



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>.

Last Update: 20 November 2023

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)
CANADA	X	Statistics Canada; Trusted Pension Funds surveys	Employer sponsored registered pension plans (RPPs) - Trusteed	Registered pension plans (RPPs) operated under a trust agreement; pension funds administered under federal or provincial legislation; pension funds held by a pension corporation or pension funds society; pension funds held by insurance companies for investment management only. They can administer traditional DB plans. They include flat benefit plans, career average plans and final average plans. - Flat benefit plan: monthly pension is a specified dollar amount of pension for each year of service. - Career average plans: pension is calculated as a percentage of an employee's earnings over the course of his/her career (while participating). - Final average plans: pension is calculated as a percentage of an employee's earnings over a stated period of time, often an average of the best 5(3) consecutive years of earnings in the last 10(5) years of employment. The security of the benefit is dependent of the plan sponsor's ability to pay the required funding level. Financial limitations or insolvency of the sponsor may jeopardize the required funding. In order to rebalance the funding, a plan administrator may opt to increase active member contributions, increase employer contributions, reduce the value of future active member benefit accruals or reduce ancillary benefits for past service.	Pension fund	Occupational pension plan	Voluntary	DB traditional	Yes	Yes	Yes	Yes	By ref. to a formula	Benefit level	Plan sponsor, active members, deferred members, pensioners	Plan sponsor
	X			Registered pension plans (RPPs) operated under a trust agreement; pension funds administered under federal or provincial legislation; pension funds held by a pension corporation or pension funds society; pension funds held by insurance companies for investment management only. They can administer hybrid/mixed DB plans.	Pension fund	Occupational pension plan	Voluntary	DB hybrid-mixed	Yes	Yes	Yes	Yes	DB tier: By ref. to a formula DC tier: By ref. to contributions paid	DB tier: Benefit level DC tier: None	Plan sponsor, active members, deferred members, pensioners	DB tier: Plan sponsor DC tier: None
	X			Registered pension plans (RPPs) operated under a trust agreement; pension funds administered under federal or provincial legislation; pension funds held by a pension corporation or pension funds society; pension funds held by insurance companies for investment management only. They can administer unprotected DC plans where the income that plan members will receive at retirement is not pre-determined. Pension at retirement is whatever amount the contributions, plus investment returns, will purchase at retirement. Retiring plan members have the option of purchasing Life Annuity (sold through life insurance companies), Life Income Fund (LIF) or a Locked-In Retirement Fund (LRIF). LRIF is similar to LIF, but it is subject to a different maximum payout formula.	Pension fund	Occupational pension plan	Voluntary	DC unprotected	Yes	Yes	Yes	Yes	By ref. to contributions paid	None	None	None
	X	Statistics Canada; Pension Satellite Account (PSA)	Employer sponsored registered pension plans (RPPs) - Other (Insurance)	RPPs operated under a trust agreement; pension funds administered under federal or provincial legislation; pension funds held by a pension corporation or pension funds society; pension funds held by insurance companies for investment management only. They can administer traditional DB plans. They include flat benefit plans, career average plans and final average plans. - Flat benefit plan: monthly pension is a specified dollar amount of pension for each year of service. - Career average plans: pension is calculated as a percentage of an employee's earnings over the course of his/her career (while participating). - Final average plans: pension is calculated as a percentage of an employee's earnings over a stated period of time, often an average of the best 5(3) consecutive years of earnings in the last 10(5) years of employment. The security of the benefit is dependent of the plan sponsor's ability to pay the required funding level. Financial limitations or insolvency of the sponsor may jeopardize the required funding. In order to rebalance the funding, a plan administrator may opt to increase active member contributions, increase employer contributions, reduce the value of future active member benefit accruals or reduce ancillary benefits for past service.	Pension insurance contract	Occupational pension plan	Voluntary	DC unprotected	Yes	Yes	Yes	Yes	By ref. to contributions paid	Pre-determined annuity amount	None	Insurance company after the purchase of contract
	X			RPPs operated under an insurance company contract including Deferred profit sharing plans (DPSP): Government of Canada annuities. Various models (DC unprotected, DB, DB hybrid-mixed). The amount of annuity payment is based on a number of factors. These include : interest rates, amount deposited, age of the recipient, duration of payment and the options taken (guaranteed benefit, survivor benefit, indication, etc.)	Pension insurance contract	Occupational pension plan	Voluntary	DB traditional	Yes	Yes	Yes	Yes	By ref. to a formula	Benefit level	None	Insurance company when plan sponsors purchase a buy-out annuity contract to de-risk a part of their pension obligations
	X			Pension insurance contract	Occupational pension plan	Voluntary	DB hybrid-mixed (e.g. DB underpin plans)	Yes	Yes	Yes	Yes	By ref. to a formula or by ref. to contributions paid	Depends on the plan. Some offer the greater of a benefit level (floor) and annuity contract (if it provides higher benefit payments). Some stack the benefits of the DB and the DC component	None	Plan sponsor, or insurance company when an annuity contract is purchased	

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	X	Statistics Canada; Pension Satellite Account (PSA)	Employer sponsored registered pension plans (RPPs) - Consolidated revenue funds	A financing arrangement for RPP sponsored by the public sector where most of the money from contributions is paid into the consolidated revenues of the appropriate government and used for general government expenditures.	Book reserve / non-autonomous fund	Occupational pension plan	Voluntary	DB traditional	Yes	Yes	Yes	Yes	By ref. to a formula	Benefit level	None	Employer
			Pooled registered pension plan (PRPP)	PRPPs is a defined contribution-style plan administered by a corporation licensed to act as an administrator. PRPP legislation has / is being developed by relevant federal and provincial pension supervisory authorities. Only a few PRPPs have been set up in one provincial jurisdiction. To date, PRPP data has not been collected.	Pension fund / Bank managed fund / Investment company managed fund	Personal pension plan, to which access can be linked to employment or professional activity	Voluntary (Members' perspective)	DC unprotected	Yes	Yes	Yes	No	By ref. to contributions paid	None	None	None
	X	Statistics Canada; Pension Satellite Account (PSA)	Personal registered retirement saving plans (RRSPs)	A capital accumulation programme designed to encourage saving for retirement. Contributions are tax-deductible within prescribed limits. Include group registered retirement savings plans (group RRSPs). Reported data for Personal registered retirement savings plans (RRSPs) include both individual RRSP accounts not linked to employment, as well individual RRSP accounts facilitated by an employer through a Group RRSP.	Pension fund Pension insurance contract Bank / Inv. co. managed fund	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	None	None	None