

GOVERNMENT NOTICE No. 393 published on 3/08/2018

SOCIAL SECURITY (REGULATORY AUTHORITY) ACT,  
(CAP. 135)

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**GUIDELINES**  
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*(Made under section 5(1) (c))*  
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THE SOCIAL SECURITY SCHEMES (REGULATORY REPORTING) GUIDELINES, 2018

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GUIDELINES, 2018

PART I  
PRELIMINARY PROVISIONS

- Citation                                    **1.** (1) These Guidelines may be cited as Social Security Schemes (Regulatory Reporting) Guidelines, 2018.
- Application                                    **2.** These Guidelines shall apply to all Schemes, managers, Custodians and Administrators in Tanzania Mainland.
- Interpretation                                    **3.** In these Guidelines, unless the context requires otherwise-
- Cap. 135                                    “Act” means the Social Security (Regulatory Authority) Act;  
“accounting period” means a period of time which reflects the financial activity of a Scheme, Fund Manager, Custodian or Administrator which covers the financial statements;  
“annual report” means a comprehensive report on the activities of a Scheme, Manager, Custodian or Administrator including audited financial statements for the preceding year;  
“asset” means resource owned or controlled or held by a Scheme, Manager, Custodian or Administrator as a result of past events from which future economic benefits are expected to flow to the Scheme.  
“Authority” means the Social Security Regulatory Authority established under section 4 of the Act;  
“Board ” means the Board of Trustees of the Scheme;

“financial statements” means:-

- (a) statement of financial position which shows firm’s assets, liabilities and net worth on a stated date;
- (b) income statement which shows how the net income of the firm is arrived at over a stated accounting period; and
- (c) cash flow statement which shows the inflows and outflows of cash caused by the firm’s activities during the stated period.

“liability” means a present obligation of a Scheme, Manager, Custodian or Administrator arising from the past events, the settlement of which is expected to result in an outflow from the Scheme, Manager, Custodian or Administrator’s resources.

“International Financial Reporting Standards (IFRS)” means global standards and interpretation for financial reporting issued by the International Accounting Standard Board (IASB) as adopted by the National Board of Accountants and Auditors (NBAA);

“public scheme” means a Social Security Scheme whose membership is open to the general public or which is sponsored by or whose benefits are guaranteed by the Government of United Republic;

“report” means regulatory report; and

“scheme” means the social security scheme and includes mandatory and supplementary schemes.

Objectives of Guidelines

**4.-(1)** The general objective of these Guidelines shall be to provide guidance to Schemes, Managers, Custodians and Administrators on information to be submitted to the Authority and to be disclosed to members and stakeholders to enhance transparency and promote public confidence.

(2) Without prejudice to sub-paragraph (1), the specific objective includes to ensure-

- (a) market discipline by providing up to date information to various stakeholders; and;
- (b) Schemes, Managers, Custodians and Administrators make adequate disclosures to members and general public.

PART II  
REPORTING STANDARDS

Compliance with reporting standards

**5.**-(1) Scheme, Manager, Custodian and Administrator shall be obliged to make full disclosure of the information required under the reporting standards prescribed in these Guidelines.

(2) Every Scheme, Manager, Custodian or Administrator shall ensure that its financial statements are prepared in accordance with the International Financial Reporting Standards as approved by the relevant Authorities in Tanzania and any additional accounting reporting requirements specified in these Guidelines.

(3) The Board of Trustees or Board of Directors as the case may be of every Scheme, Manager, Custodian or Administrator shall ensure that the financial statements are prepared in a manner that gives a true and fair view of the state of affairs of the Scheme.

(4) The Board shall establish a sound reporting structure to ensure the integrity and credibility of the reports.

(5) Disclosure made to a Scheme, Manager, Custodian or Administrator shall be adequate to enhance accountability and transparency in order to increase member's confidence in the Scheme.

(6) Where a specific accounting requirement is prescribed in these Guidelines for prudential reasons Scheme, Manager, Custodian or Administrator shall comply with the prescribed requirement and disclose a statement to that effect.

PART III  
REPORTING REQUIREMENTS

(a) *Social Security Schemes*

Regulatory reports

**6.**-(1) A Scheme shall prepare and submit to the Authority, regulatory reports in the form and frequency prescribed by the Authority.

(2) A Scheme shall, within a period of six months after the end of each financial year, submit a copy of annual report and management letter to the Authority.

Report content

**7.**- The annual report of the scheme shall include but not limited to the following contents-

- (a) financial statements as per the International Financial Reporting Standards;
- (b) further auditable information to enhance disclosures in the form of-
  - (i) membership trend report;
  - (ii) administrative expenditure trend for five years;
  - (iii) investments report indicating compliance with investment limits as per the Social Security Schemes Investment Guidelines, 2018;
  - (iv) benefits payments trends for each benefit type for five years;
  - (v) contribution trend for five years; and
  - (vi) risk management report;
- (c) a report on actuarial surplus or deficit and remedial measures taken to address the deficit if any;
- (d) actuarial assumptions and methods used to calculate actuarial present value of retirement benefits;
- (e) Directors' or Trustees' Report as per Tanzania Financial Reporting Standards No. I.

Disclosure requirements

**8.-(1)** A Scheme shall make the annual report available for reference, perusal or scrutiny by members and the public to foster transparency.

(2) A Public Scheme shall publish its annual report on its website within seven months after the end of every financial year.

(3) A Public Scheme shall publish its annual audited financial statements in at least two newspapers of wider circulation in Tanzania, one of Kiswahili and one of English, seven months after the end of every financial year.

*(b) Fund Manager, Custodian and Administrator*

Regulatory reporting requirements

**9.-(1)** Every Fund Manager, Custodian and Administrator shall prepare and submit to the Authority, regulatory reports in the form and frequency prescribed by the Authority.

(2) Every Fund Manager, Custodian and Administrator shall, within a period of six months after the end of each financial

year, submit a copy of annual audited financial statements to the Authority.

(3) Registered Fund Manager, Custodian or Administrator who is not managing any portfolio of a Scheme as at reporting date shall, upon written request to the Authority, be exempted from submission of regulatory returns in sub-paragraph (1).

(4) Fund Manager, Custodian or Administrator exempted pursuant to sub-paragraph (3) shall be required to submit annual reports as per sub-paragraph (2).

**PART IV  
GENERAL PROVISIONS**

Sanctions

**10.-**(1) Any Scheme, Manager, Custodian or Administrator, which contravenes the provisions of these Guidelines commits an offence and shall be liable to penalties as provided in the Act.

(2) Notwithstanding the penalty imposed under paragraph 1, the Authority shall have the powers to-

- (a) direct the Scheme to comply with these Guidelines;
- (b) propose disqualification of the Board of Trustees of Schemes and Management of the Schemes to the respective appointing Authority;
- (c) take any other necessary measures it considers appropriate for the better implementation of these Guidelines.

Dis-application and savings

**11.-**(1) The Social Security Schemes (Annual Reporting) Guidelines, 2017 issued prior to the coming into effect of these Guidelines are hereby disapplied.

(2) Notwithstanding sub paragraph (1), anything done, action, claim or directive made pursuant to the Social Security Schemes (Annual Reporting) Guidelines, 2017 shall continue to have effect as if were made, issued or prepared under these Guidelines.

Dodoma  
....., 2018

IRENE C. ISAKA  
*Director General*