RBA POLICY BRIEFS 2011/2012

Translating Research Evidence to Inform Policy and Practice

The Retirement Benefits Authority is mandated by the Retirement Benefits Act to promote the development of the retirement benefits industry and to advise the Government of Kenya on policy relating to retirement benefits.

The Authority believes in basing its policy prescriptions on a foundation of theoretically sound and empirically proven research.

The Authority undertakes its research either in –house or in collaboration with leading academic institutions or by outsourcing to reputable research agencies.

This booklet summaries key research undertaken by the Authority in the financial year 2011/2012. It provides a concise summary of the critical findings and significant policy recommendations from the research. It is targeted at readers who only want a quick synopsis of the research papers without the methodological and technical issues in the main papers.

This summary is not intended to be comprehensive nor conclusive. Readers seeking complete information should refer to the full versions of the papers which are available for free download at ***www.rba.go.ke****.*

RBA
Retirement Benefits Authority

Safeguarding your retirement benefits

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IMPACT OF MARKET VOLATILITY ON KENYAN PENSION SCHEME LONG TERM ASSET ALLOCATION AND RISK TOLERANCE.

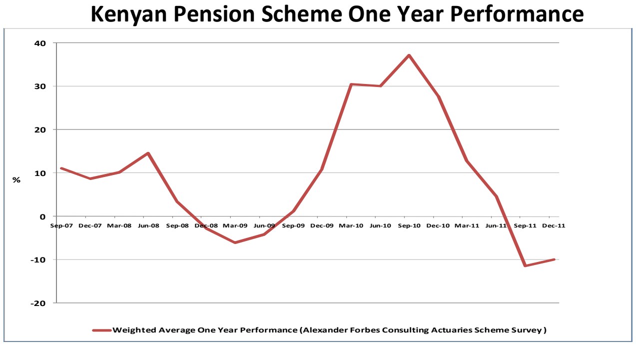
Research Paper by Nzomo Mutuku, Manager Research & Development, RBA

INTRODUCTION

The Kenyan financial markets have been greatly affected by market volatility in recent years.

The post election violence of 2007, the global financial crisis of 2008/2009 and the steep depreciation of the Kenya shilling in 2011 have all affected financial asset prices significantly. Pension schemes as significant investors in financial assets have been significantly affected by this volatility.

Kenyan Pension Scheme One Year Performance



The paper explores how the market volatility may have affected pension scheme investment behavior in terms of asset allocations and risk tolerance.

OBJECTIVES OF THE RESEARCH

The general objective of the paper is:

- To establish the impact of market volatility on long term investment behavior of pension schemes in Kenya

The specific objectives of the paper are:

1. To examine the level and significance of market volatility in the markets that Kenyan pension schemes are invested in.
2. To examine the impact of market volatility on pension scheme long term asset allocation.
3. To examine if market volatility results in changes in the risk tolerance level of pension schemes.
4. To examine the impact of mark-to-market asset valuations on long term asset allocation.

FINDINGS OF THE RESEARCH

Level and Significance of Market Volatility in the Markets that Kenyan Pension Schemes are invested.

There is no doubt that there has been significant market volatility as evident from the NSE index, Treasury bill rate movement and offshore indices. This has resulted mainly from aftershocks of the global financial crisis and deepening political uncertainty as the country transitions from a coalition government to a devolved government.

The market volatility has impacted on pension scheme performance very strongly, with good periods showing significant positive growth and bad periods of negative performance. These swings are exacerbated by a significant negative correlation between the NSE prices and interest rates on government securities which together constitute 70% of pension scheme assets.

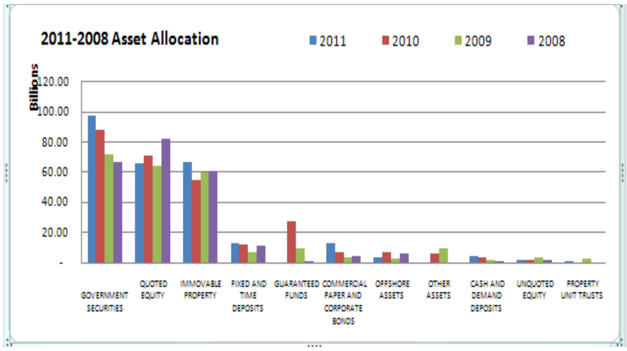
> ***The Kenyan markets were "very volatile" especially in the last one year.***

Impact of Market Volatility on Pension Scheme Long Term asset Allocation.

A large number of pension funds do not have up to date investment policies as required by law. In addition, many investment polices do not contain strategic asset allocations and Risk management principles have not been clearly addressed by the current structure of investment policies.

There was little evidence of schemes revising investment policies despite the severe market volatility experienced in recent years. However, examination of actual scheme asset allocations suggested that market volatility has made the asset allocations in pension funds change in order to try and maintain the current level of the funds if not, avoid shrinking in size. This was confirmed by the survey which found that over 60% of Trustees and Professionals had changed their allocations in the last five years as a result of volatility.

It therefore can be concluded that changes in asset allocation do occur as a result of volatility but within the existing strategic asset allocation defined.

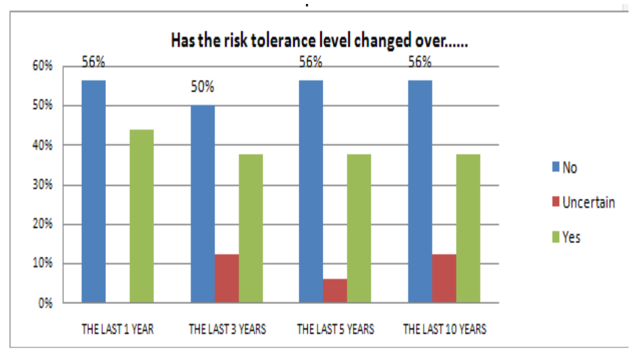


A negligible number of DC schemes offered investment choice to their members and with trustees seemingly not actively revising their strategic asset allocations, most decisions with regard to changing asset allocations as a result of volatility were made by the fund managers.

If Market Volatility Results in Changes Risk Tolerance of Pension Schemes.

There was no evidence of schemes revising their Investment Policies to reflect a change of risk tolerance as a result of market volatility. The survey confirmed that most pension schemes had low risk tolerance and took a moderate approach to investing. **There was however no clear conclusion from the responses with regard to if risk tolerance had changed as a result of market volatility.**

It was, however, apparent that market volatility makes Trustees and Professionals more aware of their existing risk tolerance and may influence changes in asset allocation within the existing strategic asset allocation.



POLICY RECOMMENDATIONS

i. RBA should ensure all schemes (particularly those with segregated investments) have up to date investment policies and that the strategic asset allocation is included within the investment policy.

ii. DC schemes should be encouraged to offer investment choice to their members as currently the impact of market volatility is felt in their account balances yet they have no say in the asset allocation.

iii. The range of investment opportunities available to Kenyan pension schemes is very limited resulting in overconcentration of portfolios in two assets, namely equities and government securities. This has exposed schemes to great fluctuations in performance in line with market volatility. New uncorrelated investment products like real estate investment trusts, private equity and venture capital need to be introduced in the local market to increase diversification.

iv. Increased allocation to offshore assets should be allowed at each pension scheme's discretion to reduce the correlated risk of investing wholly in government securities and equities.

FACTORS AFFECTING THE UPTAKE OF PENSION SECURED MORTGAGES IN KENYA.

Research Paper by Monica Were, Senior Research Officer, RBA

INTRODUCTION.

According to the World Bank report on developing Kenya's Mortgage market, the demand for housing in Kenya has grown rapidly in recent years, in both value of loans and number of loans (World Bank, 2011). As it stands, only 2.4% of the total Kenyan population can afford a mortgage. Furthermore, only 11% of the urban population can afford to take up a mortgage. This inadvertently locks out a large number of potential home owners.

A survey on mortgage financing in Kenya shows that Kenya's mortgage had tripled from Ksh. 19 Billion in 2006 to 61 Billion in May, 2010 (Central Bank and World Bank, 2010).

One of the key recommendations by Chirchir on promoting home ownership was to allow members of retirement benefit schemes to use their accumulated benefits as securities for financing their mortgages (Chirchir, 2006). The loans were to be offered by a secured housing finance institution at favorable interest rates. In 2009, Section 38 of the Retirement Benefit Authority Act was amended to allow members of pension schemes to attach up to 60 % of their accumulated benefits to secure a mortgage. Since its introduction, there has been low uptake on the facility.

OBJECTIVES.

This research will look at the mortgage regulations and propose areas for improvement. In addition, the study will look at various ways that can be used to improve the current regulations. In particular, the study will examine the various products used in various countries across the world and recommend best practices.

This paper seeks to:

1. To review the merits and demerits of pension backed housing loans.
2. To examine the socio-economic factors affecting mortgage uptake in Kenya.
3. To establish the uptake level of mortgage loans that has been secured by pension assets.
4. To identify hindrances in the Retirement Benefits Mortgage Regulations (2009) that have resulted to low uptake of pension-secured mortgage loans.

MORTGAGE FINANCING AND UPTAKE

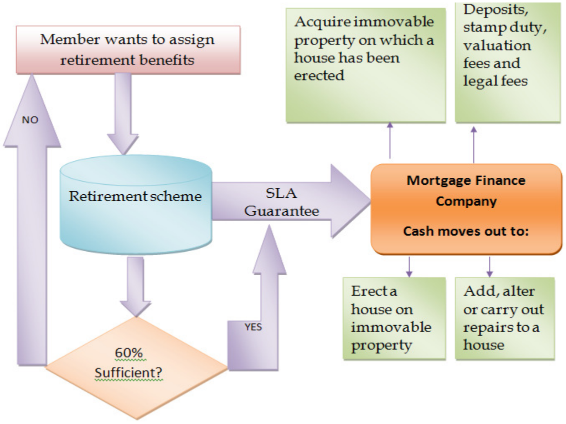
Based on a ranking of mortgage market constraints, banks identified **access to long-term funds** as the most important impediment to the growth of their mortgage portfolio. Overlapping constraints of **low level of incomes/informality and credit risk** were listed as second and third respectively with **high interest rates** also being regarded as a major constraint. It is worth noting that similar constraints were listed by members of pension schemes with regards to the uptake of pension secured mortgages.
According to the survey analysis on mortgage finance in Kenya, the average mortgage loan is approximately Kshs. 4 million (Central Bank and World Bank, 2010). The survey analysis also showed that the weighted average mortgage interest rate reported by the institutions was 14.07% in 2010.

Uptake level of Pension Backed Mortgages is 0.006%

Understanding level of the Retirement Benefits Mortgage Regulations

- Lack of practice notes to explain how the mortgage regulations work.
- There is a misconception that 60% of the accumulated benefits can actually be accessed for the purposes of purchasing a home/land or for home improvement.
- The process of assigning benefits may not be as straight forward as it seems, there are a number of legal documentations that have to be signed to ensure that the guarantee is in place.
- The Act requires that the property should be transferred before the funds accessed under the guarantee can be utilized. This makes the transaction to be very challenging as the property market is controlled by the seller .

PROCESS FLOW OF ASSIGNING BENEFITS



PENSION BACKED HOUSING LOANS AND ALTERNATIVE MODELS

CASE OF UNITED KINGDOM

In the United Kingdom (UK) the pension mortgage finance implies that members of schemes utilizing this facility pay off the interest component every month, and rely on a portion of the remaining accumulated benefits at the point of retirement to pay off the capital debt of the mortgage.

The advantage of this model is that pension contributions benefit from up to 40% tax relief for higher rate tax payers.

The disadvantages of this model is that mortgage debt remains constant throughout the mortgage period, there is no guarantee that one will have sufficient funds to pay off the mortgage at the end of the repayment period, the lump sum benefit at retirement cannot be used for other purposes and that you will still need to meet interest rate payments throughout this period.

CASE OF SOUTH AFRICA

According to Ling (2009) , pension secured loans in South Africa have predominantly been applied to home improvement projects as opposed to acquisition of new homes (Ling, 2009). The Pension Fund Act in South Africa allows a retirement fund to grant a direct loan to members or furnish a guarantee from a member's loan (Pension Fund Act No 24 of 1956). The loan, which should not exceed 90% of the value of the property or the accumulated benefits of the member, can be used to purchase land and erect a building on it, purchase a house, home improvement and to repay a third party loan secured by a mortgage bond. In addition, the loan can be increased to 100% only if the employer offers an additional guarantee for the difference (Pension Fund Act No 24 of 1956).

CASE OF SINGAPORE

In 1968, the Central Provident Fund was enhanced to allow members to withdraw their savings to finance the purchase public houses. The funds can also be used for down payments, mortgage payments, interest on loans and stamp duty. The Government of Singapore played a major role by offering incentives to make the product attractive its citizens and also offering a strong institutional support (Chia & Tsui, 2005). The recent statistics from the department of statistics of Singapore indicates that the house ownership stood at 88.6% (Government of Singapore, 2011).

SUGGESTIONS FOR IMPROVEMENT OF THE RETIREMENT BENEFIT MORTGAGE REGULATION

- Introduce more options as a security
- Make the process easier
- Government intervention
- Reduction of interest rates charged
- Increase awareness levels through public education

76% were aware of the Retirement Benefit Mortgage Regulation.

SUMMARY OF FINDINGS

MERITS AND DEMERITS OF PENSION BACKED HOUSING LOANS.

Merits

- Members can use up their accumulated benefits as a guarantee for the purposes of purchasing or constructing a house, both in the rural and urban areas.
- In the case of rural house, where a first mortgage may not be secured, the guarantee is considered as the primary security.
- In case of default as a result of job loss, the outstanding loan is redeemable.
- Guarantee can be used to cover the initial transaction fees included, purchase deposits,

applicable duties & taxes, valuation and legal fees.

Demerits

- There is no guarantee that one will have sufficient funds to pay off the mortgage at the end of the repayment period, as the pension fund could perform below expectations.
- The lump sum benefit at retirement cannot be used for other purposes.
- The member is still required to also meet interest rate payments throughout this period which is normally very high.

SOCIO-ECONOMIC FACTORS AFFECTING MORTGAGE UPTAKE IN KENYA.

- Property prices have been on the rise over the last few years making it difficult for most members to use their accumulated benefits to secure a mortgage facility.
- High Interest rates by the mortgage financiers.
- The concept is suited for people who have been employed for a long period and have accumulated substantial benefits.
    - There is a risk of members potentially loosing their pensions when they are unable to pay up their mortgage.
    - Access to the fifty % employer contribution when members move from one empolyer to another has made potential borrowers shy away from tying their pension benefit

HINDRANCES IN THE RETIREMENT BENEFITS MORTGAGE REGULATIONS (2009) THAT HAVE RESULTED TO LOW UPTAKE OF PENSION-SECURED MORTGAGE LOANS.

- Lack of practice notes to explain how the regulations can work.
- Lack of understanding by trustees and members on how the funds are utilized.
- The Act requires that the property should be transferred before the funds accessed under the guarantee can be utilized. This makes the transaction to be very challenging as the property market is controlled by the seller.
- Different pension schemes insist of having individual guarantees formats instead of utilizing the standard guarantee forms provided by the financier which have taken into consideration the changes in the Retirement Benefits Act.
- There was also concern that as currently structured, the concept leaves many of the players exposed to numerous risks and costs.
- Lack of transparency in charging models.

RECOMMENDATIONS

i. There is a need to Issue practice notes on the mortgage regulations by Retirement Benefits Authority. The practice notes will outline the regulatory expectation and will demystify the retirement benefits mortgage regulations.

ii. Training of trustees, members and service providers on pension secured mortgages. It will be helpful to include the mortgage financing companies as co-trainers in the education campaigns.

iii. The regulations need to be amended to allow members to assign up to 60% as a security for the purposes of purchasing undeveloped land in either rural or urban areas. This has not been explicitly catered for in the current regulations.

VIABILITY OF COMPULSORY RETIREMENT SAVINGS IN KENYA

Research Paper by Koome Kathurima, Research Officer, RBA

INTRODUCTION

The number of Kenyans participating in any of the retirement benefits arrangements falls short of 2 Million out of the 10 Million Kenyans recorded as employed (Statistical Abstract, 2010). According to the statistical digest conducted for the year 2008, only 15.9 % of the workforce is covered in formal retirement savings. However, dependence on old age social security is not the way to go because increasingly governments are finding themselves financially challenged to adequately provide social security (Turner, 2007). It is for these reasons that individuals must take action to insure their old age.

However, in its stride to increase the level of coverage, the authority has been disadvantaged by the poor saving culture of the Kenyan citizens; the low mandatory contributions for retirement savings in the National Social Security fund; voluntary establishment of occupational pension schemes that largely cover formal employment; and a slow development of the individual retirement benefits schemes. With a growing number of the working population venturing into the informal sector, it is paramount to establish ways in which the sector can be tapped.

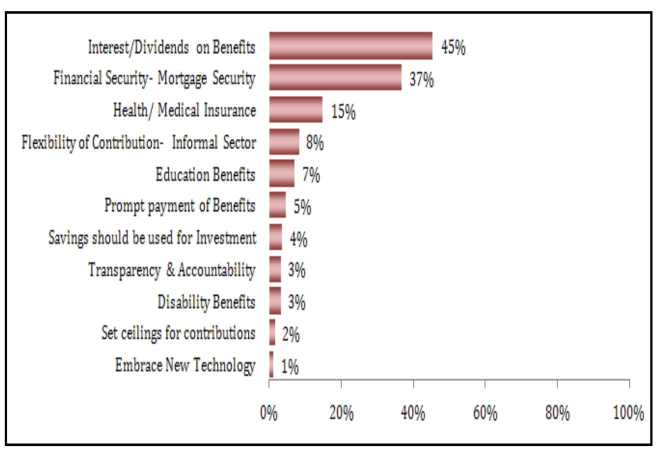
OBJECTIVES OF THE RESEARCH

The research objectives of the study were:

1. By use of case studies, identify the merits and demerits of having a compulsory retirement saving scheme
2. To investigate the practicability of a compulsory saving scheme in Kenya
3. To make recommendations that may be used for policy change

FINDINGS OF THE RESEARCH

- There is high labor mobility in the country with most working for less than 7 years under one employer.
- Majority of the employer contributions were between 2.5 % to 7.5 % of the employee's salary with most respondents acknowledging that the employer contributed between 2.5 to 5 % of their salary. Only 3 % of the members made additional contributions towards their retirement.
- More individuals were confident with their occupational pension schemes management and the overall investment and benefits the scheme was making than with the NSSF.
- To be able to cater for the informal sector which is largely untapped, individuals called for better and flexible saving structures to be introduced to be able to cater for the informal employees.
- For the system to work effectively there was need for better management of funds and strict regulation that would discourage mis-management and corruption in the scheme.
- Many individuals felt that the tax brackets should be widened and the age at which an individual enjoys no tax on his benefits should be reduced.
- Most of the respondents wanted the retirement savings to accrue dividends that they would be able to use before they retire.
- **Part of the individuals felt that the scheme should be able to give members a better return that would enable them have a better retirement than what is currently in place of NSSF.**
- Members wanted the benefits to be accessed for purposes of securing a mortgage and ensuring that one is financially secure.
- Other benefits members wanted to see were medical insurance and educational loans.



Factors important for a Compulsory Retirement Scheme

Only 21 % of members sampled were aware of the NSPPT Bill 2012 and its implications.

- For those who were aware of the bill and disagreed with it, were of the opinion the bill did not address the issues of transparency and governance effectively.

- Most of the members sampled knew the importance of saving for retirement and wanted it to be compulsory/mandatory for every employer to establish a scheme for their employees.

POLICY RECOMMENDATIONS

i. **Compulsory savings for all in Employment**
Though compulsory the accounts should be treated as individual accounts, where the individual makes the decision on where he would want to save in. To include individuals in the informal sector, there was a need to introduce flexible schemes that would allow members to make periodic payments other than the continued monthly payments in formal employment.

ii. **Contribution rates to be as a %age of one's salary with a prescribed minimum %**
To be able to give individuals a good replacement rate at retirement, the contribution rates should be as a %age of one's salary rather than a blanket figure.

iii. **The scheme should be decentralized but highly regulated**
The scheme should be a personal defined contribution fund invested by competing asset management firms. The individual is given the option of choosing the particular fund in which to invest in and that there should be flexibility in terms of transfer where workers are allowed to transfer their benefits if they are dissatisfied with the manager's performance. However, the scheme should be regulated as other occupational retirement schemes in the industry.

DO RETIREMENT BENEFIT ASSETS CONTRIBUTE TO ECONOMIC GROWTH IN KENYA?

Research Paper by Kipanga Ben, Research Officer, RBA

INTRODUCTION

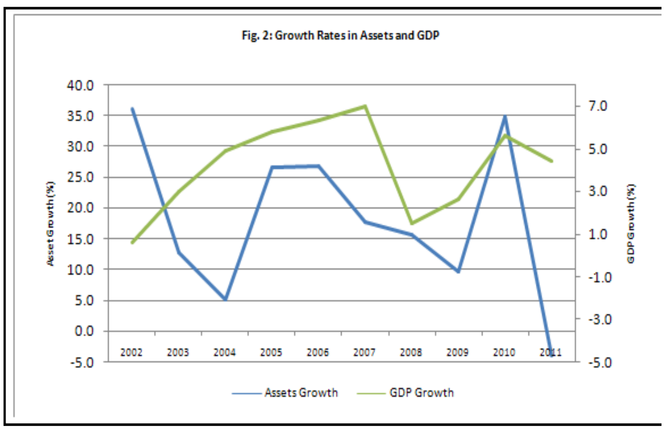
Mobilization of resources for national development has been a central issue for policy makers in many countries. The role of savings in economic growth has therefore been given considerable attention.

One of the avenues of mobilizing resources is through retirement benefits schemes.

According to the Global Pension Asset Study Report of 2011, the total retirement benefits asset for thirteen selected countries as at the end of 2010 was USD 26,496 billion which was approximately 76 % of the GDP of the surveyed countries.

In Kenya, the retirement benefits assets have also increased, both in absolute terms and as a ratio of GDP (see figure 1 below). The Pension assets grew from Kshs. 117.4 billion in 2002 to Kshs. 432.8 billion in 2011, translating to an average annual growth rate of 26.9 % over the period. As a share of GDP, the ratio improved over the period from a ratio of 11.5 % in 2002 to approximately 14.3 % in 2011.

Growth rates in Assets and GDP



This paper therefore seeks to answer the following questions: Do retirement benefits assets stimulate economic growth in Kenya? If so, how? And what is its impact?

OBJECTIVES OF THE RESEARCH

The broad objective of this study is to examine the role of retirement benefits assets on the economy in Kenya. The specific objectives include:

a) Examine the relationship between retirement benefit assets and economic growth;
b) Analyze the impact of retirement benefits assets on economic growth in Kenya;
c) Draw policy recommendations based on the study findings.

FINDINGS OF THE RESEARCH

METHODOLOGY

The study used quarterly data for the period 2002:2 to 2010:4. The data was mainly obtained from secondary sources, among them, economic surveys and statistical abstracts. Data from the Retirement Benefits Authority and Central Bank of Kenya publications and database were also utilized. A regression and correlation analysis method was employed to examine the impact of the retirement benefits assets on economic growth in Kenya.

MODEL SPECIFICATION

The study utilized the production function approach where the growth rate of output (GDP) is principally determined by the following factors: the rate of growth of gross labor and/or the rate of growth of growth of its quality, multiplied by the labor income share; the rate of growth of gross capital input and/or the rate of growth of its quality, multiplied by the capital income share; and change in technology or total factor productivity (TFP). The simple production function is therefore specified as follows:

g=f(L,K,T)…………………………………………………………………….(1)

Where:

g=growth of GDP;
L=labor;
K=capital formation/investment;
T=technology

The application of the production function however has been modified to incorporate other determinants of economic activities such as financial sector development; state of political stability; Interest rate and inflation (Proxy macro-economic conditions) among others.

Therefore in line with the above specifications; our model is thus specified as follows:
g=f(LPENASSETS, TBILL, Politics, CREDITGDP, DOMDEBTGDP, INFL, Crisis, Equityratio) ……………………(2)

Where:
g = Growth of Gross Domestic Product (GDP)
LPENASSETS = log of Pension Assets
CREDITGDP =Credit to the private sector/GDP (Financial development indicator) - Domestic credit provided by the banking sector. It used and to measure the size and activity of financial intermediaries.
DOMDEBTGDP=Domestic Credit/GDP
POL = Politics- it is a dummy variable and captures the state of political activities and stability e.g. elections and the post election violence
CR= crises;-it is a dummy variable and captures the various shocks e.g. Global Financial Crisis and Euro crisis.
TBILL = 91 day Treasury bill rate.
INFL=Inflation
Equity Ratio: defined as Equity Turnover divided by GDP.

Data Analysis and Interpretation of Results

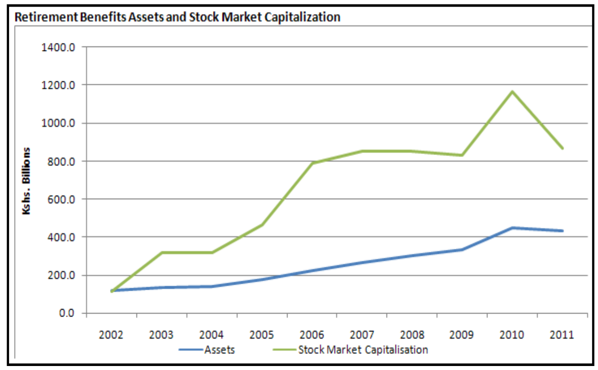
Correlation Tests

The correlation shows that the retirement benefit assets are positively and highly correlated to GDP and domestic debt at 97%. The equity turnover and Treasury bill rate are also positively correlated to retirement benefits assets at 61% and 19% respectively. However, the retirement benefits assets are negatively correlated to inflation.

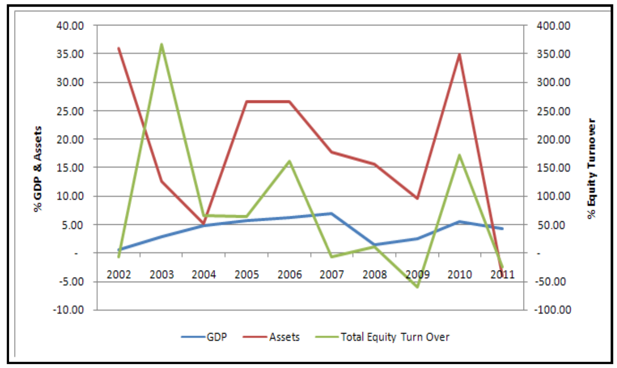
Table 1: Correlation Matrix

	GDP	PENSION ASSETS	DOMESTIC DEBT	INFLATION	TREASURY BILL	EQUITY TURNOVER
GDP	1.00					
PENSION ASSETS	0.97	1.00				
DOMESTIC DEBT	0.95	0.97	1.00			
INFLATION	0.05	-0.04	0.01	1.00		
TREASURY	0.29	0.19	0.19	0.43	1.00	
EQUITY	0.55	0.61	0.46	-	0.02	1.00

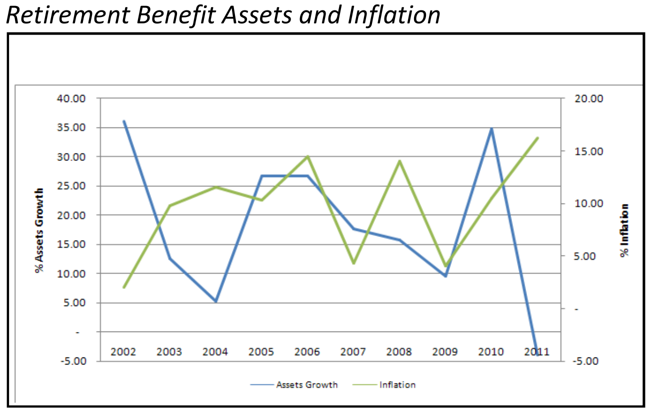
Retirement Benefits Assets and Stock Market Capitalization



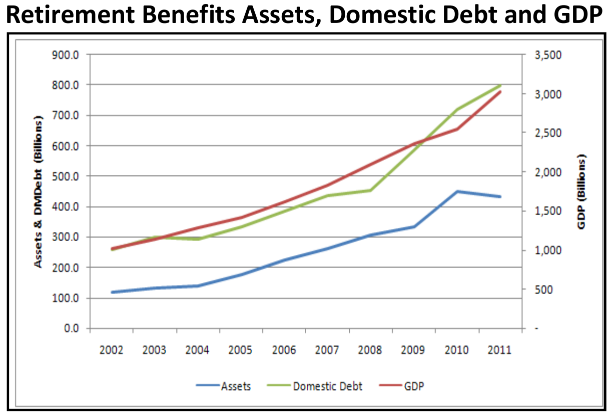
Retirement Benefits Assets, GDP and Equity Turnover



Retirement Benefit Assets and Inflation



Retirement Benefits Assets, Domestic Debt and GDP



Retirement benefits assets held in government securities are long term bonds (8 years and above) which constitutes 83.9% (122 billion) of the total government securities. The infrastructure bonds accounts for only 14.9% (21.8 billion) of the total government securities held by the pension funds. Similarly, the fixed income assets or corporate bonds accounted for only 5.2 % (20.9 billion) of the total assets held by pension funds as at December 2011.

Given the fact that retirement benefits assets investment government securities forms part of the domestic debt it is prudent that these are invested in productive sectors of the economy like infrastructure.

DIAGNOSTIC TESTS

The paper performed the various diagnostic tests; among them: unit root tests and granger causality tests. The results of the tests are reported below.

Unit Root Tests

In order to test whether the variables are stationary or not, unit roots tests were performed. A variable is said to be stationary if it's mean, variance and auto-covariance remains the same no matter at what point we measure them. The results show that the variables as they are not stationary.

The first difference of the below variables are stationary. The variables which became stationary are GDP Growth Rate, GDP, Pension Assets, Pension Assets/GDP, Credit to Private Sector , Credit to Private Sector/GDP, Equity Turnover/GDP,
Equity Turnover, Inflation, 91 Day T Bill Rate, Domestic Debt, Domestic Debt/GDP

Granger Causality Test

The standard Granger Causality Tests shows that there is a unidirectional causality. The direction of causality is from pension assets to economic growth at 5 % significance level both in levels and logs. The results are as shown in the Table 2 below: The granger causality results concur with Hu (2004) who established that pension assets granger caused economic growth in both OECD countries and emerging market economies.

From the below test, it is shown that Kenyan Pension Assets growth leads to an improvement in GDP in Kenya

Table 2: Standard Granger Causality Tests Results

Null Hypothesis:	Obs	F-Statistic	Prob.
GDP does not Granger Cause PENASSETS	36	1.57280	0.2172
PENASSETS does not Granger Cause GDP		3.84380	0.0197

POLICY RECOMMENDATIONS

Review of investment Guidelines: a large proportion of the retirement benefits assets are currently invested in government securities, which basically forms part of the domestic debt of which in most cases are used for budgetary support. This may not translate to the anticipated effects on economic growth. Retirements benefits assets therefore need to be invested in more productive sectors.
This study therefore recommends for **Economically Targeted Investments (ETI)** of retirement benefits assets.
There is therefore need to review the Investment Guidelines so as to enable retirement benefits assets be invested in innovative/alternative market products geared towards the achievement of the desired economic growth and the Kenya vision 2030 objective.

Sound Macroeconomic Environment: there is need for the government to put in place the necessary fiscal and monetary policy measures aimed at reducing inflationary pressures and ensuring stable and predictable macroeconomic environment which reward savers and reduce fears of inflation.

Development and Promotion of Innovative Retirement Benefits Products: The asset base to GDP is low compared to the target of 30 percent as envisioned in the Vision 2030 Medium Term Plan. There is therefore the need to develop and promote innovative products in the pension industry particularly those which that the informal sector.

LIST OF RESEARCH PAPERS UNDERTAKEN BY THE AUTHORITY

2003/2004 - Pensioners Survey

2004/2005 - Pensioners Survey

2005/2006
- Barriers to Participation in Pension Schemes
- Members Survey
- Promoting Home ownership

2006/2007
- Annuities Market in Kenya
- Developing Individual Retirement benefits Schemes in Kenya
- Rationale for Quantitative Investment Restrictions in Kenya
- Trustees Survey
- Universal Pension for Poverty Reduction

2007/2008
- Pensioners Survey
- Case for Consolidated Financial Regulation in Kenya
- The Challenges faced by fund managers in investing retirement benefits funds in Kenya
- Does The Design of the Scheme Matter?

2008/2009
- Dipstick Research on impact of Media Campaigns (outsourced)
- Young Savers Survey (outsourced)
- Members Survey
- Income Replacement Rates
- Impact of Increase in Retirement Age

2009/2010
- Conversion from Defined Benefits to Defined Contributions
- Impact of global financial crisis on Kenyan Retirement Benefits Industry
- Quality of Life Survey (Collaboration with Kenyatta University)

2010/2011
- Feasibility of a Benefit Protection Fund for Retirement Benefits Schemes in Kenya
- Analysis of the effectiveness and utility of Annual General Meetings for Retirement Benefits Schemes
- Penetrating the professional working population Survey (Outsourced)
- Factors Affecting the Adoption of Financial Literacy in Pension Schemes among Kenya Employees (Collaboration with USIU)
- Impact of assessing retirement benefits before retirement age

2011/2012
- Impact of Market Volatility on Pension Schemes Long Term Asset Allocation and Risk Tolerance
- Review of Mortgage Regulations
- Compulsory Saving
- Impact of Retirement Benefits on the Economy
- Critical Success Factors for a Sustainable Micro-Pension Scheme (Collaboration with USIU)
- Governance of Retirement Benefits Schemes in Kenya (Collaboration with UON)

Published September 2012
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