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PACIFIC RETIREMENT FUNDS: ANCHORING SOCIAL PROTECTION IN GOOD FINANCE

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This Pacific Finance Sector Policy Paper is the second of a series covering topical issues in Pacific finance, with the combined aim of assisting Pacific policymakers alleviate the constraints faced by Pacific businesses when trying to access finance.

The series is prepared by the Asian Development Bank's (ADB's) Pacific Private Sector Development Initiative (PSDI). PSDI's finance sector expert, Dr Peter Dirou, is the series' principal author and Erin Harris is the series editor. PSDI acknowledges the contribution of Paul Scully to its work with Pacific funds and his review of this policy paper. PSDI is a regional technical assistance facility cofinanced by ADB, the Government of Australia, and the Government of New Zealand. The views expressed in this publication are those of the authors and do not necessarily reflect the views and policies of ADB, its Board of Governors, or the government partners of PSDI.

Front cover photo: NASFUND Contributors Savings & Loan Society. Port Moresby.

PACIFIC RETIREMENT FUNDS: ANCHORING SOCIAL PROTECTION IN GOOD FINANCE

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1 SECTION ONE INTRODUCTION

Retirement funds are a pervasive feature of Pacific financial systems[1]. Each of ADB's Pacific developing member countries (DMCs), except Niue, has a retirement fund of some description (Figure 1).[2] Although these funds are not government-owned, they are central to the social protection system. In developed financial systems, retirement funds also play an important financing role: they are structured as financial institutions, primarily holding financial assets on their balance sheets, and they are regulated as financial institutions.

The financing role of retirement funds raises several complex public policy issues. While the primary role of retirement funds is to provide social protection in retirement, they cannot do so effectively unless they are well-run financial institutions: social protection must be anchored in good finance. Any financing role must also be rationalized against the role of other finance providers within the domestic financial system.

The operations and performance of retirement funds is an increasingly topical issue through the Pacific. There are questions about the type of financial services funds provide and the types of investments they should be making, including whether they should actively compete with other financial services providers. Two recent developments—the impact of the global coronavirus pandemic (COVID-19) and the establishment of the Pacific Islands Investment Forum (PIIF)—have increased public and political commentary on fund operations.

As Pacific governments grappled with the initial economic impacts of COVID-19, they had to assess whether to include retirement fund withdrawals in measures to bolster household incomes or whether to protect member contributions as working hours were reduced and unemployment increased. Contribution withdrawals reduced fund liquidity, as did decreased contributions caused by employment losses and lower personal incomes. Fund liquidity was also affected by lower investment returns, due to lower interest rates and reduced dividends, and the overall financial strength of funds came under pressure whenever the carrying value of investments reduced in listed and unlisted markets. But even before the onset of COVID-19 there were concerns about the financial performance of some of these funds.

In 2018, the regional forum of Pacific islands provident funds and social security schemes expanded its membership to include sovereign wealth funds and trust funds and was rebadged as PIIF. As the name suggests, the intention is to position PIIF as a collective investment vehicle for Pacific funds. This should provide additional investment opportunities for individual funds, but those investments will still need to be consistent with

[1] The term "retirement fund" is used as a general descriptor of privately-run funds—that is, those that have members and are not part of a central government balance sheet—in Pacific DMCs. It is also used to distinguish these funds from the three sovereign wealth funds in the region—the Kiribati Revenue Equalisation Reserve, the Nauru Intergenerational Trust Fund, and the Tuvalu Trust Fund. Sovereign wealth funds are intergenerational with a constituency of all citizens, while the constituency of retirement funds is the members of the funds, and sometimes their dependents.

[2] Niue has expressed interest in establishing a retirement fund.

individual funds' investment policies to safeguard the interests of their members.

This policy paper draws on the ongoing work PSDI is doing with individual Pacific funds and regulators and aims to assist policymakers address questions around:

(i) **the financing role of retirement funds** in Pacific DMCs, and

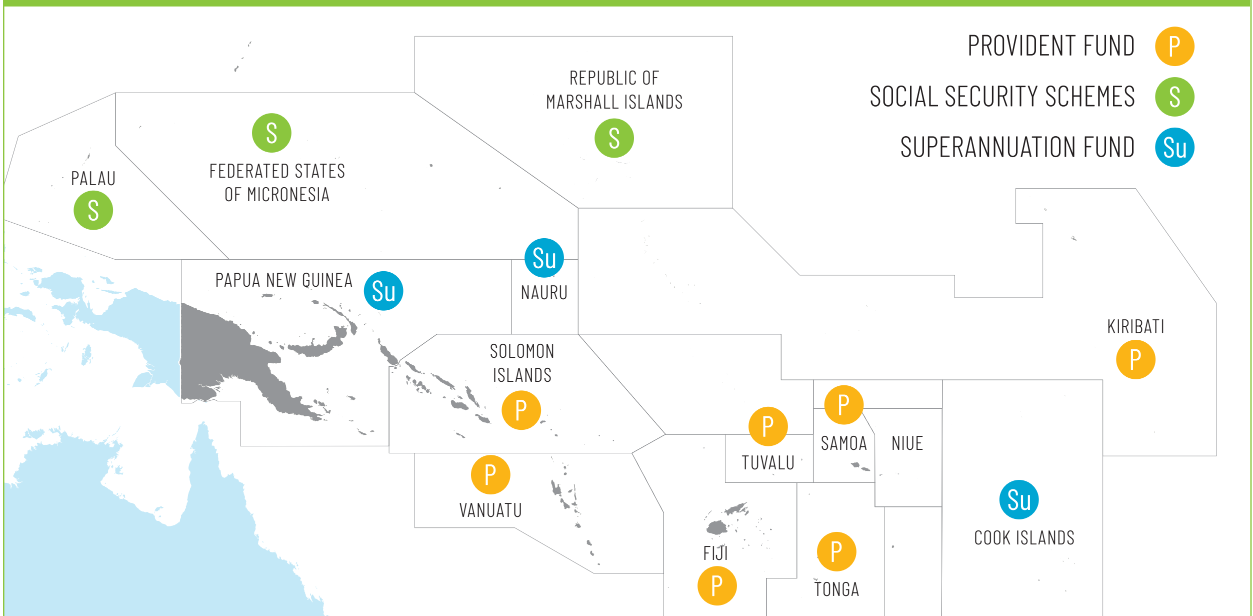
(ii) **the implications for the asset composition** of individual funds.

The underlying propositions are that any examination of retirement funds needs to take into account the level of development in other parts of the financial system and that these funds have a crucial role in Pacific finance sector development.

The paper challenges policymakers in individual countries to clarify whether the primary focus of any fund should be on retirement or wider social protection for members. That clarification also requires a complementary assessment of governments' wider social protection policy objectives and the institutional framework that supports those objectives, both of which are beyond the scope of this brief. Another important challenge for policymakers, and also beyond the scope of this brief, is to reckon with the contraints that disadvantage women's entitlements to retirement benefits in many Pacific countries. PSDI is working to identify the general ways in which women may be disadvantaged by the existing institutional arrangements governing retirement funds and the type of policy responses needed to address these disadvantages.

Section two provides an overview of the prevalence and structure of retirement funds in Pacific DMCs, highlighting their diversity, including differences in the asset composition of fund balance sheets—assets that finance their social protection roles—and their financing activities. With this background, section three suggests key principles that can guide policy development, and then applies these principles to the financing activities of funds. Concluding comments are given in section four.

FIGURE 1: **RETIREMENT FUNDS IN THE PACIFIC**



Source: Pacific Private Sector Development Initiative

2 SECTION TWO PACIFIC CONTEXT

KEY MESSAGES

The provident fund is the most prevalent retirement fund structure of the Pacific. Provident funds provide a wider range of benefits and social protection than more narrowly focused superannuation funds.

Investment opportunities for Pacific funds are more limited than those in developed financial systems, resulting in more pronounced asset concentrations, with consequent concentration risk.

Pacific funds are not usually important participants in capital markets, in the way that retirement funds are in developed financial systems. Capital markets are underdeveloped through the Pacific, further limiting investment opportunities available to Pacific retirement funds.

Credit markets are underdeveloped in the Pacific and it is difficult to access credit. Several funds are partially filling this gap. Whether funds should continue to provide this type of finance is a contentious issue for policymakers.

Most countries in the Pacific have only one fund covering both private and public sector employees. This is unsurprising given their mostly small populations. Separate public and private sector funds can be found in Papua New Guinea (PNG) and Tonga, however, while Palau has a pension plan for civil servants in addition to a universal national social security scheme. There are also some restricted membership funds, such as the Defence Force Retirement Benefit Fund in PNG, and funds for politicians and the judiciary in several countries.

The provident fund is the dominant model. Provident funds provide a range of financial services and benefits and are found in Fiji, Kiribati, PNG, Samoa, Solomon Islands, Tuvalu, and Vanuatu.

While they don't carry provident fund nomenclature, the Retirement Fund Board and the National Retirement Benefits Fund in Tonga are also provident funds in nature. All of these funds are structured as independent entities operating off their own balance sheets. In effect, they should operate as if they were owned by members.

Social security schemes are found in the three countries of the North Pacific—Federated States of Micronesia, Palau, and the Republic of the Marshall Islands. These schemes are administered by governments and operate off their own balance sheet but are also part of the overall central government balance sheet. As with provident funds, they provide a range of benefits.

Two PNG funds—Nambawan Super and the National Superannuation Fund (nasfund)—the Cook Islands National Superannuation Fund (CINSF), and the Nauru Super Scheme have a narrower retirement focus, although the PNG funds do provide housing finance as required under PNG legislation. The balance sheets of these superannuation funds are independent of central government.

MEMBERSHIP, CONTRIBUTIONS, AND BENEFITS

Generally, the key features of the Pacific retirement funds are:

- **Fund membership is usually compulsory and limited to employed persons.** Some countries have extended membership to self-employed and those in the informal economy. There is also growing interest in widening membership to include members' children, with the objective of developing long-term savings habits that would generate larger benefits at retirement
- **Most funds are defined contribution schemes.** The exception to this are the North Pacific funds, which are defined benefit schemes.
- **Employee contribution rates vary, with most in the 5–8% range.** In the majority of cases, employers are required to match employee contributions. The most common retirement age is 60 years and most funds have an early retirement provision.
- **Most funds provide non-retirement benefits.** Typically, these include a lump sum withdrawal upon death or permanent disability; and early withdrawal entitlements, for example when emigrating. Insurance protection—typically life insurance—is offered by many of the funds, and general insurance and health insurance are increasingly being offered.
- **Funds often allow members to withdraw balances for hardship reasons—such as illness—or for the education of dependents.** Some funds provide personal loans to members to cover these contingencies, or to finance housing and home improvement.
- **Pacific funds generally offer only one investment option to members.** The exception is CINSF, which offers members a choice of investments—conservative, balanced, and growth funds.

ASSET STRUCTURE

Pension funds in developed financial systems structure their balance sheets within an appropriate risk-return framework to:

(i) **build the wealth of the fund** in order to increase members' retirement benefits;

(ii) **provide liquidity** to meet obligations for benefit payments and withdrawals; and

(iii) **diversify risk.**

The core assets are typically listed domestic and international equities, listed domestic and international bonds, and property and infrastructure, with a portion held in cash and other liquid assets to meet liquidity needs and to give the flexibility to respond to investment opportunities. Funds might also invest in a range of other asset classes, such as direct investment in fisheries and forestry, and specialist private equity funds.

Investment opportunities for Pacific funds are more limited, resulting in considerable variation in the asset composition of Pacific funds, despite individual funds having ostensibly similar investment objectives. It is not unusual for individual funds to concentrate investments in a particular class of assets, or to invest in either predominantly domestic assets or predominantly foreign assets. For domestic assets, there are examples of funds that have concentrated investments in bank deposits, or loans to members, or unlisted equities.

The concentration of assets by investment location—domestic or foreign—is pronounced in

the Pacific, with consequent concentration risk. For funds domiciled in countries that use a foreign currency—the three North Pacific countries (USD), Kiribati, Nauru, and Tuvalu (AUD), and the Cook Islands (NZD)—their investment portfolios totally, or primarily, comprise foreign assets. These are also the smallest countries in the Pacific.

In marked contrast, funds in countries with central banks and their own currencies—Fiji, PNG, Samoa, Solomon Islands, Tonga, and Vanuatu—predominantly invest in domestic assets. While this is counterintuitive, given the absence or underdeveloped state of capital markets in the region, there are two main reasons for it. First, central banks in all of these countries, except for Vanuatu, have imposed foreign exchange restrictions. While this restriction is not an outright prohibition, and has been partially relaxed in several countries, it is still a significant constraint on funds implementing desired foreign asset allocations. Second, several funds have incurred large losses on foreign investments in the past, and stakeholders fear any repeat.

Not surprisingly, the bigger funds in the region—Fiji National Provident Fund (FNPF) and PNG's Nambawan Super and nasfund—have more diversified investment portfolios, although subject to foreign exchange restrictions. They have sizeable investments in domestic tourism, other property developments, and domestic government bonds—the last being partially reflective of foreign exchange restrictions and an implicit obligation to invest in domestic government bonds.

FINANCING ROLE

A fund's assets are the instrument through which they play their financing role in any economy. In a developed financial system, that role is generally one of providing longer-term investment finance for businesses, and sometimes state-owned enterprises, through equity and longer-term fixed income securities, such as bonds. In short, these funds are important participants in capital markets. That is not usually the case in the Pacific, for several reasons:

- capital markets are underdeveloped in the bigger economies of Fiji and PNG, and non-existent in other Pacific DMCs;
- there is a shortage of investment projects that would fit the risk-return thresholds funds have adopted; and
- funds—trustees and management—lack the required investment appraisal and risk management skills, and in instances where these skills exist, they may not always be recognized by regulators and governments.

Even where funds are making long-term domestic investments, the irony is they would probably prefer less domestic exposure. Yet foreign exchange restrictions prevent them from achieving an asset diversity consistent with their preferred risk-return appetite.

Credit markets are underdeveloped in the Pacific. Despite the excess liquidity that characterizes most Pacific financial systems, individuals and businesses—especially small and medium-sized enterprises—find it difficult to access credit. Several funds have partially filled this gap, lending to members secured against their accumulated contributions. Some funds are also exploring lending to employers, given their importance to funding employee contributions and domestic activity more generally.

Whether funds should continue to provide this type of credit financing is a contentious issue for policymakers. The bigger issue that policymakers need to clarify is the 'natural' financing role of Pacific retirement funds while keeping the retirement security of fund members the primary purpose.

SECTION THREE

3 REASSESSING THE FINANCING ROLE OF PACIFIC FUNDS

KEY MESSAGES

Policymakers should focus on clarifying the role of retirement funds in the Pacific— whether that is a narrow focus on retirement, a wider social protection role, or somewhere in between.

Whatever the role a fund is assigned, it must be financially sustainable.

There is also a widespread expectation that funds should allow early withdrawals during national emergencies, but these withdrawals have a lasting impact on the size of future retirement benefits.

Pacific fund contributors have an almost universal preference for lump sum benefits at retirement age. However, given increases in life expectancy, it seems inevitable that pension products will become the default.

There is a strong investment case for most Pacific funds to increase the relative share of foreign equities in their asset mix.

Funds can play an important role in financing domestic long-term investment and contribute to financial sector development through investing in unlisted companies, commercial property, and long-term debt. There are strong risk-return reasons for doing so.

Other financing activities undertaken by funds need to be consistent with a country's financial sector development. Many Pacific funds provide non-retirement benefits and finance medical and education expenses, in addition to financing retirement. Providing loans and insurance protection to member is contentious and must not compromise retirement benefits.

The fundamental issue confronting Pacific policymakers is what role, or roles, Pacific retirement funds should be playing. This paper highlights that providing for retirement is not the singular focus of most Pacific funds—many are also providing for life's contingencies—calling into question the positioning of these funds within governments' wider social protection policies. Should there be a narrow focus on providing for retirement—preferably through pension products—or should funds play a wider social protection role? Or does the answer lie somewhere in between?

Once that question is answered, policymakers can address the financing role, including any contribution to finance sector development. The key underlying proposition is that a fund's asset structure needs to support both social protection and financing roles, but that asset structure should not impede financial sector development. This section proposes a set of principles that can help structure that policy discussion.

PRINCIPLES UNDERLYING POLICY DEVELOPMENT

Retirement funds exist to provide some form of social protection for retirement and are structured as financial institutions to achieve that objective. Therefore:

- If the primary objective is to underwrite the retirement phase of members, there needs to be a transition away from lump sum payments at retirement to pensions, in full or in part, through the retirement phase.
- This does not mean that funds cannot, or should not, provide other financial products and services, but financing retirement should not be compromised. It also means that funds have to provide a superior long-term savings product—superior to bank term deposits.
- Whatever the assigned role, a fund has to be financially sustainable.
- Funds have to demonstrate that they are acting in the interests of members. This is the paramount duty of trustees.
- A fund's financing activities should be consistent with broader finance sector development strategies.
- All aspects of a fund's operations should be regulated to protect members' interests and finance sector stability and so that regulated credit institutions are not disadvantaged.

APPLICATION TO A FUND'S FINANCING ROLE

RETIREMENT BENEFITS

With aging populations throughout the Pacific, the adequacy of income through retirement will become a policy focus. Currently, contributors to Pacific funds have an almost universal preference for receiving a lump sum benefit at the age of retirement rather than a pension through retirement. This is a consequence of several factors: earlier borrowings against accumulated balances have to be repaid, a preference for immediate consumption at retirement, and access to other forms of financial support. In preferring a lump sum payment, members are also taking a bet on life expectancy at retirement.

The wisdom of earlier fund design decisions is increasingly being called into question. Given the increase in life expectancy, it seems inevitable that pension products will need to be the default option. An important challenge for funds, then, is to transition their balance sheets to support this change.

PROTECTING AGAINST LIFE'S CONTINGENCIES

The expectation for funds to allow withdrawals for life's contingencies is widespread, but the negative impact on retirement savings needs to be offset. The impact of early withdrawals on future retirement benefits is well understood by funds, but less well understood by members: the younger the age at which this withdrawal occurs, the greater the reduction in future retirement benefits.

Several Pacific funds limit the amount that can be withdrawn by splitting contributions into a retirement account and a contingency account. This is an acknowledgment that members will need to withdraw funds—such is life in the Pacific, and the impact of cyclones and, more recently, COVID-19 reinforce this point—as well as an acknowledgment that the primary objective of a fund is to provide a retirement benefit. But both objectives can only be met if the contribution to build savings against some contingency is additional to the contribution needed to finance a retirement benefit.

Whether this practice is consistent with finance sector development needs to be questioned. Are funds a superior savings vehicle for these contingent purposes? Historically, they may well have been, especially when Pacific banks have been plagued by excess liquidity. But will this always be the case?

The consequences of members borrowing against accumulated contributions are similar; retirement benefits are eroded when borrowers have to repay outstanding debt at retirement. This type of lending is closer in function to credit union lending. The issue for finance sector development is whether it is better to allow funds to continue with this—usually unregulated—activity or to instead encourage regulated credit institutions that specialize in this type of lending. Proponents advocate for this type of lending because it increases returns to the fund. But, the benefits of those returns are not evenly spread across fund members, and they often, in effect, constitute transfers between members. This is not consistent with the primary objective of providing retirement benefits for all members, nor with broadening the financial system.

LENDING TO EMPLOYERS

Some Pacific funds are considering making loans to employers for working capital, a practice that is likely to be inconsistent with finance sector development and the specialization in financing different classes of risk that underlie that development. Funds are unlikely to have the credit assessment and risk management needed to provide this kind of finance sustainably. If banks are not financing these risks, then policy should be directed to encouraging other credit providers.

INVESTING IN FOREIGN EQUITIES

Funds domiciled in countries that use their own currencies generally need to increase the share of foreign equities. This is justified on conventional grounds—longer-term returns are enhanced, and risk is diversified. There can be no guarantee that there will not be periods of negative returns—as initially occurred with COVID-19—perhaps even for sustained periods. But the longer-term merits of allocating assets in this way is proven, and good investment strategies can be expected to minimize unrealized portfolio losses during these times.

The onus is on trustees to develop robust investment and risk management frameworks that include the appointment and oversight of foreign fund managers. In recent years, central banks in the region have demonstrated a greater willingness to allow funds to increase foreign investments. But restrictions need to be eased further if retirement policy objectives are to be met. The public policy challenge is to reconcile this easing with, at times, the competing objective of maintaining adequate foreign reserves.

DOMESTIC INVESTMENTS

Funds accumulate a significant pool of savings, part of which could be used to finance much-needed longer-term domestic investment, provided these investments meet the risk-return thresholds within any investment management framework. The market for listed equities is likely to remain small or non-existent in Pacific DMCs for a long time, but there is no reason why funds should not be aiming to invest in unlisted companies and commercial property, within predefined asset class limits. There are strong risk-return reasons for doing so, especially for funds that are over-invested in bank deposits. Funds that are almost totally invested outside the domestic economy should also be encouraged to increase domestic investments when these opportunities meet a fund's risk-return criteria.

There is a place for longer-term debt financing in the asset mix of funds. Longer-term debt is increasingly being treated as a standard asset class for funds in developed financial systems. The risk-return arguments are the same, and the members' interest test can be met. There is a strong finance sector development case for this type of lending. This type of debt financing, as opposed to consumer loans offered by funds, is very important to the development of the domestic economy, particularly in the absence of corporate bonds issuance and markets and wider capital markets.

OWNING FINANCIAL INSTITUTIONS

Rather than provide member loans directly from a fund's balance sheet, a better option would be for funds to establish subsidiary finance companies. This has already been done by nasfund in PNG, and Solomon Islands National Provident Fund is in the process of doing so[3] . This approach is consistent with the principles underlying both retirement and finance sector development suggested in this brief. Any subsidiary would be licensed, regulated, and hold the requisite capital, protecting a fund's ability to provide retirement benefits.

There are Pacific precedents for funds to have equity stakes in licensed banks. Fiji National Provident Fund owns 75% of HFC Bank in Fiji; Vanuatu National Provident Fund owns 15% of the National Bank of Vanuatu; and, in 2019, Tonga's Retirement Fund Board and National Retirement Benefits Fund each took a 15% equity stake in Tonga Development Bank. Some funds also have minority shareholdings in banks.

PSDI's view is that this type of investment can be consistent with protecting retirement benefits and finance sector development, where these subsidiaries and associates offer finance not provided by other credit institutions or financial markets, and where it is guided by a fund's investment policy statement. Small, locally-owned providers that understand a local customer base and any inherent risks can potentially make a more substantive contribution to Pacific finance sector development.[4]

INSURANCE

The case for provident funds to offer insurance is contentious, as the inherent risks are very different from those associated with providing retirement benefits or providing credit. However, many funds offer insurance protection to members, in line with concern with the broader welfare of their members. If providing for retirement is the primary objective, then it follows that if insurance protection is also provided, it has to be through a third-party provider or a separately capitalized entity. If insurance premia are part of a members' contribution, then that component needs to be calculated actuarially and independently of any retirement contribution. Some funds have expressed interest in establishing a captive insurance vehicle to insure physical assets—one that is owned by a fund to insure a fund's assets—and similar thinking could be used for other forms of insurance.[5]

3 Nasfund PNG fully owns NASFUND Contributors Savings & Loan Society Ltd (NCSL); and has stated its intention to pursue a banking licence for NCSL; the Solomon Islands National Provident Fund has been granted approval to apply for an interim licence for the establishment of Solomon Finance Limited (SFL).

4 See PSDI's companion policy paper, Asian Development Bank Pacific Private Sector Development Initiative. 2020. *Government-Owned Banks: Their Role in Pacific Financial Systems.* Sydney, Australia.

5 Larger funds often self-insure in Australia and there have been moves towards longevity pooling as well.

4 SECTION FOUR CONCLUSION

Policy formulation involves choice, and it should not be expected that Pacific governments will adopt a uniform approach to public policies centered on retirement funds. This policy paper is not an attempt to find one policy fit for all Pacific DMCs, rather it highlights the nature of the key choices involved.

Pacific island governments need to affirm whether the primary focus of retirement funds should be on providing for members' retirement and whether fund operations can provide impetus to the development of the broader finance sector. If there is clarity around the favored options, then it is straightforward to address decisions on benefits and contributions, whether any fund will play a wider provident role, and how to resolve the contention around suitable asset classes.

Based on PSDI's engagements with Pacific funds, there is a strong desire to continue with the provident fund model where this currently exists. Trustees and fund management see this type of fund as essential to improving the broader welfare of members. While this preference is consistent with the principles identified above, all stakeholders need to accept that retirement benefits are inevitably compromised whenever contributions serve several savings purposes. And it does not mean that funds will continue to be the best vehicle for providing wider social protection. It seems reasonable to expect that funds will have to increasingly provide pension products, given the inexorable demographic changes in their membership. Ensuring the adequacy of those pensions will be a critical issue for social policy: it is difficult to justify a retirement savings scheme if only minimal benefits are realized at retirement.

And it also seems reasonable that the financing role of funds will change, whereby they will be a major supplier of long-term investment finance to their domestic economies.

Whatever role it is assigned, a retirement fund must be financially sustainable and generate positive cash flows in most years. That requires contributions, benefits, the age of eligibility, and crediting rates to align with the income-generating capability of a fund's assets. The size of a fund's asset base and the composition of assets are important determinants of the sustainability of any fund, as is the basic structure of a fund—whether it is a defined contribution or defined benefit fund. The defined benefit funds of the North Pacific have significant unfunded liabilities, whereby the market value of fund assets is significantly less than their accrued liabilities. The asset bases of these funds are not large enough to finance the retirement benefits that have been promised to contributors. Government expenditures have to be cut elsewhere, if these promises are to be kept.

Retirement funds manage a large pool of savings in each country, and investment decisions are complex. They must be well-run financial institutions. That requires strong governance frameworks and a policy-driven approach to all aspects of a fund's operations. Strong investment and risk management policies are critical.

Funds must be regulated, and regulators need to develop the skills to supervise retirement funds effectively —these funds are not banks—from both systemic protection and consumer protection perspectives. In line with the importance of consumer protection, more emphasis needs to be placed on retirement planning—a very important, but mostly neglected, aspect of financial literacy in the Pacific. Regulatory frameworks also need to address systemic inequities faced by women and actively promote the economic empowerment of women.

All of these considerations influence the financial sustainability and financing role of funds.

The policy agenda for retirement funds is broad, but if that agenda is to be successfully embraced, then social protection must be anchored in good finance.

PACIFIC RETIREMENT FUNDS: ANCHORING SOCIAL PROTECTION IN GOOD FINANCE

Retirement funds are prevalent across the Pacific, however there is ongoing debate regarding whether these funds should have a narrow retirement focus, or play a wider social protection and financing role. This paper aims to assist policy makers to clarify the role of these funds—particularly any financing role—and highlights the implications of an individual fund's role for its asset composition.

Pacific Finance Sector Policy Paper Series

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About PSDI

PSDI is a technical assistance program undertaken in partnership with the Government of Australia, the Government of New Zealand, and the Asian Development Bank. PSDI supports ADB's 14 Pacific developing member countries to improve the enabling environment for business and to support inclusive, private-sector led economic growth. The support of the Australian and New Zealand governments and ADB has enabled PSDI to operate in the region for 14 years and assist with more than 300 reforms.

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