



# PRIVATE OCCUPATIONAL PENSIONS SECTOR

## ANNUAL REPORT 2023

Insurance and Pensions Supervision Department  
Bank of Guyana



## **AIMS OF THE REPORT**

**To provide a summary of the sector's current and projected challenges.**

**To provide a holistic view of the private pension sector in Guyana, including an overview of the Bank of Guyana's supervisory practices as of end-December 2023. Data tables from 2022-2023 are used for background information.**

**Presenting proposals for the way forward, particularly regarding public sensitization on the pensions sector and the passage of the draft Private Pensions Law in accordance with the World Bank's FIRST initiative.**



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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 being submitted quarterly. As a result, the Bank has greater oversight of the management of private pensions.
- c. The report also includes sections on micro-pensions and pension literacy within Guyana's private pension system.
- d. Statistics from the Guyana Labour Force Survey 2023 (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   |
|---------------|---|
| <b>DAC</b>    | Deposit Administration Contract                     |
| <b>DB</b>     | Defined Benefit                                     |
| <b>DC</b>     | Defined Contribution                                |
| <b>GDP</b>    | Gross Domestic Product                              |
| <b>GLFS</b>   | Guyana Labour Force Survey                          |
| <b>LAC</b>    | Latin America and the Caribbean                     |
| <b>NBFI</b>   | Non-Bank Financial Institution                      |
| <b>NPAP</b>   | National Pensions Awareness Programme               |
| <b>OECD</b>   | Organisation for Economic Cooperation & Development |
| <b>SA</b>     | Self-Administered/Self-Managed                      |
| <b>SPP</b>    | Simplified Pension Plan                             |



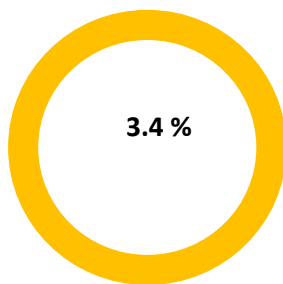
### 3. PRIVATE PENSION SECTOR HIGHLIGHT

## 2023 PRIVATE PENSION SECTOR HIGHLIGHTS

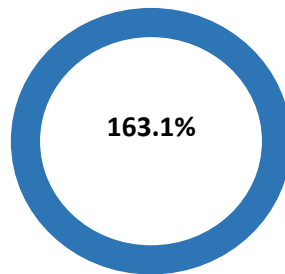
114.6

BILLION

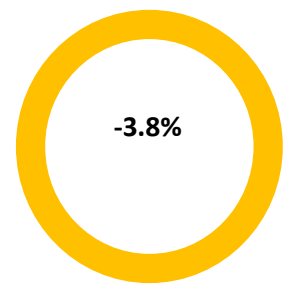
TOTAL ASSETS (\$)



Pension Assets as a  
percentage of GDP



Combined Sector Solvency

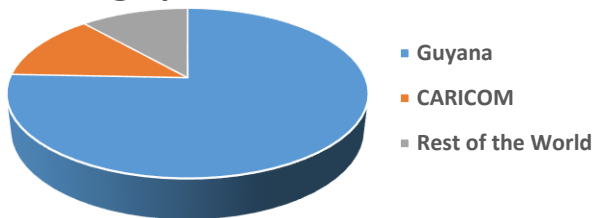


Increase in Total  
Assets from 2018

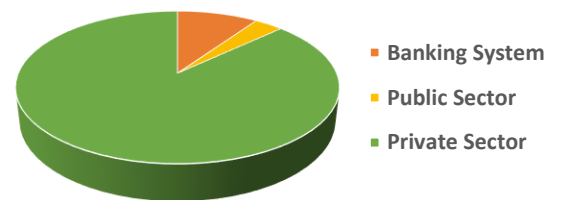
16,955

MEMBERSHIP

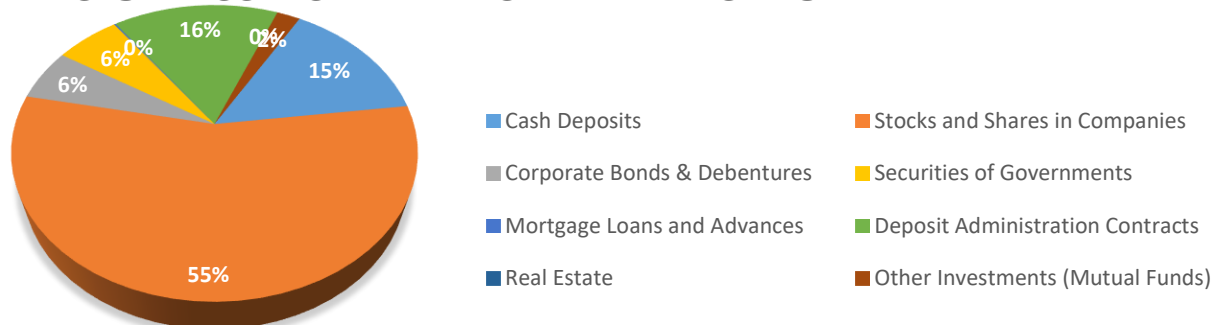
#### Geographical Allocation



#### Sectoral Allocation



### PENSION ASSETS BY INVESTMENT INSTRUMENT





## 4. EXECUTIVE SUMMARY

The assets of 113 reporting private pension schemes totalled \$114.6 billion as at 31 December 2023. This represented a decrease of approximately \$4.5 billion or 3.8 percent from the corresponding period of the previous year, reflecting steady growth in total pension assets despite the slight decline.

The private pension sector assets decreased to 3.4 percent of GDP in 2023, retaining relatively small macro-influence as a sector. In contrast, according to the Global Pensions Asset Study (2024)<sup>1</sup>, assets in pension funds exceeded the size of the domestic economy in five (5) countries: the Netherlands (159.0%), Switzerland (150.3%), Canada (146.6%), Australia (145.0%) and the United States (132.1%). The sector also demonstrated its influence as an institutional investor, accounting for 23.8 percent of the total assets of NBFIs in 2023.

The issue of limited coverage was one of the key findings to be noted for 2023. The number of reporting plans increased by two (2) DC plans, to 113 reporting plans. 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 14.6 percent relative to current liabilities.

In 2023, the funding level of private occupational plans observed an overall ratio of 163.1 percent compared with the funding ratio of 220.2 percent in 2022. The sector yielded significantly low, decreased real rates of return on invested assets in 2023, i.e., 2.3 percent. As a percentage of total assets, foreign assets represented approximately 20.2 percent at the end of 2023, a 2.8 percentage point increase from 2022. Foreign investments are increasingly being monitored.

The trend of DC plans becoming increasingly popular among employers was also noted, with almost 74 percent of plans being DC. DB plans, however, continued to boast higher asset totals, accounting for 87.2 percent of total pension assets. Contrastingly, the P7 markets, which represent the seven (7) largest pension markets in the world, saw 58

<sup>1</sup> Thinking Ahead Institute (WTW). Global Pension Assets Study 2024. Retrieved from <https://www.thinkingaheadinstitute.org/content/uploads/2024/02/GPAS-2024.pdf>



percent of their assets allocated towards DC Plans (Global Pensions Study, 2024). 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.

A comprehensive law, the Private Pensions Act, is being drafted to reform the sector and to mitigate the existing supervisory challenges and poor industry practices. The new law is geared towards changes that would improve efficiency, sustainability, coverage and adequacy with the objective to ensure adequate and sustainable benefits.

Further, the Bank intends to undertake a country-wide initiative to address pension literacy across Guyana. The National Pensions Awareness Programme (NPAP) seeks to assist members of the public with their pension literacy and aims 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 Guyana's private occupational pension sector, and all supervisory statutes are contained in Part XVI of the Insurance Act 1998.

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

Despite current legislation, there remains a need for regulatory reform, which was taken into account in the Bank's Strategic Plan for the period 2023-2027. The Bank's objectives, target dates and outcomes on the pension sector for this period were as follows:

### 5.1 Supervisory Objectives

| FIVE (5) YEAR STRATEGIC PLAN (2023-2027)  |  |
|---|--|
| Strategic Goal  | Outcome  |
| <p>1. Strengthen the legislative and regulatory framework for pension plans:</p> <ul style="list-style-type: none"> <li>Finalise draft of new Pensions Act.</li> <li>Prepare regulations to implement the new Pensions Act.</li> </ul>  | <p>Commenced and ongoing.</p> <p>Feedback from the previous rounds of consultations and industry experts for the Pensions Act is being incorporated into a new draft Act.</p> <p>Regulations are currently in draft.</p>   |
| <p>2. Implement an effective and efficient regulatory regime for the pensions sector:</p> <ul style="list-style-type: none"> <li>Develop guidance on the governance and prudential requirements for the pensions sector as per the new Pensions Act.</li> <li>Develop and upgrade supervisory tools and techniques such as improved risk-rating tools,</li> </ul> | <p>The following guidance has commenced and is ongoing:</p> <ul style="list-style-type: none"> <li>a. Pension Plan Governance</li> <li>b. Fit and proper guidelines for individual trustees</li> <li>c. Pension Plan registration</li> <li>d. Conversion from DB to DC Plans and vice-versa</li> <li>e. New requirement of trustees' knowledge and understanding of investment decision-making. The Code of Practice for Internal</li> </ul> |



|  |   |
|--|---|
| on-site supervision, and risk-based supervision. | <p>Controls within Pension Schemes was being drafted.</p> <ul style="list-style-type: none"><li>f. Second draft of Trustees' Handbook has commenced.</li><li>g. Guidance/best practices for dealing with conflicts of interest in pension plan management.</li></ul> <p>On-site inspection groundwork for the pension sector commenced.</p> |
|--|---|



## 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. Compliance issues were often flagged by the Regulator; however, without effective mandatory controls or an existing penalty regime, effective resolution of the issues was not possible.

Coverage of private plans remained constrained owing to the system's voluntary nature, where reporting pension plans cover only 6.0 percent of the total employed labour force, compared with OECD countries, where more than half of the working-age population are covered by voluntary pension plans, either occupational or personal.<sup>2</sup> According to Pensions at a Glance 2023, the highest rates of coverage are more than 75 per cent for eight OECD countries: Belgium, Canada, Estonia, Germany, Ireland, Lithuania, New Zealand, and the United States<sup>3</sup>. Moreover, these countries' private pensions coverage has generally been constant over recent years. However, only a few countries have experienced a substantial increase in coverage<sup>4</sup>. One notable case is New Zealand, where the coverage rate increased to approximately 89% of the working age population (18-64) as at the end of the first quarter (2024) from a low of under 15% before the introduction of the "Kiwisaver" Scheme in 2007<sup>5</sup>. This was based on automatic enrolment and government subsidies.

Guyana's low private pensions coverage may be attributed to limited financial literacy concerning the importance of having a private pension and also limited regulatory landscape pertaining to private pensions, thus contributing to the Sector's slow development.

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<sup>2</sup>OECD: Pensions Market in Focus 2022

<sup>3</sup> Pensions at a Glance 2023

<sup>4</sup> OECD working papers on Finance, Insurance and Private Pensions: Coverage of private pensions systems: evidence and policy options (2012)

<sup>5</sup> Financial Markets Authority: KiwiSaver Annual Report 2024,  
<https://www.fma.govt.nz/assets/Reports/KiwiSaver-Annual-Report-2024.pdf>



Many private pension plans have lengthy vesting periods, some as long 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 that continued to plague the sector in 2023 included high administrative costs charged by plan administrators vis-à-vis the low returns experienced. Plan Sponsors seek better investment opportunities, as local investments are limited, and this is compounded by investment restrictions stipulated in Section 112 of the Insurance 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 2023.

### 5.3 Regional Challenges

Low coverage remains the most persistent barrier to the success of private pensions in the LAC region due to entrenched labour market issues.

In 2022, the LAC region reported that 47.9% of economically active workers contributed to a pension or pension-type scheme, and pension coverage among older adults reached 74.1% when including both contributory and non-contributory pensions.<sup>6</sup> The contributory pensions system in Guyana consists of two pillars: National Insurance Scheme (NIS) Pension and Private Occupational Pension. The latter covers only approximately 5.75% of the labour force in 2019, increasing slightly to about 7.4% in 2020<sup>7</sup>, representing a significantly low coverage in the sector. A requisite of the contributory pensions system is that members need to hold a formal job throughout their working life. However, according to an IADB<sup>8</sup> article, only 52.8% of the economically active population has a formal job in the countries of Latin America and the Caribbean. Even in the formal labour force, not all employees will work full-time or stay in the same job. Consequently, many informal workers, independent workers and those who do not

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<sup>6</sup> ECLAC: Latin America and the Caribbean 30 Years on from the World Summit for Social Development, 2022

<sup>7</sup> Bank of Guyana: Private Occupation Pension Report 2019, 2020

<sup>8</sup> IDB: Pensions: An Urgent Call (2025) <https://www.iadb.org/en/pensions-urgent-call>



have stable employment have a greater chance of becoming economically marginalized in old age.

The future of work is evolving where many employees are participating in the gig economy, such as technology-driven cab services etc. As a result, it will become harder to work in the same job throughout one's life and workers will end up making sporadic payments to various pension plans. These workers can be disadvantaged if they do not meet the minimum years (vesting period) to be entitled to the employer's share of contribution. The employer's share of contributions will be remitted to the Plan should the member leave before the vesting period. This is especially more pronounced in DB Plans, as a large portion of the benefits is usually subsidized by the employer once the member is vested. For DC Plans, the benefit depends on the employee's and the employer's matching contribution (usually) and the fund's financial performance. Many in the informal and part-time workers will find it difficult to fully capture the benefits if the pensions system and regulatory landscape does not evolve to meet their unique needs.

With respect to Guyana's Occupational Pensions Sector, the very low coverage is attributed to the limited supervisory and regulatory capacity, lack of appropriate saving mechanisms and lack of financial literacy. This underscores the need for stronger regulatory frameworks and broader inclusion mechanisms to align with expanded coverage and improve retirement security.

According to a study<sup>9</sup> done by the International Labour Organisation titled "Overview of Social Protection in Latin America and the Caribbean", it states that it has become more challenging for Latin and Caribbean countries to achieve coverage, sufficiency and financial sustainability in pension systems. 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

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<sup>9</sup> Labour Overview Series: Overview of Social Protection Systems in Latin America and the Caribbean: Progress and Setbacks in the face of the Pandemic (2021)  
[https://www.ilo.org/sites/default/files/wcmsp5/groups/public/%40americas/%40oro-lima/%40sro-report of spain/documents/publication/wcms\\_824905.pdf](https://www.ilo.org/sites/default/files/wcmsp5/groups/public/%40americas/%40oro-lima/%40sro-report%20of%20spain/documents/publication/wcms_824905.pdf)



informality, disruption in work and production organisation, ageing populations, rising dependency ratios and increasing numbers of natural disasters.

#### 5.4 The Private Pensions Act (Draft)

The legislative and regulatory framework continues to be strengthened as feedback taken from the previous rounds of consultation is being incorporated in a new draft as part of the Strategic Plan Aims 2023-2027. Public consultation with several key industry stakeholders, including plan administrators and sponsors, will resume upon finalisation of the Act and the accompanying regulations. This included a subsequent round of consultations with respect to the Draft Act and a first round of consultations regarding the attendant regulations.

The current draft is a comprehensive revision of the draft Private Pensions Act produced in 2013, 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 the supervision 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 and standardise 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 thirteen (113) private pension plans reporting to the Bank every quarter, as at December 31, 2023. Thirty-nine (39) of these plans were classified as defined benefit (DB) and seventy-four (74) are defined contribution (DC). The plans collectively covered 16,955 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.

| <b>TABLE 1:<br/>PENSION PLAN MEMBERSHIP (2022-2023)</b> |               |          |               |          |
|---|---------------|----------|---------------|----------|
| <b>Year</b>   | <b>2022</b>   | <b>%</b> | <b>2023</b>   | <b>%</b> |
| <b>Number of Reporting Plans</b>                        | <b>111</b>    |          | <b>113</b>    |          |
| <b>Total Membership</b>                                 | <b>16,994</b> |          | <b>16,955</b> |          |
| <b>Active</b>   | 13,521        | 80       | 13,373        | 79       |
| <b>Deferred</b>   | 241           | 1        | 260           | 2        |
| <b>Pensioners</b>                                       | 3,232         | 19       | 3,322         | 20       |
| <b>Members in DB Plans</b>                              | 9,628         | 57       | 9,536         | 56       |
| <b>Members in DC Plans</b>                              | 7,366         | 43       | 7,419         | 44       |
| <b>Pension Coverage**</b>                               | 7%            |          | 7%            |          |
| <b>Annual Membership Growth Rate</b>                    | -5.53%        |          | -0.23%        |          |

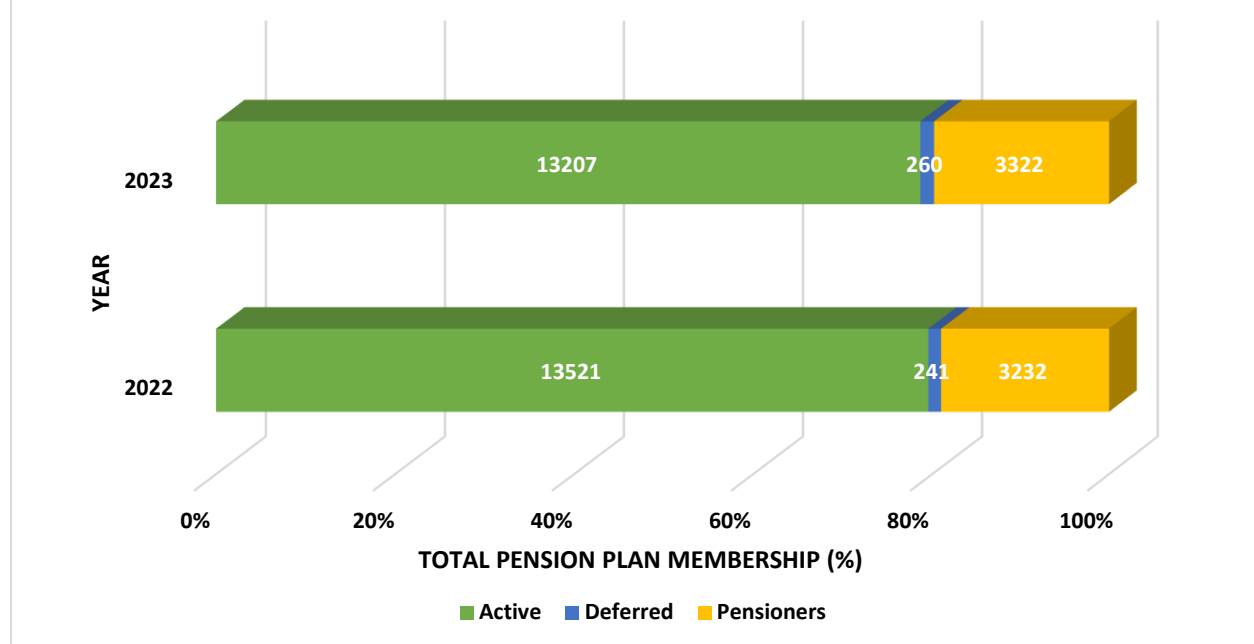
Source: Insurance and Pensions Supervision Department, Bank of Guyana

\*Coverage specifies the ratio of private pension coverage to that of the total labour force according to the GLFS Q4 2023

Membership growth decreased by 0.2 percent between 2022 and 2023. This decline could be attributed to a 7.8 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.

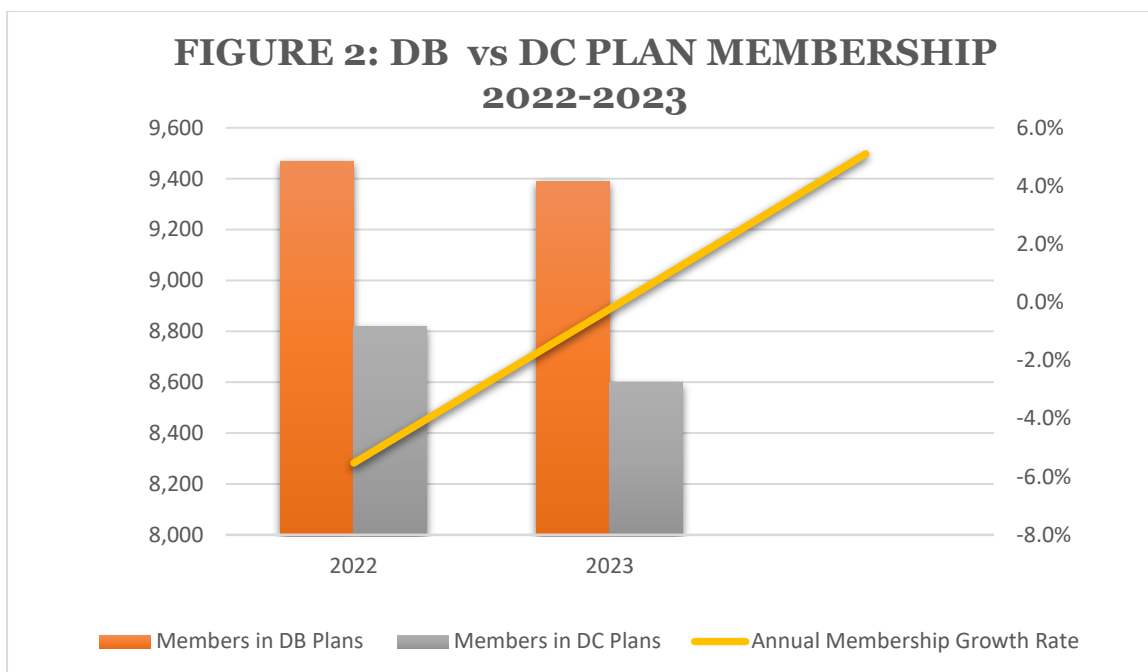


**FIGURE 1:  
PENSION PLAN MEMBERSHIP 2022-2023**



Source: Insurance and Pensions Supervision Department, Bank of Guyana.

Defined benefit (DB) plan membership was greater than that of defined contribution (DC), where DB membership accounted for more than half of total membership in both 2022 and 2023. Historically, despite having fewer DB plans, these pension plans have a greater combined membership than DC plans for the same period. From 2022 to 2023, 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 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 0.2 percent decrease in total membership from 2022 to 2023 was partly due to the negative economic impact resulting from the COVID-19 pandemic.



Source: Insurance and Pensions Supervision Department, Bank of Guyana

## 6.2 Registration and Coverage

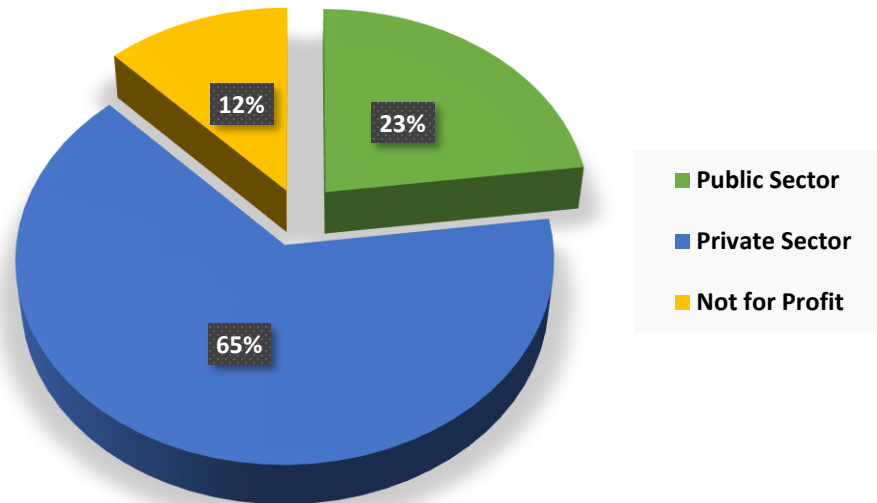
During the period 2022-2023, three (3) plans were registered and one (1) initiated winding-up proceedings. As of December 2023, there were fifty-three (53) active and registered plans, thirty (30) active and unregistered plans and thirty (30) plans were classified as unregistered and inactive; however, they still held assets to be paid out at a later date.

The private sector accounts for approximately 65 percent of the employed labour force<sup>10</sup>, wherein only 7.2 percent of the total employed population is accounted for in all private pension plans.

<sup>10</sup> Guyana Labour Force Survey, 2019 Q4, Bureau of Statistics



**FIGURE 3:  
SECTORIAL ALLOCATION OF THE TOTAL  
LABOUR FORCE 2023**



Source: GLFS 2023 Q4



## 7. ASSETS AND ASSET ALLOCATION

### 7.1 Macro-Influence of the Private Pension Sector

Given that the private sector accounts for approximately 65 % of the employed workforce in Guyana, the private pension industry holds significant potential for providing retirement income for many citizens.<sup>11</sup> Meanwhile, in advanced economies, public spending on old-age and survivor pensions averaged about 7.7 % of GDP in 2022<sup>12</sup>. In Guyana, the monthly Old Age Pension was increased from GYD \$25,000 in 2022 to \$28,000 in 2022, and then to \$33,000 in 2023, placing additional disposable income in the hands of more than 70,000 senior citizens<sup>13</sup>.

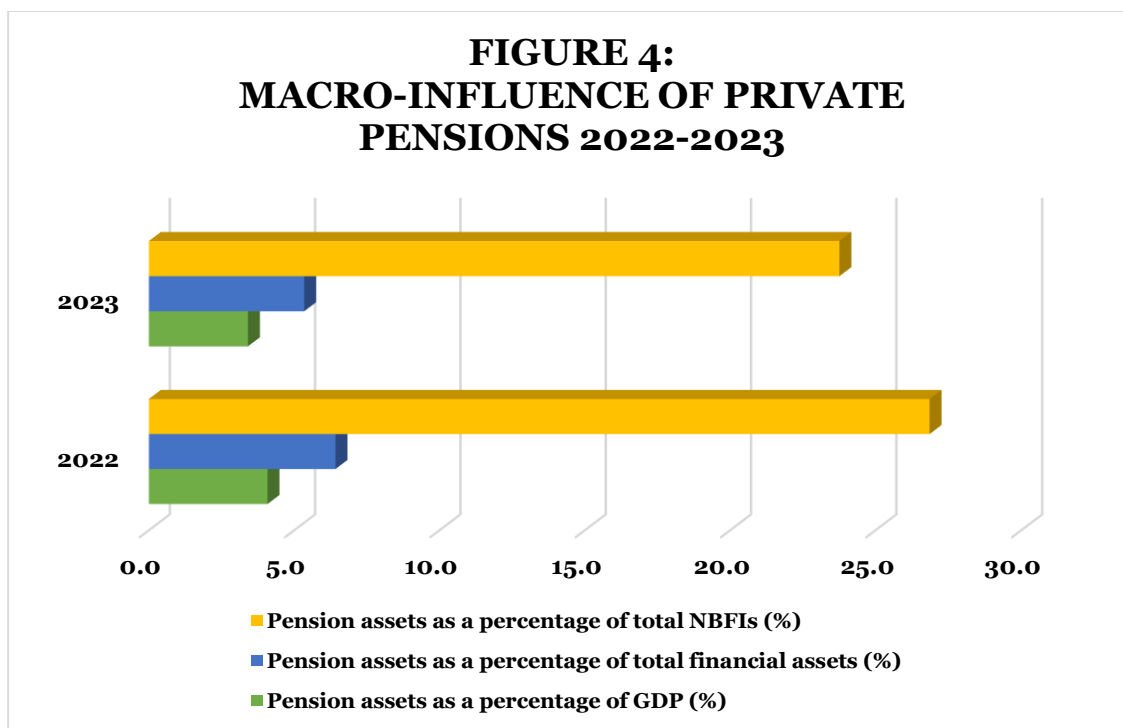
| TABLE 2:<br>MACRO-INFLUENCE OF PRIVATE PENSIONS 2020-2023    |      |      |
|--|------|------|
|  | 2022 | 2023 |
| Pension assets as a percentage of GDP (%)                    | 4.1  | 3.4  |
| Pension assets as a percentage of total financial assets (%) | 6.4  | 5.3  |
| Pension assets as a percentage of total NBFIs (%)            | 26.9 | 23.8 |

Source: Insurance and Pensions Supervision Department, Bank of Guyana

<sup>11</sup> Department of Public Information: Private sector accounts for more than half of Guyana's workforce, 2023.

<sup>12</sup> OECD: Society at a Glance 2024: OECD Social Indicators, 2024.

<sup>13</sup> Department of Public Information: Budget for Public Assistance, 2022



Source: Insurance and Pensions Supervision Department, Bank of Guyana

The private pension sector saw its assets decrease from 4.1 percent in 2022 to 3.4 percent of GDP in 2023, retaining relatively small macro-influence as a sector. The industry showed its influence as an institutional investor by accounting for 24 percent of non-bank financial institutions (NBFI) assets and 5 percent of total financial assets. With the forthcoming 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 113 reporting private pension schemes totalled \$114.6 billion as at December 2023. This was a minor decrease of approximately \$4 billion or 3.8 percent for the corresponding period of the previous year, which reflects the impact of the decrease in value of investments, particularly emanating from stocks and shares.



## 7.3 Allocation of Pension Fund Assets

### 7.3.1 Allocation By Registration Status

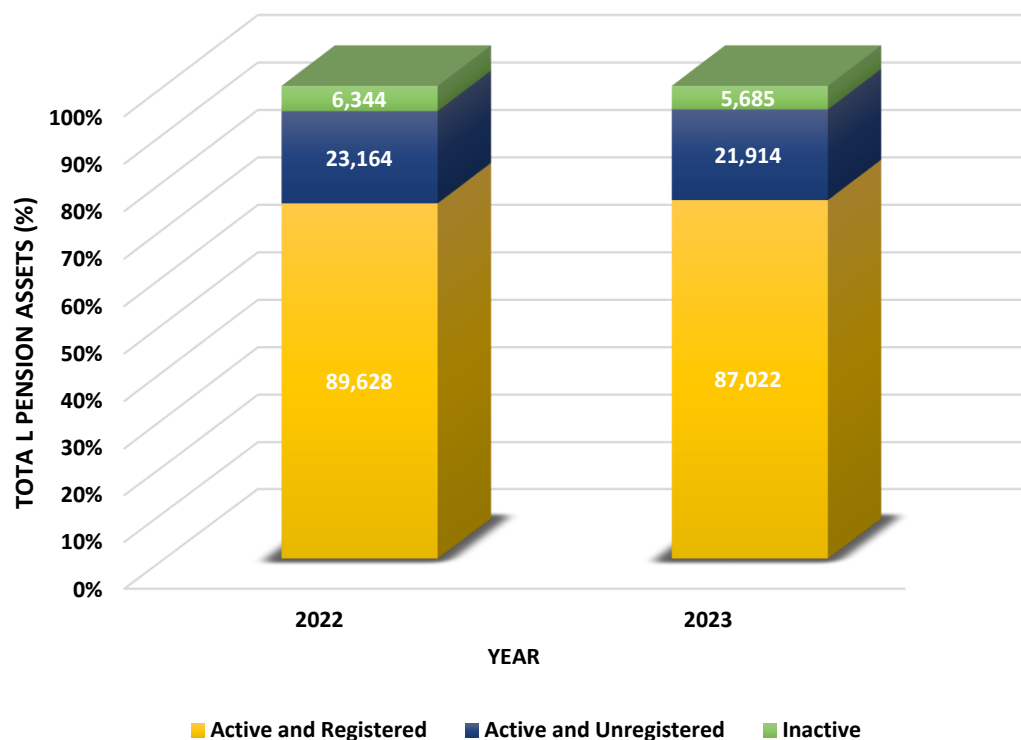
Approximately 75.9 percent of total private pension assets belonged to registered pension plans as of December 2023. Active and unregistered plans in comparison accounted for approximately 19.1 percent of total private pension assets. Lastly, inactive plans accounted for 5.0 percent of plans. Inactive plans are those plans that would have been terminated, but assets have yet to be distributed.

| TABLE 3: ACTIVE vs INACTIVE PENSION ASSETS 2020-2023 |         |         |
|--|---------|---------|
|  | 2022    | 2023    |
| No. of Reporting Plans                               | 111     | 113     |
| Total Assets   | 119,136 | 114,622 |
| Active and Registered                                | 89,628  | 87,022  |
| Active and Registered/ Total Assets (%)              | 75.2%   | 75.9%   |
| Active and Unregistered                              | 23,164  | 21,914  |
| Active and Unregistered/ Total Assets (%)            | 19.4%   | 19.1%   |
| Inactive   | 6,344   | 5,685   |
| Inactive/ Total Assets (%)                           | 5.3%    | 5.0%    |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



**FIGURE 5:  
PENSION ASSETS BY STATUS 2022-2023**



Source: Insurance and Pensions Supervision Department, Bank of Guyana

### 7.3.2 Allocation by Plan type

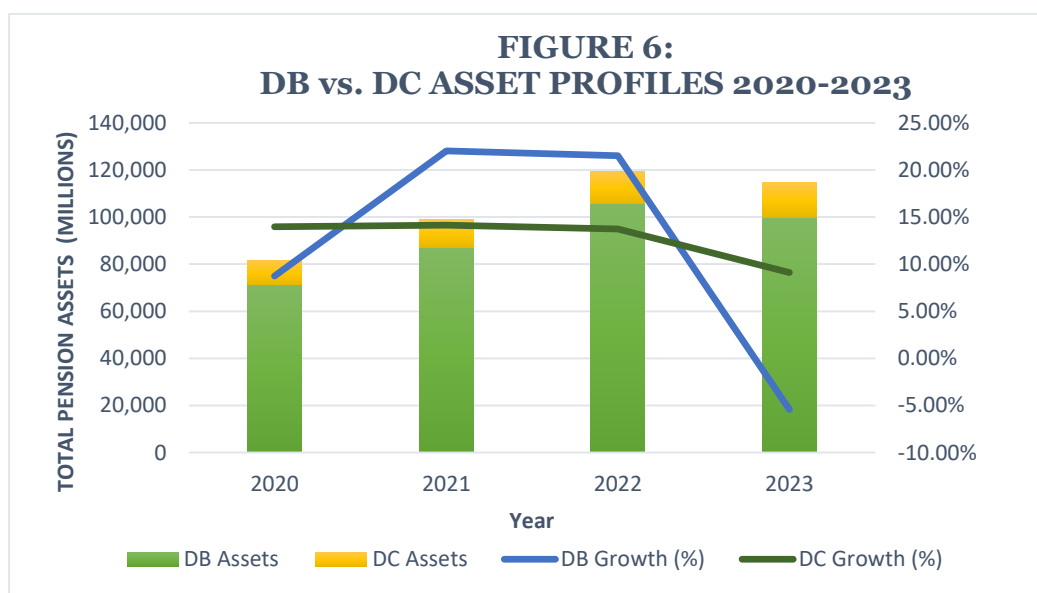
Defined benefit (DB) portfolios continued to outweigh those of the defined contribution (DC) type, with higher overall asset totals. This is mainly attributable to larger DB plan memberships and longer asset retention periods, given the historical prominence and lengthy vesting periods commonly occurring 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:<br>DB vs DC ANNUAL GROWTH 2022-2023 |         |         |
|--|---------|---------|
| G\$ millions                                 | 2022    | 2023    |
| <b>DB Assets</b>                             | 105,666 | 99,925  |
| DB Asset Allocation (%)                      | 88.7%   | 101.1%  |
| DB Growth (%)                                | 21.5%   | -5.4%   |
| <b>DC Assets</b>                             | 13,470  | 14,697  |
| DC Asset Allocation (%)                      | 11.3%   | 14.9%   |
| DC Growth (%)                                | 13.7%   | 9.1%    |
| <b>TOTAL Assets</b>                          | 119,136 | 114,622 |

Source: Insurance and Pensions Supervision Department, Bank of Guyana

Although DB plans traditionally reflect higher growth margins, growth declined by 5.4 percent in 2023. This decrease may be attributed to an 11 percent decrease in investments in equities. In Contrast, the continued expansion of DC plans resulted in a 9.1 percent growth for the same period.



Source: Insurance and Pensions Supervision Department, Bank of Guyana



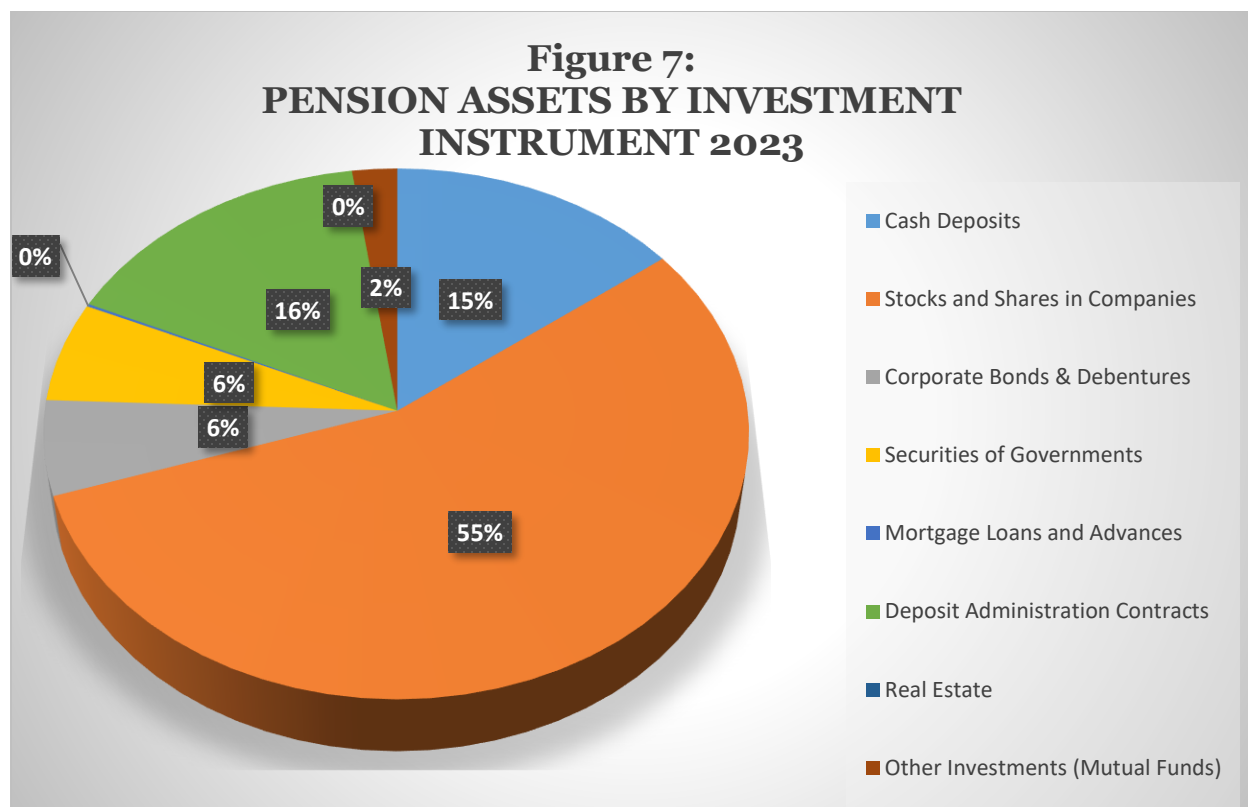
### 7.3.3 Allocation by Investment Instruments

In 2023, there were significant changes in the allocation of pension funds' assets from the corresponding year. Investments in Stocks and Shares in companies experienced a 55.3 percent increase from 2022, and assets held in Deposit Administration Contracts increased by 15.9 percent due to fewer reporting plans selecting the DAC arrangement.

The industry's assets were concentrated in a mixture of investments that indicated growth; however, longer-term investments that are more suited to the long-term 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 55.3 percent, 14.6 percent, and 15.9 percent of total assets, respectively.

| <b>TABLE 5: PENSION ASSET ALLOCATION BY INVESTMENT INSTRUMENTS 2022-2023</b> |                |  |                |  |
|--|----------------|--|----------------|--|
|  | <b>2022</b>    |  | <b>2023</b>    |  |
|  |                | <b>Percentage of Total Industry Assets (%)</b> |                | <b>Percentage of Total Industry Assets (%)</b> |
| <b>No of reporting pension plans</b>   | <b>109</b>     |  | <b>113</b>     |  |
| <b>Asset Growth Rate (%)</b>   | <b>20.59</b>   |  | <b>-3.79</b>   |  |
| Cash Deposits  | 15,536         | 14.1%  | 15,793         | 14.6%  |
| Stocks and Shares in Companies   | 66,488         | 60.1%  | 59,802         | 55.3%  |
| Corporate Bonds & Debentures   | 5,130          | 4.6%   | 6,228          | 5.8%   |
| Securities of Governments  | 4,822          | 4.4%   | 6,593          | 6.1%   |
| Mortgage Loans and Advances  | 171            | 0.2%   | 163            | 0.2%   |
| Deposit Administration Contracts   | 16,025         | 14.5%  | 17,167         | 15.9%  |
| Real Estate  | 0              | 0.0%   | 0              | 0.0%   |
| Other Investments (Mutual Funds)   | 2,373          | 2.1%   | 2,416          | 2.2%   |
| Non-invested assets  | 8,590          |  | 6,460          |  |
| <b>Total Assets (Invested)</b>   | <b>110,546</b> |  | <b>108,162</b> |  |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



Source: Insurance and Pensions Supervision Department, Bank of Guyana

#### 7.3.4 Growth Rates of Investment Instruments

The industry in 2023 experienced a negative growth of 2.2 percent in the total value of investments, less than that of the corresponding year. Significant declines were recorded for assets invested in Stocks and Shares (10.1 percent), and Mortgage loans and advances (5.0 percent) as pension fund administrators rebalanced their investment portfolio as financial markets remained volatile. Investments in Real Estate continued to decline, with plans reporting no assets at end-December 2023.



**TABLE 6:  
GROWTH RATES OF PENSION ASSETS BY INVESTMENT INSTRUMENT  
2022-2023**

|                                  | 2022              |                       | 2023              |                       |
|----------------------------------|-------------------|-----------------------|-------------------|-----------------------|
| G\$ Millions                     | Total Assets (\$) | Percentage Growth (%) | Total Assets (\$) | Percentage Growth (%) |
| Cash Deposits                    | 15,536            | 1.8%                  | 15,793            | 1.7%                  |
| Stocks and Shares in Companies   | 66,488            | 48.5%                 | 59,802            | -10.1%                |
| Corporate Bonds & Debentures     | 5,130             | -10.7%                | 6,228             | 21.4%                 |
| Securities of Governments        | 4,822             | 7.6%                  | 6,593             | 36.7%                 |
| Mortgage Loans and Advances      | 171               | -18.7%                | 163               | -5.0%                 |
| Deposit Administration Contracts | 16,025            | 4.4%                  | 17,167            | 7.1%                  |
| Real Estate                      | -                 | 0.0%                  | -                 | 100.0%                |
| Other Investments (Mutual Funds) | 2,373             | 4.6%                  | 2,416             | 1.8%                  |
| <b>TOTAL INVESTMENTS</b>         | <b>110,546</b>    | <b>25.5%</b>          | <b>108,162</b>    | <b>-2.2%</b>          |

Source: Insurance and Pensions Supervision Department, Bank of Guyana

### 7.3.5 Allocations by Geographical Regions

The industry's asset allocation by geographical regions remained within the statutory limit for the years 2022 and 2023. Less than 30 percent (approximately 20 percent) of total pension assets were invested outside of Guyana in 2023. This included investments of 10 percent or \$11.5 billion in CARICOM Member States and 10 percent or \$11.6 billion in the rest of the world. Approximately 80 percent or \$91.5 billion of pension assets were invested domestically in 2023.



**TABLE 7:  
PENSION ASSETS BY GEOGRAPHICAL ALLOCATION  
2022-2023**

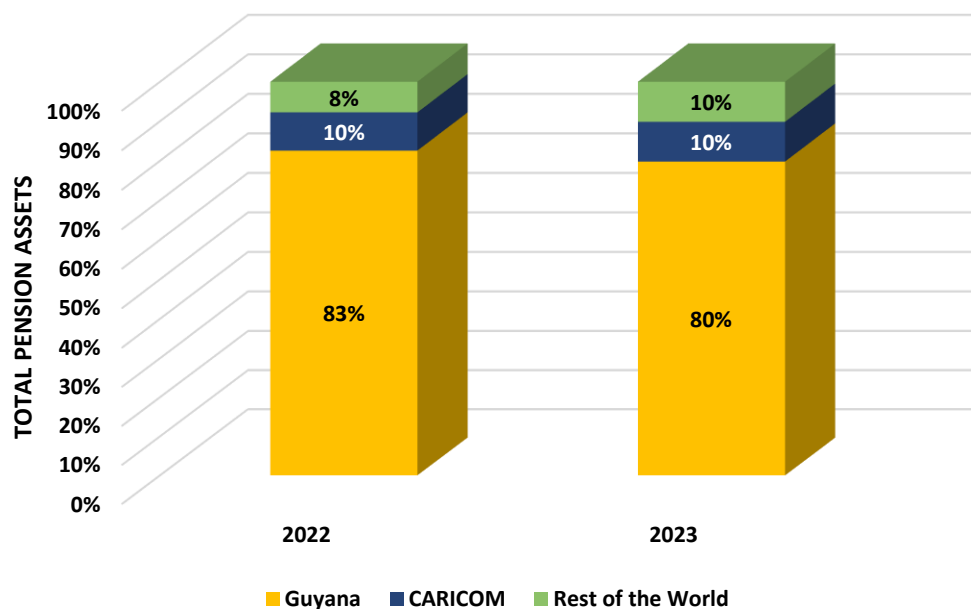
|                          | <b>2022</b> | <b>2023</b> |
|--------------------------|-------------|-------------|
| <b>Guyana</b>            | 98,372      | 91,464      |
|                          | 83%         | 80%         |
| <b>CARICOM</b>           | 11,530      | 11,545      |
|                          | 10%         | 10%         |
| <b>Rest of the World</b> | 9,234       | 11,613      |
|                          | 8%          | 10%         |
| <b>TOTAL</b>             | 119,136     | 114,622     |

Source: Insurance and Pensions Supervision Department, Bank of Guyana

Additionally, pension assets invested in Guyana saw negative growth, with a 7 percent decrease in 2023 following a 0.4 percent decrease in 2022. This is due primarily to unfavourable returns in local investments in comparison to overseas territories. On the contrary, pension assets in overseas territories outside of CARICOM saw a significant increase of 22.8 percent, while investments in CARICOM saw an increase of 0.1 percent.



**FIGURE 8:  
PENSION ASSETS BY GEOGRAPHICAL  
ALLOCATION 2022-2023**



Source: Insurance and Pensions Supervision Department, Bank of Guyana

### 7.3.6 Asset Allocation by Industry

The manufacturing industry and the Agriculture and forestry industry, the largest holders of pension sector assets, recorded notable declines. Regardless, these industries accounted for 27 percent or \$30.5 billion and 23 percent or \$25.9 billion of total pension assets, respectfully, at end-December 2023. Nonetheless, Investments in the financial services, transportation, education, construction, and communication sectors recorded steady growth.

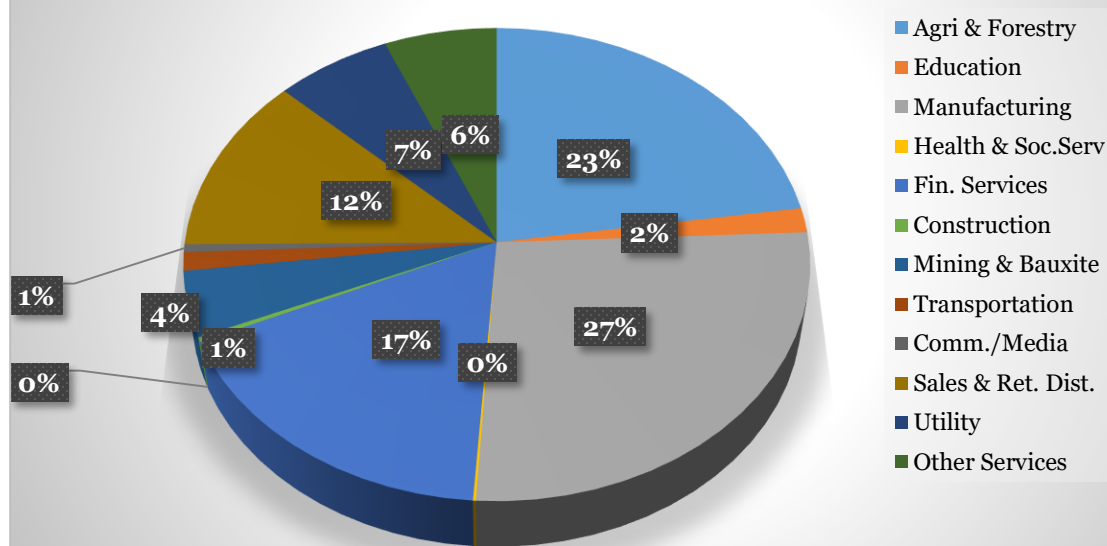


**TABLE 8:  
PENSION ASSETS BY INDUSTRIAL ALLOCATION 2022-2023**

|                             | 2022         | 2023    |
|-----------------------------|--------------|---------|
|                             | G\$ Millions |         |
| <b>Total Assets</b>         | 119,136      | 114,401 |
| Agriculture & Forestry      | 27,776       | 25,905  |
| Education                   | 1,490        | 1,918   |
| Manufacturing               | 32,425       | 30,479  |
| Health & Social Services    | 140          | 152     |
| Financial Services          | 19,687       | 19,704  |
| Construction                | 303          | 345     |
| Mining & Bauxite            | 5,018        | 5,089   |
| Transportation              | 1,255        | 1,452   |
| Communication/Media         | 532          | 601     |
| Sales & Retail Distribution | 15,473       | 13,953  |
| Utility                     | 8,069        | 7,505   |
| Other Services              | 6,969        | 7,298   |

Source: Insurance and Pensions Supervision Department, Bank of Guyana

**FIGURE 9:  
INDUSTRIAL ALLOCATION OF PENSION  
ASSETS 2023**



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 growth in the sector's assets in 2023. At the end of December 2023, pension assets represented 5.3 percent of total financial assets and 23.8 percent of NBFIs' assets. The sector's importance as an institutional investor decreased in its assets to GDP ratio of 3.4 percent in 2023. This was owing to the significant increase in GDP as a result of the oil windfall, in which production began 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 can 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 2023, the funding level of reporting plans declined, with an industry ratio of 163.1 percent compared to 220.2 percent in 2022. This indicated that plans were still 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 the end of December 2023, 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, there are still some DB plans that have failed to submit valuations, and thus, an accurate reflection of total liabilities is unavailable.



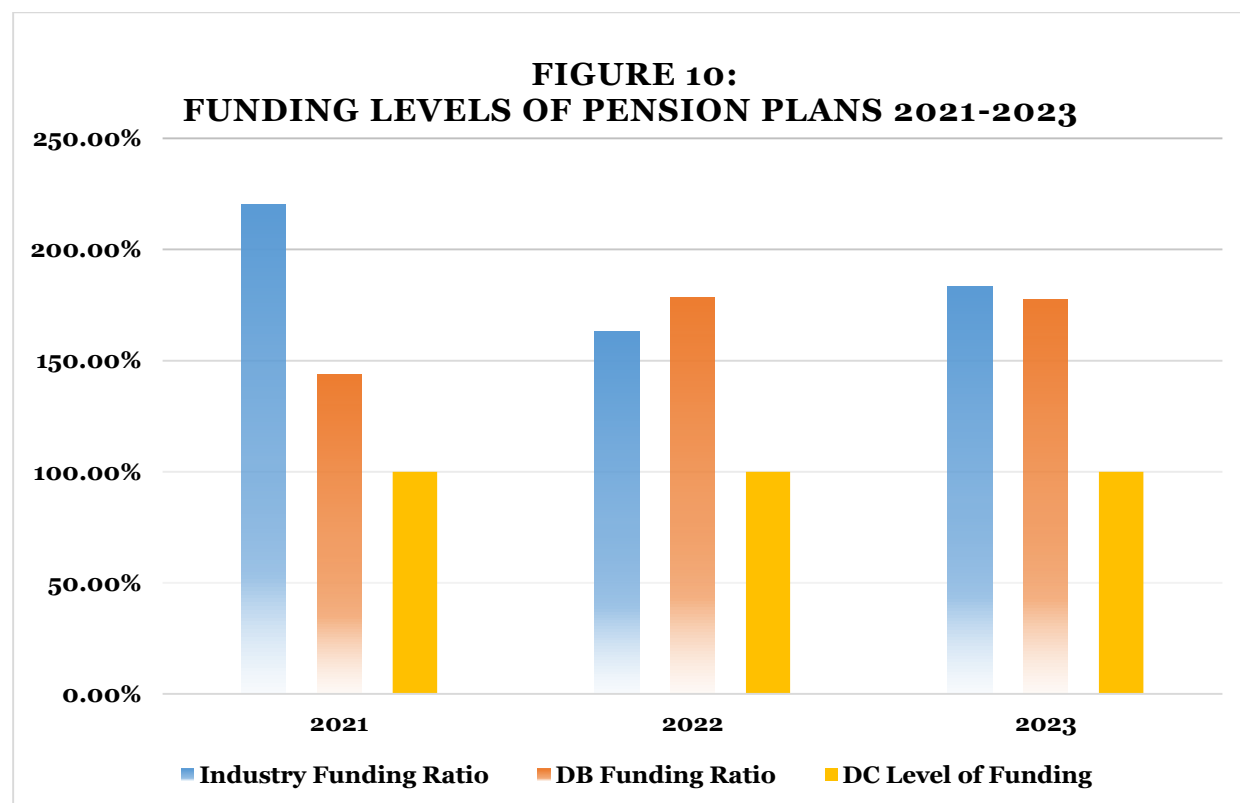
Higher-than-expected salary increases between valuations were the major contributors to these deficits, and although the overall funding level of the industry was positive, the Bank exercises robust oversight on the implementation of the actuarial recommendations to correct these deficits over time.

**TABLE 9:  
PENSION PLANS' FUNDING RATIOS 2022-2023**

| <b>Funding Ratios</b>  | <b>2022</b> | <b>2023</b> |
|------------------------|-------------|-------------|
| Industry Funding Ratio | 220.15%     | 163.14%     |
| DB Funding Ratio       | 167.18%     | 195.26%     |
| DC Level of Funding    | 100.00%     | 100.00%     |

Source: Insurance and Pensions Supervision Department, Bank of Guyana

**FIGURE 10:  
FUNDING LEVELS OF PENSION PLANS 2021-2023**



Source: Insurance and Pensions Supervision Department, Bank of Guyana

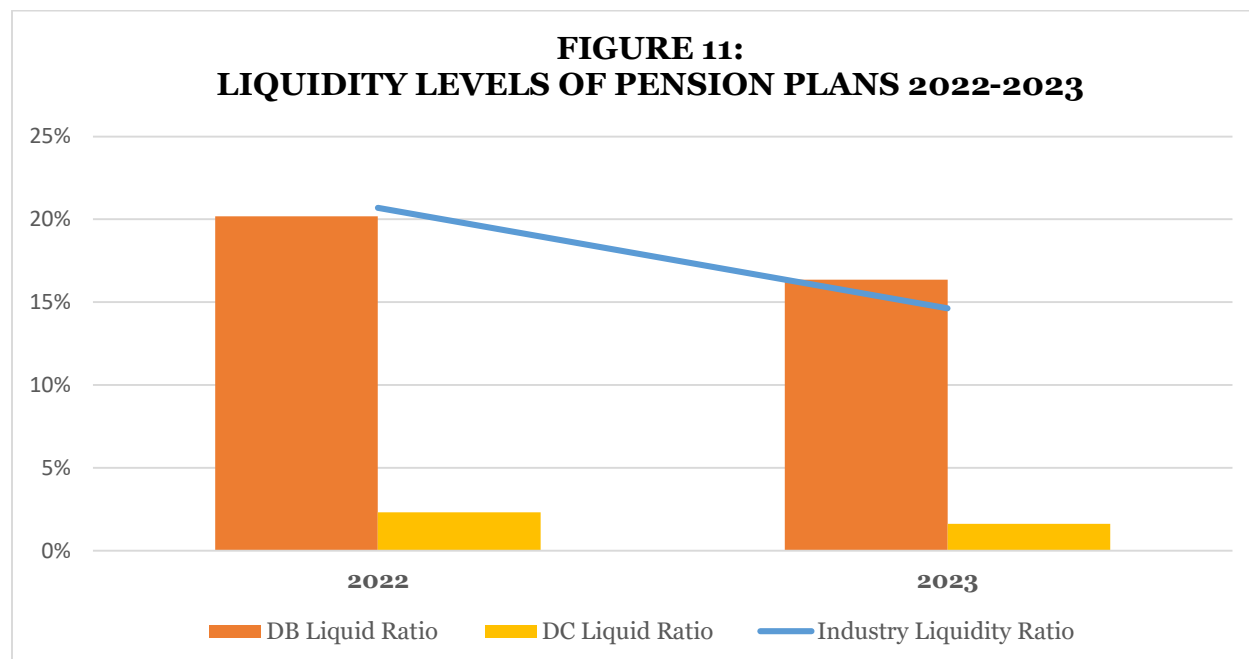


### 8.1.3 Liquidity Risk

| <b>TABLE 10:<br/>PENSION PLANS' LIQUIDITY RATIO 2022-2023</b> |             |             |
|---|-------------|-------------|
| <b>Liquidity Ratios</b>                                       | <b>2022</b> | <b>2023</b> |
| Industry Liquidity Ratio                                      | 21%         | 15%         |
| DB Liquid Ratio   | 20%         | 16%         |
| DC Liquid Ratio   | 2%          | 2%          |

Source: Insurance and Pensions Supervision Department, Bank of Guyana

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 21 percent reported in 2022 to 15 percent at end-2023. This ratio indicated that pension funds still held a substantial amount of their total assets in liquid form or investments with maturities within one year.



Source: Insurance and Pensions Supervision Department, Bank of Guyana



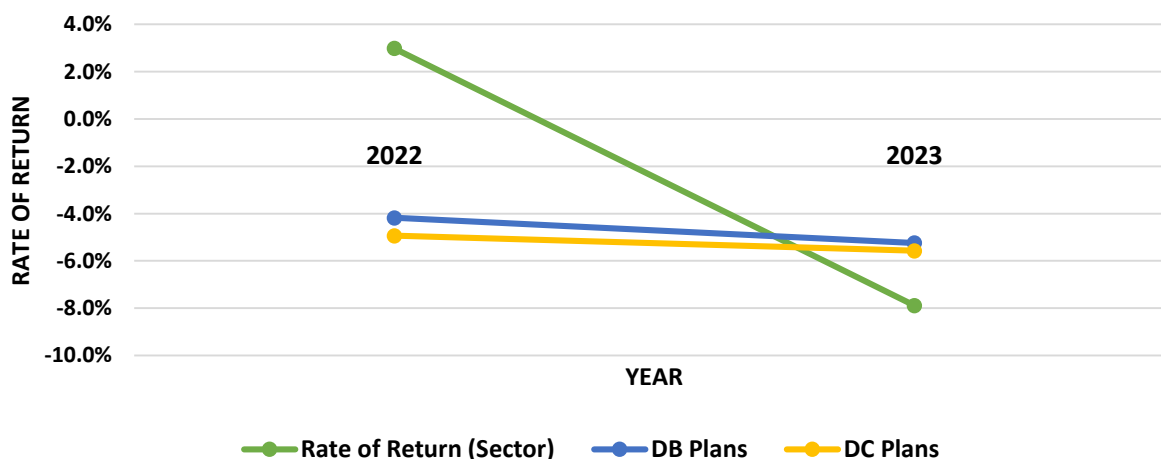
#### 8.1.4 Inflation risk

The sector yielded negative real rates of return on invested assets in 2023 (-7.9 percent), decreasing from -4.6 percent in 2022. The decrease was mainly due to the increasing negative returns recorded from both DB (-5.2 percent) and DC plans (-5.6 percent). This was largely due to market value depreciation and realised foreign exchange losses.

| TABLE 11:<br>PENSION ASSETS' RATES OF RETURN 2022-2023 |                                |         |         |
|--|--------------------------------|---------|---------|
| G\$ MILLIONS   |                                | 2022    | 2023    |
| Nominal Rate of Return on invested assets              | Average Invested Assets        | 107,337 | 115,405 |
|  | Nominal Net Investment Returns | 1,052   | -2,663  |
|  | Rate of Return (Sector)        | 1.0%    | -2.3%   |
|  | DB Plans                       | 0.44%   | 0.34%   |
|  | DC Plans                       | 0.46%   | 0.01%   |
|  | Annual Price Inflation         | 5.58%   | 5.58%   |
|  |                                |         |         |
| Real Rate of Return on invested assets                 | Rate of Return (Sector)        | -4.58%  | -7.89%  |
|  | DB Plans                       | -5.14%  | -5.24%  |
|  | DC Plans                       | -5.12%  | -5.57%  |

Source: Insurance and Pensions Supervision Department, Bank of Guyana

FIGURE 12:  
REAL RATE OF RETURN FOR PENSION PLAN INVESTMENTS  
2022-2023



Source: Insurance and Pensions Supervision Department, Bank of Guyana



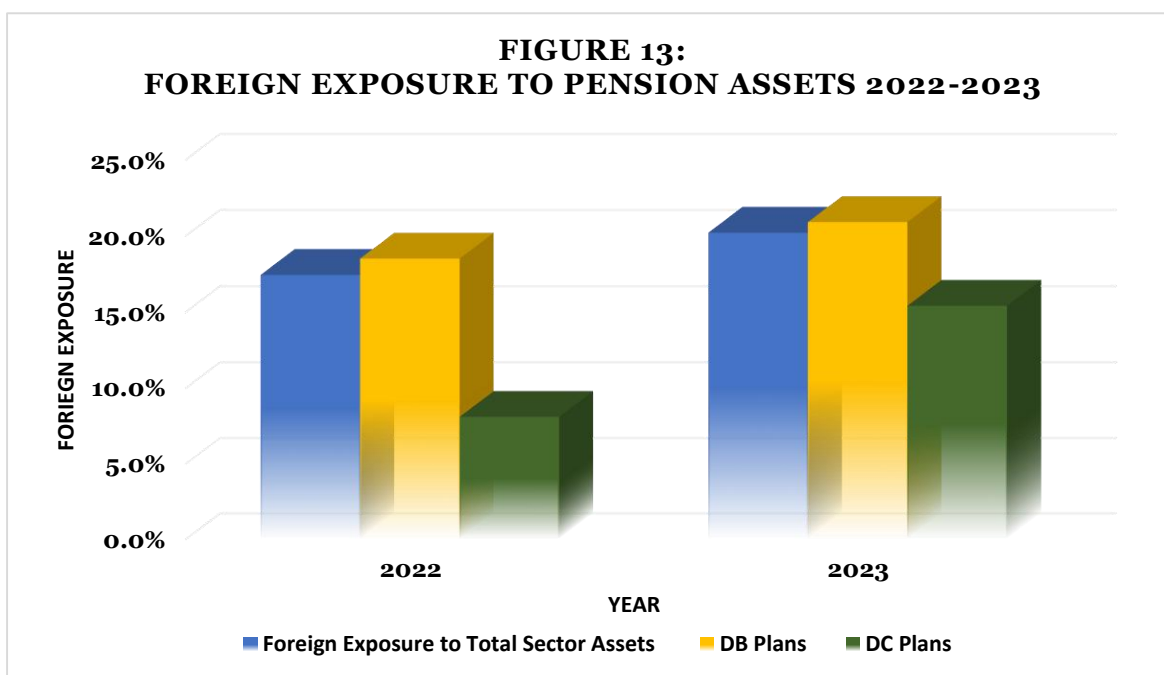
### 8.1.5 Market Risk

#### 8.1.5.1 Foreign Exposure of Pension Assets

Foreign exposure of pension assets slightly increased in 2023 and remained within the 30 percent statutory limit. As a percentage of total assets, foreign assets represented approximately 20 percent at the end of 2023, staying almost constant when compared to the last quarter of 2022. This was attributed to a significant increase in total foreign investments in DB plans, which continued to be higher than the industry average (see table 12).

| TABLE 12: FOREIGN EXPOSURE OF PENSION ASSETS 2022-2023 |        |        |
|--|--------|--------|
|  | 2022   | 2023   |
| Foreign Exposure                                       | 20,763 | 23,158 |
| Foreign Exposure to Total Sector Assets                | 17.4%  | 20.2%  |
| DB Plans   | 18.5%  | 20.9%  |
| DC Plans   | 8.1%   | 15.4%  |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



Source: Insurance and Pensions Supervision Department, Bank of Guyana



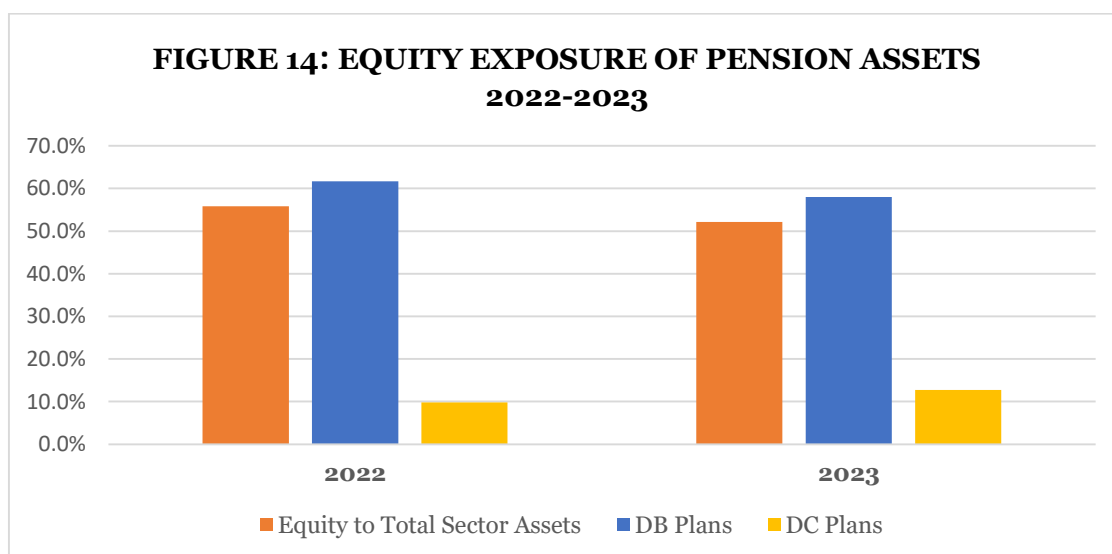
### 8.1.5.2 Equity Exposure of Pension Assets

Pension funds' exposure to equity markets decreased from approximately 55.8 percent in 2022 to 52.2 percent at the end of 2023. The decrease in proportionality 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 dominated, and represented approximately 58.4 percent compared to 12.7 percent of DC assets in 2023. Consequently, the funding positions of DB plans are more likely to be sensitive to market changes when compared to plans with an investment portfolio comprising a higher proportion of fixed income securities (see Table 13).

| <b>TABLE 13:<br/>EQUITY EXPOSURE OF PENSION ASSETS 2022-2023</b> |             |             |
|--|-------------|-------------|
|  | <b>2022</b> | <b>2023</b> |
| <b>Equity</b>  | 66,488      | 66,488      |
| <b>Equity to Total Sector Assets</b>                             | 55.8%       | 52.2%       |
| <b>DB Plans</b>  | 61.68%      | 58.0%       |
| <b>DC Plans</b>  | 9.77%       | 12.7%       |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



Source: Insurance and Pensions Supervision Department, Bank of Guyana



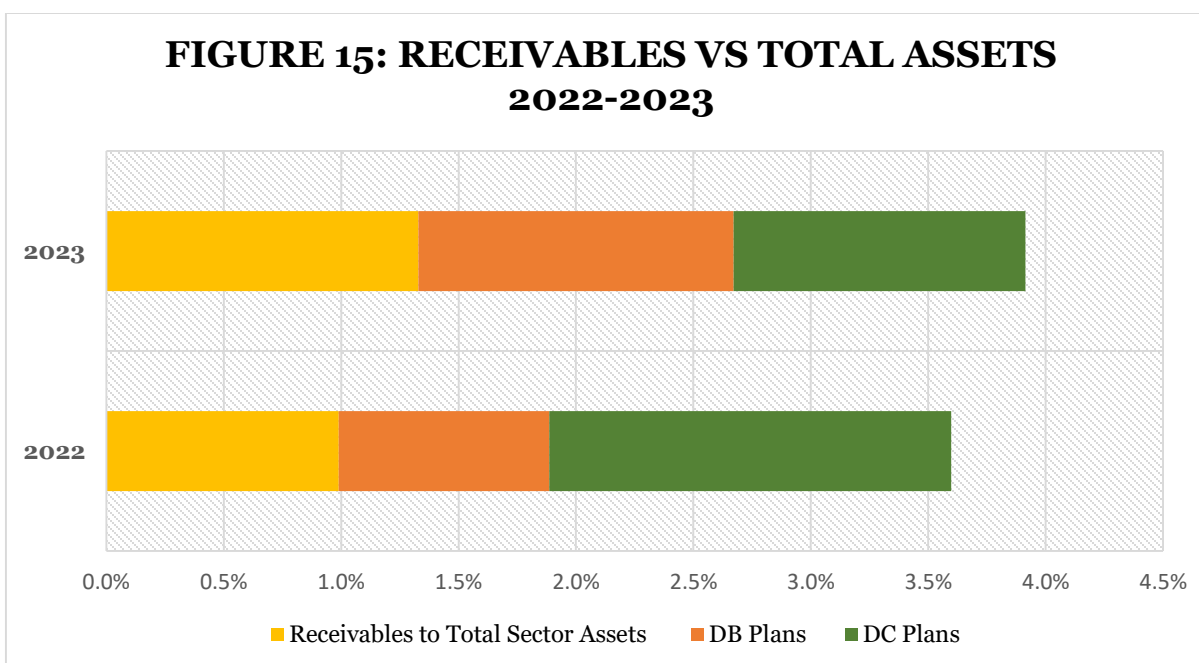
### 8.1.6 Credit Risk

#### 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 1.3 percent at the end of 2023. The impact on DB assets resulting from credit default risk was slightly above that of DC assets, where 1.3 percent of DB assets represented accounts receivable at the end of the period (see Table 14).

| <b>TABLE 14:<br/>ACCOUNTS RECEIVABLE to TOTAL ASSETS 2022-2023<br/>(G\$ Millions)</b> |             |             |
|---|-------------|-------------|
|   | <b>2022</b> | <b>2023</b> |
| <b>Receivables</b>  | 1,178       | 1,524       |
| <b>Receivables to Total Sector Assets</b>   | 1.0%        | 1.3%        |
| <b>DB Plans</b>   | 0.9%        | 1.3%        |
| <b>DC Plans</b>   | 1.7%        | 1.2%        |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



Source: Insurance and Pensions Supervision Department, Bank of Guyana



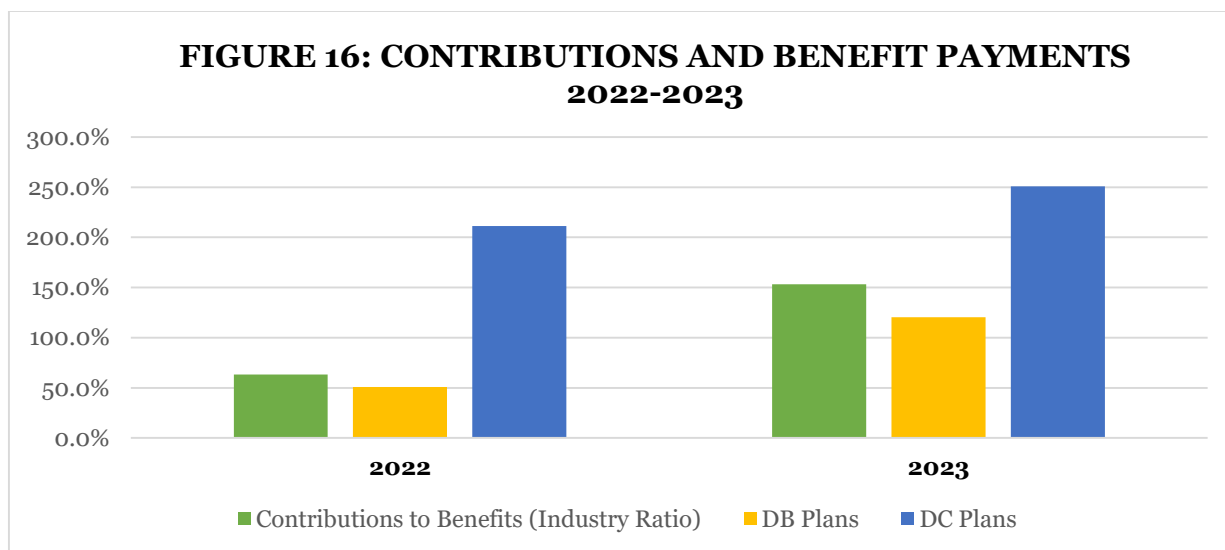
## 8.2 Efficiency & Profitability Ratios

### 8.2.1 Contributions to Total Benefit Payments

Contributions received increased by 6.2 percent to \$0.28 million in 2023, which represented approximately 153 percent of total benefit-related payments. This indicated that approximately 153 percent of net contributions were added to surplus income, an indication that the profitability of pension plans was not at risk. 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 larger contribution-to-benefit payment ratio experienced by DC plans was mainly due to DC plans having fewer benefit payments to make, in relation to the amount of income earned from contributions.

| <b>TABLE 15:<br/>CONTRIBUTIONS AND BENEFIT PAYMENTS 2022-2023</b> |             |             |
|---|-------------|-------------|
|   | <b>2022</b> | <b>2023</b> |
| Contributions   | 4,483       | 4,762       |
| Benefit Payments  | 7,096       | 3,107       |
| <b>Contributions to Benefits (Industry Ratio)</b>                 | 63.2%       | 153.3%      |
| DB Plans  | 50.9%       | 121%        |
| DC Plans  | 211.2%      | 251.0%      |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



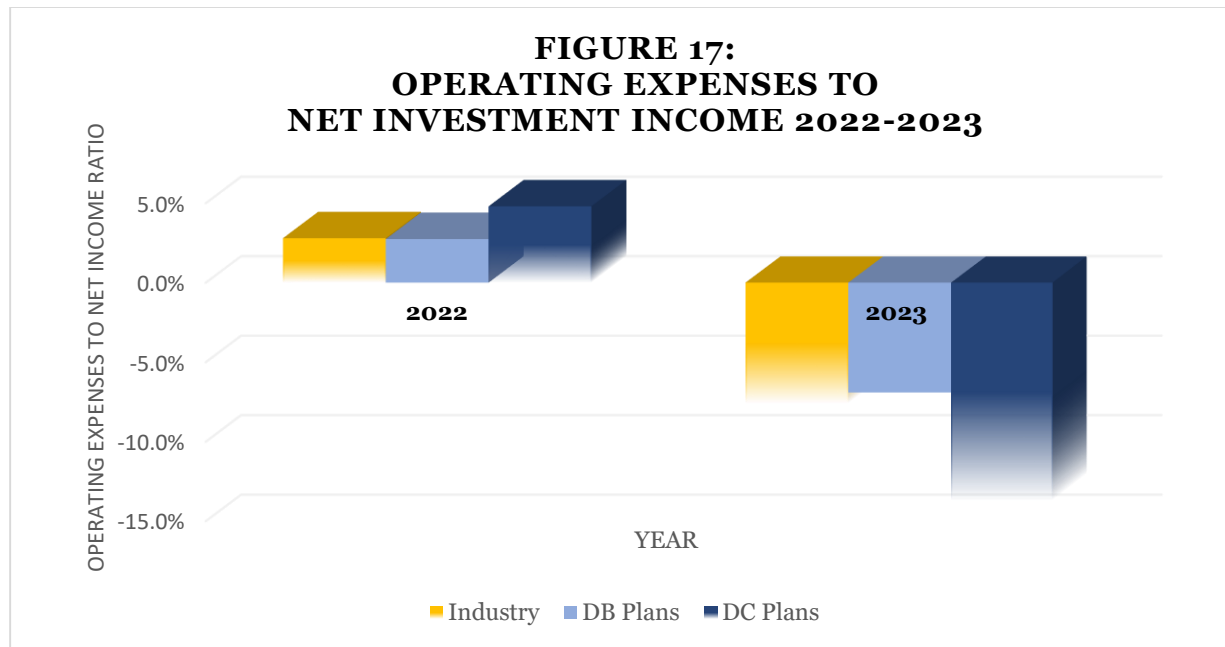
Source: Insurance and Pensions Supervision Department, Bank of Guyana

### 8.2.2 Operating Expenses to Investment Income

The industry's efficiency, as measured by the total operating expenses in relation to net investment income, declined in 2023 with a smaller, negative ratio of 7.6 percent. Efficiency continued to vary between the types of plans, albeit slightly. Both DB and DC plans experienced relatively lower ratios (-9.6 percent and -13.7 percent, respectively) and were considered less efficient over the period, given the higher operating expenses experienced by these plans.

| <b>TABLE 16:<br/>OPERATING EXPENSES TO NET INVESTMENT INCOME 2022-2023</b> |             |             |
|--|-------------|-------------|
|  | <b>2022</b> | <b>2023</b> |
| <b>Operating Expenses</b>  | 569         | 505         |
| <b>Net Investment Income</b>   | 20,355      | -6,660      |
| <b>Industry</b>  | 2.8%        | -7.6%       |
| <b>DB Plans</b>  | 2.7%        | -6.9%       |
| <b>DC Plans</b>  | 4.8%        | -13.7%      |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



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 (83 plans, of which 68 are DC and 15 are DB plans). In 2023, the combined asset value of plans administered by life insurers increased by approximately 5.5 percent to \$22.9 billion, which represented approximately 20 percent of the industry's total assets at December 2023.

Total membership in these plans amounted to 7,399 participants, a decrease from 8,415 participants in 2022 and represented approximately 43.6 percent of the industry's total membership in 2023. The investment allocations of pension plans administered by life insurers are largely concentrated in deposit administration policy contracts, which represented approximately 75.0 percent of the total pension assets under life insurers' administration in 2023. 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 2023, trust companies accounted for just over 51.3 percent of active membership, 8,695 participants in the industry, a 12.7 percent increase from 7,715 participants in 2022. Trust companies managed fewer active plans than life insurers (26 plans) in 2023, which were DB-dominated (21 DB and 5 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 2023 (71.7 percent or \$82.1 billion). Over the period in review, these assets remained skewed towards investments concentrated in stocks and shares in companies (63.6 percent), cash resources in deposit-taking institutions (17.1 percent), and securities of private companies (7.6 percent).



### 9.3 Employer Self-Administered Pension Funds

The total number of self-administered plans in 2023 remained unchanged from the corresponding period in 2022 at four (4). Their combined asset value represented 8.4 percent or \$9.6 billion of the industry's total assets. Additionally, membership in these plans represented only 5.1 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 52.7 percent of their total assets at the end of the year.



## 10. PENSION COVERAGE

An enduring challenge for Guyana's pension system has been the issue of limited pension coverage. In particular, coverage of private pension plans remains constrained due to the system's voluntary nature, where reporting pension plans cover only 6.0 percent of the total employed labour force. In contrast, more than half of the working-age population in OECD countries is covered by voluntary pension plans, either occupational or personal. This limited coverage has impeded the development of a robust private pension sector and leaves a significant share of the workforce without formal retirement income arrangements.

Several OECD countries have adopted measures that expand the scope of pension schemes. This involves implementing automatic enrolment as well as efforts to expand coverage to vulnerable workers, such as lowering or abolishing minimum wage limits or expanding coverage to include domestic and platform workers.

### 10.1 Coverage for Vulnerable Workers

Low-income earners in Australia now have better access to earnings-related pensions. Australia has decided to remove the minimum earnings barrier for mandatory employer contributions, also known as the Superannuation Guarantee, effective July 2022<sup>14</sup>. This means that people with very low incomes will also be able to accumulate rights in the FDC (Fully Defined Contribution) plan. As a result, 3 percent of employees who previously earned less than the minimum wage now receive employer contributions. The workers affected are largely young, low-wage, and part-time workers, with women making up the majority. In addition, all Australian employees can now sue their employers for unpaid superannuation contributions. Moreover, Australia relaxed access conditions to the targeted pension for pensioners selling their principal home and to healthcare at a reduced rate.

<sup>14</sup> Treasury of the Australian Government (2020), Retirement Income Review - Final Report, <https://treasury.gov.au/publication/p2020-100554>.



Another example is demonstrated by Chile extending coverage to platform and domestic workers, respectively, who previously were not covered by mandatory pensions. In Chile, platform workers have been covered by mandatory FDC pensions under the same rules as the self-employed since September 2022. As for all self-employed, coverage is conditional on the issuing of invoices<sup>15</sup>.

The Simplified Pension Plan (SPP), Guyana's micro-pension initiative, will be introduced by the passage of the Private Pensions Act. The SPP has as its objective to bring flexibility when it comes to saving for retirement. This will be achieved by targeting members of the semi-formal, informal and self-employed labour force, usually characterised by variable income schedules. Individual accounts for each member will be provided and a fixed number of contribution will not be required. Individuals may choose the value of their contributions, and will receive interest on those contributions at the rate prescribed by the micro-pension operator (the Plan Manager).

## 10. 2 Automatic Enrollment

The number of OECD countries operating an automatic enrolment scheme in a retirement savings plan at the national level is increasing further. The Slovak Republic has joined the ranks of Lithuania, New Zealand, Poland, Turkey, and the United Kingdom in implementing automatic enrollment programs over the last 15 years. In November 2022, the Slovak Republic passed legislation requiring automatic enrolment. People under the age of forty (40) who start working for the first time in May 2023 are automatically registered in the FDC program, but they have the option to opt out after two years. The contribution rate under automatic enrolment is 5.5 percent in 2023, rising to 6 percent in 2027, three years later than previously legislated<sup>16</sup>. This approach has been increasingly adopted across OECD countries as a way to overcome low participation in voluntary pension systems and to broaden retirement savings coverage.

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<sup>15</sup> OCED and G20 Indicators. (2023). *Pensions at a Glance 2023*

<sup>16</sup> OCED. Pensions at a Glance 2025, Slovak Republic contribution information



In line with international best practices observed across the OCED countries, Guyana will follow a similar policy trajectory through the introduction of automatic enrollment provisions under the new Act. The Act will make explicit provision for mandatory automatic enrollment, stipulating that every employee in Guyana, including part-time, temporary and contract workers, must be automatically enrolled in a pension plan registered with the Bank of Guyana upon commencement of employment.



## 11. THE DRAFT PRIVATE PENSIONS ACT AND FINANCIAL LITERACY

To overcome 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 ensure success in 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 an age range of 16-60 years old, and 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.

After 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 planning for retirement. This evaluation will be conducted on an ongoing basis.



## 12. THE WAY FORWARD

For 2024, the sector is expected to continue growing, albeit modestly. Pension funds' real interest earnings from investment and positive changes in stock market prices will be dependent on conducive capital market outcomes and low domestic inflation volatility. 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-Russia War. The sector will continue to experience returns that are reflective of the investment climate and those particularly accessible to pension funds domestically. Continued low returns are projected, given constrained local investment opportunities. Pension funds must seek suitable alternatives to match the long term nature of their liabilities. Finally, enhanced regulatory monitoring is expected on DB pension funds' actuarial risk. There will also be enhanced monitoring of pension schemes' governance risk.

New, comprehensive legislation - the Private Pensions Act - is currently in its draft phase and has concluded its second round of consultations with industry stakeholders. The drafting of the regulations accompanying the Pensions Act is ongoing, 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 the same.

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

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



### 13.1 ANNEX 1: LIST OF PENSION PLANS

**TABLE 1.1:  
LIST OF ACTIVE AND REGISTERED PLANS 2023**

| <b>No.</b> | <b>Plan No.*</b> | <b>Name of Plan</b>   | <b>Plan Type</b> | <b>Plan Manager</b> |
|------------|------------------|---|------------------|---------------------|
| 1          | 152              | Amalgamated Security Inc.                                     | DC               | TCGL                |
| 2          | 135              | Ansa Mc AL Trading Limited Pension Plan                       | DC               | HIHL                |
| 3          | 138              | Assuria Life(GY) Incorporated Pension Plan                    | DC               | ASSURIA             |
| 4          | 123              | Audit Office of Guyana Pension Plan                           | DC               | HIHL                |
| 5          | 32               | Bank of Baroda (Guyana) Incorporated                          | DC               | NAL                 |
| 6          | 112              | Bank of Guyana Pension Scheme                                 | DB               | SA                  |
| 7          | 119              | Banks DIH Limited Group Annuity Scheme                        | DC               | DML                 |
| 8          | 133              | Berbice Bridge Company Incorporated Pension Plan              | DC               | HIHL                |
| 9          | 132              | C&S Limited Annuity Scheme                                    | DC               | DML                 |
| 10         | 113              | Caribbean Container Incorporated Pension Plan                 | DC               | GTML                |
| 11         | 129              | CJIA Group Pension Scheme                                     | DC               | DML                 |
| 12         | 39               | Courts Pension Plan   | DC               | TCGL                |
| 13         | 115              | Davis Memorial Hospital Group Annuity 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               | NAL                 |
| 16         | 141              | E-Networks Pension Scheme                                     | DC               | HIHL                |
| 17         | 93               | Food for the Poor Pension Plan                                | DC               | HIHL                |
| 18         | 125              | General Equipment & Farm Supplies Pension Plan                | DC               | GTML                |
| 19         | 118              | Grace Kennedy Remittance Services Group Pension Scheme        | DC               | DML                 |
| 20         | 36               | Guyana Bank for Trade and Industry Limited Pension Plan       | DC               | NAL                 |
| 21         | 14               | Guyana Geology and Mines Commission Pension Plan              | DB               | HIHTC               |
| 22         | 111              | Guyana Publications Incorporated Pension Plan                 | DC               | HIHL                |
| 23         | 116              | Guyana Revenue Authority Group Annuity Pension Plan           | DC               | DML                 |
| 24         | 18               | Guyana Sugar & Trading Enterprises Pension Plan               | DB               | HIHTC               |
| 25         | 131              | Guyana Water Incorporated Pension Plan                        | DC               | ASSURIA             |
| 26         | 70               | Hand-in-Hand Trust Corporation Pension Plan                   | DC               | HIHTC               |
| 27         | 153              | Harris Paints (Guyana) Limited                                | DC               | ASSURIA             |
| 28         | 117              | John Fernandes Limited Group Pension Scheme                   | DC               | SA                  |
| 29         | 29               | Laparkan Holding Limited Pension Plan                         | DB               | HIHL                |
| 30         | 41               | Massy Distribution (Guyana) Incorporated Pension Plan         | DB               | TCGL                |
| 31         | 110              | Metro Office & Computer Supplies Pension Plan                 | DC               | HIHL                |
| 32         | 109              | Mings Products & Services Limited Pension Plan                | DC               | HIHL                |



|    |     |  |    |         |
|----|-----|--|----|---------|
| 33 | 134 | MP Insurance Brokers & Consultants Limited Pension Plan                    | DC | HIHL    |
| 34 | 35  | NAFICO Pension Plan  | DC | NAL     |
| 35 | 34  | NALICO Pension Plan  | DC | NAL     |
| 36 | 43  | Neal & Massy Group Pension Plan  | DB | TCGL    |
| 37 | 42  | New Building Society Limited Pension Plan                                  | DB | TCGL    |
| 38 | 90  | P&P Insurance Brokers & Consultants Limited Pension Plan                   | DC | HIHL    |
| 39 | 19  | Republic Bank (Guyana)Limited Pension Plan                                 | DB | GTML    |
| 40 | 150 | Rubis Guyana Incorporated Pension Plan                                     | DC | DML     |
| 41 | 47  | Sterling Products Limited Pension Scheme                                   | DB | TCGL    |
| 42 | 128 | TCL Guyana Incorporated Group Annuity Scheme                               | DC | DML     |
| 43 | 21  | Trustees of the Pension Fund of GTM Fire Insurance Company Limited         | DB | GTML    |
| 44 | 101 | Trustees of the Pension Plan for Sales Rep. of GTM Insurance Company       | DB | GTML    |
| 45 | 103 | U-Mobile Cellular Incorporated Pension Plan                                | DC | HIHL    |
| 46 | 28  | Guyana Civil Aviation Authority Pension Plan                               | DB | HIHL    |
| 47 | 59  | Rentokil (Guyana) Ltd. Pension Plan  | DC | HIHL    |
| 48 | 149 | Apex Insurance Brokers Pension Scheme                                      | DC | HIHL    |
| 49 | 156 | Express International Incorporated Pension Plan                            | DC | Assuria |
| 50 | 162 | Retirement Savings Plan for Esso Exploration and Production Guyana Limited | DC | DML     |
| 51 | 27  | Guyana Stockfeeds Inc. Pension Plan  | DB | HIHL    |
| 52 | 143 | Campus Crusade for Christ, Guyana Inc. Pension Plan                        | DC | Assuria |
| 53 | 157 | Guyana Conference of Seventh-day Adventists Pension Plan                   | DC | Assuria |

Source: Insurance and Pensions Supervision Department, Bank of Guyana.



**TABLE 1.2:**  
**LIST OF ACTIVE AND UNREGISTERED PLANS 2023**

| <b>No.</b> | <b>Plan No.</b> | <b>Name</b>   | <b>Plan Type</b> | <b>Plan Manager</b>   |
|------------|-----------------|---|------------------|-----------------------|
| 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             | DeSinco Limited Pension Plan  | DC               | SA - De Sinco 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         | 61              | Guyana Forestry Commission Pension Plan                               | DC               | DML                   |
| 16         | 91              | Guyana National Bureau of Standards Pension Plan                      | DC               | HIHL                  |
| 17         | 154             | Guyana Public Service Credit Union                                    | DC               | GTML                  |
| 18         | 27              | Guyana Stockfeeds Inc. Pension Plan                                   | DB               | HIHL                  |
| 19         | 94              | Machinery Corporation of Guyana Ltd. Pension Plan                     | DC               | HIHL                  |
| 20         | 92              | Marian Academy Inc. Pension Plan                                      | DC               | HIHL                  |
| 21         | 87              | Mayor & Town Council of the City of Georgetown Pension Plan           | DB               | GTML                  |
| 22         | 45              | New GPC Pension Scheme  | DB               | TCGL                  |
| 23         | 161             | New Room Inc.   | DC               | HIHL                  |



|    |     |   |    |                          |
|----|-----|---|----|--------------------------|
| 24 | 160 | PBS Technologies (Guyana) Inc..                             | DC | Assuria                  |
| 25 | 122 | Roraima Airways Incorporated Pension Plan                   | DC | HIHL                     |
| 26 | 106 | Sol Guyana Incorporated Pension Plan                        | DC | SA-Eckler Partners Ltd.  |
| 27 | 89  | The Citizens Bank (Guyana) Inc. Pension Plan                | DC | SA -Citizens Bank        |
| 28 | 80  | Trust Company Guyana Ltd. Pension Plan                      | DC | GTML                     |
| 29 | 147 | University of Guyana Pension Plan                           | DB | SA- University of Guyana |
| 30 | 100 | Wieting and Richter Pension Plan                            | DB | SA - Wieting & Richter   |
| 31 | 164 | Beepats/ M. Beepat & Sons Ltd/Beepats Security Seviles Inc. | DC | HIHL                     |
| 32 | 165 | C&V Caribbean Shipping Limited                              | DC | GMTL                     |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



**TABLE 1.3:  
LIST OF INACTIVE PENSION PLANS 2023**

| <b>No.</b> | <b>Plan no.</b> | <b>Plan Type</b>   | <b>Name</b> | <b>Plan Manager</b> |
|------------|-----------------|--|-------------|---------------------|
| 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         | 76              | National Data Management Authority Pension Plan                        | DC          | GTML                |
| 23         | 63              | PBS Investment Limited Pension Plan                                    | DC          | DML                 |



|    |     |   |    |       |
|----|-----|---|----|-------|
| 24 | 137 | Rosebel Gold mines N. V Pension Plan                      | DC | GTML  |
| 25 | 81  | Sugar Industry Labour Welfare Fund Committee Pension Plan | DC | GTML  |
| 26 | 37  | The Guyana National Industrial Co. Inc. Pension Scheme    | DB | HIHTC |
| 27 | 97  | Linden Mining Enterprise Thrift Pension Plan              | DC | HIHTC |
| 28 | 158 | GUYMIDA Pension Plan                                      | DB | HIHTC |
| 29 | 159 | CFI Pension Plan  | DB | HIHTC |
| 30 | 127 | Guyana Management Institute Pension Plan                  | DC | DML   |

Source: Insurance and Pensions Supervision Department, Bank of Guyana  
Note: Inactive plans receive no contributions but still contain assets



**TABLE 1.4:**  
**LIST OF WOUND-UP PENSION PLANS 2023**

| <b>No.</b> | <b>Plan No.</b> | <b>Plan Name</b>   | <b>Plan Type</b> | <b>Plan Manager</b> |
|------------|-----------------|--|------------------|---------------------|
| 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          | 53              | Clico Life & General Insurance Co.(SA) Agents Pension Plan | DC               | CLICO               |
| 8          | 54              | Clico Life & General Insurance Co.(SA) Staff Pension Plan  | DC               | CLICO               |
| 9          | 6               | Continental Group of Companies Pension Plan                | DB               | CLICO               |
| 10         | 48              | Demerara Power Company Pension Plan                        | DC               | CLICO               |
| 11         | 20              | Demerara Tobacco Company Ltd. Pension Plan                 | DB               | GTML                |
| 12         | 84              | Evangelical Lutheran Church in Guyana Pension Plan         | DC               | GTML                |
| 13         | 44              | GEB Pension Plan   | DB               | TCGL                |
| 14         | 95              | Grains Guyana Ltd. Pension Plan                            | DC               | HIHL                |
| 15         | 55              | Guyana Agriculture & General Workers' Union Pension Plan   | DC               | CLICO               |
| 16         | 3               | Guyana Bank for Trade and Industry Ltd. Pension Plan       | DB               | CLICO               |
| 17         | 67              | Guyana Broadcasting Corporation Pension Plan               | DC               | DML                 |
| 18         | 77              | Guyana Energy Agency Pension Plan                          | DC               | GTML                |
| 19         | 8               | Guyana Fertilizers Ltd. Pension Plan                       | DB               | CLICO               |
| 20         | 99              | Guyana National Co-operative Bank Plan                     | DC               | CLICO               |
| 21         | 96              | Guyana Natural Resources Agency Pension Plan               | Unclear          | GTML                |
| 22         | 49              | Guyana Office for Investment Pension Plan                  | DC               | CLICO               |
| 23         | 136             | Guyana Office for Investment Pension Plan                  | DC               | DML                 |
| 24         | 88              | Guyana Presbyterian Church Pension Plan                    | DC               | GTML                |
| 25         | 52              | Guyana Revenue Authority Pension Plan                      | DC               | CLICO               |



|    |     |  |         |        |
|----|-----|--|---------|--------|
| 26 | 85  | Guyana Water Inc. Pension Plan                                     | DC      | GTML   |
| 27 | 24  | Humphrey & Company Ltd. Pension Plan                               | DB      | GTML   |
| 28 | 4   | Kayman Sankar and Company Ltd. Pension Plan                        | DB      | CLICO  |
| 29 | 50  | Linden Power Company Pension Plan                                  | DC      | CLICO  |
| 30 | 5   | Linden Town Council Pension Plan                                   | DB      | CLICO  |
| 31 | 60  | Little Equipment Repairs & Bunkering Services Limited Pension Plan | DC      | DML    |
| 32 | 72  | Mae's Under 12 School Pension Plan                                 | DC      | GTML   |
| 33 | 64  | Mards Rice Milling Complex Limited (Georgetown) Pension Plan       | DC      | DML    |
| 34 | 65  | Mards Rice Milling Complex Limited (Mahaicony) Pension Plan        | Unclear | DML    |
| 35 | 86  | Marics & Company Limited Pension Plan                              | DC      | GTML   |
| 36 | 66  | Moravian Church Pension Plan                                       | DC      | DML    |
| 37 | 26  | National Frequency Management Unit Pension Plan                    | DB      | HIHL   |
| 38 | 7   | New Guyana Marketing Corporation (DAP) Pension Plan                | DB      | CLICO  |
| 39 | 71  | Omai Gold Mines Ltd. Pension Plan                                  | DC      | GTML   |
| 40 | 137 | Rosebel Gold Mines N. V Pension Plan                               | DC      | GTML   |
| 41 | 105 | Rubis West Indies Limited (Guyana) Pension Plan                    | DB      | NALICO |
| 42 | 2   | Shell Antilies & Guianas Ltd. Pension Plan                         | DB      | CLICO  |
| 43 | 1   | Singer Sewing Machine Company (Staff) Pension Plan                 | DB      | CLICO  |
| 44 | 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 (2023)**

| <b>Plan No.</b> | <b>Pension Plan</b>                                      | <b>Plan Type</b> | <b>Plan Manager</b> | <b>Effective Date*</b> |
|-----------------|--|------------------|---------------------|------------------------|
| 27              | Guyana Stockfeeds Inc. Pension Plan                      | DB               | HIHL                | 1-Jan-02               |
| 143             | Campus Crusade for Christ, Guyana Inc. Pension Plan      | DC               | Assuria             | 1-Jul-16               |
| 157             | Guyana Conference of Seventh-day Adventists Pension Plan | DC               | Assuria             | 1-Feb-22               |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



## 13.2 ANNEX 2: ASSET LIABILITY PROFILES

| TABLE 2.1:<br>TOTAL INDUSTRY ASSETS (2022-2023) |                   |                   |
|---|-------------------|-------------------|
|   | 2022              | 2023              |
| <b>NO. OF REPORTING PENSION PLANS</b>           | <b>109</b>        | <b>113</b>        |
| <b>Total Industry Assets</b>                    | <b>119,135.68</b> | <b>114,622.22</b> |
| Asset Growth Rate                               | 20.59%            | -3.79%            |
| Cash Deposits                                   | 15,536            | 15,793            |
| Stocks and Shares in Companies                  | 66,488            | 59,802            |
| Corporate Bonds & Debentures                    | 5,130             | 6,228             |
| Securities of Governments                       | 4,822             | 6,593             |
| Mortgage Loans and Advances                     | 171               | 163               |
| Deposit Administration Contracts                | 16,025            | 17,167            |
| Real Estate                                     | 0                 | 0                 |
| Other Investments (Mutual Funds)                | 2,373             | 2,416             |
| <b>TOTAL INVESTMENTS</b>                        | <b>110,546</b>    | <b>108,162</b>    |
| Non-Invested Assets                             | 8,590             | 6,460             |
| Total Industry Liabilities                      | <b>67,585</b>     | <b>65,725</b>     |
| Actuarial Liabilities (DB plans)*               | 54,116            | 51,028            |
| Accumulated Account Balances (DC plans)         | 13,470            | 14,697            |

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 deposits 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 2022-2023**

| <b>Y<br/>e<br/>a<br/>r</b> | <b>Region</b>            | <b>Total Assets</b> | <b>Total Investments</b> | <b>Government Securities</b> | <b>Corporate Bonds &amp; Debentures</b> | <b>Cash Deposits</b> | <b>Stocks &amp; Shares in Companies</b> | <b>Loans &amp; Advances</b> | <b>Deposit Administration Contracts</b> | <b>Real Estate</b> | <b>Other Investments</b> | <b>Other Assets</b> |
|----------------------------|--------------------------|---------------------|--------------------------|------------------------------|---|----------------------|---|-----------------------------|---|--------------------|--------------------------|---------------------|
| <b>2022</b>                | <b>Total</b>             | 119,136             | 110,546                  | 4,822                        | 5,130                                   | 15,536               | 66,488                                  | 171                         | 16,025                                  | -                  | 2,373                    | 8,590               |
|                            | <b>Guyana</b>            | 98,372              | 92,761                   | 1,618                        | 1,127                                   | 9,193                | 63,082                                  | 171                         | 15,534                                  | -                  | 2,036                    | 5,611               |
|                            | <b>CARICOM</b>           | 11,530              | 9,698                    | 604                          | 1,790                                   | 5,918                | 901                                     | -                           | 262                                     | -                  | 223                      | 1,832               |
|                            | <b>Rest of the World</b> | 9,234               | 8,087                    | 2,600                        | 2,213                                   | 425                  | 2,505                                   | -                           | 229                                     | -                  | 115                      | 1,147               |
| <b>2023</b>                | <b>Total</b>             | 114,622             | 108,162                  | 6,593                        | 6,228                                   | 15,793               | 59,802                                  | 163                         | 17,167                                  | -                  | 2,416                    | 6,460               |
|                            | <b>Guyana</b>            | 91,464              | 87,045                   | 1,732                        | 1,053                                   | 9,699                | 55,795                                  | 77                          | 16,663                                  | 0                  | 2,026                    | 4,419               |
|                            | <b>CARICOM</b>           | 11,545              | 10,381                   | 610                          | 2,394                                   | 5,679                | 1,114                                   | 85                          | 262                                     | 0                  | 237                      | 1,164               |
|                            | <b>Rest of the World</b> | 11,613              | 10,736                   | 4,251                        | 2,781                                   | 416                  | 2,893                                   |                             | 242                                     | 0                  | 154                      | 877                 |

Source: Insurance and Pensions Supervision Department, Bank of Guyana

Note: \*Other Investments include mutual funds



**TABLE 2.3:**  
**PENSION ASSET INVESTMENTS BY PLAN ADMINISTRATOR 2022-2023**

|                          | 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 |
|--------------------------|--------------|--------------------------|--------------------|---------------|--------------------------------|--------------------|-------------------------|-------------|-------------------|-------------------|
| <b>2022</b>              | 119,136      | 4,822                    | 5,130              | 15,536        | 66,488                         | 171                | 16,025                  | -           | 2,373             | 110,546           |
| <b>Insurers</b>          | 21,712       | 1,519                    | -                  | 1,086         | 2,636                          | 92                 | 16,025                  | -           | -                 | 21,358            |
| <b>Trust Companies</b>   | 87,554       | 1,013                    | 5,130              | 13,781        | 58,327                         | 23                 | -                       | -           | 2,363             | 80,638            |
| <b>Self-Administered</b> | 9,869        | 2,290                    | -                  | 669           | 5,524                          | 57                 | -                       | -           | 10                | 8,549             |
|                          |              |                          |                    |               |                                |                    |                         |             |                   |                   |
| <b>2023</b>              | 114,622      | 6,593                    | 6,228              | 115,793       | 59,802                         | 163                | 17,167                  | -           | 2,416             | 108,162           |
| <b>Insurers</b>          | 22,896       | 1,637                    | -                  | 1,102         | 2,475                          | 85                 | 17,167                  | -           | -                 | 22,493            |
| <b>Trust Companies</b>   | 82,144       | 2,423                    | 6,228              | 14,011        | 52,277                         | 28                 | -                       | -           | 2,379             | 77,347            |
| <b>Self-Administered</b> | 9,582        | 2,533                    | -                  | 680           | 5,050                          | 49                 | -                       | -           | 10                | 8,322             |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



**TABLE 2.5:**  
**SECTORAL INTEGRATION OF ASSETS INVESTED IN GUYANA 2022-2023**

| SECTORS                               | 2022          | 2023          |
|---------------------------------------|---------------|---------------|
| <b>Banking System</b>                 | <b>11,120</b> | <b>8,869</b>  |
| Cash at Bank                          | 4,819         | 2,081         |
| Fixed Deposits                        | 6,302         | 6,788         |
| <b>Public Sector</b>                  | <b>1,528</b>  | <b>3,137</b>  |
| T/bills                               | 1,611         | 1,739         |
| Bonds/Debentures/ Shared Plan         | -83           | 1,399         |
| Local Gov't Sectors                   | -             | -             |
| <b>Private Sector</b>                 | <b>73,932</b> | <b>80,058</b> |
| Shares                                | 62,265        | 56,291        |
| Mortgage/Loans                        | 171           | 163           |
| Bonds/Debentures/ Shared Plan         | 806           | 2,038         |
| NBFIs                                 | -6,728        | 2,828         |
| Real Assets                           | -             | -             |
| Pooled Funds (Deposit Administration) | 15,538        | 16,670        |
| Others                                | 1,880         | 2,069         |
| <b>Total Locally Invested Assets</b>  | <b>86,581</b> | <b>92,064</b> |

Source: Insurance and Pensions Supervision Department, Bank of Guyana



### 13.3 ANNEX 3: CLASSIFICATION DESCRIPTION & METHODOLOGIES

| TABLE 3.1:<br>PENSION ASSETS BY INVESTMENT CATEGORIES |   |
|---|---|
| <b>Cash Deposits</b>                                  | 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.   |
| <b>Stocks and Shares in Companies</b>                 | All forms of shares in the capital of enterprises, quoted shares, and other equities of listed companies on a stock exchange.   |
| <b>Corporate Bonds</b>                                | 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.  |
| <b>Securities of Governments</b>                      | These are inclusive of 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.  |
| <b>Mortgage Loans</b>                                 | Mortgage loans are inclusive of mortgages and other loans, including other instalment credits and all other types of loans.   |
| <b>Investment Arrangements</b>                        | 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. |
| <b>Real Estate</b>                                    | This refers to pension fund investments in real estate or property.   |
| <b>Other Investments</b>                              | Pension fund investments not included in the above categories.  |
| <b>Non-invested Assets</b>                            | Non-invested assets represent current account assets, including all types of receivables (debtors, interest, and taxes recoverable). Current account cash at the bank is excluded.  |
| PENSION PLAN/FUND LIABILITIES                         |   |
| <b>Actuarial Liabilities</b>                          | 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.   |



|                                     |  |
|-------------------------------------|--|
| <b>Accumulated Account Balances</b> | 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.  |
| <b>Operating/Other Liabilities</b>  | Operating liabilities refer to current liabilities, including creditors and accruals, refund of contributions payable, unpaid pensionable benefits, and all other types of payables.   |
| <b>Defined benefit</b>              | 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. |
| <b>Defined contribution</b>         | 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.                          |
| <b>Fully Registered Plans</b>       | 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**

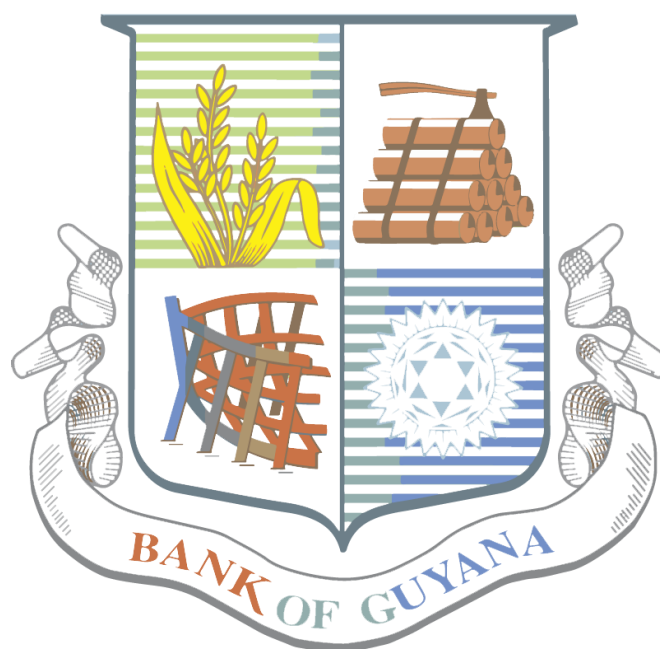
| <b>RATIOS</b>                                       | <b>DESCRIPTION</b>  | <b>METHODOLOGY</b>  |
|---|---|---|
| <b><i>Financial Assessment/Soundness Ratios</i></b> |   |   |
| <b><i>Systemic Risk</i></b>                         | Systemic risk is the possibility that an event at the company level could trigger severe instability or collapse of the pensions sector or local economy. This is monitored by analysing companies' pension assets and comparing the assets of the pension sector to GDP, total financial assets, and total assets of NBFIs respectively, and all ratios are expressed as a percentage.                     | $\text{Pension assets} \div \text{GDP (\%)} \\ \text{Pension assets} \div \text{total financial assets (\%)} \\ \text{Pension assets} \div \text{total NBFI assets}$  |
| <b><i>Liquidity Risk</i></b>                        | 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. | $\frac{\text{Sum of liquid accounts (include all pension asset classifications with maturity of one year or less)}}{\text{total liabilities}}$  |
| <b><i>Solvency Risk</i></b>                         | 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 can meet its financial obligations at that date, if the plan is fully funded, then it can meet its long term and future service obligations.                | $\text{Total pension assets} \div \text{total liabilities}$   |
| <b><i>Market Risk</i></b>                           | 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 to market risk.   | $\text{Foreign exposure (\%)} = \frac{\text{pension assets held in foreign currency}}{\text{total pension assets}}$ $\text{Equity exposure (\%)} = \frac{\text{pension assets}}{\text{total pension assets}}$ |



|  |  |   |
|--|--|---|
|  |  | held as equity ÷<br>total pension assets  |
| <b>Foreign Exposure of Pension Assets</b>  | 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  |
| <b>Equity Exposure of Pension Assets</b>   | 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   |
| <b>Credit Risk</b>                         | Credit risk is the risk of loss arising from a counterparty 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   |
| <b>Accounts Receivable to Total Assets</b> | The proportion of current assets as receivables is expressed as a percentage of total assets.  | Receivables ÷ total assets  |
| <b>Inflation Risk</b>                      | 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.   |   |
| <b>Rate of Return on Investments</b>       | 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 | Nominal rate: net investment income ÷ ((total investments of the current year) + (total investments of the previous year)/2). |
|  |  | Real rate: Nominal rate - price inflation   |



|   |  |  |
|---|--|--|
|   | described above) and the variation of the consumer price index for the relevant year.  | at the end of the year   |
| <b><i>Efficiency &amp; Profitability Ratios</i></b>   |  |  |
| <b><i>Net Income to Total Assets</i></b>              | 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 their contribution to the accumulated assets. | Net income ÷ total assets  |
| <b><i>Contributions to Total Benefit Payments</i></b> | 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.). |
| <b><i>Operating Expenses to Investment Income</i></b> | 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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