



IOPS Annual Report 2008

Activities from January 2008 to December 2008
2007 Financial Statements



Table of Contents

Foreword	3
President's Report 2008	4
Report of the Technical Committee	9
Report of the Secretariat	15
Executive Committee Members 2008	19
Technical Committee 2008	20
IOPS Members and Observers 2008	21
Report of the Treasurer	23
Audited Financial Statements 2007	25



Foreword

The International Organisation of Pension Supervisors (IOPS) is an independent international body representing those involved in the supervision of private pension arrangements. The organisation currently has over 60 members and observers representing supervisory bodies from around 55 countries and territories worldwide – from Australia to Zambia – covering all levels of economic development and bringing together all types of pension and supervisory systems.

The IOPS, formed in July 2004, was instigated by the International Network of Pension Regulators and Supervisors (INPRS), an informal network of regulators and supervisors. It was felt that, concerning supervision, a more formal, independent, body could better serve as a world-wide forum for policy dialogue and the exchange of information, as well as the standard setting body, promoting good practices in pension supervision. 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 relevant 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.*



Ross Jones
President of IOPS

Report from the President of IOPS

MEMBERS

The IOPS has continued to successfully build its membership base during 2008, which now consists of over 60 members and observers. New members joining during the year include the Ministry of Social Security in Brazil, the Financial Markets Authority of Lichtenstein, the Lithuanian Financial Services Commission, the Financial Services Authority of Malta, and the State Commission for the Regulation of Financial Services and Markets in the Ukraine. The American Council of Life Insurers (ACLI) has also joined as an observer to the Organisation.

Our goal for 2009 is to extend our coverage even further. A range of pension supervisory authorities have expressed interest in our organisation, with non-member delegations attending various Technical Committee meetings on ad hoc observer basis. We would be delighted to welcome these and other interested parties as members of our Organisation and we will work with such countries to see if their valuable input into our work can be achieved.

The IOPS is very grateful to its members who have encouraged other pension supervisory authorities to join the Organisation – indeed our best source of recruitment is through our membership. I would therefore like to encourage all members to get in touch with their contacts in their regions and help work towards our goal of extending our coverage during 2009.

MEETINGS

The following meetings were held during 2008:

- Executive and Technical Committee meetings: 1st April – World Bank Headquarters, Washington; 25th June OECD Headquarters, Paris; 28th-29th October – Mombasa, Kenya
- IOPS Workshop on Pension Supervision in Africa, Dakar, Senegal, 5th-6th February
- Contractual Savings Conference, held with the World Bank, Washington 2th-4th April



- Annual General Meeting, Mombasa, Kenya, 30th October
- Global Pensions Forum, held jointly with the OECD, Mombasa, Kenya, 30th-31st October

On behalf of the Organisation, I would like to thank the World Bank and the OECD for their hospitality and support, and the COSRISS in Senegal and the Retirement Benefits Authority of Kenya for hosting IOPS meetings and events. Without them we would not have been able to hold such a diverse and successful set of meetings through this year.



AIMS

Following a period of consultation, the IOPS Governing Membership achieved a key goal by approving “*Guidelines for the Supervisory Assessment of Pension Funds*” at the 2008 Annual General Meeting. The Organisation has also been successfully working towards fulfilling a range of aims and objectives during 2008, including the following:

AIM	Achievement 2008
<i>Standard setting body on pension supervisory issues</i>	<p>The joint OECD/ IOPS Licensing guidelines were published.</p> <p>The IOPS Good Practices in Risk Management of Alternative Investment by Pension Funds were released.</p> <p>The IOPS Guidelines for the Supervisory Assessment of Pension Funds were approved by the Governing Membership at the 2008 AGM.</p> <p>Drafting of Guidelines for Supervisory Intervention, Sanctions and Enforcement was started.</p>
<i>Worldwide forum for dialogue and exchange</i>	<p>The IOPS held its first outreach meeting in Dakar, Senegal in February 2008.</p> <p>Joint conferences were organised with the World Bank and OECD.</p>

AIM	Achievement 2008
<p><i>Participate in work of relevant international bodies</i></p>	<p>Close co-operation was undertaken with the OECD on topics such as governance, annuities, costs and fees and on the risk-based regulatory aspects of the IOPS Toolkit for Risk-based Supervision.</p> <p>Input and support was provided for the World Bank publication on risk-based supervision.</p> <p>Communication with the IMF and IAA on their work on governance of supervisory authorities and mortality tables was undertaken.</p> <p>A dialogue was opened with the IASB, in conjunction with the OECD, regarding proposed changes to International Accounting Standard 19 and how pension funds will be affected.</p> <p>Comments on various IOPS guidelines were received from the IAIS.</p> <p>Regular updates on the IOPS Programme of Work were provided to the CEIOPS and comments on IOPS guidelines were received from them.</p>
<p><i>Promote, conduct, facilitate distribution and communication of research</i></p>	<p>The IOPS successfully released four Working Papers during 2008.</p> <p>The IOPS continued to build its electronic library on the IOPS website, providing research on pension supervision and related topics.</p> <p>Members also receive the leading academic pension's journal, "The Journal of Pension Economics and Finance," developed under the aegis of the IOPS and the OECD.</p> <p>The proceedings of the Amsterdam conference (held jointly with the DNB and Netspar) and the 2007 Beijing Global Forum were published during 2008, as was the joint publication with the World Bank on Risk-based Supervision.</p> <p>The latest version of ISSA/ IOPS /OECD database on private pension systems was also released in publication form (available electronically via the members' area of the IOPS website).</p>
<p><i>Assist countries with less developed private pension arrangements</i></p>	<p>The IOPS continues to build its membership amongst countries with developing pension systems, and has welcomed representatives from many developing economies to its conferences and events (including representatives from the African region to the Annual General Meeting and conference in Mombasa).</p> <p>In addition to regional IOPS members, the African regional workshop was attended by delegates from Malawi and Botswana, and contacts were made with the Southern African Development Community's (SADC) Committee on Insurance, Securities and Non-bank Finance Authorities (CISNA). Representatives from Uganda, Mozambique, and the East African Community attended the Global Forum in Mombasa.</p> <p>A paper analysing the pension licensing and supervisory system in China was produced, following on from the 2007 AGM held in Beijing.</p>
<p><i>Develop database of private pension and supervisory systems worldwide</i></p>	<p>The IOPS continues to work with its partners from the ISSA and the OECD to update and develop a comprehensive database of statistical and descriptive information covering private pension systems worldwide.</p>

RELATIONS WITH OTHER ORGANISATIONS

The IOPS continued to work closely with other organisations during 2008:

- **OECD:** The IOPS continues to work closely with the OECD, with the two groups finding synergies on a range of topics, from annuities to governance and risk-based supervision and regulation. In addition to holding a joint session and hosting the IOPS Technical Committee meeting in June, a joint Global Forum on Private Pensions was held in Mombasa during October 2008 and further events are planned during 2009-2010. The OECD continues to provide Secretariat support to the IOPS via the partnership agreement signed by the two organisations in 2005, and the OECD's contract was renewed for 2009-2011 at the 2008 Annual General Meeting.
- **ISSA:** the ISSA/ IOPS/ OECD database has been made available to IOPS members via the members' area of the IOPS website, with the latest version also released as a publication during 2008. The joint database on complementary and private pensions is currently being developed and extended by the organisations.
- **World Bank:** the IOPS spring Committee meetings were held at the World Bank headquarters in Washington, ahead of the Contractual Savings Conference which was supported by the IOPS. The organisations' publication on risk-based supervision was also released at the conference.
- **IAIS:** input was provided into IOPS guidelines to ensure compatibility with IAIS standards. The two organisations will continue to work closely via the IAIS Pensions Coordination Group to ensure that overlaps are avoided and synergies exploited.
- **CEIOPS:** the IOPS and CEIOPS continue to provide regular updates of each other's work, with the CEIOPS also commenting on IOPS guidelines.
- **IAA:** in addition to receiving comments on the IOPS guidelines, the IOPS is exploring ways of coordinating with and providing input into the IAA project on mortality tables.
- **IMF:** the IOPS will coordinate its work on the governance of supervisory authorities with the IMF.
- **IASB:** the IOPS and the OECD jointly held a discussion with the International Accounting Standards Board on their proposed changes to the International Accounting Standard No.19 and how they will affect pension plans, agreeing to continue their dialogue on this important topic in future.

2009-2010 PLANS

Given the steady increase in membership numbers since its launch, the IOPS has, as intended, built up surplus funds over its initial few years. Members should note that the IOPS is a non-profit organisation and that, now the membership numbers are more stable, it is intended to start to draw down these reserves. Secretariat and other project activity can therefore be expected to increase during 2009-2010 and further outreach events are planned.

FUTURE MEETINGS

2009

- 2nd-3rd February Outreach meeting for MENA region, Cairo, Egypt
- 23th March, IOPS Committee Meetings, Budapest, Hungary
- 8th July Summer, Committee Meetings, Paris (back to back with OECD Working Party on Private Pensions)
- October 2008 (*date tbc*), Outreach Meeting for Caribbean region, Kingston, Jamaica
- October 2008 (*date tbc*), Autumn Committee Meetings, Annual General Meeting, OECD/IOPS Global Forum, Rio de Janeiro, Brazil

2010

- 8th February (*tbc*) , IOPS Committee Meetings Basel, Switzerland (back to back with IAIS *tbc*)
- Summer meeting (*date tbc*), IOPS Committee Meetings Paris, France (back to back with OECD Working Party on Private Pensions)
- Autumn (*date tbc*) committee meetings , Annual General Meeting, OECD/ IOPS Global Forum, Asian region (*location tbc*)

Finally, I am delighted to announce that Mr. Edward Odundo of the Retirement Benefits Authority of Kenya was appointed as Vice President of the IOPS at the 2008 Annual General Meeting. At the same event, Ms. Solange Berstein, Superintendencia de Administrados de Fondos de Pensiones, Chile was appointed as the Chair of the Technical Committee, with Mr. Will Price of the UK's Pensions Regulator appointed as Vice Chairperson. Representatives from the supervisory authorities of Hungary, the Netherlands, South Africa and the UK were appointed to serve on the Executive Committee. Finally, Mr. Philip Diamond of the United Kingdom's Pensions Regulator will take over as Treasurer of the Organisation. I look forward to working with this outstanding Executive team in the coming years.



Ross Jones
President of IOPS



Aerd Houben
Chairman IOPS Technical Committee

Report by the Chair of the Technical Committee

The IOPS continued to build a substantial body of work during 2008, creating a busy year and full meeting agendas for the Technical Committee. Once again, the work of the organisation was led by its members and I would like particularly to thank the project team leaders for their work, and the members who drafted, edited and supplied input for the Working Papers released this year.

I would like to encourage any members who have not yet joined a project team to do so. Contributions from all different types of pension and supervisory system, in whatever stage of development, are always of interest to the membership and can contribute greatly to the research and understanding to which our projects aspire.

Interesting presentations were given by members during the Technical Committee meetings on developments in their pension systems and supervisory approaches. The Tour d' Horizon has proved an enlightening part of the meetings, which we shall continue in the future. Again, delegations who would like to present interesting aspects of their supervisory approach to other members are encouraged to do so.

PROGRAMME OF WORK (POW) 2008-2009

GUIDELINES

► GUIDELINES FOR COMPLIANCE WITH THE LICENSING OF PENSION FUNDS

The joint OECD/IOPS guidelines were released in 2008, following approval by OECD Council. The IOPS worked jointly with the OECD to produce a set of guidelines for the licensing of pension entities, followed by a period of public consultation. A single set of guidelines on licensing can help increase confidence in private pension supervisory frameworks, promote cross-border provision and mutual recognition, and assist countries developing their private pension systems. The guidelines are addressed to regulators and supervisors who are involved in setting licensing requirements for pension entities as well those authorities actually involved in the process of licensing pension entities. The guidelines consider the wide divergence in regulatory and supervisory approaches, ranging from countries with a "light touch" approach to licensing (based on requirements for tax qualifications) combined with a registration process to countries with a fully-fledged licensing process.

► **GOOD PRACTICES IN RISK MANAGEMENT OF ALTERNATIVE INVESTMENTS BY PENSION FUNDS**

The good practices, released in 2008, relate to the risk management of alternative investments by pension funds. The document is directed at pension supervisory authorities to aid them in their assessment of whether pension funds under their jurisdiction are managing their alternative investments adequately. The IOPS plans a future “stock take” to examine how the good practices operate and are applied in member countries.

► **GUIDELINES FOR THE SUPERVISORY ASSESSMENT OF PENSION FUNDS**

The guidelines were approved by the Governing Membership at the 2008 Annual General Meeting. Due to the crucial role of the private pension systems within the financial markets, the effective supervision of pension funds is becoming ever more important. Supervision is playing an increasing role due to the enhanced complexity of pension systems, pressures on supervisory costs and efficiency and a trend towards a risk-based rather than compliance-based supervisory approach. The IOPS has therefore prepared a set of guidelines covering on and off-site pension supervision. The purpose of these guidelines is to provide pension supervisors with some general supervisory standards for the conduct of the supervisory process, though implementation will vary from country to country depending on the nature of the pension system and supervisory structure in place.

► **GUIDELINES FOR INTERVENTION, SANCTIONS AND ENFORCEMENT**

Drafting of these guidelines began during 2008, with approval targeted for the 2009 Annual General Meeting. They will cover the powers necessary for supervisory authorities to undertake preventative, protective or punitive interventions successfully, and guidance as how to develop a suitable enforcement approach.

PUBLICATIONS

The IOPS made great strides during 2008 to ensure the work of its members reaches a broader audience. The organisation and its members have been pleased to respond to requests for information and research from a variety of sources, and is delighted that our work is beginning to be recognised and quoted in a range of publications.

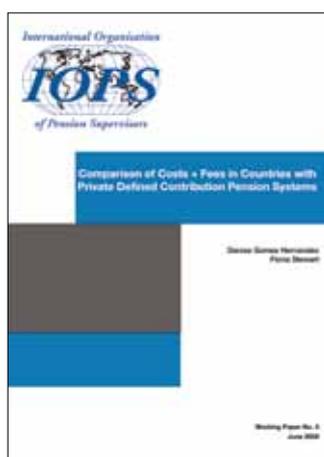
Four Working Papers were released during 2008. The papers highlight a range of challenges to be met in the development of national pension supervisory systems. The Working Paper series reviews the nature and effectiveness of new and established pension supervisory systems, providing examples, experiences and lessons learnt for the benefit of IOPS members and the broader pension community. Abstracts of the four papers issued this year are included below. The IOPS welcomes submissions for the Working Paper series. Authors 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 preliminary results and analysis and are circulated to encourage discussion and comment. They represent the views of the authors and may not represent the opinion of the IOPS members as a whole.



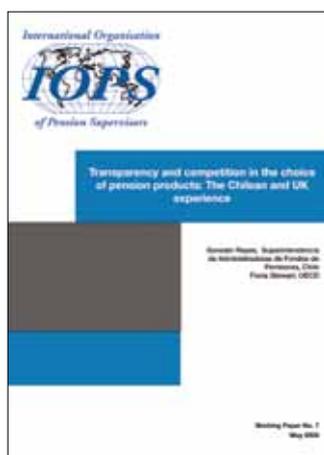
► **WORKING PAPER No. 5: THE INFORMATION FOR MEMBERS OF DC PENSION PLANS: CONCEPTUAL FRAMEWORK AND INTERNATIONAL TRENDS**

In recent years, the shift towards defined contribution (DC) pension plans has been a key trend in the field of private pension provision. In this context, where a wide range of options may potentially be available to individual plan members, it is crucial to ensure that they have the information necessary to make appropriate choices. Based on the findings of an IOPS survey, this paper offers a conceptual framework for considering information provision within the context of the pension system and related factors (such as choices, default options, education levels etc). It goes on to examine both the types of information made available to members and the methods of communication used across a range of countries. By reviewing the general similarities, and some specific points of difference, in the provision of information, the paper aims to share local expertise and understanding. A range of 'good practice' recommendations is therefore included – stressing the complementary relationship between information and financial education (confirming the OECD's related guidelines on the subject) and the importance of (and information signals provided by) default options. A detailed tabulation of the survey's results is included in the paper as an annexure.



► **WORKING PAPER No. 6: COMPARISON OF COSTS AND FEES IN COUNTRIES WITH PRIVATE DC PENSION SYSTEMS**

The fees and charges imposed upon pension funds are of great interest and importance to pension supervisory authorities as they have a significant impact on the amount of retirement income delivered to individuals, particular in the case of DC pension schemes. Yet administrative fees are charged for services in different ways. The diverse charges and the specific details involved in every single case make it impossible to directly compare administrative charges nationally and internationally. This paper therefore attempts to model such charges on a unified basis to allow for a standardized international comparison, known as the charge ratio.



► **WORKING PAPER No. 7: TRANSPARENCY AND COMPETITION IN THE CHOICE OF PENSION PRODUCTS: THE CHILEAN AND UK EXPERIENCE**

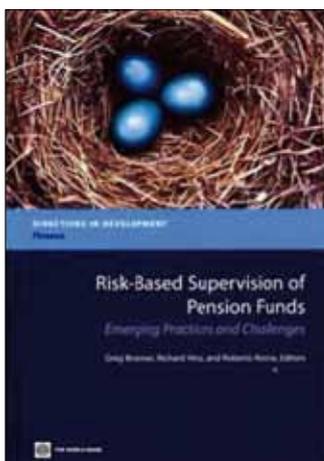
The growing importance of defined contribution (DC) pension plans is focusing attention on the decumulation or payout phase of pension systems. Where annuitization is encouraged or mandatory, how to ensure that individuals get the best price for annuity products is key. The complicated nature of these decisions means that purchases are highly dependent on the information and advice provided by the sellers of these products. This can be a problem where annuity providers are already involved in the pre-retirement, accumulation phase, leaving individuals open to abuse if 'locked-in' and not able to 'shop around' to find a better annuity rate from alternative providers. This paper

discusses two countries building centralized information and quotation systems for annuity products to help individuals select the right retirement product at the right price. The SCOMP system in Chile is examined and developments around the Open Market Option (OMO) in the UK are discussed, with lessons drawn for other pension supervisory authorities contemplating introducing such centralized systems.



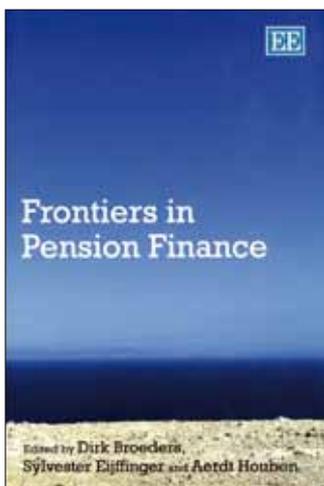
► **WORKING PAPER No. 8: THE SUPERVISORY OVERSIGHT OF PENSION FUND GOVERNANCE**

This working paper mainly analyses the responses of IOPS members to a survey on the supervisory oversight of pension fund governance. The survey and responses cover the current focus, issues and problems as well as future developments. A few case studies are also included in the paper to illustrate the different types of issues that pension fund systems may face and the means that may be adopted by the relevant supervisory authorities to resolve these issues.



► **RISK-BASED SUPERVISION OF PENSION FUNDS: EMERGING PRACTICES AND CHALLENGES**

Following on from the Organisation’s work on risk-based supervision undertaken in recent years, the IOPS was pleased to release a major publication, jointly with the World Bank, on the topic. The book includes country case studies on supervisory authorities with leading risk-based pension supervision systems (Australia, Netherlands, Denmark, Mexico), along with analytical papers on the topic. The publication will be made available via the IOPS and World Bank websites.



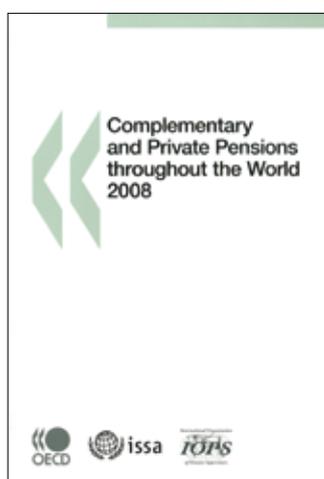
► **FRONTIERS IN PENSION FINANCE**

The proceedings of the conference organised by the IOPS-DNB-Netspar in Amsterdam in March 2007 have been compiled into a publication entitled “Frontiers in Pension Finance and Reform” (edited by Dirk Broeders, Sylvester Eijffinger and Aerd Houben). The conference brought together pension experts from policy and academic terrains across the world, with the publication compiling the latest academic research related to pension finance. Topics ranging from analysis of pension finance and pension system design to demographic and labour market issues are combined with policy proposals to highlight ways to secure long term retirement provisions.



► **2007 OECD/ IOPS GLOBAL FORUM ON PRIVATE PENSIONS, BEIJING – CONFERENCE PROCEEDINGS**

The papers presented at the 2007 OECD/ IOPS Global Forum were published. These include overviews of the pension markets in Asia, with specific papers on Indonesia and China. Issues such as tax incentives for pension savings and annuity markets were discussed in the publication.



► **ISSA/ IOPS/ OECD DATABASE**

The latest version of the ISSA/IOPS/ OECD database on private pension systems has been released as a publication, as well as being available electronically via the members' area of the IOPS website.

PROJECTS

In addition to the projects outlined above, which were completed during 2008 and issued as publications, the IOPS undertook work on the following projects during 2008, which are expected to reach completion during the coming years:

- **Risk-based Supervision Toolkit:** a major, ambitious, project launched by the IOPS in 2008 was the Toolkit for Risk-based Supervision (RBS). The ultimate goal of the toolkit will be to provide practical guidance for supervisory authorities on how to introduce and develop a risk-based system of supervision for pension funds. It was decided to divide the toolkit up into the following modules, which will be developed in detail and made as interactive and practical as possible. The suggested modules for the toolkit have been structured to cover the main components of RBS. The specific pieces of work identified by IOPS members at the 2007 AGM in relation to the risk-based and prudential supervision projects have been included within this framework, with additional elements having also been suggested. Each module will effectively involve a separate sub-project for the IOPS, each containing various elements such as check lists, guidance and examples. It was decided to initially start work on the second, fourth, fifth and sixth modules, with project teams duly volunteering.
 - *Module 1 “Supervisory Management Issues”* – examining how the supervisory authority itself may need to be structured to implement a risk-based approach.
 - *Module 2 “Regulatory Powers and Requirements for RBS”* – outlining supervisory guidance and expectations regarding pension funds own risk control systems, explaining additional regulations and powers which supervisors may require when adopting a risk-based approach and the role of market oversight in a risk-based system.

- *Module 3 “Obtaining Information”* – explaining what information supervisors need to receive in order to perform their risk-based assessments
 - *Module 4 “Quantitative Assessment of Risk”* – providing a practical guide to quantitative, risk measurement models
 - *Module 5 “Risk Scoring Models”* – describing how to build a supervisory risk-scoring matrix for categorising supervised entities
 - *Module 6 “Supervisory Responses”* – describing how to align the supervisory response to identified risks
- **Analysis of Supervisory Structures:** the project leader, the UK continued working on an analysis of how IOPS members are structured and operate, with a description and categorisation of different supervisory approaches attempted.
 - **Governance of Supervisory Authorities and Performance Indicators:** a project looking at how pension supervisory authorities themselves are governed has been launched– for example looking at whether these authorities really do operate independently, if the appointment mechanisms of directors is sufficiently transparent etc. The operational organisation of integrated supervisory authorities will also be considered. This work will be coordinated with the IMF and the results from their survey on governance of integrated supervisory authorities. Performance indicators for measuring the efficiency and effectiveness of supervisory authorities are also being developed.
 - **Mortality Tables:** work on mortality tables is being coordinated with the IAA, which is undertaking a project on the topic.

OTHERS

A paper looking at the licensing and supervisory structure of the pension system in China has been drafted, following on from the 2007 Annual General Meeting, which was held in Beijing.

Work on updating the ISSA/ IOPS / OECD database continued during 2008. A broad range of IOPS members now provide statistical information for the OECD Global Pension Statistics Project, with statistical data on the pension systems of IOPS members available via the IOPS website. Overviews of the pension systems in almost all IOPS member countries are also being drafted and are also available on the website.

A research section has also been added to the website, providing background information and papers by reasearch topic and by country. Members are invited to provide recent reports on their pension sysetems for inclusion in the research database.



Aerd Houben

Chairman IOPS Technical Committee



André Laboul
Secretary General of IOPS

Report of the Secretariat

The IOPS Secretariat provided a wide range of support to the growing IOPS membership during the year. In addition to helping to build the membership base, providing support to the Executives and organising meetings, the Secretariat has – on the request of the Executive Committee – undertaken an increased analytical role, which will be developed further in the coming years. In addition to drafting papers and guidelines, increased editorial and analytical support was provided to project teams, which resulted in the publication of further papers in the IOPS Working Paper series, and commencement of work on the IOPS Toolkit for Risk-based Supervision.

For 2009, in addition to on-going organisational and support work, the Secretariat will provide strengthened analytical support to the project teams driving the IOPS Programme of Work, including through continued work on operational guidelines, coordinating and leading the work on risk-based supervision and drafting and editing additional working papers.

MAIN TASKS COMPLETED DURING 2008

DOCUMENTS

The Secretariat drafted *Working Paper No. 6: Comparison of Costs and Fees in Countries with Private DC Pension Systems*, as well as *Working Paper No. 7: Transparency and Competition in the Choice of Pension Products: The Chilean and UK Experience* along with the Chilean delegation. Input and editing were provided for the other Working Papers on governance and DC information released in 2008, and to the work on supervisory structures.

The Secretariat drafted, led and coordinated the work on the *Toolkit for Risk-based Supervision*, including producing Module 2, looking at risk-based regulation and powers, in cooperation with OECD colleagues.

The *Guidelines for the Supervisory Assessment of Pension Funds* were completed, including input from a public consultation, for the 2008 AGM. Work on drafting *Guidelines on for Supervisory Intervention, Sanctions and Enforcement* was launched during the year.

Following a request from the hosts of the 2007 Annual General Meeting (the Chinese Insurance Regulatory Commission), a paper was produced analysing the Chinese licensing and supervisory system within an international context, and providing policy recommendations to the local authorities. The paper was submitted to the Technical Committee for discussion.

As with the 2007 Global Forum, the papers presented at the 2008 event in Mombasa, have been collected and will be released as a publication in early 2009. These include the overview paper on African pension developments, the paper on coverage and the informal sector and the paper on national pension awareness campaigns, all prepared by the Secretariat.

The Secretariat was closely involved with and assisted the work of various other project teams, helping to fulfill the intended Programme of Work of the organisation. Input and coordination were provided into the project on the governance of supervisory authorities and the mortality tables project led by the IAA. The Secretariat further assisted in the collection and dissemination of documents for other IOPS projects undertaken during 2008.

Building of the on-line electronic research library continued during 2008. This now includes country profiles providing an overview of the pension system and internationally comparative statistics for the vast majority of the IOPS membership.

Finally, the Secretariat provided and coordinated numerous other documents, including through continued assistance to the Executive and Technical Committees in the preparation of the agendas for the committee meetings, the updated Programme of Work, the Annual Budget of the Organisation, President's and other reports, including the IOPS 2008 Annual Report.

MEETINGS

The Secretariat played a key role in the organisation of the [OECD/IOPS Global Forum on Private Pensions held in Mombasa in October](#) – with thanks to the Retirement Benefits Authority of Kenya for their assistance. Marketing of the conference by the Secretariat helped to ensure that this annual event continues to attract a wide ranging audience, not only from the region but with global representation.

The Secretariat also organised the first IOPS outreach event, the [African Regional Workshop on Pension Supervision in Dakar in February](#). IOPS regional members, other regional representatives and the IOPS former and current President took part in a lively and extremely well received meeting, covering the practical topics of most relevance to the supervisory authorities in the area. Useful contacts were also made with other regional groups (such as the CISNA committee of the SADC).

The Secretariat also engaged in the establishment, operation, preparation, and organisation of meetings for the Executive and Technical Committees (which met three times during the year) and for the Annual Meeting of the Governing Membership. The help of the RBA in Kenya, COSRISS in Senegal, World Bank and OECD staff in the organisation of these meetings was greatly appreciated.

Support was additionally provided for the Chairmen of the committees, including communications and presentations prepared for Executives representing the IOPS at other international events.

COOPERATION WITH OTHER INTERNATIONAL BODIES

The IOPS Secretariat continues to work closely with the OECD, in particular on topics such as annuities, governance, costs and fees, ensuring that work was coordinated and synergies gained and any overlaps and duplication in projects avoided. The OECD expertise on regulatory issues will be used in Module 2 of the IOPS Risk-based Supervision Toolkit.

Additionally, the Secretariat worked towards the extension of the ISSA/IOPS/OECD database on complementary and private pensions – gathering statistical information, reformatting and updating existing country information and drafting a questionnaire for new countries and material.

The IOPS Secretariat continues to coordinate with the IAIS's Pensions Coordination Group (attending their annual meeting in Budapest) and received their input on IOPS guidelines, ensuring compatibility between the standards of the two organisations.

The Secretariat coordinated with the IMF and IAA on the projects relating to the governance of supervisory authorities and mortality tables, offering input from IOPS members into the work of these organisations and drawing in turn on their expertise.

The IOPS also collaborated closely with the World Bank in relation to the Contractual Savings Conference held in Washington in the spring, and continues to keep the CEIOPS and other interested parties informed on developments in the IOPS Programme of Work.

ADMINISTRATION AND OTHERS

The Secretariat continued their work during 2008 to build the IOPS membership base, contacting and following up with potential members, which resulted in five new countries and one new Observer joining during the year.

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. Comments and suggestions from delegates in the on-going projects and reports were also coordinated.

The nomination and election of half the Executive Committee, after serving their initial term and the election of a new Chair of the Technical Committee were facilitated.

Finally, the Secretariat continued to update and develop the IOPS website.

PLANS FOR 2009-2010

Given the steady increase in the membership base, Secretariat and other project activity can therefore be expected to increase during 2009-2010. It is expected that, in most cases, the Secretariat will maintain its high level of analytical contributions to IOPS work and projects during 2009 and 2010.

Other activities will include the drafting of supervisory guidelines on operation areas, including the finalising of the intervention, sanctions and enforcement guidelines and the coordination of a public consultation for the final version of this document. A further set of operational guidelines may be initiated and a review of the IOPS Principles for Private Pension Supervision will be undertaken.

Support will also be provided for the other IOPS projects identified in the Programme of Work. This will include analytical input and editing for on-going IOPS project reports and potentially contracting and working with consultants to provide specialised input into selected projects. The Secretariat is also available to commission and edit further papers for the IOPS Working Papers series.

Upon request, the Secretariat will also take the lead on selected analytical projects and provide support for discussion on recent developments and important events.

The Secretariat will continue to work on the development of ISSA/IOPS/OECD database during 2009, improving and deepening the statistical data available for IOPS members.

The IOPS has a wide variety of meetings planned for 2009, which will require planning and preparation on the part of the Secretariat – from regional workshops for the MENA and Caribbean regions, to a back to back meeting with the OECD's Working Party on Private Pensions in the summer and the OECD/IOPS Global Forum scheduled for the Autumn, which will provide an excellent forum for presenting the IOPS work to a broader audience.

Continued support will be provided to existing members, from circulating meeting documents to dealing with ad hoc requests for information and assistance. The Secretariat also hopes to bring on board a series of new members during 2009 who have previously expressed interest in the organisation, and will continue to contact other organisations which could benefit from IOPS membership and provide useful input in our continued Programme of Work.



André Laboul,
Secretary General of IOPS

Executive Committee Members 2008

IOPS President and Chair of Executive Committee

Mr. Ross Jones Australian Prudential Regulatory Authority

Vice-President

Ms. Solange Berstein Superintendencia de Administrados de Fondos de Pensiones, Chile

Elected 2007 – Serve to 2009

Chile Superintendencia de Administrados de Fondos de Pensiones

India Pension Fund Regulatory and Development Authority

Italy Pension Fund Supervision Commission (COVIP)

Jordan Insurance Commission

Pakistan Securities and Exchange Commission of Pakistan

Elected 2005 – Serve until 2008

Australia Australian Prudential Regulation Authority (APRA)

China Chinese Insurance Regulatory Commission (CIRC)

Hungary Hungarian Financial Supervisory Authority

Kenya Retirement Benefits Authority

UK The Pensions Regulator

Ex Officio
Netherlands De Nederlandsche Bank (Chair of Technical Committee)

Technical Committee Members 2008¹

Chairman

Mr. Aerdts Houben De Nederlandsche Bank, the Netherlands

Vice -Chairman

Mr. Edward Odundo Retirements Benefits Authority, Kenya

Australia	Australian Prudential Regulation Authority
Austria	Financial Markets Authority
Bulgaria	Financial Supervision Commission
Chile	Superintendencia de Administradoras de Fondos de Pensiones
China	Chinese Insurance Regulatory Authority
Croatia	Financial Services Supervisory Agency
Czech Republic	Czech Ministry of Finance
France	Autorité de Contrôle des Assurances et des Mutuelles
Germany	Federal Financial Supervisory Authority
Hong Kong	Mandatory Provident Fund Authority
Hungary	Hungarian Financial Supervisory Authority
India	Pension Fund Regulatory and Development Authority
Ireland	Pensions Board
Italy	Pension Funds Supervision Commission
Jordan	Insurance Commission
Kenya	Retirement Benefits Authority
Korea	Financial Services Authority /Financial Supervisory Service
Kosovo	Banking and Payments Authority of Kosovo
Luxembourg	Commission de Surveillance du Secteur Financier
Mauritius	Financial Services Commission
Mexico	Comision Nacional del Sistema de Ahorro para el Retiro
Netherlands	De Nederlandsche Bank
Pakistan	Securities and Exchange Commission
Peru	Superintendencia de Banca, Seguros y AFP
Romania	Central Bank
Senegal	Supervisory and Regulatory Commission of Social Security Institutions
Slovakia	National Bank
South Africa	Financial Services Board
Spain	Ministry of Economy and Finance
Turkey	Undersecretariat for Treasury Pension Monitoring Centre
United Kingdom	The Pension Regulator Government Actuary's Department
OECD	
World Bank	

1. Please note that participation in Technical Committee meetings is open to all IOPS members.

IOPS Members and Observers 2008

Governing Members

Albania	Financial Supervisory Authority
Australia	Australian Prudential Regulation Authority (APRA)
Austria	Financial Market Authority
Belgium	Banking, Finance and Insurance Commission (CBFA)
Brazil	Ministério da Previdência e Assistência Social
Bulgaria	Financial Supervision Commission
Chile	Superintendencia de Administradoras de Fondos de Pensiones
China	China Insurance Regulatory Commission
Croatia	Croatian Financial Services Supervisory Agency (HANFA)
Cost Rica	Superintendencia de Pensiones de Costa Rica
Czech Republic	National Bank
Egypt	Egyptian Insurance Supervisory Authority (EISA)
France	Autorité de Contrôle des Assurances et des Mutuelles (ACMA)
Germany	Federal Financial Supervisory Authority (BaFin)
Hungary	Hungarian Financial Supervisory Authority
Hong Kong	Mandatory Provident Funds Authority (MPFA)
India	Pension Fund Regulatory and Development Authority (PFRDA)
Ireland	Pensions Board
Isle of Man	Insurance and Pensions Authority
Israel	Ministry of Finance
Italy	Pension Funds Supervisory Commission (COVIP)
Jamaica	Financial Services Commission
Jordan	Insurance Commission
Kazakhstan	Financial Supervision Authority
Kenya	Retirements Benefits Authority (RBA)
Korea	Financial Services Authority, Financial Supervisory Service (FSC&FSS)
Kosovo	Banking and Payments Authority of Kosovo
Lichtenstein	Financial Market Authority
Lithuania	Securities Commission
Luxembourg	Commission de Surveillance du Secteur Financier
FYRO Macedonia	Agency for Supervision of Fully Funded Pension Insurance (MAPAS)
Malta	Financial Services Authority
Mauritius	Financial Services Commission
Mexico	Comision Nacional del Sistema de Ahorro para el Retiro (CONSAR)
Namibia	Namibia Financial Institutions Authority (NAMFISA)
Netherlands	De Nederlandsche Bank
Nigeria	National Pensions Commission
Norway	Financial Supervisory Authority
Pakistan	Securities and Exchange Commission
Peru	Superintendencia de Banca, Seguros y AFP

Governing Members (cont.)

Poland	Polish Financial Supervisory Authority
Portugal	Instituto de Seguros de Portugal
Romania	Private Pension System Supervisory Commission
Senegal	Supervisory and Regulatory Commission of Social Security Institutions of Sengal, (COSRISS)
Serbia	National Bank
Slovakia	National Bank
South Africa	Financial Services Board
Spain	Ministry of Economy and Finance
Suriname	Central Bank
Swaziland	Ministry of Finance
Thailand	Securities and Exchange Commission
Trinidad and Tobago	Central Bank
Turkey	Pensions Monitoring Centre
Turkey	Undersecretariat of the Treasury
Ukraine	Commission for Regulation of Financial Services Markets in the Ukraine
United Kingdom	The Pensions Regulator
Zambia	Pensions and Insurance Authority

Associate Members

Netherlands	Ministry of Social and Employment
United Kingdom	Government Actuary's Department
ISSA	<i>Partnership Agreement</i>
OECD	<i>Partnership Agreement</i>
World Bank	

Observers

USA	American Association of Life Insurers (ACLI)
Europe	European Federation for Retirement Provision (EFRP)
Finland	Finnish Centre for Pensions
IAA	<i>Reciprocal Membership</i>
IAIS	<i>Cooperation Agreement</i>

IOPS Secretariat

Secretary General	Mr. André Laboul	
Secretariat	Ms. Fiona Stewart fiona.stewart@oecd.org Tel: +33 1 45 24 14 52	Ms. Sally Day sally.day@oecd.org Tel: +33 1 45 24 96 61



Stephen Glenfield
Treasurer

Report of the Treasurer

SUBJECT:

IOPS ACCOUNTS AS OF 31 DECEMBER 2007

Dear Governing Members,

The Treasurer is pleased to report that during the year ended 31 December 2007 the International Organisation of Pension Supervisors (IOPS) continued to build on the solid financial basis established in earlier years. The number of members paying fees increased from 35 in 2005, to 42 in 2006, and to 55 in 2007. Membership fee revenue amounted to € 304,688 in 2007.

The IOPS would like to express its appreciation to the World Bank for their continued support during the Organisation's early years. The third and final tranche of the grant, amounting to US\$65,000 or € 48,431, was received from the Bank in June 2007. This sum was utilised to support the joint IOPS/World Bank project on risk-based supervision and other IOPS work. € 15,000 of the grant was used to pay publishing costs directly related to the joint project. The remaining € 33,431.56 was transferred to the OECD to manage on behalf of the IOPS and was largely expended on the regional supervision seminar held in Senegal, West Africa in February 2008.

On the cost side, the major expense incurred by the Organisation during 2007 was the Secretariat support provided by the OECD under the official partnership agreement between the OECD and the IOPS signed in 2005. A detailed description of services provided in 2007 was outlined in the reports provided by the OECD to the Treasurer. The total spend by the Secretariat was in line with budget. Conference and meeting expenses during 2007 amounted to € 39,883, with half that amount being in respect of the IOPS contribution to the Conference held in Amsterdam jointly with OECD and Netspar. At its November 2007 meeting the Executive Committee agreed to adopt some broad procedures covering conference expenditures and advance commitment to joint functions.

During 2007 the IOPS continued to develop a strong Programme of Work, held meetings of the Executive and Technical committees in Amsterdam, Basel and Beijing, and the Annual General Meeting and joint OECD/IOPS Global Forum on Risk Management also took place in Beijing. In recognition of the Organisation's non-profit status, funds built up as surplus during the initial 2004 -2005 period continued to be drawn down for project work during 2007. At its March 2007 meeting the Executive Committee adopted a reserving policy designed to hold a target 20% estimated membership fees as a contingency reserve, to cover uncertainties relating to the timing of receipt and levels of membership fee payments, from which the Organisation's main income is derived. The decision was ratified at the AGM in November 2007 and a contingency reserve of € 50,000 is shown in the financial statements for the year ended 30 December 2007. The Articles of Association have been amended to reflect the need to manage reserves.

As advised in previous years, other additional costs can also be expected to increase in future as the IOPS relies less on the most appreciated support of the OECD, which has been vital to the organisation during its initial years. For example, accumulated surplus funds can be expected to be used to cover costs for additional regional meetings and other work activities as the organisation develops. For this purpose, the provisional budget for 2008-2009 features the build up of an additional special reserve to cover potential future event expenditure.

The 2008 year has commenced on a strong note with membership fee revenue amounting to € 290,000 having been received from 48 members during the first five months of the year.



Stephen Glenfield

Treasurer

The International Organisation of Pension Supervisors

Dated: 25 May 2008

2007 Members Payments

Albania	India	Netherlands	Swaziland
Australia	Israel	Nigeria	Thailand
Austria	Ireland	Norway	Trinidad and Tobago
Belgium	Italy	Peru	Turkey (Treasury)
Bulgaria	Jamaica	Pakistan	Turkey (Monitoring Centre)
China	Jordan	Poland	United Kingdom
Chile	Kenya	Portugal	Zambia
Costa Rica	Korea	Romania	
Czech Republic	Kosovo	Senegal	
Egypt	Luxembourg	Serbia	Netherlands (Ministry)
France	Macedonia	Slovakia	United Kingdom (GAD)
Germany	Mauritius	South Africa	Finland (Pensions Centre)
Hungary	Mexico	Spain	
Hong Kong, China	Namibia	Suriname	EFRP



IOPS
2 Rue André Pascal
75 775 Paris Cedex 16
France

PricewaterhouseCoopers
Entreprises
 63, rue de Villiers
 92208 Neuilly-sur-Seine Cedex
 Téléphone 01 56 57 58 59
 Fax 01 56 57 62 22

Paris, 30 May 2008

Report of the Auditors
To the Members
International Organisation of Pension Supervisors

We have audited the accompanying balance sheet of the International Organisation of Pension Supervisors (the "IOPS") as of 31 December 2007 and the related statements of income for the year then ended. These financial statements are the responsibility of IOPS's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of IOPS as of 31 December 2007, in accordance with International Financial Reporting Standards.

Jean-Pierre MION
Partner

Société d'expertise comptable inscrite aux tableaux de l'ordre : Paris - Ile-de-France • Alsace • Bretagne • Lille - Nord Pas-de-Calais • Marseille - Provence-Alpes-Côte d'Azur-Corse • Montpellier • Pays de Loire • Picardie Ardennes • Rhône-Alpes. Société de commissariat aux comptes membre de la compagnie régionale de Versailles.
 Siège social : 63, rue de Villiers 92208 Neuilly-sur-Seine Cedex.
 SARL au capital de 78 000 € - RCS Nanterre B 632 028 627 - code APE 741 C - TVA n° FR 24 632 028 627 - Siret 632 028 627 00404.

INTERNATIONAL ORGANISATION OF PENSION SUPERVISORS (IOPS)

STATEMENT OF FINANCIAL POSITION

As per 31 December 2007
(in euros)

	2007 €	2006 €
ASSETS		
Cash at bank	95 695,94	60 577,45
Short term deposit	103 969,87	100 151,24
Interest accrued	2 686,14	3 818,63
Sundry debtors	5 109,08	11 649,43
Total	<u>207 461,03</u>	<u>176 196,75</u>
LIABILITIES AND NET ASSETS		
Liabilities		
Prepaid membership fees	12 500,00	6 139,54
Accrued expenses	6 000,00	5 000,00
Total liabilities	<u>18 500,00</u>	<u>11 139,54</u>
Net Assets	<u>188 961,03</u>	<u>165 057,21</u>
Unrestricted Net Assets & Reserves		
Retained earnings	115 057,21	88 272,28
Changes in unrestricted net assets for the current year	23 903,82	76 784,93
	<u>138 961,03</u>	<u>165 057,21</u>
Contingency Reserve	50 000,00	0,00
Total unrestricted net assets and reserves	<u>188 961,03</u>	<u>165 057,21</u>

INTERNATIONAL ORGANISATION OF PENSION SUPERVISORS (IOPS)

STATEMENT OF ACTIVITIES

For the year ending 31 December 2007
(in euros)

	2007 €	2006 €
CHANGES IN UNRESTRICTED NET ASSETS		
Revenue and gains		
Membership fees	304 688,08	257 444,00
Interest	2 686,14	3 818,63
Grants from World Bank	48 431,56	50 840,83
Total unrestricted revenue and gains	<u>355 805,78</u>	<u>312 103,46</u>
Expenses		
Audit	7 279,00	6 039,80
Bank fees and charges	631,40	526,67
Grants to OECD	33 431,56	50 841,00
Legal fees	0,00	266,23
OECD administration	232 500,00	166 500,00
Conference expenses	39 883,30	7 878,58
Subscriptions	3 176,70	3 266,25
Publishing Costs	15 000,00	0,00
Total expenses	<u>331 901,96</u>	<u>235 318,53</u>
CHANGES IN UNRESTRICTED NET ASSETS	<u>23 903,82</u>	<u>76 784,93</u>

INTERNATIONAL ORGANISATION OF PENSION SUPERVISORS (IOPS)

INTERNATIONAL ORGANISATION OF PENSION SUPERVISORS (IOPS)

INTERNATIONAL ORGANISATION OF PENSION SUPERVISORS (IOPS)

GENERAL LEDGER 2007		GENERAL LEDGER 2007		GENERAL LEDGER 2007	
DR	CR	BALANCE	DR	CR	BALANCE
CASH AT BANK					
Opening balance	60 577,45				
Bank fees & charges (refer cash book)		631,40			
2006 Membership Fees	18 575,35		5 000,00	5 000,00	
2007 Membership Fees	291 048,54		6 000,00	6 000,00	
2008 Membership Fees	12 500,00				8 000,00
World Bank Grant	48 431,56				
World Bank Publishing Costs		15 000,00			
CUP Subscription		3 176,70			
OECD Administration Payments		232 500,00			
Audit Fee		6 279,00			
IAIS Conference		541,83			
Beijing Conference		19 341,47			
Amsterdam conference		20 000,00			
2008 AGM deposit		4 535,00			
OECD Grant		33 431,56			
					50 000,00
					631,40
					631,40
					3 176,70
					138 961,03
					3 176,70
ACCRUED EXPENSES					
Opening balance					
2006 Pre-Paid					
2007 Accrual					
					5 000,00
					6 000,00
					0,00
					50 000,00
					50 000,00
					165 057,21
					50 000,00
					23 903,82
					138 961,03
REVENUE ACCOUNT					
MEMBERSHIP FEES					
2006 Membership fees					
2007 Membership per cash book					
2007 Pre-Paid Memberships					
					7 500,00
					291 048,54
					6 139,54
					304 688,08
INTEREST					
Interest on IBD account					
					2 686,14
					2 686,14
GRANTS FROM WORLD BANK					
2006 grant					
					48 431,56
					48 431,56
					355 805,78
REVENUE					
					5 000,00
					6 000,00
					0,00
					50 000,00
					631,40
					631,40
					3 176,70
					138 961,03
					3 176,70
SHORT TERM DEPOSIT					
Opening balance	100 151,24				
2006 Accrued Interest received	3818,63				
					103 969,87
INTEREST ACCRUED					
Opening balance	3 818,63				
Interest received		3 818,63			
2007 Interest Accrued	2 686,14				
					2 686,14
SUNDRY DEBTORS					
Opening balance	11 649,43				
2006 Membership Fees Received		11 075,35			
2008 AGM Deposit	4 535,00				
					5 109,08
PRE-PAID MEMBERSHIP FEES					
Opening balance	6 139,54				
2007 Membership Fees		0,00			
2008 Membership Fees Pre-Paid		12 500,00			
					12 500,00
EXPENSE ACCOUNT					
AUDIT					
Extra 2006 cost					
Accrual for 2007					
					1 279,00
					6 000,00
					7 279,00
BANK FEES AND CHARGES					
Cash at bank account					
					631,40
					631,40
SUBSCRIPTIONS					
C.U.P.					
					3 176,70
					3 176,70
GRANT TO OECD					
					33 431,56
					33 431,56
OECD ADMINISTRATION					
					232 500,00
					232 500,00
PUBLISHING COSTS					
World Bank Publishing Costs					
					15 000,00
					15 000,00
CONFERENCE EXPENSES					
IAIS Conference					
Beijing Conference					
Amsterdam Conference					
					541,83
					19 341,47
					20 000,00
					39 883,30
					39 883,30
TOTAL EXPENSES					
					331 901,96
					331 901,96

INTERNATIONAL ORGANISATION OF PENSION SUPERVISORS (IOPS)

NOTES TO THE FINANCIAL STATEMENTS

Year ending 31 December 2007

1 NATURE OF 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 expense items are recorded on the accruals basis.

3 INCOME TAXES

The Organisation is exempt from income tax.

4 GRANT FROM WORLD BANK

A grant of \$US65,000 (€48,431.66) was received from the World Bank in June 2007 to support the joint IOPS/World Bank project on risk-based supervision and other IOPS work. €15,000 of the grant was used to pay publishing costs directly related to the joint project. The remaining €33,431.66 was transferred to the OECD to manage on behalf of the IOPS (as the IOPS does not at this stage have facilities for hiring consultants etc. directly).

5 AUDIT

The amount of €7,279 consists of an estimate of €6,000.00 of audit fees to be paid in 2008 relating to the audit of financial statements for the year ended 31/12/2007 plus an additional cost of €1,279 (above the amount accrued) for the 2006 audit.

6 PAYMENTS TO THE OECD

The IOPS paid the following amounts to the OECD:

33 431,56	Transfer of World Bank grant (see Note 5)
232 500,00	Grant provided to meet secretariat and administrative support services, technical and liaison support.
<u>265 931,56</u>	

7 CONFERENCE EXPENSES

Consist of the following amounts:

541,83	relates to joint IAIS/IOPS meetings held in Basel
19 341,47	relates to IOPS rmeeting expenses in Beijing and joint IOPS/OECD conference held in Beijing
<u>20 000,00</u>	relates to agreed share of DNB/IOPS/Netspaar conference in Amsterdam
<u>39 883,30</u>	

INTERNATIONAL ORGANISATION OF PENSION SUPERVISORS (IOPS)

NOTES TO THE FINANCIAL STATEMENTS

Year ending 31 December 2007 (continued)

8 SUNDRY DEBTORS

Consist of the following amounts:

574,08	Overpaid legal fees
4 535,00	2008 AGM deposit
<u>5109,08</u>	

9 ACCRUED EXPENSES

Consist of:

6 000,00	Audit fees (see Note 5)
<u>6 000,00</u>	

10 PRE-PAID MEMBERSHIP FEES

Consist of:

12 500,00	2008 membership fee received in December 2007
<u>12 500,00</u>	

11 RETAINED EARNINGS AND CONTINGENCY RESERVE

At its March 2007 meeting the Executive Committee resolved to set aside in the accounts of the Organisation a contingency reserve of 20% of membership fees for the year to provide against uncertainties in timing of receipt of income in future years. The total amount resolved to be set aside was €50,000.00. The decision was ratified by the IOPS at the AGM in November 2007. This amount has been transferred from Retained Earnings and is reflected in a reduction to the opening retained earnings figure in the balance sheet.

12 While the IOPS is a non-tax paying organisation and accordingly would not normally accumulate a surplus or reserves, the Organisation was newly founded in 2004 with some uncertainty as to membership revenue and expenses in the first few years. Accordingly, the decision was taken to build up some initial reserves which were to be drawn down over the coming years, spending on increased staff support and other expert and professional input into IOPS projects





IOPS Secretariat – 2, rue André-Pascal
75775 Paris Cedex 16
France

Tel. : +33 1 45 24 82 00

Fax : +33 1 44 30 63 08

www.iopsweb.org