



# The Association of Superannuation Funds of Papua New Guinea

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## PRESS RELEASE

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### **ASFPNG reaffirms the Security of Superannuation Funds and Advocates for Investment Diversification**

The Association of Superannuation Funds of Papua New Guinea (ASFPNG) has noted with concern recent social media commentary suggesting that workers' retirement savings in funds such as Nasfund and Nambawan Super are at risk due to government fiscal policies. Such claims are not only misleading but also risk undermining public confidence in the superannuation sector.

ASFPNG strongly assures its members and stakeholders that their savings are secure and managed with the highest standards of governance, oversight, and risk management. Superannuation funds operate under the Superannuation (General Provisions) Act 2000 and are supervised by the Bank of Papua New Guinea, ensuring their primary obligation of safeguarding members' savings.

#### **A Call to Avoid Politicization**

ASFPNG urges all stakeholders to avoid politicizing discussions around the superannuation sector. Paul Sayer added: *"Members can be rest assured that their savings are safe, governed by strong oversight and accountability. The superannuation industry operates independently from the Government, and works to ensure long-term benefits for its Members."*

ASFPNG confirms that it has not received any instruction from BPNG advising of a reduction or change to the offshore or onshore Strategic Asset Allocation amounts. It confirms it is in receipt of a letter from BPNG directing Commercial Banks to stop issuing Foreign Currency to Superannuation Funds due to the shortages and challenges around Foreign Exchange. The Association encourages members and the public to rely on verified information and to engage with the Association or their respective funds for any clarifications. The Association remains steadfast in its commitment to protecting and safeguarding members' savings and contributing to Papua New Guinea's economic growth.

#### **Superannuation Funds Benefit the PNG Economy**

It is important to highlight that the superannuation industry is also a significant contributor to the country's economic stability and growth. Through substantial investments in Treasury Bills (TBills), Government Inscribed Stock (GIS), and domestic equities, superannuation funds provide critical financing to the PNG Government and underpin many key sectors of the economy.

ASFPNG President Paul Sayer emphasized:

*"Superannuation funds serve their members first, but the PNG Government is also a significant secondary beneficiary. Large investments in TBills, GIS, and equity markets demonstrate the funds' commitment to supporting national development while maintaining secure and sustainable returns for members. We call for an enabling policy environment that facilitates diversification and reinforces these contributions."*

ASFPNG Treasurer Rajeev Sharma said that:

*"It is important to highlight that the superannuation industry is also a significant contributor to the country's economic stability and growth. Through substantial investments in Treasury Bills (TBills), Government Inscribed Stock (GIS), and domestic equities, superannuation funds provide critical financing to the PNG Government and underpin many key sectors of the economy."*

#### **Commitment to Diversification and Risk Management**

Eric Kramer, an executive of ASFPNG, stated:

*"The superannuation industry is committed to fulfilling its primary obligation to its members, which includes prudent risk management and diversification of investments. These principles are critical to ensuring long-term financial security for our contributors."*

ASFPNG acknowledges the need for ongoing collaboration with the Government to address challenges, particularly regarding the availability of foreign currency and the opportunities to diversify investment portfolios. Ensuring that superannuation funds can invest in a broad range of secure and profitable assets—domestically and internationally—will enhance their ability to manage risk and deliver sustainable returns to members.

Since the sweeping reforms to the financial industry in 2000, the superannuation industry has seen exponential growth. This has benefited not only the contributors but also the PNG economy. Ultimately, the support and collaboration of all stakeholders is required to ensure the continued success and growth of the superannuation industry for the benefit of not only its Members but the PNG Economy as a whole.

Paul Sayer  
President, Association of Superannuation Funds of Papua New Guinea Inc. (ASFPNG)