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The following Act adopted by the Parliament dated 17 Magh 1429/ 31 January 2023 received the assent of the President and the Act is hereby published for public information:

Act No. 04 of 2023

The law is made with the objective of inclusion of the people of all strata of the country in a sustainable pension structure

As there is a need to include the growing elderly population in a sustainable and well-organized social safety net especially due to the increase in the average life expectancy of the population at all levels of the country; and

As the dependency rate will increase due to the decline in the working population in the future; and as it is expedient and necessary to make provisions on ancillary matters related to the universal pensions thereto; the following act is hereby enacted:

1. Short title and Commencement.

- 1) This Act shall be known as the Universal Pension Management Act, 2023.
- 2) It shall come into effect immediately.

2. Definitions: Unless there is anything contrary to the subject or context of this Act,

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- 1) "Insolvent Contributor" means a contributor to a pension scheme who has lost the capacity to contribute due to physical or mental incapacity;
- 2) "Annuity" is a pension paid to a nominee at a fixed rate on a monthly basis for a specified period of time against a participating contributor under the universal pension scheme contributing uninterruptedly at the fixed rate for a lifetime on completion of the contributor's 60 (sixty) years of age, or due to the death of the contributor while in pension.
- 3) "Authority" means the National Pension Authority established under sub-section (1) of Section 4;
- 4) "Contributor" means a person contributing to the pension scheme;
- 5) "Scheduled Bank" means Scheduled Bank as defined in Article 2 (J) of the Bangladesh Bank Order, 1972 (P. O. No. 127 of 1972);
- 6) "Fund" means the Public Pension Fund constituted under Section 16;
- 7) "Prescribed" means prescribed by rules or regulations made under this Act;
- 8) "Executive Chairman" means the Executive Chairman of the National Pension Authority appointed under sub-section (2) of Section 6;
- 9) "Board of Directors" means the Board of Directors constituted under Section 10;
- 10) "Pensioner" means a pensioner in accordance with the provisions of Section 14;
- 11) "Pension Front Office" means the office engaged in the collection of monthly subscriptions of the contributors participating in the pension scheme and the deposition of the subscriptions collected into the pension fund;
- 12) "Regulations" means regulations made under this Act;
- 13) "Rules" means the Rules made under this Act;
- 14) "Government" means the Finance Division of the Ministry of Finance of the Government of the People's Republic of Bangladesh, to fulfill the purpose of this Act;
- 15) "Universal Pension Fund Management Committee" means the committee referred to in Subsection (1) of Section 22; and
- 16) "Scheme" means the Universal Pension Scheme approved by the Finance Authority.

3. Predominance of the Law: Notwithstanding anything contained in any other law in effect for the time being, the provisions of this Act shall prevail.

4. Establishment of National Pension Authority.

- 1) The Government shall, as soon as possible after the enactment of this Act, establish an authority to be called the National Pension Authority, by notification in the Official Gazette, to fulfill the purposes of this Act.
- 2) The Authority shall be a statutory body and shall have permanent continuity and a common seal and subject to this Act or the rules or regulations made thereunder, it shall have the power to acquire, possess, or transfer both immovable and movable property and file a lawsuit with its own name and any lawsuit can also be filed against it.

5. Office of Authority: The head office of the Authority shall be situated in Dhaka and the Authority may, if necessary, with the prior approval of the Government, set up its branch offices anywhere in the country.

6. Structure of the authority etc.

- 1) The Authority shall consist of an Executive Chairman and four members.
- 2) The Executive Chairman and members shall be appointed by the Government and their terms and conditions of service shall be determined by law.
- 3) The Government shall bear the expenses of the Authority and all the institutions concerned with the Universal Pension Scheme.
- 4) The Executive Chairman shall be the Chief Executive Officer of the Authority.

7. Roles and Functions of the Authority: To fulfill the purpose of this Act, the roles and functions of the Authority shall be as follows:

- a) Ensuring the introduction, proper management, and development of a Universal Pension Scheme;
- b) Protection of the interests of the contributors under the Universal Pension Scheme;
- c) Management of enrollment into Universal Pension Scheme, eligibility for enrollment into the scheme, determination of criteria, approval, operation of the scheme, supervision, and investment of the accumulated deposits of pension funds;
- d) Ensuring protection of funds deposited by the contributors of the pension scheme;

- e) Making regulations with the approval of the Government to ensure the disposal and redressal of grievances of the contributors;
 - f) Collecting information for any research or conducting research activities on the Universal Pension Scheme management, implementation, or other matters by the authority itself or by authorizing any other office, institution, or person;
 - g) Take steps to encourage people to participate in the pension scheme by providing a comprehensive understanding of the vision and objectives of universal pension, security after retirement and pension and wider publicity;
 - h) Taking necessary education and training measures to enhance the skills of the employees of the institutions involved in the Universal Pension Scheme;
 - i) Determining fees or other charges as relevant;
 - j) Publish the accounting statements and other documents at the prescribed place and time; resolve any complaint or dispute or collect information about irregularities under the Universal Pension or Pension Fund or any other relevant matters; and
 - k) To carry out other functions as may be necessary to fulfill the purpose of this Act.
8. **Authority to obtain loans:** To fulfill the purposes of this Act, the Authority may, with prior government approval, obtain loans in its own name.
9. **The power to seize properties by the authority:** If any person or employee associated with the Universal Pension Scheme or any of the programs, schemes, or projects under this scheme violates any section of this Act, rules, or regulations, the Authority may croak property or single or multiple bank accounts of the alleged person through the court.
- 10. Board of Directors.**
- 1) For the purposes of this Act, a Pension Management Board shall be constituted consisting of the following members, namely:
 - a) Finance Minister, who shall also be its Chairman;
 - b) Governor, Bangladesh Bank;
 - c) Secretary, Finance Division;
 - d) Secretary, Financial Institutions Division;

- e) Chairman, National Board of Revenue
 - f) Secretary, Ministry of Social Welfare;
 - g) Secretary, Ministry of Women & Children Affairs
 - h) Secretary, Ministry of Expatriates' Welfare and Overseas Employment
 - i) Secretary, Ministry of Labor & Employment
 - j) Secretary, Department of Posts and Telecommunications;
 - k) Secretary, Prime Minister's Office;
 - l) Chairman, Bangladesh Securities & Exchange Commission;
 - m) President, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI)
 - n) President, Bangladesh Employers Federation;
 - o) President, Bangladesh Women Chamber of Commerce and Industries (BWCCI);
 - p) Executive Chairman, who shall also be its Member Secretary;
- 2) The Board of Directors may, if necessary, invite any person to attend the meetings of the Board;
 - 3) The Board of Directors shall hold at least three (3) meetings in a year.
 - 4) In consultation with the Chairman of the Board of Directors, the Executive Chairman shall call upon meetings of the Board, and such meetings shall be held at times and places as determined by the Chairman of the Board.
 - 5) The quorum of the meeting of the Board of Directors shall be formed in the presence of the majority of the members and the decision shall be taken by the vote of the majority of the members present.

11. Functions of the Board of Directors.

- 1) The Board of Directors, to fulfill the purpose of this Act, shall make decisions or advise the Authority on any policy or strategy of the Authority or any matter raised by the Authority, including the formulation of regulations under this Act.

- 2) The Board of Directors shall approve the prescribed guidelines for investment in government securities, other low-risk securities, profitable infrastructure sectors, etc, and provide necessary advice or guidance from time to time.
- 3) The Board of Directors may take any decision for the purposes of this Act.

12. National Pension Authority Fund.

- 1) There shall be a fund of the Authority to be called the National Pension Authority Fund and shall be credited with the following sums, namely:
 - a) Grants provided by the Government;
 - b) Fees and charges recoverable under this Act;
 - c) Money received for services provided by the authority;
 - d) Loans taken with the prior approval of the Government; and
 - e) Money received from any other sources.
- 2) The money of the Fund shall be deposited in any Scheduled Bank in favor of the Authority and the money may be withdrawn from the Fund following the procedures determined by the Authority.
- 3) The salary, allowances, remuneration, honorarium, and other related expenses of the Executive Chairman, members, officers, and employees of the authority shall be borne with the money of this fund.

13. Recruitment of employees by the Authority etc.

- 1) The Authority may appoint the necessary number of employees for the proper performance of its functions, subject to the prior approval of the Government and the approved organizational structure.
- 2) The procedures of appointment and the terms and conditions of the service of the employees of the Authority shall be determined by regulations.

14. Universal Pension Management.

- 1) To fulfill the purpose of this Act, the Government shall, by notification under the Official Gazette, immediately introduce the Universal Pension Scheme with the following features or terms or procedures, namely:
 - a) Taking the National Identity Card as the basis, all Bangladeshi citizens aged 18 (eighteen) and above 50 (fifty) years of age can participate in the Universal Pension Scheme under the Universal Pension Management:

Provided that, under special consideration, citizens above the age of 50 (fifty) years can also participate in the universal pension scheme, and in that case, they will be entitled to pension for life from the age at which they have reached the age of 10 (ten) years of uninterrupted contributions from the date of participation in the scheme;

- b) Upon enrollment in the Universal Pension Scheme, a contributor shall be eligible to receive a monthly pension subject to a continuous subscription of at least 10 (ten) years and the pension shall be paid against the deposits with the profit accumulated in the pension fund on completion of 60 (sixty) years of age;
- c) Bangladeshi workers working abroad can be included in this program through the prescribed process;
- d) Until the Government makes it compulsory by issuing a notification in the Government Gazette, initially the inclusion in the public pension system shall be voluntary;
- e) There shall be a separate and individual pension account for each contributor, which shall be governed by rules;
- f) Even if the employed contributors change their jobs, the previous account will be transferred to their new workplace and there will be no need to open a new account;
- g) The minimum monthly subscription rate shall be determined by the authority.
- h) Subscriptions can be paid on a monthly or quarterly basis and there will be the provisions to deposit in advance and in installments;
- i) In case of delay in payment of monthly subscriptions, the pension account may be kept active by paying the arrears along with the late fees and the said late fees shall be credited to the contributor's own account;
- j) Pensioners will enjoy the pension benefits for a lifetime i.e. till death;
- k) While on pension, if the pensioner dies before attaining the age of 75 (seventy-five) years, the nominee of the pensioner shall be entitled to a monthly pension for the remaining period (up to the age of 75 (seventy-five) years of the original pensioner);
- l) If the contributor dies before paying the subscriptions for at least 10 (ten) years, the money deposited will be returned to her/his nominee along with the profit;

- j) If at any stage, a one-time withdrawal of money deposited in the pension fund is required, subject to the contributor's application, a maximum of 50 (fifty) percent of the amount deposited may be withdrawn as a loan, which must be repaid with the prescribed fees and the repaid amount along with the fees shall be credited to the contributor's own account;
 - k) The contributions determined for the pension shall be treated as an investment and be considered for a tax rebate, and the amount received from the monthly pension shall be exempt from income tax;
 - l) Subject to the notification issued by the Government from time to time, the Government may provide a portion of the monthly subscription to the pension fund as a grant to the citizens under the lower wage limit or to the insolvent contributors.
- 2) Government or semi-government or autonomous or private institutions may participate in the universal pension scheme and in this case, the share of contribution of the employees and institutions shall be determined by the authority; Provided that, notwithstanding anything contained in any other laws in force for the time being, employees who are working in government and semi-government or autonomous bodies, shall be excluded from the Universal Pension Scheme until Government Gazette notification is issued;
- 3) To fulfill the purpose of this section, other relevant matters shall be determined by the Rules.

15. Pension Support Offices.

- 1) To fulfill the purpose of this Act, the authorities, in consultation with the Government, may establish a required number of front offices or create or assign and operate any pension assistance entity for the operation of the Universal Pension Scheme, management of pension funds, deposition of subscriptions, payment of pensions, etc.
- 2) Scheduled Banks and Field offices of the Department of Posts and any other public or private institution prescribed by rules shall act as the front offices of pension.

Explanation: To fulfill the purpose of this Section, the entity having direct contact with the contributors shall be the front office of the pension under this Act.

16. Universal Pension Fund.

- 1) Under this Act, the Universal Pension Fund shall be constituted for the purpose of proper management of the money deposited for pension; and the deposition of contributions by the contributors, account keeping of the deposits, proper and safe investment of the accumulated funds, and other related activities will be carried out under the universal pension fund.

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- 2) The source of money in the fund shall be as follows:
 - a) Contributions of the contributors registered into the pension scheme;
 - b) Participatory contributions of the organizations;
 - c) Accumulated profit from the invested funds;
 - d) Government grants for low-income or insolvent contributors; and
 - e) Income from other sources.
 17. **Central record keeping:** There shall be a central record-keeping system prescribed by rules for the record-keeping of the pension schemes under this Act.
 18. **Universal Pension Fund Management.** The investment of pension funds collected through contributions under this Act shall be determined by the Rules.
 19. **Banker of the Universal Pension Fund:** One or more Scheduled Banks prescribed by the rules shall act as bankers of the National Pension Fund.
 20. **Annuity Service Provision:** The authority shall provide annuity services in the manner prescribed by the Rules upon the contributors attaining the age of pension.
 21. **Universal Pension Distribution Framework:** The authority shall ensure the timely delivery of monthly pensions to the pensioners through an electronic fund transfer process and for this purpose, a centralized and automated pension disbursement infrastructure under the National Pension Authority shall be established.
 22. **Universal Pension Fund Management Committee.**
 - 1) There will be a committee for Pension Fund Management with a member of the National Pension Authority as the Chairman and experienced persons as members.
 - 2) The structure and scope of the committee shall be determined by the rules.
 23. **Laws Applicable to Universal Pension:** The rights of all persons concerned in the payment of universal pensions or annuities payable by the authorities shall be determined under this Act and Bangladeshi law or laws shall apply in this regard.

24. Annual Report of the Authority.

- 1) The Authority, within not more than three months of the end of its financial year, shall submit the annual report to the Government on their activities performed in the previous financial year.
- 2) The report submitted under subsection (1) shall include, among others, the following matters, namely:
 - a) Overall review of the authority's activities;
 - b) Balance, investment, and relevant information of the Universal Pension Fund;
 - c) A description of the goals of the authority that are achieved; and
 - d) A summary of the goals of the authority that are not achieved and its reasons;

25. Annual Budget Statement: The Authority shall submit the annual budget statement for the next financial year to the Government at least three months before the commencement of each financial year and it shall mention the amount of money required from the Government to meet the operating expenses of the Authority in that financial year.

Explanation: For the purposes of this section, financial year means the year beginning on the first day of July and ending on the 30th of June of the following year.

26. Accounting and auditing.

- 1) The Authority shall, in the prescribed manner, maintain its accounts and prepare statements of accounts.
- 2) The Auditor-General and Comptroller of Bangladesh shall audit the accounts of the Authority every year and submit the audit report in accordance with the existing laws.
- 3) If any objection is raised upon the audit report mentioned in sub-section (2), the authority shall take appropriate action immediately for its disposal.
- 4) For the purpose of auditing the accounts of the Authority, the Auditor General and the Comptroller or any person authorized by them may examine all the records, documents, annual balance sheets, cash or bank deposits, securities, reserves, or other assets, etc. of the Authority and may question the Executive Chairman, Members or any other employee of the Authority.

27. Submission of reports, etc. to the Government: The Authority shall, in any form specified and provided by the Government, submit reports, returns, statements, and other information relating to the Universal Pension Scheme to the Government as and when required.

28. **Government Employees:** While acting in accordance with this Act or the rules or regulations made thereunder, the Executive Chairman or members or officers or employees of the authority shall be deemed to be public servants as defined in Section 21 of the Penal Code, 1860 (Act No. XLV of 1860) for the purposes of filing a case on his/her behalf or against him/her.

29. **Power to make rules:** To fulfill the purpose of this Act, the Government may, by notification in the Government Gazette, make rules.

Provided that the Government may, by notification in the Official Gazette, make orders until the rules are made.

30. **Power to make regulations:** The Authority may, with the prior approval of the Government, make regulations to fulfill the purpose of this Act by notification in the Government Gazette.

31. **Powers of Government to Resolve Complications:** In case of any difficulty in enforcing the provisions of this Act due to ambiguity about the powers and responsibilities of the Authority, the Government may, in accordance with other provisions, clarify or interpret such provisions by order in the Government Gazette.

32. Publication of the translated version in English-

- 1) After the commencement of the Act, the Government shall publish an authentic English Text of the original Bengali text of this Act by way of notification in the Government Gazette.
- 2) In case of any dispute between the Bengali text and the English text of this Act, the Bengali text shall prevail.

K. M. Abdus Salam

Senior Secretary