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Macro-Demographic view of Micropensions

Manila (24 September 2025)



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WHAT IT INFLUENCES

D: Discount rates, **Debt**

E: **Economic Growth**, Efficiency, Structure

M: **Mortality**

O: Organisation Behaviour, Structure

G: Geography, Geopolitics, **Governance**

R: Robotics, **Real Estate**

A: Asset Prices, **Asset Allocation**

P: **People, Pensions**, Politics

H: **Heterogeneity, Households**

I: **Inflation, Inequality**, Institutions

C: **Consumers**, Culture, Cities

S: **Sustainability**

WHO DOES IT PERTAIN TO?

All Consumers and Workers in world.

Not just their age or their numbers. Their behaviour too.

Affects GDP, GDP per capita, Debt, Consumption & Asset Prices

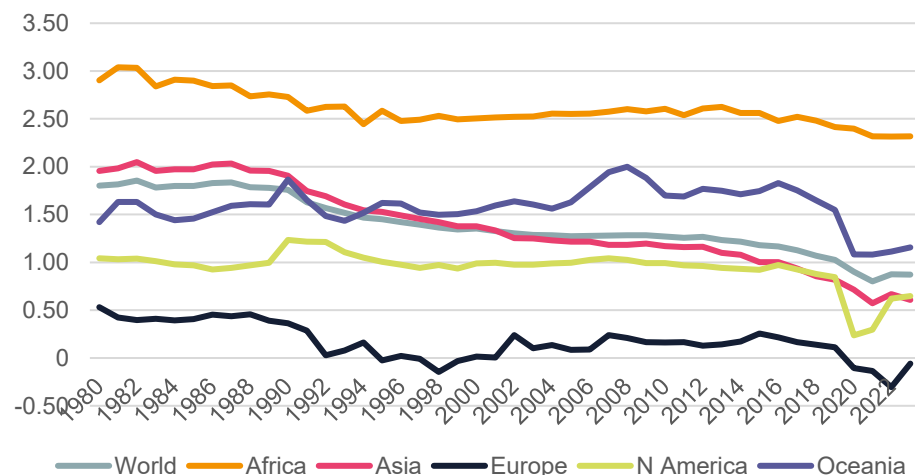
It affects **all Income Statements & Balance sheets** in the world for

- Individuals
- Households
- Corporates
- Nations

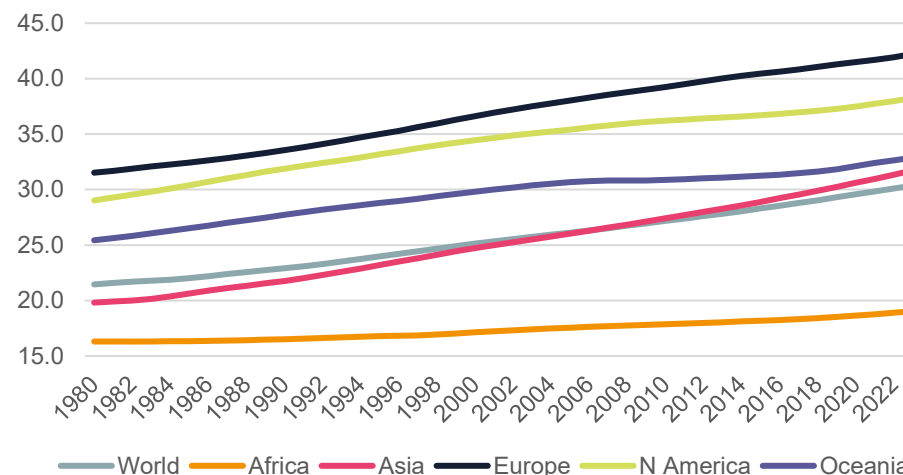
Comparative Demographics: 1980-2023

Asia vs World

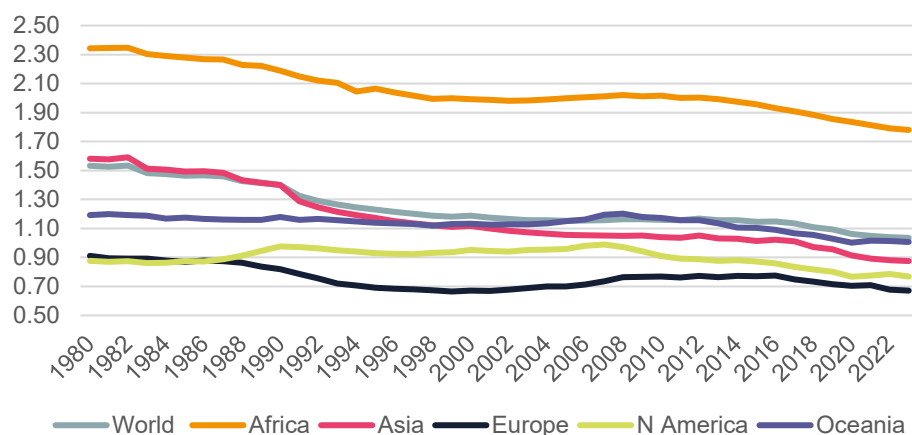
Population Growth rate (%)



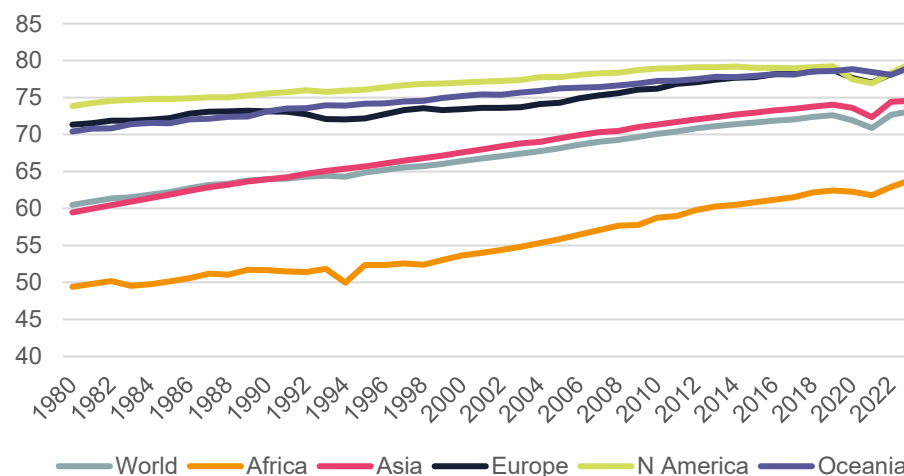
Median Age (years)



Net Reproduction Rate (surviving daughters per woman)



Life Expectancy at Birth (years)

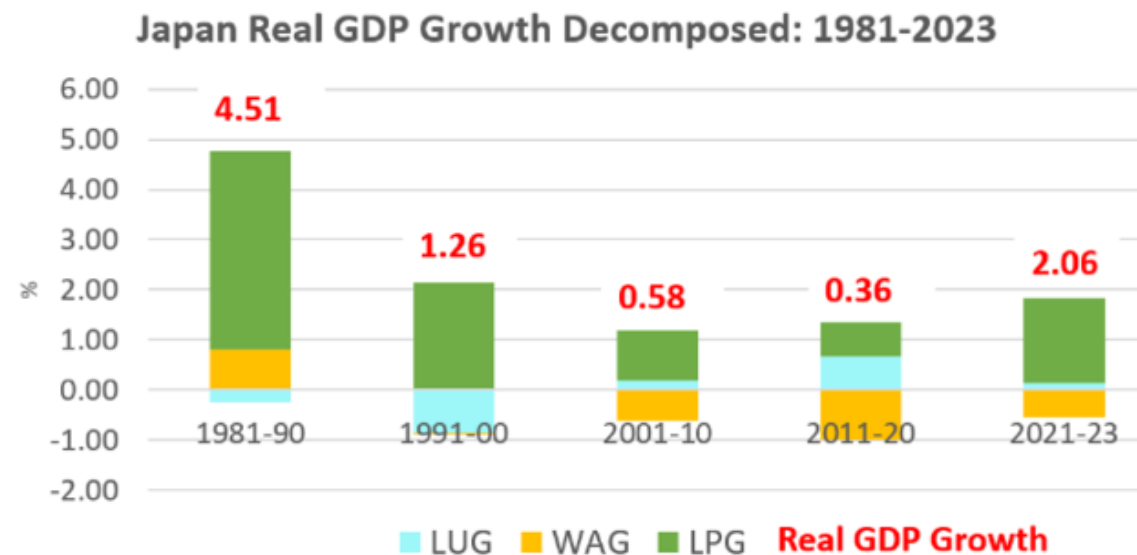
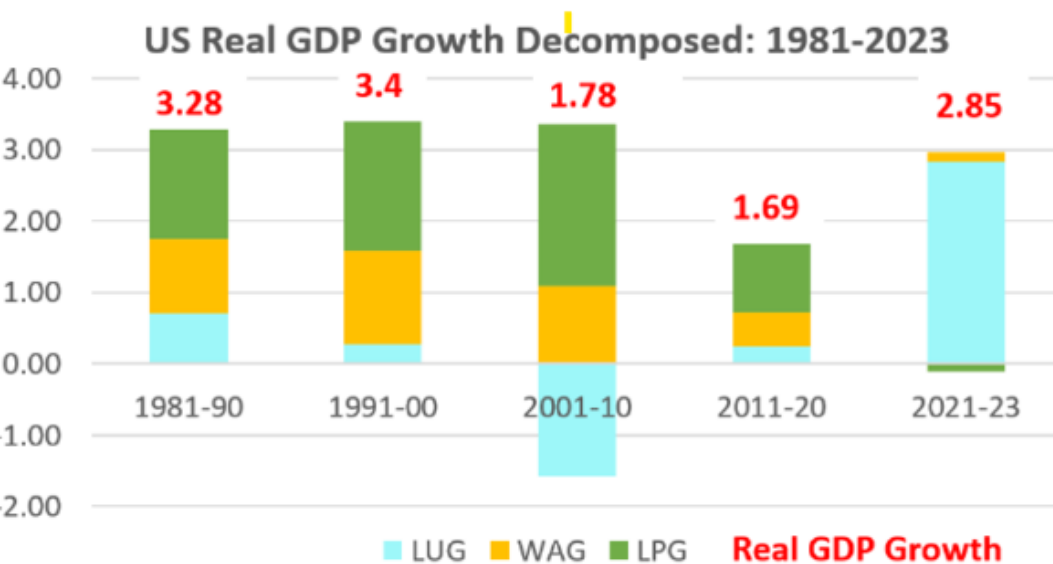


Source: UN

Micropensions could improve GDP growth

Affect Productivity growth, labour force growth and hours worked

$$\text{Labour Productivity Growth (LPG)} + \text{Working Age Population Growth (WAG)} + \text{Labour Utilization Growth (LUG)} = \text{Real GDP Growth}$$



Source: UN, GGDC, author's calculations

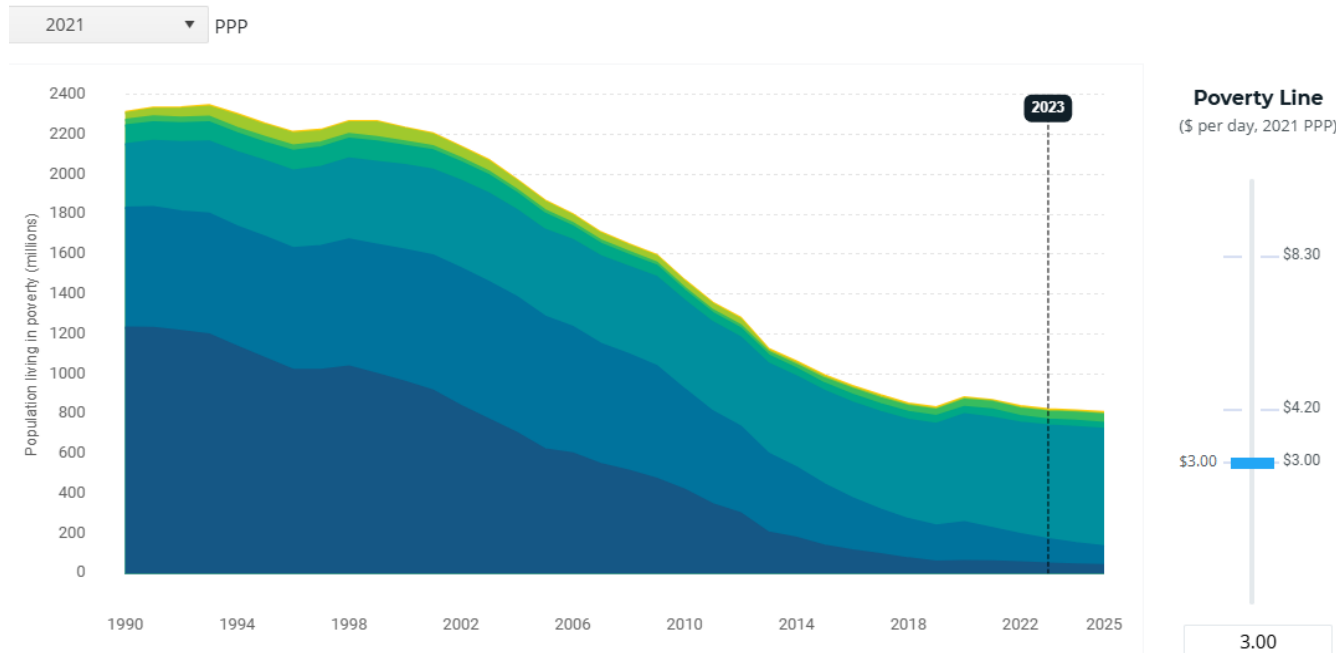
Poor people: need Life Cycle targeted support

A FAIR RESPONSIBLE world needs to improve education, health & pensions for the disadvantaged

DID YOU KNOW?

808
million

people lived below the **\$3.00** per day poverty line in 2025



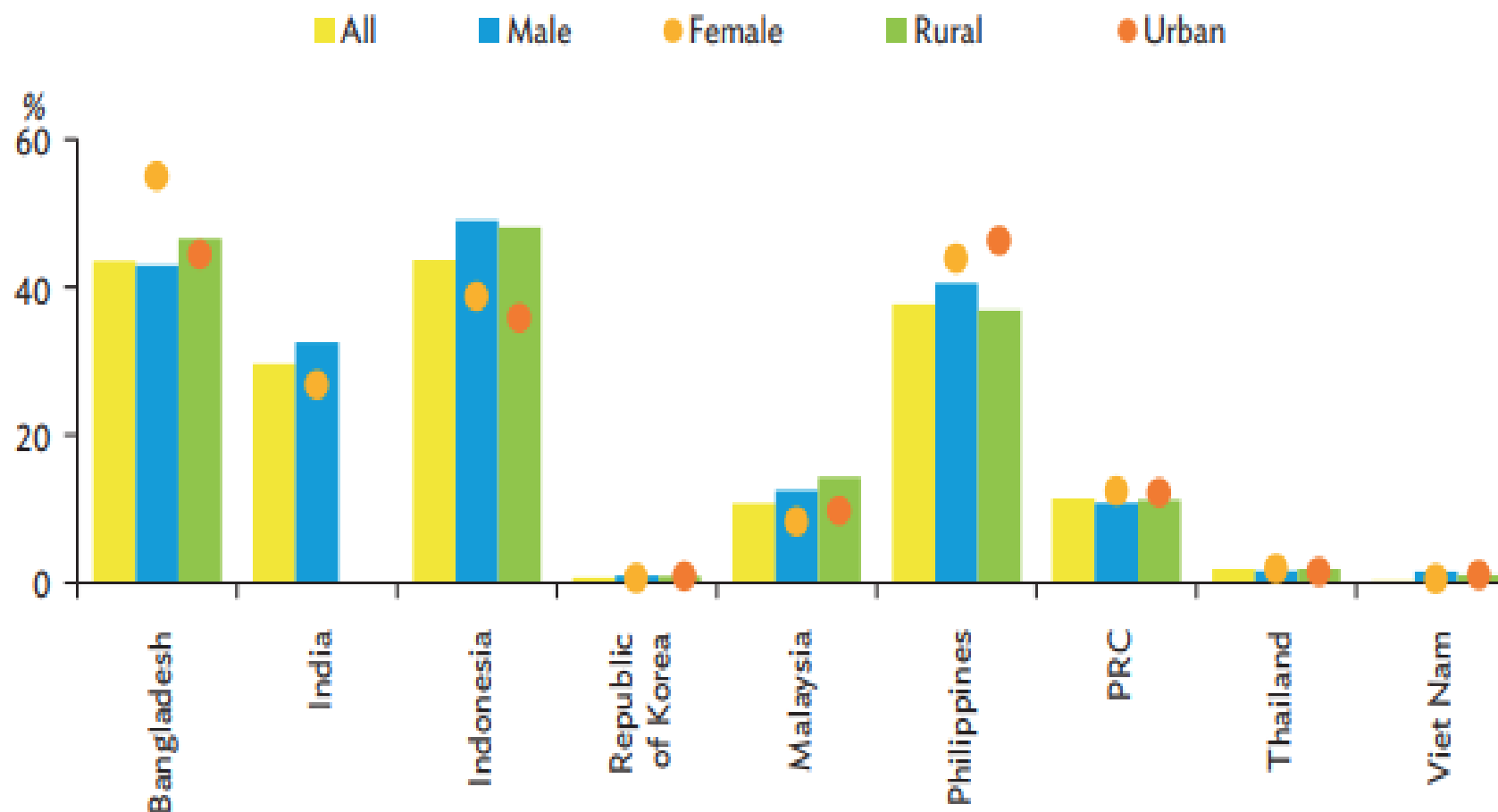
Source: World Bank

We **cannot just think about pensions for the poorest**

But right from birth think at **MINIMUM** about the **relevant SDGs 1-6,7&10** but **17 is most important**

- **no poverty,**
- **health,**
- **education,**
- **gender equality**
- **clean water & sanitation.**
- **reduced inequality**
- **Partnerships for all goals**

Unmet Health care Needs for 60-69 aged: Gender, Residence & the Economy



Source: ADB

Beyond GDP—Welfare & Sustainability Matter

	HDI Score	HDI Rank	Gender Gap Index Score	Gender Gap Index Rank	Corruption Perception Index Score	Corruption Perception Index Rank	Sustainability Index Score	Sustainability Index Rank
Singapore	0.946	13	0.744	48	84	3	71.41	65
Malaysia	0.819	67	0.668	114	50	57	69.32	79
Thailand	0.798	76	0.720	65	34	107	74.67	45
Vietnam	0.766	93	0.715	72	40	88	73.32	54
Indonesia	0.728	113	0.686	100	37	99	69.43	78
Philippines	0.720	117	0.779	25	33	114	67.47	92
All data pertain to 2023 or latest available								

Source: World Bank, WEF, UN, TI

Gender inequality is a reason for Micropensions ⁺ LCP powering possibility

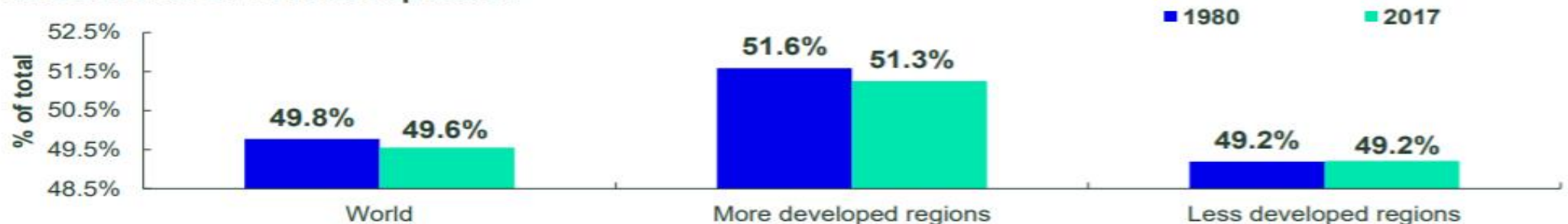
Gender Equality yields four golden dividends: growth increases, inequality decreases, public debt decreases and sustainability increases.

Total women: 2.22 bn (1980) to 3.74 bn (2017). Women live longer than men, in most countries.

Gender inequality hampers global growth and causes women to take on more debt, have lower pensions and higher poverty risk

Elimination of gender inequality is essential for macro growth, development and long-term economic welfare

Share of Women in Total Population



Source: UN, IMF, SSGA

- Demographics is about people characteristics: 8.2 bn people as Consumers & ~5.6 bn people as Workers.
 - **Changing behaviour** of consumers & workers rendering old models invalid
 - **Retirement Planning** requires **changes** in: Mindset, Tools & Asset Allocation.
- Micropensions and other solutions for the poorest, vulnerable and deprived of access needs **Holistic approaches integrating technology, policy reforms, communication**. Part of the World Bank's 5 pillars
- **Saving across the life cycle** needs to be emphasized at young ages with stress on managing **human capital and health**, both of which are critical for not just retirees but also workers.
- **Longevity risk solutions** are needed for the poorest too which necessitate pooling as well as partnerships across cooperatives, individuals, governments as well as capital market participants