



IOPS ANNUAL REPORT 2023

Activities from January 2023 to December 2023
2022 Financial Statements



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Foreword

The International Organisation of Pension Supervisors (IOPS) is an independent international body representing institutions involved in the supervision of private pension arrangements. The Organisation currently has 91 Members and Observers representing supervisory bodies from 80 countries and territories worldwide - from Albania to Zimbabwe - covering all levels of economic development and bringing together all types of pension and supervisory systems.

The IOPS was formed in July 2004. The major goal of the IOPS is to improve the quality and effectiveness of the supervision of private pension systems throughout the world, thereby enhancing their development and operational efficiency, and allowing for the provision of a secure source of retirement income in as many countries as possible.

The aims and purposes of IOPS can be summarised as:

- *serving as the standard-setting body on pension supervisory matters (and regulatory issues related to pension supervision), taking into account the variety of different private pension systems;*
- *promoting international co-operation on pension supervision and facilitating contact between pension supervisors and other parties, including policy makers, researchers and the private sector;*
- *providing a worldwide forum for policy dialogue and exchange of information on pension supervision;*
- *participating in the work of relevant international bodies in the area of pensions, including joint activities to improve statistical collection and analysis;*
- *promoting, conducting and facilitating the distribution and communication of research, and collecting information in co-operation with relevant international bodies.*

Report from the President of IOPS



Ambrogio Rinaldi
President of IOPS

HIGHLIGHTS

Over 2023, the IOPS progressed its 2019-2024 strategy, which is designed to deliver across the five aims and purposes set out in the foreword to this report. The IOPS continued working with individual members and co-operating actively with other international organisations which have an interest in pension supervision – maintaining the strength of its global community via a range of engagements to progress a number of relevant pieces of work. In particular, the IOPS held international workshops on the enhancement of pension supervision including the one on the use of supervisory technology (SupTech) and digitalisation in pension supervision and pension markets.

Among my responsibilities as IOPS president, chairing the Executive Committee is a significant one. In 2023, as a result of the revision of the IOPS Articles of Association, the number of this Committee members was increased to better reflect the global reach of the Organisation. The Committee dealt with significant administrative and financial matters for the Organisation, including decisions on a multiannual plan to increase membership fees in a way that is both sustainable for Members and apt to addressing current and future needs of the Organisation.

I want to express my gratitude first of all to the whole Membership of the Organisation, for the support offered in various ways and in particular for the technical and analytical contributions given through the active participation in meetings and work of the Technical Committee.

My special thanks go to the IOPS Secretariat, managed by the Directorate for Financial Affairs (DAF) of the OECD. As the current three-years appointment was expiring at the end of 2023, a careful assessment of the performance of the Secretariat was conducted, with all IOPS members invited to participate to a survey and to express scores regarding various profiles of activity, comments and suggestions. Members participating in the survey assigned excellent scores to the performance of the Secretariat for the years 2021-2023. The scores collected show a strong support for confirming the re-appointment of the OECD to provide Secretariat services to the IOPS for a further period of three years 2024-26. Besides that, the recent reorganization of DAF and the talks with its Senior Management open the way to a reinforced cooperation with the OECD.

We also express our sincere thanks to the Zimbabwean authority - the Insurance and Pensions Commission (IPEC) of Zimbabwe, and in particular the Commissioner, Dr Grace Muradzikwa - for excellent organisation, successful hosting and warm hospitality of the 2023 October IOPS Annual meetings followed by the OECD/IOPS/IPEC Global Forum on Private Pensions.

I also wish to offer a special word of thanks and recognition for the hard work and thoughtful leadership of the IOPS Executive Officers over the year: the IOPS Vice Presidents – Mr Ali Khawar and Mrs Úrsula Schwarzhaupt, the Chair of the Technical Committee – Mr Brendan Kennedy, the Vice-Chair of the Technical Committee – Dr Jiang Bo, the IOPS Treasurer – Mr Prakash Seewoosunkur, as well as to the IOPS Secretary General – Mrs Flore-Anne Messy. The Executive Officers held regular online meetings over the year to discuss and progress on work priorities and provide strategic guidance to the Organisation. I want also to express gratitude to each of the staff members of the Secretariat – and in particular to Dariusz Stanko and Nina Paklina, to our long-standing Senior Policy Advisor – Mr André Laboul, and to the secondees from national authorities.

A detailed record of developments in the Organisation over year 2023 follows.

MEETINGS

The following IOPS meetings were held in 2023:

- Executive and Technical Committee meetings: 14-15 March (virtual meeting), 12-14 June (hybrid meeting) held in Paris, France, followed by an academic conference organised jointly by IPRA, OECD and IOPS on 14 June) and 17 October (Victoria Falls, Zimbabwe);
- Workshop on use of innovative technology in pension supervision (SupTech), 6 April, virtual meeting;
- Annual General Meeting, 18 October, Victoria Falls, Zimbabwe;
- OECD/IOPS/IPEC Global Forum on private pensions, 18-19 October, Victoria Falls, Zimbabwe.

March 2023 – Virtual

The first IOPS meeting of 2023 took place virtually on 14-15 March 2023. Despite being organized in an online format, the meeting benefited from very active participation and engagement from IOPS members, leading to fruitful discussions on current and pressing supervisory matters.

The Technical Committee discussed a range of issues in member jurisdictions, such as 1) the development of a pension dashboard by the United Kingdom, 2) Chilean pension reform, and 3) valuation concerns related to unlisted assets held by pension funds in Australia. Members also shared perspectives on the outline of the new project on the supervision of pension investments, the revision of IOPS Principles, and updates to RBS Toolkits. Furthermore, valuable insights were exchanged on ongoing projects, including the revised report for the digitalisation project and the draft of the implementation note for the ESG guidelines.

During the Executive Committee meeting, discussions centred on financial and governance matters, including the future IOPS budget and audit proposals, the new second vice president position, and strategies to enhance membership expansion.

June 2023 – Paris, France

The second IOPS meeting was hybrid and held jointly by the IOPS and OECD Working Party on Private Pensions (WPPP) in Paris, France on 12-14 June 2023.

During the Technical Committee meeting on 12 June 2023, updates on pension policy and supervisory developments in several Member jurisdictions (Netherlands, Nigeria, Slovakia, and the United States) were shared with other participants. Following the selected Members' updates, the Members expressed their views on ongoing projects, including 1) Supervision of Pension Investments, 2) Revision of IOPS Principles of Private Pension Supervision, and 3) Development of the implementation note for the IOPS Supervisory Guidelines on the Integration of ESG Factors in the Investment and Risk Management of Pension Funds. The joint meeting on 13 June 2023 was devoted to discussing projects and matters relevant to the OECD Working Party on Private Pensions.

On 13 June 2023, the Executive Committee discussed administrative and financial matters for the organisation, particularly focusing on IOPS Membership fee increases, the selection of the auditor, updates on the nominations for the second IOPS Vice President position, and the policy of IOPS publication. Additionally, the Members welcomed the membership application from the Social Security Regulator of Cambodia, who became a new IOPS Governing Member in 2023. Members also discussed potential hosting countries for future meetings in 2024 and 2025.

The meetings were followed on 14 June 2023 by the [8th International Pension Research Association Conference](#), jointly organised by the OECD, IOPS and the International Pension Research Association (IPRA). The event offered a unique forum where leading pension academics presented their research and interacted with policymakers and the supervisory community. Key themes for this year's conference included new developments in decumulation, asset-backed pensions, climate change and the global economy, and other current policy issues in pensions. The presentations from the conference are available on the IPRA [website](#).

17-18 October 2023 – Victoria Falls, Zimbabwe

The last IOPS Committee meetings in 2023 were held in Victoria Falls, Zimbabwe, hosted by the Insurance and Pensions Commission (IPEC) of Zimbabwe.

On 17 October 2023, the Technical Committee shared recent supervisory developments including updates on pension reforms and supervisory approaches being undertaken in Hong Kong, China; Croatia and Suriname. Additionally, the Committee reviewed and discussed the Financial Services Authority of Indonesia (OJK) self-assessment result against IOPS Principles, followed by discussions on the progress of the ongoing projects, including the revision of IOPS Principles of Private Pension Supervision, development of the implementation framework for the IOPS ESG guidelines, Supervision of pension investments as well as new projects related to reinforcing resilience of pension supervision against shocks (crisis) and the Members-driven project on Transparency, benchmarking and value-for-money.

At the Executive Committee meeting held on 17 October, financial matters, elections of new IOPS Executives, including the second Vice-President, the IOPS Secretariat assessment results, the revised Programme of Work 2023-2024 and other business matters were discussed. At the AGM held on 18 October, the Members approved the election a new second IOPS Vice President Mrs Úrsula Schwarzhaupt, and six Executive Committee Members who will serve the Committee during 2024-2025. Members also approved documents listed on the AGM Agenda, such as budget estimates and fee structure for years 2025-2026, Revised IOPS Programme of Work 2023-2024, 2023 Annual Report and other documents.

During the same week, the OECD/IOPS/IPEC Global Forum on Private Pensions took place on 18-19 October 2023, in Victoria Falls, Zimbabwe. Under the theme "Entrenching Retirement Security in a Changing World", various sub-topics were discussed by speakers and forum attendees. The major topics of this year's forum included design and delivery of adequate DC pensions; performance of African pension funds' investment strategies, providing pensions for informal employment in developing countries, strengthening trustees' skills and capacities. The presentations from the forum are available on the IOPS Members' website.



IOPS Delegates at the OECD/IOPS Global Forum on Private Pensions “*Entrenching Retirement Security in a Changing World*”, Victoria Falls, Zimbabwe, 18-19 October 2023



IOPS President Mr Ambrogio Rinaldi (left) and Commissioner of the Insurance and Pensions Commission (IPEC) Dr Grace Muradzikwa (right) at the OECD/IOPS Global Forum on Private Pensions, Victoria Falls, Zimbabwe, 18-19 October 2023

MEMBERS

We are pleased to welcome the Social Security Regulator of Cambodia that joined the Organisation on 13 June 2023 as an IOPS Governing Member.

Our ongoing goal is to expand the IOPS membership base through our outreach events, bilateral contacts and with the help of our Members. IOPS and its Members benefit from sharing insights, information and experiences that assist in enhancing pension supervision, and a diverse membership base assists with offering best practices and experiences. A number of pension supervisory authorities continue to express interest in our Organisation. We would be delighted to welcome these and other interested parties as members of our Organisation and we will work with such jurisdictions to incorporate their valuable experience and input into our work.

The IOPS appreciates the support of its Members who have assisted our efforts to expand the membership of the Organisation. Indeed, our best source of recruitment is through our membership. Members are therefore encouraged to get in touch and develop their relationship with supervisory authorities in their regions and help work towards further increasing the membership of our Organisation in 2024 and years to come.

IOPS is also seeking to engage more strongly with other leading international standard-setters to exchange experiences, contribute to the work of other bodies from the perspective of pension supervisory community as well as promote its work and application of its standards. IOPS will strive for further co-operation with leading international standard-setters to ensure the views and experiences of IOPS Membership are considered and have influence in international standard setting.

AIMS

IOPS successfully worked on advancing a number of aims and objectives during 2023, including the following:

AIM	Achievement 2023
<i>Standard setting body on pension supervisory issues</i>	The IOPS has continued working on the implementation note for the IOPS Supervisory Guidelines on the integration of ESG factors in the investment and risk management of pension funds. Representatives of the Organisation participated in the work of other bodies promoting the standards developed by IOPS (e.g. the PRI, OECD Working Party on Private Pensions, G20/OECD Task Force on Financial Consumer Protection, NGFS, FSB's working group on margin preparedness (see below)).
<i>Worldwide forum for dialogue and exchange</i>	In April 2023, the IOPS organised a virtual SupTech Workshop to share the advancements of innovative supervisory technologies being implemented in IOPS Member jurisdictions. In June 2023, the IOPS organised jointly with the OECD and the International Pension Research Association (IPRA) the international Academic conference on the developments in pensions.

	<p>The IOPS continued collaboration with other international institutions (e.g. the World Bank, Latin American Pension Fund Supervisors (AIOS), International Association of Insurance Supervisors (IAIS), International Social Security Association (ISSA), International Actuarial Association (IAA), Network for Greening the Financial System (NGFS), Financial Stability Board (FSB) and International Federation of Pension Funds Administrators (FIAP)).</p> <p>The IOPS Committee meeting held jointly with the OECD Working Party on Private Pensions (WPPP) in Paris in June 2023 saw attendance from non-member countries such as Estonia, Finland, Greece, Japan, Latvia, Norway and Sweden. IOPS Secretariat uses these opportunities to establish and develop relationships with selected non-Member Delegations. IOPS Secretariat also supports IOPS Members to expand the Membership of the Organisation in the future through bilateral contacts.</p>
<i>Participate in work of relevant international bodies</i>	<p>In January 2023 the IOPS became a member of the Financial Stability Board (FSB)'s newly established working group on margin preparedness (WGMP). The IOPS has been contributing to the fulfilment of the working group's mission, which focuses on mitigating excessive procyclical behaviours among market participants when responding to margin and collateral calls during periods of market-wide stress.</p> <p>IOPS representatives participated in on-line meetings of the Network for Greening the Financial System (NGFS).</p> <p>See description of other activities in the section <i>Relations with other organisations</i> under this table.</p>
<i>Promote, conduct, facilitate distribution and communication of research</i>	<p>The IOPS ongoing research focused on digitalisation including how innovative technologies can make the supervision of pension plans easier and more efficient, implementation of IOPS ESG guidelines, and supervision of pension investments.</p> <p>During 2023, the IOPS released two Working Papers: 1) Working Paper No. 40, titled 'Report on how can digitalisation make the supervision of pension plans easier and more efficient?', and 2) Working Paper No. 41, titled 'Liquidity risks for pension funds related to margin calls: survey results.'</p> <p>The IOPS continued revision of its website, including its research section and electronic library that provides research on pension supervision and related topics.</p> <p>The Secretariat liaises the Members with the leading academic pension journal, 'The Journal of Pension Economics and Finance' (JPEF) developed under the aegis of the IOPS and OECD. Mrs Flore-Anne Messy,</p>

	IOPS Secretary General, Dr Pablo Antolin, OECD and Dr Dariusz Stańko, IOPS are JPEF Editors. The Journal publishes original research papers on topics including pension fund management, the regulation of pensions, and pensions and labour markets.
<i>International co-operation and assisting countries with less developed private pension arrangements</i>	<p>The IOPS continues to build its membership and contacts amongst countries with developing pension systems and has welcomed representatives from many developing economies to its conferences and events.</p> <p>Members' self-assessment exercise is regularly organised to check Members compliance with the IOPS Principles of Private Pension Supervision with peer-reviewers commenting on the results and follow up discussions organised at the IOPS Technical Committee meetings.</p>
<i>Develop database of private pension and supervisory systems worldwide</i>	The IOPS continues to work with its partners from the ISSA and OECD to update and develop a comprehensive regulatory and statistical database covering private pension systems worldwide. The 2023 update of the joint ISSA/OECD/IOPS Complementary and Private Pension database and IOPS supervisory profiles included around 20 jurisdictions.

RELATIONS WITH OTHER ORGANISATIONS

IOPS continued to work closely with other organisations in 2023. Such collaborations included:

- **OECD:** IOPS maintains a close relationship with the OECD's Working Party on Private Pensions (WPPP), jointly organising research conferences, joint summer meetings, Global Forum on Private Pensions as well as International Conferences. The OECD continues to provide Secretariat support to IOPS via the partnership agreement signed by the two organisations in 2005 and renewed in 2020 at the AGM. The Secretariat performance assessment report for the period of 2021-2023 provided excellent feedback from the IOPS Members¹ which is perceived as a great reward and incentive for the Secretariat to continue its role. The IOPS also continued to contribute to the G20/OECD Taskforce on Financial Consumer Protection, the Taskforce on Pension Statistics and the G20/OECD Taskforce on Institutional Investors and Long-Term Financing and the OECD.
- **ISSA:** the joint database on complementary and private pensions is further being updated and extended by the three organisations involved (IOPS, ISSA and OECD).
- **World Bank:** representatives continue to attend IOPS meetings and provide input and comments to IOPS projects.
- **FSB:** IOPS has participated in the Financial Stability Board's newly established working group on margin preparedness (WGMP).
- **IAA:** the two organisations continue to co-operate, comment on respective work programmes

¹ 35 responses were received. 31 Members assessed IOPS Secretariat performance as "very good" and 4 as "good". The average scores for specific areas of operations were: 9.4 (out of 10) for facilitating operations, 9.57 for working papers and research, 9.40 for standard setting and guidelines, 9.43 for international outreach and 9.03 for promoting IOPS and contribution to other work.

and publications as well as organising regular working meetings and participating in events and delivering speeches.

- **IAIS:** the two organisations continue to co-operate in respect of monitoring developments, co-ordinating respective work of each organisation and participating in events where relevant.
- **AIOS:** the two organisations provide regular exchange of information and the representative of AIOS attended and actively contributed to the joint OECD/IOPS meeting in June and on the occasion of the OECD/IOPS Global Forum on Private Pensions.
- **EIOPA:** the IOPS and EIOPA provide regular updates on each other's work.
- **NGFS:** IOPS continues to participate in discussions of the Network of Central Banks and Supervisors for Greening the Financial System (NGFS).

FUTURE MEETINGS

2024

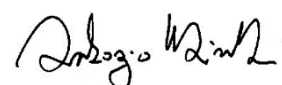
- 13-14 February, Committee Meetings and Seminar, Mexico City, Mexico;
- 10-12 June, Committee Meetings, OECD, Paris, France jointly with the OECD WPPP, followed by the academic conference, co-organised with the International Pension Research Association (IPRA);
- 18-20 November, Committee Meetings, AGM & OECD/IOPS Global Forum on private pensions, Bali, Indonesia.

2025

- February (dates tbc), Committee Meetings and Seminar, San José, Costa Rica;
- Week of 9 June or 23 June (dates tbc), Committee Meetings, OECD, Paris, France jointly with the OECD WPPP, followed by the academic conference, co-organised with the International Pension Research Association (IPRA);
- October/November (dates and venue tbc), Committee Meetings, AGM & OECD/IOPS Global Forum on private pensions.

2026

- February/March (dates and venue tbc), Committee Meetings and Seminar;
- Week of 15 June or 22 June (dates tbc), Committee Meetings, OECD, Paris, France jointly with the OECD WPPP, followed by the academic conference, co-organised with the International Pension Research Association (IPRA);
- October/November (dates tbc), Committee Meetings, AGM & OECD/IOPS Global Forum on private pensions; Hong Kong, China.



Ambrogio Rinaldi
President of IOPS



Report by the Chair of the Technical Committee

Brendan Kennedy

Chair of the IOPS Technical Committee

The Technical Committee of IOPS has responsibility for developing principles, standards and good practices on pension supervisory issues and on regulatory issues related to pension supervision. The Technical Committee is also the primary forum in which Members discuss and share experiences relating to pension supervision and contribute to the development and issuance of IOPS Working Papers. Participation in Technical Committee meetings is open to all IOPS members.

Over the year, three meetings of the Technical Committee were all well supported by the membership. The June meeting held in Paris was again a joint meeting with the OECD Working Party on Private Pensions that provided a valuable opportunity to share and discuss the work of IOPS with a broader group of private pension policymakers and regulators as well as private pension industry representatives and other stakeholders. In keeping with the tradition that has been developed in recent years, the academic conference hosted jointly by the International Pension Research Association (IPRA), OECD and IOPS allows IOPS Members to have an open dialogue and access to the most cutting-edging research findings in the economics and finance of pensions and retirement income.

The outputs and ongoing work of the Committee are set out in some detail below. The value of a body such as IOPS is that it is able to draw upon the collective experiences of a broad membership of pension supervisors and exchange our learnings and good practices. The quality of outputs of the IOPS is driven by the contributions of these members who are encouraged to participate and provide input whether through participation in project teams, responses to surveys and information requests or through the meeting. Members are encouraged to continue to deliver updates on their ongoing reforms and supervisory developments and offer input on papers which are discussed and refined. We also very much welcome the initiatives taken by some of our Members to lead and drive forward selected projects included in our Programme of Work. This will allow such projects to respond fully to their research needs, which is the key to the success of the teamwork. Furthermore, I would particularly like to thank those who made presentations, served as peer reviewers, drafted, edited and supplied input for the IOPS Working Papers released, or further developed, this year. I would also like to thank the Secretariat for their efforts in the development of the papers completed and progressed throughout the year and for the substantial background work needed in arranging the meetings of the Committee so that they can run efficiently and productively.

Going forward, the Technical Committee is committed to an ambitious programme of work that will continue to explore the frontiers of developments in private pension systems globally and to share our

members' best practices. To achieve these ambitions, we look forward to the ongoing commitment of the membership, more proactive participation in the IOPS work streams, the support of the Secretariat and ongoing collaboration with our external partners.

REVISED PROGRAMME OF WORK (POW)

2022-2023 PRINCIPLES AND GUIDELINES

Revision of the IOPS Principles of Private Pension Supervision:

The IOPS Governing Membership agreed on the need to revise the IOPS Principles of Private Pension Supervision during their past meetings. The last revision of IOPS Principles dates back in 2010.

The work on the revision of the IOPS Principles is in full swing. The revisions will build on the best Members' experiences and practices as well as on the rich body of research produced by the Organisation. In particular, with valuable insights gained from the digitalisation project, it may be desirable to introduce a new principle on digital supervision. Additionally, there may be a need for a principle concerning risk-based supervision, which could benefit from lessons learnt from the recently finalised risk-based supervision project. Furthermore, the evolving landscape of the pension industry may necessitate adjustments or developments in the Principles to address issues such as, resilience of pension supervision and pension systems to external shocks (e.g. pandemic and catastrophe risks), cyber risks, and the changing dynamics of an ageing society.

As part of revisions of the IOPS Principles, the Guidelines on the application of ESG factors in the supervision of pension fund investment and risk management were developed. The work on the ESG guidelines started in 2018 and was finalised by their publication in October 2019. The next step under this project is to develop practical guidance or toolkits on the implementation of IOPS supervisory guidelines on the integration of ESG factors in the investment and risk management of pension funds. These could be implementation guidelines (e.g. in the area of risk disclosure or scenario testing) that will help IOPS Members to apply the supervisory ESG guidelines in practice. The discussions on developing the implementation framework, which were initiated in 2021, have continued throughout 2023, supported by Members' presentations and ongoing updates on the developments in the area.

One of the core projects developed by the Organisation over the past years aimed at gathering Members' experiences in developing and implementing risk-based supervisory models for the private pension sector. Several technical workshops and dedicated sessions on this topic were organised as part of the IOPS Technical Committee meetings. Key findings from the meetings and new research enabled the development of a flagship publication by the IOPS on key learnings from the design, implementation, use and review of Risk Based Supervision by pension supervisory authorities. They also offered a valuable source for the update of the IOPS Toolkit on Risk Based Supervision for pension supervisors. Both the report and the Toolkit are offered in two versions – internal, available on Members' dedicated space and external – published on the IOPS website.

RESEARCH AND PUBLICATIONS

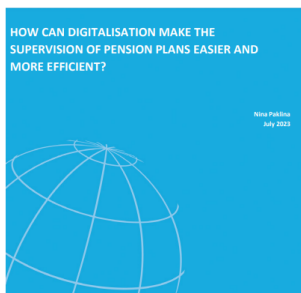
During 2023, the IOPS continued to ensure that the work of its Members reached a broader audience. The Organisation and its Members have been pleased to respond to requests for information and research from a variety of sources.

Two Working Papers were released in 2023. The IOPS working paper No. 40 provides experiences and insights related to the development and use of innovative technologies (SupTech) used by pension supervisors to enhance and support their supervision. The Working Paper No. 41 presents findings from the April/May 2023 survey, which aimed to investigate pension funds' practices related to margin and collateral call activities in IOPS Member jurisdictions. The abstracts of the papers follow below.

The IOPS welcomes submissions for the Working Paper series. Members who have papers covering relevant issues and who are interested in submitting them for inclusion in the series should contact the IOPS Secretariat.

IOPS Working Papers present the results of research and policy analysis conducted throughout the year. They are developed with the important input and assistance of Technical Committee Members, and are circulated to encourage discussion and comment and provide input to policy development in their respective jurisdictions. They represent the views of the authors and may not represent the opinion of the IOPS members as a whole.

IOPS Working Papers on Effective Pensions Supervision, No.40



WORKING PAPER NO. 40: Report on how can digitalisation make the supervision of pension plans easier and more efficient?

Abstract: This report is part of the IOPS workstream on digitalisation. It aims to collect and share experiences related to the development and use of innovative technologies (SupTech) by pension supervisors to enhance and support supervisory practices and processes. The report also aims to identify new developments and areas of interest specific to the private pension sector. The key findings are drawn mainly from the responses of Members to the IOPS Survey on “How can digitalisation make the supervision of pension plans easier and more efficient?” Authorities from thirty-eight IOPS Members’ jurisdictions participated in the survey.

The report reviews the state of adoption of the range of supervisory technologies (e.g. machine learning, natural language processing, artificial intelligence (AI), cloud computing, etc.) and the areas of financial supervision in which these innovative technologies are used (or considered to be used), including data collection, storage and processing, analysis of supervisory data, supervisory monitoring, digital communication, consumer protection, etc. The report also contains some examples of initiatives specific to private pensions such as building of a single and integrated digital platform (e.g. eMPF Platform, Hong Kong, China) to standardise, streamline and automate the existing pension schemes administration processes. This should enhance the efficiency of pension schemes operation, administration, the quality of pension services, and enable cost savings for pension schemes and members.

The report includes supervisory views and an assessment of the main implementation challenges (such as supervisory capacity and skills to utilise current and future SupTech tools, resources, quality of data, integration of new tools in workflows and existing IT infrastructure, legal, operational, including cyber security issues, etc.) in the process of adoption of SupTech tools.

Finally, the report offers insights and key findings from the development and implementation stages of the adoption of innovative SupTech technology to daily supervisory work in the area of private pensions. This could serve as a learning experience among pension supervisory authorities.

IOPS Working Papers on Effective Pensions Supervision, No.41

LIQUIDITY RISKS FOR PENSION FUNDS
RELATED TO MARGIN CALLS: SURVEY RESULTSSungmin Oh
Dariusz Skolnik
September 2023

WORKING PAPER NO. 41: Liquidity risks for pension funds related to margin calls: survey results

Abstract: This report presents the findings from the April/May 2023 survey, which aimed to investigate pension funds' practices related to margin and collateral call activities in IOPS Member jurisdictions. The survey specifically focused on capturing margin call activities conducted by pension funds, assessing the liquidity risks associated with such activities, and examining relevant regulatory measures to mitigate these risks.

A total of 37 IOPS Members (representing nearly 48% of the IOPS Governing Members) provided valuable insights and experiences on margin call activities, namely the use of derivatives and repos. The information shared covers various aspects, such as 1) margin call activities made by pension funds, 2) the utilisation of derivatives for liability-driven investment (LDI) strategies, 3) supervisory measures aimed at mitigating liquidity risks arising from margin calls, and 4) types of liquidity sources to address emergency margin calls.

The report highlights that margin call-related activities are present in approximately 38% of the surveyed jurisdictions, mainly for hedging, effective portfolio management, or implementing LDI strategies. LDIs were found to be utilised by 30% of the surveyed participants, yet it also turned out that in many LDI funds, either no derivatives or minimal usage of derivatives are employed. Most importantly, all respondents reported no or no significant liquidity risks related to margin calls to date, and they assessed the current liquidity risks as very low.

PROJECTS

In addition to the projects outlined above, the IOPS has worked on the following projects during 2023, which are expected to be finalised during 2024:

- **Implementation of ESG Guidelines:** This project was initiated in May 2021 by a Workshop on the implementation of IOPS supervisory ESG guidelines and sustainability disclosure. It will be further progressed through the development of practical guidance or toolkit on the implementation of IOPS supervisory guidelines on the integration of ESG factors in the investment and risk management of pension funds. These implementation guidelines will aim at supporting IOPS members in applying the Supervisory ESG guidelines.
- **Supervision of Pension Investments:** This project aims to narrow the divide between pension funds' investment practices and regulatory oversight by offering better practices and insights related to investment supervision. The project will be implemented through multiple workstreams, involving several papers for in-depth and comprehensive analysis. During the first meeting of 2023, the Members decided to focus on selected investment activities, including leverage, lending, short selling, trading, and indirect investments, for the first phase of this project. Other pertinent matters, such as investments in exotic assets (e.g., cryptocurrencies and structured products), will be addressed in subsequent stages.
- **Resilience of pension supervision against shocks:** This would enlarge the previous Covid-related project by collecting and sharing jurisdictions experience on the following two themes:

- How to increase the resilience of pension supervision and pension system against shocks (pandemics, natural catastrophes, financial crisis, major cyber attacks, etc.); and
- Assessment of effectiveness of supervisory and regulatory measures introduced during the crisis for both supervisors and the supervised entities.

The project may focus on analysing emergency planning and action plans for pension supervisory authorities in place, challenges and barriers in implementing effective emergency planning and action plans by pension supervisors, as well as on lessons learnt in terms of assessment of efficiency of such plans and ways for improvement.

OTHER

In addition to the work developed on the specific projects as described above, I am delighted to report that in 2023 we pursued a very important exercise: Members' self-assessment against the IOPS Principles of Private Pension Supervision, considered as one of priority activities of the Organisation. This confirms high value of our standards-setting activities, not only elaboration of global standards and principles but also application and self-assessment of their implementation.

During 2023, the Capital Market Development Authority (CMDA) of Maldives and Financial Services Authority (OJK) of Indonesia conducted their self-assessments against IOPS Principles. I also wish to take this opportunity to express our sincere thanks to the Members who agreed to act as peer reviewers – the Namibia Financial Institutions Supervisory Authority (NAMFISA) of Namibia, the Financial Supervisory Authority (ASF) of Romania and Austria Financial Market Authority (FMA) and the Pension Fund Regulatory and Development Authority of India, for providing their valuable input on the reports and putting forward their experiences and policy recommendations. We trust that the conduct of self-assessment exercises and engaging supervisors as peer reviewers will contribute to further strengthening the supervisory regimes of our Members and foster pension reforms in the jurisdictions.

IOPS also organised a virtual Workshop on innovative technologies (SupTech) used by pension supervisors to enhance and support their pension supervision. The event provided examples of advanced technologies and digitalisation utilised by pension supervisors, including Hong Kong (China)'s eMPF Platform and the advanced analytics systems implemented by the Central Bank (DNB) of the Netherlands. Over 100 participants attended the workshop, engaging in active discussions.

Work on updating and expanding the joint ISSA/IOPS/OECD Complementary and private pension database continued during 2023. The 2023 update of the profiles for inclusion in the joint ISSA/IOPS/OECD database focused on the jurisdictions with most dated information. In conjunction with the update of the joint ISSA/IOPS/OECD profiles, IOPS supervisory profiles of jurisdictions participating in the 2023 database update were reviewed.

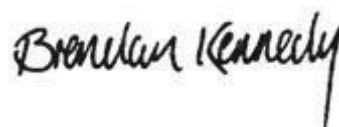
Furthermore, a broad range of IOPS Members provide statistical information for the OECD/IOPS/WB Global Pension Statistics Project. Selected statistics for IOPS Members are available via the OECD's Pensions Markets in Focus publication and the OECD website (www.oecd.org/daf/pensions).

The IOPS Members are encouraged to continue to actively participate and provide, on a regular basis, the requested pension regulatory and statistical data/information as part of the joint ISSA/OECD/IOPS Complementary and Private Pensions database and the OECD/IOPS/WB Global Pension Statistics database. The work on the update of IOPS supervisory profiles for the whole Membership will be continued in 2023.



2023 Edition of the OECD Pension Markets in Focus is available via
<http://www.oecd.org/daf/fin/private-pensions/pensionmarketsinfocus.htm>

IOPS Principles, Good practices and guidelines, Working Papers, Member countries' supervisory profiles, background information and papers by research topic and by country are available on the IOPS website: www.iopsweb.org. Members are invited to provide recent reports on their pension systems and developments in supervisory approaches and techniques for inclusion in the research database. The IOPS research webpage will be subject to ongoing revision, restructuring and improvement.



Brendan Kennedy

Chair of the IOPS Technical Committee



Report of the Secretariat

Flore-Anne Messy

Secretary General of IOPS

The IOPS Secretariat continues to provide a wide range of support to the IOPS membership. In addition to supporting and working to extend the membership base, servicing the Executives and organising Committee meetings and Annual General Meetings, the Secretariat has, on the request of the Executive Committee, continued to provide significant analytical contribution and intellectual input to the Organisation. In addition to drafting papers and guidelines, increased editorial and analytical support was provided by the Secretariat to project teams, which resulted in the development and publication of papers in the IOPS Working Paper series. The role of the Secretariat was also instrumental in developing training activities, including organising SupTech Workshop this year.

We are particularly pleased and honoured with the results of the recent assessment of the IOPS Secretariat work for the period of 2021-2023. Such positive feedback from the Members is a token of appreciation and the best motivation for the Secretariat to continue to actively support the IOPS activities and long-term strategy.

In 2023, mindful of budgetary constraints and the need to allow for some flexibility in organisation of our meetings, the March events and April workshop in 2023 were organised in a virtual format, the June meetings in a hybrid format while the November meetings were held in person. The Secretariat will strive to provide Members with as wide an access to IOPS activities as possible in light of Members' views and preferences and considering the critical importance of in-person meetings for fruitful exchanges and advancing our programme of work.

We would like to thank the Australian Prudential Regulation Authority (APRA) for their support by providing the Secretariat with an excellent expert. Our Australian secondee, Mrs. Kayleen Holloway has been instrumental in progressing and finalising the work on Risk-based supervision. This included drafting the reports, updating IOPS RBS Toolkit and preparing RBS Workshops. On behalf of the Secretariat, I would like to thank Kayleen for her hard work, excellent ideas and enthusiasm brought to our unit.

We also sincerely thank the Financial Supervisory Service (FSS) of Korea for their continued support and excellent secondees that supported the IOPS activities for many years. In particular we are grateful to the FSS for the decision to extend the secondment of Mr Seungjoon Oh by another year until November 2023. On behalf of the Secretariat, we would also wish to praise the analytical work delivered by Seungjoon and his valuable input and support of the Organisation's activities.

Such excellent support by our secondees has greatly contributed to achieving many deliverables this year.

The practical supervisory experience of the secondees continues to be highly valuable for the Secretariat. I hope that the secondee programme can continue in the future, with other Members joining and contributing to it. IOPS Members are invited to inform the IOPS Secretariat about their willingness to send their staff to support the work of the Secretariat.

MAIN TASKS COMPLETED DURING 2023

DOCUMENTS

The Secretariat provided substantial analytical input to the ongoing IOPS projects, resulting in the publication of the Working Papers in 2023: No. 40, titled 'Report on how digitalisation can make the supervision of pension plans easier and more efficient?', and Working Paper No. 41, titled 'Liquidity risks for pension funds related to margin calls: survey results.'

The Secretariat also developed public versions of the past Working Paper No. 38 on learnings from the design, implementation, use and review of Risk Based Supervision by pension supervisory authorities and of the revised IOPS Toolkit.

The IOPS Secretariat has also taken on the role of updating and extending the ISSA/OECD/IOPS database and review of the IOPS supervisory profiles.

Finally, the Secretariat coordinated the production of numerous other documents, including the preparation of the agendas and briefings of the Executive and Technical Committee meetings, Annual General Meeting and our out-reach supervisory activities, the revised Programme of Work for 2023-2024, the Annual Budget of the Organisation, President's and other reports, including the IOPS 2023 Annual Report. The Secretariat was also instrumental in offering support to the IOPS Executives during the organisation of their meetings under the leadership of IOPS President, Mr Ambrogio Rinaldi.

MEETINGS

The Secretariat engaged in the establishment, operation, preparation, and organisation of meetings for the Executive and Technical Committees held in March, June and October 2023. The Secretariat's analytical and organisational support was also provided for the Annual General Meeting of the Governing Membership held in Victoria Falls, Zimbabwe on 18 October 2023.

The Secretariat was involved in the planning and organisation of the virtual Workshop on innovative technologies to enhance and support pension supervision (SupTech) held on 6 April 2023. The Secretariat also assisted Executive Committee in securing in person meetings in a diversified set of venues in the coming years.

COOPERATION WITH OTHER INTERNATIONAL BODIES

The IOPS Secretariat continues to work closely with the OECD's Working Party on Private Pensions for the purposes of elaboration of joint projects, elaboration of the programmes of the Annual OECD/IOPS Global Forum on private pensions and other international events where OECD and IOPS are taking part. The IOPS Secretariat was involved in organising the eighth International Academic Conference on pensions in partnership with OECD and International Pension Research Association (IPRA), on 14 June 2023.

The Secretariat represented the IOPS and provided related input on the topics discussed at the meetings of: the G20/OECD Task Force on Financial Consumer Protection, and the G20/OECD Task Force on Institutional Investors and Long-Term Financing.

Additionally, the Secretariat worked towards the review and extension of the ISSA/IOPS/OECD database on complementary and private pensions and review of the IOPS supervisory profiles.

The IOPS Secretariat continues to co-operate with the IAIS and the IAA and provides a regular exchange of updates with these colleagues. Representatives from IAIS, IAA, the World Bank regularly attend and intervene/present at our meetings. The IOPS Secretariat also participated in the working group on margin preparedness hosted by the Financial Stability Board (FSB) by offering feedback from pension supervisors on this topic and attended the NGFS meetings. The IOPS works closely with our counterparts in Europe (EIOPA) and Latin America (AIOS).

ADMINISTRATION AND OTHER

Communication and record keeping in relation to existing members was also undertaken, with the Secretariat striving to ensure that delegates received documents in time to review them before meetings. All IOPS working documents are available on the Members' Area ("O.N.E. Community Site of IOPS", former "Clear space"). A separate restricted page on O.N.E. Community Site of IOPS was created for access to the documents of the Executive Committee meeting. Comments and suggestions from Delegates in relation to the ongoing projects and reports were also coordinated.

It is worth noting that during 2023 the IOPS Community Site became more and more used by IOPS Members posting and responding to various technical questions that relate to the pension supervisory practice and regulation. This very welcome development enables Members to benefit from the common knowledge of the Organisation.

The Secretariat supported the IOPS Treasurer as well as the nomination and election of the second Vice-President and the Executive Committee members through online voting prior the Annual General Meeting held in Victoria Falls, Zimbabwe on 18 October 2023.

The Secretariat continues efforts to update the IOPS website, as well as launching and regularly updating social networking groups for IOPS via the Members' Area.

I would like to thank the IOPS Governing Members for their continued collaboration with the Secretariat and their readiness to contribute to the work of the Organisation. We look forward to continuing to provide Secretariat support and to working with the IOPS in the future.



Flore-Anne Messy
Secretary General IOPS

Executive Committee Members 2023

Ex Officio - IOPS President and Chair of Executive Committee

Mr Ambrogio Rinaldi	Central Director, Pension Funds Supervision Commission (COVIP), Italy (elected on 3 November 2022)
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Ex Officio - IOPS Vice President

Mr Ali Khawar	Principal Deputy Assistant Secretary, United States Department of Labor, US (elected on 3 November 2022)
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Mrs Úrsula Schwarzhaupt	Head of Regulation Intendancy, Pensions Supervisor, Chile (elected on 18 October 2023)
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Ex Officio - Chair of Technical Committee

Mr Brendan Kennedy	Chief Executive Officer of the Pensions Authority of Ireland (re-appointed by the IOPS Executive Committee on 17 October 2023)
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Ex Officio – Vice Chair of Technical Committee

Dr Bo Jiang	Director General, Insurance Intermediaries Supervision Department, the China Banking and Insurance Regulatory Commission (CBIRC), (re-appointed by the IOPS Executive Committee on 2 March 2022)
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Ex Officio – IOPS Treasurer

Mr Prakash Seewoosunkur	Chief Operating Officer, the Financial Services Commission of Mauritius (re-appointed by the IOPS Executive Committee on 21 October 2021)
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Elected in 2022 to serve from 2023 until the end of 2024

Australia	Australian Prudential Regulation Authority (APRA)
Austria	Austria Financial Market Authority (FMA)
Brazil	Brazilian Pension Funds Authority (PREVIC)
Croatia	Croatian Financial Services Supervisory Agency (HANFA)
Germany	Federal Financial Supervisory Authority (BaFin)
India	Pension Fund Regulatory and Development Authority (PFRDA)
Mexico	National Commission of the Retirement Savings System (CONSAR)
Slovak Republic	National Bank of Slovakia (NBS)
South Africa	Financial Sector Conduct Authority (FSCA)

Elected in 2023 to serve from 2024 until the end of 2025

Egypt	Financial Regulatory Authority (FRA)
Hong Kong, China	Mandatory Provident Fund Schemes Authority (MPFA)
Kenya	Retirement Benefits Authority (RBA)
Namibia	Namibia Financial Institutions Supervisory Authority (NAMFISA)
Romania	Financial Supervisory Authority (ASF Romania)
Uganda	Uganda Retirement Benefits Regulatory Authority (URBRA)

IOPS Members and Observers 2023

Governing Members	
Albania	Financial Supervisory Authority
Angola	Angolan Agency for Insurance Regulation and Supervision (ARSEG)
Armenia	Central Bank of Armenia
Australia	Australian Prudential Regulation Authority
Austria	Austria Financial Market Authority
Bailiwick of Guernsey	Financial Services Commission (GFSC)
Belgium	Financial Services and Markets Authority (FSMA)
Botswana	Non-Bank Financial Institutions Regulatory Authority
Brazil	Brazilian Pension Funds Authority (PREVIC)
Bulgaria	Financial Supervision Commission
Canada	Canadian Association of Pension Supervisory Authorities (CAPSA)
Cambodia	Social Security Regulator of Cambodia
Chile	Pensions Superintendence of Chile
China	National Financial Regulatory Administration (NFRA)
Colombia	Financial Superintendence of Colombia
Costa Rica	Pensions Superintendence of Costa Rica
Croatia	Croatian Financial Services Supervisory Agency (HANFA)
Czech Republic	Czech National Bank
Dominican Republic	Pensions Superintendency (SIPEN)
Egypt	Financial Regulatory Authority
France	Prudential Supervisory and Resolution Authority (ACPR)
Germany	Federal Financial Supervisory Authority (BaFin)
Georgia	Insurance State Supervision Service of Georgia (ISSSG)
Georgia	National Bank of Georgia
Ghana	National Pensions Regulatory Authority
Gibraltar (UK)	Financial Services Commission
Honduras	National Commission of Banking and Insurance (CNBS)
Hong Kong, China	Mandatory Provident Fund Schemes Authority (MPFA)
Hungary	Central Bank of Hungary
Iceland	Financial Supervisory Authority (FME)
India	Pension Fund Regulatory and Development Authority (PFRDA)
Indonesia	Financial Services Authority (OJK)
Ireland	Pensions Authority
Isle of Man	Isle of Man Financial Services Authority (IOMFSA)
Israel	Capital Market, Insurance & Savings Authority (CMISA)
Italy	Pension Funds Supervision Commission (COVIP)
Jamaica	Financial Services Commission
Kazakhstan	National Bank of the Republic of Kazakhstan
Kazakhstan	Agency of the Republic of Kazakhstan for Regulation and Development of Financial Markets
Kenya	Retirement Benefits Authority (RBA)
Kingdom of Eswatini	Financial Services Regulatory Authority (FSRA)
Korea	Financial Services Authority / Financial Supervisory Service
Kosovo	Central Bank of the Republic of Kosovo
Lesotho	Central Bank of Lesotho
Liechtenstein	Financial Market Authority (FMA)
Lithuania	Bank of Lithuania

Luxembourg	Financial Sector Supervisory Commission (CSSF)
Macao, China	Monetary Authority of Macao (AMCM)
Malawi	Reserve Bank of Malawi
Maldives	Capital Market Development Authority (CMDA)
Malta	Financial Services Authority (MFSA)
Mauritius	Financial Services Commission (FSC)
Mexico	National Commission for the Pension System (CONSAR)
Morocco	Supervisory Authority of Insurance and Social Welfare (ACAPS)
Mozambique	Mozambique Supervisory Institute of Insurance (ISSM)
Namibia	Namibia Financial Institutions Supervisory Authority (NAMFISA)
Netherlands	Central Bank of the Netherlands (DNB)
Nigeria	National Pensions Commission
Papua New Guinea	Bank of Papua New Guinea
Peru	Superintendence of Banking, Insurance and Pension Fund Administrators (SBS)
Poland	Polish Financial Supervision Authority (KNF)
Portugal	Insurance and Pension Funds Supervisory Authority (ASF)
Republic of North Macedonia	Agency for Supervision of Fully Funded Pension Insurance (MAPAS)
Romania	Financial Supervisory Authority (ASF Romania)
Russian Federation	Central Bank of the Russian Federation (currently the membership suspended)
Rwanda	National Bank of Rwanda
Serbia	National Bank of Serbia
Seychelles	Financial Services Authority (FSA Seychelles)
Slovak Republic	National Bank of Slovakia
South Africa	Financial Sector Conduct Authority (FSC)
Spain	Directorate General for Insurance and Pension Funds, Ministry of Economy and Enterprise
Suriname	Central Bank of Suriname
Switzerland	Occupational Pension Supervisory Commission (OPSC)
Trinidad & Tobago	Central Bank of Trinidad and Tobago
Türkiye	Pension Monitoring Center
Türkiye	Turkish Insurance and Private Pension Regulatory and Supervisory Authority
Uganda	Uganda Retirement Benefits Regulatory Authority
Ukraine	National Securities and Stock Market Commission (currently the membership suspended)
United Kingdom	The Pensions Regulator (TPR)
United States of America	Department of Labor (DOL)
Zambia	Pension and Insurance Authority
Zimbabwe	Insurance and Pensions Commission (IPEC)

Associate Members

Burundi	The Executive Permanent Secretariat of National Commission of Social Protection (SEP/CNPS)
South Africa	National Department of Social Development
Tanzania	Bank of Tanzania
International Association of the Latin American Pension Fund Supervisors (AIOS)	<i>Partnership Agreement</i>
International Association of Insurance Supervisors (IAIS)	<i>Partnership Agreement</i>
International Social Security Association (ISSA)	<i>Partnership Agreement</i>
OECD	<i>Partnership Agreement</i>
World Bank	

Observers

American Council of Life Insurers (ACLI)	
International Actuarial Association (IAA)	<i>Reciprocal Membership</i>

Secretariat

Secretary General	Mrs Flore-Anne Messy Flore-Anne.MESSY@oecd.org Tel: +33 1 45 24 96 56	
Chief Policy Advisor	Mr André Laboul andre.laboul@dauphine.psl.eu	
Secretariat	Dr Dariusz Stańko Dariusz.STANKO@oecd.org Tel: +33 1 45 24 19 81	Mrs Nina Paklina Nina.PAKLINA@oecd.org Tel: +33 1 45 24 84 78
	Ms Johanna Palmi Johanna.PALMI@oecd.org Tel: +33 1 85 55 48 79	Mr Seungjoon Oh Seungjoon.OH@oecd.org Tel: +33 1 45 24 91 27



Report of the Treasurer

Mr Prakash Seewoosunkur
IOPS Treasurer

SUBJECT:

IOPS ACCOUNTS AS OF 31 DECEMBER 2022

Dear Governing Members,

For the year ended 31 December 2022 membership fee income of the International Organisation of Pension Supervisors (IOPS) amounted to EUR 541 857. The level of membership fees that are received by the IOPS reflects permanent member support for the activities of the Organisation.

The primary expense item during 2022 continued to be the grant paid by the IOPS to the OECD for the provision of Secretariat support under the official partnership agreement signed by both Organisations. The amount charged for the current year was EUR 549 226.

The expenses for conferences and meetings for the year 2022 amounted to EUR 12 697. Other expenses including editor's fees, the cost of the 2020 hard copies and online access to the Journal of Pension Economics and Finance, audit and bank fees amounted to EUR 18 542.

The reserve policy adopted by the Executive Committee in 2007 is to hold a 20% target of the estimated yearly membership fee income as a contingency reserve, to cover uncertainties relating to the timing of receipt and level of membership payments. Due to the relative consistency of membership income between 2021 and 2022, no change has been made to the level of this reserve. In addition, the Executive Committee decided in 2007 to build up an additional reserve to cover future event expenditures, such as costs relating to conference or regional workshop programs. No drawdown from this special reserve was made in 2022.

On balance, taking into account reserves and new members, the IOPS remains in an acceptable financial position to realise its goals.

Prakash Seewoosunkur

A handwritten signature in dark ink, appearing to read 'Prakash' followed by a stylized surname.

Treasurer The International Organisation of Pension Supervisors

Dated: 31 December 2022

2023 Members Payments

Governing Members

Albania
 Armenia
 Australia
 Austria
 Belgium
 Botswana
 Brazil
 Bulgaria
 Cambodia
 Canada
 Chile
 China
 Colombia
 Costa Rica
 Croatia
 Czech Republic
 Dominican Republic
 Egypt
 Eswatini, Kingdom of
 France

Georgia (x2)
 Germany
 Ghana
 Gibraltar
 Guernsey
 Honduras
 Hong Kong
 Hungary
 Iceland
 India
 Indonesia
 Ireland
 Isle of Man
 Israel
 Italy
 Jamaica
 Kazakhstan
 Kenya
 Korea
 Lesotho
 Liechtenstein

Lithuania
 Luxembourg
 Macau SAR, China
 Malawi
 Maldives
 Malta
 Mauritius
 Mexico
 Morocco
 Mozambique
 Namibia
 Netherlands
 Nigeria
 North Macedonia
 Papua New Guinea
 Peru
 Poland
 Portugal
 Romania
 Rwanda
 Serbia

Seychelles
 Slovakia
 South Africa
 Spain
 Suriname
 Switzerland
 Trinidad & Tobago
 Türkiye (x2)
 Uganda
 United Kingdom
 United States
 Zambia
 Zimbabwe

Associate Members

South Africa
 Tanzania
 The World Bank

Observers

ACLI

Report of the Auditors to the Members of the International Organisation of Pension Supervisors.**Report of the Auditors to the Members of International
Organization of Pension Supervisors****IOPS Association**

Financial year ended December 31, 2022

Neuilly-sur-Seine, 8th September 2023

Opinion

We have audited the accompanying financial statements (the “Financial Statements”) of the International Organization of Pension Supervisors (“IOPS”), which comprise the Statement of financial position and the statements of changes in unrestricted net assets for the year ended 31 December 2022, and a summary of significant accounting policies and other explanatory information and notes.

In our opinion, the accompanying Financial Statements of IOPS for the year ended 31 December 2022 are prepared, in all material aspects, in accordance with the accounting policies disclosed in the notes to the financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibility for the Audit of the Financial statements section of our report. We are independent of IOPS within the meaning of the ethical requirements of IFAC and have fulfilled our other responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with the accounting policies disclosed in the notes to the financial statements and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing IOPS' ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate IOPS or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing IOPS' financial reporting process.

Auditor's Responsibility for the Audit of the Financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of IOPS' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on IOPS' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosure are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, further events or conditions may cause IOPS to cease to continue as a going concern.

Grant Thornton

IOPS Association

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Financial year ended December 31, 2022

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton
French Member of Grant Thornton International



Vianney Martin
Partner

International Organisation of Pension Supervisors (IOPS)
Statement of Activities
For the year ended 31st December 2022

CHANGES IN UNRESTRICTED NET ASSETS

		2022	2021
	<i>Notes</i>	€	€
Revenue and gains			
Membership fees	9	541 750	555 500
Interest		107	245
Total unrestricted revenue and gains		<u>541 857</u>	<u>555 745</u>
Expenses			
Audit	7, 10	10 320	8 600
Bank fees and charges		2 595	1 484
Bad debt written off		-	16 500
Bad debt expense	6	11 000	-
OECD administration	4	549 226	550 124
Conference expenses	5	12 697	-
Subscriptions		5 000	5 000
Publishing Costs		-	1 950
Waivered Fees		-	-
Miscellaneous		27 720	-
Total Expenses		<u>618 558</u>	<u>583 658</u>
CHANGES IN UNRESTRICTED NET ASSETS		<u><u>(76 701)</u></u>	<u><u>(27 913)</u></u>

International Organisation of Pension Supervisors (IOPS)
Statement of Financial Position
as at 31 December 2022

		2022	2021
Assets	<i>Notes</i>	€	€
Cash at bank		195 035	202 855
Short Term Deposit		40 200	120 093
Sundry Debtors and Prepayments	6	74 250	52 238
Allowance for doubtful accounts	6	(11 000)	
Secundee Loan		-	-
Total		298 485	375 186
Liabilities and Net Assets			
Accrued Expenses	7, 8	15 820	15 820
Total Liabilities		15 820	15 820
Net Assets		282 665	359 366
Unrestricted Net Assets & Reserves			
Retained Earnings before transfer		228 216	256 129
Changes in unrestricted net assets for the current year		(76 701)	(27 913)
		151 515	228 216
Transfer to Contingency Reserve		-	-
Retained Earnings after Transfer		151 515	228 216
Special Reserve		25 000	25 000
Contingency Reserve		106 150	106 150
Total Funds		282 665	359 366

International Organisation of Pension Supervisors (IOPS)
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st December 2022

1 NATURE OF THE ORGANISATION

The International Organisation of Pension Supervisors (IOPS) is an international body representing a range of members involved in the supervision of private pension arrangements. The Organisation's members cover all levels of economic development and bring together all types of pension and supervisory systems.

IOPS is an association in accordance with French Law. It is domiciled in Paris, France and receives membership fees from members worldwide.

2 SIGNIFICANT ACCOUNTING POLICIES

The accounts of the IOPS are drawn on the historical cost basis and income and expenses items are recorded on the accrual basis.

3 INCOME TAXES

The organisation is exempt from income tax.

4 PAYMENTS TO OECD

Grants provided to OECD to meet secretariat and administrative support services, technical and liaison support :

Payment 1 of 2022	183 088
Payment 2 of 2022	183 088
Payment 3 of 2022	183 050
	549 226

2022

€

5 CONFERENCE EXPENSES

The IOPS paid expenses relating to the annual general meeting held in Bratislava.

	2022
	€
	12 697
	12 697

6 SUNDRY DEBTORS AND PREPAYMENTS

Annual fees due from the following for 2022: 41 250
China, Dominican Republic, Kenya, Malta, Swaziland, Uganda, United States / DOL

Annual fees due from the following for 2021: 11 000
Tanzania, Ukraine

Annual fees due from the following for 2020: 8 250
Tanzania, Ukraine

Annual fees due from the following for 2019: 8 250
Tanzania, Ukraine

Annual fee due from the following for 2018: 5 500
Ukraine

Provision for bad debts (Tanzania) (11 000)

Net Sundry Debtors and Prepayments **63 250**

7	ACCRUED EXPENSES	2022
		€
	Provision for audit fee 2022	10 320
	Prepaid membership fee	5 500
		15 820

The accrued expenses are audit fees 2022 and prepaid membership fees.

8	PREPAID MEMBERSHIP FEE	2022
		€
	Bulgaria	5 500
		5 500

- 9 FEES BAND**
The 2022 fees are levied in three bands according to the stage of economic development in the member's country. The bands are based on the World Bank's country classification.

10	Audit Fees	
	Accrual for 2022	10 320
		10 320