

**OECD/IOPS Global Forum on Private Pensions
9-10 November 2016**

Opening Address

**Dr David Wong Yau-kar
Chairman
Mandatory Provident Fund Schemes Authority**

Distinguished guests, ladies and gentlemen,

On behalf of the host organization, the Mandatory Provident Fund Schemes Authority (MPFA) of Hong Kong, let me warmly welcome all of you to this Global Forum. I extend a particularly warm welcome to our visitors from around the world. We are pleased that so many of you have been able to join us. I hope you have a productive and enjoyable time here in Hong Kong. I also welcome our local guests who come from across our stakeholder community including academics, media, fellow regulators, government, MPF industry and the wider financial services industry.

For many of our participants, in particular the member supervisors of the International Organisation of Pension Supervisors (IOPS), this is already the 3rd, 4th or even 5th meeting or event that you have participated in this week. I do hope that you have the energy to remain engaged in this important global forum.

The MPFA is excited that this global forum and the associated IOPS meetings are able to be a highlight point to our activities marking the 15th year of the MPF system here in Hong Kong.

I am sure that you will find the content of the forum, over this afternoon and tomorrow, to be interesting and relevant. The issue of pensions and retirement savings is a crucially important one all around the world – the Forum confronts many aspects of a broad challenge that all jurisdictions represented here have to grapple with – how to provide income security for the elderly in an increasingly ageing world. We, and I believe almost all in the room, remain committed to the principle that private contributory pension systems, like our own MPF System, have a critically important role to play, as part of a broader framework – but they do not stand alone, they must operate within a system of shared responsibility that includes a range of government support, community and social support and other private savings as well.

You will see that the agenda of the Forum touches on many important themes – this afternoon we look firstly to topical issues here in Hong Kong, then we focus on some of the big issues facing systems across Asia such as coverage and adequacy. Tomorrow, the focus turns to globally important issues such as fees, public versus private pension provision, advice frameworks and the challenges of the payout phase.

When I look at the agenda, what strikes me is the commonality of the issues that confront retirement savings systems both here in Hong Kong and around the world - issues such as

- How to strike an appropriate balance between public and privately funded retirement income
- How to get maximum private pension coverage for the population
- How to design systems that can produce adequate savings outcomes,
- How to provide private pensions in a way that is not overly expensive to members
- How to structure the payout phase in a way that best addresses the fundamental objectives of a retirement savings system

Often, here in Hong Kong, we face discontent with many elements of our system, including those that I just mentioned. It gives me just a little comfort to see that we do not face these challenges alone - others face many of the very same issues whether in Asia, Europe or Latin America and whether in developed or developing economies. I am confident that by coming together for events such as this Global Forum, and through the work of groups such as the IOPS Technical Committee, we are better able to work towards common directions so that, consistent with the theme of this event, we are all able to make private pensions work better.

It is my pleasure to introduce our keynote speaker, the Chief Secretary for Administration of the Government of the Hong Kong Special

Administrative Region the Honourable Mrs Carrie Lam. Mrs Lam has a great many areas of responsibility within the Hong Kong SAR Government. One of those includes addressing one of those important global themes that I mentioned – namely how to strike the right balance between various types of government provision and private pension provision. This is one of the very most important livelihood issues that our Government is working on finding a way forward with. We look forward to hearing what Mrs Lam has to say on this and other topics.

Please join me in welcoming her.