



快訊

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日前,中国社科院世界社保研究中心主任郑秉文就我国社保基金改革问题接受了香港 Asset Owners 网站记者的专访,该访谈内容这里全文刊发:

NCSSF tipped for expansion under PPF reforms

By Toby Yiu

China's social security investment council is expected to be given a swathe of new pension mandates, but it will need to take on more external managers to handle the workload.



Zheng Bingwen expects the public pension fund reforms to be announced in October

China's social security investment council NCSSF will need to hire more external managers when it receives a fresh round of government mandates, AsianInvestor has been told.

The expanded investment team would become necessary if the Chinese government

goes ahead with plans to hand out Rmb2 trillion (\$322 billion) in mandates under the country's public pension fund reforms.

Up to 20 external managers are expected to be needed to manage the National Council for Social Security Fund's (NCSSF) new mandates.

The Ministry of Human Resources and Social Security (MoHRSS), China's public pension fund (PPF) supervisor, finished a public consultation on the proposed Investment Management Approach towards PPF reform on July 13.

Speaking to AsianInvestor, Zheng Bingwen, director of the Centre for International Social Security Studies at the Chinese Academy of Social Sciences, said he expected the new policies to be announced in October this year.

He predicted that the PPF mandates would need as many as 20 external managers, and some of them will be newly-appointed in addition to the current 18 domestic mandated managers.

"With the growing size of the PPF, the programme will demand more professional investors. On the other hand, China has nearly 100 fund companies now, much more than ten years ago, meaning there are more potential managers to select from," Zheng said.

With two reform models under discussion, Zheng said it was highly likely that the MoHRSS would hand out the mandates to the NCSSF, the body which was set up in 2000 to provide professional management of China's social security funds. The second model would set up a new centralised institution to manage the whole PPF pool from different provinces, thus creating competition with the NCSSF.

"NCSSF was funded by the Ministry of Finance and has operated differently [from the PPF] for more than ten years. One strong characteristic is it runs without a target date for fund distribution, thus its liquidity management will be different from the upcoming PPF mandates which have to distribute to Chinese workers," Zheng said.

"The investment strategies followed by the national social security fund (NSSF) and PPF mandates would be different. Therefore, the NCSSF will need to build up a new risk management system, hire a new team and managers, and use the PPF mandates as a new fund pool for asset allocations," Zheng added.

Zheng and other market observers have said that the MoHRSS is likely to allow a total of

Rmb2 trillion (\$322 billion) to be invested in financial market investments, including up to 30% of assets in domestic equities, equity funds, mixed asset funds and equity-type pension products.

Market observers, including Shanghai-based consultancy Z-Ben Advisors, have said that domestic mutual fund managers with experience of NSSF mandates and enterprise annuity schemes are likely to receive mandates from the NCSSF after the reform.

Local governments will need to transfer the funds in stages after the Investment Management Approach is implemented. Two provinces - Guangdong and Shandong - have signed mandates with the NCSSF for Rmb100 billion each. Guangdong's mandate has generated an average annual return of 5.5% over the past two years. Another seven provinces are likely to follow suit after the PPF reform has been implemented.

NCSSF managed a total of Rmb1.54 trillion in AUM, while the NSSF stood at Rmb1.17 trillion at the end of 2014. The NSSF generated an annual return of 11.69% last year, and has had average-year returns of 8.38% since it was established in 2000.

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Asset Owners

NCSF tipped for expansion under PPF reforms

By Teq Wu | 11 August 2015
 Keywords: ncsf | ppf | zheng bingwen | china | pension fund

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Speaking to Asianinvestor, Zheng Bingwen, director of the Centre for International Social Security Studies at the Chinese Academy of Social Sciences, said he expected the new policies to be announced in October this year.

He predicted that the PPF mandates would need as many as 20 external managers, and some of them will be newly-appointed in addition to the current 18 domestic mandated managers.

"With the growing size of the PPF, the programme will demand more professional investors. On the other hand, China has nearly 100 fund companies now, much more than ten years ago, meaning there are more potential managers to select from," Zheng said.

With two reform models under discussion, Zheng said it was highly likely that the MoHRSS would hand out the mandates to the NCSF, the body which was set up in 2000 to provide professional management of China's social security funds. The second model would set up a new centralised institution to manage the whole PPF pool from different provinces, thus creating competition with the NCSF.

"NCSF was funded by the Ministry of Finance and has operated differently [from the PPF] for more than ten years. One strong characteristic is it runs without a target date for fund distribution, thus its liquidity management will be different from the upcoming PPF mandates which have to distribute to Chinese workers," Zheng said.

"The investment strategies followed by the national social security fund (NSSF) and PPF mandates would be different. Therefore, the NCSF will need to build up a new risk management system, hire a new team and managers, and use the PPF mandates as a new fund pool for asset allocations," Zheng added.

Zheng and other market observers have said that the MoHRSS is likely to allow a total of **Rmb2 trillion** (\$322 billion) to be invested in financial market investments, including up to 30% of assets in domestic equities, equity funds, mixed asset funds and equity-type pension products.

Market observers, including Shanghai-based consultancy Z-Bee Advisors, have said that domestic mutual fund managers with experience of NSSF mandates and enterprise annuity schemes are **likely to receive mandates** from the NCSF after the reform.

Local governments will need to transfer the funds in stages after the

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