



COMPARED REGULATIONS SERIES

**PENSION FUNDS:
INFORMATION, EDUCATION, PENSION CULTURE AND
COUNSELING PROVIDED TO MEMBERS¹**

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Executive Summary

This study presents and compares existing regulations governing the information, training, counseling and information regarding the system that must be provided to members by the pension fund managers in countries that have implemented private, individually funded programs. The laws and the main complementary rules and regulations available on the web sites of the supervising agencies were reviewed for such purposes. Comments and contributions submitted by the members of the International Federation of Pension Fund Administrators (FIAP) were also included.

These matters acquire special importance in the individually funded programs, in which members are free to make a series of decisions that will have a bearing on the amounts of their future pensions in the payout phase. Unfortunately, there is general agreement regarding the limited financial and pension culture of the average member of the pension systems, within a context of growing individual responsibility. The solution is long-term and involves systematic efforts by the fund managers and the authorities for improving pension education and culture.

The material included in this report details the information that fund managers in the different countries are obligated to provide, and in some cases the information they provide voluntarily. This report does not seek to analyze the methodologies, language or means of communication (which may be very relevant to the achievements obtained through information and education campaigns and dissemination efforts), or make any recommendations. Nonetheless, it was decided to include in the last chapter some experiences and recommendations based on the information campaigns carried out in several countries.

There is certain common information that the fund managers must provide in practically all the programs analyzed. This information is presented in the comparative charts following on this summary. The fact that its provision is not mandatory in certain countries is probably because it is not directly stipulated in the law, and it is most probably defined in more specific complementary regulations. This common information has to do with the profitability of the pension funds; investment policies and structures; investment portfolio selection options, if possible; commissions charged by the fund managers; coverage and costs of the disability and survival insurance, when pertinent; account statements showing the contributions, withdrawals, earnings and balances; benefits provided by the system and options for receiving them; rights and duties of members; information on the fund managers, custodians, asset managers and auditors, and the liabilities and obligations of the agencies that manage pension funds. In many cases the information presented must be comparative, especially if it concerns investment management and the commissions charged by fund managers.

The rules and regulations frequently contain binding legal provisions that make it mandatory to guide members in their fund selection decisions (in those countries that have pension multifunds) and inform them of the risks involved in investing the pension funds.

An emphasis on requiring communications to be presented in a clear, simple and comprehensible way for members can be perceived in the regulations of several countries. Some voluntary pension savings programs require greater amounts of information to be provided to members (for example, Colombia and Poland).

One of the most meaningful bits of information provided to members is the profitability of the pension funds. The laws do not generally require profitability projections, although some countries require the presentation of reference indicators, as in Peru, or the projection of long-term accumulated balances based on historical profitability, as in Uruguay.

All the regulations make it mandatory for the fund managers to send members an account statement, a basic and crucial aspect of disclosure in a pension system. The regularity of these statements varies in different countries, from three months in Colombia to twelve months in Bulgaria, Curacao, Spain, Kazakhstan, Poland, Romania and Ukraine. Annual and biannual statements (as in Bolivia, El Salvador, the Dominican Republic and Uruguay) are the most common. Several countries allow statements to be issued less frequently when there is no movement in the individual account.

Another aspect that was researched was the participation of members and workers in the pension system, beyond mere enrollment, transfer, pension and fund selection decisions. In five of the sixteen countries analyzed in this report, formal instances of participation were found, such as the setting up of a Users' Commission responsible for designing education and dissemination strategies and controlling the quality of the information received by members (Chile); participation in boards of directors and the appointment of government inspectors and actuaries for supervising the management of the funds (Colombia and Curacao); setting up of control commissions for supervising plans, appointing actuaries, judicially and extra-judicially representing members and beneficiaries and proposing legislation governing certain issues (Spain); and the incorporation of instances for disseminating the management and investment policies of the pension funds and submitting recommendations to the fund managers (Mexico).

The report also addressed mandatory customer service for members, over and above the mandatory disclosure required of the fund managers. Few references to this issue were found in the laws. Mandatory minimum numbers of branches are stipulated in the laws of only two countries. An issue related to customer service is the defense of members. In this regard, we were surprised to discover the existence of a defender of members and participants in Spain, which resolves their complaints, and the creation of the Office for Information and the Defense of Members (DIDA) in the Dominican Republic, which assists the beneficiaries of the system by providing the necessary services for their protection, defense and guidance, including the filing of complaints, claims and lawsuits, and carries out studies on the quality and expediency of the fund managers' services.

Information on the tasks performed by the supervising agencies with regard to dissemination generally concerns information on the functioning of the pension system and the benefits it provides; statistics and information on the fund managers; characteristics of the pension funds; profitability of the investments; commissions; submittal of complaints;

contribution rates; studies and publications; consultations; glossary; frequently asked questions; news; rules and regulations and educational material.

Some of these agencies have implemented additional services for supporting decision making by members, such as the [Chilean Superintendency of Pensions](#), which provides comparative information on profitability, commissions and service, thus contributing to the informed selection of a Pension Fund Manager (AFP) or the [Superintendency of Pensions of Costa Rica](#), which includes a pension simulator on its web site. In Mexico, the [National Commission for the Retirement Savings System \(CONSAR\)](#) also has a simulator and provides advice on the variables that workers should take into account when choosing a Retirement Savings Fund Manager (Afore). In El Salvador, on the other hand, there is a customer service office whose explicit purpose is to provide comprehensive advice to members, resolve complaints and check pension calculations, whereas in Peru, a guidance center for potential pensioners was created, aimed at providing assistance in decision-making.

Other services provided by some supervising agencies are the list of sales agents (Mexico) and attention to queries regarding balances and enrollment in the system (Peru).

Two of the supervising agencies in the analyzed countries (Costa Rica and Mexico) are using the latest social communications technologies such as Facebook, Twitter, You Tube, and others.

Finally, the supervising agencies carry out campaigns for educating contributors, which complement the activities performed by the fund managers. This report puts forward some recommendations regarding these campaigns, extracted from experiences in different countries:

- Efforts must be ongoing, because pension knowledge and culture abates.
- It is important to structure a long-term pension education program starting at an early age.
- Simple language must be used so that the contents can be understood by the average member.
- It is important to concentrate on the most essential matters for members and not address too many issues and details, because that will only confuse the reader.
- Provide comparable and transparent information that members can easily access.
- Do not generate excessive expectations among the public with regard to the benefits of the system, especially in the initial stages.
- Avoid focusing campaigns on population groups for whom it may be inconvenient to transfer from the former PAYGO system to the individually funded program.

- Emphasize the long-term nature of pension saving.
- Do not wait for problems to materialize; untimely action may give rise to complicated problems.
- Education is a type of investment.
- Provide timely, accurate and accessible information.
- Assess the needs of members and gauge the effectiveness of the measures implemented.
- Adapt methodologies, subject matter and messages to the segment you are trying to reach.
- The best way to reflect pension costs is to express them in local currency and annually, so that people can visualize the existing differences.
- Take advantage of the financial education synergies that can be achieved by coordinating the activities of different supervising agencies, when possible.
- Properly identify the target segments, since the people receiving the information are not always similar.
- Some segments or individuals can increase the dissemination of contents among their groups and/or areas of influence.
- Carry out preliminary tests to ensure that the message will really reach the target segment directly.

Other experiences related to the subject matter and messages that should be included in the educational campaigns, methodologies, types of campaign, target segment and potential difficulties can be found in Chapter III hereof.

Comparison of regulations governing information, education, counseling and customer service

Subject Matter	Bolivia	Bulgaria	Chile
Information, education and mandatory counseling	<p>Information on commissions and profitability of the pension funds and the individual account, comparable between fund managers. Access to benefits and access requirements. Obligation of drawing up an annual media plan.</p>	<p>Profitability obtained from investments and compliance with pension requirements. Volume and structure of the investments per type of asset (quarterly) and issuers (annual).</p>	<p>Information on commissions and profitability of investments and individual accounts, comparative with the other fund managers. Pension modes and the way of opting between them; existence of an electronic consultation and pension offer system. Possibility of selecting funds, and assignment in case no choice is made. There are pension advisors who provide the necessary information for making informed decisions, especially pension decisions. They act independently of the agency granting the benefit; the costs of this service are charged to the individual account with a maximum ceiling. Existence of a Pension Education Fund (FEP) aimed at financially backing education projects and projects for promoting and making the system known; financed with government contributions.</p>
Account Statement	Bi-annual	At least once a year	At least once every four months for accounts with movement and once a year for those with no movement.
Member/worker participation	-	-	Users' Commission assesses the pension system, proposing education and dissemination strategies and safeguarding the quality of the information provided to members.
Customer service	<p>At least one office in all major provincial capitals and in intermediate cities where they enjoy exclusivity; requirement of minimum amounts of informative material in branches.</p>	n.a.	<p>At least one office in the country. Display in its offices an extract with the details stipulated by law. Maintain a web site with minimum information that will enable members to perform the paperwork defined by the Superintendency.</p>
Information on the web site of the supervising agency	n.a.	<p>Explanation of the complaints system. Functioning of the capital and insurance markets and the social security system. News, statistics, events, publications, rules and regulations. List of supervising agencies. Educational program that seeks to deepen interest in and knowledge of the financial markets. Educational initiatives for targeting influential groups with access to the public at large.</p>	<p>Comparison between AFPs and pension funds; useful information; what members should know; bear in mind; questions and answers. The Superintendency has redesigned the account statements and implemented dissemination programs; it distributes its publications and publishes standing rules and regulations and those in process.</p>

Source: FIAP.
n.a.: Not Available.

Comparison of regulations governing information, education, counseling and customer service

Subject matter	Colombia	Costa Rica
Information, education and mandatory counseling	<p>Work history via internet or the postal service. Cost of the fund managers' premiums and commissions. Displays in customer service centers showing minimum, gross and net profitability, commission and pension insurance costs. The following must be shown for voluntary plans: contribution and withdrawal conditions; commissions and expenses; risks, classification; duration and diversification of the portfolio; investment strategy; profitability and volatility; information on the fund manager. Multifund information and education campaigns. Clear, accurate, comprehensive and timely counseling for informed decision making regarding the funds; establishing risk profiles by means of surveys and providing suggestions.</p>	<p>Information on commissions; conditions and rights to coverage of disability and death, if pertinent, and the respective premium.</p>
Account Statement	<p>At least quarterly; in the case of members transferred from other fund managers of any regime, it must include the member's work history; for voluntary pension funds it must be sent monthly via internet.</p>	<p>Account statements must be sent to members (regularity not specified).</p>
Member/worker participation	<p>Members and shareholders appoint the government supervisor for controlling fund management. Two members' representatives attend Board meetings, with a right to voice and no vote, safeguarding the interests of members together with the supervisor. National Labor Commission expresses its opinion on the investment of the pension resources.</p>	<p align="center">-</p>

Source: FIAP.
 n.a.: Not Available.

Comparison of regulations governing information, education, counseling and customer service

Subject Matter	Colombia	Costa Rica
Customer service	n.a.	n.a.
Information on the web site of the supervising agency	<p>Section on Pensions and Multifunds with rules and regulations and information and education campaigns for promoting the multifunds and the financial and investment system of the pension funds.</p> <p>Section on Information and education of the Financial Consumer which includes the basic structure of the pension system, programs and pension modes.</p>	<p>Regulation and inspection functions.</p> <p>Informative and educational material on the national multipillar pension system.</p> <p>Background information on the fund managers; mandatory complementary pension funds and basic pension regimes; technical reports and research; news; pensions magazine; informative campaigns; dictionary of terms.</p> <p>Joint financial education program with the Ministry of Public Education and financial institutions.</p> <p>Use of Facebook, Twitter and YouTube.</p> <p>Pension simulator.</p> <p>Legal framework; classification of fund managers.</p> <p>Queries, complaints and information regarding processes.</p>

Source: FIAP.
n.a.: Not Available.

Comparison of regulations governing information, education, counseling and customer service

Subject matter	Curacao	El Salvador	Spain
Information, education and mandatory counseling	<p>Actuarial information certified by a qualified actuary. Members receive an account statement. Insurers have to publish profitability and commissions information. Calculation of pensions and requirements that must be met by members.</p>	<p>Fliers explaining the system, published and facilitated by the Superintendency. Informative fliers in agencies for guidance purposes, including the information indicated by the Superintendency. The fund's investment policy.</p>	<p>Characteristics of the plans and coverage. The investment policy of the pension funds. Evolution and status of the fund assets, costs and profitability obtained. Information on the benefits and the degree of guarantees or risk of the beneficiary's account and, if pertinent, the insurance or guarantee certificate. Annual accounts of the managing entities and the funds they manage.</p>
Account Statement	<p>Mandatory annual statement certified by an auditing firm</p>	<p>Fund managers must communicate account movements at least every six months; for accounts with no movement, at least once a year.</p>	<p>Certification of contributions and value of consolidated rights in the plans sent annually.</p>
Member/worker participation	<p>Enrolled companies, participants and pensioners are represented in the fund's supervision board, which appoints the auditor and the actuary.</p>	<p>-</p>	<p>Participants and beneficiaries comprise the Control Commission, which supervises the plans, appoints the actuary, judicially and extra-judicially represents the interests of the participants and beneficiaries and proposes rules and regulations governing some matters.</p>
Customer service	<p>n.a.</p>	<p>n.a.</p>	<p>There is a participants' defender for resolving complaints and a customer service department for complaints that are not seen by the defender.</p>
Information on the web site of the supervising agency	<p>n.a.</p>	<p>Customer service office for providing comprehensive counseling, performing paperwork, solving problems and checking pension calculations. On-line services: information on contribution rates, rules and regulations, queries, frequently asked questions, news, enrollment, benefits. Carrying out of campaigns aimed at educating children; promote pension culture from childhood and in the juvenile population; generate a commitment to building a safe future; introduce pension issues to the Salvadorian population; and inform workers on the functioning of the system, their benefits, duties and rights. Development of a financial education program aimed at promoting knowledge of financial products and services, benefits, costs and risks, and informed decision-making.</p>	<p>Manual for members and participants setting out the basic guidelines for taking out insurance or pension plans; provides a technical glossary; most frequently asked questions; complaints and queries. Financial education plan for all the stages of life, aimed at understanding the value of money, preparation for a life of financial independence and assistance in planning basic decisions related to housing and retirement. Information on pension plans and funds.</p>

Source: FIAP.
n.a.: Not Available.

Comparison of regulations governing information, education, counseling and customer service

Subject matter	Kazakhstan	Mexico
Information, education and mandatory counseling	Signing of contracts with new custodian and investment management agencies.	Information on commissions charged by fund managers and net yield of the investments, in comparison to other fund managers; transfers between investment companies due to changes in age brackets; base contribution salary and number of days worked. Approximate calculation of commissions to be charged to members during the coming year. Investment company prospectuses, stating their purpose; the operating and investment policies; requirements for investing in them; risks of the portfolios; appraisal of the investments; withdrawals and transfers; rights and obligations. Explanatory fliers dealing with the basic aspects of the prospectuses, clearly drawn up in simple language that can be understood by workers.
Account Statement	At least once a year.	Fund managers must send statements at least three times per year.
Member/worker participation	-	Membership of the Pensions Council, which oversees the management policies and the investment of workers' resources and makes recommendations to the management councils of the fund managers.
Customer service	n.a.	n.a.
Information on the web site of the supervising agency	Background information on financial market agencies, including the pension funds; rules and regulations; statistics; publications; list of pension funds in operation, being liquidated and liquidated; suspended and revoked licenses; measures being executed in the funds, sanctions and administrative infringements; general information on the pension funds, such as branches etc.; financial dictionary; frequently asked questions; calculators (not of pension amounts); and news.	Information on the retirement savings system. Advice on the variables workers must take into account when choosing an Afore. Information on the transfer process; bulletins; news; glossary; rules and regulations; statistics; services rendered by the Afores and CONSAR; customer service centers and branches; comparative charts of the net yields of each Siefore; counseling; educational and promotional material; queries; frequently asked questions; savings simulator; promotional agents; talks in work centers. Use of YouTube, Facebook, Flickr; podcast, RSS.

Source: FIAP.
n.a.: Not Available.

Comparison of regulations governing information, education, counseling and customer service

Subject matter	Peru	Poland
Information, education and mandatory counseling	<p>Information on exercising the right to choose a fund.</p> <p>Informative flier attached to the enrollment contract with relevant aspects of the multifunds and the process for choosing and changing the fund type.</p> <p>Investment policy with profitability reference indicators.</p> <p>Prospectus detailing, among other matters, the responsibilities and obligations of the AFPs; commissions; profiles of members the funds aim at; summary of the investment policy; profitability reference indicators and historical performance; rights and duties of members.</p> <p>Information on the profitability of the managed portfolio, ranking from highest to lowest, commissions and amount of the insurance premium.</p> <p>Information aimed especially at members who are about to retire.</p>	<p>Accumulated balances, contributions and investment results.</p> <p>Comprehensive presentation of the financial status of the funds and the risks faced by members.</p> <p>Corporate funds (not the mandatory ones) must draw up an investment policy declaration with the risk assessment, management and diversification methodology.</p>
Account Statement	<p>AFPs must inform at least quarterly.</p>	<p>Fund managers issue statements at least every twelve months; they are also issued when members fill in applications for receiving or recalculating pensions.</p>
Member/worker participation	-	-
Customer service	n.a.	n.a.
Information on the web site of the supervising agency	<p>Informative and statistical bulletins.</p> <p>Monthly reports on the main variables of the system.</p> <p>Yearly report.</p> <p>The web site provides rules and regulations, statistics, publications, news, events, description of the supervising process, queries regarding membership of the system and balances.</p> <p>Face-to-face assistance center for potential pensioners, providing specialized guidance in decision-making, comprehensive assessment of the pension situation and analysis of the alternatives existing in the market.</p>	<p>Financial and statistical information on the pension system; bulletins; market publications; rules and regulations; list of licensed and unlicensed fund managers; complaints process and contact details.</p>

Source: FIAP.
n.a.: Not Available.

Comparison of regulations governing information, education, counseling and customer service

Subject matter	Dominican Republic	Romania
Information, education and mandatory counseling	Accumulated balances, contributions, profitability of the fund and commissions charged by the fund managers. Different investment portfolio, profitability and risk options Guidance regarding the services provided by the fund managers. Elementary and high school study plans include a section on social security, the rights and duties of members and the way of using the programs and options to advantage. Some of the functions of the National Social Security Council are the development of systematic promotion activities, education and guidance on social security and assuming the defense of members.	Prospectuses of the pension funds which include, among other matters, the regularity of communications with members. Investment policies and strategies compared to the nature of the liabilities; investment risk assessment methods; risk management. Review of the policies and strategies at least once every three years. Detailed information on investment risks, investment options, existing portfolio, degree of exposure to risk and expenses associated to the investment process. On signing the contract, information is provided regarding the pension system and the nature and distribution of the risks.
Account Statement	Statements issued every six months.	Account statements issued annually.
Member/worker participation	-	-
Customer service	There is an Office for Information and the Defense of Members (DIDA) which assists the beneficiaries of the Dominican social security system in all matters related to their protection, defense and guidance, including the filing of complaints and lawsuits, guidance in the pension process, filing of claims and studies on the quality and expediency of the services provided by the fund managers.	n.a.
Information on the web site of the supervising agency	On-line services of the Superintendency: the fund manager in which the individual is enrolled; comments and questions; estimation of the pension amount, rules and regulations; statistics and publications.	The web site includes explicatory material on the second and third pension pillars: rules and regulations; publications; statistics of the profitability according to degree of risk, among others; comparative pension fund indicators; information on the fund managers, pension funds, custodians, auditors and operating sales agents, as well as inactive entities of the second and third pillars. Frequently asked questions; newsletter; forms for transfers between funds; glossary; surveys; guide of the private pension system; financial education material and campaigns proclaiming the advantages of the system and the need for saving when young. There is also a consumer protection section for submitting complaints and requesting protection, and links with the fund managers for checking private pension accounts.

Source: FIAP.
n.a.: Not Available.

Comparison of regulations governing information, education, counseling and customer service

Subject matter	Ukraine	Uruguay
Information, education and mandatory counseling	<p>Pension fund reports.</p> <p>Payment of pensions and balances accumulated in accounts.</p>	<p>Information on the Pension Savings Fund, Profitability Fluctuation Fund, Special Reserve; information on the fund managers, custodians and insurance companies; management and custody commissions; disability and survival insurance premium; real and nominal profitability of the fund and structures of the investment portfolios.</p> <p>Net profitability rate projected for a period of thirty-five years, considering uninsured contributions as outputs and the final equity of the fund resulting from compounding the contributions net of commissions, as income, with the same profitability observed in basic historical periods of one to five years.</p>
Account Statement	At least once a year.	Issued at least every six months; yearly for members without movement
Member/worker participation	-	-
Customer service	n.a.	n.a.
Information on the web site of the supervising agency	Consolidated reports on the private pension system (legal obligation not regularly met)	The web site includes information on the fund managers; rules and regulations; the methodology for calculating profitability; market information, such as gross and net profitability of the funds and the composition of the investment portfolios; statistical series.

Source: FIAP.
n.a.: Not Available.

I. Introduction

This report presents and compares the standing regulations governing information, training, disclosure and counseling that must be provided for members by the pension fund managers in the different countries that have implemented private individually funded systems.

The laws and some complementary regulations of the individually funded system were checked, as well as presentations on this subject matter. Special emphasis was placed on certain dissemination instruments and material, such as the frequency with which account statements are issued, the information contained therein and the communication of the investment policy. In the first case, because these are regular reports issued to members detailing the results of their pension savings. On the other hand, it is very important to adequately inform members on the investment risks and opportunities faced by members, and the investment policy can play an important role in achieving this objective.

All existing regulations were most certainly not covered. FIAP members were asked to collaborate by submitting information that would enhance the document, contributing information regarding the rules and regulations, the dissemination and pension culture initiatives that may have been carried out by the trade associations in the different countries and the lessons-learned and recommendations that may emerge from the analysis of these initiatives. We are grateful for the comments and contributions sent in².

There is general consensus regarding the low pension and financial culture of average members and the growing individual responsibility for making decisions that is being entrusted to them, and which could have a significant bearing on the pension amounts they will receive in the decumulation stage.

The growth of the defined contribution systems worldwide presents challenges that must be addressed, among them the ability of members to better understand and deal with the risks of the pension savings process, using the tools provided by the system to minimize such risks. Poor understanding of the characteristics of the system, existing options and the consequences of decisions, could be very costly for members in terms of the benefits they will receive.

There are several issues that arise when analyzing the financial education that should be provided to members. First of all, what information and education should be imparted to them or, in other words, what should they know in order to be able to make appropriate decisions? Too much information could confuse them. Also, what methodologies, media and languages are the most appropriate for increasing pension culture and getting members to understand and take an interest in the information they receive and use it appropriately for making founded decisions? Thirdly, what roles and responsibilities must the different agents assume for achieving the proposed objectives?

² This report includes the comments of FIAP members received prior to October 2011.

Given the importance of the matter, in addition to the comparative analysis of the standing regulations governing the requirements imposed on the fund managers with regard to information, disclosure and counseling (Chapter II), the document also includes some lessons learnt from the campaigns carried out by the authorities and the fund managers for increasing pension culture, as well as the recommendations gleaned from these initiatives (Chapter III).

II. Comparison of regulations between countries

1. Bolivia

a) The right to information, education, participation and counseling established by law

i. Account statements

The fund managers are obligated to provide a bi-annual Pension Savings Statement to their members, containing the account movements in the corresponding six-month period and the historical balances. For workers with a dependent employment relationship, this document must be delivered to the employer's address. For self-employed workers, the Pension Savings Statement must be delivered to the member's domicile.

Together with the above information, the fund managers must send members information on commissions and the profitability of the individually funded account, as well as the share of the pension fund in which the member is enrolled. The figures for the member's fund manager and the remaining fund managers must be given in both cases

The fund managers must also send members or beneficiaries who meet the requirements for retirement, information on the pension modes, their characteristics and the way of opting for them.

ii. Choosing the pension mode

Once the new Comprehensive Pension System comes into force, the option of selecting the pension mode, which existed in the past, will no longer be available.

iii. Pension counseling

The purpose of all the fund managers' customer service platforms is to guide members and beneficiaries of the system on the way to access all the benefits contemplated by law and meet the requirements, as well as receiving their applications.

iv. Customer service

The fund managers are obligated to have at least one office destined to customer service in all the provincial capital cities within national territory, as well as at least one office in the intermediate cities with a population of more than 50,000 inhabitants, in which they formerly had exclusivity.

Furthermore, the fund managers must display in their offices, in a place easily accessible to the public, informative material on the benefits granted by the system, the profitability of the managed pension funds, the share value of the managed funds and their investment portfolio.

v. Dissemination and pension education

The fund managers must draw up an annual media plan detailing all the communications and dissemination initiatives of the Comprehensive Pension System.

This plan includes, among other activities, press releases, printed material, audiovisual productions and radio broadcasting material.

The fund managers have a team of individuals, denominated pension executives, whose main purpose is to visit companies and deliver talks and informative presentations on the benefits of the system.

2. Bulgaria³

a) The right to information, education, participation and counseling established by law

i. Communications and information provided to members

The fund managers of the retirement insurance companies define the operating rules and the organization of the mandatory complementary retirement funds, including, among several other issues, the procedure used for notifying and sending communications on the activities of the pension funds to members. The latter are informed of any new rules or amendments to existing rules.

In all cases, members also have the right to be informed at least once a year, free of charge, of the accumulated balances in their individual accounts, the profitability obtained from the investments and compliance with the requirements for receiving the pension benefits. They abide by the procedures established by the retirement insurance companies in the rules governing the operation and organization of the funds.

ii. Information on investments

The retirement insurance companies publish information on their web sites on the volume and structure of investments per asset type (quarterly) and issuers (annually) of the mandatory complementary pension funds. The Financial Control Commission determines the minimum yield for the mandatory pension funds.

iii. Account statement

Each retirement insurance company is obligated to send its members a cost-free annual individual account statement for the foregoing calendar year, in a standard format approved by the Financial Control Commission.

They must also inform members and contributors of the rules governing complementary pension funds and all their amendments.

³ Social Insurance Code, Part Two, Supplementary Social Insurance.

b) Financial Control Commission

There is a special section for consumers on the Financial Control Commission web site which explains the national system for dealing with complaints related to the activities of the pension insurance companies. It provides contact details, including the possibility of contacting the Commission's call center.

The Financial Supervision Commission, the Board of Trustees of the Mandatory Pension Funds, the Advisory Council of the Voluntary Pension Funds, the Ombudsman of the Republic of Bulgaria, the retirement insurance companies and the respective regional courts participate in the complaints system.

The site also contains sections dedicated to explaining, in general terms, the functioning of the capital and insurance markets and the social security system in Bulgaria. The user can find publications providing in-depth understanding of these markets, if that is what he is looking for, as well as news, statistics and events.

The commission maintains a virtual library with the rules and regulations, lists of the supervising agencies and their corresponding information, publications, announcements and European Union legislation and information.

Another section of the site refers to the creation and the purpose of the Commission, its structure, main functions and other issues, including educational initiatives. One of the Commissions declared principal objectives is to improve the knowledge of the general public regarding the financial sector. The commission has developed an educational program for such purposes, with actions that seek to expand the interest and knowledge of the different social groups regarding the financial markets. Information is provided on the educational program "The Non-banking Financial Sector in Bulgaria," which targets economics students throughout the country. Other educational initiatives have been created for reaching groups that have considerable influence on the public in general, such as teachers and reporters.

3. Chile⁴

a) The right to information, education, participation and counseling established by law

i. Account statement

At least once every four months, the fund managers must send to the domicile of each one of their members, a statement with all the movements recorded in their individually funded and voluntary savings accounts, if they have one. This statement can be suspended if the member does not record any contributions in his individually funded account, but even so, the fund manager must inform the member at least once a year of the status of his individually funded and voluntary savings accounts.

⁴ D.L. 3.500.

Together with the former communication, the AFPs must send information to members on the commissions and the profitability of the individually funded account and the shares of the pension fund the member is enrolled in. Figures for said pension fund and all the other fund managers must be given in both cases.

The AFPs must also send all members or beneficiaries who meet the retirement requirements information on the pension modes, their characteristics and the way of choosing between them.

ii. Choosing pension multifunds

The AFPs must send members information on the possibility of choosing pension funds and the assignment to a fund in case they do not choose. Such information must be sent together with the account statements detailing the movements recorded in the individually funded account, from twelve months prior to the first transfer of resources, to twelve months after the last transfer of resources the AFPs must perform when members reach certain ages and are assigned to a specific fund without subsequently choosing.

iii. Choosing the pension mode

In order to be able to opt for a pension mode, members or their beneficiaries must first receive the information provided by the System of Consultation and Pension Amount Offers (SCOMP). The same applies to members or beneficiaries who wish to change their pension mode. SCOMP is a system that is interconnected between the AFPs, life insurance companies and pension advisors. Members can send pension requests to this agency and receive information on amounts and pension offers under the different existing modes, negotiate with the insurance companies, arrange an auction of life annuities between some of them, or desist from the pension process (as long as it is not due to disability).

iv. Pension counseling

The purpose of pension counseling is to provide information to the members and beneficiaries of the system on the benefits contemplated by law, considering their particular circumstances and adopting informed decisions based on their needs and interests. Such counseling also entails the intermediation of pension insurance. The counseling must be fully independent of the agency granting the benefit.

The counseling must especially inform members and beneficiaries who meet the requirements for retirement and the pensioners in the programmed retirement mode on the way to materialize the pension, its characteristics and other benefits they can access, with an estimate of amounts.

Individuals or agencies wishing to provide pension counseling, and who meet the requirements, must register in the pension counselors' registry.

The pension counseling agencies and the pension counselors must take out an insurance policy to cover full and proper compliance with all the obligations emanating from their activities, and especially the damages they may cause members and beneficiaries who engage their pension counseling services.

Such pension agencies and counselors are liable for materializing the pension counseling they provide to members or their beneficiaries and indemnifying them for any damages they may cause. They are supervised by the Superintendency of Pensions, Securities and Insurance.

Members or beneficiaries who meet the requirements for retirement may have to pay fees for pension counseling when selecting the programmed retirement pension mode. Such fees are charged to their individually funded accounts and have a ceiling equal to the maximum rate set by government decree multiplied by the balance of the account destined to this pension mode. When selecting the life annuity pension mode, the pension counseling fees cannot exceed a commission that is also established by law. Total pension counseling fees cannot exceed 2% of the funds of the member's individually funded account destined to pensions, excluding those that may be withdrawn as a freely available surplus, nor can they exceed an amount equivalent to 60 UF (US\$ 2.686⁵).

v. Customer service

The AFPs are obligated to maintain at least one office destined to customer service in the country. Moreover, the fund managers must maintain in their offices, in a place easily accessible to the public, an abstract containing certain information established by law, such as the general balance sheet, status statements, commission amounts, the value of shares and the composition of the investment portfolio of each one of the pension funds.

All the fund managers must maintain a web site containing at least the aforementioned information, and allow their members to use the web site to make queries and perform the paperwork established by the Superintendency of Pensions.

vi. Disability qualification

The Regional Medical Commissions are responsible for qualifying the disability of AFP member workers. A member applying for disability status must submit the medical records justifying his application to a medical doctor, who will inform the Regional Medical Commission whether the application is duly founded. If so, the respective Regional Medical Commission will appoint a medical doctor, free of charge for the member, to advise him on the disability evaluation and classification process and attend the meetings of the Commissions in which his application is analyzed as an observer. The member may at any time appoint, at his expense, appoint a medical doctor he trusts to replace the appointed doctor.

⁵ Value of the UF: \$ 21,578.26; Ch\$/US \$ exchange rate: Ch\$ 482.08. Figures as of 31/03/2011.

vii. Member participation

Pension System Users' Commission

The last pension reform in 2008⁶ created a Pension System User's Commission (Commission) comprising a workers' representative, a pensioners' representative, a representative of the public agencies, a representative of the private agencies of the pension system and a university academic, who presides over the commission. The Commission's purpose is to inform the public agencies of the pensions sector of its members' assessment of the functioning of the pension system, put forward educational and disclosure strategies for the system, supervise the quality of the information provided to members for decision making and establish the pension education and dissemination policy guidelines based on this information.

viii. Pension dissemination and education

The 2008 pension reform also created a Pension Education Fund aimed at financially supporting projects, programs, and activities and measures for promoting pension education and the dissemination of the pension system. The resources are assigned through public bidding by entities appointed by a Selection Committee including a representative of the Pension System Users' Commission.

The Pension Education Fund is financed with government contributions and other resources such as donations⁷.

b) Superintendency of Pensions

One of the Superintendency's duties is to inform members of their rights and obligations within the pensions system, using its own means or other agencies for providing national coverage for this service.

The Superintendency provides the following services to members and the public at large through its web site:

i. Comparison between AFPs

Since one of the basic precepts of the individually funded system is that workers can freely choose the AFP they wish to join, and switch to another fund manager whenever they deem it convenient⁸, the Superintendency of pensions made available to users a section in which

⁶ Law No. 20.255 published on 17/03/2008.

⁷ In the first competition (2009), US \$ 2.7 million was distributed among 34 projects, in amounts of approximately US\$13.000 to US \$ 200.000 (maximum per project). In the second competition (2010), US \$ 2.9 million was available for distribution, with amounts of approximately US \$ 15,500 to US \$ 46,000 (maximum per project) depending on the type of bidder. Source: Superintendency of Pensions.

⁸ Except for those who enter the system and must remain for some time in the AFP that wins the bidding for managing the accounts of the new workers who enroll in the system.

they can compare the AFPs in terms of quality of service, price and profitability, for the purpose of contributing to enhanced decision making. Members can also access up-to-date information on the fund managers they are members of.

i.1 Comparison between AFPs

- How much does each AFP charge?
 - What is the profitability of my funds?
 - What AFP am I in?
 - Where are the agencies of each AFP?
 - What is the quality of service of the AFPs?
- It provides overall and area results for: pension applications, relationship with members and account management.

i.2 Comparison between Funds

- In a quarterly report providing information on how each type of fund is invested and its profitability and risk record (monthly profit and loss ranking of each fund⁹).

ii. Useful information

- Investment structure.
- Financial reports of the AFPs.
- Pension fund share values.
- Price of the financial instruments.
- Profitability of the pension funds.
- AFP commission structures for mandatory and voluntary savings.
- Information for paying pension contributions.
- Discount rates for calculating programmed retirement and temporary income; interest rates for updating additional contributions; interest rates of life annuities.
- Rates of mandatory contributions to the AFPs.
- Location of the Medical Commissions that qualify disability.
- Checking for existing balances in the individual accounts of deceased members.
- Explanation of the pension multifunds and foreign investment.

iii. What members should know

- The Superintendency provides the information that members of the system should be acquainted with, aimed at contributing members, members about to retire, pensioners and non-members.

⁹ A simulation based on monthly historical profitability and standard deviation of the profitability of the pension funds, for all AFPs within a certain period of time. The profit and loss range has a 95% occurrence probability.

iv. Please keep in mind

In this section the Superintendency provides:

- Instructions for submitting queries or complaints to the Superintendency of Pensions.
- Alternatives for increasing pension savings.
- Essential information for switching from one AFP to another.
- Information for self-employed workers.
- What happens to the pension after the member's death?
- Consequences of suffering a non-occupational disabling illness or accident.

v. Questions and answers

- Contributions.
- Multifunds.

vi. Measures adopted by the Superintendency for improving the information provided by the system

vi.1 Quarterly account status (statement)¹⁰

- Redesign of the profitability and costs segments of the quarterly statement as of 2004.
- Incorporation of a section with a Personalized Pension Projection in the quarterly statement as of July 2005.

vi.2 Dissemination programs

- Talks to workers and strategic groups such as social workers and human resources departments in both the public and private sectors.
- Face-to-face service in the more isolated localities of the regions in which the Superintendency has offices, with a fixed schedule.

vi.3 Publications

- The Superintendency has made available to specialists and the public at large a series of analyses and studies analyzing the pension system and providing statistical and legal information

vi.4 Regulations under study

- The drafts of all the rules and regulations of a general nature that will be issued by the Superintendency are published on the agency's web site in order to allow interested

¹⁰ Information and pension education; cases of strategies and information campaigns implemented by supervising agencies. Solange Berstein J., Superintendent of Pensions. Seminar of the International Federation of Pension Fund Administrators (FIAP), Viña del Mar, May 7, 2010.

parties to submit their comments and suggestions on specific regulations by electronic mail.

vii. Challenges identified by the Superintendency¹¹

- Improve the financial and pension education of all individuals through joint efforts with the Superintendencies of Securities and Insurance and Banks.
- Draw up a pension-risk indicator and design a way of presenting it to members so it is properly understood and can contribute to decision making.
- Promote the active participation of individuals in their pension savings decisions.
 - Improve the Service Quality Indicator.
 - Provide easily understandable information on profitability and risk factors.
 - Provide clear and easily accessible information on pension costs
- Merely providing additional information will not suffice, since there is limited capacity for understanding financial information.
- Financial education must be improved through long-term programs starting at school.
- What is really required is greater pension culture.

4. Colombia¹²

a) The right to information, education, participation and counseling established by law

i. Account statements¹³

At least once every quarter, the fund managers must send their members and pensioners of the mandatory pension funds a detailed statement recording the deposited amounts and their yields and balances, as well as the amounts of commissions charged and premiums paid.

The statements sent to members who entered the fund due to a transfer from another fund manager, from any regime, during the period covered by the statement, must be accompanied by an attached document setting out the entire work history of the member. In all cases, the work history of members must be made available to them for consultation through the web page of the agency as of June 30 and December 31 each year. If the fund manager does not publish the work history of members for consultation on the web page, it must send it to them through the postal service.

The statements must contain information on the member's pension bonus, considering its current status.

¹¹ Information and pension education; cases of strategies and information campaigns implemented by supervising agencies. Solange Berstein J., Superintendent of Pensions. Seminar of the International Federation of Pension Fund Administrators (FIAP), Viña del Mar, May 7, 2010.

¹² Law 100 of 1993; Decree No. 1.592 of 19/05/2004; Decree No. 2.664 of 12/07/2007; www.superfinanciera.gov.co

¹³ External Circular 003 of January 2010.

The statements of the voluntary funds must be made available to participants monthly through a mechanism with similar coverage, unless the member asks the fund manager to send the statement via the postal service.

ii. Publication of profitability, pension commissions and insurance

The law states that the fund managers must publish the costs of the paid-in insurance premiums and the value of the commissions charged, with the regularity and in the way determined by the Superintendency.

Moreover, the Superintendency has ruled¹⁴ that the fund managers must provide their members with the necessary information for contributing to greater transparency that will enable them to choose the best market options. They are also obligated to permanently publish on notice boards located in their customer service centers, in prominent, easily legible characters that draw one's attention, the latest table published by the Superintendency showing minimum gross, net and average weighted profitability, the calculation period, the pension insurance percentages and the management commission applied to the managed funds. The Financial Superintendency publishes the aforementioned profitability table quarterly.

In the voluntary pension savings plans, the fund managers must provide participants with certain information, including the updated monthly technical file used for each fund or portfolio comprising the fund; contribution and withdrawal conditions; commissions and expenses; types of portfolio risks; classification of the portfolio and the classifying agency; investment strategy; profitability and volatility; maturity and duration of the portfolio; distribution by classification; type of investment; sector and currency; the fund manager's professional record and the companies linked and related to the fund manager.

iii. Information and education campaigns for promoting the multifunds system¹⁵

The pension fund managers must carry out information and financial education campaigns for promoting the multifunds system, for the purpose of offering members clear, complete and timely information aimed at generating broader judgment criteria whereby members can make informed decisions on: (1) the choice alternatives of the multifunds system during the accumulation stage, based on age, investment horizon and risk profile; and (ii) the effects of making such decisions. These campaigns can be performed through the agency that brings together the fund management entities, using mass communications media.

Whenever the fund managers promote or advertise any fund type, they must point out that it is part of the mandatory system and state whether it is a conservative, moderate or highest-risk fund.

¹⁴ External circular 058 of 1998.

¹⁵ External circular 044 of December, 2010.

Organizing education and information campaigns for the promotion of the multifunds system does not exempt fund managers from the obligation of privately providing their members and potential members with clear, precise, complete, comprehensible and timely information and counseling that will enable them to make informed decisions.

In the fund selection process, fund managers must ensure that members are provided with all the necessary prior information on the multifunds system and the characteristics of each one of the fund types, and they must guarantee that members have been required to confirm that they have understood the information given to them through the application of a questionnaire which it is mandatory to correctly answer prior to choosing or changing a fund type. They must also point out to members the importance of having understood the information provided.

For choosing by any means, members must answer a survey that will enable establishing their risk profile. They must be informed that the results of the survey are a suggestion and not an obligation for choosing the fund type. The fund manager must file the survey results.

The survey must consider at least the following aspects: age at the time of the application; the number of years in which the member intends to retire (counted as of the date of the application); tolerance of loss of the accumulated capital; the member's tolerance of risk in search of better profitability; regularity with which the member is informed of the profitability of the mandatory pension funds.

iv. Pension processes

In case a member wishes to take out a life annuity, the fund manager to which the member is contributing at the time he meets the conditions for obtaining a pension is responsible for performing, on behalf of the pensioner, the processes or applications required before the respective insurance company.

v. Participation of members

v.1 Control of the fund management companies

The members and shareholders of the pension fund management companies choose the government supervisor that will control the respective fund. Furthermore, members have two elected representatives, appointed by them, who attend all the meetings of the boards of directors of the fund management companies, with voice and no vote, and who, together with the government supervisor, protect the interests of members. Companies that manage pension and unemployment funds must have a total of two members' representatives.

v.2 Investment of the pension resources

In order to guarantee the safety, profitability and liquidity of the resources of the pension system, the fund managers must invest the funds under the conditions and subject to the limits set by the Superintendence of Banks, with a prior unbinding opinion from the National Labor Council or the agency that replaces it.

b) Financial Superintendency of Colombia

Through its web site, in the section dedicated to pensions, unemployment and trust funds, the Financial Superintendency of Colombia provides information aimed at fund managers and pension system analysts rather than members. This is some of the information included:

- A list of pension and unemployment fund managers
- Rules and regulations
- An index of the Superintendency’s reports containing information
- Economic and financial data of the pension and unemployment fund managers
- Minimum mandatory profitability
- Statistics of the managed funds, including the value of the funds, members, overall structure of the investment portfolio and profitability
- Press releases with information on profitability, value of the funds, members, pensioners and overall structure of the portfolios
- Quarterly report on profitability, management commissions and pension insurance of the pension funds.

Additionally, in the section on the “financial consumer” the Superintendency has a section denominated “About Pensions and Multifunds” which sets out the regulations governing the information and education campaigns for promoting the multifunds and the financial and investment system of the pension funds. Furthermore, in the section “Information and Education of the Financial Consumer” the Superintendency includes documents on the basic structure of the pension system in Colombia, the programs of the general pension system, the old age, disability and survival pension modes and monthly pension payments.

5. Costa Rica¹⁶

a) The right to information, education, participation and counseling established by law

i. Account statements

The fund managers must send members an individual account statement and provide them with the information they expressly request in this regard. They must also send members information with the regularity and in the formats stipulated by the Superintendency of Pensions (SUPEN).

¹⁶ Workers’ Protection Law No. 7.983 of 18/02/2000; www.supen.fi.cr.

ii. Information to members

The fund managers must duly inform their members, through the media indicated by the Superintendent, of any event or information which, in their opinion, or the opinion of the Superintendency, must be communicated to members or the public in general, or whose disclosure is required for guaranteeing the transparency and clarity of transactions. Should any agency unjustifiably refuse a request to divulge information, the Superintendency can divulge it directly at the expense of the agency.

Some specific information that must be provided by the fund managers pursuant to law is:

- The calculation method, amount and other information related to commissions.
- The fund managers that offer plans covering the disability and death risk of their workers must inform members in detail of the conditions of the plans and their rights, as well as the amount of the respective Premium and the optional nature of this coverage.

b) Superintendency of Pensions

One of the functions of the Superintendency of Pensions is to provide the public with the most detailed information on the fund managers it supervises and the situation of the sector.

In its web site, the Superintendency reports on the regulation and supervision functions it performs. The entity also has a section in which it includes material whose purpose is to provide information and training on the national pensions system. This section contains an explanation on how the Costa Rican multiple pillar system works; information on the fund managers, the mandatory complementary pension funds, the basic pension regimes and the latest news on the pensions market.

Should the navigator wish to delve more deeply into pension issues, the Superintendency makes technical reports and research available. It also publishes a pension magazine, which reports on aspects of the market, information campaigns etc., and a dictionary for clarifying pension terms and their meanings. It encourages navigators to seek information and control their accumulated pension savings.

The Superintendency of Pensions, the Pension Operators and the magazines of the Nacion Group have published the “Pensions Magazine” since 2004. This magazine aims to present in a clear and reader-friendly way the main issues people are concerned with and provide guidelines for the processes, services and other features offered by the agencies of the National Pension System.

One of the strategic objectives defined by the Superintendency of Pensions is to provide abundant information on the National Pension System to members. With this purpose in mind, SUPEN carries out informative campaigns in different media and on different subjects, which in latter campaigns have included changes in the commissions of the mandatory systems, the benefits that can be chosen at the end of one’s working life; new

statement formats; promotion of pension savings; withdrawals from the Labor Capitalization Fund and the need for ensuring a decent pension.

SUPEN also developed a joint financial education program with the Ministry of Public Education (MEP) with the financial backing of a group of financial institutions in the country. The program, denominated “Insertion of Financial Culture in the National Education System,” reached more than 200,000 high school students who learnt about issues such as savings and financial activity in general, with different genuine products created for teaching them.

In its attempts to achieve direct and immediate contact with the public, SUPEN has used the Facebook and Twitter social networks through which it seeks to provide a space for people to be able to comment and submit queries. The Superintendency also opened a channel on YouTube, aimed at increasing knowledge on pensions.

Another section of the site shows how pensions are constructed. It explains that the purpose of the accumulated savings is to provide a pension, but that it could be affected by a series of variables at the time of retirement. The site has a simulator which enables performing quantitative estimates of pension amounts in the IVM and complementary mandatory pension systems. The purpose of these simulations is for people to learn what factors have a bearing on the final pension amount, the relevance of each one of these variables and the importance of starting to contribute at an early age.

Through the SUPEN web site one can also access the legal framework governing the pension system, the operational risk classification of the fund managers and any sanctions imposed on them, the statistics of the National Pension System and frequently asked questions.

Finally, users can submit queries regarding any pension matter, submit their complaints, learn what processes they can perform and what services they can obtain through SUPEN and what the requirements are, and register for accessing special services and updates.

6. Curacao¹⁷

a) The right to information, education, participation and counseling established by law

i. Account statements¹⁸

The pension funds are obligated by law to provide an annual account statement certified by a recognized auditing firm and an actuarial report certified by a qualified actuary. All member companies and the Central Bank receive their copies of these reports and all the participants have the right to review these statements.

¹⁷ Law 100 of 1993; Decree No. 1.592 of 19/05/2004; Decree No. 2.664 of 12/07/2007; www.superfinanciera.gov.co.

¹⁸ External Circular 003 of January 2010.

The Central Bank also distributes a questionnaire which must be filled in by the fund managers and returned. This questionnaire includes a formal statement to the Bank on the results of the fiscal year.

All members receive a statement of their pension savings. Some fund managers also provide access to members' accounts through their web sites. Members can perform certain calculations (simulations) depending on the type of pension plan they have. Member companies also have access to the information of their pension plan participants.

ii. Publication of profitability, pension commissions and insurance

The pension funds have no formal, legal obligations to publish information on profitability and commissions¹⁹, but the insurance companies do.

iii. Information and education campaigns for members²⁰

The fund organizes regular presentations for members, aimed at educating them on pension matters, informing them of the progress of the funds and answering any queries they may have. It also arranges individual interviews for providing information to participants and helping them to plan their financial future. This is also done before the company joins the fund. An annual survey is held to check whether member companies and their participants are satisfied with the services and products offered and for identifying potential improvements to the service.

iv. Retirement procedures

When a member is about to retire, the necessary calculations are performed and the member is informed exactly how much he will receive and what requirements he will have to meet. The pension is transferred to the appointed bank every month and the statement is sent in the mail.

v. Participation of members

Member companies and their participants, as well as pensioners, are represented on the fund oversight board, which has an independent chairman. All members of the oversight board must meet certain minimum legal requirements, have the right to voice and help to formulate the fund's policies. The oversight board appoints the external auditor and actuary.

¹⁹ Although some funds have a policy of doing so to contribute to greater transparency.

²⁰ Sections "iii", "iv" and "v" contain information pertaining to Vidanova Pension Management Foundation.

7. El Salvador²¹

a) The right to information, education, participation and counseling established by law

i. Account statements

Fund management agencies are obligated to provide members with a pension savings booklet, in which the number of contributions paid into the individual pension savings account are recorded, with their value on the adjustment date. The member can request this procedure a maximum of six times per year. Nonetheless, the fund managers can develop electronic mechanisms to replace the booklet.

The fund management agencies must communicate in writing to each one of their members, at least every six months, all the movements recorded in their individual pension savings accounts, indicating the number of paid-in contributions recorded, their value and date. If there is no movement in an account, this communication must be re-established when new contributions are paid in. In any event, the fund managers are obligated to inform members of their individual account balances at least once a year.

ii. Further information for members

The AFPs are obligated to have available to the public the informative fliers or prospectuses on the Pension Savings System which the Superintendency of Pensions publishes and issues to them.

The fund managers must also maintain in their agencies, offices and representation offices countrywide, informative fliers for guidance purposes containing the information indicated by the Superintendency. These fliers must be easily accessible to the public and the information must be updated at least once a month.

iii. The fund's investment policy

Each fund manager must design the investment policy of the fund it manages and make it available to the public. Such policy must include the information determined by the Superintendency and must state the purpose of the policy, among other matters. It must provide a general explanation of the policy; provide the proportion of the investments in mid and long-term values for financing the formation of capital and the acquisition of housing with pension fund resources; the percentage of investments in fixed income and the percentage of investment in variable income instruments; and the structure of the overall investment portfolio per type of instrument.

²¹ Decree No. 927 of 23/12/1996; Decree No. 60 Company Management Regulations for Pension Fund Managers, of July 28, 1997, including its Amendment published in Official Gazette No. 90 of May 6, 2005; the web site of the Superintendency of Pensions www.spensiones.gob.sv.

iv. Updating of beneficiaries' information

In June every year, the fund managers must provide members with updated information regarding their possible beneficiaries and the corresponding counseling for such purposes.

b) Superintendency of Pensions

On its web site, the Superintendency provides a full description of a series of services available to members and citizens in general, namely:

i. Customer services office

Its purpose is to provide members with comprehensive counseling, enabling them to clear up any doubts personally and/or by telephone and boost their confidence in the SAP; maintain direct contact with members; provide forms for submitting complaints; request temporary permanence in the public pension system of deceased members or members who have been declared disabled; request a NUP (personal identification) assignment; resolve multiple membership issues; check pension calculations; request disability classification: it must be pointed out that the Disability Qualification Commission depends on the Superintendency of Pensions administratively and financially.

ii. On-line services

The Superintendency offers members some on-line services. They can consult current and historical contribution rates; the last six contributions; search for rules and regulations and submit queries. There is also a frequently asked questions section on membership and benefits, disability and matters of interest for Salvadorians living abroad. It also provides news and access to different publications.

Employers can perform on-line consultations regarding members per employer, as well as benefits. They can also download files with appraisals of financial instruments and the pension contributions declaration and payment calendar.

iii. Pension culture

As of 2006, the Superintendency of Pensions decided that one of the priorities of its work schedule would be the construction and promotion of a new pension culture aimed at improving the knowledge of pensioners and the public at large regarding the functioning, characteristics and development of the pension systems, enhancing their financial education and providing clear, useful and timely information.

Several campaigns have been carried out. The purpose of the "Childhood, Pre-adolescent Campaign – I want to be Provident" is to educate and mold a generation of boys and girls with knowledge of the pension system and encourage the formation of a pension culture from childhood through activities aimed at this segment of the population. Two products have been developed for this campaign: *The Magic Umbrella* and *My Future Pension*, which are aimed at private and public schools for boys and girls between 8 and 12. The

story of the “Magic Umbrella” is told in a dramatized fashion, so that each one of the characters gives life and magic to the activity. In the “I want to be Provident” game, children learn about the importance of saving for the future while playing and acquire their first insight into the functioning of the pension system.

The “Ensure your Future Today Social Security Campaign” is aimed at young people in high school and university. Its main objectives are to encourage the emergence of a pension culture among young people, explain the benefits of the pension system in El Salvador, and generate a commitment for the construction of a safe future.

The purpose of the radio program “Timely Provision” is to expose the Salvadorian population to the most interesting pension issues and facilitate the exchange of information between the Superintendency and members of the pension system. Specialists from the Superintendency participate in this program, addressing different pension issues.

Finally, the corporate information campaign “My Future Money,” is an attempt to approach public and private agencies to inform workers, companies and human resources departments of the functioning of the pension system, its benefits and the associated rights and duties.

c) Financial education program

A financial education program is being developed in El Salvador whose purpose is to promote the knowledge of financial products and services, their benefits, obligations and risks, among users and investors. The program seeks to enhance the understanding of current and potential users and investors of the benefits, costs and risks of financial services so they can make informed decisions that will enable improving wellbeing and the standard of living. The Central Reserve Bank, the Superintendency of the Financial System, the Superintendency of Securities, the Superintendency of Pensions, the Institute for Guaranteeing deposits and the Defender of the Consumer participate in this program.

8. Spain²²

a) **Information to participants and beneficiaries**

Information on the following situations is provided to participants and beneficiaries:

i. **Prior to enrollment**

Each participant must be informed of the characteristics of the plan and the coverage it may provide, based on his work or personal circumstances. This prior information has been pre-established for the Plans of the Individual and Associated Systems²³.

ii. **On enrollment**

Participants that request it, receive a plan enrollment certificate²⁴. They are also given the plan's specifications and a declaration of the principles of the pension fund investment policy, or else they will be informed where and how they can acquire them.

iii. **After enrollment**

The following information is mandatory:

- *Information for participants and beneficiaries that must be made available to them at least every quarter and sent to them every six months.*

This refers to the evolution and status of their financial rights within the plan, as well as extreme conditions that may affect them.

It contains a summarized statement of the evolution and status of the fund's assets, the costs and the profitability obtained²⁴, indicating all the pension fund's expenses

²² Source: Association of Collective Investment and Pension Fund Agencies.

²³The Pension Plan modes (Employment, Associated or Individual system) are defined on the basis of their sponsors and participants, as shown in the table below.

Mode	Sponsor	Participants
Employment System	Company, corporation or entity	The sponsor's employees
Associated System	Association or trade union	Associates, members or affiliates
Individual System	Financial agency	Physical individuals

²⁴ In case these individual Employment Plan bulletins are not used, the participant is issued with a *certificate of membership* of the Plan.

that can be attributed to the plan, expressed in percentages of the deposit account. It also reports on the engagement of third parties for management purposes, if pertinent.

- *Certification of direct or taxable contributions paid in each year and the year-end value of the member's consolidated rights in the plan, sent to each participant once a year.*

It must contain a summary of the calculation of the covered contingencies, the destination of the contributions, the rules of incompatibility applicable to them, and, if pertinent, the amounts of the participant's excess contributions over and above the established amounts and the duty of communicating the way in which the refund will be deposited.

- *Information on the benefit and its reversions, the collection options, if pertinent, and the degree of guarantee or risk the beneficiary is exposed to once the contingency has been communicated.*

If pertinent, the beneficiary is issued with an insurance certificate or a benefit guarantee issued by the corresponding agency.

- *Certification of the amount of the financial rights in the plan at the end of each year, sent to the beneficiaries of the Employment Pension Plans at least once a year.*

Finally, there are certain agencies specializing in regular information on the Defined Benefit Employment and Associates Plans.

b) Annual statements

Within the first quarter of each fiscal year, the annual statements of the previous fiscal year, corresponding to the managing agencies and their managed funds, must be drawn up, audited and submitted to the approval of the competent bodies of the managing agencies and the Control Commission of each fund, respectively.

The following is mandatory for the aforementioned documents, including the auditing reports:

- Within the term set out in the foregoing paragraph, they must be submitted to the Control Commissions of the corresponding funds and the pension plans enrolled in the

²⁵ Profitability refers to that obtained in the pension plan in the last fiscal year, the accumulated profitability in the fiscal year up to the date referred to in the information and the average annual profitability of the last three, three, five, ten and fifteen fiscal years.

funds, as well as the General Insurance and Pension Funds Office (DGSFP).

- Within the first six months of every fiscal year, they must be published by the fund managers for general distribution and deposited in the Mercantile Registry.

c) Customer service

The standing rules and regulations set out the procedures for the complaints and claims of the clients of financial agencies, including pension fund managers, due to deficiencies or shortcomings in the financial services (delays, poor service, omissions, deficient information or other forms of non-compliance).

Before filing an administrative complaint regarding pension plans against a financial agency, the complainant must submit it to the same agencies through the channels established for such purposes in the rules and regulations, which state:

- All pension plans of the individual system are obligated to have a defender of the participant to resolve complaints (Article 7.5 of the restated text of the Law of Pension Plans and Funds).
- Every pension fund manager must maintain a customer service department or section for resolving the complaints of the participants or beneficiaries of the pension plans regarding the financial services, which are not limited to the defender of the participants, in other words, for complaints regarding other types of plans (associated and employment) (Order ECO/734/2004, of March 11, regarding customer service departments and sections and the defender of the client in financial agencies).

If the corresponding customer service or defender does not rule in favor of the client, the latter may submit an administrative complaint to the General Insurance and Pension Funds Office, which will transfer it to the Commission for the Defense of the insured and participants, if pertinent.

d) Control commissions in pension plans and funds

The Employment and Associated Pension Plans must constitute a Control Commission comprising representatives of the sponsor or sponsors, and representatives of the participants or beneficiaries, as the case may be. Its attributes are mainly the following:

- Supervise the plan's compliance with the rights of its participants and beneficiaries.
- Appoint the independent actuary(s) for reviewing the plan.
- Appoint its representatives in the Control Commission of the fund the plan adheres to.
- Judicially and extra-judicially represent the collective interests of the participants and

beneficiaries of the plan.

- Propose and, if pertinent, decide on other matters on which the rules and regulations assign it competence.

In the individual plans, the above functions are assumed by the sponsor.

The pension funds must also constitute a Control Commission that assumes the functions listed below:

- Supervise compliance with the registered plans.
- Control the observance of the rules and regulations governing the functioning of the fund and the plans.
- Appoint the experts whose services are required by the rules and regulations, regardless of the faculties envisaged within each pension plan.
- Represent the fund, being able to delegate these functions to the fund manager.
- Examine and approve the performance of the fund manager in every fiscal year, demanding compliance with its corresponding responsibilities.
- Agree to the destitution of the fund manager or the custodian, as set out in the rules and regulations.
- Suspend the implementation of acts and agreements contrary to the interests of the fund in the terms and within the limits derived from their nature.
- Approve the integration of new pension plans into the fund, if pertinent. This function can be delegated to any of the members or the managing entity. The admission of the first plan wishing to enter the fund must be agreed with its managing entity.
- Propose and decide on other matters for which it is competent by law.

e) Public initiatives

One of the tasks of the Public Administration is to offer the pension plans and insurance policies to the public at large through the Guidelines for Insured Parties and Participants ([GASPAR](#)). The purpose of this tool is to provide basic guidelines for non-members interested in subscribing insurance or pension plans.

GASPAR protects the interests of potential members and participants by providing assistance in the enrollment process and while the contracted service is valid. Hence, GASPAR is arranged in the following chapters:

1. Guide for enrollment
2. Technical glossary
3. Most frequently asked questions
4. Complaints and queries

The supervisory public agencies, on the other hand, have drawn up a [financial education plan](#). The plan covers all financial products and services and is aimed at all citizens, without exception. It is based on the premise that financial education benefits individuals in all stages of life, regardless of their level of income. It teaches children the value of money and savings; it prepares young people for living independently in the future and helps adults to plan basic decisions such as buying a home, maintaining a family, financing their children's studies or planning their retirement.

The DGSFP also publishes information on the pension plans and funds, such as for example, their balances and accounts, the management and deposit commissions applicable to the pension plans of the Individual and Associated Systems, and their profitability (<http://www.dgsfp.meh.es/planes.asp>).

f) Private initiatives

The fund managers usually include informative documents on the characteristics and advantages of the pension plans and funds in their web pages.

Furthermore, Inverco has set up the [Inverco Observatory](#), which meets the need for an instrument of reflection, analysis and research related to the world of savings, especially aimed at investors in investment funds and pension plans. The purpose of this initiative is to make known and explain the options and advantages the investment and pension plans offer those who opt for them for efficiently organizing their fixed or variable income savings assets negotiated or listed in any market worldwide.

The Inverco Observatory aims to contribute to disseminating a clear vision of the trends of Spanish saving: its preferences, the advantages and investment barriers perceived; its main concerns etc. The Observatory seeks to provide answers to society on the main aspects of the most universal savings products currently in existence.

Experts of the asset management industry and the financial world participate in the Observatory whose aim is to boost the response and participation capacity of all participants in the sphere of collective investment in Spain: savers and participants; investment and pension fund managers and the communications media.

9. Kazakhstan²⁶

a) **The right to information, education, participation and counseling established by law**

i. **Change in custodian and investment management agencies**

The pension fund managers must inform contributors when they sign contracts with new custodian and investment management agencies.

ii. **Account statements**

The procedures fund managers must follow for informing the status of the pension saving accounts must be established in the membership contract. They must in all cases provide information on the status of the individual accounts to members and their beneficiaries at least once a year, or whenever they require them, without charging for this service.

b) **Committee for Control and Supervision of the Financial Market and Financial Organizations of the National Bank of the Republic of Kazakhstan.**

This entity is entrusted with regulating and supervising the functioning of the pension fund managers in Kazakhstan.

The agency's web site contains information on the different entities in the financial market, including the pension funds. The site includes rules and regulations; statistics; publications; lists of pension funds that are operating, in liquidation or liquidated; financial agencies whose licenses have been suspended or revoked; measures being implemented in the funds, sanctions and administrative infringements; general information on the pension funds, such as branches etc.; and news.

There is also a section dedicated to providing information for consumers of the financial sector, which contains an explicative video of the pension funds; a financial dictionary; calculators (none of which enable calculating pension amounts); frequently asked questions; what the client must know in case of difficult situations, and analysis and statistics of consumers' complaints.

²⁶ Law of the Republic of Kazakhstan of June 20, 1997 N° 136-I on Pension System in the Republic of Kazakhstan (with amendments and additions as of 23.10.2008); www.afn.kz/en.

10. Mexico²⁷

a) The right to information, education, participation and counseling established by law

i. Account statements

The Retirement Savings Fund Managers (Afores) must send workers their account statements and other information on their individual accounts to the domicile indicated by them at least three times per year. In the statements, the fund managers must include the paid-in contributions (by the worker, employer and state), the number of shares the worker owns, the commissions charged by the fund manager, the net yield, the transfer of the workers resources between investment companies due to age bracket changes, the transactions performed by the worker and the fund managers, and a comparison of the net yield and the commissions applied by the different fund managers. The statement must also include the taxable salary and the number of days worked and declared to the Mexican Social Security Institute (IMSS), at no additional cost for the worker.

Members can at any time request statements from the fund managers, additional to those that must be regularly sent.

The Afores must also inform workers of the approximate calculation of the commissions they will be charged in the next calendar year. This information must be provided together with the account statement for the second half of the year.

ii. Information prospectuses

The Investment Companies (Siefors) must draw up information prospectuses, aimed at their members, which reasonably state their purpose and the operating and investment policies they will follow. These prospectuses must state, at least, which workers the investment company targets and the requirements for membership; the subaccount or subaccounts whose resources can be invested in each investment company; the risks that may arise from the type of portfolios assembled by the investment company; the system for appraising its shares; specific mention of the fact that in certain cases, members have the right to sell up to 100% of their shares at the appraised price to the company through its fund manager; the circumstances under which the resources can be withdrawn or transferred, the rights and obligations of their owners and the commissions that will be charged.

The prospectuses must also include risk parameters, among them the market risk limit, the limits per issuer and counterpart as well as the type of assets in which the resources will be invested and the criteria for performing stock exchange transactions, if pertinent. In case the investment companies operate with derivatives and structured instruments, they must explain the general management and investment policies they apply in such operations.

²⁷ Law of the Retirement Savings System of 23/5/1996; Provisions of a general nature in financial matters in the Retirement Savings Systems, published in the Official Gazette of the Federation on December 31, 2010; www.consar.gob.mx.

They must also explain the methodology for calculating the Value at Risk determined by the National Retirement Savings Commission (CONSAR) in the general rules that establish the investment system that companies are subject to and state such requirement in the prospectuses.

CONSAR can order the inclusion in the prospectuses of the provisions regarding the policies of investment, liquidity, selection and diversification of assets, disclosure of information, and the credit quality and market risk deemed prudent for the greater protection of members.

In addition to drawing up the prospectus, the investment companies must have explicative fliers dealing with at least the basic points of the information prospectus, which must be clearly and simply edited in language that members can understand.

Once the information prospectuses and explicative fliers have been authorized, they must at all times be available to the investor public in the offices and branches of the fund manager that operates the investment company.

iii. Pensions Council

The Law of the Retirement Savings Systems (SAR) created a Pensions Council for the purpose of providing more information and greater control of the retirement savings systems and the management of the individual accounts by the fund managers. This Council is made up of representatives of the workers, employers, the fund managers and the Chairman of the National Commission for the Protection and Defense of the Users of Financial Services.

In addition to the aforementioned purpose, the Law states that this Council must be informed of the policies for managing individual accounts established by the fund managers, the policies for investing the resources of workers, and the commissions applied to their individual accounts. It must also make recommendations to the boards of the different fund managers. The Law does not stipulate any function of information and dissemination of the system aimed at its members.

b) National Commission for the Retirement Savings System

The following are some of CONSAR's functions related to information, counseling and dissemination of the pension system:

- Make public the reports on commissions, the number of workers enrolled in the fund managers, the financial status, the profit and loss statement, the composition of the portfolio and the profitability of the investment companies, at least quarterly.
- Draw up and publish statistics and documents related to the retirement savings systems.

Through its web site, CONSAR also provides information for the workers of the IMSS and the ISSSTE; information on the SAR; advice on the variables workers must take into account when choosing an Afore; information on the transfer process; press bulletins; recent news; statistics; a glossary and rules and regulations.

The information for workers of the IMSS and the ISSSTE seeks to clear up any doubts they may have regarding the main issues of the Retirement Savings System, through different documents.

The information on the SAR provides an overall view of the figures of the system; it describes the over-the-counter and internet services offered by the Afores; the services offered to self-employed workers and CONSAR's free services; the call centers and branches of the fund managers in each locality. It explains the Siefors options available for members together with comparative charts per Afore of the net yield rate of each Siefore, i.e. the gross yield discounting the commission.

The site also includes jingles with advice and support for members, videos and other educational and advertising material of the SAR, with messages aimed at different segments, among them children and young people.

The agency uses different communicational methods. In addition to a CONSAR channel on YouTube, it uses Facebook, Flickr, RSS and Podcast sources, for the purpose of providing education and information on different issues to workers.

The site also allows workers to check which Afore they are enrolled in; perform electronic queries; see frequently asked questions; calculate the approximate savings accumulated in the Afore at the time of retirement, consult information on advertising agents; print out the CURP (Sole Population Registry Code); consult an electronic file of pension plans; and obtain information on the call center the public can call free of charge.

Finally, CONSAR offers informative chats about the SAR directly in the work place.

11. Peru²⁸

a) The right to information, education, participation and counseling established by law

i. Choosing the pension fund

All members have the right to choose the type of mandatory and/or voluntary fund that their contributions will be destined to. The AFPs, together with the Superintendency of Banks, Insurance and AFPs (SBS), must provide members with sufficient detailed information for exercising this right to choose.

²⁸ Sole Ordered Text of the Law on the Private Pension Fund Managers System; Resolution S.B.S. No.355 – 2005; www.sbs.gob.pe.

As of September, 2010, the AFPs must provide members with an informative flier, attached to the enrollment contract, explaining the relative aspects of the multifunds (description and characteristics of each fund, the relationship between risk and the expected profitability, expected investment instruments etc.) and the process of choosing or changing the type of pension fund (relevant criteria for choosing or changing the fund, reference to the risk tolerance tests procedures for requesting a change of fund, impediments for changing the fund etc.).

ii. Information on the pension funds

In order to register the pension fund in the SBS registry, the AFPs must present the investment policy as well as the profitability reference indicators of the type of fund being registered.

Furthermore, in the mandatory and additional (voluntary contributions) type of funds, the fund managers must draw up a prospectus setting out, among other matters, the responsibilities and obligations of the AFPs regarding the management of the fund's investments; a description of the investment process; the structure of the commissions for fund management; financial information of the AFP; purpose and characteristics of the type of fund, including the profile of members it is aimed at (considering characteristics such as age, investment horizon and the risk and profitability profiles of members); summary of the investment policy; profitability reference indicators per category of investment instruments; historical performance and profitability of the fund; and the rights and duties of members. The information contained in the informative prospectus must be available to the public on the fund managers' web sites.

The investment policy must be previously submitted to the SBS and divulged to the public at large. In the policy, the AFPs must explicitly state the profitability reference indicators, including the purpose of each type of fund they manage and the investment diversification policy. Members with shares in a fund must be informed of any changes in the investment policies of any of the funds prior to their application.

The AFPs are obligated and responsible for explaining to members the characteristics of the risks of each one of the funds they offer, under the supervision and control of the SBS.

Pursuant to the provisions established by the Superintendency, the AFPs must publish the respective risk indicators for each fund type they manage.

The fund managers are also obligated to publish information on the profitability of the managed portfolio per pension fund type, the management commissions charged and the insurance premium.

iii. Information in customer service centers

In all their customer service centers, the AFPs are obligated to provide the public with the minimum information described in the regulations of the Law. They must also provide

their members and the public in general with printed information on the main aspects of consultation in the Private Pension System (SPP). The information on these matters must also be available to the public on the web pages of the fund managers. They can also disseminate this information by any other means.

iv. Information to members and beneficiaries about to retire in the SPP

The rules and regulations complementary to the Law, issued by the SBS, define the general characteristics of the guidance and information services the AFPs must provide to their members and beneficiaries close to retirement in the SPP, through different media, in a personalized and non-personalized way, and the quality attributes of the face-to-face customer service.

v. Account statements

The AFPs must inform their members at least quarterly and in writing of the movements and balances in their individually funded accounts, notwithstanding the requests for such statements that their members may make.

Each member's individually funded account is recorded in two booklets denominated "AFP Individual Funding Booklet" and "AFP Complementary Individual Funding Booklet." All the movements and balances of mandatory contributions, equivalent to 10% of the taxable income, are recorded in the former, together with the voluntary contributions for pension purposes (which can only be withdrawn at the end of the member's active life) and the employer's contributions, as well as the profits derived from all of them. The nature and origin of each one of the contributions must be specified. The movements and balances of the member's voluntary contributions for purposes other than pensions, including profits, are recorded in the latter booklet.

vi. Minimum profitability

The investments of the pension funds must generate a profitability, the net results of which must be properly disclosed to members and the public in general, according to law. Such profitability must be ordered from highest to lowest, based on the degree of profitability obtained by each AFP, in accordance with the rules and regulations and the regularity of such disclosure approved by the SBS.

b) Superintendency of Banks, Insurance and AFPs (SBS)

The Law states that one of the functions of the SBS is the ongoing publication, through the mass social communications media, of the main indicators of the results of the system, which must be ordered from the highest to the lowest amounts.

Moreover, the secondary rules and regulations of the SBS²⁹ state that in order to make the performance of the SPP public, the SBS will divulge official statistical information in printed publications or in virtual publications on its web site, in the following formats:

²⁹ Resolución S.B.S. N° 355 -2005.

- Weekly news bulletin.
- Monthly news bulletin.
- Statistical bulletin of the Private Pension Fund Managers and the Evolution of the SPP.
- Monthly report on the main SPP variables.
- Yearly report.
- Others determined by the Superintendency.

Among other information, the SBS web site presents: the rules, regulations and statistics of the SPP; publications and work documents; news and events; and a description of the agency's inspection procedures. The site also enables checking whether an individual is a member of the SPP, and consulting the member's balance. A financial campaign is announced, but it was impossible to open the link and see what this initiative entails.

The SBS also has a Potential Pensioners' Guidance Center (COP) which is a coordinating office belonging to the Deputy Superintendency of AFPs. Its purpose is to provide specialized guidance to members, beneficiaries and future pensioners of the SPP, complementary to that received from the AFPs, that will give them a comprehensive assessment of their pension situation and a comparative analysis of the alternatives existing in the market so as to enhance their decision making process regarding the choice of pensions and benefits within the SPP.

Potential pensioners must prove that they have consulted the AFP they belong to prior to receiving attention in the COP offices. Customer service in the COP is face-to-face in its customer service center.

12. Poland³⁰

a) The right to information, education, participation and counseling established by law

a. Pension fund Bylaws

Polish legislation states that the general assemblies of pension fund management companies must define the funds' bylaws, which have to include certain procedures for communication and dissemination to members. They specifically mention that they must include the procedures to be followed for announcing changes to the bylaws in a national circulation newspaper, which will be used for publishing the communications.

b. Members who enroll in a fund and may see their pensions reduced

The law makes it mandatory for executives who enroll members in the open pension funds to inform individuals who joined the fund before 1999, and who were born between certain dates, of the possible implications of their enrollment decision, especially the fact that due

³⁰ Act of August 28, 1997. Law on organization and operation of pension funds; www.knf.gov.pl

to their membership of the open pension fund they may receive a significantly lower pension from the Social Security Fund or may not be eligible for applying for early pensions.

c. Account statements

The pension fund managers send their members an account statement at least once a year, showing the accumulated balances, contribution payments with their respective dates, conversion to account units and the results of the investment of these resources.

The fund managers provide written information on the accumulated balance for the account at the request of members. This information is also sent in the months in which the fill in applications for receiving temporary pensions or for recalculating them; receive payments of temporary pensions under certain circumstances; and when they received the last payment of temporary pensions.

d. Investment and risk assessment and management policies in corporate pension funds

The corporate pension funds (“employee funds”) draw up an investment policy declaration which contains at least one presentation of the risk assessment methods, the risk management procedures and the distribution of the resources among the different instruments. This information is sent to members at their request. The above requirements are not applicable to the mandatory pension funds.

e. Information on the funds published by the fund managers

The pension fund information that is made public, including the advertising, presents the comprehensive financial status of the funds and the risks the members of such funds are exposed to.

b) Financial Supervision Authority

One of the tasks that the law assigns to the Polish Financial Supervision Authority is to increase public awareness of the objectives of the pension funds and the way they function, and particularly the rights of members,

This agency’s web site shows the financial and statistical information of the pension system; bulletins; publications on the evolution of the market; rules and regulations; and a list of the licensed and unlicensed fund managers with recorded transactions. The overall process for submitting complaints and contact details is also explained. Employers can access a form for registering pension plans for their employees.

In 2009, the Financial Supervision Authority established a training program for supervising agencies, but the site says nothing about initiatives for educating and training the members of the system.

13. Dominican Republic³¹

a) The right to information, education, participation and counseling established by law

i. Account statements

Members have the right to receive information every six months on the status of their individual accounts, clearly indicating the paid-in contributions, the balance variations, the profitability of the fund and the commissions charged by the fund managers. The account statement must reflect the share value and the total amount of commissions charge in Dominican pesos.

ii. Information on investment portfolios

The AFPs can operate several investment portfolios with different compositions of financial instruments, with different degrees of risk and real profitability. The fund managers must provide a detailed report on such composition to the Superintendency of Pensions, as well as the investment amounts of each portfolio

Members have the right to receive information on the investment portfolios, especially their profitability and risk, and to decide once a year in which one of the portfolios managed by the AFP they wish to place the entire amount in their individual accounts.

The contracts signed by the AFP with members at the beginning of the contractual relationship, must include information on the different investment portfolio alternatives that are available to them and the commissions that the AFP will charge.

iii. Information on the services provided by the AFPs

The fund managers must make information available to the public for guiding workers with regard to their services. The Superintendency will ensure that such material is in keeping with its provisions.

iv. Basic education on social security

The Secretary of State for Education must include in primary and high school study plans a module aimed at educating citizens on social security as a human right and explaining the characteristics of the Dominican Social Security System, the rights and duties of members and the ways to take advantage of programs and options. Technical education schools must do the same.

One of the functions of the National Social Security Council (CNSS) is to carry out systematic promotion, education and guidance activities on social security, and assume the defense of members in representation of the Dominican government.

³¹ Law No. 87 – 01 of 9/05/2001 which creates the Dominican Social Security System; Official Publication No. 969-02 Pension Regulations, December 2002; www.sipen.gov.do.

v. Information and defense of members

There is an Office for Information and the Defense of Members in the Dominican Republic, whose purpose is to assist the beneficiaries of the Dominican Social Security System (SDSS) in all necessary services for making their protection effective and acting as an instrument for the defense and guidance of members. This assistance includes information on their rights, duties, resources and friendly and legal instances, formulation of complaints and lawsuits, representation and follow-up of cases, among others.

DIDA is responsible for:

- Promoting the Dominican Social Security System and informing members on their rights and duties.
- Attending to and resolving the queries submitted by members.
- Receiving complaints and claims, attending to them and following them up until their final resolution.
- Within the scope of its attributions, provide free guidance and legal advice services in controversies between members and the AFPs, or the existing pension plans, that are submitted to it, or cases that members have taken before the Superintendency or the common courts.
- Carry out studies on the quality and timeliness of the services of the AFPs, the National Health Insurance (SNS) and the Health Risk Managers (ARS) and make their results known, in order to objectively contribute to members' decision making.
- Supervise the functioning of the Dominican Social Security System, from the user's standpoint.
- Promote the system.

Members can also request professional guidance from the DIDA for selecting the pension mode, and in case they are not satisfied with the assigned pension, they have the right to ask the Superintendency of Pensions to review their cases.

a) Superintendency of Pensions

The Superintendency provides some on-line services for members of the pension system through its web site. Members can consult what AFP they belong to; submit comments or questions; and also estimate the pension amount by entering the basic information requested.

The site also includes news; rules and regulations; statistics; publication and institutional information.

14. Romania³²

a) The right to information, education, participation and counseling established by law

i. Prospectuses of the pension funds

In Romania, the fund managers are obligated by law to draw up pension fund prospectuses which must include certain minimum information, such as the regularity and communications procedures for sending reports to members, among others. Participants are informed of changes in the prospectuses.

ii. Investment policy

The fund managers draw up a document presenting the investment policies of the pension funds and the investment strategy based on the nature and duration of the assets; risk assessment methods involved in the investments; risk management procedures; mechanisms applied for checking investment principles; and the individuals and procedures involved in the decision making process. Revisions and possible modifications of the policy are performed every time significant changes occur in the investments area, or at least once every three years, and communicated to members.

The fund managers also make the investment policy available to members when they require it, as well as substantial, detailed information on investment risks and options, the current portfolio, the degree of exposure to risk and the expenses associated to the investment process.

In Romania, the auditors check the reports issued by the fund managers and give their opinion regarding compliance with the investment policies defined for the pension funds.

iii. Information received on signing the membership contract and changing residence

When workers sign the membership contract, the fund manager informs them of the conditions of the pension system, the financial, technical and other risks they will be exposed to, and the nature and distribution of such risks.

The fund managers also keep members up to date on the relevant changes that occur in the pension legislation and must provide them with the statements and annual reports they issue on the pension funds, should members require them.

Should a member change jobs, permanent home or residence, and move to a country that is a member of the European union or that belongs to the European Economic Community, the fund manager will provide in writing the necessary information on acquired pension rights and possible options.

³² Law N° 411/2004 on Privately Administered Pension Funds (as modified and amended by Government Emergency Ordinance No.50/2005 and Law No.23/2007; www.csspp.ro).

iv. Account statements

Once a year, the fund managers inform members of the balance in their individual accounts, the number of fund units they own and their value and the status of the fund manager.

b) The Private Pension System Supervisory Commission

The Commission's web site contains explicatory material on the second and third pillars of the Romanian pension system, including the purpose and functions of the Commission itself; the standing rules and regulations and those that have been put forward for comments; publications and statistics (among others, the profitabilities obtained by the pension funds according to the degree of risk); comparative indicators of the pension funds; a list with information on the fund managers, the pension funds custodian agencies, current auditors and sales agents, and the inactive second and third pillar agencies; information on how to contact the Commission; events; and the documentation and forms necessary for requesting an operating license from the Commission.

The Commission has also established a special section of the site dedicated to the protection of the consumer, in which the user can submit complaints and request protection. The user can also find frequently asked questions; a newsletter; forms for requesting transfers between pension funds and a glossary of terms. This section of the site also presents surveys aimed at members; a consumer's guide to the private pension system; financial education material; and public campaigns promoting the advantages of the system and the need to adopt savings decisions at an early age. In addition to the above, there are also YouTube videos on the private pension system.

Through the site, members can link to the web pages of the fund managers to check their private pension accounts.

15. Ukraine

Only the first mandatory pillar and the third voluntary pillar of the pension system are currently operating in Ukraine. The second pillar is expected to start operating within three or four years.

Hence, the rules and regulations presented are those governing the pension funds of the third pillar. Nonetheless, according to the information provided by the local fund managers, the majority of the legally established regulations are not being applied in practice

The third pillar was created for those workers who want to increase their income in old age and are capable of paying higher contributions. Workers are free to join the pension plan of their choice and can transfer their funds to other plans every six months at the most.

a) The right to information, education, participation and counseling established by law

i. Account statements

At least once a year, the fund managers must send each member of the pension funds an account statement, free of charge, pursuant to the provisions established by the Regulating Commission of the Financial Services Market (Commission). They must also provide additional account statements when requested by the participants, although charging a commission, unless the request is made to conclude a life annuity or programmed retirement contract for a specific amount of time. The commission sets the maximum value the fund managers can charge for the service of providing additional account statements.

Participants of the pension funds who are receiving pensions have the right to receive, free of charge, the information on pension payments and the accumulated balances in their accounts.

ii. Information on the pension funds that must be published by the fund managers

The fund managers must submit quarterly reports on the pension funds to the Regulating Commission of the Financial Services Market and the Boards of Directors of the pension funds.

The Commission defines the content of the reports that must be sent, and in case of the deterioration of the financial situation of a pension fund, it will require more frequent remittals of information, but not more than once a week.

The asset managers that manage the investments of the pension funds must also submit reports to the Commission and the Boards of Directors of the pension funds. The content of the reports is established by the Commission. The custodians that render services to the pension funds have similar obligations.

The insurance companies that render services in the non-state pension fund system must also submit reports to the Regulating Commission of the Financial Services Market and the agencies and individuals with whom they have subscribed contracts, pursuant to the provisions of the law and the Commission.

Finally, the banks that offer their services in the non-state pension system must provide the information required by the National Bank of Ukraine.

b) The Supervisory Commission of the Private Pension System

The Commission must publish quarterly and annual consolidated reports on the private pension system. However, it does not do so regularly, and reports are published with delays of five to six months and do not contain any information on the pension funds and the fund managers.

16. Uruguay³³

a) The right to information, education, participation and counseling established by law

i. Information to the public

The Pension Savings Fund Managers (AFAP) must display in their offices, in a place clearly visible to the public, information on the Pension Savings Fund, the Profitability Fluctuation Fund, the Special Reserve, information on the fund managers, the custodian agencies and the insurance companies, the value of the management and custody commissions and the disability and death insurance premium, the general balance sheet for the last fiscal year, the distribution of profits and the structure of the investment portfolios.

ii. Account statements

The AFAPs must regularly send to the domicile of each one of its members, at least every six months, the minimum information on the initial and final balances of their individually funded accounts for the period covered, the movements during the period, including contributions, management and custody commissions, the disability and death insurance premium and the real and nominal profitability of the fund.

The statement must be sent at least once a year in the case of members with no recorded contribution movements in their accounts in the last six months period for which statements must be issued.

The frequency of the statements sent to members can be increased by means of regulations.

In all cases, members who expressly request information on their individual accounts from the respective AFAP can obtain it at any time.

The AFAPs must also inform their members of the real net projected profitability rate corresponding to the pension savings plan they manage, for the basic periods of one and five rolling years ending in each month for which statements are issued, resulting from a projection of a period of thirty-five years under the conditions observed during each one of the base periods analyzed, and calculated by the Central Bank of Uruguay. In the calculation of the real net projected profitability rate, for a fund flow of thirty-five years, the total paid-in contributions are calculated as outputs without considering the average insurance premium of the market reported by the Central Bank of Uruguay; and as inputs, the value of the fund after thirty-five years of compounding contributions net of commissions, similar to those performed in the base period and with the same observed gross yield rate.

³³ Law No. 16.713 of September 3, 1995; www.bcu.gub.uy.

iii. Publication of commissions

The AFAP s are obligated to immediately and clearly publish their current and projected systems of management commissions, bonuses and disability and death insurance premiums. The management commission, the disability and death insurance premium and the custody commission must be broken down separately.

b) Central Bank of Uruguay

The Central Bank of Uruguay is the agency responsible for controlling the AFAPs.

The agency's web site has a section dedicated to Pension Savings – AFAPs, which includes the following information:

- Information on each one of the AFAPs operating in the Mandatory Individual Savings Retirement System.
- The rules and regulations of the AFAPs.
- The methodology for calculating profitability
- Market information: quarterly reports on the AFAPs, drawn up by the BCU; gross and net profitability of the Pension Savings Funds; composition of the investment portfolios; and other principal variables of the AFAPs.
- Statistical series.

III. Experiences with information campaigns³⁴

This section summarizes the main experiences and recommendations that can be gleaned from the information campaigns launched by both the private and public sectors in different countries.

1. Recommendations

- Efforts must be ongoing, because pension knowledge and culture fade.
- It is important to structure a long-term pension education program, starting at an early age.
- The language used must be simple so communications can be understood by the average member.
- It is important to concentrate on the more relevant matters for members and not address too many issues and details, because that will only confuse workers.
- Provide comparable and transparent information people have easy access to.
- Do not generate excessively high expectations among the public regarding the benefits of the system, especially in the initial stage.
- Avoid focusing the campaigns on population groups for whom it could objectively be inconvenient to transfer from the former system to the individually funded system.
- Emphasize the long-term nature of pension saving.
- Do not wait for the problem to arise; not acting expediently could give rise to serious problems in complicated scenarios.
- Education is a type of investment.
- Provide timely, accurate and accessible information.
- Assess the needs of members and gauge the effectiveness of the measures implemented.
- Adjust the methodologies, subject matter and messages to the segment one is trying to reach.

³⁴ Information on pensions and their organization - Ross Jones; Cases of information campaigns implemented by the industry - Dariusz Stánko; Cases of information campaigns implemented by the supervising agencies - Solange Berstein. These documents were published in the FIAP book containing the presentations in the seminar “Developing the Potential of the Individually Funded Systems” held on May 6 and 7, 2010, in Viña del Mar, Chile.

- The best way of showing the pension cost is to express it in local currency and annually, so people can visualize the differences.
- Use the synergies of financial education to advantage by coordinating the initiatives of different supervising agencies, when possible.
- Proper identification of the target segments, since the public receiving the information is often not uniform.
- Some segments or individuals can multiply the dissemination of contents within their respective groups and/or areas of influence.
- Develop pilot projects to ensure that the message is really reaching the target segment clearly.

2. Subject matter and messages that should be included in information campaigns

a) Issues that it is important to include in the different pension education and culture initiatives

- The selection of issues will naturally depend on the stage of development of the individually funded system and the opportunities and difficulties they face. Some relevant issues are:
 - General explanation of the system.
 - The need for timely retirement saving.
 - How to participate in the system?
 - What are my rights and obligations?
 - What are the relevant decisions I must make?
 - Understanding of the saving and investment products.
 - Membership, choice of the pension fund, portfolio options, inheritance and safety of the pension resources.
 - Performance of the system.
 - Special efforts for properly explaining the risks faced by members, especially the investment and longevity risks.
 - Identify an adequate pension-risk indicator for the investment of the pension resources.
 - Demographic ageing and greater life expectation
 - Projection of the personalized pension (in the account statement), mitigating the risk of members thinking it constitutes a promise. There is evidence showing that this type of information has a positive impact on voluntary pension saving among middle-aged people (between 40 and 50) and the postponement of the retirement age.
 - Relevant current issues in each system.

b) Messages

- Addressing pension saving in time has enormous advantages.
- Be active in decision-making.
- Use the available tools for improving the pension and reducing the risk of not achieving objectives.

3. Methodology, types of campaigns implemented and sections they have targeted

a) Media and resources used

- Personal contacts: letters, phone calls, SMS, e-mail.
- TV, radio, newspapers.
- Use of specialized media in the financial sphere.
- Press releases and conferences.
- Seminars, conferences, working breakfasts.
- Educational series in newspapers.
- Joint publication of documents with financial and educational institutions.
- Interviews.
- Fliers.
- Interactive CDs.
- Internet media are getting to be more popular: web pages, chats, facebook, twitter, etc.
- Visits to companies.
- Participation of social players with positive and well-entrenched public image.

b) Target segments

- Members in general.
- Self-employed workers with low salaries and frequent periods of unemployment.
- Young generation, including schoolchildren and university students, who the message must reach through the appropriate media (cinemas, shopping malls, internet).
- Press.
- Trade unions.
- Social assistants.
- Teachers.
- Human resources staff in companies.
- Politicians.
- Opinion leaders.

c) Others

- Most of the information activities are designed internally, either by pension fund associations or with the help of the marketing departments of the pension fund managers.
- Collaboration with supervising agencies and consumer defense institutions.

4. Difficulties encountered in the campaigns

- Poor initial knowledge of the pension system by members and little capacity for processing the information.
- Members think they know much more than they really do.
- Little interest in pension issues.
- Intangible and long-term product.
- Ideologization of the pension system and populism of certain political stakeholders with short-term interests contrasting with the long-term horizon of the pension system
- Dispersion of members.
- Asymmetry in the information managed by members and fund managers.