


## Greece

### Greece: Pension system in 2012

Pensions are provided through an earnings-related public scheme plus a series of minimum pensions/social safety nets.

### Key indicators

		Greece	OECD
Average worker earnings (AW)	EUR	20 100	32 400
	USD	26 500	42 700
Public pension spending	% of GDP	13.0	7.8
Life expectancy	At birth	80.7	79.9
	At age 65	19.2	19.1
Population over age 65	% of working-age population	31.7	25.5

StatLink  <http://dx.doi.org/10.1787/888932908820>

### Qualifying conditions

From 1 January 2013 and onwards the normal pension age is 67 for both men and women. A pension from this age requires a minimum of 4 500 days of contributions (equivalent to 15 years). Workers with a contribution record of 12 000 working days (40 years) can retire on a full benefit on condition that they are 62. There are concessions for people who work in arduous or unhygienic occupations and for women with dependant or disabled children. The minimum old-age pension requires 15 years' contributions.

### Benefit calculation

#### Earnings-related

The earnings-related pension accrual rate (from 1 January 2015) increases from 0.80% per year (for 300 days of insurance to 4 500 days of insurance) up to 1.5% per year (for wages from 11 701 days of insurance to 15 000 days of insurance).

As of 1 January 2013 the payments of the Christmas, Easter and Summer bonuses (the so-called 13th and 14th pension) have ceased to exist.

There is a maximum old-age pension for all insured persons from 1 January 1993 and onwards. The maximum gross pension was equal to EUR 2 773.40 in 2011.

From 1 January 2014 and onwards pensions are indexed by half the annual change of GDP growth and half the changes in Consumer's Price Index (CPI), with the annual change of CPI being the ceiling for adjustment.

#### Basic pension

From 1 January 2015 the basic pension will be granted by all Social Security Organisations provided that the beneficiaries are at least 67 years old and have permanent residency in Greece for at least a minimum of 15 years and can fulfill certain criteria based on their previous income.

## Variant careers

### Early retirement

Early retirement is possible. This usually entails a penalty (1/200 per month) with the exemption of certain cases including, very long careers (40 years – age 62) and employment at arduous and unhealthy occupations, where a full old-age pension is paid under favourable prerequisites.

Number of years	Eligibility age	Conditions
15	67	No reduction
15	62	With reduction (1/200)
40	62	No reduction

### Late retirement

Late retirement is possible and no compulsory retirement exists with the exception of employees in public sector. It is also possible to combine income from work and pension withdrawal provided that the pensioner is no younger than 55 years of age. In that case the part of pension income that exceeds EUR 1 007.00 is reduced by 70% but there is an increment of six wages for dependent children.

### Childcare

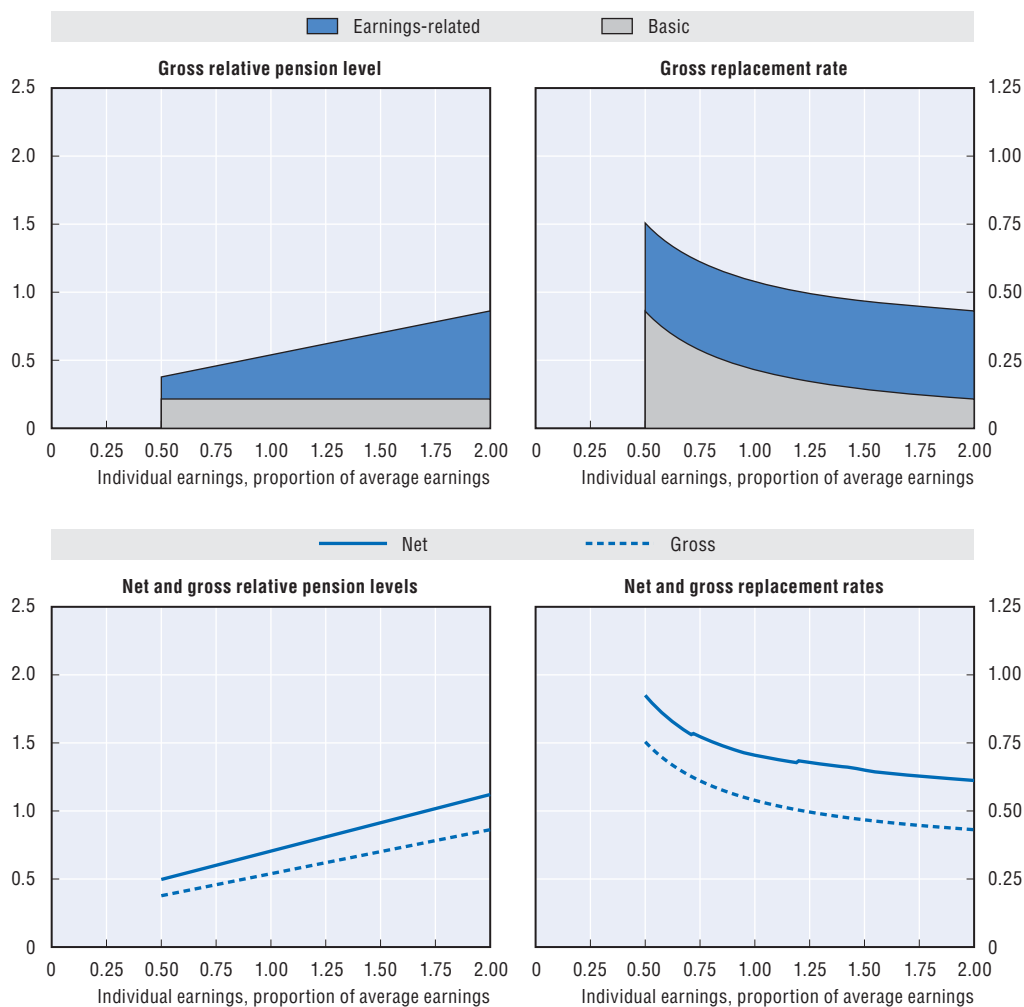
For mothers entitled to an old-age pension with the retirement conditions that applied until 31 December 2010, there is a credit towards the pension qualifying conditions of one year for the first child (300 days of insurance) and two years (600 days of insurance) for each subsequent child up to a maximum of three children, for children born after 1 January 2000.

For insured persons entitled to an old-age pension with the new retirement conditions that apply from 1 January 2011 and onwards, either parent may use fictitious insurance period due to the fact that they raised children (one year or 300 days for the first child, two years for the second and each subsequent child with a maximum of five years all together) in order to fulfil the required conditions for entitlement to a pension. From 2013, the maximum on any fictitious insurance period is six years.


### Unemployment

For insured persons entitled to an old-age pension based on the stricter requirements that came into force from 1 January 2011 and onwards any period of (voluntary or involuntary) unemployment can be used as fictitious insurance period, towards the fulfilment of the minimum prerequisites for retirement. Note that subsidised unemployment cannot exceed one year or 300 days during lifetime and that the maximum of six years of fictitious period from 2013 applies. All the fictitious periods taken into account in order to qualify for pension cannot exceed seven years, from 2014 onwards.

## Pension modelling results: Greece



Men Women (where different)	Median earner	Individual earnings, multiple of average				
		0.5	0.75	1	1.5	2
Gross relative pension level (% average gross earnings)	43.5	37.7	45.8	53.9	70.1	86.2
Net relative pension level (% net average earnings)	57.2	49.7	60.1	70.5	91.3	112.1
Gross replacement rate (% individual gross earnings)	64.0	75.4	61.1	53.9	46.7	43.1
Net replacement rate (% individual net earnings)	79.6	92.5	77.3	70.5	65.0	61.2
Gross pension wealth (multiple of individual gross earnings)	10.2	12.1	9.8	8.6	7.5	6.9
Net pension wealth (multiple of individual gross earnings)	10.0	11.9	9.6	8.4	7.3	6.7
	11.2	13.3	10.7	9.4	8.1	7.5

StatLink  <http://dx.doi.org/10.1787/888932908839>