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'BY 2050'

PM: KWAP FUND SIZE WILL HIT RM500B

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This is based on annual growth of between 8 and 10pc, says Najib

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THE Retirement Fund Incorporated (KWAP) is projected to generate a fund size of RM500 billion by 2050, said Prime Minister Datuk Seri Najib Razak.

He said this was based on the an annual growth of between eight and 10 per cent.

"KWAP will continue to reach for greater heights as a high performance organisation.

"I believe this projection of

RM500 billion in fund size by 2050 can be achieved, God willing," he said in his speech at KWAP's 10th anniversary celebration at Integra Tower here yesterday.

Also present were KWAP chief executive officer Datuk Wan Kamaruzaman Wan Ahmad and Treasury secretary-general and KWAP chairman Tan Sri Mohd Irwan Serigar Abdullah.

Najib said in the 10 years since it was set up, KWAP recorded remarkable performance and achievements.

He said the fund size had since

grown from RM42 billion in 2007, to RM125 billion in December last year, a rise of 200 per cent.

"From the amount, RM53.6 billion is revenue from the generation of investment income, which will subsequently be used to fund the pension liability.

"This is one of KWAP's contributions to the country and the retirees," he said.

Najib said that KWAP had also achieved a 6.5 per cent average gross return on investment in its 10 years.

"Even when global prospects are not certain, with external challenges in investment and the economic climate in the years past, I believe KWAP will continue to show a positive and consistent financial performance, as

what has been achieved to date."

Najib said he was told that KWAP recently signed a memorandum of understanding with the Malaysian Research Institute of Ageing to carry out studies on retirement and ageing in the country.

"This goes to show that KWAP is committed to enhancing the quality of services for retirees and aid the government in improving retirement-related policies towards achieving a more productive golden age," he said.

Najib noted that KWAP, as a pension fund, had contributed to the successful administration of the country, with its efficient funding and implementation of retirement functions, as well as aiding the Federal Government

in income redistribution to ensure that retirees could live well.

Najib also suggested that KWAP invested in wellness, in bringing comfort to those who were ageing.

He, however, said this was subject to it fulfilling KWAP's return on investment criteria.

In conjunction with the celebration, Najib also launched KWAP's new office at the Integra Tower and the MyPesara mobile app, designed specifically for retirees.

The app is a joint effort between KWAP, the Public Services Department and the National Blue Ocean Strategy to make it easy for potential retirees and retirees to check their pension status, pension payment and others.