

GOVERNMENT OF ZAMBIA

STATUTORY INSTRUMENT NO. 3 OF 2024

National Pension Scheme Act
(Laws, Volume 15, Cap. 256)

**The National Pension Scheme (Penalty Waiver)
Regulations, 2024**

IN EXERCISE of the powers contained in section 15(3) of the National Pension Scheme Act, the following Regulations are made:

1. These Regulations may be cited as the National Pension Scheme (Penalty Waiver) Regulations, 2024. Title
2. In these Regulations, unless the context otherwise requires— Interpretation
 - “application period” means the period for which the application for a penalty waiver is made;
 - “Authority” means the National Pension Scheme Authority established under section 3 of the Act;
 - “covid pandemic period” means the period between 14th March, 2020 and 8th September, 2022; and
 - “time to pay agreement” means an agreement, in writing, for the payment to the Authority of a contribution arrear and penalty within an agreed period of time.
3. (1) A contributing employer who intends to seek for a penalty waiver shall apply to the Authority in Form I set out in the Schedule. Application for penalty waiver
 - (2) The Authority shall within, fourteen days of receipt of an application under subregulation (1), grant or reject the application.
 - (3) The Authority shall, where the applicant meets the requirements under regulation 4 and 6 grant the waiver and inform the applicant in Form II set out in the Schedule.

*Copies of this Statutory Instrument can be obtained from the Government Printer,
P.O. Box 30136, 10101, Lusaka, Price K20.00 each*

(4) The Authority shall, where the Authority rejects an application under subregulation (1), inform the applicant in Form III set out in the Schedule.

(5) Despite subregulation (1), a contributing employer who intends to seek for a penalty waiver under these Regulations shall, before making an application for a penalty waiver, file outstanding monthly returns on the contributing employer's account.

Conditions
for waiver of
penalties

4. (1) The Authority shall grant a waiver of a penalty incurred in accordance with section 15 of the Act where a contributing employer—

(1) 1

(a) is undergoing liquidation in accordance with the Corporate Insolvency Act, 2017;

(2)

Act No. 9 of
2017

(b) is undergoing business rescue proceedings in accordance with the Corporate Insolvency Act, 2017;

Act No. 9 of
2017

Act No. 9
of 2017

(c) is in receivership in accordance with the Corporate Insolvency Act, 2017;

(d) fails to pay a contribution due to a verifiable failure of the Authority's administrative and payment system;

(e) is undergoing bankruptcy proceedings in accordance with the Bankruptcy Act;

Cap. 82

(f) incurs a penalty due to—

(i) natural disaster;

(ii) state of war; and

(iii) public emergency.

(2) Despite subregulation (1), a contributing employer shall, before making an application for a penalty waiver settle outstanding principal contributions for the application period.

(3) The Authority shall not grant a penalty waiver exceeding seventy percent except for conditions set out in subregulation (1) (d) and (f).

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Revocation
of waiver

5. (1) The Authority shall revoke a penalty waiver granted under regulation 3 where that waiver was obtained by fraud or submission of any false information or document.

(2) The Authority shall, before revoking a penalty waiver in accordance with subregulation (1), notify the contributing employer of its intention to revoke the penalty waiver in Form IV set out in the Schedule and shall—

- (a) give reasons for the intended revocation; and
- (b) require the contributing employer to show cause within a period of thirty days, why the penalty waiver should not be revoked.

(3) The Authority shall not revoke a penalty waiver if the contributing employer takes remedial measures to the satisfaction of the Authority, within the period specified in the notice issued under subregulation (2).

(4) The Authority shall, in making a final determination on the revocation of the penalty waiver, consider the submissions made by the contributing employer under subregulation (2).

(5) The Authority shall, where the Authority revokes the waiver, inform the contributing employer in Form V set out in the Schedule.

6. (1) A contributing employer who immediately before the commencement of these Regulations incurred a penalty during the covid 19 pandemic period shall be entitled to a—

Penalty
incurred
during and
outside covid
pandemic
period

- (a) one hundred percent waiver of the penalty where that contributing employer—
 - (i) has no outstanding principal contributions; or
 - (ii) pays the outstanding principal contributions for the application period within twelve months of commencement of these Regulations; or
- (b) seventy-five percent waiver of the penalty where that contributing employer pays the outstanding principal contributions for the application period after twelve months but not exceeding two years of commencement of these Regulations.

(2) A contributing employer who, immediately before commencement of these Regulations and for the period before 6th December, 2022, incurred a penalty for any other reason other than that specified under subregulation (1) shall be entitled to -

(a) seventy-five percent waiver of the penalty where that contributing employer—

- (i) has no outstanding principal contributions; or
- (ii) pays the outstanding principal contributions for the application period within twelve months of commencement of these Regulations; or

(b) sixty percent waiver of the penalty where the contributing employer pays the outstanding contributions for the application period after twelve months but not exceeding two years of commencement of these Regulations.

Time to
pay
agreement

7. (1) A contributing employer who has entered into a time to pay agreement with the Authority relating to the penalty incurred may apply for a waiver of a penalty in accordance with these Regulations.

(2) The applicant may, where the Authority grants a waiver under subregulation (1) **rescind** the time to pay agreement.

Payment
made before
commence-
ment of
Regulation

8. A contributing employer who paid a penalty before the commencement of these Regulations, shall not be entitled to a refund of the penalty paid.

(1)

(2)

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SCHEDULE

(Regulation 3)

FORM I
(Regulation 3(1))

THE NATIONAL PENSION SCHEME AUTHORITY

The National Pension Scheme Act
(Laws, Volume 15, Cap. 256)

The National Pension Scheme (Penalty Waiver) Regulations, 2024

APPLICATION FOR PENALTY WAIVER			
PART A BUSINESS/PERSONAL DETAILS			
	NAPSA Account Number:		
1.	Employer Name As indicated on Certificate of Registration/ Incorporation or National Registration Card for natural persons		
2.	Entity Type (Domestic, Business, Limited, Registrar of Societies, Statutory)		
3.	Entity Number/NRC Number		
4.	Employer NAPSA Account Number		
5.	Business Sector		
6.	ZRA TPIN Number		
7.	Date started employing		
8.	Entity physical address		
9.	Entity postal address		
10.	Phone No. for CEO/Executive Director/ Proprietor		
11.	Email CEO/Executive Director/ Proprietor		
12.	Primary contact person capacity		
13.	Primary contact person phone		
14.	Primary contact person Email		
PART B STATUS OF PRINCIPAL CONTRIBUTIONS AND RETURNS (Tick where applicable)			
		YES	NO
	(a) Have you uploaded all returns	<input type="checkbox"/>	<input type="checkbox"/>
	(b) Have you settled all outstanding principal contributions	<input type="checkbox"/>	<input type="checkbox"/>

PART C	
REASONS FOR PENALTY WAIVER	
<i>(Tick where applicable)</i>	
(Employer will be required to attach such documents in support of the application as may be required by NAPSA from time to time)	
1.	Waiver of penalties incurred before commencement of these Regulations
2.	Liquidation
3.	Receivership or business rescue
4.	Failure of NAPSA's administrative payment systems
5.	Bankruptcy
6.	State of war
7.	Natural disaster
8.	Public emergency
PART D	
DECLARATIONS	
DECLARATION BY APPLICANT	
I hereby declare that the information contained in this application form, including any returns or other supporting documents are to the best of my knowledge true, correct and complete. I further acknowledge that the Authority has the right as provided in the law to re-instate the penalties in the event that it is established that a false declaration was made.	
Full Name:	
Designation:	
Signature:	
Date:	
FOR OFFICIAL USE ONLY	
Recommended for waiver of penalties	<input type="checkbox"/>
Not recommended for waiver of penalties	<input type="checkbox"/>
Name:	
Position:	
Signature:	
Date:	
OFFICIAL STAMP	

(1)

(2)

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FORM II
(Regulation 3(3))



THE NATIONAL PENSION SCHEME AUTHORITY

The National Pension Scheme Act
(Laws, Volume 15, Cap. 256)

The National Pension Scheme (Penalty Waiver) Regulations, 2024

NOTICE OF APPROVAL FOR PENALTY WAIVER

TO:

You are hereby notified that your application for penalty waiver with reference no. dated of, 20..... has been approved by the Authority.

In view of the above and following the waiver of penalties for periods in relation to your application, the outstanding penalties on your account are now K..... We request you to settle the outstanding penalties or make an application for a Time to Pay Agreement through the Inspectorate Unit of the Authority.

Dated this day of, 20.....

.....
Director-General

OFFICIAL
STAMP



THE NATIONAL PENSION SCHEME AUTHORITY

The National Pension Scheme Act
(Laws, Volume 15, Cap. 256)

The National Pension Scheme (Penalty Waiver) Regulations, 2024

NOTICE OF REJECTION OF APPLICATION

(1)

(1) Here insert name and address of the applicant

TO ⁽¹⁾

(2)

(2) Here insert the employer account number

2)

3) you are notified that your application

(3) Here insert the reference No. of the application

for⁽⁴⁾

has been rejected by the Authority on the following grounds:

(4) Here insert type of application

(a)

(b)

(c)

(d)

Dated this day of, 20.....

.....
Director-General

OFFICIAL
STAMP

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FORM IV
(Regulation 5(2))

THE NATIONAL PENSION SCHEME AUTHORITY

The National Pension Scheme Act
(Laws, Volume 15, Cap. 256)

The National Pension Scheme (Penalty Waiver) Regulations, 2024

NOTICE OF INTENTION TO REVOKE PENALTY WAIVER

- (1) Here insert name and address of the applicant TO⁽¹⁾:
- (2) Here insert the employer account number (2)
- (3) Here insert the reference No. of the penalty waiver application (3):

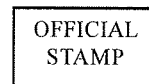
You are hereby notified that the NAPSA intends to revoke your penalty waiver on the following grounds:

- (a)
- (b)
- (c)
- (d)

Accordingly, you are requested to show cause why your penalty waiver should not be revoked for the breaches set out in above paragraphs within days of receiving this notice.

Dated this day of, 20.....

.....
Director-General





FORM V
(Regulation 5(3))

THE NATIONAL PENSION SCHEME AUTHORITY

The National Pension Scheme Act
(Laws, Volume 15, Cap. 256)

The National Pension Scheme (Penalty Waiver) Regulations, 2024

NOTICE OF REVOCATION OF PENALTY WAIVER

- (1) Here insert name and address of the applicant TO⁽¹⁾:
 - (2) Here insert the reference No. of the penalty waiver application (2):
- You are hereby notified that your penalty waiver has been revoked on the following grounds:
- (a)
 - (b)
 - (c)
 - (d)

Dated this day of, 20.....

.....
Director-General



B. M. TAMBATAMBA,
Minister of Labour and Social Security

LUSAKA
8th January, 2024
[MLSS./64/9/9]