

## Turkmenistan

Exchange rate: US\$1.00 = 2.84 new manat.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1956.

**Current law:** 2007 (social security).

**Type of program:** Social insurance and social assistance system.

Note: A mandatory notional defined contribution scheme is scheduled to be introduced in 2013.

#### Coverage

**Social insurance:** All employed and self-employed persons.

**Social assistance:** Persons not eligible for benefits under social insurance.

#### Source of Funds

**Insured person:** None.

**Self-employed person:** None.

**Employer:** 20% of payroll. For certain employers, the contribution varies according to sector.

The employer's contributions also finance sickness, maternity, and work injury benefits.

**Government:** Subsidies as needed; the total cost of social allowances.

The government also subsidizes cash benefits for sickness, maternity, and work injury.

#### Qualifying Conditions

**Old-age pension (social insurance):** Age 62 with 25 years of contributions (men) or age 57 with 20 years of contributions (women); the age and number of years of contributions required for a full pension are reduced for mothers with three or more children and for persons with disabilities since childhood. A minimum pension is paid at the normal retirement age with at least five years of contributions.

Age 52 (men) or age 48 (women) for military personnel; age 50 (men) or age 48 (women) for pilots and flight crew.

**Old-age pension (social assistance):** Age 62 (men) or age 57 (women) and not eligible for the old-age pension (social insurance).

**Disability pension (social insurance):** Must be assessed with a Group I (total disability, incapacity for any work, and requires constant care), Group II (disability, reduced working capacity, and occasionally requires care), or Group III (disability and reduced working capacity) disability.

Eligible persons include persons disabled while in military service, children younger than age 16 with disabilities, and persons with disabilities since childhood.

Constant-attendance allowance: Paid to persons with Group I and II visual impairities.

Dependent's supplement: Paid to persons with Group I and II disabilities for nonworking dependents.

A territorial or state medical commission under the Ministry of Health and Medical Industry assesses the degree of disability.

**Disability pension (social assistance):** Must be younger than age 16 with a Group I or II disability.

**Survivor pension (social insurance and social assistance):** Paid to surviving dependent family members regardless of whether the deceased was insured.

#### Old-Age Benefits

**Old-age pension (social insurance):** The monthly pension is calculated based on gross monthly national average earnings in the last quarter before retirement, the number of years of paid contributions, a personal pension coefficient, and the number of years of total employment.

The personal pension coefficient is the ratio of the insured's gross average earnings during the best five consecutive years to gross national average earnings over the same period.

Gross monthly national average earnings are 645 manat (January 2012).

The minimum pension is 150 manat a month (January 2012) with 25 years (men) or 20 years (women) of contributions; 70% of this amount with at least five years but less than 25 years (men) or 20 years (women) of contributions.

The maximum pension is 70.1% of gross monthly national average earnings.

Gross monthly national average earnings are 645 manat (January 2012).

Benefit adjustment: Benefits are adjusted periodically according to changes in the national average wage.

**Old-age pension (social assistance):** A monthly pension of 70% of a basic amount established by law is paid.

The basic amount is 150 manat (January 2012).

#### Permanent Disability Benefits

**Disability pension (social insurance):** 180% of the personal coefficient multiplied by gross monthly national

average earnings is paid for a Group I disability; 160% for a Group II disability; 110% for a Group III disability.

The personal pension coefficient is the ratio of the insured's gross average earnings during the best five consecutive years to gross national average earnings over the same period.

Gross monthly national average earnings are 645 manat (January 2012).

The minimum pensions are 160% (Group I), 140% (Group II), or 120% (Group III) of a basic amount established by law.

The maximum pensions are 330% (Groups I and II) or 160% (Group and III) of a basic amount established by law.

The basic amount is 150 manat (January 2012).

Persons eligible for more than one benefit (sickness, maternity, child care allowance, survivor, or social pension) must choose only one benefit.

Constant-attendance allowance (Groups I and II): 20% of a basic amount is paid a month.

Dependent's supplement (Groups I and II): 20% of a basic amount is paid a month for each eligible dependent.

Benefit adjustment: Benefits are adjusted periodically according to changes in the national average wage.

**Disability pension (social assistance):** At least 160% of a basic amount is paid a month to disabled children (Groups I and II) younger than age 16.

The basic amount is 150 manat (January 2012).

### Survivor Benefits

**Survivor pension (social insurance and social assistance):** 70% of the minimum old-age pension is paid for one eligible survivor; 130% for two eligible survivors; 150% for three; and 180% for four or more.

Orphan's pension: 150% of the minimum old-age pension is paid for one full orphan; 240% for two; and 300% for three or more.

Benefit adjustment: Benefits are adjusted periodically according to changes in the national average wage.

### Administrative Organization

Ministry of Labor and Social Protection of the Population of Turkmenistan provides general coordination and supervision.

Pension Fund of Turkmenistan and its regional and local divisions administer the program.

### Sickness and Maternity

#### Regulatory Framework

**First and current laws:** 1994 and 2007 (social security).

**Type of program:** Social insurance (cash benefits) and universal (medical care) system.

#### Coverage

**Cash benefits:** Employed citizens.

**Medical benefits:** All persons residing in Turkmenistan.

#### Source of Funds

##### Insured person

**Cash benefits:** See source of funds under Old Age, Disability, and Survivors.

**Medical benefits:** Voluntary supplementary contributions for medical benefits.

##### Self-employed person

**Cash benefits:** See source of funds under Old Age, Disability, and Survivors.

**Medical benefits:** Voluntary supplementary contributions for medical benefits.

##### Employer

**Cash benefits:** See source of funds under Old Age, Disability, and Survivors.

**Medical benefits:** None.

##### Government

**Cash benefits:** The total cost for nonworking citizens.

**Medical benefits:** The total cost.

#### Qualifying Conditions

**Cash and medical benefits:** There is no minimum qualifying period.

#### Sickness and Maternity Benefits

**Sickness benefit:** 60% of earnings is paid with less than five years of uninterrupted work; 80% with five to eight years; 100% with more than eight years (or with three or more children younger than age 16; age 18 if a student).

Insured persons may receive five days of paid leave to care for a sick family member; seven days in certain cases or 14 days if caring for a child younger than age 14 (or for the duration of the illness if the child is hospitalized).

Fourteen days of unpaid leave is provided to women caring for children younger than age 3, a woman or a single parent raising two or more children younger than age 14, or a man whose wife is on maternity leave. Workers with disabilities are entitled to 30 days of unpaid leave.

**Maternity benefit:** 100% of earnings is paid for 56 days before and 56 days after the expected date of childbirth (72 days after for a difficult childbirth; 96 days after for multiple births).

**Birth grant:** A lump sum of 130% of a basic amount established by law is paid for the first two children; 250% for the third child; and 500% for the fourth and subsequent children.

The basic amount is 150 manat (January 2012).

**Child care allowance:** 65% of a basic amount established by law is paid a month for children up to age 3.

The basic amount is 150 manat (January 2012).

Benefit adjustment: Benefits are adjusted periodically according to changes in legislation.

### **Workers' Medical Benefits**

**Medical benefits:** Public health suppliers provide medical services directly to patients. Benefits include general and specialized care, hospitalization, laboratory services, dental care, maternity care, vaccination, and transportation. Medicine is free if hospitalized.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

### **Administrative Organization**

**Cash benefits:** Ministry of Labor and Social Protection of the Population of Turkmenistan and regional and local divisions of the Pension Fund administer the program.

**Medical benefits:** Ministry of Health and Medical Industry and regional health departments are responsible for implementing state health care policy, developing health care programs, and providing medical services through clinics, hospitals, maternity homes, and other medical facilities, including private health suppliers.

### **Work Injury**

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#### **Regulatory Framework**

**First law:** 1995.

**Current laws:** 2007 (social security) and 2009 (labor code).

**Type of program:** Social insurance (cash benefits) and universal (medical benefits) system.

Local governments and employers can provide supplementary pension benefits out of their own budgets.

#### **Coverage**

All employed persons.

Exclusions: Self-employed persons (for cash benefits).

### **Source of Funds**

#### **Insured person**

**Cash benefits:** See source of funds under Old Age, Disability, and Survivors.

**Medical benefits:** None.

#### **Self-employed person**

**Cash benefits:** Not applicable.

**Medical benefits:** None.

#### **Employer**

**Cash benefits:** See source of funds under Old Age, Disability, and Survivors.

**Medical benefits:** None.

#### **Government**

**Cash benefits:** See source of funds under Old Age, Disability, and Survivors.

**Medical benefits:** The total cost.

### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period.

### **Temporary Disability Benefits**

100% of earnings is paid from the first day of disability until recovery or the award of a permanent disability pension.

Work injuries must be assessed by the relevant authority.

### **Permanent Disability Benefits**

**Permanent disability pension:** 180% of the personal coefficient multiplied by gross monthly national average earnings is paid for a Group I disability; 160% for a Group II disability; 110% for a Group III disability.

The personal pension coefficient is the ratio of the insured's gross average earnings during the best five consecutive years to gross national average earnings over the same period.

Gross monthly national average earnings are 645 manat (January 2012).

The minimum pensions are 160% (Group I), 140% (Group II), or 120% (Group III) of a basic amount established by law.

The maximum pensions are 330% (Groups I and II) or 160% (Group and III) of a basic amount established by law.

The basic amount is 150 manat (January 2012).

Persons eligible for more than one benefit (sickness, maternity, child care allowance, survivor, or social pension) must choose only one benefit.

Constant-attendance allowance (Groups I and II): 20% of a basic amount is paid a month.

Dependent's supplement (Groups I and II): 20% of a basic amount is paid a month for each eligible dependent.

Benefit adjustment: Benefits are adjusted periodically according to changes in the national average wage.

### **Workers' Medical Benefits**

Public health suppliers provide medical services directly to patients. Benefits include general and specialized care, hospitalization, laboratory services, transportation, and appliances and medicine.

### **Survivor Benefits**

**Survivor pension:** 70% of the minimum pension is paid for one eligible survivor; 130% for two eligible survivors; 150% for three; and 180% for four or more.

Orphan's pension: 150% of the minimum pension is paid for one full orphan; 240% for two; and 300% for three or more.

The minimum pension is 150 manat a month (January 2012).

The maximum pension is 70.1% of gross monthly national average earnings.

Gross monthly national average earnings are 645 manat (January 2012).

**Benefit adjustment:** Benefits are adjusted periodically according to changes in the national average wage.

### **Administrative Organization**

**Temporary disability benefits:** The Social Insurance Fund provides funding to enterprises and employers to pay benefits to their own employees.

**Pensions:** Ministry of Labor and Social Protection of the Population of Turkmenistan provides general coordination and supervision.

Regional and local departments of social security administer pensions.

**Medical benefits:** Ministry of Health and Medical Industry and regional health departments are responsible for implementing state health care policy, developing health care programs, and providing medical services through clinics, hospitals, maternity homes, and other medical facilities, including private health suppliers.

## **Unemployment**

### **Regulatory Framework**

**First and current law:** 1991 (employment).

**Type of program:** Social insurance system.

### **Coverage**

All persons residing permanently in Turkmenistan.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** 2% of payroll.

**Government:** Subsidies as needed from central and local governments.

### **Qualifying Conditions**

**Unemployment benefits:** Registered at an employment office, able and willing to work, and receiving no income from employment. The benefit may be reduced, suspended, or terminated if the insured is discharged for violating work discipline, leaving employment without good cause, violating the conditions for job placement or vocational training, or filing fraudulent claims.

### **Unemployment Benefits**

The benefit is three times the worker's gross average earnings.

Benefit adjustment: Benefits are adjusted periodically according to changes in the national average wage.

### **Administrative Organization**

State Employment Service and local employment offices regulate and administer the program.

Employers pay cash benefits.

## **Family Allowances**

### **Regulatory Framework**

A child care allowance is provided under Sickness and Maternity.