

Yemen

Exchange rate: US\$1.00 equals 179 rials.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1980.

Current law: 1991 (pensions), with 2000 amendment.

Type of program: Social insurance system.

Coverage

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

Earnings for contribution purposes include the basic salary plus all allowances paid to an employee but exclude bonuses and overtime wages.

Self-employed person: Not applicable.

Employer: 6% of payroll.

Government: None; contributes 6% of payroll as an employer.

Private-sector system

Insured person: 6% of earnings.

Earnings for contribution purposes include the basic salary plus all allowances paid to an employee but exclude bonuses and overtime wages.

Self-employed person: Not applicable.

Employer: 13% of payroll (9% for the old-age pension and 4% for the disability pension).

Government: None.

Qualifying Conditions

Public-sector system

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

Early pension: Aged 50 to 59 (men) with more than 25 years of contributions or aged 46 to 54 (women) with 20 years of

contributions; at any age with 30 years of contributions (men) or 25 years of contributions (women).

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

Disability pension: Payable for a permanent total or partial disability.

Survivor pension: Payable for the death of the insured before retirement.

Private-sector system

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

Early pension: Aged 50 to 59 (men) with 25 years of contributions or aged 46 to 54 (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%, at age 50 with 20 years of contributions.

Disability pension: Payable for a permanent disability.

Disability grant: Ineligible for either the nonwork-related or work-related disability pension and with at least a year of contributions.

Survivor pension: Payable for the death of the insured before retirement.

Old-Age Benefits

Public-sector system

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

The minimum pension is 7,000 rials a month.

The maximum pension (100%) is based on 35 years of contributions; 43% for 15 years.

Early pension: The pension is calculated in the same way as the old-age pension.

Private-sector system

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

The minimum pension is 50% of the final month's gross salary.

Early pension: The pension is calculated in the same way as the old-age pension.

Permanent Disability Benefits

Public-sector system

Work-related disability pension: 100% of the last month's gross salary, plus a cash lump sum of 39,000 rials.

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

Nonwork-related disability pension: For a total disability, 50% of the insured's last gross monthly salary or the value of the old-age pension, whichever is greater.

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

Private-sector system

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

Nonwork-related disability pension: For a total disability, 50% of the last year's average salary.

Disability grant: A lump sum equal to 12% of the average final salary times the number of years of contributions.

Survivor Benefits

Survivor pension

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

Eligible survivors are the spouse(s), sons, daughters, parents, brothers, sisters, and dependent nephews and nieces.

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

Administrative Organization

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

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

Sickness and Maternity

Regulatory Framework

A health insurance program for public-sector employees only.

Work Injury

Regulatory Framework

First and current law: 1991 (work injury).

Type of program: Social insurance system.

Coverage

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

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

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

Government: None; contributes 1% of payroll as employer (public-sector and quasi-public entities).

Qualifying Conditions

Work injury benefits: Permanent disability as a result of a work injury.

Temporary Disability Benefits

No benefits are provided.

Permanent Disability Benefits

Work-related disability benefits are provided under Old Age, Disability, and Survivors, above.

Workers' Medical Benefits

Medical benefits are provided only for public-sector employees under the health insurance program.

Survivor Benefits

Survivor pension: Survivor benefits are provided under Old Age, Disability, and Survivors, above.

Administrative Organization

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

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