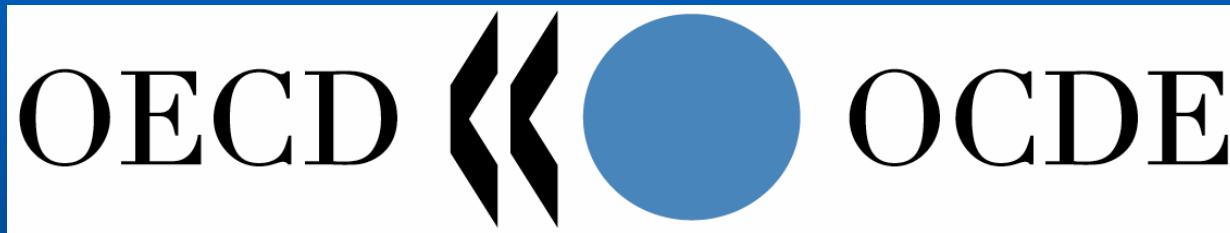


OECD GLOBAL PENSION STATISTICS PROGRESS REPORT



Organisation for Economic Co-operation and Development

OEE - Observatoire de l'Épargne Européenne

March 2004

Jean-Marc Salou
OECD Financial Markets Division

- The OECD Taxonomy;
- OECD Global Pension Statistics:
project's description;
- Preliminary results;
- The way forward.

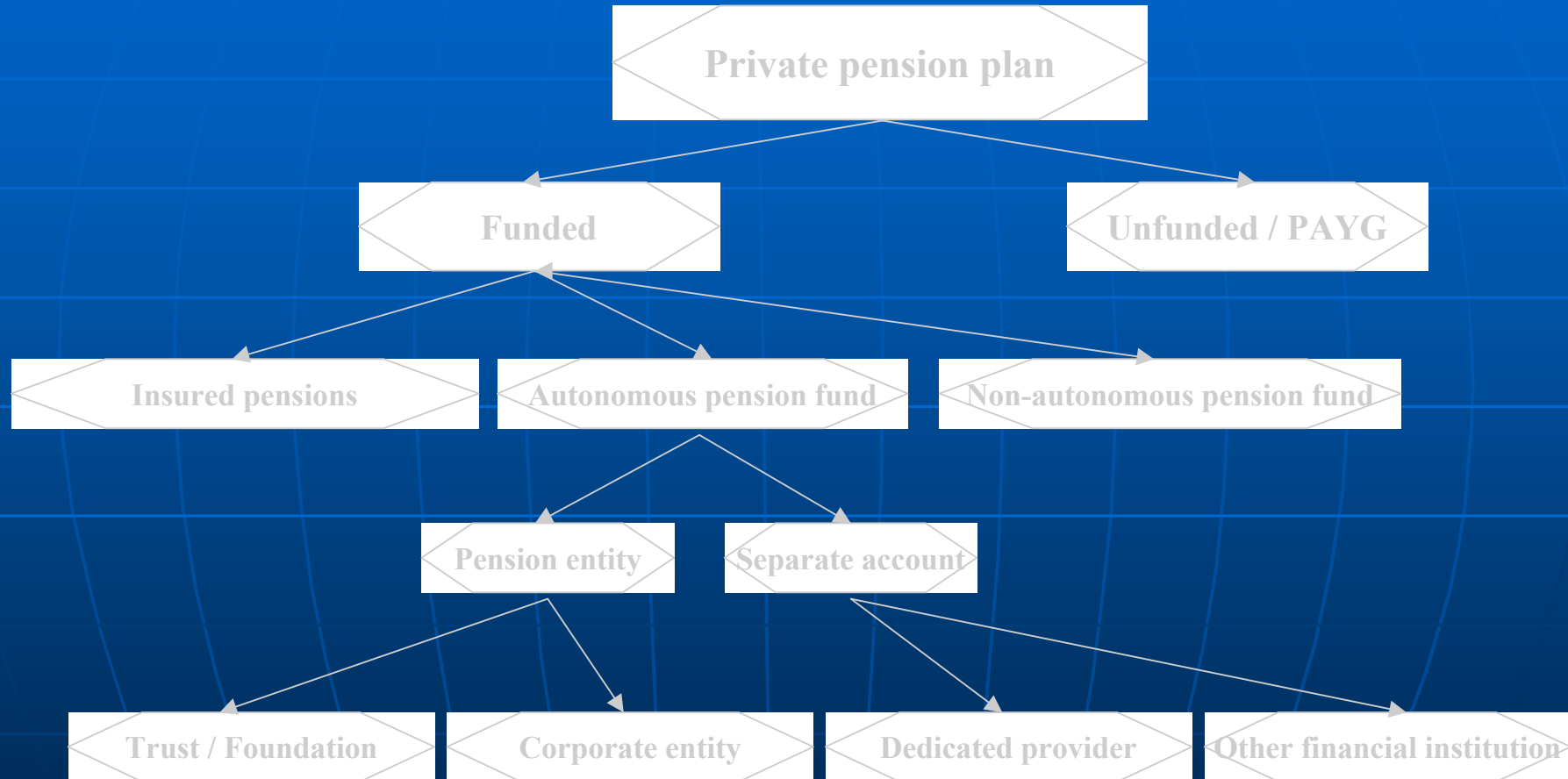
The development of a taxonomy

- One of the key activities of the OECD Working Party on Private Pensions and the International Network of Pensions Regulators and Supervisors (INPRS);
- Necessary both for future data collection projects and policy discussion.

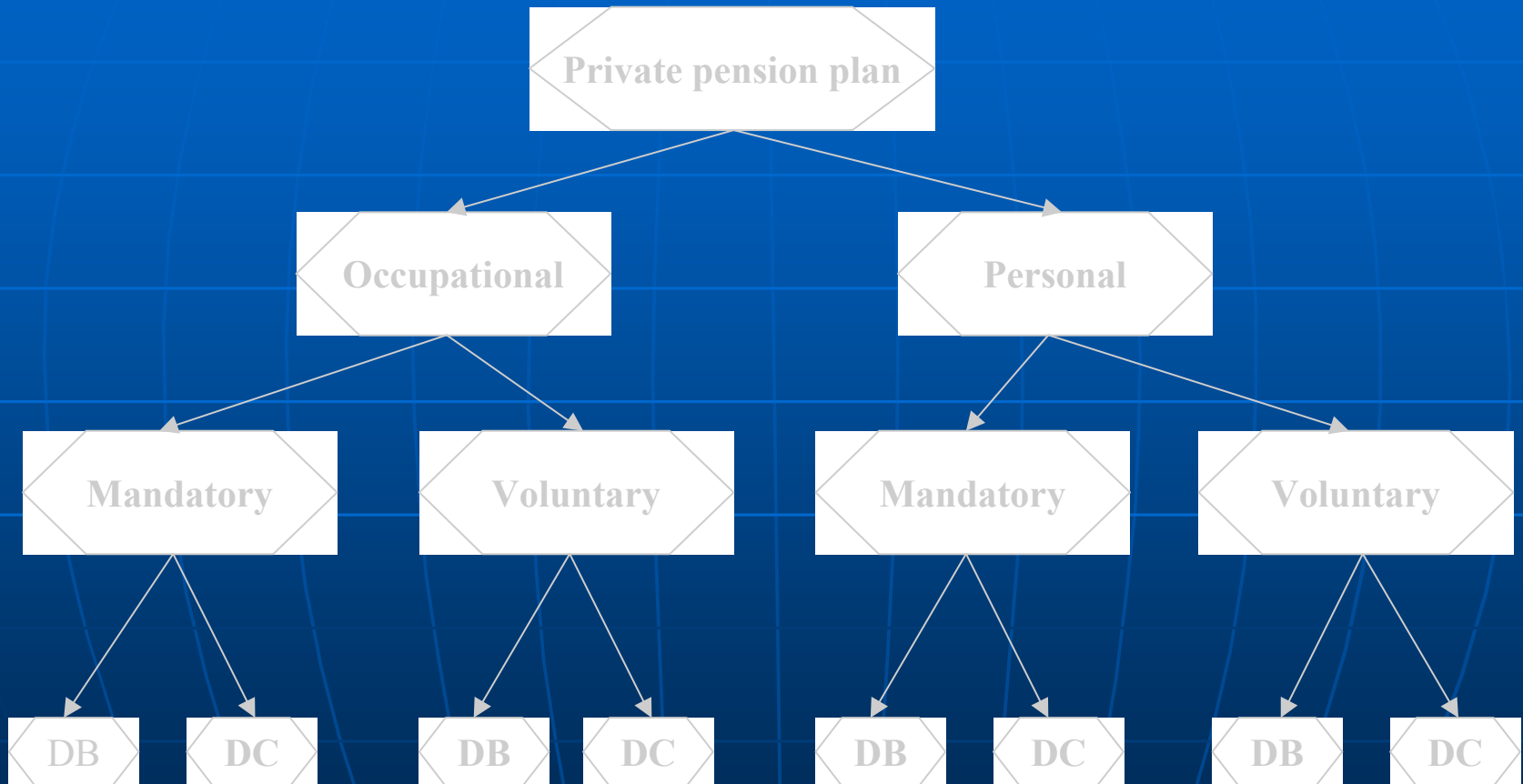
Critical conditions for the taxonomy

- Consistent across the largest possible number of countries, covering as many specific cases as possible;
- Based on descriptive criteria, and not on some prescriptive model of pension systems.

Private pension plan classification : institutional perspective



Private pension plan classification : functional perspective



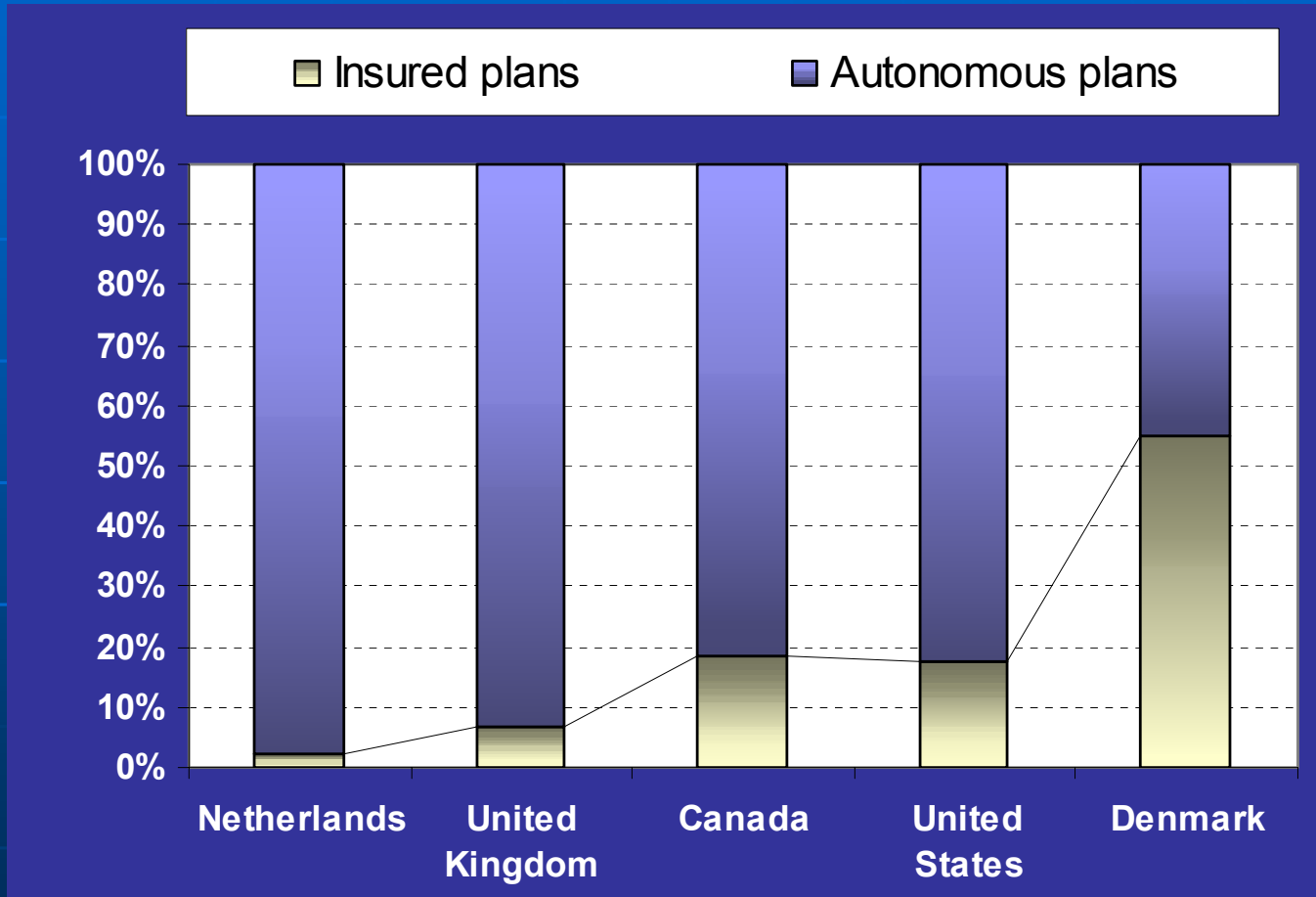
The OECD Taxonomy: private plans

	<u>Occupational plans</u> (employment link as a condition of membership)	<u>Personal plans</u> (employment link not needed)
<u>Mandatory</u>	a) DB: Finland, Holland, Australia, Switzerland b) DC: Australia, Denmark, Iceland	a) Sweden (mutual funds) b) Mexico, Hungary, Poland (pension funds)
<u>Voluntary</u>	a) DB: Germany, Japan b) DC/DB: UK, USA, Canada c) DC: Italy, Spain	In all countries, but tax advantages are not universal.

Pension fund taxonomy

- “Autonomous” pension funds:
 - Funds without legal personality (Portugal, Spain, Italy -fondi aperti-, Poland)
 - Funds with legal personality (rest of countries)
- The governing body:
 - Trustee (UK, Ireland, Australia, Canada)
 - Board (foundations - Holland, Switzerland; mutuals - Germany, Austria, Hungary)
 - Fiduciary (USA)
 - Pension fund administrator (Portugal, Spain, Italy - fondi aperti)

Importance of insured plans in selected OECD countries (as % of total assets)



Sources: various sources, secretariat compilation.

Goal of the OECD pension project

The Global Pension Statistics Project would develop a system of international pension statistics, collected from primary sources, using coherent statistical concepts, definitions and methodologies.

Filling gaps for measuring private pensions with an international perspective

- Lack of comprehensive administrative data for key indicators
- Lack of timely data to monitor the financial activity of the international pension industry
- Lack of data enabling the risk assessment with both perspectives (ie. employers vs. employees and financial institutions).

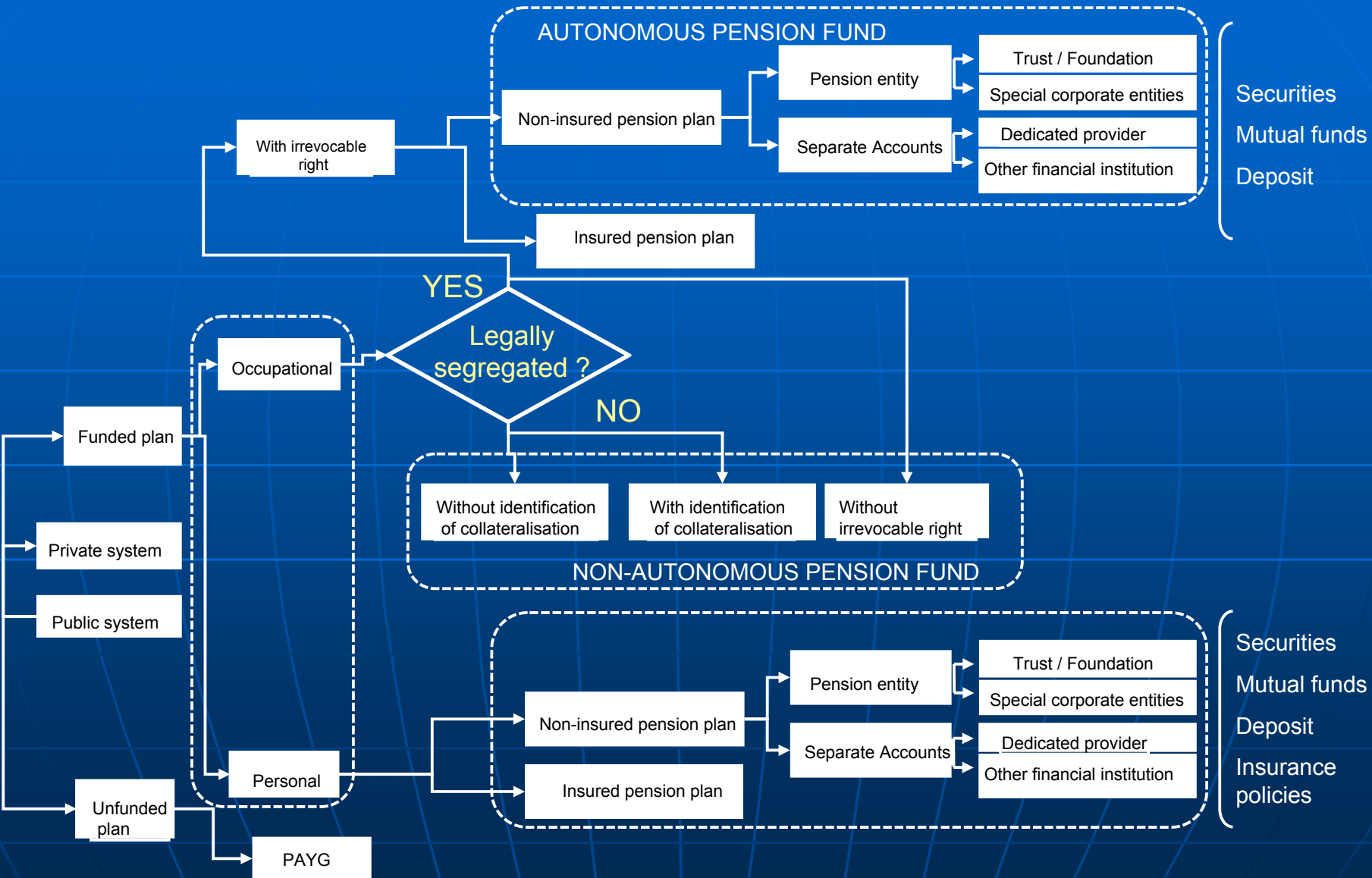
Practical objectives

- Evaluate pension data currently available and its related metadata;
- Improve the harmonisation of concepts, definitions, and compliance in line with the taxonomy developed through the OECD Working Party on Private Pensions;
- Collect and analyse the data.

Three modules to fulfil the objectives

- First module, already achieved:
 - ▶ member countries were surveyed, relevant information for data collection was identified and country metadata in each OECD countries was described
 - ▶ a glossary of pension terms has been developed
- Second module: the data collection
- The third module will be devoted to describing and to analysing the pension industry activity

Pension plans, pension funds and pension entities chart flow



Source: OECD.

Administrative data sources

	<i>Supervisory authority</i>	<i>Central bank</i>	<i>National Statistical Office</i>	<i>Ministry of finance</i>
<i>Australia</i>	<i>y</i>		<i>y</i>	
<i>Austria</i>		<i>y</i>		
<i>Belgium</i>	<i>y</i>			
<i>Canada</i>			<i>y</i>	
<i>Czech Republic</i>				<i>y</i>
<i>Denmark</i>	<i>y</i>		<i>y</i>	
<i>Finland</i>	<i>y</i>		<i>y</i>	
<i>France</i>		<i>y</i>		
<i>Germany</i>	<i>y</i>		<i>y</i>	
<i>Greece</i>				
<i>Hungary</i>	<i>y</i>			
<i>Iceland</i>	<i>y</i>	<i>y</i>	<i>y</i>	
<i>Ireland</i>	<i>y</i>			
<i>Italy</i>		<i>y</i>		
<i>Japan</i>		<i>y</i>		
<i>Korea</i>	<i>y</i>	<i>y</i>		
<i>Luxembourg</i>		<i>data not available</i>		
<i>Mexico</i>	<i>y</i>			
<i>Netherlands</i>	<i>y</i>			
<i>New Zealand</i>		<i>y</i>		
<i>Norway</i>		<i>y</i>		
<i>Poland</i>	<i>y</i>			
<i>Portugal</i>	<i>y</i>	<i>y</i>		
<i>Spain</i>	<i>y</i>			
<i>Sweden</i>		<i>y</i>	<i>y</i>	
<i>Switzerland</i>				
<i>Turkey</i>				<i>y</i>
<i>United Kingdom</i>	<i>y</i>		<i>y</i>	
<i>United States</i>		<i>y</i>		

A tool for measuring private pensions with an international perspective

- Get data internationally comparable;
- Provide data together with information on their coverage (metadata);
- Supply up-to date data.

Scope of the project

A BY PENSION FUND TYPE	
1	Total autonomous [1.1+1.2]
1.1	Pension entity
1.2	Separate account
2.	Total non-autonomous
3.	Total insured
Total all funds [1+2+3]	

B BY PENSION PLAN TYPE	
1	Total occupational [1.1+1.2]
1.1	Mandatory [1.1.1+1.1.2]
1.1.1	Defined contribution
1.1.2	Defined benefit
1.2	Voluntary [1.2.1+1.2.2]
1.2.1	Defined contribution
1.2.2	Defined benefit
2	Total personal [2.1+2.2]
2.1	Mandatory [2.1.1+2.1.2]
2.1.1	Defined contribution
2.1.2	Defined benefit
2.2	Voluntary [2.2.1+2.2.2]
2.2.1	Defined contribution
2.2.2	Defined benefit
Total all plans [1+2]	

Variables

- Assets
- Liabilities
- Income
- Expenditure
- Membership

1) ASSETS

TOTAL INVESTMENTS

- Of which: total investments in the plan sponsor
- Of which assets overseas: Issued by entities located abroad
- Of which assets overseas: Issued in foreign currencies
- Cash and deposits
- Bills and bonds issued by public administration
- Corporate bonds
- Loans
- Shares
- Land and buildings
- Mutual funds (Collective Investment Scheme, CIS)
- Unallocated insurance contracts
- Other investments products

2) LIABILITIES

TOTAL LIABILITIES

- Capital
- Net technical provisions
- Other liabilities

3) INCOME

NET INVESTMENT INCOME

TOTAL CONTRIBUTIONS

- Employers contributions
- Employees contributions

OTHER INCOME

4) EXPENDITURE

BENEFITS

- Lump sum
- Pension
- Allocated insurance contracts

OPERATING EXPENSES

OTHER EXPENSES

5) MEMBERSHIP

TOTAL MEMBERS

- Total active members
- Total deferred members
- Total passive members

OTHER

BENEFICIARIES

TOTAL NUMBER OF FUNDS / PLANS

(Future variables that may be included as part of the dataset)

MICRO-DATA

COSTS AND FEES

Pension data availability for selected OECD countries

	Austria	Belgium	Canada	Denmark	Finland	Germany	Hungary	Italy	Norway	Poland	Portugal	Spain	Sweden	Switzerland	United Kingdom
BY PENSION FUND TYPE															
Autonomous															
Pension entity	ND										NA	NA			
Separate account	ND	NA	NA		NA	NA	NA		NA					NA	NA
Non-autonomous	NA	ND	NA	NA	NA	NA	ND		ND	ND	NA			NA	NA
Insured			ND		ND	ND	NA		ND		ND	ND		NA	ND
BY PENSION PLAN TYPE															
Occupational		ND				ND	ND		ND				ND		ND
Mandatory	NA	NA	ND			ND	ND	NA	NA	NA		NA	ND		ND
Defined contribution	NA	NA	ND		NA	NA	ND	NA	NA	NA		NA	ND		ND
Defined benefit	NA	NA	ND			ND	ND	NA	NA	NA		NA	ND		ND
Voluntary						ND	ND		ND				NA	ND	ND
Defined contribution					NA	NA	ND		ND				NA	ND	ND
Defined benefit		ND		NA		ND	ND		ND	NA			NA	ND	ND
Total personal		ND	ND		ND	ND	ND		ND				ND	ND	ND
Mandatory	NA	NA	ND	NA	NA	NA	ND	NA	NA		NA	NA	NA	NA	ND
Defined contribution	NA	NA	ND	NA	NA	NA		NA	NA		NA	NA	NA	NA	ND
Defined benefit	NA	NA	ND	NA	NA	NA	ND	NA	NA	NA	NA	NA	NA	NA	ND
Voluntary			ND		ND	ND	ND	ND	ND				ND	ND	ND
Defined contribution			ND		ND	ND			ND				ND	ND	ND
Defined benefit		ND	ND	NA	ND	ND	ND	NA	ND	NA	NA		ND	ND	ND

 Data available

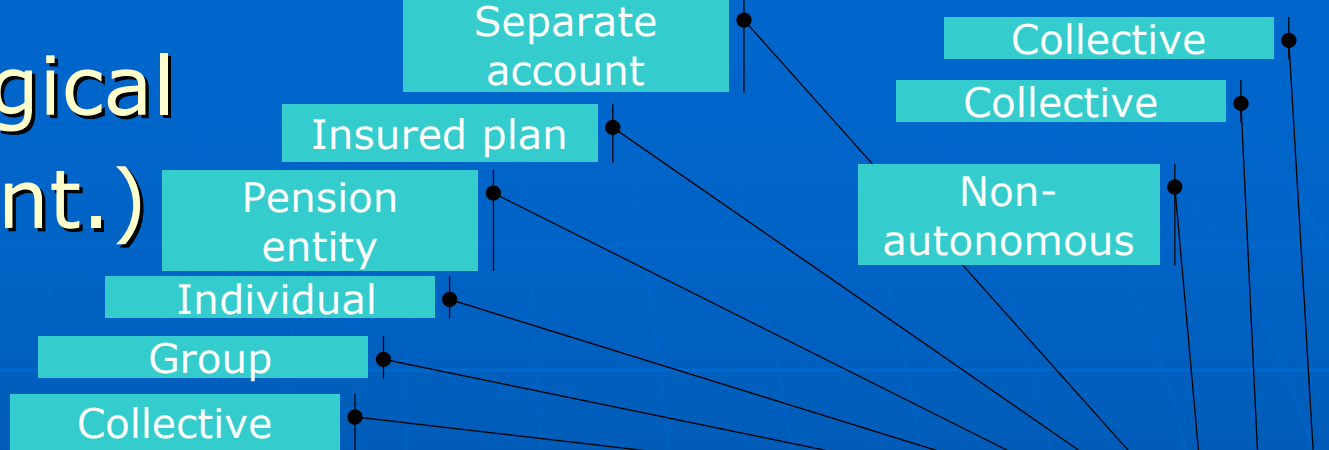
ND: Data not available, NA: Data not applicable

Methodological survey (extract)

AUSTRALIA

COUNTRY	SOURCE	CATEGORY	SUB-CATEGORY	DESCRIPTION
AUSTRALIA	APRA and ATO, data are also compiled by the Australian Bureau of Statistics (ABS)	Managed fund	Corporate	Sponsored by a single non-government employer, or group of employers.
		Managed fund	Industry	Established under an agreement between the parties to an industrial award.
		Managed fund	Retail funds	Pooled superannuation products sold commercially and competitively through intermediaries, including master trusts (private pension investments) and personal superannuation products.
	ABS	Self-managed pension	RSAs and RSA (Retirement Saving Accounts)	Under the SIS Act in addition to separately constituted funds. Superannuation funds that have less than 5 members (also known as the self-managed, DIY, or 'mum and dad' funds) and single member ADFs, (less than five members all members are trustees). The liabilities represented by these accounts are liabilities of the institutions concerned and are included with the relevant institutions

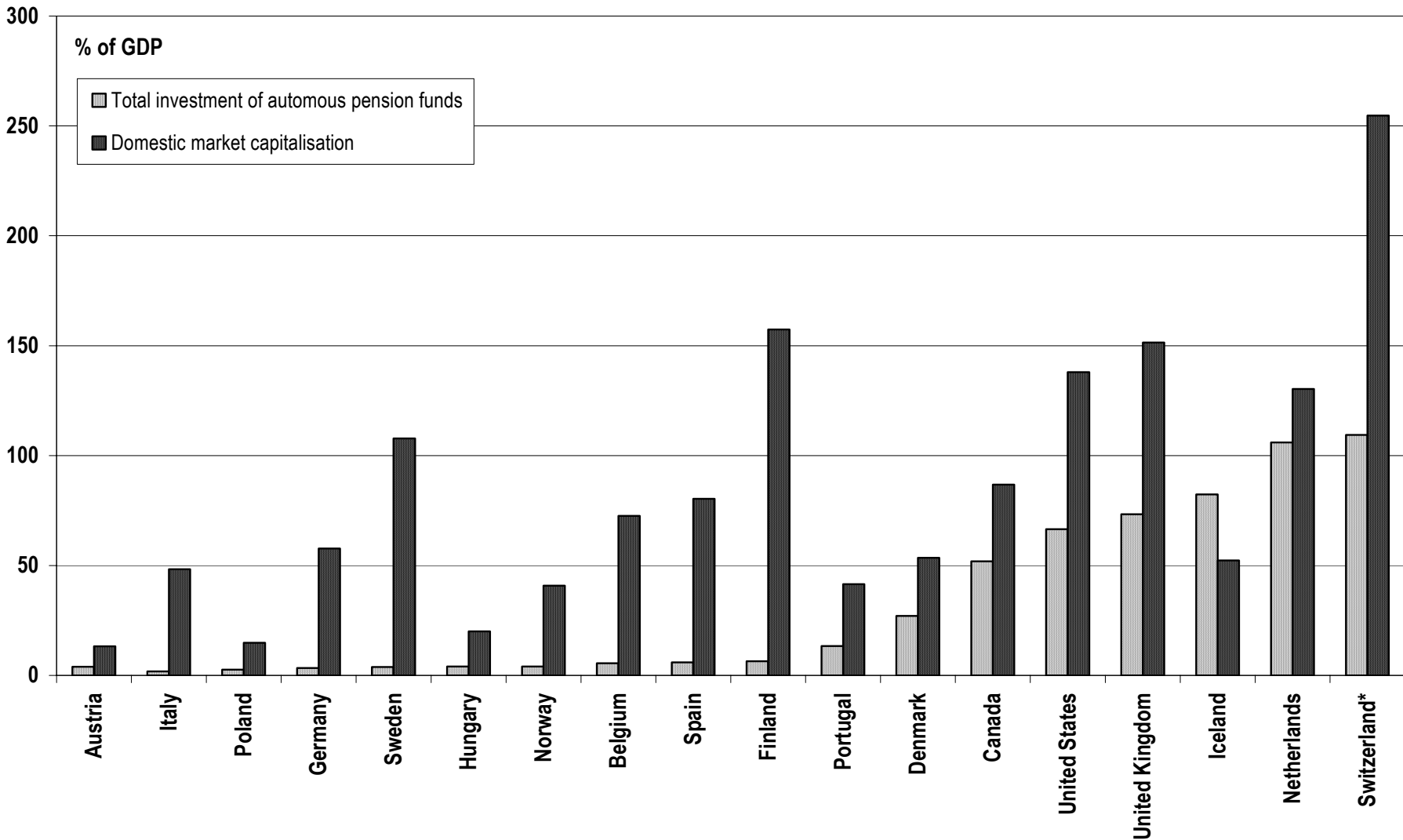
Methodological survey (cont.)



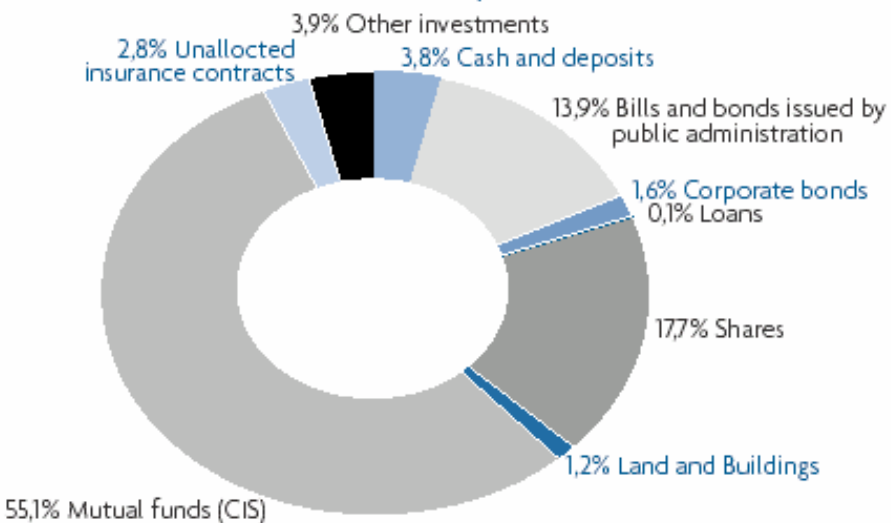
COUNTRY	SOURCE	CATEGORY	SUB-CATEGORY	1	2	3	4	5	6	7	8	9	
AUSTRALIA	APRA and ATO, data are also compiled by the Australian Bureau of Statistics (ABS)	Managed fund	Corporate		X		X				X		
		Managed fund	Industry	X			X				X		
		Managed fund	Retail funds				X	X	X	X			X
	ABS	Self-managed pension	RSAs and RSA (Retirement Saving Accounts)				X	X	X	X			X

<i>OECD countries</i>	<i>Statistical source(s) by country</i>
Austria	FMA Financial Market Authority
Belgium	Office de Contrôle des Assurances
Canada	Statistics Canada
Denmark	Danish Financial Supervisory Authority
Finland	Insurance Supervision Authority
Germany	Federal Financial Supervisory Authority
Hungary	Hungarian Financial Services Agency
Iceland	Financial Supervisory Authority
Italy	Commissione vigilanza fondi pensione (COVIP)
Japan	Ministry of Foreign Affairs
Korea	Korea Life Insurance Association
Netherlands	Statistics Netherlands
Norway	Kredittilsynet
Poland	Insurance and Pension Funds Supervisory Commission of Poland
Portugal	Instituto de Seguros de Portugal
Slovak Republic	Ministry of Labor, Social Affairs and Family
Slovak Republic	Ministry of Finance of the Slovak Republic
Spain	Banco de Espana
Spain	Ministry of Economy
Switzerland	Office fédéral de la statistique
Sweden	Finansinspektionen (the Swedish Financial Supervisory Authority)
Turkey	Undersecretariat of Treasury, T.C. Basbakanlik Hazine Mustesarligi
United Kingdom	National Statistical Office (ONS)
United States	Department of Treasury
United States	FED
United States	Department of Labor
Mexico	CONSAR
<i>non-OECD countries</i>	
Bulgaria	Financial Supervision Commission
Estonia	Financial Supervision Authority
Slovenia	Slovene Insurance Supervision Agency
Slovenia	Slovene Security Market Agency
	Those organisations, which have provided a joint answer.

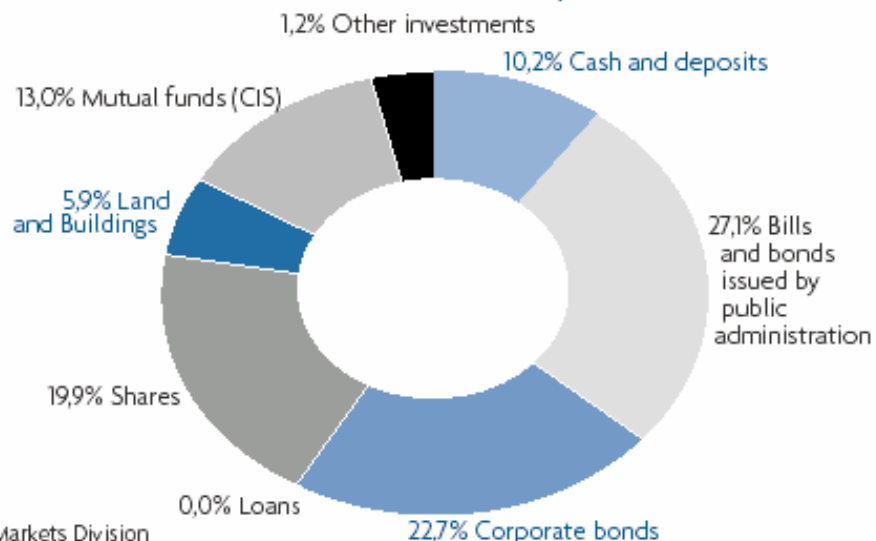
Weight of pension funds total investments in the economy compared with stock exchange size



BELGIUM: Pension funds portfolio mix



PORTUGAL: Pension funds portfolio mix

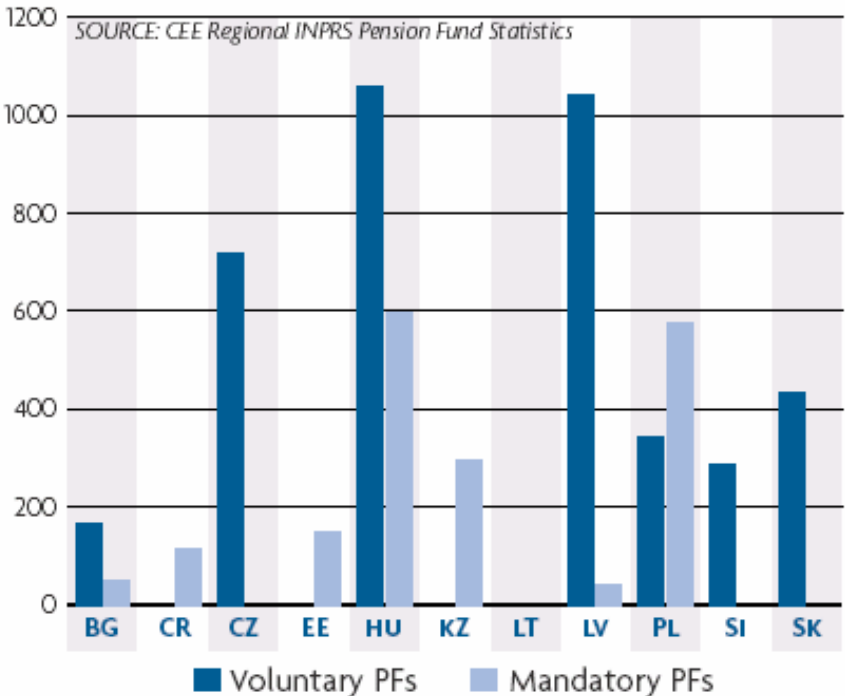


SOURCE: OECD, Financial Markets Division

Average Assets per Capita (per member, in USD)

Unit USD / Year 2002

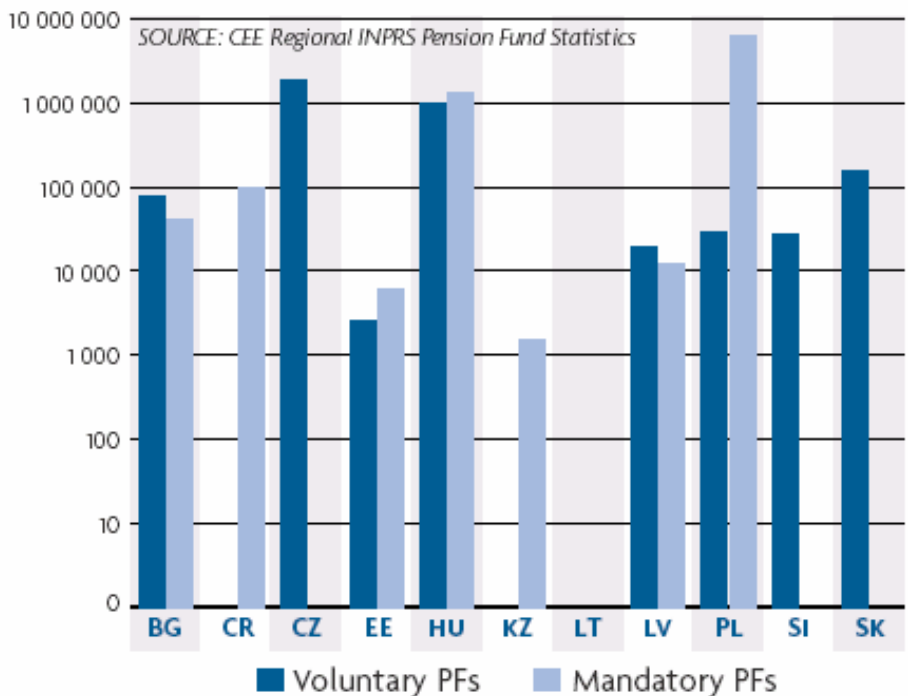
SOURCE: CEE Regional INPRS Pension Fund Statistics

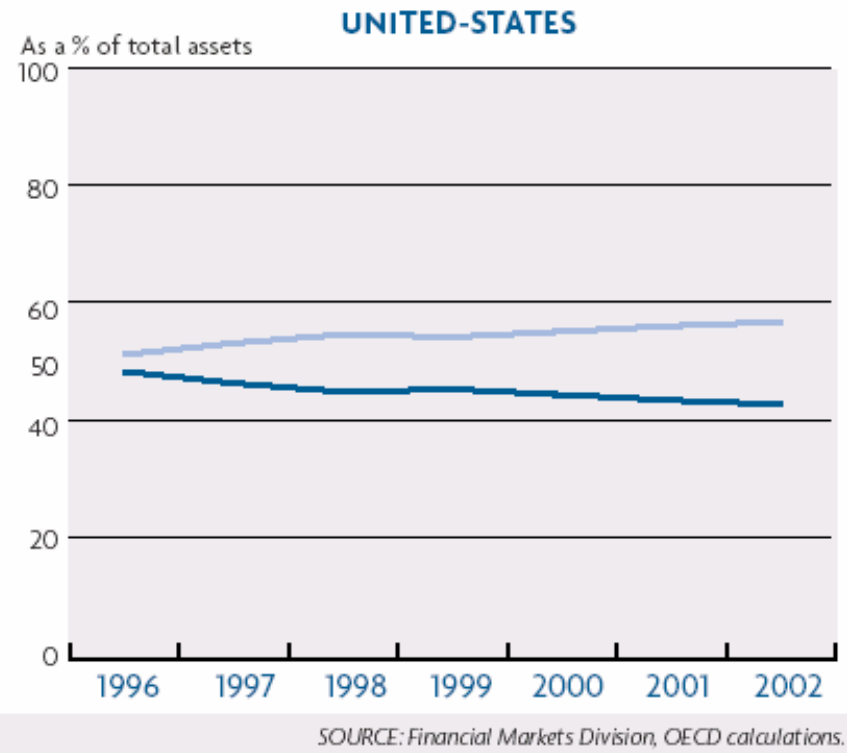
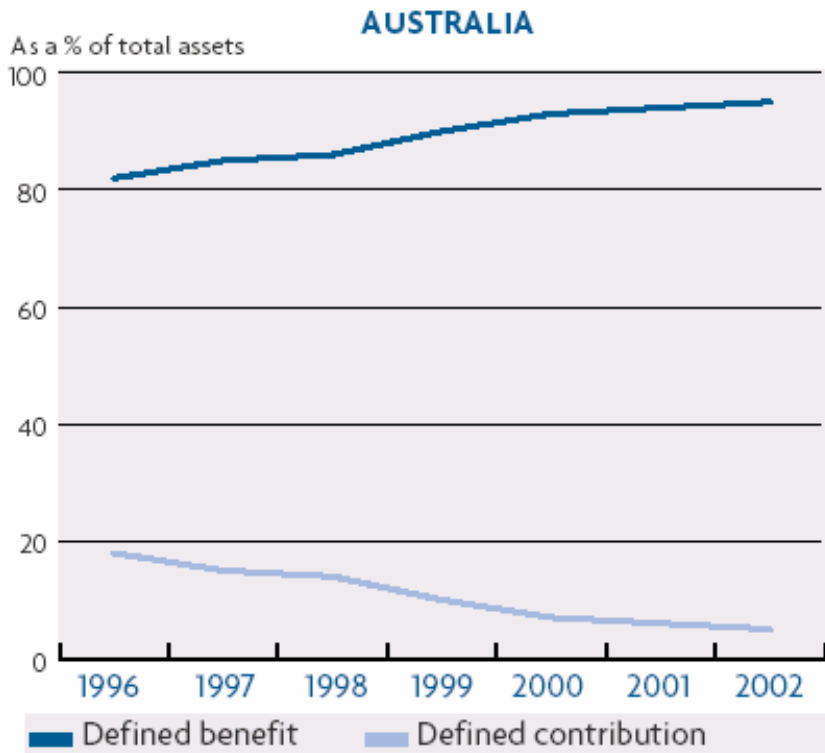


Voluntary and Mandatory pension funds in 2002

Unit 1000 USD / Year 2002

SOURCE: CEE Regional INPRS Pension Fund Statistics





Results from the 1st data collection round

- Almost all OECD countries participate in the exercise exhibiting the great interest in this exercise;
- Significant efforts has been made to achieve comparability among countries;
- 13 out 26 countries was in a position to provide 2002 data;
- We were able to calculate important pension activity indicators; an extensive range of indicators relating to a wide definition of private pension plans, pension funds.

Where Are We?

- A common vocabulary: the Taxonomy and Glossary of pension terms;
- Design of a a statistical questionnaire based on a data availability exercise;
- Approval of the questionnaire by the Task Force on Pension Statistics and the Working Party on Private Pensions;
- First round of the on-going data collection (2001 and 2002 data).

Issues to be addressed

- Coherence with other datasets,
 - Autonomous vs. non-autonomous pension funds,
 - Funded vs. unfunded pension plans;
- Coherence within the SNA framework (Taxonomy and Glossary);
- Enhance data completeness;
- Up-to-date data through the delivery of preliminary data or estimates;
- Provision of additional indicators.

Moving forward

- Building on the preliminary results, we would revisit the project's framework;
- Extend the project's scope;
 - Geographical coverage;
 - Collection of micro-data on funded public plans.
- Refining the data accuracy, completeness and timeliness;
 - Send out a questionnaire on valuation methods;
 - Up-to-date data through the delivery of preliminary or estimates for research purposes.

1	Total occupational	
	1.1 Total defined benefit	
	1.1.1	Autonomous
	1.1.2	Non-autonomous
	1.1.3	Insured plans
	1.2 Total defined contribution (with guarantees)	
	1.2.1	Autonomous
	1.2.2	Non-autonomous
	1.2.3	Insured plans
	1.2.4	Investment companies
	1.2.5	Banks
	1.3 Total defined contribution (without guarantees)	
	1.3.1	Autonomous
	1.3.2	Non-autonomous
	1.3.3	Insured plans
	1.3.4	Investment companies
	1.3.5	Banks
2	Total personal	
	2.2 Total defined contribution (with guarantees)	
	2.2.1	Autonomous
	2.2.2	Non-autonomous
	2.2.3	Insured plans
	2.2.4	Investment companies
	2.2.5	Banks
	2.3 Total defined contribution (without guarantees)	
	2.3.1	Autonomous
	2.3.2	Non-autonomous
	2.3.3	Insured plans
	2.3.4	Investment companies
	2.3.5	Banks

Nota: Implementation to the current questionnaire mid-2004, subject to the approval by the OECD Working Party on Private Pensions.

2004 anticipated outputs

- Next data collection round for the base year 2003;
 - Extension of the geographical coverage to selected non-OECD countries;
- Publication of a statistical newsletter;
- Publication of a CD-Rom on pension statistics, including;
 - A wide range of statistical indicators;
 - The country methodological notes;
 - A revision of the Taxonomy
 - the Glossary of pension terms.

Thank you...

jean-marc.salou@oecd.org