Table 6.1a	Characteristics of the Voluntary Pension Savings Plans in selected countries (December 2022)

Characteristic	Bolivia	Chile	Colombia	Costa Rica	El Salvador	Kazakhstan
Managing Agencies	Pension Fund Managers (AFPs).	Pension Fund Managers (AFPs); banks; life insurance companies; Mutual and Housing Investment Fund Managers; stockbrokers.	Pension and Unemployment Fund Managers; life insurance companies; trust companies.	Licensed institutions are complementary pension operators authorized by the regulator (SUPEN).	Pension Fund Administrators (AFPs).	Unified accumulative pension fund (UAPF)
Authorized means of contribution	Personally in the selected agency, via Internet or payroll deductions.	Personally in the selected agency, via Internet, payroll deductions. Contributors to the former system can pay their contributions through the Social Security Normalization Institute (INP), which transfers them to the selected agency.	Personally in the selected agency, via Internet, payroll deductions and automatic debit, as agreed with banks.	Personally in the selected agency, via Internet, payroll deductions, discount in savings account and by credit card.	Personally in the selected agency or through an electronic spreadsheet.	Via bank office, via bank app
Plans offered	Savings accumulate in mandatory CCI.	There are no specific Voluntary Savings Plans in the AFPs; the contributions are paid into the same funds into which mandatory contributions can be paid. The rest of the stakeholders in the VSP market have different plans.	The fund managers offer different plans with different types of investment, in compliance and in line with what is permitted by law.	Individual and collective, in colons and dollars.	There are no special plans.	Voluntary savings are accumulated at UAPF. There are no specific voluntary savings plans.
Commission for the management of Voluntary Pension Savings	The fund managers do not charge a commission for managing funds, but there is a portfolio commission (% of the fund).	The AFPs charge an annual percentage of the accumulated funds as a commission for the management of Voluntary Savings Funds. The commissions of mutual fund managers are variable and depend on the type of investment. Insurance companies have different rates. The other institutions set their commissions according to the plans offered.	An regular daily commission is charged on the balance of the individual account of voluntary pension and depends on the type of portfolio in which the member has invested.	The Commission is charged on the basis of performance, with a maximum of 10% or a maximum of 2% over balances.	Dependent workers are not charged for voluntary savings. (The possibility of making voluntary contributions within the individual mandatory savings account is no longer possible from the start of operations of the Voluntary Pension Savings Funds on July 1, 2020.)	UAPF's commission in 2021 is fixed at 0.01% from pension assets (per month). The maximum size of commission of the National Bank is 2% from investment return (actual - 2.0%).
Minimum investment	None	In general there is no minimum amount, although this depends on the type of plan and the fund manager.	There is no minimum investment amount; it depends on the type of plan and the fund manager.	The monthly payment must be more than 5,000 CRC (approx. USD 8,4 as of 31 Dec. 2022).	There is no minimum amount.	There is no minimum ammount. However, the cash invested shall not exceed 10% from all pension savings.
System / Tax incentives of the plans	None	There are two tax regimes: (1) Tax Regime A: Do not use the tax benefits when paying in voluntary savings amounts and only pay tax on the returns of such savings when the funds are withdrawn (contributions are not deducted from the tax base of the sole second category tax). For people engaged in APV or APVC (Collective Voluntary Pension Saving) without tax exemption at the outset (paragraph a, Article 20 L, Decree Law 3500), an annual government bonus equivalent to 15% of the saved amount will be granted, as long as such savings are destined to a pension. (2) Tax Regime B: make use of the tax benefit when making voluntary contributions. In contrast, tax is paid at the time of withdrawal, based on the sole tax levied on APV withdrawals. This mode is not entitled to the government subsidy. Paid-in voluntary contributions are deducted from the tax base of the income tax up to a maximum of 50 UF per month (UF = Unidad de Fomento) for dependent workers (cap = 600 UF per year = USD 24.500 per year).	Yes; contributions have tax benefits if they are not withdrawn before 10 years, or are used to purchase a housing unit.	Tax benefit up to a maximum of 10%, of wage, for the payment of tax on income and Social Security contributions.	Deductible from income tax; up to 10% of income subject to mandatory contribution	Exempt-Exempt-Taxed (EET). Tax deduction applies to voluntary pension contributions contributed by individual in its own favor as well as by employers. Paid-in voluntary contributions are deducted from the tax base of the income tax. In order to claim for tax deduction an individual shall provide supporting documents to employer: pension agreement and a document confirming the payment of voluntary pension contributions. Benefit payment is taxed (10%).
Are voluntary savings funds considered inheritance?	Yes	Yes, but they are first destined to the payment of survival pensions, or compensation in the case of life insurance companies.	Yes	No	Yes	Yes
Degree of liquidity of savings	Yes; there is the possibility of early withdrawal of balances through the mechanism of temporary withdrawals, but it is subject to a minimum of sixty paid-in contributions.	Yes, but with taxes and penalties. If withdrawal occurs before retirement and before men turn 65 and women turn 60, or the withdrawal is not destined to financing pensions or early retirement, there are penalties. Agreed Deposits (DC) can only be withdrawn at the time of retirement. In the case of Tax Regime A, if there is a withdrawal before retirement, the 15% is returned to the State. In the case of Tax Regime B, early retirement is subject to the global complementary tax rate + the penalty (between 3% and 7%, depending on income amounts), and the withdrawal can be up to 85% of the amount (the remaining 15% is withheld for the payment of taxes and withdrawal of the remaining amount).	Yes	Early withdrawals can be made after 5 and a half years from the subscription of the contract and after having complied with a minimum of 66 monthly contributions, as stipulated by law.	They have no liquidity. Contributions cannot be withdrawn under any circumstances, except for the payment of a pension or its transfer to a Voluntary Pension Savings Fund. The Voluntary Pension Savings Funds (FAPV) do have liquidity and have tax benefits both in the contribution and in exemption in the yield obtained. Minimum time rules apply to maintain the investment in the FAPV for five years to be able to withdraw the money and maintain tax benefits	Normal retirement age is 63 for men, 60.5 for women, while age for claiming pension at the expense of voluntary contributions is 50. Moreover contributors of voluntary pension contributions have the right to withdraw voluntary savings, including the accrued investment income, if voluntary pension savings have been on the accounts for at least 5 years.
Are voluntary pension savings funds unattachable?	Yes	Yes	Yes	Yes	Yes	Yes

Source: FIAP.

Table 6.1b	Characteristics of the Voluntary Pension Savings Plans in selected countries (December 2022)

Characteristic	Mexico	Panama	Peru	The Dominican Republic	Ukraine	Uruguay
Managing Agencies:	Pension Fund Administrators (AFORES).	Pension Fund Administrators.	Pension Fund Administrators (AFP).	Pension Fund Administrators (AFP).	Banks and private pension fund Administrators.	Pension Savings Fund Administrators (AFAPs).
Authorized means of contribution	(1) Directly at the till; (2) Payroll deductions, requesting the employer to discount the amount the worker decides to save; (3) Have the worker's bank automatically deposit the contribution from the worker's bank account to his individual AFORE account, regularly or one-off; (4) Via the internet (only some AFORES offer this service); (5) In convenience stores. (5) Via mobile using the APP Transfer.	Personally in the selected agency or by means of an electronic spreadsheet. Personally or via Internet, payroll deductions, in selected agencies and institutions that have agreements with the agencies entrusted with the management of voluntary savings.	Payroll deduction, agreed with banks and institutions with direct debit agreements. Personally in the selected agency or via Internet.	By the same route and mechanism in which the mandatory contribution, including it in the monthly payroll of the employer, which is paid by bank transfer, check or cash, through the network of authorized banks for payments made to social security.	Personally at the selected agency; payroll deductions and automatic debit agreed with banks and financial institutions that have agreements.	Voluntary Deposits: the employer or any individual or body corporate who agrees with the member to deposit the contribution into his individual savings account. The agreement must be documented in a written contract
Plans offered	There are no specific voluntary savings plans in the AFORES. Voluntary Contributions are invested in the same Basic Specialized Investment Company (SIEFORE) of the worker (used for mandatory contributions) in those AFORES that do not operate additional SIEFORES. However, workers can choose between different types of voluntary savings: 1) Short term; (2) Medium term; (3) Long-term; and (4) Complementary retirement. Some AFORES have created voluntary savings SIEFORES, denominated Additional, in order to offer their members a higher yield option.	The plans offered by the pension fund managers are private retirement plans.	There are two types of plans for voluntary contributions: (i) Voluntary contributions for pension purposes: which will be used to increase the pension at the time of retirement; (ii) Voluntary contributions for purposes other than pensions, which can be made by members who have been enrolled in the Private Pension System (SPP) for at least five years, or who are 50 years old. The latter are also attachable, can be fully or partially withdrawn, is not subject to limits and can be converted into contributions for pension purposes.	Although it is allowed by law, supplementary pension accounts have not yet developed. There remain two complementary plans previous to the new system. The voluntary contributions go to the same mandatory account.	Savings for complementing pensions, by age and disability.	There are no special voluntary pension savings plans; contributions accumulate together with mandatory contributions.
Commission for the management of Voluntary Pension Savings	The weighted average, as of Dec. 2022, of the commissions charged by the AFORES, is 0.57% per year on the funds managed in the case of the Basic SIEFORES and 0.84% for the Additional SIEFORES (calculation weights commissions for SIEFORES with variable rates).	2.5% of the fund per year	The AFPs charge a monthly commission on the managed balance for managing voluntary contributions, for both pension and non-pension savings. Each AFP charges a commission according to the type of multifund (the riskier the fund, the higher the commission). In the case of contributions for purposes other than pensions, the AFPs can also charge different commissions based on whether the individual is a member of the AFP or not, and also for the management of mandatory contributions (if enrolled in the AFP, the commission charged is lower).	The monthly administration fee is not charged for voluntary contributions, as these go to the same mandatory account. It is charged the annual fee, which is determined from the profitability of total assets under management.	Bank Managed Funds (BMF): 3% on the return of the funds (if the member wishes to withdraw his balance before the defined date, 5% of the managed funds).Non-State funds (NSF): 5% of contributions and 4% of managed funds.	The charging of commissions on voluntary contributions is provided for in Law 16.713. None of the fund managers currently charge management commissions on these deposits.
Minimum investment:	The AFORES do not establish a minimum or maximum amount for voluntary savings deposits, except: 1) Direct Debit, deposits from MXN 100 (approx. USD 5.14) and up to MXN 10,000 (approx. USD 513.57); and 2) in which it is made in convenience stores, where the minimum deposit amount is MXN 50 (approx. USD 2.57).	USD 20 per month	None	None	None	None
System / Tax incentives of the plans	Voluntary Complementary Retirement Contributions are tax deductible in the year in which they are deposited, up to 10% of the taxpayer's cumulative income in the year, without said contributions exceeding the equivalent of five UMAS (MXN 173.196 USD 8.895). By maintaining the savings until the pension date, the contributions withdrawn by the worker will be exempt from paying taxes. Accumulated real interest will be subject to a withholding of 0,08% on the capital amount that gives rise to it. If the savings are available before the pension date, the AFORES must withhold 20% of the total amount of the withdrawal. If the worker did not deduct the contributions made, only the actual interest paid is considered income, so 0,08% of the withdrawal amount will be withheld.	Contributions deductible from income tax, up to 10% of income	None	Compulsory contributions by law, both made by the worker and the employer, are deductible from tax paying. There is still no a tax incentive scheme for voluntary contributions. Only members who enter the system, over 45 years, can make extra contributions on their own account, which will be exempt from tax up to an amount equal to 3 times the regular contribution made by the worker.	15% of the income of each person who contributes to voluntary pension savings plans is tax free. Employers who pay contributions for their employees to plans of this kind are exempt from tax up to 10% of gross income.	Voluntary Deposits: deductible from personal income tax. Agreed Deposits: deductible from gross income for paying the income tax for economic activities (I.R.A.E.), provided that the amount thereof does not exceed 20% of computable assignments taxed with pension contributions received in the immediately preceding calendar year.
Are voluntary savings funds considered inheritance?	Yes	No	Yes, includes contributions for pension and non-pension purposes.	Voluntary savings funds are accumulated in the same mandatory account and are considered inheritance, provided they are not used to pay a survivors' pensions.	Yes.	Yes.
Degree of liquidity of savings	1) Short-term Saving: contribution amounts can be withdrawn after 2 or 6 months of having made the first deposit or the last withdrawal (depending on the AFORE); (2) Long term Saving: savings can be withdrawn after five years of having made the deposit; (3) Savings with a Long-Term Outlook: savings can be withdrawn at age 65, or before reaching that age; (4) Complementary Retirement Savings: savings are withdrawn at the age of 65. Voluntary savings can be deductible from income tax (with the exception on short term savings) and yields are treated depending on the time at which these savings are withdrawn.	n.a.	Voluntary contributions for pension purposes may be withdrawn as a pension; savings for purposes other than pensions can be withdrawn without a maximum limit per year.	Voluntary contributions can only be withdrawn at the time of retirement.	BMF: contributions can be withdrawn at any time; however, they pay a tax penalty of 15% and a commission on managed assets of 5% of the member's funds .NPF: Withdrawals are only allowed if the member is in a critical state of health, he moved to take up permanent residence in another country, or his balance is less than a minimum amount; he pays a tax penalty of 15%.	They cannot be withdrawn, unless the worker dies, or is fully and permanently disabled for any kind of work and, in this last case, is not entitled to a disability pension.
Are voluntary pension savings funds attachable?	The art. 169 of the IMSS Law establishes that the resources of the retirement, unemployment and old age sub-account (RCV) are unattachable. This does not apply to the resources deposited in the voluntary contributions subaccount, where art. 79 of the SAR Law establishes a maximum limit of 20 times the annual minimum wage, which as of December 2022 corresponds to MXN 1.244.664 (USD 69.922).	Yes	For pension purposes, yes; for purposes other than pensions, no.	Yes.	Yes.	Yes

Source: FIAP.