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Pension Office

## Terms of Reference for Board Members of the Maldives Pension Administration Office

### Background

Maldives Pension Administration Office (Pension Office) came into existence as an independent legal entity under the Act No.: 8/2009 (Maldives Pension Act) ratified on 13th May 2009.

The Pension Act mandates the Pension Office to carry out the following functions:

- Administer and manage Pension Schemes established under the Pension Act
- Provide Retirement Pension
- Pay Old-Age Basic Pension
- Formulate regulations, standards, and guidelines to operate schemes established under the Pension Act
- Conduct awareness programmes on schemes established under the Pension Act
- Administer a housing finance collateralization scheme of Retirement Savings Account (RSA) funds aimed at Maldives Retirement Pension Scheme (MRPS) members in accordance with the Pension Act

In addition to the aforementioned functions, disbursing State-funded Other Pensions and Senior Citizens Allowance to beneficiaries are functions of Pension Office.

Board Members of Pension Office are appointed by the President of Maldives. The Board comprises of 8 Members :

1. Chairman of the Board
2. A senior employee of the Securities Market Regulator
3. A senior Civil Servant of the Ministry of Finance and Treasury
4. A senior Civil Servant from the Ministry responsible for social security
5. Four (4) members from the private sector not employed by the state or government

Board Members are fiduciaries of the Pension Scheme, as stated in Section 13 of Pension Act, and, therefore, have legal responsibility to the participants and beneficiaries of MRPS.

## **Duties of the Board Members**

The Board of Pension Office is authorized to exercise all the powers necessary to implement its functions under the Pension Act and Regulations made thereunder. Accordingly, it is the general duty of the Board to oversee the administration of MRPS in the best interest of participants and beneficiaries as stipulated in the Pension Act.

In addition, the Board shall have specific duties to exercises the powers set forth in Section 6 of the Pension Act.

### **Planning:**

The Board shall provide leadership and guidance to accomplish the long-term objectives and strategic goals of Pension Office, determine that measurable organizational objectives are established in-line with the Pension Act, monitor the progress towards attainment of the goals, ensure that the operations and the development of the organization are conducted in a lawful and ethical manner.

### **Relations with Stakeholders:**

The Board shall endeavour to maintain candid and constructive communication with all the stakeholders of MRPS including the Securities Market Regulator, government bodies, and market intermediaries. The Board shall also provide advice and recommendations to the aforementioned stakeholders with respect to MRPS and social security policy.

### **Supervision:**

The Board shall work with the CEO to ensure that the operations of the Pension Office are conducted effectively in an efficient manner which achieves the organization's legal mandate and strategic objectives. Further, the Board shall facilitate and assist with relevant government authorities, including the Securities Market Regulator, Capital Market Development Authority (CMDA) in carrying out the supervision duties of MRPS.

### **Investments:**

The Board, shall monitor the investments of MRPS and ascertain whether all investments are made as per section 16 of the Pension Act and the Statement of Investment Principles of MRPS.

Moreover, Board Members shall make investment decisions independently and in the best interest of MRPS participants and beneficiaries.

### **Annual Audit:**

The Board shall conduct regular audits of Pension Office and MRPS, and conduct special audits where circumstances necessitate such actions. Accordingly, the Board shall engage an independent auditor approved by the Auditor General of the Maldives to conduct the aforementioned audits.

## **Annual Report:**

The Board shall direct the preparation of annual financial statements and prepare the annual report of the Pension Office and MRPS, and shall arrange for publication of these materials for public record. Further, the Board shall also arrange to provide all the information stipulated under Section 4 of the Pension Act.

## **Board Member Requirements**

Board Members shall satisfy all the requirements stipulated in section 8 (d) of the Pension Act.

## **Remuneration**

Board Members are paid a monthly pensionable remuneration of MVR 12,000.00.

## **Term**

Board Members are appointed for a period of three (3) years. As per good governance practice adopted by the Pension Office Board, no Board Member shall be appointed to the Board for more than two consecutive terms, and no two Board members from private sector can represent the same institution.

## **Selection Process**

As per the Pension Act, the selection of the Chairperson of the Pension Office and the four (4) Members appointed from the private sector are made based on merit, from a list of eligible applicants who are interviewed by the Selection Committee. The Selection Committee is formed jointly by the Civil Service Commission, Ministry of Finance and Treasury, and the Ministry responsible for Social Security, as required by the Pension Act.

Prior to submission of candidates to the President for appointment to the Board, the names of candidates selected by the Selection Committee are submitted to the Securities Market Regulator to verify whether the requirements stipulated under the Pension Act are satisfied.

Expression of Interest for two private sector Board Member position is now open. The candidates will be evaluated by the Selection Committee based on their qualification and professional experience.

All interested applicants are requested to submit their Expression of Interest with a covering letter and a detailed curriculum vitae covering the following information:

- Educational Certificates
- Reference letters proving experience in the field of Finance, Pension and Investment
- National ID Card copy or Passport copy
- Details of any Board Membership
- Contact details including phone number, email address and current address.

Expression of Interest may be submitted to Maldives Pension Administration Office to the address below or via email to **admin@pension.gov.mv**.

**Expression of Interest is due on Tuesday 4th September 2018 at 1600 hrs.**

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16th August 2018

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Maldives Pension Administration Office, 8<sup>th</sup> Floor, City Square, Chaandhanee Magu, Male', Maldives

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