

## Serbia

Exchange rate: US\$1.00 = 111.25 dinars

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1922, implemented in 1937.

**Current laws:** 2003 (pension and disability insurance) and 2004 (social insurance contributions).

**Type of program:** Social insurance system.

#### Coverage

Employed persons, self-employed persons including farmers, and contract workers.

#### Source of Funds

**Insured person:** 14% of covered earnings.

The minimum monthly earnings used to calculate contributions are 35% of the national monthly average gross wage in the previous three months.

The maximum monthly earnings used to calculate contributions are five times the national monthly average gross wage in the previous month.

The national monthly average gross wage is 60,913 dinars (November 2015).

**Self-employed person:** 26% of covered income.

The minimum monthly income used to calculate contributions is 35% of the national monthly average gross wage in the previous three months.

The maximum monthly income used to calculate contributions is five times the national monthly average gross wage in the previous month.

The national monthly average gross wage is 60,913 dinars (November 2015).

**Employer:** 12% of covered payroll (rate is temporarily reduced for newly hired workers).

The minimum monthly earnings used to calculate contributions are 35% of the national monthly average gross wage in the previous three months.

The maximum monthly earnings used to calculate contributions are five times the national monthly average gross wage in the previous month.

The national monthly average gross wage is 60,913 dinars (November 2015).

**Government:** Guarantees cash benefits; covers any deficit; contributes as an employer.

#### Qualifying Conditions

**Old-age pension:** Age 65 (men) or age 61 (women, gradually rising to age 63 by 2020 and to age 65 by 2032) with at least 15 years of coverage. At any age with at least 45 years of coverage.

Early retirement: Age 56 (gradually rising to age 60 by 2023) with at least 40 years of coverage (men) or age 55 (gradually rising to age 60 by 2023) with at least 36 years and ten months of coverage (gradually rising to 40 years by 2023) (women).

**Disability pension:** Must be younger than the normal retirement age and assessed as incapable of all work (total disability). The required contribution period increases with age: one year of coverage if the disability began before age 21; two years if aged 21 to 25; three years if aged 26 to 30; and at least five years if aged 31 or older. If younger than age 58, work capacity must be reassessed within three years of original assessment.

There is no minimum coverage period for a disability resulting from a work injury or an occupational disease.

Cash compensation for body impairment: Paid for a body impairment of at least 30% resulting from a work injury or occupational disease.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

**Survivor pension:** The deceased was a pensioner or had at least five years of coverage.

Eligible survivors include a widow aged 51 and 6 months (gradually rising to age 53 by 2017) or older; a widower aged 56 and 6 months (gradually rising to age 58 by 2017) or older who is disabled or caring for a child younger than age 15 (age 26 if a student, no limit if disabled); a dependent mother aged 60 or older or disabled; a dependent father aged 65 or older or disabled; children younger than age 15 (age 26 if a student, no limit if disabled); and dependent grandchildren, brothers, and sisters.

If the deceased was older than age 65 (men) or age 60 (women) on the date of marriage, the surviving spouse is eligible only if married to the deceased for at least two years or if he or she had a child with the deceased.

The widow(er)'s pension does not cease on remarriage.

If a survivor receives a pension in their own right, the survivor must choose to receive only one pension.

Payment of the survivor pension is suspended if the beneficiary is working in insured employment or as a self-employed person.

**Funeral grant:** Paid on the death of a pensioner to the person who paid for the funeral.

Benefits are payable abroad under reciprocal agreement.

### **Old-Age Benefits**

**Old-age pension:** The pension is based on the number of years of contributions, the ratio of the individual's wage to the average wage, and the value of the general point.

The value of the general point is 715.71 dinars.

Early old-age pension: Reduced by 0.34% for each month before reaching the normal retirement age. The maximum reduction is 20.4%.

Schedule of payments: Pensions are paid twice a month; once a month for pensioners who were previously self-employed.

Benefit adjustment: Benefits are adjusted twice a year (in April and October) according to changes in the consumer price index and the rate of GDP growth.

### **Permanent Disability Benefits**

**Disability pension:** The pension is based on the number of years of contributions, the ratio of the individual's wage to the average wage, and the value of the general point.

The value of the general point is 715.71 dinars.

Cash compensation for body impairment: A monthly benefit is paid.

Constant-attendance supplement: A monthly benefit is paid.

Schedule of payments: Pensions are paid twice a month; once a month for pensioners who were previously self-employed.

Benefit adjustment: Benefits are adjusted twice a year (in April and October) according to changes in the consumer price index and the rate of GDP growth.

### **Survivor Benefits**

**Survivor pension:** 70% of the old-age pension the deceased received or was entitled to receive is paid for one survivor (140% for a full orphan); 80% for two survivors (160% for full orphans); 90% for three survivors (180% for full orphans); or 100% for four or more survivors (200% for full orphans).

The minimum survivor pension is the old-age pension calculated based on 20 years of coverage.

Benefit adjustment: Benefits are adjusted twice a year (in April and October) according to changes in the consumer price index and the rate of GDP growth.

**Funeral grant:** The cost of the funeral is paid, up to 150% of the average pension paid in the last quarter before the insured's death.

### **Administrative Organization**

Ministry of Labor, Employment, and Social Policy (<http://www.minrzs.gov.rs>) provides general supervision.

Republic Fund for Pension and Disability Insurance (<http://www.pio.rs>) administers benefits.

Ministry of Finance–Tax Administration (<http://www.poreskauprava.gov.rs>) collects contributions.

Institute for Social Insurance (<http://www.zso.gov.rs>) coordinates the implementation of international social security agreements.

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### **Sickness and Maternity**

#### **Regulatory Framework**

**First law:** 1922.

**Current laws:** 2002 (families with children), 2004 (social insurance contributions), 2005 (health insurance), 2005 (labor), and 2013 (health care for children and pregnant women).

Type of program: Social insurance and employer-liability system.

#### **Coverage**

**Cash sickness and maternity benefits (social insurance and employer liability):** Employed and self-employed persons.

**Medical benefits (social insurance):** Employed and self-employed persons, farmers, pensioners, unemployed beneficiaries, persons older than age 65, pregnant women, persons with mental or physical disabilities, social assistance beneficiaries, and children up to age 18 (age 26 if a full-time student).

Voluntary coverage for medical benefits is available.

Special system for military personnel.

#### **Source of Funds**

**Insured person:** 5.15% of covered earnings; pensioners, 10.3% of the pension; voluntarily insured (medical benefits), 10.3% of covered declared earnings.

The minimum monthly earnings used to calculate contributions are 35% of the national monthly average gross wage in the previous three months.

The maximum monthly earnings used to calculate contributions are five times the national monthly average gross wage in the previous month.

The national monthly average wage is 60,913 dinars (November 2015).

**Self-employed person:** 10.3% of covered income.

The minimum monthly income used to calculate contributions is 35% of the national monthly average gross wage in the previous three months.

The maximum monthly income used to calculate contributions is five times the national monthly average gross wage in the previous month.

The national monthly average wage is 60,913 dinars (November 2015).

**Employer:** 5.15% of covered payroll (rate is temporarily reduced for newly hired workers).

The minimum monthly earnings used to calculate contributions are 35% of the national monthly average gross wage in the previous three months.

The maximum monthly earnings used to calculate contributions are five times the national monthly average gross wage in the previous month.

The national monthly average wage is 60,913 dinars (November 2015).

**Government:** None; contributes as an employer.

### Qualifying Conditions

**Cash sickness benefits (social insurance and employer liability):** Must be covered for at least three consecutive months or six months in the 18 months before the incapacity began. There is no minimum coverage period for an incapacity resulting from a work injury or an occupational disease. The benefit is also paid if the insured is providing care for a sick family member (up to four months in one calendar year) or if the insured donates tissue or an organ.

There is no minimum contribution requirement for an incapacity that is the result of a work injury or an occupational disease.

If the insured receives benefits for more than six continuous months or for longer than 12 months within an 18-month period and is still incapable of work, a disability pension may be paid.

**Cash maternity benefits (social insurance):** Paid to either of the child's parents, a guardian or a foster parent who adopts a child.

**Medical benefits (social insurance):** There is no minimum coverage requirement.

### Sickness and Maternity Benefits

**Sickness benefit (social insurance and employer liability):** 65% of the calculation base (100% for a work injury, occupational disease, or organ or tissue donation) is paid from the 31st day of incapacity until recovery or the award of a disability pension. (The employer pays benefits for the first 30 days.)

The calculation base for an insured person is his or her average wage in the last three months, up to five times the national monthly average gross wage. If the benefit is paid for more than two months, the calculation base is adjusted each month according to changes in the average wage in the insured's place of employment.

The national monthly average gross wage is 60,913 dinars (November 2015).

The calculation base for a self-employed person is his or her average covered income in the last three months.

**Maternity benefit:** 100% of the insured's earnings is paid with at least six months of continuous coverage; up to 60% with three to five months; 30% with less than three months. The benefit is paid monthly.

For the first and second child, the benefit is paid from 28 days before the expected date of childbirth for one year; for two years for each additional child.

Earnings used to calculate benefits are earnings in the last 12 months before the maternity benefit began.

The maximum benefit is five times the national monthly average wage.

The national monthly average gross wage is 60,913 dinars (November 2015).

The minimum benefit is the minimum monthly net salary.

The minimum monthly net salary is 22,264 dinars (December 2015).

For a self-employed person, the benefit is the average covered income in the last three months.

### Workers' Medical Benefits

Health insurance institutions under contract with public and private health care services provide medical services directly to patients.

Services include measures for prevention and early detection of diseases, medicine, surgery, family planning and maternity care (for up to 12 months after childbirth), dental treatment, and prostheses.

The insured pays up to 35% of the cost of medical services and treatments, according to a schedule in law; no copayment for medical services for a work injury or occupational disease. Reduced copayments for disabled military and civil victims of war, blind persons, persons with a permanent disability, persons receiving financial compensation for providing care to another person, and voluntary blood donors.

### Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

### Administrative Organization

Ministry of Health (<http://www.zdravlje.gov.rs>) provides general supervision.

Republic Fund of Health Insurance (<http://www.rfzo.rs>) administers benefits.

Ministry of Finance–Tax Administration (<http://www.poreskauprava.gov.rs>) collects contributions.

## Serbia

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Institute for Social Insurance (<http://www.zso.gov.rs>) coordinates the implementation of international social security agreements.

### Work Injury

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#### Regulatory Framework

There is no specific program for work injury. Cash and medical benefits for a work injury or an occupational disease are provided through the Old-Age, Disability, and Survivors and Sickness and Maternity programs.

### Unemployment

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#### Regulatory Framework

**First law:** 1927.

**Current laws:** 1996 (citizens employed abroad), 2003 (vocational rehabilitation); and 2009 (unemployment insurance).

**Type of program:** Social insurance system.

#### Coverage

Employees, self-employed persons, and temporarily employed persons.

Exclusions: Farmers.

#### Source of Funds

**Insured person:** 0.75% of covered earnings.

The minimum monthly earnings used to calculate contributions are 35% of the national monthly average gross wage in the previous three months.

The maximum monthly earnings used to calculate contributions are five times the national monthly average gross wage in the previous month.

The national monthly average wage is 60,913 dinars (November 2015).

**Self-employed person:** 1.5% of covered income.

The minimum monthly earnings used to calculate contributions are 35% of the national monthly average gross wage in the previous three months.

The maximum monthly income earnings used to calculate contributions is five times the national monthly average gross wage in the previous month.

The national monthly average wage is 60,913 dinars (November 2015).

**Employer:** 0.75% of covered payroll.

The minimum monthly earnings used to calculate contributions are 35% of the national monthly average gross wage in the previous three months.

The maximum monthly earnings used to calculate contributions are five times the national monthly average gross wage in the previous month.

The national monthly average wage is 60,913 dinars (November 2015).

**Government:** None; contributes as an employer.

#### Qualifying Conditions

**Unemployment benefit:** Must have at least 12 consecutive months of coverage or 12 months in the last 18 months. A gap in coverage of up to 30 days is permitted.

The benefit may be reduced for part-time work.

#### Unemployment Benefits

50% of the insured's average earnings in the last six months is paid.

The duration of the benefit depends on the length of the coverage period or the insured's age: the benefit is paid for up to three months with one to five years of coverage; up to six months with six to 15 years; up to nine months with 16 to 25 years; up to 12 months with more than 25 years; or up to 24 months if the insured will be of pensionable age within the next two years.

The minimum benefit is 80% of the national monthly minimum net salary.

The maximum benefit is 160% of the national monthly minimum net salary.

The minimum monthly net salary is 22,264 dinars (December 2015).

Schedule of payments: The benefit is paid monthly; a lump sum is paid if the funds will be used as start-up capital for a new business.

#### Administrative Organization

Ministry of Labor, Employment and Social Policy (<http://www.minrzs.gov.rs>) provides general supervision.

National Employment Service (<http://www.nsz.gov.rs>) registers all employers and job seekers and administers the program.

### Family Allowances

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#### Regulatory Framework

**First law:** 1949.

**Current law:** 2002 (financial support to families), 2005 (family), and 2011 (social protection).

**Type of program:** Universal and social assistance system.

#### Coverage

**Universal:** Resident citizens of Serbia.

**Social Assistance:** Resident citizens of Serbia.

### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost through the central government budget. Municipal governments may provide supplements or additional benefits.

### Qualifying Conditions

**Parental allowance (universal):** Paid to a mother for up to four children. The mother must be covered for health insurance.

If there is no mother, the father may be eligible.

**Child allowance (social assistance):** Paid to a parent, guardian, or foster parent for up to four children younger than age 19 (age 26 for children with special needs). The parent, guardian, or foster parent must be covered for health insurance.

Income test: Monthly per capita family net income must not exceed 8,187 dinars to 17,192 dinars, depending on the family composition. Per capita family income levels are adjusted monthly according to changes in the cost of living.

**Guaranteed minimum income (Novcana socijalna pomoc, social assistance):** Paid to needy families.

Income test: Monthly per capita family net income must not exceed 8,187 dinars to 17,192 dinars, depending on the family composition. Per capita family income levels are adjusted monthly according to changes in the cost of living.

### Family Allowance Benefits

**Parental allowance (universal):** A lump sum of 38,046 dinars (December 2015) is paid for the first child; 148,744 dinars (December 2015) for the second child; 267,782 dinars (December 2015) for the third child; and 357,039 dinars (December 2015) for the fourth child. The allowance is increased by 20% for single parents and parents of children with disabilities.

Benefit adjustment: Benefits are adjusted twice a year (in April and October) according to changes in the consumer price index and the rate of GDP growth.

**Child allowance (social assistance):** 2,659 dinars (November 2015) for each child is paid monthly.

Kindergarten costs for orphans, foster children, children with disabilities, and children in low-income families are reimbursed.

Benefit adjustment: Benefits are adjusted twice a year (in April and October) according to changes in the consumer price index and the rate of GDP growth.

**Guaranteed minimum income (Novcana socijalna pomoc, social assistance):** The difference between the income threshold and the actual family income is paid monthly.

In-kind benefits may be provided by municipal governments.

### Administrative Organization

Municipal governments provide benefits.

Ministry for Labor, Employment, Veteran and Social Affairs (<http://www.minrzs.gov.rs>) reviews the decision.