

Non-Financial Defined Contribution Schemes (NDC): Facing the Challenges of Marginalization and Polarization in Economy and Society

Date: Rome October 5&6, 2017

Conference Site:

National Institute for Public Policies Analysis
INAPP - Istituto Nazionale per l'Analisi delle Politiche Pubbliche
Address: Corso d'Italia, 33 – 00198 Rome

Conference Agenda – Structure and Content:

Welcome Address

Giuliano Poletti, Minister of Labour and Social Policies, Italy

Policy Panel

Annika Strandhäll, Minister for Health and Social Affairs, Sweden

Daniele Franco, State Accountant General of Italy, Rome

Michal Rutkowski, Senior Director for Social Protection, Labor and Jobs,
World Bank

Marcelo Caetano, Social Security Secretary at the Ministry of Finance, Brazil

Part 1: Setting the Stage

1. Taking stock

- i. NDC – the Generic Old-Age Pension System: Basics and why NDC is the generic universal public pension scheme
Marek Góra and Edward Palmer
- ii. Present issues and challenges for European NDC Countries
 1. Italy: Sergio Nisticò, Sandro Gronchi, and Mirko Bevilacqua
 2. Latvia: Edward Palmer, Sandra Stabina, and Ingus Alliks,
 3. Poland: Sonia Buchholtz, Agnieszka Chłoń-Domińczak, Marek Góra
 4. Sweden: Bo Könberg and Edward Palmer
 5. Norway: Nils Martin Stølen
- iii. The Russian and the European 'point-based' pension schemes: a comparative analysis
Vera Gurtovaya
- iv. What can we learn from the nascent or thwarted NDC reform processes in other countries: Kirgizstan, Mongolia, Russia; Egypt, Turkmenistan, Greece, etc
Michal Rutkowski, Mark Dorfman, and the World Bank team

Theme advisor: Per Eckefeldt (European Commission)



Part 2: Addressing Marginalization and Polarization

2. Efficient integration of old-age anti-poverty interventions into (N&F) DC schemes (encompasses all types of old-age income guarantees)

- i. Overview of approaches and issues to integrate poverty alleviating interventions into (N & F) DC schemes
Kenneth Nelson and Edward Palmer
- ii. Integrating anti-poverty interventions into NDC accounts - simulated interventions using Swedish individual account data from 1960 Anna Klerby, Bo Larsson and Edward Palmer
- iii. Poverty prevention programs under Defined Contribution Schemes: the case of the new pension solidarity pillar in Chile

Theme advisor: Edward Palmer (Uppsala University)

3. (N & F) DC schemes and longevity: Uncertainty and heterogeneity in longevity (mortality/life-expectancy)

- i. Overview of the relationship of heterogeneity in longevity to pension outcomes and lifetime income
Ron Lee and Miguel Sanchez-Romero
- ii. The Importance of Unbiased Estimation of Life Expectancy for Financial Stability, Heterogeneity and Fair Outcomes in DC Pension Schemes
Edward Palmer and Yuwei de Gosson de Varennes
- iii. Re-designs of NDC and heterogeneity in longevity
Robert Holzmann, Jennifer Alonso-Garcia, Heloise Labit-Hardy, and Andres Villegas.

Theme advisor: Ron Lee (University of California, Berkeley)

4. (N and F)DC schemes and the labor market: The challenge of participation and postponed retirement

NDC in the context of employment contracts: short or/and interrupted careers, growing (partial) informality, migration, slumps due to economic shocks, etc.;

- i. NDC schemes and the labor market: Issues, Challenges and Options
Robert Holzmann, David Robalino, and Hernan Winkler
- ii. Emerging economies in ECA: Latvia and Poland; Estonia, Latvia, Czech republic, Slovak republic, Hungary and Slovenia
Robert Gal and Marta Rado
- iii. Mature economies: Italy and Sweden
Sergio Nistico, Joakim Palme, Stefano Sacchi, and Pernilla Tunberger

Theme advisor: Carmen Pages (IDB)



Part 3: Transversal Topics

5. NDC, family, and gender

- i. Overview paper on gender and family issues (e.g. labor force participation, fertility, separation and surviving partner/parent) and possible policies (e.g. covering sharing of pension rights between partners during the accumulation phase, joint annuities at retirement, etc.)
Nick Barr
- ii. Country simulations using EU-SILC micro-data (proposed for Sweden, Norway, Italy, Poland and Latvia)
Maciej Lis
- iii. The impact of life-course developments on pensions in NDC systems in Poland, Italy and Sweden and point system in Germany using SHARE data
Sonia Buchholtz, Agnieszka Chłoń-Domińczak, Marek Góra, Irena E. Kotowska, Iga Magda, Anna Ruzik-Sierdzińska, and Paweł Strzelecki
- iv. Life-Cycle Partner Equity through NDC Pension Accounts – Bridging the Gaps Created by Unequal Time Use in the Home
Anna Klerby, Bo Larsson, and Edward Palmer

Theme advisor: Monika Queisser (OECD)

6. NDC schemes in emerging economies

- i. What does NDC mean for the administrative requirements
Authors: Robert Palacios and team on Admin & CIT
3 country papers on NDC challenges in emerging economies
- ii. China: Lu Bei, John Piggott, and Bingwen Zheng
- iii. Iran: Reza Kashef and Esmaeil Gorjipour
- iv. Using the NDC Pension Scheme to Transfer the Saving Created by the Demographic Dividend of a Young Nation into Investments in Human and Physical Capital
Bo Larsson, Vincent Leyaro and Edward Palmer

Theme advisor: John Piggott (UNSW)

7. Communication, behavior, and values

- i. The role of knowledge and financial literacy for communication of NDC information
Elsa Fornero and Riccardo Puglisi
- ii. Sweden's Fifteen Years of Communication Challenges – What Are the Challenges Looking Forward
Ole Settergren and Carmen Boado-Penas
- iii. Italy – Vision and preparation of a communication package for NDC in Italy
Tito Boeri and team
- iv. Facts, Values and Beliefs – Is the NDC Story Salable?
Igor Guardiancich and Kent Weaver

Theme advisor: Elsa Fornero (University of Torino)



8. Other topics on NDC – additional important issues that need to be addressed in the overall NDC environment

- i. Rethinking disability insurance, survivors' insurance and old age care under NDC reform
Agneta Kruse and Ann-Charlotte Ståhlberg
- ii. How to best tax pensions in a globalizing world - and how do (N)DC and (N)DB schemes measure up in this respect?
Bernd Genser and Robert Holzmann
- iii. The integration of voluntary, funded plans with NDC schemes
Will Price

Theme advisor: Marek Gora (Warsaw School of Economics)

Closing Policy Panel: Where to go from here

Marcelo Caetano, Social Security Secretary at the Ministry of Finance, Brazil

Per Ekefeldt, Head of Sector, ECOFIN, European Commission, Brussels

Bo Könberg, Former Minister of Social Security, Sweden

Monika Queisser, Division Head, OECD, Paris

Michal Rutkowski, Senior Sector Director, World Bank, Washington, DC



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Conference Agenda – Schedule, Chairs, and Discussants

Thursday, October 5, 2017

Morning

- 08:15 - 09:00 Registration and Morning Coffee
- 09:00 - 10:05 Opening of Conference
Chair: Stefano Sacchi
- 10:05 - 10:30 *Coffee Break*
- 10:30 - 12:30 Theme 1: Taking Stock
Chair: Robert Palacios
Discussant: Per Ekefeldt
- 12:30 - 13:30 *Lunch (served on the premises)*

Afternoon

- 13:30 – 15:30 Theme 2: Integration of old-age anti-poverty interventions into (N&F) DC schemes
Chair: Edward Palmer
Discussant: Joakim Palme
- 15:30 – 16:00 *Coffee Break*
- 16:00 – 17:30 Theme 3: NDC schemes and longevity: Uncertainty and heterogeneity
Chair: Elsa Fornero
Discussant: Sergio Nisticò

Evening

- 20:00 – 21:00 *Guided visit at Palazzo Doria Pamphilj*
- 21:00 – 22:30 *Gala Dinner at Palazzo Doria Pamphilj*
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Friday, October 6, 2017

Morning

08:00 - 08:30 *Morning Coffee*

08:30 - 09:45 Theme 4: NDC schemes and the labor market: The challenge of participation and postponed retirement

Chair: Michal Rutkowski

Discussant: Lu Bei

09:45 - 11:00 Theme 5: NDC, family, and gender

Chair: Monika Queisser

Discussant: Agneta Kruse

11:00 - 11:30 *Coffee Break*

11:30 - 12:45 Theme 6: NDC in emerging economies

Chair: Robert Holzmann

Discussant: Csaba Feher

12:45 – 13:30 *Lunch (served on the premises)*

Afternoon

13:30 – 14:45 Theme 7: NDC and communication, behavior, and values

Chair: Helen Dean

Discussant: Simon Brimblecombe

14:45 – 16:00 Theme 8: Unattended important issues: Disability, survivorship, and long-term care; funded supplements; and taxation of cross border pensions

Chair: Stefano Sacchi

Discussant: Nick Barr

16:00 – 16:30 *Coffee Break*

16:30 – 18:00 Closing Panel: Reflections on the topics of the conference and where to go from here

Chair: Robert Holzmann

18:30 to 20:00 *Cocktail and mingle*
