

Serbia

Exchange rate: US\$1.00 = 101.33 dinars

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1922, implemented in 1937.

Current laws: 2003 (pension and disability insurance), 2004 (social insurance contributions), and 2009 (financing).

Type of program: Social insurance system.

Coverage

Employed and 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 average gross monthly wage in the previous three months.

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

The national average gross monthly wage is 65,866 dinars.

Self-employed person: 26% of covered income.

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

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

The national average gross monthly wage is 65,866 dinars.

Employer: 12% of covered payroll; a temporary reduced contribution rate for newly hired workers.

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

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

The national average gross monthly wage is 65,866 dinars.

Government: Covers any deficit; contributes as an employer.

Qualifying Conditions

Old-age pension (Starosna penzija): Age 65 (men) or age 62 (women, gradually rising by six months a year until reaching age 63 in 2020 and then by two months a year until reaching age 65 in 2032) with at least 15 years of coverage. At any age with at least 45 years of coverage.

Early pension (Pprevremena starosna penzija): Age 60 (men, gradually rising to age 60 by 2023) or age 56 and four months (women, gradually rising to age 60 by 2023) with at least 40 years (men) or 38 years (women, gradually rising to 40 years by 2023) of coverage.

The old-age pension is payable abroad under reciprocal agreement.

Disability pension (Invalidska penzija): Must be younger than the normal retirement age, be assessed as incapable of all work (total disability), and have one year of coverage if younger than age 20 when the disability began; two years if aged 20 to 24; three years if aged 25 to 29; and at least five years if aged 30 or older. There is no minimum qualifying period for a disability resulting from a work injury or occupational disease.

If the insured is younger than age 58, work capacity must be reassessed within three years of original assessment.

Cash compensation for body impairment (Naknada za telesno oštećenje): Paid for a body impairment of at least 30% resulting from a work injury or occupational disease.

Constant-attendance supplement (Naknada za pomoć i negu drugog lica): Paid if the insured requires the constant attendance of others to perform daily functions.

The disability pension is payable abroad under reciprocal agreement.

Survivor pension (Porodica penzija): The deceased was a pensioner or had at least five years of coverage.

Eligible survivors include a widow aged 53 or older or a widower aged 58 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.

A widow(er) must have been married to the deceased for at least two years or had a child with the deceased if the deceased was age 65 or older (men) or age 60 or older (women) at the time of marriage.

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

The survivor pension is suspended if the survivor is working in covered employment or self-employment.

If a survivor is entitled to a pension in his or her own right, the survivor can only receive one pension.

The survivor pension is payable abroad under reciprocal agreement.

Funeral grant (Naknada pogrebnih troškova): Paid on the death of a pensioner to the person who paid for the funeral. The funeral grant is payable abroad under reciprocal agreement.

Old-Age Benefits

Old-age pension (Starosna penzija): The pension is calculated based on the number of years of contributions (up to 45 years), the ratio of the individual's gross earnings to the national average annual wage in each year of contributions, and the value of the general point.

The value of the general point is 772.31 dinars (December 2017).

Early pension (Preвременa starosna penzija): The pension is reduced by 0.34% for each month it is claimed before the normal retirement age, up to 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 based on changes in the consumer price index in the previous six months.

Permanent Disability Benefits

Disability pension (Invalidska penzija): The pension is calculated based on the number of years of contributions, the ratio of the individual's gross earnings to the national average annual wage in each year of contributions, and the value of the general point.

The value of the general point is 772.31 dinars (December 2017).

Cash compensation for body impairment (Naknada za telesno oštećenje): A monthly benefit is paid.

Constant-attendance supplement (Naknada za pomoć i negu drugog lica): 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 based on changes in the consumer price index in the previous six months.

Survivor Benefits

Survivor pension (Porodicna penzija): 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 pension is split equally among all eligible survivors.

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 based on changes in the consumer price index in the previous six months.

Funeral grant (Naknada pogrebnih troškova): The cost of the funeral is paid, up to 150% of the average pension paid in the last quarter before the pensioner's death.

Administrative Organization

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

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

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

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

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 system.

Coverage

Cash benefits: Employed and self-employed persons.

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

Voluntary coverage for medical benefits is available.

Special system for military personnel.

Source of Funds

Insured person: 5.15% of covered earnings; 10.3% of covered declared earnings (medical benefits only) for the voluntarily insured.

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

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

The national average gross monthly wage is 65,866 dinars.

Self-employed person: 10.3% of covered income.

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

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

The national average gross monthly wage is 65,866 dinars.

Employer: 5.15% of covered payroll; a temporary reduced contribution rate for newly hired workers.

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

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

The national average gross monthly wage is 65,866 dinars.

Government: Finances any deficit; contributes as an employer; and pays social insurance contributions for persons aged 65 or older, children younger than 18 (26 if a full-time student), women during pregnancy and up to 12 months after childbirth, unemployed persons, persons with income below a certain threshold, and certain other persons.

Qualifying Conditions

Cash sickness benefit: Must have least three continuous months of coverage or six months of coverage in the last 18 months. There is no minimum qualifying period for an incapacity resulting from a work injury or an occupational disease. The benefit is also paid if the insured provides care to a sick family member (up to four months in one calendar year) or donates tissue or an organ.

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 benefit (Porodiljsko odsustvo): Paid for the birth or adoption of child to either of the child's parents, a guardian, or a foster parent.

Medical benefits: Must have at least three consecutive months of contributions or six months of contributions in the last 18 months.

Sickness and Maternity Benefits

Sickness benefit: 65% of the calculation base (100% for a work injury, occupational disease, or organ or tissue donation) is paid after a 30-day waiting period until full recovery or the award of a disability pension. (The employer pays benefits for the first 30 days.)

The calculation base is the insured's average gross monthly earnings in the last three months, up to five times the national average gross monthly wage. If the benefit is paid for more than two months, the calculation base is adjusted each month based on changes in the average wage in the insured's place of employment. For self-employed persons, the calculation base is the insured's average covered income in the last three months.

The national average gross monthly wage is 65,866 dinars.

Maternity benefit (Porodiljsko odsustvo): A monthly benefit is paid based on the insured's average gross monthly earnings in the 18 months before the maternity leave began, up to three times the national average gross monthly wage (as of July 2018).

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

The national average gross monthly wage is 65,866 dinars.

The minimum maternity benefit is the minimum monthly net wage.

The minimum monthly net wage is 26,312 dinars.

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 work injury or occupational disease. Reduced copayments for disabled military war veterans and civil victims of war, blind persons, and 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.

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

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

Work Injury

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

Regulatory Framework

First law: 1927.

Current laws: 2004 (social insurance contributions), 2009 (unemployment insurance), 2009 (vocational rehabilitation), and 2015 (citizens employed abroad).

Type of program: Social insurance system.

Coverage

Employed and self-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 average gross monthly wage in the previous three months.

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

The national average gross monthly wage is 65,866 dinars.

Self-employed person: 1.5% of covered income.

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

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

The national average gross monthly wage is 65,866 dinars.

Employer: 0.75% of covered payroll.

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

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

The national average gross monthly wage is 65,866 dinars.

Government: Finances any deficit; contributes as an employer.

Qualifying Conditions

Unemployment benefit (Novcana naknada): Must have at least 12 consecutive months of coverage or 12 months of coverage 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

Unemployment benefit (Novcana naknada): A monthly benefit is paid for a duration that varies depending 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 of coverage; up to nine months with 16 to 25 years of coverage; up to 12 months with more than 25 years of coverage; or up to 24 months if the insured will reach the normal retirement age within the next two years. The unemployment benefit is paid as a lump sum if the funds will be used as start-up capital for a new business.

The minimum monthly unemployment benefit 22,390 dinars.

The maximum monthly unemployment benefit is 51,905 dinars.

Benefit adjustment: Benefits are adjusted based on changes in the consumer price index in the previous year.

Administrative Organization

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

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

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

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

Republic Council for Employment advises the government on employment policy and legislation.

Family Allowances

Regulatory Framework

First law: 1949.

Current laws: 2002 (financial support to families).

Type of program: Universal and social assistance system.

Coverage

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 (Roditeljski dodatak, universal): Paid to a mother (or, under certain conditions, a father if there is no mother) for the births of up to four children. Until June 2018, the mother must be covered for health insurance.

Child allowance (Deciji dodatak, social assistance, income test): Paid to a parent or guardian (or a foster parent until June 2018) for raising up to four children younger than age 19 (age 20 as of July 2018; age 26 if the child has special needs). Until June 2018, the parent, guardian, or foster parent must be covered for health insurance.

Income test: Monthly per capita family income must not exceed 8,605 dinars (December 2017); 10,326 dinars (December 2017) for a guardian, foster parent, single parent, or the parents of a child with a disability. Per capita family income levels are adjusted monthly based on changes in the cost of living.

Family Allowance Benefits

Parental allowance (Roditeljski dodatak, universal): A lump sum of 39,503 dinars (December 2017) is paid for the first eligible child; 154,473 dinars (December 2017) for the second child; 278,038 dinars (December 2017) for the third child; and 370,713 dinars (December 2017) for the fourth child. For the second, third, and fourth child, the lump sum is paid in 24 equal monthly instalments.

Benefit adjustment: Benefits are adjusted twice a year in April and October based on changes in the consumer price index in the previous six month.

Child allowance (Deciji dodatak, social assistance, income test): 2,761 dinars (December 2017) a month is paid for each eligible child, up to four children.

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 based on changes in the consumer price index in the previous six months.

Administrative Organization

Ministry of Labor, Employment, Veteran, and Social Affairs (<http://www.minrzs.gov.rs/>) provides general supervision. Municipal governments provide benefits.

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