

PPA To Reward Existing and New PRS Members

KUALA LUMPUR (29 March 2018): After hitting a record year of growth last year, the Private Pension Administrator Malaysia (PPA) is aiming to sustain the high growth rate by offering rewards to new and existing Private Retirement Schemes (PRS) Members.

To encourage more Malaysians to be financially better prepared for their retirement, PPA will be launching a PRS Online Enrolment and Referral Campaign on April 2. The mechanics are simple: For new members, every 20th new enrollee will be rewarded with RM100 in PRS units if they successfully sign up via PRS Online Enrolment.

Existing PRS Members can also take part in the campaign by referring new members to PRS, with every 20th introducer receiving RM100 in PRS units when their referrals successfully sign up through PRS Online Enrolment. The campaign will run until the end of September, and successful enrollees and introducers will be announced weekly on Thursdays.

“We believe in the power of peer influence, which is why we are rolling out the PRS Online Enrolment and Referral Campaign. Many PRS Members have seen their funds grow in the past five years, and they would be the best ambassadors to encourage their relatives and friends to build savings for their retirement,” said Husaini Hussin, chief executive officer of PPA.

Last year, the total number of members grew by 36% to 301,279 in 2017, from 221,235 in 2016. Total Net Asset Value (NAV) of the 56 existing PRS funds rose by 47% to close the year at RM2.23 billion, from RM1.51 billion the year before.

“We want to keep the momentum going after hitting a record growth last year. It will not be easy to continue growing the PRS Industry in the range of more than 30% every year, but we believe it is achievable,” said Husaini.

The PRS Online Enrolment is a digital facility that was recently launched on Jan 26. It allows potential PRS Members to sign up immediately through www.ppa.my in an easy, convenient and secure manner.

He added that PPA, as the central administrator of PRS, will continue to embrace FinTech (Financial Technology) and introduce value-added services online. In 2016, PPA introduced PRS Online Top Up and this was followed by the recent launch of PRS Online Enrolment.

He added that the high growth of PRS Membership and total NAV last year would not have been possible without the cooperation and concerted efforts of Securities Commission Malaysia, PPA and PRS Providers.

Husaini is optimistic the membership will continue to grow steadily due to the increasing awareness of the importance of having adequate retirement savings, as well as digitalisation of financial tools.

“More and more people realise that they need multiple channels of savings to enjoy a comfortable retirement. PRS is one such channel, and it now has a proven track record to show after being established more than five years ago,” said Husaini.



He observed that Malaysians were concerned about retirement planning at PPA's roadshows, with many signing up for PRS during the events.

"It is encouraging that they are translating the awareness to action. If you start saving now, you will have a longer time horizon for your funds to grow," he said.

PPA will also continue to visit university campuses to promote the TN50 PRS Youth Incentive, in which youths aged between 20 and 30 who save a total of RM1,000 in PRS would receive a one-off RM1,000 from the government. This one-off incentive is available until Dec 31, 2018.

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About PPA

The Private Pension Administrator (PPA) is the central administrator for the Private Retirement Scheme (PRS). PPA is a body approved by the Securities Commission Malaysia and is established to administer and promote the growth of the PRS industry.

PPA's task is to facilitate and maintain all PRS-related transactions via a life-time central PRS account for PRS Members. PPA is also responsible for the promotion and general awareness on PRS and serves as a one-stop resource centre for the PRS industry and PRS Members in Malaysia. The PPA plays a significant role in enabling infrastructure for supplementary retirement savings. It promotes an efficient administration to help account holders conveniently monitor their PRS funds.

About PRS

The Private Retirement Schemes (PRS) is a voluntary long-term savings and investment scheme designed to help Malaysians save more for their retirement. PRS seek to enhance choices available for all Malaysians whether employed or self-employed to supplement their retirement savings under a well-structured and regulated environment. Each PRS offers a choice of retirement funds from which individuals may choose to invest in based on their own retirement needs, goals and risk appetite. The fund options under PRS are intended to enhance long-term returns for members within a regulated framework.

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