

- * The pension reforms in the Macedonian pension system
- * The effects of the pension funds on the Macedonian capital market

KRISTINA MISHEVA, PHD,
ASSISTANT PROFESSOR AT FACULTY OF LAW, GOCE DELCHEV UNIVERSITY IN
SHTIP
REPUBLIC OF NORTH MACEDONIA
SAINT PETERSBURG, JUNE , 2019

EU recommendations

- ▶ Goals :
- ▶ Adequate system
- ▶ Sustainable system
- ▶ Efficient and effective system
- ▶ Multi-pillar system (three pillar)
- ▶ To enhance the competition at the national labor market

EU recommendations

- ▶ Aims to :
- ▶ protect elderly people against the risk of poverty
- ▶ maintain an adequate standard of living
- ▶ enhance fiscal sustainability
- ▶ enables cross-border pensions

Financial aspects of the pension system reforms in Republic of North Macedonia

- ▶ Fiscal balance among the public and the private (mandatory and voluntary) pension funds
- ▶ Accumulation of retirement savings
- ▶ Personal pension products as a long-term investment opportunity

The main objectives of the reforms

-individual and institutional expected effects-

- ▶ Financial Stability in the social /state system
- ▶ Social security
- ▶ Good governance of the pension system
- ▶ Short-term and long-term solvency of the Pension and Disability Insurance Fund
- ▶ Adequate pension income after retirement
- ▶ Transparency
- ▶ Risk diversification
- ▶ Possibility of additional and voluntary savings

Legal aspects of the pension system reforms in Republic of North Macedonia

- ▶ Compliance with the EU recommendation
- ▶ Complementing the national legislation
- ▶ Adopting new Laws and By- laws

Defining the Pension companies and the Pension funds

- ▶ **Pension company for managing voluntary pension funds** – means a joint stock company authorized and established to exclusively manage a voluntary pension fund in accordance with the Law on Voluntary Fully Funded Pension Insurance
- ▶ **Company for managing mandatory and voluntary pension funds**– means a joint stock company established and authorized to manage both a Mandatory Pension Fund and a Voluntary Pension Fund in accordance with the Law on Voluntary Fully Funded Pension Insurance
- ▶ **Pension company for managing mandatory pension funds** - means a joint stock company established and authorized to manage only a Mandatory Pension Fund in accordance with the Law on Mandatory Fully Funded Pension Insurance
- ▶ **Voluntary pension fund** - means an open investment fund established and managed by a voluntary pension company or joint pension company in accordance with the law
- ▶ **Mandatory pension fund** is an open end investment fund established and managed by a company managing mandatory pension funds and company managing mandatory and voluntary pension funds

Recommendations

- ▶ Transparency of the transfers (withdraws) from the Public Pension fund to the Mandatory Fully Funded Funds and vice versa
- ▶ The stakeholders (the Ministry of social affairs, MAPAS, the pension companies etc.) should be more involved in promotion of the pension benefits and expenditures gained from the second and the third pillar membership

Thank you all