

Germany: Fund industry manages more than EUR 1,700 billion for old-age provision

Frankfurt – 7 November 2022. The fund industry is the largest manager of capital for old-age provision in Germany. ‘Although people often have different access via endowment life insurances or occupational pension, finally a large part of this capital is managed in funds,’ says Thomas Richter, CEO of the German Investment Funds Association BVI. According to a survey of the BVI, members managed EUR 1,730 billion for old-age provision purposes by mid-2022. This is 45 per cent of the AuM of the fund industry of some EUR 3,900 billion. For comparison, the share was 40 per cent at mid-2017. In the meantime, assets for old-age provision purposes grew by EUR 600 billion. ‘This shows that funds are the driver of old-age provision’, says Richter.

Endowment life insurances with EUR 570 billion are the main pillar of the AuM of the fund companies for old-age provision purposes. Occupational pension schemes account for EUR 490 billion; these include above all direct commitments (EUR 240 billion) and pension funds (EUR 180 billion). Fund companies manage EUR 380 billion for professional pension schemes for medical doctors, pharmacists, and lawyers, for example. Supplementary pensions for federal, state, and municipal employees as well as for the churches account for EUR 160 billion. Conventional and state-subsidised fund savings plans (‘Riester’ and capital-forming savings schemes) account for EUR 130 billion.

