

CONFERENCE ON PENSION SCHEMES FOR CIVIL SERVANTS PENSION FUNDS

Brasilia, Brazil, 1-2 October 2003

SUMMARY RECORD OF THE MEETING

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I. Introduction

1. The subject Conference was held in Brasilia, Brazil on 1-2 October in co-operation with the Brazilian Government, namely the Ministry of Social Security, as well as the Ministry of Foreign Affairs, and was conducted in the framework of the Brazil Programme of the OECD Centre for Co-operation with Non-Members with sponsorship by the Government of Japan. The conference's agenda is provided in Appendix 1.

2. The conference was attended by more than 360 participants across the Brazilian political, economic, and social spectrum: e.g. congresspersons, federal government representatives (Minister and Secretaries of the Ministry of Social Security, Secretary of the Treasury et al), state and municipal government and parliamentary representatives, media, labor union representatives, and private sector (pension fund industry) representatives. Several experts from OECD member countries (Denmark, Spain, and the US) and international organizations, including the International Labor Organization (ILO), participated in the meeting.

3. The event was organized as part of the national debate on the Brazilian pension reform proposal, which was being discussed in the Congress as a constitutional amendment. The proposal combines a comprehensive adjustment in the current pay-as-you-go system (retirees' contribution, retirement age increase, replacement rates reduction and benefits' cap) with the introduction of complementary pension schemes. Once the constitutional amendment proposal is approved, the Brazilian government will need to issue complementary regulations. The implementation of the new private pension scheme also depends on further legal initiatives at national and sub-national levels. Governmental authorities took this opportunity to disseminate and discuss the proposal and to obtain technical advice arising from various international experiences.

4. The meeting was conducted in two parts. The first day was dedicated to civil servants schemes. The main issues discussed were related to international trends on pension reform for government workers and to the Brazilian pension reform proposal, considering both its institutional design and fiscal impacts. Specific country experiences from Australia, Canada, Denmark, the Netherlands and the United States were presented. Representatives of Brazilian federal, states and municipalities were invited to present their views on this theme.

5. The second day addressed issues related to the complementary pension schemes in a broader sense. The key topics analyzed were: the OECD principles on regulation and supervision of occupational pension funds; the perspectives of the Brazilian complementary scheme; the role of professional associations on private pensions; governance and investment of pension funds. Besides the national participants, speakers from Spain, the US and from the OECD secretariat presented international good practices, standards and principles concerning these issues.

II. Opening Remarks

6. The meeting was opened by the speeches of the representatives from the main organisers of the conference, Mr. Ricardo Berzoini, Minister of Social Security, Mr. Hugueneu Filho of the Ministry of

Foreign Affairs, and Ms. Marilyn Yakowitz of the OECD. Mr. **Hugueneu Filho**, on behalf of the Minister of Foreign Affairs, welcomed the participants and highlighted the partnership formed with the OECD to organize the meeting. Ms. **Yakowitz** outlined the OECD main activities in the area of private pensions and discussed co-operation with non-member countries and, in particular with Brazil. She focused on the Working Party on Private Pensions, illustrating how OECD works in its Committees and sub-bodies and the value for participants. She pointed out that the co-operation with Brazil is targeted along three main axes: (i) country participation in OECD committees and subcommittees; (ii) economic monitoring through periodic economic surveys and (iii) analysis and joint activities in, for example: taxation, agriculture, competition policy, insurance, public debt management, anti-corruption, etc. Mr. **Berzoini** emphasized the importance of the civil service pension reform in the Brazilian economic, fiscal, and social context. He said the conference was happening at a very important moment, given the current political debate in Brazil. As pensions are a worldwide problem, he thought that it would be very interesting to learn how other countries were adjusting their pension systems to structural changes in the labour markets and labour organization and in demographics. According to the Minister, in the national debate there was a lack of information concerning the international experience and he expected that the seminar could help to fill this gap. Mr. Berzoini affirmed that the main goals of the Brazilian pension reform process were to increase social protection coverage and to assure economic viability as part of Brazil's overall economic development strategy.

III. International Trends on Pension Reform and the Brazilian Proposal

7. This session introduced the international trends in pension reform in OECD countries (aging and the necessary cutbacks in benefits and/or shift to from the DB to the DC systems) and placed the Brazilian reform in this perspective.

8. Mr. **Helmut Schwarzer**, the Social Security Secretary, introduced the main features and problems of the Brazilian pension system, presented the key points of the pension reform proposal and explained the reasons why the reform is necessary from economic as well as social viewpoints. Additionally, he presented a comparison between the Brazilian and other Latin American and Eastern European pension reforms. According to Mr. Schwarzer, the main reasons to pursue civil servants pension reform in Brazil are related to the necessity to promote social equity and economic sustainability in a country with high income concentration and facing population ageing problems. The key reform measures are oriented to harmonizing pension rules for public and private sector workers and establishing complementary defined contribution pension funds for government workers. The Secretary emphasized that the Brazilian proposal is quite different from the structural reforms experienced in neighbouring countries. The Brazilian government is proposing to strengthen the role of the state in pension provision and has designed the overall social security system to have the public and private sectors work together on a complementary system (rather than on substitutive system that is the case in some other Latin American and Eastern European countries).

9. Mr. **David Lindeman**, OECD consultant, presented the international trends on pension reform for civil servants, covering worldwide experiences (Africa, Southeast Asia, Middle East, Europe and North America). He explained that, historically, in most countries civil servants pension schemes were the earliest pension arrangements. During the 20th century, some countries opted to partially or completely integrate them into the general public schemes, but other countries continue to maintain separate and more generous regimes for civil servants. He identified as a general international trend the integration or co-ordination of private and public workers schemes, with parametric reforms and development of pre-funded complementary systems for civil servants. Additionally, Mr. Lindeman raised some issues related to federal constraints on the regulation and supervision of local civil servants regimes, the adequate funding of defined benefit plans, and the transition from unfunded to funded schemes in the public sector.

10. The presentations were followed by general debate that addressed issues related to: (i) the financing of social security schemes through sales taxes; (ii) the impact of the reduction of contribution rates on formal labour markets and other measures to increase coverage of the pension system; (iii) problems faced by DC civil servants pension plans in the US; (iv) the relative generosity of the Brazilian civil servants pension system compared to those of the OECD countries; (v) investments regulations and strategies for civil servants pension funds; (vi) the use of mandatory versus voluntary complementary pension schemes (2nd pillar); (vii) the financial sustainability of PAYG schemes and (viii) international experience on retirees' contribution.

11. In the round table, Mr. **Joaquim Levy**, the Treasury Secretary, stressed the importance of the proposed Brazilian reform in the context of fiscal responsibility. He pointed that Brazilian economic growth should be based in three pillars: (i) sound fiscal and monetary policies; (ii) social protection networks and (iii) a favourable environment for the private initiative. Mr. Levy noted that while Brazil had a relatively younger population, its pension payments were above the OECD trend line, even though OECD countries have a much older population, thus placing it as an "outlier" in the world. He presented some figures showing the fiscal burden of pension expenditures as compared to other social expenses and analysing its redistributive impact. The Secretary also estimated that the federal government will save around R\$ 47 billion (US\$ 14.5 billion) in 20 years as fiscal impact of the pension reform and the States would save more R\$ 15 billion (US\$ 5.4 billion). Finally, he argued that the future public complementary pension funds for civil servants should not be submitted to the public administration rules, but rather should be governed by the regulations applied to the overall private complementary pension scheme.

12. Mr. **Alejandro Bonilla**, from the ILO, emphasized four elements that should be taken into consideration in the pension reform process: (i) respect of the worker's rights and obligations; (ii) promotion of employment, efficiency and competitiveness; (iii) the mandatory nature of social security; and (iv) social dialogue. Mr. Bonilla argued that pension reform should not be understood as a static picture, but as process ("a road movie") - pension reforms systems should be revised periodically and democratically. He also stated that the following principles should guide the organisation of the social security systems – (i) equity; (ii) solidarity; (iii) universality, with focus on vulnerable and unprotected groups; (iv) State responsibility and (v) transparent and democratic management.

13. The following general debate raised questions on: (i) the fiscal impacts of pension reform; (ii) the fiscal impact of social inclusion; (iii) comparison of rules and numbers between private sector and government workers; (iii) fraud in pension administration; (iv) the tax treatment of pension funds, and (v) gender inequalities in pension rules.

IV. International Experience on Pension Reform for Civil Servants: Case Studies

14. This section of the conference presented relevant country experiences for Brazil and was followed by a round table with state and local pension scheme representatives and managers.

15. Mr. **Ole Soerensen**, from ATP Denmark, outlined the pension system and the reforms made in Denmark over the past 50 years, where the emphasis has traditionally been more on the social nature of the pension system. The country combines a public universal basic PAYG scheme with a private complementary defined contribution scheme for civil servants, organised under collective bargaining agreements. The complementary scheme is based on a collective insurance approach with the mutual sharing of financial and social risks, long term guarantees, and limited scope for individual choice. The current debate in Denmark is on how to expand individual choice without dismantling mutual risk-sharing, while avoiding adverse selection and free riding.

16. Mr. **David Lindeman** presented case studies of federal and local pension systems in Australia and the US. He provided an historical background of the US pension system and analysed its overall structure, main problems, and policy and practice trends. Regarding US federal government workers system, he explained how civil servants were integrated into the general scheme in the 1980's reform and described the main features of the Federal Thrift Savings Plan, which is a defined contribution scheme that covers post-reform federal workers. Mr. Lindeman also raised issues related to the governance, funding and beneficiaries' rights in state and local government pension plans. As for Australia, he noted that there is a basic flat national means-tested benefit for all workers, and civil servants are covered for specific superannuation funds with hybrid DC-DB, similar to "Notional Defined Contribution (NDC)" plans.

17. Mr. **Colin Pugh**, OECD consultant, compared two large civil service pension funds, respectively in the province of Ontario in Canada and in the Netherlands. Both are funded DB schemes organised to provide complementary pensions on the top of the national basic pension paid by the general national system. Mr. Pugh described the governance structure, asset allocation, funding rules of these funds and presented figures of membership and accumulated assets, with particular emphasis on their significant roles in the financial markets. He concluded that the Canadian fund may provide good lessons on governance structure, while the Dutch had an interesting investment management approach, adopting Asset Liability Management (ALM) and prudent person provisions.

18. After the presentations, representatives of Brazilian states' and municipalities' pension schemes discussed in a round table aspects of the international experiences relevant to the national pension reform. Mr. **Paulo Ziulkowski**, President of the National Confederation of Municipalities, discussed the impact of the pension reform in small municipalities, drawing special attention to the contribution rates, ceiling for the pension system and relationship between the general regime and the civil servants regime. Mr. **Ronaldo Figueiredo**, President of the Civil Servants Pension Fund of the State of Rio de Janeiro, focused on the importance, advantages and challenges of the establishment of complementary pension funds for government workers. Mr. **Alencar Ferreira**, President of the Civil Servants Pensions Institute of the Municipality of Sao Paulo, presented the general figures of Sao Paulo's scheme. He argued that the future complementary public funds should be regulated and supervised under the same legal provisions applied to the private sector. He also suggested that the investment policy of these funds should be constrained by ethical and ecological parameters. Mr. **Jeovalter Correa**, President of the Pension and Human Resources State Agency of Goiás, emphasized the relevance of federalist forums or councils to discuss and coordinate the pension policy among local, state and federal levels. He raised some concerns related to potential legal constraints of the complementary pension funds organised as public entity rather than private institution and to the benefit and salary ceilings.

19. The audience participated in the debate asked questions related to: (i) impact of the pension fund management on the speculative financial bubbles in the US; (ii) pros and cons of the DB and DC schemes; and (iii) fiscal incentives for the establishment of voluntary complementary pension schemes at state and local level.

V. Pension Reform and Private Pensions Regulation and Supervision

20. This section addressed the trends and principles of private pension regulation and supervision in the OECD countries and in Brazil.

21. Mr. **Adacir Reis**, Secretary for Complementary Pensions outlined current government plans for establishing the complementary pension system for civil servants, explained the main features, and reviewed recent changes in the Brazilian private pension scheme. Mr. Reis mentioned that, traditionally, the occupational pension plans were organised on as defined benefit plans, which generated unfunded liabilities mainly in state owned companies. The main recent trend is the move to DC plans, which raises

important issues related to the need to improve disclosure policies and to encourage member participation. The Secretary presented recent regulatory modifications that implement full portability and vesting, improve governance structures and sanctioning policies, and allow the operation of multi-sponsored funds and plans. He also mentioned the recent improvements in pension fund investment policies with the adoption of an asset liability management approach to investment. He emphasized the role of professional associations, which recently were allowed to establish pension funds for their associated members. Finally, Mr. Reis mentioned the Government's intention to strengthen the institutional capacity of the relevant supervisory and regulatory bodies.

22. Mr. **Vinicius Pinheiro**, from the OECD Secretariat, presented comparative indicators for Brazil and OECD countries showing that Brazil is a “young developing country”, but with a level of public pension expenditures similar to “old developed countries”, which could negatively affect competitiveness, savings, public expenditures in other social areas (e.g. education, R&D, health) and economic infrastructure, and therefore jeopardise economic growth. Mr. Pinheiro argued that the development of the complementary private pension scheme would be the only path to simultaneously alleviate the fiscal burden and implicit public liabilities, while maintaining social welfare. He presented the OECD classification of private pension schemes and the OECD “15 Principles of Regulation and Supervision of Occupational Pension Funds”. Finally, he discussed issues related to the institutional design of the supervisory agency.

23. Following the presentation, the discussant, Mr. **Carlos Eduardo Esteves**, assessor of the Presidential cabinet, raised questions on the regulation of DC plans for disability benefits and survivors' pensions, and on the OECD experience on private pension taxation. Mr. **Fernando Pimentel**, president of the Brazilian Association of Occupational Pension Funds, expressed his concerns regarding the public legal status of future governmental workers' pension funds. He argued that it would be more suitable if these funds were organised as private institutions. He also addressed issues on tax treatment, governance and investments regulations.

24. Members of the audience raised questions on: (i) legal status of the government workers pension funds; (ii) role of professional associations; (iii) investment regulations; (iv) migration from DB to DC schemes; (v) financing of the supervisory agency; (vi) administrative costs; (vii) institutional integration of financial sector supervisory agencies; (viii) risk-based supervision; and (ix) off-site monitoring techniques.

VI. Professional Associations and Pension Funds

25. This session discussed the role of the associations in the organization of complementary pension schemes.

26. Mr. **Carlos Bravo**, from the Spanish Worker's Union Central, presented the Spanish pension system and in particular, its complementary pension scheme (2nd pillar). He mentioned that the development of the 2nd pillar in Spain is a result of the combination of adequate fiscal treatment and incentives with strong political support for the collective arrangements based both on employment relationship (occupational plans) and on associations (e.g. unions, professional associations). Individual voluntary savings plans (3rd pillar), managed by banks and insurance companies, also play an important role in terms of asset accumulation on the overall private retirement system. Mr. Bravo explained that there is a trend towards DC plans and showed that the occupational plans have lower cost and higher returns when compared with associative pension schemes. According to Mr. Bravo, the development of associative system is constrained by its capacity to compete with financial institutions that offer personal pension plans.

27. Ms. **Monica Calhoun**, from the Teachers Insurance and Annuity Association College Retirement Equities Fund (TIAA-CREF), presented the history, governance structure and investment policy of TIAA-CREF. This is one of the earliest and largest pension funds in the US. It is organised as a private non-profit institution supervised by the state of New York under its insurance laws. TIAA-CREF provides DC plans with minimum guarantees to workers in the education sector covering 47 states. She discussed the main advantages/disadvantages of DC and DB plans. Ms Calhoun said that TIAA-CREF pension plan is characterised by diversified savings and investment vehicles, pre-retirement death benefits, flexible payout options, and provision to participants of numerous services related to financial education and advice. Because participants exercise investment options, financial literacy programs are considered as a core activity.

28. The discussant, Mr. **Benedito Fernandez Duarte**, President of the Getulio Vargas Association Pension Fund, described the experience of the first Brazilian associative pension fund established in accordance with the new legal provisions. The other discussant, journalist **Luís Nassif**, raised questions related to loans to participants, portability, transition from DB to DC schemes, and to impacts of the volatile US financial markets on benefit security in DC schemes.

VII. Investment Regulations and Governance

29. This session discussed issues related to prudential and quantitative regulatory approaches in Brazil and in the OECD countries, and principles of governance for occupational private pension funds.

30. Mr. **Hilmar de Moraes**, investments director of the Secretariat for Complementary Pensions, discussed the main elements that should be considered on the design of the investment regulations, including liquidity, asset liability management, risk management, conflict of interests, transparency, responsibility and ethics.

31. Mr. **Diego Valero**, from Novaster – Spain, focused his presentation on the historical background, main concepts and features of both prudent person and quantitative investment regulations. Based on the OECD’s investment regulations survey for pensions, he discussed the adoption of both approaches to investment regulation in several OECD and Latin American countries. Mr. Valero mentioned that the recent European Commission Directive on Occupational Pension Funds strongly supports the adoption of the prudent person approach and also raises other relevant aspects related to the organisation of the private scheme, including the separation of pension fund assets from those of the sponsor, transparency, and management efficiency. He argued in favour of hybrid models combining prudent person and quantitative restrictions,

32. The discussants Mr. **Lauro Araújo**, from Mercer – Brazil, and Mr. **Sérgio Darcy**, Central Bank Director, asked questions related to the comparison between the Value-at-Risk (VAR) and Asset Liability Management (ALM) approaches, to the criteria to evaluate investment performance and to the regulatory lessons of the Enron debacle in the US.

33. Mr. **Russell Galer**, from the OECD Secretariat, discussed the concept and reasons justifying the need for improved governance in pension funds. He also presented the 12 OECD “Guidelines on Pension Fund Governance” discussing their basic assumptions and consequences. Mr. Galer outlined internal and external control mechanisms, emphasizing the role of third parties (auditors, actuaries, whistle-blowers, custodians and pension fund members) on the monitoring and oversight of the governing board and internal operations. He also addressed issues regarding investment regulations and rights of beneficiaries.

34. Mr. **Waldemir Bargieiri**, supervision director of the Secretary for Complementary Pensions, presented the legal governance provisions for occupational pension funds in Brazil, explaining that most of

them are in accordance with the OECD Guidelines. In addition to the implementation of these legal provisions, pension funds are encouraged to follow good practices in this area. Disclosure, financial education and social dialogue were identified as core areas for improvement. He pointed that the government is working on the integration of on-site inspections and off-site monitoring and suggested that internal controls and other self-supervision mechanisms should be encouraged. Mr Bargieiri also analysed how Brazilian pension funds are managing liquidity, credit, market, actuarial and operational risks.

35. The discussants, Mr **José Ricardo Sasseron** and Mr. **José de Souza Teixeira**, representatives of the participants and the union, respectively, raised issues related to the importance of the members' participation in the pension fund management and disclosure. Mr. **Guilherme Naciso de Lacerda**, president of FUNCEF, presented the main features of the pension fund for Caixa Economica Federal employees, emphasizing the need to move towards self-regulation and self-supervision.

VIII. Conclusion

36. The concluding remarks by Mr. Adacir Reis, State Secretary for Complementary Pensions, Mr. Helmut Schwarzer, State Secretary for Social Security, and Mrs. Yakowitz, OECD, summarised the substance of the meetings in light of the issues in Brazil, and discussed next steps for OECD-Brazil work on pensions in the context of the Brazil Programme of the OECD. They all concluded that the meeting was very successful against the current political background in Brazil, where pension reform is not only the most important response in addressing its fiscal problem but also the biggest political issue this year.

37. The Brazilian government was well prepared and organized for the seminar, in light of the political and economic import attached to this issue. The Brazilian government, inter alia the Ministry of Social Security, appears to have achieved its primary objectives for the seminar, i.e. raising its profile; increasing public awareness of the importance and necessity of pension reform and its relation to Brazil's long-term development in the fiscal, economic and social spheres; and collecting technical information from the international community to assist it in taking further regulatory steps.

38. Government representatives seemed fairly confident of securing early passage of the pension reform bill, which has been forwarded to the Senate from its House of Representatives. They also suggested, once the bill is finally enacted, that they may require further technical assistance to train their supervisory staff, which currently number about 200, but which they feel is inadequate to oversee the large number of prospective pension funds in a highly technical regulatory environment. The success of this Conference should pave the way for similar co-operation between the OECD and other non-members in the pension field, and highlights the importance of the outreach activities of the OECD/DAFFE as well as those of the INPRS.

APPENDIX 1

PROGRAM

Wednesday 1st October 2003

9:00-10:00 Welcome and Introduction

Ricardo Berzoini – Minister of Social Security

Ambassador Clodoaldo Hugueneu Filho – Deputy General Secretary of the Minister of Foreign Affairs

Marily Yakowitz – Head of Unit of the Baltic, South America/Brazil Programmes / Center for Co-operation with non-Members / OECD

10:00-11:00 International Trends on Pension Reform and the Brazilian Proposal

Moderator: Senator Marcelo Crivela (PT)

Speaker 1 – Overview of the Brazilian Pension Reform - Helmut Schwarzer (Social Security Secretary/MPS) – 30 minutes

Speaker 2 – Civil Servants Pension Regimes throughout the World – David Lindeman (OECD Secretariat) – 30 minutes

11:00 – 11:20 Coffee Break

11:20 – 12:30 Round Table on Pension Reform for Civil Servants

Moderator: Miriam Leitão (Journalist – “Rede Globo”)

Pension Reform and Fiscal Sustainability – Joaquim Levy – Secretary of Treasury – 30 minutes

Political Economy of Pension Reform: Recent Events in Europe – Alejandro Bonilla – International Labour Organisation (ILO) – 30 minutes

Debates – 10 minutes

12:40 - 14:20 LUNCH

14:20 – 16:20 – International Experience on Pension Reform for Civil Servants: Case Studies

Moderator: Deputy José Pimentel

Speaker 1 – Civil Servant Pension Scheme in Denmark – Ole Beier Soerensen – (ATP/Denmark) - 20 minutes

Speaker 2 – Civil Servants Pension Schemes in United States and Australia – David Lindeman (OECD Secretariat) – 40 minutes

Speaker 3 – The Cases of the Dutch Civil Servants Pension Fund (ABP) and the Ontario Municipal Employees Retirement System in Canada (OMERS) – Colin Pugh (Consultant) - 40 minutes

Debates: 20 minutes

16:20 – 16:40 – Coffee Break

16:40 – 18:15 – Round Table – Debates on the international experience and the Brazilian case

Moderator: Senator Hélio Costa (PMDB/MG)

Discussant 1 – Ronaldo Figueiredo – President of the Civil Servants Pension Fund of the State of Rio de Janeiro (RIOPREVIDENCIA) – 15 minutes

Discussant 2 – Alencar Rodriguez Ferreira – President of the Civil Servants Pensions Institute (IPREM) of the Municipality of Sao Paulo – 15 minutes

Discussant 3 – Paulo Ziulkowski – President of the National Confederation of Municipalities (CNM) – 15 minutes

Discussant 4 – Jeovalter Correa – President of the Pension and Human Resources State Agency of Goiás

Debates – 20 minutes

Thursday 2nd October 2003

9:00-11:00 Pension Reform and Private Pensions Regulation and Supervision

Moderator: Deputy Jorge Bittar (PT/RJ)

Speaker 1: Perspectives of the Complementary Pension Schemes in Brazil – Adacir Reis (Secretary for Complementary Pensions/MPS) – 45 minutes

Speaker 2: OECD Experience on Regulation and Supervision of Pension Funds – Vinicius Pinheiro (OECD Secretariat) – 30 minutes

Discussant 1: Carlos Eduardo Esteves (Assessor of the Presidential Cabinet) - 15 minutes

Discussant 2: Fernando Pimentel (President of the Brazilian Association of Pension Funds - ABRAPP) – 15 minutes

11:00 – 11:20 - Coffee Break

11:20 – 13:00 Professional Associations and Pension Funds

Moderator: Senator Ana Júlia (PT/PA)

Speaker 1 – The Spanish Experience – Carlos Bravo (Director of the Spanish Worker’s Union Central) – 30 minutes

Speaker 2 – American Teachers Insurance and Pension Fund TIAA/CREF, Monica Dodd Calhoun (Director of TIAA/CREF- United States) – 30 minutes

Discussant 1 – Benedito Fernandez Duarte, President the Fundacao Getulio Vargas Association Pension Fund – 15 minutes

Discussant 2 – Luís Nassif – (Journalist “Folha de Sao Paulo“) – 15 minutes

Debates: 10 minutes

12:55 – 14:20 LUNCH

14:20 – 16:00 – Investment Regulations

Moderator: Deputy Carlos Mota (PL/MG)

Speaker 1 – Investment Portfolio Allocation Limits in Brazil, Hilmar de Moraes (Investment’s Director of the Secretary for Complementary Pension Funds/MPS) – 30 minutes

Speaker 2 – International Experience on Prudential and Quantitative Investment Regulations, Diego Valero (NOVASTER- Spain) – 30 minutes

Discussant 1 – Lauro Araújo (Investment Specialist /Mercer) – 15 minutes

Discussant 2 – Sérgio Darcy (Director of the Central Bank) – 15 minutes

Debates: 10 minutes

16:00 – 16:20 – Coffee Break

16:20 – 18:00 – Governance

Moderator: Senator Romero Jucá (PMDB/RR)

Speaker 1 – OECD Principles of Governance, Russell Galer (OECD) – 30 minutes

Speaker 2 – Governance and Rights of Beneficiaries in Brazil, Waldemir Bargieri (SPC) – 30 minutes

Discussant 1 – José Ricardo Sasseron, President of the National Association of Pension Fund's Participants (ANAPAR) –15 minutes

Discussant 2 – José de Souza Teixeira (President of the Pension Funds Union - SINDAPP) –15 minutes

Discussant 3 – Guilherme Narciso Lacerda (President of the “Caixa Economica” employees Pension Fund - FUNCEF)

Debates: 10 minutes

18:00 CONCLUDING REMARKS

Adacir Reis – Secretary for Complementary Pensions

Marily Yakowitz – Head of Unit of the Baltic, South America/Brazil Programmes / Center for Co-operation with non-Members / OECD

Helmut Schwarzer – Secretary for Social Security, on behalf of the Minister.