)	Capability to distribute aggregate return on fund investment across member accounts.
(4)	Capability to enable: (a) Recording of all payment related transactions for each contributor; (b) Documenting all transfer related activities; and (c) Conducting reconciliation of Employer/Employee accounts.
<b>3. INVESTMENT MODULE</b>	
(1)	The investment module shall have the following features but not limited to: (a) Securities Trading module; (b) Clients' Portfolio Management module; (c) Schemes' Portfolio Management module; (d) Records of Investment Funds transactions (Investment Register); and (e) Clients' Relationship Management.
(2)	The System shall be able to perform Investment Valuation.
(3)	The system should be able to perform Risk Management of the funds.
(4)	The system should be able to perform unitization and returns allocation.
(5)	The system should be able to maintain an investment impaired register;
(6)	The system should enable computation of financial ratios. (Provide examples)
(7)	The system should be able analyse the following: - Asset concentration of the portfolio; - Overall rate of return of the investment portfolio; (NPRA standardised rate of return); - Return of each Asset Class;
(8)	The system should enable comparison of each investment portfolio against regulatory limits.
(9)	The system should be able to notify users on matured Investment Instruments (Notifications for Management decision / Disinvestments).
(10)	The system should also determine how much have been invested so far by each Fund Manager over a period.
(11)	The system should be able to assess and compare performance of multiple fund managers on a scheme.
<b>4. CUSTOMER RELATIONSHIP MANAGEMENT</b>	
(1)	<b>Customer Relationship Management (CRM) as per Regulation 40 of LI 1990</b> (a) The system should be able to perform the following: (i) To provide an interactive website; (ii) Ability to allow customers to edit basic biodata on-line; (iii) Allow contributors to enrol onto the scheme through the portal by using digital signature or concern note checked for electronic enrolment; (iv) Member to view and download electronic signed certificates online;

Item No.	Requirement / Features
	(v) Member to report complaints and grievances on-line for redress; (vi) Enable the Members to track their Contribution and Net Asset Value; and (vii) Email and SMS setup for rendering emails and SMS to clients.
(2)	Web enabled to facilitate interaction with other stakeholders (the Authority, Trustees, PFM and PFC) and enable self-service by Employee & Employer.
(3)	The web interface of the Trustee should have a pension calculator to help contributors to forecast their pension benefits.
<b>5. GOVERNANCE</b>	
(1)	The entity should ensure these documentation and Committees are in place: (a) ICT Strategy document detailing; (b) ICT Architecture; (c) IT Department Organogram; (d) IT Professional's Credentials & Certification; and (e) IT Steering Committee.
(2)	<b>Standard Operating Procedures (SOPs):</b> (a) The entity should ensure all these operating documentations are developed and implemented: (i) Information Technology (IT) equipment inventory and movement; (ii) Server Room Authorisation Access; (iii) Incident Reporting; (iv) Backup Management; (v) Patch Management; (vi) User Privileges; (vii) Server Monitoring; (viii) User Termination; (ix) Computer User Creation; and (x) Review of Systems / Application logs.

Item No.	Requirement / Features
<b>6. SECURITY</b>	
(1)	<p><b>Information Security Management:</b></p> <p>(a) Trustees are required to develop and implement the following security policies:</p> <ul style="list-style-type: none"> <li>(i) Organisation of Information Security;</li> <li>(ii) Asset Management;</li> <li>(iii) Human Resources Security;</li> <li>(iv) Physical and Environmental Security;</li> <li>(v) Communications and Operations Management;</li> <li>(vi) Access Control;</li> <li>(vii) Information Systems Acquisition, Development and Maintenance;</li> <li>(viii) Information Security Incident Management;</li> <li>(ix) Cyber Security Policy;</li> <li>(x) Business Continuity Management; and</li> <li>(xi) Compliance and any other as may be determined by the Authority.</li> </ul>
(2)	<p>Trustees are required to develop and implement these policy documents;</p> <p>(a) <b>User Policies:</b> The ICT Security policy of the Trustee should include the following:</p> <ul style="list-style-type: none"> <li>(i) Internet and Email Usage Policy;</li> <li>(ii) Data Non-Disclosure Agreement;</li> <li>(iii) User Responsibilities Policy;</li> <li>(iv) Security Manual;</li> <li>(v) Group Policy Information Technology (If Trustee belong to a group);</li> <li>(vi) Change Risk Policy;</li> <li>(vii) Disaster Recovery Plan Document;</li> <li>(viii) ICT Change Management and Control Policy; and</li> <li>(ix) Information Security and Privacy Policy.</li> </ul> <p>(b) Performance Monitoring.</p> <p>(c) Vulnerability Scanning.</p> <p>(d) Network Diagram.</p> <p>(e) Network up and down time (performance) report.</p> <p>(f) Service Level Agreements (SLA) between the Trustee and any other ICT Vendors providing ICT support to the Trustee.</p> <p>(g) Patch Management: All known Operating System/ application security patches should be applied.</p> <p>(h) Penetration Test: Conduct periodic Penetration Tests to ascertain if anyone trying to login by brute-force using the System Admin account or application login.</p> <p>- Compliance:-</p> <ul style="list-style-type: none"> <li>• Access Control mechanisms should be in place for Sensitive/ Personally Identifiable Information (PII) / Sensitive Data.</li> </ul>

Item No.	Requirement / Features
	<ul style="list-style-type: none"> <li>• Access Control mechanisms should be in place for Regulatory Data.</li> <li>- Database Server Audit should be enabled to track permissions / role /user changes.</li> <li>- Access Permissions restricted to the authenticated users only.</li> <li>- Conduct user IT security awareness training and programmes for staff managing the scheme(s).</li> <li>- Data Security to be done at:               <ul style="list-style-type: none"> <li>• Data entry level restricted to privileged group only.</li> <li>• Storage level.</li> </ul> </li> </ul>
<b>7. DATABASE</b>	
(1)	<p>Trustees are required to continuously monitor the database storage and usage related issues for redress to avoid data storage problems:</p> <p><b>Database Size:</b> The Trustee should have sufficient data storage for the database by monitoring the following for any data storage upgrade:</p> <ul style="list-style-type: none"> <li>- Current Total Storage Space;</li> <li>- Current database size;</li> <li>- Monthly Growth Rate of Database; and</li> <li>- Database Routine Check documentation.</li> </ul>
(2)	<p><b>Database Security:</b> Trustees are required to ensure all the features below and internal control of the database are in place:</p> <ul style="list-style-type: none"> <li>- Access Control;</li> <li>- Auditing;</li> <li>- Authentication;</li> <li>- Encryption;</li> <li>- Integrity Controls;</li> <li>- Application Security; and</li> <li>- Functional Backup Utility.</li> </ul>
(3)	<p><b>Data Validation</b></p> <ul style="list-style-type: none"> <li>- All members of the Scheme must be properly enrolled onto the Scheme;</li> <li>- Contributors must be issued with scheme membership IDs;</li> <li>- Completed member enrolment forms should be captured on the system;</li> <li>- Complete employer details on all the employers;</li> <li>- Beneficiary percentage distribution must be captured in the pension system; and</li> <li>- Monthly contribution data must be validated before updating the monthly contributions database.</li> <li>- National Identification Number</li> </ul>