ESPN Thematic Report:

Assessment of Pension Adequacy in Serbia

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Ljiljana Pejin Stokic, Jurij Bajec
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European Social Policy Network (ESPN)

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The European Social Policy Network (ESPN) was established in July 2014 on the initiative of the European Commission to provide high-quality and timely independent information, advice, analysis and expertise on social policy issues in the European Union and neighbouring countries.

The ESPN brings together into a single network the work that used to be carried out by the European Network of Independent Experts on Social Inclusion, the Network for the Analytical Support on the Socio-Economic Impact of Social Protection Reforms (ASISP) and the MISSOC (Mutual Information Systems on Social Protection) secretariat.

The ESPN is managed by the Luxembourg Institute of Socio-Economic Research (LISER) and APPLICA, together with the European Social Observatory (OSE).

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Summary / Highlights

- Current pension adequacy in Serbia is low; the at-risk-of-poverty or social exclusion (AROPE) rate for elderly people in 2016 was 31.2%, while the severe material deprivation rate was 20.9%, much higher than EU-28 averages.
- The 2014 pension reform imposed a phased-in equalisation of the retirement age for women, raising it to 65 by 2032, and introduced penalties for early retirement. The 2014 fiscal-consolidation measures imposed cuts on pensions that were above the national average.
- Demographic projections show rapid population ageing, which will increase the old-age (20/64) dependency ratio to 42.8% by 2035; the greatest challenge will be maintaining the sustainability of the Pension Fund as the working-age population shrinks.
- The provision of better safety nets for the most vulnerable elderly people, aged 75+, by relaxing the financial social assistance (FSA) eligibility conditions, is vital, due to rapid population ageing. There is also a need to increase the coverage of personal pension schemes, through tax subsidies and flexible investment options for the Voluntary Pension Funds.

1 General description of the national pension system

Serbia has two pension schemes: the main one is a statutory pension scheme and the second one is a personal pension scheme. All persons engaged in standard or non-standard employment have a statutory obligation to pay pension insurance contributions, as do unemployed persons who receive unemployment benefits. Presently, there are no occupational defined-pension schemes: prior to 2012 there was a separate pension scheme for army personnel, but since 1 January 2012 this has been incorporated into the Public Pension System (PPS). A deferred pension scheme is not defined within the PPS. Coverage rates for the population aged 15-64 by the PPS were 52.9%, and only 4% by personal pension schemes (2016).[1]

In 2017 (August) around one-quarter of the population, 24.4%, received some type of pension payment from the statutory pension scheme.[2] In addition to 1,715,098 pensioners who received pensions from the Pension and Disability Fund (PIO Fund), estimates show that around 190,000 residents receive pensions from abroad.[3] The coverage rate of pension payments for people aged 65 and over was higher for men (89%) than for women (81.5%) (Census 2011 data). The gender gap in coverage rates (for those aged 65-79) was 15.0 percentage points in 2016 (Background statistics, Table 3).

The second pension scheme, voluntary pension insurance, is still underdeveloped in Serbia; at the end of June 2017, beneficiaries of voluntary pension funds made up 9.4% of all employed persons.[4]

The statutory scheme is regulated by the Law on Pension and Disability Insurance,[5] which covers all aspects of pension and invalidity obligations and rights. Since 2003 it has been based on a pay-as-you-go defined-benefits scheme, financed by compulsory contributions of 26%.[6] Pension and invalidity insurance is governed by the PIO Fund. The PIO Fund manages the following payments: pensions, disability payments, survivors' payments, health insurance,[7] and reimbursements of funeral costs and rehabilitation expenses. Low employment rates, along with the low level of wages, caused a substantial PIO Fund deficit after the onset of the economic crisis. In the last five years the situation has improved: employment growth has increased the Fund's revenues, while outlays on pensions have decreased due to reductions imposed in 2014. The central budget provided 40% of the Fund's total revenues in 2013; but in 2017 this share was reduced by 10 percentage points, and a further decrease of 3.6 percentage points is agreed in 2018 Financial Plan.[8] Pension expenditure as a share of GDP has been decreasing, from 13.4% in 2009 to 11.6% in 2016 (Ministry of Finance, 2017).

1 https://www.nbs.rs/internet/cirilica/62/index.html

[2] PIO Fund (2017) Monthly Bulletin, August 2017

[3] http://www.novosti.rs/vesti/naslovna/drustvo/aktuelno.290.html:480549-U-Srbiju-svakog-meseca-stigne-200000-inostranih-penzija

[4] National Bank Serbia (2017), Report for the second quarter 2017, on the sector of the voluntary pension insurance funds.

[5] The main legislative was adopted in 2003, with the several amendments till 2014, R. Serbia Official Gazette 75/2014

[6] For WAHJ entitled to accelerated years of service, employers are obliged to pay additional contributions.

[7] Health contribution rate is paid from the gross pension at the rate of 12.3%

[8] http://pio.rs/images/dokumenta/statistike/Finansijskiplan/2018/Finansijski%20%20plan%202018.pdf

The retirement conditions within the statuary pension scheme have been amended several times since 2003, the latest amendments being introduced in 2014. The general conditions for old-age pensions, in force in 2017, are as follows: a minimum of 15 years of service, with retirement at 65 years of age for men and 61 for women (the latter will gradually be increased to 65 by 2032), or 45 years of service. The eligibility conditions for early retirement are: 40 years of service by 56.4 years of age for men (the latter increasing to 60 by 2024); and 37.6 years of service by 55.8 years of age for women (increasing to 40 years of service by 60 years of age by 2024). Penalties for early retirement are imposed, with pensions permanently reduced by 0.34% for every month before the statutory pensionable age (equivalent to 4.08 annually, up to a total of 20.4% over 5 years). Payments for disability pensions are calculated in relation to the causes of the disability concerned: if disability arises through work, full years of service (40 years) are applied in the computation. Pension indexation has been replaced by two fixed 0.5% increases each year.

For workers in arduous and/or hazardous jobs (WAHJ), workers in age-restricted posts (for example, ballet dancers and opera singers), and workers with disabilities, the retirement conditions are different if their employment lasted 10 years or more (5 years for persons with disabilities). The pension insurance extension periods are: 2, 3, 4, and 6 months. WAHJ can retire at 55 provided two-thirds of their employment duration was spent in jobs listed as arduous/or hazardous. An exception is made for jobs that carry a 6-month extension, with retirement admissible at 50. In December 2016 the share of retired WAHJ in the total number of pensioners was 13.5%.[9]

Pensioners who have retired under the old-age conditions are entitled to work after retirement under an employment contract: but pensioners who receive disability or survivors' pensions cannot be employed, though they can be engaged under other types of work contract. The structure of pension beneficiaries in August 2017 was the following: 61.9% old-age pensions, 17.5% disability pensions, and 20.6% survivors' pensions.

The Law on Pension and Invalidity Insurance gives all persons older than 15 years, if not insured otherwise, the right to have 'personal-insurance accounts' included in the statutory insurance scheme under the PIO Fund.[10] The option to be included in the statutory scheme (and to cease to be included) is available at any time, while any incurred retirement rights remain permanent. There are no exact data on the numbers of these 'personal accounts', but the overall data point to a rather negligible number.

2 Reform trends

Reform of the pension sector started in 2003 and ended in 2014. The main changes adopted in 2014 in the Law on Pensions and Disability Insurance are: (1) a phased-in equalisation of the retirement age of women, to 65 (by 2032); (2) introduction of penalties for early retirement, of 4.08% annually, and up to 20.4% in total; and (3) tightened conditions for the classification of WAHJ jobs. In August 2014 the compulsory pension contribution rate was increased from 24% to 26%.[11]

In October 2014 the government introduced a temporary fiscal consolidation measure in order to reduce the budget deficit and public debt. The fiscal sustainability package (2014) was prepared in line with the Stand-By Arrangement with the International Monetary Fund; the Arrangement was signed on February 2015 and set out in the Memorandum of Economic and Financial Policies in the Letter of Intent. The measures included reducing both the wages of public employees and also pensions. The Law on

[9] PIO Fund (2017) Annual Bulletin, 2016

[10] http://pio.rs/images/dokumenta/statistike/Osiguranici/2016/OSNOVICE%20OD%2001.08-31.10.2016%20SG-lat.pdf

[11] Official Gazette 57/2014, The Law on compulsory social insurance contributions

temporary changes to pension payments[12] was applicable from 1 November the same year. The Law imposes a reduction on pensions that are higher than the average; out of the total number of pensioners in 2014, 61.2% received payments below this threshold. Pension's indexation, which was based on the cost of living, has been suspended until the share of pensions expenditure decreases to 11% of GDP. In 2016 the government introduced a 1.5%, increase in all pensions, to be applied in 2016 and 2017.[13]

As retirement conditions became more restricted, the average age at which people first received an old-age pension increased; in 2016 it was 61 for women and 64 for men, 4 years more than in 2008 for both genders. Employment rates of people aged 65 and over also went up: in 2016 the rate was 12%, double that in 2009 (5.9%).[14]

In 2017 the Ministry of Labour, Employment, Veterans and Social Policy established a working group to consider amendments to the current Law on Pensions and Disability Insurance. There have been no announcements on planned changes, except that some administrative procedures will be improved. Public debate has been lacking.

3 Assessment of adequacy

3.1 Current adequacy

3.1.1 General assessment of current adequacy

In August 2017 a majority of PPS pensioners, 61.1%, received pensions below €210.7 per month; 29% of pensioners received pensions below €126.5, while 18.6% received the guaranteed minimum of €115.7 (€90.7 for farmers).[15] In August 2017 the cost of the average minimum consumer basket was €304.7 per month (for a three-member household), with a large disparity between municipalities - from €268 (Leskovac) to €541 (City of Belgrade).[16] It is apparent that almost one-third of pensioners had inadequate resources for living; the most affected were pensioners living in the City of Belgrade (23% of all pensioners). In 2017 the threshold for financial social assistance (FSA) was €68.9 for a single-person household and €103.3 for two adults; consequently pensioners who were entitled to the guaranteed minimum pension were not eligible for FSA.[17] The real value of pensions has been decreasing in the last decade: the ratio of the average pension to the net average wage decreased from 0.624 in 2009 to 0.51 in 2016.[18] The gender gap in pension income (ages 65-79) is high at 25.56%, but lower than the EU-28 average of 36.49%. It is smaller when disability and survivors' pensioners are excluded from the calculation, when it is in the range from 17% (for employees) to 5.4% (for farmers' pensions).

The data on poverty and social inclusion also show that a high proportion of pensioners are at risk of poverty and/or social exclusion (Annex, Background statistics). Almost one-third, 31.2%, of persons aged 65+ were at risk of poverty or social exclusion (AROPE) in 2016, while the risk was greater, 34.6%, for persons aged 75+. The at-risk-of-poverty (AROP) rate was lower for persons aged 65+, at 19.1%, and for those aged 75+, at 23.4%; however it was rather high, at 27.2%, for persons aged 65+ living alone. Even though the AROPE and AROP indicators show that significant proportions of persons older than 65 are at risk of poverty and/or social exclusion, their position is generally better

[12] RS Official Gazette 116/2014

[13] The Government RS, (2015), The Fiscal Strategy for 2016, with the projections for 2017, 2018.

[14] RSO, Labour Force surveys, 2009, 2013, 2014, 2016

[15] PIO Fund (2017) Monthly Bulletin, August, 2017

[16] Ministry of Trade, tourism and telecommunications (2017), The Consumer basket, August, 2017

[17] RS Official Gazette, 39/2017

[18] PIO Fund (2017) Annual Bulletin, 2016

than that of the overall population, since both indicators show rates lower than the national averages, of 38.7% for AROPE and 25.5% for AROP; however, the AROP rate is higher than that for the overall population in the case of those aged 65+ living in a single-member household. Around one-fifth of elderly people are affected by material deprivation. The rates of severe material deprivation for persons aged 65+ and 75+ are 20.9% and 21.7% respectively, which is close to the national average of 19.5%: but they are almost four times more than the EU-28 averages of 5.9% and 6.1% (2016). Gender differences are prominent, as the above-quoted rates are much higher for women.

The housing situation of persons aged 65+ is in general satisfactory; a majority, 87.6%, of residents in Serbia own the place where they live (RSO, Census 2011). The share of the population aged 65+ living in overcrowded households is considerable, at 38.5%, which could be explained by the ongoing practice whereby several generations share the same housing unit, as the younger generation cannot afford a living place on their own. One-fifth (20%) of the 65+ age group experienced housing cost overburden, which can be partially attributed to the fact that a number of older persons remain living in spacious, high-cost apartments after the household size has reduced.

The median relative income ratio for people aged 65+ in 2016 was high at 1.08, and higher than the EU28 average of 0.93:[19] this could be explained by the low median income of employees following the cuts to real wages in the period 2012-2015.[20] The aggregate replacement ratio of 0.47 in 2016 was slightly below the EU28 average 0.58;[21] it was higher for men, 0.56, than for women, 0.43. The income quintile ratio S80/S20 in 2016 was high, at 6.4 - higher than the EU28 average of 4.1.[22]

The pension payment duration is rather high, mainly for two reasons that relate to the regulations in force before 2003: (1) the retirement age was lower, 60 for men and 55 for women; and (2) there were no penalties for early retirement - estimates are that around 70% of men and 50% of women retired before the statutory retirement age.[23] PIO Fund data on the average duration of pension payments, recorded at the time of beneficiaries' death, show that it has been gradually increasing since 2008, when it was 15 years for men and 16 years for women, to 17 years for men and 19 years for women in 2016. The age of beneficiaries at the time of death has also been increasing: for employees, the average age increased to 77, 2 years more than in 2008; and for farmers the average age increased to 80, an increase of 4 years from 2008.

The low level of pensions in payment is partially caused by the reduction in wages in the last five years, and by the relatively high number of pensioners who retired either early or with an incomplete number of effective years of service. The average effective years of service have been decreasing since 2008, from 36 for men and 30 for women, to 33 for men and 29 for women in 2016. These trends were influenced by high redundancy rates among older workers during the restructuring of public enterprises, combined with an inability to find a new employment; in many cases these workers opted for early retirement.

Older people are entitled to additional social services and benefits. Under the provisions of the Health Care Law,[24] persons aged 65 or over are exempted from payments for healthcare services from state healthcare institutions. Pensioners whose pension is equal to or lower than the average are entitled, once every five years, to receive funding from

[19] http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc_pnp2&lang=en

[20] RSO, (October, 2017) The Statistical Yearbook 2017

[21] http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc_pnp3&lang=en

[22] http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=ilc_pns4&lang=en

[23] http://www.penzionerskevesti.info/penali-za-prevremeno-penzionisanje/

[24] RS Official Gazette, 93/2014

the PIO Fund for a ten-day stay in a rehabilitation centre, or at the national health spa.[25] A large number of municipalities provide additional social services for the older population, mainly in the form of subsidised home day-care assistance; subsidised city bus fares; free use of recreational facilities; and funding for 'pensioner's clubs', which organise social events, educational workshops, and provide subsidised procurement of food items.

3.1.2 Redistributive elements of public pension schemes

Under the current Law a guaranteed minimum amount is established for old-age and disability pensions. The minimum amount, for beneficiaries from the employed and self-employed categories, is 27% of the national average net wage for the previous year, while for farmers it is determined as a lump sum. Pensioners whose pensions fall below the minimum are entitled to receive the guaranteed minimum pension. The maximum pension cannot exceed 3.8 of the national average wage 3.8 times the. In December 2016 the maximum pension was €1,060 per month; and the guaranteed minimum for the employee and self-employed categories was €115.7, and €90.7 for farmers. In August 2017 18.6% of all beneficiaries received the guaranteed minimum. The highest share of minimum pensions, 9.8%, was paid to farmers, as the majority of them, 86.2%, received the guaranteed minimum - due to the short duration of their insurance period, and the very low taxable base applied in the calculation of pension contribution payments. In the employed and self-employed categories, around one-tenth of the beneficiaries received the minimum pension. Out of 1.7 million pensioners only 1,400 were entitled to the maximum payments.

It can be concluded that there are no direct redistribution effects in the PPS, as the number of pensioners with the maximum pensions is minimal. The temporary reductions of pensions induced an indirect redistribution. Due to the high deficits in the PIO Fund, the government introduced the Law on temporary changes of pension payments, which imposed reductions on all pensions higher than €208 per month. These reductions affected around 39% of pensioners, whose pensions have been reduced since 2014, in order to secure payments for all pensioners. For the same reasons indexation, which was related to the cost of living, was abolished in 2013; the amendments replaced indexation with two 0.5% increases each year, which will apply until the share of pension expenditure falls to 10% of GDP. As these increases have been lower than the inflation rate, pensions have been decreasing in real terms.

Survivors' pensions are payable provided that at least five years of pension insurance have been achieved, or that the conditions for old-age, early or disability retirement have been met, or that the deceased person was a pensioner. In cases where the insured person died due to work-related conditions/injuries, family members are entitled to a survivors' pension regardless of the number of years of insurance. Family members who are entitled to a survivors' pension are: children, spouses, parents, and other dependent relatives. The main conditions for spouses relate to age and work ability. Children are entitled to receive the payments up to 25 years of age, provided that they are enrolled in secondary education and, later, in higher education. In August 2017, 20.5% of all pensions were survivors' pensions; the average amount of survivors' pension was €163.5 per month, which was 19% lower than the average old-age pension. There is no guaranteed minimum for this type of pension; a high proportion of beneficiaries, 72.7%, received pensions which were lower than the guaranteed minimum for the old-age and disability pensions.

[25] PIO Fund, The Regulative on the social standard of the beneficiaries of the PIO Fund, Official Gazette, 16/2017

3.2 Retirement conditions for the self-employed and for people in non-standard employment

Retirement conditions for the self-employed and for people in non-standard employment are the same as for other employees. The national definition of the self–employed is outlined in the Law on private entrepreneurs as: “natural persons, who, for the purpose of gainful activity, establish a shop and carry out the business activities under their own account”, and “for the purpose of pursuing the business the entrepreneur establishes a shop, that is appropriate for the business (workshop, office, agency, studio, pharmacy, or similar)”. The Law does not apply the term self-employed in a strict sense, but instead the term entrepreneur is used, since an entrepreneur does not necessarily have to register as a salaried employee, i.e. to be employed.26 Entrepreneurs who are not registered as a salaried employee pay contributions on the basis of a taxable lump-sum income. Entrepreneurs who choose this alternative may be in a position to pay less by way of pension insurance contributions, since the taxable base might underestimate their income, especially in the case of high-earning professions such as lawyers and physicians. For people in non-standard employment, problems arise if they are not registered. The estimates are that, in the second quarter of 2017, 22% of all employed persons were engaged in the informal labour market.27 The other issue relates to those working in the platform economy, mainly for foreign employers, who are not registered at the central register of compulsory social insurance, and may avoid payment of social insurance contributions.

The share of self-employed pensioners in the total number of old-age pensioners is low, at 4.9% in 2016, although it had increased 2.3 times compared with 2008. The share of women in this category is low at 22.2%,28 reflecting the low level of participation by women in the self-employment sector; in 2015 (1st quarter) the share of women in the total number of self-employed people was only 25%.29 Self-employed people enter retirement rather early: 34.6% had fewer than 20 years of service at the point of retirement, while the majority, 77%, retired with fewer than 30 years of service. The average old-age pension for the self-employed category was €219.7 per month, which is 7.1% lower than the average for the employee category (2016).

Farmers are another category of self-employed people; their share of the number of all old-age pensioners was 11.2% in 2016. The majority of farmers, 92.9%, retired with fewer than 30 years of effective service, while 77.5% retired with fewer than 20 years; and their average pension is the lowest at €92.7 per month. The number of insured farmers has been decreasing sharply, by half compared with 2008. In 2016 39.1% of all farmers received pensions.

4 Main opportunities for addressing pension-related challenges

The Prime Minister announced in October 2017 that positive economic trends in 2017 would allow an increase in pensions of 5% in 2018, and a return to pension indexation twice a year by reference to the cost of living, as the share of pensions in GDP had fallen to 11%.30 The Law on the 2018 Budget was approved in December: however, the indexation of pensions was not restored, but the increase of 5% will be applied to all pensions.31 This measure will affect positively overall pension adequacy, but will not have an immense effect on the adequacy of the pensions received by the 18.6% of pensioners on the guaranteed minimum. The effect will amount to a €5.7 monthly

[26] RS Official Gazette 101/2005

[27] RSO, 2017, LFS 2nd Quarter 2017

[28] PIO Fund, Annual Bulletin, 2016

[29] LFS 2015 1stQ, http://www.stat.gov.rs/WebSite/Public/PageView.aspx?pKey=26

[30] http://www.srbija.gov.rs/vesti/vest.php?id=306185

[31] RS Official Gazette 113/17

increase for employee and self-employed pensioners and a €4.7 increase for farmer pensioners.

It is apparent that there is no financial leeway within the PIO Fund for an increase in the minimum pension, even though the Fund's deficit has been reduced. The estimated future demographic trends show that there will be greater pressure on the Fund's budget in the future. As Serbia's population is rapidly ageing, the population projections show that the old-age dependency ratio (20-64) will reach 42.8% in 2035 and 58.2% in 2055, almost twice its value of 30.1 in 2015.32 The ratio of the number of beneficiaries to the number of insured people is constantly decreasing, and reached 1:1.2 in 2016, down from 1:1.5 in 2008.

In order to ensure a minimum income provision for older people, other social assistance should be strengthened. The current minimum income scheme has a very low eligibility threshold for the main form of financial assistance (FSA benefits), which leaves beneficiaries on the minimum pension out of the FSA scheme. One possible solution is to define a different, more relaxed, FSA threshold for people aged 75 and over: this population group is less likely to remain active in the labour market, as many of them will suffer from chronic diseases and difficulties in managing independent living. An increase in the threshold value and in the scale for the second adult (presently 0.5) should be designed in such a way as to ensure that this population group is kept out of poverty and social exclusion.

One other recommendation concerns long-term efforts to ensure adequate pensions for future generations. The present low share of personal pension schemes should be reversed, by positive campaigns about the benefits of such schemes. The government could also create more favourable conditions for Voluntary Pension Funds through tax subsidies and more flexible investment options.

[32] Fiscal Council, Penev, G., (2013) Projections of Population of Serbia, 2010-2060

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2017b The Annual Bulletin, 2016

2017c The Regulation on the social standard of the beneficiaries of the PIO Fund, Official Gazette, 16/2017

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2011, Census, Population by the economic activities

Background statistics – Serbia

1. Relative incomes of older people

Indicator	2016		
	Total	Men	Women
Relative median income ratio, 65+	1.08	1.17	1.016
Income quintile share ratio (S80/S20), 65+	6.4	6.1	6.4
Aggregate replacement ratio (ARR)	0.47	0.56	0.43

2. Poverty and material deprivation

Indicator	**2016**		
	Total	**Men**	**Women**
At-risk-of-poverty or social exclusion (AROPE), 65+ (%)	31.2	26.2	34.9
At-risk-of-poverty rate (AROP), 65+ (%)	19.1	15.2	22.0
Severe material deprivation (SMD), 65+ (%)	20.9	17.4	23.6
At-risk-of-poverty or social exclusion (AROPE), 75+ (%)	34.6	27.3	39.4
At-risk-of-poverty rate (AROP), 75+ (%)	23.4	17.7	27.2
Severe material deprivation (SMD), 75+ (%)	21.7	16.5	25.2
Relative poverty gap, 65+ (%)			
At-risk-of-poverty rate (AROP), 65+: 60% threshold (%)	27.5	x	X
At-risk-of-poverty rate (AROP), 65+: 70% threshold (%)	x	x	x
Material and social deprivation, age 65+ (%)			

3. Gender differences

Indicator	**2016**		
		Total	
Gender gap in pension income (65-79) (%)		26.56	
Gender gap in non-coverage rate (W-M in p.p.) (65-79)		15.0	

4. Housing and health situation of older people

Indicator	2016		
	Total	Men	Women
Population 65+ living in overcrowded households (%)	38.5	x	x
Tenure status among people 65+: share of owners (%)			
Housing cost overburden rate, 65+ (%)	20	x	x
Self-reported unmet need for medical care 65+ (%) *			
Healthy life years at age 65 (years) *			

5. Pension duration

Indicator	2016			Projections for 2056		
	Total	Men	Women	Total	Men	Women
Pension payment duration (2012) (years)	x	15.4	20.8			
Retirement duration (AWG) (years)	x	x	x	x	x	x

7. Sustainability and context

Indicator	2016		
	Total	Men	Women
Life expectancy at 65 (years)	15.7	14.4	16.8
Old-age dependency ratio (20-64) (%) (2015)[33]	30.1	26.2	34.1
Economic old-age dependency ratio (15-64) (%)	x	x	x
Employment rate, age group 55-64 (%)	x	x	x
Pension expenditure as % of GDP[34]	11.6		
Coverage ratio (% of pop aged 65+) (2011)[35]	83.1	89.0	81.5

[33] The Fiscal Council, Penev, G., (2013). Projections of Population of Serbia, 2010-2060

[34] Ministry of Finance, 2017,

[35] Rep. Serbia Stat. Office, Census 2011, Population by economic activity