



**A QUICK GLANCE AT
THE SEYCHELLES PENSION FUND**

PENSION IN FIGURES 2023

www.pensionfund.sc



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4 29 46 99



Members to come early to submit retirement application

Are you planning to retire this year?

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Reduce the waiting time to get your pension and submit your application early.

Eski ou annan 60 an anmontan? Eski ou pe anvizaze pran ou retret sa lannen?
Pou evit okenn dezapwentman Fon Pansyon Sesel I ankouraz tou son bann manm
ki pe al pran retret pou vin fer zot lapliksayon boner.

Redwir la kantite letan ki ou bezwen espere pour ganny ou pansyon.

Pa esper tro tar!

Vizit nou lofis ouswa telefonn nou lo 4294650, pour plis lenformasyon.

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FOREWORD



The Seychelles Pension Fund (SPF) is pleased to present the thirteenth edition of its Pension in Figures booklet. This pocket-sized annual publication provides an overview of national demographic developments, membership trends and details of investment performance.

As part of the reform process which started in April 2022 and with the aim of addressing long-term sustainability concerns, effective January 2023 the employee mandatory contribution rates increased from 4% to 5%, which translated to a mandatory contribution rate of 5% of pensionable earnings for employers and employees respectively. As at 31st December, 2023, the set contribution rate is equivalent to 10% of the employee's pensionable earnings.

The number of pensioners increased by 8 % to 8,764 with pension payouts totaling SCR 656 million, representing an increase of 15% compared to 2022. A total of SCR 748.5 million was collected from members as mandatory contributions and the overall active membership of SPF was 42,672 members. This resulted in the good performance of excess contribution of SCR108 million over the benefit pay-out during the year.

The overall investment performance has been positive with a total surplus of income over expenditure at SCR 90million. This surplus contributed in the growth of SPF's net asset to a peak of SCR 4.29 billion at year-end, an increase of 5.5% over 2022.

On the investment front, the total Investment income collected (without fair value and exchange differences) amounted to SCR 211 million representing a 10% increase over 2022 and a real return of 6%. The SPF will continue to pursue its investment diversification strategy to maximise return to support future benefits payments.

Although the pension landscape in Seychelles has evolved over the years, marked with the introduction of new legislative requirements and laws and changing member needs amongst others, the Seychelles Pension Fund Act and Regulations dates back to 2005. A comprehensive review is ongoing to ensure that the Act and Regulations align with the Constitution of Seychelles and other relevant national laws or Acts which are instructive and binding on SPF, address any deficiencies and keep in line with members' aspirations. It is expected that all preliminary work and drafting would be completed by the end of 2024.

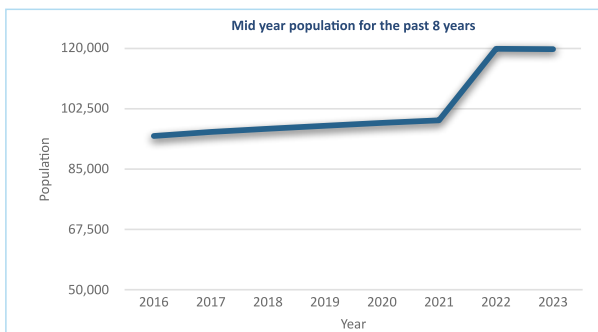
Happy reading

1. DEMOGRAPHICS

1.1 Population

Total Population of Seychelles: **120,581** (100,602 are Seychellois) (99,917-2022)

Source: NBS, Population and Vital Statistics December 2023



Source: NBS, Mid-year 2023 estimated resident population (ERP)

Growth rate:

All resident population: **0.9 %**

Seychellois population: **0.7 %**

Working age population (15 - 64 years): **66,342** (Seychellois only)

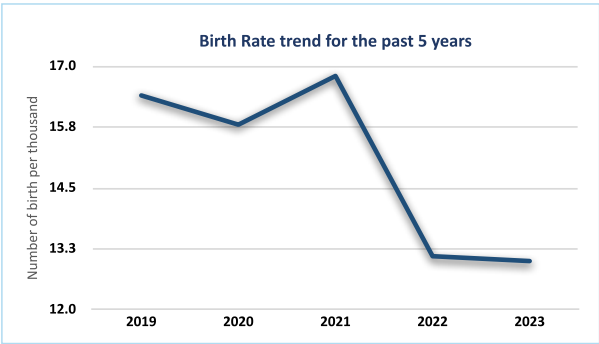
Death rate: **7.3** (7.8 in 2022)

Total Fertility rate: **2.02** (2.01 in 2022)



1.2 Birth Rate

Birth rate: 13.0 (13.1 in 2022) (The total number of births per thousand mid-year population).



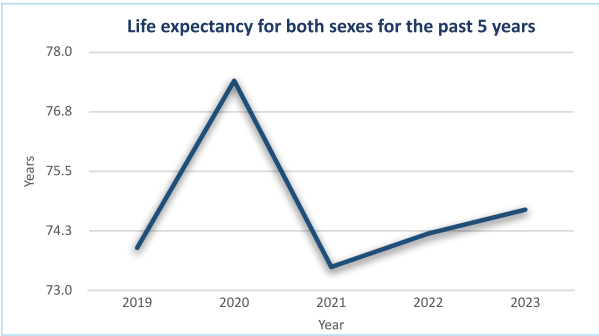
Source: NBS, Population and Vital Statistics December 2023

1.3 Life expectancy at birth

Life expectancy for both sexes: 74.7 (74.2-2022)

Male: 71.3 years Female: 78.8 years

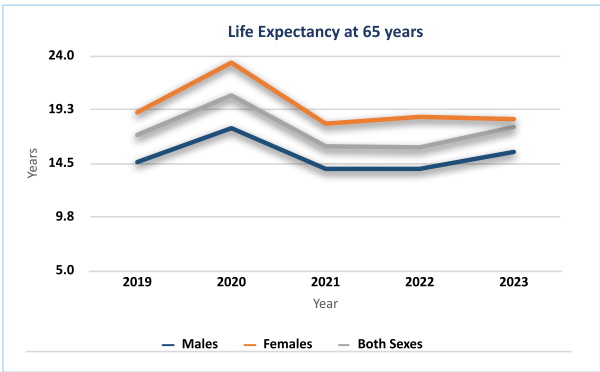
(Male: 69.8 years Female: 77.8 years-2022)



Source: NBS, Population and Vital Statistics December 2023

1.4 Life expectancy at the age of 65 for the past 5 years

Life expectancy at 65: **17.7** years for both sexes (15.9 years 2022)



Source: NBS, Population and Vital Statistics December 2023

2. REPLACEMENT RATE

The replacement rate is the individual pension entitlement divided by pre-retirement earnings. It measures how effectively a pension system provides a retirement income to replace earnings, the main source of income before retirement. ILO recommends a replacement rate of at least 40%.

Average replacement rate for 2023: approx. 50% (approx. 56% in 2022)



3. DEPENDENCY RATIO

Age dependency ratio is the ratio of people in the “dependent” ages (those under the age of 15 and 65 and older) to those in the economically productive ages (15 to 64 years) in a population. The economically productive ages have increased by 1% in 2023 from 2022

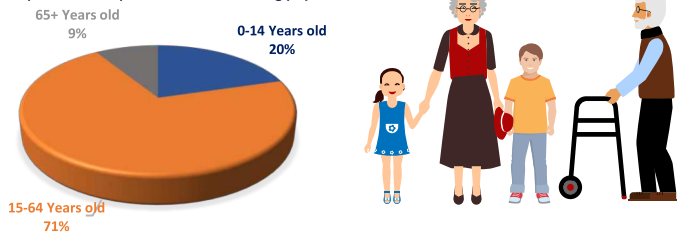
Dependency ratio for the last 18 years (All resident population)

2006	2007	2008	2009	2009	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
463	463	441	439	421	434	433	429	424	427	428	423	440	464	484	504	406	416

Source: NBS, Mid-year 2023 estimated resident population (ERP)

For 2023: **416** (406 were depending on 1,000 people in 2022)

Proportion of dependents over working population



4. MEMBERSHIP

4.1 SPF's Membership in 2023

Active members: **42,672** (4% decrease from 2022)

Total Employers registered with SPF: **3,687** 3% increase (3,585 in 2022)

Employers:

Total Self-Employed registered with SPF: **2847** 5% increase (2,722 in 2022)

4.2 Member's Fund

SCR 1.97 Billion (SCR 1.82 Billion 2022)



4.3 Rate of growth in total membership and pensioners of SPF (2006-2023)

Members			Pensioners		
Year	Active Members	Rate of Growth	Year	Number of Pensioners	Rate of Growth
2006	33, 505	N/A	2006	362	N/A
2007	32, 104	-5.0%	2007	691	91%
2008	32, 174	0.0%	2008	1,041	51%
2009	30, 166	-6.0%	2009	1,429	37%
2010	33, 371	11.0%	2010	1,786	25%
2011	35, 252	6.0%	2011	2,166	21%
2012	39, 461	12.0%	2012	2,528	17%
2013	40, 279	2.0%	2013	2,910	15%
2014	38, 117	-5.0%	2014	3,274	13%
2015	41, 787	10.0%	2015	3,670	12%
2016	41,085	-2.0%	2016	4,287	17%
2017	42,720	4.0%	2017	4,929	15%
2018	43,561	1.5%	2018	5,501	12%
2019	43,715	0.4%	2019	5,918	8%
2020	42,901	-2.0%	2020	6,501	10%
2021	44,441	3.6%	2021	7,194	11%
2022	44,233	-0.5%	2022	8,135	13%
2023	42,672	-4.0%	2023	8,764	8%

Source: SPF, number of beneficiaries' database 2023

4.4 Details of active members for 2023

Age group	Female	Male	Total	Percentage coverage	
15-24	2,692	2,585	5,277	}	74.14%
25-29	2,931	2,463	5,394		
30-34	3,158	2,458	5,616		
35-39	3,119	2,252	5,371		
40-44	2,919	2,101	5,020		
45-49	2,929	2,029	4,958	}	25.54%
50-54	2,694	1,965	4,659		
55-59	2,660	1,791	4,451		
60-63	1,059	729	1,788		
over 63	65	73	138	}	0.32%
Total	24,226	18,446	42,672		

Source: SPF, active members' database 2023

5. CONTRIBUTION

5.1 Mandatory Contribution

Mandatory Contribution rate: **10%**
(Employer:5% & Employee: 5%)
(effective January 2023)



Total Mandatory contributions received: **SCR 748.5 million** (SCR 611 million in 2022) **from 42,672 members** (44,233 in 2022), **4% decrease** in contributors from 2022.

5.2 Voluntary Contribution

Total voluntary contributions received: **SCR 39.3 million** (SCR35 million in 2022) **from 9,731 members** (9,247 in 2022), **12% increase** in contributions collected from 2022.

5.3 Details of contributions collected

Years	2022		2023	
Details	Contributors	Amount SCR'M	Contributors	Amount SCR'M
Voluntary	9247	35	9,731	39.3
Mandatory	44,233	611	42,672	748.5
Total Contributions SCR'M	646		787.8	

Source: SPF, active members' database and Audited Financial Statements 2023

6. PENSION AND BENEFITS

6.1 Formula for pension calculation

SPF operates a Defined Benefits Scheme, whereby the pension paid to a member is not determined by how much the member has contributed throughout his or her career but based on a pension formula which considers the years of contribution and salary adjusted with wage growth through the years.



The formula is as follows:

Average wage for the last
13 years in 2023
(increases a year every year)

X

Years worked (contributed)

X

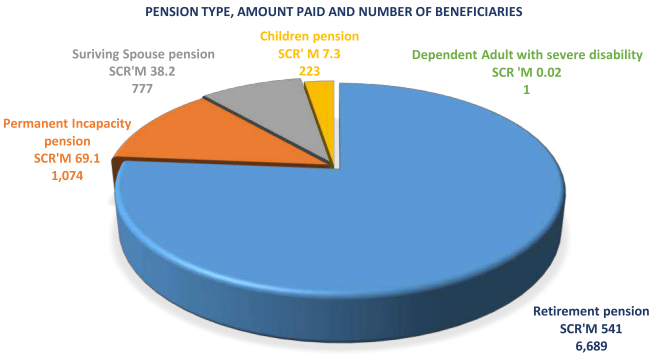
Average wage growth

X

Accrual rate (1.30% in 2023)

6.2 Total pensions paid in 2023

SCR 656 million (15 % increase in pension paid from 2022)



Source: SPF, beneficiaries' database and Audited Financial Statements 2023

6.3 Youngest and oldest pensioners for 2023

Types of Benefits	Youngest Pensioners	Oldest Pensioners
	Age (yrs)	Age (yrs)
Normal Retirement	60	84
Permanent Incapacity	38	78
Surviving Spouse pension	31	84
Post Surviving Spouse	33	90
Children Pension	2	22
Post Children Pension	4	24
Dependent with severe disability	36	36

Source: SPF, beneficiaries' database 2023

6.4 Details of benefits paid for the past 5 years

Year	2019		2020		2021		2022		2023	
Details	Beneficiaries	Amount paid SCR'm	Beneficiaries	Amount paid SCR'm	Beneficiaries	Amount paid SCR'm	Beneficiaries	Amount paid SCR'm	Beneficiaries	Amount paid SCR'm
Retirement Pension	4,482	265	4,886	323	5,433	368	6,229	467	6,689	541
Permanent Incapacity	774	45	872	53	929	58	990	65	1,074	69
Surviving Spouse Pension	486	21	560	24	627	28	702	33	777	38.2
Children's Pension	176	5	182	5	204	6	213	7	223	7.3
Dependent with severe disability	—	—	1	0.010	1	0.025	1	0.03	1	0.02
Total pensions	5,918	336	6,501	405	7,194	460	8,135	572	8,764	656
Refunds		2		4		5		5		8.6
Voluntary Contribution (refund at Retirement)		4		2		2		3		2.4
Voluntary Contribution (refund at 55 years)		9		9		14		18		12.2
Grand total	5,918	351	6,501	420	7,194	481	8,135	599	8,764	679

Source: SPF, beneficiaries' database and Audited Financial Statements 2023



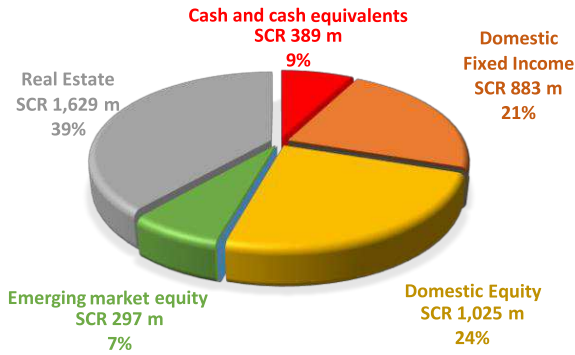
6.5 New Pensioners for the past 5 years

Year	2019	2020	2021	2022	2023
Retirement	306	432	584	670	602
	123	137	169	210	58
	61	74	111	141	248
	62	23	49	90	77
63 and above	86	133	233	229	219
Permanent Incapacity	72	99	54	63	109
Surviving Spouse			13	13	25
Post Surviving Spouse	50	72	59	50	59
Children Pension			10	15	35
Post Children Pension	32	30	9	12	35
Dependent Person with severe Disabilities	0	1	0	0	0
Total New Beneficiaries	460	634	729	823	865

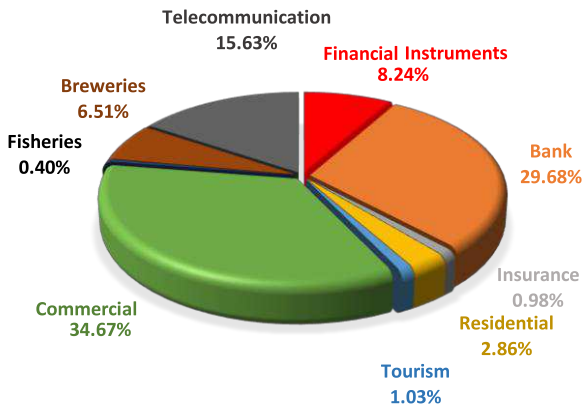
Source: SPF, beneficiaries' database 2023

7. INVESTMENT

7.1 Investment portfolio by asset class



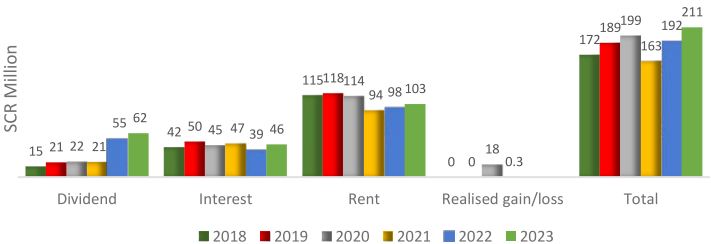
7.2 Investment portfolio by sectors



7.3 Investment Income

The Total investment income (without fair value and exchange differences) was **SCR 211 million**, 10% increase from 2022. SPF's total revenue is made up of 21% (**SCR 211m**) from investments and 79% (**SCR 787.8 m**) from contributions.

Breakdown of Gross Investment Income (without Fair value and exchange differences) for the past 6 years



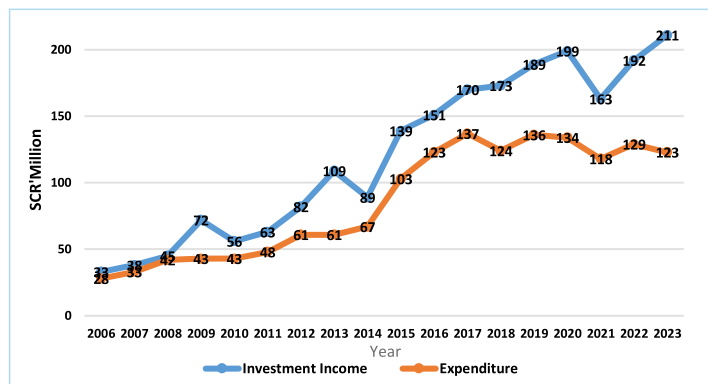
Source: SPF, Audited Financial Statements 2023

7.4 Expenditure

The expenditure for the year 2023 was **SCR 123 million**, which has decreased by 4% from 2022. An overall excess of **SCR 89.5 million** from investments without fair value and exchange differences was recorded, a 5.6% decrease from 2022.



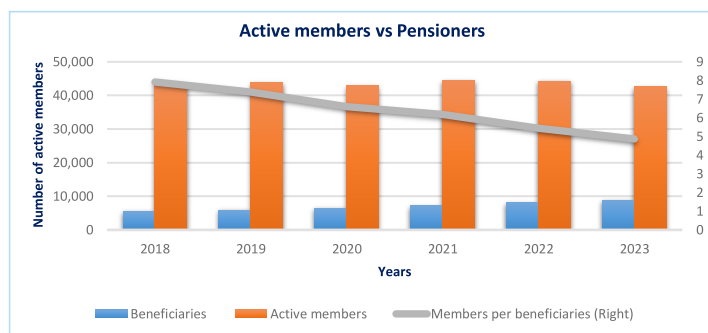
7.5 Investment income over expenditure from 2006 -2023 (without fair value)



Source: SPF, Audited Financial Statements 2023

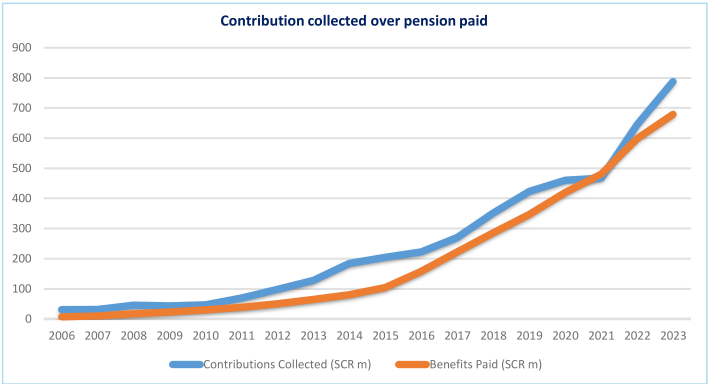
8. PERFORMANCE OVER THE YEARS

8.1 Comparison of pensioners with active contributors for the past 6 years



Source: SPF, Active member database and Beneficiaries database 2023

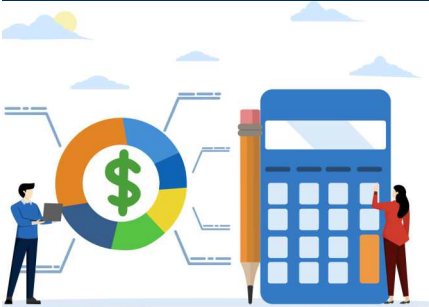
8.2 Excess contributions over pensions paid for the past 18 years



Source: SPF, Audited Financial Statements 2023

An excess of **SCR108.7m** was recorded in 2023 as a result of the increase in contribution rate from 9% to 10% effective January 2023

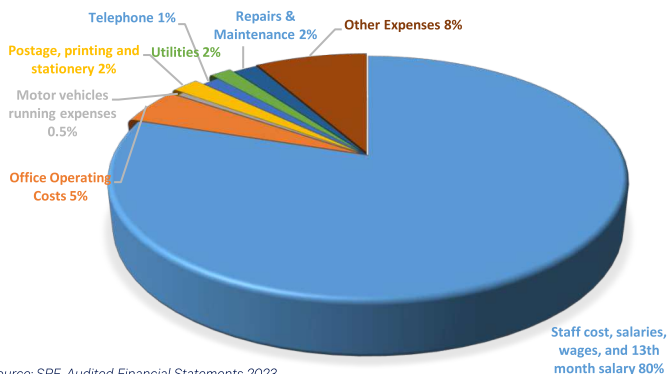
9. ADMINISTRATIVE COSTS



SCR 60 million (18 % increase from SCR 51 million in 2022)

Administrative costs represented 49 % of SPF total expenditure (**SCR 123 m**) and 1.4% of total SPF assets (**SCR 4.29 Billion**)

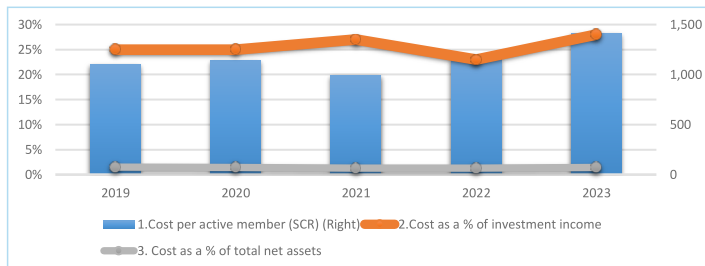
9.1 Details of administrative costs



Source: SPF, Audited Financial Statements 2023

9.2 Administrative Cost analysis over 5 years

Year	2019	2020	2021	2022	2023
1. Cost per active member (SCR)	1098	1142	990	1157	1413
2. Cost as a % of investment income	25%	25%	27%	23%	28%
3. Cost as a % of total net assets	1.5%	1.4%	1.3%	1.3%	1.4%
Administrative costs in (SCR'M)	48	49	44	51	60
% Increase in Administrative Cost	9%	2%	-10%	16%	18%



Source: SPF, Audited Financial Statements 2023

10. ACTUARIAL VALUATION

The most recent valuation of the Fund was carried out as at 31st December 2021, by BBL World Actuaries with the results presented to the Board of Trustees in November 2023. The next actuarial valuation will be undertaken to reflect the position of the Fund at 31st December 2024.





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