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Time to Grow Old, Not Poor: A Digital Path to Pension Inclusion

The multi-trillion dollar global crisis and new market opportunity

~85%

Workers in developing countries neither eligible for retirement benefits nor saving for old age.

1.7 billion

Elderly without pension benefits across Asia, Africa and Latin America by 2050 if the current pension gap persists.

\$1.1 trillion

Annual fiscal cost of a tax-funded social pension of \$2 a day to the future destitute elderly in 2050

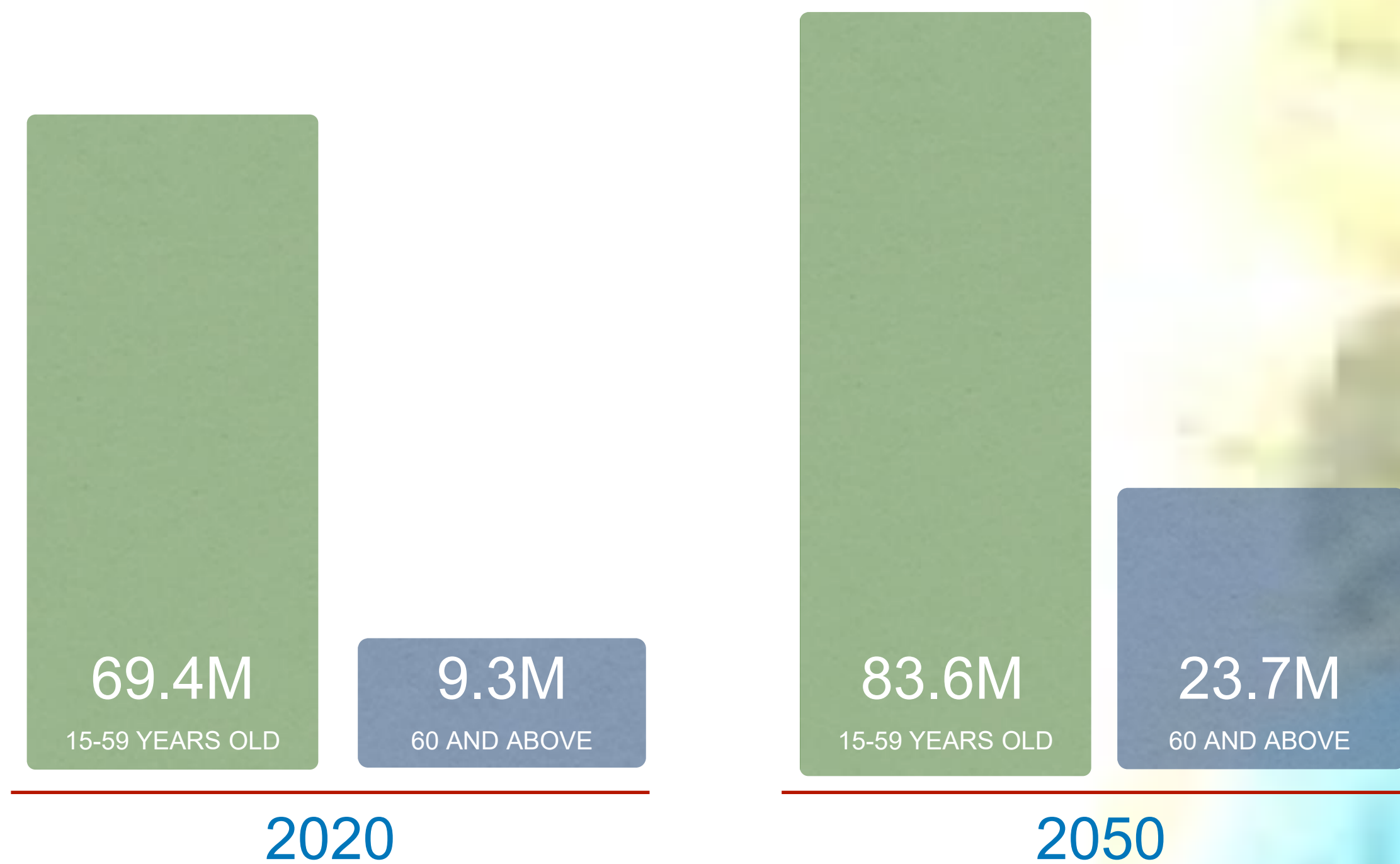
\$750

Inflation-indexed monthly pension at age 60 that a 22-year old today can enjoy by saving \$1 a day.

\$650 billion

Aggregate new long-term savings within a decade if even 10% of the excluded workers save \$1 a day.

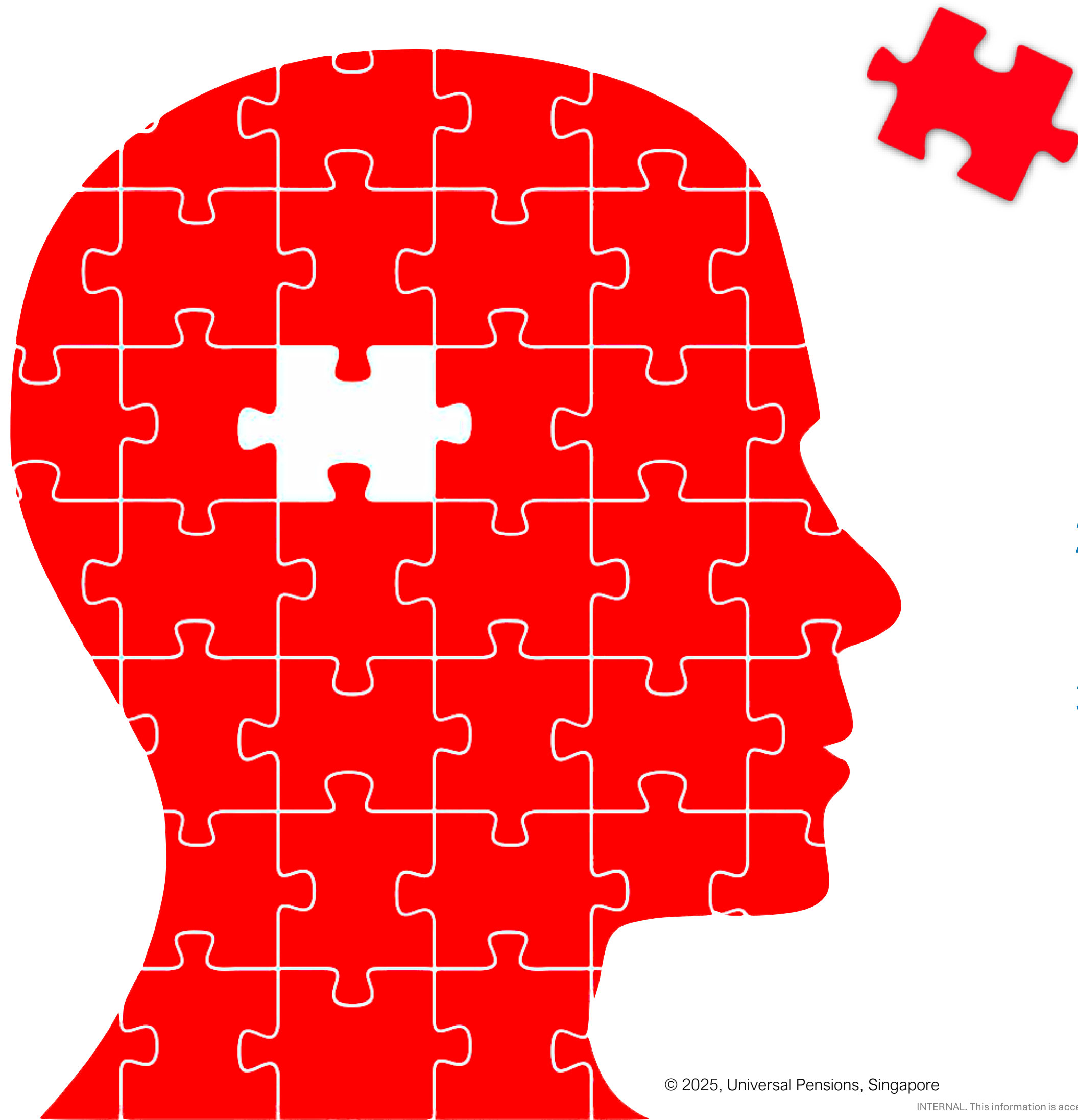
Ageing in the Philippines



SOURCES:
Philippine Statistics Authority (PSA); 2020 Census of Population and Housing
Economic Research Institute for ASEAN and East Asia (ERIA) estimates







Design Principles

1. Protect people today, so they can save for tomorrow
2. Use IT and secure APIs to integrate the DPI/ DFS ecosystem and switch-on a micro-pension marketplace
3. Start small, test rigorously and scale fast

Climate Change and Pension Inclusion Inter-linkages

- Pension inclusion and climate change action can be mutually reinforcing in achieving SDGs. Encouraging pension coverage among farm communities can contribute to poverty reduction, social equity, and resilience-building, aligning with the broader objectives of climate change adaptation and risk mitigation.
- Integrating ESG principles into pension fund investments can promote environment-friendly practices and support the transition to a low-carbon economy.
- By ensuring that informal workers, and especially women have access to pension and insurance solutions, and by addressing gender-specific challenges in retirement income security, policymakers can enhance women's resilience and adaptation capabilities in the face of climate change.



A top-down view of several hands of different skin tones reaching towards the center of a wooden table. They are holding and placing puzzle pieces that feature various icons: a location pin, gears, a globe, a sailboat, a lightbulb, a circular flow diagram, and a bar chart with an upward arrow.

Scaling Pension Inclusion

Build and pilot in
a regulatory sandbox

Co-finance insurance
and matching incentives

Set up a regional
resource and R&D hub



Pension
inclusion
works.



Matching aspirations
to reality.

Thank you!

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