APG

- The largest **pension service provider** in the Netherlands and one of the largest in the world.
- APG manages the pension assets of around **4.5 million Dutch citizens** for its clients. We perform a responsible task for one in every five families.
- APG invests **450 billion euros** for pension funds with the greatest possible care.
- **3200 people** working in offices in New York, Amsterdam, Heerlen, Brussels and Hongkong.
- **Founding father and key partner** of Brightlands Smart Services Campus and Techruption Community.

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**Background**
- Bsc Industrial Engineering
- Msc Financial Engineering
- Certified Financial Risk Manager

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Future of pensions

1. Low cost pension infrastructure
2. Personal pension contracts
3. Tokenized investments

Pension service provider → Customer → Pension 'smart contract' → Pension Infrastructure → Employers, Auditors, Supervisor, Authorities → Pension funds → Asset Management
Pension Infrastructure

Pension Infrastructure Introduction

The PI initiative is aimed at creating a shared, scalable, flexible pension infrastructure for pension administration services (PUO). The outcome of PI is lowered pension administration costs and more transparent customer facing processes.

1. An Ecosystem with actors involved in pension processes (pension funds, employers, participants, government, etc.)
2. Reusable & Generic Business processes (enter service, retire, value transfer, etc.)
3. Agnostic Pension Contracts (servicing both DB and DC type pensions)
A pension administration must track and process a complex set of data collected from participants and the pension ecosystem. Long term data integrity, continuously updating processes and storage of process inputs and outputs is a key challenge in running a pension administration.

**Currently**, each party has its own local set of information copied from the pension ecosystem. This is inefficient with little cross-ecosystem overview.

**With Pension Infrastructure**, information is unique and standardized across the system. Information maintains clear owners and all changes are clearly auditable.
Why the value transfers

Always multiple parties in a value transfer

Current process is not always customer friendly

By focusing on customer value we can build trust in the underlying technology

Value transfers are non compete

Efficiencies can be realized in the current process

There’s a limited set of actor types making governance ‘relatively’ easy to set up
Current customer journey

1. Participant receives start letter from the new pension fund (with value transfer form)
2. Accept or reject
3. Request value transfer at new pension fund
4. Confirmation letter request value transfer
4a. Receives letter with information regarding declined value transfer request due to coverage deficit (value transfer is on hold)
5. Accepts, sends it back by post
6. Rejects and receives value transfer statement
7. Receive information regarding successful value transfer from the old to the new fund
8. Tim
Uncertainties in blockchain development

Blockchain technology is new and immature. Scalability, interoperability and standardization are major challenges.

Current governance and legal frameworks don’t match with characteristics of blockchain technology.

Ecosystem approach to create mutual value is a different paradigm.

Using blockchain technology impacts business models, operations and value streams.