



INCREASING COVERAGE IN ASSET-BACKED PENSIONS

Pablo Antolin
Head of Insurance and Pensions
OECD Directorate of Financial and Enterprise Affairs
Lisbon, 12 January 2026



Objective – Main message

- How to increase coverage in asset-backed pensions?
 - Design ABP as inclusive as possible (everyone should have access to ABP with same characteristics)
- How do we do that?
 - Mandatory, quasi-mandatory, auto-enrolment, and voluntary arrangements
 - Policy makers should avoid eligibility criteria and strict rules that may disadvantage specific groups such as women and people in non-standard forms of work.
- What are the options available to increase coverage (participation and contributions)? Do they work? Under what conditions?



How to make ABP more inclusive?

OECD Recommendation for the Good Design of DC Pensions Plans

- #2: Where mandatory enrolment is not considered opportune, automatic enrolment, covering all employees and possibly the self-employed, can enhance participation while giving individuals the possibility to opt out.
- Avoid eligibility criteria that disadvantages certain groups
- Be careful when considering design features that may make saving for retirement attractive (e.g. guarantees and early access to funds) but may end up reducing retirement income. Any early access to retirement savings should be a measure of last resort and based on individuals' specific hardship circumstances.
- #4: Financial incentives (How do they work?)
- #3: Establish contributions at a level sufficiently to achieve target retirement income



Does it work?

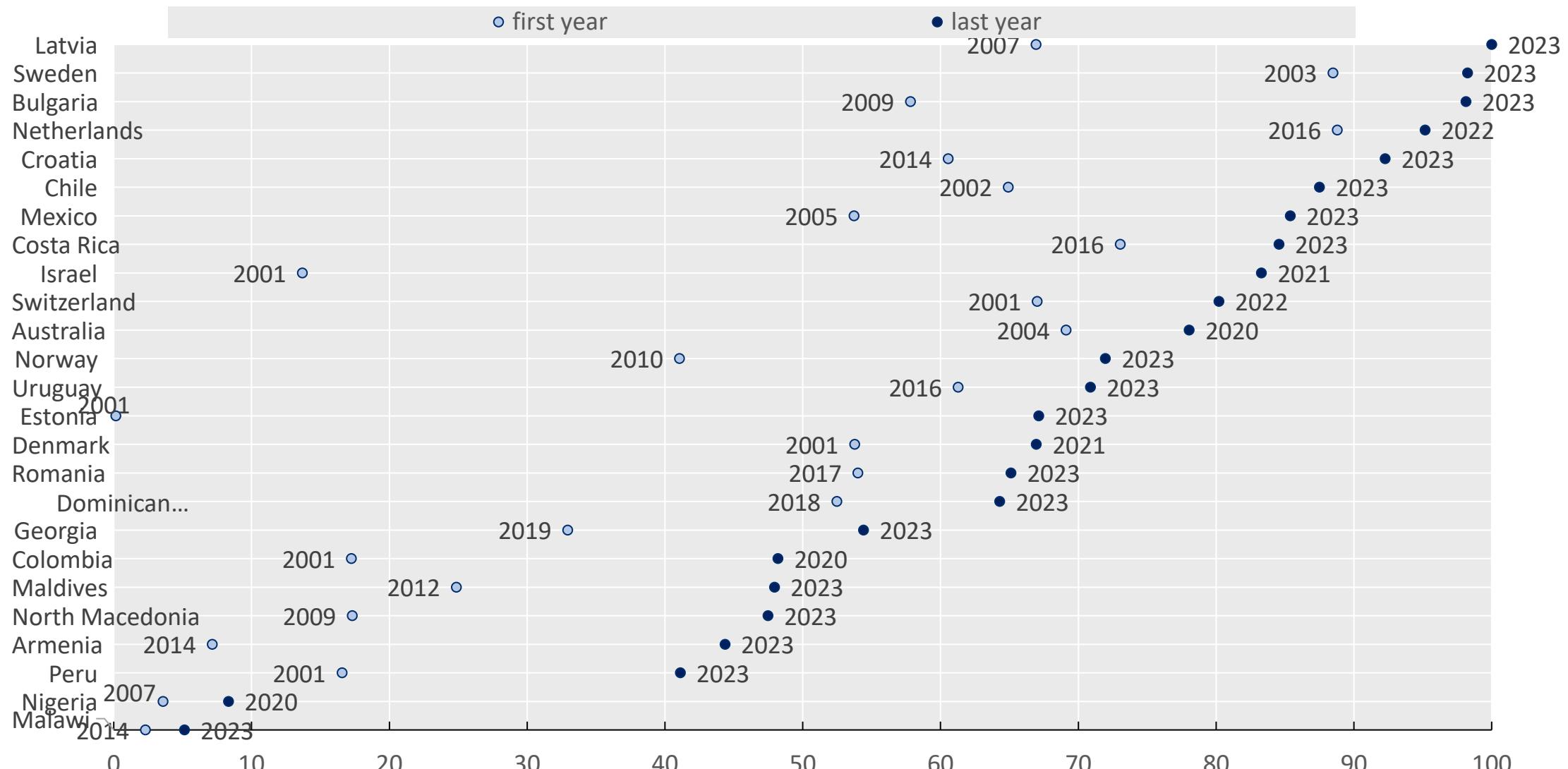
- Mandates increases coverage the most
- Quasi-mandates: social partners agreements at the industry or sectorial level (e.g: Netherlands), mandatory or AE when agreed
- Automatic enrolment (AE): be careful with design pitfalls
 - AE increasing: [USA](#), [Italy](#), [NZL](#), [Canada](#), [UK](#), [Turkey](#), [Germany](#), [Lithuania](#), [Poland](#), [Slovakia](#), [Ireland](#) (2026)
- Voluntary systems: available for all and financial incentives (How to provide them?) - USA



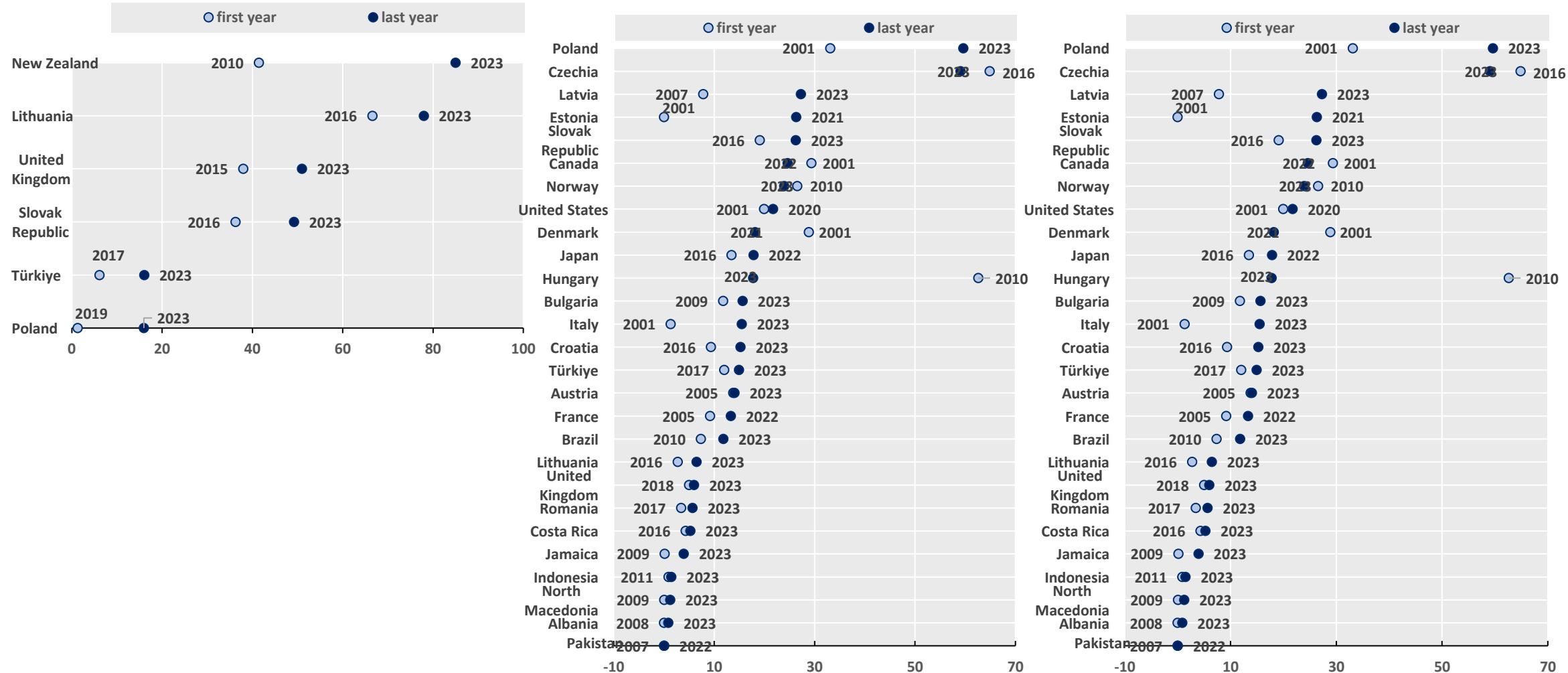
Does it work?

- Avoid design features that excludes (e.g. eligibility criteria) non-standard forms of work (NSFW: no life-time permanent income): income volatility, self employed, temporary workers, gig-economy (high, low, uncertain, volatile and discontinuous income), gender.
- Appropriate plans and mechanisms for people in NSFW to have access, participate and save => flexibility
- Contributions sufficiently high to be meaningful and achieve target retirement incomes (coherence #1)
- Improve communication (national pension campaigns, pension statements, social media, use of technology, calculators, projections, financial education) => R9 and R10: explain, communicate, explain ...

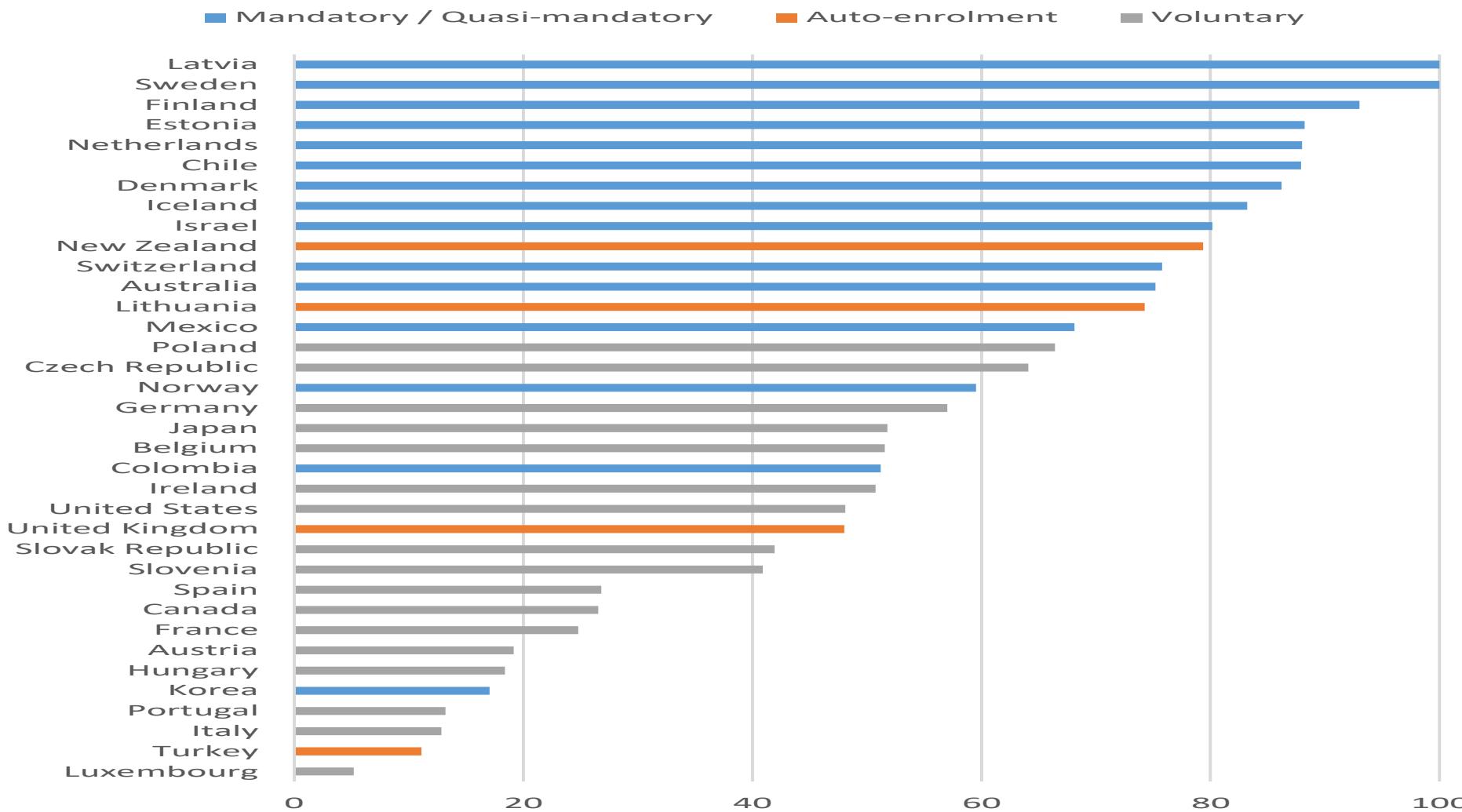
Share of WAP in asset-backed pensions - compulsory



Share of WAP in asset-backed pensions – AE, voluntary

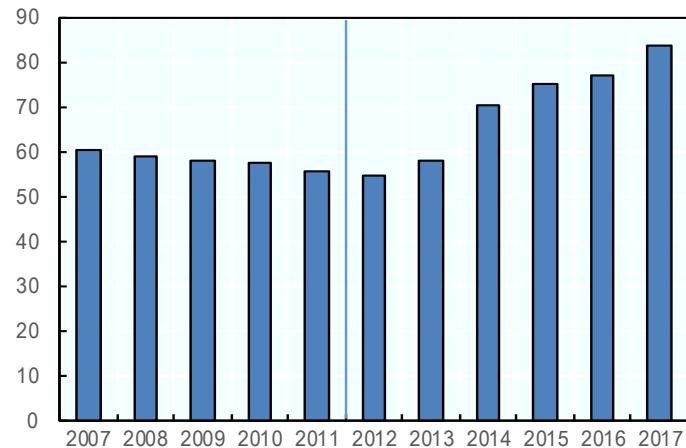


Coverage of retirement savings plans, % WAP

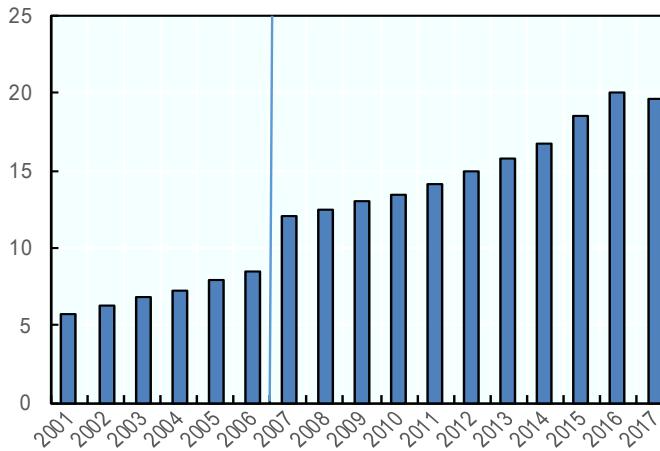


Evolution participation rates in countries with AE

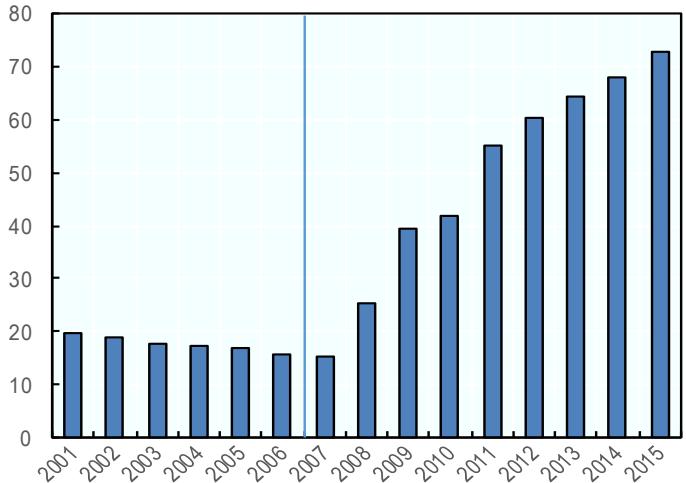
United Kingdom



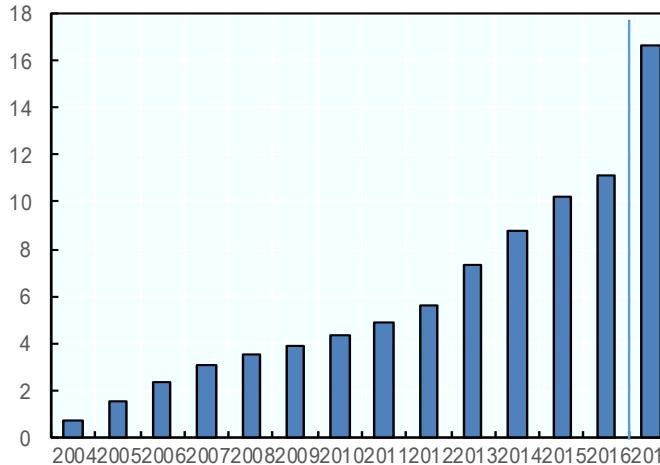
Italy



New Zealand



Turkey





AE: Does it work? Key characteristics

- Employers' obligation: Italy, Canada (Quebec), New Zealand, Poland, Turkey, UK, US (state-based auto-IRAs)
- Social partner's agreements: Germany
- Target population: employees only, except in Lithuania
- Opting-out window: 1-6 months
- Automatic re-enrolment (2-4 years): Canada (Quebec), Lithuania, Poland, Turkey, UK
- Financial incentives: matching, subsidies (in the account immediately)



Main messages

- How to increase coverage?
- Asset-backed pensions should be as inclusive as possible.

Mandates,

Quasi-mandatory arrangements (social partners agreements),

**Automatic enrolment (behavioural): It works when avoiding
design pitfalls,**

Financial incentives in voluntary systems.

Avoid eligibility criteria and early access to retirement funds



THANK YOU



How much to contribute?

- Link contributions to retirement income objectives
- Four tools to help plan members reaching the appropriate contribution levels for them along their career
 - Automatic escalation of contributions
 - Flexible contributions linked to capacity
 - Matching contributions
 - Technology
- Addresses the need to contribute for longer by starting early and postponing retirement, especially when life expectancy increases (regressive), ratio years savings to years contributing.