Survey of Investment Restrictions in OECD countries

Appendix 1

SURVEY OF INVESTMENT REGULATION OF PENSION FUNDS

OECD Secretariat

Methodological issues

The information collected concerns all forms of quantitative portfolio restrictions applied to pension funds in OECD countries at different legal levels (law, regulation, normative, etc). Pension funds are independent legal entities that are established and managed mainly for the purpose of providing retirement and other old-age benefits (such as disability, health benefits) to the members of a pension plan. Pension funds as defined in this form exist in all countries except **Greece**, the **Slovak Republic**, and **Turkey**.

Two classifications of pension funds are relevant from the perspective of investment regulation, which are further discussed in the document DAFFE/AS/PEN/WD(2000)12/ADD1/REV1. The first is between closed and open pension funds, a classification that was developed under the taxonomy exercise during the December 1999 meeting (see DAFFE/AS/PEN/WD(99)15). The main difference is that a closed pension funds supports a retirement plan restricted to specific participants (e.g. employees from a specific company, industry, or government agency), while an open pension fund supports retirement plans that do not have membership restrictions.

The second classification is between pension funds that support mandatory pension plans and those that support voluntary pension plans. Compulsion may apply to both employees and employers. In some countries, for example, employers are required to provide pension plans funded via a closed pension fund or an insurance contract (e.g. **Switzerland**), while in others they can also channel their contributions through an open pension fund (e.g. **Australia**). Employees are required to contribute to these pension plans. In other countries, employees are required to contribute only to open pension funds, managed by financial intermediaries (e.g. **Mexico** and **Poland**), or to either closed or open funds (e.g. **Hungary**).

In most countries, closed and open pension funds are subject to the same investment regulations. However, in **Hungary** mandatory pension funds are subject to more stringent regulations than the voluntary funds. In **Mexico**, different regulatory regimes exist for closed and open funds, but little information is available on the closed funds. Finally, in **Poland**, the open pension funds operate in the mandatory pension system, while the closed (employee) pension funds collect only voluntary contributions. Therefore, the investment regulation of the latter contains fewer restrictions.

Main findings

Table 2 contains a summarised description of all the quantitative restrictions applied to pension fund investment portfolios in OECD countries. Some form of quantitative regulation is applied in all member countries. By far the most common ones are regulations intended to limit conflicts of interest between plan members and pension fund managers. In all countries except **Japan**, pension funds are subject to self-investment limits, the ceiling ranging from 25% in **Finland** and **Switzerland** to 0% in **Denmark**.

Many OECD countries also limit investment in a single issue or in securities from the same issuer. The limit is usually set at around 10% of the fund, though in some countries it is higher (e.g. **Italy** at 15%).

About half of OECD countries where pension funds exist also place limits by asset type (see Table 1). The most common are limits in equities and foreign securities. Equity limits are applied by sixteen of the twenty-seven OECD countries with pension funds. These limits range from 65% in **Belgium** to 0% in **Mexico**. Table 1 lists the countries and limits in equities. Some countries also place tighter restrictions on investment in unquoted shares. This is the case in **Belgium**, **France**, and **Finland**.

Eleven OECD countries place no limits on investment in equities. These countries are **Australia, Canada, Ireland, Italy, Japan, Luxembourg**, the **Netherlands, New Zealand, Spain**, the **United Kingdom**, and the **United States**.

Countries that limit investment in equities tend also to restrict investment in other asset categories, such as property. The ceilings range from 50% in **Switzerland** to 0% for **Hungarian** and **Mexican** mandatory pension funds. In general, the limit for direct investment in property is lower than that for equities. The only two exceptions are **Finland** and **Switzerland**, where pension funds are allowed to invest a greater percentage of their asset in real estate than in stocks.

Various countries also limit loans by pension funds, such as mortgage loans (**Austria, Belgium, Czech Republic, France, Finland, Germany, Hungary, Mexico, Poland**, and **Portugal**). The limit ranges from 70% in **Finland** to 0% in the countries with open funds (**Czech Republic, Hungary, Mexico**, and **Poland**).

Investment limits in other domestic assets such as bonds and bank deposits are much less extended. Limits on corporate and mortgage bonds are imposed only in **Germany, Hungary, Mexico**, and **Portugal**. A few countries also place limits on investment in liquid assets, such as deposits (**Germany, Italy, Portugal**, and **Spain**).

While no OECD countries impose ceiling in investment in government bonds, four countries apply floors. In **Austria** pension funds are required to invest at least 35% of their assets in mortgage bonds, government bonds, and Euro denominated debentures. **French** pension funds must invest a minimum of 50% in EU government bonds. In **Denmark**, pension funds must invest a minimum of 60% of their portfolio in domestic debt. Finally, in **Mexico**, pension funds must invest at least 51% of the funds' assets in inflation-linked or inflation protected securities and at least 65% in securities that either have a maturity shorter than 183 days or have floating rate notes whose rate is revised in less than 183 days.

Some countries also impose limits on ownership concentration, that is on the portion of a company's capital that pension funds can own. The ceiling ranges from 30% in **Canada** to 5% in **Spain** and **Sweden**.

Finally, some countries restrict investment in foreign securities, either through direct ceilings or via currency matching rules. The latter are present in **Denmark, Finland, Germany**, and **Portugal**, where pension funds are required to cover at least 80% of their liabilities with assets in the same currency and **Italy**, where the minimum level is 33%.

Direct limits on foreign securities exist in some countries, ranging from 65% in **Belgium** to 0% in **Mexico**. Most countries that limit investment in OECD countries impose even tighter limits on investment in securities from non-OECD countries. In fact, only a few countries permit investment in non-OECD securities, including **Australia** (no limit), **Canada** (30% limit), **Hungary** (9% for mandatory pension funds, 6% for voluntary pension funds, investment in non-OECD equity not permitted), **Ireland, Italy** (5%), **Netherlands** (no limit), **New Zealand** (no limit), **Norway** (no limit), **Portugal** (20% limit), the **United Kingdom** (no limit), and the **United States** (no limit).

Table 1: Limit on OECD pension fund investment in selected domestic asset categories

Country	*Equity*	*Real Estate*	*Corporate Bonds*	*Investment funds*	*Loans*	*Bank deposits*
Australia	No limit	No limit	No limit	No limit	No limit	No limit
Austria	50	20	No limit	No limit	10	No limit
Belgium	65 (quoted) 30 (unquoted)	40*	No limit (corporate)	30	40* (mortgage)	No limit
Canada	No limit	25	No limit	No limit	No limit	No limit
Czech Republic	25	No limit	No limit	25	0	No limit
Denmark	40	40*		40*		
Finland	50 (quoted) 10 (unquoted)	40	No limit	No limit	70 (mortgage loans, including real estates and buildings 10 (subordinated loans) [3]	No limit
France	65 (quoted) 0.5 (unquoted)	0	No limit		10	
Germany	30 (quoted) 10 (unquoted)	25	50	30	50 (mortgage) 50 (other)	50
Hungary[1]	50 (MPF) 60 (VPF)	0 (MPF) 10 (VPF)	40 (VPF, corporate) 50 (MPF, corporate) 10 (mortgage)	50	0 (MPF) 5 (VPF)	No limit
Iceland	50 (quoted) 10 (unquoted)					
Ireland	No limit	No limit	No limit	No limit	No limit	No limit
Italy	No limit	No limit	No limit	20	No limit	20
Japan	No limit	No limit	No limit	No limit	No limit	No limit
Korea	40	15				
Luxembourg	No limit	No limit	No limit	No limit	No limit	No limit
Mexico	0	0	35 (corporate); within that limit, up to 10% in banks and financial entities	0	0	250,000 in local currency (Mexican pesos) and 25,000 US dollars in foreign currency.
Netherlands	No limit	No limit	No limit	No limit	No limit	No limit
New Zealand	No limit	No limit	No limit	No limit	No limit	No limit
Norway	35	No limit	30	30	1 (unsecured loans)	No limit

Poland[2]	OPF	40 (in quoted shares) 10 (on secondary market)	0	No limit	10 (NIFs) 10 (close-ended) 15 (open-ended)	Equal to investment in the shares of the borrower	20
	EPF		0	No limit	No limit	Equal to investment in the shares of the borrower	No limit
Portugal		50	45	60 (corporate)	30	25 (mortgage) 5 (other)	30
Spain		No limit (quoted) 10 (unquoted)	No limit	No limit	No limit	10 (if no mortgage guarantee)	15
Sweden		60	No limit				
Switzerland		30	50				
United Kingdom		No limit	No limit	No limit	No limit	No employer-related loans	No limit
United States		No limit	No limit	No limit	No limit	No limit	No limit

Note: There are no pension funds in Greece, the Slovak Republic, and Turkey. * stands for joint limits.

(1) MPF stands for mandatory pension fund; VPF for voluntary pension fund

(2) OPF stands for open pension fund, EPF for employee pension funds (closed funds); NIF stands for national investment funds.

(3) No limit if a debtor or a guarantor is an EEA State, municipality, a municipal authority, a parish located in an EEA State, a deposit bank or an insurance company licensed in an EEA State or a bank or an insurance company comparable to the above mentioned;

Table 2: Regulation of pension fund assets in OECD countries

	Investment regulation					
	Minimum diversification requirements	**Self-investment / Conflicts of interest**	**Other quantitative rules**	**Ownership concentration limits**	**Currency matching**	**Direct limits on foreign investments**
Australia	None	Limited to 10%, being reduced to 5% in 2000/1 Loans or financial assistance to members not permitted	None	None	None	None
Austria*		Permitted, but requires the explicit approval of the Supervisory Board and limited to 10%.	At least 35% of the assets must be invested in mortgage bonds, government bonds, and debentures denominated in Euro. Limits include: 50% in shares, 20% in property, and 10% in loans yielding a market rate of interest.		None	Non-Euro investments and foreign property limited to 50% of investments.
Belgium	Maximum 10% of the fund may be invested in stocks, bonds and notes of the same issuer. Maximum 20% in one single property.	Limited to 15%.	Portfolio investment limited to: - 65% in equities - 40% in real estate - 30% in non-quoted companies - 30% in investment funds - 10% in deposits			Localisation requirement: all assets must be located in Belgium or EC countries, but may invested in securities issued by institutions authorised by a supervisory body similar to the Belgian Banking and Financial Commission. Direct limits: 5% in foreign investment funds, 65% in OECD equities. Investment

	Investment regulation					
	Minimum diversification requirements	**Self-investment / Conflicts of interest**	**Other quantitative rules**	**Ownership concentration limits**	**Currency matching**	**Direct limits on foreign investments**
						in non-OECD equities not permitted.
Canada	- Maximum 10% may be invested in stocks, bonds and notes of one company or person. - Maximum 5% in one individual property.	Permitted, but limited to 10% of the fund's assets. Other conflict rules also apply eg related party rules. Securities must be acquired on a public exchange	25% in real estate and resource (15% in resource).	Funds may own maximum 30% of voting shares of one company	None	Maximum 30% of the fund
Czech Republic	Investment in securities from the same issuer limited to 10% of the fund's assets Bank deposit in one bank is limited to 10% The value of one piece of real estate or one movable assets can not exceed the 5% of the fund assets.	Investment in shares of other pension funds is prohibited	Investment in shares and participation certificates of unit trusts is limited to 25% Mortgage and other loans are not permitted	Pension funds assets can not include more than 20% of the nominal value of shares issued by the same company	None	Foreign investment is permitted only in case of the securities traded in OECD markets
Denmark		Not permitted.	"High-risk assets" (domestic and foreign shares and unlisted securities) limited to 40%. Property and investment-trust holdings limited to 40%. Minimum of 60% in domestic debt.		Minimum 80%. For EU currencies up to 50% of liabilities can be covered by assets denominated in Euro.	Limited to 20%.

	Investment regulation					
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits	Currency matching	Direct limits on foreign investments
Finland[1]	Yes, assets should be diversified and decentralised within the diversified groups. Main limits: - 25% in one single investment eg in guaranteed loans or quoted shares - Maximum 5% of quoted or of unquoted shares of the same company. - At most 15% in one single investment target, if the investment pertains to (i) a single piece of real estate, a building or a real estate corporation,, (ii) debt obligations that are secured by mortgage on one investment target or that are secured by shares and holdings in a single real estate corporation	Permitted, but limited to 25%. Maximum 15% in one single functional investment target	Investment is limited to - 50% in quoted shares, - 5-10% in unquoted shares or subordinated loans, - 70% in mortgage loans including investments in real estate and buildings, - 40% in real estate	Of the assets and obligations of the gross sum of the pension, liability may be invested at most: -5% of quoted or of unquoted shares of a single corporation	Minimum 80%. Maximum 20% of the assets and obligations may be denominated in currencies other than the euro.	All assets must be located in EEA countries, but may be to some extent invested in countries comparable to EEA countries (OECD countries). Maximum 5% of the assets and obligations may be altogether invested in assets in OECD countries other than EEA countries
France**		Limited to 33%	Minimum of 50% in EU government bonds.			

1 . The Insurance Supervision Authority is legally entitled to impose even lower limits to ensure that in covering their pension liabilities, pension foundations and pension funds take account of the yield and marketability of the assets and ensure that the assets are diversified and adequately spread

	Investment regulation					
	Minimum diversification requirements	**Self-investment / Conflicts of interest**	**Other quantitative rules**	**Ownership concentration limits**	**Currency matching**	**Direct limits on foreign investments**
Germany*	Yes, maximum 5% by the same issuer, except 30% of state loans, bank deposits and mortgage bonds	Permitted, but limited to 2%	Main limits: - 25% in property - 30% in quoted stocks (10% on unquoted). - 50% in bonds - 30% in investment funds - 50% in mortgage or other loans - 50% in bank deposits	No limit	Yes, 80%	30% in EU equity 25% in EU property 6% in non-EU equity 5% in non-EU bonds
Greece	Not regulated					
Hungary	Funds may invest maximum 10% of its assets in securities issued by the same issuer (except for state bonds) Overall value of securities issued by an organisation belonging to the same banking group cannot exceed	Funds may not have ownership in business organisations in which the founders of the fund, the employers of the fund members, the donors or service suppliers of the fund own more than 10% of the stakes	Investment is limited to: - 60% (MPF), 70% (VPF) in portfolio category II[2] (except for state bonds), - 30% in portfolio category III - 50% (MPF), 60% (VPF) in quoted shares, - 40% (MPF), 50% (VPF) in bonds, - 50% in investment units, - 10% in mortgage bonds,	Funds shall not directly own more than 10% of the registered capital or equity of a business organisation for more than a year Funds may own maximum 10% of the securities issued by the same issuer (MPF)	None	VPF: limited to 20% of the fund's assets, and within investments made abroad the ratio of investments made in non-OECD countries shall not exceed 30% MPF: limited to 30% of the fund's assets, and within investments made abroad the ratio of investments made in non-OECD countries shall

[2] Portfolio category I: amount fixed on a deposit account at a lending institution for max. one year, Hungarian state bond, if booked as current asset, securities for which the Hungarian state undertakes cash surety, if booked as current asset
Portfolio category II: amount fixed on a deposit account at a lending institution for more than one year, Hungarian state bond if booked as invested assets, securities for which the Hungarian state undertakes cash surety, if booked as invested assets, state bonds issued in OECD member states, distributed and introduced on recognised securities market in Hungary, bonds issued by business organisations registered in Hungary and covered by bank guarantee, bonds issued by lending institutions registered in Hungary, bonds issued by international financial organisations, distributed and introduced on recognised securities market in Hungary, stocks listed in Category A on the Budapest Stock Exchange, mortgage bonds issued by mortgage banks registered in Hungary
Portfolio category III.: bonds issued by business organisations registered in Hungary, bonds issued by Hungarian local governments, bonds issued in OECD member states, distributed and introduced on recognised securities market in Hungary, bonds issued abroad, and distributed in Hungary, stocks listed in Category B on the Budapest Stock Exchange, stocks issued in Hungary and introduced on recognised securities market, stocks issued in OECD member states and introduced on recognised securities market, investment units issued by investment funds registered abroad and introduced on recognised Hungarian securities market, real estate, investment units issued by real estate investment fund registered in Hungary, futures, options

	Investment regulation					
	Minimum diversification requirements	**Self-investment / Conflicts of interest**	**Other quantitative rules**	**Ownership concentration limits**	**Currency matching**	**Direct limits on foreign investments**
	20% of the invested fund assets (MPF)		- 10% in real estate investment unit - 10% in real estate (only VPF) Direct investment in real estate is prohibited (MPF) Loan for fund members is limited to 5% (only VPF)			not exceed 30%. Investment in bonds issued by non-OECD countries is limited to 5% Investment in shares issued in non-OECD countries is prohibited.
Iceland	Maximum 10% can be invested in same party or related parties	10% self-investment limit	Limit of 50% in equity.	Funds may not own more than 15% of the shares of an individual firm or 25% of shares in a particular equity fund.	None	Only OECD securities, up to a maximum of 50% for quoted, 10% for unquoted securities. Foreign currency exposures of more than 40% must be hedged. Foreign investment prohibited for nurses', farmers', and seamen's funds.
Ireland	None, but any of issue of securities can only represent up to a maximum of 10% of pension fund assets for purposes of proving solvency.	No limit, but company assets can only represent up to a maximum of 5% of assets for purposes of proving solvency. Disclosure of self-investment if in excess of 5% of total assets.	None	None	None	None

	Investment regulation					
	Minimum diversification requirements	**Self-investment / Conflicts of interest**	**Other quantitative rules**	**Ownership concentration limits**	**Currency matching**	**Direct limits on foreign investments**
Italy	Yes, debt and equity securities issued by one issuer is limited to 15% of the fund	Permitted, but limited to 20% in case of one company, and 30% if more companies making contributions to the fund	Yes, the limits in percentages of the fund's assets: -Liquidity: 20%, -Shares of closed-end investment funds: 20%	Holding of shares of closed-end investment funds is limited to 25% of the closed-end fund's assets	Yes, the fund will be obliged to invest minimum 1/3 of the assets in currency in which the benefits will be denominated	Yes, debt and equity securities of OECD countries not traded in regulated markets are limited to 50% of fund assets, Debt and equity securities of non-OECD countries traded in regulated markets are limited to 5% Debt and equity securities of non-OECD countries traded in non-regulated market are prohibited
Japan	EPF[3]: No information available	EPF: Permitted	EPF: None	EPF: No information available	EPF: None	EPF: None
	TQP[4]: not regulated					
Korea***	Loans to one business group are limited to 5% of the fund (3% for one person). Bonds and shares issued by one business group or company is limited to 5 % of the fund	N/A	Limits: - 40% in quoted shares; - unquoted shares not in excess of equity; - 15% in real estate - 1% in any small business		None	Limited to 10% of assets.

[3] EPF-employee pension fund

[4] TQP-tax qualified plan

	Investment regulation					
	Minimum diversification requirements	**Self-investment / Conflicts of interest**	**Other quantitative rules**	**Ownership concentration limits**	**Currency matching**	**Direct limits on foreign investments**
Luxembourg	None	None	None	None	None	10% limit on securities issued by non-residents.
Mexico	Up to 10% of the funds' assets can be invested in debt issued by any single issuer (except for credit institutions, Federal Government and the Central Bank). Up to 15% can be invested in debt issued by related entities.	Up to 5% (or under special authorisation 10%) can be invested in securities issued by entities with which the fund manager has any kind of financial relationship.	At least 51% of the funds' assets must be invested in inflation-linked or inflation protected securities (except for funds that receive only voluntary contributions). At least 65% of the funds' assets must be invested in securities that either have a maturity shorter than 183 days or have floating interest rates whose rate is revised in less than 183 days (except for funds that receive only voluntary contributions). Up to 5% of funds' assets can be invested in Government Repos. Up to 35% of the funds' assets can be invested in corporate bonds, and within that limit, up to 10% in instruments issued by private financial institutions. No other investments are permitted. Issues must have been awarded certain ratings,	Up to 20% of the amount outstanding of any single issue (except for credit institutions, Federal Government and the Central Bank).	N/A	Law does not permit investment in foreign securities. Pension funds can invest up to 10% of their assets in foreign currency denominated securities issued by the federal government or the Central Bank (e.g. Brady bonds).

	Investment regulation					
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits	Currency matching	Direct limits on foreign investments
			specified by law, by two authorised rating companies.			
Netherlands	Diversification is required, but no quantitative rules.	Limited to 5% of the fund assets until the level of technical provision, in case of exceeding assets, it can be 10% maximum	No further restrictions	None	None	None
New Zealand						None
Norway	Diversification is required. Maximum of 0.5% of the portfolio can be invested in a single unsecured loan. Units in a single securities fund or a single investment firm may in the aggregate not exceed 10% of the assets covering the technical provisions.	Loans to the employer are permitted only if the loans are secured by pledge, and must not exceed 20% of the total assets. The fund is not permitted to own shares or equity in the company for which the fund is founded.	Limits covering technical provisions: - 35% in equities - 30% in corporate bonds - 30% in investment funds - 30% joint limit in corporate bonds and investment funds - 1% in unsecured loans	None	A minimum of 80% of assets must be denominated in the same currency as the pension fund's technical provisions (in the wide sense). This does not apply, however, if the pension fund in order to satisfy this requirement would have to hold net financial receivables in that currency to a value of 7% or less of its overall assets in other currencies.	None

	Investment regulation					
	Minimum diversification requirements	**Self-investment / Conflicts of interest**	**Other quantitative rules**	**Ownership concentration limits**	**Currency matching**	**Direct limits on foreign investments**
Poland	No more than 10 % of the fund's assets shall be invested in a single kind of securities No more than 7.5% of the fund's assets shall be deposited with a single bank or with two or more affiliated banks. No more than 5% may be placed in any other single bank or bank group. No more than 2% of the fund's assets shall be invested in investment certificates of a single closed-end investment fund or a single hybrid investment fund Total value of the fund's investment in all securities of a single issuer or of two or more affiliated issuers shall not exceed 5 % of the fund's assets	EPF shall invest no more than 5 % of its assets in shares or other securities not admitted to public trading, no more than 12.5% in securities admitted at least partially (no less than 7.5%) to public trading of shareholders or shareholders affiliates of the employee OPF[5] may not be invested in securities issued by a pension fund company or its shareholders, controlled, controlling or associated entities	Investment of the assets of OPF is limited to: - 40% in quoted stocks, - 10% in secondary stock market, - 10% in NIFs, - 10% in National Bank of Poland papers, - 15% in municipality bonds, - 10% in close-ended investment funds, - 15% in open-ended investment funds - 20% in banks and bank groups EPF: None	None	None	5% of EPF and OPF 's assets can be invested in foreign securities

[5] Open pension funds (mandatory)

	Investment regulation					
	Minimum diversification requirements	**Self-investment / Conflicts of interest**	**Other quantitative rules**	**Ownership concentration limits**	**Currency matching**	**Direct limits on foreign investments**
Portugal	Main limits: - 5% in instruments issued by one undertaking and loans granted to a single borrower. - 10% in a single piece of real estate	- 20% in instruments issued by an loans made to companies that by themselves or together with the pension fund manager achieve a dominant position or form part of a group. - 25% in land or buildings used by the sponsors of the fund or by companies that together with the sponsor achieve a dominant position or form of a group.	Main limits: - 60% in commercial paper and bonds - 50% direct or indirect investment in real estate (45% in direct investment) - 50% in equities - 30% in short-term deposits - 30% in investment funds - 25% on mortgages and loans to members	Funds may not own more than 10% of the shares of an individual firm. Fund managers may not hold shares conferring them more than 20% of the company's voting rights.	At least 80% of the total fund has to be invested in instruments in currencies that are legal tender in Portugal.	Overall limit of 20%. Sub-limits: - 10% in non-OECD bonds. - 3% in non-OECD stocks.
Slovak Republic	Not regulated					
Spain	Investment in a single entity is limited to 10% of the fund's assets.	Limited to 10%.	90% of assets must be invested in organised, officially recognised markets; Deposits and other money market assets must be 1-15%.	Funds may not hold more than 5% of the market value of the securities issued by a single entity.	None	None for OECD countries.
Sweden	Investment in a single company is limited to 10%	Limited to 10%	Investment in shares is limited to 60%	Funds may not hold more than 5% of the voting power of a single company		Limited to 5-10% depending on the funds and the assets concerned
Switzerland	Investment in debt instruments of a single entity (except government bonds, banks and insurance	Limited to 30%.	Investment limited to: - 30% in equities, - 50% in real estate, - 75% in mortgages			There is an overall limit in foreign currency investments of 30% and the following sub-limits: - 30% in equities,

	Investment regulation					
	Minimum diversification requirements	**Self-investment / Conflicts of interest**	**Other quantitative rules**	**Ownership concentration limits**	**Currency matching**	**Direct limits on foreign investments**
	companies) is limited to 10% (5% for foreign assets). Investment in equity of a single company is limited to 10% (5% for foreign assets).		Investments in unlisted equities are not authorised. Investment in derivatives for hedging purposes only.			- 20% in foreign currency bonds (30% for CHF bonds). There are also aggregate limits for domestic and foreign equity (50%), bonds (30%), and real estate and equity (70%).
Turkey	Regulation is being developed.					
United Kingdom	General requirement for diversification and suitability	Yes, employer-related investment is limited to 5%.	No quantitative portfolio restrictions	No information available	None	None
United States	General requirement for diversification	Limited to 10% for DB plans	None	No information available	No explicit rule	None

* For Austria and Germany, pension funds refers to *pensionskassen*, which are under the supervision of the insurance regulator. There is no other form of pension fund.
** For France, pension funds refers to supplementary pension institutions.
*** For Korea, pension funds refer to insurance company managed occupational pension plans.