

THE DESIGN OF SUPPLEMENTARY PENSION SCHEMES IN POLAND AND LONGEVITY RISK: CURRENT SITUATION AND PROPOSED CHANGES

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ABSTRACT

The paper investigates the influence of the design of voluntary, supplementary pension schemes in Poland (occupational pension schemes, retirement savings accounts and the new individual pension protection accounts) on longevity risk. The author formulates the general conclusion that none of the analyzed supplementary pension schemes provides future pensioners with compulsory life annuities or other hedging instruments that could effectively mitigate longevity risk.

New capital market solutions are needed in Poland to deal with the longevity risk. The text includes some proposals of mortality-linked financial products for Polish market.