

PRESS RELEASE

The Government of Iraq and the World Bank Group convened a workshop in Beirut February 15-20, 2010, to mark the formal launch of a Technical Assistance project aimed at providing support to the implementation Pensions Reform in Iraq.

The Iraq Pension Reform Implementation Support Technical Assistance (PRISTA) launch was attended by Iraqi counterparts from the National Board of Pensions (NBP), the Ministry of Finance (MOF), the Pension Reform Management Office and the State Pension Fund. A total of 20 government officials participated in the workshop, including the Chairman of the National Board of Pensions. The World Bank team included experts in pension policy, actuarial analysis, pension administration, pension information systems and implementation specialists.

The workshop was successful in ensuring deep understanding of the project's components and implementation stages. Participants were able to identify the potential challenges of Pension reform in Iraq and developed the action plan for implementing project activities slated for the first year. The Bank's Technical Assistance will focus on five main components which are prioritized to ensure immediate support to the short-term implementation requirements of the Unified Pension Law and building the institutional capacity of the NBP: (i) Develop Capacity to Implement the new Pension Law; (ii) Develop Actuarial and Pension Policy Analysis Capacity for the State Pension Fund (SPF); (iii) Improve the Physical Infrastructure of the NBP; (iv) Unify Mandatory Pension Provisions in Iraq; and (v) Develop Long-Term National Old-Age Income Protection Strategy for Iraq. While the World Bank will provide key technical assistance inputs, the Government of Iraq has committed to provide financial support to key infrastructure investment areas, including information technology systems and physical improvements to pension facilities.

Mr. Ali Ouwayed, Chairman of the National Board of Pensions commented saying *“The project enjoys a high level of endorsement by the Iraq Strategic Review Board and the Minister of Finance. It will build the capacities of the staff of the National Board of Pensions and provide them with the technical expertise to enable them to deliver quality services to the people of Iraq.”*

Ghassan Alkhoja, World Bank Senior Operations Officer and Team Leader, said *“This workshop culminates two years of joint efforts and hard work to establish a robust platform through which we can now partner on supporting the implementation of the long-needed reform of the Pension System in Iraq.”*

Iraq first passed a pension reform law in January 2006, but its implementation was suspended as it was widely deemed to be fiscally unsustainable. The Law was subsequently amended and ratified in December 2007 as the Unified Pension Law which incorporated new measures to safeguard its financial sustainability. The Unified Pension Law also stipulated the unification of public and private sector pension schemes and created the National Board of Pensions (NBP) and the State Pension Fund (SPF), to replace the old State Pension System.