



PENSIONERS SURVEY 2024

**IEBC SPS
June 2025**

RBA'S MANDATE



**Regulate and supervise -
establishment and
management of retirement
benefits schemes**



**Protect - interests of
members and sponsors**



**Promote - Development of
the retirement benefits
sector**



**Advise - The Cabinet
Secretary for the National
Treasury**



**Implement - Government
policies relating thereto**



BACKGROUND OF THE SURVEY



Retirement Impact & Challenges:

Concerns on financial impact of retirement and other issues facing retirees.



Savings & Income Replacement

Concerns about income drop in retirement and adequacy of replacement income.



Policy Issues & Risks:

Varying of retirement income among groups and schemes.



Welfare

Need to assess retiree welfare and ensure sustainable retirement benefits by informing policy

1

To establish the retirees'/pensioners' livelihood situation in retirement.

2

Establish adequacy of the retirement benefits.

3

To determine the Income Replacement Ratio of the pensioners

4

To explore strategies to enhance pension adequacy of the retirement benefits

5

To make policy proposals based on the findings

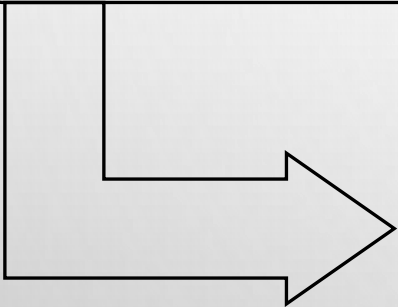
Objectives of The Survey



METHODOLOGY

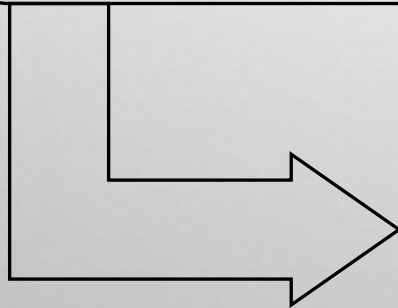
Pre-data Collection

- Desktop Research
- Tools Design
- RA's recruitment and training



Data Collection

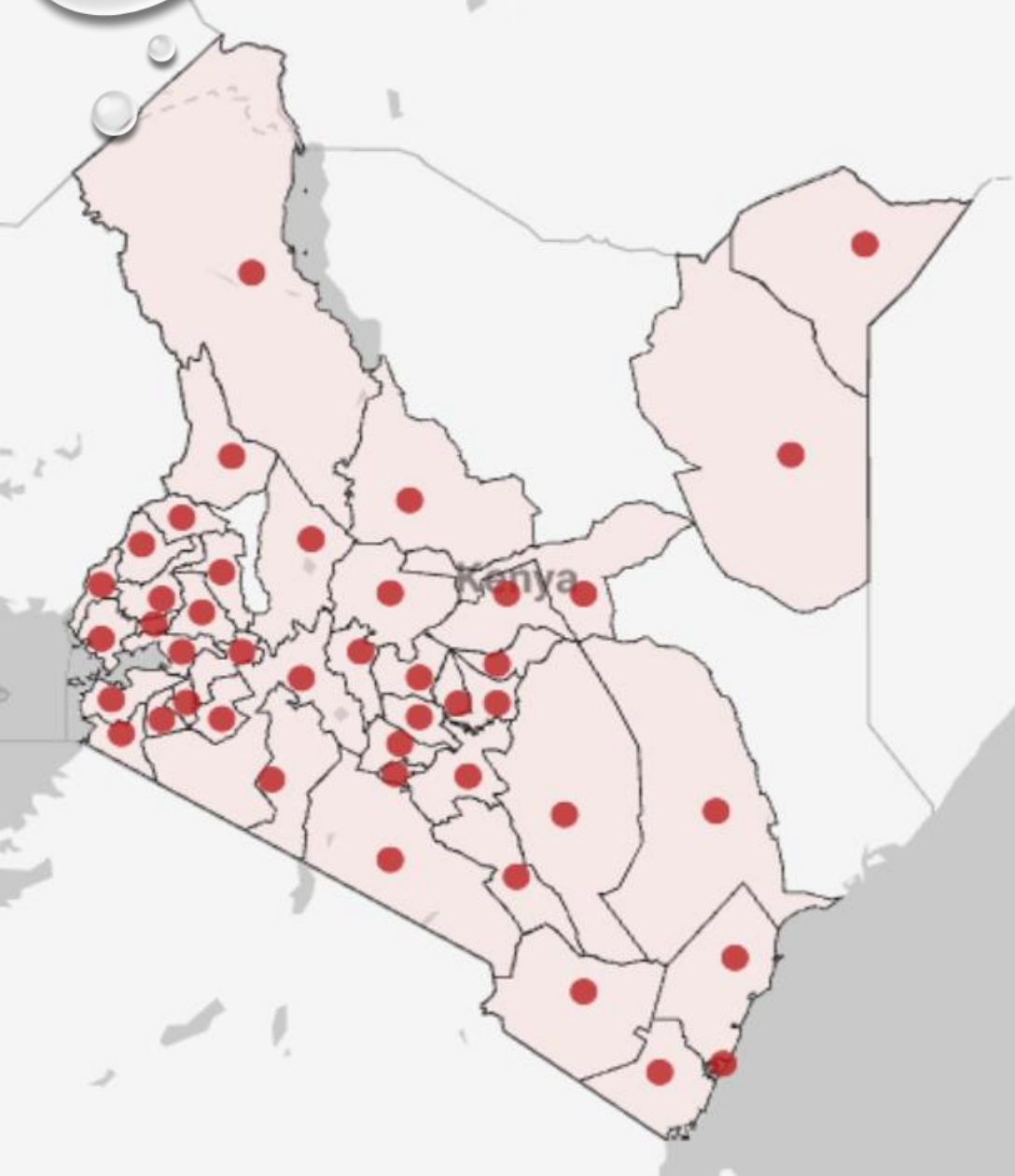
- Interviews with Retirees
- Questionnaires



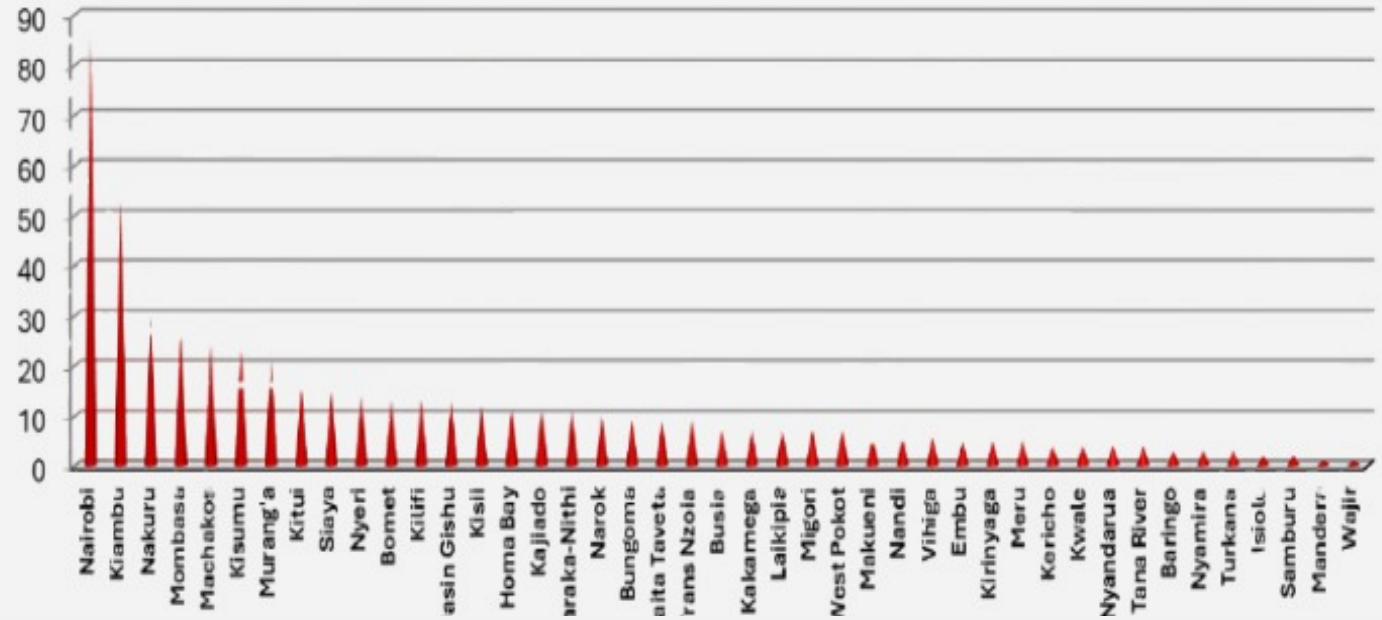
Post Data Collection

- Data management & analysis
- Reporting

RESPONSE RATE



Number of Respondents per County



- Sample size (n) - 818
- Response - 530 (64.8%)
- 43 out of 47 counties covered



GENERAL INFORMATION ON RESPONDENTS



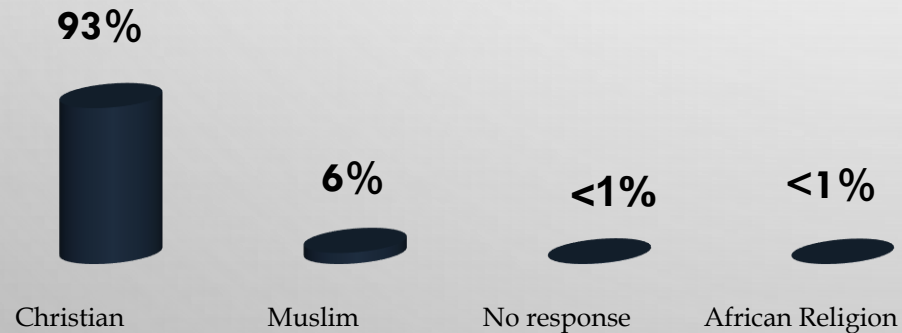
Marital Status of Respondents in Percentages



Gender Representation



Respondent's Religion



97%
Were Aged Between **50**
and **70** Years



FINDINGS - DEPENDENCY



Respondents with Dependents

83% Respondents have dependents

16% Do not have dependents

Gender of Dependents

51% Male Dependents

49% Female Dependents

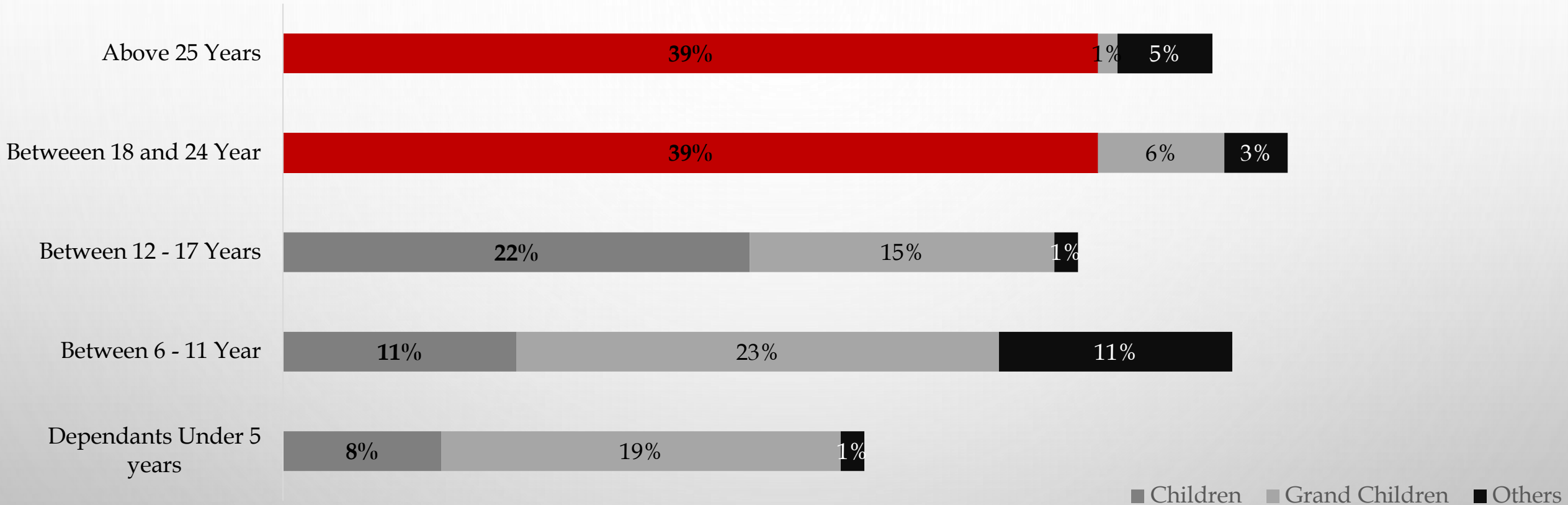
Kind of Support Provided

45% Providing Daily Upkeep and Shelter

34% Paying School Fees

7% Other Support

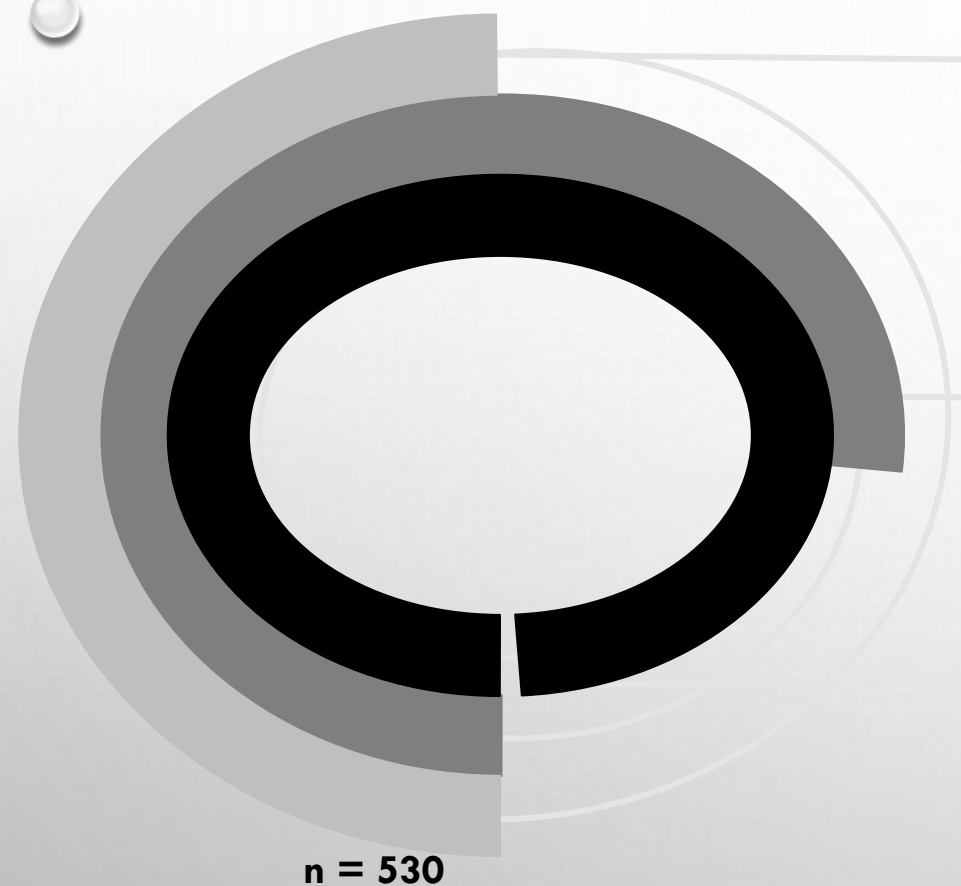
DEPENDENTS AGE DISTRIBUTION



39% of respondents had children **above 25** still depending on them



Employment Information Summary



n = 530

50%

No Benefits/ Withdrew

Half of the respondents either had no benefits or withdrew their benefits after 1st job change

76%

Changed Jobs

76% of Respondents changed jobs. 22% remained with one Employer

99%

Formal Employment

Most Respondents were in formal Employment. Only 1% were in informal employment

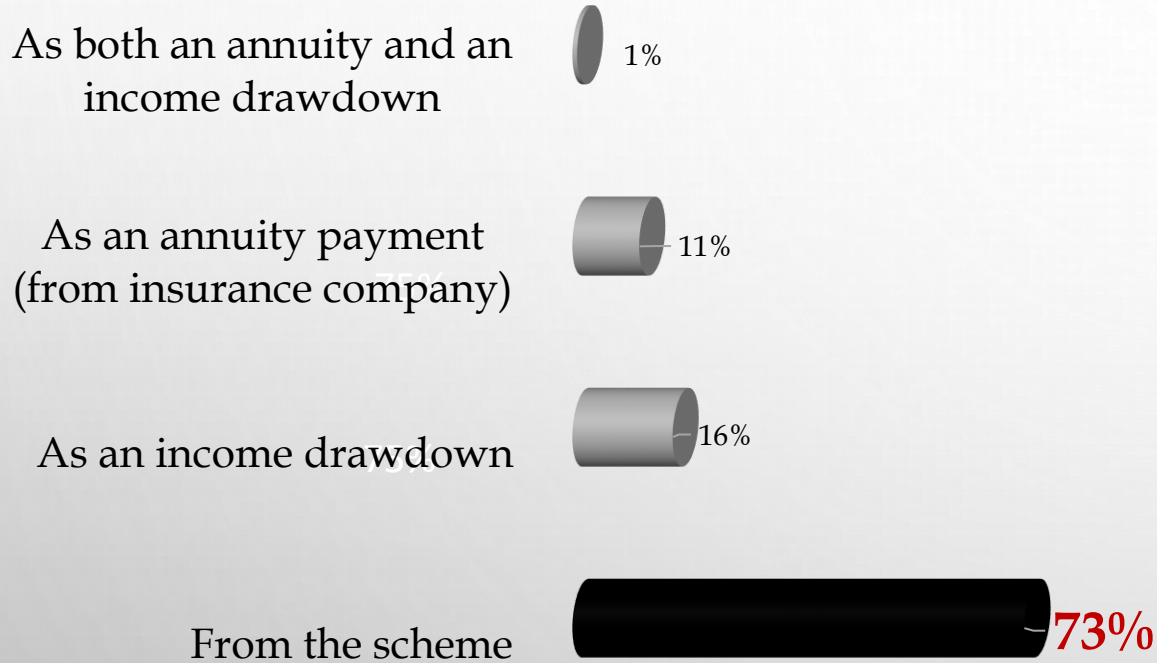
99% of respondents were in the formal sector, showing the low uptake of pension products in the informal sector



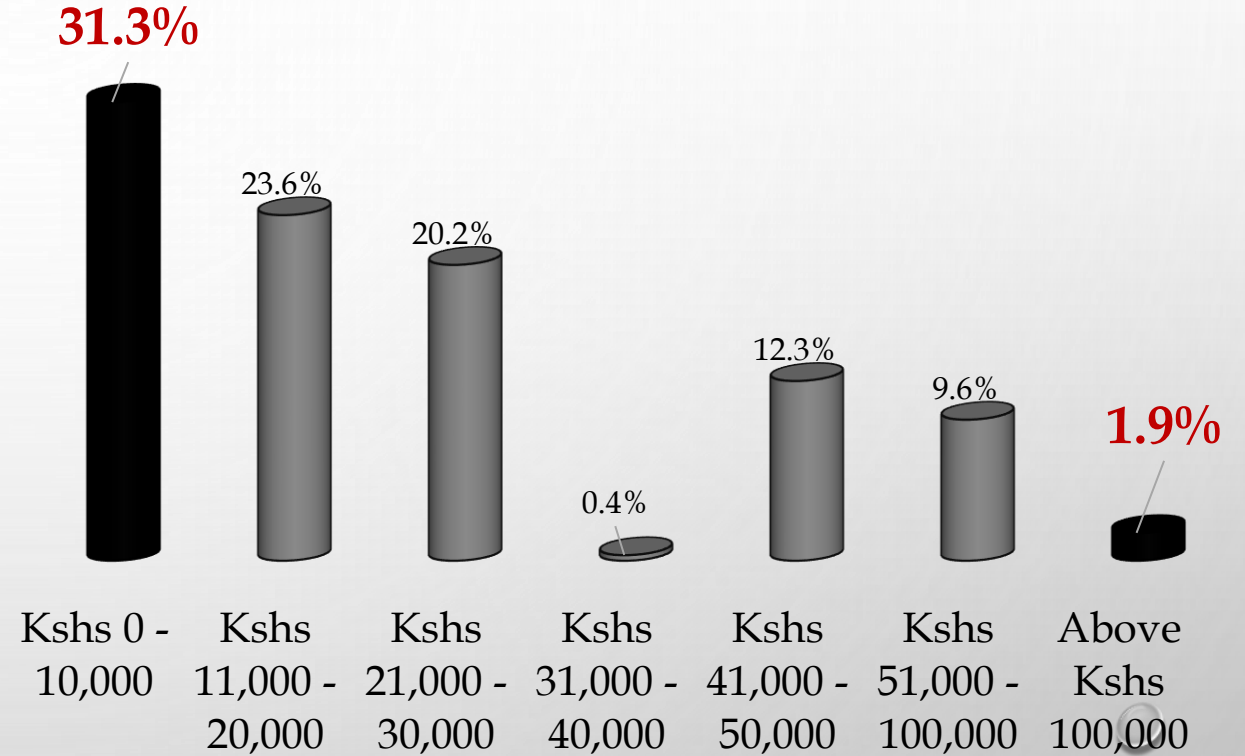
PENSION PAYMENT AMOUNT AND METHOD



Method of Receiving Pension



Monthly Pension Amount Received



55% of respondents earned less than Ksh. 20,000 pension per month



RETIREMENT BENEFITS UTILIZATION

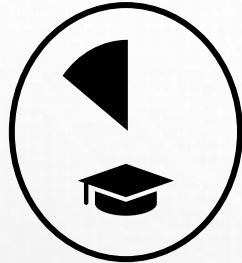


16%



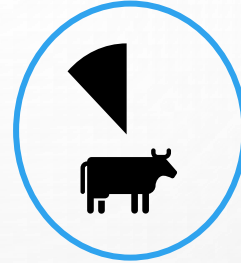
Build a House

16%



School Fees

15%



Farming

14%



Business

10%



Bought Land

8%



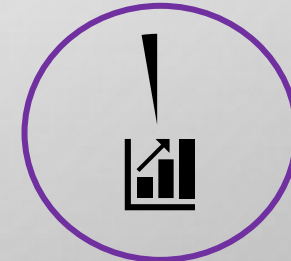
Real Estate Investment

7%



Deposited In Bank

2%



Bought Shares



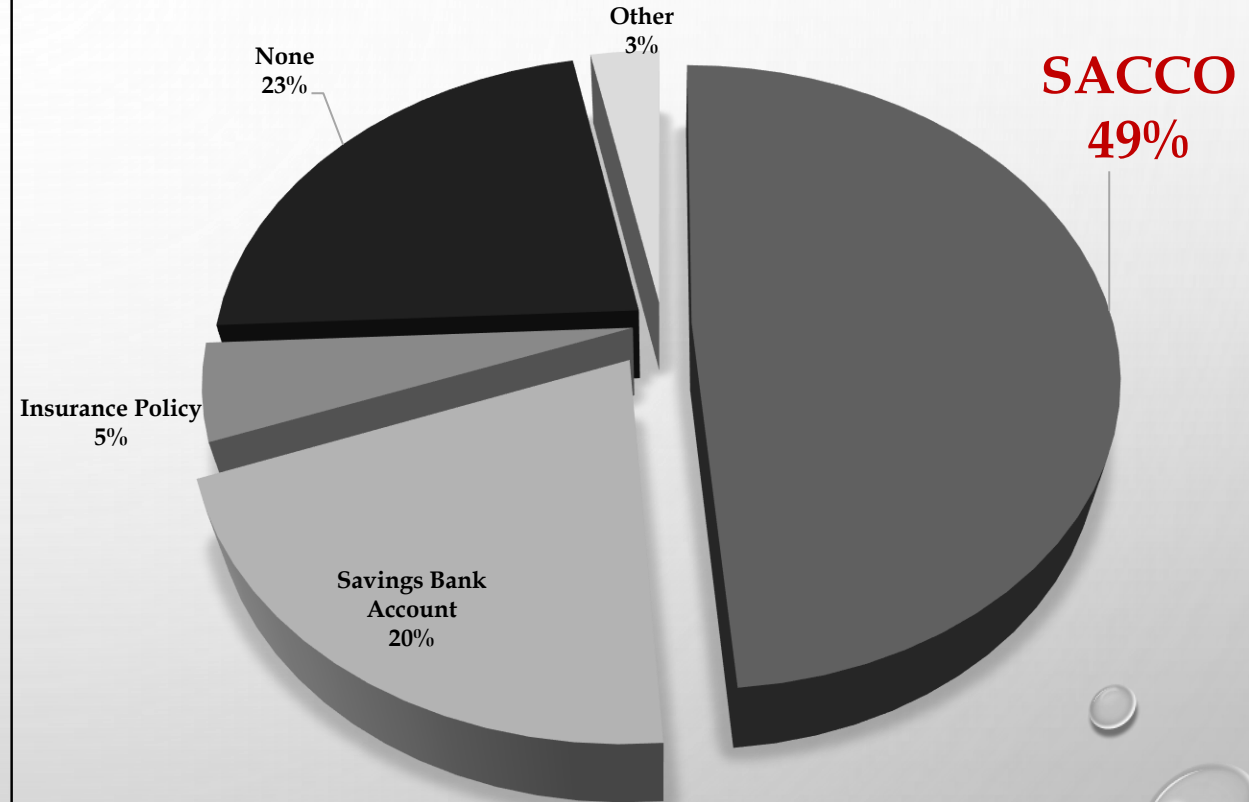
ADDITIONAL CONTRIBUTIONS & OTHER SAVINGS



ADDITIONAL VOLUNTARY CONTRIBUTION



OTHER TYPES OF SAVINGS



81% OF RESPONDENTS DID NOT MAKE ADDITIONAL VOLUNTARY CONTRIBUTIONS

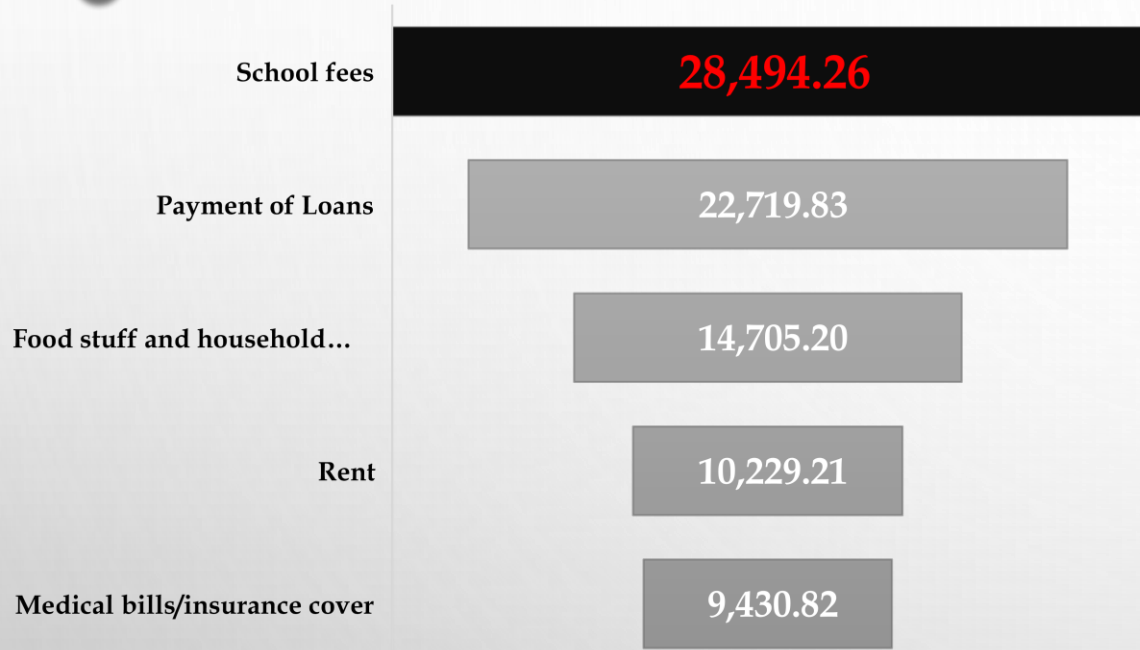
49% OF RETIREES HAD SAVINGS IN SACCOS, HIGHLIGHTING KEY ROLE THEY PLAY



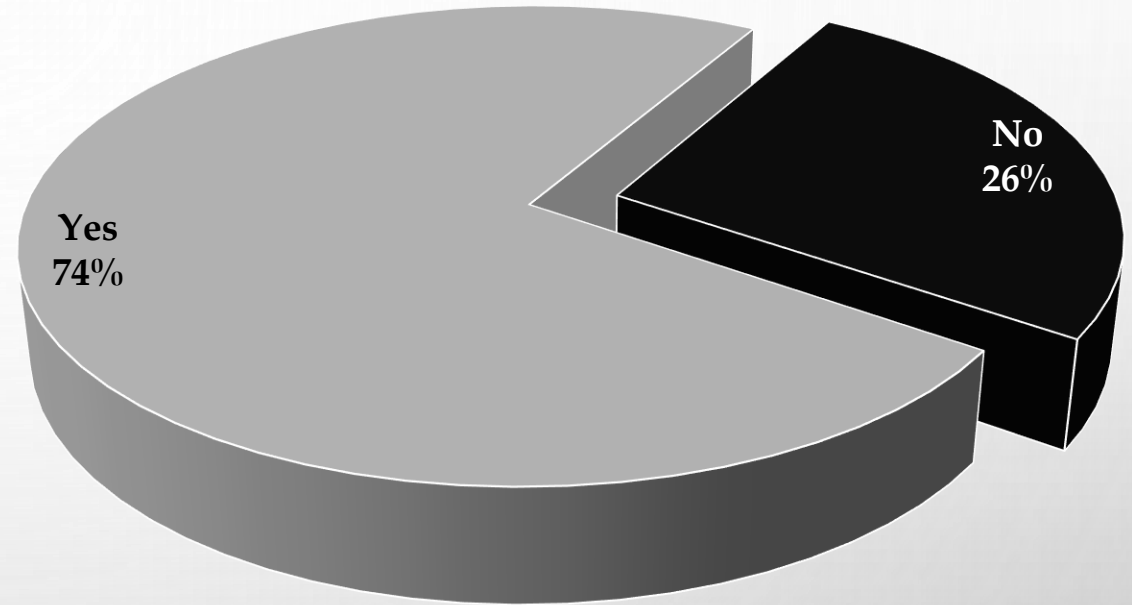
EXPENDITURE/ OTHER INCOME & SAVINGS SUFFICIENCY



Average Amount Spent by Retirees



Other Sources of Income in Retirement



Savings Sufficiency

57% - No



Felt that their savings were not Sufficient

41% - Yes

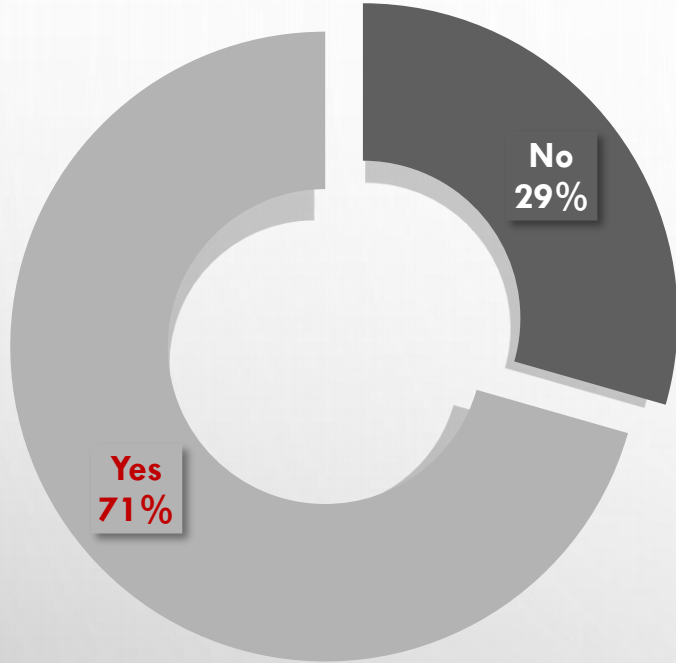


Felt that their retirement Savings were Sufficient



HEALTHCARE ACCESS

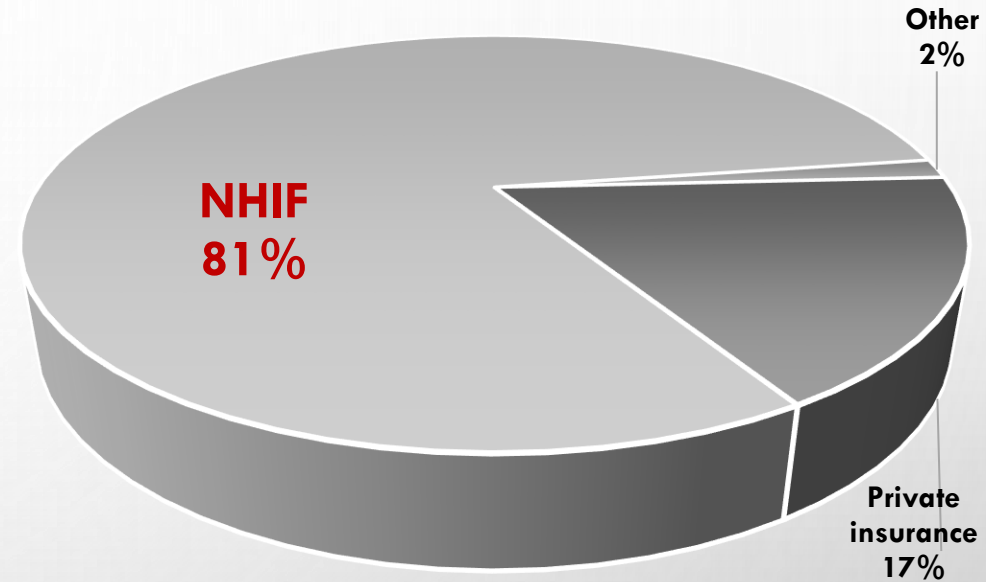
Medical Cover



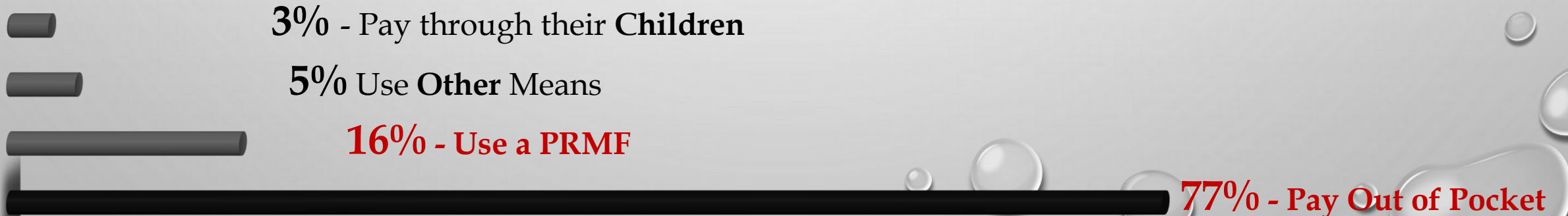
71% of retirees possess a Medical Cover.

81% of those with a cover rely on NHIF

Form of Medical Cover



Payment of Medical Cover

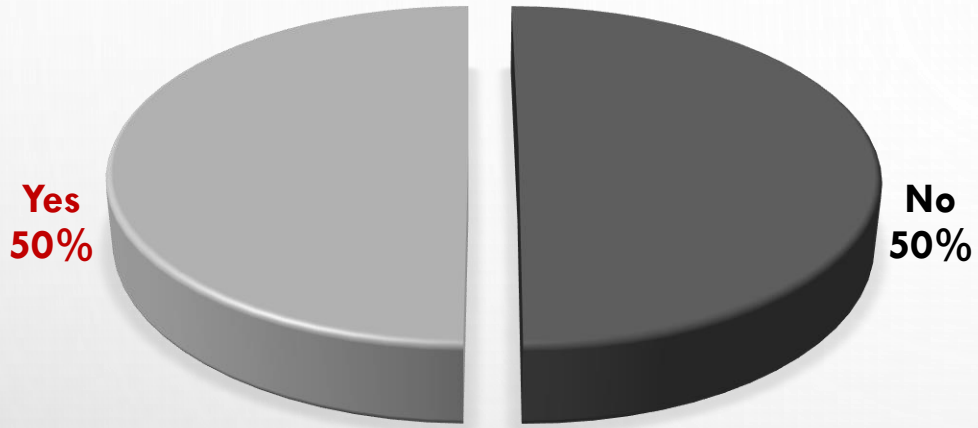




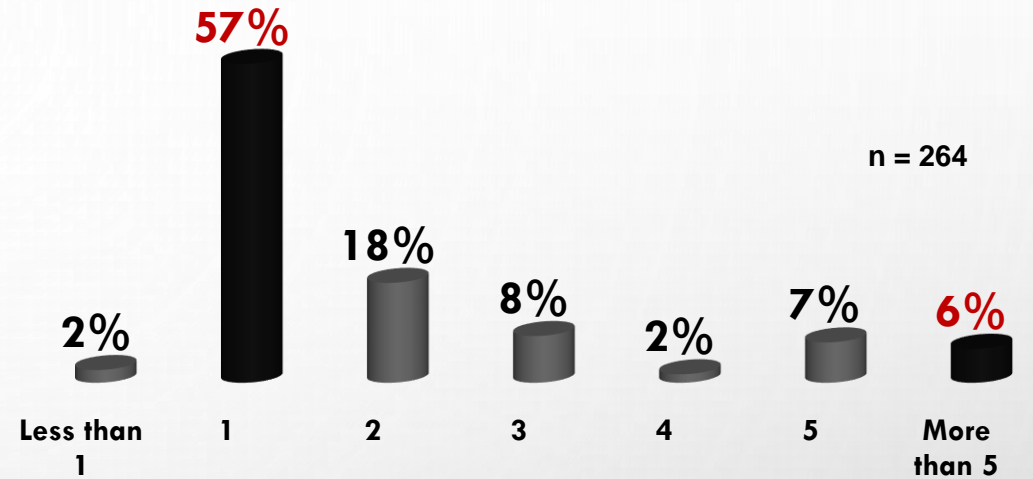
RETIREMENT PLANNING



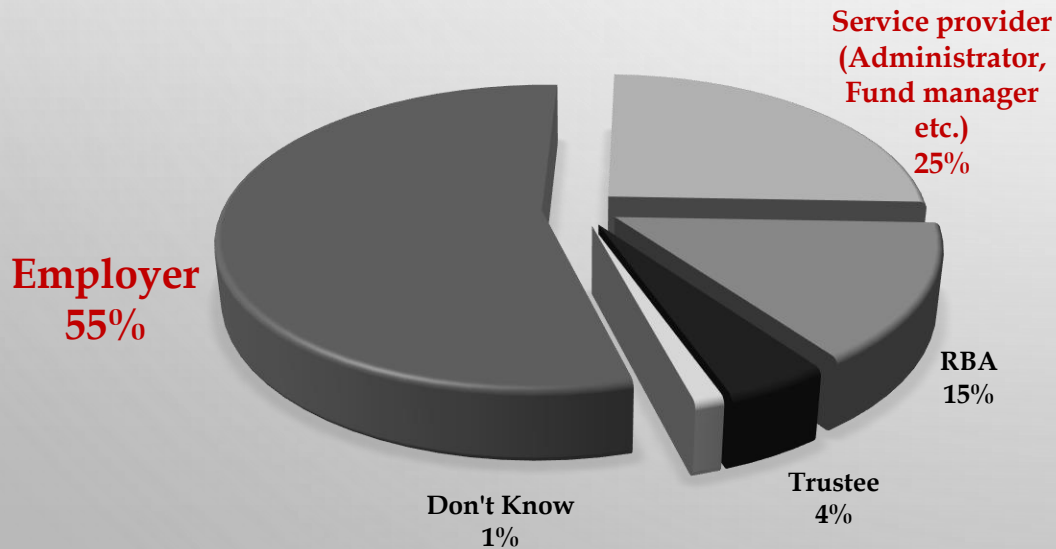
Retirement Planning Training



Years Trained Prior to Retirement



Training Provider



KEY HIGHLIGHTS

50% Received Training

57% Trained only 1 Year prior to Retirement

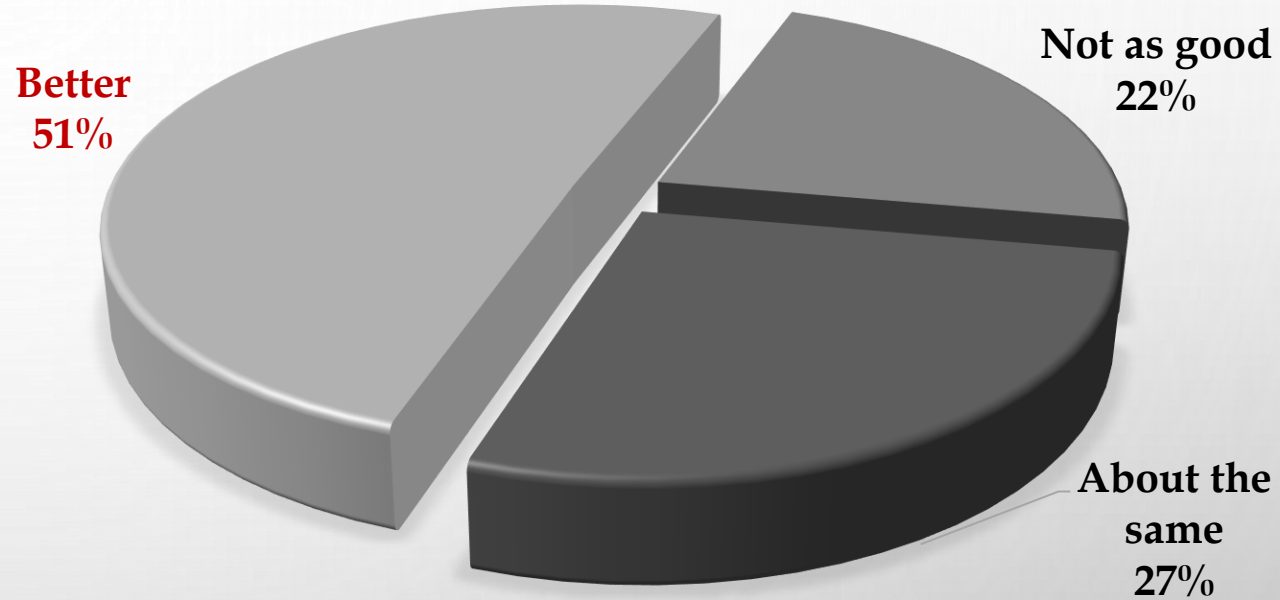
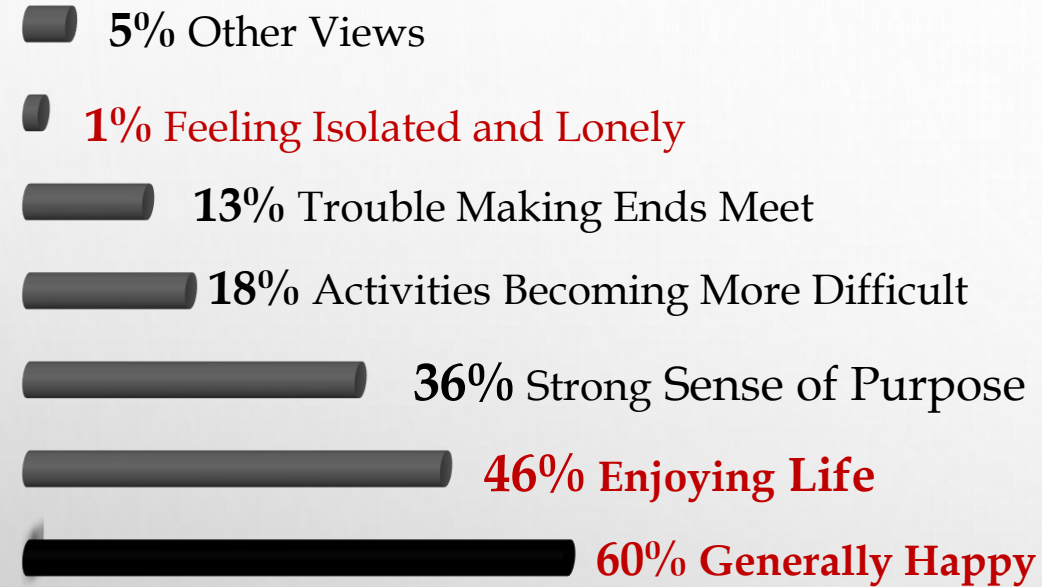


WELLBEING IN RETIREMENT



Views of Retirement

Retirement/ Work-life Comparison

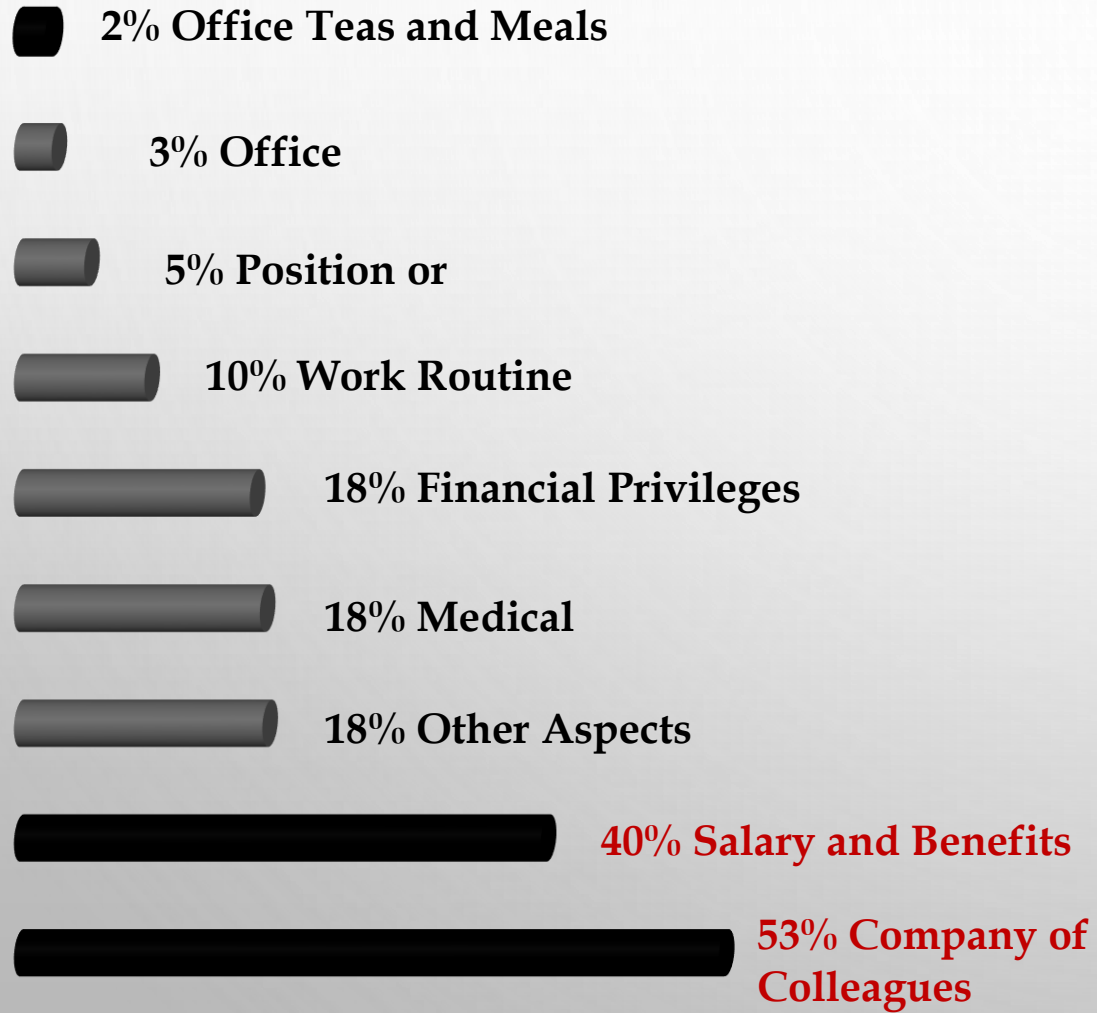


Most Important Thing For Retirees

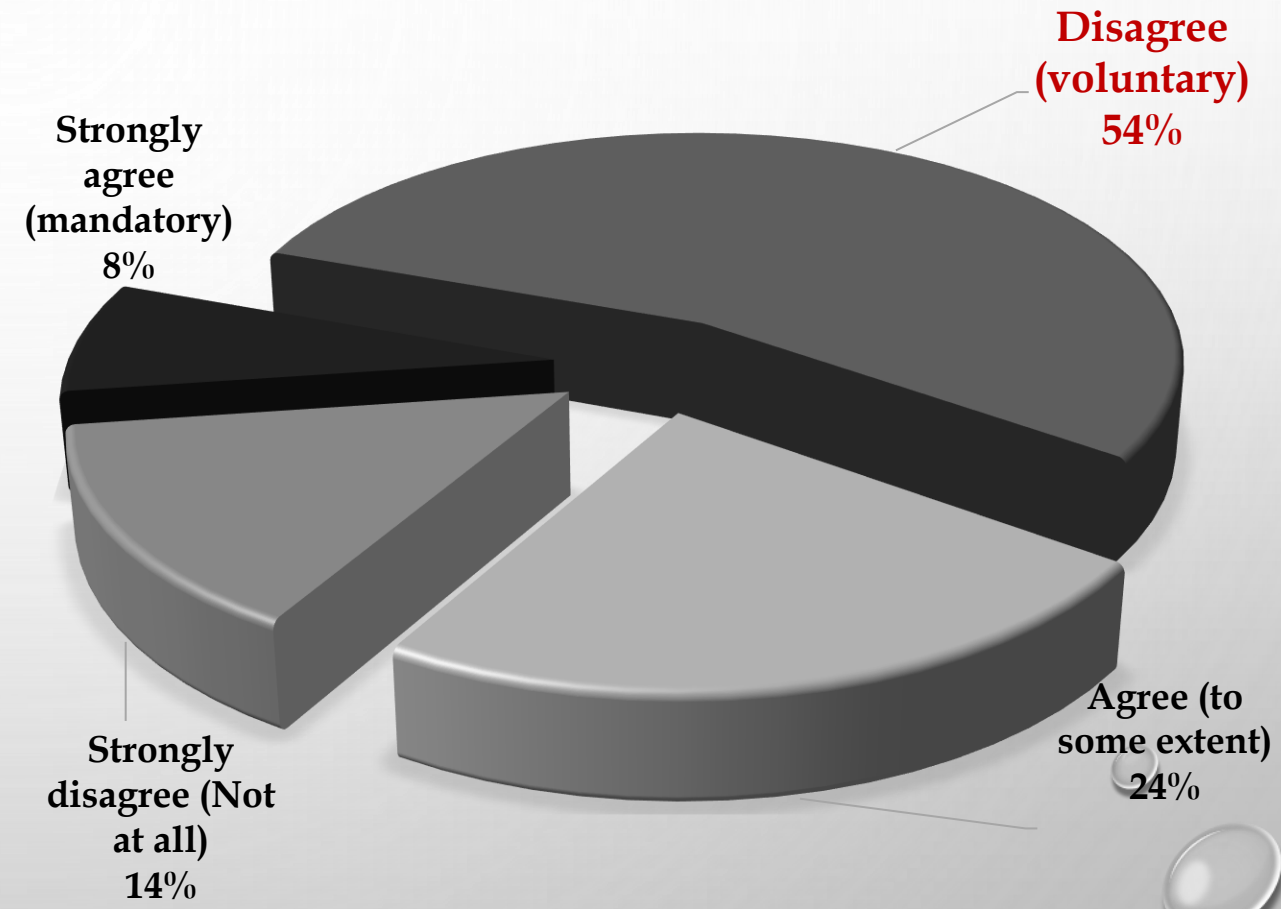




Most Missed Work Aspect



Children Financial Assistance



54% of respondents think that children's financial assistance should be voluntary



CHANGES IN RETIREMENT PREPARATION



What Would You Do Differently Given a Chance

67%

**Increase my savings,
356**

35%

**Start and income
generating, 188**

24%

Plan early for retirement, 128

19%

**Contribute to a post-retirement
medical funds, 101**

15%

**Participate more in
scheme events like
AGMs, member
educations, 78**

13%

Do the same thing, 70

15%

**Enhance my education
for post-retirement
economic activities, 77**

10%

Other, 51

❖ 67% of the Retirees Feel that they should have increased their Savings



CHANGES IN RETIREMENT PREPARATION



62% - Mandatory Post Retirement Medical Cover

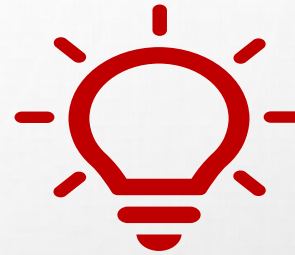
49% - Enhanced Member Education

47% - Additional Tax Exemptions

47% - Scheduled increments in Monthly Pensions

34% - Increase focus on Retirees Welfare

22% Mandatory Retirement Saving



Key Highlight

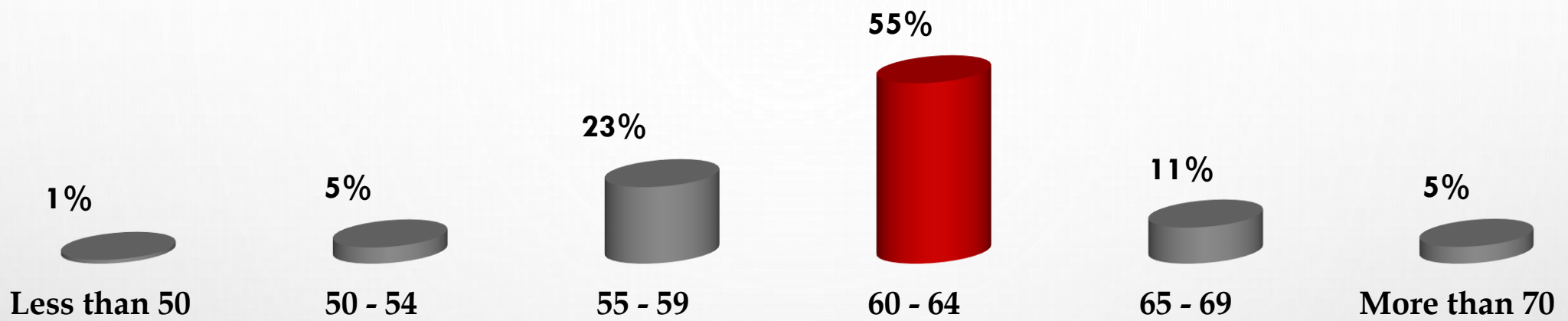
62% or Retirees would like policy changes to ensure they have a medical cover upon Retirement



OUTLOOK OF THE RETIREMENT INDUSTRY



Views on Ideal Retirement Age



Top 3 Elements Liked About Scheme

85% Efficiency and timely payment of benefits, 452	46% Good scheme governance, 243	39% Flow of information and communication to members, 209	33% Advice on retirement planning, 176	Timely issuance of member statements, 86
			Prudent investment of funds, 66	Other, 54

Highlight



85% of the respondents appreciated the efficient and timely payment of benefits

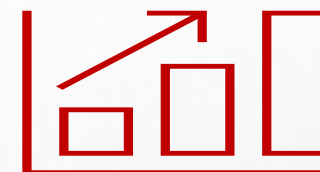
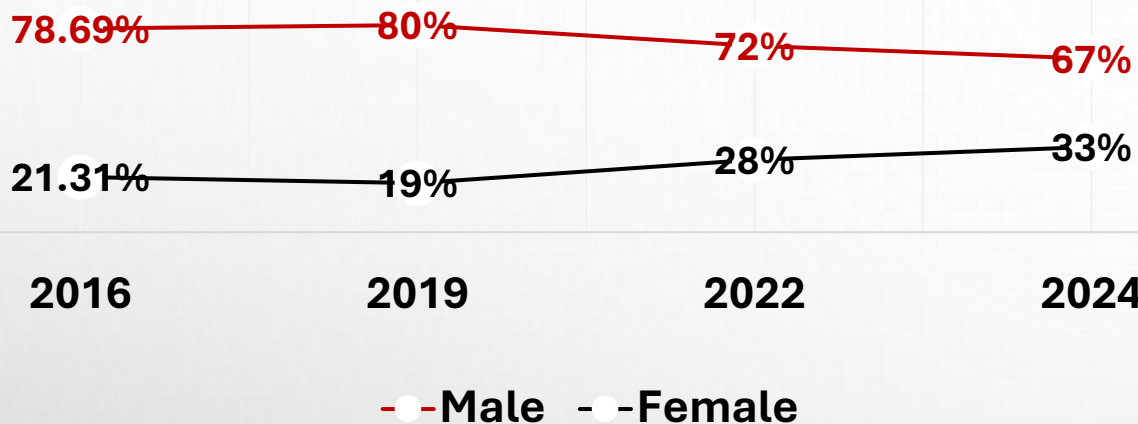


TREND ANALYSIS



Gender Composition Trends

TREND ANALYSIS

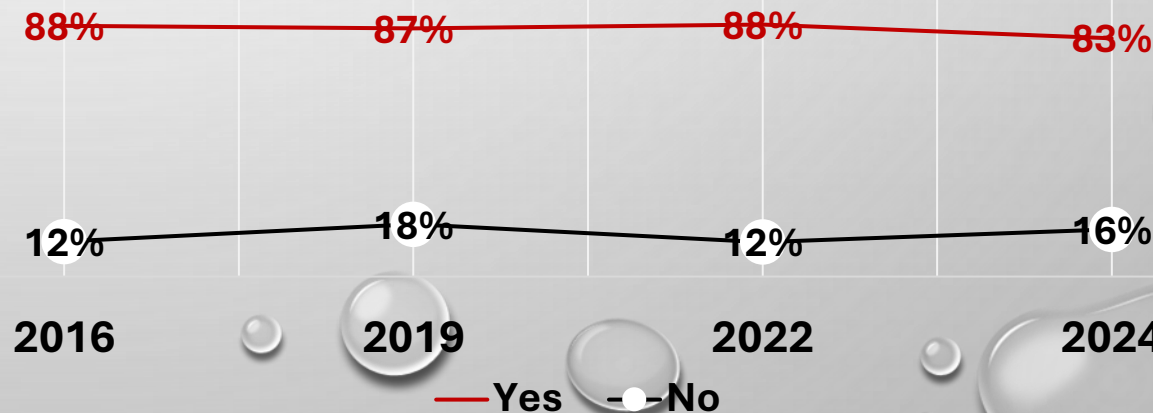


Gradual shift towards a more balanced gender response over the years

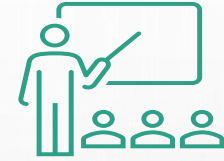
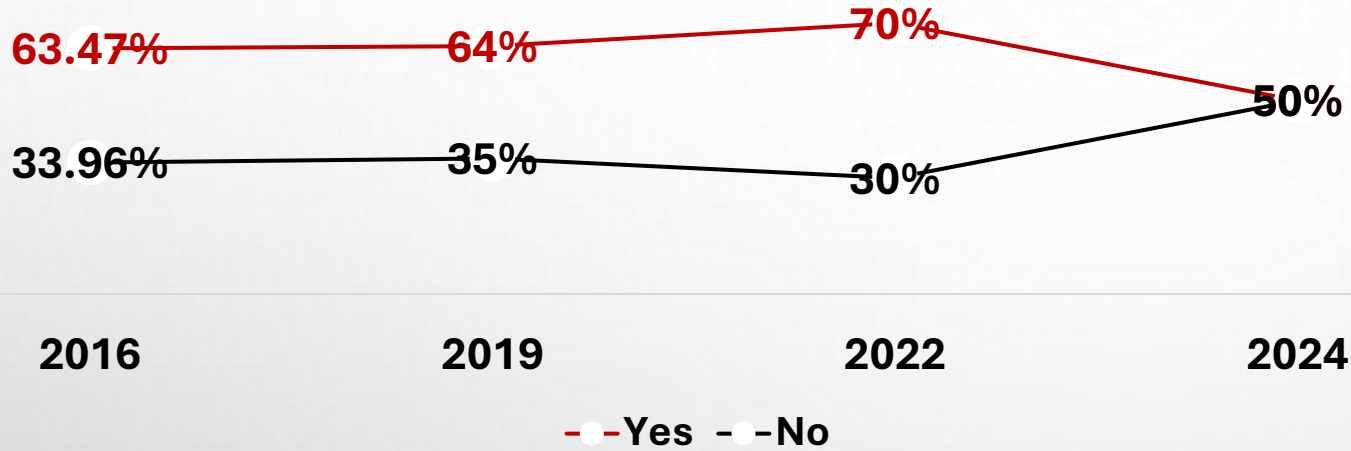


There is a high likelihood that retirees will have dependants when they retire

Retirees With Dependants



Retirement Planning Training

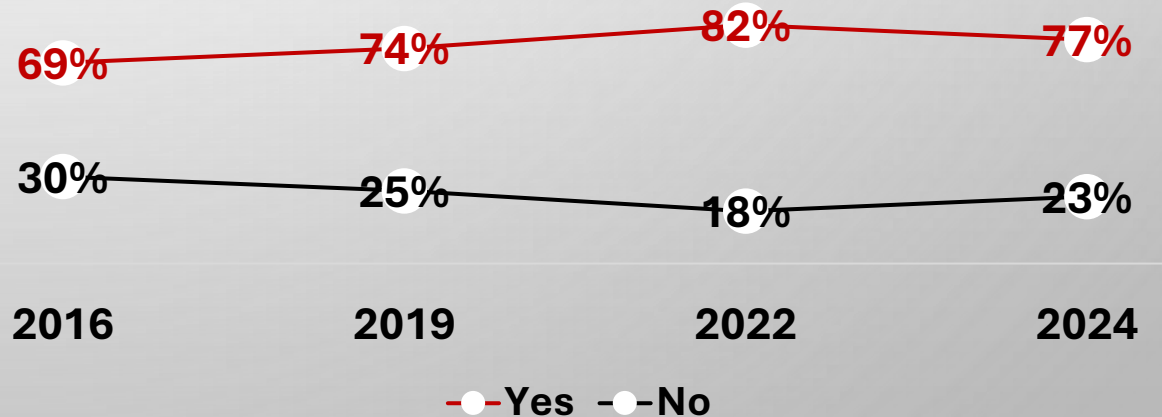


Need for more training for retirees since half of them are currently retiring without any form of training



generally favourable view of the training's effectiveness over the years

Adequacy of Training





TOP 3 ADVISE GIVEN TO FUTURE RETIREES

Home and Family Preparation

- Don't wait until retirement to start building a home
- Make sure to develop a home for your family
- They should build their dwelling places early. They should not use their retirement benefits to build their houses.

Financial Planning and Savings

- Manage the small amount you're earning and make additional contributions to your pension
- Assess their expenditure and lifestyle before retiring
- Ensure they have cash flow by the time they retire (Minimize spending on loan repayment)"

Investing and Income Generation

- Be business-oriented; employment is not permanent
- Invest in your children's education and encourage them to become financially independent
- They should not be afraid of starting a business



RECOMMENDATIONS



Benefit Preservation

The RBA should develop strategies to discourage early benefit withdrawals before retirement age

1



Informal Sector

The RBA should promote the development of products targeting the informal sector

2



Dependency Burden

Retirees should be more informed about the expected dependency burden to encourage retirement savings.

3



pension savings

Introduce mandatory retirement training early in employees' careers to encourage better savings habits.

4



FURTHER RECOMMENDATION



Retirement Training

Introduce mandatory retirement training early in employees' careers to encourage better savings habits

5



Medical Fund Contributions

Make post-retirement medical fund contributions mandatory for all employees in a scheme

6



Inflation Adjustment

Introduce policies for scheduled pension payment increases to account for inflation

7



Tax Relief

Develop policies on tax exemptions or reductions for retirees to boost disposable income

8



Thank You

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