



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 - 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)
JAPAN	X	The Ministry of Health Labour and Welfare	The Employees' Pension Fund (EPF) (<i>kosei nenkin kikin</i>)	The EPF is a defined benefit corporate pension fund. It manages a part of the public pension plan and also provides its own supplementary benefits. After 2014 the establishment of new EPFs are prohibited, and existing EPFs are encouraged to dissolve and convert to other types of pension plans. At the end of FY2020 there were 5 EPFs.	Pension fund	Occupational pension plan	Voluntary	DB traditional, DB hybrid	Yes	Yes	Yes	Yes	By ref. to a formula	Benefit level	Plan sponsor, active members, deferred members and pensioners	Pension fund
	X		Defined benefit corporate pension funds (<i>kakutei kyufu kigyo nenkin</i>)	Defined benefit corporate pension funds were introduced in April 2002 in accordance with the Defined Benefit Pension Act. The funds are approved by the Minister of Health, Labour and Welfare.	Pension fund	Occupational pension plan	Voluntary	DB traditional, DB hybrid	Yes	Yes	Yes	Yes	By ref. to a formula	Benefit level	Plan sponsor, active members, deferred members and pensioners	Plan sponsor, Pension fund
	X		Retirement Allowance	The employers act as the pension institution, making a direct pension promise financed by book reserves. Retirement Allowance with preferential tax treatment.	Book reserve / non-autonomous fund	Occupational pension plan	Voluntary	DB traditional	Yes	Yes	Yes	Yes	By ref. to a formula	Benefit level	None	Plan sponsor
	X		Corporate defined contribution funds (<i>kakutei kyoshutsu nenkin(kigyo-gata)</i>)	Corporate defined contribution funds were introduced in October 2001 in accordance with the Defined Contribution Pension Act. The funds are implemented through a pension management organisation, such as banks, trust banks, insurers, or security companies. These institutions are registered with the Ministry of Health, Labour and Welfare.	Pension fund	Occupational pension plan	Voluntary	DC unprotected	Yes	Yes	Yes	Yes	By ref. to contributions paid	None	None	None
	X		Individual defined contribution funds (<i>kakutei kyoshutsu nenkin [koin-gata]</i>)	Individual defined contribution funds were introduced in October 2001 in accordance with the Defined Contribution Pension Act. The funds are implemented through a pension management organisation, such as banks, trust banks, insurers, or security companies. These institutions are registered with the Ministry of Health, Labour and Welfare. From May 2018, employers of small and medium-sized enterprises meeting some requirements can make contributions if the employee joins an individual DC plan.	Pension fund	Personal pension plan, to which access is not linked to employment or professional activity	Voluntary	DC unprotected	No	Yes	No	No	By ref. to contributions paid	None	None	None
	X		National pension funds (<i>kokumin nenkin kikin</i>)	National pension funds were introduced in 1991 in accordance with National Pension Act. They are established for the self-employed persons and approved by the Minister of Health, Labour and Welfare.	Pension fund	<i>Personal pension plan, to which access can be linked to employment or professional activity</i>	Voluntary	DC protected	Yes	No	No	No	By ref. to contributions paid	Fixed interest rate	None	Pension fund
	X	National Public Service Personnel Mutual Aid Associations; Pension Fund for Local Government Officials; Promotion and Mutual Aid Corporation for Private Schools of Japan	Occupational pension plans for public officials and private school personnel	They are established for public officials and private school personnel whereas a part of their occupational public pension system was abolished in the reform implemented in October 2015. They correspond to cash balance plans. An upper limit is set for the contribution rate of both employees and employers. To the upper limit, the contribution rate of both employees and employers will rise to cope with a funding shortfall. Nevertheless if the shortfall still remains, beneficiaries will ultimately bear the risk. Beneficiaries may receive a combination of life-term and fixed-term pension benefit.	Pension fund	Occupational pension plan	Mandatory	DB hybrid	Yes	Yes	Yes	Yes	By ref. to a formula	Benefit level	Plan sponsor, active members, deferred members and pensioners	None

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		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 <u>either</u> 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)
	X	National tax agency	Personal pension insurance	A personal pension insurance is a contract between individual and insurance companies. Personal pension insurance contracts are earmarked for retirement, and an insurance policyholder needs to meet the three following conditions in order to claim tax deductions. Firstly, the beneficiary is a person who paid the premium or is his/her spouse. Secondly, the contract defines that the policy holders pay the premium for more than 10 years periodically. Thirdly, the contract defines that the pensionable age is 60 or more and the person could receive the pension for 10 years or more.	Pension insurance contract	Personal pension plan, to which access is not linked to employment or professional activity	Voluntary	DC unprotected	No	No	No	No	By ref. to contributions paid	None	None	None
	X	Organisation for Workers' Retirement Allowance Mutual Aid	Smaller Enterprise Retirement Allowance Mutual Aid	Smaller Enterprise Retirement Allowance Mutual Aid was established in 1959 for employees working in small and medium sized enterprises in accordance with the Small and Medium Sized Enterprise Retirement Allowance Cooperative Act. The beneficiary will be provided with the benefit when s/he resigns from the company. The benefit is made up of a basic payment and an additional one. The basic payment is determined by law and is based on the monthly contribution amount and months of contribution. It is calculated with a promised interest rate of 1% compounded annually, which may change due to the changes in laws or regulations. The additional payment is added to the basic one if the investment return exceeds the promised interest rate. The benefit is calculated in accordance with the monthly contribution amount and months of contribution, regardless of whether the beneficiary resigns from the company after a legally defined retirement age (e.g. 60 years old) or not.	Pension fund	Occupational pension plan	Voluntary	DC protected	Yes	Yes	Yes	Yes	By ref. to contributions paid	Fixed interest rate	None	Pension fund
	X	Organisation for Small & Medium Enterprises and Regional Innovation	The small-scale enterprise mutual aid account	They were introduced in 1965 for self-employed persons working in small and medium sized enterprises in accordance with the Small Enterprise Mutual Relief Projects Act.	Pension fund	Personal pension plan, to which access can be linked to employment or professional activity	Voluntary	DC protected	Yes	No	No	No	By ref. to contributions paid	Fixed interest rate	None	Pension fund
	X	Farmers' Pension Fund	Farmers' Pension Fund	They were introduced in 2003 for farmers in accordance with the Act on the Farmers Pension Fund, Independent Administrative Agency.	Pension fund	Personal pension plan, to which access can be linked to employment or professional activity	Voluntary	DC unprotected	Yes	No	No	No	By ref. to contributions paid	None	None	None