



THE WORLD BANK

6th Global Pension & Savings Conference

April 2-3, 2014: Preston Auditorium, World Bank Headquarters, Washington, D.C.

April 4, 2014: Roundtable on Regulation and Supervision: MC 13-121

AGENDA

Wednesday, April 2, 2014

8:00-9:00 Registration and Breakfast

9:00-9:20 Welcome Remarks

- **Loic Chiquier**, Director, Capital Markets Practice and Middle East and North Africa Region, World Bank Group
- **Arup Banerji**, Sector Director, Human Development Network, Social Protection, World Bank Group

9:20-10:30 Session 1: Setting the Scene: 20 years of Global Pension Policy

The 20th anniversary of the World Bank's publication on 'Averting the Old Age Crisis' provided the entry point to a conversation on global pension policy in the past 20 years. The conference focused on lessons learnt and the solutions that will drive improved outcomes going forward. The opening session heard from the lead author of the 1994 report, followed by internal and external reflections on global pension policy in the 20 years since.

Chair: **Dalmer Hoskins**, US Social Security Administration

- *Averting the Old Age Crisis Reflections 20 year later:* **Estelle James**, SUNY, Stony Brook and former Lead Economist, World Bank

Discussant:

- **Robert Palacios**, World Bank Group

10:30-10:50 Coffee and Tea Break

10:50-12:40 Session 2: The Sustainability and Adequacy Tradeoff as Countries Age

Delivering good overall outcomes requires dealing with the critical trade-offs between financial sustainability and the level or adequacy of retirement income. These issues were crucial in the original pension debate and remain so today. This session combined global insights from the OECD, regional case studies from the World Bank and Asian Development Bank, and looked at a country case study of the experience of Poland.

Chair: **Heinz P. Rudolph**, World Bank Group

- *Global Trends and reforms: The OECD Perspective:* **Ambrogio Rinaldi**, COVIP, Italy and OECD Working Party on Private Pensions
- *Developments, Difficult choices and Diversifying Systems in Europe and Central Asia:* **Anita Schwarz**, World Bank Group
- *The challenge of rapid aging in Asia:* **Donghyun Park**, Asian Development Bank
- *The lesson from Poland:* **Agnieszka Chlon-Dominczak**, Warsaw School of Economics

12:40-14:00 Lunch

The Greek Public Pension System. Who sows, who reaps? Greek Public Pension System from the baby boom, to the fiscal boom, to the crisis.

- **George Symeonidis**, Hellenic Actuarial Authority, Greece

14:00-16:00 Session 3: Challenges and Innovations in Expanding Pensions Coverage

Coverage, or financial inclusion, is a central outcome for a pension system. The session focused on why coverage did not expand as expected in some countries and new analysis and solutions that are being developed to improve this outcome. Tailoring the financing of contributions to the local labor market and how non-wage sources of finance can tackle problems of coverage in informal labor markets were both examined. The session included the latest evidence on the impact of behavioral economics and other incentives, a regional case study on Latin American and the Caribbean and then two country case studies of the current impact and future challenges to expanding coverage in India and the UK.

*Chair: **Edward Odundo**, Retirement Benefits Authority, Kenya and IOPS*

- *The role of incentives and behavioral economics in expanding coverage: **Brigitte Madrian**, Harvard University*
- *Towards Universal Coverage in Latin America through Better Pensions and Better Jobs: **Mariano Bosch**, Inter-American Development Bank*
- *Pensions in India: Past, present and future: **Guatam Bhardwaj**, Invest India Micro Pension Services, India*
- *Auto-enrolment from concept to over 2 million more pension savers: **Charles Counsell**, The Pensions Regulator, UK*

16:00-16:20 Coffee and Tea Break

16:20-17:30 Session 4: Global and Regional Reflections: Roundtable

This roundtable brought together leading pension thinkers and practitioners from around the world in a lively and engaging moderated session that pulled together some of the key messages from the first day. The panelists drew upon global and regional experience.

*Chair: **Ana Revenga**, World Bank Group*

- ***Edward Odundo**, CEO, Retirement Benefits Authority, Kenya and President IOPS*
- ***Benedict Clements**, Division Chief, IMF*
- ***Carlos Ramirez**, President of CONSAR, Mexico*
- ***Uluc Icoz**, Head of Private Pensions, Turkish Treasury*
- ***Junichi Sakamoto**, Chief Adviser, Nomura Research Institute*
- ***Edward Whitehouse**, Director, Axia Economics*

17:30-19:00 Reception

Sponsored by the American Academy of Actuaries and International Actuarial Association

Thursday, April 3, 2014

8:00-9:00 **Breakfast**

9:00-10:40 **Session 5: Delivering Better Costs and Investment**

Improving the efficiency of funded pensions systems by increasing net of fee returns through better outcomes on investment and costs is a critical challenge. Success helps to ease the adequacy-sustainability-coverage issues discussed on the first day. This session started with the power of good comparable data to illuminate what drives costs and investment returns. The session highlighted the importance of scale, expertise, member-focused governance and market structures to improve outcomes. It then used country case studies to draw out how different countries have improved performance on costs and investments.

Chair: **Carlos Ramirez**, CONSAR, Mexico

- *What accurate benchmarking tells us about cost and investment performance:* **Mike Heale**, CEM Benchmarking
- *Market Structure, Scale, Expertise and Governance as drivers of improved costs and investments:* **Will Price**, World Bank Group
- *Sweden: Costs, investments and continuous improvement:* **Annika Sunden**, Swedish International Development Cooperation Agency
- *The impact of auctions in Peru and Chile:* **Michel Canta**, Superintendency of Banking, Insurance and Private Pension Fund Administrators, Peru

10:40-11:00 Coffee and Tea Break

11:00 – 12:40 **Session 6: Investment: Global Trends to Practical Infrastructure Projects**

This session continued the theme of improving the efficiency of pension systems and their contribution to growth and development by looking at investments in practice. It started with a broad ranging overview of assets and returns before taking a specific look at the role of investment in infrastructure. An overview of the role of institutional investors in infrastructure was followed by the experience of a fund manager on the options to build exposure to and capacity in infrastructure. The session then heard of a practical case study of how to improve the ability of institutional investors to invest in high quality infrastructure through a multi-dimensional capital market reform program in Colombia.

Chair: **Satheesh Sundararajan**, Public-Private Infrastructure Advisory Facility, World Bank Group

- *The investment industry globally after the financial crisis:* **John Rogers**, CFA Institute
- *Institutional Investors and Infrastructure in Emerging Markets:* **Fiona Stewart**, World Bank Group
- *Building infrastructure investment capability:* **Kirstine Damkjaer**, Global Infrastructure Fund, IFC
- *Mobilizing Capital Markets for Infrastructure – The Colombian experience:* **Clemente del Valle**, Financiera de Desarrollo Nacional, Colombia

12:40-14:00 **Lunch**

Sponsored by the Investment Company Institute

The Economics and Politics of Global Aging

- **Stephen Goss**, US Social Security Administration

14.00 – 15.40 **Session 7: The Payout Phase: Products, Providers and Structures**

The payout phase – how to ensure that accumulated assets can lead to secure incomes in retirement - has been gaining increasing attention. But understanding and practical solutions still lag behind the accumulation phase. This session helped to correct that by highlighting how many of the insights into improving the accumulation phase for members are directly applicable for the payout phase and how the two phases need to be better integrated in setting overall goals for pensions and retirement. It highlighted the potential power of risk sharing in the payout phase to deliver better pensions. It showed practical tools to understand pricing and value for regulators and supervisors before looking at the challenges to establishing an annuity business in developing markets.

Chair: Roberto Rocha, World Bank Group

- *The size and nature of the Retirement Income Challenge:* **Edward Whitehouse**, AXIA Economics
- *Linking accumulation to the payout goal to address mortality and investment risk:* **Craig Thorburn**, World Bank Group
- *Securing Lifelong Retirement Income:* **Annika Sundén**, Swedish International Development Cooperation Agency
- *Delivering annuities in Developing and Developed Markets: the role of private providers:* **Carmen Hoyo**, BBVA

15:40-16:00 Coffee and Tea Break

16.00 – 17.00: **Session 8: Bringing it all together: Lessons, Solutions and Outcomes**

The final session focused on the overall themes of learning lessons, developing solutions and delivering outcomes that matter. It had 2 leading external thinkers to help frame the key themes and stimulate audience discussion before a final presentation by the World Bank on how to ensure an outcome-focused follow-up to the conference that will achieve real change now and in the years to come.

Chair: Loic Chiquier, Director, Capital Markets Practice and Middle East and North Africa Region, World Bank Group

- *Pensions: Savings or Insurance:* **Solange Berstein**, Former Superintendent of Pensions, Chile and Chair of IOPS Technical Committee
- *The strategic imperative for change:* **Richard Jackson**, Senior Associate Center for Strategic and International Studies CSIS
- *Learning Lessons, Developing Solutions and Delivering Outcomes:* **Will Price** and **Robert Palacios**, World Bank Group
- *Audience discussion*

Friday, April 4, 2014

Roundtable on Regulation and Supervision

The final day of the conference moved to a seminar format to capitalize on the combined expertise drawn together for the first 2 days with a practical ½ day workshop focused on improving regulation, supervision and strategy. It focused on issues and solutions encountered in multiple examples of practical reform programs. It began with the rationale for Risk Based Regulation and Supervision and strategies to deliver comprehensive change. It then looked at 2 specific areas – investment strategies and the critical but under-discussed issues of data, management information and payment systems. The seminar emphasized direct peer-to-peer learning from countries that recently completed or are still in the process of developing and implementing reform plans.

9.00 – 9.05 Welcome Remarks

*Edgar Robles, Superintendent SUPEN, Costa Rica and IOPS Vice-President
Fiona Stewart, World Bank Group*

9.05 – 10.15 Part 1: Strategies, Outcomes and Risk Based Supervision

Initial Presentation by: Michael Hafeman, Chair Toronto Center Insurance and Pension Program, followed by open roundtable discussion with country experiences including: Albania, Indonesia, Slovakia and Turkey and experience from John Ashcroft, Senior Consultant.

10.15– 11.25 Part 2: Developing Investment Governance and Benchmark strategies

Initial Presentation by: Heinz Rudolph, World Bank Group followed by open roundtable discussion with country experiences including: Armenia, Chile, Mexico and Slovakia

11:25 – 11:40 Coffee and Tea Break

11:40 – 12.50 Part 3: Delivering recordkeeping, IDs, MI and payment infrastructure

Initial Presentation by: Oleksiy Sluchynskyy, World Bank Group, followed by open roundtable discussion with country experiences including, Kenya, Uganda, UK, and New Zealand

12:50 – 13:00 Closing and Outcome-Based Assessments

Fiona Stewart, World Bank Group
