

COLOMBIA

Overall Index Score 62.6

Overall Index Grade C+



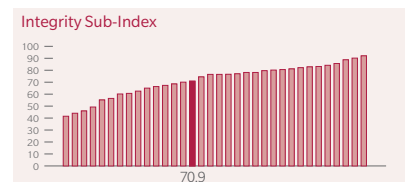
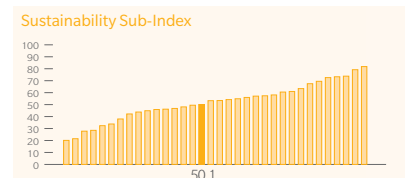
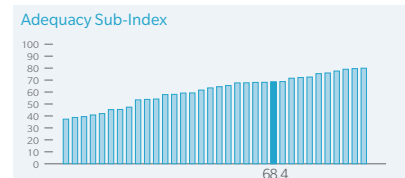
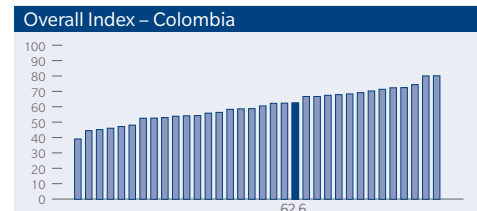
Colombia's retirement income system comprises a means-tested pension paid to the needy (BEPS & Colombia Mayor); and two parallel and mutually exclusive pension systems. The first of these two systems is a pay-as-you-go defined benefit plan and the second is a system of funded individual accounts offered through qualified financial institutions. An employee elects to join one system although there is the option to change later, within certain restrictions. The employer and employee contribution rates are the same for both systems.

The overall index for the Colombian system could be increased by:

- increasing the minimum level of support for the poorest aged individuals
- raising the level of household saving
- increasing coverage of employees in the pension schemes
- raising the state pension age over time

The Colombian index value improved from 61.7 in 2017 to 62.6 in 2018 primarily due to the inclusion of the level of household debt within the adequacy sub-index.

Comparison to other systems



OVERALL INDEX HISTORICAL PERFORMANCE

2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
na	na	na	na	na	na	na	na	61.7	62.6

(since country has been included in the MMGPI)

Download the full 2018 Melbourne Mercer Global Pension Index (MMGPI) Report at www.mercer.com.au/globalpensionindex



AUSTRALIAN
CENTRE FOR
FINANCIAL STUDIES

