
Investment Statement of Policy and Procedures In SCPF: The Ontology, Conceptual Framework, Components and Requirements

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Summary

Pension funds, as the important institutional investors, possess a plethora of financial resources, and in order to meet their liabilities they have to make investments. The resources together with the liabilities determine the types of the investments. The major focus of the current study is on compiling the general frameworks for investment, in particular compilation of decision-making processes as regards investments, setting investments goals, identifying the expected rate of return, and investment procedures in pension funds.

Pension schemes in Iran are generally regarded as partially funded schemes (holding some reserved funds), and they sometimes play a significant role in financial activities in the country; however, it seems that hitherto no comprehensive report has been prepared in this regard. This issue was addressed in the current report. Accordingly, first, an overview of the characteristics of the funded pension schemes is presented from the investment and financial perspective. Then, the performance statement as regards the structure of investment portfolio in pension schemes in OECD countries is explained. Next, a theoretical discussion is included on the reason why investment portfolio and its role are of vital importance in total rate of return among institutional investors. After that, the major characteristics and components of a statement, its policies and procedures are accounted for. Finally, the researcher elaborates on two cases of investment statement of policy and procedures in Canada (Canadian Pension Plan) and the UK (Pension Protection Fund).