

# Financial stability - accounting for a PAYGO system

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## ***Svezia e Italia: due realtà pensionistiche a confronto***

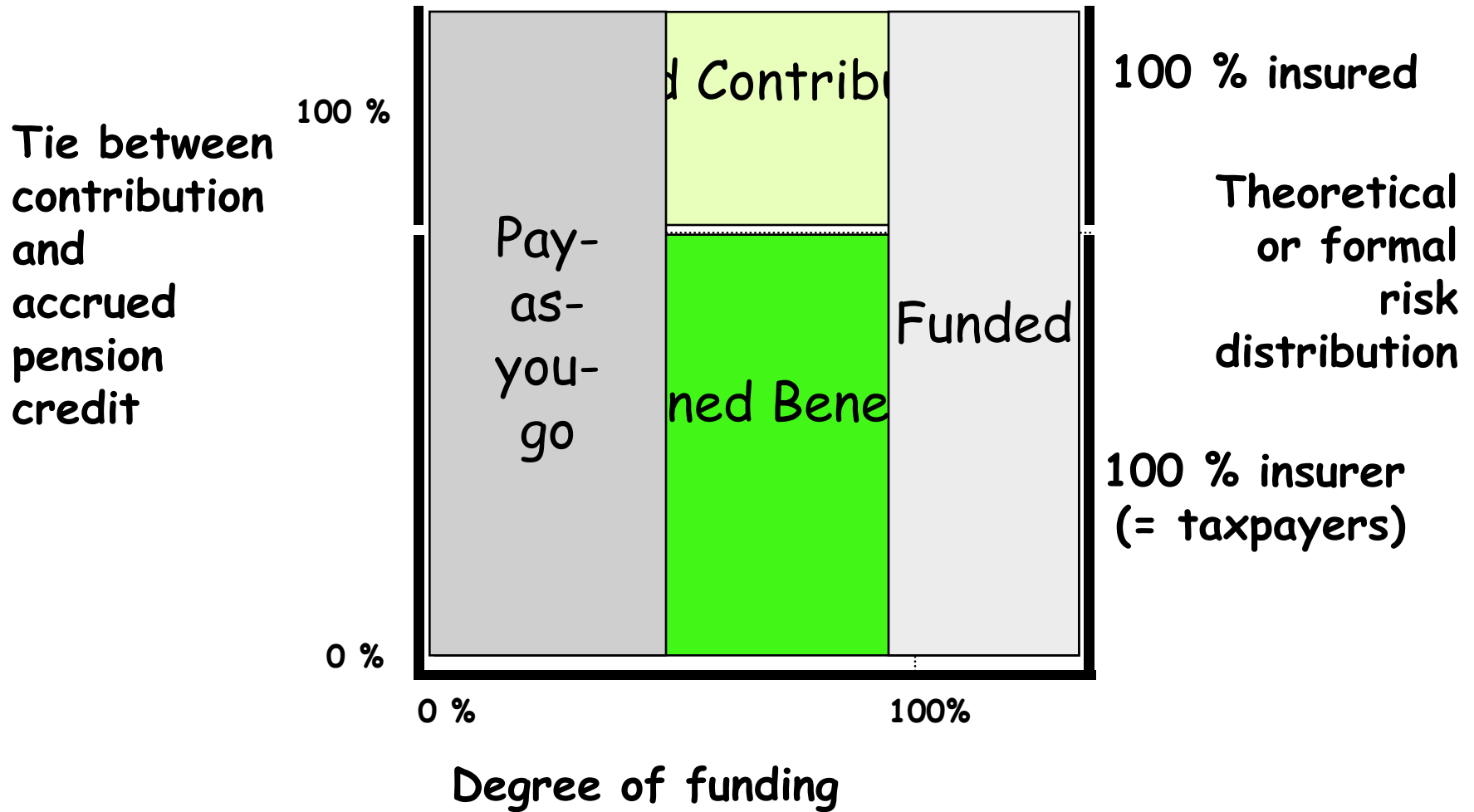
**Giovedì 17 maggio 2007 ore 9:30  
Aula del Consiglio  
Facoltà di Economia  
Via del Castro Laurenziano 9  
00161 Roma**

# Reform Objectives

- A** Financial & political stability  
(= Credibility?)
- B** Transparency
- C** Maximize inter-generational fairness
- D** Basic income security

**What Is a  
Notional Defined Contribution  
(NDC)  
Pension System?**

# Four basic design options



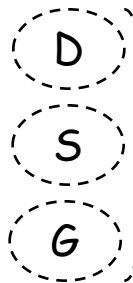
# Reform Strategy

Contribution 16 %

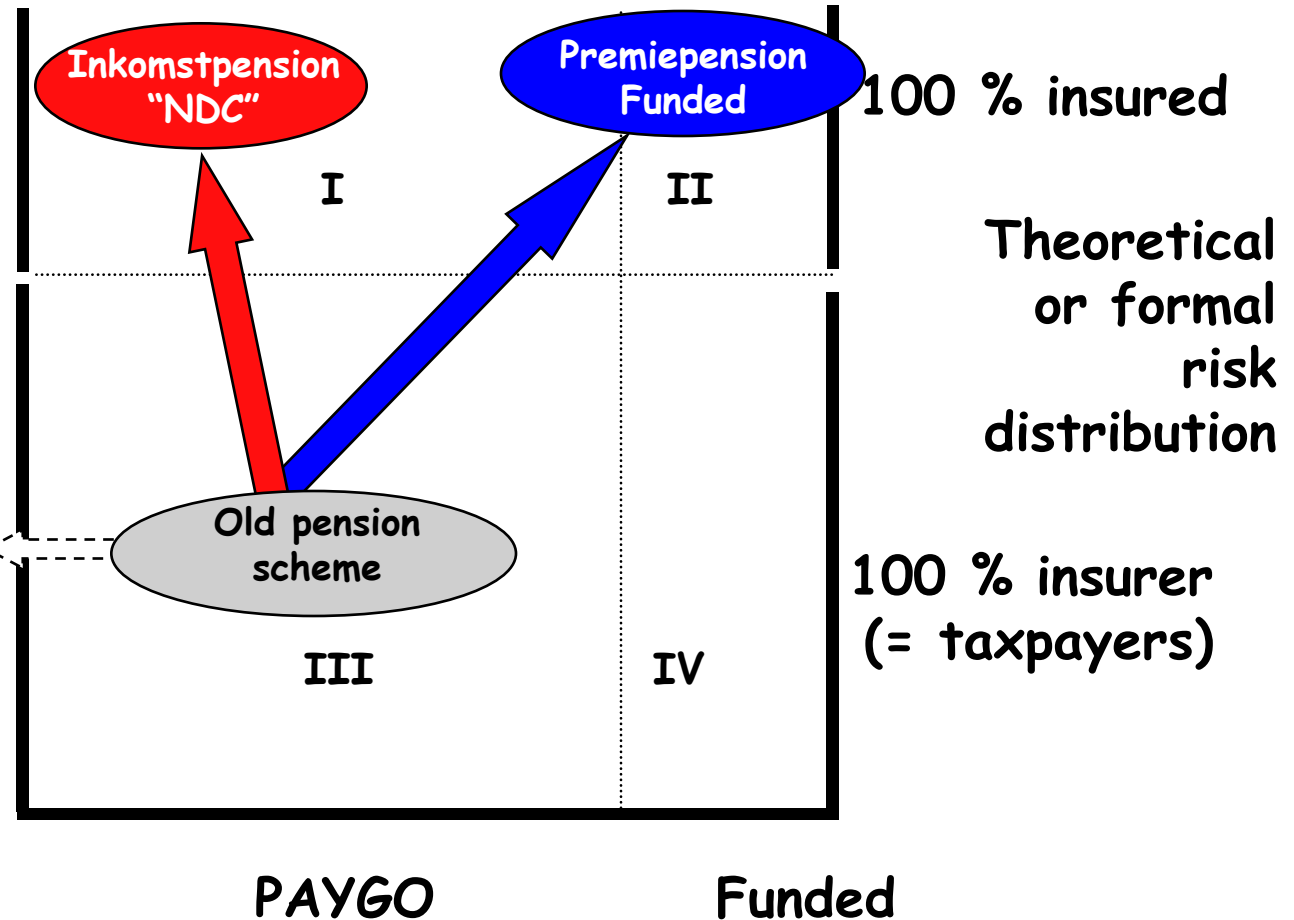
Contribution 2.5 %

Defined Contribution

Defined Benefit



D = Disability pension  
S = Survivors pension  
G = Guarantee pension



# Each crown paid during life result in the same amount of pension credit

