

S.I. 109 of 2021

SEYCHELLES PENSION FUND ACT, 2005

*(Cap 220)***Seychelles Pension Fund (Benefits) (Amendment) (No.2)
Regulations, 2021**

In exercise of the powers conferred by section 68 of the Seychelles Pension Fund Act, 2005, the Minister responsible for Finance makes the following regulations —

Citation

1. These regulations may be cited as the Seychelles Pension Fund (Benefits) (Amendment) (No.2) Regulations, 2021 and shall come into operation on the 1st January, 2022.

Amendment of S.I. 46 of 2005 as last amended by S.I. 30 of 2021

2. The Seychelles Pension Fund (Benefits) Regulations, 2005 are amended by repealing regulation 36 and substituting therefor the following regulation —

“Indexation and increase of pension

36.(1) Notwithstanding the average Consumer Price Index, exceeding 5% in any one year, the retirement pension, incapacity pension, surviving spouse's pension, post retirement surviving spouse's pension, children's pension, post retirement children's pension and dependent with severe disabilities pension shall be increased to the nearest rupee, based on the average increase of the published Consumer Price Index, not exceeding 5%.

(2) For the purpose of this regulation —

- (a) the Consumer Price Index shall be the 12 months average index as published by the National Bureau of Statistics as the national authority

mandated as the custodian of statistical information or any such authority as may be mandated as the custodian or statistical information;

- (b) the “applicable minimum wage” means the minimum wage of 35 hours per week, rounded to the nearest rupee, as prescribed under the Employment Act (Cap 69);
- (c) the “current pension amount” means the pension paid out to the pensioners as of December of each year.

(3) Where the Consumer Price Index is 5% or less for a year commencing on 31st October, the new pensions, under subregulation (1), shall be based on the following formulas —

- (a) Where the current pension amount is below or equal to the applicable minimum wage, the formula shall be —

New Pension amount = Current Pension amount
x (100% + Consumer Price Index);

- (b) Where the current pension amount is above the applicable minimum wage up to two times the applicable minimum wage, the formula shall be —

New Pension amount = Current Pension amount
x (100% + (3/4 * Consumer Price Index);

- (c) Where the current pension amount is above two times applicable minimum wage up to five times applicable minimum wage, the formula shall be —

New Pension amount = Current Pension amount
x (100% + (1/2 * Consumer Price Index);

- (d) Where the current pension amount is above five times the applicable minimum wage up to SCR49,999, the formula shall be —

New Pension amount = Current Pension amount
 $\times (100\% + (1/4 * \text{Consumer Price Index}))$;

- (e) Where the current pension amount is SCR50,000 and above, there shall be no increase in the pension.
- (f) Where on the application of the formula under paragraph (a) to (e), the new pension amount payable exceeds SCR50,000, the new pension amount shall not exceed at SCR50,000.

(4) Where a pension was received for a period of less than 12 months, the increase in current pension amount shall be computed on pro rata basis on the respective formula under subregulation (3) multiplied by (number of months since commencement)/12).

(5) Where the Consumer Price Index is 0% or less, the current pension, listed under subregulation (1), shall not be increased.

(6) The increase under subregulation (1) shall be applied on 1st January of each year.”.

MADE this 30th day of December, 2021.

**NAADIR HASSAN
MINISTER OF FINANCE,
ECONOMIC PLANNING AND TRADE**
