PENSION ISSUES – IMPLICATIONS FOR KOREA

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Introduction

The government of Korea is reforming the way in which pensions are provided. The Ministry of Labor in Korea announced that the new retirement pension plans are being introduced in two phases:

> In Phase one, from July 2004, corporations employing five or more workers will be entitled to participate in a retirement pension scheme where the pension will be paid in the form of an annuity. This plan is designed to replace the existing Employee Severance Plan which is generally unfunded and paid out and consumed upon termination of employment (the benefits rarely get invested or held for eventual retirement).
> In Phase two, the application scope of the new system will be mandated for all companies and workers from January 2007. The introduction of the new system, however, will not over-ride the current retirement benefits under the National Pension Plan.

A pension is a very important part of each worker's rights and benefits. The concept of paying a 'pension' is usually considered as a continuation of income made to retired employees for past services rendered. The purpose of a pension plan is to allow the elderly and disabled to retire from work with dignity.

The Ministry of Labor in Korea expects that implementation of the retirement pension will provide a better life in retirement. The government also believes that companies will be relieved from uncertainty in managing corporate finances, as annual contributions to the fund will finance the benefits on a gradual basis rather than paying the retirement in a lump sum to a retiring worker (or to a terminating worker).

International experience shows that to make the new system acceptable and effective, the members and employers must feel confident that the system is being run fairly and properly; and that their rights and benefits are well protected. Therefore, the central interest of the government's pension regulatory body is protecting the rights and benefits of the beneficiaries.

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This paper will take Hong Kong's Mandatory Provident Fund (MPF) system as an example, focusing on how the MPF system protects the benefits and rights of the members. It will give an overview of the structure of the MPF system; address the role of the government's regulatory body; analyze the importance and contribution of key features of the system, namely fiduciary duty and ethical standards, use of trustees, use of custodians, professional administration and accurate record-keeping systems; appropriate investment rules and separation of functions. Based on experience in Hong Kong, we have drawn several lessons for Korea.

The comprehensive safety net the Hong Kong government has established is absolutely necessary for the protection of the best interest of the beneficiaries. Korea and any other country willing to adopt new pension systems could learn from the Hong Kong MPF experience. Pension plan administration and supervision is a key factor in the success of the reforms.

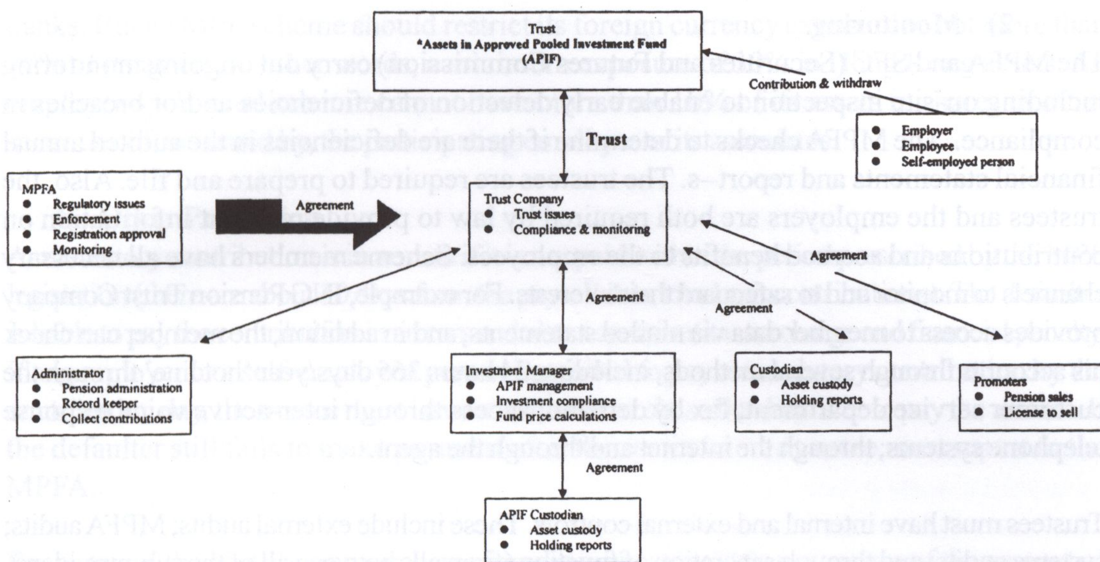
An Overview of the Hong Kong MPF System

The objective of the Hong Kong Mandatory Provident Fund is to provide a mandatory retirement savings system to people of Hong Kong, so that they will have some form of income at retirement. The scheme covers all employees and self-employed persons between the ages of 18 and 65 unless specifically exempted under the MPF Schemes Ordinance or unless employed for less than 60 days. Both the employer and the employee are required to contribute 5% of the employee's monthly income, including emoluments up to certain limits. All mandatory contributions to a scheme must be fully and immediately vested within the employee's account. All benefits derived from MPF contributions must be preserved until the employee attains the retirement age of 65, or ceases employment and attains the age of 60 as specified in the MPF Schemes Ordinance or dies. People emigrating from Hong Kong can also receive their benefits earlier.

The central interest of the government's pension regulatory body is protecting the best interest of the beneficiaries. The MPFA is responsible for ensuring compliance with the provisions of the Ordinance, and has set up a comprehensive safety net to protect members' rights and benefits.

A Comprehensively Safety Net

All MPF schemes must follow the MPF Ordinance/ Regulations /Guidelines which are issued by the Mandatory Provident Fund Authority, the Securities Futures Commission, and the Insurance Association. These ordinances have been designed to provide a safety net to protect scheme members comprehensively. According to MPF Schemes (General) Regulation (MPF, 2003) Chart 1 below illustrates the role of the key elements of the MPF system, mainly: trustee, custodian, investment manager, administrator, promoters, and the relationship between these service providers.



1) **Fiduciary duty.**

Trustees are the central party in an MPF scheme. All MPF schemes are managed under trust and governed by the law of Hong Kong. The primary obligation of trustees is to "exercise their best skill and care to serve all beneficiaries impartially and with equal consideration of their needs" (AIMR, 1996, p.157). All trustees have to meet specific criteria for approval. The criteria include:

i. Sound financial status. E.g. minimum capital of HK$30 million with additional guarantees of another HK$30 million.
ii. Appropriate qualifications and experience. These include past experience in pension business, proven ability in pension administration and investment products, and experience of senior staff.
iii. Adequate internal control in the trusteeship of schemes. There are requirements that comprehensive compliance manuals and procedures be in place, e.g. agreements between the trustee and promoters, between the trustee and investment managers, between the trustee and the custodian, between the trustee and administrators. Trustees are also responsible for appointing fund managers and other service providers who must comply with the MPF requirements, standards and guidelines.

For the protection of scheme members, all MPF scheme assets held under trust must be kept separate from the assets of the employer, trustees and investment managers, and other service providers. The advantage of this arrangement is that even if the scheme's trustee, other service providers or the employer is in financial difficulty, the creditor cannot request the trustee, other service providers or the employer to make use of the assets under trusteeship for repaying the debt. Their benefits are preserved for the members of the plan.

2) Monitoring.

The MPFA and SFC (Securities and Futures Commission) carry out ongoing monitoring including on-site inspection to enable early detection of deficiencies and/or breaches in compliance. The MPFA checks to determine if there are deficiencies in the audited annual financial statements and report–s. The trustees are required to prepare and file. Also, the trustees and the employers are both required by law to provide relevant information on contributions and accrued benefits to the employees. Scheme members have all necessary channels to monitor and to safeguard their interests. For example, ING Pension Trust Company provides access to member data via mailed statements, and in addition, the member can check his accounts through several methods, including 24 hours 365 days/year 'hot line' through the customer service department; fax by demand; access through inter-active voice response telephone systems; through the internet and through the agent.

Trustees must have internal and external controls. These include external audits; MPFA audits; systems audits; and through separation of function (firewalls between all of the sub-providers). Trustees must have procedures and programs in place to ensure compliance with legal requirements and to provide reports to the MPFA, SFC and IA (Insurance Association which licenses agents).

3) Investment standards and restrictions.

To safeguard scheme members against undue investment risk, comprehensive regulations governing the investment of scheme assets have been prescribed. The regulations aim at prudent and sound investment management and ensuring that the investment portfolios meet the prescribed investment standards (quality of investments) and that the funds are well diversified. The SFC and the MPFA both have approval authority before the funds can be offered for investment.

The primary investment manager of MPF schemes must be a locally incorporated investment management company with at least HK$10 million paid up share capital and net assets of at least the same amount.

The investment manager and its delegates must be independent from the trustee and custodian of the MPF scheme. While the trustee and the investment manager are given the freedom to determine the investment policy to invest within the list of permissible investments prescribed in the regulations, they are also bound by the 'prudent man' rule in management of MPF funds.

For example, the funds of an MPF scheme can be invested in fully-paid up shares listed on recognized stock exchanges, investment grade or listed debt securities or convertible debt securities, and to a limited extent, listed warrants. The funds are also allowed to engage in security lending and repurchase agreements, subscription of bonds from underwriters and initial public offerings, and financial derivative trading. The funds can be deposited with eligible

banks. But an MPF scheme should restrict its foreign currency exposure to not more than 70% of its assets, in other words, a minimum exposure of 30% in Hong Kong assets. An employer-sponsored scheme cannot have more than 10% of its assets in shares or other securities of, or issued by, the participating employer or its associates.

4) Other Protection

A mandatory contribution is in arrears if it is not paid within the period prescribed by the MPF legislation (there are about 30 days from the payroll date to submit contributions). The defaulter is liable to pay the contribution in arrears and also a contribution surcharge and financial penalty. If an employer or a self-employed person has failed to pay a mandatory contribution by the contribution day, the trustee must issue a reminder to chase the defaulter to pay the arrears. If the defaulter still fails to make payment after the reminder, the trustee must report to the MPFA.

For instance, the contribution surcharge may be imposed at 20% per annum of the amount of mandatory contributions in arrears. An employer who fails to pay mandatory contributions and is convicted of an offence is liable to a fine of HK$100,000 and to imprisonment for 6 months on the first occasion. For each subsequent occasion, the fine is HK$200,000 and the imprisonment is 12 months.

The MPF regulations emphasize a high degree of transparency in the operation of MPF schemes by service providers, including the disclosure of all fees and charges whether for scheme administration or investment management.

We believe that the comprehensive safety net is absolutely necessary for the protection of the best interest of the beneficiaries.

The Current Pension System in Korea

Korea has a three Pillar pension system. The 1st Pillar is the National Pension System (mandated and life annuity) which was established in 1988 and covers all citizens except government employees, private school teachers and military personnel (those groups are covered by other Occupational Pension Systems in the 1st Pillar). The National Pension plan requires both employer and employee contributions of 4.5% equally and provides about 60% of wage replacement for average income earners with 40 years of contributions.

The 2nd Pillar is a Retirement Allowance System which is required for all employers who employ at least 5 employees. The funding is from the company's book value internally or by external funding contributed wholly by employers (at least 8.3% of annual salary) through insurers and fund managers. The pension benefits are lump sum payments based on the number of service years times average monthly wage of the latest 3 months. There is no portability and limit of benefit payment age.

The 3rd Pillar is a Personal Pension System. It is a voluntary plan with tax incentives.

The Korea population was young when its labor force expanded quickly as the baby boomers born after the 1950-53 Korean War began to enter the workforce. However, the old-age dependency ratio is expected to rise to 13.1% in 2010, 27.7% in 2030 and 41.7% in 2050, while it was only 9.4% in 2000 (ILO, 2000). In addition, Korea has one of the lowest birth rates in Asia, thus placing a larger burden on fewer and fewer people working. The country is moving toward joining the ranks of aged societies.

However, analysts believe the National Pension fund which currently holds 112 trillion won, will begin to lose money by 2036 (Kim, 2004), meaning the workers may have to pay more taxes to finance the pension scheme or reduce their pension benefits. Therefore, in recent years the Korean government has realized that the national pension system could not alone guarantee a stable living for the elderly in a rapidly aging society. They claim that the current pension contribution rates are too low and the adjustments are unavoidable to ensure the system's long-term stability and better prepare for the country aging society. It has recognized the need to encourage workers to save for their retirements and for companies to develop their own private pension plans.

In fact, since the start of the National Pension Plan 1988 there have been three revisions to either reduce benefits and /or increase contribution rates in response to the quickly aging population, the lower birth rate and the fast growing salary increases. The latest proposed change would raise premiums by 1.38% every five years starting in 2010 until it reaches 15.9% of an individual's income in 2030. Meanwhile, benefits would drop beginning next year to 50% of a person's salary (Kim, 2004).

Furthermore, the retirement allowance system for providing income for ensuring a post-retirement income has been weakened drastically due to the practice of paying the retirement money in a lump sum and making the funds available immediately upon termination of employment at any age. Since funds are paid out upon termination in a lump sum, it is not uncommon that workers quit their jobs, take the lump sum and spend it for their livelihood before age 60, instead of investing it or depositing it to secure a stable source of income after retirement. It is estimated that approximately only 20% of terminating employees' severance benefits are actually carried forward as savings for retirement. About 80% are consumed at the moment of termination of employment! Even worse is the situation that these benefits are often NOT funded -- leaving the member at risk in the event of a business failure.

In the face of these challenges, Korea has joined a worldwide wave of pension reforms. However, Korea does have the luxury that it can learn valuable lessons from experimentation that has already taken place around the world. Hence, we would make the following

recommendations as to how Korea may benefit from the Hong Kong MPF experience and what has happened elsewhere.

What are the Lessons that can be Learned from Elsewhere?

1. Tri-parties – Government, Employer and Unions Work Together

Before governments launch a pension reform, they should look around the world and learn lessons about those features that have made other pension reforms successful. And more importantly, they must educate people so that they understand why pension reform is necessary. Education and information will increase the public awareness that it is necessary for individuals to do something about their own retirements: that is, for individuals to take some responsibility for saving for a retirement which will allow them to live in dignity and not have to depend on others for retirement living.

One example worth reviewing is the recent implementation of the Hong Kong MPF program. While it took ten years from the time it was first discussed in the Legislative Council until it was implemented, the plan designers did a lot of research and looked at many pension regimes before deciding on a plan that would work in Hong Kong.

Although it took ten years to get the plan design finalized, during all that time the government kept up a communication campaign to alert the public that a pension plan was going to be implemented, the reasons why it was necessary, and what it would mean to the members 30 years or more from now. There was continuous public debate and the public was asked to contribute their opinions and feelings about the plan.

In addition, when the time for implementation was approaching, the plan providers in the private sector started marketing and advertising campaigns to alert the public about the plans, to start educating people about investment options, how to make investment decisions, and how to select a good plan provider.

There was a lot of advertising and promotion in the newspapers and magazines talking about employer responsibilities, member responsibilities and member rights. There was an 11 month enrolment period–with a lot of publicity. There were many education seminars held by the government and by the providers- with the end result being a very high compliance rate (more than 90%) of membership and enrolment right from the start.

This did not happen by accident. The designers recognized that even though the plan was mandatory – compliance would only come about if everyone understood what the plan was for, what the eventual benefits would be and why they needed to participate.

Another example is based on the Netherlands' pension system. The pension system has operated for almost a century – occupational pension schemes and statutory schemes were set up in 1910 and 1913 respectively. The system shows maturity and stability compared with those countries that are just now introducing the three pillar system (World Bank Model). One of the important feature of the system is that tri-parties (government, employer and unions) work together to make the pension system acceptable for the members.

Socio-economic policy in the Netherlands is shaped by the country's 'consensus economy'. Consultation, within individual companies, within industrial sectors and at the central level, is a characteristic feature of Dutch labor relations. The government consults with both sides of industry (management and labor) on its main policy lines, including those on wage growth, job creation and the structure of the social security system.

The government's role with respect to supplementary pensions is twofold. Firstly, the government encourages the build-up of a supplementary pension on earned income (including through tax measures). Secondly, the government protects the position of those who build up a pension, who have non-contributory pension entitlements or receive a pension benefit. This is regulated by various Acts.

Before the government develops a new rule or act, they always ask the advice of the 'Stichting van de Arbeid'. This Labor Foundation is a national consultative body organized under private law. Its members are the three largest trade union federations and three largest employers' associations in the Netherlands.

The Foundation provides a forum in which its members discuss relevant issues in the field of labor and industrial relations. Some of these discussions result in memorandums, statements or other documents in which the Foundation recommends courses of action for the employers and trade unions that negotiate collective bargaining agreements in an industry or within individual companies. Upon request, the Foundation also advises the government on labor-related topics (SZW, 2003).

We must remember that a pension system cannot operate properly without all participants in the system – the regulators, the trustees, the members, the employers, and the investment managers understanding their rights, obligations and responsibilities. A pension reform cannot be successful without tri-parties – government, employer and unions working together for the benefit of the members. Good communication and close cooperation between all participants helps to move the reform forward smoothly.

2. The Members' Rights Must be Protected

To make the reform acceptable, it is absolutely necessary to protect the rights of the members. One approach to achieve this is to ensure the separation of assets between the employer and

the pension account owner. In Hong Kong, the pension assets are held under trust irrevocably for pension benefits and not for other company or individual needs. On this point, Korea could learn a lesson from what has happened in the past.

In Korea, companies are required to pay a severance benefit to an employee when they leave the company for any reason such as change of employment, retirement, illness, disability or death. The benefit is equal to one-month's salary for each year of service. Korean companies are allowed to deduct the cost of this benefit from taxes if they fund the benefit. They sometimes do fund the benefit, but then 'borrow' multiples of those same funds back from the insurer. If the employer fails, or if the insurer fails, there is no money available to fund the benefit. Even worse is the situation where the employer does NOT fund the plan for tax purposes. If the company fails, there is no guarantee that the employee will ever be paid his earned severance benefit. In this case, Korea did not protect the members' rights under the system. A long-term employee may end up with nothing after long years of service (Hatton, Li and Ng, 2000).

Where individual accounts have been most successful, it is because the members had a choice over where the funds were invested (given market conditions were developed enough). However, in any specific market, there exists a range of investment choices available over a wide spectrum of risk levels. Plan members must be prepared and be educated to make investment decisions intelligently.

For this purpose, the government can also protect the member by setting up investment rules, such as allowing investments in only certain quality grades of investments (as in Hong Kong), and by setting rules as to how much can be invested in any one company's bonds or stocks. The rules allow the member to decide how he personally wants to invest amongst the various options ranging from higher risk equity funds, balanced funds, bond funds or guaranteed capital funds. Diversification within each fund offered is also controlled. This will serve to minimize losses from unwise investment choices and to protect plan assets from excessive risk taking.

Britain's experience in the early 1990s shows that when the individual pension plan members' lack education or knowledge in making investment decisions this could lead to the members' rights and benefits being seriously damaged. In Britain, the public was offered the option of 'cashing-out' of the National Pension Scheme several years ago. The funds could be invested in various kinds of 'approved trusts' where the assets would be protected to retirement. But, in fact, many people took the "cashing-out" option and invested in products that were in hindsight 'inappropriate' (a lot of funds were invested in income endowment policies with insurance companies, a product that is inappropriate because of its high sales cost and resulting loss of cash value in the early years). The result was that some members of the public, when they decided to change their investment strategy shortly after purchasing the plan lost substantial portions of their pension assets. Britain did not look after its members very well.

The end result was class action suits with the insurers being found liable and having to pay billions of dollars of losses back to the pension plan members. The important missing element, other than proper regulation in Britain's case, is that the public had limited financial knowledge on how to best use the investment choices of the system (Hatton, Li and Ng, 2000).

To protect the members' rights, it is also important to ensure that the pension funds should, as far as possible, be kept separate from the state. If not, at least the financing of government projects ought to be done on an 'arm's length' basis. The projects should be economically viable and financed at the determination of market returns. On this point, Korea could learn a lesson from Singapore's experience.

Singapore is well known for having established the Central Provident Fund (CPF) half a century ago. This pension system, funded by employers and employees was managed by the government. The assets under management are immense. The funds have been used to fund infrastructure projects, build one of the region's best education systems and to build housing (mainly government projects) made available to the public at attractive prices. People in Singapore have benefited from this approach. But the pension funds themselves did not benefit much. In fact, the average rate of return on the invested funds is just over 3% for the life of the system. A newly retiring employee will receive a benefit that is basically his own contributions with a rate of return that is less than inflation. Singapore could be seen as not doing the absolute best for its pension plan members.

As a result, Singapore has had to change the system and has given members the right to actually transfer some of their assets out from the CPF to allow professional fund manager to manage the investment. But only 20% of those funds eligible for outside professional management actually moved. The government is now considering hiring professional private sector fund managers to manage the rest of the funds.

3. The Regulatory System can Follow the Reform

It is important to have the appropriate legal framework and regulatory structure in place to manage any pension system. A sound regulatory framework would give individuals an umbrella of safety with respect to problems of risk management and prevention of fraud. This is even more important as changes are made to the system. Introducing changes to laws and regulations usually takes a long time. In highly democratic countries like the United States, it takes years to implement a proposed policy change if it is lucky enough to get past the stage of constant public debate. The Hong Kong MPF legislation and regulations took more than 10 years to implement after the issue was first raised in the Legislature.

However, most countries including Korea do not have the luxury of time to wait for the final and complete regulatory environment to be in place before the reform can be started. It seems

reasonable then for Korea that reform must start by implementing in stages. The same situation has happened in South America.

In Chile, Peru, Argentina and some other South America countries, before reform started, they did not have sound financial systems. They did not have effective regulation. They did not even have mature financial markets. Rightfully, they tightly restricted the types of investments available ie. bank deposits and government securities for use in pension plans in the early days and gradually liberated investment restrictions as capital markets grew and matured.

When the fledgling stock market was started with the privatization of some government businesses, the pension fund managers were allowed to buy shares. Eventually, the pension investment managers were allowed to buy shares in other private companies. As more funds accumulated, and as pension investment managers looked for places to invest, the mortgage business opened. Eventually, the pension funds ran out of investment opportunities in government and corporate bonds and the local stock and mortgage markets so they started to look elsewhere for investment opportunities. They were soon allowed the chance to experiment (in a small way) with foreign securities.

The experience of these countries shows that it may take years to achieve the ultimate effective regulatory conditions. However, they can learn from others and implement changes over time. The detailed and complete set of regulations can be developed as they gain experience and understanding of the system. They will also learn of problems and should be prepared to address them as they arise.

In a word, the reform will drive the regulations. The financial markets will mature under the reform. Korea's position is to make the reforms fairly limited at the start, but it can learn and grow from its own experiences. It can learn that strength will come from being able to implement change along the way as market conditions and other factors improve. There is no way to foresee all the complications and solutions in advance. The lesson is to embark on the process and react to needed change over time.

Understandably, laws and regulations must constantly be revised to reflect the changing needs of the pension system. Such flexibility will ensure the entire structure grows as efficiently and effectively as it can, providing maximum benefits to the social and economic aspects of the country.

In the United States, supposedly the most developed pension regulatory system in the world, the regulatory authority is constantly revising and introducing new laws to reflect the changing needs of the system. Australia has a relatively mature economy and has a long history of public and private pension systems. The regulations and laws have changed over time to meet the present conditions. In fact, since the last major changes to the pension system were implemented,

there have been over 1000 amendments to the regulations during the first three years following the reform (Hatton, Li and Ng, 2000). The regulatory authority must monitor results and react to resolve concerns in changing market conditions. It CANNOT be done "all at once".

Korea should learn to monitor activities carefully, that is, watch investment managers, administrators, trustees, fund custodians, employers, and members closely, and introduce changes that guide them through the reform process. Throughout the process, the reform drives the regulations, and this in turn leads to maturing of the markets and pension systems, which in turn requires fine-tuning of the regulations and management.

There is one last point. Korea does not have to 're-invent the wheel'! There are plenty of examples of the rules, regulations and guidelines for managing private sector pension systems available from the South and Latin American experiences, from Eastern Europe and from Australia and Hong Kong. This could certainly be a starting point for the drafting of regulations.

4. Accurate Record-keeping is a Must

As we have mentioned before, in order for the new system to work, the members and employers must feel confident that, in fact, the system is being run fairly and properly. It helps to build confidence when the member and employer know that his or her funds are being properly accounted for.

In Chile, Peru and Mexico, for almost all employees, the individual pension account is the single largest, and in many cases, the only savings or investment in the financial markets. Indeed, when pension reform took place in Chile, only half of the members of the pension system had a bank account. The members want to know regularly how much is in their account. Experience has shown members check with the pension companies every month to ensure that there latest contribution were sent and that some investment income was earned. In Chile, poor investment performance leads to a higher turnover of accounts. In other words, the members move money from one manager to another based on service, availability of information and based on investment performance. In all three countries, ING allows its members access to their account data in person (through a network of branches throughout each country), by telephone, by mail inquirer, and by kiosks located conveniently throughout the countries (the member can 'swipe' a personal card and see the last few transactions in his account - like an Automatic Teller Machine).

In Hong Kong, as mentioned before, the MPFA requires that the pension plan providers (like ING Trust) have adequate systems in place to accurately keep records and make the data available to members. From a regulatory standpoint, the system must also be able to automatically monitor payment practices and report late payers (employers) to the authorities. On this point, there are many valuable lessons that can be learned.

In Mexico, there was little employer computer sophistication at the time of the reform. The government felt that accurate record keeping was a cornerstone of public confidence. Therefore, the government took on the role of acquiring and processing the data each month. They transferred the data to the pension plan managers who kept the individual accounts and who did the investments. In return, the government gets a fee from this service. Most importantly, the Mexican public feels positive towards the system because they know that the records are accurate.

The experience of pension reform in Poland also indicated that effective pension administration and accurate record-keeping are very important factors in making the new system run properly.

When Poland's new pension system started in January 1999, Pillar II was based on individual accounts and the State Social Insurance Institution (ZUS) collected all contributions. However, ZUS lacked preparation time and its new IT system was not ready when the particular pension law had been approved by parliament, which in turn resulted in delays in establishing individual contribution records, ie. about 30% of contributions did not match to the member's individual account at the beginning of the reform. The consequence was when these contribution payers realized that their compliance, or lack thereof, could not be detected by ZUS, the contribution rate fell precipitously, triggering a financial crisis at ZUS. After nearly five years of operation, the efficiency of centralized collection has been improved. By now ZUS is clarifying the outstanding 7% of contributions (Chlon, Gora & Rutkowski, 1999; Chlon 2002).

These international experiences suggests that membership confidence is enhanced if they can trust the data. Therefore, Korea must ensure that the providers must have computerized efficient systems that provide members with easy access to their own data.

Conclusions

The international experience with individual accounts suggests that to make the new system acceptable and effective, the members must feel confident that the system is being run fairly and properly and that, their rights and benefits are well protected. Hence, pension plan administration and supervision is a key factor in the success of the reforms. A comprehensive safety net is absolutely necessary for the protection of the best interest of the beneficiaries. Korea and any country willing to adopt a defined contribution pension system, could learn from the Hong Kong MPF experience and from what has happened elsewhere, and create its own success story along the way.

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