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COMPARATIVE TABLES ON PRIVATE PENSIONS SCHEMES

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This document presents the comparative tables which describe the pension system of OECD countries and most other countries of the International Network of Pension Regulators and Supervisors (INPRS) in a synthetic manner.

Table 1: Pension plans in the International Network countries

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk-bearing	Administration	Participation	Tax treatment
Argentina	<i>Social security system</i>	Minimum retirement age is 65 for men and 60 for women, before which benefits cannot be received.	PAYG, DB plan.	Plan administered by social security institute.	Employer: mandatory contribution, cannot set up plans Employee: mandatory. Can choose between Social Security System and individual account pension plans	
	<i>Mandatory individual account pension plans</i>	Minimum retirement age is 65 for men and 60 for women, before which account balance cannot be cashed out.	Must be fully-funded, DC plans in accumulation stage, but funds must earn a return within a band calculated around the average of the pension fund industry. Hence, funds must have a reserve account to meet shortfall in performance. At retirement accumulated balance may be annuitised (DB), drawn as a lump-sum for workers with very low balances at retirement, or as a gradual withdrawal.	In accumulation stage plans are administered via open pension funds only. The pension fund administrator is a specialised financial institution dedicated exclusively to that purpose (<i>Administradora de Fondos de Jubilaciones y Pensiones – AFJP</i>). Each AFJP may manage one pension fund only. There are no restrictions in switching between pension funds. Benefit payment in the form of annuities must be contracted with insurance companies. Other benefit options can be managed by AFJPs.	Employee: mandatory. Can choose between Social Security System and individual account pension plans	

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk-bearing	Administration	Participation	Tax treatment
				<p>Affiliate can choose insurance companies in the case of annuity chosen as form of benefit.</p> <p>Government guarantees minimum pension.</p>		
	<i>Voluntary individual account pension plans</i>	<p>Minimum retirement age is 65 for men and 60 for women, before which account balance cannot be cashed out.</p>	<p>Fully-funded, DC plans only. There are no guarantees.</p> <p>At retirement accumulated balance may be annuitised, drawn as a lump-sum for workers with very low balances at retirement, or as a gradual withdrawal.</p>	<p>In accumulation stage plans are administered via open pension funds only.</p> <p>The pension fund administrator is a specialised financial institution dedicated exclusively to that purpose (<i>Administradora de Fondos de Jubilaciones y Pensiones – AFJP</i>).</p> <p>Each AFJP may manage one pension fund only.</p> <p>There are no restrictions in switching between pension funds.</p> <p>Benefit payment in the form of annuities must be contracted with insurance companies. Other benefit options can be managed by AFJPs.</p> <p>Affiliate can choose insurance companies in the case of annuity chosen as form of benefit.</p> <p>There are also alternative pension plans through retirement insurance</p>	<p>Employer: voluntary to contribute, cannot set-up.</p> <p>Employee: voluntary</p>	

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk- bearing	Administration	Participation	Tax treatment
				companies		

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Australia	<i>Public pension</i>	Minimum retirement age of 60 for women and 65 for men.	Financed on a PAYG basis. Flat benefit.	Plan administered by government agency.	Non-contributory. Paid to all residents in Australia subject to income and assets means tests.	
	<i>Mandatory private pension plans – Superannuation guarantee</i>	Minimum retirement age of 55. Balance cannot be cashed in before retirement. On leaving a company, full accumulated balance may be transferred to another employer, occupational, personal plan, or may be used to purchase a deferred annuity - whether it can be retained in the fund depends on individual fund rules	Funded, mainly via DC schemes. Benefits paid as lump-sum or annuity (which is not necessarily a life-time annuity).	Plans must be administered in a closed or open pension fund (operating as trusts, called <i>superannuation funds</i>) by trustees. Asset management can be delegated. Benefits can be managed in-house (by trustees) or transferred to insurance companies (where annuities are purchased).	Employers: mandatory contribution to own closed pension fund or, if do not set up fund, to open fund chosen by employer. Legislation is proposed to allow employees to make the choice in certain circumstances. Employees: mandatory for all workers in private or public sector except self-employed and the low-paid, either to closed pension fund set up by employer, or to open fund.	Employer contributions are tax-deductible up to certain levels: A\$ 9,405 for those less than 35, A\$ 26,125 for those aged 35 to 49, and A\$ 64,700 for those over 50. Earnings taxed at 15%. Benefits taxed at concessional rates.
	<i>Voluntary private pension plans</i>	Minimum retirement age of 55. Balance cannot be cashed in before retirement. On leaving a company, full accumulated balance may be transferred to another employer, occupational, personal plan, or may be used to purchase a deferred annuity - whether it can be retained in the fund depends on individual fund rules	Funded. Benefits paid as lump-sum or annuity (which is not necessarily a lifetime annuity).	Plans must be administered in a closed or open pension fund (operating as trusts, called <i>superannuation funds</i>) by trustees. Asset management can be delegated. Benefits can be managed in-house (by trustees) or transferred to insurance companies (where annuities are purchased).	Employers: mandatory contribution to own superannuation fund or one chosen by employer. Employees: mandatory for all workers in private or public sector, but members can choose between employer's plan or a personal pension plan. Voluntary contributions to the funds are possible.	Employer and employee contributions are tax-deductible up to certain limits: A\$ 9,405 for those less than 35, A\$ 26,125 for those aged 35 to 49, and A\$ 64,700 for those over 50. Earnings taxed at 15%. Benefits taxed at concessional rates.
	<i>Annuities</i>		Funded.	Administered by life insurance companies.		

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Austria	<i>Social security pension</i>	Retirement age is 65 for men and 60 for women. Early retirement is possible from 60 for men and 55 for women. Retirement age for women is to be increased gradually from 60 to 65. Annuities only are available	PAYG. Financed through employees' and employers' contributions. Benefits depend on the amount of contribution.		Compulsory state pension for all employees, self-employed and civil servants	EET
	<i>Occupational pensions</i>		Funded. DB or DC	No general rules, Fixed according to the particular scheme. Plan may be administered by book reserve method, life insurance companies or closed pension funds (mutual insurance associations).	Voluntary- no obligation for the employee or employer.	EET system for contributions of the employer: contributions of the employee can only be deducted to a limited extent, benefits are taxed at only 25%
	<i>Personal pension plan</i>		Funded. DB or DC	Plans administered by life insurance companies	Voluntary	Premiums are deductible from income up to a certain ceiling provided benefits consist in the payment of whole life annuity. Annuities are then subject to income tax.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Belgium	<i>Social security pensions</i>	Retirement age is 65 for men and 61 for women. For women it will be gradually increased to 65 years in 2009. Early retirement is possible from age 60, subject to proving a certain period of work which currently stands at 22 years and will be gradually increased to 35 years in 2005. Annuities are only available	PAYG. Financed through contributions of the employer, the employee and a state subsidy. Benefits depend on the amount of contributions. There is a minimum and maximum pension. Civil servants' pensions are calculated on the basis of the last five years' contributions.	Plan administered by government body.	Compulsory state pension- covers all employees, self-employed persons and civil servants	EET Contributions by the employers constitute taxable income for employees.
	<i>Occupational pensions</i>		Funded. Mainly DC. Benefits may not exceed 80% of the gross earnings of the last year worked. Both annuities and lump-sum are available.	Plan administered via a closed pension fund (foundation) or insurance company.	Partly voluntary: any employee joining the company after a pension scheme has been set up is required to join. If no scheme exists, the employee has a free choice	EET (Lump sums are taxed at 16.5% and annuities at the standard rate of income tax).
	<i>Personal Pension plan</i>		Funded. Terms and conditions applicable are determined on the basis of the individual requirements.	Administered by life insurance companies and banks	voluntary	The premiums are tax-deductible under certain conditions.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Bolivia	<i>Bolivida annuity</i>	Benefits can be received from age 65 only.	Fully-funded through privatisation process Annuity paid from age 65. Level of annuities is fixed by the government	Managed by two pension fund administrators (AFP).	No contributions. Only Bolivian citizens are eligible.	No taxation
	<i>Mandatory individual account pension plans</i>	Minimum retirement age is not required. Benefits can be received based on account balance. Benefits can be received when the pension provided by the individual account is equal to 70% of the national minimum wage. If this requirement is not fulfilled, benefits can only be received after the age of 65 years, in order to retire with 70% of a national minimum wage, or be entitled to a minimum withdrawal Benefit payments are: retirement pension, survivors and disability pensions	Fully-funded. Only DC plans permitted in accumulation stage. There are no guarantees to earn a return fund. At retirement accumulated balance may be annuitised, drawn as a lump-sum, or as a gradual withdrawal. Government does not guarantee minimum pension. Benefit payments in the form of annuities must be contracted with insurance companies chosen by the affiliate. Other benefit options can be	Plan administered during accumulation stage via an open pension fund only. Asset management and benefit payment must be carried out by a specialised financial institution dedicated exclusively to that purpose (<i>Administradora de Fondos de Pensiones - AFP</i>). Each AFP may manage only one pension fund (FCI). There are restrictions in switching AFPs until the year 2002. Benefit payments may be outsourced to an insurance company	Employers: mandatory contribution only for worker's compensation. Employees: mandatory for all workers (including public sector workers and Armed Forces).	No taxation on retirement pension or on contributions

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
			managed by AFPs.			
	<i>Voluntary individual account pension plans</i>	<p>Minimum retirement age is not required. Benefits can be received based on account balance</p> <p>Benefits can be received when the pension provided by the individual account is equal to 70% of the national minimum wage. If this requirement is not fulfilled, benefits can only be received after the age of 65 years, in order to retire with 70% of a national minimum wage, or be entitled to a minimum withdrawal</p> <p>Benefit payments are: retirement pension, survivors and disability pensions.</p>	<p>Fully-funded. Only DC plans permitted in accumulation stage.</p> <p>There are no return guarantees.</p> <p>At retirement accumulated balance may be annuitised or drawn as a gradual withdrawal.</p> <p>Government does not guarantee minimum pension</p> <p>Benefit payments in the form of annuities must be contracted with insurance companies. Other benefit options can be managed by AFPs. (Monthly variable pension or minimum withdrawals)</p> <p>Affiliate can choose insurance company in the case annuities are chosen as the form of benefit</p>	<p>Plan administered during accumulation stage via an open pension fund only.</p> <p>Asset management and benefit payment must be carried out by a specialised financial institution dedicated exclusively to that purpose. (<i>Administradora de Fondos de Pensiones - AFP</i>)</p> <p>Each AFP may manage only one pension fund (FCI).</p> <p>There are restrictions in switching AFPs until the year 2002.</p> <p>Benefit payment may be outsourced to an insurance company</p>	<p>Employers: do not contribute</p> <p>Self-employed: voluntary contributions</p>	<p>No taxation on retirement pension or on contributions</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Brazil	<i>Private sector social security (RGPS)</i>	No minimum age	PAYG basis Final salary benefit.	Government agency.	Employers: mandatory contribution Employees: mandatory contribution for all workers in private sector (including self-employed)	
	<i>Civil servants pension system (RJUs)</i>	No minimum age	PAYG basis Some are partly funded, via reserve funds (in some cases assets managed by private sector – e.g. Bahia, Parana, and Rio state funds), and, if Complementary Law approved, they may be transformed into closed pension funds. Currently all offer final salary benefits, with a 100% benefit guarantee (in Constitution)	Various government agencies at federal, state, and municipality level.	Employers: mandatory Employees: mandatory	
	<i>Employer pension plans</i>	Minimum age of 65 before which benefits cannot be received. No vesting or portability rules. Workers typically lose right to employer contributions when they leave a job, but receive their own contributions (no revaluation) as a	Funded DB, DC, and hybrid schemes all possible.	Plan administered via a closed pension fund (foundation – EFPP) or an insurance contract.	Employers: voluntary to set-up Employees: voluntary to participate	Earnings are taxed, but closed funds have never paid.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
		lump-sum.				
	<i>Traditional individual pension plans (deferred annuities)</i>	Benefits cannot be received before age 65. Policy can be cancelled with a maximum two year delay between the request and the cashing out of the balance.	Funded. Plans are deferred annuities, mainly on a with-profit basis, with a (statutory) guaranteed return of 6%. Mandatory annuitisation, with conversion rate fixed by contract.	Plans may be administered by an insurance company or by a self-administered, open pension fund (both for profit and not for profit – EAPP: same regulation as insurance companies), or an insurance company.	Employees: all workers are eligible to participate on a voluntary basis.	Contributions are deductible up to 12% of salary. Earnings are tax-free. Benefits are taxed as income.
	<i>PGBL</i>	Benefits cannot be received before age 65. Policy can be cancelled with a minimum delay of six months and maximum of two years between the request and the cashing out of the balance.	Fully-funded, DC during accumulation stage. No guarantees. Mandatory annuitisation at retirement, purchasing an inflation-indexed annuity.	Open, externally administered pension fund. The plan is administered by insurance companies but the assets must be managed by collective investment instruments (CIIs).	Employees: voluntary for employees, only for those who are not affiliated to any other pension plan already.	Employer contributions are tax deductible. Employee contributions are deductible up to 12% of salary, and up to R\$ 2,400 per year only. Earnings are tax-free. Benefits are taxed as income.
	<i>FAPI</i>	No portability or cashing-out constraints, but see tax penalties.	Fully-funded, DC in accumulation stage. No guarantees. No annuitisation requirements.	The plan is administered by either banks, insurance companies, or	Employer: voluntary Employees: voluntary for	Employer contributions are tax-deductible as long as half their workforce is enrolled.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
				CIIs, via closed or open, externally administered pension funds.	employees, only for those who are not affiliated to any other pension plan already.	<p>Employee contributions are deductible up to 12% of salary, and up to R\$ 2,400 per year only.</p> <p>Earnings are tax-free, as long as investment kept for at least ten years. If withdrawn before, there is a tax penalty, calculated as a percentage of the total tax deducted, decreasing with the date of liquidation.</p> <p>Benefits are taxed as income.</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Canada	<i>OAS</i>	minimum retirement age of ?, before which benefits cannot be received.	Run on a PAYG-basis with reserve funds by a governmental entity Offers defined benefits		The plan is mandatory for ??,	
	<i>CPP and QPP</i>	minimum retirement age of ?, before which benefits cannot be commuted.	Earnings-related scheme run on PAYG basis Partial funding in the case of CPP.	Reserve fund administrator is a government entity.	all public and private sector employers, employees, and the self-employed mandatorily contribute	
	<i>RPP</i>	Benefits cannot be received before the age of 65 in most cases. Plan members who terminate an employment contract may retain a deferred pension with their employer, buy an annuity from an insurance company, transfer the commuted value to another employer's plan, or transfer the commuted value to their personal RRSP from where it can be consumed (see below).	Funded. May or may not provide guarantees.	Plan administered via a closed pension fund or by an insurance company. Pension funds may be externally managed.	Participation for both public and private sector employers and employees is voluntary, though some plans make participation of employees mandatory.	Employer and employee contributions are tax-exempted, up to 18% of earnings or C\$ 13,500. Earnings are tax-exempted. Benefits paid in the form of annuities are taxed as income. Lump-sum payments are taxed as income, but up to C\$ 20,000 can be withdrawn as a lumps-um tax-free for two purposes: purchasing a principal residence or financing education.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
	<i>RRSP</i>	Can be liquidated at any time before retirement subject to no tax penalty.	Funded, DC plans. They offer no financial or biometric guarantee.	Plan administered via a closed pension fund, a bank deposit, or a collective investment scheme.	Voluntary for employers, and all employees	Employer and employee contributions are tax-exempted, up to 18% of earnings or C\$ 13,500, less an estimate of the amount contributed by the individual and on the individual's behalf to an RPP. Earnings are tax-exempted. Benefits paid in the form of annuities are taxed as income. Lump-sum payments are taxed as income, but up to C\$ 20,000 can be withdrawn as a lumps-um tax-free for two purposes: purchasing a principal residence or financing education.
	<i>Individual annuities</i>		Funded. DB or DC.	Administered by life insurance companies.		

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Chile	<i>Mandatory individual account pension plans</i>	<p>Minimum retirement age of 65 years for men and 60 years for women, before which account balance cannot be cashed out.</p> <p>Early retirement possible but subject to certain legal requests</p> <p>20 years of work are required to qualify for a minimum pension</p>	<p>Only funded, DC plans permitted in accumulation stage, but funds must earn a return within a band calculated around the average of the pension fund industry.</p> <p>At retirement, the accumulated balance may be annuitised, drawn as a lump-sum, or as a gradual withdrawal.</p> <p>Government guarantees minimum pension.</p> <p>Benefit payment in the form of annuities must be contracted with insurance companies. Other benefit options can be managed by the AFP.</p> <p>Affiliates can choose insurance company in the case of annuities are chosen as form of benefit.</p>	<p>Plans administered by an open pension fund only.</p> <p>Pension plan managing company is a specialised financial institution dedicated exclusively to that purpose (<i>Administradora de Fondos de Pensiones - AFP</i>).</p> <p>Each AFP may offer two kinds of pension funds, one fixed-income and one balanced. Only pensioners and about to be pensioners can choose the fixed-income fund.</p> <p>There are no restrictions in switching between open pension funds or AFPs.</p>	<p>Employers: mandatory contribution.</p> <p>Employees: mandatory for all salaried employees (including public sector workers and self-employed).</p> <p>The law sets these deposits at a rate of 10% of the monthly taxable salaries and incomes, up to a maximum amount of about US\$ 1,650</p>	<p>The part of salaries and incomes earned which is used to pay contributions is exempt of income tax</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
	<i>Voluntary individual account pension plans</i>	<p>Minimum retirement age of 65 years for men and 60 years for women, before which account balance cashed out.</p> <p>Early retirement possible but subject to certain legal requests</p> <p>20 years of work are required to qualify for a minimum pension</p> <p>This contribution is not taken into account when deciding whether someone is entitled to the minimum pension state warranty. Also this contribution is not taken into account when calculating the transfer of funds to the individual accounts from the insurance companies, because of the disability and survival pensions</p>	<p>Only funded, DC plans permitted in accumulation stage, but funds must earn a return within a band calculated around the average of the pension fund industry.</p> <p>At retirement, the accumulated balance may be annuitised, drawn as a lump-sum, or as a gradual withdrawal.</p> <p>There are no guarantees.</p> <p>Benefit payment in the form of annuities must be contracted with insurance companies. Other benefit options can be managed by the AFP.</p> <p>Affiliates can choose insurance company in the case of annuities chosen as form of benefit.</p>	<p>Plans administered by an open pension fund only.</p> <p>Pension fund managing company is a specialised financial institution dedicated exclusively to that purpose (<i>Administradora de Fondos de Pensiones - AFP</i>).</p> <p>Benefit payment may be outsourced to an insurance company</p> <p>There are no restrictions in switching between open pension funds or AFPs.</p>	<p>Employers: voluntary contributions</p> <p>Employees: voluntary</p>	<p>The part of salaries and incomes earned which is used to pay contributions is exempt of income tax</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Colombia	<i>Mandatory individual account pension plans</i>	<p>Required minimum capital.</p> <p>The required minimum capital must guarantee a pension of no less than 110% of a legal minimum wage.</p> <p>It is possible to cash out only the amount exceeding the capital required for financing a pension of not less than 70% of the average salary of the last ten years, but the pension cannot be less than 110% of a legal minimum wage.</p>	<p>Only fully-funded, DC plans permitted in accumulation stage. Funds must earn a minimum return calculated by the supervisor (Superintendencia Bancaria).</p> <p>At retirement accumulated balance must be annuitised or drawn as a gradual withdrawal.</p> <p>Government guarantees minimum pension equivalent to a legal minimum wage.</p> <p>Benefit payment in the form of life annuities may be contracted with insurance companies and programmed retirement with AFPs.</p>	<p>Plans administered by an open externally managed pension fund only.</p> <p>Pension plan managing company is a specialized financial institution dedicated exclusively to that purpose and to the administration of severance and other resources from social security regarding pensions (<i>Administradora de Fondos de Pensiones - AFP</i>).</p> <p>Each AFP may offer different kinds of pension funds. As to day only mandatory plans have been authorised.</p> <p>A three year restriction in switching between the public social security system and the individual account system. Switching between AFP is possible every six months.</p>	<p>Mandatory contribution: 13.5% of monthly salary.</p> <p>Employers (75%) and employees (25%): mandatory contribution (including public sector workers). Self-employed workers may voluntarily affiliate.</p>	Tax-free.
	<i>Social security pension</i>	<p>Minimum retirement age of 55 for women and 69 for men and a minimum of 1,000</p>	<p>Financed on a PAYG basis.</p> <p>DB plan</p>	<p>Plan administered by social security institute.</p>	<p>Mandatory contribution: 13.5% of monthly salary.</p>	Tax free

		weeks of laboured time.			Employers (75%) and employees (25%): mandatory contribution (including public sector workers). Self-employed workers may voluntarily affiliate.	
	<i>Voluntary individual account pension plans</i>	Benefits may be received according to regulations of the specific plan. Benefit payment in the form of life annuities, as a lump sum or as a gradual withdrawal.	<p>DC plans not mandatory.</p> <p>There are no guarantees.</p> <p>Benefit payment in the form of life annuities must be contracted with insurance companies. Other benefit options may be managed by AFPs or Trust companies.</p> <p>At retirement accumulated balance may be annuitised, drawn as a lump sum or gradual withdrawal.</p> <p>Affiliates must choose insurance companies in case annuities are chosen as form of benefit.</p>	<p>Plans administered by an externally managed pension fund only.</p> <p>Pension fund managing company is a specialized financial institution dedicated exclusively for this purpose. The only financial institutions authorised are: <i>Administradora de fondos de Pensiones - AFP</i>, Insurance Companies and Trust Companies.</p> <p>There are no restrictions in switching between open pension funds.</p> <p>Pension funds may be open or closed. There are no public pension funds.</p>	<p>Closed pension funds: employers and employees voluntarily contribute.</p> <p>Open pension funds: employers and employees voluntarily contribute</p>	<p>Contributions are deductible from income tax up to 30% of earnings if and only if contributions remain in the fund for at least five years.</p> <p>Benefits are tax-free.</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Costa Rica	<i>First pillar: Social security system. Disability; Old-age and Death Regime (IVM)</i>	Minimum retirement age before which benefits from the pension plan cannot be received: 61 years and 11 months for men, 59 years 11 months for women. In addition, the plan member is subject to a minimum contribution period of 20 years	PAYG	Plan administered by social security institute	Mandatory for both employer and employee	Total contributions are income tax exempted
	<i>Second pillar: Complementary Pension Mandatory Regime</i>	Minimum retirement age before which benefits from the pension plan cannot be received: 61 years and 11 months for men, 59 years 11 months for women	Pure defined contribution schemes, in which the member employee bears the risk. Funding based on contributions and the yield earned on the accumulated balance of an individual account. The State guarantees the amount of contributions (not the return) in case of a bankruptcy of the managing financial company. For the benefit payment the member decides between buying a life rent through an insurance	There is a legal separation of the fund (external funding). Pension funds are defined as legally independent entities, recognised by the regulation law, established mainly for the purpose of providing retirement benefits. They are open pension funds, since they support retirement plans that do not have membership restrictions. The specific financing vehicle is the pension fund, managed as an independent legal entity by the pension fund management companies (operadoras). They manage	Eligibility: all the system is based on personal pension plans. Employer: mandatory contribution, cannot set up plans. Employee: mandatory contribution. Mandatoriness is determined at the level of legislation.	Total contributions are income tax exempted. The earnings (interest income and capital gains) are exempted of income tax

			company or having an annuity pension.	the pension for the benefit of retail investors, where each of these investors holds title to a percentage of the value of the assets managed by the financial company. They carry out account management in defined contribution schemes, asset management and benefit payment. These entities have to be licensed by the regulatory authority, and are subject to a minimum capital requirement and periodical financial reports.		
	<i>Third pillar: Complementary Pension Voluntary Regimes</i>	Minimum retirement age of 57 years, except in the case of disability. Workers are not allowed to receive benefits or consume the accumulated balance before retirement	Fully funded pure defined contribution. Same characteristics of the second pillar. At retirement the benefits can be paid as a lump sum, annuity or withdrawn in a gradual way.	Same characteristics as the second pillar. In this case the regime is structured in a contractual form in which the member enters, on a voluntary basis, into a contract with the Management Company.	Eligibility: all the system is based on personal pension plans. Occupational plan could exist on voluntary basis. The plans could be voluntary employer-sponsored or non-sponsored pension plans. Employer: voluntary to contribute, cannot set up. Employee: voluntary	Contributions are exempted up to 10% of income in the voluntary scheme. The earnings (interest income and capital gains) are exempted of income tax
	<i>Fourth pillar: Non-contribution Regime</i>	Provides a minimum anti-poverty pension, means tested	Financed directly from general revenues	Publicly managed: Social Security Institute		

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Czech Republic	<i>Public pension plan</i>	<p>Minimum retirement age is being raised gradually in 2007 of 62 for men and 57-61 for women (depending on the number of children reared), before which only early retirement may be taken (2-3 years prior to retirement, with 25 years of insurance and reduced pensions)</p> <p>25 years of contributions is needed to qualify for a state pensions</p>	<p>Financing on a PAYG basis.</p> <p>DB system with state guarantee</p>	Administered by the Ministry of Labour and Social Affairs	Mandatory to contribute for both employee and employer	
	<i>Voluntary pension plans</i>	<p>The balance can be paid out at age of 60 years</p> <p>Minimum 36-60 calendar month – stipulated by the pension plan – of contribution period is needed to qualify for a pension</p>	<p>Only, fully-funded, DC schemes in accumulation stage.</p> <p>No guarantees on accumulation stage.</p> <p>On retirement the balance can be paid as lump-sum payment or annuities.</p>	Plans administered via pension funds, managed by specialised joint-stock companies	Voluntary for both employers and employees	<p>State and individual contributions are tax exempt, their yields are subject to 15% tax.</p> <p>Contributions of employers and employees are tax-deductible under certain conditions stated by law.</p> <p>Benefits are tax exempt.</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Denmark	<i>Public pension system</i>	Minimum retirement age is 67, before which benefits cannot be received.	<p>FP financed on a PAYG basis out of tax revenues. ATP and SP are funded.</p> <p>FP: flat rate benefit</p> <p>ATP: benefit based on investment income on contributions, with guarantees on returns. Pensions are payable as with-profits annuities, with guarantees that payments will not decline from the initial level.</p> <p>SP: earnings-related. 10 year annuity.</p>	<p>FP and SP systems administered by a government agency.</p> <p>ATP is managed by a public pension fund.</p>	<p>Employers: mandatory contribution to FP and ATP system only.</p> <p>Employees: mandatory participation and contribution to all three systems (FP, ATP, and SP) of all people resident or working in Denmark (including self-employed and public sector workers). For ATP, mandatory for employees working more than 9 hours a week.</p>	
	<i>Occupational pension plans</i>	<p>Minimum retirement age is 60, before which benefits cannot be received.</p> <p>On leaving a job, worker receives a transfer value, which can be consumed or transferred to a new plan.</p>	<p>Fully-funded, DC plans usually in accumulation stage.</p> <p>Lump-sum payments permitted.</p>	<p>Plans administered via closed pension fund, or by an insurance company.</p> <p>Pension funds may be externally managed.</p>	<p>Employers: compulsory for those covered under collective bargaining agreements.</p> <p>Employees: compulsory for those working in areas covered by collective bargaining agreements.</p>	<p>Pension contributions are taxed at 8% gross. Tax-deductible contributions to lump-sum schemes are allowed only up to a combined employer-employee total contribution of DKK 34,000.</p> <p>Earnings on pension accounts in pension funds and insurance companies are taxed during the accumulation phase on real (inflation-adjusted) returns above 3.5%.</p> <p>Lump-sums payments are taxed at a rate of 40%, annuities are taxed at regular income tax rate.</p>
	<i>Personal pension plans</i>		<p>Only fully-funded, DC plans in accumulation stage.</p> <p>Annuitisation or drawdown over a period of ten years required for full tax deductability.</p>	<p>Plans administered via an open pension fund, externally managed by an insurance company or a bank.</p>	<p>Voluntary take-up by any employee.</p>	<p>Maximum deduction is 34,000 DKK annual contributions.</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
El Salvador	<i>Individual Pension Savings Accounts (PSA)</i>	<p>Minimum requirement age of 60 for men and 55 for women.</p> <p>25 years of continuous or discontinuous contributions; or 30 years of continuous or discontinuous contributions; or enough balance in the savings account to finance a percentage of the mean basic salary.</p> <p>Also includes insurance against premature death and disability due to common (non work-related) risks.</p>	<p>Funded scheme</p> <p>Financial Guarantee: Minimum return calculated as an average of the industry</p> <p>Risk-bearing: if minimum return is not achieved by financial institution, the partners of the firm must provide the difference between the actual return and the average of the industry.</p> <p>The Government guarantees minimum pension.</p> <p>Forms of benefit payments:</p> <ul style="list-style-type: none"> • Annuities (signing a contract with an insurance company and transferring the PSA account balance) • Programmed withdrawals <p>A lump sum can be paid if worker does not meet requirements to acquire minimum pension and account balance is not enough to finance 2/3 of minimum pension to the worker or his survivors.</p> <p>Upon retirement workers may also withdraw in a lump sum their "excess savings"</p>	<p>Financial vehicle: Pension Fund</p> <p>Manager Pension Fund Administrator Company (AFP)</p> <p>The fund and the AFP are separate entities. This guarantees that even in case of bankruptcy, the PSA that constitute the fund can be distributed among the rest of the AFPs.</p> <p>Oversight: Pension Superintendence (Government Agency)</p>	<p>Mandatory contributions for both employees and employers in private and public sectors.</p> <p>Voluntary contributions for self-employed workers (must absorb both employee and employer contribution)</p>	<p>Worker contributions are deductible for income tax purposes.</p> <p>The return on the PSA is tax-free.</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Finland	<i>The basic state pension scheme (national pension)</i>	Minimum age is 65 before which benefits cannot be received.	PAYG basis DB	The social insurance	Compulsory for all citizens.	Employer contributions are tax-deductible Benefits taxed as income
	<i>Statutory occupational schemes</i>	Minimum age is 65 before which benefits cannot be received, although early retirement is possible. On leaving one scheme, accrued benefits are credited by employer in new scheme.	Mixed PAYG and funding elements. DB	Administered by insurance companies, pension foundations and pension funds.	Employers: compulsory to join an occupational scheme or to set one up Employees: compulsory membership	Employer contributions are tax-deductible Benefits taxed as income
	<i>Voluntary occupational schemes</i>	Benefits are prescribed in rules. On leaving one scheme, accrued benefits may be vested depending on the rules.	DB Funded	Administered by pension foundations pension funds or by life insurance companies.	Voluntary, additional pension plan	Employer contributions are tax-deductible Benefits taxed as income
	<i>Individual pension plans</i>		Funded	Plans administered by life insurance companies.		Taxed as income

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
France	<i>State pension scheme</i>	Age at retirement vary according to the scheme but is generally 60 with 155 insurance quarters completed.	Pay-as-you-go basis Earning related: 50% of the average annual salary on which contributions were based during the 15 highest-paid years.		Employees: compulsory For private sector employees' schemes, public sector worker's and self-employed persons	Social contributions linked to staff remuneration are deductible from pre-tax profits. Pensions are taxable depending on the pension plan and annuity scheme.
	<i>Occupational schemes</i>		Pay-as-you-go basis ARRCO for non-managerial staff AGIRC for managers. Earning related basis	The pensions organisations are managed by the employer's and employees organisations. On 1 January 2000 these schemes fell within the scope of the community regulation co-ordinating social security schemes.	Compulsory for all private-sector employees	Employers' and employees' contributions are tax-deductible. Benefit will be taxed as income.
	<i>Mutual association schemes</i>		Funded. Normally DB.	Plan administered by a mutual association, regulated by code of mutuels.	Employees: Voluntary	

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Germany	<i>State pension provision</i>	Legal retirement age is 65.	<p>Pay-as-you-go basis</p> <p>Benefit based on the number of years of contribution and the level of the contributory income in relation to the average income</p>	Managed by the state, or by professional associations.	<p>Compulsory for civil servants, workers, farmers and certain groups of self-employed persons under different pension schemes.</p> <p>Some groups of self-employed people (eg architects, lawyers etc) are insured compulsorily in pension schemes provided by professional associations.</p> <p>Employees who are insured with a professional association are exempted from compulsory insurance from the state.</p>	<p>Employers' contributions are deductible from taxable income as operating expenses. Employees' contributions are tax-deductible pension contributions up to a ceiling.</p> <p>Annuities are partly taxed (yields) depending on the age of retirement (eg: retirement age 65=>taxable income is 27%).</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
	<i>Employer and occupational schemes</i>	No fixed age.	Funded. DB scheme exclusively.	<p>Administered by the sponsor via the book reserve system, through support funds (legally separate but without irrevocable rights), closed pension funds (subject to insurance regulation), or by an insurance company.</p> <p>Book reserve schemes and support funds must be insured against bankruptcy since 1974.</p>	<p>Employer: Voluntary</p> <p>Employee: voluntary</p>	<p>Book reserves: Employers' contributions reduce taxable profits. Pension payments are considered operating expenses which offsets the increase in profits generated by the release of reserves.</p> <p>Support funds: Employers contributions are deductible as business expenses up to certain limits depending on the type and average level of benefits promised. Benefits are taxed as income.</p> <p>Pension funds: Employers contributions are taxed at a flat 20 percent rate. Benefits - if paid as annuities - are partly taxed (see state pensions). Lump sum payments are tax free.</p> <p>Direct insurance: see pension funds</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Greece	<i>Social security pension</i>	Retirement age is 65 for men and 60 for women. It is possible to take early or deferred retirement	Pay-as-you-go principle: employees' and employers' contributions. Benefits depend on the amount of contribution.		1. Compulsory state pension. Basic general and special statutory schemes for employees, the self-employed, civil servants, and the like, seamen and farmers. 2. Compulsory statutory supplementary schemes for employees, the self-employed, and civil servants and the like.	
	<i>Occupational Pensions</i>		Funded. DB plan	Plans administered by insurance companies.	Voluntary at the employer's discretion.	Employees' and employers' contributions are deductible from income. Capital gains and interest are tax-exempt. Pensions are taxed in the same way as other personal income.
	<i>Personal pension Plan</i>		Funded. Depends on the contract.	Plans administered by insurance companies.	Voluntary.	Up to 15% of the premiums paid annually are tax-deductible.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Hungary	<i>Social security</i>	<p>The minimum retirement age will be 62 for both men and women, from 2009, introduced gradually, before which decreased benefits can be received, but no earlier than 5 years.</p> <p>20 years of work are required to qualify for a state pension</p>	<p>PAYG system</p> <p>Benefits are guaranteed by the state central budget</p>	Administered by government agency	<p>Employers: mandatory contribution</p> <p>Employees: mandatory participation and contribution</p>	<p>Tax deduction for the contributions is 25%</p> <p>Benefits are tax exempted until 2013, after that taxable, but the benefits will be defined on the base of the gross salary instead of the actually used net salary. .</p>
	<i>Mandatory pension plans</i>	The retirement age of the public pension system is applied, before which the balance cannot be liquidated	<p>Only fully-funded, DC in accumulation stage.</p> <p>Minimum level of pension is guaranteed by the Guarantee Fund and – in last case – by the state in case of more than 15 years contribution</p> <p>Minimum rate of return requirement is applied on pension funds, based on the Long-term government bong index (MAX).</p> <p>Retirement benefits</p>	<p>Plans administered by closed or open pension funds.</p> <p>Both may be externally managed by banks and insurance companies.</p> <p>The pension fund may itself transform the accumulated balance into an annuity (self-administrated fund) or may contract with an insurance company annuity benefits (externally managed).</p>	<p>Employers: Voluntary to set up pension plans and contribute</p> <p>Employees: Mandatory to join a pension fund for new employees after June 30, 1998. Those employed prior to this date could join voluntarily until August 31, 1999. The latter, may re-enter to the exclusively public system until the end of 2000.</p>	<p>Tax deduction for mandatory contributions is 25%, supplementary contribution paid into a mandatory plan subject to the same rules as voluntary plans</p> <p>Earnings are tax-exempted</p> <p>Taxable with discount</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
			must be paid in the form of an annuity. Workers can choose insurance company. Lump-sum possible above minimum level of annuitisation.			
	<i>Voluntary pension plans</i>	<p>The retirement age of the public pension system is applied after which members can choose between annuity and lump sum</p> <p>After 10 years of membership the balance can be liquidated, but subject to personal income tax</p>	<p>Only fully-funded, DC schemes in accumulation stage.</p> <p>No guarantees.</p> <p>Retirement benefits can be paid in the form of lump-sum or annuity.</p>	<p>Plans administered by a closed or open pension fund.</p> <p>Both may be externally managed by banks and insurance companies.</p> <p>The pension fund may itself transform accumulated balance into an annuity (self-administrated fund) or may contract with an insurance company (externally managed).</p>	<p>Employers: Voluntary to set up and contribute</p> <p>Employees: Voluntary</p>	<p>Employee contribution from taxed income, but 30% of pay-in deductible as tax discount, employer contributions are tax-exempted up to 115% of minimum wage</p> <p>Earnings are tax-exempted</p> <p>Benefits are tax-exempted</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Iceland	<i>Social security system</i>	Minimum retirement age is 67, before which benefits cannot be received.	Flat pension. Funded on a PAYG basis out of tax revenue.	Administered by government agency.	Employers: Employees: mandatory for all employees in the private sector	
	<i>Government employees pensions</i>	Minimum retirement age is 70, before which benefits cannot be received.	Flat pension Fully-funded	Administered by a public pension fund.	Employer: mandatory (government) Employee: mandatory participation	
	<i>Occupational pension system</i>		Funded. Benefits are calculated on the basis of number of years contributed and investment returns. Benefits must be paid as a lump-sum annuity and there is no lump-sum.	Administered via a closed or open pension fund only.	Employer: mandatory contribution to the occupational pension fund covering its employees Employees: all wage-earners and the self-employed are obliged to belong to a pension fund.	
	<i>Individual pension accounts</i>	Withdrawal cannot begin before age 60, even if contract terminated. Contracts can be terminated on six month's notice.	Funded, DC. Benefits are calculated on the basis of number of years contributed and investment returns. Benefits must be paid as a lump-sum annuity and there is no lump-sum.	Administered via open pension funds, themselves managed by different financial institutions (banks, insurance companies) or directly administered by insurance companies.	Employees: voluntary	Up to 2% of a employees' salary is tax deductible, which will be matched by 0.2% contribution from employer.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Ireland	<i>Social security</i>		Financed on a PAYG basis			
	<i>Civil service pension scheme</i>	Minimum retirement age is 67, before which benefits cannot be received.	Financed on a PAYG basis, or funded via a closed pension fund, or an insurance contract. Earnings related	Qualified external managers including banks, insurance companies and pension or investment consultants.	Employer: mandatory (central and local governments) Employees: mandatory	
	<i>Private sector occupational and employer pension plans</i>	Minimum retirement age is 50, before which benefits cannot be received. Maximum retirement age is 70. Employees with more than 5 years membership are entitled to preserved, deferred benefit. Alternatively, they may transfer accrued pension right or account balance to a new employer or to a life assurance company retirement bond.	Financed on a PAYG basis, or funded. Both DB and DC possible.	Administered via a closed pension fund, or by an insurance company. Qualified external managers including banks, insurance companies and pension or investment consultants.	Employer: voluntary Employee: voluntary	

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Italy	<i>Social security pensions</i>	<p>Minimum retirement age of 65 years for men and 60 years for women, before which full benefits cannot be received.</p> <p>Early retirement possible up to 57.</p>	<p>Pay-as-you-go basis</p> <p>Pensions are the results of the product of the contributions and the actuarial factors calculated provided on the basis of the beneficiary's age.</p>		<p>Employer: compulsory contribution</p> <p>Employee: mandatory</p>	<p>Employers' contributions are deductible from pre-tax profits as business expenses.</p> <p>Employees' contributions are deductible from taxable income.</p> <p>Benefits are taxed as income.</p>
	<i>Occupational pension plans</i>	<p>Minimum retirement age same as public pension system (65 for men, and 60 for women), but benefits can be paid up to ten years before this statutory age if contributions have been maintained for at least 15 years.</p> <p>Employees leaving a company may draw down the accumulated balance, transfer the balance to the new employer's plan, or sign up a personal pension plan, but the latter option is only possible if a closed fund is not operating in the worker's new</p>	<p>Mainly fully-funded, DC without any guarantees, in accumulation stage.</p> <p>DB formula exists for self-employed.</p> <p>Beneficiaries can take up to 50% in a lump sum, and the remaining part in annuities.</p>	<p>Administered via externally managed closed pension funds only. They can be created at different levels: company or group companies, industrial sector.</p> <p>Closed pension fund assets must be managed by financial companies.</p> <p>Payment of pension benefits and any additional insurance cover must be entrusted to insurance companies.</p>	<p>Employer: adhesion of firms is linked to the labour contracts they apply.</p> <p>Employee: Voluntary on the part of workers.</p>	<p>Contributions to pensions funds are non-taxable up to certain limits.</p> <p>87.5% of the benefits received in the form of an annuity are taxable, and lump-sum benefits are granted favourable tax treatment.</p> <p>Pension funds earning are subject to an 11% tax rate.</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
		sector.				
	<i>Personal pension plans</i>	Minimum retirement age same as public pension system (65 for men, and 60 for women), but benefits can be paid up to ten years before this statutory age if contributions have been maintained for at least 15 years.	Funded, DC without any guarantees. From 2001, tax-favoured pension plans will be available in the form of insurance contract. Beneficiaries can take up to 50% in a lump sum, and the remaining part in annuities.	Administered via open pension funds only. Open pension fund assets must be managed by financial companies (banks, insurance companies, or brokerage firms). Payment of pension benefits and any additional insurance cover must be entrusted to insurance companies.	Employee: Voluntary	From 2001, if open funds comply with the same age requirements for the granting of benefits and to the same constraints to payment of lump sum instead of annuities, they will be granted the same favourable tax treatment than closed pension funds.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Japan	<i>Public pension plan</i>					
	<i>Lump-sum plans</i>	Lump-sum paid on leaving a company.	Funded. Lump-sum benefits	Plans normally administered by employers via book reserve method. Not required to insure against bankruptcy.	Employer: voluntary	Employer deduction is limited to 40% of the value of the accruing lump-sum benefit payable in the event of voluntary termination
	<i>TQP</i>	No vesting or portability regulation.	Funded. DB only. Benefit in the form of lump-sum or annuity.	Administered via externally managed closed pension fund only. Pension fund asset managers include banks and insurance companies.	Employer: voluntary	Contributions are tax-deductible Earnings are tax-exempt
	<i>EPF</i>	Vesting after one month. If leaving a company after twenty years of contributions, must defer benefits. If leaving the company, before twenty years, must purchase an annuity from Pension Fund Association	Funded. DB only. Benefits up to the minimum level (30% above what is guaranteed by the public system) must be in the form of an annuity. Lump-sums are not permitted.	Administered via closed pension fund only.	Employer: if contract out of public system, must set-up and administer EPF plan. Employee: compulsory membership	Contributions are tax-deductible Earnings are tax-exempt
	<i>Individual Annuities</i>					

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Korea	<i>National pension scheme</i>	Retirement age is 60 (55 for miners and fishermen) , and it is planned to increase gradually to 65 in 2033. 15 years of contributing is required to be qualified for a state pension.	PAYG system DB	Administered by the National Pension Corporation	Compulsory for employees in workplaces with 5 or more workers, self-employed in the rural area, farmers and fishermen. Voluntary for self-employed in the urban area, housewives and students. The employers of the employees above must contribute.	Employee contributions are taxed. Earnings and benefits are tax exempt.
	<i>Mandatory separation allowance</i>	Allowances are paid by the company at the moment of the depart of the employee (including retirement), usually in lump sum	Partially funded	Administered by employers via book reserve method.	Mandatory for employees	Contributions are tax exempt Earnings are taxable Benefits taxable, but at a low level.
	<i>Personal private pension plan</i>	To be qualified for tax deductions, participants cannot withdraw the balance until the age of 55, and they have to contribute no less than 10 years	Funded Participants can choose between annuity and lump sum	Administered by insurance companies, banks, investment and trust companies	Voluntary	EEE, with limits.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Luxembourg	<i>Social security pension</i>	Retirement age is 65 for both men and women. With 40 years contributions early retirement is possible from the age of 57. Retirement can be deferred to 68 , in which case the amount of the pension will be increased by an actuarial factor. Benefits can only be annuities	Pay-as-you-go- principle. Employee, employer and state contributions. Benefits are the result of the product of the contributions and the actuarial factors calculated on the basis of the beneficiary's age. Benefits are indexed to the cost of living and adjusted in line with pay trends.		Compulsory state pension: only available to those whose earnings are below the social-security threshold.	EET
	<i>Occupational Pensions</i>	Retirement age left to the employer's discretion and is often higher than that of the general scheme.	Funded. Mainly DB, but DC also exist. Both annuities and lump-sum are possible	Administered by employers via book reserve, closed pension funds or administered directly by life insurance companies. Book reserves are mainly used. Book reserved plans are not required to insure against insolvency.	Voluntary- This type of scheme is only available to those earnings are above the social security threshold.	The employees' contributions are only tax-deductible within certain very narrow limits. Lump sum payments receive preferential tax treatment.
	<i>Personal pension plans</i>		Funding: life insurance companies Benefits depend on the contract. Annuities or lump-sum		Voluntary	Premiums are tax-deductible under certain conditions.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Mexico	<i>Mandatory individual capitalisation accounts</i>	Balance can be transferred between pension every year but cannot be consumed before retirement, at 65.	<p>Only fully-funded, DC in accumulation stage.</p> <p>At retirement workers can use their balances to buy an annuity or to program gradual withdrawals.</p> <p>Government guarantees a minimum income, an annuity equal to minimum salary in the country in 1997, indexed to inflation.</p>	<p>Administered via open pension fund only.</p> <p>Open pension funds are managed by specialised financial intermediaries dedicated exclusively to that purpose (SIEFORES).</p>	<p>Employer: mandatory contributions for all employers</p> <p>Employees: mandatory contributions</p> <p>Government: mandatory contributions and a social fixed quota for every day worked</p>	<p>Employer contributions are deductible from pre-tax profit</p> <p>Employee contributions are taxed as income</p> <p>Earnings: interest gains are taxable except for tax-exempted securities (e.g. government bonds)</p> <p>Benefits are tax-exempted up to a certain limit, then are taxable as income</p>
	<i>Voluntary individual capitalisation accounts</i>	Withdrawals every six months.	<p>Only fully-funded, DC in accumulation stage.</p> <p>Withdrawals can be made once every six months.</p>	<p>Administered via open pension fund only.</p> <p>Open pension funds administered by specialised financial intermediaries dedicated exclusively to that purpose (SIAFORES).</p>	<p>Employer: voluntary contributions</p> <p>Employees: voluntary contributions</p>	<p>Employer contributions are non-deductible</p> <p>Employee contributions are taxed as income</p> <p>Earnings: interest gains are taxable except for tax-exempted securities (e.g. government bonds)</p> <p>Benefits: withdrawals are tax-exempted.</p>
	<i>Occupational pension plans</i>					

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Netherlands	<i>Public pension plan</i>	Minimum retirement age is 65	PAYG DB		Compulsory	
	<i>Occupational schemes</i>	Minimum retirement age is 65. Employees leaving a firm can opt for deferred benefits, or can transfer accrued rights to the new employer's plan.	Funded. Mainly DB	Plans administered by a closed pension fund (foundation) or an insurance company.	Employers: compulsory under collective bargaining arrangements and by statute in certain sector. Employees: mandatory	Contributions are tax deductible. Earnings are tax-exempt. Pension benefits are taxed as income.
	<i>Annuities</i>		Funded. DB	Plans administered by life insurance companies.	Employees: voluntary	Taxed as normal income

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
New Zealand	<i>Social security – New Zealand Superannuation</i>	Minimum retirement age of 65, before which benefits cannot be earned.	Financed on a PAYG basis from tax revenue. Flat benefit.		Non-contributory system. All individuals resident in New Zealand (at least for ten years from age 20) qualify for this pension benefit.	
	<i>Occupational superannuation plans</i>	No minimum retirement age. No vesting, preservation, or portability regulation. Upon voluntary resignation, most occupational schemes return the member's contributions, usually (but not always) with interest.	Funded. Both DB and DC, but DC predominant. Benefits paid as lump-sum or annuity.	Administered by the employer via the book reserve method (minority), a closed pension fund (trust form), or administered directly by an insurance company. Under the Superannuation Act of 1989 book reserve method cannot be registered with Government Actuary.	Employers: voluntary Employees: voluntary participation, except for some of the larger schemes, where it is compulsory.	Neither employer nor employee contributions are tax-deductible. Earnings taxed at 33%. Benefits exempt from income tax.
	<i>Personal superannuation plans</i>	No minimum retirement age. Funds invested can be retrieved at any time at no penalty (no tax advantages either).	Funded. Benefits may be paid as lumps-um or annuity.	Administered via open pension funds, by banks and insurance companies.	Employees: voluntary	Contributions are not tax-deductible. Earnings taxed at 33%. Benefits exempt from income tax.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Norway	<i>National Insurance scheme</i>	Minimum retirement age is 67, before which benefits cannot be received.	Financed on a PAYG basis. DB only: system has a flat rate component and an earnings-related component.	System administered by governmental agency.	Employers: mandatory contribution to system Employees: mandatory participation of all people resident or working in Norway (including self-employed and public sector workers)	
	<i>Occupational pension plans</i>		Funded. Companies must choose between DC and DB plan. Most DB plans are final salary schemes.	Administered via a closed pension fund or life insurance companies in the case of DB plans. Banks and investment management companies can also administer DC plans.	Employers: voluntary to set up. Employees: mandatory if the employer has established an occupational pension plan.	Premiums paid by employers and employees on earnings up to 12G are tax deductible. Employers are liable for social security taxes on contributions for pension plans started after 1988.
	<i>Individual Pension Accounts</i>		Funded. Many products have a return guarantee, up to 3%. Annuitisation at retirement is compulsory.	Administered via a closed pension fund, life insurance companies, banks or investment management companies.	Voluntary take-up by any employee.	Maximum 40,000 NOK annual contributions.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Peru	<i>Private pension system (SPP)</i>	Minimum retirement age of 65, before which account balance cannot be cashed out	<p>Only fully funded, DC plans permitted in accumulation stage, but funds must earn a return within a band calculated around the average of the pension fund industry. Hence, AFPs must have a reserve account to meet shortfall in performance.</p> <p>Government does not guarantee minimum pension yet.</p> <p>Benefit payment in the form of rent must be contracted with insurance companies.</p> <p>Affiliate can choose an insurance company in the case that rent be chosen as form of benefit.</p>	<p>Plans administered by an open, externally managed pension fund only.</p> <p>Pension plan managing company is a specialized financial institution dedicated exclusively for that purpose (<i>Administradora de Fondos de Pensiones - AFP</i>).</p> <p>Each AFP may offer <u>one</u> type of pension fund.</p> <p>There are no restrictions in switching between AFPs.</p>	<p>Eligibility: Personal pension plan.</p> <p>Participation: mandatory non-sponsored pension plan for dependent employees (employers must retain and pay the contributions). Voluntary non-sponsored pension plan for self-employed.</p>	
	<i>National Pension System (SNP)</i>	Minimum retirement age of 65, before which benefits cannot be received. Benefits are related to years of contribution with a minimum number of 20 years.	Financed on a PAYG basis. DB plan.	Plan administered by State Pension Regulation Office (ONP).	<p>Eligibility: Personal pension plan.</p> <p>Participation: Mandatory non-sponsored pension plan for dependent employees (employers must retain and pay the contributions). Voluntary non-sponsored pension plan for self-employed.</p>	

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Poland	Old public pension plans	Minimum retirement age is 60 years for women and 65 for men	PAYG DB system Guaranteed by the state	Administered by a government agency, Social Insurance Institution (ZUS).	Employee: mandatory to participate and contribute for those born before 1948. Employer: mandatory to contribute	Contributions are tax deductible, pensions paid are taxed.
	New PAYG pension plan	Minimum retirement age is 60 years for women and 65 for men, before which benefits cannot be received	PAYG system Guaranteed by the state Notional defined contribution system (NDC) based on individual accounts.	Administered by a government agency, the Social Insurance Institution (ZUS).	Employee: mandatory to participate and contribute for those born after 1948 Employer: mandatory to contribute	Contributions are tax deductible, pensions paid are taxed.
	Mandatory private pension plans	The retirement age is 60 years for women and 65 for men, before which payments from the accumulated fund cannot be received.	Only fully-funded, DC system in accumulation stage. State guarantee is applied through as guarantee fund. Rate of return guarantee is applied, based on the average rate of return of the industry. Retirement benefits must be paid in the form of an annuity. Members can choose annuity companies (draft legislation).	Administered via open pension funds, by the pension fund companies, but contributions are collected and transferred to the pension funds by ZUS.	Mandatory to participate and contribute for those who joined a pension fund. To join a fund was mandatory for people born after 1968. Those born between 1949 and 1968 had the right to join; this decision had to be made by September 30, 1999.	Contribution and earnings are tax exempted Benefits are taxable.
	Occupational pension plans	Benefits can be paid out from age 60, except in cases of death or permanent disability	Fully-funded, DC only. No guarantees	Administered by: - joint-stock or mutual life insurance companies via group insurance policies - occupational pension fund - open investment fund	Voluntary both for employer and employee	Contributions paid on behalf of the employee are deductible expense for the employer Contributions are taxable by the personal income tax Earnings and benefits are tax-free.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Portugal	<i>Social security</i>	Minimum retirement age is 65, before which benefits cannot be received.	PAYG basis Earnings-related, depending on number of contribution years.	Administered by a government agency (the National Pensions Centre) and the five regional social insurance centres.	Mandatory contributions from employers and employees. Employees: membership is compulsory for all employees and the self-employed.	
	<i>Occupational pension plans</i>	Account balance can be transferred to another plan or to life insurance policies.	Funded. Both DB and DC.	Administered via closed, externally administered, pension funds, or directly by life insurance companies. The administrators of closed pension funds can be insurance companies or specialised financial intermediaries dedicated exclusively to this purpose (pension fund management companies). Self-administered pension funds do not exist.	Employer: voluntary Employee: voluntary	
	<i>Personal pension plans</i>		Only fully-funded, DC in accumulation stage.	Administered via externally administered, open pension funds. The administrators of pension funds can be insurance companies or specialised financial intermediaries dedicated exclusively to this purpose (pension fund management companies). These institutions can manage both group and individual account pension funds simultaneously.		

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Slovak Republic	<i>Public pensions</i>		Financed on PAYG basis	Managed and supervised by the Ministry of Employment, Social Affairs and Family	Compulsory	
	<i>Supplementary pension insurance</i>		Funded system Mainly DC system	Administered by supplementary pension insurance companies	Voluntary for both employers and employees, however, employees can not participate without employer, thus, this system covers only salaried employees (neither civil servants, nor self-employed)	Employee's contributions are free of income tax Employers contributions are tax deductible expenses Benefits are taxable
	<i>Individual pension insurance</i>	Benefits are paid normally at retirement age but in several cases it is possible to have it before	Insured may choose between lump sum and annuities	Insurance contract provided exclusively by insurance companies	Voluntary for employees	No tax incentives

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Spain	<i>Social security system</i>	Minimum retirement age is 65, before which benefits cannot be received. Early retirement for workers at least 60, if contributed before 1967.	Financed on a PAYG basis. Flat and earnings-related benefit, latter based on salary during years prior to retirement.	Administered by a government agency.	Employees: mandatory for all workers in the private sector and workers in public companies.	Benefits taxed as income.
	<i>Civil servants system (CPE)</i>	Minimum retirement age is 65, before which benefits cannot be received.	Financed on a PAYG basis. DB, based on numbers of years of service and a regulatory base.	Administered by a government agency.	Employees: mandatory for all military and civil servants working for the central government.	Benefits taxed as income.
	<i>Occupational pension plans</i>	There is no minimum or maximum retirement age. Employees in qualified plans are entitled to deferred benefit (no preservation requirements). Alternatively, they may transfer accrued pension right or account balance to their new employer's pension plans.	Funded. DB or DC.	Administered via an externally-managed, closed pension fund, or directly by joint-stock and mutual life insurance companies. Closed pension funds must be managed by a pension fund managing company (bank or insurance companies). Self-administered pension funds do not exist.	Employer: voluntary Employee: voluntary	Benefits taxed as income.

Country	Plan name	Benefit / account balance liquidity	Criteria			
			Funding and risk bearing	Administration	Participation	Tax treatment
Sweden	<i>Basic scheme: AFP</i>	Pension can be claimed from the aged of 61. And there is no upper age limit.	1. Pay-as-you –go for 16% of income (basic scheme). 2. 2..5% of contributions go to individual prefunded pension account		Compulsory basic scheme + compulsory funded individual savings scheme	Contributions are deductible from taxable profits as business expenses. Contributions paid by employees are deductible from taxable income Benefits are taxed as income.
			1. Related to life earnings and years of employment 2. Related to premiums paid			
	<i>Prefunded ATP</i>		Funded. DB or DC			
	<i>Life insurance or mutual benefit society</i>	Retirement age is generally 65 years, Taxation benefits are only given to policies with an earliest pensionable age of 55 years. There is no ceiling on benefits paid. Lump-sum payments are only permitted when annuity is very low	Funded. Combination of DB and DC plans. Pension is calculated on the basis of both final salary to a base amount, and years worked Employers make a provision in the balance sheet, normally corresponding to liabilities. The pension provision should be safeguarded in form of credit insurance, a state guarantee or a municipal guarantee.	Administered by a joint-stock or mutual insurance company.	Compulsory in the area covered by the relevant collective agreement between employer and employee.	Contributions form the employer are tax-deductible. Interest and capital gains are tax exempt. Pensions are taxed at a low rate
<i>Book reserve</i>	Managed by the employer as an independent entity.					
	<i>Pension foundation</i>					

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
	<i>Personal pensions</i>	Old-age pensions cannot normally be paid out before the age of 55.	Related to premiums paid.	Managed by life insurance companies and banks	Voluntary	Payment of pension insurance premiums are tax-deductible, but formal requirements must be met. Benefits are taxed as income. The yield linked to the capital of the policies is taxed within the insurance company.

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Switzerland	<i>State pensions (AVS)</i>	Retirement age is currently 65 for men and 62 for women, but the latter is gradually being raised to 64 in 2004, and 65 in 2009, with possibility of delaying up to 70, or early – reduced - pensions at 63	Financed on PAYG basis, from employee and employer contributions, investment earned on the liquidity reserves and from federal and cantonal transfers. State guarantee Minimum pensions are set each year	Organised and administered on a decentralised structure: funds run by professional associations, cantons or the federal government and supervised by the Federal Social Insurance Office	Mandatory to contribute for both employers and employees	Both employee and employer contributions are tax-exempt
	<i>Occupational pensions (Prevoyance professionnelle – PP)</i>	Retirement age of the state pension is applied, when the balance is transferred to an annuity, however, funds may permit individuals to withdraw their balance as a lump sum	Funded. Earnings-related fully funded system. Most funds are DC funds, DB schemes are represented mainly in the public sector Guarantee fund was introduced in 1985. Minimum nominal rate of interest is 4%.	Pension institutions can be established as non-profit foundations, co-operative societies, or as institutions incorporated under public law (latter only possible for funds covering employees of the public sector)	Mandatory for employers to offer and employees to join, who are older than 23 with annual earnings greater than the maximum pension from the public pillar	Contributions and earnings are income-tax deductible Benefits are fully taxed, but exemption from taxation for the first 15 years of the compulsory system
	<i>Individual pensions – savings “tied” to retirement</i>	Benefits are paid on retirement, on disability or death, as annuity or capital payment, but at the earliest 5 years before the retirement age of public pensions	Funded. DC.	Administered only by insurance companies and banking foundations that are authorised in Switzerland	Voluntary	Savings can be tax-deductible up to 8% of the “co-ordination earnings” used in the PP, for those who are covered by PP For those who are not covered by PP, tax free contributions can be 20% of their revenue subject to AVS contributions (up to a limit of 40% of the upper limit of co-ordinated earnings)
	<i>Individual pensions – “free” savings arrangements</i>			Can be maintained with all financial institutions	Voluntary	Less incentives as in the case of tied savings, depending on the savings in the PP and tied savings

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
Turkey	<i>public pension schemes</i>	<p>a) <u>flat-rate basic scheme</u> pension for elderly (over 65 years old) and disabled</p> <p>b) <u>earnings related schemes</u> retirement age is 58 for women and 60 for men benefits are indexed to wage growth and consumer price index</p>	<p>non-contributory, financed directly by government</p> <p>pay-as-you-go principle</p> <p>contributions from employee and employer</p>	<p>administered by social security institutions according to type of employment (workers, civil servants and self employed)</p>	<p>mandatory for employees and employers</p>	<p>contributions and benefits are fully tax free</p>
	<i>occupational pension schemes</i>	<p>a) <u>schemes established according to Transitional Article 20 of Social Security Law (No.506)</u> established by banks, insurance and reinsurance companies and trade unions on behalf of their own staff members can fully opt out social security scheme (for workers) provided that a benefit equal to at least social security benefits and all staff have been covered</p>	<p>contribution and benefit requirements are identical to public schemes</p>	<p>sponsoring firm</p>	<p>mandatory for employees and employers</p>	<p>contributions and benefits are tax free up to certain limits</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
		b) <u>supplementary occupational schemes</u> firms can also establish supplementary schemes as foundations established according to Civil Law	contributions from employer and employee	sponsoring firm	voluntary for employees and employers	contributions and benefits are tax free up to certain limits
	<i>personal schemes</i>	a) <u>life insurance policies</u> 10-year-with-profit endowment policies benefits can either be drawn out as lump sum or annuity b) <u>individual retirement policies</u> * benefits can either be drawn out as lump sum or annuity	DC plan	life insurance companies pension companies	voluntary voluntary	contributions and benefits are tax free up to certain limits contributions and benefits are tax free up to certain limits

* a proposal has been submitted to the Parliament for the enactment of Individual Retirement System

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
United Kingdom	<i>Basic State Retirement Pension</i>	Age retirement is 65 for men and 60 for women. From 2010, women's pension age will be gradually increased to 65 by 2020. A flat rate benefit applies. Benefit is related to years of contribution with a minimum number.	Pay-as-you-go-basis	Administered by the State	Compulsory for employees and self-employed with earnings above a specified threshold.	Employers' contributions (i.e. their National Insurance contributions, which are paid under the State contributory social security scheme, and which help to fund the Basic State Retirement Pension) are deductible in full from taxable profits as business expenses. Employees contributions are deductible from pre-taxable income. Benefits are taxed as income.
	<i>SERPS</i>	Age retirement is 65 for men and 60 for women.	Pay-as-you-go-basis. Earnings-related benefit throughout working life between lower and upper limits of National Insurance contributions.	Administered by the State.	Contracting-out is possible through membership of an occupational pension scheme or a personal pension scheme.	Employers' contributions are deductible in full from taxable profits as business expenses.
	<i>Contracted-out schemes, i.e. schemes where members have chosen to have their SERPS rights</i>	Note: The retirement ages shown below apply only to the contracted-out rights held in the scheme. Age retirement is 65 for men and 60 for women.	Funded. DB or DC For DC schemes, there is minimum mandatory annuitisation: money purchase funds must be used to buy an	Administered by: - trustees via a closed pension fund - life insurance company. Closed pension fund may be externally	Employer: if contract-out of SERPS must set up pension plan. Employee: Voluntary, but if opt-out must then sign up with an appropriate personal	Until April 2001, the pensions tax limits are contribution-based for personal schemes (i.e. allowable contributions limited to a proportion of wages, at a rate that varies with age) and

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
	<i>included within their private scheme.</i>	<p>Employees leaving a firm can opt to defer benefits. Otherwise, they must either transfer the balance to their new employer's plan, to a personal pension plan, or must be used to purchase a deferred annuity.</p> <p>Lump-sums not permitted.</p> <p>Contracted-out rights are subject to a degree of mandatory price indexation.</p>	<p>annuity (i.e. to put pension into payment) by the age of 75. Note: In fact, all tax-approved pension schemes must be used to provide pension, except for the tax-free lump sum.</p>	<p>managed by insurance companies, banks, building societies, friendly societies, unit trusts, and actuarial firms.</p> <p>Occupational pension schemes are set up under trust law.</p> <p>The Compensation Board operates a compensation scheme which applies in cases of fraud. Each pension scheme must participate and claims are met by a levy on all other schemes.</p>	<p>pension plan or purchase a deferred annuity.</p> <p>Specific requirement for contracting-out: - Reference Scheme test: plan must be certified by the plan actuary providing at least 1/80 of covered earnings averaged over 3 years, for each year of employment. - Protected Rights; rebate of national contributions (protected rights) for both employer and employee built up under the plan must be used to buy an annuity on a unisex basis.</p>	<p>mainly benefit-based for occupational schemes (i.e. benefits limited by reference to final/average salary or the earnings cap, although there is additionally a maximum contribution level of 15% of earnings for the employee). From April 2001, DC occupational schemes may move over to the tax regime for personal schemes.</p> <p>Earnings are tax-exempted</p> <p>Benefits paid in the form of annuities are taxed as income. (Note: this is in fact the case with all types of pension benefits).</p> <p>The maximum lump-sum which can be taken is generally 1.5 times (capped) salary in a DB scheme or 25% of the fund in a DC plan. Such lump sums are tax-free.</p>
	<i>Contracted-in schemes, i.e. schemes</i>	Scheme rules will lay down the normal retirement age for	Funded. DB or DC are possible	Administered by: - trustees via a closed pension fund	Voluntary basis	Final benefit payable from occupational schemes is currently

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
	<i>where members have chosen to have their SERPS rights treated separately from their private scheme (the scheme benefits are paid in addition to SERPS).</i>	<p>members, within Inland Revenue (IR) parameters. People may retire earlier than the normal retirement age under various circumstances. IR rules mean that this is not normally allowable, however, before the age of 50, except in special occupations or in cases of ill health early retirement.</p> <p>Employees leaving a firm can opt to defer benefits. Otherwise, they must either transfer the balance to their new employer's plan, to a personal pension plan, or must be used to purchase a deferred annuity.</p> <p>The prohibition on the provision of lump-sums that applies in the case of the contracted-out elements does not apply to contracted-in schemes, i.e. lump-sums are permitted.</p>	Employers may set up non-tax approved (and non-tax privileged) arrangements, which may be unfunded, to provide executives with extra retirement provision on earnings above the earnings cap.	<p>- life insurance company.</p> <p>Closed pension fund may be externally managed by insurance companies, banks, building societies, friendly societies, unit trusts, and actuarial firms.</p> <p>Occupational pension schemes are set up under trust law.</p> <p>The Compensation Board operates a compensation scheme which applies in cases of fraud. Each pension scheme must participate and claims are met by a levy on all other schemes.</p>		<p>limited by the tax rules. The maximum benefit payable is two-thirds of final salary. In addition, there is a limit on employees' contributions of 15% of earnings. Salary that can be taken into account for the purposes of assessing these limits is capped at GBP 91,800. From April 2001 DC occupational schemes may move over to the personal pension rules. These rules limit total contributions to a maximum of 17.5% of earnings, increasing with age. There is no benefit limit.</p> <p>Earnings are tax-exempted.</p> <p>Benefits paid in the form of annuities are taxed as income. (Note: this is in fact the case with all types of pension benefits).</p>

Country	Plan name	Criteria				
		Benefit / account balance liquidity	Funding and risk bearing	Administration	Participation	Tax treatment
United States	<i>Social security system</i>		Plan run on a PAYG-basis with reserve funds	Managed by a governmental entity (social security trust)	Employers: mandatory contributions Employees: mandatory contributions	
	<i>Occupational defined benefit and hybrid plans</i>	Minimum retirement age varies, full lump-sum possible. Benefits can only be retrieved on cessation of employment with employer and then are subject to a 10% penalty tax.	Funded. DB or hybrid plans. Plans offer some form of financial or/and biometric guarantees.	Administered by: - sponsor, but assets managed in a closed pension fund (trust form) by trustees, - life insurance companies. Closed pension funds may be externally managed. All DB plans funded via a closed pension fund must be insured through the PBGC, a government entity.	Plans are voluntary	Employer contributions are tax-deductible up to 15% of earnings. Employee contributions are not tax deductible. Earnings are tax-exempted Benefits are taxed as income.
	<i>Occupational defined contribution plans</i>	The accumulated balance can be commuted at any time before retirement subject to a 10% tax penalty,	Fully-Funded. DC only. Plans offer no guarantees	Plans may be administered by: - sponsor, but assets managed in a closed pension fund (trust form) by trustees, - collective investment schemes providers (401(k)). Closed pension funds may be externally managed.	Voluntary for employers and salaried employees.	Employer contributions are tax-deductible up to 15% of earnings. Employee contributions are tax deductible. Earnings are tax-exempted Benefits are taxed as income.
	<i>Individual retirement accounts (IRA)</i>	The accumulated balance can be commuted at any time before retirement subject to a 10% tax penalty.	Plans are fully funded, DB or DC. IRAs invested in mutual funds or bank deposits offer no guarantees. IRAs invested in annuities offer their guarantees.	Administered either by a collective investment scheme provider, a bank, or an insurance company (annuity).	Voluntary for employers, and all employees (including the self-employed).	Earnings are tax-exempted Benefits are taxed as income.
	<i>Individual annuities</i>	The accumulated balance cannot be commuted at any time before the retirement age stipulated in the contract.	Funded. DB. They offer different types of guarantees	Administered by life insurance companies.	Voluntary for employers, employees, and the self-employed.	Earnings are tax-exempted Benefits are taxed as income.