



HUMAN RESOURCES MANAGEMENT WORKING GROUP
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REPORT ON THE PAPU STAFF PENSION FUND MANAGEMENT

1. Subject Report on Pension Fund Management	References/Paragraphs Decision No. 7/PAPU/AC/XLIII/2025
2. Decisions Expected <ul style="list-style-type: none">• Note the report on Pension Fund Management• Provide any further guidance for improved management of the Fund	

1.0 Introduction

The management of the PAPU Staff Pension Fund is handled by the Board of Trustees established in accordance with PAPU Staff Pension Fund Rule 3 (3.1) which state that “The Fund shall be administered and controlled, subject to the provisions of the Staff Rules and Regulations, This provision is in harmony with Rule 51 paragraph 5 of the Staff Rules and Regulations which stipulates that **“A Trustee shall be established to administer and control the funds in line with the Staff Pension Fund Rules”**.”

During the 2025/2026 Financial Year, the Pension Fund Board of Trustees has effectively undertaken a number of activities in fulfilment of its mandate.

2. Update on Pension Fund Earnings

2.1 As at the end financial year 2024/2025 the Pension Fund Balance was **USD 512,157.85** which was carried over to the beginning of the 2025/2026 financial year;

2.2 Individual annual statements for Staff participating in the PAPU Pension Scheme were distributed to the contributing members on 21st July 2024. The statements provided details of the Contributing Member's monthly contribution, Employer's contribution and the

Member's earned interest for the period 1st June 2024 to 31st May 2025. A one-week period was given for observations and possible objections on the accuracy of the computations and final balance due to each contributing staff. No objection was received thus validating the annual statements;

- 2.3 The Pension Fund investment of **USD 491,000.00** deposited in a Fixed Deposit Reserve (FDR) with KCB Bank (Tanzania) Limited at the rate of **6.5% per annum** in February 2025 matured on 25th August 2025. The investment earned a net interest amounting to **USD 14,441.53** during the 6 months period.

Another investment of **USD 406,000.00** at an interest rate of 5.5% was placed on 1st September 2025, with an expected maturity date of 1st March 2026.

- 2.4 One staff member, whose normal retirement date was 1 September 2025, ceased to be a contributing member of the Pension Fund in accordance with Staff Pension Fund Rule 2.29, which defines the "*normal retirement date*" as the first day of the calendar month coincident with or immediately following the attainment of 62 years of age

- 2.5 During the reporting period, the staff contribution amounted to USD 35,990.04 while the Union contributed USD 30,471.67. The total contribution to the fund is USD 66,461.71

- 2.6 As at 31st January 2026, the total balance available in the Fund was **USD 443,419.73**

3. Audit of the Pension Funds by the External Auditor

- 3.1 The 43rd Ordinary Session of PAPU Administrative Council passed **Decision No. 07/PAPU/AC/XLIII/2025** on the Auditing of Union's Financial Statements for the 2024/2025 financial year including the PAPU Staff Pension Fund;

- 3.2 The decision is in fulfilment of **Pension Fund Rule 5.32** which stipulates that an Auditor, independent of the Pension Fund, the Trustees, and the Union, should be appointed to carry out a periodic audit consistent with the needs of the Pension Fund;

- 3.3 The PAPU Pension Board of Trustees facilitated the auditing of the PAPU Pension Fund Financial Statements by RSM Eastern Africa, Certified public Accountants to the General Secretariat of PAPU in December 2025 for the financial period ending 30th June 2025.. The report of the Auditor will be presented to the 43rd Administrative Council.

4. Recommendations

This Paper is submitted for the Human Resources Management Working Group to

- i) Note the report on Pension Fund Management;
- ii) Provide any further guidance for improved management of the Fund