This report by the Joint Working Group on Insurance Services and Private Pension Funds is presented for consideration and approval under item 8b of the agenda at the CMIT meeting on 12-13 October 2000.

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PORTFOLIO INVESTMENT ABROAD BY INSURANCE COMPANIES AND PRIVATE PENSION FUNDS: PROPOSED CLARIFICATIONS UNDER THE OECD CAPITAL MOVEMENTS CODE

(Report by the Joint Working Group on Insurance Services of the CMIT and of the Insurance Committee)

1. When the Capital Movements Code was last revised and extended in 1992 to apply to virtually all capital movements, it was decided to allow a temporary dispensation from the liberalisation obligations of the Code for portfolio investment by institutional investors [C(92)4].

2. However, the CMIT agreed to reconsider in due course the conditions of application of the Capital Movements Code in this field. In October 1995, the CMIT examined the extent to which restrictions on portfolio investment abroad by insurance companies and pension funds should be brought within the full discipline of the Code, in light of the communications on the subject by the Committee on Financial Markets [DAFFE/CMF(95)17/REV2] and the Joint Working Group of the CMIT with the Insurance Committee [DAFFE/INS(95)5].

3. The CMIT agreed that quantitative discriminatory restrictions on gross flows of portfolio investment abroad by insurance companies and pension funds should be reflected in reservations to the Code and thereby submitted to the progressive liberalisation obligation of the Code.

4. The CMIT decided to ask the Joint Working Group with the Insurance Committee to:

   – clarify the appropriate definition of “insurance companies” and “private pension funds”;
   – establish the additional reservations to the Code which Member countries may need to lodge;
   – report to the parent Committees on the result of its work.

5. This report presents the results of the work of the Joint Working Group on the application of the Capital Movements Code to portfolio investment abroad by insurance companies and private pension funds. It is submitted for approval by the Committee on Capital Movements and Invisible Transactions as a basis for its report to Council. The definitions of “insurance companies” and "private pension funds" agreed by the Joint Working Group are set out in paragraphs 8 and 9 below, while the nature of restrictions considered and the corresponding operations concerned under the Capital Movements Code are set out in paragraphs 6 and 10, respectively. Annex I contains information about existing restrictions as currently imposed by Member Countries. The reservations proposed to reflect these restrictions are presented in Annex II to the report. It is envisaged that in the few cases where the drafting of reservations needs to be finalised, this can be achieved on the basis of bilateral contacts between the Secretariat and Committee Members as appropriate, prior to final approval by the Committee under written procedure. Once approved, the report will be forwarded to the Council, accompanied by a brief explanatory summary and recommendations for Council action.
Obligations

6. Two types of regulations restricting gross flows of portfolio investment abroad by insurance companies and private pension funds are concerned:

   i) The imposition of maximum shares of foreign assets as percentages of the institution’s assets (including technical reserves) which are lower than those applying to comparable domestic assets;

   ii) The obligation to hold minimum shares of domestic assets as percentages of the institution’s assets (including technical reserves) which are higher than those applying to comparable foreign assets.

7. The Joint Working Group has now agreed a broad definition of insurance companies and private pension funds (see paragraphs 8–9). Where national regulations depart from the liberalisation obligations based on these broad definitions, the Member concerned will lodge an appropriate reservation to the Code. In some cases, for example investment by publicly-owned insurance companies and pension funds which are not operating within the common commercial regime, reservations are not necessary because the operations are excluded from the Code (see paragraphs 8-9, 11). Restrictive rules developed by private entities operating pension schemes under public law would thus not be included.

Definitions

8. Insurance companies include any enterprises authorised or otherwise permitted in its home country to cover insurance and reinsurance risks, and operating as a private (or assimilated) entity. This definition is consistent with the definition approved by the Group in the framework of its discussion of the revision of item D/6 of the Invisibles Code [see document DAFFE/INS(94)5/REV3]. This proposed coverage includes reinsurance companies, mutual insurance companies and state-controlled insurance enterprises operating within the common commercial regime (without prejudice to the right of the executive board to determine the investment policy of the enterprise – as is the case for privately-owned insurance companies).

9. The notion of private pension funds refers to any entities, other than insurance companies, authorised or otherwise permitted in its home country to provide pensions services, through funded schemes (even partly), and operating as a private (or assimilated) entity. The proposed coverage includes funds which are self-administered or managed by specialised institutions and state-controlled pension enterprises operating within the common commercial regime (without prejudice to the right of the executive board to determine the investment policy of the enterprise – as is the case for privately-owned pension funds). National pension schemes operated through privately managed companies or pension funds, but remaining under special regulation within the national social security system would not be included.

10. Portfolio investment in this context includes the following operations by residents: purchase of real estate abroad (item III/B1 of the Capital Movements Code), purchase abroad of foreign capital-market, money-market and collective investment securities (items IV/D1, V/D1,3 and VII/D1), purchase abroad of other negotiable instruments (item VI/D1,3) financial credits and loans granted to non-residents (item IX/B), operation of deposit accounts with non-resident institutions (item XI/B), and purchase abroad of foreign currency with domestic currency (item XII, B1).
Exclusions

11. When the Codes were adopted in 1961, the Council decided that they would not apply to operations for a Member government’s own account except for transfers concerning social security and government expenditure under the Current Invisibles Code. This may apply to: publicly owned insurance and pensions enterprises which do not operate under the common commercial regime, public pay-as-you-go systems, public social security schemes or civil servants’ pension funds regulated by special state regulation.

12. Insurance business conducted by financial institutions which are regulated under banking or other non-insurance financial legislations is in principle already covered by the Codes and is thus not covered by the present obligations. Portfolio investment abroad by banks and other financial institutions as well as institutional investors other than insurance companies and pension funds is indeed already covered by the disciplines of the Code, subject to the right of Member countries to regulate the net external positions of domestic financial institutions dealing in foreign exchange.¹

13. It is also recalled that, as agreed, no reservations need to be lodged with respect to: i) currency matching requirements; and ii) requirements that the documents of title to capital assets be located in a particular country or geographical area or held in trust with designated custodial institutions. No reference to such localisation requirements have thus been included in Annex I setting out existing restrictions imposed by Member countries.

Current Restrictions and Proposed Reservations

14. The attached table in Annex I reflects the restrictions existing in Member countries while Annex II sets out the related proposed reservations. The underlying information for the Annexes has been complemented by written comments provided to the Secretariat after the November 1998, June 1999, December 1999 and June 2000 meetings of the Joint Working Group. A few further clarifications are still required from Members for finalisation of the exact drafting of the reservations.

15. Several countries have reported restrictions listed in Annex I which provide for more favourable treatment of investments made in the European Economic Area (EEA). This information is not reflected in the reservations as drafted in Annex II, since a reservation under the Codes may not distinguish amongst other Member countries (Article 9), unless in recognised cases of a “special customs or monetary system” such as the EU (Article 10). See [C(92)218, paragraphs 5, 65-66, 84-86]. Where applicable, EEA differentiation has been restated as applying to the EU in the draft reservations.

16. In some cases, the restrictions reported contain references to the treatment of investments made outside the OECD area. As according to Article 1, the general liberalisation undertakings under the Codes only apply to other Members of the Organisation, this information is not reflected in the draft reservations in Annex II, but referred to in footnotes as appropriate.

¹. See the 1995 edition of the “Introduction to the OECD Codes”, supplementary explanatory note 8 to items IX of the Capital Movements Code.
### ANNEX I

RESTRICTIONS ON PORTFOLIO INVESTMENT ABROAD

<table>
<thead>
<tr>
<th></th>
<th>Insurance Companies</th>
<th>Private Pension Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discriminatory ceiling* on investment in foreign assets or assets denominated in foreign currency</td>
<td>Possible reservations</td>
<td>Possible reservations</td>
</tr>
<tr>
<td>Australia</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Austria</td>
<td>According to Austrian legislation the real estate and the debtor of or the collateral for a loan must be situated within the EEA in the case that these assets are employed for covering the prescribed solvency margins of the branch of a non-EEA insurance company established in Austria (the same applies to assets covering technical reserves of Austrian insurance companies). If such assets form part of the guarantee funds of the branch office of a non-EEA insurance company, they must be situated in Austria.</td>
<td>Items III/B/1, IX/B</td>
</tr>
</tbody>
</table>

* The discriminatory ceiling is intended to reflect either limitations imposed on foreign assets lower than those imposed on comparable domestic assets or requirements for minimum shares of domestic assets higher than those imposed on comparable foreign assets.
### Insurance Companies

<table>
<thead>
<tr>
<th>Discriminatory ceiling on investment in foreign assets or assets denominated in foreign currency</th>
<th>Possible reservations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B 1-2.</td>
</tr>
</tbody>
</table>

Several asset classes constituting part of the technical reserves must either be the debt of an institution supervised by authorities of an EU country (in the case of bank deposits) or, if not, be held below certain maximum percentages of total reserves. Thus, assets covering the technical provisions are limited to:

- 10% of securities of collective investment funds not subject to the legislation of an EU member state;
- 0% of securities non traded on a regulated market with a residual maturity of more than 3 months except for securities issued by credit, insurance or investment institutions headquartered within the EU, for which the limit is 20%;
- 10% of securities non traded on a regulated market with a residual maturity of less than 3 months except for those issued by credit, insurance or investment institutions headquartered within the EU, for which the limit is 20%;
- 0% for operations by residents of accounts with non-resident institutions headquartered outside the EU;
- single borrower limits (5% globally and 1% per borrower) on non-guaranteed loans are not applied if the borrower is a financial institution headquartered within the EU;
- single issuer limits (5%) are more flexible for securities issued by EU undertakings submitted to prudential control.

### Private Pension Funds

<table>
<thead>
<tr>
<th>Discriminatory ceiling on investment in foreign assets or assets denominated in foreign currency</th>
<th>Possible reservations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B 1-2.</td>
</tr>
</tbody>
</table>

Several asset classes representative of the funds liabilities must either be the debt of an institution supervised by authorities of an EU country (in the case of bank deposits) or, if not, be held below certain maximum percentages of total representative assets. (10% for collective investment certificates and OTC instruments). The limit imposed on OTC instruments originating within EU area is 20%. Only short-term OTC instruments are allowed to form part of the representative assets unless they are issued by financial institutions headquartered in EU area. Securities issued outside the EU area may be treated as EU instruments if comparable standards of prudential regulation and supervision are imposed. Limitations on individual debtor amounts are less strict for issues originating within the EU area. Limits on non-guaranteed loans are not applied if borrower is a financial institution headquartered within the EU area.
<table>
<thead>
<tr>
<th>Insurance Companies</th>
<th>Possible reservations</th>
<th>Private Pension Funds</th>
<th>Possible reservations</th>
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<tr>
<td>Discriminatory ceiling on investment in foreign assets or assets denominated in foreign currency</td>
<td></td>
<td>Discriminatory ceiling on investment in foreign assets or assets denominated in foreign currency</td>
<td></td>
</tr>
<tr>
<td><strong>Canada</strong></td>
<td>None.</td>
<td>None</td>
<td>Employers-sponsored pension plans and other retirement saving plans are generally subject to a 20 per cent limit on foreign property.</td>
</tr>
<tr>
<td><strong>Czech Republic</strong></td>
<td>Assets constituting the technical reserves are subject to special prudential rules, as are deposits with non-resident financial institutions.</td>
<td>Items III/B1, IV/D1, V/D1,D3, VI/D1,D3, VII/D1, IX/B, XI/B1-2.</td>
<td>All assets must be invested in the country, with the exception of government securities of OECD countries (including securities issued by central banks)</td>
</tr>
<tr>
<td><strong>Denmark</strong></td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td><strong>Finland</strong></td>
<td>There are restrictions concerning assets covering technical reserves from risks situated outside the EEA: Only 5% of the required cover can be constituted by assets situated outside the EEA and there are also additional restrictions depending on asset class.</td>
<td>Items III/B1, IV/D1, V/D1,D3, VI/D1,D3, VII/D1, IX/B, XI/B1-2</td>
<td>There are restrictions concerning assets covering technical reserves from risks situated outside the EEA: Only 5% of the required cover can be constituted by assets situated outside the EEA and there are also additional restrictions depending on asset class. [Further information regarding “special statutory schemes” to be provided.]</td>
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<td></td>
<td>Insurance Companies</td>
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<td>Private Pension Funds</td>
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<td>Possible reservations</td>
<td>Discriminatory ceiling on investment in foreign assets or assets denominated in foreign currency</td>
<td>Possible reservations</td>
</tr>
<tr>
<td>France</td>
<td>None vis-à-vis OECD countries.</td>
<td>None</td>
<td>None, as the regulatory framework for private pension funds is in the process of being developed.</td>
</tr>
<tr>
<td>Germany</td>
<td>Up to 5% of the premium reserve stock and 20% of the remaining restricted assets may be invested abroad. In addition, specific ceilings range from 5% to 20% depending on the foreign assets concerned.</td>
<td>Items III/B1, IV/D1, V/D1, D3, VI D1,D3, VII/D1, IX/B, XI/B1 and 2</td>
<td>None</td>
</tr>
<tr>
<td>Greece</td>
<td>Investment in real estate is restricted to assets situated within the EU area, and investment in securities and loans is restricted to obligations of EU issuers and debtors [if the assets are to form part of the technical reserves?] At least one third of assets forming the guarantee fund of a branch of a non-EU or non-EEA insurance company must be situated in Greece. [please confirm]</td>
<td>Items III/B1, IV/D1, V/D1,D3 VI/D1,D3, VII/D1, IX/B, XI/B1 and 2</td>
<td>None</td>
</tr>
<tr>
<td>Insurance Companies</td>
<td>Private Pension Funds</td>
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<tr>
<td><strong>Discriminatory ceiling on investment in foreign assets or assets denominated in foreign currency</strong></td>
<td><strong>Possible reservations</strong></td>
<td><strong>Discriminatory ceiling on investment in foreign assets or assets denominated in foreign currency</strong></td>
<td><strong>Possible reservations</strong></td>
</tr>
<tr>
<td>Hungary</td>
<td>Assets constituting technical reserves and security capital have to be invested within the country.</td>
<td>Items III/B1, IV/D1, V/D1,D3, VI/D1,D3, VII/D1, IX/B, XI/B1-2, XII/B1</td>
<td>2nd pillar (mandatory private pension fund): From January 1, 2002 the value of securities issued abroad cannot exceed 30% of the fund’s assets, and within investments made abroad the ratio of investments made in non-OECD countries shall not exceed 30% of all foreign investments. The rate of foreign investments may be: - 0% until December 31, 1999 - 10% until December 31, 2000 - 20% until December 31, 2001.</td>
</tr>
<tr>
<td>3rd pillar (voluntary private pension fund): Foreign investment shall not exceed 20% of invested fund assets, and within investments made abroad the ratio of investments made in non-OECD countries shall not exceed 30% of all foreign investments.</td>
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</tr>
<tr>
<td>Insurance Companies</td>
<td>Possible reservations</td>
<td>Private Pension Funds</td>
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</tr>
<tr>
<td>Discriminatory ceiling on investment in foreign assets or assets denominated in foreign currency</td>
<td>Items III/B1, IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B1 and 2</td>
<td>Discriminatory ceiling on investment in foreign assets or assets denominated in foreign currency</td>
<td>Items III/B1, IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B1 and 2</td>
</tr>
<tr>
<td>Iceland</td>
<td>Life: full prohibition for assets issued by non-residents.</td>
<td>Items III/B1, IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B1 and 2</td>
<td>[Civil servants’], nurses’, farmers’ and seamen’s funds: full prohibition for assets issued by non-residents.</td>
</tr>
<tr>
<td>Ireland</td>
<td>None</td>
<td>Items III/B1, IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B1 and 2</td>
<td>None</td>
</tr>
<tr>
<td>Italy</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Japan</td>
<td>30% limit on investments in assets denominated in foreign currency. [and/or in domestic currency to non-resident borrowers?]</td>
<td>Items III/B1, IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B1 and 2</td>
<td>None</td>
</tr>
<tr>
<td>Korea</td>
<td>10% limit on investment in assets denominated in foreign currency [and/or in domestic currency to non-resident borrowers?]</td>
<td>Items III/B1, IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B1 and 2</td>
<td>None</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>No more than 10% of the technical reserves may be invested in securities issued by non-residents.</td>
<td>Items III/B1, IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B1-2</td>
<td>No more than 10% of the technical reserves may be invested in securities issued by non-residents.</td>
</tr>
<tr>
<td>Country</td>
<td>Insurance Companies</td>
<td>Possible reservations</td>
<td>Private Pension Funds</td>
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</tr>
<tr>
<td>Mexico</td>
<td>Portfolio investment abroad is limited to certain money and capital market instruments, namely those securities denominated in foreign currency registered in the special section of the National Register of Securities and Intermediaries, and deposits and securities issued in foreign currencies payable abroad by Mexican financial entities or by foreign financial entities affiliated with these. The Ministry of Finance and Public Credit may authorise other securities issued by non-resident financial institutions.</td>
<td>Items III/B1, IV/D1, V/D1, D3, VI/D1, 3, VII/D1, IX/B, XI/B1 -2</td>
<td>Reserves of privately managed pension complementary to those established under Social Security Law must be invested up to at least 30% in certain domestic securities. The remaining portion may be invested in foreign currency denominated securities belonging to the same categories as those defined for insurance companies herein.</td>
</tr>
<tr>
<td>Netherlands</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>New Zealand</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Norway</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Poland</td>
<td>[Information required]</td>
<td>Information required</td>
<td>Information required</td>
</tr>
<tr>
<td>Portugal</td>
<td>None</td>
<td>None</td>
<td>Up to 20% of total assets may be invested in foreign assets.</td>
</tr>
<tr>
<td>Spain</td>
<td>None vis-à-vis OECD countries, except for real estate located outside the EEA, which cannot form part of technical reserves and for OTC instruments which can only form part of technical reserves if issued by EU residents, with certain exceptions</td>
<td>Items III/B1, IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B1-2</td>
<td>None.</td>
</tr>
</tbody>
</table>

<p>| Items III/B1, IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B1-2 | Items III/B1, IV/D1, V/D1, D3, VI/D1, D3, VII/D1, IX/B, XI/B1-2 | None. | None |</p>
<table>
<thead>
<tr>
<th></th>
<th>Insurance Companies</th>
<th>Private Pension Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sweden</strong></td>
<td>No more than 20% of technical reserves may be invested in foreign securities and foreign-currency denominated securities</td>
<td>None</td>
</tr>
<tr>
<td></td>
<td>Possible reservations: Items III/B1, IV/D1, V/D1,D3, VI/D1,D3, VII/D1, IX/B, XI/B1 and 2.</td>
<td>Possible reservations: None</td>
</tr>
<tr>
<td><strong>Switzerland</strong></td>
<td><em>Technical reserves only</em>&lt;br&gt;Assets in foreign currency: 20%&lt;br&gt;Debt instruments issued abroad: 30%&lt;br&gt;Shares issued abroad: 25%&lt;br&gt;Real property abroad: 5%&lt;br&gt;Global limit: 30%.</td>
<td>Possible reservations: Assets in foreign currency: 20% of total assets&lt;br&gt;Debt instruments issued abroad: 30% of total assets&lt;br&gt;Shares issued abroad: 25% of total assets&lt;br&gt;Real property abroad: 5% of total assets&lt;br&gt;Global limit: 30%.</td>
</tr>
<tr>
<td></td>
<td>Items III/B1, IV/D1, V/D1,D3, VI/D1,D3, VII/D1, IX/B, XI/B1 and 2.</td>
<td>Items III/B1, IV/D1, V/D1, VI/D1,3, VII/D1, IX/B, XI/B1 and 2.</td>
</tr>
<tr>
<td><strong>Turkey</strong></td>
<td>Technical reserves:&lt;br&gt;- cannot be invested in foreign assets,&lt;br&gt;- can be invested in domestic financial assets, which are specified by the Under-secretariat of Treasury, denominated in foreign currency.</td>
<td>Not yet regulated</td>
</tr>
<tr>
<td></td>
<td>Possible reservations: Items III/B1, IV/D1, V/D1, D3, VI/D1,D3, VII/D1, IX/B, XI/B1 and 2.</td>
<td>Possible reservations: None for the time being</td>
</tr>
<tr>
<td></td>
<td>Insurance Companies</td>
<td>Possible reservations</td>
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</tr>
<tr>
<td><strong>Discriminatory ceiling on investment in foreign assets or assets denominated in foreign currency</strong></td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td><strong>Possible reservations</strong></td>
<td>United Kingdom</td>
<td>No federal legislation. State level regulations:</td>
</tr>
<tr>
<td></td>
<td>United States</td>
<td>Aggregate limits on investment in foreign securities are within a range from 0 to 10% (the median point being 5%), depending on the state and the quality of the asset concerned.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Investment in Canada is treated more favourably.</td>
</tr>
</tbody>
</table>
ANNEX II
PROPOSED TEXT OF RESERVATIONS

Austria

III/B/1 Building or purchase abroad by residents

Remark: the reservation applies to:

(1) the acquisition of real estate abroad if the asset in question is to form part of the guarantee funds of a local branch of a non-EU insurance company established in Austria

(2) the acquisition of real estate outside the EU if the asset in question is to form part of the cover of the prescribed solvency margin for the local branch of a non-EU insurance company established in Austria or is to form part of the cover of technical reserves of resident insurance companies

IX/B Credits and loans granted by residents to non-residents

Remark: the reservation applies to:

(1) Loans granted to non-residents or for which the designated collateral is located abroad if the asset in question is to form part of the guarantee funds of a local branch of a non-EU insurance company established in Austria

(2) Loans granted to residents outside the EU or for which the designated collateral is located outside the EU, if the asset in question is to form part of the cover of the prescribed solvency margin for the local branch of a non-EU insurance company established in Austria or is to form part of the cover of technical reserves of resident insurance companies

Belgium

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

Remark: the reservation applies to

(1) securities not traded on a regulated market negotiable within a period exceeding 3 months, excepting securities issued by financial institutions headquartered in the EU, if these assets are to form part of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund
(2) securities not traded on a regulated market negotiable within a period exceeding 3 months issued by financial institutions headquartered in the EU, if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

(3) securities not traded on a regulated market negotiable within a period not exceeding 3 months, excepting securities issued by financial institutions headquartered in the EU, if these assets are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

(4) securities not traded on a regulated market negotiable within a period not exceeding 3 months issued by financial institutions headquartered within the EU if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

V/D1,D3 Operations on money markets

– Purchase of money market securities abroad by residents

– Lending through other money market instruments

Remark: the reservation applies to:

(1) money market securities, not traded on a regulated foreign financial market, negotiable within a period exceeding 3 months, excepting securities issued by financial institutions headquartered in the EU, if these assets are to form part of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

(2) money market securities, not traded on a regulated foreign financial market, issued by financial institutions headquartered within the EU, if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund.

(3) money market securities not traded on a regulated market negotiable within a period not exceeding 3 months, excepting securities issued by financial institutions headquartered in the EU, if these assets are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

(4) money market securities, not traded on a regulated market, negotiable within a period not exceeding 3 months, issued by financial institutions headquartered within the EU if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

VI/D1,D3 Other operations in negotiable instruments and non-securitised claims

– Purchase abroad by residents

– Exchange for other assets
Remark: the reservation applies to:

(1) purchase of or swap operations in instruments and claims, not traded on a regulated foreign financial market, negotiable within a period exceeding 3 months, excepting liabilities of financial institutions headquartered in the EU, if these assets are to form part of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund.

(2) purchase of or swap operations in instruments and claims, not traded on a regulated foreign financial market, negotiable within a period exceeding 3 months, issued by financial institutions headquartered within the EU, if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund.

(3) purchase of or swap operations in instruments and claims, not traded on a regulated foreign financial market, negotiable within 3 months, excepting liabilities of financial institutions headquartered within the EU, if these assets are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund.

(4) purchase of or swap operations in instruments and claims, not traded on a regulated foreign financial market, issued by financial institutions headquartered within the EU, if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund.

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

Remark: the reservation applies to securities issued by collective investment funds not regulated by EU authorities if these assets are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund.

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

Remark: the reservation applies to:

(1) credits and loans granted to non-resident borrowers, other than financial institutions headquartered in the EU, with a residual maturity exceeding 3 months if these assets are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund.

(2) credits and loans granted to non-resident financial institutions headquartered in the EU, with a residual maturity exceeding 3 months if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund [is this correct?]
XI/B 1-2 Operation by residents of accounts with non-resident institutions:

Remark: the reservation applies to deposits held with financial institutions not supervised by the authorities of a EU country if these deposits are to form part of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund.

Canada

III/B1 Building or purchase abroad by residents

Remark: the reservation applies to the acquisition by a private pension fund of real estate abroad which would cause the sum of its assets localised outside Canada to exceed 20 per cent of its total assets.

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

Remark: the reservation applies to the acquisition by a private pension fund of securities issued by non-residents on a foreign financial market which would cause the sum of its assets localised outside Canada to exceed 20 per cent of its total assets.

V/D1, D3 Operations on money markets

- Purchase of money market securities abroad by residents

- Lending through other money market instruments

Remark: the reservation applies to the acquisition by a private pension fund of securities issued by non-residents on a foreign financial market which would cause the sum of its assets localised outside Canada to exceed 20 per cent of its total assets.

VI/D1, D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents

- Exchange for other assets

Remark: the reservation applies to purchase of or swap operations by a private pension fund in instruments and claims on a foreign financial market which would cause the sum of its assets localised outside Canada to exceed 20 per cent of its total assets.

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

Remark: the reservation applies to purchase by a private pension fund of securities issued on a foreign financial market which would cause the sum of its assets localised outside Canada to exceed 20 per cent of its total assets.
IX/B  Financial credits and loans

- Credits and loans granted by residents to non-residents

*Remark: the reservation applies to credits and loans granted to non-resident borrowers by a private pension fund which would cause the sum of its assets localised outside Canada to exceed 20 per cent of its total assets*

XI/B1,2  Operation by residents of accounts with non-resident institutions:

*Remark: the reservation applies to deposits of funds with non-resident financial institutions by a private pension fund which would cause the sum of its assets localised outside Canada to exceed 20 per cent of its total assets [are there restrictions on foreign-currency deposits with resident institutions?]*

**Czech Republic**

III/B1  Building or purchase abroad by residents

*Remark: the reservation applies to:*

1. the acquisition of real estate abroad by a private pension fund
2. the acquisition of real estate abroad by an insurance company if these assets are to form part of the cover of its technical reserves

IV/D1  Operations in securities on capital markets

- Purchase abroad by residents

*Remark: the reservation does not apply to*

1. the purchase by a private pension fund of securities issued by governments and central banks of OECD Member Countries on a foreign financial market
2. the purchase by an insurance company of securities issued by governments and central banks of European Union member states and by multilateral financial institutions on a foreign financial market if these assets are to form 50% or less of the cover of its technical reserves
3. the purchase by an insurance company of securities traded on a regulated foreign market if these assets are to form 10% or less of the cover of its technical reserves

V/D1,D3  Operations on money markets

- Purchase of money market securities abroad by residents
- Lending through other money market instruments
Remark: the reservation does not apply to

(1) the purchase by a private pension fund of securities issued by governments and central banks of OECD Member Countries on a foreign financial market

(2) the purchase by an insurance company of securities issued by governments and central banks of European Union member states and by multilateral financial institutions on a foreign financial market if these assets are to form 50% or less of the cover of its technical reserves

(3) the purchase by an insurance company of securities traded on a regulated foreign market if these assets are to form 10% or less of the cover of its technical reserves

VI/D1,D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents

- Exchange for other assets

Remark: the reservation applies to

(1) purchase of or swap operations by a private pension fund in instruments and claims on a foreign financial market except those issued by or contracted with governments and central banks of OECD member countries

(2) purchase of or swap operations by an insurance company in instruments and claims on a foreign financial market if these assets are to form part of the cover of its technical reserves

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

Remark: the reservation applies to

(1) purchase by a private pension fund of securities issued on a foreign financial market

(2) purchase by an insurance company of securities not traded on a regulated foreign financial market if these assets are to form part of the cover of its technical reserves

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

Remark: the reservation applies to

(1) credits and loans granted to non-resident borrowers other than governments and central banks of OECD member countries by a private pension fund

(2) credits and loans granted to non-resident borrowers by an insurance company if these assets are to form part of the cover of its technical reserves
XI/B 1-2 Operation by residents of accounts with non-resident institutions:

Remark: the reservation applies to

(1) deposits of funds with non-resident financial institutions by a private pension fund

(2) deposits of funds with non-resident financial institutions by an insurance company

Finland

III/B1 Building or purchase abroad by residents

Remark: the reservation applies to the acquisition of real estate localised outside the EU, if these assets are to form more than 5 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

Remark: the reservation applies to the purchase of securities issued by non-EU residents if these assets are to form more than 5 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

V/D1 Operations on money markets

- Purchase of money market securities abroad by residents

- Lending through other money market instruments

Remark: the reservation applies to the purchase of securities issued by non-EU residents if these assets are to form more than 5 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

VI/D1,3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents

- Exchange for other assets

Remark: the reservation applies to purchase of or swap operations in instruments and claims issued by or contracted with non-EU residents if these assets are to form more than 5 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund
VII/D1 Operations in collective investment securities

- Purchase abroad by residents

Remark: the reservation applies to the purchase of securities issued by non-EU residents if these assets are to form more than 5 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

Remark: the reservation applies to credits and loans granted to non-EU residents, if these assets are to form more than 5 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

Remark: the reservation applies to deposits of funds with financial institutions regulated by non-EU authorities, if these assets are to form more than 5 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

Germany

[specific information regarding variation in restrictive ceilings according to asset classes to be provided]

Greece

III/B/1 Building or purchase abroad by residents

Remark: the reservation applies to:

(1) the acquisition of real estate abroad if the asset in question is to form more than one third of the guarantee funds of a local branch of a non-EU insurance company established in Greece

(2) the acquisition of real estate outside the EU if the asset in question is to form part of the cover of the prescribed solvency margin for the local branch of a non-EU insurance company established in Greece or is to form part of the cover of technical reserves of resident insurance companies

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

Remark: the reservation applies to the purchase of securities issued by non-EU residents if these assets are to form part of the technical reserves of an insurance company
V/D1 Operations on money markets

- Purchase of money market securities abroad by residents
- Lending through other money market instruments

*Remark: the reservation applies to the acquisition of securities issued by non-EU residents if these assets are to form part of the technical reserves of an insurance company*

VI/D1,3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents
- Exchange for other assets

*Remark: the reservation applies to purchase of or swap operations in instruments and claims issued by or contracted with non-EU residents if these assets are to form part of the technical reserves of an insurance company*

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

*Remark: the reservation applies to the purchase of securities issued by non-EU residents if these assets are to form part of the technical reserves of an insurance company*

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

*Remark: the reservation applies to credits and loans granted to non-EU residents, if these assets are to form part of the technical reserves of an insurance company*

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

*Remark: the reservation applies to deposits of funds with financial institutions regulated by non-EU authorities, if these assets are to form part of the technical reserves of an insurance company*

**Hungary**

III/B1 Building or purchase abroad by residents

*Remark: the reservation applies to the acquisition of real estate abroad if the assets in question are to form part of the cover of the technical reserves and security capital of an insurance company*

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents
Remark: the reservation applies to the purchase of securities issued by non-residents on a foreign market

(1) if the assets in question are to form part of the cover of the technical reserves and security capital of an insurance company

(2) by a mandatory pension fund which would cause the sum of its assets localised outside Hungary to exceed 10 per cent of its total assets

(3) by a voluntary pension fund which would cause the sum of its assets localised outside Hungary to exceed 20 per cent of its total assets.

V/D1,D3 Operations on money markets

- Purchase of money market securities abroad by residents
- Lending through other money market instruments

Remark: the reservation applies to

(1) the purchase of securities issued by non-residents on a foreign market if the assets in question are to form part of the cover of the technical reserves and security capital of an insurance company

(2) the purchase of securities issued by non-residents on a foreign market by a mandatory pension fund which would cause the sum of its assets localised outside Hungary to exceed 10 per cent of its total assets

(3) the purchase of securities issued by non-residents on a foreign market by a voluntary pension fund which would cause the sum of its assets localised outside Hungary to exceed 20 per cent of its total assets.

VI/D1,D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents
- Exchange for other assets

Remark: the reservation applies to the purchase of or swap operations in instruments and claims issued by or contracted with non-residents if these assets are to form part of the cover of the technical reserves or security capital of an insurance company.

2. From 1 January 2001, this percentage limit will be 20 per cent and from 1 January 2002 it will be 30 per cent of total assets of a mandatory pension fund. (Additionally, as of 1 January 2002, the ratio of foreign investments made in non-OECD countries may not exceed 30 per cent of all foreign investments.)

3. The ratio of foreign investments made in non-OECD countries may not exceed 30 per cent of all foreign investments of a voluntary pension fund.

4. From 1 January 2001, this percentage limit will be 20 per cent and from 1 January 2002 it will be 30 per cent of total assets of a mandatory pension fund. (Additionally, as of 1 January 2002, the ratio of foreign investments made in non-OECD countries may not exceed 30 per cent of all foreign investments.)
VII/D1 Operations in collective investment securities

- Purchase abroad by residents

*Remark: the reservation applies to*

1. the purchase of securities issued by non-residents on a foreign market if the assets in question are to form part of the cover of the technical reserves and security capital of an insurance company

2. the purchase of securities issued by non-residents on a foreign market by a mandatory pension fund which would cause the sum of its assets localised outside Hungary to exceed 10 per cent of its total assets

3. the purchase of securities issued by non-residents on a foreign market by a voluntary pension fund which would cause the sum of its assets localised outside Hungary to exceed 20 per cent of its total assets

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

*Remark: the reservation applies to credits and loans granted to non-residents if these assets are to form part of the cover of the technical reserves and security capital of an insurance company.*

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

*Remark: the reservation applies to deposits of funds with non-resident financial institutions*

1. if these assets are to form part of the cover of the technical reserves or security capital of an insurance company

2. by a mandatory pension fund which would cause the sum of its assets localised outside Hungary to exceed 10 per cent of its total assets

3. by a voluntary pension fund which would cause the sum of its assets localised outside Hungary to exceed 20 per cent of its total assets

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5. From 1 January 2001, this percentage limit will be 20 per cent and from 1 January 2002 it will be 30 per cent of total assets of a mandatory pension fund. (Additionally, as of 1 January 2002, the ratio of foreign investments made in non-OECD countries may not exceed 30 per cent of all foreign investments.)

6. The ratio of foreign investments made in non-OECD countries may not exceed 30 per cent of all foreign investments.

7. From 1 January, 2001, this percentage limit will be 20 per cent and from 1 January 2002 it will be 30 per cent of total assets of a mandatory pension fund. (Additionally, as of 1 January 2002, the ratio of foreign investments made in non-OECD countries may not exceed 30 per cent of all foreign investments.)

8. The ratio of foreign investments made in non-OECD countries may not exceed 30 per cent of all foreign investments.
XII/B1 Operations in foreign exchange

- Purchase of foreign currency abroad by residents

Remark: the reservation applies to the purchase of foreign currency with domestic currency:

(1) if such assets are to form part of the cover of the technical reserves or security capital of an insurance company

(2) by a mandatory pension fund which would cause the sum of its foreign assets to exceed 10 per cent of its total assets

(3) by a voluntary pension fund which would cause the sum of its foreign assets to exceed 20 per cent of its total assets

Iceland

III/B1 Building or purchase abroad by residents

Remark: the reservation applies to the acquisition of real estate abroad by a life insurance company or by mandatory nurses’ farmers’ and seamen’s pension funds [are these operated as private entities within common commercial regime?]

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

Remark: the reservation applies to the purchase of securities issued by non-residents by a life insurance company or by mandatory nurses’ farmers’ and seamen’s pension funds [are these operated as private entities within common commercial regime?]

V/D1,D3 Operations on money markets

- Purchase of money market securities abroad by residents

- Lending through other money market instruments

Remark: the reservation applies to the purchase of securities issued by non-residents by a life insurance company or by mandatory nurses’ farmers’ and seamen’s pension funds [are these operated as private entities within common commercial regime?]

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9. From 1 January, 2001, this percentage limit will be 20 per cent and from 1 January 2002 it will be 30 per cent of total assets of a mandatory pension fund. (Additionally, as of 1 January 2002, the ratio of foreign investments made in non-OECD countries may not exceed 30 per cent of all foreign investments.)

10. The ratio of foreign investments made in non-OECD countries may not exceed 30 per cent of all foreign investments.
VI/D1.D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents
- Exchange for other assets

**Remark:** the reservation applies to purchase of or swap operations in instruments and claims on a foreign financial market by a life insurance company or by mandatory nurses’ farmers’ and seamen’s pension funds. **[are these operated as private entities within common commercial regime?]**

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

**Remark:** the reservation applies to purchase of securities issued by non-residents by a life insurance company or by mandatory nurses’ farmers’ and seamen’s pension funds. **[are these operated as private entities within common commercial regime?]**

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

**Remark:** the reservation applies to credits and loans granted to non-residents by a life insurance company or by mandatory nurses’ farmers’ and seamen’s pension funds. **[are these operated as private entities within common commercial regime?]**

XI/B1,2 Operation by residents of accounts with non-resident institutions:

**Remark:** the reservation applies to deposits of funds with non-resident financial institutions by a life insurance company or by mandatory nurses’ farmers’ and seamen’s pension funds. **[are these operated as private entities within common commercial regime?]**

**Japan**

III/B1 Building or purchase abroad by residents

**Remark:** the reservation applies to the acquisition by an insurance company of real estate abroad which would cause the sum of its assets denominated in foreign currency to exceed 30 per cent of its total assets

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

**Remark:** the reservation applies to the purchase by an insurance company of securities issued on a foreign financial market or in foreign currency on the domestic market which would cause the sum of its assets denominated in foreign currency to exceed 30 per cent of its total assets
V/D1,D3 Operations on money markets

- Purchase of money market securities abroad by residents
- Lending through other money market instruments

Remark: the reservation applies to the acquisition or repurchase by an insurance company of securities issued on a foreign financial market or in foreign currency on the domestic market which would cause the sum of its assets denominated in foreign currency to exceed 30 per cent of its total assets.

VI/D1,D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents
- Exchange for other assets

Remark: the reservation applies to purchase of or swap operations by an insurance company in instruments and claims denominated in foreign currency on foreign or domestic markets which would cause the sum of its assets denominated in foreign currency to exceed 30 per cent of its total assets.

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

Remark: the reservation applies to purchase by an insurance company of securities issued on a foreign financial market or in foreign currency on the domestic market which would cause the sum of its assets denominated in foreign currency to exceed 30 per cent of its total assets.

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

Remark: the reservation applies to credits and loans granted to non-resident borrowers by an insurance company or in foreign currency to resident borrowers which would cause the sum of its assets denominated in foreign currency to exceed 30 per cent of its total assets.

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

Remark: the reservation applies to deposits of funds with non-resident financial institutions or foreign-currency denominated funds with resident financial institutions by an insurance company which would cause the sum of its assets denominated in foreign currency to exceed 30 per cent of its total assets.
Korea

III/B1 Building or purchase abroad by residents

Remark: the reservation applies to the acquisition by an insurance company of real estate abroad which would cause the sum of its assets denominated in foreign currency to exceed 10 per cent of its total assets

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

Remark: the reservation applies to the purchase by an insurance company of securities issued on a foreign financial market or in foreign currency on the domestic market which would cause the sum of its assets denominated in foreign currency to exceed 10 per cent of its total assets

V/D1,D3 Operations on money markets

- Purchase of money market securities abroad by residents
- Lending through other money market instruments

Remark: the reservation applies to the acquisition by an insurance company of securities issued on a foreign financial market or in foreign currency on the domestic market which would cause the sum of its assets denominated in foreign currency to exceed 10 per cent of its total assets

VI/D1,D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents
- Exchange for other assets

Remark: the reservation applies to purchase of or swap operations by an insurance company in instruments and claims on a foreign financial market or in foreign currency on the domestic market which would cause the sum of its assets denominated in foreign currency to exceed 10 per cent of its total assets

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

Remark: the reservation applies to purchase by an insurance company of securities issued on a foreign financial market or in foreign currency on the domestic market which would cause the sum of its assets denominated in foreign currency to exceed 10 per cent of its total assets
IX/B  Financial credits and loans

− Credits and loans granted by residents to non-residents

*Remark: the reservation applies to credits and loans granted to non-resident borrowers by an insurance company or in foreign currency to resident borrowers which would cause the sum of its assets denominated in foreign currency to exceed 10 per cent of its total assets*

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

*Remark: the reservation applies to deposits of funds with non-resident financial institutions or foreign-currency denominated funds with resident financial institutions by an insurance company which would cause the sum of its assets denominated in foreign currency to exceed 10 per cent of its total assets*

Luxembourg

III/B1  Building or purchase abroad by residents

*Remark: the reservation applies to the acquisition of real estate abroad if the assets in question are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund*

IV/D1  Operations in securities on capital markets

− Purchase abroad by residents

*Remark: the reservation applies to the purchase of securities issued by non-residents if the assets in question are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund*

V/D1,D3  Operations on money markets

− Purchase of money market securities abroad by residents

*Remark: the reservation applies to the acquisition or repurchase of securities issued by non-residents if the assets in question are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund*

VI/D1,D3  Other operations in negotiable instruments and non-securitised claims

− Purchase abroad by residents

− Exchange for other assets

*Remark: the reservation applies to purchase of or swap operations in instruments and claims on a foreign financial market if the assets in question are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund*
VII/D1 Operations in collective investment securities

- Purchase abroad by residents

Remark: the reservation applies to the purchase of securities issued by non-residents if the assets in question are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

Remark: the reservation applies to credits and loans granted to non-resident borrowers, if these assets are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

Remark: the reservation applies to deposits held with non-resident financial institutions if these deposits are to form more than 10 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

Mexico

III/B1 Building or purchase abroad by residents

Remark: the reservation applies to the acquisition of real estate abroad by an insurance company or by a pension fund

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

Remark: the reservation applies to the purchase by an insurance company or a private pension fund of securities denominated in foreign currency, with the exceptions of capital market instruments registered in the special section of the National Register of Securities and Intermediaries and of securities issued in foreign currency by the Federal Government or payable abroad by Mexican financial institutions or by foreign financial entities which are affiliates of these. In the case of private pension funds such assets may not exceed 70 per cent of mandatory reserves.

V/D1,D3 Operations on money markets

- Purchase of money market securities abroad by residents

- Lending through other money market instruments

Remark: the reservation applies to the purchase by an insurance company or a private pension fund of securities denominated in foreign currency, with the exceptions of money market instruments registered in the special section of the National Register of Securities and Intermediaries and of deposits and securities issued in foreign currency by the Federal Government
or payable abroad by Mexican financial institutions or by foreign financial entities which are affiliates of these. In the case of private pension funds such assets may not exceed 70 per cent of mandatory reserves.

VI/D1,D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents
- Exchange for other assets

*Remark: the reservation applies to purchase of or swap operations in instruments and claims on a foreign financial market by an insurance company or a private pension fund.*

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

*Remark: the reservation applies to purchase by an insurance company or a private pension fund of securities denominated in foreign currency with the exceptions of those securities registered in the special section of the National Register of Securities and Intermediaries and of securities issued in foreign currency payable abroad by Mexican financial institutions or by foreign financial entities which are affiliates of these. In the case of private pension funds such assets may not exceed 70 per cent of mandatory reserves.*

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

*Remark: the reservation applies to credits and loans denominated in foreign currency granted by an insurance company or a private pension fund*

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

*Remark: the reservation applies to deposits of funds denominated in foreign currency by an insurance company or a private pension fund with non-resident financial institutions other than those registered in the special section of the National Register of Securities and Intermediaries and of deposits denominated in foreign currency with Mexican financial institutions or foreign financial entities which are affiliates of these. In the case of pension funds such assets may not exceed 70 per cent of mandatory reserves*
Portugal

III/B1 Building or purchase abroad by residents

*Remark:* the reservation applies to the acquisition of real estate abroad by a pension fund, which would cause the sum of its foreign assets to exceed 20 per cent of its total assets

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

*Remark:* the reservation applies to the purchase by a private pension fund of securities issued by non-residents which would cause the sum of its foreign assets to exceed 20 per cent of its total assets

V/D1,D3 Operations on money markets

- Purchase of money market securities abroad by residents
- Lending through other money market instruments

*Remark:* the reservation applies to the purchase by a private pension fund of securities issued by non-residents which would cause the sum of its foreign assets to exceed 20 per cent of its total assets

VI/D1,D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents
- Exchange for other assets

*Remark:* the reservation applies to purchase of or swap operations in instruments and claims on a foreign financial market by a private pension fund which would cause the sum of its foreign assets to exceed 20 per cent of its total assets

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

*Remark:* the reservation applies to the purchase by a private pension fund of securities issued by non-residents which would cause the sum of its foreign assets to exceed 20 per cent of its total assets

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

*Remark:* the reservation applies to credits and loans granted to non-residents by a private pension fund which would cause the sum of its foreign assets to exceed 20 per cent of its total assets
XI/B 1-2 Operation by residents of accounts with non-resident institutions:

Remark: the reservation applies to deposits of funds by a private pension fund with non-resident financial institutions which would cause the sum of its foreign assets to exceed 20 per cent of its total assets

Spain

III/B1 Building or purchase abroad by residents

Remark: the reservation applies to the acquisition of real estate outside the EU if the assets in question are to form part of the cover of the technical reserves of an insurance company

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

Remark: the reservation only applies to the purchase of securities which are not traded on a regulated market, except:

a) securities issued or guaranteed by EU member states or international organisations

b) securities issued or guaranteed by financial institutions resident in the EU or whose shares are traded on a regulated market

V/D1,D3 Operations on money markets

- Purchase of money market securities abroad by residents

- Lending through other money market instruments

Remark: the reservation only applies to the purchase of securities which are not traded on a regulated market, except:

a) securities issued or guaranteed by EU member states or international organisations

b) securities issued or guaranteed by financial institutions resident in the EU or whose shares are traded on a regulated market

VI/D1,D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents

- Exchange for other assets

Remark: the reservation does not apply to:

a) instruments issued by EU residents quoted on a regulated market

b) instruments guaranteed by a financial institution resident in the EU
c) operations conducted by financial institutions licensed and supervised by the authorities of an EU member state

d) operations in derivative instruments to the extent they contribute to the reduction of investment risk or efficient portfolio management and the instruments in question are traded on a regulated market or the counterparties are financial institutions supervised by the authorities of an EU member state or by international organisations where Spain is a member

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

Remark: the reservation only applies to the purchase of securities issued by collective investment institutions resident outside the EU

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

Remark: the reservation does not apply to:

a) credits granted to EU residents whose shares are traded on a regulated market

b) credits collateralised by EU real estate

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

Remark: the reservation applies to deposits of funds with non-EU financial institutions

XII Operations in Foreign Exchange

- Purchase of foreign currency with domestic currency

Remark: the reservation only applies to foreign currencies not quoted on a foreign currency exchange

Sweden

III/B1 Building or purchase abroad by residents

Remark: the reservation applies to the acquisition of real estate localised outside Sweden if the asset in question is to form more than 20 per cent of the cover of the technical reserves of an insurance company

IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

Remark: the reservation applies to the purchase of securities issued by non-residents if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company
V/D1 Operations on money markets

- Purchase of money market securities abroad by residents
- Lending through other money market instruments

Remark: the reservation applies to the purchase of securities issued by non-residents if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company.

VI/D1,D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents
- Exchange for other assets

Remark: the reservation applies to purchase of or swap operations in instruments and claims issued by or contracted with non-residents if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company.

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

Remark: the reservation applies to the purchase of securities issued by non-residents if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company.

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

Remark: the reservation applies to credits and loans granted to non-residents, if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company.

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

Remark: the reservation applies to deposits of funds with non-resident financial institutions, if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company.

Switzerland

III/B1 Building or purchase abroad by residents

Remark: the reservation applies to the acquisition of real estate localised outside Switzerland, if these assets are to form more than 5 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund. Additionally, both insurance companies and pension funds must operate within an overall limit of 30 per cent of total foreign assets allowed as part of mandatory reserves.
IV/D1 Operations in securities on capital markets

- Purchase abroad by residents

*Remark: the reservation applies to*

1. the purchase of debt instruments issued by non-residents if these assets are to form more than 30 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

2. the purchase of shares or other securities of a participating nature issued by non-residents if these assets are to form more than 25 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund

Additionally, both insurance companies and pension funds must operate within an overall limit of 30 per cent of total foreign assets allowed as part of mandatory reserves.

V/D1,D3 Operations on money markets

- Purchase of money market securities abroad by residents

- Lending through other money market instruments

*Remark: the reservation applies to the purchase of debt instruments issued by non-residents if these assets are to form more than 30 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund. Additionally, both insurance companies and pension funds must operate within an overall limit of 30 per cent of total foreign assets allowed as part of mandatory reserves.*

VI/D1,D3 Other operations in negotiable instruments and non-securitised claims

- Purchase abroad by residents

- Exchange for other assets

*Remark: the reservation applies to purchase of or swap operations in instruments and claims issued by or contracted with non-residents if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund.*

VII/D1 Operations in collective investment securities

- Purchase abroad by residents

*Remark: the reservation applies to the purchase of securities issued by non-residents if these assets are to form more than 30 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund. Additionally, both insurance companies and pension funds must operate within an overall limit of 30 per cent of total foreign assets allowed as part of mandatory reserves.*
IX/B  Financial credits and loans

− Credits and loans granted by residents to non-residents

Remark: the reservation applies to credits and loans granted to non-residents, if these assets are to form more than 20 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund. Additionally, both insurance companies and pension funds must operate within an overall limit of 30 per cent of total foreign assets allowed as part of mandatory reserves.

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

Remark: the reservation applies to deposits of funds with non-resident financial institutions, if these assets are to form more than 30 per cent of the cover of the technical reserves of an insurance company or of the assets representative of the liabilities of a private pension fund. Additionally, both insurance companies and pension funds must operate within an overall limit of 30 per cent of total foreign assets allowed as part of mandatory reserves.

Turkey

III/B1  Building or purchase abroad by residents

Remark: the reservation applies to the acquisition of real estate localised outside Turkey, if these assets are to form part of the cover of the technical reserves of an insurance company

IV/D1  Operations in securities on capital markets

− Purchase abroad by residents

Remark: the reservation applies to the purchase of securities issued by non-residents if these assets are to form part of the cover of the technical reserves of an insurance company

V/D1,D3  Operations on money markets

− Purchase of money market securities abroad by residents

− Lending through other money market instruments

Remark: the reservation applies to the purchase of securities issued by non-residents if these assets are to form part of the cover of the technical reserves of an insurance company

VI/D1,3  Other operations in negotiable instruments and non-securitised claims

− Purchase abroad by residents

− Exchange for other assets

Remark: the reservation applies to purchase of or swap operations in instruments and claims issued by or contracted with non-residents if these assets are to form part of the cover of the technical reserves of an insurance company
VII/D1 Operations in collective investment securities

- Purchase abroad by residents

*Remark: the reservation applies to the purchase of securities issued by non-residents if these assets are to form part of the cover of the technical reserves of an insurance company*

IX/B Financial credits and loans

- Credits and loans granted by residents to non-residents

*Remark: the reservation applies to credits and loans granted to non-residents, if these assets are to form part of the cover of the technical reserves of an insurance company*

XI/B 1-2 Operation by residents of accounts with non-resident institutions:

*Remark: the reservation applies to deposits of funds with non-resident financial institutions, if these assets are to form part of the cover of the technical reserves of an insurance company*