



Joint Thirty-Seventh Meeting of the
IMF Committee on Balance of Payments Statistics
and Seventeenth Meeting of the Advisory Expert
Group on National Accounts

Inter-secretariat
Working Group on
National Accounts

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For discussion

F.12 Covering Hybrid Insurance and Pension Products: Outcome of Global Consultation

Prepared by the Financial and Payments Systems Task Team (FITT)

INTERNATIONAL MONETARY FUND

F.12 Covering Hybrid Insurance and Pension Products: Outcome of Global Consultation¹

The global consultation² revealed that a large majority of respondents favored keeping the current categories—life insurance/nonlife insurance—and allocating hybrid insurance products to either category depending on which features are predominant (Option 2). Slightly more than half of the respondents confirmed having access to source data for implementing this option. In the case of autonomous employer-independent pension schemes, most respondents supported the option of treating them as social insurance pensions, provided accumulated contributions are set aside for retirement income and are subject to regulation or supervision in line with or similar to employer-related pension schemes/funds. Around 40 percent of the respondents confirmed having access to source data for implementing this option.

The GNF.12 is presented to the IMF's Balance of Payments Statistics Committee (the Committee) and the Advisory Expert Group on National Accounts (AEG) for final decision.

1. *What proposed option do you favor for the classification of hybrid insurance products?*

- **There was wide support for the recommended Option 2 (namely, keeping the current categories—life insurance/nonlife insurance—and allocating hybrid insurance products to either category depending on which features are predominant)**

Around 76 percent of the respondents supported Option 2, 6 percent supported Option 1, and 4 percent supported Option 3, with 14 percent still undecided.

Respondents who favored Option 2 noted that it is the most pragmatic, is in line with current practice in insurance companies and several countries, is easier to implement, and is least likely to cause breaks in the data series.

Fifty-seven percent of the respondents confirmed having access to source data for implementing Option 2 compared to 31 percent for Option 1.

2. *What proposed option do you favor for the classification of autonomous employer-independent pension schemes?*

- **The majority of respondents (56 percent) supported the recommended Option 3 (namely, treating them as social insurance pensions if accumulated contributions are set aside for retirement income and are subject to regulation or supervision in line with or similar to employer-related pension schemes/funds).**

¹ Prepared by FITT Secretariat and approved by FITT Co-chairs.

² The joint global consultation on the guidance note (GN) *F.12 Covering Hybrid Insurance and Pension Products* among both national accounts and balance of payments communities took place during the period September 24–October 22, 2021, collecting input from 50 respondents representing 46 economies (Annex I provides comprehensive information on the results of the global consultation). European countries had the largest participation (39 percent), followed by Asia and Pacific countries and Western Hemisphere countries (each, 22 percent), Middle East and Central Asia (11 percent) and African countries (7 percent).

Respondents in favor of Option 3 noted that it is less restrictive, easier to implement, and reflects economic substance better than the other options.

Respondents in favor of Option 1 (12 percent) argued that employer-independent schemes or funds did not meet the criteria for social schemes. Respondents in support of Option 2 (12 percent) noted that option 3 was too broadly formulated. A relatively large number of respondents (20 percent) were still undecided.

Forty percent of the respondents confirmed having access to source data for implementing Option 3 compared to 30 percent for Option 1 and 31 percent for Option 2.

Annex I. Results of the Global Consultation

Table 1. Responses to the Global Consultation Questionnaire

Questions	Number of Responses	%
1. Your response concerns which area of macroeconomic statistics.		
Balance of Payments	14	28%
Both National Accounts and Balance of Payments	19	38%
National Accounts	17	34%
Total	50	100%
2. Is there a need for clarification on the recording of hybrid insurance and pension products in the Balance of Payments and National Accounts?		
No	11	22%
Yes	38	78%
Total	49	100%
Conceptual Issues/Recommendations		
3. What proposed option in paragraph 13 do you favor for the classification of hybrid insurance products?		
Option 1	3	6%
Option 2	38	76%
Option 3	2	4%
Undecided	7	14%
Total	50	100%
4. What proposed option in paragraph 20 do you favor for the classification of autonomous, employer-independent pension schemes?		
Option 1	6	12%
Option 2	6	12%
Option 3	28	56%
Undecided	10	20%
Total	50	100%
Practical Implementation		
5. From a practical perspective, does your institution have access to the relevant source data to implement the recommendations for the treatment of hybrid insurance products? : Option 1		
No	29	69%
Yes	13	31%
Total	42	100%
5. From a practical perspective, does your institution have access to the relevant source data to implement the recommendations for the treatment of hybrid insurance products? : Option 2		
No	20	43%
Yes	27	57%
Total	47	100%
5. From a practical perspective, does your institution have access to the relevant source data to implement the recommendations for the treatment of hybrid insurance products? : Option 3		
No	33	80%
Yes	8	20%
Total	41	100%
9. Would your institution be interested in participating in an experimental estimates exercise to implement?		
Option 1	8	50%
Option 2	6	38%

Questions	Number of Responses	%
Option 3	2	13%
Total	16	100%
10. From a practical perspective, does your institution have access to the relevant source data to implement the recommendations for the treatment of employer-independent pension schemes? : Option 1		
No	30	70%
Yes	13	30%
Total	43	100%
10. From a practical perspective, does your institution have access to the relevant source data to implement the recommendations for the treatment of employer-independent pension schemes? : Option 2		
No	29	69%
Yes	13	31%
Total	42	100%
10. From a practical perspective, does your institution have access to the relevant source data to implement the recommendations for the treatment of employer-independent pension schemes? : Option 3		
No	25	60%
Yes	17	40%
Total	42	100%
14. Would your institution be interested in participating in an experimental estimates exercise to implement?		
Option 1	7	50%
Option 2	2	14%
Option 3	5	36%
Total	14	100%
15. If your institution is interested in participating in an experimental estimates exercise, would you need to receive technical assistance?		
No	11	48%
Yes	12	52%
Total	23	100%