

Yemen

Exchange rate: U.S.\$1.00 equals 175.00 rials.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1980.

Current Law: 1991, with 2000 amendment.

Type of program: Social insurance system.

Coverage

Public-sector system: Permanent employees of government agencies and all public or mixed-sector entities.

Special system for military and police personnel.

Private-sector system: Private-sector employees (nationals and foreigners), including Yemeni workers abroad.

Exclusions: Casual workers, agricultural workers, domestics, seamen, and fishermen.

Source of Funds

Public-sector system

Insured person: 6% of earnings.

Employer: 6% of payroll.

Government: None, except for payroll contributions as an employer.

Earnings for contribution purposes include the basic salary plus all allowances paid to an employee.

Private-sector system

Insured person: 6% of earnings.

Employer: 9% of payroll for the old-age pension and 4% of payroll for the disability pension.

Government: None.

Earnings for contribution purposes include the basic salary plus all allowances paid to an employee.

Qualifying Conditions

Public-sector system

Old-age benefit: Age 60 with at least 15 years of contributions (men) or age 55 with at least 10 years of contributions (women).

Early retirement: Age 50 (men) with more than 25 years of contributions or age 46 (women) with 10 years of contributions; at any age (men and women) with 30 years of contributions.

Early retirement is possible regardless of age (men and women) with 25 years of contributions if the insured is dismissed.

Disability benefit: Permanent total or partial disability.

Survivor benefit: Death of the insured prior to retirement.

Private-sector system

Old-age benefit: Age 60 (men) or age 55 (women) with at least 15 years of contributions.

Early retirement: A pension is awarded if age 50 (men) with 25 years of contributions or age 46 (women) with 20 years of contributions; at any age with 30 years of contributions (men) or 25 years of contributions (women).

Reduced pension: For retirement from normal employment at age 45 with 20 years of contributions, the pension is reduced by 10%; by 5% if age 50 with 20 years of contributions.

Disability benefit: Permanent disability.

Survivor benefit: Death of the insured prior to retirement.

Old-Age Benefits

Public-sector system

Old-age benefit: The pension is equal to the final month's salary multiplied by the number of months of contributions, divided by 420.

The maximum pension is received with 35 years of contributions; 43% for 15 years.

The minimum pension is 7,000 rials a month.

Benefit adjustment: Benefits are adjusted by 50% of the value of any salary increases granted to active civil servants.

Private-sector system

Old-age benefit: The pension is equal to the final month's salary multiplied by the number of months of contributions, divided by 420.

The minimum pension is 50% of the final total salary.

Permanent Disability Benefits

Public-sector system

Work-related disability benefit: 100% of the last total salary plus a cash lump sum of 39,000 rials.

Permanent partial disability: A reduced pension and a lump sum calculated in relation to the assessed degree of disability according to the schedule of law.

Non-work-related disability benefit: The maximum benefit is dependent on the number of years of contributions. The minimum benefit is the minimum wage or 50% of the final total salary, whichever is greater.

End-of-service payment: A lump sum calculated on the basis of 9% of the last month's salary times the number of months of contributions.

Benefit adjustment: Benefits are adjusted by 50% of the value of any salary increases granted to active civil servants.

Private-sector system

Work-related disability benefit: For total disability, 100% of the last year's covered salary.

Non-work-related disability benefit: For total disability, 50% of the final total salary or the value of the old-age pension, whichever is greater.

Lump-sum payment: A lump sum equal to 12% of the average final salary times the number of years of contributions, if ineligible for the work or non-work-related disability benefit but with at least 1 year of contributions.

Survivor Benefits

Public- and private-sector systems: The benefit is based on the insured's entitlement to either the old-age pension or the disability pension. The pension is divided equally among named survivors.

Eligible survivors: Spouse(s), sons, daughters, parents, brothers, sisters, and dependent nephews and nieces.

Benefit adjustment: Public-sector system benefits are adjusted by 50% of the value of any salary increases granted to active civil servants.

Administrative Organization

Public-sector system: Supervised by a board of directors, the General Authority for Pensions and Social Security administers the program.

Private-sector system: Supervised by a tripartite board of directors, the General Corporation for Social Insurance administers the program.

Sickness and Maternity

Regulatory Framework

Health insurance program for public-sector employees.

Work Injury

Regulatory Framework

First and current law: 1991.

Type of program: Social insurance system.

Coverage

Permanent employees of government agencies and all public or mixed-sector entities.

Source of Funds

Insured person: None.

Employer: 4% of total payroll (private-sector entities).

Government: None, except 1% of payroll as employer (public and mixed-sector entities).

Note: For additional information for Work Injury, see permanent disability benefits under Old Age, Disability, and Survivors, above.