NOTES TO OECD 'PENSION METADATA SHEET'

- *The OECD Pension Metadata Sheet aims to provide a clear and concise overview of the content of the columns in the table on social insurance pension schemes, regarding their coverage and the assumptions used in the calculation of the main results. A separate sheet is used for each column. If a column is not relevant in a country, it is requested to explicitly mention so in the relevant sheet.*
- *Relevant additional information (e.g. more detailed descriptions) could be provided as an annex to, or as links within, the sheets.*
- *Countries are requested to provide the metadata sheet together with the transmission of the data for the table on social insurance pension schemes.*
- *The Metadata Sheet should be updated when changes occur in national pension systems or in the compilation of the estimates included in the table on social insurance pension schemes.*
- *The metadata provided should be publishable on the OECD website.*

TABLE 2900 - METADATA SHEET

Colombia

April 2020

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To make the format 2900, we join together with the following institutions: Ministry of Finance, Colombian Superintendence of Finance and DANE.

The reported values are in billions of Colombian pesos

1. Column A: Defined contribution schemes managed by non-general government

1. General description of schemes covered and information on calculations
a. Coverage of the column
In this column are shown the contributions and benefits of the defined contribution scheme for capitalization managed by Pension Fund Management which is based on the savings that each affiliate makes in an individual savings account, which their contributions and their financial returns are recorded and which only and exclusively finance their pension. In this column row 1, the data is the value of the autonomous equity of the pension funds is recorded, which is the reserve with which the funds to answer for the payment of the social benefits in the pension and which reaches the value of the contributions made by each affiliate to these funds. At 8 and 9 row, changes in the balances of these funds are recorded due to the valuations of these flows and the differences between the initial and final balances of the reporting period.
b. Information on calculations

Data sources	The data entered in this column comes from the Superintendencia Financiera de Colombia we take the administrative register called "cuenta valor del fondo (Value Accounts Funds)" provided to the Superintendencia by the entities that administer the social pension insurance Scheme. The Superintendencia Financiera de Colombia is the regulatory and supervisory authority of those entities.

2. Any other comments

The format was filled out following the proposed formulas. However, in the national accounts, the application of the format is not strict due to the particularities of the pension funds that receive income that are not contributions nor do they belong to the individual accounts of the contributors, such as the contribution to the minimum guarantee fund in pensions that is in the accounts of the pension funds since they guard

Line 6: it belongs to the transferred values between "Individual Savings System" and the "Social Security Fund", plus the transfers due to reimbursements to "Pension Solidarity Fund" (in charge of the government)

Line 8: once the data is verified by the "Colombian Financial Supervisor", the Ministry of Finance and DANE found a way to calculate this information, to apply it to all years.

Line 10: column A 1+ Σ 5 to 9: this result presents the residual difference with the total value of row 11, which is the product of the conjunction of three administrative records to elaborate this format: 1)The Financial Statements; 2) The administrative record of fund value, which contains the detail information of the principal revenues and expenses of the "Individual Savings System" (retirement fund), that are supplemented with financial statements, and; 3) The "Integrated Social Security Contribution Forms" that registers the national contributions. Nevertheless, we will keep working to minimize the differences in future exercises.

Line 11: this value corresponds to the sum of retirement funds on 31 December 2018, issue on the Colombian Superintendence of Finance web page .

2. Column B: Defined benefit schemes managed by non-general government

1. General description of schemes covered and information on calculations

a. Coverage of the column

This column records the value of the imputed contributions from the other defined benefit schemes in force for non-financial corporations and financial corporations, which are provided by the employers themselves. Also showing the effective payments of the benefits that are paid by these same schemes are recorded.

No calculation is made to obtain this data; it is obtained directly from the administrative records provided by the entities in charge of the administration of the social insurance pension scheme different from the general government.

b. Information on calculations

Data sources	The data in row 2.2 comes from the imputation of the contributions made, having as source the paid benefits registered in row 4, which correspond to the value paid by the entities belonging to these schemes. This information is taken from the financial statements presented by the different entities that manages the defined benefits scheme.
Discount rate (%)	The information about discount rate exist, but it's not available
Discount rate (info)	The information about discount rate exist, but it's not available
Wage growth assumption	Data no available
Demographic assumptions	Data no available

2. Any other comments

Line 1: there is not initial balance in 2015 neither in the following years; the participants in the calculus construction, decided to do further detail analysis to make sure the data would be more consistent to the social security systems defined in the table.

Line 10: the data is the result of the application of the proposed formulas, Yet, without an initial entry, it loses coherence and representativeness in time. So, the institutions involved, decided not to use this result.

Line 10: nowadays, it is a topic of study. It is needed due to the implementation of IFRS.

Line 11: Belongs to the pension reserves for each regimen.

Lines 1 and 10: the balances were labeled in state N, since not all the necessary data are available and the reconciliation process has not been carried out between the institutions that made the format.

3. Column C: Total social insurance pension schemes managed by non-general government

(<u>Only to be completed </u>if no separate information is available for columns A and B)

1. General description of schemes covered and information on calculations	
a. Coverage of the column	
For this column, the information is equal to the sum columns A + B	
b. Information on calculations	
Data sources	*N/A*
Discount rate (%)	*The information about discount rate exist, but it's not available*
Discount rate (info)	*The information about discount rate exist, but it's not available*
Wage growth assumption	*Data no available*
Demographic assumptions	*Data no available*
2. Any other comments	

Column C and I are totals: the status is a letter like E, since column A are non-observed values in total, and the other columns have some estimations.

4. Column D: Defined contribution schemes managed by general government

1. General description of schemes covered and information on calculations	
a. Coverage of the column	
For this column there are no available data	
b. Information on calculations	
Data sources	*N/A*
2. Any other comments	

5. Column E: Defined benefit schemes for government employees, managed by general government and administered by an autonomous pension fund

1. General description of schemes covered and information on calculations	
a. Coverage of the column	
The data in row 2.2 comes from the imputation of the contributions made, having as source the paid benefits registered in row 4, which correspond to the value paid by the entities belonging to these schemes. The data in row 4 are information obtained by administrative registers different to balance sheets. *This information is taken from the financial statements presented by the different entities that manages the defined benefits scheme.*	
b. Information on calculations	
Data sources	*Administrative registers different to balance sheets provided by the government entities*
Discount rate (%)	*The information about discount rate exist, but it's not available*
Discount rate (info)	*The information about discount rate exist, but it's not available*
Wage growth assumption	*Information no available*
Demographic assumptions	*Information no available*
2. Any other comments	

Line 1: there is not initial balance in 2015 neither in the following years; the participants in the calculus construction, decided to do further detail analysis to make sure the data would be more consistent to the social security systems defined in the table.

Line 10: the data is the table result after applying the proposed formulas. Yet, without an initial entry, it loses coherence and representativeness in time. So, the institutions involved, decided not to use this result.

Line 11: nowadays, it is a topic of study. It is needed due to the implementation of IFRS.

Line 11: Belongs to the pension reserves for each regimen.

Lines 1 and 10: the balances were labeled in state N, since not all the necessary data are available and the reconciliation process has not been carried out between the institutions that made the format.

6. Column F: Defined benefit schemes for government employees, managed and administered by general government

1. General description of schemes covered and information on calculations

a. Coverage of the column

In this column, the value of the separate contributions is recorded according to the contribution made by the employer and the employee; effectively collected by the scheme of defined benefits provided by the different entities of the general government, which are supplied on their own as an employer.

The data on social insurance pension payments paid effectively to the affiliates of this social insurance pension schemes are also recorded

No calculation is made to obtain this data; it is obtained directly from the administrative records provided by the entities in charge of the administration of the social insurance pension schemes in the general government.

In row 8 are recorded the changes in the balances of these funds due to the valuations of these flows and in row 11 the value of the assets that support the pension liabilities of the general government is recorded

b. Information on calculations

Data sources	The data comes from the administrative records of financial statements and the information of the budgets presented by the different entities that administer the defined benefits scheme, which are reported to the entity in charge of its compilation, review and publication. Contaduría General de la Nación (E: Accounting Office of the Nation)
Discount rate (%)	The information about discount rate exist, but it's not available
Discount rate (info)	The information about discount rate exist, but it's not available
Wage growth assumption	Information no available
Demographic assumptions	Information no available

2. Any other comments

D8 is not calculated, since currently, from the basic information, it is not possible to separate the data that would correspond to Social Security and those that would correspond to other social insurance. The above is due to the fact that the general government has assumed part of the pension obligations of public entities that have been liquidated and that were classified as other social insurance (defined benefit) other than Social Security, because the contribution and benefit rights scheme were different from the existing Social Security scheme. At the moment, we are working with direct sources in order to make the differentiation with respect to the systems and subsequently include the corresponding records.

Line 1: there is not initial balance in 2015 neither in the following years; the participants in the calculus construction, decided to do further detail analysis to make sure the data would be more consistent to the social security systems defined in the table.

Line 10: the data is the table result after applying the proposed formulas. Yet, without an initial entry, it loses coherence and representativeness in time. So, the institutions involved, decided not to use this result.

Line 10: nowadays, it is a topic of study. It is needed due to the implementation of IFRS.

Line 11: Belongs to the pension reserves for each regimen.

Lines 1 and 10: the balances were labeled in state N, since not all the necessary data are available and the reconciliation process has not been carried out between the institutions that made the format.

7. Column G: Defined benefit schemes for government employees, managed and administered by general government, for which liabilities are not included in the central framework of the SNA

1. General description of schemes covered and information on calculations	
a. Coverage of the column	
For this column there are no available data	
b. Information on calculations	
Data sources	*N/A*
Discount rate (%)	*N/A*
Discount rate (info)	*N/A*
Wage growth assumption	*N/A*
Demographic assumptions	*N/A*
2. Any other comments	

8. Column H: Social security pension schemes

1. General description of scheme(s) covered and information on calculations	
a. Coverage of the column	
The scheme of social insurance in Colombia is framed within a solidary regime of average premium with defined benefit, in which the contributions of the affiliates and employers, as well as their returns, constitute a common fund of a public nature. The amount of the pension is pre-established, as well as the retirement age and the minimum contribution weeks. In this regime, there not voluntary contributions, and an early retirement can't be chosen. In this column, the value of the separate contributions is recorded according to the contribution made by the employer and the employee; effectively collected by the defined benefit social insurance pension scheme. As well as the social pension benefits paid to affiliates of this social insurance pension scheme. No calculation is made to obtain this data; it is obtained directly from the administrative records provided by the entity in charge of the administration of the social insurance pension scheme.	
b. Information on calculations	
Data sources	The data comes from administrative records, budget information, that is reported by each of the entities that are part of the social pension insurance scheme in Colombia.
Discount rate (%)	The information about discount rate exist, but it's not available
Discount rate (info)	The information about discount rate exist, but it's not available
Wage growth assumption	Information no available
Demographic assumptions	Information no available
2. Any other comments	

D8 is not calculated, since currently, from the basic information, it is not possible to separate the data that would correspond to Social Security and those that would correspond to other social insurance. The above is due to the fact that the general government has assumed part of the pension obligations of public entities that have been liquidated and that were classified as other social insurance (defined benefit) other than Social Security, because the contribution and benefit rights scheme were different from the existing Social Security scheme. At the moment, we are working with direct sources in order to make the differentiation with respect to the systems and subsequently include the corresponding records.

Line 1: there is not initial balance in 2015 neither in the following years; the participants in the calculus construction, decided to do further detail analysis to make sure the data would be more consistent to the social security systems defined in the table.

Line 3: this value belongs to the money put as a public warranty, by the government, to cover up the pension deficit

Line 10: the data is the table result after applying the proposed formulas. Yet, without an initial entry, it loses coherence and representativeness in time. So, the institutions involved, decided not to use this result.

Line 10: nowadays, it is a topic of study. It is needed due to the implementation of IFRS.

Line 11: Belongs to the pension reserves for each regimen

9. Columns J and K: Counterparts of domestic social insurance pension liabilities (i.e. relating to resident or non-resident households)

1. General description
Allocation to counterpart sector
For this column there are no available data

2. Any other comments

10. **Column L: Social insurance pension entitlements of resident households with regard to the rest-of-the-world**

1. General description	
Information on calculations	
Data sources/methods	*N/A*
Discount rate (%)	*N/A*
Discount rate (info)	*N/A*
Wage growth assumption	*N/A*
Demographic assumptions	*N/A*
2. Any other comments	

11. Links to (national) publications providing further information on the pension schemes

1. *General description of the social insurance pension schemes:*

   https://www.minsalud.gov.co/proteccionsocial/RiesgosLaborales/Paginas/sistema-general-pensiones.aspx

2. *General Decree for the insurance pension schemes – Decreto 1833 de 2016*

   http://www.mintrabajo.gov.co/documents/20147/59033770/DUR+PENSIONES+ACTUALIZADO+A+JUNIO+DE+2018+..pdf/fce23903-8d69-4b5f-e623-98f1430a54c3

ANNEX