

Core Policy Area (CPA-2)

Improve Contingent Liability Management

Principal Objectives	Subprogram 1 Actions (July 2006 to October 2007)	Subprogram 2 Actions (January 2008– September 2009)	Subprogram 3 Actions (October 2009– March 2012)	Remarks
Improve financing, investment, and sustainability of pension and GP Fund expenses.	Actuarial analysis completed, and pension liabilities and cash-flow needs determined.	GPIF Act enacted by provincial assembly.	PRs.9 billion for FY2011 transferred to PPF and GPIF in line with financing strategy.	[Complied with]
	Funding strategy with time-bound funding plan for PPF and GPIF adopted.	PRs.12 billion transferred to the PPF in line with revised funding strategy for the PPF, and GPIF approved by the provincial cabinet.	PRs.12 billion transferred to the PPF in line with revised funding strategy for the PPF, and GPIF approved by the provincial cabinet.	[Partly Complied with]
	PPF Rules with clear fiduciary norms for fund management adopted, and its Management Committee established.	PPF operationalized with (i) appointment of general manager and at least three professional staff and (ii) appointment of trustee and external auditor.	PPF and GPIF managed by a single investment unit, with adequate capacity and sound governance structures and practices.	[Complied with]
	GPIF Law submitted to Provincial Assembly.	Contingent liabilities of the PPF and the GP Fund as of June 2008 estimated and included in the white paper for the FY2010 budget.	Pension scheme and GP Fund expense report prepared in line with Public Sector Accounting Standard 25 and integrated into FY2011 budget.	[Complied with]
	Policy note on key priorities for pension administration prepared and a Pension Administration Taskforce (PAT) appointed to establish sound recordkeeping and			

	administration systems, on the basis of a thorough assessment of the systemic weaknesses.			
Improve record-keeping and administration.		PAT to launch testing of alternative procedures to facilitate efficiency and accuracy of data gathering, validation, and entry of historic GP Fund records.	Data gathering, validation, and entry of historic GP Fund records implemented.	ADB revised the policy action and informed that data gathering and data validation may only be limited to HR data. Action to this extent has been completed.
		The Office of the Accountant-General has completed data entry in SAP/R3 database for (i) 988,338 employees, (ii) 165,899 pensioners, and (iii) 782,443 GP Fund records of which 162,587 records have been updated based on ledger books excluding missing subscriptions.	PAT to confirm data entry in SAP/R3 database completed for most of civil servants on payroll, pensioners and GP Fund record.	[Complied with]