



PENSIONS **EUROPE**

PensionsEurope

Matti Leppälä



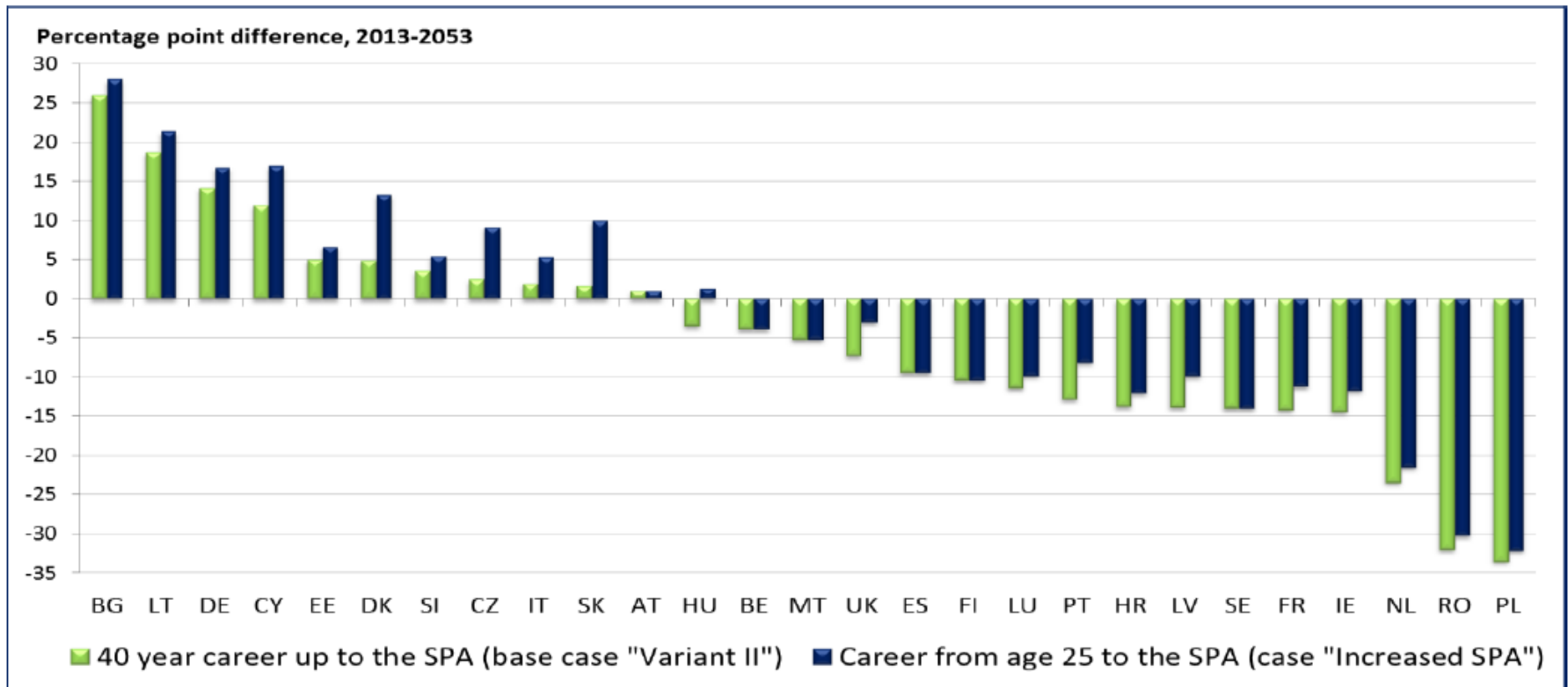
OECD/IOPS Global Forum on Private
Pensions, Berlin, 29 October 2015



“Pension Trends and the Changing
Supervisory Landscape”



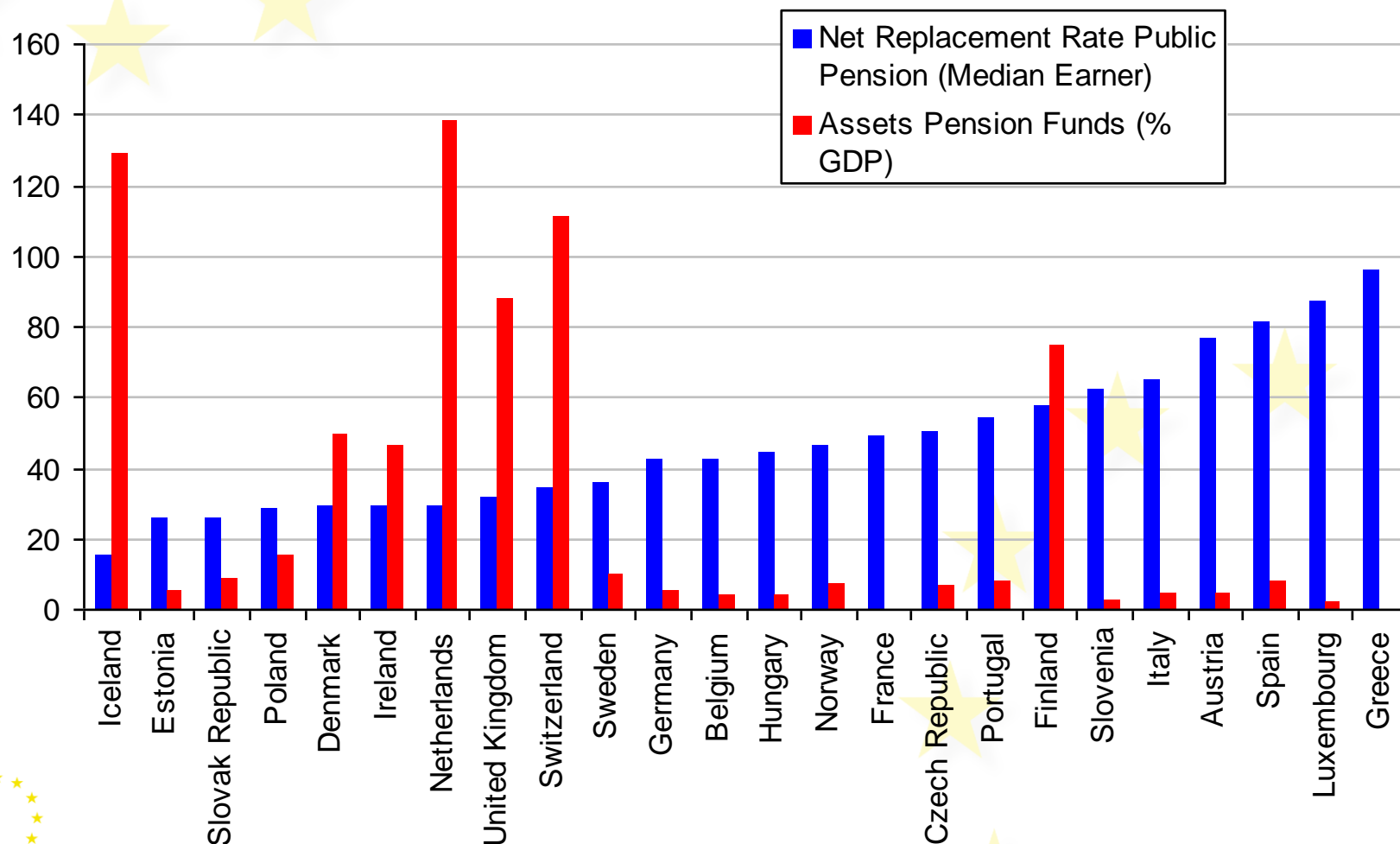
Development of pension adequacy



Source: SPC Pension adequacy report (2015)



1st pillar vs. 2nd pillar pensions



Source: OECD (2012)

Pension trends across Europe



- Increase in number of DC schemes:
 - **Growing importance at both international and European level:**
 - DC pension funds assets in OECD countries increased from 30.3% to 35% between 2001 and 2011(OECD)
 - DC schemes are **dominating in Eastern European Countries:**
 - DB still dominate in countries with large occupational pension sector (UK, NL). However, there is a **shift away from DB**
- Central issues (both DB and DC): how to deal with volatile financial markets
- Reverse developments in some CEEC Countries (Poland, Czech Republic, Hungary)



Shift from DB to DC

**Risk
employer**

Pure DB

DB contribution based

Various hybrids

DC with guarantees

Pure DC

Risk employee

Southern Europe



- Focus on sustainability: raising retirement ages and cutting public pensions;
- DC schemes dominate in Southern European countries (Italy, Portugal, Spain)

