



USAID | UKRAINE
FROM THE AMERICAN PEOPLE

PADCO | AECOM

USAID UKRAINE PENSION REFORM IMPLEMENTATION PROJECT
Planning and Development Collaborative International Inc.
(PADCO)

Igorivska 14, Kyiv, Ukraine, 04070

Tel: 38 044 428 7615 - Fax: 38 044 428 7614

e-mail: OlenaV@padco.kiev.ua

Final Report:
Ukraine Pension Reform Implementation
Project
January 1 2001 – December 31, 2005

Submitted to

V. Yatsenko, Cognizant Technical Officer, USAID /Kiev

by **PADCO-AECOM**

Contract No. 121-C-00-00-00834-00

December 2005

CONTENTS

ABBREVIATIONS AND ACRONYMS	4
THE PRI PROJECT TEAM: 2001 – 2005	5
UKRAINE PENSION REFORM IMPLEMENTATION PROJECT (PRI)	6
SUMMARY OF PRI ACHIEVEMENTS AND REMAINING CHALLENGES FOR PENSION REFORM	7
1. REFORM OF PILLAR I PAYG SYSTEM	7
2. LAYING FOUNDATIONS FOR THE MANDATORY ACCUMULATION SYSTEM	8
3. CREATION OF PILLAR 3, NON-STATE PENSION FUNDS.....	8
4. STRENGTHENING THE CAPACITY OF THE PENSION FUND OF UKRAINE	9
5. STRENGTHENING THE CAPACITY OF THE MINISTRY OF LABOR AND SOCIAL POLICY	9
6. SUPPORT FOR THE FINANCIAL SERVICES REGULATOR (DFP)	10
7. SUPPORT FOR THE SECURITIES AND STOCK MARKET STATE COMMISSION (SSMSC).....	11
8. PUBLIC EDUCATION	11
9. TRAINING	12
TANGIBLE RESULTS AND BENCHMARKS	13
TANGIBLE RESULTS.....	13
BENCHMARKS	14
I. REFORM OF PILLAR I: THE MANDATORY PAYG SYSTEM	17
1.1 PRI SUPPORT FOR DRAFTING AND ENACTMENT OF THE LAW ON MANDATORY STATE PENSIONS.....	18
1.2 PRI CONTINUED SUPPORT FOR IMPLEMENTATION OF PILLAR I REFORMS AFTER ENACTMENT	18
1.3 REFORM OF PRIVILEGED AND SPECIAL PENSIONS	20
1.4 DRAFTING A LAW ON UNIFIED SOCIAL INSURANCE CONTRIBUTIONS.....	20
1.5 RESPONDING TO THE INCREASES IN THE MINIMUM PENSION	20
1.6 PUBLIC EDUCATION	21
1.7 IT SUPPORT TO MOLSP.....	21
2. LAYING THE FOUNDATION FOR THE MANDATORY ACCUMULATION SYSTEM	22
2.1 SUPPORT FOR DRAFTING AND ENACTMENT OF THE LAW ON MANDATORY STATE PENSIONS: PILLAR 2 IMPLEMENTATION	23
2.2 SUPPORT FOR THE IMPLEMENTATION OF PILLAR 2.....	23
2.3 TRAINING.....	24
3. ESTABLISHING NON-STATE PENSION FUNDS	25
3.1 DRAFTING AND ENACTMENT OF THE LAW ON NON-STATE PENSION PROVISION	26
3.2 DRAFTING AMENDMENTS AND REGULATIONS FOR THE NSPF LEGISLATION.....	26
3.3 CLARIFYING THE ROLE OF INSURANCE COMPANIES IN PRIVATE PENSIONS	27
3.4 SUPPORT FOR CREATING SELF-REGULATORY ORGANIZATIONS (SROs).....	27
3.5 WORK WITH TRADE UNIONS AND THE FEDERATION OF EMPLOYERS	27
3.6 PUBLIC EDUCATION.....	27
3.6 STUDY TOUR TO THE UK AND NETHERLANDS.....	28
4. SUPPORT TO STRENGTHEN THE PENSION FUND OF UKRAINE	30
4.1 IT SUPPORT.....	31
4.2 ACTUARIAL MODELING	32
4.3 PUBLIC EDUCATION	32
4.4 TRAINING.....	32
5. SUPPORT FOR THE STATE COMMISSION FOR THE FINANCIAL SERVICES MARKET (DFP)	34
5.1 SUPPORT FOR THE LAW TO ESTABLISH THE FINANCIAL SERVICES REGULATOR.....	35
5.2 DRAFTING AND IMPLEMENTING NSPF REGULATIONS	35

5.3	TECHNICAL ASSISTANCE.....	35
5.4	IT SUPPORT.....	36
5.5	PUBLIC EDUCATION.....	36
5.6	TRAINING.....	37
6.	SUPPORT FOR THE FOR SECURITIES AND STOCK MARKET STATE COMMISSION (SSMSC).....	39
6.1	TECHNICAL ASSISTANCE.....	39
6.2	TRAINING AND PUBLIC EDUCATION.....	40
ATTACHMENT A: LOE UTILIZATION		ERROR! BOOKMARK NOT DEFINED.
ATTACHMENT B: KEY COUNTERPARTS.....		42
ATTACHMENT C: SUMMARY OF PRI PUBLIC EDUCATION ACTIVITIES.....		44
C.1	EDUCATING JOURNALISTS.....	44
C.2	SUPPORTING REGULAR TV AND RADIO PROGRAMS ON PENSION REFORM ISSUES	44
C.3	PRI HOTLINE	44
C.4	PRI WEBSITE.....	45
C.5	NEWSLETTERS AND SPECIAL PUBLICATIONS.....	45
C.6	PENSION COURIER NEWSPAPER PRESS CENTER.....	45
C.7	PUBLIC SERVICE ANNOUNCEMENTS.....	46
ATTACHMENT D: SUMMARY OF PRI-SUPPORTED TRAINING, JAN 1, 2001 – DEC 31, 2005		59
ATTACHMENT E: LIST OF ALL TECHNICAL REPORTS PREPARED BY PRI SPECIALISTS. 65		
ATTACHMENT F: LIST OF ALL LEGAL COMMENTARIES PREPARED BY PRI SPECIALISTS		72
ATTACHMENT G. SUMMARIES OF INTERNATIONAL PENSION CONFERENCES		88
	FOROS: SEPTEMBER 29 – OCTOBER 2, 2005	88
	SUDAK: OCTOBER 6-7, 2004.....	89
	KYIV UKRAINIAN HOUSE, OCTOBER 21-23, 2003.....	90
	PUSCHA OZERNA: DECEMBER 3-5, 2002.....	92
	KYIV HOTEL, DECEMBER 5 – 7, 2001	93
ATTACHMENT H: LIST OF PRI-SUPPORTED STUDY TOURS, JAN 1, 2001 – DEC 31, 2005. 96		

ABBREVIATIONS AND ACRONYMS

AF	Accumulation Fund (Pillar 2 of the mandatory state pension system)
CLC	Commercial Law Centre
COM	Cabinet of Ministers of Ukraine
DFP	State Commission for the Regulation of the Financial Services Markets
GoU	Government of Ukraine
MoE	Ministry of Economy
MoF	Ministry of Finance
MoLSP	Ministry of Labor and Social Policy
NSPF	Non-State Pension Fund
PAYG	Pay-As-You-Go -- the Mandatory state solidarity pension system, or Pillar I.
PFU	Pension Fund of Ukraine
PRI	Pension Reform Implementation Program
PSA	Public Service Announcement
SI	Social Insurance
SRO	Self Regulatory Organizations
SSMSC	Securities and Stock Market State Commission
TA	Technical Assistance
USAID	United States Agency for International Development
VR	Verkhovna Rada (Parliament of Ukraine)
WB	World Bank

THE PRI PROJECT TEAM: 2001 – 2005

Ex-Pat and TCN Resident Advisors	
Name	Position
Greg McTaggart (Australia)	Chief of Party, January 2001 – October 2004
Olena Vasilchenko (Ukraine)	Project Director, October 2004 – December 2005
Darrell Brown (Canada)	Pensions Lawyer, January 2001 – January 2002–
Mitchell Wiener (USA)	Project Actuary, January 2001 – July 2002
Ex-Pat and TCN Short Term Advisors	
Csaba. Feher (Hungary)	Pension Regulatory Expert February 2002 to February 2003
Barbara. Neal (USA)	Information Technology Expert – January 2001 to December 2001
Christopher Bender (USA)	Asset Management/Investment Expert January 2001 to December 2001
Ken. Jaques (USA)	Public Education Expert – January 2001 to December 2001
Roger Vaughan (USA)	Senior Economist
Willem Schuddeboom (NL)	Project Actuary, September 2002 – December 2005
Jon Tomar (USA)	IT Specialist
Daniel Wartonick (USA)	Pension Specialist – September to December 2005
Zoltan Vajda (Hungary)	Pension Regulatory Expert February 2003 to December 2003
Cezary Mech (Poland)	Asset Management/Investment Expert – June 2002 to October 2004

UKRAINE PENSION REFORM IMPLEMENTATION PROJECT (PRI)

Contract No: I21-C-00-00-00834-00

Contractor: PADCO-AECOM; Subcontractor: Barents/KPMG

Start Date: January 1, 2001: Completion Date: December 31, 2005

Project Management: R. Thirkell, Project Manager, J. Benn, Senior Contracts Officer, O. Vasilchenko, Project Director.

Technical Advisors: Greg McTaggart, Senior Pension Advisor; Roger Vaughan, Senior Economic Policy Expert; Willem Schuddeboom, Actuary; Mitchell Wiener, Actuary; Jon Tomar, Information Technology Specialist.

The original Terms of Reference for the project envisaged that, by the time the project started, legislation reforming Ukraine's pension system would have been enacted. This was not the case. Therefore the project was involved in two distinct phases: from inception to July 2003, PRI focused on securing the passage of the necessary pension legislation; after July 2003, PRI was involved in implementing the reforms.

In the first phase, PRI's major activities were helping the Government of Ukraine (GOU) to develop a new pension strategy involving both a mandatory public pension system and a voluntary private system, supporting the passage of the necessary legislation, and providing analysis and technical assistance on alternative pension policies. These activities were conducted between January 2001 and July 2003 by working with the Ministry of Labor and Social Policy (MoLSP), the Cabinet of Ministers (CM), the Pension Fund of Ukraine (PFU), the State Commission for the Regulation of the Financial Services Market (DFP) after it began operations in December 2002, and the Securities and Stock Market State Commission (SSMSC). PRI produced many iterative drafts of laws to reform the compulsory pension system (PAYG) and to introduce voluntary private pensions. PRI worked with key deputies of the Verkhovna Rada (VR) in the design phase -- facilitating their understanding of the issues once the laws passed their first reading. PRI undertook analyses necessary to prepare to implement the mandatory accumulation system (Pillar 2). PRI also worked closely with the World Bank in 2001 to support the passage of the law and subordinate legislation needed to establish the State Commission for the Regulation of the Financial Markets (DFP).

Once the Verkhovna Rada (VR) adopted these laws at the first reading, PRI began closely working with the two principle VR committees -- the Committee on Pensioners, Veterans and Disabled for the mandatory pension law and the Committee on Banking and Finance for the voluntary law. In collaboration with the committees, PRI assessed nearly 2000 written comments by VR Deputies as part of the second and third reading parliamentary process, helping build support for their eventual enactment on July 9, 2003.

After July 2003, the project entered its implementation phase, working with the VR to secure the passage of necessary amendments to legislation to support the new pension laws -- most importantly amendments to the laws on Taxation to allow tax deductions for contributions to NPFs of up to 15% of salary. PRI worked with MoLSP and PFU to train its staff on applying the laws. It developed an extensive program to educate the population about the new pension systems. PRI also worked closely with senior staff to help set up the DFP -- training newly recruited staff, purchasing computer hardware, developing customized software and carrying out public education and training programs for the industry and the Regulator. A similar package of assistance was provided to SSMSC.

SUMMARY OF PRI ACHIEVEMENTS AND REMAINING CHALLENGES FOR PENSION REFORM

NOTE: A table showing all LOE provided by the project is provided in Attachment A; a list of all PRI counterparts is provided in Attachment B; a list of all public education activities is provided in Attachment C, PRI Training Activities in Attachment D, the 47 PRI Technical Reports in Attachment E, the 100 PRI Legal Commentaries in Attachment F, PRI International Conferences in Attachment G, and PRI Observational Tours in Attachment H.

I. REFORM OF PILLAR I PAYG SYSTEM

Achievements

- PRI analyzed scenarios for pension reform for the GoU.
- PRI supported the drafting of the Law on Mandatory State Pension Insurance enacted by the VR on July 9, 2003.
- PRI assisted the MoLSP, PFU, COM, and the VR Committee on Pensioners, Disabled and Veterans to assess recommendations from VR Deputies.
- PRI supported MoLSP, PFU and CM in securing the passage of the draft law by the VR.
- PRI trained staff in every local office of MoLSP and PFU in every oblast.
- PRI carried out an extensive national public education campaign in collaboration with PFU and MoLSP on the implications of pension reforms.
- PRI supported the GOU in designing a draft law to reform privileged pensions to be submitted to the VR in December 2005.
- PRI supported the GOU in developing a draft law to create a unified social insurance contribution by employers, submitted to the VR on 6 September, 2005.
- PRI helped the PFU develop the IT systems for automated personified data collection and their placement into the PFU's database.

Remaining Challenges

- To resolve fiscal problems resulting from the increase in the minimum pension. This will require separating the financing of pension insurance (from the PFU budget) from the financing of social assistance (from the state budget) – a distinction largely eliminated by the increases in minimum pensions.
- To equalize pension age for men and women.
- To create a pension system to support agricultural workers.
- To create a separate funding system for civil servants and other “special” pensioners.
- To support the adoption by the VR of the law on Privileged Pensions
- To ensure that pension benefit indexing policy is compatible with the long term fiscal sustainability of the PAYG system.

2. LAYING FOUNDATIONS FOR THE MANDATORY ACCUMULATION SYSTEM

Achievements

- PRI supported the design of the provisions describing the Mandatory Accumulation system – Pillar 2 – in the law on Mandatory State Pension Insurance.
- PRI advised MoLSP and CM on the design and implementation of the mandatory accumulation system, including developing an implementation timetable adopted in July 2004
- PRI provided a draft “Road Map” for implementing the Mandatory Accumulation system.
- PRI trained all staff of MoLSP and PFU and provided extensive public education on the implications of the Mandatory Accumulation System

Remaining Challenges

- To develop the Information infrastructure for the implementation of the accumulation system. This includes the development of the databases and software to manage the accumulation system.
- To ensure a transparent, accountable, and efficient PFU that is capable of administering the mandatory accumulation system.
- To support the preparation of a comprehensive and integrated Pillar 2 implementation plan and the creation of an interministerial working group with full time, professional staff to manage its execution.
- To support the drafting and enactment of the law to establish Pillar 2.
- To train staff of the PFU and MoLSP on the implementation of the Pillar 2.
- To support public education campaigns to inform the population about further changes in the state and private pension systems.
- To support the development of secure financial instruments as investments for the Mandatory Accumulation System and NSPFs.

3. CREATION OF PILLAR 3, NON-STATE PENSION FUNDS

Achievements

- PRI helped draft the Law on Non-State Pension Provision (enacted in July 2003) that created NSPFs. By October 1, 2005, there were 48 non-state pension funds registered under the Law -- 38 open, 7 corporate and 3 occupational – that had collected 21 million UAH and enrolled 40,000 members. There are 27 licensed pension fund administrators.
- PRI worked with the Rada Committee on Banking and Finance to assess recommendations from Deputies.
- PRI worked with MoLSP, CM and DFP to secure the passage of the Law on Non-State Pension Provision that created NSPFs.
- PRI worked with the VR Committee on Banking and Finance to argue for and secure the passage of amendments to laws “On Taxation of Personal Incomes” and “On Taxation of Enterprises’ Income” to provide tax deductibility for contributions to NSPFs.
- PRI advised MoLSP, PFU, DFP, SSMSC and COM on implementing the law, creating regulatory agencies, and designing their administrative procedures.

- PRI providing training and public education activities on NSPFs for employers, trade unions and oblast administrations

Remaining Challenges

- To help DFP and SSMSC build the institutional capacity to ensure open and fair NSPFs that act in the best interests of participants
- To support the development of secure financial instruments as investments for the NSPF system through drafting the necessary legislation and strengthening institutional capacity.
- To assist GOU in clarifying how insurance companies and banks may participate in the NSPF system on a level playing field.

4. STRENGTHENING THE CAPACITY OF THE PENSION FUND OF UKRAINE

Achievements

- PRI helped PFU complete its system of personified record keeping and developed IT for it, purchasing optical scanners that convert hand written reports into its electronic database, and trained PFU staff to use these systems.
- PRI assisted the PFU in developing IT systems for issuing the certificate of social insurance.
- PRI helped the PFU assume responsibility for pension calculation and payment function from MoLSP.
- PRI provided hardware and software for the PFU Computer Center to support the creation of its nationwide contributor database.
- PRI helped PFU pilot test the unified social insurance data collection process.
- PRI developed a model for pension benefits calculation.
- PRI financed the weekly pension newspaper, the redesign of the PFU official web-site, and the creation of three additional websites (for the training center, the official newspaper, and for its magazine).

Remaining Challenges

- To support the PFU in preparing a detailed implementation plan for the Pillar 2 mandatory accumulation system.
- To train PFU staff in the operation of the Mandatory Accumulation System
- To support administrative reform within the PFU – creating more open and transparent management -- in preparation for its administration of the mandatory accumulation system.
- To automate and integrate PFU's data and administrative systems needed in order to replace manual procedures carried out at raion or oblast level to a centralized, automated system.
- To improve PFU's information gathering capability to enable it to move from annual to monthly personified reporting from contributors, linking reports to payroll, and creating automated updating systems.

5. STRENGTHENING THE CAPACITY OF THE MINISTRY OF LABOR AND SOCIAL POLICY

- PRI worked with MoLSP to help it develop its capacity to analyze pension policy issues.

- PRI purchased computers and other technology for the pension reform and social insurance divisions of MoLSP.
- PRI carried out training for all MoLSP offices at the oblast and raion levels.

Remaining Challenges

- To strengthen relations between MoLSP and the PFU in the existing provision of pension benefits and social assistance benefits.
- To build actuarial and policy analysis capacity within MoLSP.
- To restructure MoLSP and support this restructuring with more staff training.
- To help MoLSP continuously upgrade staff capabilities with ongoing education and training.
- To clearly distinguish between the roles of MoLSP, PFU and DFP with regard to policy development, policy evaluation, and oversight of pension administration.
- To expand MoLSP participation in international pension forums and membership in appropriate international associations.

6. SUPPORT FOR THE FINANCIAL SERVICES REGULATOR (DFP)

Achievements

- PRI collaborated with the World Bank to secure the passage of legislation to establish DFP and to draft documents related to the appointment of senior staff, their duties and to DFP's general operating procedures
- PRI supported the start up of DFP, helped design regulations, its business plan, and helped prepare its first annual report.
- PRI provided DFP with IT equipment worth nearly \$180,000, created the DFP Local Area Network (LAN) and its official website, and the IT system for reflecting data from financial institutions regulated by DFP in its web-site
- PRI developed the system for notifying financial services providers of DFP actions.
- PRI developed a system for analysis and reporting for insurance companies' activities.
- PRI trained DFP staff in Business English, accounting, reporting and taxation of NPFs, project management, investment of pension assets, regulating NPFs, OS UNIX, and installing local networks.
- PRI prepared a comparative analysis of non-bank regulatory practices in other countries.

Remaining Challenges

- To support design of information sharing protocols between the DFP and the SSMSC.
- To deepen the regulatory skills of staff – especially their understanding of regulatory procedures in other countries.
- To encourage DFP to be more proactive in informing and answering questions from the public regarding NSPFs.
- To support DFP in developing a long-term strategy to reduce the cost of services provided to NSPFs.
- To assist DFP in developing systems for analyzing NSPF operations.

- To support DFP in implementing an accreditation processes for electronic signatures used in reporting by financial companies.
- To help DFP expand its analysis and reporting systems for non-bank institutions -- including private pension funds, credit unions, securities trading organizations and pawnshops.
- To assist DFP modernize and upgrade its LAN and improve its database management capability.

7. SUPPORT FOR THE SECURITIES AND STOCK MARKET STATE COMMISSION (SSMSC)

Achievements

- PRI trained SSMSC staff.
- PRI carried out regional public education programs for oblast offices of SSMSC.
- PRI prepared a strategy for the development of SSMSC's information systems.
- PRI purchased and installed IT equipment worth nearly \$20,000 – including supporting the integration of the two Kyiv offices – and purchased and installed the electronic docflow system “Delo” and trained SSMSC staff in its use.
- PRI initiated a record-keeping system for licenses issued to stock market participants.
- By December 2005, SSMSC has licensed 76 asset management companies to invest NSPF assets and 86 custodians to transact NSPF-related activities.

Remaining Challenges

- To strengthen SSMSC so it can ensure safe and sound investment for the growing volume of NSPF assets.
- To support the GOU and SSMSC to enact legislation strengthening corporate governance and shareholder rights.
- To encourage SSMSC and DFP to collaborate in educating the public of their rights as participants in the NSPF system.
- To support SSMSC in ensuring a balance between profits in the investment industry and good value for participants of NSPFs.
- To support SSMSC to develop unified standards for reporting NSPF returns and informing the market about these returns.
- To encourage collaboration between SSMSC and the National Bank of Ukraine to expand investment instruments for NSPFs.
- To upgrade SSMSC's IT capability in all areas including implementing electronic signatures and creating database management systems that cover all aspects of financial activity subject to SSMSC monitoring.
- To help SSMSC develop a system of data analysis and reporting that tracks activities/trades that fall outside usual patterns.

8. PUBLIC EDUCATION

- PRI Hotline: Since October 2003 when PRI opened its hotline to provide free consultation on pension issues, 191,020 people have called – most on questions about pension benefit

recalculation and 3,521 with complaints on pension issues to MoLSP and PFU, all of which were promptly resolved. The hotline was transferred to MoLSP at the end of the project.

- Website: Between October 2003 and December 31, 2005, the PRI website on pension reform was visited 670,000 times and its forum provided 2,267 consultations.
- PRI supported financially and with technical assistance 208 TV programs discussing pension issues, beginning in December 2001.
- PRI supported 280 Public Education activities (Listed in Attachment D).
- PRI financed the development of 7 PSA's for television (5 on 1st pillar and 2 on 3rd pillar).
- PRI financed the development of radio programs on pension reform.
- PRI worked closely with the Ukraine Market Reform Education Program (UMREP) and the Centre for Ukraine Reform Education (CURE) conducting training programs for journalists.
- PRI worked with Universities to conduct more than 30 seminars for almost 3,000 students on pension reform and financial services issues.
- PRI held 18 regional seminars on the new pension system for 1,280 representatives of Trade Unions and Employers' Associations, in close cooperation with DFP and SSMSC.

9. TRAINING

- PRI supported 123 training events, involving 7,600 participants (Listed in Attachment E).
- PRI supported 20 observational tours to Bulgaria, Croatia, Czech Republic, Denmark, France, Hungary, Kazakhstan, Malaysia, Netherlands, Poland, Russia, Sweden, UK and USA for a total of 202 officials (listed in Attachment H).
- PRI supported DFP attendance at meetings of the International Network of Pension Regulators and Supervisors in Bulgaria and Poland and at subsequent meetings of the Private Pensions Group of the OECD.

TANGIBLE RESULTS AND BENCHMARKS

TANGIBLE RESULTS

1. The 1st pillar's contributions' collection compliance and enforcement activities are increased from 85% in 2000 to 90% in 2003

When USAID's senior pension advisor was in Kyiv in June 2003, it was suggested to her that this benchmark be altered because there is no way it could be measured. When employers pay wages they must make pension contributions, but neither the PFU nor the State Tax Administration are able to determine the extent of under-reporting of wages (and therefore contributions).

2. The GOU has developed and improved legislation that establishes and regulates mandatory and voluntary private pension funds and their investment activities

PRI supported the design, enactment and implementation of major new pension legislation including:

- Law on Financial Services and State Regulation of the Financial Services Markets of Ukraine, July 12, 2001, creating the State Commission for the Regulation of the Financial Services Market, see Section 5 of this report.
- Law on Non-State Pension Provision, 9 July 2003 – described in Section 3 of this report.
- Law on Mandatory State Pension Insurance, July 2003 – described in Sections 1 and 2 of this report.
- Amendments to the Law on Taxation of Personal Income and the Law on Taxation of Business Income to allow tax exemption of contributions to NSPFs.

3. Amendments are drafted in other relevant laws and then submitted to Parliament, which create the conditions, and provide the incentives for individual retirement savings

PRI supported and helped secure the passage of amendments to the laws “On Taxation of Personal Incomes” and “On Taxation of Enterprises’ Income” to provide tax deductibility for contributions to NSPFs by both employers and employees. The law on “Non-State Pension Provision” provides that the income from the investment of contributions to NSPF’s accrues without taxation.

PRI also supported amendments to VAT Law to exempt NPF administrator’s services from VAT. These amendments are pending in the Parliament.

4. Information technology systems for all GOU pension systems will be in place to ensure the effective and efficient recording, monitoring and regulation of all pensions within Ukraine.

PRI has provided extensive IT support to the PFU, DFP, and SSMSC. These bodies now operate at much higher levels of efficiency and effectiveness as a consequence of the hardware and software provided to them by PRI (see sections 4, 5, and 6 of this report).

5. A regulatory framework that provides for an independent and autonomous regulator, and the rules on reporting, disclosure, conflict of interest, investment standards and limitations, custody and initial and ongoing capital reserve requirements will be functioning.

PRI supported the passage of the legislation to establish the State Commission for the Regulation of the Financial Services Market (DFP), assisted in the agency’s start-up and development, and also assisted in the further development of SSMSC (described in Sections 5 and 6 of this report).

6. A private pension industry that is efficient, responsive to members' interests and transparent will exist.

The industry is growing quickly. By October 1, 2005, there were 48 non-state pension funds registered under the Law -- 38 open, 7 corporate and 3 occupational. These had collected 21 million UAH and enrolled 40,000 members. There were 27 licensed administrators. The lack of reliable and safe instruments in which to invest NSPF assets is a serious problem and there are proposals to amend current legislation to permit new investment instruments. Some proposals would create risky assets that, in the event of default, might discredit the idea of NSPFs. It will be important to monitor these developments.

7. Staff of the PFU (1st pillar) and the agency or department responsible for regulating private pension funds (2nd and 3rd pillars) will be trained on NSPFs regulation and management, and pension management issues i.e. licensing, enforcement, diversification, asset allocation, performance measurement and attribution.

PRI provided intensive training for staff of the PFU and MoLSP involved in the PAYG system about the operation of the new solidarity pension system (see Attachment D for a complete list of PRI training activities). PRI delivered quarterly one-week refresher courses to MoLSP staff and the PFU Training Center conducted several 1-day trainings on practical issues. PRI assisted DFP and SSSMC at the central and regional levels to broaden their experience of the operation of accumulation systems and to help them open up dialogue with the financial services market.

Because the mandatory accumulation system was not likely to begin receiving contributions before 2009, PRI did not provide in-depth training on this issue to PFU staff who will be responsible for its administration on the operation of NSPFs. But the issue was covered in training immediately after the two laws were adopted.

8. Public understanding of pension reform, private pension funds and voluntary pension contributions will increase from little or no knowledge about pensions to significant knowledge about pension reform as revealed from two public opinion polls, one at the commencement of the program and one in 30 months.

Four public opinion surveys were carried out by PRI – the first was conducted in collaboration with Ukraine Center for Reform Education, the remaining three by PRI staff (the last one in August 2005). These surveys show that, while the public's understanding about pension reform as a whole has improved, there remains general distrust of NSPFs and of the operation of the mandatory accumulation scheme. These surveys have been invaluable in helping to shape public service announcements. The use of the Pension Hotline also indicated that public awareness of pension reform has significantly increased as did the use of the PRI website.

BENCHMARKS

I. Within six months of the passage and enactment of Non-State Pensions Law and other required legislation, in coordination with relevant USAID/Kyiv projects create and implement a training program for pension fund companies and pension investment managers on how to manage and operate PPF's in an efficient and cost-effective manner that meets the needs of the fund participants

This objective was met by PRI through the immediately development and implementation of training programs for DFP and SSSMC staff that began in September of 2003. PRI worked collaboratively with UAIB to provide seminars on relevant issues for private entities in the industry. Working papers on the investment possibilities for NSPFs was prepared and widely distributed (see Sections 5 and 6 of this report). PRI continued working closely with market participants and regulators to keep them informed about and trained in key issues such as accounting, reporting, and taxation.

2. By the end of the contract ensure that the Non-Banking Financial Regulator has the capacity to regulate non-state pension funds including, but not limited to development of: a) standards and capabilities; b) administration functions and personnel structure; c) standard methods to impose fees; and d) minimum standards;

The law on NSPFs split the role of pension fund regulator between DFP and SSMSC. PRI supported the development of both regulators – including the design and implementation of regulatory procedures (see sections 5 and 6 of this report). The PRI was instrumental in the startup and development of the DFP – assisting in designing and implementing new regulatory procedures. The PRI helped develop the licensing procedures for NSPFs within the DFP and was critical in developing DFP's IT infrastructure.

3. Within twelve months of the enactment of the Non-State Pensions Law: a) devise regulations for portfolio management; b) develop appropriate standards for asset allocation; c) develop regulations which protect pension assets; and d) advance regulations related to capital adequacy and reserve requirements for private pension fund companies;

SSMSC has issued the necessary regulations. The low level of development of Ukraine's capital markets, however, has meant that the asset allocation standards envisaged in the legislation are not yet attainable. SSMSC has, therefore, issued a directive permitting NSPFs to allocate assets under temporary standards. Pension fund assets are protected through the separation of the functions of asset management and custodianship.

The legislation prescribes the minimum statutory capital requirements necessary for companies to be able to provide services to NSPFs. These are very low and, while probably adequate at the moment, will need to be reviewed by DFP with the view to making further recommendations to the VR.

4. By the conclusion of the contract, the Contractor will have trained the staff of the private pension regulatory agency (department) on how to conduct private pension scheme financial and management audits. This training should include, but not be limited to, training on pension investment diversification, fiduciary responsibility, investment performance measurement and reporting, avoiding conflicts of interest, compliance and enforcement of pension legislation;

PRI responded to DFP's needs for training through courses on accounting, reporting and taxation. This training allowed DFP to carry out some inspections of NSPFs and NSPF administrators. As a result, DFP staff were able to detect breaches of the regulations by market participants. SSMSC was also trained on management NPF assets.

5. By the conclusion of the contract, the GOU shall have improved administrative efficiency of its pension related IT systems; and developed a national pensioner database (mandatory pension system)

With PRI support, the PFU created a contributor database, a personified database of insured people, and a national pensioner database. The latter was used in the recalculation of pensions following the passage of the law on MSPI and in issuing SI cards nationwide. Recalculated pensions were paid on time. The steady increase in the number of pensioners whose pensions are directly credited to their bank accounts reflects the overall improvement in PFU's IT systems (see Section 4 of this report for greater detail).

6. By the conclusion of the contract, the Contractor will have conducted at least three pension reform conferences (one conference per year) for Ukrainian policy-makers, trade unions, employers and media, which will include sessions focusing on pay-as-you-go system reform; introduction of a mandatory accumulation pillar; and private pension funds regulation, supervision and management

PRI conducted six international pension conferences – two in 2001 and, subsequently, one each year. The first four were held in Kyiv and the last 2 outside Kyiv. These are summarized in Attachment G to this report.

I. REFORM OF PILLAR I: THE MANDATORY PAYG SYSTEM

MAJOR ACHIEVEMENTS	
PRI ACHIEVEMENTS	COMMENTS
The enactment of the Law on Mandatory State Pension Insurance on July 9 th , 2003, which became effective on January 1, 2004.	The passage of the draft law was a major achievement involving PRI in lengthy discussions with the Working Group and VR deputies.
The design and implementation of amendments and regulations to implement the law.	PRI identified and drafted necessary amendments in other laws subsequent to the passage of the law.
The development of a draft law to reform privileged pensions – approved for submission to the VR.	Although delayed, this draft law will ensure equity in the mandatory pension system through the proper financing of pensions for special classes of workers.
PRI supported the design and development of a draft law to create a unified social insurance contribution by employers, submitted to the Supreme Rada, September 6, 2005.	The processes by which employers pay social insurance contributions and by which they are recorded by social insurance funds will be simplified through enactment of this draft law.
On December 15, 2005, the CM adopted a Pension System Development Strategy that embodies many recommendations developed by PRI.	The strategy does not embody some of the measures tha PRI believes are essential to solving the short-term fiscal problems of the PAYG system.
REMAINING CHALLENGES	
Solve fiscal problems resulting from the increase in the minimum pension by separating the financing of pension insurance from the financing of social assistance.	Based PRI analysis, the GoU must adopt measures to ensure the long-term stability of the PAYG system by differentiating sources of entitlements to pensions and therefore their financing.
Prepare a comprehensive and integrated Workplan for implementing further Pillar I reforms.	When the GoU has resolved the financial problems of the PAYG system, it must prepare a plan for the tasks to be undertaken by PFU and MoLSP and a public education program.
Raise pension ages to ensure long-run sustainability.	Raising pension ages is always difficult – but is increasingly necessary.
Simplify the accrual rate and increasing it in a manner compatible with long-term fiscal sustainability	The GoU will have to consider a new pension formula.
Ensuring that indexation of existing benefits is kept within original framework of the law.	Requiring an actuarial basis for pension increases is essential to ensure financial stability of the system.

I.1 PRI SUPPORT FOR DRAFTING AND ENACTMENT OF THE LAW ON MANDATORY STATE PENSIONS

Building agreement over the design of reforms in the mandatory state pension insurance system required intensive involvement of PRI specialists with key policymakers within the GoU and in the VR. To ensure that discussions among policymakers were based on full understanding of the financial implications, PRI staff adapted a sample database of 300,000 pensioners from Mikolaiv Oblast (similar to the one used by PRI for long-term actuarial analysis) and installed it on computers of the VR Pensioner Committee, after upgrading the computers and training staff. The model was revised to incorporate all amendments proposed in the VR, enabling deputies, their staff, and the Pension Reform Task Force to understand the fiscal implications of proposed amendments.

PRI also installed a demonstration model for benefit calculations and models for medium term projections of cash flows in both the solidarity and accumulation pension systems so that staff of the VR could work with the software. This model was used to simulate the impacts of various policy changes on the short and long term fiscal flows and to project the impacts of various pension reform scenarios. During the debate leading up to the passage of the law, PRI also prepared technical reports for key policymakers, including:

- “Analysis of the PFU's Financial Report as of 2000 and 2001: Draft for Discussion,” July 2002.
- “20 questions on mandatory state pension insurance.”
- “Report on the interaction of other proposed legislation on the compulsory pension law, e.g. Civil Code, financial services regulation.”
- Rapid analyses of alternative draft laws proposed by members of the VR.
- A report for USAID outlining the impact of proposed pension systems on men and women.
- “Memorandum on Approaches to Providing Pensions for Agricultural Workers,”

To ensure broad awareness of pension reforms, PRI specialists also provided targeted information to key policymakers, including:

- When the GoU produced a Government White Paper on pension reform (with advice from PRI), PRI supported its publication and distribution and posted it on the project's website.
- PRI supported visits by key decision makers to neighboring countries to learn about their experience with pension reform -- in February 2002 to Croatia and in March to Hungary. One month later, the Cabinet of Ministers decided to proceed with the draft law.
- PRI supported discussions by a working committee at Puscha Ozerna and provided the group's secretary.
- In the weeks prior to the adoption of the law, PRI mounted an extensive public education campaign, participated in negotiations with VR deputies and prepared papers for the VR Committee on Pensioners, Disabled and Veterans.
- Once the law had been passed by the VR, PRI worked with CM and the President's Administration to respond to issues before the law was signed by the President.

I.2 PRI CONTINUED SUPPORT FOR IMPLEMENTATION OF PILLAR I REFORMS AFTER ENACTMENT

Following the passage of the Law on Mandatory State Pension Insurance, it was necessary to make many technical and substantial amendments, including:

- A. Amendments to about 30 other laws to ensure consistency with the Law on Mandatory State Pension Insurance.
- B. Amendments to CM, MoLSP and PFU resolutions and regulations to bring them into compliance with the Law on Mandatory State Pension Insurance, including:
 - Draft CM Resolutions “On Implementing Part 2 Article 42 of “On Mandatory State Pension Insurance” and Procedure for yearly increase of pensions and their adjustment for increases in average wage in Ukraine -- approved by CM, May 2005.
 - Draft CM Procedure for granting pensions on account of employers’ and Budget funds to employees depending upon their working conditions and according to the results of their working places attestation – submitted for finalization November 24, 2005.
 - Joint Letter of MoLSP and PFU on including into covered service the period when wives of military personnel lived in regions where they were unable to find jobs -- approved on June 16, 2005.
 - Recommendations on methodologies for calculating service periods for privileged pensions -- approved by MoLSP December 8, 2005.
 - Recommendations on procedures for submitting documents for granting pensions in compliance with the Law on MSPI -- embodied in CM Resolution and registered with the MoJ in December 2005.
 - Recommendations for procedures on making actuarial calculations for mandatory state pension insurance -- approved by Resolution of PFU Board on July 18, 2005.
 - Recommendations for adjustment of pensionable wage of flight test personnel -- approved by the COM Resolution dated August 9, 2005.
- C. Amendments to the Law on Mandatory State Pension Insurance, in particular:
 - To Article 11 regarding exclusion of Item 16 (about the unemployed);
 - To Article 24 regarding including periods when improving professional qualifications into the covered service period;
 - To Article 28 regarding increasing the minimum old age pension rate by 1% of pension for each year of service over 25 years of service for men and 20 years for women;
 - To Article 42 regarding indexation of pensions to increases of the average wage -- PRI’s hotline received thousands of questions on this issue.
 - To the Final Provisions on calculating service for periods spent in “Far North Regions” -- submitted to the VR on October 19, 2005.

PRI advised MoLSP and PFU on many issues that required rapid response and specialized knowledge of pension laws and practice, including:

- 1) Recommendations on the period over which wages should be taken into account when recalculating disability pensions and earnings.
- 2) Determining how income in foreign currency received while outside Ukraine should be included in pensionable earnings.
- 3) Recommendations on reducing earnings and pension benefits when converting the wage received in rubles into the income in hryvnia.
- 4) Comments on a draft Law concerning pensions for parents who teach in orphanages.

1.3 REFORM OF PRIVILEGED AND SPECIAL PENSIONS

About 2 million of Ukraine's 14 million pensioners receive privileged pensions – early retirement for working in hazardous occupations, partially funded from the PFU budget. PRI supported a MoLSP working group drafting a law to transfer the cost of future privileged pensions to employers through contributions to an occupational or corporate NSPF. To assist the working group, PRI financed a visit by experts from Russia and Bulgaria to meet the working group. PRI offered options and calculations on the cost for employers of assuming these costs. PRI prepared the following materials:

- “Concept for Privileged Pensions” which became the basis for the draft Law.
- Comparison tables on alternative proposals.
- Tables on early retirement age and required length of service for all categories of persons granted privileges and the number of pensioners granted special privileged pensions.
- Comments on draft recommendations for actuarial calculation of contributions to occupational pension funds developed by the Research Institute of Labor and Employment.
- Paper describing recommendations for reform of privileged pensions, December 2005.

1.4 DRAFTING A LAW ON UNIFIED SOCIAL INSURANCE CONTRIBUTIONS

PRI helped MoLSP develop a draft Law “On Unified Social Contributions,” providing comments and supporting a working group to finalize the draft. In supporting the development of the draft, PRI provided counterparts with reports and detailed commentaries on technical issues, including:

- Working papers on the operation of the Unified Social Insurance Contribution.
- Experience of the Pension Fund of Russia on the Unified Social Tax.
- Scenarios – with cost estimates -- for reducing the employer social insurance contribution.
- Analysis of the experiment on unified data collection in the six experimental raions.
- Development of documents used by employers in pilot Raions to report to the PFU.
- Analysis of the operation of unified social insurance tax in Croatia and other countries.

The working group identified necessary amendments to the Law on Mandatory State Pension Insurance. The draft Law was submitted by the CM to the VR on 6 September 2005. It would make the PFU responsible for: collecting the unified social contribution; record keeping (registration of insurers; receiving reports; and maintaining the registers). The State Treasury will automatically distribute the contributions among the SI funds and transfer the money to their accounts.

1.5 RESPONDING TO THE INCREASES IN THE MINIMUM PENSION

On December 23, 2004, Parliament amended the Mandatory State Pension Insurance Law to increase the minimum pension up to the legal subsistence level for people who are unable to work. This was set at 332 UAH for 2005. The VR had considered setting the minimum pension at the minimum subsistence level during discussions of draft versions of the Law on Mandatory State Pension Insurance during 2001 – 2002. But PRI provided actuarial analyses to persuade Deputies that this would be fiscally unsustainable. In July 2003, after the second reading of the Law, PRI noted presciently that: “The only black clouds on the horizon are the fact that the Rada voted at the end of June to increase the minimum pension by over 50%. This casts doubt on the financial viability of the reform.”

No PRI response was possible, however, during the confusion that surrounded the VR action to raise the minimum pension to 332 UAH in December 2004 -- just 3 days before the unprecedented third Presidential ballot. As a result of this increase, the PAYG system faces both short term and long term problems of fiscal sustainability. In 2005, subsidies from the state budget are required to pay for the increases in the minimum pension are estimated to total UAH 12 billion. For 2006, the GoU is budgeting about UAH 14 billion to cover the the minimum pension (which the GoU is proposing to increase further -- by 10.2%). The fiscal position of the PFU will delay the introduction of Pillar 2. Ukraine now spends 14.4% of its GDP on pensions – one of the highest percentages in the world. Without reforms, this percentage would exceed 25% by 2040 as the ratio of contributors to pensioners declines.

In August 2005, when Svetlana Vegera was appointed to head the department of Social Protection in the Office of the President, PRI team members were asked to join an expert group (that also included Volodymyr Yatsenko, USAID, Katerina Petrina, Word Bank, and Ella Libanova, the Institute of Demography). PRI prepared a summary paper of problems with the PAYG system in Ukraine and listed steps necessary to resolve them. Many of these recommendations were included in a draft Pension System Development Strategy developed at the request of Deputy Prime Minister and adopted by the Cabinet of Ministers on December 15, 2005.

1.6 PUBLIC EDUCATION

Because the pension system eventually affects everyone – either as contributors or as beneficiaries, PRI supported a broad and diversified program of public education including:

- To explain how pension reforms will affect young people PRI supported 30 seminars in universities nationwide.
- PRI financed television, radio and printed materials used by the GoU to explain pension reform to the population.
- PRI produced and helped MOLSP and PFGU distribute information brochures and supported a weekly TV program that discussed pension issues.
- PRI created a pension web-site (attracting 25,500 visitors each month) and set up a pension hot line providing free telephone consultation that received an average of 700 calls per day.
- PRI supported the preparation and printing and distribution of 10,000 copies of a book explaining pensions to children entitled “Everyone has their own Wisdom.”

1.7 IT SUPPORT TO MoLSP

Although PRI was not required to provide IT support to MoLSP, it responded to MoLSP requests by giving advice and recommendations about how changes in pension policy would affect IT requirements in the PFU and other entities. PRI developed a sophisticated computer model for calculating benefits under the new law which was regularly refined and expanded to include the capability of simulating the financial impacts of the 2nd pillar (accumulation system). PRI also developed software to assist the “hotline” employees in performance of their job. In addition to the above activities PRI purchased \$55,000 of IT equipment for the MoLSP including 46 workstations, 1 notebook, 2 printer/copier/faxes, 3 printers, and 1 multimedia projector.

2. LAYING THE FOUNDATION FOR THE MANDATORY ACCUMULATION SYSTEM

MAJOR ACHIEVEMENTS	
PRI ACHIEVEMENTS	COMMENTS
Passage of the Law on Mandatory State Pension Insurance in July 2003.	PRI provided assistance to the GOU in modeling the options regarding the proportion of the contributions that could be directed to the Mandatory Accumulation System.
PRI prepared an outline of the steps needed to implement Pillar 2 (the originally envisaged date) embodied in CM Decree in July 2004.	PRI identified both the major steps, and when they needed to be taken, so that the mandatory accumulation system could operate from 1 January 2007.
PRI advised the MoLSP and CM on many issues related to the mandatory accumulation system and supporting its implementation.	PRI conducted a number of briefing sessions for MoLSP in support of the above implementation plan.
PRI provided a draft “Road Map” for implementing the mandatory accumulation system.	The Road Map supplements the CM decree -- highlighting steps to implement Pillar 2, recommending the establishment of a GoU working group and identifying areas where further technical assistance will be needed.
REMAINING CHALLENGES	
GOU needs to review how to fund Pillar 2 in light of the present fiscal crisis in PAYG system.	The mandatory accumulation system requires redirecting contributions from PAYG to investments on behalf of contributors. The current PAYG financial crisis may require changes in the funding of Pillar 2.
Revise the MSPI law relating to Pillar 2 to: 1) require the Board to seek professional advice from qualified advisors rather than from the PFU; and 2) require diversification among asset managers.	Developing an investment strategy and selecting asset managers are keys for Pillar 2’s success. The law does not require an outside advisor and the Fund may choose the PFU as its advisor. But the PFU has no relevant experience. To diversify risk, Pillar 2 should use at least 3 asset managers.
Create an interministerial working group to coordinate and monitor the implementation of Pillar 2.	Introducing Pillar 2 requires coordination among many government departments and agencies – best achieved through oversight by a full time, high-level working group.
Prepare detailed workplan for implementing Pillar 2 by an interagency task force.	The plan approved by CM in 2004 needs to be redesigned given the different scenario under which the Mandatory Pension System is operating.
Use experienced international and domestic advisors to ensure all systems necessary to implement Pillar 2 are in place at least 6 months before the operative date.	There are many issues that need to be addressed in establishing the mandatory accumulation scheme and the success of the project would be enhanced by having access to experienced international advisors
Enact Law on the Accumulation System.	This is required once pre-conditions are met and should be passed at least 2 years before the implementation date to ensure that all necessary procedures are in place.

2.1 SUPPORT FOR DRAFTING AND ENACTMENT OF THE LAW ON MANDATORY STATE PENSIONS: PILLAR 2 IMPLEMENTATION

PRI specialists provided counterparts with intensive support during drafting and enactment of the Law on Mandatory State Pension Insurance (see preceding section). Those activities related directly to the Pillar 2 part of the law included:

- PRI modeled the fiscal impacts of various allocations of contributions between solidarity and mandatory accumulation benefits to determine fiscally feasible options.
- PRI advised on membership of the governing council of the Mandatory Accumulation Scheme and shared lessons from international experiences.
- PRI advised the working group on the appointment of advisors and service suppliers to the mandatory accumulation scheme and on which participants should be mandated and which allowed to participate voluntarily.

2.2 SUPPORT FOR THE IMPLEMENTATION OF PILLAR 2

PRI experts prepared reports to counterparts on issues related to Pillar 2 implementation, including:

- On Delaying Implementation of the Mandatory Accumulation System - May 2003
- A draft implementation timetable adopted by the CM in July 2004.
- Report on IT Issues from Polish Study Tour - Lessons Learned and how to Apply them in Ukraine.
- Comparative spreadsheet analysis of IT issues between ZUS and PFU.
- “Comparative analysis of Ukraine’s and Kazakhstan’s Pension Systems,” July 2005.
- “Overview of The Swiss Pension System,” August 2005

PRI experts answered many technical questions from counterparts, including:

- Proposals on how to convert accumulated balances into annuities on reaching retirement age and on who should provide those annuities.
- How Group Life Insurance Benefits could supplement benefits of younger contributors to Pillar 2 who are disabled or die prior to retirement age.
- The best means to administer Pillar 2, including appropriate charges for administration, asset management and custodial services.
- PRI specialists participated in working group meetings discussing implementation of Pillar 2 and drafted the agenda for meetings at the Pension Reform Coordination Center.
- PRI helped MoLSP draft a circular for the CM pertaining to introduction of Pillar 2.
- PRI helped draft provisions of the law “On State Budget of Ukraine for 2006 and Amendments to some Legislative Acts of Ukraine” related to the introduction of Pillar 2.
- PRI prepared proposals to ensure the safe investment of Pillar 2 assets.
- PRI prepared a list of necessary amendments to the Law of Ukraine “On Mandatory State Pension Insurance” in connection to the introduction of the 2nd pillar.

Setting up Pillar 2 is a complex task – involving the creation of a legislative foundation, the development of administrative and IT systems, and changes in all aspects of the pension system. At the request of the MoLSP, PRI gave recommendations for steps necessary to implement Pillar 2. These include equalizing pension ages (to narrow the gap between annuity pensions of men and women), restructuring the PFU to ensure accountability and transparency, and amending the regulations of the National Bank of Ukraine to ensure easier investment of assets overseas. PRI prepared a detailed road map for Pillar 2 implementation and actuarial estimates of how much can be diverted from Pillar 1 to support the introduction of Pillar 2 under various scenarios.

2.3 TRAINING

After the law on MSPI passed in July 2003, PRI organized training for staff of all the agencies that will be involved in the mandatory accumulation system -- MoLSP, PFU, DFP and SSMSC. Because Pillar 2 will rely on the investment of the assets of the scheme, seminars were held jointly with the Ukrainian Association of Investment Business. In October 2005, PRI trained counterparts from the PFU, MoLSP, MoF, and DFP in the use of Microsoft Project that will be used as the “platform” for workplan design and project management. Because the Mandatory Accumulation Scheme is a large, compulsory, NSPF, training on Pillar 2 was always integrated into training on NSPFs (see Section 3), including training journalists, trade union officials, employer representatives, all PFU and MoLSP oblast and raion offices on the Pillar 2 system and providing seminars for students as future participants in the system.

3. ESTABLISHING NON-STATE PENSION FUNDS

MAJOR ACHIEVEMENTS	
PRI ACHIEVEMENTS	COMMENTS
Passage of the Law on Non-State Pension Provision on July 9, 2003, with 234 deputies in favor was a major achievement because it faced strong opposition by various political parties and by some senior members of the “majority.”	The passage of the law was the culmination of nearly 3 years of active work by PRI, MoLSP and later DFP. The law is regarded as a model for other countries.
By October 1, 2005, there were 48 non-state pension funds registered -- 38 open, 7 corporate and 3 occupational – that had collected 21 million UAH and enrolled 40,000 members. There are 27 licensed administrators. By December 2005, SSMSC has licensed 76 asset management companies and 86 custodians to transact NSPF-related activities.	Most NSPFs have been established by financial service organizations. Growth has been slow due to delays by DFP in setting up licensing procedures and in amending necessary tax laws.
Tax law granting tax privileges for contributions into NSPFs were enacted by the VR on July 1, 2004.	The law allows tax deductibility of contributions by employers and/or employees to NSPFs of up to 15% of salaries (capped at 1.4 times the minimum wage).
REMAINING CHALLENGES	
The costs of services to NSPFs needs to be reduced over time.	DFP has allowed high charges for NSPF service providers but must ensure that these are reduced over time.
Further taxation issues (e.g. VAT on administration services) must be resolved.	NSPF legislation specifies that administrative services for NSPFs would not be subject to VAT – comparable changes are needed in tax legislation
DFP must place greater emphasis on providing information to participants and future participants.	DFP needs to be both market regulator and market educator -- promoting the industry and responding to questions and complaints.
Ukraine’s capital markets must be strengthened and expanded.	NSPF participants will not benefit if assets are invested only in government bonds and bank deposits, but investments in corporate bonds or equities must be secure.
Board members of NSPFs must be involved in decision making – requiring legislative changes.	The law does not require participants and beneficiaries to be involved in decision making. But best international practice includes representatives of employers and of participants in the decision making body (Rada).
GOU must regulate the “Kyivmiksbud” scheme and to make its tax provisions consistent with non-state pension funds.	Kyivmiksbud is a real estate investment trust that is not subject to taxation.
Issues relating to the payment of NSPF benefits via annuities need to be addressed.	Although benefits will not be paid from NSPFs for some time, annuity principles should be established soon.

3.1 DRAFTING AND ENACTMENT OF THE LAW ON NON-STATE PENSION PROVISION

3.1.1 Drafting and Enactment of the Law on Non-State Pension Provision

PRI (beginning even under its predecessor USAID Project implemented by PADCO) supported all stages in the design and drafting of the Law on Non-State Pension Provision. PRI hosted many round tables, seminars, and information sessions totaling thousands of hours of technical assistance from PRI experts. PRI provided working papers and reports that were distributed among policymakers concerned with NSPF issues. These included:

- "On Non-State Pensions", Articles on public control by means of creating special NGO.
- "On Defined Benefit and Defined Contribution Schemes," November 2002.
- "20 Questions on the draft Non-State Pensions Law,"
- "Comments and Proposals to the Draft Law on Non-State Pension Provision", March 2003
- "Review of Changes and Amendments to the Federal Law of Russia About Non-State Pension Funds," June 2002
- "Information about Hungary's Experience in Creating Non-State Pension System," June 2002,
- "Comparative table on the Russian and Ukrainian Laws on Non-State Pensions."

PRI also translated and distributed articles and descriptions of "best practices" from other countries. PRI worked closely with the VR Banking and Finance Committee's sub-committee on non-state pension funds. After the law passed the first reading, PRI helped the committee assess nearly 1,000 recommendations made by Deputies.

3.1.2 Non-State Pension Funds in Ukraine Today

The private pension system continues to develop. By October 1, 2005, there were 48 non-state pension funds registered under the Law -- 38 open, 7 corporate and 3 occupational -- that had collected 21 million UAH and enrolled 40,000 members. There are 27 licensed administrators. By December 2005, SSMSC has licensed 76 asset management companies to invest NSPF assets and 86 custodians to transact NSPF-related activities

3.2 DRAFTING AMENDMENTS AND REGULATIONS FOR THE NSPF LEGISLATION

Following the passage of the law, PRI helped to address the issue of tax concessions provided for contributions made to NSPFs. The law had allowed only tax concessions for contributions made to insurance companies and excluded contributions to NSPFs. PRI worked closely with the industry, MoLSP, DFP and the State Tax Administration to draft appropriate amendments to the law on taxation -- passed by the VR on July 1, 2004. As a consequence, contributions by both employers and individuals to NSPFs can now be claimed as tax deductions up to a maximum of 15% of salary or 1.4 times the minimum wage, whichever is less.

PRI helped draft technical amendments to the NSPF Law as a member of a task force that also included representatives of governmental agencies and market participants under the leadership of the DFP. These draft amendments were submitted to CM in October 2005. PRI provided counterparts with comments on draft laws initiated by VR deputies..

3.3 CLARIFYING THE ROLE OF INSURANCE COMPANIES IN PRIVATE PENSIONS

The current Law on Non-State Pension Provision allows insurance companies a role in paying benefits through annuities but does not specify whether they can participate in the NSPF accumulation stage. Insurance companies offer employers a wide range of pension-related products that are in the interests of employers rather than employees and that are not subject to the same regulatory scrutiny as NSPFs. Competition between NSPFs and insurance companies is conducted on a playing field tilted in favor of the latter, yet insurance companies are lobbying for amendments to both NSPF and Insurance Laws that would explicitly permit their participation in the lucrative accumulation stage. Ambiguity also surrounds the potential role of banks.

The GoU will have to clarify the situation. Several amendments to Insurance and NSPF Laws have been drafted by the insurance industry and discussed by DFP. To help DFP resolve this difficult issue, PRI prepared an analysis of typical pension-related services provided by insurance companies in the west which was given to DFP as well as other agencies and market participants. PRI also prepared comments to the draft amendments to the Law "On Insurance". This topic was subject to the discussion and presentation of international expert at 2005 Pension Conference in Foros.

After extensive meetings with representatives of the insurance industry and regulatory agencies and the discussion at the Foros Conference, PRI provided a detailed paper that clearly defines the appropriate roles of insurance companies according to best international practice and the implications for the insurance industry, non-state pension funds, and for regulatory agencies.

3.4 SUPPORT FOR CREATING SELF-REGULATORY ORGANIZATIONS (SROs)

In the second quarter of 2004, the Association of Non-State Pension Funds and Pension Fund Regulators was created. A second association – the Association of Non-State Pension Funds and Pension Fund Administrators – has also been set up. PRI organized several seminars for these organizations. NSPF administrators are not required to join an SRO and neither of these associations is strong or well recognized – providing little incentive for NSPFs to join. Neither of the current associations meets the requirements for being licensed as an SRO. Asset management companies are mandated to join an SRO.

3.5 WORK WITH TRADE UNIONS AND THE FEDERATION OF EMPLOYERS

Trade Unions opposed the law in draft primarily because it did not permit defined benefit schemes -- the trade union's preferred option. PRI had strongly urged the exclusion of defined benefit schemes because of uncertainty over whether either financial markets or regulators could meet the requirements for defined benefit scheme. PRI worked collaboratively with the Trade Unions Federation and the Federation of Employers and conducted collaboratively many regional workshops on implementing NSPFs -- conducting 18 major seminars for trade unions involving 1,280 participants. Trade Unions expressed an interest in establishing professional non-state pension funds and responded by organizing more seminars. Three professional NSPFs are currently in existence.

3.6 PUBLIC EDUCATION

The previous negative experiences in Ukraine with private investment activities -- such as MMM in Russia, Bank Slaviansky and Bank Ukraina -- had undermined public trust. PRI responded by conducting campaigns to educate people about NSPFs and explaining the checks and balances embodied in the system. PRI's public education activities were carried out via its web-site, helping

journalists to produce articles on NSPFs, supporting Journalist Club meetings, producing two PSA's dedicated to NSPFs and distributing several brochures to the public.

PRI updated its brochure "The New Pension System" quarterly to reflect legislative changes and data on NSPF operations (the number of NSPFs, administrators and asset managers, and the number of NSPF participants and amount of contributions collected). This proved popular at PRI training and public education events and 4,500 copies were distributed during 2005. PRI also financed public education campaigns involving television, radio and printed materials for use by the Government to inform the population about NSPFs and organized seminars in collaboration with UMREP and its successor, CURE, for journalists explaining NSPFs and conducted seminars at universities on NSPFs.

In 2004 and 2005, two PRI-sponsored PSA's on NSPFs were produced and transferred to DFP, which coordinated their airing on TV. These were devoted to: "Participating in Non-State Pension Funds as a Means to Accumulate Money for Supplementary Pensions" and "Creating a New State Institution – State Commission for Regulation of Financial Services Markets of Ukraine."

To help companies interested in creating NSPFs, PRI produced standard documents (charters, pension schemes, etc.) that were frequently downloaded from PRI's website. (DFP did not follow PRI's recommendation to make these documents mandatory.)

PRI met with DFP on how the agency should enforce legal requirements that licensed financial institutions should have their record keeping and registration system in order. PRI argued that the requirements should be interpreted broadly and that DFP should not endorse any specific accounting software. As a result, DFP allowed administrators to use their own software (four different software systems are now being used by licensed administrators) subject to its approval by DFP. DFP was slow to implement these procedures.

3.6 STUDY TOUR TO THE UK AND NETHERLANDS

To encourage the development of the NSPF system, PRI organized a study tour from June 20th until July 1st, 2005 to the UK and the Netherlands for senior officials from DFP, MoLSP, CM, the VR Committees on Pensioners, Veterans and Invalids and on Banking and Finance Activities, the Association of Non-State Pension Funds and the Institute of Stock Market Development (and one journalist). Both host countries have large voluntary pension systems. The tour allowed Ukrainian policymakers to meet with people with great experience in NSPF systems including regulators, pension fund administrators, asset managers, consultants and SROs. In the UK, the group met with:

- The Pensions Regulator -- a newly established body responsible for the regulation of occupational pensions.
- BT Pension Fund -- the public company created by the privatisation of the British telephone system and the largest pension fund in the UK.
- European Bank for Reconstruction and Development.
- Standard Life -- one of the UK's largest financial services groups with 8% of the UK market.
- Financial Services Authority -- the predominant regulator of financial services in the United Kingdom – regulating all financial services except employer-sponsored pension schemes which are the responsibility of the Pensions Regulator.
- Pension Management Institute (PMI) – an independent non-profit entity that promotes professionalism among providers of pension services.
- National Association of Pension Funds (NAPF) -- the principal UK body representing employer-sponsored pension funds including funds, local authorities, and public agencies.

In the Netherlands, the group met with:

- National Bank of the Netherlands – the major regulator of financial services companies.
- ING Group -- a multinational, multifaceted financial services group operating globally and, by assets, the 15th largest financial services group in the world.
- ABP Pension Fund -- one of the biggest pension funds in the world, the pension fund for employers and employees in service of the Dutch government and the educational sector.
- Blue Sky Group -- an independent organization dedicated to advising and supporting pension funds and their participants.
- Dutch Association of Industry Wide Pension Funds and the Dutch Association of Corporate Pension Funds

4. SUPPORT TO STRENGTHEN THE PENSION FUND OF UKRAINE

MAJOR ACHIEVEMENTS	
PRI ACHIEVEMENTS	COMMENTS
Developed IT technology and software to help PFU issue 15 million social insurance certificates to working Ukrainians.	The social insurance certificate was progressively issued to PFU contributors as proof that their employer made contributions on their behalf.
Created a program allowing employers to submit personified electronic reports (ARM-R), supported by PRI's website, later modified to allow monthly reporting.	ARM-R was used by more than 100,000 enterprises. In 2003, PRI developed a monthly version to support an experiment on unified social insurance data collection.
Developed systems to convert paper personified reports into electronic format using Optical Scanners and software.	Many employers still provide paper reports on contributions. The machine readable version has improved administration of the system.
Assisted PFU to assume responsibility for pension calculation and pension payment from MoLSP.	After July 2001, the PFU became responsible for calculating and paying all pensions while MoLSP audits the process.
Supported the recalculation of pensions after 1 January 2004.	The Law on MSPI required PFU to recalculate all pensions to ensure that the higher of pensions under the old or new calculation method were provided.
Helped PFU create a nationwide contributor database.	PRI helped the PFU to develop the mechanisms whereby the data held on the computers of 737 raion PFU offices could be centralised onto one database in Kyiv.
Designed demonstration model to calculate pension benefits under Pillar 1 and Pillar 2.	This model used to win VR support for pension reform is now used in PFU raion offices to show how to calculate benefits.
REMAINING CHALLENGES	
Creating and capacity building for the Office of the Actuary.	All social insurance funds and MoLSP need qualified actuaries able to analyze current trends and model policy options.
Strengthening capacity of the PFU to prepare activity plans.	Past experience indicates the PFU is not yet able to plan complex implementation strategies needed to implement the unified social insurance contribution and Pillar 2.
Creating an open and accountable system of governance for the PFU.	PFU should report its forecasts to the VR and the public on time and using internationally accepted actuarial standards.
Improving the administration of the pension calculation and payment systems.	Ukrainian law now requires pensions to be calculated on the basis of personified data maintained by the PFU. This must be streamlined and centralized.
Preparing the PFU for administering the unified social insurance contribution	PFU needs to plan and implement this process in a smooth and timely manner.

Preparing the PFU to administer the Mandatory Accumulation System	PFU needs to plan and implement the processes needed for it to fulfill this role in a smooth and timely manner.
Reconstitute the PFU as a non-profit, self governing organization.	Reconstitution would bring the PFU under more transparent budgeting and auditing procedures.

4.1 IT SUPPORT

During the first two years of the project, PRI supported PFU in identifying and recording pension contributions based on individual insured persons rather than data on employees aggregated for the enterprise as a whole. Personification is essential for developing Pillar 2. PFU hired new staff and purchased several thousand computers for Oblast and Raion offices. PRI worked closely with the PFU on developing software and technologies to streamline the process of collecting personified data from employers. PRI refined and improved the ARM-R software which is designed to accommodate electronic transfer of pension contribution data. This system included a computer program for completing forms and stored copies that were electronically transmitted to the PFU's central database. This software has been instrumental in helping the PFU improve its efficiency and effectiveness and has saved the PFU an estimated 25% of its labor effort. Once the experiment on unified social insurance data collection was begun, PRI modified the ARM-R software to move from a yearly to monthly personified reporting. The software was further modified to include the additional collection information from the other SI funds. Ultimately all reporting to the PFU will have to be done monthly and this new program will form the basis of this administration activity.

The project developed a prototype hardcopy scanning system for optical recognition of paper forms submitted by employers – allowing quicker processing. It is designed for employers without their own computer capacity – usually small enterprises. The scanning centers were pilot tested and proved to be effective although the PFU has not moved forward to implement the system nationwide. The ARM-R and scanning systems were modified to combine data for all four social insurance funds. The unified social insurance collection was pilot tested in six Raions and the PRI team reviewed this “experiment” and gave significant input on the process. PRI transferred responsibility for further development and administration of the ARM-R software and scanning technology to the PFU, as specified in the PRI workplan.

In 2005, PRI provided TA to employees in the Information and Calculation Center on approaches to pension recalculation in connection with amendments to the Law of Ukraine “On Mandatory State Pension Insurance” and to the Fund of Occupational Injuries and Illnesses on paying insurance contributions to the Pension Fund.

PRI also provided PFU with detailed assistance in designing and developing four websites -- designing the terms of reference and specifications and helping supervise the development of the sites by contractors hired by the PFU. The websites have been completed and the PFU will officially list them on the World Wide Web shortly. In summary, assistance to PFU included:

- Developing the scanning technology, creating electronic versions of the paper personified annual reporting system including the hardware, software and total business process.
- Developing and modifying the software for printing of 15 million social insurance certificates.
- Revising the ARM-R system to work with unified social insurance data collection requiring reporting on a monthly basis in six pilot raions.
- Preparing and holding 4 regional seminars to teach the scanning system and the support tools to PFU employees.
- Preparing terms of reference, conducting the tender, financing and supervising development for the creation and modification of four websites:

- Reconstruction of PFU official website
- Website for PFU Training Center
- Website for PFU Official Weekly Newspaper – Pension Courier
- Website for PFU Official Magazine – Pension Fund News

In addition, PRI purchased IT equipment for the PFU costing about \$20,000 including 6 Scanners, 2 workstations, 2 laptops, and 2 multimedia projectors.

4.2 ACTUARIAL MODELING

The actuarial model developed by PRI was completed after two years of extensive consultation with counterparts and other Ukrainian specialists. It was submitted to the PFU, MoLSP, and the Institute for Demography in December 2005. For accurate forecasts, however, it will require inputting accurate data on contributors, insured individuals and pensioners that the PFU has not supplied – despite repeated requests from PRI. The model is “open code” allowing users to change many aspects of the model and provides a foundation for disaggregated and flexible analysis of pension policy scenarios.

The model shows that – under reasonable assumptions about economic growth and inflation during the next 10 years – it will be possible to begin implementation of Pillar 2 in 2009 (with some budget subsidies to cover the losses of PAYG contributions).

4.3 PUBLIC EDUCATION

In May 2003, PRI supported creation and financed the publication of the first five editions of the official PFU newspaper “Pension Courier” with accompanying PSA’s that addressed:

1. Pension benefits recalculation.
2. Dependence of pension benefits on wages and covered service period.
3. The system of personifying pension contributions.
4. Voluntary participation in the mandatory state pension insurance system.
5. Legalization of wages.

In collaboration with the PFU’s training center, PRI supported series of seminars on:

- Procedures for submitting documents used when granting a pension.
- Ensuring the payment and reporting of contributions to the PFU.
- Personification: specifics for report preparation and submission.
- Simplified tax system procedures.

4.4 TRAINING

4.4.1 Staff Training for PFU

Following the passage of both the compulsory and voluntary pension laws in 2003, PRI supported four major training activities for the PFU. The first was a 3-day course attended by four representatives from each oblast in Kyiv -- deputy department heads of oblast PFU offices, accountants, and database managers. They were trained in all aspects of pension reform, staff training, conducting press interviews, and developing public information packages. The second was in Lutsk involving senior staff. Then training was provided to staff of all 737 raion offices and all 27 oblast offices – with two oblasts covered each week during the fall of 2003. Seminars covered the

theory and practice of the new pension law and how to recalculate pensions. Training was supplemented by a text book produced jointly by PFU and PRI for use in raion offices.

Following this on-site training, PRI produced for PFU and MoLSP a CD-ROM containing searchable texts of laws and questions that could be interactively answered by staff and the pension calculator that was referred to previously. 15,000 copies were distributed. PRI supported the PFU in creating a staff training center, equipping it with computers and other equipment. PFU appointed a director of training in 2004 and, since then, PRI has conducted 55 joint seminars with the center with more than 2,700 participants. In November 2005, PRI supported a 2-day training session on implementing the personification system -- delivered to representatives of all PFU regional offices.

4.4.2 Observational Tour to Sweden and Denmark, Nov 16 – 22, 2003

At the request of the PFU, PRI examined the countries offering the best examples of pension system administration. Sweden was selected because they had deliberately delayed reform while they improved their administrative systems. Denmark was also selected because its ATP is widely regarded as one of the pre-eminent pension administration companies in the world. PRI conducted a visit for 10 senior PFU staff (including 8 heads of oblast pension administration) to Sweden and Denmark. On the tour, participants were able to:

- Explore how data was transferred from regional offices to the central database and back to the region.
- Explore the personified data system that supports the second pillar scheme in Sweden.
- Visit ATP in Denmark and see how it uses the internet to transfer data and contributions reports from employers to the fund.
- Observe how Denmark's equivalent of the PFU has been replaced by a combination of centralized payments from employers and pension benefit payment by local government.

4.4.3 Observational Tour to USA, December 3 - 10, 2005

A 14-person Ukrainian delegation visited the United States of America between Dec 3 and 11, 2005. It included the Deputy Chairman of the PFU Board and five representatives from PFU regional offices, 2 representatives of the CM, 4 specialists of MoLSP and one official from MinEcon.

The delegation visited the Pension Benefits Guaranty Corporation that protects beneficiaries in the event of default, regional and central office of the US Social Security Administration, the Department of Labor (which regulates pension funds and pension plans), the Maryland State Retirement Agency (supplemental retirement plans in Maryland) and the Investment Company Institute (investment options for pension funds, trends in investment and regulation of investment companies activities). The delegation learned about:

- 1) Organizing citizen access to information, training for specialists within the social security system, and public information about new legislation in the social security system;
- 2) Eligibility criteria for the minimum special social security benefits;
- 3) Procedures for wage reporting by employers and control of the accuracy of information provided to the social security system;
- 4) The documents necessary for applying for pension benefits and procedures for paying pensions;
- 5) Formulas for calculating retirement benefits and benefits for early retirement at 62;
- 6) Transparency of the system, protection of privacy and the administrative uses of Internet.

5. SUPPORT FOR THE STATE COMMISSION FOR THE FINANCIAL SERVICES MARKET (DFP)

MAJOR ACHIEVEMENTS	
PRI ACHIEVEMENTS	COMMENTS
Enactment of the Law of Ukraine On Financial Services and State Regulation of the Financial Services Markets, July 12, 2001, creating the State Commission for the Regulation of Financial Services Market (DFP).	PRI and WB collaborated to develop the best regulatory model for financial services and to help secure the passage of the legislation.
The law established a unified regulator (DFP) for non-bank financial services including non-state pension funds, insurance companies, credit unions, pawnbrokers, leasing companies and other similar financial institutions.	Although the law was signed by the President in July 2001, DFP's Chairman was not appointed until December 2002 and Commissioners not until April 2003.
DFP has issued regulations to protect the independence of the DFP and ensure high professional standards for senior staff.	PRI and WB successfully opposed attempts to erode DFP's independence.
PRI developed a system to reflect data from the State Registry of Financial Institutions to DFP's web-site.	PRI helped DFP develop the TOR and financed its development, and trained staff on its use.
PRI provided nearly \$170,000 worth of computer hardware and software to DFP.	DFP lacked funding to procure IT hardware and software. PRI provided over half of DFP's IT needs.
PRI developed a notification system for financial services market participants -- enabling prompt automated delivery of messages to financial market participants	DFP is now able to communicate its decisions effectively and efficiently to the industry
PRI developed the IT systems for processing reporting data and projecting developments for individual insurance companies and for the insurance market in general.	PRI developed software for DFP by which the industry reports to the Regulator. PRI financed the employment of IT specialists to ensure the effectiveness of the system
PRI established the Commission's website and provide assistance to the IT division in establishing registers of market participants	PRI financed the Commission's web-site, developed computer software for the Commission and had on-site staff dedicated to identifying and meeting the Commission's IT requirements.
PRI trained DFP staff and supported their participation in meetings of international pension fund regulators and supervisors in Europe.	
REMAINING CHALLENGES	
DFP needs further practical experience in auditing NSPFs.	Future developments (privileged pensions and pillar 2) will expand both the number and assets of NSPF's – requiring stronger DFP oversight.
DFP must balance the need to protect profit margins of NSPF service providers and to protect the interests of	The initial charges allowed by DFP are high and must be reduced if people are to be confident in

scheme participants.	the NSPF system
GOU needs to develop a strategy to merge DFP with SSMSC to create a single financial services regulator.	There are inherent inefficiencies and systemic risks in having two regulators. They should be merged.
DFP needs to continue participating in international meetings of pension fund regulators and supervisors to keep abreast of international best practices.	
DFP needs to develop systems for analysing NSPFs and other types of financial companies.	Analytical systems will improve the quality of market regulation.
DFP needs a system for accepting electronic signatures for reporting by financial institutions.	Electronic signatures reduce reporting costs to market participants and DFP's costs in processing them.

5.1 SUPPORT FOR THE LAW TO ESTABLISH THE FINANCIAL SERVICES REGULATOR

PRI worked very closely with the World Bank to draft the early versions of the law of Ukraine “On Financial Services and State Regulation of the Financial Services Markets of Ukraine”. There were many options that could have been adopted by the Government and PRI helped the GoU understand the implications of each. PRI ensured that the new regulator would cover insurance companies, credit unions, pawn shops etc as well as NSPFs. PRI and WB both supported, as an interim step, the retention of a separate SSMSC to regulate asset management activities and the creation of a new regulator to look after all other elements of non-bank financial services. This was the model adopted by the VR.

5.2 DRAFTING AND IMPLEMENTING NSPF REGULATIONS

PRI provided DFP with comments and suggestions to 27 draft Regulations on issues related to NSPF operations, using expert consultants such as Cezary Mech, the first head of the Regulatory Agency in Poland, and Zoltan Vajda from the Hungarian Financial Services Agency. They provided comprehensive and practical guidance for DFP. Reports prepared by PRI specialists include:

- “On Issues of Administrative Expenses for Services provided to NSPFs,” April 2004
- “Recommendations on Protection of Participants’ Rights,” July 2004
- “Fundamentals of investment,” September 2003.
- “Calculation of NSPF Assets Values, January 2004.
- “Comments on Issues Related to Pension Funds Investment Portfolio and Reconciliation of the Draft Law with other Normative and Legal Acts of Ukraine,” August 2001 (reissued to DFP, November 2002).

In 2004, PRI began posting draft standard documents on the pension web-site covering charters, pension schemes, investment declarations, and the rules of corporate NSPFs.

5.3 TECHNICAL ASSISTANCE

After the law establishing DFP was passed, there was a long delay before key personnel were appointed and the Commission created. It was clear that the GoU had not committed sufficient

funds for the Commission's operation -- slowing its evolution until PRI persuaded the GoU that additional funding was needed to design and develop a regulatory structure. DFP is totally reliant upon state budget funds, unlike many of its counterparts in other countries funded through fees levied on market participants. Lack of funding necessitated extensive IT procurement by PRI.

DFP received a grant from the World Bank that it used to purchase consulting services on NSPF supervision from PrimAmerica Consultores, a Chilean company. According to the grant, PrimAmerica Consultores developed regulatory recommendations for DFP. To facilitate this work, PRI translated DFP's regulations into English for the Chilean experts.

In addition PRI reviewed investment opportunities for NSPFs -- including government bonds, bank deposits, corporate bonds, shares and other investments allowable under the NSPF law. PRI financed the publication of 1,000 copies of the report.

5.4 IT SUPPORT

PRI helped design and develop DFP's entire IT infrastructure, including the acquisition of hardware, the design of software, and supporting networking and Internet connectivity. PRI provided DFP with a part time systems analyst to review and map the entire information flow as the basis for future software development. Another PRI-supported analyst helped DFP set up and manage the organization's servers and networking equipment and train DFP staff.

Once DFP had assembled its IT infrastructure, PRI provided customized software -- including a system to control and manage email notification of DFP correspondence to regulated enterprises, which is currently in operation, and a flexible reporting system for insurance company data currently maintained in DFP's Oracle database. The latter allows users to develop output tables interactively and perform calculations easily without having to interact with the database schema directly.

PRI analyzed the Financial Institutions Register and discovered slow data access and inaccurate and incomplete data -- the result of improper input data control under the registration of insurance companies and the filing of quarterly reports. PRI's analysis was sent to DFP to use when developing the data base of other financial institutions.

PRI also supported the design, development and financing of the DFP website, contracting for its development and supervising its creation. PRI extended the functionality of the site to include a database that embodies the State Register of Regulated Enterprises. PRI provided a trainer to teach the DFP staff how to publish their information on their website and delivered English translations for approximately 30% of the site. PRI also helped DFP develop template documents for the Doc Flow system and offered assistance on establishing an electronic signature capability -- including analysis of Ukrainian legislation and best international practices in this area. The analysis was submitted to both DFP and SSMSC.

In addition, PRI provided IT equipment for the DFP costing about \$150,000, including 4 servers, 86 workstations, 2 notebook computers, 4 switches, 5 printer/copier/faxes, 1 copier, and packaged software.

5.5 PUBLIC EDUCATION

PRI developed a strategy for a public education/public relations section within the Commission, which appointed senior staff for the section. PRI involved the head of this unit in many public education activities to expose DFP and to its staff to the public. PRI used DFP staff to explain DFP's role and to interact with the service providers it regulates. PRI used DFP representatives in its weekly TV program on Pension Reform on an average of once every three weeks -- explaining the concept of non-state pension funds and the role of DFP in regulating these funds. PRI prepared and published a research paper entitled "Brokers & Asset Managers - Trade Execution Costs & Best Practices" -- printing and distributing a total of 500 copies.

Two Public Service Announcements were produced collaboratively with DFP: (1) "Participation in Non-State Pension Funds as a Means of Accumulating Money for a Supplementary Pension" and (2) "Creating a New State Institution – the State Commission for Regulation of Financial Services Markets of Ukraine." Both were broadcast on TV. PRI prepared 1,000 copies of "Report on the Development and State Regulation of the Non-Bank Financial Services Markets in 2004" in English and Ukrainian which was distributed at the "Mini-Davos" economic Forum in June 2005 and on other occasions.

5.6 TRAINING

5.6.1 Staff Training

PRI developed a collaborative and comprehensive training program for DFP staff that included:

Pension Principles. As all DFP staff were unfamiliar with the concept of NSPFs, PRI gave a six-week course on the principles and legal foundation of NSPFs attended by almost all DFP staff. It was held in conjunction with the Ukrainian Stock Market Development Institute. PRI also ran courses for DFP on the role of board members of NSPFs.

Language Training. Because of the prevalence of English in international financial services, PRI conducted two 8-month business English courses for DFP staff -- basic and advanced. By the end of 2004, 5 people had qualified at the basic level and 7 at the advanced level. The courses continued in 2005 with a further 11 people certified.

Accounting, reporting and taxation of NSPFs. PRI organized a course on taxation and accounting principles for DFP so they could understand the accounts of the NSPFs they audit. PRI and DFP also provided a 3-day course for 18 NSPF market participants on "Accounting, reporting, and taxation of NSPFs".

Asset Management. PRI delivered training for potential investment managers in 2003. Based on its success, another seminar was conducted in 2004. Training was delivered in collaboration with the Ukrainian Association of Investment Business and staff from the two regulatory commissions using materials developed by PRI's asset management specialists. The courses were run at two levels – an introduction aimed at civil servants responsible for overseeing the investment of assets and an advanced course for those who will be asset managers. Commission staff also participated in regional training held for trade unions and in seminars PRI held with UAIB for companies interested in obtaining licenses as investment managers in 2003 and 2004.

Project Management Training. PRI trained certified specialists in project and program management under IPMA in a semester long course for key IT staff leading to international certification in project management.

Other Training. PRI sponsored the annual meeting of the Ukrainian Association of Investment Business in Yalta in June 2004 which included seminars on NSPFs. PRI also paid for the participation of the general manager of a large Bulgarian NSPF who explained the development of NSPFs in that country. In 2005, PRI sponsored the participation by DFP representatives in an International Conference in Sofia on "Evolution of Pension Reforms: Bulgaria's Experience and Regional Perspectives" and in the 3rd International Forum on Financial Consumer Protection and Education held in Malaysia. PRI provided project management training for DFP.

5.6.2 Observational Tours

In 2003, supported the participation by DFP staff in a visit to Croatia to observe the operations of the Croatian Regulatory Agency HAGENA and to Hungary to meet with PSZAF.

Hungary. PRI financed a more detailed visit to the recently created Hungarian Financial Services Authority (formed by the merger of 3 separate regulators) from 16 to 19 September, 2003 for 8

staff from DFP and 5 from SSMSC. They learned from their counterparts of their experiences in setting up the new agency.

UK and Netherlands. DFP staff participated on the study tour to the UK and Netherlands where they observed the practices of the Pensions Regulator and the Financial Services Authority in the UK and the Netherlands National Bank.

Czech Republic. Three DFP staff and the senior advisor to the Chairman of the Commission attended the meeting of International Network of Pension Fund Regulators and Supervisors in Prague in December 2003 with PRI financial support.

Kazakhstan. PRI financed the participation of two DFP staff at an international conference on accumulation systems held in Kazakhstan. They spent one day examining the operations of a major Kazakh NSPF.

Ireland. PRI financed the participation of two DFP staff at a pension seminar in Dublin in 2004.

Poland. In June 2004, to extend DFP's understanding of regulatory practices in other countries, PRI organized an observation tour to Poland to examine the operations of the Polish Pensions Regulator and of market participants. The trip included:

- Visit to KNUiFE – Commission on Insurance and Non-State Pension Fund Supervision.
- Review of the NSPF supervision model and the information system (SNP) for supervision of investments made by pension funds.
- Participation in the Conference “Innovations on World Financial Markets in 2002”.
- Visit to the Open Pension Fund “POLSAT” to review its operations and management.

PRI also financed the participation of DFP staff at a training course in Poland in March 2003 organized by the World Bank.

6. SUPPORT FOR THE FOR SECURITIES AND STOCK MARKET STATE COMMISSION (SSMSC)

MAJOR ACHIEVEMENTS	
ACHIEVEMENT	COMMENTS
SSMSC staff received training on the work of asset management companies and custodians.	Training was curtailed when USAID instructed PRI to suspend activities with SSMSC.
Support for training and staffing of SSMSC regional offices.	PRI conducted regional seminars in conjunction with SSMSC.
SSMSC issued bylaws and regulations for asset managers and custodians in the NSPF system.	
PRI provided enhanced IT systems – both hardware and software, linked SSMSC’s two Kyiv offices, and prepared a plan for future IT development in the agency.	
Analyzed SSMSC’s document flow and developed recommendations for its automation and implemented electronic docflow system at seven work stations.	PRI developed a questionnaire distributed to key SSMSC employees.
Training 15 SSMSC staff on use of the electronic docflow system “Dilo”	
REMAINING CHALLENGES	
Further enhancement needed of SSMSC’s IT systems and creating the electronic document flow system throughout the SSMSC	SSMSC computer systems are not yet developed, requiring a new IT strategy to ensure that SSMSC can supervise the market and protect NSPF assets.
GoU should develop a strategy to merge SSMSC and DFP	The overlap of the two regulators overlap will be exploited by market participants. Also, the two regulators compete for budget support.
Strategy to be developed to ensure financial independence of the regulator.	SSMSC should move toward self-financing through charging fees to financial institutions.
The National Bank must develop mechanisms to allow pension fund asset managers to invest in foreign assets.	Currently there are very restrictive NBU rules on the investment in foreign assets.

6.1 TECHNICAL ASSISTANCE

PRI’s work with the Securities Commission for Securities and Stock Market (SSMSC) was suspended in 2004 by USAID’s instruction to provide no further TA until SSMSC’s internal conflicts of interests were resolved. PRI had provided some assistance before this instruction. Even after the instruction, SSMSC staff participated in joint activities with other counterparts – for example, SSMSC staff participated in the Foros International Pension Conference. Staff of SSMSC regional offices

participated in regional seminars and public education events on new pension system and NPF operations conducted by PRI. PRI shared analytic reports on the role of asset management companies and custodians in the investment process with SSMSC and gave recommendations on how to value assets of NSPFs and how to convert the value of these assets across into unit values. PRI also made a detailed analysis of the instruments available for Ukrainian asset managers to invest in – both domestically and internationally – for SSMSC and DFP.

PRI made a detailed audit of SSMSC's IT infrastructure and developed a comprehensive IT strategy -- "Creating a Strategy for Developing SSMSC's Information System." PRI recommended the implementation of a doc flow system, helped SSMSC to implement it and trained staff in its use. PRI recognized the need for a major overhaul of SSMSC's LAN and provided them with equipment to improve internal communications giving the agency PRI's old server and server software when PRI's system was upgraded. PRI began preparing specifications for a new licensing system to be developed on a MS SQL platform. This was incomplete when collaboration was suspended. PRI purchased IT equipment costing about \$12,000 for the SSMSC, including 1 server, 5 workstations, 1 scanner, and packaged software.

The SSMSC is in serious need of comprehensive IT assistance. They are not capable at this time of fulfilling their organizational responsibilities in the development of capital markets in Ukraine because of inadequate IT infrastructure. The following priorities must be addressed:

- Update and implement the IT strategy developed by PRI in 2003.
- Upgrade servers and workstations.
- Upgrade the LAN.
- Hire and train additional IT staff including both network support and programmers.
- Complete the implementation of the "Dilo" document flow system

6.2 TRAINING AND PUBLIC EDUCATION

Many training and public education activities listed in the preceding section (5.5) were provided jointly to staff of SSMSC and DFP.

To address the fast growth of NPF market in December 2005 PRI organized training on management of NPF assets -- designed for the needs of regulators. It addressed asset management theory and international best practices, as well as practical issues.

Attachment A: LOE Utilization

		Total Days Billed	Total Hours Billed	Total Days Budgeted	Days Remaining
Expatriate &TCN					
Resident Project Mngr.	G. McTaggart	905.64	7245.08	902.00	-3.63
Pension Actuary	Various (2)	325.50	2604.00	301.50	-24.00
	M. Wiener	227.50	1820.00		
	W. Schuddeboom	98.00	784.00		
Pension Attorney	Various (2)	216.50	1732.00	236.50	20.00
	D. Brown	201.50	1612.00		
	C. Feher	15.00	120.00		
Information Tech. Expert	Various (2)	104.25	834.00	159.00	54.75
	Jonathon Tomar	88.25	706.00		
	Barbara Neal	16.00	128.00		
Asset Mngr/Invest. Expert	Various (2)	233.31	1866.50	209.00	-24.31
	C. Bender	18.00	144.00		
	C. Mech	161.19	1289.50		
	D.Wartonick	54.13	433.00		
Public Education Expert		228.04	1824.30	278.00	49.96
	K.Jacques	26.1625	209.3		
	J. Adams	36.00	288		
	Z. Vajda	40.875	327		
	R.Vaughan	125	1000.00		
Total Expatriate and TCN		2013.24	16105.88	2086.00	72.77
HCN					
Sr. Econ/Pension Expert	B. Nadotchy	481.00	3848.00	481.00	0.00
Pension Attorney	Various (2)	1322.63	10581.04	1330.00	7.37
	A. Nechai	138.63	1109.04		
	N. Goryuk	1184.00	9472.00		
Pension Fund Regulator	Various (3)	1012.57	8100.52	1016.00	3.43
	A. Babak	78.00	624.00		
	S. Varfolomyeyev	331.88	2655.00		
	A. Nechai	313.69	2509.52		
	O.Vasilchenko	289.00	2312.00		
Pension Actuary	Various (2)	919.63	7357.00	945.00	25.38
	V. Lukovich	348.38	2787.00		
	A. Chechelnitsky	523.50	4188.00		
	O. Lukovich	47.75	382.00		
Public Education Expert	T. Kitcha	1341.75	10734.00	1436.00	94.25
	T. Kitcha	1127.25	9018.00		
	E. Rudenko	108.50	868.00		
	Alyoshina O	106.00	848.00		
IT Experts/Programmers	Various (5)	3352.33	26818.60	3336.00	-16.32
	M. Muchnik	1094.38	8755.00		
	Prokhorov	746.00	5968.00		
	Deyneyka	632.50	5060.00		
	Mironovich	232.00	1856.00		
	Khvaleba	22.00	176.00		
	Nazaruk	625.45	5003.60		
Total HCN		8429.90	67439.16	8544.00	114.11
TOTAL				10,630.00	186.87

ATTACHMENT B: KEY COUNTERPARTS

Name	Position as of the time of cooperation with PRP	Organization
Ivan Sakhan	Minister	MoLSP (Jan 2001 to October 2002 and from September 2005)
Mikhailo Papiyev	Minister	MoLSP (October 2002 to January 2005)
Vyacheslav Kirilenko	Minister	MoLSP (January 2005 to September 2005)
Volodomir Matviychuk	Deputy Minister Deputy Minister	MoLSP (from January 2002 to January 2003) MinFin (from January 2005)
Olena Garyacha	Deputy Minister	MoLSP
Oleksander Yaremenko	Deputy Minister	MinFin to January 2005
Lyudmila Musina	Deputy Minister	MinEc to January 2005
Boris Zaichuk	Chairman	PFU
Anatoliy Sorokin	First Deputy Chairman	PFU (to June 2004)
Anatoliy Bonislavskiy	Deputy Chairman (IT)	PFU to October 2004
Oleksiy Zarudniy	Deputy Chairman (Reform)	PFU
Valeriy Sushkevich	Chairman	VR Pensioners, Veterans and Invalids Committee (to March 2002)
Petro Tsibenko	Chairman	VR Pensioners, Veterans and Invalids Committee (from April 2002)
Vasil Nadraha	Chairman	VR Pension Provision Subcommittee (from April 2002)
Valeriy Alyoshin	Chairman Deputy Chairman	VR Banking and Finance Committee (to March 2002) Rada Pensioner, Invalid and Veterans Committee (from April 2002)
Serhiy Teryokhin	Chairman	VR Banking and Finance Committee (from April 2002 to January 2005)
Serhiy Buryak	Chairman	VR Finance Committee (from February 2005)
Viktor Suslov	Chairman	DFP
Valentina Levchenko	Deputy Chairman	DFP
Andriy Rybalchenko	Department Director	Department of Non-State Pension Funds, DFP
Oleg Mozgovyi	Chairman	SSCSM (to September 2004)
Anatoliy Balyuk	Chairman	SSCSM (from September 2004)
Serhiy Biryuk	Deputy Chairman	SSCSM
Mykola Burmaka	Deputy Chairman	SSCSM (from September 2004)

Pavlo Gaidutskiy	Deputy Head	Office of the President (to January 2005)
Viktor Ivankevich	Head, Social Insurance Division	Office of the President (from February 2005)
Ella Libanova	Pensions Advisor Deputy Director	Office of the President of Ukraine (to January 2005) Institute of Demography and Social Studies
Svitlana Vegera	Pensions Advisor	Office of the President of Ukraine (from February 2005)
Oleksandr Maksimchuk	Head, Social Insurance Division	CM
Anatoliy Krasilschikov	Head, Social Insurance Division	CM
Grigoriy Osovyi	Deputy Head	Ukrainian Trade Union Association
Galina Kolosyuk	Deputy Head	Ukrainian Trade Union Association
Vasil Piddubniy	Deputy Head	Ukrainian Employers Federation
Dmytro Pyrig	President	Association of Non-State Pension Funds and NPF Administrators
Olena Barbarova	Director General	Ukrainian Association of Investment Business (June?? 2005)
Yevhen Grygorenko	Director General	Ukrainian Association of Investment Business (from June 2005)
Tetyana Kiryan	Director	Labor Institute
Dmytro Leonov	Rector	Ukrainian Stock Market Development Institute
Volodimir Dzyobak	President	Ukrainian Association of Pensioners

ATTACHMENT C: SUMMARY OF PRI PUBLIC EDUCATION ACTIVITIES

C.1 EDUCATING JOURNALISTS

After the pension reform laws were enacted, PRI organized more than 50 educational, training and outreach events involving 450 journalists. The events included press-conferences, press-clubs, roundtables, trainings, seminars, business games, distribution of press-kits and materials, and study tours. PRI established regular cooperation with journalists from: “The Pension Fund of Ukraine’s Herald”, “Pension Courier”, “Financial Services”, “Ukraine Business”, “Economic News”, “Facts”, “Employees’ Newspaper”, “Social Protection”, “Weekly Mirror”, “Business”, “Securities of Ukraine”, “Legal Practice”, “Pension” and representatives of such information agencies as “Context”, “InterNews” as well as TV and radio programs (“Business World” and “Pension Reform: Step By Step”). In collaboration with the Ukrainian Stock Market Development Institute, PRI supported the journalists’ club that held seminars and roundtables bringing together mass media representatives, representatives from the VR, DFP, SSMSC, and participants in the non-state pension system (non-state pension funds, insurance companies, administrators, asset managers and their associations).

C.2 SUPPORTING REGULAR TV AND RADIO PROGRAMS ON PENSION REFORM ISSUES

With PRI support, “Pension Reform - Step by Step”, a TV Program, began broadcasting in December 2001 – with 208 subsequent editions. Before the passage of the pension laws in 2003, PRI provided consultative support to the TV program in collaboration with the Press-Service of MoLSP. For two years, the program was broadcast on the First National TV Channel every Saturday and achieved high viewer ratings. Participants were mostly governmental officials, VR Deputies, scientists, foreign experts, and PRI staff. Issues discussed included:

- Delaying the adoption of the pension laws;
- Increasing pension age;
- Implementing the mandatory accumulation system;
- International experience with pension reform;
- Introducing the principle of insurance into the new system;
- Tripartite management of PFU activity;
- The roles of trade unions and employers in pension reform;
- Recalculating pension benefits.

After September 2003, MoLSP has coordinated the program which is now broadcast on Thursdays at 2 pm with a concomitant decline in the number of viewers.

C.3 PRI HOTLINE

On October 28, 2003 the Project opened a hot line, giving people the opportunity to receive free consultation on pension issues. A total of 191,020 people have used the service -- 96,753 (51%) on issues of pension benefit recalculation, 24,935 (13%) on questions about the application of current legislation, 16,727 (9%) - on the issues related to granting pensions, 11,216 (6%) on defining length of

service, and 8005 (4%) on privileged pensions. PRI specialists referred 3,521 complaints to MoLSP or PFU where they were resolved immediately.

The greatest number of calls were from Kyiv – 48,882 (26%), Donetsk oblast – 18,145 (10%), Kharkiv oblast – 17,161 (9%), Dnipropetrovsk oblast – 14,820 (8%), Lugansk oblast – 12,591 (7%), Zaporizhzhya oblast – 11,235 (6%), Odessa oblast – 7,641 (4%), Kyiv oblast – 7,380 (4%), and the Autonomous Republic of Crimea – 5,581 (3%).

C.4 PRI WEBSITE

The Pension Reform Website has proved a low-cost and very effective way of both distributing information and of enabling public discussion of pension issues. Since a visitor counter was installed in October 2003, nearly 670,000 people have visited the site, which has sections in Ukrainian and English while basic pension legislation is also available in Russian. The site provides formal information about pension issues such as legislation, Government decrees and regulations from both regulatory agencies. It also has a general section for the public that includes information about the TV program as well as information for specialists listing training at the PFU training center and regional seminars conducted by PRI. It also has a section on pension reform for young people and links to professional journals in Ukraine that deal with pension issues and to Government sites.

Users showed a particular interest in the legislative overviews and in special reports on issues such as pension reform in Kazakhstan and Switzerland. Activity on the Forum was strong. PRI provided 2,267 answers to questions raised -- 2,100 on PAYG system and 100 on private pensions.

C.5 NEWSLETTERS AND SPECIAL PUBLICATIONS

PRI supported the preparation, translation into English and printing of the annual reports prepared jointly by MoLSP and PFU. These included:

- “Universal Obligatory State Social Insurance and Pensions in 2004”. (5,000 Ukrainian and 150 English copies were printed).
- Mandatory State Social Insurance and Pensions in 2003 (Figures and Facts as of January 1, 2004) prepared in 2004.
- Social insurance in Ukraine. Facts and figures prepared in 2003.
- Social insurance in Ukraine. Facts and figures prepared in 2002.
- Pension provision in Ukraine. Statistic and information summary prepared in 2001.

The “New Pension System” brochure was prepared and updated quarterly to reflect legislative changes and official data on the NSPF system.

The review of major provisions of the Law of Ukraine “On Mandatory State Pension Insurance” prepared by PRI experts and updated frequently to reflect changes in legislation was also popular among public education and training events as well as web-site visitors.

C.6 PENSION COURIER NEWSPAPER PRESS CENTER

In May 2003, the “Pension Courier” newspaper was established with financial and consultative support of PRI. Currently the newspaper has a circulation of 240,000 and is issued in Ukrainian and Russian. In July 2005, a press center was opened in the newspaper office with PRI’s financial support where specialists from the PFU and MoLSP answer people’s questions by telephone. The working schedule of the press center is published in the newspaper in advance. When a telephone session is over all questions are summarized and some are published in the newspaper. By July 2005, the press center had received around 500 telephone questions.

C.7 PUBLIC SERVICE ANNOUNCEMENTS

PRI supported the development of 7 PSAs:

1. Pension Benefits Recalculation (12/02/03);
2. Dependence of Pension Benefits on Wages and Covered Service Period (02/11/04);
3. The Personified Pension Contribution System (04/06/04);
4. Voluntary Participation in the Mandatory State Pension Insurance System (07/01/04);
5. The Legalization of Wages (11/25/05);
6. Participation in Non-State Pension Funds as a Means of Money Accumulation for a Supplementary Pension (02/11/04);
7. Creation of the New State Institution – State Commission for Regulation of Financial Services Markets of Ukraine (05/12/04).

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
1.	January 17-18 2001	International conference: Implementing pension system reforms		210
2.	February 8, 2001	Training for employees of regional social protection offices and PFU in Zaporizhzhia: Pension Reform: Financial Aspects. Pension Reform: Legal Aspects	UMREP	90
3.	February 9, 2001	Pension Reform: Historical Aspects. Pension Reform: International Experience	UMREP	90
4.	February 22, 2001	Actual Issues of Pension Reform in Ukraine	Regional financial branches	50
5.	February 23, 2001	Basic Conceptual Provisions of Draft Laws “On Mandatory State Pension Insurance” and “On Non-State Pensions”	Kyiv Mohyla Academy, Social Worker School	24
6.	March 6, 2001	Seminar: Improving the Pension System in Ukraine	State Administration Academy	120
7.	March 15, 2001	Financial Aspects and Consequences of Pension Reform. Legal Aspects	UMREP, social protection offices in Volyn and Rivne Oblasts	150
8.	March 16, 2001	Pension Reform: Historical Aspects	UMREP, social protection and PFU offices in Volyn and Rivne Oblasts	
9.	March 22, 2001	Social Insurance and Pension Provision System Reforming: Current Issues	MFU	15
10.	March 29, 2001	Financial Aspects and Social Consequences of Pension Reform	UMREP, social protection offices in Vinnitsa Oblast	80
11.	March 30, 2001	Training - Pension Reform in Ukraine: Historical Aspects	UMREP, social protection offices in Vinnitsa Oblast	
12.	April 5, 2001	Training - Current Issues of Pension Reform in Ukraine	Regional financial branches	50

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
13.	April 12, 2001	Training - Current Issues of Pension and Social Insurance Systems Reform	MFU	15
14.	April 19, 2001	Training -Financial Aspects and Social Consequences of Pension Reform	UMREP, social protection offices in Lviv and Ternopil Oblasts	120
15.	April 20, 2001	Training -Pension Reform in Ukraine: Historic Aspects	UMREP, social protection offices in Lviv and Ternopil Oblasts	
16.	April 23, 2001	Seminar for Azerbaijan Ministry of Labor and Pension Fund delegation: Basic Guidelines of Social Insurance and Pension System Reform in Ukraine		10
17.	April 23 to 28, 2001	International Pension Regulation seminar in Sofia, Bulgaria, for senior officials of key government agencies		12
18.	May 15, 2001	Training - New Pension System Design. Three Pillars of Future Pension System	MoLSP and PFU	33
19.	May 17, 2001	Training - Mandatory State Pension Insurance System. Types of Benefits in New Pension System	MoLSP and PFU	30
20.	May 17, 2001	Training - Protection of Pension Funds	MoLSP and PFU	
21.	May 18, 2001	Training -Current Issues of Pension Reform in Ukraine	Regional financial branches	50
22.	May 22, 2001	Training - Financial Aspects and Social Consequences of Pension Reform	UMREP, Autonomous Republic of Crimea – employees of social protection and PFU offices in Crimea	80
23.	May 23, 2001	Training - Pension Reform in Ukraine: Historical Aspects	Republic of Crimea – employees of social protection in Crimea	
24.	June 1, 2001	Regional seminar in Lviv for specialists of the National Council for Coordination of National, Regional and Local Governments Work: Pension Reform Implementation in Ukraine		90
25.	June 1, 2001	Press-conference for Lviv seminar participants		25
26.	June 5, 2001	Current Issues of Pension Reform in Ukraine	Kyiv – employees of regional financial branches	50
27.	June 7, 2001	Regional seminar in Donetsk for specialists of the National Council for Coordination of National, Regional and Local Governments Work: Pension Reform Implementation in Ukraine		60
28.	June 7, 2001	Press-conference for Donetsk seminar participants		30
29.	June 16, 2001	Financial Aspects and Social Consequences of Pension Reform	UMREP, Odessa - social Protection offices in Odessa	70

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
			Oblast	
30.	June 17, 2001	Pension Reform in Ukraine: Historical Aspects	PRI, UMREP	
31.	June 22, 2001	Pension Reform Implementation in Ukraine		57
32.	June 22, 2001	Press-conference for Odessa seminar participants		15
33.	June 18, 2001	Regional seminar in Kyiv for specialists of the National Council for Coordination of National, Regional and Local Governments Work: Pension Reform Implementation in Ukraine		110
34.	June 18, 2001	Press-conference for Kyiv seminar participants		45
35.	July 5, 2001	Seminar in Komsomolsk, Poltava oblast: Basic Guidelines of Social Insurance and Pension System Reform in Ukraine		45
36.	July 12, 2001	Training - Financial Aspects and Social Consequences of Pension Reform	Social protection offices in Donetsk and Lugansk	130
37.	July 13, 2001	Training - Pension Reform in Ukraine: Historical Aspects	Social protection offices in Donetsk and Lugansk	
38.	July 19, 2001	Seminar in Lutsk: Basic Guidelines and Social Consequences of Pension Reform		100
39.	September 5, 2001	Current Issues of Pension Reform in Ukraine		50
40.	September 12, 2001	Social Insurance and Pension System Reform: Current Issues	MFU	20
41.	September 17, 2001	Seminar for students of Donetsk National University: Basic Provisions of Social Insurance and Pension System Reform		60
42.	September 17, 2001	Seminar for students of Donetsk National University: Financial Aspects of Pension Reform		
43.	September 17, 2001	Seminar for students of Donetsk National University. Social Consequences of Pension Reform		
44.	October 9, 2001	Press-conference. Presentation of the Presidential Message to the Verkhovna Rada and the CMU: Basic Guidelines of Pension System Reform in Ukraine	PRI, UMREP	50
45.	October 12, 2001	Training - Social Insurance and Pension System Reform: Current Issues		50
46.	October 19, 2001	Ways to Avoid Fraud in the Current Pension System	PRI, UMREP	70
47.	October 20, 2001	Journalists' briefing: Pension Reform in Ukraine: Historical Aspects	PRI, UMREP	
48.	October 25, 2001	International Workshop in Donetsk: Development of Social and Industrial Relations in Current Economic Environment. Practical Issues of Pension Provision in Ukraine		250

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
49.	November 14, 2001	Seminar: Why Pillar III Should Be Introduced Earlier than Pillar II	Trade unions of Ukraine	30
50.	November 15, 2001	Training - Social Insurance and Pension System Reform: Current Issues	Regional financial branches	50
51.	December 5 – 7, 2001	International Conference: Financial Services in the New Century	Committees on Finance and Banking Activity, and on Pensioners, Invalids and Veterans, VR, MoLSP, PFU, PRI	250
52.	December 5, 2001	Press-conference: Development of State and Non-State Pension Systems		35
53.	December 12, 2001	Training - Social Insurance and Pension System Reform: Current Issues	Regional financial branches	50
54.	December 18, 2001	Press-conference in UNIAN: Upcoming Raise in Pension Benefits as of January 1, 2002		50
55.	December 18, 2001	Training - Social Insurance and Pension System Reform: Current Issues	MFU	20
56.	February 5, 2002	Public hearings in Donetsk for public and specialists of rayon social protection and PFU offices as well as specialists of employers' HR departments. Actual Issues of Social Insurance and Pension System Reform	PRI, UMREP	145
57.	February 7, 2002	Seminar for Employees of information service units of rayon labour and social protection offices in Zhytomyr Oblast. Basic Provisions of Draft Pension Reform Laws. Pension Reform Public Education Activities. Pension Reform through Public Polls		35
58.	February 8, 2002	Seminar for Employees of information service units of raion labor and social protection offices and PFU offices in Zhytomyr Oblast. Social and Pension Insurance Systems Reform. Problems and Possible Solutions. Perspectives of Non-State Pension System. International Experience	PRI, UMREP	140
59.	February 15, 2002	Seminar for Employees of regional PFU offices, Kharkiv: Basic Guidelines and Social Consequences of Pension Reform		35
60.	February 16, 2002	Seminar for Professors of Kharkiv Law Academy: Basic Guidelines and Social Consequences of Pension Reform		30
61.	February 20, 2002	Seminar for Employees of rayon PFU offices in Vinnitsa Oblast. Basic Guidelines and Social Consequences of Pension Reform		60
62.	February 28, 2002	Seminar for Students and Professors of the Economic Department of Donetsk National University. Twenty Years of Pension Reform – International Experience		45

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
63.	February 28, 2002	Seminar for Students and Professors of the Economic Department of Donetsk National University: Pension Reform: Russia and Ukraine		45
64.	March 1, 2002	Seminar for Students and Professors of the Economic Department of Donetsk National University. Pension Reform in the Opinion of People and Political Parties		45
65.	March 19, 2002	Regional Seminar for Employees of HR Departments of Social Protection and PFU offices as well as Educational Institutions: Actual Issues of Social Insurance and Pension System Reform		50
66.	March 26, 2002	Regional Seminar in Mykolaiv for employees of HR Departments of Social Protection and PFU offices as well as for Educational Institutions: Actual Issues of Social Insurance and Pension System Reform	PRI, UMREP	210
67.	April 10, 2002	Roundtable for representatives of ministries and agencies, trade unions and educational institutions – International Experience: Lessons for Ukraine	MoLSP, PRI, UM-REP	48
68.	April 11, 2002	Seminar for Experts from regional state administration offices responsible for finance issues. Actual Issues of Social Insurance and Pension System Reform		50
69.	April 23, 2002	Seminar for Employees of Regional PFU Offices in Kharkiv: Basic Guidelines and Social Consequences of Pension Reform		35
70.	April 24, 2002	Seminar for Employees of regional PFU offices in Kharkiv. 20 Years of Pension Reform – International Experience Overview		35
71.	May 23, 2002	Press-club in Odessa on non-state pension industry development. Creation and Operations of Non-State Pension Funds (Russia & Hungary)		20
72.	May 23, 2002	National Workshop in Odessa for employers wishing to set up non-state pension funds: Perspectives of Corporate and Occupational NSPFs in Ukraine		90
73.	May 24, 2002	Seminar in Odessa		80
74.	May 27 – 28, 2002	Training and work meetings with Lviv Oblast and Rayon PFU offices: Practical Results of Pilot Projects in Social and Pension Insurance Industry. Recommendations of PRI experts		20
75.	May 28, 2002	Seminar for Employees of regional PFU offices in Kharkiv: Basic Guidelines and Social Consequences of Pension Reform		25
76.	May 30, 2002	Seminar for Financial Specialists of the Regional State Administrations: Basic Guidelines and Social Consequences of Pension Reform		27
77.	June 3, 2002 – Kyiv	Seminar: Actual Issues of Social Insurance and Pension System Reform		20
78.	June 6 – July 7, 2002	Training for specialists of ministries and agencies (ten workshops): Pension System Reform Issues		200

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
79.	June 12 – 13, 2002	Press-club for local journalists in Ternopil: Current Situation with Pension System in Ukraine and Perspectives of Additional Pensions Introduction	PRI, UMREP	25
80.	June 27, 2002	Press-conference in the Cabinet of Ministers with participation of O. Garyacha and O. Zarudnyi: Pension Reform Strategy	PRI, MoLSP, PFU	30
81.	June 30, 2002	Trade Unions Meeting	MoLSP, Federation of trade unions, PRI	
82.	July 4, 2002	Regional Seminar in Berdyansk, Zaporizhzhia Oblast, for Employers and Trade Unions: Perspectives for Corporate and Occupational NSPFs in Ukraine	PRI, CURE	48
83.	July 25, 2002	Meeting in the Trade Unions Federation of Ukraine: Conceptual Issues of Non-State Pensions		50
84.	September 10, 2002	Seminar for Financial Specialists of the Regional State Administration Offices: Basic Guidelines and Social Consequences of Pension Reform		30
85.	September 10, 2002	Meeting with representatives of Zakarpattya Oblast Labour and Social Protection and PFU offices: Pension Reform Issues in Regions		15
86.	September 10 – 11, 2002	International Social Insurance Seminar: International Experience with Social Insurance Reform		45
87.	September 11 – 12, 2002	Regional Press-Club in Poltava - Pension Reform in Ukraine: Current Situation and Perspectives	PRI, CURE	30
88.	Sept 20, 2002	MoLSP Forum. Pension Reform in Ukraine Section		60
89.	Sept 22 – 24, 2002	International Insurance Forum in Yalta, Crimea. Workshop “Life Insurance”. Presentation “Participation of Insurance Organizations in Non-State Pension Provision”		50
90.	Oct 2, 2002	National Press-Club: Legislation Regulating Pension Reform in Ukraine”	V.Alyoshin, V.Matviichuk, O.Zarudnyi)	45
91.	December 3-5, 2002	International Conference - Pension Reform in Ukraine: Opportunities and Prospects		240
92.	February 7-8, 2003	The Third All-Ukrainian Congress of Actuaries, Lviv	L'viv National University	2
93.	May 16, 2003	Seminar for Employers of Mykolaiv Oblast - Pension Reform: Current Situation and Opportunities for Development		82
94.	May 14, 2003	Inter-regional seminar for representatives of enterprises, institutions and organizations from Cherkassy and Kirovograd Oblasts - Pension Reform: Current Situation and Opportunities for Development. Uman, Cherkassy Oblast		61
95.	May 21 – 22, 2003	Participation in the International forum “Insurance exhibition - 2003”. The delivered subject: Insurance companies in non-state pension industry. Kyiv, Ukrainian House		200

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
96.	April through June 2003	Training in the Women's Civil and Political Leadership School of the Ukrainian National and Democratic Association: Impact of the Retirement Age for Women on Their Future Pension (once per month)		25
97.	May 22 – 23, 2003	3 seminars for the first year students of Chernihiv Law College	MoLSP, PRI	120
98.	June 10, 2003	One seminar for undergraduate students of the Economic Dept. of Ternopil Agricultural University	MoLSP, PFU, CURE, PRI	187
99.	June 10, 2003	Seminar for post-graduate students and staff of the Economic Dept. of Ternopil Agricultural University	MoLSP, PFU, CURE, PRI	87
100.	June 11, 2003	Meeting of the regional press-club: Pension Reform in Ukraine: Current Situation and Opportunities for Development, Ternopil		8
101.	June 11, 2003	Roundtable for the Rada Pensioner Subcommittee on "hot issues" of the draft law on compulsory pensions		30
102.	July 3, 2003	Seminar for Employers in the Zaporizhzhya oblast		95
103.	July 8, 2003	Seminar for the delegation from the Republic of Azerbaijan		15
104.	July 10, 2003	Press conference by the Minister of Labor following the adoption by the VR of pension laws		40
105.	August 27, 2003	Seminar for Trade Union Representatives in Kyiv"		45
106.	September 2-4, 2003	Train-the-trainers course within Youth and Pension Reform Project	PRI	20
107.	September 8, 2003	Roundtable on Internships activities with PFU, MoLSP, SSMSC, DFP. Kyiv		12
108.	September 10, 2003	2 seminars for students of Ivano-Frankivsk University and the Law Institute on the necessity of pension savings	MoLSP, PFU, PRI	70
109.	September 11, 2003	Seminar for Trade Union representatives of Ivano-Frankivsk oblast		46
110.	September 23, 2003	Seminar in Donetsk on pension reform and how it affects the agricultural sector		57
111.	October 2, 2003	Joint Collegium of MoLSP and PFU – preparation of technical materials and technical assistance		150
112.	October 11, 2003	Training seminar for journalists with the MoLSP		32
113.	October 21-23, 2003	International Conference: Financial Security in Retirement in Post-Socialist Countries: Pluses, Minuses and Still- to- Be- Done	PRI, Association of pension and social funds	337
114.	October to December, 2003	Training sessions and press clubs for journalists from Kyiv and other oblasts. Poltava, Uzhgorod, Kyiv, Vinnitsa, Luhansk and Odessa		125
115.	December 17, 2003	National press club in Kyiv on pension reform		45
116.	October to De-	Training seminars for trade unions in Ternopil,		610

Summary of 209 PRI Supported Public Education Events

☐	Date	Event	Performers	# of Participants
	ember, 2003	Chernihiv, Kyiv, Khemelnitski, Vinnitsa, Ivano-Frankivsk and Simferopol		
117.	October to December, 2003	Training sessions for students in Universities under the Youth and Pension Reform component in Chernivtsi, L'viv, Simferopol, Rivne, Mikolaev, Chernihiv, Khemelnitski, Vinnitsa and Uzhgorod	MoLSP PFU PRI	530
118.	November 28-29, 2003	International conference in Donetsk on social issues for coal mining regions		180
119.	December 16, 2003	Meeting of the National Rada of Social Partners on social reforms		100
120.	January 14, 2004	Meeting with journalists on the new pension system implementation		25
121.	January 28, 2004	Preparation of materials and participation in the PFU press conference on presentation of its work results		40
122.	January 29, 2004	Preparation of materials and participation in the meeting of the PFU and the Employers Federation on Pension Reform		40
123.	January 6, 2004	Roundtable for the members of the Ukrainian Association of Investment Business and students from Oxford University on NPFs		12
124.	February 7, 2004	Preparation of materials and participation in the meeting of the CabMin Pension Coordination Committee		40
125.	February 20, 2004	Roundtable for Ukrtelecom Management on establishing an NPF		15
126.	February 20, 2004	Preparation of materials and participation in the meeting of the MoLSP Collegium		120
127.	February & March, 2004	Preparation of materials for regional meetings on pension reform held by the Prime Minister, the PFU Chairman and the Minister of Labor in Dnipropetrovsk, Mikolaev, Kherson, Zaporizhzhya, Odessa, Kharkhiv and Poltava		280
128.	February 24, 2004	Information seminar for students of Sumi National University	PFU, DFP, PRI	350
129.	February 24, 2004	Information seminar for students of Sumi Banking Academy	PFU, DFP, PRI	120
130.	February 25, 2004	Information seminar for students of Kharkhiv Law Academy	PRI	80
131.	February 26, 2004	Press Club for journalists on the pension reform impact on the economic development in Kharkhiv		16
132.	March 4, 2004	Youth and Pension Reform Workshop for students of the National Food Production Technologies University in Kyiv	PFU, PRI	50
133.	March 4, 2004	Seminar in Mariupol for Azovstal works council on NPF establishing		300
134.	March 11, 2004	Briefing session in Mariupol for Azovstal senior management on NPF issues	MoLSP, DKRRFP, PRI	15

Summary of 209 PRI Supported Public Education Events

☐	Date	Event	Performers	# of Participants
135.	March 17, 2004	Regional press club on the pension reform in Uzhgorod		10
136.	March 18-19, 2003	Youth and Pension Reform Workshop for students of the National University and the Institute for Economics and Law in Uzhgorod	DKRRFP, CURE, PRI	125
137.	March 19, 2004	Roundtable for the members of the Ukrainian Association of Investment Business on asset management companies		45
138.	March 23, 2004	Youth and Pension Reform Workshop for students of the European University in Kyiv	PRI	100
139.	April 6, 2004	National Press Club on the pension reform in Kyiv		45
140.	April 8, 2004	Working meetings of Ukrainian experts with Bulgarian and Russian experts to create Interdepartmental working group on pension reform and social insurance		40
141.	April 8, 2004	Working meetings of the MoLSP Social Insurance department experts with their Bulgarian colleagues		20
142.	April 9, 2004	Working meetings of Ukrainian experts with Bulgarian and Russian experts on the privileged pensions issue		25
143. 43.A	April 13, 2004	Preparation, printing and distribution of materials for the Government Day in the Verkhovna Rada	MoLSP, PRI	60
144.	April 26-30, 2004	Meetings of the Armenian delegation to learn the Ukrainian experience with personal identification numbers		6
145.	April 28, 2004	Youth and Pension Reform Press-Club sitting for young journalists in Ternopil	CURE, PRI	35
146.	April 28, 2004	Press conference for journalists on the pension reform impact on the economy in Lviv		9
147.	April 28, 2004	Organization and participation in the MoLSP roundtable "Young People and Their Role in Employment and Social Policy" in Lviv		30
148.	April 29, 2004	Information seminar for students of Lviv Institute of Management	CURE, PRI	70
149.	May 5, 2004	Meeting of the Working Group on Privileged Pensions		20
150.	May 17, 2004	National Seminar for Journalists		45
151.	May 18, 2004	Seminar for the PFU		90
152.	May 19, 2004	Training seminar for employers on NSPFs in Zhitomyr oblast		86
153.	May 20-21, 2004	Seminar for students of Mykolaiv TV and Radio College	DFP, DKRRFP, CURE, PRI	60
154.	May 21, 2004	Seminar for students of Slavistychnyi University in Mykolaiv	DFP, DKRRFP, CURE, PRI	58
155.	May 21, 2004	Seminar for students of Kyiv- Mogyla Academy in	DFP, DKRRFP,	60

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
		Mykolaiv	CURE, PRI	
156.	May 28, 2004	MoLSP Collegium on Pension Reform		30
157.	June 2, 2004	Meeting of the VR Committee on the Affairs of Pensioners, Veterans and Disabled on Public Education		20
158.	June 10-13, 2004	Yalta Conference "Asset Management: Strategies and Risks"	UAIB	183
159.	June 11, 2004	MoLSP and PFU Joint Collegium in Rivne		200
160.	June 11, 2004	Press club for Journalists attending the UAIB annual meeting		30
161.	June 24, 2004	Roundtable for the VR Banking and Finance Committee on the Draft Laws on NPFs' Taxation		40
162.	April to June, 2004	Series of training seminars for students of the European University in Kyiv	PRI	175
163.	July 2, 2004	Seminar for representatives of agricultural areas – Kyiv oblast	MoLSP, PRI	30
164.	July 9, 2004	Roundtable on the Non-State Pension Fund System	MoLSP, DFP, PRI	90
165.	July – September 2004	Training courses for student journalists in Chernihiv, Sumi and Kharkiv	PRI, CURE	
166.	July 12, 2004	Roundtable and press conference on Social Insurance and Pension Reform in Zaporizhzhya	MoLSP, PRI	70
167.	August 7-8, 2004	Training for Employees of the Social Protection Departments Responsible for Auditing Pension Payments	MoLSP, PRI	27
168.	August 2004	Training Seminar for Journalists	CURE, PRI	25
169.	August 12-December 10, 2004	16 seminars for accountants and payroll staff from the private sector and enterprises focused on: documents for pension granting: the procedure for documents compiling and submission; insurance contributions to the PFU: the procedure for payment calculation and reporting; personification: specifics for reports preparation and submission	PFU Training center, PRI	892
170.	September 2004	Working meetings of the Association of Non-State Pension Funds and Administrators on the issues related to NSPF Administration (9.09.2004, 17.09.2004, 23.09.2004)	ANPF's, PRI	60
171.	Oct 6-7, 2004	Organizing and conducting the International Conference, Accumulation Pension System: Implementation and Opportunities for Development	DFP, SSCSM, PRI	152
172.	Oct 21, 2004	L'viv Press Club	CURE, SSCSM, DFP, PRI	30
173.	Oct 21, 2004	Seminar for students of the Journalists Department of the State University	DFP, DFP, CURE, PRI	50
174.	Oct 22, 2004	Seminar for students of L'viv Management Institute	DFP, CURE, PRI	60
175.	Nov 9, 2004	Training seminar for students of Zaporizhzhya University, Journalism School	CURE, SSCSM, DFP, PRI	60

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
176.	November 10, 2004	Press club for local journalists	CURE, SSCSM, DFP, PRI	14
177.	December 16, 2004	Joint seminar for asset managers and administrators on private pension entities interaction (initiated by UAIB, the National Private Pension Funds Association, and the Association of Private Pension Funds)	PRI, UAIB, NPF & Administrators Association	88
178.	January 18, 2005	Press club for Odessa journalists	PRI, CURE, DFP	
179.	February 17, 2005	Youth and Pension Reform Workshop for students of the National University named after Mechnikov (Odessa)	PRI, CURE, DFP	400
180.	January 18, 2005	Youth and Pension Reform Workshop for students of Odessa Economic University	PRI, CURE, DFP	50
181.	February 21, 2005	Workshop for Heads of Oblast Trade Union Committees of the Trade Unions Federation of Ukraine	Trade Unions Federation of Ukraine, DFP, PRI	
182.	March 24, 2005	Regional workshop in Kharkiv for employers and trade unions on implementing the accumulation pension system	PRI, Ukrainian Federation of Employers, Trade Unions Federation of Ukraine, SSMSC	
183.	March 25, 2005	Regional workshop in Kharkiv for lecturers of higher educational institutions - members of the Corporate Law Methodical Council	PRI, SSMSC's regional offices	
184.	March 31, 2005	Meeting of the journalists' club on non-state pensions	PRI, UISMD, DFP	
185.	April – November, 2005	39 seminars for accountants and payroll staff of the private sector and enterprises focused on the following issues: Documents for Pension Granting: the Procedure for Documents Compiling and Submission; Insurance Contributions to the PFU: the Procedure for Payment Calculation and Reporting; Personification Specifics of Reports Preparation and Submission; Simplified Tax System: the Procedure for Collaboration with the PFU	PFU Training center, PRI	1866
186.	April 6, 2005	Presentation of the run-time version of the Actuarial Model in the PFU	PRI, PFU	10
187.	April 14, 2005	Roundtable on the NPFs' and Insurance Companies' Role in Non-State Pensions	PRI, World Bank, Association of NPF and NPF Administrators	56
188.	April 27, 2005	Seminar on the Issues of Non-State Pension System Entities Collaboration	PRI, UAIB	57
189.	April 28, 2005	Roundtable on the Problem Issues of the Flying Personnel Pension Provision	MoLSP, PRI	20
190.	May 19, 2005	Meeting of the journalists' club hosted by the Ukrainian Stock Market Development Institute	PRI, USMDI	15
191.	May 20, 2005	Meeting of Ternopil Reform Press-Club on the	CURE, SSMSC,	25

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
		issue of NPFs' Creation and Development Perspectives. Readiness of the Financial Sector for Implementing Pension Legislation	Association of NPF and NPF Administrators, PRI	
192.	May 20, 2005	Youth and Pension Reform Workshop for the 3 -5 year students of Ternopil State Economic University	CURE, SSMSC, Association of NSPFs and NSPF Administrators, PRI	200
193.	May 20, 2005	Youth and Pension Reform Workshop, Institute of Economics and Entrepreneurship (students, post-graduate students and lecturers), Ternopil	CURE, SSMSC, Association of NPF and NPF Administrators, PRI	60
194.	May 24, 2005	Pension Reform and NPFs Activity in Ukraine Workshop for Deputy Heads of Rayon State Administrations, Heads of Rayon Labor and Social Protection Departments as well as representatives of trade unions and employers in Lviv Oblast State Administration	PRI, Ukrainian Federation of Employers, Trade Unions Federation of Ukraine	85
195.	May 24, 2005	Meeting of Lviv Reform Press Club	SSMSC, DFP, PRI	20
196.	May 25, 2005	Youth and Pension Reform Workshop for students of the Institute of Banking, Lviv	SSMSC, DFP, PRI	60
197.	May 25, 2005	Youth and Pension Reform Workshop for students of the Legal Department of Lviv National University named after Ivan Franko	SSMSC, DFP, PRI	50
198.	July 7, 2005	Pension Reform and NPF Activity Seminar for representatives of trade unions and employers in Dnipropetrovsk	DFP, SSMSC, PRI	53
199.	July 7, 2005	Meeting of Dnipropetrovsk journalists' press-club "Pension Reform and NPF Activity in Ukraine"	DFP, SSMSC, PRI	27
200.	July 21, 2005	Meeting of Journalists' Club on the issue "NPF Investment Strategy in Ukraine"	USMDI, PRI,	32
201.	August 19, 2005	Pension Reform and NPF Activity Seminar for trade unions' and employers' representatives in Lviv	DFP, SSMSC, PRI	56
202.	September 29-October 2, 2005	International Conference "Pension Reform in Ukraine: Achievements, Problems and Opportunities" in Foros	MoLSP, PFU, DFP, SSMSC, PRI	152
203.	October 27, 2005	Pension Reform and NPF Activity Seminar for representatives of trade unions and employers in Cherkassy	DFP, SSMSC, PRI	53
204.	November 29, 2005	Roundtable "Accumulation Pension System: Development Perspectives in Ukraine and Bulgarian Experience"	MoLSP, PRI	63
205.	October 25-26, 2005	Roundtable on actual questions of pension reform (crisis of solidarity system)	MoLSP, WB, PRI	
206.	October 10-14, 2005	Training for Employees of the Social Protection Departments Responsible for Auditing Pension Payments	MoLSP, PRI	25

Summary of 209 PRI Supported Public Education Events				
<input type="checkbox"/>	Date	Event	Performers	# of Participants
207.	October 27, 2005	Meeting of Cherkassy journalists' press-club "Pension Reform and NPF Activity in Ukraine"	DFP, SSMSC, PRI	27
208.	November 3, 2005	Meeting of journalists' press-club "NSPF Provision and mass-media" on "Questions of NSPF development in Ukraine"	USMDI, PRI	32
209.	November 17-18, 2005	Work-group meeting on development of KMU's Strategy for further reform of pension provision	MoLSP, PRI	10
210.				16932

ATTACHMENT D: SUMMARY OF PRI-SUPPORTED TRAINING, JAN 1, 2001 – DEC 31, 2005

Total Number of Participants: 7,600

#	Date	Product	Intended Audience	Number of Participants
1.	April - June 2001	Financial Mathematics Course (The course was 40 hours long-held over two months)		40
2.	Monday and Thursday in 4th Quarter 2001	Financial Mathematics Course, the second phase		37
3.	April 22, 2002	Training for newly hired public servants at the MinFin. Actual Issues of Social Insurance and Pension System Reform		20
4.	June 12 – July 10, 2002	Completion of First Pension Reform Training Course for Employees of Key Ministries and Departments MoLSP	PRI, MoLSP	28
5.	June 5, 2002	Skills improvement courses at the MoLSP. Basic Provisions of Draft Laws “On MSPI” and “On Non-State Pension Provision”.		10
6.	July 29 – August 8, 2002	Training for public servants. Use of PROST Model for Pension System Analysis		16
7.	July 30 – 31, 2002	Seminar on Improvement of Organizational and Technological Framework for Creation and Use of Personified Data	PFU	65
8.	October 25, 2001	Training. Practical Issues of Pension Provision in Ukraine	Donetsk. Social Protection Departments	70
9.	February 15 – November 28, 2002	12 training for Deputy Heads of the Pension Fund offices in Kharkiv raions “Reform of pension provision in Ukraine”	National Law Academy of Ukraine, Institute for Qualification Improving, PRI	415
10.	September 17 –18, 2002	Training for PFU Rayons. Unified Social insurance Data Collection	PRI, PFU	25
11.	October 2, 2002	Training for chief and leading specialists of the MinFin who are under the State Administration Retraining Program	PRI	20
12.	October 25, 2002	Training for Employees of regional state administration finance offices	MinFin, PRI	15
13.	November 6, 2002	Employees of audit departments of the Central and regional offices of the MinFin	MinFin, PRI	20
14.	December 2, 2002	Training for new employees of MinFin	MinFin, PRI	20

#	Date	Product	Intended Audience	Number of Participants
15.	February 4 – 27, 2003	4 Seminars on Using Optical Scanning Technology for Automatic Reading of Primary Personified Documents (all oblast departments)	PFU, PRI, company PIRIT System	54
16.	February 18, 20, 24-25, March 12, 2003	The first training course delivered by PRI Ukraine Pension Reform Implementation Project to pension reform specialists from the MoLSP	MoLSP, PRI	6
17.	April 21-25, 2003	Training for specialists whose functional duties include control implementation of laws when granting and paying pension by the Pension Fund of Ukraine and specialists who are engaged in pension reform issues	MoLSP, PRI	20
18.	May 15, 2003	Training for journalists from Mykolaiv, Kirovograd, Kherson and Odessa oblasts		52
19.	May 26-30, 2003	Training for Trainers (pension provision and pension reform specialists of oblast level MoLSP)	MoLSP, PRI	47
20.	June 11-12, 2003	Training for specialists whose functional duties include control implementation of laws when granting and paying pension by the Pension Fund of Ukraine and specialists who are engaged in pension reform issues in the city of Ternopil and Ternopil oblast	MoLSP, PRI	41
21.	June 23-25, 2003	Training for specialists in implementation of laws when granting pension by the PFU and in pension reform issues in Donetsk oblast	MoLSP, PRI	127
22.	July 4, 2003	Training for Journalists from Zaporizzhya, Donetsk and Dnipropetrovsk Oblasts		30
23.	September 22, 2003	Seminar for Deputy Heads of Oblast MoLSP offices	MoLSP, PRI	35
24.	Aug 28-29, 2003	Training for staff of press-services of PFU, MoLSP, SSSMC, DFP on both laws and on effective communication”	PRI	12
25.	September 2 to October 24, 2003	15 Training Courses for Learning and Introduction of Law on MSPI		1800
26.	September 11, 2003	Training course for journalists from Ivan-Frankovsk, Lviv. Zakarpatia oblasts”		50
27.	September 24-29, 2003	Training on supervision and regulation professional activity of NSPFs for DFP staff		16
28.	September 29 - November 12, 2003	Training of SSMSC staff on “How to operate the automated doc-flow Delo-system”	PRI, SSMSC	14

#	Date	Product	Intended Audience	Number of Participants
29.	September 24-25, 2003	Regional training of specialists who are assigned to exercise control over how the Pension fund of Ukraine follows meets the legal requirements when granting and paying pensions, and specialists involved in pension reform issues in the city of Dnipropetrovsk and Dnipropetrovsk oblast		114
30.	November - December, 2003	16 training seminars "Implementation of Ukrainian Pension Laws"	MoLSP, PRI	1850
31.	November 18-19, 2003	Training seminar for investment management specialists		38
32.	December 4-5, 2003	Seminar on Private Pensions, the INPRS, Prague, the Czech Republic	Hosted by the Ministry of labour and social affairs of the Czech Republic	6
33.	December 8-11, 13, 25, 2003	Second training on supervision and regulation professional activity of NPFs for DFP staff	USMDI	18
34.	January 12, 2004	Training for journalists on practical aspects of pension reform		30
35.	February 13, 2004	Training for oblasts representatives of MoLSP responsible for the auditing of pension payments		27
36.	February 26, 2004	Training staff of 5 regional offices of SSSMC on NPF's in Kharkiv		40
37.	March 17, 2004	Training for journalists on the second pillar of Ukraine's pension reform		48
38.	March 15-25, 2004	Training for SSSMC and DFP staff on investment issues (daily for 3 hours)		18
39.	April 26-30, 2004	Training course for raion and oblast specialists of MoLSP on social insurance issues	MoLSP, PRI	25
40.	April 28, 2004	Training for Western region of Ukraine specialists of SSSMC on issues related to NPF's in Lviv		35
41.	May 14, 2004	Training for journalists from regional and central parts of Ukraine on questions relating to pension reform		40
42.	May 28, 2004	Training for specialists of SSSMC territorial offices on issues related to NSPFs in Odessa	SSMSC, PRI	38
43.	April 17 - May 15, 2004	Training for MoLSP staff on basic operation of the Microsoft Office suite of programs	MoLSP, PRI	3
44.	June 7-11, 2004	Training for MoLSP oblast and raion specialists of certifying pension payments		6

#	Date	Product	Intended Audience	Number of Participants
45.	June 14-18, 2004	Training for MoLSP oblast and raion specialists of certifying pension payments	MoLSP, PRI	6
46.	July 12-13, 2004	INPRS/IOPS/OECD Forum on private pension reform in emerging economies, Paris, France		2
47.	August 4, 2004	Training course for DFP staff on making effective presentations	DFP, PRI	25
48.	September 28-30, 2004	Training course for DFP staff on making effective presentations	DFP, PRI	15
49.	September 29-30, 2004	Training course for DFP staff on Business Etiquette	DFP, PRI	35
50.	May - December, 2004	Training course on LINUX system administration for DFP IT staff	DFP, PRI	2
51.	July - August, 2004	Internal training for PRI staff members on new pension system	PRI	8
52.	October 19-21, 2004	Training specialists of the Ministry of Labor, PFU, Labor Institute, Demography Institute in using the pension long-term projections model	MoLSP, PRI	18
53.	October 18-22, 26-28, 2004	Training course in preparing/making presentations for DFP specialists	PRI	20
54.	November 16, 2004	Training seminar on adaptation of the demonstration model for specialists of pension reform departments of the Ministry of Labor and regional departments of labor and social protection	MoLSP, PRI	28
55.	December 13-17, 2004	Practical seminar for specialists of oblast and rayon labor and social protection offices who are responsible for supervising the benefit granting and recalculation processes	MoLSP, PRI	20
56.	December 28, 2004	Organizational and technical support of a sitting of the Interagency Task Force with the Ministry of Labor	MoLSP, PRI	16
57.	During 2004	Attendance at course for certified systems administrators for DFP		2
58.	During 2004	Training DFP specialists in project management by the Project Management Academy (five training sessions and NCB Level D certification)	UPMA, PRI	3
59.	April 13 – December 24, 2004	2 Business English Courses for 2 groups of DFP staff	Institute of Administrative, Management, PRI	31
60.	January 24-28, 2005	5-day workshop training of specialists in social protection on pension granting control	MoLSP, PRI	25

#	Date	Product	Intended Audience	Number of Participants
61.	January 26 – March 3, 2005	Training specialists of DFP Department for Supervision of Non-State Pension Funds in the course “Accounting, reporting and taxation of NPFs” (45 hours)	DFP, PRI	24
62.	March – July, 2005	Business English Courses for 2 groups of DFP staff	Institute of Administrative, Political and Economic Management, PRI	30
63.	April 4-8, 2005	Five-day workshop training of specialists in social protection on pension granting control	MoLSP, PRI	27
64.	June 1-3, 2005	Training for accountants of administration companies of NPFs on Accounting, Taxation and Reporting of Non-State Pension Funds	PRI, USMDI	18
65.	August 1-19, 2005	Workshops in the Ministry of Labor and Social Policy for the employees of oblast and rayon offices of Labor and Social Protection	MoLSP, PRI	8
66.	July 4-8, 2005	Seminars for specialists of regional offices of the Ministry of Labor and Social Policy of Ukraine	MoLSP, PRI	8
67.	July 18-20, 2005	Training “Specifics of presentations preparation for staff responsible to make presentations”	DFP, PRI	3
68.	October 20-22, 2005	Training PM2002 Microsoft Project 2003 (introductory and basics)	Ministry of Finance, MoLSP, PFU, DFP, SSMSC	9
69.	November, 2005	Training for PFU training center staff “Specifics of presentations preparation for staff responsible to make presentations”	PRI	3
70.	November 29-30, 2005	Training to PFU “SPOV personification subsystem implementation on the basis of the PFU’s integrated complex information system”	PFU, PRI	32
71.	December 19, 2005	Training “Pension funds asset management”	SSMSC, PRI, IIB	22
72.	During 3rd and 4th quarters, 2005	Training for responsible staff Completing the work on creation of the web-site for information reflection system from the State Register of Financial Institutions of Ukraine in the Internet. Preparing the manual for the users of this system	Finport technologies	5
73.	During 3rd and 4th quarters, 2005	Training on the methods of building and managing Internet portals	DFP, PRI	4
74.	During 2005	Training course on Free BSD 5.4 system	DFP, PRI	4

#	Date	Product	Intended Audience	Number of Participants
		administration		
75.	During 2005	Training DFP specialists in project management by the Project Management Academy (five training sessions and NCB Level D certification)	UPMA, PRI	3
76.	During 2005	Introducing the series of training on-line seminars "Tax concessions in the private pension system: who enjoy them and how" on pension web site	PRI	920
77.	During 4th quarter, 2005	Training for administering of reconstructed official PFU web-site, website of PFU training center, web-site of PFU newspaper "Pensinyi currier" and web-site of PFU magazine "Visnyk Pensiinogo Fondu"	Softline, Finport	6

ATTACHMENT E: LIST OF TECHNICAL REPORTS PREPARED BY PRI SPECIALISTS

No	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
1.	Development of the Actuarial Profession in Ukraine	Створення актуарної професії в Україні	M.Wiener	January 20, 2001	MoLSP, PFU	Actuarial Profession in Ukraine, Final.doc	Actuarial Profession in Ukraine, Final ukr.doc
2.	Financing of Disability and Survivor Benefits		M.Wiener	February 10, 2001	MoLSP	Financing of Disability and Survivor Benefits[1].doc	
3.	Management options for Different Types of Non State Pension Funds		G.McTaggart	February 21, 2001	MoLSP	Management Options for NSPFs.doc	
4.	Gender Issues with Respect to the Ukrainian Pension System		M.Wiener	August 16, 2001	MoF, PFU	Gender Issues in Pension Reform, revised.doc	
5.	Pension Fund Investments: Issues and Recommendations	Інвестиції пенсійних фондів: проблеми та рекомендації	C.Bender	August 17, 2001	SSMSC, MoLSP	BenderReport_ENG 010817.doc	BenderReport(2)_Ukr.doc
6.	Analysis of the Financial Statements of the Pension Fund of Ukraine for Calendar Year 2000 (draft)	Аналіз фінансової звітності Пенсійного фонду України за 2000 календарний рік (проект)	M.Wiener	November 1, 2001	MoF, PFU	Analysis of the Financial Statements of the PFU for 2000, revised.doc	Analysis of the Financial Statements of the PFU 2000 Ukr.doc
7.	Reports on Pension Reform in Ukraine	Огляди з питань пенсійної реформи в Україні	PRI	November 1, 2001	MoLSP, MoF, PFU		Pension reports 2001 Ukr.doc
8.	The Art of Solidarity System Financing	Майстерність у фінансуванні солідарної пенсійної системи	M.Wiener	November 1, 2001	MoF, PFU	The Art of Solidarity System Financing.doc	Financing solidar pension syst Ukr .doc
9.	Technology of the Pension Fund of Ukraine's personified	Технологія документообігу	With PRI support	November 09, 2001	PFU		techndocflow1_1.doc

No	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
.	primary reporting documents flow and means for its automatization	персоніфікованих документів первинної звітності Пенсійного фонду України та засоби її автоматизації					
10.	Comparison of Pension Reform Laws in Ukraine and the Russian Federation	Порівняння положень законодавства та проектів законів, що стосуються пенсійної реформи в Україні та в Російській Федерації	N.Goryuk	March 21, 2002	MoLSP, VR	Comparison of Rus and Ukr Pension Systems Eng.doc	Comparative-Ukrainian and Russian PensionLaws.doc
11.	Review of the Russian Federation Legislation: Questions - Answers	Огляд законодавства Російської Федерації: запитання - відповіді	N.Goryuk	March 21, 2002	MoLSP, VR		Analit zak Ross.txt.doc
12.	Analysis of the Financial Statements of the Pension Fund of Ukraine for Calendar Year 2001 (draft)	Аналіз фінансової звітності Пенсійного фонду України за 2001 календарний рік (проект)	M.Wiener	June 1, 2002	MoF, PFU	Analysis of PFU Financial Statements for 2001.doc	Final Report, Analysis of PFU Financial Statements for 2001U.doc
13.	Bank Deposits Market as a Trend for Investment of the Non-State Pension Funds Assets (Analytical Review)	Ринок банківських депозитів як напрямок інвестування активів недержавних пенсійних фондів України (аналітичний огляд)	Yu.Prozorov	September 01, 2002	DFP, SSMSC		inv- BankDeposits-prepared in Sept2003.pdf
14.	Pension Investments Regulation. Collection of Data and Recommendations.	Регулирование пенсионных инвестиций. Сборник данных и рекомендаций	S.Varfolomeyev	July, 2003	DFP, SSMSC		inv- Pension Investment Regulation - RU Sept2003.doc
15.	Glossary on Investments of Institutional Investors and Their State Regulation	Словарь терминов и понятий по инвестициям	S.Varfolomeyev	August 12, 2003	DFP, SSMSC		inv- Institutional Investments - Dictionary

No .	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
		институциональных инвесторов и их государственному регулированию					Sept2003.doc
16.	Fundamentals of Investment	Основи інвестування	C.Mech	September 10, 2003	DFP, SSMSC	Fundamentals of Investment KIJOW.ppt	Fundamentals of Investment KIJOW(U).ppt
17.	Securities Market of Ukraine (Analytical Review)	Ринок акцій України (аналітичний огляд)	"Dragon Capital" company	October 01, 2003	DFP, SSMSC		inv- Equities Sept2003.pdf
18.	Corporate Bonds Market of Ukraine (Analytical Review)	Ринок корпоративних облігацій в Україні (аналітичний огляд)	O.Valchishen	October 14, 2003	DFP, SSMSC		inv- Corporate-Bonds Sept2003.pdf
19.	Real-Estate Market of Ukraine (Analytical Review)	Український ринок нерухомості (аналітичний огляд)	S.Varfolomeyev	October 16, 2003	DFP, SSMSC		inv- RealEstate Sept2003.pdf
20.	Valuation of Pension Assets	Оцінка активів недержавних пенсійних фондів	G.McTaggart	October 17, 2003	PFU		NPS- npf asset valuation Ukr.doc
21.	Recommendations on Privileged Pensions	Пропозиції щодо пенсій, призначених на пільгових умовах	G.McTaggart	October 23, 2003	MoLSP		Privileged PensionAnalysis(U).doc
22.	General Regulation and Supervision Principles in the Non-State Pension System: Polish Experience (Report)	Загальні принципи регулювання і нагляду у сфері недержавного пенсійного забезпечення: досвід Польщі (Звіт)	C.Mech	October 29, 2003	DFP		MechReport05Oct2003(U).doc
23.	Market of Investments in Gold for Ukrainian Investors (Analytical Review)	Ринок інвестицій в золото для українських інвесторів (аналітичний огляд)	S.Varfolomeyev	November 01, 2003	DFP, SSMSC		inv- GoldMarket Sept2003.pdf

No	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
24.	Ukrainian Market of Municipal Bonds (Analytical Review)	Український ринок муніципальних облігацій (аналітичний огляд)	S.Varfolomeyev	November 16, 2003	DFP, SSMSC		inv- MunicipalBonds Sept2003.pdf
25.	Ukrainian Market of Domestic Government Bonds (Analytical Review)	Український ринок внутрішніх державних облігацій (аналітичний огляд)	S.Varfolomeyev	December 01, 2003	DFP, SSMSC		inv- InternalGovernmentBonds Sept2003.pdf
26.	Ukrainian Market of International Bonds	Ринок українських міжнародних облігацій (аналітичний огляд)	S.Varfolomeyev	December 12, 2003	DFP, SSMSC		inv- UkrainianEurobonds Sept2003.pdf
27.	Developing An IT Strategy for the State Securities And Stock Market Commission. Explanatory Note	Розробка стратегії побудови інформаційної системи Державної комісії з цінних паперів та фондового ринку. Пояснювальна записка	M.Muchnyk	December 30, 2003	SSMSC	Developing an IT Strategy for the ssmc_strategy(E).doc	Developing an IT Strategy ssmc_strategy_3 U.doc
28.	Experience with Pension System Reforming in the Countries of Eastern Europe and the CIS as Compared with the Ukrainian Pension Reform	Досвід реформування пенсійної системи у країнах Східної Європи та СНД у порівнянні з проведенням пенсійної реформи в Україні	G.McTaggart	February 23, 2004	MoLSP		dosvid. porivn Ukr.doc
29.	Investment declarations of corporate NSPFs (draft standard document)	Інвестиційна декларація корпоративного пенсійного фонду (проект)	G.McTaggart, A.Nechai	March 15, 2004	DFP		KPF Invest_dekl 040315.pdf
30.	Pension scheme of corporate NSPFs (draft standard document)	Пенсійна схема корпоративного пенсійного фонду (проект)	G.McTaggart, A.Nechai	March 15, 2004	DFP		KPF Pens_shema 040315.pdf
31.	Charter of corporate NSPFs (draft standard document)	Статут неприбуткової організації	G.McTaggart, A.Nechai	May 15, 2004	DFP		KPF Statut may15.pdf

No	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
		корпоративного пенсійного фонду (проект)					
32.	The Role of Custodians in Serving Collective Investment Funds (Consultant's Report)	Роль банків-хранителів в обслуговуванні фондів колективних інвестицій (аналітичний огляд)	S.Varfolomeyev, edited by G.McTaggart, A.Nechai	June 25, 2004	DFP, SSMSC	inv- Role of Custodians in NSPF 2004(E).doc	inv- CustodyReport Sept2003.pdf
33.	Brokers and Asset Managers. Asset Management Expenses. Best Practice (Analytical Review of the International Experience).	Брокери та керуючі активами. Видатки управління активами. Найкраща практика (аналітичний огляд міжнародного досвіду)	ISFP company, PRI	September 01, 2004	DFP, SSMSC		inv- zvit_broker-ua Sept2003.pdf
34.	Methodology Notification of Financial Service Market Participants. Explanatory Notes	Методологія оповіщення учасників ринків фінансових послуг. Пояснювальна записка	M.Muchnyk, Ya.Khvaleba	September 14, 2004	DFP	NotificationMethodology(Eng).doc	NotificationMethodology.doc
35.	Incrementing Pension Benefit Rates Granted in Compliance with the Law of Ukraine "On Pension Provision" in 1992-2005	Підвищення розмірів пенсій, призначених відповідно до Закону України "Про пенсійне забезпечення" у 1992-2005 роках	N.Goryuk	March 28, 2005	MoLSP		Povishenie pensiy 92-05.doc
36.	Services provided by insurance companies in non-state pensions: international experience (Analytical Review)	Провадження страховими компаніями послуг в сфері недержавного пенсійного	N.Kovalyova, edited by O.Vasilchenko, A.Nechai	June 01, 2005	MoLSP	InsurNonStatePensions_Eng.doc	InsurCoInternExper-1-1.doc

No	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
		забезпечення: світовий досвід (аналітичний огляд)					
37.	Analysis of Problems Associated with Implementing Electronic Digital Signature in Ukraine	Шляхи впровадження електронного цифрового підпису в Україні	PRI	June 15, 2005	DFP, SSMSC	ElectronicSignature_e_.doc	electr_sign_150605.doc
38.	Mandatory state social insurance and pensions in 2004. Figures and facts	Загальнообов'язкове державне соціальне страхування та пенсійне забезпечення у цифрах і фактах	With PRI support	July 15, 2005	MoLSP, PFU	Stat2005 Short English Version.doc	Stat2005-ukr.pdf
39.	Comparative analysis of Ukraine's and Kazakhstan's pension systems	Порівняльний аналіз пенсійних систем України та Казахстану	R.Vaughan	August 9, 2005	Secretariat of President, MoLSP	Kazakh-UkraineComparisons.pdf	Kasachstan and Ukraine-Prepared in August2005.pdf
40.	Lessons for Ukraine from the Swiss pension system	Огляд системи пенсійного забезпечення Швейцарії та уроки для України	R.Vaughan	August 12, 2005	Secretariat of President, MoLSP	Overview_of_SwissPensionExperience_forUkraine.pdf	UkSwissPensionExperience.pdf
41.	Pension security system reform in Ukraine (Results of the public survey, Analytical report, August 2005)	Реформування системи пенсійного забезпечення в Україні (результати соціологічного опитування, аналітичний звіт, серпень 2005)	GfK-USM company, PRI	October 18, 2005	MoLSP, PFU, DFP, SSMSC	15112005 gfk_padco_report_eng.zip	15112005 gfk_padco_report_ukr.zip
42.	The Crisis in the Mandatory State Pension System (draft)	Кризовий стан загальнообов'язкової державної пенсійної	R.Vaughan	October 26, 2005	MoLSP	Summary of immediate Reforms -- Oct 26.doc	Summary of immediate Reforms Ukr - - Oct 25.doc

No	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
		СИСТЕМИ					
43.	Developments in Bulgarian Pension Reform – 1998 to the Present	Реформа пенсійної системи Болгарії – з 1998 року по теперішній час	D.Wartonick	December 3, 2005	MoLSP	Developments in Bulgarian Pension Reform_Eng.doc	BulgariaPensionSystem_Ukr.doc
44.	Role of Insurance Companies in the Non-state pension provision system		M.Wiener	December 13, 2005	MoLSP	Final_Insurance_in_NS PF_Dec14.doc	
45.	Recommendations on the Creation of Mandatory Occupational and Professional Pension Funds for Privileged Pensions (draft)	Рекомендації щодо створення корпоративних та професійних пенсійних фондів для забезпечення виплати пільгових, спеціальних пенсій та пенсій за вислугу років (проект)	G.McTaggart, N.Goryuk	December 20, 2005	MoLSP	Options_for_Privi_Pensions_Dec_8_Ukr.doc	Options_for_Privi_Pensions_Dec_8_Ukr.doc
46.	Options for the Reform of Civil Service Pensions in Ukraine		G. McTaggart, D. Wartonick	December 23, 2005	MoLSP	Civil_Service_Pension_Reform_Dec 23.doc	
47.	Road Map for Implementation of Pillar 2		R.Vaugahn, Jon Tomar and Greg McTaggart	Dec 31, 2005	MoLSP		

ATTACHMENT F: LIST OF LEGAL COMMENTARIES PREPARED BY PRI SPECIALISTS

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
1.	Conceptual Approaches to Providing Pensions to Privileged Categories of Employees in the Occupational System	Концептуальні підходи пенсійного забезпечення льотної категорії осіб в професійній системі	N.Goryuk	March 12, 2001	MoLSP		Occupat-Goryuk.pilgovi Konts Rut.ppt
2.	Social Security throughout the World: Ukraine	Соціальне забезпечення в усьому світі: Україна	N.Goryuk, N.Kravchenko	May 10, 2001	MoLSP		Pillar I - Rep- Sots zabezp u vsomu sviti.doc
3.	What are the positive aspects of pension reform in Ukraine?		M.Wiener	June 13, 2001	MoLSP	Positive Aspects of Pension Reform, for Garyacha.doc	
4.	Building the State Pension Inspectorate		G.McTaggart	August 20, 2001	MoLSP	Building the State Pension Inspectorate 2001.doc	
5.	Comments To Minister of Labor Sakhan On Major Proposals and Comments Concerning the Draft Law MSPI Sent by the Ukrainian Federation of Trade Unions to the Supreme Rada of Ukraine by Letter Oct 12, 2001, Signed by First Deputy Chairman of the Federation, H.V. Osoviy		G.McTaggart	November 9, 2001	MoLSP	response to trade unions 2001.doc	
6.	Brief Information on the Ukrainian Pension System Reform	Краткая информация о реформировании системы пенсионного обеспечения в Украине	N.Goryuk	December 03, 2001	MoLSP		Pillar I - Rep- Kratk inform o zakproek-tah rus..doc
7.	Single Social Tax in Russian Federation	Єдиний соціальний податок в Російській Федерації	N.Goryuk	April 12, 2002	MoLSP		UnifTax- ediniy nalog.Ros.doc
8.	Brief Review of the Amendments to	Короткий огляд змін та	N.Goryuk	June 10, 2002	MoLSP		Pillar I - Rep- zmini

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
	the Federal Law of Russian Federation "On Non-State Pension Funds"	доповнень до Федерального Закону Російської Федерації "Про недержавні пенсійні фонди"					ned Ros.txt.doc
9.	DC or DB Pension Schemes?	Пенсійні схеми з встановленими внесками (dc) чи схеми з встановленими виплатами (db)?	G.McTaggart	July 12, 2002	MoLSP		PADCO to Matviichuk.doc
10.	Investment Products Taxation	Інвестиційні продукти: питання оподаткування	G.McTaggart	July 15, 2002	MoLSP		InvestmentProductsTaxation_u.doc
11.	Comments to the Draft Regulation on the Minimum Income Guarantees	Зауваження з приводу проекту положення про гарантії мінімальної доходності	G.McTaggart	February 04, 2003	DFP		NPS- Guarantees_sequel_u.doc
12.	Guarantees	Гарантії	G.McTaggart	February 04, 2003	DFP		NPS- Guarantees_u.doc
13.	Commentary On the Compulsory Pension Law. Commentary On the Voluntary Law		G.McTaggart	April 01, 2003	MoLSP	Comment on Two Pension Laws.doc	
14.	Regarding Moot Points of Mandatory State Pension Insurance	Щодо спірних питань з загальнообов'язкового державного пенсійного страхування	G.McTaggart	May 05, 2003	VR, MoLSP		Pillar I - Rep- Tsi-benko o viyskov i sprost 05.03.doc
15.	Cabinet of Ministers' Proposal Regarding Redistribution of Insurance Contributions Rates to Social Funds between Employers to Employees	Пропозиції Кабінету Міністрів України щодо перерозподілу розміру страхових внесків до соціальних фондів між роботодавцями та застрахованими особами	G.McTaggart	May 19, 2003 February 19, 2004 March 9, 2004 May 11, 2004	MoLSP, VR		Redistribution of Contributions U.zip
16.	Creating a system of unified social insurance contributions		G.McTaggart	June 01, 2003	MoLSP	Creating a System of Unified SI Contributions.doc	
17.	Proposals to the Draft Procedure for	Пропозиції до проекту Порядку	N.Goryuk	June 16, 2003	MoLSP		Pillar I - normAct-

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
	Defining an Average Monthly Pensionable Wage to the Individuals Employed in Seasonal Works	визначення середньомісячного заробітку у разі призначення пенсії працівникам, зайнятим на сезонних роботах					Propozits Garyatch.sez rab 06.03.doc
18.	Memo on Regulating Tax Privileges in the Non-State Pension Sytem	Доповідна записка з питань регулювання податкових пільг для систем недержавного пенсійного забезпечення	A.Nechai	July 23, 2003	MoLSP		NPS-taxes_nspf_July_22 (1).doc
19.	Standards for the Activities of Custodians of the Non-State Pension Schemes		G.McTaggart	July 24, 2003	DFP	npfreg-spart2final.doc	
20.	Model administration agreement (1st edition – August 2003)	Типовий договір про адміністрування пенсійного фонду (в редакції станом на серпень 2003 р.)	G.McTaggart	August 01, 2003	DFP	ADMINISTRATIONAGREEMENT.doc	ModelAdministrAgreement_u.doc
21.	Draft Regulations to Implement the Law "On Non-State Pensions"	Нормативні акти та інші документи, необхідні для впровадження Закону України "Про недержавне пенсійне забезпечення" (проект)	PRI	August 20, 2003	DFP	Draft Regulations to Implement the NPF Law.doc	DraftRegulations_u.doc
22.	Comments to the Automated Procedure for Pension Benefits Recalculation Beginning from January 1, 2004	Зауваження до Порядку проведення перерахунку пенсій автоматизованим способом з 01.01.2004 року	N.Goryuk	September 08, 2003	MoLSP		Pillar I - Concl- Zauvdo pererah avtom.spos..doc
23.	Regarding Amendments to the Law of Ukraine "On Non-State Pensions" as Regards NPF Board Members	Щодо змін Закону України "Про недержавне пенсійне забезпечення" стосовно членів ради НПФ	A.Nechai	October 10, 2003	MoLSP		NPS- Letter_u garach 30-10-2003.doc
24.	Investment Policy Statement for the ABC Non-State Pension Fund		G.McTaggart	October 16, 2003	DFP	Investment Policy Statement for the ABC Non.doc	

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
25.	Social Insurance Contributions Paid by Self-Employed People	Внески, які сплачують самозайняті особи	G.McTaggart	October 17, 2003	State Committee for Regulatory Policy and Entrepreneurship	Pillar I- Rep- SI Conts by self-employed.doc	Pillar I- Rep- SI Conts by self-employed Ukr. 09 doc.doc
26.	Draft Law of Ukraine "On Amending Some Legislative Acts" (Due to Adoption of the Law of Ukraine "On Mandatory State Pension Insurance")	Проект Закону України "Про внесення змін до деяких законодавчих актів України" (у зв'язку з прийняттям Закону України "Про загальнообов'язкове державне пенсійне страхування")	N.Goryuk	October 20, 2003	MoLSP		Pillar I- other Laws- Pr zak.zmini v inshi zak.doc
27.	Defining the cost of NPF services	Визначення вартості послуг недержавних пенсійних фондів	G.McTaggart	November 13, 2003	DFP	NPS- COSTING SERVICES TO NON.doc	CostingServicesToNSPF_u.doc
28.	Draft Law of Ukraine "On Amending the Law on MSPI	Проект Закону України "Про внесення змін до Закону України "Про загальнообов'язкове державне пенсійне страхування"	N.Goryuk	November 24, 2003	MoLSP		MandLaw- Zmini do obov zak- 24.11.03.Zakrevskom u.doc
29.	Comments and Proposals to the Draft "Suitability Standards for NPF Board Members and Administrators"	Коментарі та пропозиції до проекту "Кваліфікаційні вимоги до членів рад недержавних пенсійних фондів та фахівців адміністрування недержавних пенсійних фондів"	A.Nechai	December 01, 2003	DFP		NPS- rybalchenko_vymog_rada.doc
30.	Comments and Proposals to the Draft "Procedure for Getting Approval of the NPF Board Members from the State Commission for Regulation of the Financial Services Markets of Ukraine"	Зауваження та пропозиції до проекту "Порядок погодження Державною комісією з регулювання ринків фінансових послуг України членів рад недержавних пенсійних фондів"	A.Nechai	December 03, 2003	DFP		NPS- pogodzen- nya_rada_an_Dec_5.doc

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
31.	Recalculation of pensions starting from January 1, 2004	Перерахунки пенсій з 1 січня 2004 р.	N.Goryuk	January 12, 2004	MoLSP, VR		Pillar I - Concl- Zauvaj do programi.pererah..doc
32.	Calculating pension fund assets value	Обчислення вартості активів пенсійного фонду	M.Wiener, G.McTaggart	January 12, 2004	DFP	NPS- Unit Value Accounting.doc	NPS- Unit Value Accounting(U).doc
33.	Developing Normative and Legal Base on the Issues of Defining Pension Assets Net Value, Investment Unit Value and Other Related to This Issues	Розробки нормативно-правової бази з питань оцінки вартості чистих активів пенсійних фондів, вартості інвестиційної одиниці та інших пов'язаних з цим питань	S.Varfolomeyev	January 15, 2004	SSMSC		NPS- Unit_Pricing_and_Valuation.doc
34.	Formulas for Period Certain Annuity	Формули обчислення довічної пенсії з установленим періодом	G.McTaggart	January 19, 2004	MoLSP	Period Certain Annuity Formulas.doc	Period Certain Annuity Formulas(U).doc
35.	Amendments to the Laws of Ukraine "On Insurance", "About Banks and Banking Activity" in order to bring them in line with the Law of Ukraine "On Non-State Pensions"	Змін до законів України "Про страхування", "Про банки і банківську діяльність" з метою приведення їх у відповідність із законом України "Про недержавне пенсійне забезпечення".	S.Varfolomeyev	January 24, 2004	DFP, SSMSC		NPS- Varfol Insurance&BankingLaws.doc
36.	Examining existing funds		G.McTaggart	January 26, 2004	DFP		NPS- EXAMINING EXISTING FUNDS.doc
37.	On Approving the Procedure for Reorganization of Enterprises, Institutions and Organizations Providing Non-State Pensions or in the Names Thereof the Wording "Non-State Pension Fund" or "Pension Fund" is Used (Draft)	Про затвердження порядку проведення реорганізації підприємств, установ та організацій, які займалися недержавним пенсійним забезпеченням або в назві яких використовувались слова „недержавний пенсійний фонд” або „пенсійний фонд” (проект)	A.Nechai, G.McTaggart	January 30, 2004	DFP	ReorganizingNSPFs_e.doc	ReorganizingNSPFs_U.doc
38.	Regarding the Law of Ukraine "On	Стосовно Закону України "Про	G.McTaggart,	February 12,	PFU		Pillar I - Rep- obzor

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
	Mandatory State Pension Insurance”	загальнообов’язкове державне пенсійне страхування”	N.Goryuk	2004			obov Zaychuku 12.02.04.doc
39.	Concept of Providing Pensions to Individuals Employed under Hazardous and Arduous Working Conditions, Full-Time Employment Therein Entitles to Old-Age Privileged Pension or to Individuals Employed in Jobs, which Entitle to Pensions for the Longevity of Service Through Occupational and Corporate Pension Funds	Концепція пенсійного забезпечення осіб, які працюють на роботах з шкідливими і важкими умовами праці, зайнятість в яких повний робочий день дає право на пенсію за віком на пільгових умовах, або працюють на посадах, які дають право на пенсію за вислугу років, через професійні та корпоративні пенсійні фонди	G.McTaggart, N.Goryuk	February 13, 2004	MoLSP		Occupat- Konts. pilgovih. z propoz Grega.doc
40.	Major differences between Eastern Europe and NIS countries’ pension legislation and new Ukrainian pension legislation	Стосовно листа № 1497/14 від 16.02.2004 р.	G.McTaggart	February 18, 2004	PFU	Different Approaches to pension Reform Letter to Zarudni.doc	Pillar I - Rep- Letter-ToZarudny dosvid (Popravki).doc
41.	Concept of Providing Pensions to Privileged Categories of Individuals Through Occupational and Corporate Pension Funds	Концепція щодо пенсійного забезпечення пільгової категорії осіб через професійні та корпоративні пенсійні фонди	G.McTaggart	February 18, 2004	MoLSP		Occupat- Gar o Kontseps po Igotnih.doc
42.	Regarding the Necessity for Additional Regulation of the Pension Funds Custodians in Ukraine	Щодо необхідності додаткового нормативно-правового врегулювання діяльності зберігачів пенсійних фондів в Україні	S.Varfolomeyev	February 18, 2004	SSMSC		NPS- PensionFund-Custody-letter.doc
43.	Letter to People’s Deputy Tsibenko (on pensioners not on List I or List II and privileged pensions)	Стосовно законопроекту “Про упорядкування пенсій, граничний розмір яких не обмежується” № 4548 від 23.12.2003 р.	G.McTaggart	March 25, 2004	VR, MoLSP	Letter to Deputy Tsi-benko.April 2004.doc	Pillar I - Concl- Vidp Tsibenko na zak Syatini.03.04.doc
44.	Pricing mechanisms for service providers for NSPFs	Механізми ціноутворення для недержавних пенсійних фондів	G.McTaggart	April 5, 2004	DFP	Pricing Mechanisms for Non-State pension	NPS- Andrei Ribalchenko(U).doc

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
						Funds No date.doc	
45.	Regarding Letter # 1747/09-7 dated April 14, 2004	Щодо листа від 14 квітня 2004 р. № 1747/09-7	G.McTaggart	April 26, 2004	DFP		NPS- LetterToSuslov_26April04_an.doc
46.	Comments and Proposals to the Draft Regulation on Procedure for Submitting NPF Reports by Administrators	Пропозиції та зауваження до проекту Положення про порядок подання адміністратором звітності з недержавного пенсійного забезпечення	S.Varfolomeyev	May 5, 2004	DFP		Reporting_Varfolom_an.doc
47.	Unified Social Contribution Issues for Discussion.	Питання до обговорення, пов'язані з єдиним внеском на соціальне страхування	G.McTaggart	May 06, 2004	Administration of President		UnifTax- IssuesPresAdm.Greg.doc
48.	Implementing a Unified Procedure for Data Collection	Впровадження єдиного порядку збирання даних	G.McTaggart	May 11, 2004	MoLSP		UnifTax- Zvit Gregasbor vzosov.doc
49.	Ceiling on NPF Administration Fee	Граничні тарифи на оплату послуг з адміністрування недержавних пенсійних фондів	S.Varfolomeyev	May 13, 2004	DFP		NPS- Tarif Administr-PADCO.doc
50.	Regarding Developing Normative and Legal Document on the Procedure for Keeping Personification Record and Accounting for NPFs by Administrators	Щодо розробки нормативно-правового документу про порядок виконання адміністраторами функцій з ведення для НПФ персоніфікованого та бухгалтерського обліку	A.Nechai, S.Varfolomeyev	May 30, 2004	DFP		NPS- LetterToRybalchenko_30March04_u.doc
51.	Action Plan to Create the Mandatory Accumulation System for 2004 through 2007	План заходів щодо створення накопичувальної системи загальнообов'язкового державного пенсійного страхування на 2004 – 2007 роки	G.McTaggart, N.Goryuk	July 23, 2004	MoLSP		Pillar 2 Implementation timetable.Ukr 2004.doc
52.	On Action Plan for Implementing the Mandatory Accumulation System	До Плану заходів щодо створення накопичувальної системи загальнообов'язкового	G.McTaggart, N.Goryuk	July 23, 2004	Working group, MoLSP	Action Plan for Implementating Mand. Accum.	Action Plan-NSS-Topic-Last.doc

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
		державного пенсійного страхування				System(E).doc	
53.	Supplementary pensions for budget employees		G.McTaggart	July 26, 2004	MoLSP	Supplementary pensions for budget employees.doc	
54.	On the Necessity of Amending the Law of Ukraine "On Insurance" in the Part of Making Contributions to Pillar 3 (Non-State Pension System)	Про необхідність внесення змін до Закону України "Про страхування" в частині сплати внесків на недержавне пенсійне забезпечення	G.McTaggart	August 5, 2004	DFP		NPS- LetterToSuslov(1)05Aug2004_u.doc
55.	Draft Law of Ukraine "On Mandatory Pension Provision of Individual Employees Through Occupational and Corporate Pension Funds (Occupational Pension System)"	Проект Закону України "Про обов'язкове пенсійне забезпечення окремих осіб через професійні та корпоративні пенсійні фонди (професійну пенсійну систему)"	N.Goryuk	September 07, 2004	MoLSP		Occupat-Pr.profes.07.09.04.ta inshi zak.G.doc
56.	Draft Law of Ukraine "On Amending the Law of Ukraine "On Non-State Pensions"	Проект Закону України "Про внесення змін до Закону України "Про недержавне пенсійне забезпечення"	N.Goryuk	November 10, 2004	MoLSP		NSP Law- Zm do ned. zak 11.04.doc
57.	Regarding Proposals to the Draft Resolution of the Cabinet of Ministers of Ukraine "About Amending the Procedure for Confirmation of the Available Service Period When Granting Pensions in Case of Absence of a Labor Book or Corresponding Records in It"	Щодо проекту постанови КМУ "Про внесення змін до Порядку підтвердження наявного трудового стажу для призначення пенсій за відсутності трудової книжки або відповідних записів у ній"	N.Goryuk	November 15, 2004	MoLSP		Pillar I - normAct-Visnov do Por.pidtv staju.vidsutn tr knigi 15.11.04.doc
58.	Legal Analyses of the Draft Law of Ukraine "On Amending the Law of Ukraine "About Insurance"	Юридичний аналіз проекту закону України "Про внесення змін до Закону України "Про страхування"	A.Nechai	January 12, 2005	MoLSP		NPS-strah_draft_legal_opinion_jan_11.doc
59.	Draft Law of Ukraine "On Amending the Law of Ukraine " On Mandatory	Проект Закону України "Про внесення змін до Закону	N.Goryuk	February 08, 2005	MoLSP		MandLaw- proekt Zakona 28,42.1.doc

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
	State Pension Insurance” (Articles 28, 42)	України “Про загальнообов’язкове державне пенсійне страхування” (ст. 28, 42)					
60.	Opinion of Peoples’ Deputy Movchan on the Draft Law of Ukraine “On Mandatory State Pension Insurance”	Висновок до проекту Закону України “Про внесення змін до Закону України “Про загальнообов’язкове державне пенсійне страхування”, внесений народним депутатом України Мовчаном В.П.	N.Goryuk	February 16, 2005	MoLSP		Pillar I - Concl- Vismovok do pr zak Movchana.doc
61.	To the Procedure for Calculating the Length of Service, Which Entitles to Old-Age Privileged Pensions	До Порядку обчислення стажу, який дає право на пенсію за віком на пільгових умовах	N.Goryuk	February 18, 2005	MoLSP		Pillar I - normAct-Dopor obchisl lgotn staja.doc
62.	Proposals to the Draft License Provisions on Executing Administration of Non-State Pension Funds as of January 26, 2005	Пропозиції до проекту Ліцензійних умов провадження діяльності з адміністрування недержавних пенсійних фондів від 26 січня 2005 р.	O.Vasilchenko, N.Kravchenko	February 21, 2005	DFP		NPS- 2102 Ribalchenko Proekt_lic_umovy_admin_NPF NK_an.doc
63.	Comments to the Draft Law “On Amending the Law of Ukraine “ On Natural Persons’ Income Tax” (Regarding Pension Contributions) # 7053 dated February 7, 2005	Коментар до проекту Закону України “Про внесення змін до Закону України “Про податок з доходів фізичних осіб” (щодо пенсійних внесків) № 7053 від 07.02.2005	A.Nechai	February 23, 2005	MoLSP		NPS- 7053 comentar_tax_feb_23.doc
64.	Comments to Procedure for Making Actuarial Calculations in the Mandatory State Pension Insurance System	Зауваження до Порядку проведення актуарних розрахунків у системі загальнообов’язкового державного пенсійного страхування	N.Goryuk	February 24, 2005	MoLSP		Pillar I - normAct-List Gar actuarn rozrah 02.05.doc
65.	Draft Law of Ukraine “On Amending Some Laws of Ukraine”	Проект Закону України “Про внесення змін до деяких законів України”	N.Goryuk	February 28, 2005	MoLSP		MandLaw- Pr. zak. obov. 28.02.05.doc
66.	Recommendations to the Draft Pro-	Пропозиції до проекту Порядку	N.Goryuk	March 10,	PFU		Pillar I - normAct-

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
	cedure for Calculating Pensionable Wage in Compliance with Paragraph 2 Item 2 Article 41 of the Law of Ukraine "On Mandatory State Pension Insurance"	обчислення заробітної плати для призначення пенсій згідно з абзацом другим пункту другого статті 41 Закону України "Про загальнообов'язкове державне пенсійне страхування"		2005			Zauv do pr.por.do st 41.doc
67.	Legal Expertise of the Draft Law of Ukraine "On Amending the Law of Ukraine "On Non-State Pensions"	Правова експертиза Проекту Закону України "Про внесення змін до Закону України "Про недержавне пенсійне забезпечення"	A.Nechai	March 11, 2005	MoLSP		NPS- Letter Garacha 2005-03-14.doc
68.	Draft Law of Ukraine "On Mandatory Pension Provision of Individual Employees Through Occupational and Corporate Pension Funds"	Проект Закону України "Про обов'язкове пенсійне забезпечення окремих категорій осіб через професійні та корпоративні пенсійні фонди"	N.Goryuk	March 30, 2005	MoLSP		Occupat-Pr.zak.profes.30.03.05.L.doc
69.	To the Draft Law of Ukraine "On Mandatory State Pension Insurance" (regarding abolishing the maximum insurance contribution rate) #7235 as of March 23, 2005	До проекту Закону України "Про загальнообов'язкове державне пенсійне страхування" (щодо скасування максимальної величини страхових внесків).№ 7235 від 23.03.05 р.	N.Goryuk	April 06, 2005	MoLSP		Pillar I - Concl- Visnovok do projektu Gubskogo.doc
70.	Comments to the Draft Resolution of the Cabinet of Ministers of Ukraine "On Implementing Part 2, Article 42 of the Law of Ukraine "About Mandatory State Pension Insurance" and the Draft Procedure for Pension Benefits Increase Due to Increase of the Average Wage in Ukraine for the Proceeding Year	Зауваження до проекту постанови Кабінету Міністрів України "Про реалізацію частини другої статті 42 Закону України "Про загальнообов'язкове державне пенсійне страхування" та проекту Порядку щорічного підвищення пенсій у зв'язку із зростанням середньої заробітної плати в Україні за	N.Goryuk	April 06, 2005	MoLSP		Pillar I - normAct-zauv do Poryadku st42.doc

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
		попередній рік					
71.	Conclusion regarding citizens' applications	Висновок щодо звернень громадян	N.Goryuk	April 07, 2005	MoLSP		Pillar1- Concl- Visnovok Gubar Antonenko.doc
72.	Moot Points of Transferring Privileged Pensions into Occupational or Corporate Pension Funds	Спорные вопросы относительно перевода льготных пенсий в профессиональные или корпоративные пенсионные фонды	N.Goryuk	April 09, 2005	MoLSP, Metallurgical plant "Azovstal", Trade Unions		Occupat- Spornie voprosi Igotnih Ru.doc
73.	To the Draft Law of Ukraine "On Amending Some Laws of Ukraine on Pension Provision of Agricultural Workers - Payers of a Fixed Agricultural Tax"	До проекту Закону України "Про внесення змін до деяких законів України з питань пенсійного забезпечення працівників сільськогосподарських підприємств – платників фіксованого сільськогосподарського податку"	N.Goryuk	April 14, 2005	MoLSP		Pillar1- Concl- Pr.zak Yuhnovsky.doc
74.	Regarding the Draft Resolution of the Cabinet of Ministers of Ukraine "On Conducting an Experiment on Creating an Automated System of the Accumulation Fund of the Mandatory State Pension Insurance" and the Plan of Top Priority Actions to Create the Automated System of the Accumulation Fund of the Mandatory State Pension Insurance	Щодо проекту постанови Кабінету Міністрів України "Про проведення експерименту зі створення автоматизованої системи Накопичувального фонду загальнообов'язкового державного пенсійного страхування" та плану першочергових заходів зі створення автоматизованої системи Накопичувального фонду загальнообов'язкового державного пенсійного	N.Goryuk	April 20, 2005	MoLSP		Pillar2- Zauv do experimentu.II riven.20.04.05.doc

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
		страхування					
75.	Proposals on Making Amendments to the Collective Letter of MOLSP and PFU Regarding Including the Period of Military Wives' Stay in the Location Where They Were Unable to Get a Job into Their Covered Service Period	Стосовно проекту сумісного листа Мінпраці та Пенсійного фонду щодо зарахування до страхового стажу періоду знаходження дружин військовослужбовців надстрокової служби з чоловіками в місцевостях, де була відсутня можливість їх працевлаштування	N.Goryuk	May 11, 2005	MoLSP		Pillar I - Concl- List Shambir po druj viyskov 11.05.05.doc
76.	Per V.Yukin's Request	На звернення Юкіна В.Я.	N.Goryuk	May 11, 2005	MoLSP		Pillar I - Concl- Pr.koriguv z-ku lyotchikov 24.60 mes.doc
77.	As Regards Proposals of Antonov Avia Scientific and Technical Complex to Amend the Law of Ukraine "On Mandatory State Pension Insurance"	Щодо пропозицій АНТК "Антонов" стосовно внесення змін до Закону України "Про загальнообов'язкове державне пенсійне страхування"	N.Goryuk	May 12, 2005	MoLSP		Pillar I - Concl- List lyotchiki 05.05.doc
78.	Regarding Adjustment of Pensionable Wage	Щодо коригування (осучаснення) заробітної плати, яка враховується для обчислення розміру пенсії	N.Goryuk	May 23, 2005	MoLSP		Pillar I - Concl- list do koriguv z-ti 23.05.05.doc
79.	Proposals Regarding Amending "Regulation on Executing Administration of Non-State Pension Funds" (the DFP's Instruction #1660 dated July 20, 2004)	Пропозиції щодо змін "Положення про провадження діяльності з адміністрування недержавного пенсійного фонду" (розпорядження Держфінпослуг від 20.07.2004 № 1660)	O.Vasilchenko, N.Kravchenko	May 27, 2005	DFP		NPS- Letter DFP 2005-05-26.doc
80.	Draft Law of Ukraine "On Amending the Law of Ukraine " On Mandatory State Pension Insurance"	Проект Закону України "Про внесення змін до Закону України "Про загальнообов'язкове державне пенсійне страхування"	N.Goryuk	June 01, 2005	MoLSP		MandLaw- Pr.zmin obov. zak 1.06.05.doc

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
81.	Conclusion regarding proposals of Volyn Oblast Rada Deputies to the Verkhovna Rada Committee on the Issues of Social Policy and Labor as Regards Amending the Law of Ukraine "On Mandatory State Pension Insurance Contribution" and the Law of Ukraine "On Mandatory State Pension Insurance"	Висновок стосовно пропозицій депутатів Волинської обласної ради до Комітету Верховної Ради України з питань соціальної політики та праці щодо внесення змін до Закону України "Про збір на обов'язкове державне пенсійне страхування" та Закону України "Про загальнообов'язкове державне пенсійне страхування"	N.Goryuk	June 30, 2005	MoLSP		Pillar I- Concl- Visnovok Volin Rada.doc
82.	Conclusion on Question #3 of the MOLSP and PFU Review	Висновок до запитання №3 Огляду Мінпраці та ПФУ	N.Goryuk	July 01, 2005	MoLSP		Pillar I- Concl- Visnovok zapit 3 -st40-Ogladu.doc
83.	Proposals to the Draft Law of Ukraine "On Unified Social Contribution"	Пропозиції до проекту Закону України "Про єдиний соціальний внесок"	N.Goryuk, A.Nechai	July 15, 2005	MoLSP		UnifTax- List Gar edin vzos.doc
84.	Draft Law of Ukraine "On Amending Some Laws of Ukraine"	Проект Закону України "Про внесення змін до деяких законів України"	N.Goryuk	August 02, 2005	MoLSP		MandLaw- Pr zak bud sim tipu 2.08.05.doc
85.	As Regards the Letter of Mr. Tsybenko, the Chairman of the Verkhovna Rada Committee for Pensioners', Veterans' and Invalids' Affairs Regarding Mr. Loginov's Application about Decreasing Pension Benefit Rates Due to Converting Pensionable Wage from Rubles into Hryvnyas from September 1, 1996	Щодо листа голови Комітету у справах пенсіонерів, ветеранів та інвалідів Верховної Ради України Цибенка П.С. стосовно звернення Логінова П. про зниження розміру пенсії, у зв'язку з переведенням заробітної плати у карбованця у гривню з 1.09.1996 року	N.Goryuk	August 03, 2005	MoLSP		Pillar I- Concl- Visnovok do lista Loginova-Komitet VR.doc
86.	Regarding the Draft Letter of the Ministry of Labor and the Pension Fund of Ukraine As For Terms of Recalculation of Pensions Given to Amendments to Article 41 of the Law of Ukraine "On Mandatory State Pen-	Щодо проекту спільного листа Мінпраці та Пенсійного фонду стосовно строків перерахунку раніше призначених пенсій, у зв'язку із змінами до статті 41 Закону України "Про	N.Goryuk	August 04, 2005	MoLSP		Pillar I- Concl- Visnovok do spiln lista do st.41 04.08.05.doc

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
	sion Insurance” to the Individuals that Presented Documents, Which Entitle to Such Recalculation	загальнообов’язкове державне пенсійне страхування”, по пенсійних справах, у яких знаходяться документи, що дають право на такий перерахунок					
87.	Comments and Proposals to the Draft Law of Ukraine “On Amending the Law of Ukraine “On Non-State Pensions” (as of August 1, 2005)	Зауваження та пропозиції до проекту Закону України “Про внесення змін до Закону України “Про недержавне пенсійне забезпечення” (станом на 1 серпня 2005 р.)	A.Nechai	August 11, 2005	MoLSP		NPS- Garacha NPZ 0108 2005.doc
88.	Regarding Developing Suitable Mechanisms to Use Non-State pension Funds and the Accumulation Fund’s assets	Стосовно розроблення надійних механізмів використання коштів недержавних пенсійних фондів та Накопичувального пенсійного фонду	A.Nechai, N.Goryuk, O.Vasilchenko	August 11, 2005	MoLSP		NPS- Makarenko nadijnist zahistu 11.08.05.doc
89.	Statistical Data Regarding Categories of Employees Entitled to Privileged Pensions and in Compliance with the Draft Law are Subject to Transfer to Occupational or Corporate Pension Funds	Статистичні дані щодо категорій осіб, які отримують пенсії на пільгових умовах та відповідно до законопроекту підлягають переведенню до професійних чи корпоративних пенсійних фондів	N.Goryuk	September 07, 2005	MoLSP		Occupat- Stat pilgovi.doc
90.	Problem Issues in Pension System	Проблемні питання у пенсійному забезпеченні	N.Goryuk	September 22, 2005	MoLSP		Pillar I - Rep- Problem III rivni.doc
91.	Draft Resolution of the Cabinet of Ministers of Ukraine “On Approving the Procedure for Granting Pensions on the Account of Employers’ and Budget Funds to Individual Categories of Employees Depending upon Their Labor Conditions in Accordance with Job Certification Results”	Проект постанови КМУ “Про затвердження Порядку призначення пенсій за рахунок коштів підприємств, установ, організацій, бюджетних коштів окремим категоріям працівників залежно від умов їх праці за результатами атестації робочих місць”	N.Goryuk	October 13, 2005	MoLSP		Pillar I - normAct- Poryadok pilgov za rah pidpriemstv N.doc

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
92.	Draft Law of Ukraine "On Amending the Law of Ukraine " On Mandatory State Pension Insurance" (Far North)	Проект Закону України "Про внесення змін до Закону України "Про загальнообов'язкове державне пенсійне страхування" (Крайня північ)	N.Goryuk	October 14, 2005	MoLSP		MandLaw- Pr. zak Girnuk.doc
93.	Procedure for Compiling and Submitting the Documents for Pensions Granting (Recalculation) in compliance with the Law of Ukraine "On Mandatory State Pension Insurance"	Порядок подання та оформлення документів для призначення (перерахунку) пенсій відповідно до Закону України "Про загальнообов'язкове державне пенсійне страхування"	N.Goryuk	October 21, 2005	MoLSP		Pillar I - normAct-Gar list s Zauv do Por-yad. podan. dok.21.10.05.doc
94.	Regarding Abolishing Attachment #1 to the Cabinet of Ministers of Ukraine Resolution # 1783 dated November 20, 2003	Стосовно відміни додатку №1 постанови Кабінету Міністрів України від 20.11.2003 року №1783	N.Goryuk	October 26, 2005	MoLSP		Pillar I - Concl- Do zapitu Moroza.doc
95.	Comments to the Draft Law on Amending the Law of Ukraine "On Non-State Pensions" (regarding the amount of pension accumulations) # 8082 dated September 5, 2005	Коментарі до проекту Закону про внесення змін до Закону України "Про недержавне пенсійне забезпечення" (щодо обсягів пенсійного накопичення) № 8082 від 05.09.2005	A.Nechai, O.Vasilchenko	October 26, 2005	MoLSP		NPS- Ne-chay8082_comments _final.doc
96.	Regarding Pension Benefits to the Individuals That are Discharged on the Grounds of Staff Reduction and are Granted Pensions in Compliance with Special Laws	Щодо виплати пенсій особам, які звільняються за скороченням штатів, та їм призначається пенсія за спеціальними законами	N.Goryuk	October 31, 2005	MoLSP		Pillar I - Concl- Gar list do rab pens po bezrobotitse.doc
97.	Simplified Tax System (Single Tax) for Natural Persons Entrepreneurs	Спрощена система оподаткування (єдиний податок) для фізичних осіб - підприємців	N.Goryuk	November 08, 2005	Secretariat of President		Pillar I - Rep- Sprost sistem 8.11.05.doc
98.	Issues Related to Possible Arrears in	Питання, пов'язані із можливою	A.Nechai,	November	Secretariat of		pil-

#	Report Title: English	Report Title: Ukrainian	Primary PRI Author(s)	Date Submitted	Primary Audience	File name: Eng	File name: Ukr :
	Contributions to the Mandatory Accumulation Pension System	заборгованість по сплаті внесків до обов'язкової накопичувальної пенсійної системи		09, 2005	President		lar_2_bankruptsy_no v_9.doc
99.	Draft Law of Ukraine "On Amending the Law of Ukraine " On Mandatory State Pension Insurance" (Articles 49, 51)	Проект Закону України "Про внесення змін до Закону України "Про загальнообов'язкове державне пенсійне страхування" (ст. 49, 51)	N.Goryuk	November 11, 2005	MoLSP		MandLaw- Proekt zakordon.doc
100.	Strategy for Pension System Development (Draft Regulation of the Cabinet of Ministers of Ukraine)	Стратегія розвитку пенсійної системи (проект розпорядження КМУ)	A.Nechai, N.Goryuk, O.Vasilchenko	December 07, 2005	MoLSP		Pr. strateg.07.12.doc

ATTACHMENT G. SUMMARIES OF INTERNATIONAL PENSION CONFERENCES

FOROS: SEPTEMBER 29 – OCTOBER 2, 2005

The conference was organized by the Ministry of Labor and Social Policy of Ukraine, the Pension Fund of Ukraine, the State Commission for Regulation of Financial Services Markets of Ukraine and the Securities and Stock Market State Commission. Over 150 people participated in the conference – including VR Deputies, experts from the USA, Belgium, Bulgaria, Kazakhstan, the Netherlands, officials from the Secretariat of the President of Ukraine, the MoLSP, the PFU, DFP, SSMSC, representatives of higher educational and scientific institutions, participants in the private pension system, and central and regional mass media representatives. Issues discussed included:

- Politics of pension reform
- Creating a fair and financially sustainable pension system
- The impact of changing demography on the pension system
- Experience with pension reform in Russia, Bulgaria and Kazakhstan
- New trends in pension provision in Europe
- World Bank support for pension reform
- Problems in implementing mandatory accumulation pension systems
- Implementation of Ukraine's proposed unified social contribution
- Working experience of non-state pension funds in Ukraine
- Ability of the capital markets of Ukraine to provide reliable financial instruments for investments by non-state pension funds
- The role of insurance companies in non-state pensions

For two days the participants discussed Ukraine's achievements and the problems that have appeared in the course of implementation the two basic pension laws. Most of the first working day was devoted to discussing the creation of a financially sustainable pension system in Ukraine. The most painful issues are those associated with the immense state budget deficit caused by setting the minimum pension at the minimum subsistence level, which in turn has reduced the link between pension benefits received and years of work and pensionable wages, coupled with the lack of actuarial projections when making decisions about benefit levels and other issues.

How the mandatory accumulation pension system will affect pension benefits was also discussed. The hope of implementing the mandatory accumulation system in 2007 is clearly unrealistic for political as well as economic reasons. Today, according to actuarial calculations made by the Institute of Demography, implementation of Pillar 2 will be possible only from 2009. But much remains to be resolved concerning the terms and conditions for implementing it. The discussion was interesting and useful for the governmental officials as well as for the representatives of non-state pension institutions, since they will also have professional interest in this system.

The speech by the conference participant from Kazakhstan -- Aidar Alibaev, the Head of the Board of Kazakhstan Pension Funds Association -- aroused great interest. He described the situation with the accumulation pension system development in Kazakhstan, emphasizing problems with finding suitable and sufficient assets in which to invest the growing accumulation fund. Similar problems will be encountered in Ukraine.

Such issues as how the development of the stock market in Ukraine is influencing investment of private pension fund assets and those of the proposed Accumulation Fund in the future as well as

international experience with implementing the accumulation occupational schemes also aroused great interest among conference participants.

The strategy for investing pension assets and the development of investment mechanisms attracted the attention of many specialists. Rick Gurley, director of USAID's Private Enterprise Division, and Anatoliy Fedorenko, Vice-President of KINTO Asset Management Company provided informed and provocative presentations. Participants had an opportunity to compare international experiences in resolving this problem. Especially vigorous discussion centered on investing private pension assets in shares and bonds of Ukrainian issuers and how Ukraine's current political situation influences this.

Business representatives argued that many issues must be resolved immediately through joint efforts with government counterparts. Practitioners laid special emphasis on the fact that the Draft Law of Ukraine "On Joint-Stock Companies", which would strengthen corporate governance and provide stronger protection of minority shareholders' rights has still not been adopted after more than seven years of discussion. Ukrainian as well as foreign experience shows that investing pension assets in shares and corporate bonds allows non-state pension funds to earn a higher investment return – above the inflation rate. 17 journalists representing central and regional mass media participated in the conference. A press-conference was held on the 1st day.

SUDAK: OCTOBER 6-7, 2004

Participants to the Conference included members of the Ukrainian Parliament, senior officials of DFP, SSSMC, MoLSP, PFU and the Ministry of Economy, representatives of the private pension system entities, associations of market participants; PRI consultants, and international experts from Bulgaria, Kazakhstan, Estonia, Russia, Hungary, Macedonia, and USA. Altogether, 168 people -- including 35 journalists -- took part. Major issues on the agenda were:

- Implementation of the private pension system: initial results;
- Interaction of entities in the private pension system (pension funds, administrators, asset managers, brokers, custodian banks, advisors, regulators, and supervisors);
- Accumulation pension funds and anticipated opportunities in the stock market;
- How corporate governance influences efficient investment of pension assets;
- Mandatory accumulation system: preparing for its introduction;
- Experience with accumulation systems in Kazakhstan, Russia, Poland, Bulgaria, Hungary, Kyrgyzstan, Czech republic, Macedonia;

For two days, specialists discussed prospects for the new Ukrainian pension system that became effective on January 1, 2004. However, the conference participants focused on the third pillar – NSPFs, which was considered a mechanism of voluntary saving by individuals and a powerful means to channel investments into the Ukrainian economy.

The DFP is responsible for developing a regulatory framework to ensure proper operation, and development of NSPFs. Although many regulations have already been issued, numerous issues still need to be addressed. Most interesting were such issues as development of the Ukrainian stock market and implementation of the accumulation pension system, practical aspects of operations of service providers in the private pension system, and international experience with implementing accumulation systems. Most valuable for Ukraine were presentations by guests from Estonia and Kazakhstan, who received dozens of questions during presentations.

Traditionally, specialists paid attention to investment of pension assets. Participants could compare international experience with proposed ways of investing pension assets in Ukraine. Discussion concentrated on investing in Ukrainian stock and bonds: expert opinions differed. From recent international experience, some experts were positive toward this and believed it was promising whereas others considered it too risky because of imperfect corporate governance in domestic joint

stock companies and lack of protection of small shareholders' rights. Therefore, protection of pension fund participants' rights and international approaches to ensuring this protection ranked high on the conference agenda.

Also interesting was the discussion of the applying to Ukraine the lessons from implementing mandatory accumulation systems in Kazakhstan, Estonia, and Hungary, which have been operating such systems for several years. Representatives from the pension industry emphasized that many problems could be solved only through collaboration. Practitioners mentioned that the Draft Law "On Joint Stock Companies" has been under consideration for more than seven years but has not passed, resulting in poor corporate governance and making Ukrainian joint stock companies' shares and bonds risky. Another concern is that not a single private pension fund administrator has yet been licensed.

Journalists from most regions took part in the Conference. A press club sitting was conducted jointly with CURE on October 7th with 27 journalists participating. Seven articles were published within a month by participating journalists.

KYIV UKRAINIAN HOUSE, OCTOBER 21-23, 2003

Foreign guests included 51 pension reform experts from 17 countries: Armenia, Azerbaijan, Belarus, Bosnia, Bulgaria, Croatia, Georgia, Hungary, Kirghizstan, Lithuania, Macedonia, Moldova, Poland, Russia, Tajikistan, the United Kingdom, and the United States. Ukrainian participants included VR members and staff, representatives from the Presidential Administration, the Cabinet of Ministers, various ministries and other state agencies, businesses, educational and research institutions, the Trade Union Federation, the Employers' Federation and regional-level entities, as well as experts and consultants from international organizations. There were 337 participants on the first day, 256 on the second day, and 260 on the third day.

Day One. Prof. Ella Libanova, Scientific Advisor to the President of Ukraine, was moderator at the first plenary session. The following participants welcomed the audience and delivered brief reports:

- Volodymyr Yatsenko, USAID, PRI's CTO
- Christopher Crowley, USAID Mission Director for Ukraine, Moldova and Belarus
- Mykhaylo Papiyev, Labor Minister of Ukraine
- Borys Zaychuk, PFU Chairman
- Aleksandr Kurtin, Deputy Chair of the Pension Fund of the Russian Federation
- Yuriy Lyublin, First Deputy Labor Minister of Russia
- Valeriy Alyoshyn, MP, Ukraine
- Vasyl Nadraha, MP, Ukraine
- Borys Bespaly, MP, Ukraine
- Viktor Suslov, DFP Chairman
- Serhiy Biryuk, SSMSC Acting Chairman

The second plenary session, with PRI/USAID PRI Project Chief of Party Greg McTaggart as moderator, focused on pension reforms in Central and Eastern Europe and the CIS. Edward Whitehouse, Axia Consultant, Greg McTaggart, USAID PRI Project Chief of Party, and David Lindeman, OECD Officer all made presentations. They summarized pension reforms in different countries, highlighting implementation problems. The issue of social insurance vs. social assistance was also discussed. Issues to be addressed at later stages of pension reform include privileged pensions and pensions for special merits, still existing in many post-socialist countries. Ukraine will also have to tackle the problem.

Speakers from Ukraine, Azerbaijan, Belarus, Bulgaria, Croatia, Kirghizstan and Moldova presented what their countries have already done and what they are planning. Retirement ages in nearly all of the countries have been increased. Yordan Khristoskov, Director of the National Social Security

Institute, Bulgaria, spoke on the development of their unified register of insurants, contribution collection procedures for the PAYG and accumulation systems, centralized supervision of contribution payments, and voluntary pension insurance. Bulgaria transferred early retirement pensions to occupational pension schemes in 2000. Hagen Director, Dragan Kovacevich, from Croatia reported on the new Croatian pension system, operating since 2002. Hryhoriy Osovy, First Deputy of the Trade Union Federation of Ukraine, focused on the role of trade unions in pension reform. Ukrainian employers did not discuss the issue of social partnerships.

Day Two. The second day's first plenary session was dedicated to investment of pension assets. Volodymyr Yatsenko, USAID, was moderating. The audience numbered 246, most representing the private sector. Presentations on the matter were made by:

- Serhiy Biryuk, SSMSC Acting Chair
- Cezary Mech, UNFE Inaugural President, Poland, and PRI/USAID Project Investment Expert
- Zoltán Vajda, Hungarian Financial Supervisory Authority (HFSA) Economist
- Sandra Jones Anderson, Advisor to the Los Angeles County Employees Retirement Association (LACERA), CA, USA
- Oleksandr Mertens, Academic Vice-President of the International Business Institute, Kyiv

Investment-related problems were then discussed in an Open Forum. Experts from Dragon Capital briefly characterized the Ukrainian equity market and its development, drawing attention to the low liquidity of the market. Kinto Investments Vice-President Anatoliy Fedorenko highlighted some issues from the point of view of a practitioner engaging in the investment activities for many years.

O. Barbarova, President of the Ukrainian Association of Investment Business, informed the audience about the Ukrainian self-regulatory organization that helps the government deal with asset management companies. Ihor Solomakhin from the National Center for Resource Management told the center is planning to establish an NSPF and said it is necessary to train personnel.

The second session, held under the motto "Administration: getting it right first time" and moderated by David Lindeman, OECD, featured Mitchell Wiener, Pension Advisor, USAID Pension Project in Macedonia and Zoran Anusic, WB Consultant, Croatia.

Mitchell Wiener summarized the Macedonian pension reform, contribution collection and problems encountered. Though Macedonia is in the early phase of pension reform, reporting automation is treated as a high-priority issue – they are switching to a fully-automated reporting procedure via Internet with no reports on paper and no scanning. It is especially important since implementation of the Macedonian second-pillar accumulation system requires monthly reporting and asset valuation.

Zoran Anusic focused on pension system administration based on the Croatian experience. He described REGOS, an integrated register of all insured individuals, that collects information from all social funds – including the Pension Fund, Employment Fund and Health Insurance Fund, and from the Tax Administration. He cited advantages: employers must report to one office only, cash flows are controlled from single center, there is only one database to be maintained for insured individuals and taxpayers, payment arrears are quickly identified, transparency, and a shrinking shadow sector.

The topic of the last plenary session was "Getting Non-State Pension Funds Started" moderated by Prof. Ella Libanova. The speakers included:

- Andriy Rybalchenko, NSPF Supervision Department Director, DFP.
- Mihály Erdős, HFSA Chief Pensions Advisor, Hungary
- Gábor Soproni, Managing Director of the Voluntary Private Pension Fund of the Electricity Industry, Hungary
- Vladimir Mudrakov, Advisor to the NSPF "Gazfond" President, Russia
- Yuriy Lyublin, First Deputy Labor Minister of Russia
- Valentina Dinkova, Director of the Regulatory Issues and Risk Valuation Directorate of the Financial Supervision Commission of Bulgaria

- Georgiy Georgiyev, TBIF Supplementary Pensions Expert, Bulgaria
- Maria Schur, Professor, Senior Social Insurance School, Warsaw, Poland
- Ella Libanova, Scientific Advisor to the President of Ukraine, Deputy Director of the Institute of Demography and Social Studies

Andriy Rybalchenko spoke on Introducing NSPFs in Ukraine – The Regulator’s Role, describing plans of the Commission. A task force has begun drafting regulations. Mihály Erdős, described 10 years of Voluntary Pensions in Hungary, describing regulation of voluntary pensions, valuing assets, the number of participants, and implementation of the regulatory system. He highlighted the startup, the support provided by the Parliament, and the public understanding that the new system was necessary. Gábor Soproni presented a practitioner’s view – arguing that the NSPF establishment needs encouragement from the state. Theory and practice of the Russian NSPF regulation experience was the focus of presentation made by Vladimir Mudrakov, who had earlier occupied an executive position in the Russian NSPF regulator for a number of years.

Yuriy Lyublin discussed the Russian approach to Privileged Pensions, where a draft bill has met problems with employers. In, Russia as well as in many other countries, the issue needs to be seriously approached by the government, parliament, employers, trade unions and general public.

Valentina Dinkova reported on how the Bulgarian supervisor was formed, its duties and its structure, whereas Georgiy Georgiyev told about first steps of non-state pension insurance in the country. Bulgaria implemented the third pillar in 1994. Since then, there have been both errors and achievements: the process of improvement is ongoing.

Ella Libanova presented pension reform as a way to fight poverty, citing results of household surveys and analysis on how pension reform will affect poverty, highlighting rural poverty and how social security sector reform will rural communities. NSPF startup problems were then discussed by Aleksandr Kurtin, First Deputy Chairman of the Pension Fund of Russia, and David Kodua from the Social Insurance Fund of Georgia, as well as Ukrainian participants Dmytro Pyrih, NSPF Association Vice President, and Olexander Tkach, Director of the Non-State Pension Development Center.

PUSCHA OZERNA: DECEMBER 3-5, 2002

Organizers: Supreme Rada Committee on Pensioners, Veterans and Invalids; Supreme Rada Committee on Finance and Banking Activities; Ministry of Labor and Social Policy of Ukraine; Pension Fund of Ukraine; State Commission for Securities and Stock Market; under auspices of USAID "Ukraine Pension Reform Implementation" Project and PRI Inc.

Conference participants: 240 people including 32 media representatives including 34 from the VR, 1 from the Administration of the President, 3 from the CM, 7 from MoLSP, 4 from the PFU (and 25 from local offices), 5 from MinFin, 3 from MinEcon, 2 from Ministry of Agriculture, 1 from Ministry of Education and Science, 1 from Ministry of Transport, 3 from SSCSM (and 14 from regional offices), 2 from DFP, 10 from the Trade Union Federation, 5 from the Employers’ Federation of Ukraine, 21 from research and educational establishments, 30 from banks and other financial institutions, 1 from the World Bank, 3 from USAID, 4 from Ukraine’s Educational Reform Program, 14 from SSCSM, and 25 from the PFU

Day One was largely scheduled for discussion of the progress of the new mandatory state pension insurance system. P. S. Tsybenko, VR Deputy and Chairman of the VR Committee on Pensioners, Veterans and Invalids reported on progress on pension reform. Among his other responsibilities, Mr. Tsybenko chairs a Task Force for refining the Draft Law of Ukraine “On the Mandatory State Pension Insurance” for the second reading. He identified unresolved issues with the draft law – including the status of the PFU, the status of custodian banks, participation of social partners in Boards of NSPFs, the formula for calculating pension benefits, conditions for participation by military service personnel in the mandatory state pension insurance system, and matters relating to agricultural employees and people using the simplified tax option. V.A. Kyrylenko, VR Deputy and a

Deputy Chairman of the Committee on Labor and Social Policy discussed issues relating to the new mandatory state pension insurance system implementation.

Christopher Crowley, Director of the USAID Mission in Ukraine, Belarus and Moldova, emphasized that pension reform is considered an important aspect of the ongoing economic restructuring of Ukraine. O.B. Zarudny, Deputy Chairman of the PFU, dwelled on the PFU's efforts implementing the new pension system. E.M. Libanova, Scientific Advisor to the President of Ukraine, who highlighted matters of financial stability of Ukraine's future pension system.

Participants asked many questions of Mr. Y.Z. Liublin, First Deputy Minister of Labor and Social Policy of the Russian Federation since Russia faces many of the same problems as Ukraine although Russia's solution seemed less than desirable. Participants were surprised that the average replacement rate under the new Russian system would be around 25%.

The audience particularly welcomed advice from international and local experts on NSPFs who included V.V. Yatsenko, D.A. Leonov, A.V. Fedorenko, A.A. Nechai, Pavel Pelc from Poland, Zoltan Vaida from Hungary, Petr Kurovsky, etc. They drew attention to some key issues including:

- Types of pension plans and pension contracts;
- Introduction of solidarity accounts in corporate pension funds;
- Investment portfolio formation problems;
- Issues of taxation relating to the non-governmental pension system;
- Non-governmental pension fund activity licensing, with practical recommendations of experts from the countries where these funds have been operating for a few years.

A vigorous discussion was triggered on the issue of social partnership – the problem of trade unions' participation in the management of the mandatory state pension insurance system. The views of employers was, unfortunately not shared at the Conference. Representatives from insurance companies, banking institutions, active pension funds and self-regulatory organizations confirmed their preparedness to implement NSPFs.

All participants recognized the importance of the Conference and expressed their hopes that the Draft Laws "On Mandatory State Pension Insurance" and "On Non-governmental Pension System" will soon be enacted by the VR, to give momentum to the pension system reform.

KYIV HOTEL, DECEMBER 5 – 7, 2001

The conference was jointly organized by MoLSP, VR Committee on Finance and Banking, VR Committee on Pensioners, Invalids and Veterans, and PFU. The participants included VR Deputies and experts, the President's Administration, CM, MoLSP, PFU, MinEcon, MinFin, Ministry of Justice, National Bank of Ukraine, SSCSM, Federation and Confederation of Trade Unions of Ukraine, Employers Confederation of Ukraine, Regulatory Policy and Enterprise Committee, World Bank, USAID, representatives from regions of Ukraine, representatives of NSPFs, financial and credit institutions, scientific, research and academic institutions, as well as international experts from USA, Canada, Australia, UK, the Netherlands, Russia, Hungary, Poland, Turkey, Kazakhstan, Armenia and representatives of mass media. There were 160 participants on the first day, including 106 women, and 120 the second day including 75 women and 90 the third day (with 51 women).

The major task of the Conference was to stimulate discussion on non-state pensions and insurance reform, the development of an appropriate regulatory regime, the current market for financial services to support NSPFs and the opportunities for applying worldwide experiences to Ukraine. The following spoke on the basics of the current state of pension reform in Ukraine:

- Seminozhenko V.P. - Vice Prime Minister of Ukraine;

- Valeriy Sushkevich, People’s Deputy of Ukraine, Chairman of VR Committee on Pensioners, Invalids and Veterans – on legal regulation of pension provision and insurance;
- Evgeniy Grigorenko, First Deputy Director, Office of Economic Policy Office of the Presidential Administration – on basic provisions of the Presidential Message “On Basic Guidelines of Pension Provision Reform for People of Ukraine” to Verkhovna Rada and Cabinet of Ministers of Ukraine;
- Timofiy Motrenko - Deputy State Secretary, Director of Internal Policy Department of Secretariat of CM; Executive Secretary of National Council for Pension Reform – on major goals and objectives of National Council for Pension Reform;
- Ivan Sakhan – Minister of Labor and Social Policy;
- Olena Garyacha – Deputy State Secretary of MoLSP;
- Ludmila Musina - Deputy State Secretary, Ministry of Economy and European Integration – macroeconomic preconditions for pension reform in Ukraine;
- Anatoliy Sorokin – Deputy Chairman, Pension Fund of Ukraine – on financial aspects of pension provision in the context of pension reform in Ukraine;

Conference participants learnt from Government officials and VR Deputies of the objectives of the draft laws “On Mandatory State Pension Insurance” and “On Non-State Pension Provision,” which have passed at the first reading, and the next steps needed to reform the solidarity pension system, introduce a mandatory accumulation system and NSPFs and establish a Financial Services Regulator. A press conference offered opportunities to raise questions on pension reform. 35 journalists were accredited at the press conference. The following speakers described the development of non-state pension industry in other countries and legislative preconditions for its introduction in Ukraine:

- Valeriy Alyoshin – People’s Deputy of Ukraine, Chairman of VR Committee on Finance and Banking Activity;
- Igor Yushko – People’s Deputy, Deputy Chairman of VR Committee on Finance and Banking Activity;
- Svetlana Faber – Deputy Director of Banks Inspection and Monitoring Department, National Bank of Ukraine;
- Valentina Yashchuk – Deputy Head of Financial Policy Department, Secretariat of CM;
- Viktor Kolbun – Head of Pension Reform and Pension Provision, MoLSP;
- Greg McTaggart - Project Director, USAID/ PRI
- Darrell Brown - Legal Advisor, USAID/ PRI
- Mitchell Wiener – Pension Reform Advisor and Actuary, USAID/ PRI;
- Anna Nechai – Legal Advisor, USAID/ PRI
- Dmytro Leonov - Director, Market Economy Institute, Kyiv National Economic University (member of the working group on non-state pensions);
- Anatoliy Fedorenko - Vice-President Kinto Investment Management Company (member of the working group on non-state pensions);
- Andrei Oleinchik - Consultant, Financial Sector, World Bank, Kyiv Office;
- Aleksander Sulyayev - Deputy Manager, Ukrsibank, Kharkiv;
- Ihor Seletski - Deputy Director, PFTFS, Ukraine;
- Oleksander Zaletov - Director-General League of Insurance Companies;
- Olena Barbarova - Director-General, Ukrainian Association of Investment Business;
- Valeriy Onischyk – Advisor, Bank Aval, Ukraine;

International experts included:

- Michal Rutkowski - Sector Manager, Social Protection Human Development Sector Unit Europe and Central Asia Region, World Bank;
- Yevgeniy Yakushev - Deputy Director, Electroenergetica NSPF, Russia;
- Ali Haydar Elveren - Directorate General of Insurance, Turkey;
- Murat Koshenov – Portfolio Manager, ABN AMRO Asset Management (Kazakhstan);
- Almas Mustakhishev – Manager, Custodian Service Department, HSBC Bank, Kazakhstan;
- Emilia Dabrowska - Manager, UNFE, Poland;
- Dr. Miklós Arató – Manager, PSZAF, Hungary;
- Peter de Bruijne - Consultant, Employee Benefits Europe, ING Group (Netherlands)

The participants of the conference learned of the positive and negative consequences of pension reform in countries where reform had begun several years ago – Russia, Hungary, Kazakhstan, and Turkey. International specialists and experts provided their advice on developing the non-state pension and insurance industry and recommendations on how to create an efficient State Financial Service Regulator.

ATTACHMENT H: LIST OF PRI-SUPPORTED STUDY TOURS, JAN 1, 2001 – DEC 31, 2005

#	Date	Product	Number of Participants
1.	January 2001	Study tour to Hungary	
2.	April 23-28, 2001	Study tour to Bulgaria	10
3.	February, 25-28 2002	Study tour to Moscow, Russia	21
4.	March 18-22, 2002	Course "Pension reform: Second generation and implementation issues", Poland	12
5.	April 23-26, 2002	Observational tour to Poland	7
6.	October 10-11, 2002	International Conference. Pension reform in Russia and CIS. London	5
7.	February 23 - March 2, 2003	Study tour to Croatia and Hungary	28
8.	May-June, 2003	Study Tour to Poland	20
9.	September 15 to 21, 2003	Study Tour to Hungary	19
10.	September 24-26, 2003	OECD Conference on pension reform in Russia	6
11.	November 16 – 22, 2003	Study Tour to Sweden and Denmark for the Pension Fund of Ukraine	12
12.	December 4-5, 2003	Seminar on Private Pensions, the INPRS, Prague, the Czech Republic	6
13.	April 26-27, 2004	International conference "Experience with implementing accumulation pension systems," Moscow	6
14.	June 14-18, 2004	Study tour to Poland and Participation in the "Innovations in the Financial Markets 2004" Conference	4
15.	June 24-26, 2004	Third international conference "Accumulation system of Kazakhstan: results, problems, perspectives", Almati	5
16.	July 12-13, 2004	INPRS/IOPS/OECD Forum on private pension reform in emerging economies, Paris, France	2
17.	June 20 through July, 2005	Study tour to the Great Britain and Netherlands	17
18.	December 3-12, 2005	Study tour to USA	14
19.	December 11-14, 2005	Study tour to Bulgaria	6
20.	December 12-16, 2005	Third international forum on education and protection rights of financial services consumers, Malaysia	2
		Total number of participants	202