

CHAPTER 135
THE SOCIAL SECURITY ACT
[PRINCIPAL LEGISLATION]
ARRANGEMENT OF SECTIONS

Section Title

PART I
PRELIMINARY PROVISIONS

1. Short title.
2. Application.
3. Interpretation.

PART II
ADMINISTRATIVE MATTERS

4. Supervision of social security sector.
5. Mandate of Division.
- 6–13. Repealed.

PART III
REGISTRATION OF SCHEMES, MANAGERS,
ADMINISTRATORS AND CUSTODIANS

14. Registration.
15. Conditions for registration of schemes.
16. Application for registration.
17. Register.
18. Issuance of certificates.
19. Refusal of registration.
20. De-registration of scheme.
21. Effect of de-registration.
22. Repealed.

PART IV
REGULATION AND SUPERVISION OF SCHEMES, MANAGERS,
ADMINISTRATORS AND CUSTODIANS

23. Identification and membership numbers.
24. Scheme funds.
25. Setting of contributions rates and benefits.
26. Benefit formula.



27. Investment guidelines and policies.
28. Management of funds of schemes.
29. Accounts and audit of schemes.
30. Prohibition of certain conducts.
31. Membership coverage.
32. Supplementary scheme.
33. Indexation of pensions.
34. Repealed.
35. Collection of contributions and collection agencies.
36. Rights to benefits.
37. Minimum benefits packages.
38. Restriction on double benefit.
39. Collateral for home mortgage.
40. Retirement benefits Committee.

PART V
INSPECTORS, INSPECTION AND EXAMINATION

41. Appointment, functions and powers of inspectors.
42. Inspection and examination.
43. Appointment of interim administrator.
44. Functions of interim administrator.

PART VI
DISPUTE SETTLEMENT

45. Repealed.
46. Review of decision.
- 47-48. Repealed.

PART VII
RELATIONSHIP BETWEEN THE BANK AND THE DIVISION

49. Relationship with Bank.
50. Specific powers and responsibilities of Bank.

PART VIII
FINANCIAL PROVISIONS

- 51-55. Repealed.

PART IX
MISCELLANEOUS PROVISIONS

- 56. Regulations.
- 57. Offences by body corporate and partnership.
- 58. Use of Register in evidence.
- 59–60. Repealed.
- 61. Conflict of laws.

PART X
TRANSITIONAL AND SAVING PROVISIONS

- 62. Effective date.
- 63. Savings.
- 64. Existing contracts.
- 65. Vesting of assets and liabilities.
- 66. Rights and obligations.
- 67. Pending legal proceedings.
- 68. Provision regarding employees.

CHAPTER 135

THE SOCIAL SECURITY ACT

An Act to regulate the Social Security Sector and to provide for related matters.

[1st November, 2008]

[GN. No. 289 of 2008]

Acts Nos.	2 of 2018
8 of 2008	13 of 2019
5 of 2012	3 of 2023
10 of 2013	13 of 2023

PART I

PRELIMINARY PROVISIONS

Short title
Act No.
13 of 2019 s. 74

1. This Act may be cited as the Social Security Act.

Application

2. This Act shall apply to Mainland Tanzania.

Interpretation
Acts Nos.
5 of 2012 s. 140A
13 of 2019 ss. 73
and 75

3. In this Act, unless the context otherwise requires-

“Act” means the Social Security Act;

“actuarial valuation” means valuation of the assets and liabilities of a scheme made by an actuary who is an expert in the science of calculations of insurance risks and rates of premiums and contributions;

“administrator” means a person appointed to administer a scheme in accordance with such terms and conditions of service as may be specified in the instrument of appointment;

“administration expense” means all costs incidental or in relation to registration of members, collection of members’ contributions disbursement of members’ benefits;

“Bank” means the Bank of Tanzania established under the Bank of Tanzania Act;

Cap. 197

Cap. 366

“custodian” means a company registered under the law of Tanzania whose business includes taking responsibility for the safe custody of the funds, securities, financial instruments and documents of title of the assets of the scheme;

“Director” means the Director responsible for social security within the Ministry responsible for social security matters;

“Division” means the division responsible for social security within the Ministry responsible for social security matters;

“employee” has the meaning ascribed to it under the Employment and Labour Relations Act;

“employer” has the meaning ascribed to it under the Employment and Labour Relations Act;

“formal sector” means the sector which include employers and employees who have entered into a contract of employment or apprenticeship or any other contract contemplated in the definition of “employee”;

“informal sector” means the sector which includes worker who works informally and who do not work in terms of an employment contract or any other contract contemplated in the definition of “employee”;

“inspector” means an officer appointed by the Division or Bank to inspect matters of social security in relation to a scheme, manager, custodian or administrator;

“interim administrator” means a person appointed under section 43 to assume the management, control and conduct of affairs and business of trustee, manager, administrator or as the case may be custodian;

“manager” means a company whose business includes-

- (a) undertaking, pursuant to a contract or other arrangements, the management of the funds and other assets of a scheme for purposes of investment;
- (b) providing consultancy services of the investment of scheme; or

- (c) reporting or disseminating information concerning the assets available for investment of scheme;
- “mandatory scheme” means a compulsory scheme established by law and guaranteed by the Government to provide social security benefits to employees;
- “member” means an employee or worker registered by a scheme and includes a person entitled to or receiving a benefit under a scheme;
- “Minister” means the Minister responsible for matters related to social security;
- “occupational scheme” means a scheme offered through an individual’s employment to private or public sector employee;
- “private scheme” means a scheme established by private, in contrast to a mandatory scheme established by law, agencies, including commercial, industrial, labour and service organisations, non-profit organisations and non-profit religious, educational and charitable organisations;
- “scheme” in relation to social security matters, means a social security scheme;
- “self employed” means a person who does not work in terms of contract of employment or apprenticeship or any other contract contemplated in the definition of the term “employee”;
- “social security scheme” means any public or private programme established for the purpose of providing economical security and form of benefit in kind which include health care needs, basic housing needs, clothing and in the form of cash benefit paid to a member or dependants of the member at the time of need;
- “supplementary scheme” means a voluntary scheme chosen by the member to compliment benefits of any mandatory scheme;
- “trustee” means a trustee of a scheme and includes the Chairperson.

PART II

ADMINISTRATIVE MATTERS¹

Supervision of
social security
sector
Act No.
13 of 2019 s. 77

4. Notwithstanding any provision of any other written law, the power relating to supervision of social security sector that is subject of this Act is vested in the Division.

Mandate of
Division
Acts Nos.
5 of 2012 s. 140B
2 of 2018 s. 120
13 of 2019 s. 78

5.-(1) Subject to the provisions of this Act, the Division shall, in relation to the supervision of social security sector

- (a) supervise the performance of all schemes, managers and custodians;
- (b) facilitate extension of social security coverage to non-covered areas including informal groups;
- (c) conduct inspection and examination with or without prior notice on managers, custodians or schemes, premises, equipment, machinery, records, books of accounts or any other document and transaction of the managers, custodians, administrators or a scheme;
- (d) where it deems fit, cause actuarial valuations to be carried out with respect to any of the schemes;
- (e) protect and safeguard the interests of members;
- (f) monitor and review regularly the performance of the social security sector;
- (g) handle disputes and complaints relating to social security services;
- (h) register all schemes, managers and custodians;
- (i) register and supervise administrators;
- (j) initiate studies, coordinate and implement reforms in the social security sector;
- (k) conduct programmes for public awareness, sensitisation and tracing on social security;
- (l) appoint interim administrator of schemes, where necessary;

¹ The title to this Part was amended by Act No. 13 of 2019, s. 76.

(m) issue directions in the form of notices, letters, orders or circulars; and

(n) do such other things to ensure efficiency in the management of social security sector.

(2) In order to facilitate efficient and effective operation of the social security sector and execution of the mandates of the Division, the Minister may, by notice in the *Gazette*, issue guidelines to which all schemes shall abide.

Repealed **6-13.** [Repealed by Act No. 13 of 2019 s. 78.]

PART III

REGISTRATION OF SCHEMES, MANAGERS, ADMINISTRATORS AND CUSTODIANS

Registration **14.** A person intending to establish or continue to operate a scheme or act as a manager, administrator or custodian shall not operate or act as such unless such person is registered under this Act.

Conditions for registration of schemes
Act No.
13 of 2019 s. 73

15.—(1) A scheme shall not be registered under this Act unless-

- (a) the scheme-
 - (i) is established under a written law or an irrevocable trust deed;
 - (ii) presents an initial actuarial valuation report; and
 - (iii) protects the rights and interests of its members and public; and
- (b) the trustees thereof satisfy the requirements specified in the regulations.

(2) Any trust deed establishing a scheme shall be approved by the Division.

Application for registration
Acts Nos.
5 of 2012 s. 140C
13 of 2019 s. 73

16.—(1) A person intending to establish a scheme, act as a manager, custodian or administrator shall submit an application to the Division in a prescribed form.

(2) The application under subsection (1), shall be accompanied by a prescribed fee.

(3) The Division after receiving the application under subsection (1), shall process the same in the manner prescribed in the regulations.

Register
Acts Nos.
5 of 2012 s. 140D
13 of 2019 s. 73
and 79

17.—(1) The Division shall keep a register for all schemes, managers, administrators and custodians registered under this Act.

(2) The Division may determine the time or times during which and the extent to which a person may, on payment of the prescribed fee, inspect the register kept under this section or obtain copies thereof.

Issuance of
certificates
Act No.
13 of 2019 s. 73

18. The Division may, subject to the provisions of this Act, register and issue the applicant with a certificate of registration.

Refusal of
registration
Acts Nos.
5 of 2012 s. 140E
13 of 2019 s. 73

19.—(1) The Division may refuse to register any scheme or any person proposing to act as a manager, a custodian or administrator if it is satisfied that the application for registration does not meet the requirements provided for under this Act.

(2) Where the Division refuses to register any scheme, manager, administrator or custodian, it shall notify the applicant specifying the reasons for the refusal.

De-registration of
scheme
Acts Nos.
5 of 2012 s. 140F
13 of 2019 s. 73

20.—(1) The Division may de-register a scheme, manager, administrator or custodian where—

- (a) the operation of such scheme, manager, administrator or custodian is being conducted in an unlawful or imprudent manner or contrary to public interest;
- (b) continuation of activities of such scheme, manager, administrator or custodian is detrimental to the interests of its members;
- (c) such scheme, manager, administrator or custodian is wound-up or is otherwise dissolved;
- (d) it discovers after registration that a false statement was made in connection with the application while the applicant knew to be false or untrue in any material particular; or

(e) such scheme, manager, administrator or custodian does not conform to the provisions of this Act or directions or any condition of the certificate of registration.

(2) Notwithstanding subsection (1), the Division may de-register a manager, administrator or custodian where an event occurs which renders such manager, administrator or custodian ineligible to manage or provide custodial or administration services.

(3) The Division shall, before de-registering a scheme, manager, administrator or custodian give at least thirty days notice of its intention requiring such scheme, manager, administrator or custodian to show cause why the respective scheme, manager, administrator or custodian should not be de-registered.

(4) The Division shall consider any representation made to it by a scheme, manager, administrator or custodian in compliance with subsection (3), before de-registering such scheme, manager, administrator or custodian.

(5) The notice under subsection (3), shall be in the prescribed form and shall specify reasons for the intended de-registration.

Effect of de-
registration
Act No.
13 of 2019 s. 73
and 80

21.-(1) The de-registration of a scheme, manager, administrator or custodian shall not in any way prejudice the rights of members under the scheme.

(2) Where the Division de-register a scheme and the assets of such scheme are insufficient to fully discharge obligations to its members, the Division may take over the distribution or transfer of the assets and the supervision of the scheme in order to protect the interests of members.

Repealed

22. [Repealed by Act No. 13 of 2019, s. 81.]

PART IV
REGULATION AND SUPERVISION OF
SCHEMES, MANAGERS, ADMINISTRATORS
AND CUSTODIANS

Identification
and membership
numbers

23. Every scheme registered under this Act shall issue an identification number to every employer and a membership number to every employee who is a member of the scheme upon his registration.

Scheme funds
Act No.
13 of 2019 s. 82

24.—(1) There shall be, in respect of every scheme, a fund.
 (2) The sources of funds for every scheme shall include—
 (a) contributions from employers and employees;
 (b) incomes derived from investments;
 (c) any penalties paid under respective Acts or trust deeds;
 (d) any grant or subsidy from the Government;
 (e) donations and bequests; and
 (f) any other incomes legally acquired.
 (3) The funds of the scheme shall, at all times, be maintained separately from other funds under the control of the trustees, managers, administrators or the custodians held by them in their other capacities.
 (4) Every scheme shall maintain a reserve account into which accumulated revenues not needed to meet the costs of the current financial year shall be deposited for purposes of investment.

Setting of
contributions
rates and benefits
Act No.
13 of 2019 s. 73

25.—(1) Notwithstanding any other written law, the Division may, by rules set contribution rates payable to the schemes by the members and the minimum benefits enjoyed by beneficiaries.

(2) Before setting contribution rates and minimum benefits the Division shall undertake or cause the scheme to undertake actuarial valuation.

(3) Contribution rates may be reviewed by the Division and be adjusted in line with an actuarial valuation of a scheme.

(4) The Division may, in consultation with the schemes, set contribution rates and minimum benefits for groups of informal sector workers and employees.

Benefit formula
Act No.
2 of 2018 s. 122

26. Notwithstanding any other written law, the Minister shall, by regulations published in the *Gazette*, prescribe formula for calculating rate of retirement pension benefit, invalidity benefit, special lump sum and other benefits payable to members of the schemes.

[s. 25A]

Investment
guidelines and
policies
Act No.
13 of 2019 ss. 73
and 83

27.—(1) The schemes, managers, administrators and custodians may use funds of the scheme for investment in accordance with the provisions of this Act.

(2) The Bank shall, in consultation with the Division, issue investment guidelines regarding scheme funds.

(3) Every scheme, manager, administrator or custodian shall formulate and implement its investment policy in accordance with the investment guidelines issued by the Bank.

(4) Subject to the provisions of this Act and guidelines issued by the Bank, a scheme, manager, administrator or custodian shall invest moneys in any viable venture and financial instruments as they may consider appropriate.

(5) Every scheme, manager, administrator and custodian shall submit to the Division, Bank report of all investments of the scheme funds in such form, manner and at such intervals as may be prescribed by the Bank.

[s. 26]

Management of
funds of schemes
Act No.
13 of 2019 s. 73

28.—(1) Every trustee, manager, administrator or custodian shall-

- (a) ensure that funds of the scheme are at all times managed in accordance with this Act, the relevant laws or enabling instrument;
- (b) ensure that its management is carried out in the best interest of members of the scheme and in that regard

shall give greater priority to the improvement of benefits payable to members;

- (c) report to the Division forthwith any unusual occurrence which in his view could jeopardise rights of members of the schemes;
- (d) report to the Division forthwith if any contributions into a fund of the scheme remain due for a period of more than thirty days; and
- (e) ensure prompt payment of benefits to eligible members or beneficiaries.

(2) Every scheme shall keep and maintain one or more accounts with such bank or banks, as the Board of Trustees of the scheme shall approve subject to guidelines issued by the Division, into which all moneys payable to the scheme and income derived from investments of the funds shall be deposited.

(3) The account or accounts under subsection (2) shall be held by the Board in trust for the members of the scheme and administered by the Board of Trustees in accordance with the provisions of this Act.

(4) The respective boards may authorise payment out of the account or accounts of the scheme for any purpose for which payments are authorised by guidelines issued under this Act, trust deed or other written law.

(5) The use, disbursement, administration and management of funds shall be governed by resolution of the respective boards, subject to guidelines issued under this Act and to the following limitations:

- (a) that all funds under the management and control of schemes shall be subject to rules and regulations applicable to public funds; and
- (b) that the administration expenses, shall not exceed ratios or percentages as may be determined by the Division.

[s. 27]

Accounts and
audit of schemes
Acts Nos.
5 of 2012 s. 145
13 of 2019 ss. 73
and 84

Cap. 286

29.—(1) Every scheme shall keep proper records of books of accounts, financial statements, assets and liabilities of the scheme.

(2) Every scheme shall, within a period of three months after the end of each financial year, prepare—

- (a) a balance sheet;
- (b) a statement of income and expenditure;
- (c) a statement of the assets and liabilities of the scheme as on the last day of that year; and
- (d) any other statement as the Division may require.

(3) The accounts of the scheme in respect of each financial year shall be audited by the Controller and Auditor-General or as the case may be a person registered under the Accountants and Auditors (Registration) Act.

(4) Every scheme shall, within six months after the end of each financial year, submit a copy of its audited accounts to the Division and the Bank.

(5) Every scheme shall publish its annual audited accounts in such manner as the Minister may prescribe.

(6) Where a scheme fails to submit a copy of its audited accounts to the Division and to the Bank pursuant to subsection (4), the Division shall require the Chairman of the Board of Trustees and the Director of the scheme to show cause why they should not be disqualified.

(7) Where the Chairman of the Board of trustees or the Director of the scheme fails to show cause within fourteen days of receipt of the requirement under subsection (6), the Division shall recommend disqualification of that Chairman or Director to the respective appointing authority.

(8) Where, in the opinion of the Division, the representation by the Chairman of the Board of trustees or Director of the scheme is unsatisfactory, the Division shall recommend to the appointing authority the disqualification of that Chairman or Director.

[s. 28]

Prohibition of
certain conducts
Acts Nos.
2 of 2018 s. 124
13 of 2019 s. 73

30.—(1) Where, in the opinion of the Division, a trustee, manager, administrator or custodian is pursuing an act or course of conduct which is unsafe or unsound or in any way detrimental to the scheme or other schemes, the Division shall, by notice in writing, direct the trustee, manager, administrator or custodian to refrain from committing such acts or pursuing that course of conduct.

(2) A trustee, manager, administrator or custodian who acts in contravention of a direction issued under subsection (1), commits an offence and on conviction, shall be liable to a fine not exceeding ten million shillings, or to imprisonment for a term not exceeding two years, or to both.

[s. 29]

Membership
coverage
Act No.
2 of 2018 s. 125

31.—(1) Subject to the provisions of the respective schemes laws, every employer in the public sector and private sector shall register his employees with the mandatory scheme in public and private sector, respectively.

(2) Employees in the informal sector and self-employed may, subject to the provisions of the respective schemes laws, be registered in National Social Security Fund.

[s. 30]

Supplementary
scheme

32. A person may, subject to the terms and conditions prescribed in the regulations, establish a supplementary scheme whose membership shall be voluntary.

[s. 31]

Indexation of
pensions
Act No.
13 of 2019 ss. 73
and 85

33. Subject to the provisions of this Act and guidelines issued by the Division and the Bank in relation to-

- (a) pension benefits, the Division may, where necessary set rates of indexation of members' benefits to the current levels of earnings of contributors; and
- (b) the boards of respective schemes shall annually set interest rate to be allowed on members' accounts with the scheme at the beginning of each financial year.

[s. 32]

Repealed **34.** [Repealed by Act No. 13 of 2019, s. 86.] [s. 33]

Collection of contributions and collection agencies
Acts Nos. 13 of 2019 s. 73
3 of 2023 s. 19

35.—(1) All contributions shall be collected and remitted in accordance with the laws and trust deeds establishing the respective schemes.

(2) Notwithstanding subsection (1), the Minister may make rules providing for—

- (a) the qualifications for the collection agencies; and
- (b) the manner in which contributions may be collected or remitted.

[s. 34]

Rights to benefits **36.** Notwithstanding the provisions of the laws and trust deeds establishing the respective schemes, a member of a scheme is entitled to be paid benefits by the scheme provided the member meets the qualifying conditions.

[s. 35]

Minimum benefits packages
Acts Nos. 5 of 2012 s. 146
13 of 2019 s. 73

37.—(1) Subject to the provisions of this Act, a member of the scheme shall have the right to receive and enjoy minimum benefits or package to be prescribed by the Division in line with his contributions.

(2) A member of any of the mandatory schemes shall be entitled to short or long term or both benefits to be determined and reviewed by the Division in consultation with the respective schemes.

(3) The Division shall, in discharging its regulatory and supervisory powers with regards to technical matters on the provisions of health service, consult with the Minister responsible for health.

[s. 36]

Restriction on double benefit **38.**—(1) A member or dependant shall not be entitled to receive more than one benefit paid out in respect of the same contingency.

(2) Subsection (1) shall not apply to a member of both mandatory and supplementary schemes.

(3) Subject to the provisions of subsection (1), a member or dependant who qualifies for more than one benefit, in respect of the same contingency, shall be entitled to be paid the benefit which is the highest.

[s. 37]

Collateral for
home mortgage
Act No.
13 of 2019 s. 87

39.—(1) The Minister may make regulations for using benefit entitlements as collateral for home mortgage purposes for a member who has not attained the age of retirement.

(2) The collateral for home mortgage granted to a member under subsection (1) shall not exceed fifty percent of the total benefit entitlement at the time of award.

(3) The provisions of subsections (1) and (2) shall apply to the fund offering long term benefits.

[s. 38]

Retirement
benefits
Committee
Acts Nos.
5 of 2012 s. 147
2 of 2018 s. 123
13 of 2019 s. 88
Cap. 263
Cap. 50
Cap. 371

40.—(1) There is established a Committee to be known as a Retirement Benefits Committee whose functions shall be to advise the President on matters relating to exemption of application of certain conditions on payment or award of terminal benefits under Public Social Security Fund Act, the Workers' Compensation Act and the National Social Security Fund Act.

(2) The Committee shall be composed of-

- (a) the Permanent Secretary (Establishment), who shall be the Chairman;
- (b) the Deputy Attorney General;
- (c) the Director who shall be the Secretary to the Committee;
- (d) the Labour Commissioner; and
- (e) a member representing an organisation of employees.

(3) The application made in terms of subsection (1) shall be supported by recommendations of a specified authority or the last employer of the applicant.

(4) The Committee shall, within thirty days from the date of receipt of an application convene and determine that application and make recommendations to the President about whether or not, within the circumstances, the application be granted.

(5) Where the President has received recommendations from the Committee, he may order that the applicant be granted terminal or any other benefits which would otherwise be lawfully withheld in accordance with the relevant law governing such terminal or any other benefits.

(6) The Committee may, in the performance of its functions under this section, appoint sub-committees as it considers necessary.

(7) The Committee shall regulate its own proceedings.

[s. 38A]

PART V

INSPECTORS, INSPECTION AND EXAMINATION

Appointment,
functions and
powers of
inspectors
Act No.
13 of 2019 s. 89

41.—(1) There shall be inspectors who shall be appointed by the Minister.

(2) An inspector shall inspect or examine the actuarial valuation reports, books of accounts, records or any document at the premises where they are produced.

(3) An inspector may require the scheme in respect of which inspection or examination is carried out to make copies of any actuarial valuation report, books of accounts, records or any other documents and shall have the powers to inspect or examine them.

(4) The Division or the Bank shall, before the inspection or examination, provide information to each other on the intended inspection or examination.

(5) In complying with inspection or examination requirements under this section, a Chief Executive Officer of the scheme, a manager, administrator, a custodian, an officer, trustee or employee shall make available to the inspector all

the books of accounts, records, current actuarial valuation reports or any other documents of the scheme.

(6) An information obtained in the course of inspection or examination shall be confidential and used solely for the purpose of this Act.

(7) The Division or the Bank shall, upon conclusion of the inspection or examination, furnish and forward a copy of the inspection or examination to each other.

(8) The Division or the Bank shall, upon conclusion of any inspection or examination under this section, furnish and forward a copy of the inspection or examination to the Chairman of the Board of Trustee of the Scheme, manager or custodian inspected or examined.

(9) The Division shall, after furnishing the Chairman of the Board of Trustee of the Scheme, manager or custodian with the copy of the inspection or examination report, require that chairman, manager or custodian to provide within twenty-one days satisfactory explanation regarding actions to be taken on issues raised in the report.

(10) After receipt of an explanation under subsection (9), the Division may, by notice in the prescribed form, require the trustee, manager or custodian of a scheme inspected under this Part to comply, within the period of fourteen days, with such directions as the Division considers necessary in connection with any matter arising out of the report made under this section.

(11) A person commits an offence if he-

- (a) refuses or fails to comply with a requirement of an inspector;
- (b) obstructs or hinders the inspector in the exercise of his powers under this Act; and
- (c) furnishes information or makes a false statement which he knows to be false or misleading.

(12) A person convicted of an offence under subsection (11), on conviction shall be liable to a fine not exceeding five

million shillings or to imprisonment for a term not exceeding three year or to both.

(13) For the purposes of Part V and Part VII of this Act, the term “financial matters” includes control of fund reserve, monitoring investments and investment decisions.

[s. 39]

Inspection and
examination
Act No.
13 of 2019 s. 73
and s. 90

42.—(1) The Division may, twice a year, inspect or cause an inspection or an examination of any manager, administrator, custodian or scheme to be conducted:

Provided that, when necessary, the Division may conduct an emergency inspection or an examination at any time.

(2) The Director may examine, inspect or cause an inspection or an examination on financial matters to managers, custodians, administrators or schemes to be conducted.

(3) Where exigencies of the matter requires the Bank and the Division to conduct an inspection or examination, the Bank and the Division may conduct joint inspection on examination of finance matters of any manager, administrator, custodian or scheme.

[s. 40]

Appointment
of interim
administrator
Act No.
13 of 2019 s. 91

43.—(1) Where a trustee, manager, administrator or custodian is found to have failed to discharge his duties in a diligent manner, the Minister may, appoint any person as an interim administrator to assume the management, control and conduct of the affairs and business of the trustee, the manager, administrator or the custodian.

(2) The appointment of interim administrators shall be exercised in the circumstances where-

- (a) a mandatory scheme is proved to be actuarially unsound;
- (b) the trustees of a scheme, managers, administrators or custodians fail to submit to the Minister the annual accounts required under section 29 for over six months after the end of the financial year to which they relate;

- (c) the trustees, managers or custodians are found to have submitted or provided any actuarial reports, books of accounts, returns, financial statements, records, documents or other information relating to the scheme which are false or misleading; or
- (d) the Minister, whether on inspection or otherwise, becomes aware of any fact or circumstance which, in its opinion, warrants the exercise of the relevant powers in the interest of members of the scheme.

(3) An interim administrator appointed under subsection (1) shall, upon assuming the management, control and conduct of affairs and business of the trustee, manager or custodian, discharge his duties with diligence and in accordance with sound actuarial and financial principles and in particular with due regard to the interest of members of the scheme.

(4) The appointment of an interim administrator under this section shall be for a period of twelve months as the Minister may specify in the instrument of appointment, but may be extended by the Minister.

[s. 41]

Functions
of interim
administrator
Act No.
13 of 2019 s. 73

- 44.**—(1) The functions of an interim administrator shall be to—
- (a) trace, preserve and secure all the assets and property of the scheme;
 - (b) recover all debts and other sums of money due to and owing to the scheme;
 - (c) evaluate capital adequacy and reserves in order to determine the solvency and liquidity of the scheme;
 - (d) assess the scheme's, manager's, administrator's or custodian's compliance with the provisions of this Act;
 - (e) evaluate the staff for purposes of restructuring or reorganisation where necessary;
 - (f) obtain from any former trustee, manager, administrator or custodian of the scheme or an officer, employee or agent, any documents, records, books of accounts,

statements, correspondence or any other information relating to the scheme; and

- (g) suspend operations of social security services including receipt of contributions and payments.

(2) Where the interim administrator, suspends operations of any social security services under subsection (1)(g), the interim administrator in consultation with the Division shall set conditions for receipt of contributions and payment of benefits.

(3) The interim administrator shall, within a period of three months from the date of his appointment, prepare and submit to the Division and the Bank, a report on the financial position and the management of the scheme with recommendations as to whether the scheme-

- (a) be restructured or reorganised;
 (b) is capable of being revived; or
 (c) be deregistered.

(4) The Division shall, after taking into account the report of the interim administrator and recommendations of the Bank, make appropriate decision on the matter.

[s. 42]

PART VI DISPUTES SETTLEMENT

Repealed **45.** [Repealed by Act No. 13 of 2019, s. 92.]

[s. 43]

Review of
 decision
 Act No.
 13 of 2019 s. 72
 and s. 93

46.-(1) Any member or beneficiary who is aggrieved by a decision of a scheme under laws or trust deed establishing the respective scheme may apply in writing to the Division for review of the decision.

(2) The Division shall, within thirty days of receipt of a written application made under subsection (1), review the decision and communicate in writing to the person with reasons for the decision.

(3) Subject to subsection (1), a dispute between a member or beneficiary and a scheme, a scheme and a scheme or a member and a manager shall be referred to the Division.

(4) Every scheme shall establish an internal mechanism for handling members complaints before they are referred to the Division for review.

[s. 44]

Repealed **47–48.** [Repealed by Act No. 13 of 2019, s. 94.]

[s. 45 - 46]

PART VII RELATIONSHIP BETWEEN THE BANK AND THE DIVISION

Relationship with Bank Act No. 13 of 2019 s. 73 **49.–(1)** The relationship between the Division and the Bank shall be as provided by this Act.

(2) Without prejudice to the provisions of this Act and notwithstanding the provisions of other written laws, powers relating to regulation and supervision of financial matters shall be vested in the Bank.

[s. 47]

Specific powers and responsibilities of Bank

50. For avoidance of doubt, the Bank shall have the powers to-

- (a) issue investment guidelines;
- (b) monitor and ensure compliance to the investment guidelines by the schemes, managers, administrators and custodians; or
- (c) inspect and examine schemes, managers, administrators and custodians on all financial matters.

[s. 48]

PART VIII FINANCIAL PROVISIONS

Repealed **51–55.** [Repealed by Act No. 13 of 2019, s. 95.]

[s. 49 - 53]

PART IX

MISCELLANEOUS PROVISIONS

Regulations
Acts Nos.
2 of 2018 s. 126
13 of 2019 s. 96

56.—(1) The Minister may make regulations providing for all matters which under the provisions of this Act are required or permitted for better carrying out or giving effect to the provisions of this Act.

(2) Without prejudice to the generality of subsection (1), the Minister may make regulations—

- (a) prescribing conditions and procedures for portability of benefits' rights of a member from one scheme to another;
- (b) prescribing the liability for payment of benefits by schemes and other conditions and procedures relating to the transfer of membership and contributions;
- (c) prescribing minimum standards and procedures for registration of schemes, managers, administrators and custodians;
- (d) providing for removal and disqualification of managers, administrators and custodians of schemes;
- (e) prescribing procedures for resolution of disputes;
- (f) prescribing for portability of benefit rights and international reciprocal agreements for transfer of benefits;
- (g) prescribing the manner in which contributions and remittances shall be made;
- (h) prescribing the minimum benefit packages;
- (i) subject to the provisions relating to unemployment benefit stipulated in the respective schemes laws, providing for—
 - (i) qualifications for unemployment benefits;
 - (ii) duration for provision for unemployment benefit;
 - (iii) formula for determination of unemployment benefit;
 - (iv) the manner of identifying members who qualify for unemployment benefit;

- (v) the manner and procedure of converting members contribution from mandatory scheme to supplementary scheme;
- (vi) the manner and modality of graduating from supplementary scheme to mandatory scheme; and
- (vii) any other matter relating to unemployment benefit;
- (j) for the extension or establishment of social security coverage to the informal sector employees; and
- (k) prescribing criteria for indexation, modalities and interest rates applied to member's benefits as prescribed under section 25.

[s. 54]

Offences by body
corporate and
partnership

57.—(1) Where an offence is committed by a body corporate, that body corporate and every director or officer who had knowledge or ought to have knowledge of the commission of the offence and who did not exercise due diligence to ensure compliance with this Act, commits an offence.

(2) A body corporate which commits an offence under subsection (1) on conviction, shall be liable to a fine of not less than twenty million shillings.

[s. 55]

Use of Register in
evidence

58.—(1) For the purposes of ascertaining the facts concerning the registration of a scheme, manager, administrator or custodian, entries in the Register shall be *prima facie* evidence as to the facts specified in the Register.

(2) A document certified by the Director as a true copy or extract from the Register shall be admissible in court.

[s. 56]

Repealed

59–60. [Repealed by Act No. 13 of 2019, s. 97.]

[ss. 57–58]

Conflict of laws
Act No.
13 of 2019 s. 73

61. Where there is a conflict between the provisions of this Act and the provisions of any other written law with regard to the functions or powers of the Division, the provisions of this Act shall prevail.

[s. 59]

PART X TRANSITIONAL AND SAVING PROVISIONS

Effective date
Act No.
13 of 2019 s. 98

62. For the purpose of this Part, “effective date” means the date of coming into operation of this Part.

[s. 60]

Savings
Act Nos.
13 of 2019 s. 98
13 of 2023 s. 52

63. Notwithstanding the repeal of various sections occasioning the dis-establishment of the Social Security Regulatory Authority-

- (a) all appointments and directions made, issued or given by the Social Security Regulatory Authority under the provisions of the Social Security (Regulatory Authority) Act shall continue to be valid unless they are revoked, cancelled or otherwise cease by reason of affluxion of time; and
- (b) unless the context otherwise requires, any reference in any written law or such other statutory instrument to-
 - (i) Social Security (Regulatory Authority) Act shall be construed as a reference to the Social Security Act; and
 - (ii) Social Security Regulatory Authority shall be construed as a reference to the Division, save for the National Health Insurance Fund which shall be construed as reference to the Tanzania Insurance Regulatory Authority pursuant to the Universal Health Insurance Act.

[s. 61]

Cap. 161

Existing contracts
Act No.
13 of 2019 s. 98

64. Subject to the provisions of this Act, all deeds, bonds, agreements, instruments and working arrangements subsisting immediately before the effective date, affecting any of the property transferred, shall be of full force and effect against or in favour of the Division and enforceable as fully and effectually as if the Division has been named therein or had been a party thereto instead of the Authority.

[s. 62]

Vesting of assets
and liabilities
Act No.
13 of 2019 s. 98

65. All assets and liabilities which were, immediately before the effective date, under the Authority shall be vested in the Division.

[s. 63]

Rights and
obligations
Act No.
13 of 2019 s. 98

66. Powers, rights, privileges, duties or obligations which, immediately before the effective date were exercisable by the Authority shall, as from that date, be vested in the Division.

[s. 64]

Pending legal
proceedings
Act No.
13 of 2019 s. 98

67.—(1) Any legal proceedings pending before any court or other tribunal which were instituted immediately before the effective date and to which the Authority is a party may, in so far as they relate to any property, right, liability or obligation vested or deemed to have been vested in the Authority by this Act shall, after the effective date, be deemed to have been instituted by or against the Division.

(2) All pending complaints and claims lodged to the Authority against the schemes shall be presumed to be complaints lodged to the Division.

[s. 65]

Provision
regarding
employees
Act No.
13 of 2019 s. 98

68.—(1) Employees or staff of the Authority who are necessary for the purposes of the Ministry, government institutions or departments shall, subject to laws and procedures governing public service, be transferred to public offices on such terms and conditions not less favourable than those applicable to them before the transfer.

(2) Every employee or staff of the Authority whose service is not transferred to a public office shall be paid terminal benefits in accordance with the applicable laws and regulations governing the terms and conditions of his service immediately before the termination.

(3) An employee or staff who is deemed to be employed or transferred to a public office shall continue to be a member of a statutory, voluntary pension or any other superannuation scheme in accordance with the laws and regulations governing the scheme.

[s. 66]

SCHEDULE

[Revoked by Act No. 13 of 2019, s. 99]
