



2022

Annual **REPORT**

Private Occupational Pension Sector

**Insurance and Pensions Supervision Department
Bank of Guyana**



AIMS OF THE REPORT

To present a comprehensive overview of Guyana's **Private Pension Sector**, including the Bank of Guyana's supervisory practices as at **end-December 2022**. Data tables from **2021-2022** are used to provide contextual background.

01.

To provide an overview of the **Current** and **Future Challenges** facing the **Private Pension Sector**.

02.

To propose future actions, focusing on raising **public awareness of the Pension Sector** and the passage of the **draft Private Pension Law** in accordance with the **World Bank's FIRST initiative**.

03.



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2. REPORT NOTES AND ABBREVIATIONS

- a. Unless otherwise stated, all dollar values in this report are stated in millions of Guyana Dollars.
- b. The data collection methodology used by the Bank of Guyana's Insurance and Pensions Supervision Department was enhanced in the year 2015. In addition to annual financial statements and triennial actuarial valuation reports, unaudited data are now submitted quarterly. As a result, the Bank has greater oversight of the management of private pensions.
- c. The report also includes sections on multi-national pension plans and pension literacy within Guyana's private pension system.
- d. Statistics from the Guyana Labour Force Survey 2020 (GLFS) were included in this report to provide some data on the sectoral allocation of the local labour force and categories of employment within the labour force.

ABBREVIATIONS

The following table describes the meaning of the abbreviations and acronyms used throughout the report:

Abbreviations	Meaning
DAC	Deposit Administration Contract
DB	Defined Benefit
DC	Defined Contribution
GDP	Gross Domestic Product
GLFS	Guyana Labour Force Survey
LAC	Latin America and the Caribbean
NBFI	Non-Bank Financial Institution
NPAP	National Pensions Awareness Programme
OECD	Organisation for Economic Cooperation & Development



SA	Self-Administered/Self-Managed
SPP	Simplified Pension Plan
MEPP	Multi - Employer Pension Plan



3. PRIVATE PENSION SECTOR HIGHLIGHTS

2022

119.1 Billion

TOTAL ASSETS

Pension Assets as a %
of GDP

4.1 %

Combined Sector
Solvency

220.2%

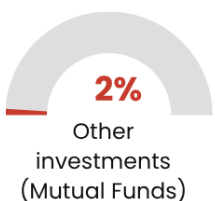
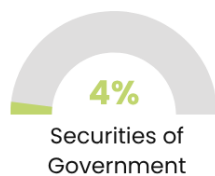
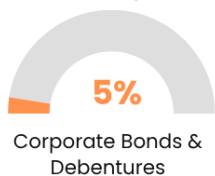
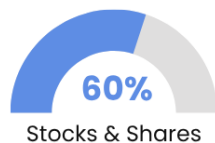
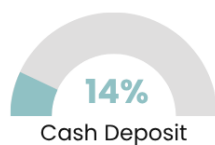
Increase in Total
Assets

17.1 %

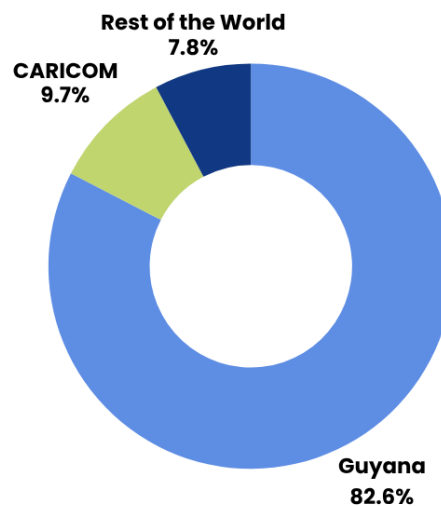
Total Membership

16,983

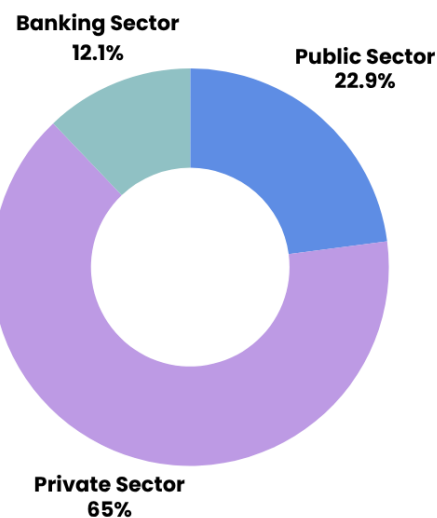
Pension Assets by Investment Instrument



Geographical Allocation



Sector Allocation





4. EXECUTIVE SUMMARY

The assets of 109 reporting private pension schemes totalled \$119.1 billion as at 31 December 2022. This represented a significant increase of approximately \$20 billion, or 17.1 percent from the corresponding period of the previous year, reflecting steady growth in total pension assets.

The private pension sector saw its assets increase to 4.1 percent of GDP in 2022, retaining relatively small macro-influence as a sector. In contrast, assets in pension funds exceeded the size of the domestic economy in six (6) countries: Australia (131%), Denmark (195%), Iceland (181%), the Netherlands (146%), Switzerland (154%), Canada (146%) and the United States (135%).¹ The sector also demonstrated its influence as an institutional investor, accounting for 26.9 percent of NBFIS' total assets in 2022.

Over the years, pension coverage has remained limited, reflecting persistent challenges in broadening participation. Liquidity risk was also a key concern, as pension funds held a substantial amount of their total assets in liquid form or held investments with maturities within one year. This was reflected by a ratio of 20.7 percent relative to current liabilities.

In 2022, the funding level of private occupational plans saw an overall ratio of 220.2 percent compared with the funding ratio of 151.6 percent in 2021. The sector yielded significantly small, increased in real rates of return on invested assets in 2022, i.e. 3.0 percent. As a percentage of total assets, foreign assets represented approximately 17 percent at the end of 2022, a 3.9 percentage point decrease from 2021. Foreign investments are increasingly being monitored.

The trend of DC plans becoming increasingly popular among employers was also noted, with almost 64 percent of plans being DC. DB plans, however, continued to boast higher asset totals, accounting for 88.7 percent of total pension assets. Overall, a positive financial outlook is forecasted for the industry, particularly with the passage of new legislation, which would allow increased access to more resilient, longer-term investments.

¹ OCED. (2022). *Pensions funds' assets (% of GDP)*.



A comprehensive law, the Private Pensions Act (draft), is being considered to reform the sector and to mitigate the existing supervisory challenges and poor industry practices. The new law envisages changes that would improve efficiency, sustainability, coverage, adequacy and the security of participants' benefits to ensure that pension plan members have better pensions during retirement.

The Bank is also seeking to undertake a country-wide initiative to tackle pension literacy among Guyanese. The National Pensions Awareness Programme (NPAP) seeks to assist members of the public with their immediate and long-term pension literacy and will aim to build trust and improve public confidence in the industry.



5. THE REGULATOR AND SUPERVISORY ACTIVITIES

Following the enactment of the Insurance and Pensions (Supplementary Provisions) Act 2009, the Bank of Guyana - Insurance and Pensions Supervision Department has served as the regulator of the private occupational pension sector in Guyana, and all supervisory statutes are contained in Part XVI of the Insurance Act 1998.

The 1998 Act encapsulates several areas of regulatory concern, including registration and the requirements thereof for all private pension plans; statutory contents of plan documents; winding-up provisions for private plans and the submission of annual statements pertaining to plans.

Despite current legislation, regulatory reform remains necessary and this was taken into account in the Bank's Strategic Plan for the period 2018-2022. The Bank's objectives, target dates and outcomes on the pension sector for this period were as follows:

5.1 Supervisory Objectives

Strategic Goal	Projected Timeline	Outcome
1. Strengthen the legislative and regulatory framework for pension plans: <ul style="list-style-type: none"> • Finalise draft of new Pensions Act. • Prepare regulations to implement the new Pensions Act. 	2018-2022	Commenced and ongoing. Two (2) rounds of consultations for the Pensions Act were held in a strategic period. Regulations are currently in draft.
2. Implement an effective and efficient regulatory regime for the pensions sector: <ul style="list-style-type: none"> • Develop guidance on the governance and prudential requirements for the pensions sector as per the new Pensions Act. • Develop and enhance supervisory tools and techniques including improved risk-rating tools, 	2019-2022	Commenced and ongoing: Revised Quarterly Forms were created and implemented in the First Quarter of 2018. On-site inspection groundwork for the pension sector commenced.



on-site supervision, and risk-based supervision.		
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5.2 Regulatory Challenges

The private pensions industry is faced with an ongoing predicament, owing to a host of hindrances. One of the more pressing challenges is the limited regulatory powers resulting from the absence of comprehensive pension legislation. The Regulator often flagged compliance issues; however, without effective mandatory controls or an existing penalty regime, effective resolution of the problems was not possible.

Coverage of private plans remained constrained owing to the system's voluntary nature, with pension plans covering only 6.2% of the total employed labour force. In contrast, coverage in voluntary pension plans across OECD countries varies significantly. In Italy and Austria, coverage reaches around 69-71% while in Japan and Ireland, it ranges closer to 40-50%. This variation is influenced by factors such as the pension design, financial incentives and the availability of voluntary pension options.² Despite international trends towards broader pension coverage, Guyana continues to face challenges in fostering widespread participation. One key factor is the limited education concerning the importance of having a private pension, and also limited regulatory resources pertaining to private pensions, thus contributing to the Sector's slow development.

Many private pension plans have lengthy vesting periods, some as many as twenty-five (25) years, coupled with limited portability of pension benefits when changing employers. Provisions for the same are not included in the current legislation. Other challenges plaguing the sector in 2022 included high administrative costs charged by plan administrators vis-à-vis the low returns experienced. Plans seek better investment opportunities, as local investments are limited, and this is compounded by investment restrictions stipulated in Section 112 of the Insurance and Pensions Act 1998. These factors would have negatively affected the sustainability and efficiency of some pension plans, and may have contributed to the sector not providing adequate retirement income for some members in 2022.

² OCED and G20 Indicators. (2023). *Pensions at a Glance 2023*



5.3 Regional Challenges

In Latin America and the Caribbean, low coverage in the active labour force and low savings level created a serious problem of regressivity and lack of protection in retirement. Only 40% of adults over the age of 65 receive a contributory pension, due to the high level of informality prevailing in the region and *the fact that pension systems were conceived to rely on a formal salaried labour market*. Although the coverage of adults over 65 years of age receiving a pension benefit increases to almost 60% when considering non-contributory pensions, 40% of older adults who do not receive any income, representing an implicit debt for the region's pension systems.³

The COVID-19 pandemic, Russia's war of aggression against Ukraine and the policy response to these challenges have triggered an inflation wave felt across the globe. Over half of OECD countries tend to protect earnings-related pensions fully from inflation shocks over time. The impact of inflation on pensioners' purchasing power is particularly limited in countries where pensions are price-adjusted shortly after prices rise.⁴

The ILO analysis found that, since the COVID-19 Pandemic, it has become more challenging to achieve coverage, sufficiency and financial sustainability in pension systems.⁵ This difficulty is a result of uncertainty about economic growth, reduced fiscal space, increased inflation and interest rates. Additionally, longer term, structural factors are playing a role, including high levels of informality, organisational disruption in work and production, ageing populations, rising dependency ratios and increasing numbers of natural disasters.

5.4 The Private Pensions Act (Draft)

The Bank was well on its way to achieving its Strategic Plan aims for 2018-2022, as a redraft of the Private Pensions Act that was distributed to industry stakeholders in October 2017 by the Insurance and Pensions Supervision Department. Public consultation with several key industry stakeholders, including plan administrators and sponsors, has already been conducted in 2018 and 2019, and the accompanying regulations are a work in progress. However, due to the COVID-19 pandemic,

³ IDB. (2023). *The Future of Work in Latin America and the Caribbean: How to Move Towards Sustainable Pension Systems for Longer-Lived Societies?*

⁴ OCED and G20 Indicators. (2023). *Pensions at a Glance 2023*

⁵ ILO. (2022). Labour Overview Series: *34.5 per cent of over 65s have no income in Latin America and the Caribbean*



consultations that were slated in 2020 were postponed. This included a subsequent round of consultations with respect to the Draft Act and attendant regulations.

The current draft is a comprehensive revision of the 2013 draft Private Pensions Act, a project undertaken in collaboration with the World Bank through its Financial Sector Reform and Strengthening (FIRST) Initiative. This project was one of several solutions presented by the World Bank to address Guyana's deficiencies in supervising of non-bank financial institutions, amongst other regulatory constraints. The 2013 draft was also presented to several industry stakeholders and was consensual; however, it was never made into law. The revised draft contains twenty-one (21) comprehensive Parts and is a major improvement to the minimal requirements contained only in Part XVI of the Insurance and Pensions Act 1998. It makes expansive statutory provisions for every faction of the sector's activities requiring supervision.

Key features of the proposed legislation include an effective penalty regime; improved portability provisions, which would allow members to transfer accumulated benefits from one pension plan to another with the aim of having all monies from successive employers consolidated into a final plan at retirement. The draft Act also aims to reduce vesting periods, a provision that will enhance individual retirement savings through earlier access to both employer and employee contributions. Enhanced transparency within pension plans' operations will also be an expected outcome of the proposed legislation, with features such as annual benefit statements and general meetings, giving way to a more inclusive and transparent process for all pension plan stakeholders.



6. PENSION PLANS AND MEMBERSHIP

6.1 Pension Plans

There were one hundred and nine (109) private pension plans reporting to the Bank on a quarterly basis, as at December 31, 2022. Thirty-nine (39) of these plans were classified as defined benefit (DB) and seventy (70) are defined contribution (DC). The plans collectively covered 16,983 members and were managed by five (5) licensed life insurers, two (2) trust companies and four (4) plans were self-administered by their respective sponsors.

Table 1. PENSION PLAN MEMEBERSHIP 2021-2022

YEAR	2021	%	2022	%
Number of Reporting Plans	110		109	
TOTAL MEMBERSHIP	17,988		16,983	
Active	14,560	81	13,521	80
Deferred	217	1	241	1
Pensioners	3,211	18	3,232	19
Members in DB Plans	9,390	52	9,628	57
Members in DC Plans	8,598	48	7,366	43
Pension Coverage**	7%		7%	
Annual Membership Growth Rate	-1.64%		-5.59%	

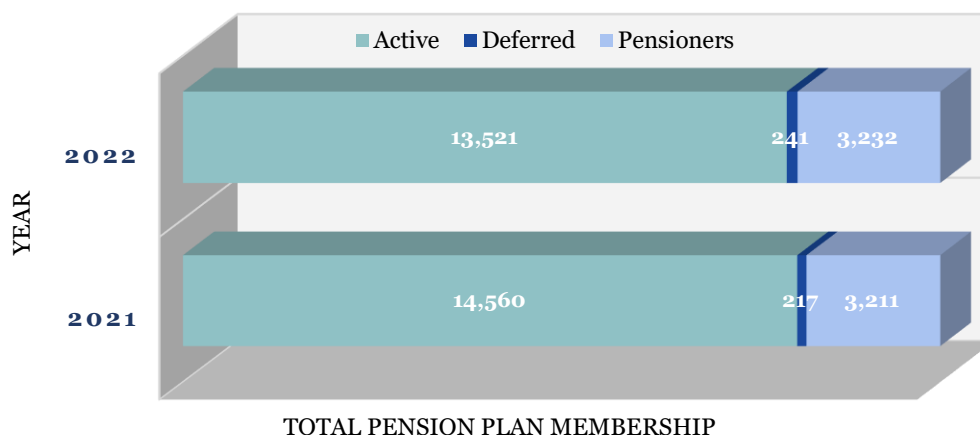
Source: Insurance and Pensions Supervision Department, Bank of Guyana

*Coverage specifies the ratio of private pension coverage to that of the total labour force according to the GLFS Q1 2020

Membership growth decreased by 5.6 percent between 2021 and 2022. This decline could be attributed to an 11 percent increase in deferred members, suggesting that a larger proportion of participants became inactive contributors due to employment changes, retirements or movement outside of the formal workforce.

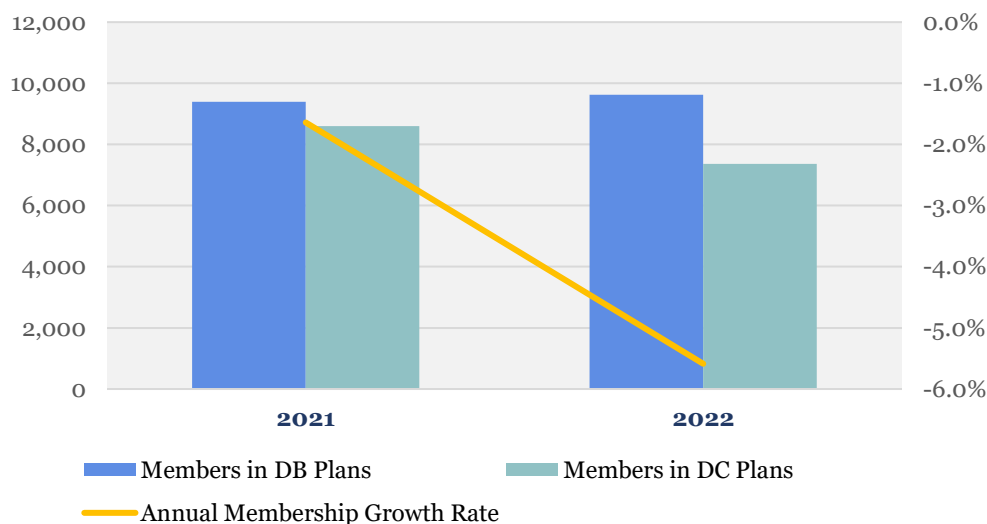


**FIGURE 1:
PENSION PLAN MEMBERSHIP 2021-2022**



Source: Insurance and Pensions Supervision Department, Bank of Guyana

Defined benefit (DB) plan membership exceeded defined contribution (DC), where DB membership accounted for more than half of total membership in both 2021 and 2022. Historically, despite having fewer DB plans, these pension plans have a greater combined membership than DC plans for the same period. From 2021 to 2022, there has been a noticeable shift in sponsoring employers opting to offer DC pension plans in lieu of DB plans. This is a result of the difference in the nature of the two plans. For DB plans, the sponsor is liable to the beneficiaries in providing benefits upon retirement based on a formula. On the contrary, the benefits associated with a DC plan are based on both employer and employee contributions, along with interest. Given that there was limited growth in the number of private pension plans, there was limited overall coverage of the private pension sector. The 5.6 percent decrease in total membership from 2021-2022 was partly due to the negative economic impact resulting from the COVID-19 pandemic.

**FIGURE 2: DB vs DC PLAN MEMBERSHIP 2021-2022**

Source: Insurance and Pensions Supervision Department, Bank of Guyana

6.2 Registration and Coverage

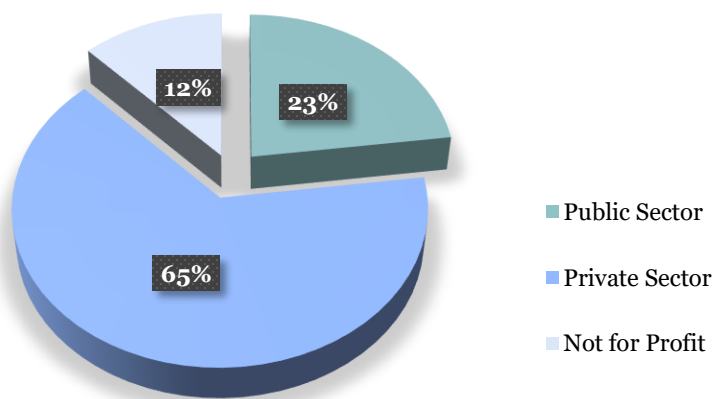
During the period 2021-2022, eight (8) plans were registered and two (2) initiated winding up proceedings. As at December 2022, there were forty-eight (48) active and registered plans, thirty-three (33) active and unregistered plans and twenty-eight (28) plans were classified as unregistered and inactive, however, still held assets to be paid out at a later date.

The private sector accounts for approximately 61 percent of the employed labour force⁶, wherein only 7 percent of the total employed population is accounted for in all private pension plans.

⁶ Bureau of Statistics. (2019). *Guyana Labour Force Survey*, 2021 Q3



FIGURE 3:
SECTORAL ALLOCATION OF THE TOTAL LABOUR FORCE 2022



Source: GLFS 2020 Q1



7. ASSETS AND ASSET ALLOCATION

7.1 Macro-Influence of the Private Pension Sector

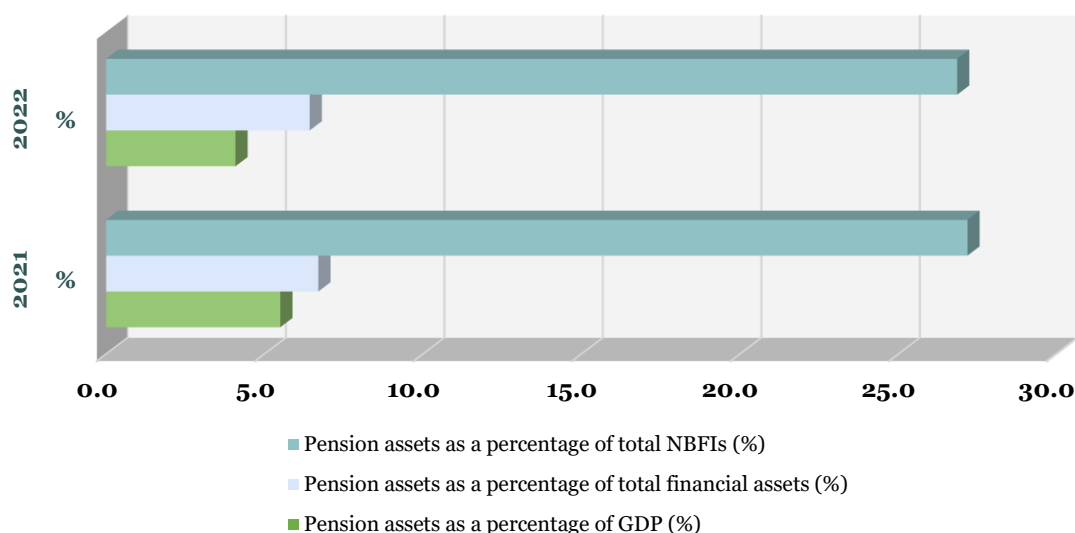
Given that the majority of the Guyanese labour force is employed within the private sector, the private pension industry could be a significant source of retirement income for many Guyanese. In contrast, large aging populations worldwide continue to put pressure on publicly funded pension systems. Governmental pension spending in advanced economies is projected to rise to 4-5 percent of GDP over the next 20 years.⁷ In Guyana, an amount of \$26.5 billion was allocated for Old Age Pensions or 83 percent of the Ministry of Social Protection's \$30.0 billion budget in 2022.⁸

TABLE 2: MACRO-INFLUENCE OF PRIVATE PENSIONS 2021-2022

	2021	2022
	%	%
Pension assets as a percentage of GDP (%)	5.5	4.1
Pension assets as a percentage of total financial assets (%)	6.7	6.4
Pension assets as a percentage of total NBFIs (%)	27.2	26.9

Source: Insurance and Pensions Supervision Department, Bank of Guyana

**TABLE 4:
MACRO-INFLUENCE OF PRIVATE PENSIONS 2021-2022**



Source: Insurance and Pensions Supervision Department, Bank of Guyana

⁷ World Bank Group. (2007). 'From Red to Gray', Chapter 4: Aging and Pension Expenditures

⁸ Ministry of Finance. (2022). *Estimates of the Public Sector for 2022*, Volume 1



The private pension sector saw its assets decrease from 5.5 percent of GDP in 2021 to 4.1 percent in 2022, retaining relatively little macro-influence as a sector. The industry demonstrated its influence as an institutional investor by accounting for 26.9 percent of non-bank financial institutions (NBFI) assets and 6.4 percent of total financial assets. With the impending passage of the Private Pensions Act, there is some expectation of more efficient and robust pension plans, along with more flexible limits on overseas investments thus creating more investment opportunities for pension plans.

7.2 Total Assets of Reporting Pension Plans

The total assets of 109 reporting private pension schemes totalled \$119.1 billion as at December 2022. This is a significant increase of approximately \$20 billion or 17.1 percent for the corresponding period of the previous year, which reflects steady growth in total pension assets. This growth can be attributed to increases in total investment values, particularly those emanating from equities during the same period.

7.3 Allocation of Pension Fund Assets

7.3.1 Allocation by Registration Status

Approximately 75.2 percent of total private pension assets were held by registered pension plans, as at December 2022. Active and unregistered plans in comparison accounted for approximately 19.4 percent of total private pension assets. Lastly, inactive plans accounted for 5.3 percent of plans. Inactive plans are plans that would have been terminated, but whose assets have yet to be distributed.

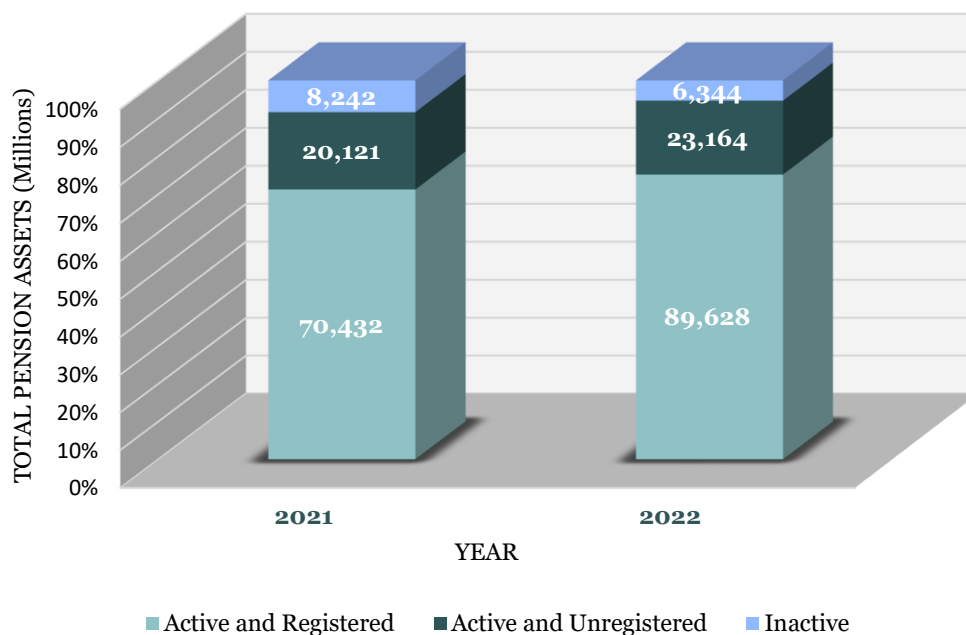


Table 3: PENSION PLAN ASSETS BY REGISTRATION STATUS
2021-2022

<i>G\$ millions</i>	2021	2022
No. of Reporting Plans	110	109
Total Assets	98,795	119,136
Active and Registered	70,432	89,628
Active and Registered/ Total Assets (%)	71.3%	75.2%
Active and Unregistered	20,121	23,164
Active and Unregistered/ Total Assets (%)	20.4%	19.4%
Inactive	8,242	6,344
Inactive/ Total Assets (%)	8.3%	5.3%

Source: Insurance and Pensions Supervision Department, Bank of Guyana

FIGURE 5:
PENSION PLAN ASSETS BY REGISTRATION STATUS
2021-2022



Source: Insurance and Pensions Supervision Department, Bank of Guyana

7.3.2 Allocation by Plan type

Defined benefit (DB) portfolios continued to outweigh those of the defined contribution (DC) type, with higher overall asset totals. This is mainly attributable to larger DB plan memberships and longer asset retention periods, given the historical prominence and the lengthy vesting periods commonly found in these plans. Defined contribution plans



however, recorded higher growth rates, given that they are becoming increasingly popular amongst employer-sponsored pension plans.

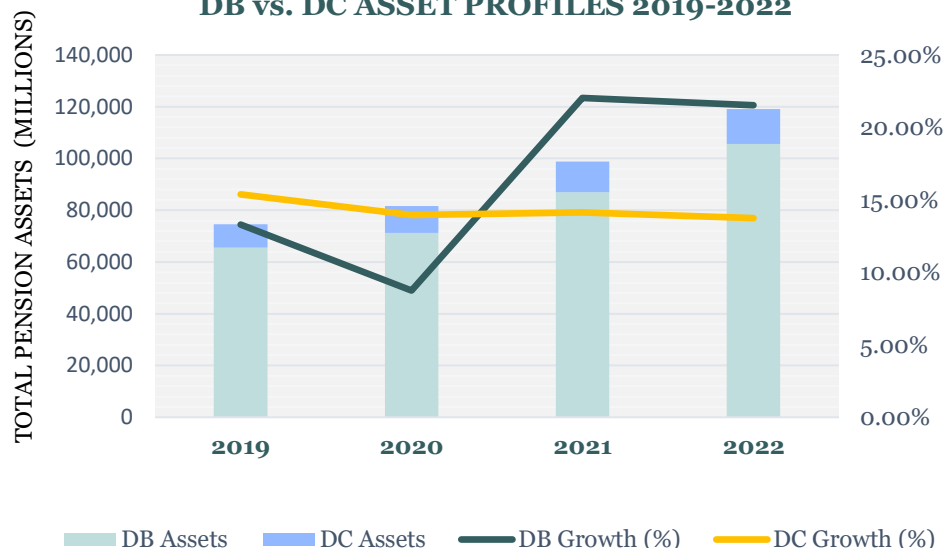
Table 4: DB vs DC ANNUAL GROWTH 2021-2022

<i>G\$ millions</i>	2021	2022
DB Assets	86,953	105,666
DB Asset Allocation (%)	88.0%	88.7%
DB Growth (%)	22.0%	21.5%
DC Assets	11,842	13,470
DC Asset Allocation (%)	12.0%	11.3%
DC Growth (%)	14.1%	13.7%
TOTAL Assets	98,795	119,136

Source: Insurance and Pensions Supervision Department, Bank of Guyana

Despite the continued expansion of DC plans, DB plans recorded higher growth margins, with a notable 21.5 percent increase in 2022. This increase may be attributed to a 49 percent increase in investments in equities, an 8% percent increase in government bonds, and an 11 percent increase in mutual funds. DC plans assets nonetheless increased by 13.7 percent in 2022.

**FIGURE 6:
DB vs. DC ASSET PROFILES 2019-2022**



Source: Insurance and Pensions Supervision Department, Bank of Guyana



7.3.3 Allocation by Investment Instruments

In 2022, there were significant changes in the allocation of pension fund assets compared to the previous year. Investments in Stocks and Shares in companies increased by 60.1 percent increase from 2021, and assets held in Deposit Administration Contracts experienced a 14.5 percent increase due to more reporting plans selecting the DAC arrangement.

The industry's assets were concentrated in a mix of investments that indicated growth; however, longer-term investments better suited to the nature of pension assets should be explored. Generally, equities or stocks and shares in companies, cash deposits and investments in DACs continued to represent the highest concentration of invested assets, standing at 60.1 percent, 14.1 percent and 14.5 percent of total assets, respectively.

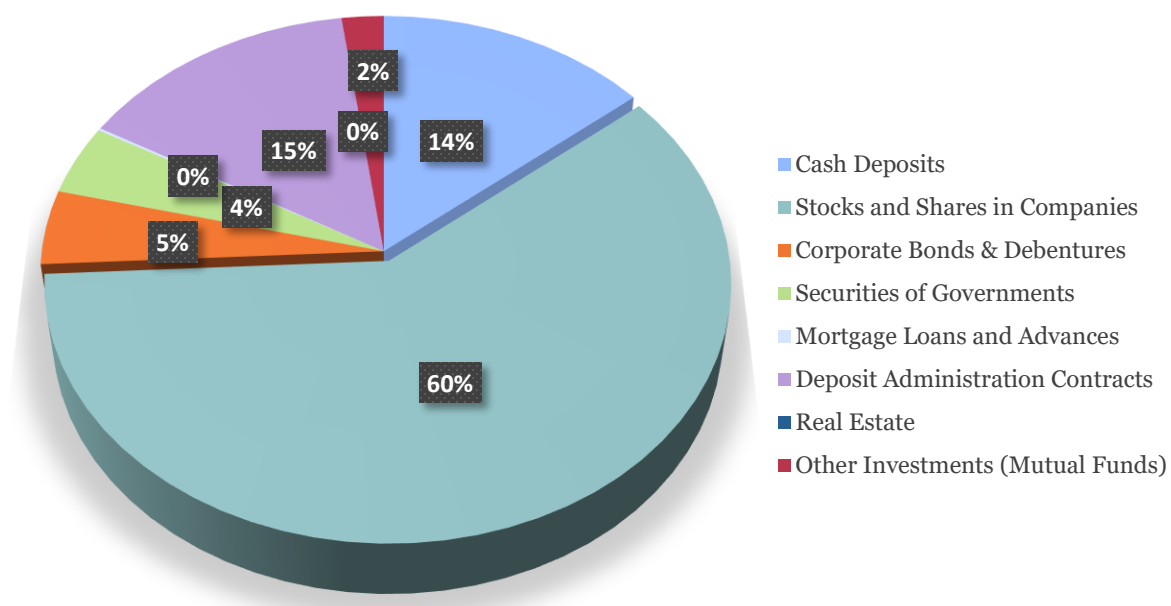
Table 5: PENSION ASSET ALLOCATION BY INVESTMENT INSTRUMENTS 2021-2022

<i>G\$ millions</i>	2021		2022	
	Percentage of Total Industry Assets (%)		Percentage of Total Industry Assets (%)	
No. of reporting pension plans	110		109	
Asset Growth Rate (%)	21.0		17.1	
Cash Deposits	15,259	17.3%	15,536	14.1%
Stocks and Shares in Companies	44,758	50.8%	66,488	60.1%
Corporate Bonds & Debentures	5,747	6.5%	5,130	4.6%
Securities of Governments	4,483	5.1%	4,822	4.4%
Mortgage Loans and Advances	211	0.2%	171	0.2%
Deposit Administration Contracts	15,344	17.4%	16,025	14.5%
Real Estate	0	0.0%	0	0.0%
Other Investments (Mutual Funds)	2,270	2.6%	2,373	2.1%
Non-invested assets	10,723		8,590	
Total Assets (Invested)	88,072		110,546	

Source: Insurance and Pensions Supervision Department, Bank of Guyana



**FIGURE 7:
PENSION ASSETS BY INVESTMENT INSTRUMENTS 2022**



Source: Insurance and Pensions Supervision Department, Bank of Guyana

7.3.4 Growth Rates of Investment Instruments

The industry's growth in 2022 was largely complemented by an almost 25.5 percent increase in the total value of investments. Significant growth was recorded for assets invested in stocks and shares in Companies (49 percent), Government securities (7.6 percent) and 'Other investment'- mutual funds (4.6 percent) as pension fund administrators continue to favour these investment vehicles given their availability. Investments in Real Estate continued to decline, with plans reporting no assets at end-December 2022.



Table 6: GROWTH RATES OF PENSION ASSETS BY INVESTMENT INSTRUMENTS 2021-2022

<i>G\$ Millions</i>	2021		2022	
	Total Assets (\$)	Percentage Growth (%)	Total Assets (\$)	Percentage Growth (%)
Cash Deposits	15,259	5.8%	15,536	1.8%
Stocks and Shares in Companies	44,758	43.7%	66,488	48.5%
Corporate Bonds & Debentures	5,747	-9.9%	5,130	-10.7%
Securities of Governments	4,483	-0.6%	4,822	7.6%
Mortgage Loans and Advances	211	-14.8%	171	-18.7%
Deposit Administration Contracts	15,344	-4.2%	16,025	4.4%
Real Estate	0	0.0%	0	0.0%
Other Investments (Mutual Funds)	2,270	-40.1%	2,373	4.6%
TOTAL INVESTMENTS	88,072	15.1%	110,546	25.5%
<i>Non Invested Assets</i>	10,723		10,723	

Source: Insurance and Pensions Supervision Department, Bank of Guyana

7.3.5 Allocation by Geographical Regions

The industry's asset allocation by geographical regions remained within the statutory limit in 2021 and 2022. Less than 30 percent (approximately 26 percent) of total pension assets were invested outside of Guyana in 2022. This included investments of 9.7 percent, or \$11.5 billion in CARICOM Member States, and 7.8 percent or \$9.2 billion in the rest of the world. Approximately 82.6 percent or \$98.4 billion of pension assets were invested domestically in 2022.

TABLE 7: PENSION ASSETS BY GEOGRAPHICAL ALLOCATION 2021-2022

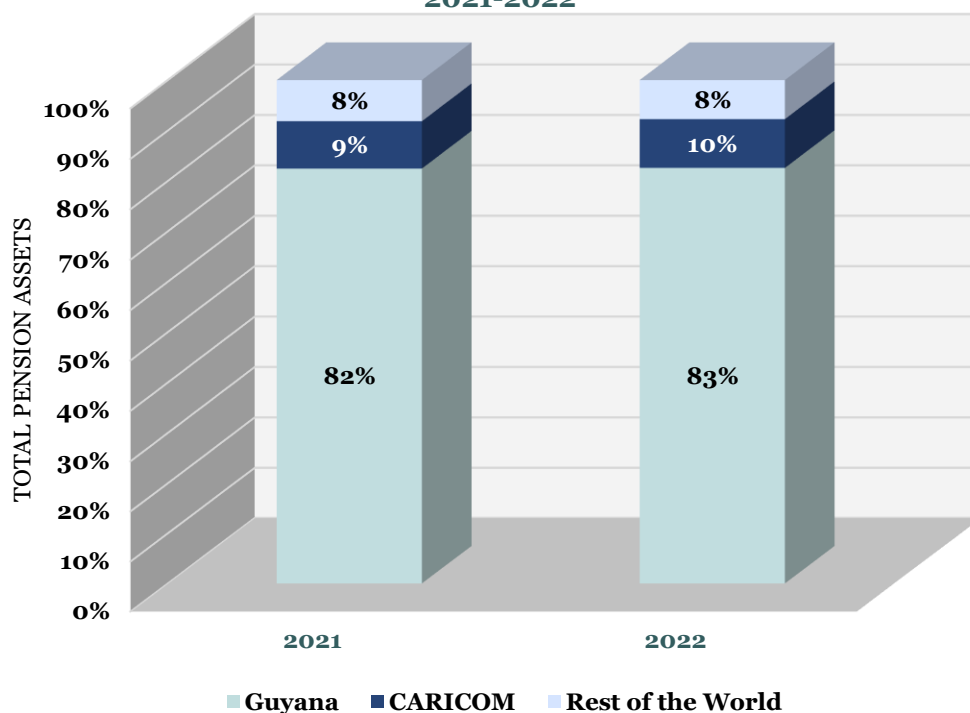
<i>G\$ Millions</i>	2021	% of Total Assets	2022	% of total Assets
Guyana	77,756	78.7%	98,372	82.8%
CARICOM	11,255	11.4%	11,530	9.7%
Rest of the World	9,783	9.9%	9,234	7.8%
Foreign Assets as a Percentage of Total Assets	17.6%		17.4%	
Total Assets	98,795		119,136	

Source: Insurance and Pensions Supervision Department, Bank of Guyana



Additionally, pension assets invested in Guyana saw positive growth, with a 26.5 percent increase in 2022 following a 50.9 percent increase in 2021. This is due primarily to a significant rise in local stocks and shares in companies of 53.0 percent from 2019. Pension assets in overseas territories outside of CARICOM saw a minuscule increase of 2.4 percent, while investments in the rest of the World saw a decrease of 5.6 percent.

**FIGURE 8:
PENSION ASSETS BY GEOGRAPHICAL ALLOCATION
2021-2022**



Source: Insurance and Pensions Supervision Department, Bank of Guyana

7.3.6 Asset Allocation by Industry

The Manufacturing industry remained the industry to hold the largest share of pension sector assets, accounting for 27.2 percent or 32.4 billion of total pension assets at end-December 2022, followed by the agricultural and forestry industry accounting for 23.3 % of total pension sector assets. Investments in the financial services, sales & retail distribution, construction, and communication sectors recorded steady growth. However, investments in the utility sector were diminutive, accounting for \$8 million (6.8 percent) of total assets.



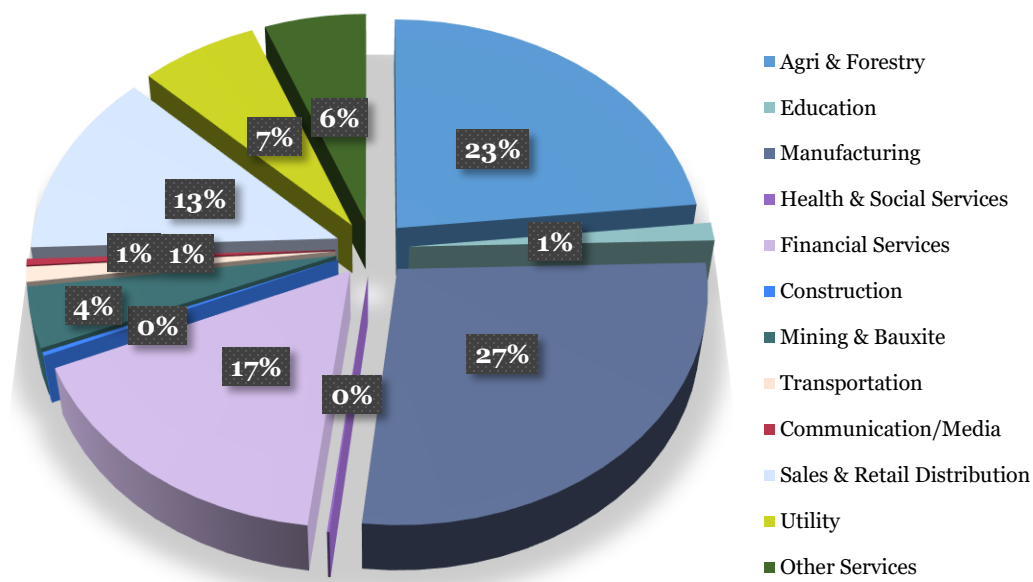
**Table 8: PENSION ASSETS BY
INDUSTRIAL ALLOCATION 2021-2022**

Year <i>G\$ millions</i>	2021	2022
Total Assets	98,795	119,136
Agriculture & Forestry	22,478	27,776
Education	1,384	1,490
Manufacturing	24,170	32,425
Health & Social Services	126	140
Financial Services	17,051	19,687
Construction	283	303
Mining & Bauxite	4,497	5,018
Transportation	1,071	1,255
Communication/Media	472	532
Sales & Retail Distribution	11,817	15,473
Utility	9,260	8,069
Other Services	6,185	6,969

Source: Insurance and Pensions Supervision Department, Bank of Guyana



**FIGURE 9:
INDUSTRIAL ALLOCATION OF PENSION ASSETS 2022**



Source: Insurance and Pensions Supervision Department, Bank of Guyana



8. FINANCIAL SOUNDNESS AND STABILITY

8.1 Financial Soundness Indicators

8.1.1 Systemic Risk

The pension sector's exposure to systemic risk remained diminutive despite significant asset growth in 2022. At the end of December 2022, pension assets represented 6.4 percent of total financial assets and 26.9 percent of NBFIs' assets. The sector's importance as an institutional investor decreased with its assets-to-GDP ratio falling from 5.5 percent in 2021 to 4.1 percent in 2022. This was owing to the significant increase in GDP as a result of the oil windfall, which commenced in 2019.

8.1.2 Solvency Risk

The ability of a pension plan to meet its past service liabilities is reflected in its solvency risk exposure, whereas the ability to meet its past and future service liabilities is measured by its funding risk exposure, particularly for DB plans.

If a plan is deemed solvent, then it is able to meet its financial obligations at that date; moreover, if the plan is fully funded, then it is able to meet its long-term and future service obligations. In 2022, the funding level of reporting plans improved with an industry ratio of 220.2 percent compared to 151.6 percent in 2021. This indicated that plans were sufficiently able to meet their past service liabilities and projected benefit obligations and were not vulnerable to any measurable funding risk. By nature, DC pension plans are fully funded, provided that all due contributions are remitted, whereas DB plans increased their average funding level to 195.3 percent. It is noteworthy, however, that at end-December 2022 six (6) DB plans were insolvent (unable to meet liabilities at the time of valuation) and six (6) were in a funding deficit - unable to meet their accumulated and projected benefit obligations. Given that the liabilities are measured triennially, these positions may have changed within the various three-year periods; however, some DB plans have failed to submit valuations and thus an accurate reflection of total liabilities is unavailable.

Higher than expected salary increases between valuations were the major contributors to these deficits, and although the overall funding level of the industry was positive, the Bank continued regulation ensures that actuarial recommendations are implemented to correct these deficits over time.

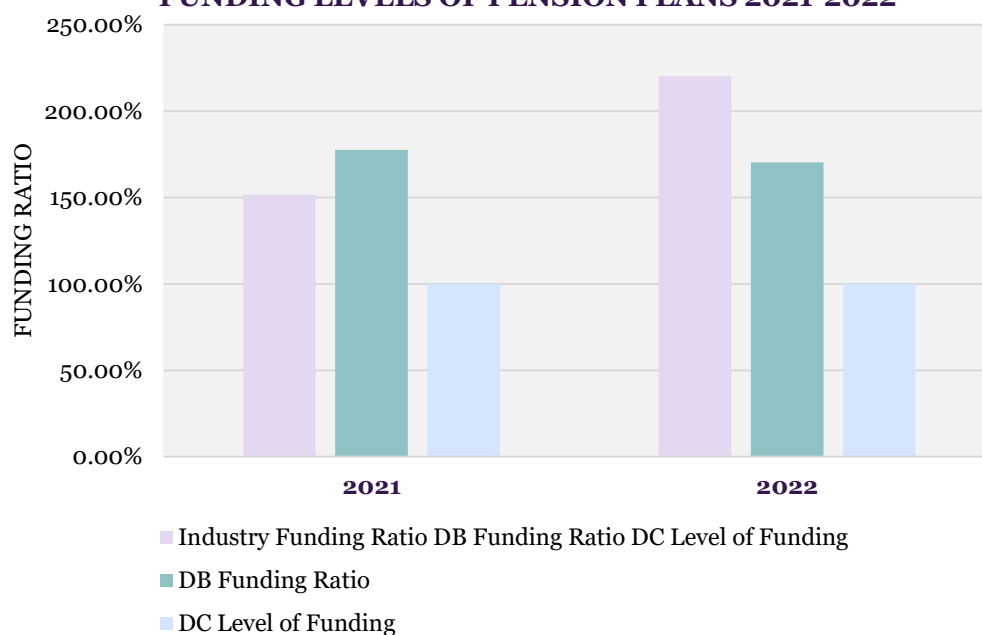


TABLE 10: PENSION PLANS' FUNDING RATIOS
2021-2022

FUNDING RATIOS	2021	2022
Industry Funding Ratio	151.6%	220.2%
DB Funding Ratio	170.4%	195.3%
DC Level of Funding	100.0%	100.0%

Source: Insurance and Pensions Supervision Department, Bank of Guyana

FIGURE 10:
FUNDING LEVELS OF PENSION PLANS 2021-2022



Source: Insurance and Pensions Supervision Department, Bank of Guyana

8.1.3 Liquidity Risk

The liquidity ratio is the ratio of liquid assets to cover immediate liabilities or higher than expected benefit payments without incurring a material loss. The industry's total liquidity as a percentage of total liabilities decreased from 24.7 percent reported in 2021 to 20.7 percent at end-2022. This ratio indicated that pension funds still held a substantial portion of their total assets in liquid form or investments with maturities of one year or less.

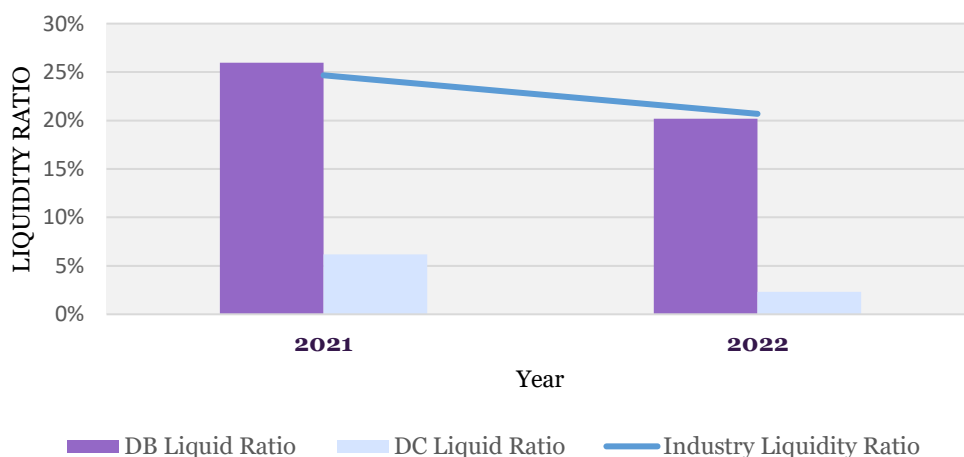


TABLE 11: PENSION PLANS' LIQUIDITY RATIOS 2021-2022

LIQUIDITY RATIOS	2021	2022
Industry Liquidity Ratio	24.7%	20.7%
DB Liquid Ratio	26.0%	20.2%
DC Liquid Ratio	6.2%	2.3%
Fully Registered Plans	12.3%	9.1%
Unregistered Plans	2.7%	10.8%

Source: Insurance and Pensions Supervision Department, Bank of Guyana

FIGURE 11: LIQUIDITY RATIOS OF PENSION PLANS 2021-2022



Source: Insurance and Pensions Supervision Department, Bank of Guyana

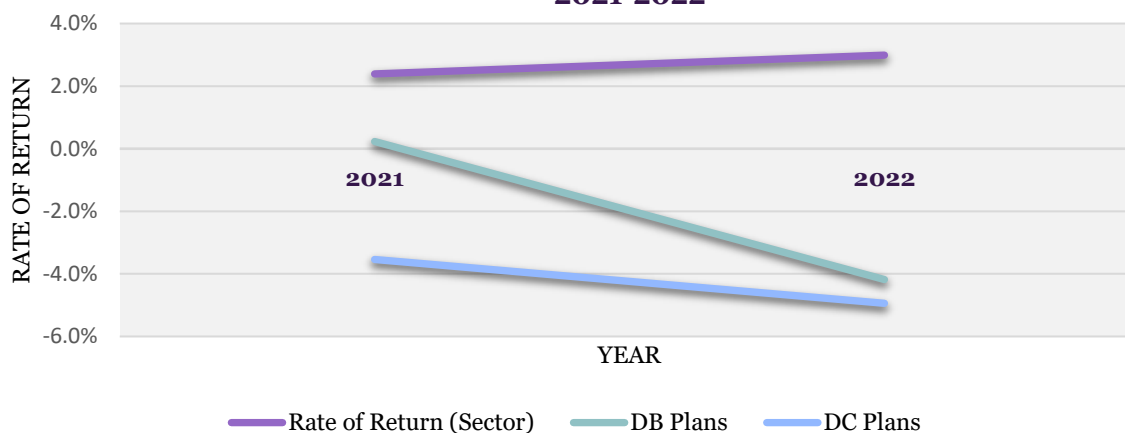
8.1.4 Inflation risk

The sector yielded an increase in real rates of return on invested assets in 2022 (3.0 percent), increasing from 2.4 percent in 2021. This meager increase was mainly due to a relative increase in investment returns, particularly emanating from equities. Despite the sector's overall growth in the real rate of return in 2022, both DB and DC plans recorded negative returns. This was largely due to market value depreciation and realised foreign exchange losses.

**TABLE 12: PENSION ASSETS' RATES OF RETURN 2021-2022**

<i>G\$ Millions</i>		2021	2022
<i>Nominal Rate of Return on invested assets</i>	Average Invested Assets	88,762	107,337
	Nominal Net Investment	3,622	1,052
	Returns		
	Rate of Return (Sector)	4.1	1.0
	DB Plans	4.8%	1.2%
<i>Real Rate of Return on invested assets</i>	DC Plans	0.9%	0.4%
	Annual Price Inflation	4.6%	5.6%
	Rate of Return (Sector)	2.4%	3.0%
	DB Plans	0.2%	-4.2%
	DC Plans	-3.5%	-4.9%

Source: Insurance and Pensions Supervision Department, Bank of Guyana

**FIGURE 12:
REAL RATES OF RETURN FOR PENSION PLAN INVESTMENTS
2021-2022**

Source: Insurance and Pensions Supervision Department, Bank of Guyana

8.1.5 Market Risk

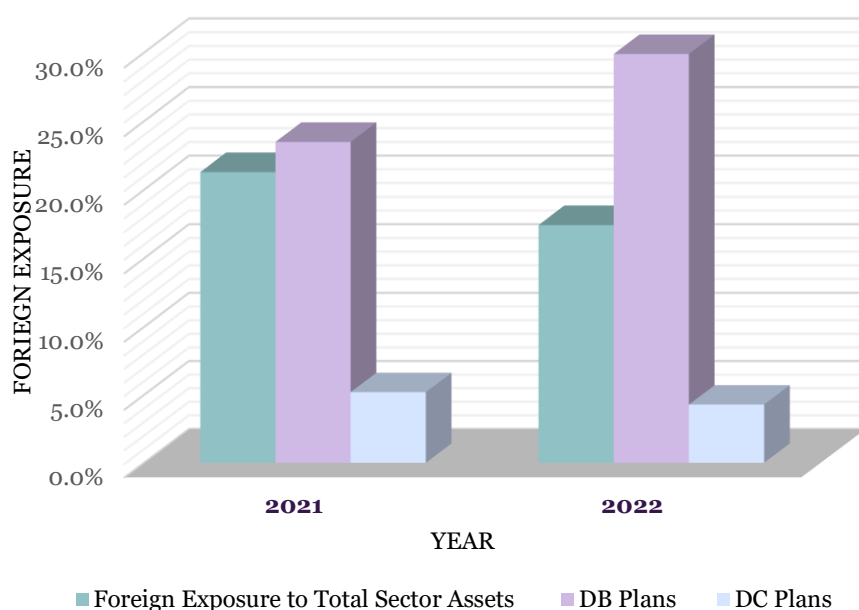
8.1.5.1 Foreign Exposure of Pension Assets

Foreign exposure of pension assets decreased slightly in 2022 but remained within the 30 percent statutory limit. As a percentage of total assets, foreign assets represented approximately 17.4 percent at the end of 2022, compared to a 21.3 percent at the end of 2021. Nevertheless, total foreign investments in DB plans increased significantly remaining well above the industry average (see Table 13).

**TABLE 13: FOREIGN EXPOSURE OF PENSION ASSETS 2021-2022**

<i>G\$ Millions</i>	2021	2022
Foreign Exposure	21,038	20,763
Foreign Exposure to Total Sector Assets	21.3%	17.4%
DB Plans	23.5%	29.9%
DC Plans	5.2%	4.3%

Source: Insurance and Pensions Supervision Department, Bank of Guyana

**FIGURE 13:
FOREIGN EXPOSURE TO PENSION ASSETS
2021-2022**

Source: Insurance and Pensions Supervision Department, Bank of Guyana

8.1.5.2 Equity Exposure of Pension Assets

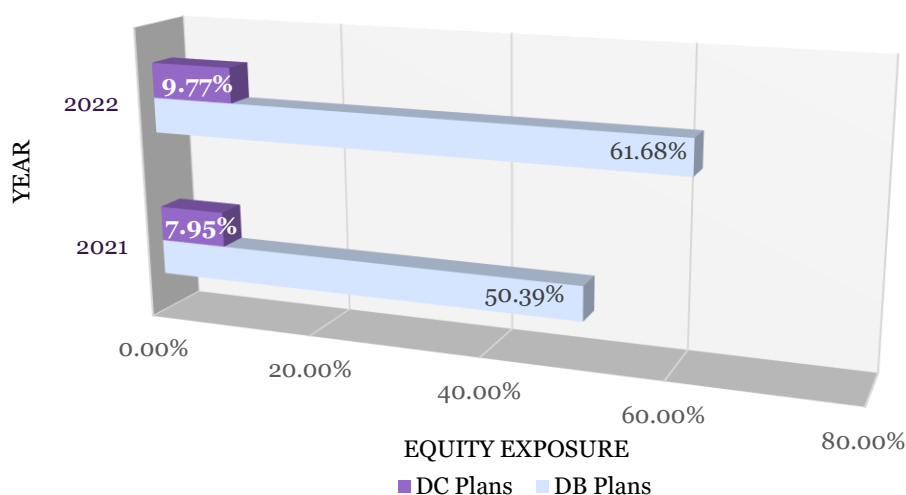
Pension funds' exposure to equity markets increased from approximately 45.3 percent in 2021 to 55.8 percent at the end of 2022. The increase in proportion to total pension sector assets is mainly due to increased investments in other instruments, particularly government and private securities, other investments and equities invested within deposit administration contracts.

Additionally, as a percentage of assets, DB assets' exposure to equities was dominated at approximately 61.7 percent compared to 9.8 percent of DC assets in 2022. Consequently, the funding positions of DB plans are more sensitive to market changes than those plans with a higher proportion of fixed income securities (see Table 14).

**TABLE 14: EQUITY EXPOSURE OF PENSION ASSETS 2021-2022**

<i>G\$ Millions</i>	2021	2022
Equity	44,758	66,488
Equity to Total Sector Assets	45.3%	55.8%
DB Plans	50.4%	61.7%
DC Plans	8.0%	9.8%

Source: Insurance and Pensions Supervision Department, Bank of Guyana

FIGURE 14: EQUITY EXPOSURE OF PENSION ASSETS 2021-2022

Source: Insurance and Pensions Supervision Department, Bank of Guyana

8.1.6 Credit Risk

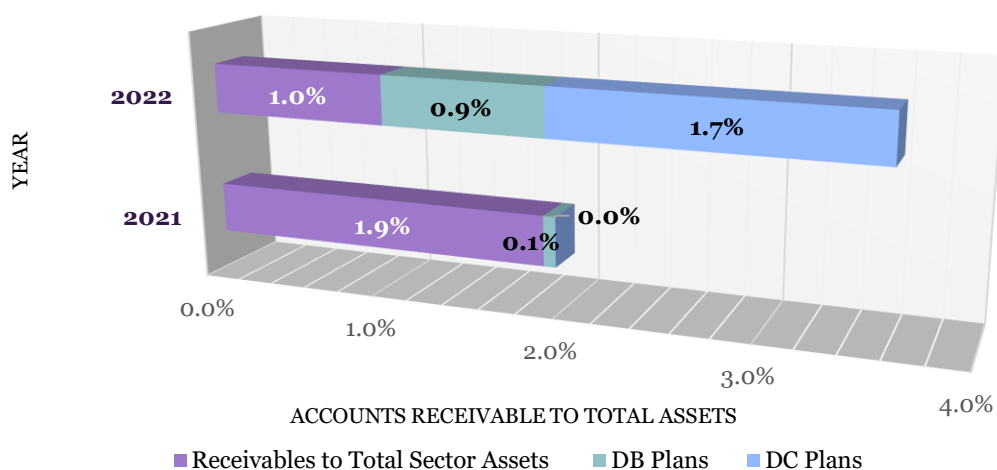
8.1.6.1 Accounts Receivable to Total Assets

This ratio measures the potential impact of credit default risk resulting from the payment of monies owed to pension funds. The accounts receivable to total assets ratio was stable and relatively low, with a ratio of 1.0 percent at the end of 2022. The impact on DB assets resulting from credit default risk was slightly lower than that of DC assets, where 0.9 percent of DB assets representing accounts receivable compared to 1.7 percent of DC assets at the end of the period (see Table 15).

**TABLE 15: ACCOUNTS RECEIVABLE TO TOTAL ASSETS 2021-2022**

<i>G\$ Millions</i>	2021	2022
Receivables	1,852	1,178
Receivables to Total Sector Assets	1.9%	1.0%
DB Plans	0.1%	0.9%
DC Plans	0.0%	1.7%

Source: Insurance and Pensions Supervision Department, Bank of Guyana

FIGURE 15: ACCOUNTS RECEIVABLE TO TOTAL ASSETS 2021-2022

Source: Insurance and Pensions Supervision Department, Bank of Guyana

8.2 Efficiency & Profitability Ratios

8.2.1 Contributions to Total Benefit Payments

Contributions received increased by 11.7 percent to \$4.5 billion in 2022, which represented approximately 63.2 percent of total benefit-related payments. This indicated that 63.2 percent of net contributions were sufficient only to cover benefits paid compared with 148.6 percent in 2021. This decline implies increased pressure on the profitability of pension plans as contributions were no longer adequate to offset benefit payments.

The analysis also revealed that in 2022, DB plans held a significantly lower ratio, given that the largest DB plan continued to make sizeable benefit payments following the scaling down of one of its sponsors. A higher contribution-to-benefit payment ratio in DC



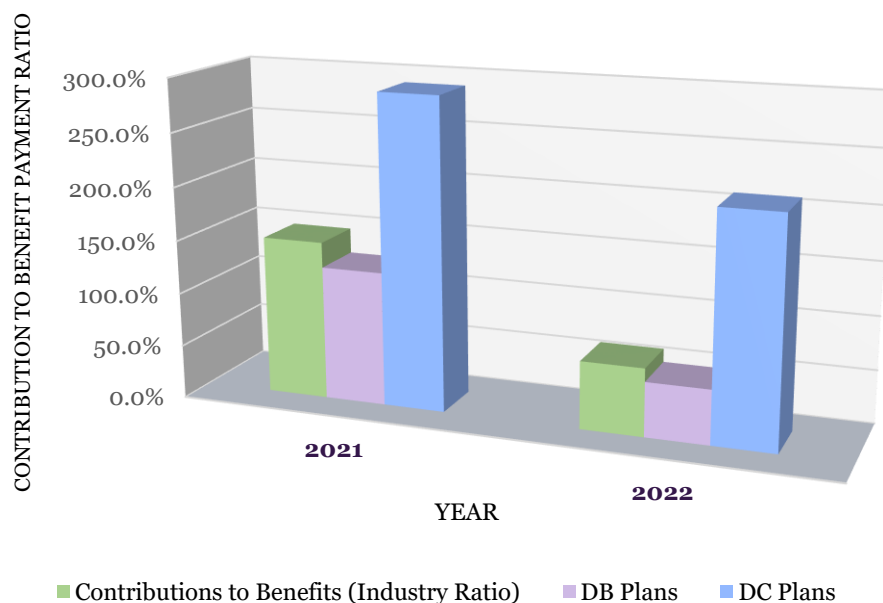
plans was mainly due to fewer benefit payments relative to income earned from contributions.

TABLE 16:
CONTRIBUTIONS AND BENEFIT PAYMENTS 2021-2022

<i>G\$ Millions</i>	2021	2022
Contributions	4,013	4,483
Benefit Payments	2,700	7,096
Contributions to Benefits (Industry Ratio)	148.6%	63.2%
DB Plans	125.3%	50.9%
DC Plans	290.8%	211.2%

Source: Insurance and Pensions Supervision Department, Bank of Guyana

FIGURE 16: CONTRIBUTIONS AND BENEFIT PAYMENTS
2021-2022



Source: Insurance and Pensions Supervision Department, Bank of Guyana

8.2.2 Operating Expenses to Investment Income

The industry's efficiency, as measured by total operating expenses in relation to net investment income, improved in 2022 with an average ratio of 2.8 percent. Efficiency continued to vary considerably between plans. DB plans continued to experience a relatively low ratio (2.7 percent) and were considered efficient over the period compared to 4.8 percent for DC plans, despite higher operating expenses for DB plans.

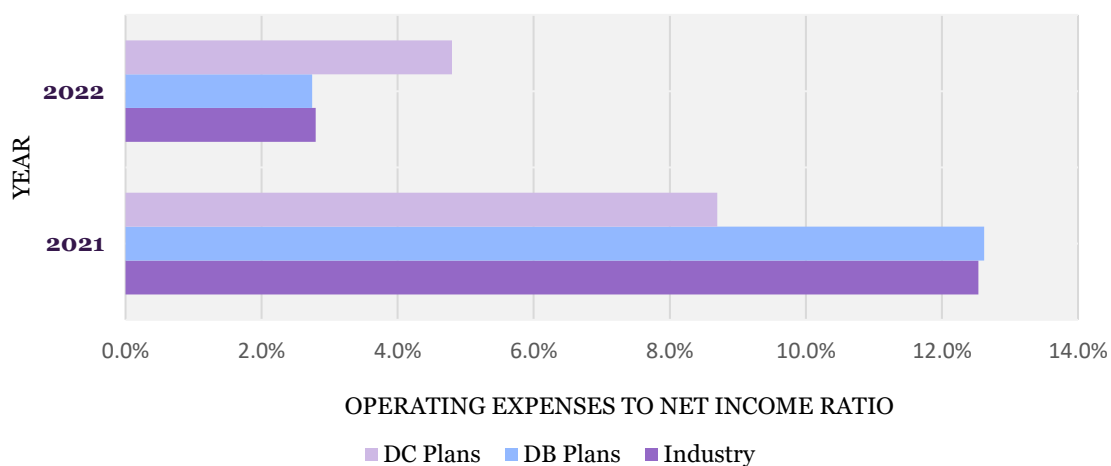


TABLE 17:
OPERATING EXPENSES TO NET INVESTMENT INCOME
2021-2022

<i>G\$ Millions</i>	2021	2022
Operating Expenses	1,995	569
Net Investment Income	15,913	20,355
Industry	12.5%	2.8%
DB Plans	12.6%	2.7%
DC Plans	8.7%	4.8%

Source: Insurance and Pensions Supervision Department, Bank of Guyana

FIGURE 17:
OPERATING EXPENSES TO
NET INVESTMENT INCOME 2021-2022



Source: Insurance and Pensions Supervision Department, Bank of Guyana



9. KEY STATISTICS OF PENSION FUND ADMINISTRATORS

9.1 Insurance and Pensions Companies

The majority of active private pension plans in Guyana are managed by life Insurance and Pensions companies (80 plans, of which 65 are DC and 15 are DB plans). In 2022, the combined asset value of plans administered by life insurers increased by approximately 9.8 percent to \$21.7 billion, which represented approximately 18.2 percent of the industry's total assets as at Dec 2022.

Total membership in these plans amounted to 8,415 participants, an increase from 7,986 participants in 2021, and represented approximately 49.5 percent of the industry's total membership in 2022. The investment allocations of pension plans administered by life insurers are largely concentrated in deposit administration policy contracts, which accounted for approximately 73.8 percent of total pension assets under life insurers' administration in 2022. The deposit administration policy contracts are pooled investment arrangement products that are issued and sold to pension funds by life insurers. Investments can be further broken down into categories such as equities, government securities, private securities, loans, real estate, etc., but are all invested collectively as part of the deposit administration arrangement.

9.2 Trust Companies

At the end of 2022, trust companies accounted for just over 45 percent of active membership, 7,715 participants in the industry, a 0.5 percent increase from 7,676 participants in 2021. Trust companies managed fewer active plans than life insurers (25 plans) in 2022, which were DB dominated (21 DB and two 4 DC plans). The share of pension assets under trust companies' administration continued to account for a sizable segment of the industry's total assets in 2022 (74 percent or \$87.6 billion). Over the period in review, these assets remained skewed towards investments concentrated in stocks and shares in companies (67 percent), cash resources in deposit-taking institutions (16 percent) and securities of private companies (6 percent).



9.3 Employer Self-administered Pension Funds

The total number of self-administered plans in 2022 remained unchanged from the corresponding period in 2022 at four (4). Their combined asset value represented 8 percent or \$9.9 billion of the industry's total assets. Additionally, membership in these plans represented only 5 percent of total membership. Investments of self-administered pension funds were mainly allocated in both government securities (treasury bills and government-issued bonds and debentures) and stocks and shares in companies, which in aggregate, represented approximately 79 percent of their total assets at the end of the year.



10. MULTI-EMPLOYER PENSION PLANS

A multi-employer pension plan (MEPP) is a pension arrangement in which two or more unrelated employers share a single retirement plan. Unlike single-employer plans, MEPPS combine contributions, administrative duties and investment activities across several employers. The concept of MEPP dates back to the early 20th century and was formalized by the United States' Labour Relations Act 1947, better known as the TAFT-Hartley Act. At that time, it was largely aimed at allowing management and labour unions to reach agreements that applied across several employers in the same industry.

MEPPS can be structured as a defined benefit or defined contribution plan, depending on the governance and risk-sharing model chosen by participating companies and trustees. MEPPs provide numerous significant benefits that improve retirement security and increase pension coverage, particularly in industries with high labour mobility. By pooling contributions across multiple employers, MEPPs offer portability which allows workers to continue building pension benefits even when they move between participating employers. Their large scale creates cost efficiencies, enabling access to professional investment management, lower administrative expenses and more diversified portfolios.

The CAAT (Colleges of Applied Arts and Technology) Pension Plan is a well-known private, multi-employer pension scheme in Canada. It operates as a jointly sponsored pension plan (JSPP), meaning both employers and employees have equal representation in its governance structure. Created for Ontario colleges, it now serves hundreds of employers in more than 20 industries. CAAT offers two defined benefit plan designs, DBprime and DBplus, both of which are shared funding and a single pooled fund. Because CAAT pools contributions from many different employers, it achieves economies of scale, reduces risk tied to any single employer, and ensures more sustainable benefit security. Its joint governance structure (equal employer/employee representation) and strong funding reserves (124 % funded as of its 2024 valuation) make it a resilient and highly regarded model.⁹

To strengthen oversight and safeguard members' interests, the new legislation will introduce specific registration requirements for multi-employer pension plans. This will

⁹ CATT (2024). Annual Report 2024



ensure that any plan operating across multiple employers is formally recognized, meets minimum governance standards, and demonstrates adequate funding capacity before accepting contributors.



11. THE DRAFT PRIVATE PENSIONS ACT AND FINANCIAL LITERACY

To address the current regulatory challenges, the draft Private Pensions Act aims to improve the local pension sector, especially with respect to increasing coverage and enrolment in pension schemes. Geared towards the informal workforce, the Simplified Pension Plan – a micro-pensions initiative, will be introduced. This will be a flexible savings product primarily targeting members of the informal labour force and self-employed individuals. Public awareness of the SPP will therefore be critical to ensuring the adoption of the savings mechanism.

To build trust and improve public confidence in the industry, the National Pensions Awareness Programme (NPAP) will assist members of the public with their immediate and long term pension literacy.

The NPAP aims to be an initiative through which some of the Bank's strategic goals may be implemented and ultimately be achieved. The programme aims to reach citizens in the ten administrative regions of Guyana, targeting individuals aged 16-60 years old. This is set to be an ongoing initiative carried out by the Insurance and Pensions Supervision Department of the Bank. The NPAP seeks to incorporate numerous distribution platforms including media and social media outreach, pension education programmes in schools, outreach to unions and workplaces and presentations at job fairs.

Key stakeholders include the Bank of Guyana, pension providers, members of private pension plans, secondary school pupils, and members of the general public.

At the completion of the NPAP, the public's perception of saving towards a private pension will be assessed to confirm any positive shift in public perception of the pension industry, noticeably improved workable habits, and disciplined individual behaviours with respect to retirement planning. This evaluation will be conducted on an ongoing basis.



12. THE WAY FORWARD

The sector is expected to continue growing, albeit modestly. This is due largely to the high inflationary environment and tightening financial conditions in most regions, Russia's invasion of Ukraine and the lingering Covid-19 pandemic.¹⁰ Conducive capital market outcomes, especially positive changes in stock market prices and low domestic inflation volatility will significantly benefit pension funds' real interest earnings from investments. Favourable capital market outcomes are contingent on the successful management of the global economy with respect to the containment of the high inflationary environment and spill-over effects from the Ukraine War. Market outcomes may be affected by any further pandemic-related supply side disruptions, for example, in China. Nonetheless, the sector will continue to experience returns that are reflective of the investment climate and those particularly accessible to domestic pension funds. Continued low returns are projected given constrained local investment opportunities. Pension funds must seek suitable alternatives in order to match the long term nature of its liabilities. Finally, enhanced regulatory monitoring is expected on DB pension funds' actuarial risk. There will also be enhanced monitoring of pension schemes' governance risk.

The new comprehensive legislation, the Private Pensions Act is currently in draft and has concluded its second round of consultations with industry stakeholders. The new law envisages changes to improve efficiency, sustainability, coverage, adequacy, and the security of participants' benefits to ensure that pension plan members have better pensions during retirement. This is in keeping with the World Bank Group's key outcomes of its new pension framework policy. The regulations accompanying the Pensions Act, are in its draft stage as well and consultations are expected to begin thereafter. This legislation aims to give the regulator certain necessary powers to ensure the efficient and lawful functioning of the system.

Ongoing Trustee training is also planned, to ensure persons responsible for the daily management of pension plans are equipped to do same. The National Pension Awareness

¹⁰ IMF. (2022). World Economic Outlook: *Countering the Cost-of-Living Crisis*



Programme (NPAP) is also projected to commence imminently and aims to improve stakeholders' knowledge.

Nonetheless, sustained positive industry performance will largely depend on a favourable investment climate. The sector's performance will be determined by stock market prices (general price inflation) and the real interest rates of tradable securities.

One of the core functions performed by private pension arrangements is investment with long-term objectives. Recognising this core function, the sector provides opportunities to build a resilient long-term capital market that can facilitate capital investment opportunities and, in due course, further economic growth and development.



13. STATISTICS

ANNEXE 1: LISTS OF PENSION PLANS

Table 1.1: List of Active and Registered Pension Plans 2021-2022

Table 1.2: List of Active and Unregistered Plans 2021-2022

Table 1.3: List of Inactive and Winding-Up Pension Plans 2021-2022

Table 1.4: List of Wound-up Pension Plans

Table 1.5: List of Pension Plans Registered 2022

ANNEXE 2: ASSET LIABILITY PROFILES

Table 2.1: Total Industry Assets 2021-2022

Table 2.2: Geographical Allocation of Pension Assets 2021-2022

Table 2.3: Pension Asset Investments by Plan Administrator 2021- 2022

Table 2.4: Sectoral Integration of Assets Invested In Guyana 2021-2022

ANNEXE 3: CLASSIFICATION DESCRIPTIONS & METHODOLOGIES

Table 3.1: Classification & Description of Selected Terms

Table 3.2: Financial Assessment Ratios and Methodologies

ABBREVIATIONS

PENSION PLAN TYPES

DB	Defined Benefit
DC	Defined Contribution



PENSION PLAN MANAGERS	
HIHL	Hand-in-Hand Mutual Life Assurance Company Limited
DML	Demerara Mutual Life Assurance Society Limited
GTM	Guyana and Trinidad Mutual Group of Insurance and Pensions Companies
TCGL	Trust Company Guyana Limited
HIHT	Hand-in-Hand Trust Corporation
NALICO	North American Life Insurance and Pensions Company Limited
ASSURIA	Assuria Life (GY) Inc.
SA	Self-Administered/Managed



ANNEXE 1: LISTS OF PENSION PLANS

Table 1.1: LIST OF ACTIVE AND REGISTERED PLANS 2021-2022

No.	Plan No.	Name of Plan	Plan Type	Plan Manager
1	152	Amalgamated Security Inc. Pension Plan	DC	TCGL
2	135	ANSA McAL Trading Limited Defined Contribution Pension Plan	DC	HIHL
3	149	Apex Insurance Brokers Pension Scheme	DC	HIHL
4	138	Assuria Life (GY) Inc. Pension Plan	DC	Assuria
5	123	Audit Office of Guyana Pension Plan	DC	HIHL
6	32	Bank of Baroda (Guyana) Incorporated Pension Plan	DC	NALICO
7	112	Bank of Guyana's Pension Scheme	DB	SA-Bank of Guyana
8	119	Banks DIH Limited Defined Contribution Pension Plan	DC	DML
9	133	Berbice Bridge Company Incorporated Pension Plan	DC	HIHL
10	132	C&S Limited Defined Contribution Pension Scheme	DC	DML
11	129	Cheddi Jagan International Airport Group Annuity Scheme	DC	DML
12	39	Courts (Guyana) Incorporated Pension Plan	DC	TCGL
13	115	Davis Memorial Hospital Pension Scheme	DC	DML
14	38	Demerara Distillers Limited Pension Plan	DB	TCGL
15	33	Embassy of the United States of America, Guyana Pension Plan	DB	NALICO
16	141	E-Networks Incorporated Pension Plan	DC	HIHL
17	156	Express International Incorporated Pension Plan	DC	Assuria
18	93	Food for the Poor (Guyana) Incorporated Pension Plan	DC	HIHL
19	125	General Equipment (Guyana) Limited Pension Plan	DC	GTML
20	118	Grace Kennedy Remittance Services (Guyana) Limited Defined Contribution Pension Scheme	DC	DML
21	36	Guyana Bank for Trade and Industry Pension Plan	DC	NALICO
22	28	Guyana Civil Aviation Authority Pension Plan	DB	HIHL
23	14	Guyana Geology & Mines Commission Pension Plan	DB	HIHTC
24	111	Guyana Publications Incorporated Pension Plan	DC	HIHL
25	116	Guyana Revenue Authority Pension Scheme	DC	DML
26	131	Guyana Water Incorporated Pension Plan	DC	Assuria
27	70	Hand - in - Hand Trust Corporation Incorporated Pension Plan	DC	HIHTC
28	153	Harris Paints (Guyana) Limited Pension Plan	DC	Assuria
29	117	John Fernandes Limited Pension Plan	DC	TCGL
30	29	Laparkan Trading (Guyana) Company Limited & Laparkan Holdings Limited Pension Plan	DB	HIHL



31	134	M.P. Insurance Brokers & Consultants Limited Pension Plan	DC	HIHL
32	41	Massy Distribution (Guyana) Incorporated Pension Plan	DB	TCGL
33	110	Metro Office & Computer Supplies Pension Plan	DC	HIHL
34	109	Mings Products & Services Limited Pension Plan	DC	HIHL
35	43	Neal & Massy Group Pension Plan	DB	TCGL
36	42	New Building Society Limited Pension Plan	DB	TCGL
37	35	North American Fire and General Insurance Company Limited Pension Plan	DC	NALICO
38	34	North American Life Insurance Company Limited Pension Plan	DC	NALICO
39	90	P&P Insurance Brokers & Consultants Limited Pension Plan	DC	HIHL
40	59	Rentokil (Guyana) Ltd. Pension Plan	DC	DML
41	19	Republic Bank (Guyana) Limited Pension Fund Scheme	DB	GTML
42	162	Retirement Savings Plan for Esso Exploration and Production Guyana Limited	DC	DML
43	150	Rubis Guyana Inc. Pension Plan	DC	DML
44	47	Sterling Products Limited Pension Plan	DB	TCGL
45	18	Sugar & Trading Enterprises Pension Scheme	DB	HIHTC
46	128	TCL Guyana Incorporated Group Annuity Scheme	DC	DML
47	21	The Pension Fund of the Guyana and Trinidad Mutual Fire Insurance Company Limited	DB	GTML
48	113	The Caribbean Containers Incorporated Pension Plan	DC	GTML
49	101	The Pension Plan for the Sales Representatives of the Guyana and Trinidad Mutual Insurance Companies	DB	GTML
50	103	U-mobile Incorporated Pension Plan	DC	HIHL

Source: Insurance and Pensions Supervision Department, Bank of Guyana

**TABLE 1.2: LIST OF ACTIVE AND UNREGISTERED PLANS 2021-2022**

No.	Plan no.	Name	Plan Type	Plan Manager
1	163	Air Services Limited	DC	GTML
2	104	Anna Regina Town Council Pension Plan	DC	HIHL
3	114	Banks DIH Limited Pension Scheme	DB	DML
4	140	Bauxite Industry Inc. Pension Plan	DC	GTML
5	142	Camex Limited Pension Plan	DC	HIHL
6	124	Camex Restaurant Incorporated Pension Plan	DC	HIHL
7	143	Campus Crusade for Christ, Guyana Pension Plan	DC	Assuria
8	25	Correia Group of Companies Ltd. Pension Plan	DB	TCGL
9	10	Demerara Mutual Life Assurance Society Ltd Pension Plan Office Staff	DB	DML
10	11	Demerara Mutual Life Assurance Society Ltd. Pension Plan (Sales Rep.)	DB	DML
11	155	DeSincro Limited Pension Plan	DC	SA - De Sincro Limited
12	151	Edward B. Beharry Ltd. Pension Plan	DC	SA
13	130	Gizmos and Gadgets Pension Plan	DC	DML
14	157	Guyana Conference of Seventh-day Adventists	DC	Assuria
15	16	Guyana Electricity Superannuation Pension Scheme (GPL)	DB	HIHTC
16	61	Guyana Forestry Commission Pension Plan	DC	DML
17	91	Guyana National Bureau of Standards Pension Plan	DC	HIHL
18	154	Guyana Public Service Credit Union	DC	GTML
19	27	Guyana Stockfeeds Inc. Pension Plan	DB	HIHL
20	94	Machinery Corporation of Guyana Ltd. Pension Plan	DC	HIHL
21	92	Marian Academy Inc. Pension Plan	DC	HIHL
22	87	Mayor & Town Council of the City of Georgetown Pension Plan	DB	GTML
23	45	New GPC Pension Scheme	DB	TCGL
24	161	New Room Inc.	DC	HIHL
25	160	PBS Technologies (Guyana) Inc.	DC	Assuria
26	122	Roraima Airways Incorporated Pension Plan	DC	HIHL
27	106	Sol Guyana Incorporated Pension Plan	DC	SA-Eckler Partners Ltd.
28	89	The Citizens Bank (Guyana) Inc. Pension Plan	DC	SA -Citizens Bank
29	80	Trust Company Guyana Ltd. Pension Plan	DC	GTML
30	147	University of Guyana Pension Plan	DB	SA-University of Guyana
31	100	Wieting and Richter Pension Plan	DB	SA - Wieting & Richter

Source: Insurance and Pensions Supervision Department, Bank of Guyana

**TABLE 1.3: LIST OF INACTIVE AND WINDING-UP PENSION PLANS 2021-2022**

No.	Plan no.	Plan Name	Plan Type	Plan Manager
1	13	Bauxite Industry Pension Plan	DB	HIHTC
2	62	Caricom Rice Mills Ltd. Pension Plan	DC	DML
3	31	Central Housing and Planning Authority Pension Plan	DB	HIHL
4	108	Consumer Goods Complex Limited Pension Plan	DC	DML
5	107	Cops (Guyana) Limited Pension Plan	DC	DML
6	148	Demerara Sandbach Pension Scheme	DB	TCGL
7	22	Diocese of Guyana Pension Plan	DB	GTML
8	83	East Demerara Water Conservancy Board Pension Plan	DC	GTML
9	23	Frances De Caries & Co Ltd. Pension Plan	DB	GTML
10	57	Friendship Slipway & Co. Ltd. Pension Plan	DC	DML
11	68	Guyana Congregational Union Pension Plan	DC	DML
12	69	Guyana Rice Development Board Pension Plan	DC	DML
13	15	Guyana School of Agriculture Pension Plan	DB	HIHTC
14	145	Guyana Telephone & Telegraph Company Limited	DB	TCGL
15	46	Hand in Hand Staff Pension Plan	DB	TCGL
16	58	John Fernandes Insurance Services Limited Pension Plan	DC	DML
17	9	John Fernandes Limited Pension Plan	DB	DML
18	97	Linden Mining Enterprise Thrift Pension Plan	Unclear	HIHTC
19	98	Mahaica Mahaicony Abary Agriculture Development Authority Pension Plan	Unclear	HIHTC
20	66	Moravian Church Pension Plan	DC	DML
21	17	National Agricultural Research Institute Pension Plan	DB	HIHTC
22	102	National Data Management Authority Pension Plan	DC	GTML
23	76	National Data Management Authority Pension Plan	DC	GTML
24	63	PBS Investment Limited Pension Plan	DC	DML
25	137	Rosebel Gold mines N. V Pension Plan	DC	GTML
26	81	Sugar Industry Labour Welfare Fund Committee Pension Plan	DC	GTML
27	37	The Guyana National Industrial Co. Inc. Pension Scheme	DB	HIHTC

Source: Insurance and Pensions Supervision Department, Bank of Guyana

*- Inactive plans receive no contributions but still contain assets

**TABLE 1.4: LIST OF WOUND UP PLANS 2022**

No.	Plan No.	Plan Name	Plan Type	Plan Manager
1	30	Ansa Mcal Trading Ltd Pension Plan	DB	HIHL
2	51	Banks DIH Flexible Premium Annuity Pension Plan	DC	CLICO
3	82	C&F Meat Centre Pension Plan	DC	GTML
4	56	C.A. Phillips Limited Pension Plan	DC	DML
5	75	Camex Ltd. Pension Plan	DC	GTML
6	73	Central Garage Ltd. Pension Plan	DC	GTML
7	159	CFI Pension Plan	DB	HIHTC
8	53	Clico Life & General Insurance Co.(SA) Agents Pension Plan	DC	CLICO
9	54	Clico Life & General Insurance Co.(SA) Staff Pension Plan	DC	CLICO
10	6	Continental Group of Companies Pension Plan	DB	CLICO
11	48	Demerara Power Company Pension Plan	DC	CLICO
12	20	Demerara Tobacco Company Ltd. Pension Plan	DB	GTML
13	84	Evangelical Lutheran Church in Guyana Pension Plan	DC	GTML
14	44	GEB Pension Plan	DB	TCGL
15	95	Grains Guyana Ltd. Pension Plan	DC	HIHL
16	55	Guyana Agriculture & General Workers' Union Pension Plan	DC	CLICO
17	3	Guyana Bank for Trade and Industry Ltd. Pension Plan	DB	CLICO
18	67	Guyana Broadcasting Corporation Pension Plan	DC	DML
19	77	Guyana Energy Agency Pension Plan	DC	GTML
20	8	Guyana Fertilizers Ltd. Pension Plan	DB	CLICO
21	99	Guyana National Co-operative Bank Plan	DC	CLICO
22	96	Guyana Natural Resources Agency Pension Plan	Unclear	GTML
23	49	Guyana Office for Investment Pension Plan	DC	CLICO
24	136	Guyana Office for Investment Pension Plan	DC	DML
25	88	Guyana Presbyterian Church Pension Plan	DC	GTML
26	52	Guyana Revenue Authority Pension Plan	DC	CLICO
27	85	Guyana Water Inc. Pension Plan	DC	GTML
28	158	GUYMIDA Pension Plan	DB	HIHTC
29	24	Humphrey & Company Ltd. Pension Plan	DB	GTML
30	4	Kayman Sankar and Company Ltd. Pension Plan	DB	CLICO
31	97	Linden Mining Enterprise Thrift Pension Plan	Unclear	HIHTC
32	50	Linden Power Company Pension Plan	DC	CLICO
33	5	Linden Town Council Pension Plan	DB	CLICO
34	60	Little Equipment Repairs & Bunkering Services Limited Pension Plan	DC	DML



35	72	Mae's Under 12 School Pension Plan	DC	GTML
36	64	Mards Rice Milling Complex Limited (Georgetown) Pension Plan	DC	DML
37	86	Marics & Company Limited Pension Plan	DC	GTML
38	66	Moravian Church Pension Plan	DC	DML
39	26	National Frequency Management Unit Pension Plan	DB	HIHL
40	7	New Guyana Marketing Corporation (DAP) Pension Plan	DB	CLICO
41	71	Omai Gold Mines Ltd. Pension Plan	DC	GTML
42	137	Rosebel Gold Mines N. V Pension Plan	DC	GTML
43	105	Rubis West Indies Limited (Guyana) Pension Plan	DB	NALICO
44	2	Shell Antilies & Guianas Ltd. Pension Plan	DB	CLICO
45	1	Singer Sewing Machine Company (Staff) Pension Plan	DB	CLICO
46	74	Sodexhp Marriott Ltd. Pension Plan	DC	GTML

Source: Insurance and Pensions Supervision Department, Bank of Guyana

**TABLE 1.5: LIST OF PENSION PLANS REGISTERED 2022**

<i>No.</i>	Plan No.	Pension Plan	Plan Type	Plan Manager	Effective Date*
<i>1</i>	28	Guyana Civil Aviation Authority Pension Plan	DB	HIHL	8-Mar-02
<i>2</i>	59	Rentokil (Guyana) Ltd. Pension Plan	DC	DML	1-Jan-93
<i>3</i>	149	Apex Insurance Brokers Pension Scheme	DC	HIHL	1-Oct-18
<i>4</i>	156	Express International Incorporated Pension Plan	DC	ASSURIA	1-Nov-21
<i>5</i>	162	Retirement Savings Plan for Esso Exploration and Production Guyana Limited	DC	DML	1-Jun-21

Source: Insurance and Pensions Supervision Department, Bank of Guyana



ANNEXE 2: ASSET LIABILITY PROFILES

TABLE 2.1: TOTAL INDUSTRY ASSETS 2021-2022

<i>G\$ millions</i>		
	2021	2022
No. of reporting pension plans	110	109
TOTAL INDUSTRY ASSETS	98,795	119,136
Asset Growth Rate	21.03%	20.59%
Cash Deposits	15,259	15,536
Stocks and Shares in Companies	28,227	28,227
Corporate Bonds & Debentures	5,747	5,130
Securities of Governments	4,483	4,822
Mortgage Loans and Advances	211	171
Deposit Administration Contracts	15,344	16,025
Real Estate	-	-
Other Investments (Mutual Funds)	2,270	2,373
TOTAL INVESTMENTS	88,072	110,546
Non-Invested Assets	10,723	8,590
Total Industry Liabilities	62,870	67,585
Actuarial Liabilities (DB plans)*	51,028	54,116
Accumulated Account Balances (DC plans)	11,842	13,470

Source: Insurance and Pensions Supervision Department, Bank of Guyana

Note:

Registered Plans – This represents plans fully registered under the Insurance and Pensions Act of 1998.

Unregistered Plans – Plans with incomplete or pending applications, including inactive plans.

DB – means defined benefit plans, and DC – means defined contribution plans.

Investment arrangements describe investments in deposit administration contracts and group pension funds sold by life Insurance and Pensions companies.

Cash deposits are inclusive of certificates of deposit and cash held at commercial banks.

Government securities comprise treasury bills and government-issued bonds & debentures.

Non-invested assets represent receivables (debtors, interest, and taxes recoverable)

*- Unaudited data used; therefore, liabilities match assets. Audited data unavailable

**TABLE 2.2: GEOGRAPHICAL ALLOCATION OF PENSION ASSETS 2021-2022**

Y E A R	Regions	Total Assets	Total Investments	Government Securities	Corporate Bond Adventures	Cash Deposits	Stocks and Shares in Companies	Loans and Advances	Deposit Administration Contracts	Real Estate	Other Investments	Other Assets
	<i>G\$ millions</i>											
2 0 2 1	Total	98,795	88,072	4,483	5,747	15,259	44,758	211	15,344	-	2,270	10,723
	Guyana	77,756	69,770	1,268	1,232	8,900	41,242	211	15,122	-	1,794	7,986
	CARICOM	11,255	9,787	667	1,950	5,934	999	-		-	236	1,469
	Rest of the world	9,783	8,515	2,548	2,564	424	2,517	-	222	-	240	1,268
2 0 2 2	Total	119,136	110,546	4,822	5,130	15,536	66,488	171	16,025	-	2,373	8,590
	Guyana	98,372	92,761	1,618	1,127	9,193	63,082	171	15,534	-	2,036	5,611
	CARICOM	11,530	9,698	604	1,790	5,918	901	-	262	-	223	1,832
	Rest of the world	9,234	8,087	2,600	2,213	425	2,505	-	229	-	115	1,147

Source: Insurance and Pensions Supervision Department, Bank of Guyana

Note: *Other Investments include mutual funds

**TABLE 2.3: PENSION ASSET INVESTMENTS BY PLAN ADMINISTRATOR 2021-2022***G\$ millions*

	Total Assets	Securities of Government	Private Securities	Cash Deposits	Stocks and Shares in Companies	Loans and Advances	Investment Arrangements	Real Estate	Other Investments	Total Investments	Cash at Bank	Non-Invested Assets
2021	98,795	4,483	5,747	15,259	44,758	211	15,344	-	2,270	88,072	8,735	1,988
Insurers	19,779	1,169	-	1,205	1,711	124	15,344	-	-	19,553	160	66
Trust Companies	69,155	1,076	5,747	13,392	39,094	23	-	-	2,260	61,592	6,536	1,027
Self-Administered	9,861	2,239	-	661	3,953	64	-	-	10	6,927	2,039	895
2022	119,136	4,822	5,130	15,536	66,488	171	16,025	-	2,373	110,546	7,321	1,269
Insurers	21,712	1,519	-	1,086	2,636	92	16,025	-	-	21,358	313	41
Trust Companies	87,554	1,013	5,130	13,781	58,327	23	-	-	2,363	80,638	5,739	1,177
Self-Administered	9,869	2,290	-	669	5,524	57	-	-	10	8,549	1,269	51

Source: Insurance and Pensions Supervision Department, Bank of Guyana



**TABLE 2.4: SECTORAL INTEGRATION OF ASSETS INVESTED IN GUYANA
2021-2022**

G\$ millions

	2021	2022
BANKING SYSTEM	12,281	11,120
Cash at Bank	5,953	4,819
Fixed Deposits	6,328	6,302
PUBLIC SECTOR	1,268	1,528
Treasury bills	1,268	1,611
Bonds/Debentures/ Shared Plan	-	-83
Local Government Sectors	-	-
PRIVATE SECTOR	65,400	73,932
Shares	41,242	62,265
Mortgage/Loans	211	171
Bonds/Debentures/ Shared Plan	1,232	806
NBFIs	5,798	-6,728
Real Assets	-	-
Pooled Funds (Deposit Administration)	15,122	15,538
Others	1,794	1,880
TOTAL LOCALLY INVESTED ASSETS	78,950	86,581

Source: Insurance and Pensions Supervision Department, Bank of Guyana



ANNEXE 3: CLASSIFICATION DESCRIPTIONS & METHODOLOGIES

TABLE 3.1: CLASSIFICATION DESCRIPTIONS & METHODOLOGIES

PENSION ASSETS BY INVESTMENT CATEGORIES

Cash Deposits	Cash are current account and other short-term savings in the financial system. Deposits are funds 'placed on deposit' with a financial institution that include certificates of deposit.
Stocks and Shares in Companies	All forms of shares in the capital of enterprises, quoted shares, and other equities of listed companies on a stock exchange.
Corporate Bonds	Corporate bonds refer to fixed interest securities or bonds or debentures issued by companies, including financial and non-financial enterprises. These are private sector issued and represent fixed term investments having a fixed maturity date or dates for the repayment of principal.
Securities of Governments	These include treasury bills and bonds issued or guaranteed by central and local governments. They are fixed-term investments having a fixed maturity date or dates for the repayment of principal.
Mortgage Loans	Mortgage loans are inclusive of mortgages and other loans, including other instalment credits and all other types of loans.
Investment Arrangements	Investment arrangements are also referred to as deposit administration contracts. They represent retirement savings instruments provided by life Insurance and Pensions companies with (usually) a guaranteed investment return (e.g. guaranteed investment contracts). In these Insurance and Pensions contracts, the underlying assets belong to the pension plan/fund, not to the Insurance and Pensions company.
Real Estate	This refers to pension fund investments in real estate or property.
Other Investments	Pension fund investments that not included in the above categories.
Non-invested Assets	Non-invested assets represent current account assets, including all types of receivables (debtors, interest and taxes recoverable). Current account cash at bank is excluded.



PENSION PLAN/FUND LIABILITIES

Actuarial Liabilities

Actuarial liabilities represent the going concern liabilities of pension plans (mainly defined benefit plans) valued by a plan Actuary. The liabilities calculated are based on actuarial assumptions, including demographic and financial assumptions, which represent the present value of the pension benefits accrued in a pension plan.

Accumulated Account Balances

This represents the accumulated cash contributions (employer's and members' contributions) into defined contribution pension plans plus accumulated interest earned from the investment of contributions.

Operating/Other Liabilities

Operating liabilities refer to current liabilities, including creditors and accruals, refund of contributions payable, unpaid pensionable benefits, and all other types of payables.

Defined benefit

A pension plan where the benefits payable to members or beneficiaries are calculated according to a formula in the plan rules that relates the benefits payable to the salary of each member at a time, or averaged over a period of time, as specified in the plan rules.

Defined contribution

A pension plan where the benefits payable to each member are determined according to the balance in that member's individual account on the date of leaving the plan, where the method of accrual to that account is specified in the plan rules.

Fully Registered Plans

Pension plans registered under the Insurance and Pensions Act of 1998 by the Bank of Guyana and previously by the Commissioner of Insurance.



**TABLE 3.2:
FINANCIAL ASSESSMENT RATIOS AND METHODOLOGIES**

RATIOS	DESCRIPTION	METHODOLOGY
FINANCIAL ASSESSMENT/SOUNDNESS RATIOS		
SYSTEMIC RISK	Systemic risk is the possibility that an event at the company level could trigger severe instability or collapse of the pensions sector or local economy. This is monitored by analysing companies' pension assets and comparing the pension sector's assets with GDP, total financial assets and total assets of NBFIs respectively, and all ratios are expressed as percentages.	<p>Pension assets ÷ GDP (%)</p> <p>Pension assets ÷ total financial assets (%)</p> <p>Pension assets ÷ total NBFI assets</p>
LIQUIDITY RISK	Liquidity risk refers to the underlying risk wherein short-term financial obligations cannot be met. The level of liquidity is the relative value of liquid assets or accounts to liabilities expressed as a percentage figure. The liquidity ratio is the ratio of liquid assets to cover immediate liabilities or higher than expected benefit payments without incurring substantial or material losses.	Sum of liquid accounts (include all pension asset classifications with maturity of one year or less) ÷ total liabilities
SOLVENCY RISK	The relative value of schemes' total assets and total liabilities is expressed as a percentage figure. The ratio measures the adequacy of pension assets in meeting pensionable obligations (liabilities). If a plan is deemed solvent, then it is able to meet its financial obligations at that date, moreover, if the plan is fully funded, then it is able to meet its long-term and future service obligations.	Total pension assets ÷ total liabilities
MARKET RISK	Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer, or factors affecting all securities traded in the market. Foreign exposure and equity exposure are contributing factors of market risk.	<p>Foreign exposure (%) = pension assets held in foreign currency ÷ total pension assets</p> <p>Equity exposure (%) = pension assets held as equity ÷ total pension assets</p>



FOREIGN EXPOSURE OF PENSION ASSETS	The proportion of pension assets invested outside of the Republic of Guyana or investments in a foreign currency other than the Republic of Guyana dollar, expressed as a percentage of total assets.	Foreign investments ÷ total assets
EQUITY EXPOSURE OF PENSION ASSETS	The proportion of pension assets invested in shares of traded companies listed on a stock exchange (both locally and overseas) is expressed as a percentage of total assets.	Equity investments ÷ total assets
CREDIT RISK	Credit risk is the risk of loss arising from a counter-party to a financial contract failing to discharge its obligations. A pension plan with material receivable accounts or that has material long-term investments is exposed to significant credit risk.	Private bonds ÷ total bonds
ACCOUNTS RECEIVABLE TO TOTAL ASSETS	The proportion of current assets as receivables expressed as a percentage of total assets.	Receivables ÷ total assets
INFLATION RISK	Inflationary risk refers to the risk that inflation will undermine the performance of an investment. Inflation risk is especially applicable to pension funds when there is volatile domestic inflation that negatively impacts real interest earnings. This is measured by monitoring the rates of return on investments.	
RATE OF RETURN ON INVESTMENTS	ROI measures the performance of pension plan/fund investments at the end of the year. It can be expressed in nominal and real terms, for which the latter takes into consideration the influence of price inflation. It is calculated using a common formula for the average nominal net investment return (ratio between the net investment income at the end of the year and the average level of investments during the year). The average real net investment returns have been calculated using the nominal interest rate (as described	<p>Nominal rate: net investment income ÷ ((total investments of the current year) + (total investments of the previous year)/ 2).</p> <p>Real rate: Nominal rate - price inflation</p>



above) and the variation of the consumer price index for the relevant year.

at the end of the year

EFFICIENCY & PROFITABILITY RATIOS

<i>NET INCOME TO TOTAL ASSETS</i>	The relative value of net income earned at the end of the year and total assets is expressed in percentage form. The net income ratio measures the level of profitability of pension plans and its contribution to the accumulated assets.	Net income ÷ total assets
<i>CONTRIBUTIONS TO TOTAL BENEFIT PAYMENTS</i>	The relative value of contributions received from members and on behalf of members and the total benefits paid out of pension funds. This ratio is a measure of profitability and efficiency.	Contributions received (members' and employer's) ÷ total benefit related payments (pensions, lump sums, death benefits, withdrawal benefits etc.).
<i>OPERATING EXPENSES TO INVESTMENT INCOME</i>	The relative value of operating expenses or all expenses related to the administration or management of pension plans and investment income expressed in percentage form. This ratio is a measure of efficiency.	Operating expenses ÷ net investment income



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