



IIPM

Clear, timely and comprehensive guidance: The need for clarity from NAERSA

Irish Institute of Pensions Management (IIPM) president, Aaron Gaynor, outlines why employers urgently need clarity on the new minimum occupational pension contribution regulations in Ireland

The IIPM welcomes the National Automatic Enrolment Retirement Savings Authority's (NAERSA) confirmation that it will shortly publish detailed guidance on how contribution shortfalls will be assessed.

Such guidance is urgently required to address the significant operational questions now arising for employers, particularly given that the exemption standards were introduced 22 December 2025 and apply from 1 January 2026. The compressed timeline has created understandable uncertainty for employers who must quickly interpret and implement the new requirements.

Central to these concerns is the definition of remuneration. Employers with long established matching contribution arrangements may now fall short of the exemption standards, as contributions in many occupational

schemes are calculated on basic salary, while NAERSA will assess compliance based on gross pay.

This creates a clear divergence between existing scheme structures and the new regulatory test. The issue is further compounded by the fact that pension providers generally do not hold gross pay data, especially for employees with variable or irregular earnings. As a result, employers must now shoulder the full responsibility for assembling, interpreting, and reconciling the relevant payroll information.

The operational implications of this are significant. NAERSA has confirmed that it will rely on the payroll submissions made to Revenue and will apply a 13-week lookback to determine whether the exemption standards are met. While the mechanics of the lookback have now been set out, employers remain concerned about how fluctuations in

earnings, such as bonuses, overtime, or other non pensionable payments, will interact with the exemption test.

This is not a trivial concern. An employee contributing a combined 5 per cent toward their pension could still fall below the exemption threshold if a non pensionable bonus increases their gross pay within the assessment window. Under the current framework, it is the employer who must identify, interpret, and address such scenarios. For many, this represents a substantial administrative burden and a continuing source of uncertainty as they work to ensure compliance.

The scale of this challenge should not be underestimated. NAERSA has indicated it will work with employers to rectify any shortfalls, but the volume of employers who may require engagement could be considerable, potentially running into the thousands. Industry bodies, advisers, providers, and payroll professionals are already supporting a very high volume of employer queries, and enhanced direct engagement between NAERSA and industry would help ensure consistent messaging and practical, workable solutions.

Ultimately, industry and NAERSA share the same objective: to support stronger retirement outcomes for pension savers. To achieve this, employers need clear, timely, and comprehensive guidance that enables them to fulfil their obligations with confidence. Structured and ongoing dialogue between NAERSA and the wider pensions industry will be essential to support employers during this transition and to ensure the smooth operation of both MyFutureFund and existing occupational pension arrangements in the years ahead.