

## Yemen

Exchange rate: US\$1.00 = 225 rials.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1980.

**Current law:** 1991 (pensions).

**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, self-employed persons, agricultural workers, household workers, seamen, and fishermen.

#### Source of Funds

##### Public-sector system

*Insured person:* 6% of earnings.

The earnings used to calculate contributions include the basic salary plus all allowances paid to an employee, excluding 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 to calculate contributions include the basic salary plus all allowances paid to an employee, excluding bonuses and overtime wages.

*Self-employed person:* Not applicable.

*Employer:* 9% of payroll for the old-age 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); age 50 to 59 (men) with at least 26 years of

contributions; age 46 to 54 (women) with at least 20 years of contributions; at any age with at least 30 years of contributions (men) or 25 years of contributions (women).

Early retirement is possible regardless of age (men and women) with at least 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 age.

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

##### 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 at least 20 years of contributions; at any age with at least 30 years of contributions (men) or 25 years of contributions (women).

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

*Disability pension:* Paid for a permanent disability.

*Disability grant:* Paid to those ineligible for the nonwork-related or work-related disability pension with at least one year of contributions.

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

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

#### Old-Age Benefits

##### Public-sector system

*Old-age pension:* The pension is 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 monthly pension is 100% of the insured's last gross monthly salary with at least 35 years of contributions; 43% with at least 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 increase in the active civil servant salary.

**Private-sector system**

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

The minimum pension is 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, the pension is reduced by 10%; at age 50, by 5%.

Benefit adjustment: Benefits are adjusted by 50% of the value of any increase in the active civil servant salary.

**Permanent Disability Benefits****Public-sector system**

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

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

*Nonwork-related disability pension:* For a total disability, the pension is 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 of 9% of the insured's last gross monthly salary multiplied by the number of months of contributions.

Benefit adjustment: Benefits are adjusted by 50% of the value of any increase in the active civil servant salary.

**Private-sector system**

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

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

*Disability grant:* A lump sum is paid of 12% of the average monthly salary in the last year multiplied by the number of years of contribution.

Benefit adjustment: Benefits are adjusted by 50% of the value of any increase in the active civil servant salary.

**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.

Benefit adjustment: Benefits are adjusted by 50% of the value of any increase in the active civil servant salary.

**Administrative Organization**

**Public-sector system:** Supervised by a board of directors, the General Authority for Social Security 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 exists 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.

Exclusions: Self-employed persons.

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

Exclusions: Self-employed persons.

**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 (government, public-sector and quasi-public entities).

**Qualifying Conditions**

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

**Temporary Disability Benefits**

**Temporary disability benefits:** No benefits are provided.

### ***Permanent Disability Benefits***

**Permanent disability benefits:** Work-related disability benefits are provided under Old Age, Disability, and Survivors.

### ***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.

### ***Administrative Organization***

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

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