GUIDE

to Exercise the Rights to Pension and Disability Insurance

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GUIDE

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Pension and Disability Insurance

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PENSION AND DISABILITY INSURANCE FUND OF MONTENEGRO

On behalf of the Publisher  Director
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By passing the Law on Amendments to the Law on Pension and Disability Insurance ("Official Gazette of Montenegro ", no. 78/10), which entered into force on 6 January 2011 year, there has been continued the reform of the pension and disability insurance in Montenegro which began in 2004 year. Important changes have been introduced into the pension system of Montenegro, of which the most relevant ones are: gradual equalization of women and men in terms of conditions for entitlement to old-age pension; gradual raising of age limit for entitlement to old-age pension up to 67 years of age until 2025 year (for men) and until 2041 year (for women); providing retirement with 40 years of insurance coverage regardless of age; establishment of the institute of early old-age pensions; gradual raising of the age limit for entitlement to a family pension to 52 years for widows and widowers; change in the way of pension adjustments; calculation of special service for women according to the principle of birth of children - six months per child; higher valuation of insurance coverage over 40 years and other solutions. Some legal provisions are applied immediately after the entry into force of the Law, and decisions concerning the raising of the age limit for entitlement to old-age pension and family pension shall gradually begin to apply from 2014 year.

With a view to informing our insurees and beneficiaries, the Pension and Disability Insurance Fund of Montenegro, as an organization which, in accordance with the Law, exercises public authorities in addressing the rights of pension and disability insurance and enforces this insurance, has prepared a brochure on terms and conditions of exercising rights to pension and disability insurance, according to new legal arrangements. Due to existence of transitional period and gradual application of certain legal regulations, the conditions for obtaining and the way of determining the right in the transitional period change every year. For the purpose of clear display of terms and conditions for exercising rights and simplifying the application of the Law, the brochure shows a table with the conditions of retirement applicable to certain calendar years, so that insurees planning retirement in the coming years, in a simple way, may perceive when they are eligible for retirement and what the level of their pension will be. It also explains where to submit the request to exercise rights, what documentation is to be submitted along with the request, provides addresses and contact numbers of organizational units of the Pension and Disability Insurance Fund of Montenegro and the complete list of legislation in this field, all in order to promptly and effectively exercise the rights arising from pension and disability insurance, and obtain the necessary information.

In the reform processes taking place in the pension system and the Pension and Disability Insurance Fund of Montenegro, it is certainly of a very great importance the insurees and beneficiaries’ opinion with a view to our work and the work of organizational units of the Fund. Therefore, at the end of the brochure, there is a leaflet for our insurees, i.e. beneficiaries, to give their suggestions. We invite them to fill in the paper and submit it to us if they have any observations, opinions, complaints or suggestions considering improvement of work of the Pension and Disability Insurance Fund of Montenegro.
We hope that by developing this brochure, which is free-of-charge and available on the website of the Fund, we have fulfilled its main objective - to concisely, simply and clearly provide all information necessary to exercise the right to pension and disability insurance.

Dušan Perović
RIGHTS ARISING FROM PENSION AND DISABILITY INSURANCE

Rights arising from pension and disability insurance:

- In case of old-age:
  - Entitlement to old-age pension and
  - Entitlement to early old-age pension;
- In case of disability:
  - Right to disability pension;
- In case of death:
  - Entitlement to family pension and
  - Entitlement to compensation of funeral expenses;
- In case of physical injury caused by work injury or occupational disease:
  - Entitlement to financial compensation for physical injury.

OLD-AGE PENSION

1) PENSIONABLE SERVICE, YEARS OF SERVICE AND SPECIAL SERVICE

For an insuree to be eligible for old-age pension, it is necessary to meet the requirements in terms of turned:

- years of age and
- pensionable service and insurance coverage.

For an explanation of the conditions that the insuree must meet to be eligible for old-age pension, it is necessary to clarify first the terms of pensionable service and insurance coverage. Pensionable service is a broader concept than the insurance coverage. Pensionable service includes:

- insurance coverage - which means the time spent at work after the turned fifteen years of age, based on which the insuree was insured by pension and disability insurance, which insurance contributions were paid for, and
- special service – which means the time spent out of work, which pension and disability insurance contributions were not paid for, and which is for a social good cause, recognized in the pensionable service for entitlement to and determination of the level of pension and disability insurance.

2) CONDITIONS FOR ENTITLEMENT TO OLD-AGE PENSION

The insuree is entitled to old-age pension once he/she turns:

---

1 According to the applicable Law on Pension and Disability Insurance, the insuree – a woman shall be included a special service of six months per child, for the children she has given birth to. In addition to the current Law, a special service was counted according to the regulations that were in force before the enforcement of this Law (participation in previous wars or revolutionary work and time spent performing military duties in the armed actions and captivity, as well as the time spent in treatment and medical rehabilitation due to illness or injuries sustained in armed actions and captivity after 17 August 1990 year).
- 67 years of age and at least 15 years of pensionable service (the insuree whose insurance coverage is counted with an accelerated rate, this age limit is lowered depending on the degree of service increase\(^2\)), or
- 40 years of insurance coverage, or
- 30 years of insurance coverage, of which at least 20 years effectively spent at working positions, whereas for those in mines insurance coverage is calculated with accelerated rate.

3) CONDITIONS FOR ENTITLEMENT TO OLD-AGE PENSION IN THE TRANSITIONAL PERIOD

Within the transitional period until 31 December 2024 (for men) i.e. 31 December 2040 year (for women) there have been prescribed more favourable conditions for entitlement to old-age pension that are listed in Table 1:

**Table 1. - Conditions for Entitlement to Old-Age Pension in the Transitional Period**

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Conditions in view of years of age for entitlement to old-age pension</th>
<th>Required pensionable service for entitlement to old-age pension</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Men</td>
<td>Women</td>
</tr>
<tr>
<td>2011</td>
<td>64 years</td>
<td>59 years</td>
</tr>
<tr>
<td>2012</td>
<td>64 years and six months</td>
<td>59 years and six months</td>
</tr>
<tr>
<td>2013</td>
<td>65 years</td>
<td>60 years</td>
</tr>
<tr>
<td>2014</td>
<td>65 years and two months</td>
<td>60 years and three months</td>
</tr>
<tr>
<td>2015</td>
<td>65 years and four months</td>
<td>60 years and six months</td>
</tr>
<tr>
<td>2016</td>
<td>65 years and six months</td>
<td>60 years and nine months</td>
</tr>
<tr>
<td>2017</td>
<td>65 years and eight months</td>
<td>61 years</td>
</tr>
<tr>
<td>2018</td>
<td>65 years and ten months</td>
<td>61 years and three months</td>
</tr>
<tr>
<td>2019</td>
<td>66 years</td>
<td>61 years and six months</td>
</tr>
<tr>
<td>2020</td>
<td>66 years and two months</td>
<td>61 years and nine months</td>
</tr>
<tr>
<td>2021</td>
<td>66 years and four months</td>
<td>62 years</td>
</tr>
<tr>
<td>2022</td>
<td>66 years and six months</td>
<td>62 years and three months</td>
</tr>
<tr>
<td>2023</td>
<td>66 years and eight months</td>
<td>62 years and six months</td>
</tr>
<tr>
<td>2024</td>
<td>66 years and ten months</td>
<td>62 years and nine months</td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td>63 years</td>
</tr>
<tr>
<td>2026</td>
<td></td>
<td>63 years and three months</td>
</tr>
</tbody>
</table>

\(^2\) The age limit for entitlement to old-age pension is lowered as provided in Table a:

**Table a. Lowering the age limit for entitlement to retirement based on insurance coverage with accelerated rate**

<table>
<thead>
<tr>
<th>Age limit lowered for</th>
<th>Due to work (effectively) at the working position, i.e. work with a level of increase</th>
<th>For the period of occupational injury, i.e. within work in duration of</th>
</tr>
</thead>
<tbody>
<tr>
<td>One year</td>
<td>12/14</td>
<td>six years</td>
</tr>
<tr>
<td>One year</td>
<td>12/15</td>
<td>five years</td>
</tr>
<tr>
<td>One year</td>
<td>12/16</td>
<td>four years</td>
</tr>
<tr>
<td>One year</td>
<td>12/18</td>
<td>three years</td>
</tr>
<tr>
<td>Year</td>
<td>Age</td>
<td>Years of Service</td>
</tr>
<tr>
<td>------</td>
<td>-----</td>
<td>-----------------</td>
</tr>
<tr>
<td>2027</td>
<td>63 years and six months</td>
<td>15 years</td>
</tr>
<tr>
<td>2028</td>
<td>63 years and nine months</td>
<td>15 years</td>
</tr>
<tr>
<td>2029</td>
<td>64 years</td>
<td>15 years</td>
</tr>
<tr>
<td>2030</td>
<td>64 years and three months</td>
<td>15 years</td>
</tr>
<tr>
<td>2031</td>
<td>64 years and six months</td>
<td>15 years</td>
</tr>
<tr>
<td>2032</td>
<td>64 years and nine months</td>
<td>15 years</td>
</tr>
<tr>
<td>2033</td>
<td>65 years</td>
<td>15 years</td>
</tr>
<tr>
<td>2034</td>
<td>65 years and three months</td>
<td>15 years</td>
</tr>
<tr>
<td>2035</td>
<td>65 years and six months</td>
<td>15 years</td>
</tr>
<tr>
<td>2036</td>
<td>65 years and nine months</td>
<td>15 years</td>
</tr>
<tr>
<td>2037</td>
<td>66 years</td>
<td>15 years</td>
</tr>
<tr>
<td>2038</td>
<td>66 years and three months</td>
<td>15 years</td>
</tr>
<tr>
<td>2039</td>
<td>66 years and six months</td>
<td>15 years</td>
</tr>
<tr>
<td>2040</td>
<td>66 years and nine months</td>
<td>15 years</td>
</tr>
</tbody>
</table>

The insuree whose insurance coverage is counted at an accelerated rate, the age limit for entitlement to old-age pension in Table 1 decreases depending on the level of service increase\(^3\).

In 2011 and 2012 year the insuree shall be entitled to old-age pension when he/she turns 15 years of pensionable service and 65 years of age (men) and 60 years of age (women). For the insuree whose insurance coverage is counted with accelerated rate, this age limit is lowered depending on the level of service increase\(^4\).
According to the regulations that were applicable until 5 January 2011 an insured woman was able to exercise the right to old-age pension once she turned 35 years of insurance coverage along with the turned defined years of age. Since from 6 January 2011 a woman has been entitled to old-age pension at 40 years of insurance coverage, regardless of turned years of age, there has been provided a transitional period during which she can exercise the right to old-age pension if she meets the requirements provided in Table 2:

Table 2. - Conditions for Entitlement to Old-Age Pension for Women, in the Transitional Period

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Condition with a view to minimum years of age for a woman</th>
<th>Required insurance coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>54 years</td>
<td>35 years</td>
</tr>
<tr>
<td>2012</td>
<td>54 years and six months</td>
<td>35 years</td>
</tr>
<tr>
<td>2013</td>
<td>55 years</td>
<td>35 years</td>
</tr>
<tr>
<td>2014</td>
<td>55 years and three months</td>
<td>35 years and three months</td>
</tr>
<tr>
<td>2015</td>
<td>55 years and six months</td>
<td>35 years and six months</td>
</tr>
<tr>
<td>2016</td>
<td>55 years and nine months</td>
<td>35 years and nine months</td>
</tr>
<tr>
<td>2017</td>
<td>56 years</td>
<td>36 years</td>
</tr>
<tr>
<td>2018</td>
<td>56 years and three months</td>
<td>36 years and three months</td>
</tr>
<tr>
<td>2019</td>
<td>56 years and six months</td>
<td>36 years and six months</td>
</tr>
<tr>
<td>2020</td>
<td>56 years and nine months</td>
<td>36 years and nine months</td>
</tr>
<tr>
<td>2021</td>
<td>57 years</td>
<td>37 years</td>
</tr>
<tr>
<td>2022</td>
<td>57 years and three months</td>
<td>37 years and three months</td>
</tr>
<tr>
<td>2023</td>
<td>57 years and six months</td>
<td>37 years and six months</td>
</tr>
<tr>
<td>2024</td>
<td>57 years and nine months</td>
<td>37 years and nine months</td>
</tr>
<tr>
<td>2025</td>
<td>58 years</td>
<td>38 years</td>
</tr>
<tr>
<td>2026</td>
<td>58 years and three months</td>
<td>38 years and three months</td>
</tr>
<tr>
<td>2027</td>
<td>58 years and six months</td>
<td>38 years and six months</td>
</tr>
<tr>
<td>2028</td>
<td>58 years and nine months</td>
<td>38 years and nine months</td>
</tr>
<tr>
<td>2029</td>
<td>59 years</td>
<td>39 years</td>
</tr>
<tr>
<td>2030</td>
<td>59 years and three months</td>
<td>39 years and three months</td>
</tr>
<tr>
<td>2031</td>
<td>59 years and six months</td>
<td>39 years and six months</td>
</tr>
<tr>
<td>2032</td>
<td>59 years and nine months</td>
<td>39 years and nine months</td>
</tr>
</tbody>
</table>

\[^5\] In 2010 it was required that a woman reaches 35 years of insurance coverage and turns 53 years and six months of age.
4) DETERMINING THE LEVEL OF OLD-AGE PENSION

Old-age pension (P) is calculated in a way that personal points of the insuree (LB) are multiplied by the pension value for one personal point on the date of exercising the right (VPLB), which is expressed by the following formula:

\[ P = LB \times VPLB \]

Personal points (LB) are determined by multiplying the personal coefficient of the insuree (LK) and his/her pension insurance (PS), which is expressed by the following formula:

\[ LB = LK \times PS \]

Personal coefficient of the insuree is determined in a way that the sum of annual personal coefficients is divided by the period they are calculated for.

Annual personal coefficient is the ratio between the insuree’s income, i.e. the insurance basis in a given calendar year and the average annual income in Montenegro for that calendar year. It is determined based on incomes, i.e. insurance base generated from 1 January 1970 year in the way that the insuree’s salary or the insurance base established for each calendar year is divided by the average annual salary in Montenegro for the same calendar year. Incomes or the insurance base of the year in which the right to old-age pension is exercised are not taken into account to determine its amount.

Starting from 2019 when the said transitional period of gradual extension of the accounting period from which profits are taken expires, i.e. insurance bases for the positioning of pension amounts, personal coefficient shall be calculated based on annual personal coefficient (i.e. incomes and insurance bases) that the insuree made during the entire period of insurance. In the transitional period (from 2004 until 2018) personal coefficient is calculated based on annual personal coefficients the insured made: in 2004 in course of the most favourable consecutive 12 years, and each subsequent calendar year includes into calculation by two years each. In 2011 personal coefficients shall be counted based on the annual personal coefficients the insuree gained in the most favourable consecutive 26 years.

For the period in which incomes, i.e. insurance bases were enumerated in the parent records of the Pension and Disability Insurance Fund of Montenegro set out in net amounts (from 1 January 1970 until 31 December 2003), when calculating the annual personal coefficient they are divided by an average annual net-income in Montenegro,

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6 For example, for an insuree whose income in a given calendar year was equal to the average income in Montenegro, annual personal coefficient for that year is equal to one, and if his/her income in a given calendar year was double the average salary for that calendar year, the annual personal coefficient is equal to two.

7 Table b, by calendar years, indicates the number of consecutive years (accounting period) from which, during the transitional period (from 2004 until 2018), wages, wage allowances or insurance bases are taken for calculation of the best personal coefficient:

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Accounting period</th>
<th>Calendar year</th>
<th>Accounting period</th>
<th>Calendar year</th>
<th>Accounting period</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>12 years</td>
<td>2009</td>
<td>22 years</td>
<td>201</td>
<td>32 years</td>
</tr>
<tr>
<td>2005</td>
<td>14 years</td>
<td>2010</td>
<td>24 years</td>
<td>2015</td>
<td>34 years</td>
</tr>
<tr>
<td>2006</td>
<td>16 years</td>
<td>2011</td>
<td>26 years</td>
<td>2016</td>
<td>36 years</td>
</tr>
<tr>
<td>2007</td>
<td>18 years</td>
<td>2012</td>
<td>28 years</td>
<td>2017</td>
<td>38 years</td>
</tr>
<tr>
<td>2008</td>
<td>20 years</td>
<td>2013</td>
<td>30 years</td>
<td>2018</td>
<td>40 years</td>
</tr>
</tbody>
</table>
and for the period in which within the parent records they are set out in the gross amounts (as of 1 January 2004 and in the future), they are divided by the average gross income in Montenegro. Incomes i.e. insurance bases from 1992 and 1993 year are not included to determine the annual personal coefficient.

The value of pension for a personal point (VPLB) is a determined amount of pension for one personal point adjusted after the end of each calendar year\(^8\).

For the calculation of pension the entire pensionable service of the insuree is included, without limitation as to its duration.

For an insuree - a woman having less than 40 years of pensionable service, in determining the pension, insurance coverage reached until 31 December 2003 year is increased by 15%, though the overall pensionable service may not exceed 40 years.

For an insuree who with the so-called “full insurance coverage” of 40 years is entitled to old-age pension for the first time, in determining the number of personal points, i.e. in determining the pension, insurance coverage over 40 years is increased by 40%.

5) INITIATING THE PROCEDURE FOR EXERCISING THE RIGHT TO OLD-AGE PENSION

The procedure for exercising the right to old-age pension is initiated upon the request of an insuree. Entitlement to old-age pension can be exercised after the termination of insurance (employment, or execution of independent or agricultural activities), provided that the request for the exercise of rights may be filed before the termination of insurance by providing adequate proof of the certainty of its termination.

The request for eligibility for old-age pension shall be submitted to the Regional Department of the Pension and Disability Insurance Fund of Montenegro in whose territory the insuree was last insured.

6) DOCUMENTATION REQUIRED FOR EXERCISING THE RIGHT TO OLD-AGE PENSION

In addition to the request for eligibility for old-age pension the following documents shall be submitted:

- work history (concluded)
- birth certificate.

\(^8\) As of 1 January 2011, the value of pension for a personal point is 6.47350 EUR-and is valid for 2011 year. This pension value for one personal point shall be adjusted as of 1 January 2012 year on the basis of statistical data, with the movement of consumer prices and average wages of employees in the territory of Montenegro in the previous year compared to the year which preceded it, expressed in percentage that represents the sum of 75% percent growth, i.e. decline in consumer prices and 25% percent growth, i.e. decline in wages.

Act on the adjustment of pensions and the pension value for one personal point brings the Pension and Disability Insurance.
EARLY OLD-AGE PENSION

1) CONDITIONS FOR ENTITLEMENT TO EARLY OLD-AGE PENSION

The insuree shall be entitled to early old-age pension upon turning 62 years of age and reaching at least 15 years of pensionable service. Early old-age pension is applicable to an insured man as of 6 January 2011 year\(^9\), and an insured woman as of 1 January 2022 year\(^{10}\).

2) DETERMINING THE AMOUNT OF THE EARLY OLD-AGE PENSION

Early old-age pension is determined in a manner that the old-age pension is determined, provided that the amount of that pension is permanently reduced by 0.35% for each month of early retirement before the turned 67 years of age. That amount of pension remains after the turned 67 years of age.

3) DETERMINING THE AMOUNT OF EARLY OLD-AGE PENSION FOR AN INSURED MAN IN THE TRANSITIONAL PERIOD FROM 2011 UNTIL 2024 YEAR

As the transitional period of the gradual raise of age limit for entitlement to old-age pension for men lasts until 2024 year, in that period the insured man’s early old-age pension is determined in the manner of determining old-age pension, provided that the amount of that pension is permanently reduced by 0.35% for each month of early retirement before the turned years of age as provided in Table 3 (with which the insuree - a man in the transitional period shall be entitled to old-age pension):

Table 3. – Reduction of early old-age pension for the insuree – a man, in the transitional period from 2011 until 2024 year by 0.35% for each month of early retirement before the turned

<table>
<thead>
<tr>
<th>Year</th>
<th>Age at Pension</th>
</tr>
</thead>
<tbody>
<tr>
<td>In 2011 year</td>
<td>64 years</td>
</tr>
<tr>
<td>In 2012 year</td>
<td>64 years and six months</td>
</tr>
<tr>
<td>in 2013 year</td>
<td>65 years</td>
</tr>
<tr>
<td>In 2014 year</td>
<td>65 years and two months</td>
</tr>
<tr>
<td>In 2015 year</td>
<td>65 years and four months</td>
</tr>
<tr>
<td>In 2016 year</td>
<td>65 years and six months</td>
</tr>
<tr>
<td>In 2017 year</td>
<td>65 years and eight months</td>
</tr>
<tr>
<td>In 2018 year</td>
<td>65 years and ten months</td>
</tr>
</tbody>
</table>

\(^9\) This is because the Law on Amendments to the Law on Pension and Disability Insurance (“Official Gazette of Montenegro”, no. 78/10), by which the institute of early old-age pensions was introduced into the pension system of Montenegro, entered into force on 6 January 2011 year.

\(^{10}\) This is because for an insured woman, in a transitional period lasting until 2040 year, the age limit for entitlement to old-age pension gradually increases, and it is only since the 2022 year that it shall be over 62 years.
3) DETERMINING THE AMOUNT OF EARLY OLD-AGE PENSION FOR AN INSURED WOMAN IN THE TRANSITIONAL PERIOD FROM 2011 UNTIL 2024 YEAR

Early old-age pension shall be applicable to an insured woman from 1 January 2022 year. As the transitional period of the gradual raise of age limit for entitlement to old-age pension for women lasts until 2024 year, in that period the insured woman’s early old-age pension is determined in the manner of determining old-age pension, provided that the amount of that pension is reduced permanently by 0.35% for each month of early retirement before the turned years of age as provided in Table 4 (with which the insuree - a woman in the transitional period shall be entitled to old-age pension):

Table 4. – Reduction of Early Old-Age Pension For the Insuree – a Woman, in the Transitional Period From 2022 Until 2040 Year by 0,35% For Each Month of Early Retirement Before the Turned

<table>
<thead>
<tr>
<th>Year</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>62 years and three months</td>
</tr>
<tr>
<td>2023</td>
<td>62 years and six months</td>
</tr>
<tr>
<td>2024</td>
<td>62 years and nine months</td>
</tr>
<tr>
<td>2025</td>
<td>63 years of age</td>
</tr>
<tr>
<td>2026</td>
<td>63 years and three months</td>
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<tr>
<td>2027</td>
<td>63 years and six months</td>
</tr>
<tr>
<td>2028</td>
<td>63 years and six months</td>
</tr>
<tr>
<td>2029</td>
<td>64 years of age</td>
</tr>
<tr>
<td>2030</td>
<td>64 years and three months</td>
</tr>
<tr>
<td>2031</td>
<td>64 years and six months</td>
</tr>
<tr>
<td>2032</td>
<td>64 years and six months</td>
</tr>
<tr>
<td>2033</td>
<td>65 years of age</td>
</tr>
<tr>
<td>2034</td>
<td>65 years and three months</td>
</tr>
<tr>
<td>2035</td>
<td>65 years and six months</td>
</tr>
<tr>
<td>2036</td>
<td>65 years and six months</td>
</tr>
<tr>
<td>2037</td>
<td>66 years of age</td>
</tr>
<tr>
<td>2038</td>
<td>66 years and three months</td>
</tr>
<tr>
<td>2039</td>
<td>66 years and six months</td>
</tr>
<tr>
<td>2040</td>
<td>66 years and six months</td>
</tr>
</tbody>
</table>

The determined amount of early old-age pension remains after the turned years of age as provided in Table 4.
5) INITIATING THE PROCEDURE FOR EXERCISING THE RIGHT TO EARLY OLD-AGE PENSION

The procedure for exercising the right to early old-age pension is initiated upon the request of an insuree. Entitlement to early old-age pension can be exercised after the termination of insurance (employment, or execution of independent or agricultural activities), provided that the request for the exercise of rights may be filed before the termination of insurance by providing adequate proof of the certainty of its termination.

The request for eligibility for early old-age pension shall be submitted to the Regional Department of the Pension and Disability Insurance Fund of Montenegro in whose territory the insuree was last insured.

6) DOCUMENTATION REQUIRED FOR EXERCISING THE RIGHT TO EARLY OLD-AGE PENSION

In addition to the request for eligibility for early old-age pension the following documents shall be submitted:

- work history (concluded)
- birth certificate.

DISABILITY PENSION

1) DISABILITY - COMPLETE AND PARTIAL LOSS OF WORKING CAPACITY

Disability in terms of regulations on pension and disability insurance exists when the insuree due to the changes in health status which cannot be eliminated by treatment or medical rehabilitation, suffers total loss of working capacity. Disability exists when the insuree due to the changes in health status that cannot be eliminated by treatment or medical rehabilitation, suffers a partial loss of working capacity of 75%\textsuperscript{11}. The cause of disability may be: work injury, occupational disease, unrelated to work injury or illness.

\textsuperscript{11} The insuree with determined partial loss of earning capacity may be employed one-quarter full-time. He/She is capable of working one-quarter full-time.
2) FULL AND PARTIAL DISABILITY PENSION

Entitlement to full disability pension is acquired, along with fulfilling other legal requirements, by an insuree who suffers the complete loss of working capacity.

Entitlement to a partial disability pension is acquired, along with fulfilling other legal requirements, by an insuree who suffers a partial loss of working capacity of 75%. A partial pension amounts to 75% of full disability pension.

The degree of disability (complete or partial loss of working capacity) depends on whether the insuree is entitled to a full or partial disability pension, while other legal requirements for entitlement are the same for both types of disability pensions and depend on the cause of disability.

3) CONDITIONS FOR ENTITLEMENT TO DISABILITY PENSION

a) A Condition for Entitlement to Disability Pension If Disability is Cased by Work Injury or Occupational Disease

The basic condition for entitlement to disability pension is that the insuree is disabled. If disability resulted from work injury or occupational disease, the insuree is entitled to disability pension irrespective of the pensionable service duration and the turned years of age at the time of disability.

b) Conditions For Entitlement to Disability Pension If Disability Resulted From Unrelated To Work Injury or Illness

If disability resulted from unrelated to work injury or illness, the insuree is entitled to disability pension provided that:

---

12 Work injury is considered an injury of the insuree that occurs in direct, causal, spatial and temporal relationship with the performance of work based on which he/she is secured, caused by immediate and short-term mechanical, physical or chemical effects, rapid changes in posture, sudden pressure over body or other changes of physiological state of the organism. Work injury is considered the injury caused in this manner that the insuree suffers: when performing work he/she is not assigned, but performs it in the interest of the employer with whom he/she is employed, on the regular way from home to workplace and vice versa, on the trip taken for execution of official duties and while coming to work, in connection with the use of medical care as well as in other cases stipulated by law. Work injury is considered an illness of the insuree that has arisen directly or as a sole result of an accident or force majeure, while carrying out work on the basis of which he/she is insured or in connection with it. Also, work injury is considered to be the injury: that a person undergoes in course of professional training, additional training or retraining which he/she is directed to by the Employment Institute; of students when, in accordance with the law, perform mandatory production work, professional practice or practical training; of persons who are serving sentences, while working with an institution for serving the sentence (workshop, worksite, etc.); suffered by insurees or a person taking part in rescue operations or protection against natural disasters or accidents, military exercises or in performing other duties in the field of defense provided by the law, as well as other activities and tasks for which the law determines to be of general interest.

13 Occupational diseases have the same importance for acquisition and exercise of the right to disability pension and injury at work, because, in case when disability results from occupational disease, the entitlement to disability pension also exists regardless of the insuree’s pensionable service. Occupational diseases are particular diseases occurring in course of insurance, resulting from longer direct influence of a work process and working conditions in the workplace or work performed by the insuree. Occupational diseases, working position, or work in which these diseases occur and conditions which involve occupational diseases have been specified in the Rules on defining occupational diseases (“Official Gazette of the Republic of Montenegro”, no. 66/04).
- the loss of working capacity occurred before turning the years of age prescribed for entitlement to old-age pension and
- he/she reached the pensionable service covering at least one-third of his/her working life.

*Years of Age up to Which One Can Be Entitled to Disability Pension If Disability Resulted From unrelated to work injury or illness*

If disability resulted from unrelated to work injury or illness, the right to disability pension is acquired under condition that the loss of working capacity occurred before the general retirement age for entitlement to old-age pension (67 years) and that the insuree had pensionable service covering at least one-third of his/her working life. Therefore, in case the disability resulted from illness or unrelated to work injury one is entitled to disability pension only if the disability occurred before the turned years of age required for entitlement to old-age pension. As there has been prescribed transitional period provided for gradual raising of age limit for entitlement to old-age pension (for men until 2024 and for women until 2040), in that transitional period the entitlement to disability pension is acquired, on the basis of disability caused by unrelated to work injury or illness, if the loss of working capacity occurred before the prescribed age by which, in the transitional period, one shall be entitled to retirement. Therefore, in case the disability resulted from illness or unrelated to work injury one is entitled to disability pension only if the disability occurred before the turned years of age required for entitlement to old-age pension. As there has been prescribed transitional period provided for gradual raising of age limit for entitlement to old-age pension (for men until 2024 and for women until 2040), in that transitional period the entitlement to disability pension is acquired, on the basis of disability caused by unrelated to work injury or illness, if the loss of working capacity occurred before the prescribed age by which, in the transitional period, one shall be entitled to retirement. Therefore, in case the disability resulted from illness or unrelated to work injury one is entitled to disability pension only if the disability occurred before the turned years of age required for entitlement to old-age pension.

Table 5 lists the years of age prior to which, in the transitional period, one shall be entitled to disability pension, in case of disability caused by unrelated to work injury or illness:

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Years of age before which one is entitled to disability pension on the basis of disability caused by unrelated to work injury or illness</th>
<th>The condition in view of covering working life by pensionable service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>Women</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>64 years</td>
<td>59 years</td>
</tr>
<tr>
<td>2012</td>
<td>64 years and six months</td>
<td>59 years and six months</td>
</tr>
<tr>
<td>2013</td>
<td>65 years</td>
<td>60 years</td>
</tr>
<tr>
<td>2014</td>
<td>65 years and two months</td>
<td>60 years and three months</td>
</tr>
<tr>
<td>2015</td>
<td>65 years and four months</td>
<td>60 years and six months</td>
</tr>
<tr>
<td>2016</td>
<td>65 years and six months</td>
<td>60 years and nine months</td>
</tr>
</tbody>
</table>

14 So, for example, in 2011 year, the insuree is entitled to a disability pension based on disability caused by an unrelated to work injury or illness, if the loss of working capacity occurred before the age of 64 years of age (for men), i.e. 59 (for women) with the accomplished pensionable service covering at least one-third of his/her working life.
<table>
<thead>
<tr>
<th>Year</th>
<th>Age at Retirement</th>
<th>Years of Pensionable Service</th>
<th>Percentage of Working Life Covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>65 years and eight months</td>
<td>61 years</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2018</td>
<td>65 years and ten months</td>
<td>61 years and three months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2019</td>
<td>66 years</td>
<td>61 years and six months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2020</td>
<td>66 years and two months</td>
<td>61 years and nine months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2021</td>
<td>66 years and four months</td>
<td>62 years</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2022</td>
<td>66 years and six months</td>
<td>62 years and three months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2023</td>
<td>66 years and eight months</td>
<td>62 years and six months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2024</td>
<td>66 years and ten months</td>
<td>62 years and nine months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2025</td>
<td></td>
<td>63 years</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2026</td>
<td></td>
<td>63 years and three months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2027</td>
<td></td>
<td>63 years and six months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2028</td>
<td></td>
<td>63 years and nine months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2029</td>
<td></td>
<td>64 years</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2030</td>
<td></td>
<td>64 years and three months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2031</td>
<td></td>
<td>64 years and six months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2032</td>
<td></td>
<td>64 years and nine months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2033</td>
<td></td>
<td>65 years</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
<tr>
<td>2034</td>
<td></td>
<td>65 years and three months</td>
<td>for pensionable service to cover 1/3 of working life</td>
</tr>
</tbody>
</table>
### Table 6

<table>
<thead>
<tr>
<th>Year</th>
<th>Age and Tenure</th>
<th>Pensionable Service Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>2035</td>
<td>65 years and six months</td>
<td>1/3 of working life</td>
</tr>
<tr>
<td>2036</td>
<td>65 years and nine months</td>
<td>1/3 of working life</td>
</tr>
<tr>
<td>2037</td>
<td>66 years</td>
<td>1/3 of working life</td>
</tr>
<tr>
<td>2038</td>
<td>66 years and three months</td>
<td>1/3 of working life</td>
</tr>
<tr>
<td>2039</td>
<td>66 years and six months</td>
<td>1/3 of working life</td>
</tr>
<tr>
<td>2040</td>
<td>66 years and nine months</td>
<td>1/3 of working life</td>
</tr>
</tbody>
</table>

While prescribing a legal decision that, in case the disability was caused by unrelated to work injury or illness, the disability pension is acquired under condition that the loss of working capacity occurred before the age limit for eligibility for old-age pension, it was commenced from determination that when the insuree reaches age limit for entitlement to old-age pension, there has been performed the primary risk (insured event) of pension and disability insurance - old age, based on which he/she is entitled to old-age pension. Therefore, the insuree cannot exercise the right to disability pension, but only an old-age pension, if together with the prescribed age he/she fulfils the condition in terms of the required pensionable service.

An exception to the rule that, in case of disability caused by unrelated to work injury or illness, the disability pension is acquired under condition that the loss of working capacity occurred before the age limit for eligibility for old-age pension valid in that calendar year, shall be applied in 2011 and 2012 year. Insurees who in 2011 year turn the age of 64 (men) and 59 (women) and are do not reach pensionable service for the period of 16 years, they shall be entitled to disability pension if the disability resulted from an unrelated to work injury or illness which occurred before the age of 67, provided that they have the pensionable service covering at least one-third of their working life. Insurees who turn 64 years and six months in 2012 (men) and 59 years and six months (women), and do not reached pensionable service for a period of 15 years and six months, are entitled to disability pension if the disability resulted from an unrelated to work injury or illness occurred before the age of 67, provided that they reached the pensionable service covering at least one-third of his/her working life.

### Working life

Working life is a number of full years within the period from the date when the insuree turned 20 years of age, i.e. 23 years of age, if he/she gained a college degree through the regular education and 26 years of age, if he/she gained a university degree through the regular education, until the day of disability.

An insuree who after having turned 20 years of age was in military service, his/her working life is shortened for the period equal to the time spent in military service.

Table 6 gives a method of calculating one-third of working life, in evaluating the conditions for entitlement to disability pension:
For an insuree younger than 30 years of age, whose disability was caused by illness or unrelated to work injury there are prescribed more favourable conditions for entitlement to disability pension. The insuree whose disability caused by illness or unrelated to work injury occurred before turning 30 years of age is entitled to disability pension:

- when the disability occurred before turning 20 years of age - regardless of duration of insurance coverage;
- when the disability occurred in the period between 20 years of age and 30 years of age - if until the occurrence of disability there was a total of at least one year of insurance coverage, if that is more favourable for him/her than other conditions prescribed for other insurees.

As it can be seen, in case of disability caused by illness or unrelated to work injury, when it occurred within the period from the age of 20 until the age of 30, in order to fulfill special conditions for entitlement to disability pension the insuree must have his/her prescribed insurance coverage completed (at least one year), whereas for fulfillment of general requirements for entitlement to disability pension applicable to all insurees (whose loss of earning capacity was caused by illness or unrelated to work injury occurred before reaching the general age limit for entitlement to old-age pension), the insuree is required to have his/her pension service covering one-third of his working life.

Special conditions allowing insurees under the age of 30, in case of disability caused by unrelated to work injury or illness, to exercise their right to disability pension without conditions of working life coverage by pensionable service, apply to the extent these conditions, in the very case, are more favourable than the general conditions for

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c) Conditions For Entitlement to Disability Pension of Persons Younger Than 30 Years of Age Whose Disability Was Caused by Illness or Unrelated to Work Injury

<table>
<thead>
<tr>
<th>Working life (years)</th>
<th>One-third of working life</th>
<th>Working life (years)</th>
<th>One-third of working life</th>
<th>Working Life (years)</th>
<th>One-third of working life</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Years</td>
<td>Months</td>
<td>Years</td>
<td>Months</td>
<td>Years</td>
</tr>
<tr>
<td>1</td>
<td>1</td>
<td>4</td>
<td>16</td>
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<td>29</td>
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<tr>
<td></td>
<td>46</td>
<td>15</td>
<td>4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
entitlement to disability pension. Otherwise, general conditions for entitlement to
disability pension shall be applied, i.e. it shall be assessed whether pensionable service
covers one-third of working life.\textsuperscript{15}

4) DETERMINATION OF DISABILITY PENSION LEVEL

Disability pension level is determined in a manner the level of old-age pension is
determined, so we shall mention only specifics regarding the method of its determination
in relation to the determination of the old-age pension.

a) Determination of the Full Disability Pension Level

Full disability pension, due to total loss of working capacity caused by a work
injury or occupational disease, is determined within the old-age pension level which
would be granted to the insuree for 40 years of pensionable service.

If the total loss of working capacity was caused by an unrelated to work injury or
illness, upon defining the level of disability pension while determining personal points, if
the insuree had not turned 60 years of age, his/her pensionable service is added to the
pensionable service - for a more favourable pension calculation. Added years of service
are calculated from the age of the insuree on the date of disability under 55 years of age
in duration of two-thirds of that period and from 55 to 60 years of age in duration of one-
half, though no more than 40 years of service can be added.\textsuperscript{16}

An insuree who has reached years of service at an accelerated rate, based on
which he/she is lowered the age limit for entitlement to old-age pension, in determining
disability pension in case of unrelated to work injuries or illness, he/she is lowered the
age limit up to which the pensionable service is added, for a period for which, according
to the reached insurance coverage with accelerated rate, the age limit for entitlement to
old-age pension is lowered.\textsuperscript{17}

An insuree who fulfilled the conditions for entitlement to disability pension in
respect of pension service in which the disability was caused partly by a work injury or
occupational disease, and partly by illness or unrelated to work injury, is determined one
disability pension consisting of parts of certain proportional parts determined according
to the work injury or occupational disease, i.e. according to illness or unrelated to work

\textsuperscript{15} For example, if the insuree who has obtained a university degree loses ability to work at the age of 27, his/her working life is
counted from 26 years of age until the day of disability and it amounts to one year while one-third of working life amounts to four
months. Therefore, it is more favourable for that insuree that his/her conditions for disability pension are evaluated in line with the
pensionable service covering at least one-third of his/her working life, rather than in line with the conditions that apply only to
insurees under 30 years of age, because in that case it would be necessary that the insuree has at least one year of insurance coverage.

\textsuperscript{16} For example, if the insuree is entitled to disability pension with 28 years of age, he/she is added his/her pensionable service from 28
to 55 years of age – in duration of two-thirds of that period (18 years) and pensionable service from 55 to 60 years of age – in duration of
a period of one-half of that period (two years and six months). Therefore, in this example the insuree is added 20 years and six
months of pensionable service.

\textsuperscript{17} For example, an insuree who has ten years of effective work in the workplace where he/she effectively spent 12 months are
calculated as 15 months, for which period contributions for pension and disability insurance were paid, and whose disability occurred
with 28 years of age, in determining the level of disability pension, two-thirds of pensionable service are added from 28 to 53 years of
age (rather than 55 years of age) and one-half of pensionable service from 53 to 58 years of age (rather than 60 years of age). This is
because his/her age limit for entitlement to old-age pension is lowered for two years basing on the reached insurance coverage with
accelerated rate, and on that basis his /her age limit is lowered, which is the limit up to which while determining the level of disability
pension, pensionable service is added.
injury in line with their impact on total disability, though such calculated pension cannot exceed the pension determined for 40 years of pensionable service\textsuperscript{18}.

An insuree whose disability was caused partly by a work injury or occupational disease, and partly by unrelated to work injury or illness and who meets the requirements for entitlement to disability pension only on the basis of disability caused by work injury or occupational disease, disability pension is determined by percentage with which occupational injury or disease had impact on total disability\textsuperscript{19}.

\textbf{b) Determination of Partial Disability Pension Level}

Partial disability pension is determined in the amount of 75\% of the amount of full disability pension.

\textbf{5) CHECK-UP}

The Decision establishing the right to disability pension determines obligatory check-up for beneficiaries, no later than three years from the date of confirmation of disability, except in cases of serious illnesses, as well as in case of elderly insurees who shall on the date of check-up turn the years of age prescribed for entitlement to old-age pension. Check-up is not performed when the cause of total loss of working capacity, whether wholly or partly, is an occupational disease or work injury.

\textbf{6) INITIATING THE PROCEDURE FOR EXERCISING THE RIGHT TO DISABILITY PENSION}

The procedure for exercising the right to disability pension is initiated upon the request of an insuree, or the employer the insuree is employed with, as well as upon the request of Health Organization that provided health care for the insuree. Together with the request, i.e. proposal, it is necessary to submit medical documentation prescribed in the Regulations on the Scope and Contents of Medical Documentation required in the procedure for exercising the right to pension and disability insurance (“Official Gazette of the Republic of Montenegro”, no. 60/04).

\textsuperscript{18} For example, if an injury resulted in total disability of 60\%, and the illness of 40\%, there shall be first determined the level of disability pension that the insuree would be granted if the disability was caused by an injury at work (in the amount of old-age pension that would be granted to the insuree for 40 years of pensionable service), and of that amount, in proportion to the actual impact of the injury on total disability, the insuree is entitled to 60\%. Other proportional part the insuree is entitled to on the basis of illness shall be determined by previously determining the amount that the insuree would be entitled to as if the disability was entirely caused by illness, and of that amount, in proportion to the real impact of illness on total disability, the insuree receives 40\%. The sum of these two proportionate parts of disability pension determined by the impact of occupational injury and illnesses on the total disability, which cannot exceed the pension determined for 40 years of pensionable service, is the total amount of disability pension.

\textsuperscript{19} In this aforementioned example, since the insuree does not meet requirements for entitlement to disability pension on the basis of unrelated to work injury or illnesses (because he/she has no pensionable service covering at least one-third of working life or his/her disability occurred after the age required for entitlement to disability pension based on unrelated to work injury or illnesses), he/she shall be determined his/her disability pension only in proportion to the participation of occupational injury or occupational disease in the total disability. By the effect of illness or unrelated to work injury on total disability, the insuree shall not be determined proportional part of disability pensions because, on that basis, he/she does not meet legal requirements for entitlement to disability pension.
The request, that is, the proposal for eligibility for old-age pension shall be submitted to the Regional Department of the Pension and Disability Insurance Fund of Montenegro in whose territory the insuree was last insured.

7) DOCUMENTATION REQUIRED FOR EXERCISING THE RIGHT TO DISABILITY PENSION

In addition to the request or proposal for eligibility for disability pension the following documents shall be submitted:

- medical records consisting of: a proposal for expert attending physician provided in Form no. 1 and findings of a specialist physician, discharge lists, evidence of treatment, etc.,
- work history, job description in Form no. 1a.
- birth certificate.
- photocopy of work history, and in case of determining the invalidity of the original,
- reports on work injury (if the insuree has suffered an injury at work).

FAMILY PENSION

1) FAMILY MEMBERS ENTITLED TO FAMILY PENSION

Family members who, upon fulfillment of legal conditions, are entitled to family pension, are:

- spouse;
- children (born in or out of wedlock or adopted children and stepchildren the insuree, or beneficiary, has brought up).
- right to family pension may, with the fulfillment of legal requirements, be exercised by a divorced spouse, if he/she is by final judgment adjudged the right to child support.

2) CONDITIONS FOR ENTITLEMENT TO FAMILY PENSION

For a member to exercise the right to family pension, it is required for the following conditions to be fulfilled:

- conditions related to the deceased insuree or beneficiary - the so-called general conditions and
- requirements to be met by family members of the deceased insuree or beneficiary to be entitled to a family pension - the so-called special conditions.
For entitlement to family pension it is necessary for general and special conditions to be cumulatively met.

3) CONDITIONS REFERRING TO THE DISEASED INSUREE OR BENEFICIARY (GENERAL CONDITIONS)

Entitlement to family pension can be achieved by the following family members of:

- the deceased insuree who has reached at least five years of service or at least ten years of pensionable service, or is eligible for old-age or disability pension;
- the deceased beneficiary of old-age or disability pension.

If death of the insuree or a person entitled to pension and disability insurance in case of disability and physical injury caused by work injury or occupational disease resulted from work injury or occupational disease, his/her family members are eligible for family pension, regardless of duration of the pensionable service of the insuree, or the person concerned.

4) CONDITIONS REFERRING TO THE FAMILY MEMBERS (SPECIAL CONDITIONS)

a) Conditions under Which a Widow is Entitled to Family Pension

A widow is entitled to a family pension if:

- until the death of her spouse she turned 52 years of age;
- until the death of her spouse or within one year after the death of her spouse she became totally incapable of work;
- after the death of her spouse there is one child or more children entitled to family pension through that spouse, and the widow performs parental responsibilities towards those children. A widow who, during the term of the right on that basis, becomes completely incapable of work, retains the right to family pension as long as that incapacity is present.

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20 Persons insured in case of disability and physical injury caused by work injury or occupational disease are: persons who are at professional training, additional training or retraining, recommended by the Employment Agency of Montenegro, pupils and students, when in accordance with the law are involved in mandatory production work, professional practice or practical training, and persons serving sentences, while working with an institution for serving the sentence (workshop, worksite, etc.). In case of disability and physical disability caused by work injury, the following are insured as well: persons participating in rescue operations or protection against natural disasters or accidents; persons participating in military exercises or performing other duties in the defense of the country established by law and in other jobs and tasks for which the law determined to be of general interest.
A widow who, during the term of the right to family pension exercised on the basis of total incapacity for work or on the basis of performing parental responsibilities towards children, turns 52 years of age, permanently retains the right to family pension.

The right to family pension has a widow who was found pregnant and a widow who gave birth to a child of the deceased insuree or beneficiary after his death and she is entitled to that right from the death of the insuree, that is, beneficiary.

If a child is stillborn or dies before turning six months, a widow is entitled to family pension until the expiration of six months after birth.

b) Conditions under Which a Widow is Entitled to Family Pension in the Transitional Period

Law on Pension and Disability Insurance provides a transitional period (from 2011 until 2016 year) in which a widow who has not turned 52 years of age may be entitled to family pension under more favourable conditions, in terms of age, which are listed in Table 7:

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Years of age turned until the death of a spouse by which a widow is entitled to family pension</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>49 years</td>
</tr>
<tr>
<td>2012</td>
<td>49 years and six months</td>
</tr>
<tr>
<td>2013</td>
<td>50 years</td>
</tr>
<tr>
<td>2014</td>
<td>50 years and six months</td>
</tr>
<tr>
<td>2015</td>
<td>51 years</td>
</tr>
<tr>
<td>2016</td>
<td>51 years and six months</td>
</tr>
</tbody>
</table>

A widow who, in the transitional period (from 2011 until 2016 year), during the term of the right to family pension acquired on the basis of total incapability to work or on the basis of the exercise of parental responsibilities towards children, turns the years of age as provided in Table 8, permanently retains the right to family pension:

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Years of age</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>49 years</td>
</tr>
<tr>
<td>2012</td>
<td>49 years and six months</td>
</tr>
<tr>
<td>2013</td>
<td>50 years</td>
</tr>
<tr>
<td>2014</td>
<td>50 years and six months</td>
</tr>
<tr>
<td>2015</td>
<td>51 years</td>
</tr>
<tr>
<td>2016</td>
<td>51 years and six months</td>
</tr>
</tbody>
</table>

Table 8. – Years of age which, in the transitional period, during the term of the right to family pension acquired on the basis on total incapacity for work or on the basis of performing parental responsibilities towards children, a widow should turn for entitlement to family pension.
c) Conditions under Which a Widower is Entitled to Family Pension

A widower is entitled to family pension if:

- until the death of his spouse he turned 52 years of age;
- until the death of his spouse or within one year after the death of his spouse he became totally incapable of work;
- after the death of his spouse there is one child or more children entitled to family pension through that spouse, and the widower performs parental responsibilities towards those children. A widower who, during the term of the right on that basis, becomes completely incapable of work, retains the right to family pension as long as that incapacity is present.

A widower who, during the term of the right to family pension exercised on the basis of total incapability for work or on the basis of performing parental responsibilities towards children, turns 52 years of age, permanently retains the right to family pension.

d) Conditions under Which a Widower is Entitled to Family Pension in the Transitional Period

Law on Pension and Disability Insurance provides a transitional period (from 2011 until 2016 year) in which a widower who has not turned 52 years of age may be entitled to family pension under more favourable conditions, in terms of age, which are listed in Table 9:

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Years of age turned until the death of a spouse by which a widower is entitled to family pension</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>50 years</td>
</tr>
<tr>
<td>2012</td>
<td>50 years</td>
</tr>
<tr>
<td>2013</td>
<td>50 years</td>
</tr>
<tr>
<td>2014</td>
<td>50 years and six months</td>
</tr>
<tr>
<td>2015</td>
<td>51 years</td>
</tr>
<tr>
<td>2016</td>
<td>51 years and six months</td>
</tr>
</tbody>
</table>

A widower who, in the transitional period (from 2011 until 2016 year), during the term of the right to family pension acquired on the basis of total incapability to work or on the basis of the exercise of parental responsibilities towards children, turns the years of age as provided in Table 10, permanently retains the right to family pension:
Table 10. - Years of age which, in the transitional period, during the term of the right to family pension acquired on the basis on total incapacity for work or on the basis of performing parental responsibilities towards children, a widower should turn for entitlement to family pension.

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Years of age</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>50 years</td>
</tr>
<tr>
<td>2012</td>
<td>50 years</td>
</tr>
<tr>
<td>2013</td>
<td>50 years</td>
</tr>
<tr>
<td>2014</td>
<td>50 years and six months</td>
</tr>
<tr>
<td>2015</td>
<td>51 years</td>
</tr>
<tr>
<td>2016</td>
<td>51 years and six months</td>
</tr>
</tbody>
</table>

e) Conditions under Which a Child is Entitled to Family Pension in the Transitional Period

A child is entitled to family pension and it is granted to him/her:

- until the turned 19 years of age;
- after the turned 19 years of age if still being educated\(^{21}\), until the completion of education, but at latest until the turned 24 years of age, if he/she attends University. Exceptionally, if a child attends a faculty attendance of which is longer than four years, family pension is granted to him/her until the turned 25 years of age;
- during the term of incapacity for independent life and work, occurred before the age until which children are provided with the right to family pension;
- during the term of incapacity for independent life and work, occurred after the age until which children are provided with the right to family pension, and before the death of the insuree or beneficiary, provided that the insuree, or beneficiary financially supported\(^{22}\) a child until his/her death.

A disabled child, in accordance with the regulations on classification of disabled children, is entitled to a family pension and it is granted to him/her until the termination of employment or self-employment.

A child whose education was interrupted due to illness, the right to family pension is granted during the illness until the turned years of age until which the right to pension can be exercised on the basis of education, as well as over those years, but up to the amount of time lost during the education due to illness.

\(^{21}\) When education is a requirement for exercising the right to family pension, the same does not consider education that a child continues in school of the same or lower rank than the one already finished.

\(^{22}\) When financial support is a requirement for entitlement to family pension, it is considered that the deceased insuree, or beneficiary financially supported a family member, if an average monthly income of a family member in the previous year does not exceed 25% of the average monthly wage in Montenegro in the previous year. For evaluation of financial support the following are not taken into account: cash transfers to social and child protection, financial compensation for care and assistance, financial compensation for physical injury, income from awards, severance pay due to retirement, and income based on pupil and student standards.
f) Determination of Family Pension Level

Family pension is determined by old-age or disability pension that would be granted to the insuree at the time of death, that is, by pension which would be granted to the beneficiary at moment of death, in a percentage determined by the number of family members eligible for this pension, as follows:

- for one member 70%;
- for two members 80%;
- for three members 90%;
- for four or more members 100%.

If a spouse and a divorced spouse of the deceased insuree or beneficiary are entitled to family pension, one family pension is determined in the amount for one family member and is divided in equal amounts.

As a minimum basis for determining family pension there is taken old-age pension of the deceased insuree determined for pensionable service of 20 years.

Children without parents, in addition to family pension by one parent, are granted family pension by the other parent, as follows:

- for one child 20%
- for two children 40%
- for three children 60%
- for four or more children 100% of old-age or disability pension of the other parent.

If, in addition to family pension by one parent, children are granted the right to a part of the pension by the other parent, family pension is determined as a whole and its amount may not exceed the maximum old-age pension for the pensionable service of 40 years.

5) INITIATING THE PROCEDURE FOR ENTITLEMENT TO FAMILY PENSION

The procedure for exercising the right to family pension shall be initiated upon the request of a family member of the deceased insuree, i.e. beneficiary.

The request for eligibility for family pension shall be submitted to the Regional Department of the Pension and Disability Insurance Fund of Montenegro in the territory where the deceased insuree or beneficiary was last insured.
6) DOCUMENTATION REQUIRED FOR EXERCISING THE RIGHT TO FAMILY PENSION

In addition to the request for eligibility for old-age pension the following documents shall be submitted:

- death certificate,
- report on accident at work if death was caused by work injury,
- work history,
- birth certificates for all family members which the request for family pension is submitted for,
- marriage certificate for a widow/widower entitled to family pension,
- school certificates for children older than 19 years of age exercising the right to family pension on the basis of education,
- medical documentation for family members exercising the right to family pension on the basis of incapacity for work, i.e. incapacity for independent life and work,
- statement confirming that the family members exercising the right to family pension are not in the birth place, are not self-employed and are not beneficiaries of some other pension.

MINIMUM PENSION

An insured is entitled to the minimum pension if his/her pension, accrued according to his/her own personal coefficient (according to his/her wages, or insurance bases) by application of the scoring system, lower than the minimum pension guaranteed by law. The minimum pension level (old-age or full disability pension) is determined when the insured’s pensionable service is multiplied by the coefficient 0.5, which means that, in calculating the pension amount, the insured is guaranteed a personal coefficient 0.5, i.e., he/she during his/her working life realized profit in the amount of 50% of the average wage in Montenegro. In addition to such determined minimum pension (old-age or full disability pension) the insured is, if it is more favourable for him, guaranteed a minimum pension in the nominal amount which, adjusted as of 1 January 2011, amounts to 97.86 EUR\(^2\) (nominal amount of minimum pension is adjusted in a way that adjustment of pension amount for one personal point is performed).

Therefore, when determining the pension amount it is compared which one of the two minimum pensions is higher, whether it is the minimum pension with personal coefficient of 0.5 or the minimum pension in nominal amount. The insured is granted the more favourable amount.

Minimum partial disability pension is determined in the amount of 75% of the minimum full disability pension.

Minimum early old-age pension is determined in a way that the minimum old-age pension is determined, though the amount of that pension is reduced permanently by

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\(^2\) Minimum pension in nominal amount, which as of 1 January 2011 amounts to 97.86 EUR, is not granted to the beneficiary of the proportional pension accrued by application of international agreements. This is because these are pensions with short pensionable service that is insufficient to meet the requirements for entitlement to old-age pension and for the fulfilment of requirements it is taken into account the period of insurance completed in a country with which Montenegro has concluded, or has been applying a bilateral Social Security Agreement. However, for determination of the pension level it is taken only pensionable service and wages earned under domestic regulations.
0.35% for each month of early retirement before the turned years of age prescribed for entitlement to old-age pension. Instead of such determined minimum early old-age pension, the insuree, if it is more favourable for him/her, is granted the minimum early old-age pension in the nominal amount which, adjusted as of 1 January 2011, amounts to 97.86 EUR.

Minimum family pension is determined by the minimum old-age or disability pension that would be granted to the insuree at the time of death, that is, by the minimum pension granted to the beneficiary at the moment of death, in a percentage determined depending on the number of family members entitled to family pension. Instead of such determined minimum family pension, family members, if it is more favourable for them, are granted the minimum family pension in the nominal amount which, adjusted as of 1 January 2011, amounts to 97.86 EUR.

**MAXIMUM PENSION**

Maximum pension is determined when the insuree’s pension is multiplied by the coefficient 4, which means that the calculation of the pension limits the amount of personal coefficient. So if in the process of determining the amount of pension there has been determined that the personal coefficient of the insuree – according to the actual earnings, that is, actual insurance bases – would amount to over 4, it is limited, so that the personal coefficient of the insuree may not exceed 4.

**RE-EMPLOYMENT OR SELF-EMPLOYMENT OF A PENSION BENEFICIARY**

An old-age pension beneficiary, as well as the early old-age pension beneficiary, who gets employed or self-employed, is entitled, upon termination of employment, or self-employment, to re-determination of a pension, if he/she was insured according to the Law on Pension and Disability Insurance for at least one year. Re-determining the pension is conducted, with the application of the provisions of the Law on Pension and Disability Insurance, as if the insuree is retired for the first time. The insuree is entitled to choose, depending on the fact which pension is more favourable, whether he/she wishes to retain previously earned pension or a newly determined pension.

An old-age and early old-age pension beneficiary, in case of re-employment or self-employment, is not suspended the pension payments, but has the right, during a new job or self-employment, to receive the pension accrued.

However, this is not granted to a family pension beneficiary. A family pension beneficiary employed or self-employed in the territory of Montenegro or abroad is suspended the pension payment. Suspension of family pension shall not apply to children - family pension beneficiaries who get employed or are self-employed while being entitled to family pension. Likewise, suspension of family pension shall not apply to family pension beneficiaries doing jobs on the basis of temporary service agreement or copyright agreement as well as other agreements who are paid the fee for work performed (an agreed fee).
FINANCIAL COMPENSATION FOR PHYSICAL INJURY

1) PHYSICAL INJURY

Physical injury exists when an insuree suffers loss, significant damage or substantial disability of some organs or body parts, making it difficult to have normal body activity and requiring greater efforts to accomplish basic needs, regardless of whether or not it causes disability.

2) CONDITIONS FOR ENTITLEMENT TO FINANCIAL COMPENSATION FOR PHYSICAL INJURY

Entitlement to financial compensation for physical injury is exercised by the insuree whose physical injury was caused by work injury or professional disease, amounting to 50%. List of physical injuries and percentages thereof are prescribed by the Rules on Physical Injury Determination (“Official Gazette of the Republic of Montenegro”, no.45/04 and 50/04).

3) DETERMINATION OF FINANCIAL COMPENSATION AMOUNT FOR PHYSICAL INJURY

In order to determine the amount of financial compensation, physical injuries are, according to seriousness, divided into six levels (groups). Financial compensation amount for physical injury shall be determined, depending on the degree of disability, in the appropriate percentage of the prescribed basis, according to Table 11:

Table 11. – Determination of financial compensation amount for physical injury

<table>
<thead>
<tr>
<th>For physical injury of Degree</th>
<th>Compensation amounts in percentage by the basis</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>40%</td>
</tr>
<tr>
<td>90%</td>
<td>36%</td>
</tr>
<tr>
<td>80%</td>
<td>32%</td>
</tr>
<tr>
<td>70%</td>
<td>28%</td>
</tr>
<tr>
<td>60%</td>
<td>24%</td>
</tr>
<tr>
<td>50%</td>
<td>20%</td>
</tr>
</tbody>
</table>

The basis for defining financial compensation for physical injury is determined in the nominal amount adjusted after the end of each calendar year\(^{24}\).

\(^{24}\) As of 1 January 2011 the basis for determining financial compensation for physical injury amounts to 249,20875 EUR and is valid for 2011 year. The basis for determining financial compensation for physical injury shall be adjusted as of 1 January 2012 year with the movement of consumer prices and wages of employees in the territory of Montenegro in the previous year when compared to the year which preceded it, a percentage that represents the sum of 75% percent growth, i.e. decline in consumer prices and 25% percent growth, i.e. decline in earnings.
4) INITIATING THE PROCEDURE FOR EXERCISING THE
RIGHT TO FINANCIAL COMPENSATION FOR PHYSICAL
INJURY

The procedure for exercising the right to financial compensation for physical injury is initiated
upon the request of the insuree, i.e. beneficiary, on the basis of medical documentation required to be
compulsory submitted along with the request.

The procedure for exercising the right to financial compensation for physical injury is initiated ex
officio, based on the opinion of the expert testimony given during testimony on disability in the process of
exercising the right to disability pension.

The request to exercise the right to financial compensation for physical injury shall be submitted
to the Regional Department of the Pension and Disability Insurance Fund of Montenegro where the insuree
was last insured.

5) DOCUMENTATION REQUIRED FOR EXERCISING THE
RIGHT TO FINANCIAL COMPENSATION FOR PHYSICAL
INJURY

In addition to the request for eligibility for financial compensation for physical
injury the following documents shall be submitted:

- medical documentation (as for disability pension),
- certificate of working position, job description as provided in Form no. 1a,
- report on work injury (if physical injury occurred due to work injury),
- work history photocopy.

ENTITLEMENT TO COMPENSATION OF FUNERAL
EXPENSES

In case of a pension beneficiary’s death, a person who settles funeral expenses is
entitled to compensation of funeral expenses.

Compensation of funeral expenses in the amount of three average pensions in
Montenegro paid in the month before the pension beneficiary’s death.

Claim for compensation of funeral expenses shall be submitted within 60 days
from the date of death of the pension beneficiary. The claim is submitted to the Regional
Department of the Pension and Disability Insurance Fund of Montenegro where the
insuree (deceased pension beneficiary) was last insured, or to the one which
acknowledged the deceased beneficiary the right to pension. The claim for compensation
of funeral expenses shall be submitted along with:

- death certificates,
- funeral expenses bill (issued by a Utility Company or Funeral Home).
ADJUSTMENT OF PENSION LEVEL FOR ONE PERSONAL POINT, PENSION AND COMPENSATION FOR PHYSICAL INJURY

Adjustment of pensions and pension level for one personal point has been performed as of 1 January of the current year, based on statistical data, with the movement of consumer prices and average wages of employees in the territory of Montenegro in the previous year when compared to the year which preceded it, in a percentage that is the sum of 75% percent growth, i.e. decline of consumer prices and 25% percent growth, i.e. decline of earnings.\(^{25}\)

Therefore, the adjustment of pensions and pension level for one personal point is performed once a year as of 1 January of the current year. Since in the same manner and under the same parameters, adjustment of pensions and pension level for one personal point is performed, it is provided the same position of insurees and pension beneficiaries in the pension and disability insurance system.

Financial compensation for physical injury shall be adjusted in the manner provided for pension adjustments.

Acts on adjustment of pensions, pension level for one personal point and financial compensation for physical injury are adopted by the Pension and Disability Insurance Fund of Montenegro.

ENTITLEMENT OF CERTAIN CATEGORIES OF INSUREES TO PENSION UNDER SPECIAL CONDITIONS

Particular categories of insurees have been prescribed, until 31 December 2012 year, special conditions for entitlement to pension and determination of its level that are more favourable than the general conditions applicable to other insurees. These categories of insurees include employees working in positions where the insurance coverage is calculated at an accelerated rate, as follows:

1) authorized officers in terms of regulations on performance of internal and police affairs;
2) authorized officers of the National Security Agency;
3) professional servicemen serving in the Army of Montenegro;
4) employees of the agencies and organizations that, in terms of regulations on defense, work at positions calculated with insurance coverage including accelerated rate;
5) authorized officers in terms of regulations on execution of penalties.

These insurees are eligible for old-age pension if they have turned at least 50 years of age and 20 years of insurance coverage, of which at least 10 years effectively spent on positions insurance coverage is calculated at an accelerated rate. In a period of 10 years effectively spent on jobs where insurance coverage is calculated at an

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\(^{25}\) Exceptionally, pensions, pension level for one personal point and financial compensation for physical injury as of 1 January 2011 are adjusted on the basis of statistical data, with the movement of consumer prices and average earnings of employees in the territory of Montenegro in the second half of the 2010 when compared to half-year term that preceded it, in a percentage that is the sum of 75% percent growth, i.e. decline in consumer prices and 25% percent growth, i.e. decline in earnings.
accelerated rate, it is cumulatively counted time spent in workplaces where the duration of insurance is calculated at an accelerated rate on the above grounds.

Persons who at the time of application for retirement do not have the status of authorized officers in terms of regulations on the performance of internal and police affairs and, authorized officials of the National Security Agency, professional servicemen serving in the Army of Montenegro, employees of agencies and organizations who, in terms of regulations on defense, work at positions where insurance coverage is calculated at an accelerated rate, or authorized officials pursuant to regulations on execution of penalties, can be entitled to the right of old-age pension under special conditions if they worked at such positions for least 20 years.

Special categories of insurees who meet the requirements for entitlement to old-age pension under special conditions are determined the amount of pension by general regulations, applying the scoring system, as well as other clients in terms of regulations on pension and disability insurance. However, in terms of determining the amount of pension (old-age or disability), they can provide a more convenient way, which shall be applicable as of 31 December 2012 year. If it is more favourable for them, their personal coefficient is determined on the basis of wage or wage allowances earned in the calendar year preceding the year of exercising the rights.

In any case it is estimated that it is more favourable for an insuree to be determined the level of pension by one-year or successive multi-year average wage and wage allowance. The insuree is provided a more favourable pension level.

Calendar year from which wages, i.e. wage allowances, shall be taken when determining the pension of one-year average, shall be the last calendar year in which the insuree was insured throughout the year under the regulations of pension and disability insurance for jobs for which insurance coverage is calculated at an accelerated rate (whose performance is a requirement for eligibility for old-age pension under special conditions) and achieved a wage or wage allowance for all 12 months of insurance coverage.

If the insuree in the year preceding the year of entitlement to old-age pension was not insured by pension and disability insurance and did not achieve a wage or wage allowance for all 12 months of insurance coverage, in this case to determine the pension level it is taken into account the last calendar year he/she spent on conducting jobs for which insurance coverage is calculated at an accelerated rate (performance of which is a condition for entitlement to old-age pension under special conditions) and achieved a wage or wage allowances for all 12 months of insurance coverage.

The insuree who at the time of exercising the right to pension does not have the status of an authorized officer in terms of regulations on the performance of internal and police affairs, an authorized officer of the National Security Agency, a professional serviceman serving in the Army of Montenegro, an employee in agencies and organizations that in terms of regulations on defense, works at positions where insurance coverage is calculated at an accelerated rate, or an authorized officer in terms of regulations on execution of criminal sanctions, the calendar year preceding the year of exercising the right whose wages i.e. wage allowances are taken into account for determining the pension level (from one-year average) is the last calendar year during which the insuree was insured while performing those activities and achieved a wage or wage allowances for all 12 months of insurance coverage.

Certain categories of insurees who are under special conditions entitled to pension have another advantage when determining the pension, which is reflected in the fact that the pension they are entitled to - under the general regulations or by the one-year average
(depending on what the facts favourable to them) – is increased by additional 20%, though the pension determined in such a manner cannot be higher than the amount of pension for pensionable service taken into account for calculation of pension level. Also, such determined pension cannot be lower than the minimum pension for pensionable service taken into account for calculation of pension level.

**EXERCISE OF RIGHTS BY APPLYING INTERNATIONAL SOCIAL SECURITY AGREEMENTS**

1) **INTERNATIONAL SOCIAL SECURITY AGREEMENTS APPLIED BY MONTENEGRO**

Montenegro is currently implementing 24 international bilateral Social Security Agreements with other countries. Montenegro, under the provisions of International Law on Succession of States in respect of international agreements, by the decision to proclaim independence of the Republic of Montenegro dated 3 June 2006 year 26, has taken over and has been implementing international treaties and agreements on social security which were applied by a prior state Montenegro was a part of. These agreements have been concluded with the following countries: Austria, Belgium, Bosnia and Herzegovina, Bulgaria, former Czechoslovakia (referring to the old contract, used only by Slovakia), Czech Republic, Denmark, France, Italy, Macedonia, Netherlands, Croatia, Norway, Poland, Romania, Germany, Sweden, Switzerland, Great Britain, Libya and Egypt.

After being proclaimed independent, Montenegro has concluded social security agreements with the Republic Serbia 27, the Republic of Hungary 28 and with the Grand Duchy of Luxembourg 29, 30.

Conclusion of international social security agreements there has been established an international legal system within social security between the contracting states, i.e. there has been established the coordination between the social security systems of these countries. The main purpose of these agreements is to enable the exercise of right to social security benefits based on work and insurance abroad.

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26 “Official Gazette of the Republic of Montenegro”, no. 36/06
27 Social Security Agreement concluded between the Republic of Montenegro and the Republic of Serbia (“Official Gazette of the Republic of Montenegro”, no. 17/07)
28 Agreement concluded between Montenegro and the Republic of Hungary on Social Security and certain issues referring to social security (“Official Gazette of Montenegro – International Agreements”, no. 6/08)
29 Social Security Agreement concluded between Montenegro and Grand Duchy of Luxembourg
30 New Social Security Agreements have been concluded with Austria, Belgium, Switzerland and Macedonia, but have not entered into force, and, therefore previous agreements from the period of the existence of Yugoslavia have still been applied. Social Security Agreement has been concluded with the Republic of Slovenia, and it also has not entered into force since it has not yet been ratified. This Agreement is expected to be applied during 2011 year.
2) BASIC PRINCIPLES UNDERLYING INTERNATIONAL SOCIAL SECURITY AGREEMENTS APPLIED BY MONTENEGRO

International agreements applied by Montenegro base on the following principles:

- the principle of insurance under which benefits are provided at the expense of insurance carrier of the contracting state in which a person is insured, or who has been paid the required contributions;
- the principle of adding periods of insurance or other relevant periods for entitlement to benefits;
- the principle of equal treatment of foreign nationals according to its own nationals;
- the principle of payment of pension benefits acquired in the territory of another contracting state.

3) SOCIAL SECURITY FIELDS REGULATED BY INTERNATIONAL SOCIAL SECURITY AGREEMENTS APPLIED BY MONTENEGRO

Social Security Agreements, mainly regulate the following areas of social security:

- health insurance rights,
- pension and disability insurance rights,
- rights in the event of work injury or occupational disease,
- maternity rights,
- rights in case of unemployment,
- child welfare rights.

The so-called “Complete Social Security Agreements” regulate all the abovementioned social security fields. Certainly, these contracts provide the largest scope of protection to insurees, i.e. nationals of the contracting states, as well as to their family members. However, certain agreements govern just some social security branches.

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31 Examples of the “Complete Social Security Agreement” are the Agreements concluded with Bosnia and Herzegovina, Macedonia, Luxembourg, Serbia, etc.
32 “Incomplete Social Security Agreements” are those concluded with Romania, Libya, Egypt regulating the health insurance field.
4) ADMINISTRATIVE LEGAL ASSISTANCE

International Social Security Agreements regulate the issues of administrative-legal assistance provided by authorities and insurance carriers of the contracting states. Administrative-legal assistance is, as a rule, free of charge. It includes:

- compliance with the requirements pertaining to obtaining specific data and informing the requesting authority;
- payment of benefits at the expense of insurance carrier of another contracting state;
- notification on amendments in national legislation;
- notification to competent authorities on any measures taken to implement the agreement,
- providing information on current regulations in specific cases;
- enforcement of judicial and other decisions;
- performing medical check-ups etc.

5) REQUEST SUBMISSION

Requests, statements or legal remedies which are while applying Social Security Agreements or legal regulations of one contracting state submitted to the authority, carrier or any other competent institution of one contracting state shall be considered requests, statements or legal remedies submitted to the authority, carrier or other authorized institution the other contracting state. Request for benefits, submitted under the legislation of one contracting state shall be considered at the same time the request for the corresponding benefits under the legislation of another contracting state, which is possible by applying the agreement.

Therefore, the request submitted for pension entitlement under the legislation of Montenegro is considered a request for pension under the legislation of other contracting state. In this case, our insurance carrier (Pension and Disability Insurance Fund of Montenegro) shall officially initiate the procedure and submit processed request to the relevant carrier of the pension and disability insurance in another contracting state where the insuree was employed. An insurance carrier in another contracting state acts in the same way - initiates the procedure with a view to the relevant carrier of Pension and Disability Insurance Fund of Montenegro.

Requests, statements or legal remedies that are while applying legal regulation of one contracting state to be submitted to the authority, carrier or any other competent organization or institution of one contracting state can, within the same timeframe, be submitted to the corresponding authority, carrier or some other relevant organization or institution of a contracting state. In these cases, institutions of a contracting state which were submitted the request, statement or legal remedy forward them promptly to the corresponding institutions of another contracting state.

In addition to the request for pension (old-age, disability or family), by application of International Social Security Agreement, there is to be submitted the documentation as well as for the exercise of the right by application of national legislation. In addition to the documentation there is to be submitted the proof of citizenship, as well as the insuree’s evidence of the work abroad.

The request for exercise of right to pension and disability insurance by application
of the International Social Security Agreement shall be submitted to the Department of Foreign Insurance Enforcement located in the Central Service of the Pension and Disability Insurance Fund of Montenegro in Podgorica.

JURISDICTION FOR DECIDING UPON PENSION AND DISABILITY INSURANCE RIGHTS

Pension and disability insurance rights are realized with the Pension and Disability Insurance Fund of Montenegro. The Fund is a body performing public authorisations when deciding upon pension and disability insurance rights. Pension and Disability Insurance Fund of Montenegro in the first instance decides upon the pension and disability insurance rights. In the procedure of exercising the rights, the Fund is obliged to ensure effective exercise of those rights and to provide insurees and beneficiaries with professional assistance.

Within the Pension and Disability Insurance Fund of Montenegro, pension and disability insurance rights are decided upon by a Regional Department in whose territory the insuree was last insured (the last insurance principle).

Table 12 shows a list of Regional Departments of the Pension and Disability Insurance Fund of Montenegro, itemising: municipalities whose territories are responsible for deciding upon the pension and disability insurance rights, addresses and phone numbers to which insurees and beneficiaries may address to exercise the rights and obtain necessary information regarding the execution of pension and disability insurance:

<table>
<thead>
<tr>
<th>Regional Department</th>
<th>Competent for the Municipalities of</th>
<th>Address</th>
<th>Telephone/fax</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bar</td>
<td>Bar and Ulcinj</td>
<td>Bulevar revolucije b.b. 85000 Bar</td>
<td>telephone 030/316-124 fax 030/315-124</td>
</tr>
<tr>
<td>Berane</td>
<td>Berane, Rožaje, Plav and Andrijevica</td>
<td>29. novembra 1 84300 Berane</td>
<td>telephone 051/233-721 fax 051/233-341</td>
</tr>
<tr>
<td>Bijelo Polje</td>
<td>Bijelo Polje and Mojkovac</td>
<td>Trg Golootočkih žrtava 84000 Bijelo Polje</td>
<td>telephone 050/432-834 fax 050/432-829</td>
</tr>
<tr>
<td>Kotor</td>
<td>Kotor, Tivat i Budva</td>
<td>Gurić b.b. 85330 Kotor</td>
<td>telephone 032/322-936 fax 032/322-935</td>
</tr>
<tr>
<td>Nikšić</td>
<td>Nikšić, Šavnik and Plužine</td>
<td>Alekse Backovića 115 81400 Nikšić</td>
<td>telephone 040/242-453 fax 040/242-845</td>
</tr>
<tr>
<td>Pjevlja</td>
<td>Pjevlja i Zabiljak</td>
<td>Narodne revolucije b.b. 84210 Pjevlja</td>
<td>telephone 052/322-0391 fax 052/321-486</td>
</tr>
<tr>
<td>Podgorica</td>
<td>Podgorica, Kolašin and Danilovgrad</td>
<td>Trg Nikole Kovačevića br. 8 81000 Podgorica</td>
<td>telephone 020/218-745, 020/218-747, 020/218-748 fax 020/218-746</td>
</tr>
<tr>
<td>Herceg Novi</td>
<td>Herceg Novi</td>
<td>Partizanski put 1 85340 H. Novi</td>
<td>telephone 031/323-744 fax 031/322-982</td>
</tr>
<tr>
<td>Cetinje</td>
<td>Cetinje</td>
<td>Bajova 2 81250 Cetinje</td>
<td>telephone 041/231-584 fax 041/231-584</td>
</tr>
</tbody>
</table>
Pension and Disability Insurance Fund of Montenegro has a subject-matter jurisdiction when pension and disability insurance rights are exercised by application of International Social Security Agreements.

Pension and disability insurance rights by application of International Social Security Agreements are decided upon by the Department of Foreign Insurance Enforcement located in the Central Services in Podgorica

Address: Bulevar Ivana Crnojevića 64 - 81000 Podgorica,
Telephone: 020/403-882 i 020/403-883,
Fax: 020/664-381,
E-mail: ino.pio@fondpio.me
LEGAL REGULATIONS APPLICABLE TO PENSION AND DISABILITY INSURANCE

- Law on Pension and Disability Insurance (“Official Gazette of the Republic of Montenegro”, no. 54/03, 39/04, 79/04, 81/04 and 47/07 and “Official Gazette of Montenegro”, no. 79/08, 14 / 10 and 78/10);
- Law on Compulsory Social Security Contributions (“Official Gazette of Montenegro”, no.13/07, 79/08, 86/09 and 78/10);
- Law on General Administrative Procedure (“Official Gazette the Republic of Montenegro”, no. 60/03);
- Law on Administrative Disputes (“Official Gazette the Republic of Montenegro”, no. 60/03);
- Law on Consolidated Registration and System of Reporting on Calculation and Payment of Taxes and Contributions (“Official Gazette of the Republic of Montenegro”, no. 29/05 and “Official Gazette of Montenegro”, no. 75/10);
- Budget Law (“Official Gazette the Republic of Montenegro”, no. 40/01, 44/01, 28/04 and 71/05 and “Official Gazette of Montenegro”, no. 12/07, 73/08, 53/09 and 49 / 10);
- Law on Reimbursement to the Pension and Disability Insurance Beneficiary (“Official Gazette of Montenegro”, no. 40/08, 42/08 and 78/10);
- Regulation on Working Positions Determination, i.e. activities performed with Public Administration Bodies where the insurance coverage is calculated at an accelerated rate (“Official Gazette of Montenegro”, no. 80/10);
- Regulation on Duties Determination, i.e. activities by performance of which professional servicemen are calculated insurance coverage at an accelerated rate (“Official Gazette of Montenegro”, no. 35/09);
- Regulation on the Central Register Contents of Income Taxpayers, Insurees and Taxpayers of Contributions for Compulsory Social Security and Data Protection (“Official Gazette of the Republic of Montenegro”, no. 82/05 and 10/07)
- Regulation on Reliefs for Compulsory Farmer Social Security Payment (“Official Gazette of Montenegro”, no. 45/08);
- Instructions on the manner of calculating and paying taxes and contributions from and to personal income on the basis of employment (“Official Gazette of the Republic of Montenegro”, no. 81/06 and “Official Gazette of Montenegro”, no. 45/08 and 04/10);
- Statutes of the Pension and Disability Insurance Fund of Montenegro (“Official Gazette of Montenegro”, no. 34/09);
- Regulation on Working Positions Determination, i.e. activities performed with the Public Administration Bodies where insurance coverage is calculated at an accelerated rate and on the procedure and method for their determination (“Official Gazette of Montenegro”, no. 71/10);
- Regulation on Closer Determination of Working Positions, i.e. activities where insurance coverage is calculated at an accelerated rate and on the procedure and method for their determination (“Official Gazette of Montenegro”, no. 1 / 11);
- Regulation on Education and Working Method of the First-Degree Disability Commission (“Official Gazette of the Republic of Montenegro” no. 47/04 and “Official Gazette of Montenegro”, no. 48/09);
- Regulation on Education and Working Method of the Second-Degree Disability Commission (“Official Gazette of the Republic of Montenegro” no. 35/07 and “Official Gazette of Montenegro”, no. 72/09);
- Regulation on the Scope and Contents of Medical Documentation required in the
procedure for exercising the right to pension and disability insurance (“Official Gazette of the Republic of Montenegro”, no. 60/04);
- Regulation on Determination of Physical Injuries (“Official Gazette of the Republic of Montenegro”, no. 45/04 and 50/04);
- Regulation on Determination of Occupational Diseases (“Official Gazette of the Republic of Montenegro”, no. 66/04);
- Regulation on Determination of Bases for Pension and Disability Insurance for Persons Employed Abroad (“Official Gazette of the Republic of Montenegro”, no. 34/04);
- Regulation on Determination of Bases for Pension and Disability Insurance for Priests, Religious Officials, Monks and Nuns (“Official Gazette of Montenegro”, no. 45/08);
- Regulation on Performance of Farming as a Sole and Main Occupation (“Official Gazette of the Republic of Montenegro”, no. 25/04 and “Official Gazette of Montenegro”, no. 67/08);
- Regulation on Determination of Bases for Pension and Disability Insurance by which private farmers can insure themselves by their own choice (“Official Gazette of the Republic of Montenegro”, no. 34/04);
- Regulation on the Procedure and Method of Repayment of Overpaid Contributions for Pension and Disability Insurance (“Official Gazette of Montenegro”, no. 38/08 and 27/09);
- Regulations on the form, content, method of filling in and submitting a single form of a report on calculated and paid tax on natural persons’ income and contributions for social security (“Official Gazette of Montenegro”, no. 76/10);

- Regulation on form and contents of a single application for registration of taxpayers, contributors and insurees in the Central Register (“Official Gazette of Montenegro”, no. 10/10 and 32/10);
- Regulation on Data Application Forms for the Pension and Disability Insurance Records (“Official Gazette of the Republic of Montenegro”, no. 5 / 04 and “Official Gazette of Montenegro”, no. 45/08);
- Regulation on Unique Methodological Principles for Managing the Pension and Disability Insurance Records (“Official Gazette of the Republic of Montenegro”, no. 5 / 04);
- Regulation on the Unique Codex of Codes for Data Entry in the Pension and Disability Insurance Records (“Official Gazette of the Republic of Montenegro”, no. 5 / 04 and “Official Gazette of Montenegro”, no. 84/09);
- Decision on Bases Adjustment, Deadlines and Method of Contribution Payment for Extended Insurance (“Official Gazette of the Republic of Montenegro”, no. 31/04).
Insuree’s Suggestion Sheet

To be submitted to ____________________________

(For example: Regional Department Podgorica, Paying Service, First-Degree Disability Commission, etc., where the insuree exercised the right, requested information, issuance of certificates or with which he/she was in contact in any other way)

I am making the following suggestions:

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State your remarks, opinion and suggestions with a view to improving the work of Pension and Disability Fund of Montenegro, complaints etc.

Name and Surname: _________________________________________________________
Address: _________________________________________________________
Tel. No.: _________________________________________________________
E-mail: _________________________________________________________

Note: Put the Suggestion Sheet into the box intended for that purpose at the Regional Department or at some other organisational unit of the Pension and Disability Fund of Montenegro, or mail it to:

Fond penzijskog i invalidskog osiguranja Crne Gore,
Bulevar Ivana Crnojevića 64 - 81000 Podgorica

Important addresses and telephone numbers

PENSION AND DISABILITY INSURANCE FUND OF MONTENEGRO

Central Service
Bulevar Ivana Crnojevića 64 - 81000 Podgorica
website: www.fondpio.me
e-mail: kabinet@fondpio.me
fax 020/664381

Switching Office 020/403808
Department for Processing Register Data 020/403874
Department for Implementation of Insurance for Non-Residents 020/403882
Department for Calculation and Payment of Benefits from Pension and Disability Insurance 020/403865