

UBI SERBIA - OBSTACLES AND ADVANTAGES

Advantages

- Benefits consolidation (FSA, CA, LG benefits)
- Lack of administrative capacity for activation and conditional transfers
- Savings on activation related expenses, administration costs, capacities and resources spent on targeting
- Reduction in exclusion errors and non-take up
- Minimum protection for all irrespective of the employment status

Obstacles

- Bismarck-type welfare state
- Taxation system – analytic (cedular) taxation
- Widespread gray economy
- Already high welfare state expenditures (% GDP)
- Moral hazard, work disincentives
- EU social inclusion policy
- UBI is in early stage of experimentation in more developed countries