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Special Pensions in the EU

Per Eckefeldt and Anda Pătărău

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Special Pensions in the EU

Per Eckefeldt and Anda Pătărău

Abstract

Most EU countries have special pensions, alongside their general pension systems. Generally, special pensions are granted to beneficiaries with a special status, such as state employees of all branches of government (legislative, executive, judiciary), security and defence forces, including some civil professions, and people that work under difficult conditions. In most countries, special pensions were introduced long ago. Hallmarks of special pensions usually include a lower retirement age, contributory periods counted more favourably, or higher benefits. However, recent national reforms indicate that such preferential schemes are being phased out, especially in the case of security and defence workers and state employees. This raises questions on the rationale for continuing with special pension schemes in the future. On the one hand, certain special pension categories seem justified, such as those involving occupational risks that can harm workers' health and safety. This includes people working under difficult conditions and professions for which physical condition is crucial for carrying out one's duties, such as security and defence forces, civil aviation or air traffic controllers. However, compensation for these categories of workers could take the form of higher wages and/or employers' contribution rates, rather than pensions, as these factors would automatically lead to higher pension benefits. On the other hand, special pensions for state employees and employees of (former) state-owned enterprises are more controversial in terms of social equity and administrative efficiency. The remaining categories of special pensions fall somewhere in between. Even when compensation for some groups experiencing negative externalities or inequalities appears justified, special pensions may not necessarily be the most suitable form of social transfer.

JEL Classification: H55, J1, J18, J26.

Keywords: Pensions, public sector pensions, ageing population, public expenditure, structural reforms, retirement age, older workers, longevity risk, arduous and hazardous work.

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Contact: per.eckefeldt@ec.europa.eu and anda.patarau@ec.europa.eu, European Commission, Directorate-General for Economic and Financial Affairs, Sustainability of Public Finances unit.

ABBREVIATIONS

AWG — Working group on ageing populations and sustainability

ECOFIN — Economic and Financial Affairs Council

EPC — Economic Policy Committee (EPC)

ESPN — European Social Policy Network

ILO — International Labour Organisation

OECD — Organisation for Economic Cooperation and Development

SSA — United States Social Security Administration

EC — European Commission

EU — European Union

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1. INTRODUCTION

The age structure of the EU population is projected to change dramatically in the coming decades. An ageing population poses significant fiscal sustainability challenges in the medium and long term, as larger cohorts of pensioners put pressure on public pension expenditure. Against this background, special pensions are generating new interest and debate in some EU countries.

Nevertheless, precise definitions, standard classifications and systematic data collection are lacking for these schemes. This paper assesses the scale of the phenomenon and the reforms that are under way in order to map the special pensions situation across the EU.

The paper builds on two surveys conducted with the authorities responsible for estimating ageing costs at EU level, the Working group on ageing populations and sustainability (the ‘AWG’), a technical service of the Economic Policy Committee (EPC) of the ECOFIN Council. The data section below provides more details about the two surveys: the literature survey and the AWG survey.

The paper is organised as follows: Section 1 sets out the definitions and taxonomy used; Section 2 describes the data sources; Sections 3 and 4 present the survey findings on the scale of special pensions in the EU and, respectively, special pension reforms; Section 5 concludes.

2. DEFINITIONS AND CLASSIFICATION

Each pension system establishes a set of eligibility criteria. For old age earnings-related pensions granted under the general social security system, these criteria commonly include age, citizenship and — in most cases in the EU — a record of contributions. Sometimes additional criteria such as (a strenuous) occupational activity or a special status may also give certain individuals access to special pensions. These cases are the focus of this paper.

In the surveys conducted, a scheme is considered to be a ‘special pension’ if it is simultaneously: (i) allocated based on occupational activity or special status; (ii) funded publically — ‘Pillar 1’¹; and (iii) deemed more advantageous than the general scheme. Advantages compared with the general scheme include one or more of the following factors: (i) contributory period counted more favourably; (ii) higher pension benefits through either pensionable earnings defined more favourably or higher effective accrual rate² or equivalent; (iii) more favourable indexation rule; (iv) lower retirement age; (v) higher state funding; and (vi) other benefits compared to the main scheme, for instance health hazard compensations, free public transport, tax exemptions and an obligation of the employer to contribute to a private pension pillar.

Special pensions fall into three main categories. The first two refer to occupational activity and the third concerns different groups with a special status:

¹ In the literature survey, some hybrid or private pillar schemes may have been included such as Pillar 2 — special pensions for public service workers in the UK (NHS staff, teachers, civil servants, local government staff, police, firefighters, armed forces and judges).

² The accrual rate is the rate at which a contributor builds up pension benefits in a defined benefit scheme. It is most commonly expressed as a fraction, such as 1/30th, 1/60th, 1/80th, 1/120th etc., but can sometimes be expressed as a percentage, e.g. 1.25%. For instance, in a final salary scheme, one would have accrued 1.25% of one’s final pensionable salary for each year of pensionable service.

Category 1 — Difficult conditions: arduous, hazardous, dangerous or unhealthy conditions such as miners, steelworkers, maritime, fishing and harbour workers, artistic workers (dancers, embroiderers)³.

Category 2 — Security and defence (armed) forces and certain civil professions with medically verified special conditions, that ensure people's security and safety and are therefore required to keep physically fit such as military, police, national security and intelligence, firefighters, rescue workers, public order workers, railway police, customs officers, pilots and air traffic controllers.

Category 3 — Other special pensions:

3.1. Certain self-employed individuals with no paid/accumulated contributions in industry, trade, and agriculture such as farmers or providers of unpaid work caring for others.

3.2. People with special merit, victims and deprived individuals such as those with distinguished achievements for the state, war veterans, former political prisoners, politically repressed individuals, Chernobyl victims, parents or guardians of large families or disabled children, military widowers or long-term unemployed.

3.3. State employees in the executive (government) and legislative (parliament) branches, as well as employees of (former) major public companies⁴. This group includes civil servants, employees and officials of the local or central government, staff of public institutions and authorities, MPs, medical staff (doctors, nurses), teachers, academics, scientists, employees of national railways, public utility companies, etc.

3.4. State employees in the judicial branch such as judges and prosecutors, magistrates, lawyers, notaries, the Auditor General, the Chancellor of Justice and Constitutional Court staff⁵.

3.5. Atypical categories such as clerics, new migrants or other infrequently encountered conditions.

In the classification above, Categories 1 and 2 focus on occupational activities that are strenuous or physically demanding. Similarly, the special status recipients under Category 3 are often associated with merits achieved during one's public service career (e.g. war veterans or former political prisoners) or due to deprivation or victimhood that is arguably from circumstances outside the person's control (e.g. victims of political repression or nuclear disasters, families of children with a disability, the long-term unemployed not reaching retirement age, etc.). Government employees in different sectors are included in Category 3 due to their special status, which is not related to a vulnerable condition.

³ Most common definitions for Category 1 'Difficult conditions' are linked to physical or mental strenuousness (physical constraints, aggressive physical environment, work patterns likely to have lasting, identifiable and irreversible impacts on health such as mining, aircraft workers, metallurgy workers, dancers, musicians and bullfighters), exposure to risk factors that can lead to occupational diseases and have severe consequences for workers' health and safety at work, harmful work environment/conditions (e.g. handling of chemical materials, nuclear plant workers, underground and underwater activities) or new or newly recognised risks such as optical radiation, electromagnetic fields or just being seated for long periods. See Natali, D., Spasova, S. and Vanhercke, B. (2016), Retirement regimes for workers in arduous or hazardous jobs. A study of national policies, European Social Policy Network (ESPN), Brussels: European Commission.

⁴ Employees of major public companies or companies formerly state-owned and later privatised often concern utility providers (electricity, gas, public transport), some of which could also qualify as strenuous jobs. Since most of these categories are likely to receive special pensions due to historically strong negotiating power, they have been listed here as Category 3.3. In countries where objective criteria for defining difficult conditions — e.g. recognised lists of arduous and hazardous jobs — exist, pensions for utility companies' workers could be reclassified as Category 1, irrespectively, in fact, of the public or private nature of those companies.

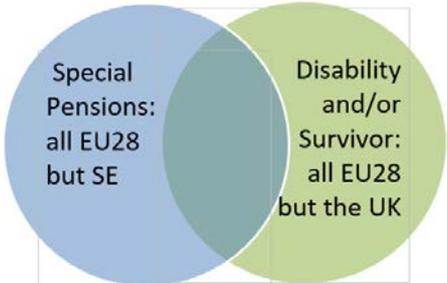
⁵ The judicial branch was recorded separately because it constitutes an essential part of checks and balances and could thus benefit from a preferential treatment, but it could also be merged with the wider Category of civil servants, 3.3.

Once special schemes are mapped, a system of special pensions is deemed complex if it features at least one of the following characteristics: (i) manifold special pension categories; (ii) a relatively large share of GDP allocated to special benefits (judging by Graph 2); and/or (iii) no or few prospects of reform towards fewer or less costly special pension categories (for (i) and (iii) see Annex III — Country fact sheets).

Disability and survivor pensions have not been considered as special pensions in this paper and its underlying surveys because, unlike special pensions, they are standard non-contributory schemes. However, disability and survivor schemes are similar to special pensions in that they are granted on a principle of (non-contributory) special status or linked to a person’s occupational activity. Therefore, in several countries, disability and survivor schemes may be an alternative to special pensions⁶.

Indeed, in most EU countries special pensions exist alongside the general pension system including disability and/or survivor’s pensions. In one country — Sweden — there are no special pensions, but there are disability and survivor’s schemes. In another country — the UK — there are no disability and survivor schemes, but there are special pensions (Figure 1).

Figure 1. Special pensions versus disability and survivor pensions, EU countries



Source: Pensref, Ageing Report 2018 country fiches for Cyprus and the UK, AWG survey and literature survey of ILO, SSA, OECD and European Commission sources.

3. DATA

The literature survey reviewed the following major data sources for 2014: (i) the International Labour Organisation (ILO) report entitled ‘Social protection for older persons: Key policy trends and statistics’; (ii) the US Social Security Administration (SSA) report entitled ‘Social Security Programs Throughout the World’; (iii) the OECD ‘Pensions at a Glance’ report; and (iv) the EC-EPC and EC-SPC country fiches of the Ageing Report and the Pension Adequacy Report, respectively. These sources covered 39 countries — all EU-28 plus 11 non-EU countries.

The AWG survey of March 2017, updated in January 2018 is the most recent source of information on special pensions available for EU countries and reflects legislation in place at the time of the consultation. This survey covers 22 EU countries: Austria, Belgium, Bulgaria, Czechia, Denmark, Spain, Finland, France, Croatia, Hungary, Ireland, Italy, Lithuania, Latvia, Luxembourg, Malta, Poland, Portugal, Romania, Slovakia, Slovenia and Sweden, which provided information on a voluntary basis, using a common structure. The findings of the two surveys are used sequentially. If a country participated in the AWG survey, only these results are taken into account. If a country did not participate in the AWG survey, but evidence on its special pension system was found in the literature

⁶ For this reason, complementary information on disability and survivor schemes is included in the AWG special pension survey. See PENSREF database, which provides detailed information on pension systems in the EU countries, including on special pensions: https://ec.europa.eu/info/business-economy-euro/indicators-statistics/economic-databases/pensref-pension-reform-database_en.

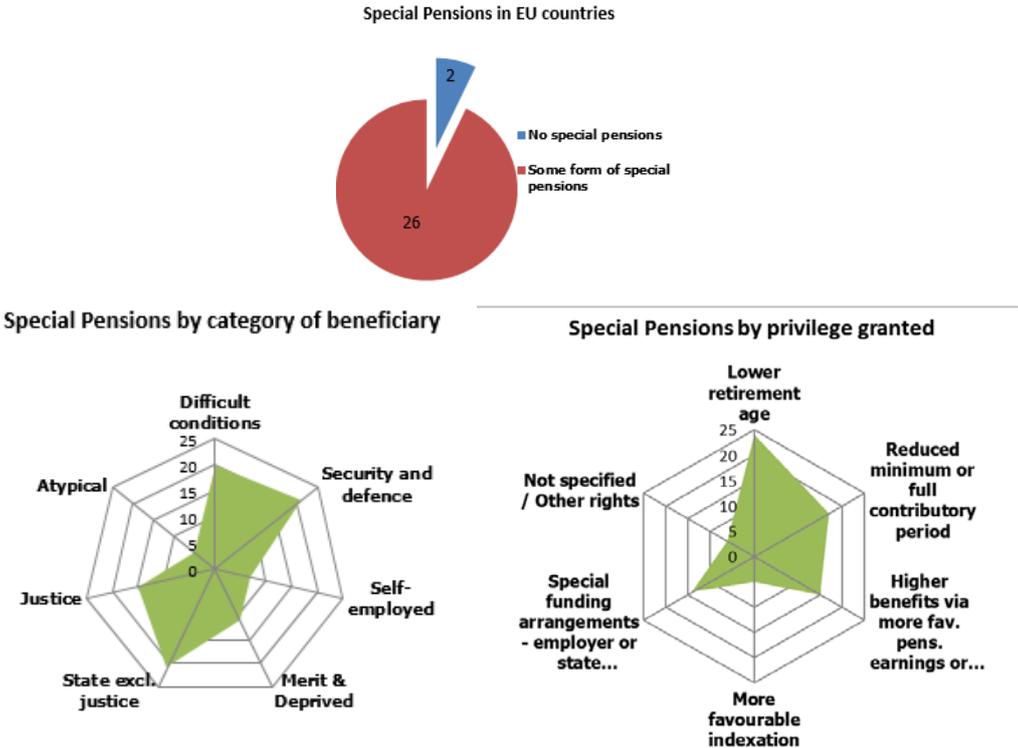
survey, the latter was used to complement the findings of the AWG survey. Note that a description of special pensions is included in the Pensref database⁷.

4. SCALE OF SPECIAL PENSIONS IN EU COUNTRIES

In 2016, some form of special pension scheme seemed to be present in all EU-28 countries except for Cyprus and Sweden (see Graph 1)⁸. Of the countries granting special pensions, Czechia appears to be the one that will phase out all special pensions the soonest.

Special pensions are granted most commonly to ‘other’ categories of beneficiaries holding a special status, such as state employees of all branches of government — legislative, executive, judiciary (23 countries), followed by security and defence forces including some civil professions (21 countries) and only then by categories working in difficult conditions (20 countries). Within the first category, the largest sub-categories are state employees of all branches, a category that also includes medical staff, teachers, academics or employees of major public companies (present in 21 countries), followed by people with special merit, victims and deprived individuals (present in 11 countries) and certain self-employed people such as farmers (found in 7 countries) (Graph 1). The least common special pension category is atypical/clergy (present in 5 countries)⁹.

Graph 1. **Presence and type of special pensions, EU countries**
(number of countries with special pensions, rewarding a specific category or granting certain preferential treatment, respectively)



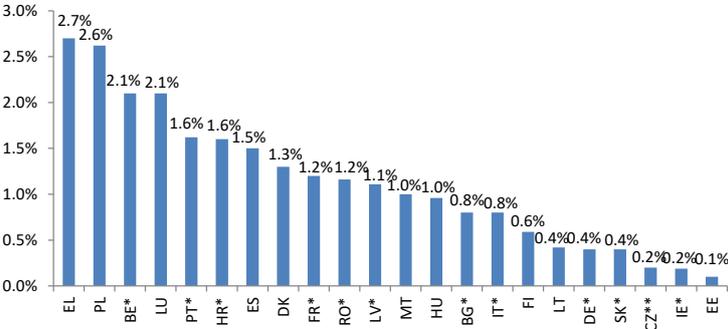
Note: The scale of the spider chart represents the number of countries.
Source: AWG survey and literature survey of ILO, SSA, OECD and European Commission services sources.

⁷ See link above ⁽²⁾.
⁸ For Sweden, the absence of special schemes was explicitly confirmed. For Cyprus, no data was available from any of the surveys, but it is known that specific groups such as army, police, tax tribunal benefited from a preferential treatment under the country’s economic adjustment programme.
⁹ In the non-EU sample, in 2014 new immigrants also appear as atypical beneficiaries of special pensions (Israel).

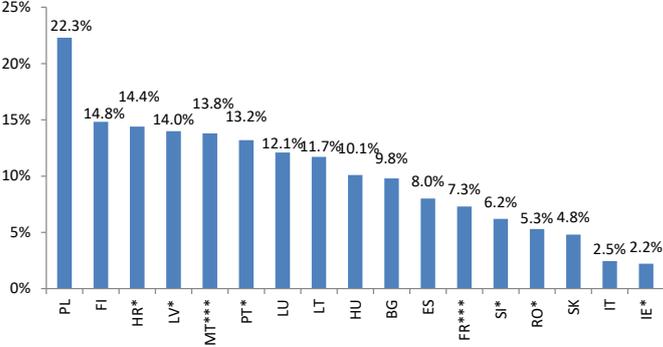
Special pensions involve a lower retirement age in nearly all the EU countries that grant them (i.e. in 24 countries). In nearly two thirds of the EU countries that apply them, special pensions also involve contributory periods that are counted more favourably (17 countries) or higher benefits that are recurrent (15 countries) (see Graph 1). Special pensions in the form of higher benefits than those given in the general scheme may derive from pensionable earnings counted more favourably and/or higher accrual rates or equivalent (pension point value, pension point cost) (see the country fact sheets in Annex III).

Special pension schemes differ largely across countries in terms of their budgetary impact and coverage of pensioners. In terms of share of GDP, special pension expenditure ranges from around 2.7% in Greece and 2.6% Poland to around 0.1% in Estonia. In terms of the proportion of all pensioners, the coverage varies between around 22% in Poland¹⁰ and 2.2% in Ireland (see Graphs 2 and 3 and Tables A2.1 and A2.2 in Annex II). These findings are in line with other research exploring some of the categories analysed.

Graph 2. Special pension expenditure (total available, as % of GDP)



Graph 3. Special pensions span (total available, as % of pensioners)



Notes:
 * the figures reflect the scale of the phenomenon only partly, due to incomplete or unavailable data.
 ** in reality no special pensions.
 *** % of pensions, not of pensioners.

Countries not represented have not reported this data. Supplementary special pensions (paid as a top-up) beneficiaries are not included.

Source: AWG survey 2017, Ageing Report 2018 country fiche (for DE), AWG delegates (for EL).

Natali *et al* (2016) examine workers in arduous and hazardous jobs in Europe (covering 35 countries) — a group which essentially corresponds to the Category 1 ‘Difficult conditions’ of this paper —

¹⁰ In Poland, the high proportion of total pensioners is driven by the large number of farmers’ pensions (13% of all pensioners) which do not necessarily pay above average benefits, but are more advantageously funded, through a defined benefit (DB) scheme with flat contributions.

finding that these schemes covered between 5% and 8% of all pensioners in 2015-2016. These schemes, which are recognised in most EU countries with different legal approaches, are often perceived as advantageous, but in practice subject to strict conditions. The report also finds that in some countries, benefits for special pensions for difficult conditions were higher than the average old-age pension, partly because of employee and employer's contributions¹¹. Yet, other countries were observed to have pension provisions that were lower than the average old-age pension, due to contributory period requirements as well as defined contributions schemes.

Palacios, R. and Whitehouse, E. (2006), in a study on civil service pensions throughout the world, including military, education, publically owned enterprises and roughly corresponding to our Category 3.3. — State employees and part of our Category 2 — Armed forces, find that a little more than half of the 158 countries covered have separate retirement-income arrangements for civil servants. The general finding is that civil service pension schemes offer more generous terms, tend to have lower funding ratios, and have higher per member liabilities than other schemes. They also find that in many countries, civil service pensions are becoming a major fiscal burden, threatening to crowd out other programmes, especially in low-income countries with limited tax bases.

5. SPECIAL PENSION REFORMS

Judging from recent national reforms, there seems to be a trend towards abolishing such preferential treatment, in particular for security and defence workers and for state employees. While the scale of special pension schemes appears significant, so does the extent to which these schemes are undergoing reforms. Based on the information studied here, more than 80% of EU countries operating special schemes have undergone or announced some type of reform to these systems (see Graph 4). These countries are Austria, Belgium, Bulgaria, Czechia, Denmark, Estonia, Spain, Finland, France, Croatia, Hungary, Ireland, Italy, Latvia, Luxembourg, Malta, Poland, Portugal, Romania, Slovakia and Slovenia. No indication of reform was found for Lithuania, Germany, the Netherlands or the UK. In Greece, several special pension reforms have been adopted in recent years, but no details were provided in the surveys. For an overview on progress with reform measures in Greece, including the setting up of a unified main pension fund, see European Commission (2018c).

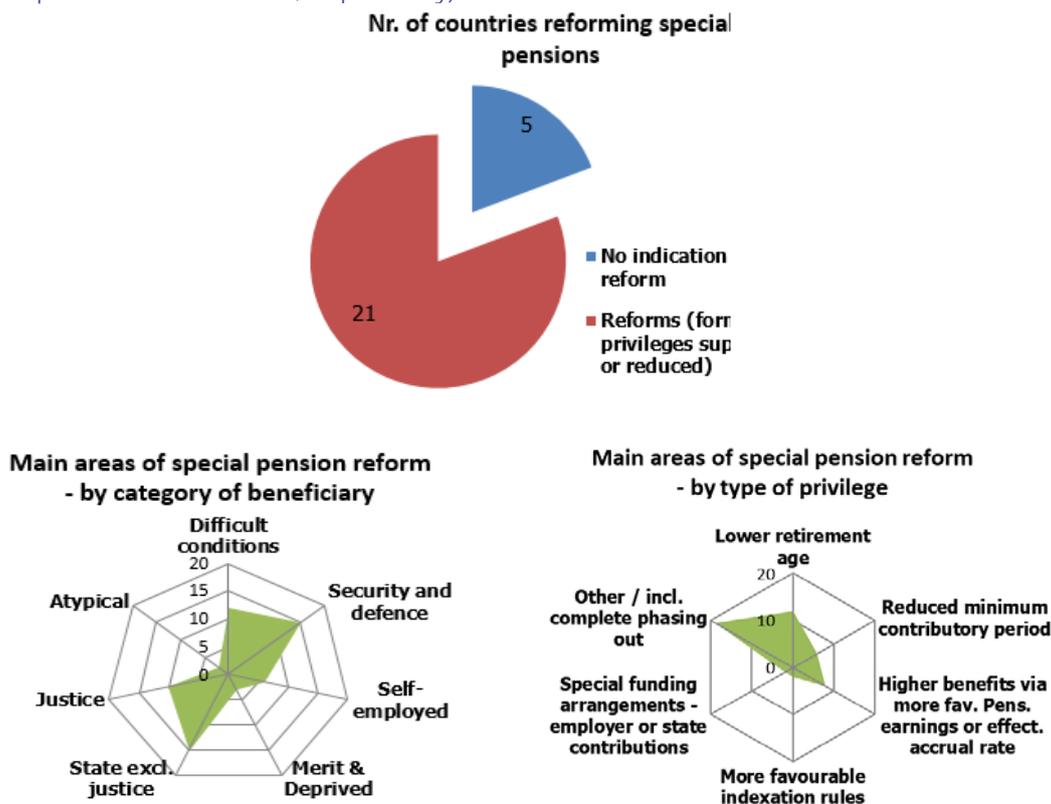
Most reforms target the security and defence group (15 cases) and state employees of all sorts (also 15 cases), followed by the group of workers under difficult conditions (12 cases). The least reformed schemes are those in the atypical beneficiaries group, and the groups of people with special merit, victims and deprived individuals and that of certain self-employed (see Graph 4), some of which are in fact transitory and would phase out naturally. Reforms aim to either completely phase out some schemes (19 cases) or to reduce existing preferential treatment, in particular in terms of a lower retirement age (12 cases) and in terms of higher benefits from more favourably set pensionable earnings, effective, higher accrual rate or equivalent (value of pension points, cost of pension point) (8 cases) (see Graph 4).

Trends in national reforms indicate that EU countries are taking special pensions in their efforts to increase the sustainability of their pension systems. Evidence pointing to this includes a progressive unification of special schemes under the general regime and a tendency to align preferential treatment with the new reality of longer life expectancy. Furthermore, since the 'difficult conditions' group is less reformed than the 'security and defence forces' or 'state employees' groups, one could conclude that reforms are proportionate in that they focus first on correcting preferential treatment perceived as excessive, before targeting special pensions of vulnerable groups.

¹¹ Schemes under which higher pension benefits are a result of higher employer or employee contributions, that is, schemes that are actuarially fair, are not considered as special pensions in this paper.

Graph 4. **Special pension reforms, EU countries**

(number of EU countries considering or undergoing reforms, by beneficiary and by type of preferential treatment, respectively)



Note: The scale of the spider chart represents the number of countries.

Source: AWG survey and literature survey of ILO, SSA, OECD and European Commission sources.

Similar evidence emerges from the studies mentioned above. Natali *et al* (2016) indicate that countries are narrowing access to these schemes through stricter conditions on age and contributory periods and redesigning them to increase efficiency and sustainability, shifting from pension to other social security budget regimes. The study by Palacios, R. and Whitehouse, E (2006) documents reforms that include raising the pensionable age, placing restrictions on early retirement, reducing pension generosity or increasing service requirements, changing the uprating procedure (indexation), integrating civil servants into the general scheme, increasing contribution rates and introducing some form of pre-funding.

Fiscal prudence may not be the only driver of special pension reforms. Technological progress and societal advances have significantly eased what were previously considered difficult conditions. These advances have led, for example, to more inclusive social security coverage, making categories such as special pensions for government employees needless or obsolete. Indeed, Wagner's law implies that economic development is associated with more advanced social security systems, with larger and more comprehensive social spending outlays. On the other hand, in almost all EU countries public sector employees no longer receive lower pay than those working in the private sector. The traditional argument for state employee special pensions used to rely on the need to offset lower salaries than in the private sector and foster the public employees' long-term commitment. However, this is no longer

the case in the EU, where in most countries the public sector average pay exceeds that of the private sector¹².

The complexity of special pensions also varies significantly across countries. By the metric described in Section 1, EU countries with complex special pensions systems would include Belgium, Poland, Romania, Greece, Portugal, Luxembourg, Ireland, Latvia and Croatia. Those with the leanest arrangements seem to be Czechia, Austria, Hungary, Slovakia, Bulgaria, Denmark and the Netherlands and of these countries Czechia, Austria and Hungary plan to phase out special pensions completely. (Note that Cyprus and Sweden are not included as there are no documented references to special pension schemes in these countries¹³.)

6. CONCLUDING REMARKS

There is a lively debate in some countries on whether special pensions are still justified.

One view is that the extent to which the public sector should finance such pensions is a discrete decision that depends on how much a given society agrees to support certain social or occupational groups. Conversely, there are also several arguments for phasing out special pensions. For instance, most of these schemes were introduced a long time ago for reasons that are now obsolete, making them increasingly difficult to justify. Furthermore, technological progress has significantly eased what were previously considered to be difficult conditions. Similarly, societal advances have led to a broader social security coverage, which means that some categories — such as government employees — no longer require a ‘special’ status. Another argument is that special pensions may jeopardise the level playing field among pension beneficiaries (social equity) and the simplicity of pension administration (administrative efficiency). Special pensions also weigh heavily on public finances. Finally, they may be an inefficient way to achieve the core objectives of pension policies, namely insurance against loss of labour income and/or poverty avoidance.

Importantly, most EU countries are already phasing out special schemes, progressively integrating them in the general system. In the EU, recent special pension reforms concern mainly security and defence forces and state employees, while the difficult conditions category is less affected.

Policy considerations on how to treat special pensions are not straightforward and each type of scheme should be looked at separately.

Special pensions perceived as being a source of inequity, such as those that are not clearly linked to occupational risks or a vulnerable special status, are the main candidates for abolishment. These include special pensions for state employees from all branches of government, which seem particularly unjustified, and special pensions for employees of public companies or atypical groups, i.e. Categories 3.3, 3.4. and 3.5. This approach is supported by other studies. Specifically, civil service pension schemes are found to be more generous and less financially viable than those for the rest of the formal sector, leading to labour market distortions and inequity between the formal sector workers of the same country¹⁴.

¹² de Castro, F., Salto, M. and Steiner, H. (2013), ‘The gap between public and private wages: new evidence for the EU’, *European Economy Economic Papers*, No 508.

¹³ See PENSREF database https://ec.europa.eu/info/business-economy-euro/indicators-statistics/economic-databases/pensref-pension-reform-database_en.

¹⁴ Palacios, R. and Whitehouse, E. (2006) find that there is little justification for maintaining parallel schemes for civil servants in the long run.

However, a different case can be made for risky jobs that are likely to lead to occupational diseases and severe consequences for a worker's health and safety. These include jobs in difficult conditions (Category 1) or professions where the physical condition crucially influences the worker's duties, such as security and defence forces, civil aviation, and air traffic controllers (Category 2). Special pensions could be seen as justifiable for these categories due to the physically strenuous nature of the jobs in question, reason why they could and mainly consist of early retirement.

It is far from trivial to set the parameters and/or draw up a list of professions eligible for special pensions. For instance, should a train driver receive one? If so, should the mark-up¹⁵ be similar to that of a hundred years ago, when trains were running on coal? Similarly, should personnel in the armed forces and personnel in the customs office receive special pensions, and should the mark-up be the same for those categories? For such categories, one can also argue that any form of compensation for strenuous work should be set through wages if the state is the employer, or through pension contributions in other cases, rather than through pension benefits. A wage-setting system or employer contribution rates reflecting occupational risks would automatically lead to higher contributions and therefore higher pension benefits. Moreover, as per Natali *et al* (2016), statutory and supplementary pensions for difficult conditions should be part of an integrated strategy to provide old age protection and flexible approaches to the end of career. Some countries have shown that supplementary pensions (voluntary or mandatory) can provide additional protection for workers in arduous and hazardous jobs.

Another complex case is that of groups of people with a (vulnerable) special status that deserve compensation either for merits during their public service careers or due to a situation of deprivation or victimhood from circumstances that are arguably outside the person's control, such as natural disasters, excessive costs or lack of income (Category 3.2). This would include war veterans, former political prisoners, victims of political repression, nuclear disasters, the long-term unemployed below retirement age, large families or families of children with disability. While recognising the need to compensate such social groups, special pensions are not necessarily the most suitable form of social transfer. Negative externalities or inequalities of the kind listed above could be compensated through other mechanisms (e.g. subsidies or transfer programmes). The same conclusion could apply to the self-employed without contributions (Category 3.1), for whom assistance to avoid poverty (e.g. a means-tested minimum pension) may be more suitable than publically funded special pensions.

Overall, the study of special pensions from a European perspective emphasises that these schemes may originate from historically complex social arrangements, rigid labour markets and a tradition of strong labour unions. In such set ups, the rights acquired by pension beneficiaries in the past may persist and continue to weigh heavily on public finances. The experiences of countries with longer-standing, complex special pension systems listed in Section 4 provide important insights. First, countries with less complex special pension systems would be wise to preserve this valuable asset, because once the precedent of granting a special pension is set, privileges become entrenched and are difficult to remove. As the policy and structure of the pension systems are largely path dependent, setting off with good practices is essential. Second, criteria for special pensions allocation other than having a strenuous job, for example having special status that does not involve vulnerability, can be arbitrary, easily subject to political pressure, and less in tune with a modern and equitable society.

Looking to the future, a useful extension of this work could be to track the development of special pensions over time and assess the quantitative impact of reforms. Future editions of the Ageing Report — a joint publication by the Commission and EU Member States, could further explore this avenue.

¹⁵ Mark-up means the excess of pension benefit versus contribution compared to the general system.

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ANNEX I

Questionnaire for the AWG Special Pension Survey

The countries that took the survey at the Ageing Working Group answered the following questionnaire.

If special pension schemes exist in your country:

1. What special pension categories are there?
2. How widespread are these schemes? Which is the proportion of people enrolled in all special pension schemes over all pensioners and which is the budgetary burden?
3. Are special pension schemes more advantageous than the general scheme?
4. What kind of privileges do special pensions provide?
 - 4.1. *Pension benefit* related:
 - a. Contributory period is counted more favourably than in the general scheme: e.g. period of service counts double the time, 'x' years count as 'y' etc.
 - b. Pensionable earnings (base pension for pension calculation) including valorisation rule defined more favourably than in the general scheme (e.g. based on a reduced selection career earnings)
 - c. Higher effective accrual rate or equivalent (value of pension points, cost of pension point) than in the general scheme
 - d. More advantageous indexation (higher indexation factors) than in the general scheme.
 - 4.2. *Early retirement* related:

The statutory retirement age (SRA) in the special scheme is lower than the SRA in general scheme.
 - 4.3. *Funding* related:

Indicate contributions for state, employer, employee as compared to the general scheme. The purpose is to highlight whether the state contribution is more favourable than in the general scheme.
 - 4.4. *Other* benefits (e.g. can work after retirement, exempted from paying local taxes).
5. Is the special scheme managed by a separate entity compared to the general one? Is this entity public?
6. Are these schemes open to new entrance or are they phasing out? Are there other reforms under way?

ANNEX II

Size and scope of special pensions

Table A2.1: **Special pensions and public pension expenditure, 2016, % of GDP**

	Special pension expenditure				Public pension expenditure
	Total available	Difficult conditions	Security and defence	Other	
BE*	2.1	n.a.	0.3*	1.8*	12.1
BG*	0.8	n.a.	0.7	0.0	9.6
CZ**	0.2	n.a.	0.2	-	8.2
DK	1.3	n.a.	n.a.	1.3	10.0
DE*	0.4	0.3	-	0.1	10.1
EE	0.1	n.a.	-	n.a.	8.1
IE*	0.2	-	0.1	0.1*	5.0
EL	2.7	n.a.		n.a.	17.3
ES	1.5	0.3	0.3	0.9	12.2
FR*	1.2	0.2	0.5	0.5*	15.0
HR*	1.6	n.a.	0.3	1.3	10.6
IT*	0.8	0.1*	0.7	-	15.6
CY	n.a.	n.a.	n.a.	n.a.	10.2
LV*	1.1	0.4	0.1*	0.6	7.4
LT	0.4	-	0.2	0.2	6.9
LU	2.1	-	with "Other"	2.1	9.0
HU	1.0	0.1	0.2	0.6	9.7
MT	1.0	-	0.3	0.7	8.0
NL	n.a.	n.a.	-	-	7.3
AT	n.a.	-	-	n.a.	13.8
PL	2.6	0.8	0.9	0.9	11.2
PT*	1.6	0.1	0.0	1.5	13.5
RO*	1.2	n.a.	0.7	0.5	8.0
SI	n.a.	n.a.	n.a.	n.a.	10.9
SK*	0.4	n.a.	0.4	n.a.	8.6
FI	0.6	0.1	0.1	0.4	13.4
SE	-	-	-	-	8.2
UK	n.a.	-	n.a.	n.a.	7.7

Note: gross pension expenditure – countries in **bold** indicate 2014/2015 data. 'n.a.' stands for a category of special pensions which exists, but for which the figures are not available. A dash '-' indicates that a given type of special pension does not exist in that country. (*) The figures reflect the size only partly, due to incomplete/unavailable data. (**) in reality no special pensions.

Source: AWG survey 2017, 2018 Ageing Report country fiche (for DE), 2018 Ageing Report, pension projections, AWG members (for EL).

Table A2.2: Special pensions, 2016, % of pensioners covered

	Total available	Difficult conditions	Security and defence	Other
BE	n.a.	n.a.	n.a.	n.a.
BG	9.8	5.4	4.3	0.1
CZ**	n.a.	n.a.	n.a.	-
DK	n.a.	n.a.	n.a.	n.a.
DE	n.a.	n.a.	-	n.a.
EE	n.a.	n.a.	n.a.	n.a.
IE*	2.2	-	2.1	0.1*
EL	n.a.	n.a.		n.a.
ES	8.0	2.0	1.8	4.2
FR***	7.3	1.6	1.9	3.8
HR*	14.4	n.a.	3.1	11.3
IT	2.5	0.3	2.1	-
CY	n.a.	n.a.	n.a.	n.a.
LV*	14.0	5.8	1.5*	6.7
LT	11.7	-	2.3	9.4
LU	12.1	0.0	with "Other"	12.1
HU	10.1	0.5	1.1	8.5
MT***	13.8	-	3.8	10.1
NL	n.a.	n.a.	-	-
AT	n.a.	-	-	n.a.
PL	22.3	4.2	5.0	13.1
PT*	13.2	1.0	0.0	12.1
RO*	5.3	n.a.	2.9	2.4
SI*	6.2	n.a.	1.0	5.2
SK	4.8	1.5	3.0	0.3
FI	14.8	1.7	0.7	12.5
SE	-	-	-	-
UK	n.a.	-	n.a.	n.a.

Note: supplementary special pension beneficiaries (paid as top-up) are not included. Countries in **bold** indicate 2014/2015 data. 'n.a.' stands for a category of special pensions which exists, but for which the figures are not available. A dash '-' indicates that a given type of special pension does not exist in that country.

(*) The figures reflect the scope only partly, due to incomplete/unavailable data.

(**) in reality no special pensions.

(***) % of pensions, not pensioners.

Source: AWG survey 2017, AWG members.

ANNEX III

Country fact sheets — Special pension schemes in EU Member States

The country fact sheets below summarise, under a standard format, the information on special pensions provided in the survey completed by EU countries at the AWG (the AWG survey) and from a survey of literature.

- The AWG survey took place in March 2017 and was updated in January 2018, at the Ageing Working Group (AWG), a technical sub-structure of the Economic Policy Committee (EPC) of the Council. It concerns special pension schemes in place in December 2016 and reforms of these schemes announced until January 2018;

- The literature survey was carried out in 2016 on 2014 data.

The questionnaire in excel format and the full answers provided, by country, to the AWG survey are available at: <https://webgate.ec.europa.eu/scopax/pensref/index.cfm#/specialPensions>

The findings of the two surveys are used sequentially. If a country only participated in the AWG survey, only these results are taken into account in the country sheet. If a country did not participate in the AWG survey, but evidence on its special pension system was found in the literature survey, the latter was used to complement the findings of the AWG survey.

The country fact sheets for Cyprus, Germany, Estonia, the Netherlands, Greece, and the UK are based on the literature survey. The remaining fact sheets contain information provided by the respective national authorities in the AWG survey and have been revised by these authorities, with the exception of Croatia, Lithuania, Slovakia and Sweden.

In every fact sheet, the ‘Categories’ section shows in bold the broad categories of special pensions in place at the cut-off date of the survey, 31 December 2016. The categories of beneficiaries listed in light grey in these rows indicate schemes that are phasing out. The ‘Reforms’ section lists all the schemes and beneficiaries for which reforms were under way at the cut-off date of 31 January 2018, including, but not limited to schemes phasing out.

More generally, faded font text indicates special pension categories or types of preferential treatment that do not exist in a given country. It only serves as a contrast to help map a country’s special pension situation against the full constellation of possible categories and privileges surveyed.

1. Belgium

SPECIAL PENSIONS COUNTRY FACT SHEET		
BELGIUM		
based on the AWG survey, 2017		
Special Pensions	Scale in 2016	
- Exist	% of GDP	% of pensioners
	2.1*	n.a.
	(*) does not include all the special schemes	
Categories		
Categories with existing privileges		
Category 1. Difficult conditions	Arduous: seamen, miners, professional journalists;	
Category 2. Security and defence	Active armed forces, operational corps of police, operational corps of firefighters, customs officers, postmen, security officers for prisoners transport; special corps; pilots, civil aviation flying personnel (phasing out);	
Category 3. Other		
Category 3.1 Self-employed		
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice	Civil servants: teachers, university professors, train and non train crew of national railways, public companies (e.g. Belgocontrol);	
Category 3.4 Justice	Magistrates, council of state, constitutional court, revenue court, ombudsman;	
Category 3.5 Atypical	Clergy.	
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions	Miners: lower retirement age to be aligned with the rest of the wage earners.	
Category 2. Security and defence	Security and defence forces, civil aviation flying personnel: lower retirement age to be aligned with the rest of the wage earners. For all special pensions in category 2: abolishment of the higher accrual rate and of the lower full contributory period for the years worked after 1/1/2019 currently under negotiation.	
Category 3. Other		
Category 3.1 Self-employed		
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice	For the categories 3.3, 3.4 and 3.5: lower retirement age to be aligned with the rest of wage earners; reduction of the higher accrual rates; abolishment of the higher accrual rates and the lower full contributory period currently under negotiation.	
Category 3.4 Justice		
Category 3.5 Atypical		
Type of privilege		
RET. AGE	Lower retirement age	For all special pension schemes except professional journalists, with certain conditions.
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For civil aviation flying personnel, security and defence forces, civil servants of all branches as well as clergy.
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For seamen, civil aviation and miners, security and defence forces, teachers and civil servants of public companies, clergy: higher effective accrual rates or equivalent. For civil aviation and professional journalists, security and defence forces, civil servants of all branches, clergy: higher pensionable earnings.
	More favourable indexation rules	For security and defence forces, civil servants of all branches and clergy
FUNDING	Special funding arrangements - employer or state contributions	For Belgocontrol/State employees in the executive and legislative branches and operational corps of firefighters/Security and defence forces.

2. Bulgaria

SPECIAL PENSIONS COUNTRY FACT SHEET		
BULGARIA		
based on the AWG survey, 2017		
Special Pensions		Scale in 2016
- Exist		% of GDP % of pensioners
		0.8* 9.8
		(*) does not include all the special schemes
Categories		
Categories with existing privileges		
Category 1. Difficult conditions		Hazardous, ballet dancers
Category 2. Security and defence		Military
Category 3. Other		
	Category 3.1	Self-employed
	Category 3.2	Merit & deprived
	Category 3.3 State excl. justice	Teachers
	Category 3.4	Justice
	Category 3.5	Atypical
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions		Gradual increase of the minimum retirement age until reaching 55 / 60 years for 1st/2nd category of labour respectively (vs 65 in the main scheme)
Category 2. Security and defence		Gradual increase of the minimum retirement age until reaching 55years (v 65 in the main scheme)
Category 3. Other		
	Category 3.1	Self-employed
	Category 3.2	Merit & deprived
	Category 3.3 State excl. justice	Gradual increase of the min. retirement age in line with the increase of the statutory retirement age
	Category 3.4	Justice
	Category 3.5	Atypical
Type of privilege		
RET. AGE	Lower retirement age	For all existing special pensions categories but reformed to increase gradually;
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For all existing special pensions categories: contributory period counted more favourably;
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	
	More favourable indexation rules	
	FUNDING	Special funding arrangements - employer or state contributions

3. Czechia

SPECIAL PENSIONS COUNTRY FACT SHEET		
CZECHIA		
based on the AWG survey, 2017		
Special Pensions	Scale in 2016	
- Exist but are phasing out completely	% of GDP n.a.	% of pensioners n.a.
Categories		
Categories with existing privileges		
Category 1. Difficult conditions	Miners (phasing out)	
Category 2. Security and defence	Military have the same conditions as the main scheme	
Category 3. Other		
	Category 3.1	Self-employed
	Category 3.2	Merit & deprived
	Category 3.3	State excl. justice
	Category 3.4	Justice
	Category 3.5	Atypical
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions	Miners (phasing out)	
Category 2. Security and defence		
Category 3. Other		
	Category 3.1	Self-employed
	Category 3.2	Merit & deprived
	Category 3.3	State excl. justice
	Category 3.4	Justice
	Category 3.5	Atypical
Type of privilege		
RET. AGE	Lower retirement age	For difficult conditions (miners);
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For difficult conditions (miners): higher effective accrual rate given by the standard pension formula and lower statutory retirement age.
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	

4. Denmark

SPECIAL PENSIONS COUNTRY FACT SHEET		
DENMARK		
based on the AWG survey, 2017		
Special Pensions	Scale in 2016	
	- Exist	% of GDP 1.3
Categories		
Categories with existing privileges		
Category 1. Difficult conditions	Fishing controllers (phasing out);	
Category 2. Security and defence	Military (phasing out); Police and prison guards;	
Category 3. Other		
Category 3.1	Self-employed	
Category 3.2	Merit & deprived	
Category 3.3	State excl. justice	State employees (phasing out);
Category 3.4	Justice	Judges and leading prosecutors; Other prosecutors (phasing out);
Category 3.5	Atypical	Priests and bishops.
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions	Fishing controllers (phasing out);	
Category 2. Security and defence	Military (phasing out);	
Category 3. Other		
Category 3.1	Self-employed	
Category 3.2	Merit & deprived	
Category 3.3	State excl. justice	State employees (phasing out);
Category 3.4	Justice	Other prosecutors (phasing out).
Category 3.5	Atypical	
Type of privilege		
RET. AGE	Lower retirement age	For fishing controllers, police and military.
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For all special pensions categories contributory period is counted more favourably.
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	For state employees in the executive branch/central government.

5. Germany

SPECIAL PENSIONS COUNTRY FACT SHEET		
GERMANY		
based on a literature survey, 2014 and AR 2018 country fiche		
Scale in 2016		
Special Pensions		
- Exist	% of GDP 0.4	% of pensioners n.a.
Categories (general)		
Categories with existing privileges		
Category 1. Difficult conditions	Miners	
Category 2. Security and defence		
Category 3. Other		
Category 3.1 Self-employed	Certain self-employed persons and farmers	
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice	Public-sector employees	
Category 3.4 Justice		
Category 3.5 Atypical		
Reforms		
Categories with former privileges suppressed, reduced or other indications of such reforms expected in the future		
Category 1. Difficult conditions		
Category 2. Security and defence		
Category 3. Other		
Category 3.1 Self-employed		
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice		
Category 3.4 Justice		
Category 3.5 Atypical		
Type of privilege		
Lower retirement age		
Reduced minimum contributory period		
Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)		
More favourable indexation rules		
Special funding arrangements - employer or state contributions		

6. Estonia

SPECIAL PENSIONS COUNTRY FACT SHEET	
ESTONIA	
based on a literature survey, 2014	
Special Pensions	Pillar 1
- Exist	
Nr. of people enrolled/ extension of the scheme	0.1%*GDP
Categories (general)	
Categories with existing privileges	
Category 1. Difficult conditions	Arduous & hazardous
Category 2. Security and defence	
Category 3. Other	
Category 3.1 Self-employed	
Category 3.2 Merit & deprived	War veterans and persons with at least a 40% loss of earning capacity as a result of a nuclear test or accident;
Category 3.3 State excl. justice	Civil servants
Category 3.4 Justice	Auditor General, the Chancellor of Justice and judges (phasing out);
Category 3.5 Atypical	
Reforms	
Categories with former privileges suppressed, reduced or other indications of such reforms expected in the future	
Category 1. Difficult conditions	
Category 2. Security and defence	Military and police more favourable indexation rule changed to the common pension index.
Category 3. Other	
Category 3.1 Self-employed	
Category 3.2 Merit & deprived	
Category 3.3 State excl. justice	Civil servants increase I pension benefits abolished
Category 3.4 Justice	Auditor General, Chancellor of Justice, judges phasing out
Category 3.5 Atypical	
Type of privilege	
Lower retirement age	For arduous & hazardous 5-10 years before SRA with at least 20-25 years of contributions including 10-12 years of work in especially hazardous
Reduced minimum contributory period	
Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For military, war veterans and persons with at least a 40% loss of earning capacity as a result of a nuclear test or accident pension supplementa
More favourable indexation rules	Formerly for military and police. No longer applicable
Special funding arrangements - employer or state contributions	

7. Ireland

SPECIAL PENSIONS COUNTRY FACT SHEET			
IRELAND			
based on the AWG survey, 2017			
Special Pensions	Scale in	2016	2015
- Exist		% of GDP	% of pensioners
		0.2*	2.21*
(*) does not include all the special schemes			
Categories			
Categories with existing privileges			
Category 1. Difficult conditions			
Category 2. Security and defence		Defence forces, police and firefighters;	
Category 3. Other			
Category 3.1 Self-employed			
Category 3.2 Merit & deprived			
Category 3.3 State excl. justice		State employees in all branches;	
Category 3.4 Justice		State employees in all branches;	
Category 3.5 Atypical			
Reforms			
Categories with former privileges suppressed, reduced or other indication of expected reform			
Category 1. Difficult conditions			
Category 2. Security and defence		New entrants terms are considerably less generous under Single Scheme	
Category 3. Other			
Category 3.1 Self-employed			
Category 3.2 Merit & deprived			
Category 3.3 State excl. justice		New entrants terms are considerably less generous under Single Scheme	
Category 3.4 Justice		New entrants terms are considerably less generous under Single Scheme	
Category 3.5 Atypical			
Type of privilege			
RET. AGE	Lower retirement age	For military, police and firefighters;	
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For security and defence forces and state employees of all branches;	
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For security and defence forces and state employees of all branches full service benefit accrues over shorter period. Different accrual rates depending on date of entry.	
	More favourable indexation rules		
FUNDING	Special funding arrangements - employer or state contributions	Military personnel and judiciary pay a lower (class C, H and, respectively, K contribution rates than normal employees paying the Class A rate.	

8. Greece

SPECIAL PENSIONS COUNTRY FACT SHEET	
GREECE	
based on a literature survey, 2014	
Special Pensions	Pillar 1
- Exist	
Nr. of people enrolled/ extension of the scheme Special scheme is managed by a separate entity compared to the general one.	n.a. Multiple pension schemes with special conditions (in terms of employee contribution)
Categories (general)	
Categories with existing privileges	
Category 1. Difficult conditions	arduous & hazardous
Category 2. Security and defence	
Category 3. Other	
Category 3.1 Self-employed	farmers
Category 3.2 Merit & deprived	
Category 3.3 State excl. justice	doctors, public-sector employees
Category 3.4 Justice	lawyers
Category 3.5 Atypical	
Reforms	
Categories with former privileges suppressed, reduced or other indications of such reforms expected in the future	
Category 1. Difficult conditions	
Category 2. Security and defence	
Category 3. Other	
Category 3.1 Self-employed	
Category 3.2 Merit & deprived	
Category 3.3 State excl. justice	
Category 3.4 Justice	
Category 3.5 Atypical	
Type of privilege	
Lower retirement age	For arduous: at 62 years (5y lower than the SRA), with 40 years of contributions with at least 25 years of arduous work for a full pension entitlement, or 15 years of contributions with at least 12 years of arduous work for a full pension entitlement (for the other categories SRA is set from 1 January 2013 at 67 years by increasing it from 65 as a general rule, while for those with a contributory period of 40 years the retirement age is set at 62 years.)
Reduced minimum contributory period	
Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	
More favourable indexation rules	
Special funding arrangements - employer or state contributions	For arduous: Employee: 8.87% of covered monthly earnings for arduous vs. 6.67% general; Employer: 14.7.% of covered monthly payroll for arduous vs. 13.337% general

9. Spain

SPECIAL PENSIONS COUNTRY FACT SHEET		
SPAIN		
based on the AWG survey, 2017		
Special Pensions	Scale in 2016	
- Exist	% of GDP	% of pensioners
	1.5	8
Categories		
Categories with existing privileges		
Category 1. Difficult conditions	Seamen, miners	
Category 2. Security and defence	Military (phasing out)	
Category 3. Other		
Category 3.1 Self-employed		
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice	Civil servants in the legislative and executive branches (phasing out)	
Category 3.4 Justice	Civil servants in the judicial branch (phasing out)	
Category 3.5	Atypical	
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions		
Category 2. Security and defence	Military (phasing out)	
Category 3. Other		
Category 3.1 Self-employed		
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice	Civil servants in the legislative and executive branches (phasing out)	
Category 3.4 Justice	Civil servants in the judicial branch (phasing out)	
Category 3.5	Atypical	
Type of privilege		
RET. AGE	Lower retirement age	For seamen and miners; for military and civil servants voluntary at 60 with a min. contributory period of 30 years as state employees (phasing out).
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For seamen and miners pensionable earnings are computed taking into account the more favourable recount of years worked.
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	

10. France

SPECIAL PENSIONS COUNTRY FACT SHEET		
FRANCE		
based on the AWG survey, 2017		
Special Pensions	Scale in 2016	
- Exist	% of GDP	% of pensions
	1.2*	7.3
	(*) does not include all the special schemes	
Categories		
Categories with existing privileges		
Category 1. Difficult conditions	Arduous, miners (phasing out), sailors, seamen; in civil service and some former public utility companies such as CNIEG (electricity and gas), RATP (Parisian transports) and SNCF (railroads) "active" categories are legally defined by government decrees as hazardous or tenuous.	
Category 2. Security and defence	Military, police, customs agents	
Category 3. Other		
Category 3.1 Self-employed	Farmers (MSA farm owners)	
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice	Civil servants in "sedentary" categories; elementary school teachers and some post and telecom workers (phasing out), sedentary categories of SNCF (railroads)	
Category 3.4 Justice		
Category 3.5 Atypical		
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions	Arduous - miners phasing out; supplementary contribution by the employer removed in 2018.	
Category 2. Security and defence	Contributory period and early retirement-related privileges for active military converging towards the general scheme's	
Category 3. Other		
Category 3.1 Self-employed		
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice	Elementary school teachers, some post and telecom workers (phasing out). Contributory period and early retirement-related privileges for some local government civil servants, employees of major public companies converging towards the general scheme's.	
Category 3.4 Justice		
Category 3.5 Atypical		
Type of privilege		
RET. AGE	Lower retirement age	For all active special pension categories, but reformed to raise towards the retirement age in the general scheme; for SNCF (railroads) employees a lower retirement age applies to both active and sedentary categories.
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For arduous: reduced contributory period; for active employees of public sector companies, local government civil servants, and active military reduced contributory period, but converging progressively towards the general scheme's;
	Higher benefits or higher effective accrual rate or equivalent (pension point value, pension point cost)	
	More favourable indexation rules	For sailors, military, employees of public sector companies, local government civil servants in the executive and legislative branch;
FUNDING	Special funding arrangements - employer or state contributions	For arduous: contribution paid by all companies and a supplementary contribution from companies exposing staff to arduous conditions (Removed in 2018). For military, SNCF (railroads) and civil servants: higher employer (i.e. the state) contributions.

11. Croatia

SPECIAL PENSIONS COUNTRY FACT SHEET		
CROATIA		
based on the AWG survey, 2017		
Special Pensions		Scale in 2016
- Exist		% of GDP 1.6* % of pensioners 14.4* (*) does not include all the special schemes
Categories		
Categories with existing privileges		
Category 1. Difficult conditions		Arduous & hazardous: demine workers, workers exposed to asbestos, miners, sailors;
Category 2. Security and defence		Military, police, members of the former Yugoslav Peoples Army (phasing out);
Category 3. Other		
	Category 3.1 Self-employed	
Category 3.2 Merit & deprived		War veterans (phasing out), former political prisoners, homeland war defenders - members of the Croatian Defenders Council according to agreement between HR and Bosnia and Herzegovina;
Category 3.3 State excl. justice		MPs (phasing out), government officials (phasing out), academics;
Category 3.4 Justice		Constitutional Court judges, Auditor General (phasing out).
	Category 3.5 Atypical	
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions		
Category 2. Security and defence		Members of the former Yugoslav Peoples Army (phasing out);
Category 3. Other		
	Category 3.1 Self-employed	
	Category 3.2 Merit & deprived	
Category 3.3 State excl. justice		MPs (phasing out), government officials (phasing out);
Category 3.4 Justice		Constitutional Court judges, Auditor General (phasing out).
	Category 3.5 Atypical	
Type of privilege		
RET. AGE	Lower retirement age	For all special schemes except former political prisoners and homeland war defenders; for arduous & hazardous: retirement age is reduced according to the years worked in such occupations;
	Reduced or more favourably counted minimum or full contributory period	For arduous & hazardous, security and defence forces and merit, victims and deprived: contributory period counted more favourably or not contributory based, depending on the occupation and working conditions;
B E S N I E Z F E I T	Higher benefits or higher effective accrual rate or equivalent (pension point value, pension point cost)	For all special schemes except difficult conditions pensionable earnings are calculated more favourably and the effective accrual rate or equivalent is higher; For MPs, military, police, war veterans, former political prisoners, government officials, academics, Constitutional Court judges benefits are determined by special laws and paid by the public PAYG scheme;
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	All schemes except security and defence forces and difficult conditions are fully financed by the state; for the latter the employer's aka/state's contribution is higher than in the general scheme; for military and police: Pension contribution rate is higher than the standard rate and is paid by the employer; For arduous & unhealthy: employer funding is done in individual accounts.

12. Italy

SPECIAL PENSIONS COUNTRY FACT SHEET	
ITALY	
based on the AWG survey, 2017	
Special Pensions	Scale in 2016
- Exist	% of GDP % of pensioners
	0.8* 2.5
	(*) does not include all the special schemes
Categories	
Categories with existing privileges	
Category 1. Difficult conditions	Arduous, exposed to asbestos (phasing out), precocious, artistic and entertainment workers, professional sports workers
Category 2. Security and defence	Armed forces, police services, firefighters pilots and flight attendants
Category 3. Other	
Category 3.1	Self-employed
Category 3.2	Merit & deprived
Category 3.3	State excl. justice
Category 3.4	Justice
Category 3.5	Atypical
Reforms	
Categories with former privileges suppressed, reduced or other indication of expected reform	
Category 1. Difficult conditions	Contributory period counted more favourably (1.5y) for workers exposed to asbestos no longer applies to current workers (most beneficiaries are already retired);
Category 2. Security and defence	Lower retirement age but linked to life expectancy for all special schemes;
Category 3. Other	
Category 3.1	Self-employed
Category 3.2	Merit & deprived
Category 3.3	State excl. justice
Category 3.4	Justice
Category 3.5	Atypical
Type of privilege	
RET. AGE Lower retirement age	For all special pension categories, as follows: - Arduous work: retirement up to 3y before the SRA depending on age and contribution requirements, indexed to changes in life expectancies after 2025; - Exposed to asbestos: periods of exposition to asbestos lead to better count of contributory years (c.y.), implying access to early retirement; - Precocious workers: early retirement regardless of age with 41 c.y., indexed to changes in life expectancy, v 42y and 10m /41y and 10 m for men/women respectively in the main scheme. - Artistic/entertainment workers: a) old age retirement at 65/60 for men/women with 5 c.y.; b) early retirement either regardless of age with 40 c. y., at 61 with 36 c.y. or at 62 with 35 c.y. - Dancers, choreographers and professional sport workers: early retirement wrt general scheme by 1y for every 5y worked, with a maximum of 5y reduction. - Armed forces, police services, firefighters: Early retirement at a) 57y and 7m, plus 1y of postponement or b) 40 y and 7m of contributions regardless of age plus 15 m of postponement. Old Age retirement from 60y and 7m to 65y and 7m with 20 c.y, depending on the ranking and position. All requirements are indexed to changes in life expectancy". - Pilots and flight attendants: early retirement wrt general scheme by 1y for every 5y of enrolment in the dedicated pension fund ("fondo volo").
B E N E F I T	Reduced or more favourably counted minimum or full contributory period For workers exposed to asbestos (phasing out); for military. Higher benefits or higher effective accrual rate or equivalent (pension point value, pension point cost) More favourable indexation rules
FUNDING	Special funding arrangements - employer or state contributions.

13. Cyprus

SPECIAL PENSIONS COUNTRY FACT SHEET	
CYPRUS	
based on a literature survey, 2014	
Special Pensions	Pillar 1
- Do not exist	
No reference (assume do not exist)	
Categories (general)	
Categories with existing privileges	
Category 1. Difficult conditions	
Category 2. Security and defence	
Category 3. Other	
Category 3.1 Self-employed	
Category 3.2 Merit & deprived	
Category 3.3 State excl. justice	
Category 3.4 Justice	
Category 3.5 Atypical	
Reforms	
Categories with former privileges suppressed, reduced or other indications of such reforms expected in the future	
Category 1. Difficult conditions	
Category 2. Security and defence	
Category 3. Other	
Category 3.1 Self-employed	
Category 3.2 Merit & deprived	
Category 3.3 State excl. justice	
Category 3.4 Justice	
Category 3.5 Atypical	
Type of privilege	
Lower retirement age	
Reduced minimum contributory period	
Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	
More favourable indexation rules	
Special funding arrangements - employer or state contributions	

14. Latvia

SPECIAL PENSIONS COUNTRY FACT SHEET		
LATVIA		
based on the AWG survey, 2017		
Special Pensions	Scale in 2016	
- Exist	% of GDP	% of pensioners
	1.1*	14
	(*) does not include all the special schemes	
Categories		
Categories with existing privileges		
Category 1. Difficult conditions	Hazardous before 1996 (phasing out); Dangerous conditions: aviation workers, rail workers, sailors, public transport workers (phasing out); Artists of local government orchestras, choirs, concert organizations, theatres and circus, ballet artists;	
Category 2. Security and defence	Military, police, national security, intelligence, officials of the corruption prevention and combating bureau;	
Category 3. Other	<p style="margin-left: 20px;">Category 3.1 Self-employed</p> <p style="margin-left: 20px;">Category 3.2 Merit & deprived Chernobyl victims, parents or guardians of large families or a child with a disability, politically repressed persons, parliamentarians voting for independence;</p> <p style="margin-left: 20px;">Category 3.3 State excl. justice State employees - medical staff, diplomats;</p> <p style="margin-left: 20px;">Category 3.4 Justice Judges, prosecutors;</p> <p style="margin-left: 20px;">Category 3.5 Atypical Midgets, dwarfs and the blind.</p>	
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions	Hazardous before 1996; Dangerous conditions: aviation workers, rail workers, sailors, public transport workers (phasing out);	
Category 2. Security and defence	Aviation workers, rail workers, sailors, public transport workers (phasing out).	
Category 3. Other	<p style="margin-left: 20px;">Category 3.1 Self-employed</p> <p style="margin-left: 20px;">Category 3.2 Merit & deprived</p> <p style="margin-left: 20px;">Category 3.3 State excl. justice</p> <p style="margin-left: 20px;">Category 3.4 Justice</p> <p style="margin-left: 20px;">Category 3.5 Atypical</p>	
Type of privilege		
RET. AGE	Lower retirement age	For artistic workers, police, security, military, Chernobyl victims, parents of large families, politically repressed, medical emergency staff, diplomats, judges and prosecutors;
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For merit, victims and deprived - not contributory based; for all other contributory based special pensions except aviation workers, rail workers, sailors, public transport workers - better conditions;
	Higher benefits or higher effective accrual rate or equivalent (pension point value, pension point cost)	For all special pension categories except artistic workers, parents of large families or of disabled children, Chernobyl victims or atypical; for some schemes higher benefits derive from taking as reference the average monthly wage of the 5 years prior to dismissal or retirement.
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	For merit, victims and deprived - not contributory based;
OTHER	Other	for ballet artists, politically repressed, Chernobyl victims: free public transport, health care advantages - compensation of health hazard.

15. Lithuania

SPECIAL PENSIONS COUNTRY FACT SHEET		
LITHUANIA		
based on the AWG survey, 2017		
Special Pensions	Scale in 2016	
- Exist	% of GDP	% of pensioners
	0.4	11.7
Categories		
Categories with existing privileges		
Category 1. Difficult conditions		
Category 2. Security and defence	Military (officers and soldiers);	
Category 3. Other	Category 3.1 Self-employed Category 3.2 Merit & deprived Persons with distinguished achievements for the state of first and second degree; victims and deprived persons; mothers of large families; Category 3.3 State excl. justice Officials, scientists; Category 3.4 Justice Judges. Category 3.5 Atypical	
Reforms	Categories with former privileges suppressed, reduced or other indication of expected reform	
	Category 1. Difficult conditions	
	Category 2. Security and defence	
	Category 3. Other	
	Category 3.1	Self-employed
	Category 3.2	Merit & deprived
	Category 3.3	State excl. justice
	Category 3.4	Justice
	Category 3.5	Atypical
Type of privilege		
RET. AGE	Lower retirement age	For security and defence forces;
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For merit, victims and deprived, security and defence forces (?), scientists and judicial branch - not contributory based; For judicial staff - reduced full contributory period: 20 years of service for prosecutors and 25 years for others;
	Higher benefits or higher effective accrual rate or equivalent (pension point value, pension point cost)	For security and defence, judicial employees and scientists; For merit, victims and deprived and scientists - state pension basis set by the government.
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	For all special pension categories since they are non-contributory (state funded).

16. Luxembourg

SPECIAL PENSIONS COUNTRY FACT SHEET		
LUXEMBOURG		
based on the AWG survey, 2017		
Special Pensions	Scale in 2016	
- Exist	% of GDP	% of pensioners
	2.1	12.1
Categories		
Categories with existing privileges		
Category 1. Difficult conditions		
Category 2. Security and defence	Army, police officers, professional fire workers (phasing out)	
Category 3. Other		
Category 3.1	Self-employed	
Category 3.2	Merit & deprived	
Category 3.3 State excl. justice	Public sector employees: civil servants, central government, local/municipalities authorities, public institutions staff; National railways - train conductors, bus drivers, several blue collar workers of railway company: Old/transitory special pension scheme for employees in service before 1/01/1999 (phasing out); new special pension scheme persisting.	
Category 3.4 Justice	Transitory special pension scheme (phasing out); new special pension scheme persisting.	
Category 3.5	Atypical	
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions		
Category 2. Security and defence	Army, police officers, professional fire workers (phasing out)	
Category 3. Other		
Category 3.1	Self-employed	
Category 3.2	Merit & deprived	
Category 3.3 State excl. justice	Public sector employees: civil servants, central government, local/municipalities authorities, public institutions staff; National railways - train conductors, bus drivers, several blue collar workers of railway company - the old/ transitory special pension scheme phasing out.	
Category 3.4 Justice	Old/Transitory special pension scheme phasing out.	
Category 3.5	Atypical	
Type of privilege		
RET. AGE	Lower retirement age	For security and defence forces, old civil servants and transport company
	Reduced or more favourably counted minimum or full contributory period	For security and defence forces and public transport companies
B E N E F I T	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For civil servants in the old/transitional scheme higher pension benefit and more advantageous accrual rate - For people in post on 31 December 1998 pension calculated based on the last salary at a reference replacement rate of 83.33%. For years of service after 1 January 1999, the latter is lowered in stages from 83.33% to 72%
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	Both under the old/transitional and the new special scheme, pensions are paid by the central government - the state guarantees the pension scheme via budget deficit (the only contributions collected are 8% paid by the employee), while in the general scheme employer, employee and state pay equal contributions (8% each). Old/transitional scheme: income ceiling for the assessment of contributions. Specific funding features for the new scheme - no income ceiling for the assessment of contributions.

17. Hungary

SPECIAL PENSIONS COUNTRY FACT SHEET		
HUNGARY		
based on the AWG survey, 2017		
Special Pensions		Scale in 2016
- Exist but are almost completely phasing out	% of GDP	% of pensioners
	0.96	10.1
Categories		
Categories with existing privileges		
Category 1. Difficult conditions	Hazardous (artists, miners, other physically demanding workers) all phasing out	
Category 2. Security and defence	Armed forces (phasing out);	
Category 3. Other		
Category 3.1 Self-employed		
Category 3.2 Merit & deprived	WWII heroes or 1956 Hungarian Revolution War heroes, victims of totalitarian regimes (phasing out); women with 40 eligibility years (working years + childcare years)	
Category 3.3 State excl. justice		
Category 3.4 Justice		
Category 3.5 Atypical		
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions	Miners (phasing out);	
Category 2. Security and defence	Armed forces (phasing out);	
Category 3. Other		
Category 3.1 Self-employed		
Category 3.2 Merit & deprived	WWII heroes or 1956 Hungarian Revolution War heroes, victims of totalitarian regimes (phasing out);	
Category 3.3 State excl. justice		
Category 3.4 Justice		
Category 3.5 Atypical		
Type of privilege		
RET. AGE	Lower retirement age	For difficult conditions and security and defence forces; women with 40 eligibility years (working years + childcare years) are eligible early
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For merit, victims and deprived - not contributory based.
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	

18. Malta

SPECIAL PENSIONS COUNTRY FACT SHEET		
MALTA		
based on the AWG survey, 2017		
Special Pensions		Scale in 2016
- Exist (called "Treasury Pension")	% of GDP	% of pensioners
	0.3	0.7
Categories		
Categories with existing privileges		
Category 1. Difficult conditions		
Category 2. Security and defence	Police, armed forces of Malta (AFM) personnel, correctional facilities officials and members of the civil protection	
Category 3. Other		
Category 3.1	Self-employed	
Category 3.2 Merit & deprived	Widows of public officers who held a pensionable post and who contributed to the widows pension scheme	
Category 3.3 State excl. justice	Government employees who started service with the government before 15th January 1979 (phasing out); MPs	
Category 3.4 Justice	Members of the judiciary and the Attorney General	
Category 3.5	Atypical	
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions		
Category 2. Security and defence		
Category 3. Other		
Category 3.1	Self-employed	
Category 3.2	Merit & deprived	
Category 3.3 State excl. justice	Government employees who started service with the government before 15th Jan.1979 (phasing out)	
Category 3.4	Justice	
Category 3.5	Atypical	
Type of privilege		
RET. AGE	Lower retirement age	For police and armed forces with 25y of service and officers at 55 or 60y of age, in extraordinary circumstances at 50; for all other special pension categories at 60 instead of 61 in the general regime
B E N E F I T S I Z E	Reduced or more favourably counted minimum or full contributory period	For police, AFM and correctional facilities personnel 25 contributory years; for all remaining special pension categories 30 contributory years, as opposed to the general regime where it is 35y and increasing in the future
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For all special pension (SP) categories: SP are additional to contributory pension; SP pensionable earnings reference is the last salary or an avg of the last 3y, i.e. more favourable than the norm of 10 best years; for public service officials such as secretary to the cabinet, permanent secretary, headship positions, ambassadors, high commissioners, principal representatives of Malta the pensionable earnings base is the salary in the highest position held; for officers these special pensionable earnings are subject to creditable performance / certification by the Principal Permanent Secretary; the officers' special pension cannot exceed 2/3 of the highest income.
		More favourable indexation rules
FUNDING	Special funding arrangements - employer or state contributions	

19. The Netherlands

SPECIAL PENSIONS COUNTRY FACT SHEET	
THE NETHERLANDS	
based on a literature survey, 2014	
Special Pensions	Pillar 1
- Exist	
Nr. of people enrolled/ extension of the scheme	n.a.
Categories (general)	
Categories with existing privileges	
Category 1. Difficult conditions	Physically demanding work
Category 2. Security and defence	
Category 3. Other	
Category 3.1 Self-employed	
Category 3.2 Merit & deprived	
Category 3.3 State excl. justice	
Category 3.4 Justice	
Category 3.5 Atypical	
Reforms	
Categories with former privileges suppressed, reduced or other indications of such reforms expected in the future	
Category 1. Difficult conditions	
Category 2. Security and defence	
Category 3. Other	
Category 3.1 Self-employed	
Category 3.2 Merit & deprived	
Category 3.3 State excl. justice	
Category 3.4 Justice	
Category 3.5 Atypical	
Type of privilege	
Lower retirement age	
Reduced minimum contributory period	
Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	
More favourable indexation rules	
Special funding arrangements - employer or state contributions	

20. Austria

SPECIAL PENSIONS COUNTRY FACT SHEET		
AUSTRIA		
based on the AWG survey, 2017		
Special Pensions	Scale in 2016	
- Exist but are phasing out completely	% of GDP n.a.	% of pensioners n.a.
Categories		
Categories with existing privileges		
Category 1. Difficult conditions		
Category 2. Security and defence		
Category 3. Other		
	Category 3.1 Self-employed	Certain self-employed in industry and trade, and agriculture (phasing out)
	Category 3.2 Merit & deprived	
	Category 3.3 State excl. justice	Civil servants from the federal, state and municipal levels and employees of public entities such as the Austrian Federal Railways and the Austrian Post (all phasing out)
	Category 3.4 Justice	
	Category 3.5 Atypical	
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions		
Category 2. Security and defence		
Category 3. Other		
	Category 3.1 Self-employed	Certain self-employed in industry and trade, and agriculture (phasing out)
	Category 3.2 Merit & deprived	
	Category 3.3 State excl. justice	Civil servants from the federal, state and municipal levels and employees of public entities such as the Austrian Federal Railways and the Austrian Post (all phasing out)
	Category 3.4 Justice	
	Category 3.5 Atypical	
Type of privilege		
RET. AGE	Lower retirement age	The public pension system comprises a few remaining possibilities for early retirement
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	

21. Poland

SPECIAL PENSIONS COUNTRY FACT SHEET		
POLAND		
based on the AWG survey, 2017		
Special Pensions		Scale in 2016
- Exist		% of GDP 2.62
		% of pensioners 22.3* (*) 13% are farmers
Categories		
Categories with existing privileges		
Category 1. Difficult conditions		Miners and bridging pensions (paid until reaching retirement age) for employees working in medically-verified special conditions or character, who worked in these conditions at least one day before 1999 (pilots, steel workers) (phasing out)
Category 2. Security and defence		Police, army, some other groups, fire-fighters, pilots (phasing out)
Category 3. Other		
Category 3.1 Self-employed	Farmers	
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice	Teachers (phasing out)	
Category 3.4 Justice	Judges and prosecutors, other professionals	
Category 3.5 Atypical		
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions		Bridging pensions (for pilots, steel workers) phasing out
Category 2. Security and defence		Reducing the generosity, contributory period and early retirement-related advantages for security forces;
Category 3. Other		
Category 3.1 Self-employed	Farmers' early retirement possibility eliminated.	
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice	Teachers (phasing out)	
Category 3.4 Justice	For judges & prosecutors pension generosity reduced and early retirement possibility eliminated.	
Category 3.5 Atypical		
Type of privilege		
RET. AGE	Lower retirement age	For all special schemes except farmers for which early retirement possibility was removed in 2017. For miners at 55y or if min. retirement is not defined, after 25 contributory years. For medically-verified special conditions (pilots, steel workers) at 60/55y for men/women respectively (bridging pensions or compensation 5-10y earlier than the statutory retirement age). For security forces: at 55y with min. 25 contributory years for men/women respectively; if employed before 01.01.2013, min.retirement age is not defined, but early retirement is implicit from only min 15 contributory years. For teachers: in 2009-2032 gradual extension: 55-64y for men, 55-59y women with 30y of contributions. For judges & prosecutors: at 60/55y with at least 30/25y of service for men/women respectively (removed in 2017).
B E N E F I T	Reduced or more favourably counted minimum or full contributory period Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	Additional benefit (compensation) for medically-verified special conditions (pilots, steel workers) not entitled to bridging pension but with 15y of work in special conditions, and for teachers with min 30 contributory years. Higher accrual rate for miners (DB system), security and defence forces, judges and prosecutors. Pensionable earnings calculated more favourably for miners (depending on the time spent underground, conversion rates from 1.2 to 1.8 for each year of work), security and defence forces employed before 01.01.2013 (full pension reference - 75% of last wage); after 01.01.2013-reference 10 best years selected by the employee) and judges and prosecutors (75% of last wage).
S I Z E	More favourable indexation rules	For judges and prosecutors indexation on wage growth instead of CPI + at least 20% of real wage growth.
FUNDING	Special funding arrangements - employer or state contributions	For medically-verified special conditions (pilots, steel workers) bridging pensions financed by state subsidies + additional employers contributions 1,5%; For security forces new pensions entirely financed by the state without any employee contribution; For farmers KRUS (farmers) - flat contributions of 10% of general minimum pension (one contribution to old-age and disability); financed mainly from taxes and only in small part from contributions; For teachers: state budget financing.

22. Portugal

SPECIAL PENSIONS COUNTRY FACT SHEET					
PORTUGAL					
based on the AWG survey, 2017					
Special Pensions	Scale in 2016				
- Exist	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; text-align: center;">% of GDP</td> <td style="width: 50%; text-align: center;">% of pensioners</td> </tr> <tr> <td style="text-align: center;">1.6*</td> <td style="text-align: center;">13.2*</td> </tr> </table>	% of GDP	% of pensioners	1.6*	13.2*
% of GDP	% of pensioners				
1.6*	13.2*				
(*) does not include supplementary pensions, diplomats, judges, policemen and farmers					
Categories					
Categories with existing privileges					
Category 1. Difficult conditions	Arduous: fishermen / maritime and fishing professionals, merchant navy workers, workers at national ports (phasing out), miners, mine workers at uranium national company (ENU, cf. PT) - phasing out, Metalurgica Duarte Ferreira (MDF) Workers (phasing out), workers of the European Coal and Steel Company (phasing out), classic & contemporary ballet dancers, embroiders from Madeira				
Category 2. Security and defence	Military and security forces, military service-old professional soldiers colonial war (phasing out); firefighters; air traffic controllers, civil aviation pilots				
Category 3. Other					
Category 3.1 Self-employed	Farmers - self-employed and employees (phasing out)				
Category 3.2 Merit & deprived	Former combatants of war (phasing out), former long-term unemployed (some phasing out)				
Category 3.3 State excl. justice	State employees in the legislative; mayors and local politicians (phasing out), diplomats				
Category 3.4 Justice	Judges				
Category 3.5 Atypical	Workers of the Lages Base in Azores Islands and of Estação de Telemedidas of the French Republic (phasing out)				
Reforms					
Categories with former privileges suppressed, reduced or other indication of expected reform					
Category 1. Difficult conditions	Workers at national ports (phasing out), mine workers at uranium national company (ENU, cf. PT) - phasing out, Metalurgica Duarte Ferreira (MDF) Workers (phasing out), Workers of the European Coal and Steel Company (phasing out)				
Category 2. Security and defence	Military service - old professional soldiers colonial war (phasing out); Military and security forces - normal retirement age indexed to life expectancy; air traffic controllers - early retirement age extended from 57 to 58				
Category 3. Other					
Category 3.1 Self-employed	Farmers - self-employed and employees (phasing out)				
Category 3.2 Merit & deprived	Former combatants of war, some former long-term unemployed (both phasing out, some naturally)				
Category 3.3 State excl. justice	Mayors and local politicians (phasing out)				
Category 3.4 Justice	Judges - 6 months increase of the normal retirement age (to 65 years) and minimum contributory period (to 40 years) for a full pension, between 2010 and 2020				
Category 3.5 Atypical	Workers of the Lages Base in Azores Islands and of Estação de Telemedidas of the French Republic (phasing out)				
Type of privilege					
RET. AGE	Lower retirement age	For fishermen and merchant navy workers under certain conditions, miners, dancers, embroiders from Madeira, workers at the national ports and workers of the European Coal and Steel Company; for military and defence forces; civil aviation pilots, air traffic controllers; for long term unemployed: as of 57-62 (3 -8 years earlier than the SRA); for mayors and local politicians; judges; for some of these, penalties for early retirement age apply, but are lower than for regular early retirement			
B E N I E Z E I T	Reduced or more favourably counted minimum or full contributory period	For dancers reduced min. contributory period; for farmers (no contributions)			
B E N I E Z E I T	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For all mine workers, firefighters, military higher effective accrual rate; for some long-term unemployed penalties for early retirement age do not apply or are lower; for mayors and local politicians pensionable earnings defined more favourably; for judges and diplomats higher reference earnings; for workers of the Lages Base in Azores Islands and of the Estação de Telemedidas of the French Republic pension a bonus of 10 years on the contributory period			
FUNDING	More favourable indexation rules	For judges and diplomats the pension benefit is linked to wages			
FUNDING	Special funding arrangements - employer or state contributions	For farmers non contributory (tax based)			

23. Romania

SPECIAL PENSIONS COUNTRY FACT SHEET		
ROMANIA		
based on the AWG survey, 2017		
Special Pensions	Scale in 2016	
- Exist	% of GDP	% of pensioners
	1.02*	5.3
(*) does not include all the special schemes		
Categories		
Categories with existing privileges		
Category 1. Difficult conditions	Difficult conditions: arduous - special service or hard work, work in mines, research, exploration, mining or processing of nuclear raw materials, radiation	
Category 2. Security and defence	National security and intelligence, national defence, military, police, public order; civil aviation, aircrew	
Category 3. Other		
Category 3.1 Self-employed	Farmers (phasing out)	
Category 3.2 Merit & deprived	Revolutionaries, war veterans (phasing out), members of large families	
Category 3.3 State excl. justice	State employees of all branches including government officials, diplomatic and consular officials, MPs, parliamentary public servants	
Category 3.4 Justice	Members of the Romanian Court of Accounts, magistrates, other judicial employees, lawyers	
Category 3.5 Atypical	Clergy, members of creative unions.	
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions		
Category 2. Security and defence		
Category 3. Other		
Category 3.1 Self-employed	Farmers (phasing out)	
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice		
Category 3.4 Justice		
Category 3.5 Atypical		
Type of privilege		
RET. AGE	Lower retirement age	For difficult conditions, security and defence forces, judicial employees other than magistrates; for some of these corresponding penalties for early
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For members of the court of accounts shorter min. contributory period with corresponding penalties in pension benefit; for difficult conditions and security and defence advantages on shorter full contributory period; for merit, victims and deprived - not contributory based
B E N E F I T	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For all special pension categories pensionable earnings are defined more favourably
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	For arduous: higher employer contributions; for merit, victims and deprived and atypical/members of creative unions - not contributory based
OTHER	Other	For war veterans: tax exemptions; for revolutionaries and members of creative unions: special pension is additive to income from work; military personnel can work after retirement.

24. Slovenia

SPECIAL PENSIONS COUNTRY FACT SHEET		
SLOVENIA		
based on the AWG survey, 2017		
Special Pensions		Scale in 2016
- Exist		% of GDP n.a.
		% of pensioners 6.2*
(*) does not include all the special schemes		
Categories		
Categories with existing privileges		
Category 1. Difficult conditions		Arduous and hazardous
Category 2. Security and defence		Military
Category 3. Other		
Category 3.1	Self-employed	Farmers (phasing out)
Category 3.2	Merit & deprived	Military widowers (phasing out)
Category 3.3	State excl. justice	State employees in the executive, legislative and judicial branches (phasing out)
Category 3.4	Justice	State employees in the executive, legislative and judicial branches (phasing out)
Category 3.5	Atypical	
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions		
Category 2. Security and defence		
Category 3. Other		
Category 3.1	Self-employed	Farmers (phasing out)
Category 3.2	Merit & deprived	
Category 3.3	State excl. justice	State employees in the executive, legislative and judicial branches (phasing out)
Category 3.4	Justice	State employees in the executive, legislative and judicial branches (phasing out)
Category 3.5	Atypical	
Type of privilege		
RET. AGE	Lower retirement age	For difficult conditions, military, state employees of all branches; for arduous & hazardous - bridging pensions
	Reduced or more favourably counted minimum or full contributory period	For difficult conditions, military, state employees
B E S N I E Z F E I T	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For arduous and hazardous and certain state employees
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	

25. Slovakia

SPECIAL PENSIONS COUNTRY FACT SHEET		
SLOVAKIA		
based on the AWG survey, 2017		
Special Pensions		Scale in 2016
- Exist		% of GDP % of pensioners
		0.4* 4.8
		(*) does not include all the special schemes
Categories		
Categories with existing privileges		
Category 1. Difficult conditions		Difficult conditions: miners (phasing out)
Category 2. Security and defence		Police, military, intelligence, firemen, rescue workers, railway police, customs officers
Category 3. Other		
	Category 3.1	Self-employed
	Category 3.2 Merit & deprived	Political prisoners (phasing out)
	Category 3.3	State excl. justice
	Category 3.4	Justice
	Category 3.5	Atypical
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions		Difficult conditions: miners (phasing out)
Category 2. Security and defence		The 2013 reform reduced the indexation advantages for armed forces
Category 3. Other		
	Category 3.1	Self-employed
	Category 3.2 Merit & deprived	Political prisoners (phasing out)
	Category 3.3	State excl. justice
	Category 3.4	Justice
	Category 3.5	Atypical
Type of privilege		
RET. AGE	Lower retirement age	For difficult conditions and armed forces
	Reduced or more favourably counted minimum or full contributory period	
B E N E F I T	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For security and defence forces: pensionable earnings defined more favourably; pension based on the last 10 years instead of full career (there is convergence after reform for people that had already been in the scheme) and calculated as 37.5% (replacement rate) of this average. The replacement rate increases up to 65% depending on the contributory period. Also a temporary pension if contributory period is insufficient for retirement pension and a higher accrual rate.
	More favourable indexation rules	
FUNDING	Special funding arrangements - employer or state contributions	
OTHER	Other	For difficult conditions employers are obliged to participate in the third pension pillar. For armed forces (police, military, intelligence) additional contributions for pillar 2.

26. Finland

SPECIAL PENSIONS COUNTRY FACT SHEET		
FINLAND		
based on the AWG survey, 2017		
Special Pensions		Scale in 2016
- Exist, but are not all 100% state funded	% of GDP	% of pensioners
	0.6	14.8
Categories		
Categories with existing privileges		
Category 1. Difficult conditions	Maritime workers (1/3 state funded); dancers of the Finnish National Ballet; arduous ("Years-of-service") introduced in 2017	
Category 2. Security and defence	Military	
Category 3. Other		
Category 3.1 Self-employed	Farmers' early retirement aid (phasing out); Farmers' Pension Insurance (MYEL) for farmers, forest owners, fishermen, reindeer breeders and their families (though only roughly 70% state funded). Self-Employed Persons' Pensions Act (YEL) - only 5-10% state funded. Recipients of scientific or artistic grants and scholarships also fall within the scope of the Farmers' Pension Insurance scheme.	
Category 3.2 Merit & deprived	(Award winning) artists and athletes (as supplementary pension); spouses of diplomats	
Category 3.3 State excl. justice	MPs, the President of the Republic	
Category 3.4	Justice	
Category 3.5	Atypical	
Reforms		
Categories with former privileges suppressed, reduced or other indication of expected reform		
Category 1. Difficult conditions	For seafarer effective accrual rate or equivalent used to be higher, but not any longer. Arduous ("Years-of-service pension") introduced in 2017; for recently introduced arduous: lower retirement age at 63 (linked to life expectancy as of the cohort born in 1965) i.e. 2 years before statutory retirement age, with certain conditions.	
Category 2. Security and defence	No longer higher effective accrual rate and no longer so low of a retirement age (the latter will be linked to the development of the general retirement age for later cohorts).	
Category 3. Other		
Category 3.1 Self-employed	Farmers' early retirement aid (not 100% publicly funded) is being phased out	
Category 3.2 Merit & deprived	Journalists (as supplementary pension) (phased out)	
Category 3.3 State excl. justice	MPs adjustment pension (phasing out) was replaced by less generous adjustment allowance	
Category 3.4	Justice	
Category 3.5	Atypical	
Type of privilege		
RET. AGE	Lower retirement age	For security and defence forces, farmers' early retirement aid, arduous (dancers of the Finnish National Ballet), MPs adjustment pension and adjustment allowance, the President of the Republic
B E N E F I T	Reduced or more favourably counted minimum or full contributory period	For security and defence forces, MPs, the President of the Republic
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)	For security and defence forces both pensionable earnings and effective accrual rate (pensionable earnings are max 60% of the last wage; for old soldiers max 61-62% of the last wage); for difficult conditions (seafarer) effective accrual rate or equivalent used to be higher, but not any longer; for MPs, the President of the Republic
	More favourable indexation rules	
	FUNDING	Special funding arrangements - employer or state contributions
OTHER	Other	

27. Sweden

SPECIAL PENSIONS COUNTRY FACT SHEET			
SWEDEN			
based on the AWG survey, 2017			
Special Pensions	Scale in 2016		
	- Do not exist	% of GDP	% of pensioners
		0	0
Categories			
Categories with existing privileges			
	Category 1. Difficult conditions		
	Category 2. Security and defence		
	Category 3. Other		
	Category 3.1	Self-employed	
	Category 3.2	Merit & deprived	
	Category 3.3	State excl. justice	
	Category 3.4	Justice	
	Category 3.5	Atypical	
Reforms			
Categories with former privileges suppressed, reduced or other indication of expected reform			
	Category 1. Difficult conditions		
	Category 2. Security and defence		
	Category 3. Other		
	Category 3.1	Self-employed	
	Category 3.2	Merit & deprived	
	Category 3.3	State excl. justice	
	Category 3.4	Justice	
	Category 3.5	Atypical	
Type of privilege			
RET. AGE	Lower retirement age		
B E N E F I T	Reduced or more favourably counted minimum or full contributory period		
	Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)		
	More favourable indexation rules		
FUNDING	Special funding arrangements - employer or state contributions		

28. United Kingdom

SPECIAL PENSIONS COUNTRY FACT SHEET		
UNITED KINGDOM		
based on a literature survey, 2014		
Special Pensions	Pillar 1	Not Pillar 1 (usually Pillar 2)
<p>- Exist</p>	x	<p>Pillar 2 - Public Service Pension Schemes (PSPSs): There are 8 main categories of occupational pension schemes for public service workers, which autonomously manage the pensions of NHS staff, teachers, civil servants, local government staff, police, firefighters, armed forces and judges, and which are under the direct control of Ministers. There are also around 300 smaller Non-Departmental Public Body Pension Schemes, which are partly funded through Government grants, and which have more autonomy in designing and administering their pension schemes.</p>
<p>Nr. of people enrolled/ extension of the scheme Special scheme is managed by a separate entity compared to the general one.</p>	n.a.	<p>yes, see private pillars</p>
Categories (general)		
Categories with existing privileges		
Category 1. Difficult conditions		
Category 2. Security and defence	PSPSs: police, firefighters, armed forces	
Category 3. Other		
Category 3.1 Self-employed		
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice	PSPSs: medical staff, teachers, civil servants, local government staff	
Category 3.4 Justice	PSPSs: judges	
Category 3.5 Atypical		
Reforms		
Categories with former privileges suppressed, reduced or other indications of such reforms expected in the future		
Category 1. Difficult conditions		
Category 2. Security and defence		
Category 3. Other		
Category 3.1 Self-employed		
Category 3.2 Merit & deprived		
Category 3.3 State excl. justice		
Category 3.4 Justice		
Category 3.5 Atypical		
Type of privilege		
Lower retirement age		
Reduced minimum contributory period		
Higher benefits via pensionable earnings defined more favourably or higher effective accrual rate or equivalent (pension point value, pension point cost)		
More favourable indexation rules		
Special funding arrangements - employer or state contributions		
Other	PSPSs pay out benefits in addition to and separately from the State Pension, and are based on a member's time in service and earnings. The 300 smaller Non-Departmental Public Body Pension Schemes are partly funded through Government grants	

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