



P R E S S R E L E A S E

30 July 2007

IOPS releases new working papers on effective pension supervision

Published today, this series of four working papers highlights a range of challenges to be met in the development of national pension supervisory systems.

As the proportion of retirement income provided by private pensions becomes increasingly important, the quality and effectiveness of their supervision becomes more and more crucial. The series therefore reviews the nature and effectiveness of new and established pensions supervisory systems, providing examples, experiences and lessons learnt for the benefit of IOPS members and the broader pensions community.

Working Paper 1: A Review on the Pros and Cons of Integrating Pension Supervision with that of Other Financial Activities and Services

With the rise of large conglomerates offering a range of financial services, is a single agency the most appropriate means of supervising financial intermediaries (banks, insurance companies, securities firms)? Should Pension Funds be supervised by such integrated authorities? Examining a range of arguments, this paper concludes that the answer depends on the context and environment of the pension system.

Working Paper 2: Supervisory Education, Outreach and Communication, including Training of Trustees

Some pension supervisors have responded to the growing complexity and importance of private pension provision by delivering education programs for pension fund managers, fiduciaries and members. This paper draws together information on how and why these programs are carried out, analysing their impact and effectiveness in examples from Kenya, Ireland, South Africa and the UK.

Working Paper 3: Utilisation of Information Technologies in Off-site Supervision of Private Pension Systems

The increasing intricacies of private pension systems raise the importance of supervising these systems effectively. How can IT be used to do this? How can IT be integrated into an existing

system? With a case study on Turkey, this paper lays out a field for discussion of this question, offering some initial suggestions for international good practise.

Working Paper 4: Experiences and Challenges in Introducing Risk-Based Supervision for Pension Funds

Just as other financial sectors have moved towards a “risk-based” approach to supervision, pension supervisory authorities are also looking to follow the handful of pioneer authorities which have adopted these methods, namely the Netherlands, Mexico, Denmark and Australia. Examining some countries that have learnt from these pioneers, this paper focuses on the experiences and challenges they have faced in adopting risk-based pension supervision.

IOPS President, John Ashcroft said today that the “IOPS has rapidly developed a global reach and is answering a real need among pensions regulators worldwide to share experiences and knowledge.

“In launching this series, IOPS aims to fill a gap in pension research by focusing specifically on supervisory issues. These are of increasing importance to all IOPS member countries and the broader pensions community due to the rise of private pensions and the move to a risk-based supervisory environment.”

The papers are available on the IOPS website www.iopsweb.org

IOPS is an independent international body representing those involved in the supervision of private sector pension arrangements. IOPS has around 60 members and observers representing approximately 50 countries and territories worldwide. One of its key missions is to undertake and communicate research on best practice for the supervision of private pension systems.

For further information please contact:

John Ashcroft
President, IOPS
John.Ashcroft@thepensionsregulator.gov.uk

Fiona Stewart
IOPS Secretariat
Fiona.Stewart@oecd.org