

Paper 4D



ASIA PACIFIC FINANCIAL FORUM

An Overview of APFF Work Related to Retirement and Long-term investments

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and APFF Retirement and Long-Term Investment WG

Da Nang, 4 November 2017

APFF work on retirement and long-term investment

2017 APFF Progress Report to APEC Finance Ministers

Expanding the Region's Long-Term Investor Base

- **Triple wins** thru Retirement income and long-term investment
 - **Consumers** receive high and stable returns for long-term savings
 - **The financial sector** is able to access deeper capital markets for infrastructure investment.
 - **Governments** obtain relief from large contingent fiscal liabilities
- **Triple gaps** to address to achieve the above objective
 - **Pension/Protection Gap**
 - **Infrastructure/Investment Gap**
 - **Regulatory/Accounting Gap**

1. Mandatory provisions and scalable retirements systems
2. Tax incentives to promote long-term saving products
3. Product/distribution innovation and financial awareness

- The APFF intends to coordinate with global initiatives (i.e. OECD, World Economic Forum) and the pension industry (i.e., Asia Pacific Investors Cooperation) and to hold dialogues with both pension and insurance regulators
 - APFF/APIC Regional Pension Funds and Social Security Systems Summit, 5-6 December 2017, Hong Kong
- The APFF continues to study selected APEC economies and examine gaps and potential solutions on retirement income and longevity solutions. The following are some examples of the recent developments in the region:
 - Thai Government introducing a new mandatory provident fund scheme
 - Malaysia's Employees Provident Fund (EPF) receives innovation award for its retirement advisory service
 - Australian government's consultation on the Discussion Paper
 - Life Annuity Scheme in Hong Kong

1. Promotion of infrastructure as a defined asset class
2. increased fiscal spending by Asian sovereigns within macroeconomic parameters suitable for developing economies
3. adoption of various financing vehicles, with a broader public-private partnership framework to promote long-term infrastructure investment

Infrastructure/Investment

- The APFF is coordinating with global (i.e. Global Infrastructure Hub, OECD, WEF) and ASEAN initiatives (i.e. AIC) and the securities industry (i.e. ASIFMA), and undertakes dialogues with selected APEC economies (i.e. Indonesia, Vietnam, Philippines, Thailand)
 - APFF/APIP Dialogue with Indonesian Government on PPPs in Waste Management on 14 March in Jakarta
 - APEC Finance Ministers Process Seminar on Long-Term Investment in PPP on 17 May in Ninh Binh
 - APFF Roundtable on Long-Term Investment on 25 July in Toronto
- The APFF continues to study selected APEC economies and examine possible improvements to attract long-term investors, including financing vehicles, green finance, and survey on infrastructure investments:
 - Rethinking risk allocation in PPPs
 - The IFC/WBG's PPPs in infrastructure

1. Bank-centric regulations
2. Short-term oriented economic regime
3. “One-size-fits-all” model

Remaining key accounting issues

- *Unit of account*
- *Scope for “variable fee approach”*
- *Transition*

- The APFF participates in global and regional conferences and meetings to discuss relevant regulatory and accounting issues.
- The APFF has engaged in continuous outreach and dialogue with policymakers, regulatory authorities and accounting standard setters, international (i.e. IAIS, IASB, OECD, World Bank) and regional institutions (i.e. ADB, ASEAN, NAIC, ASSAL)
 - IAIS Work on risk-based global ICS and Dialogue with IAIS
 - IFRS17 and Dialogue with IASB
 - Dialogue with regulatory authorities in the region (i.e. Indonesia, Thailand)
 - Coordination with ASEAN Insurance Council, Geneva Association and IIF
- The APFF continues to study selected APEC economies and examine regulatory and accounting issues and consider possible implementation support:
 - APFF Roundtable on Insurance Regulations and Accounting on 31 October in Hong Kong

2017 seminars (to be) contributed by the APFF RLTIWG

9

- 17th OECD/ADB Roundtable on Capital Market and Financial Reform, Tokyo, 2-3 March
- 18th ASSAL/AIOS/IAIS Seminar, Santiago de Chile, 17-18 April
- 3rd Indonesia Infrastructure Finance Conference, Jakarta, 17-18 May
- 10th IAIS Global Seminar, Old Windsor, 29-30 June
- 5th EIOPA/ICIR Conference on Global Insurance Supervision, Frankfurt, 6-7 September
- OECD/NAIC/OIC Roundtable on Insurance and Retirement Savings in Asia, Bangkok, 20-21 September
- 5th Insurance China International Summit, Shanghai, 21-22 September
- 2017 International Longevity Risk and Capital Markets Solutions Conference, Taipei, 21-22 September
- OLIS 50th Anniversary Life Insurance Symposium, Tokyo, 25-26 October
- 24th IAIS Annual Conference and Stakeholders Meeting, Kuala Lumpur, 1-3 November
- 36th FIDES Conference, San Salvador, 12-15 November
- 27th CNSF International Conference, Mexico City, 16 November
- 28th Pacific Insurance Conference, Hong Kong, 19-22 November
- 20th ASEAN Insurance Regulators' Meeting and 43rd ASEAN Insurance Council Meeting, Vientiane, 21-24 November
- 4th NAIC Asia Pacific International Forum, Honolulu, 29 November – 1 December

Asia Pacific Financial Forum (APFF)

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ABAC submitted 2016 APFF Progress Report to the APEC Finance Ministers, August 31, 2016

September 5, 2016

ABAC submitted the 2016 Progress Report of the APFF (Asia Pacific Financial Forum) to APEC Finance Ministers. This Progress Report covers the following areas to provide information and high-level recommendations to support Cebu Action Plan in the Asia Pacific: Advancing ...

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Recent Posts

- ABAC submitted 2016 APFF Progress Report to the APEC Finance Ministers, August 31, 2016 September 5, 2016
- Mack participated in the NAIC Asia Pacific International Forum, and Summer National Meeting in San Diego, August 24-26 August 29, 2016
- Mack participated in the APFF Roundtable and the ABAC meetings in Shenzhen, August 1-4, 2016 August 28, 2016

ASIA-PACIFIC

Mack participated in the NAIC Asia Pacific International Forum, and Summer National Meeting in San Diego, August 24-26

August 29, 2016

The National Association of Insurance Commissioners (NAIC) hosted the Third Annual Asia-Pacific International Forum on August 24-25.

[NAIC NEWS RELEASE: NAIC HOSTS THIRD ANNUAL ASIA-PACIFIC INTERNATIONAL FORUM](#)

Mack made remarks to share the APFF activities, issues and recommendations during the panels on Retirement Security, FinTech, and Cyber Security.

Members Only

- APFF Insurance and Retirement Income Workstream

Resources

- APEC Business Advisory Council(ABAC)
 - APFF Page
- National Center for APEC (NCAPEC)

For more details on the APFF, visit mackglobe.com or email

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