

## Yemen

Exchange rate: US\$1.00 equals 196 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, domestic workers, seamen, and fishermen.

#### Source of Funds

##### Public-sector system

**Insured person:** 6% of earnings.

The earnings used 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.

The earnings used 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:** 9% of payroll for the old-age pension. (An additional contribution of 4% of payroll for the disability pension has yet to be implemented.)

**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:** Paid for a permanent total or partial disability.

**Survivor pension:** Paid for the death of an insured person 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 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).

Reduced pension: Paid for retirement from normal employment at age 45 or age 50 with 20 years of contributions.

**Disability pension:** Paid for a permanent disability.

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

**Survivor pension:** Paid for the death of an insured person before retirement.

### Old-Age Benefits

#### Public-sector system

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

The minimum monthly pension is 20,000 rials.

The maximum pension (100% of the insured's last gross monthly salary) is based on 35 years of contributions; 43% with 15 years.

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

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

### Private-sector system

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

The minimum pension is equal to 50% of the insured's last gross monthly salary.

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

*Reduced pension:* If the insured retires from normal employment at age 45 with 20 years of contributions, the pension is reduced by 10%; at age 50 with 20 years of contributions, by 5%.

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

### Permanent Disability Benefits

#### Public-sector system

*Work-related disability pension:* The pension is equal to 100% of the insured's last gross monthly salary, plus a cash lump sum of 39,000 rials.

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

*Nonwork-related disability pension:* For a total disability, the pension is equal to 50% of the insured's last gross monthly salary or the value of the old-age pension (but no less than the minimum pension), whichever is greater.

*End-of-service payment:* A lump sum is paid equal to 9% of the insured's last gross monthly salary times the number of months of contributions.

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

#### Private-sector system

*Work-related disability pension:* For a total disability, the pension is equal to 100% of the covered monthly salary in the last year.

*Nonwork-related disability pension:* For a total disability, the pension is equal to 50% of the average monthly salary in the last year.

*Disability grant:* A lump sum is paid equal to 12% of the average monthly salary in the last year times the number of years of contributions.

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

### Survivor Benefits

#### Survivor pension (public- and private-sector systems):

The pension is based on the deceased's entitlement to either the old-age or disability pension. The pension is split 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

**Cash benefits:** Permanent employees of government agencies and all public-sector or quasi-public entities; private-sector employees.

**Medical benefits:** Public-sector employees.

#### 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 an 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.