تابوڠ امانه ڤکرجا
TABUNG AMANAH PEKERJA

Behind the Scenes: Skim Persaraan Kebangsaan (SPK)

Brunei Darussalam's Journey Towards a Secure Future for All

42 ASSA
BOARD MEETING
BRUNEI DARUSSALAM

Presenter:

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ASSA

Key Reform Milestones

TAP

1993

- Introduce social security for private sector
- Lumpsum withdrawal at age 55

SCP

2010

- Retirement annuity at age 60
- Extend coverage to Self-Employed
- Survivorship Benefit

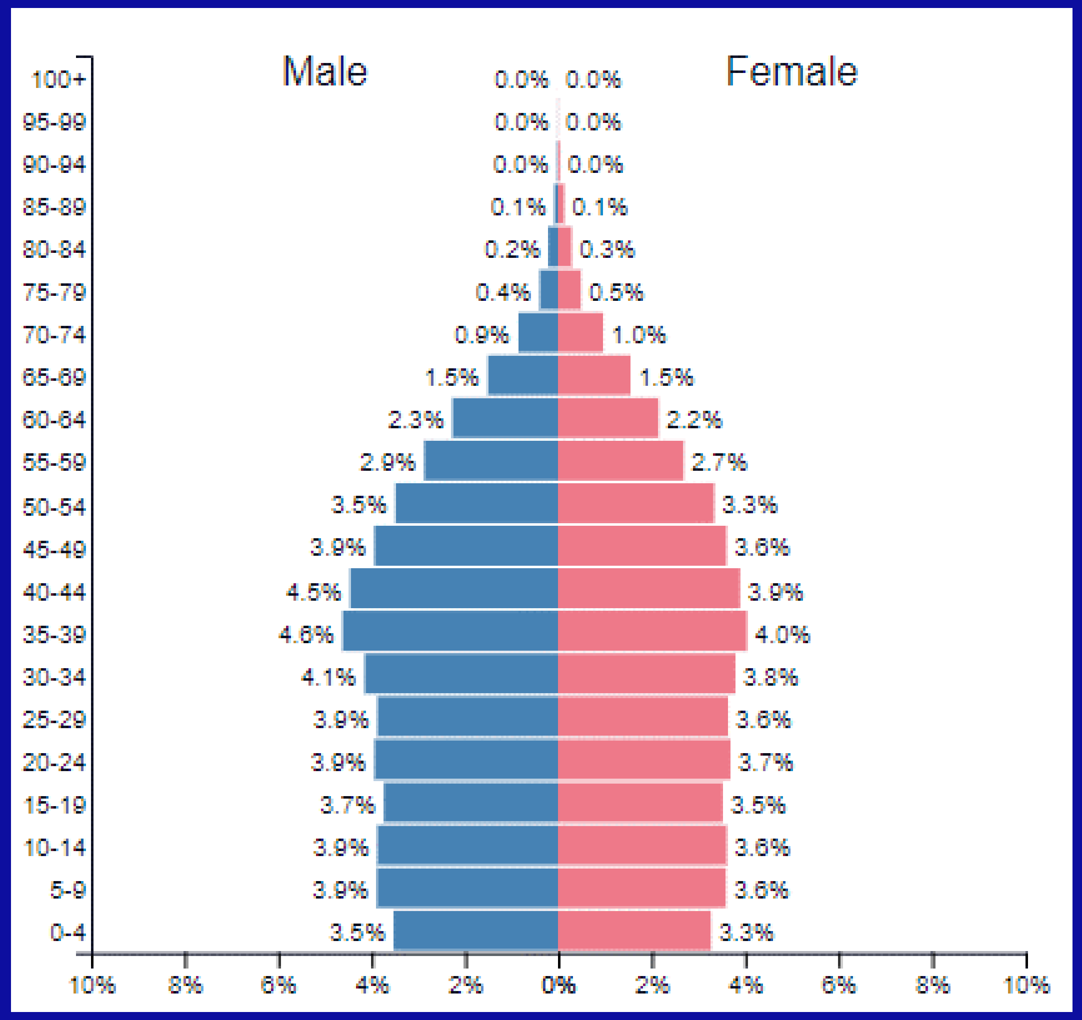
SPK

2023

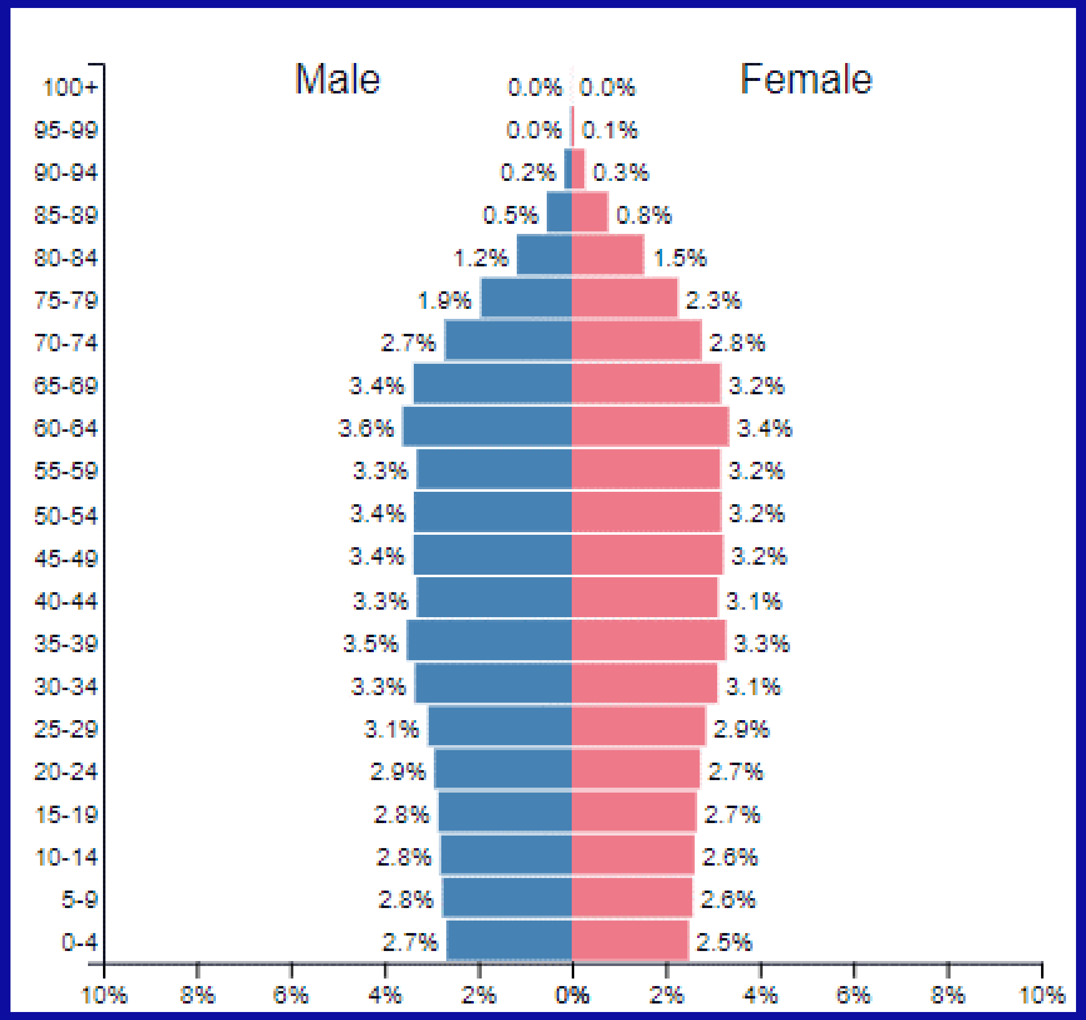
- Annuity up to lifetime
- Inflation-adjusted annuity
- Minimum annuity of $250
- Improved Derivative Benefit

Why reform?

Brunei demographic shift



2023



2050

Source: UN Population projections

- Brunei's workforce is evolving.
- Longer life expectancy, rising cost of living and ageing population.
- Old scheme served well but had limitations in adequacy and long-term sustainability.
- The scheme was reviewed to strengthen retirement security and ensure inclusivity.

RETIREMENT ADEQUACY

STATISTICS

1993

Employee Trust Fund Scheme

1 out of 10

Members have savings of >$75 thousand at 55 years old. That is members have $250 per month until 80 years old to support their retirement.

2010

Supplemental Contributory Pension

2 out of 1000

SCP members aged 60+ receive $250 per month until 80 years old. That is members will receive $500 per month if combined with a basic old-age pension.

2023

National Retirement Scheme

7 out of 10

Members age 60+ receive $250 per month for Lifetime. That is members will receive $500 per month if mixed with the Old Age Pension.

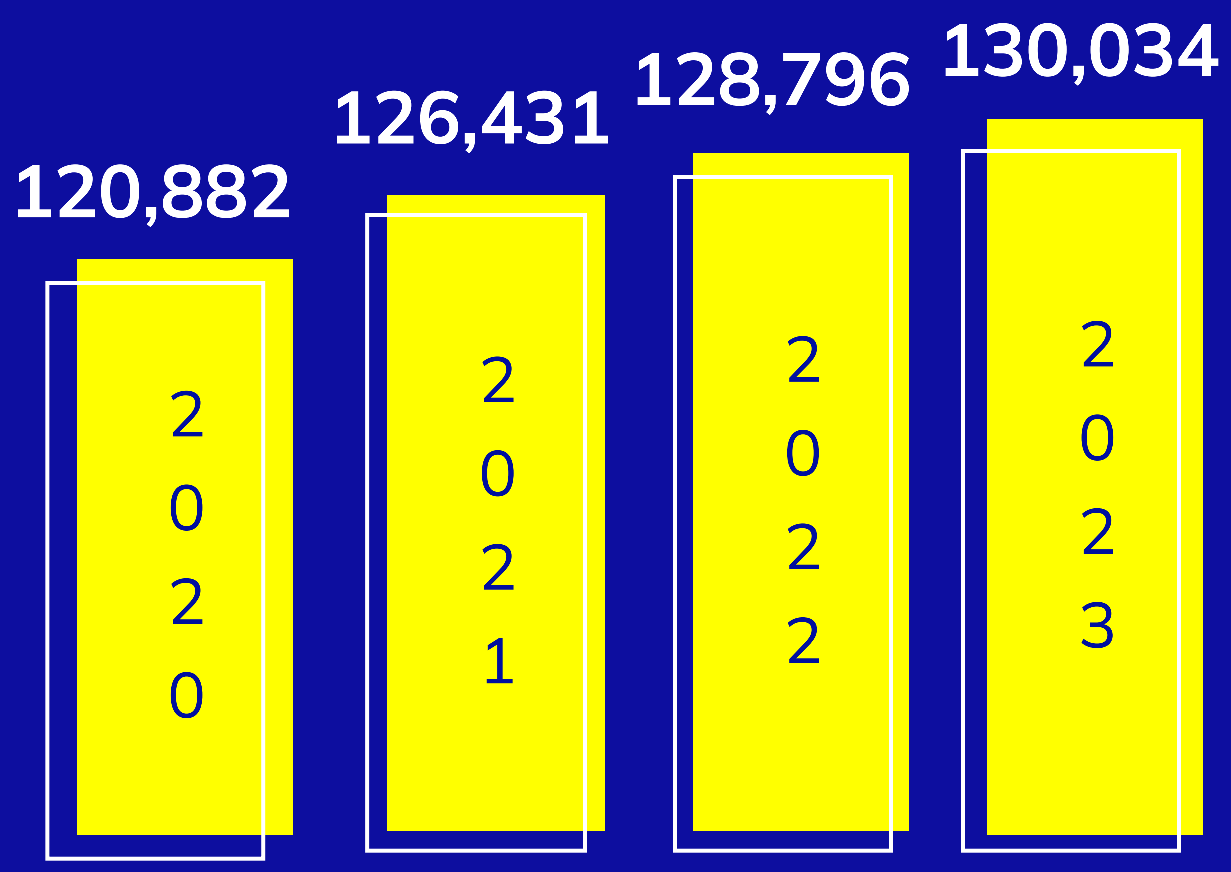
186,100

SPK Scheme Members (estimation)

Extending to members aged 55-60 and Self Employed and recipients of Service Pension.

Active members

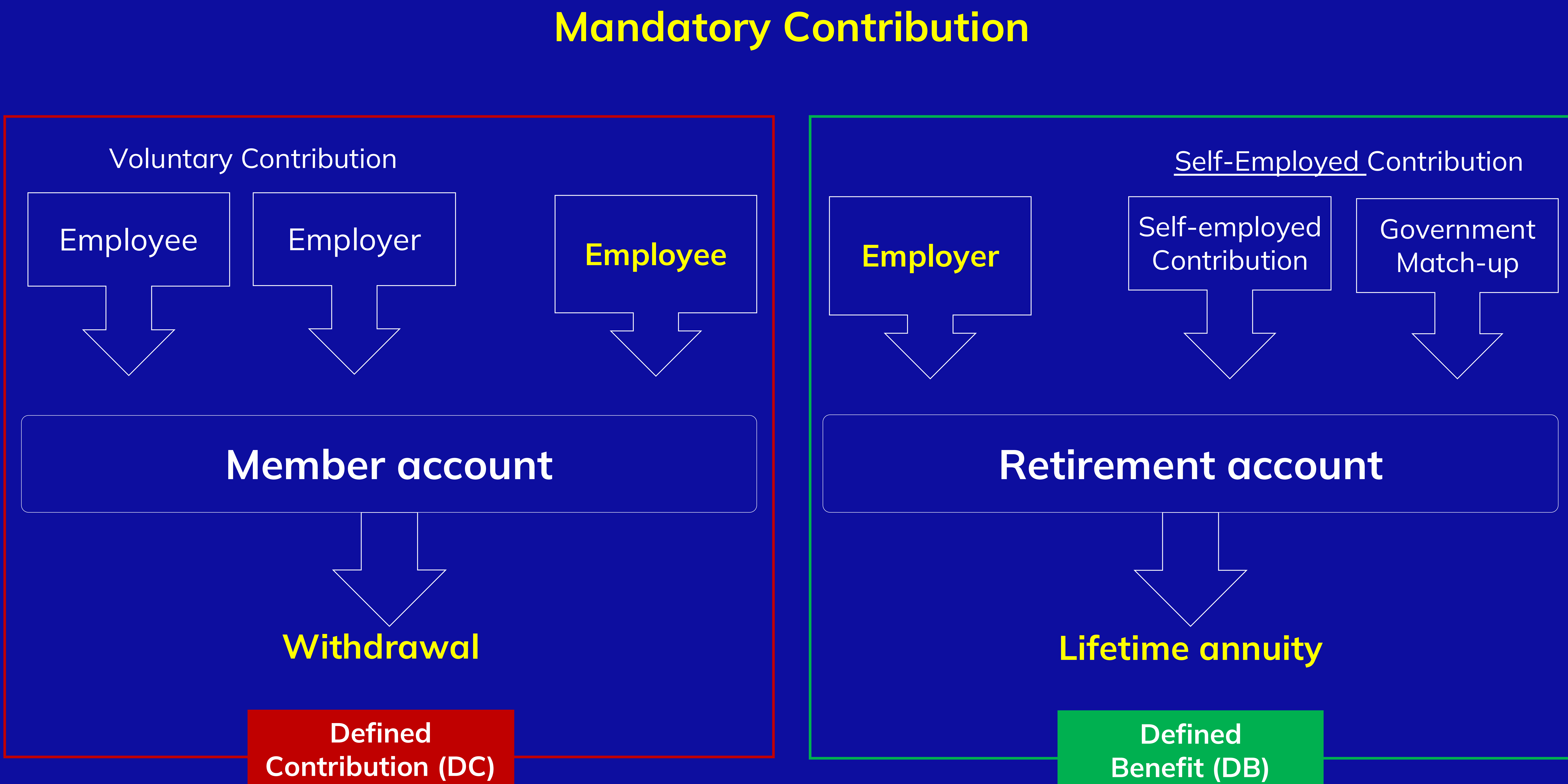
(Contribute at least once a year)



7 in 10

Members age 60+ receive $250 per month for Lifetime.
Members will receive $500 per month inclusive of Old Age Pension.

Structure of SPK



SPK Annuity from Retirement Account

Annuity Calculation factors:

- The Average Household Expenditure
- Income Replacement Rate (IRR)
- Inflation rate
- Average Member Salary
- Work Productivity

From Vision to Policy

2018-2020

Policy study and actuarial assessment, benchmarking against standards

2021

Cabinet endorsement of reform directions and overall review of structure

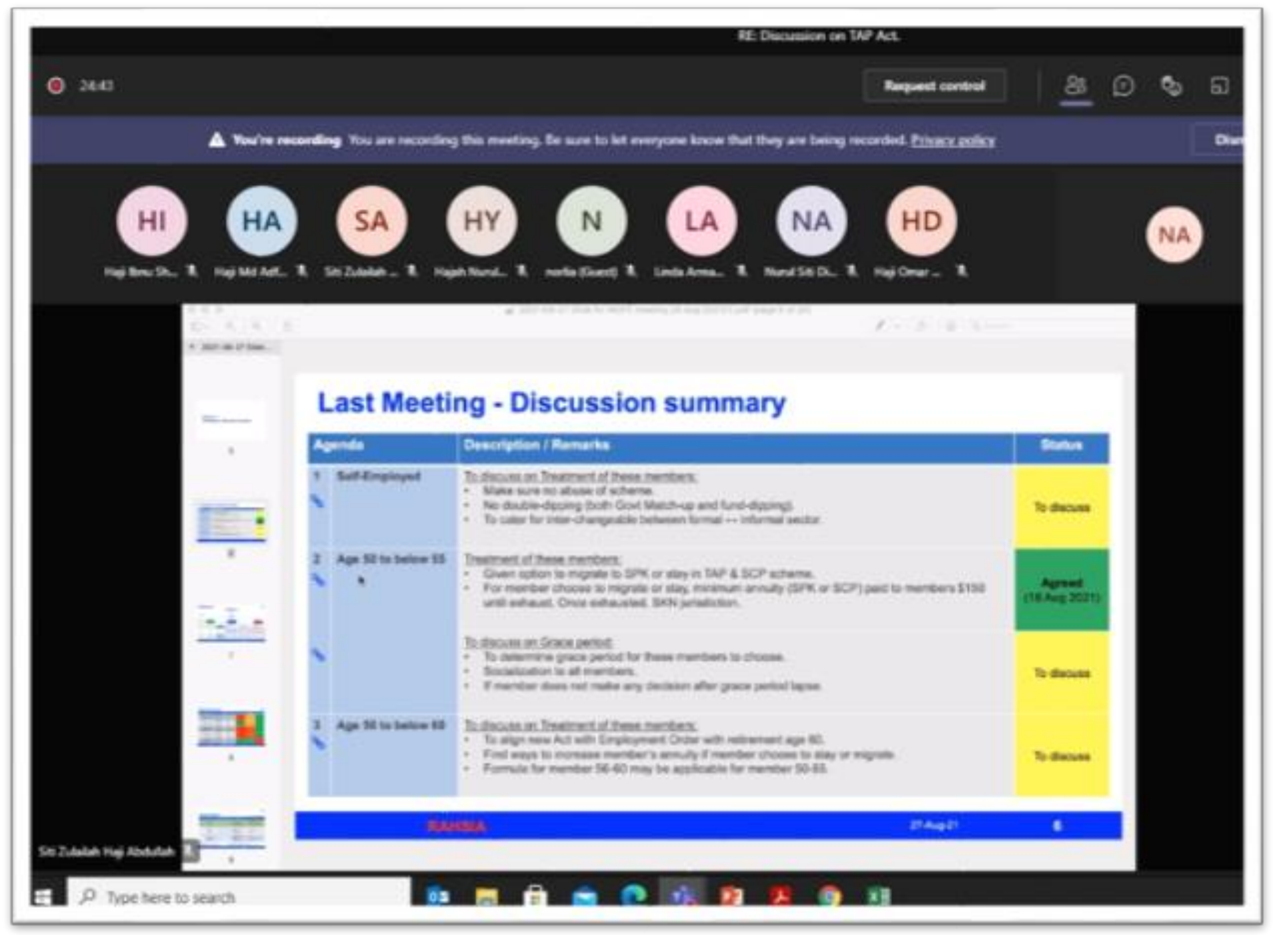
2022

Enactment of SPK Act, finalising system design and socialisation strategy

2023

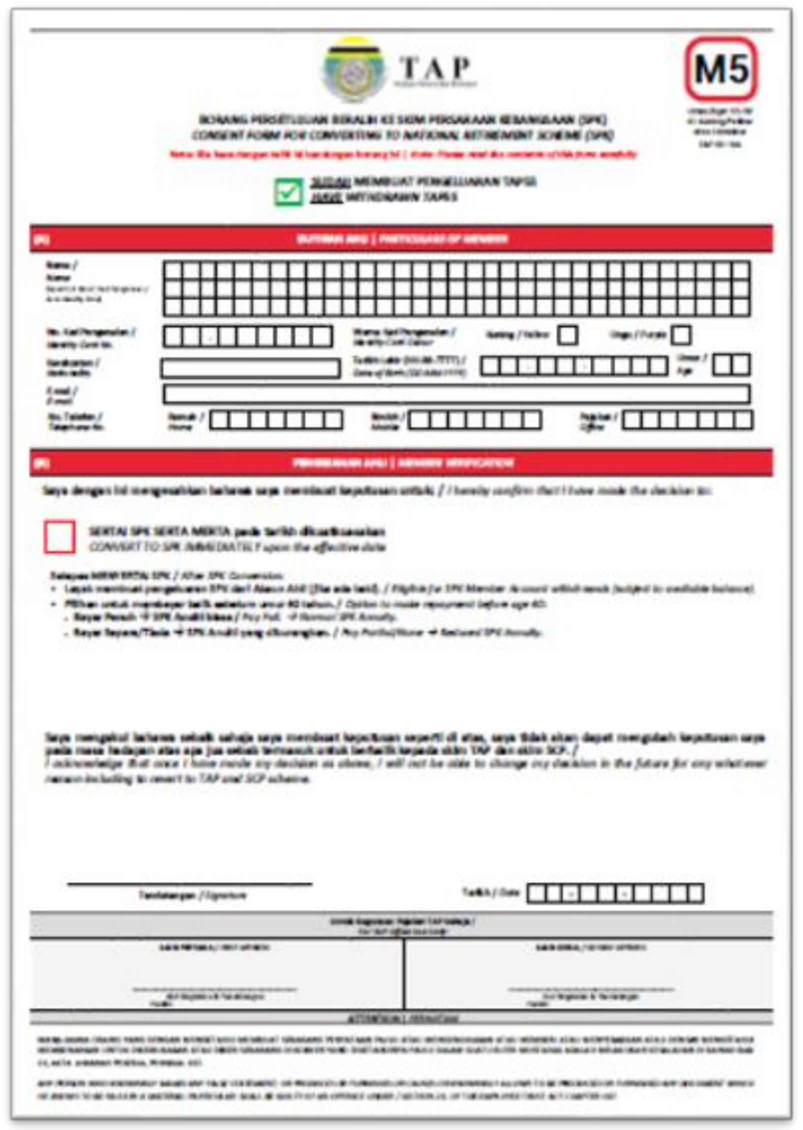
Official launch of SPK nationwide

Implementation Framework



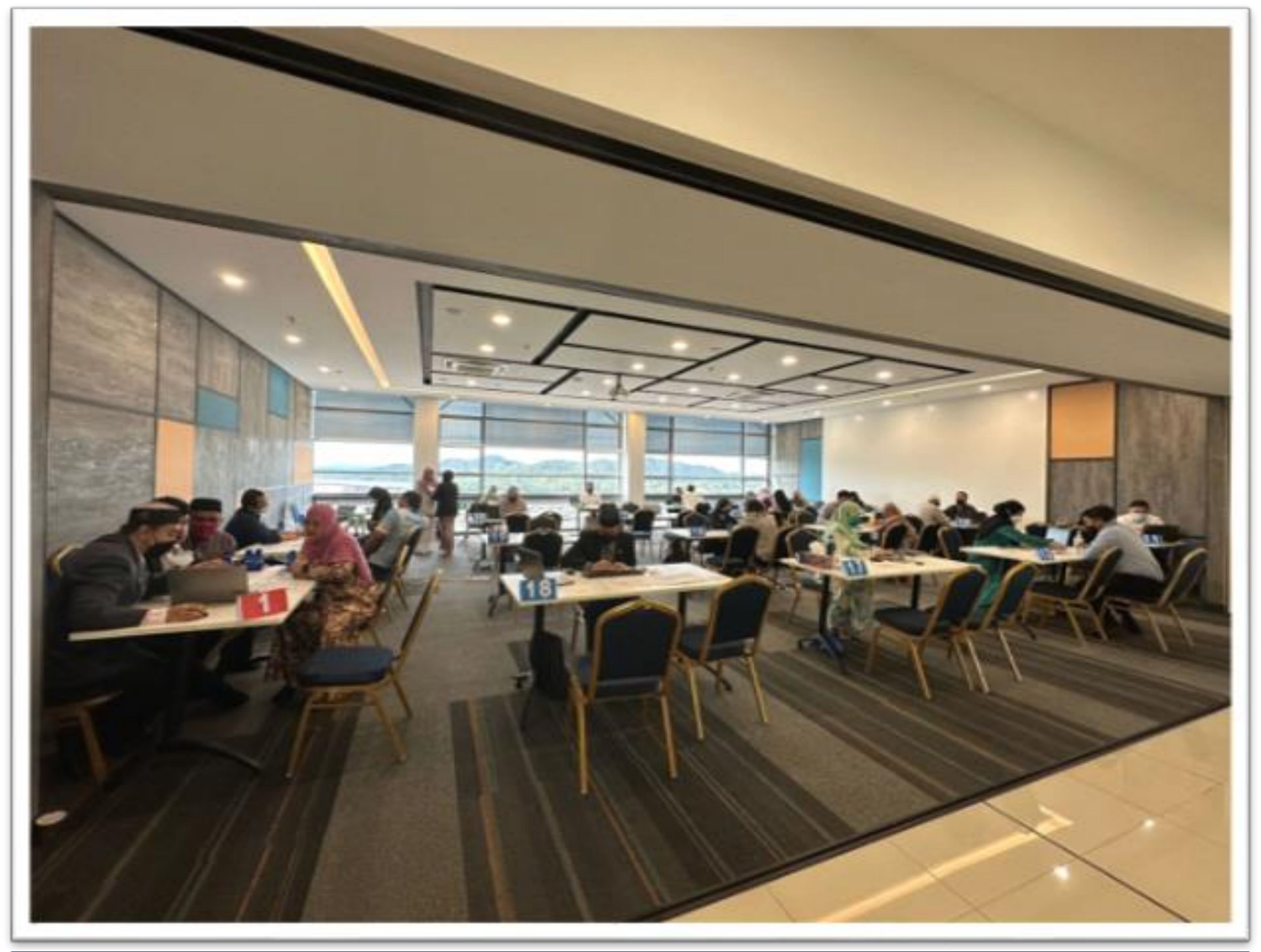
Policy & Governance

Inter-ministerial collaboration and steering committee



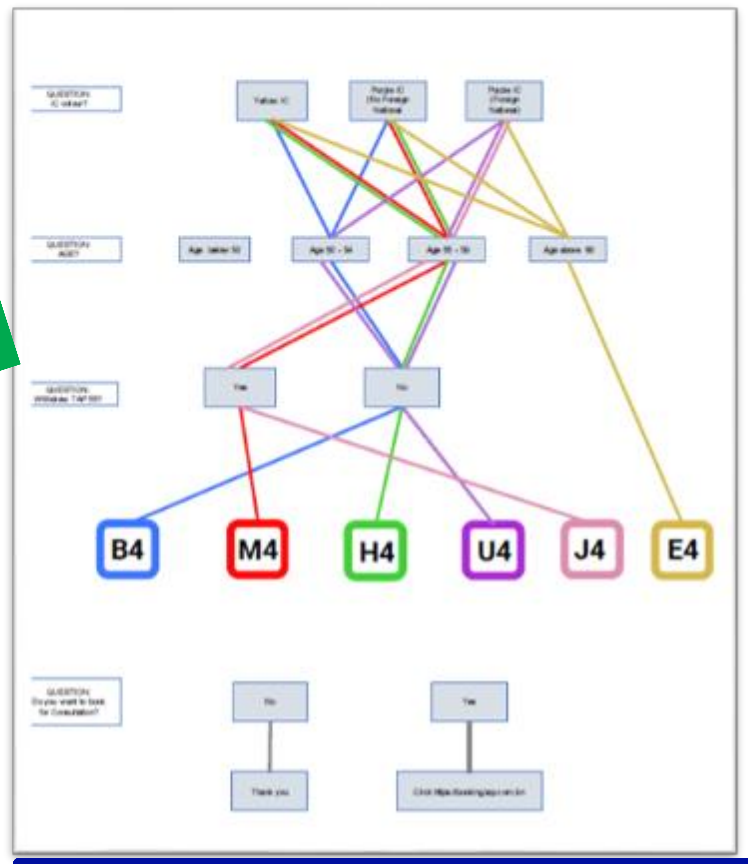
System Enhancement

Review specification and Technology infrastructure



Change Management

Internal capacity building and stakeholder buy-in



Operational Readiness

Realignment of business processes and data conversion

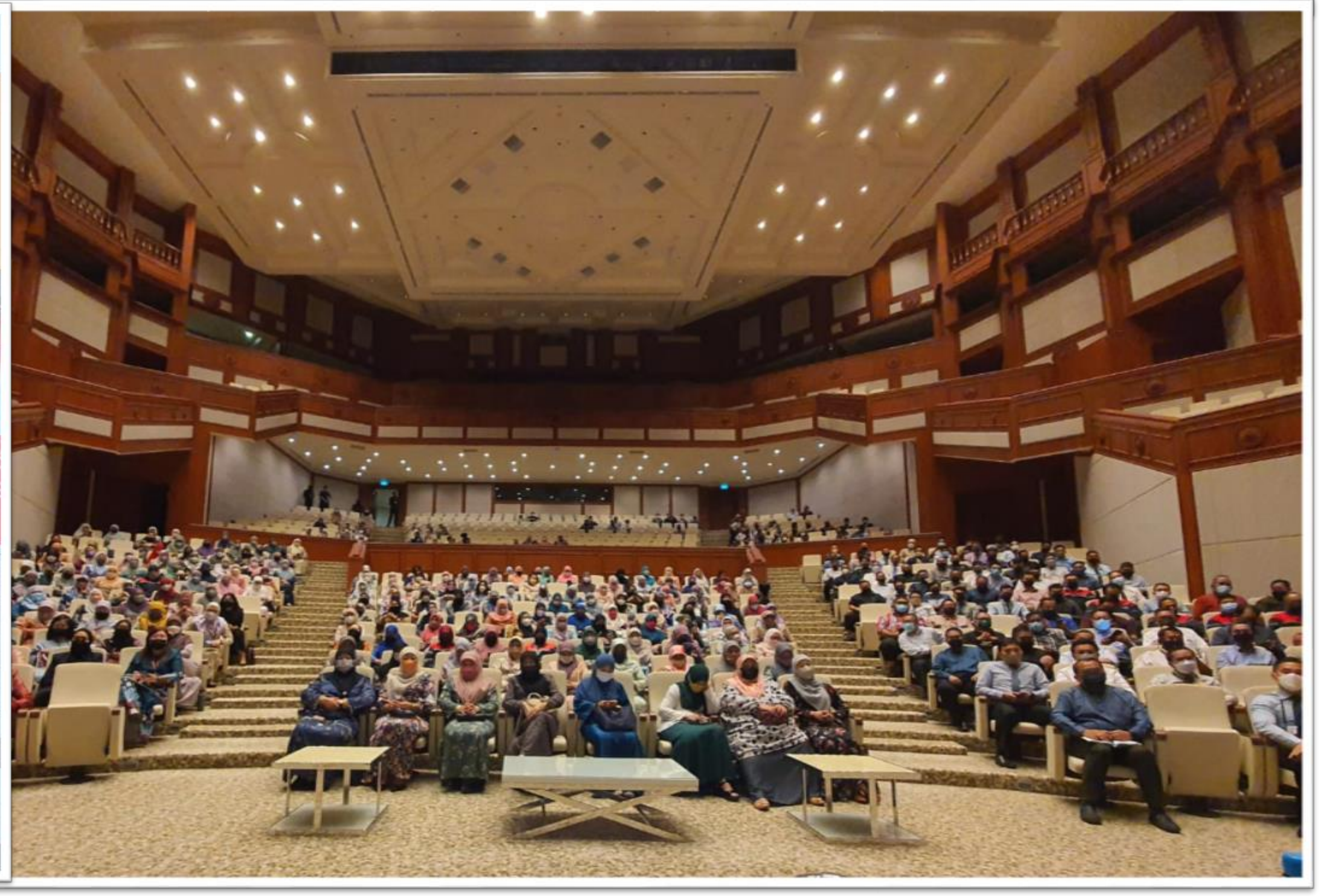
Coverage & Socialisation Strategy

Key Strategies

- Multi-channel awareness: TV, radio, social media, roadshows
- Targeted engagement according to the type of member categories
- Employee coverage in the government and private sector
- Collaboration with government ministries, major companies and community leaders

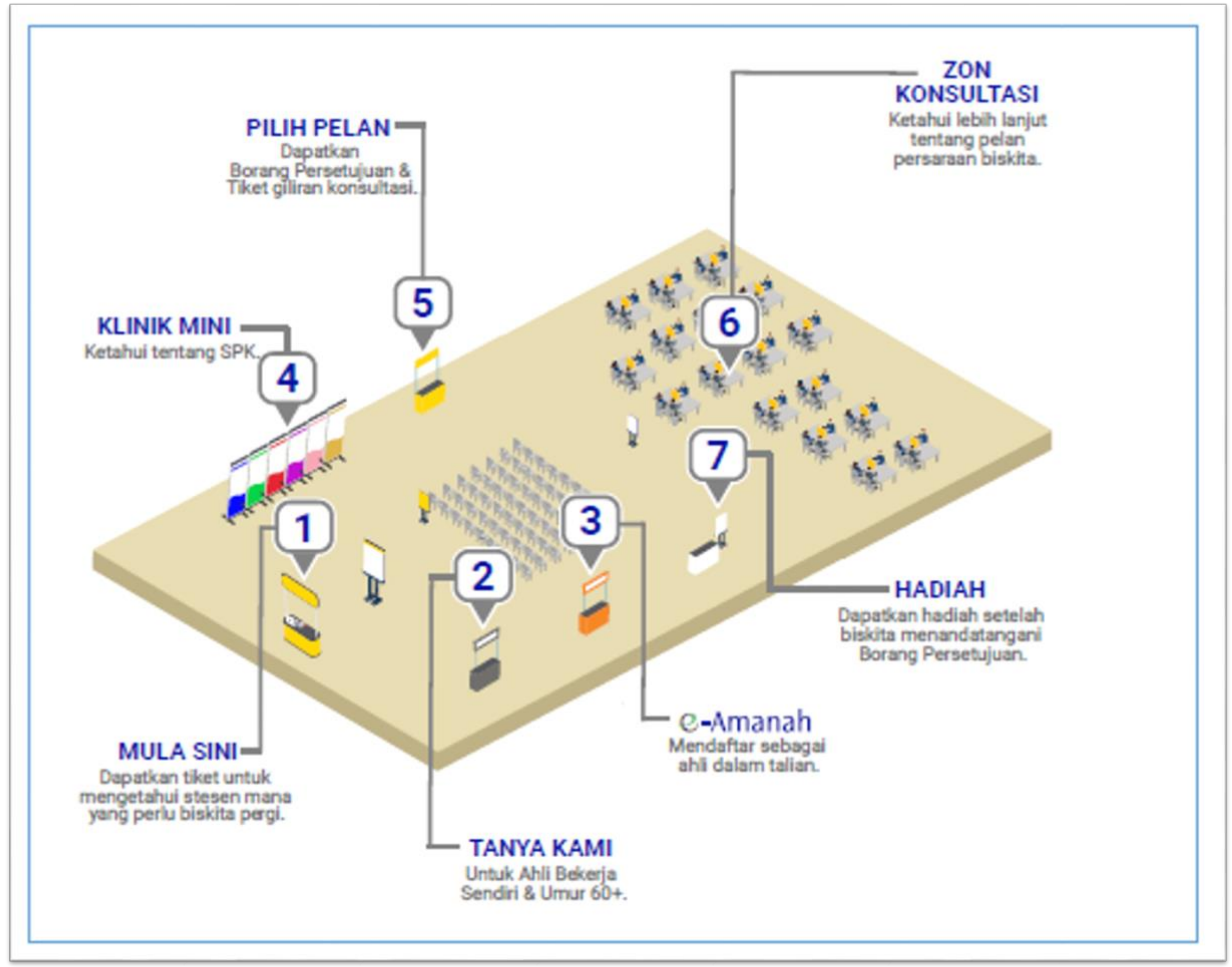
Phase 1

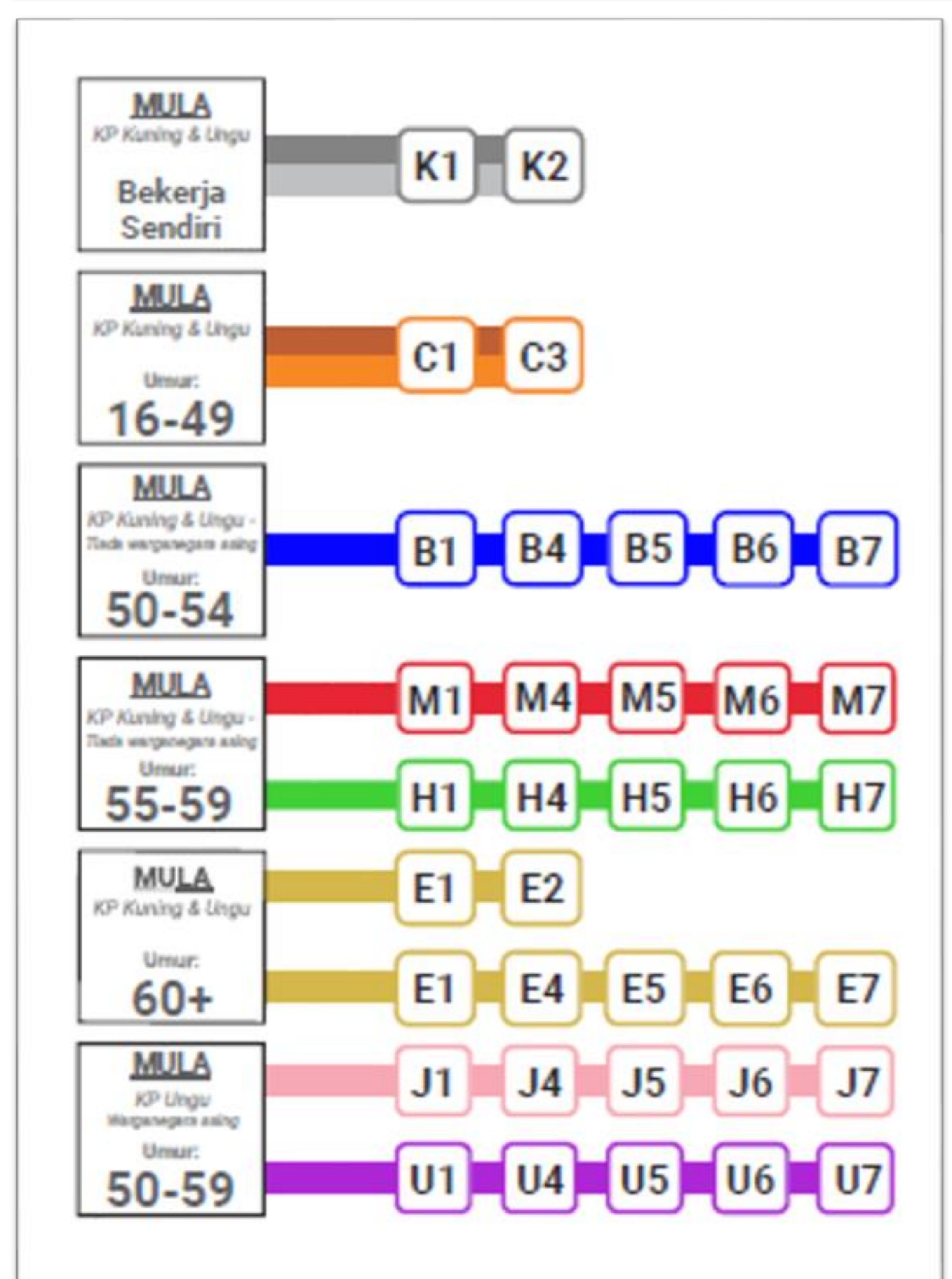
Talks: April 2022



Phase 2

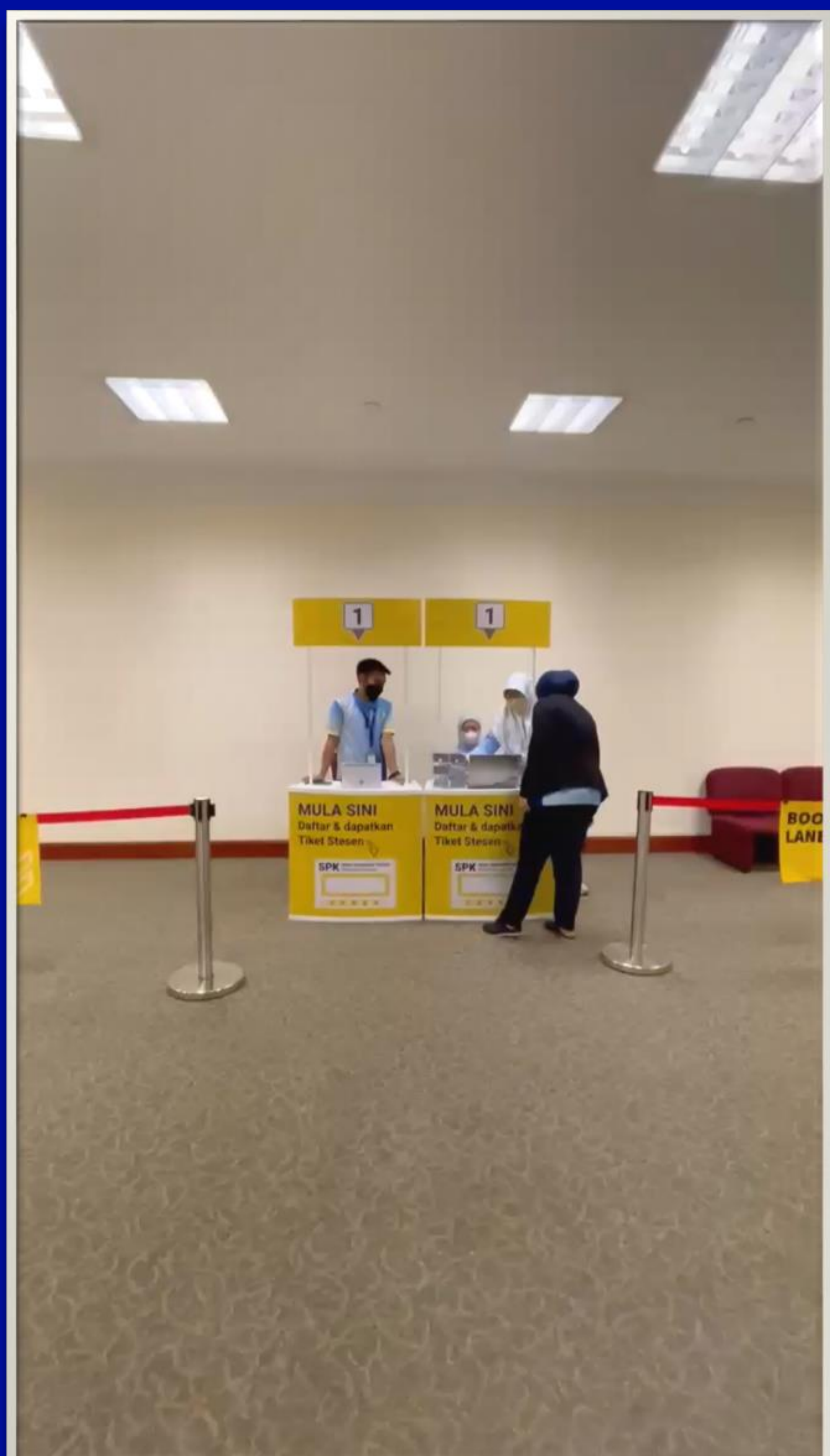
Consultation: February 2023

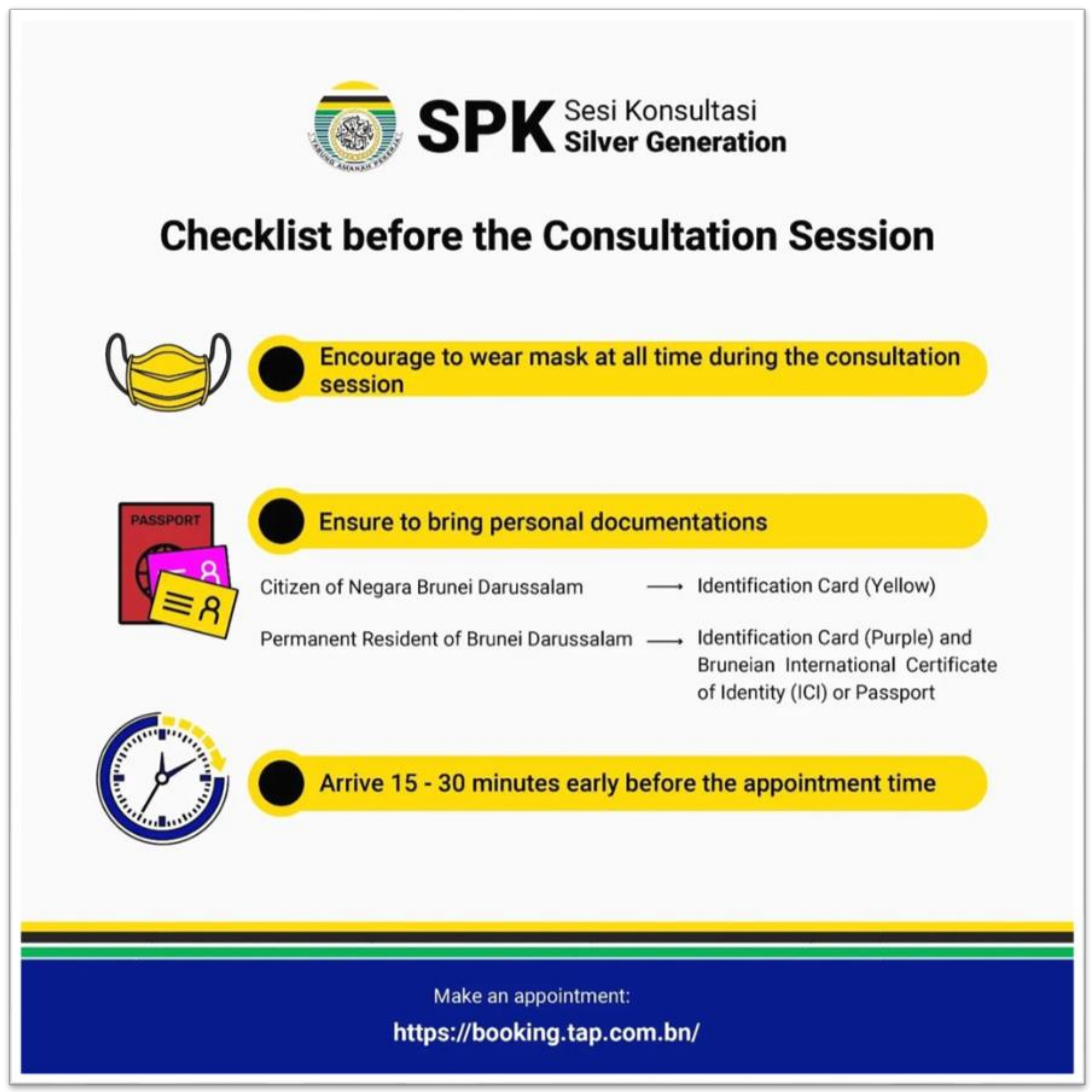


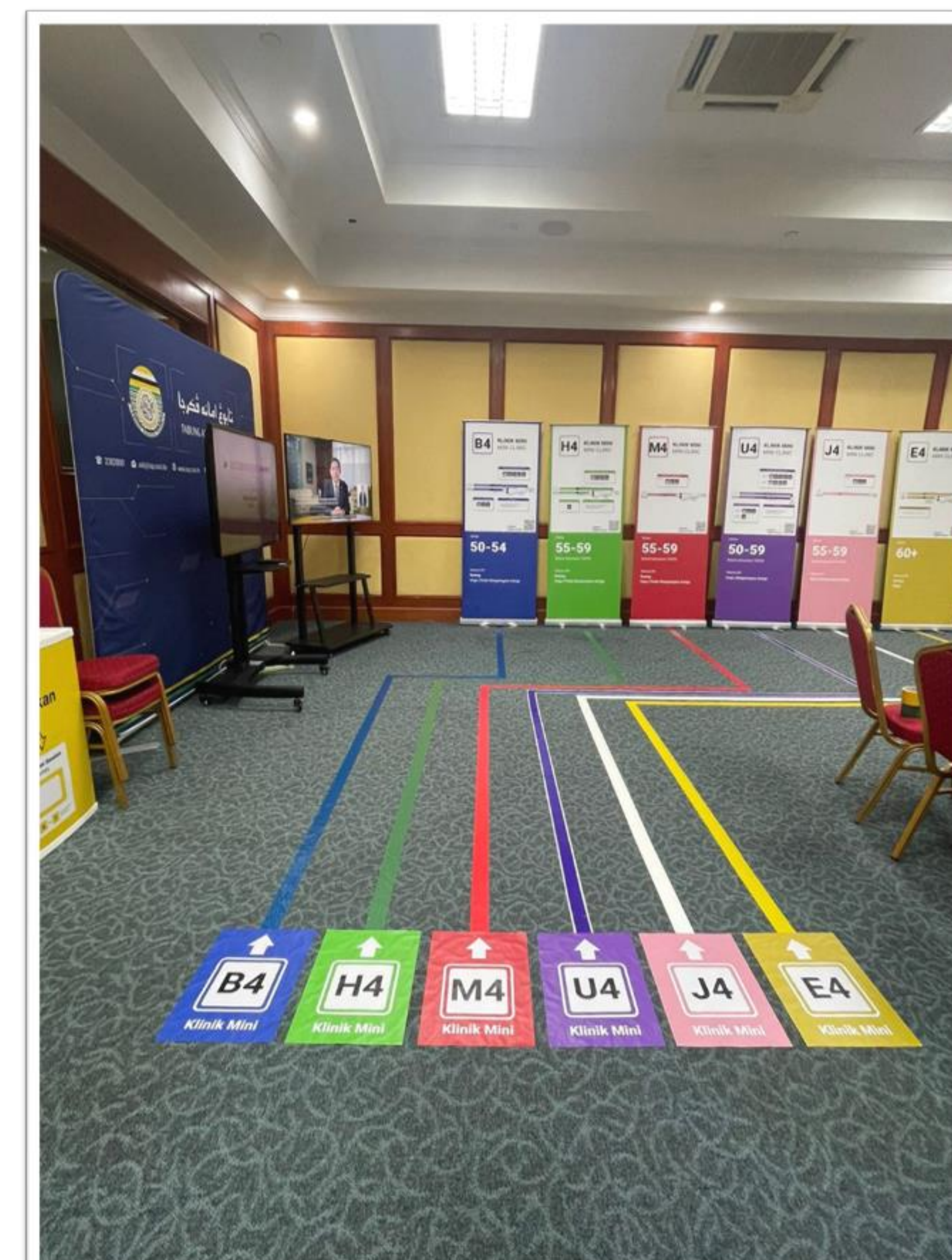


Mini Clinic to give consultation advise to different types of categories

Consultation: February 2023







Consultation: February 2023

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Q & A

THANK YOU

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