

# **ANTI-DEFICIT MANAGEMENT OF PRIVATE DEFINED BENEFIT SCHEMES**

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## **Abstract**

The defined benefit schemes need urgent anti-deficit measures, with which to guarantee their solvency under crisis conditions. Although there are no „painless solutions”, they must renovate their risk management and mark the direction of their future development. Until the appropriate reforms are selected, their customers and sponsors will lose confidence in them and will create prerequisites for worsening their financial status. That is why in the current work there is assessed the possibility for DB schemes to use some techniques for anti-deficit management, applied by commercial banks and insurance companies, including the ALM model, LDI strategies, etc. These approaches are considered in the context of the specific investment restrictions and standards. Unfortunately, the DB schemes are highly limited by government regulation and can hardly, by way of the market, solve all their problems on their own.