



NATIONAL PENSIONS COLLEGE



CONTINUOUS PROFESSIONAL DEVELOPMENT (CPD) PROGRAMME

COURSE TITLE: RISK MANAGEMENT OF PENSION SCHEMES

COURSE CODE: PCRM03

A. BACKGROUND

Risk management is crucial in the management of every pension scheme for the successful attainment of the objectives of the scheme. As pension funds with the mandate or objective to provide adequate retirement income for members. Such objectives can be achieved a well-developed risk management framework which involves identifying risks and developing measures to mitigate them.

The urgent need to enhance the knowledge and skills of Trustees and managers of schemes has been triggered by:

- the recent happenings in the Ghanaian financial landscape which resulted in the exposure of pension funds;
- the introduction of unregulated alternative investment instruments in the new investment Guidelines; and
- the potential operational lapses in the administration and operations of Trustees.

Risk management policy of pension schemes may be influenced by the governance, administration and investment objective of the pension scheme.

This course focuses on the development of risk management framework, exploring the impact of credit and operational risks on the management of pension schemes.

B. COURSE OBJECTIVES

By the end of the course, participants should be able to:

- i. Understand the overview of risk management;
- ii. Understand the risk management framework for pension schemes;
- iii. Identify operational risk indicators;
- iv. Develop risk mitigating strategies;
- v. Understand triggers of operational and credit risks; and

- vi. Demand high professionalism and expertise from fund managers.

C. COURSE OUTLINE

- i. Develop an effective risk framework for pension fund management.
- ii. To be able to maximize a pension scheme's risk adjusted rate of return by maintaining credit risk exposure within acceptable parameters.
- iii. Develop an effective internal control policy.
- iv. Assessing the quality of issuers of investment instruments and underlying assets.
- v. Assessment of various operational risk indicators within the operations of pension scheme Trustees and service providers.
- vi. To understand and determine the probability of default.
- vii. To understand credit risk rating and its impact on pension fund investment decision making.
- viii. Understand the dimensions of operational risk associated with pension Trustees and service providers.
- ix. Risk-Based Supervision (RBS) of Pension Schemes
- x. Case Studies.

D. READING LIST

- National Pensions Act, 2008 (Act 766).
- Occupational and Personal (General) Regulations, 2011 (LI 1990).
- IOPS Guidelines and Good Practices on Private Pensions.
- Pension Fund Regulation and Risk Management: Results from an ALM Optimisation Exercise (2007): OECD Working Papers on Insurance and Private Pensions, No. 8.
- OECD/ IOPS Good Practices for Pension Funds' Risk Management Systems, 2011.
- Pension Funds' Risk-Management Framework: Regulation and Supervisory Oversight. OECD Working Papers on Insurance and Private Pensions No. 40, 2010.
- IOPS Toolkit for Risk-Based Pensions Supervision.

E. TARGET GROUP

Board of Directors/Trustees, practitioners, employees of pension Trustees and service provider.

F. VENUE

National Pensions Regulatory Authority Head Office.

DURATION

Three (3) Days.

COST

- Two Thousand Ghana Cedis (GHS 2,000.00) for Local participants.
- One Thousand US Dollars (1,000.00) for foreign participants.

A. HOW TO APPLY

Application form available on our website

www.npra.gov.gh/pensionscollege.

B. CONTACT DETAILS

Mailing Address: National Pensions College,
c/o National Pensions Regulatory Authority,
P. O. Box GP 22331, Accra.

Telephone No.: +233 (57) 912 2207

Email Address: pensionscollege@npra.gov.gh