



Overview of asset-backed pension systems

Coverage of the OECD Global Pension Statistics exercise

The compilation of metadata relating to pension statistics is an essential part of the Global Pension Statistics project. Metadata allow for a better knowledge and understanding of the coverage of the OECD Global Pension Statistics (GPS) database, its completeness and limits.

This file describes the different types of asset-backed pension plans in each country. It provides the statistical data coverage of the GPS exercise and a detailed description of the various asset-backed pension plans by country. Information in this file is collected from national sources, which are usually Pension Authorities, National Statistical Offices, Central Banks and/or Ministries of Finance. Information in this document refers to December 2022 or to the latest year available.

This file reports the financing vehicle and the type of each plan under “Type of fund” and “Type of plan” respectively, following the OECD taxonomy. For more information on the OECD classification and taxonomy, see the OECD *Private Pensions: OECD Classification and Glossary*, available at www.oecd.org/dataoecd/0/49/38356329.pdf.

This file also compiles standardised information on some of the main features of pension plans, such as:

- whether the access to the plan can be linked to employment or professional activity (Yes/No);
- whether the employer can or has to contribute (Yes/No);
- whether the employer provides access to the (default) plan (Yes/No);
- whether the employer / social partners establish the plan (Yes/No);
- the benefit calculation: by reference to a formula based on the number of years of service and the salary, or by reference to the contributions paid and return achieved with those contributions;
- the type of guarantee: benefit level, annuity purchase price, capital guarantee, fixed return, absolute minimum return, relative minimum return, none (there can be a combination of several types of guarantee);
- the sharing of some risks (e.g. investment risk, interest rate risk, longevity risk) between: plan sponsor, and/or active members, and/or deferred members, and/or pensioners -- there may however be no risk sharing at all;
- the guarantor: plan sponsor (i.e. the employer), the pension fund, an insurance company, or none.

More information on the OECD GPS project can be found at: <http://www.oecd.org/daf/pensions/gps>.

Further readings: OECD *Pension Markets in Focus*, available online at the following link: <http://www.oecd.org/daf/pensions/pensionmarkets>.

COUNTRY	"X" means data exists in GPS	ADMINISTRATIVE NATIONAL SPECIFICATIONS			OECD CLASSIFICATION				CHARACTERISTICS OF THE PLAN/FUND							
		SOURCE	CATEGORY	DESCRIPTION	TYPE OF FUND (Pension fund / Pension insurance contract / Bank managed fund / Investment company managed fund)	TYPE OF PLAN: - Occupational pension plan or personal pension plan (to which either access can be linked to employment or professional activity, or access is not linked to employment or professional activity); - Mandatory, quasi-mandatory or voluntary; - defined benefit traditional, defined benefit hybrid/mixed, defined contribution protected or defined contribution unprotected			The access to the plan can be linked to employment or professional activity (Yes / No)	The employer can or has to contribute (Yes / No)	The employer provides access to the (default) plan (Yes / No)	The employer / social partners establish the plan (Yes / No)	Benefit calculation (by ref. to a formula / by ref. to contributions paid)	Type of guarantee (benefit level / annuity purchase price / capital guarantee / fixed return / absolute minimum return / relative minimum return / none)	Risk-sharing (plan sponsor / active members / deferred members / pensioners / none)	Guarantor (plan sponsor / pension fund / insurance company / none)
DENMARK	X		Company pension funds	Autonomous legal entities, independent from the company where beneficiaries are employed, and which administer company pension plans. (Most company pension plans are, however, held in insurance companies, while some are managed by banks.) Company pension funds are related to and sponsored by a specific company. The plans are normally DB with a formula for benefit payments which is based on the end-salary. Only very few (and small) funds are left. All are closed to new members. Company pension funds are IORP-regulated.	Pension fund	Occupational pension plan	Quasi-mandatory	DB traditional	Yes	Yes	Yes	Yes	By ref. to a formula - Normally as a fixed % of end salary	Benefit level	None	Plan sponsor
	X		General pension funds	Earnings-related pensions. Incorporated into collective wage agreements between employers and employees working in the same industry or field of activity. Levels of contributions depend on income. (Labour market pensions can also be managed by specialised life insurance companies). General pension funds are mutually owned pension funds often related to education and often related to trade unions. They are Solvency II regulated.	Pension insurance contract	Occupational pension plan	Quasi-mandatory	DC protected	Yes	Yes	Yes	Yes	By ref. to contributions paid, obtained investment result and guarantees issued	Fixed nominal minimum average return (the guarantee ensures an average return over the savings period).	None	Pension fund
	X	Pension insurance contract			Occupational pension plan	Quasi-mandatory	DC unprotected	Yes	Yes	Yes	Yes	By ref. to contributions paid and obtained investment result	None	None	None	
	X		Specialised life insurance companies	Earnings-related pensions. Incorporated into collective wage agreements between employers and employees working in the same industry or field of activity. Contributions from employers and employees depend on income. Data included in "Pension funds held in life insurance companies". Specialised life insurance companies are commercial pension providers that are Solvency II-regulated.	Pension insurance contract	Occupational pension plan	Quasi-mandatory	DC protected	Yes	Yes	Yes	Yes	By ref. to contributions paid, obtained investment result and guarantees issued	Fixed nominal minimum average return (the guarantee ensures an average return over the savings period).	None	Insurance company
	X	Pension insurance contract			Occupational pension plan	Quasi-mandatory	DC unprotected	Yes	Yes	Yes	Yes	By ref. to contributions paid and obtained investment result	None	None	None	
	X		Company pension plans in pension funds held in life insurance companies	Company pension plans. Data included in "Specialised life insurance companies".	Pension insurance contract	Occupational pension plan	Quasi-mandatory	DC protected	Yes	Yes	Yes	Yes	By ref. to contributions paid, obtained investment result and guarantees issued	Fixed nominal minimum average return (the guarantee ensures an average return over the savings period).	None	Pension fund
	X	Pension insurance contract			Occupational pension plan	Quasi-mandatory	DC unprotected	Yes	Yes	Yes	Yes	By ref. to contributions paid and obtained investment result	None	None	None	
	X	Danish Financial Supervisory Authority	Individual plans in pension funds held in life insurance companies	Individual plans. Data included in "Specialised life insurance companies". The pension saver normally agrees with his/her employer that the latter pays part of the salary into a pension plan.	Pension insurance contract	Personal pension plan, to which access can be linked to employment or professional activity	Voluntary	DC protected	Yes	Yes	Yes	No	By ref. to contributions paid, obtained investment result and guarantees issued	Fixed nominal minimum average return (the guarantee ensures an average return over the savings period).	None	Pension fund
	X				Pension insurance contract	Personal pension plan, to which access can be linked to employment or professional activity	Voluntary	DC unprotected	Yes	Yes	Yes	No	By ref. to contributions paid and obtained investment result	None	None	None

COUNTRY	"X" means data exists in GPS	ADMINISTRATIVE NATIONAL SPECIFICATIONS			OECD CLASSIFICATION				CHARACTERISTICS OF THE PLAN/FUND							
		SOURCE	CATEGORY	DESCRIPTION	TYPE OF FUND (Pension fund / Pension insurance contract / Bank managed fund / Investment company managed fund)	TYPE OF PLAN: - Occupational pension plan or personal pension plan (to which either access can be linked to employment or professional activity - <i>eg.</i> access is not linked to employment or professional activity); - Mandatory, quasi-mandatory or voluntary; - defined benefit traditional, defined benefit hybrid/mixed, defined contribution protected or defined contribution unprotected			The access to the plan can be linked to employment or professional activity (Yes / No)	The employer can or has to contribute (Yes / No)	The employer provides access to the (default) plan (Yes / No)	The employer / social partners establish the plan (Yes / No)	Benefit calculation (by ref. to a formula / by ref. to contributions paid)	Type of guarantee (benefit level / annuity purchase price / capital guarantee / fixed return / absolute minimum return / relative minimum return / none)	Risk-sharing (plan sponsor / active members / deferred members / pensioners / none)	Guarantor (plan sponsor / pension fund / insurance company / none)
	X	Company pension plans in pension funds held in banks	Company pension plans.		Bank / Inv. co. managed fund	Occupational pension plan	Quasi-mandatory	DC unprotected	Yes	Yes	Yes	Yes	By ref. to contributions paid and obtained investment result	None	None	None
	X	Individual plans in pension funds held in banks	Individual plans. The pension saver can either agree with his/her employer that the latter pays a part of the salary into a pension plan and gets a tax deduction (ETT-system) or the pension saver can (for small amounts) make individual bank pension savings of taxed income (TTE-system). The bank pension saving is a pure saving product. No guarantee is offered neither in the accumulation phase or in the payout phase. All risk is borne by the saver. The payout period is 10-30 years (optional). Each year the paid amount is adjusted according to the net asset value and the remaining pay-out period. There is also no risk sharing when it comes to longevity. When the retiree dies, the remaining amount in the account is given to the heirs.	Bank / Inv. co. managed fund	<i>Personal pension plan, to which access can be linked to employment or professional activity</i>	Voluntary	DC unprotected	Yes	Yes	No	No	By ref. to contributions paid and obtained investment result	None	None	None	
	X	Supplementary earnings-related pension Scheme (ATP)	ATP covers all wage-earners in Denmark. Benefits are financed by contributions from employers and wage-earners. ATP contributions are also levied on social benefit paid in cash. ATP is a statutory pension scheme established by law in 1964. It is also the name of the independent, self-sufficient institution which administers ATP. ATP and LD (public-sector pension fund) are included in private pension funds. Employers collect the monthly payments from the salary and transfer these payments to ATP. All risk for falling below the guaranteed minimum return due to investment risk, interest rate risk, longevity risks is with ATP (the pension company). If the return stays above the guaranteed minimum return, then the members are sharing investment risk, interest rate risk and longevity risk.	Pension fund	<i>Personal pension plan, to which access can be linked to employment or professional activity</i>	Mandatory	DC protected	Yes	Yes	No	No	By ref. to contributions paid, obtained investment result and guarantees issued	Absolute minimum return	None	Pension fund	
	X	Employee capital pension fund (LD Pensions)	LD was founded at the end of the 1970s with the object of managing "frozen cost-of-living allowances". As part of the automatic indexation of wages to cover the cost of living, these allowances should have been paid to employees to offset inflation. However, the government decided to pay them as a supplementary lump sum pension upon retirement. LD is a statutory pension scheme.	Pension fund	<i>Personal pension plan, to which access can be linked to employment or professional activity</i>	Mandatory	DC unprotected	Yes	No	No	No	By ref. to contributions paid and obtained investment result	None	None	None	