Notes on Modifications to Sector Breakdown Regarding Insurance Companies and Pension Funds

Beginning from the 2022 edition, the sectoral breakdown for the Flow of Funds statistics will be adjusted as follows: The subcategory "Insurance Companies & Pension Funds" in the Financial Institutions sector will be separated into two individual subsectors, one being Insurance Companies and the other Pension Funds, with the national pension originally included in pension funds to be reclassified under the Government sector. The modification is applied retrospectively and all statistical data since 2000 is restated. The related notes are as follows:

1. Adjustment to the Insurance Companies and Pension Funds sector

The original sectoral breakdown in the Flow of Funds Matrix grouped insurance companies and pension funds under the "Insurance Companies & Pension Funds" sector. After consulting relevant principles of statistical classification of the International Monetary Fund (IMF) and other major countries as well as considering Taiwan's situation, the Insurance Companies & Pension Funds segment is divided into two separate sectors, namely Insurance Companies and Pension Funds.

2. Adjustment to the Definition of the Pension Funds Sector

The Flow of Funds Matrix originally recorded the national pension under the pension funds. However, according to the IMF's financial statistics compilation, national pension schemes are considered as a part of social security funds and therefore should be recorded under the Government sector. After this modification, the Pension Funds sector include labor insurance, government employee and school staff insurance, military insurance, the public service pension fund, the private school staff retirement and compensation fund, and the labor pension fund, while the national pension is reclassified under the Government sector.