
Iran's Pension Funds Throughout the Years

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Summary

Iran's pension system comprises 18 contributory pension funds, all of which provide defined benefit (DB) pensions. In terms of members, the two largest funds are respectively Social Security Organization (SSO), Civil Servants Pension Fund (CSPF). The major focus of this study is on investigating the establishment and evolution of the two pension funds until 2016 and projecting possible changes together with their future situation based on the actuarial computations. The major aims of this study are as follows:

Identifying the changes and performance of SSO and CSPF before the 1979 revolution and after the revolution in terms of coverage, pensions adequacy, and financial sustainability; the analysis of the main challenges encountered by CSPF and SSO as a result of circumferential factors (including political climate, demographic changes and the market, financial situation as well as the national markets) and changes made in insurance system after the revolution; and the suggestion of reforming strategies in order to guarantee the continuity of services in multi-pillar social welfare and social security system.