

REPUBLIC OF KENYA



MINISTRY OF LABOUR

NOTICE TO ALL EMPLOYERS

OBLIGATIONS UNDER THE NATIONAL SOCIAL SECURITY FUND ACT CAP 258 LAWS OF KENYA

REGISTRATION

The Minister for Labour wishes to remind all employers that it is mandatory under the National Social Security Fund (NSSF) Act Cap 258 for any person or body, be it religious, private or public with one or more employees to register with the Fund within **21 days** from the date of becoming an employer.

An employer who fails to register with the Fund or fails to cause registration of workers within the specified period, will be guilty of an offence and could be prosecuted in a court of Law, where, if proved guilty, could be fined or imprisoned.

NSSF (COMMENCEMENT OF CONTRIBUTIONS) ORDER 2009

Following the Kenya Gazette Notice No. 159 of 30th October, it is now mandatory for all employers including employers of **one to four employees** to remit contributions to NSSF. The effective date of the contributions is **1st November, 2009**.

PENALTY FOR DELAYED PAYMENT

It is an offence for employers to fail to remit contributions to the Fund on time. A penalty at the monthly rate of 5% is charged on the amount which is un-remitted to the Fund. The 5% penalty is payable to the Fund together with contributions.

EXEMPTIONS

No employer is exempted from the provisions of the NSSF Act on the strength of having an in-house occupational pension scheme. Exemption may only be granted by the Minister on the recommendation of the Board of Trustees where an employer operates a **universal, national scheme** that offers benefits comparable to NSSF. At the moment NSSF is the only scheme **catering for all**.

TOP-UP OF CONTRIBUTION

Contributing employees in formal employment are free to increase their monthly contributions through the payroll. Employers who get such requests from their employees are advised to indicate the amount contributed above the mandatory 400/= as a **voluntary contribution**.

BENEFITS PROCESSING

The Fund has decentralised its operations to Branch offices. Members can submit benefit claims and receive their payments at any of the NSSF branch office.

HON. MUNYES J. KIYONG'A EGH, MP
MINISTER FOR LABOUR