

Yemen

Exchange rate: US\$1.00 = 250.50 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: Public-sector employees, including permanent employees of 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

Insured person

Public-sector system: 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.

Private-sector system: 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

Public-sector system: 6% of payroll.

Private-sector system: 9% of payroll (old-age only).

Government

Public-sector system: None. Contributes 6% of payroll as an employer.

Private-sector system: 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 (men) with at least 25 years of contributions; age 46 (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 pension: At any age 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 when an insured person dies before retirement age.

Eligible survivors include the deceased's spouse(s); sons up to age 18 if unemployed or age 26 if a full-time student; unemployed, unmarried daughters; and dependent parents, grandparents, brothers, sisters, nephews, and nieces.

Funeral grant: Paid when an insured person dies.

Private-sector system

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

Early pension: Age 50 (men) with more than 25 years of contributions or age 46 (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: Age 50 (men) or age 45 (women) with at least 20 years of contributions.

Disability pension (work related and non-work related): Paid for a permanent disability.

Disability grant: The insured does not qualify for the nonwork-related or work-related disability pension but has at least one year of contributions.

Survivor pension: Paid when an insured person dies before retirement age.

Eligible survivors include the deceased's spouse(s); sons up to age 18 if unemployed or age 26 if a full-time student; unemployed, unmarried daughters; and dependent parents, grandparents, brothers, sisters, 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 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 regular 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 civil servant salary.

Permanent Disability Benefits

Public-sector system

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

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.

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

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

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: 100% of the insured's highest covered monthly salary in the last year is paid for a total disability.

Nonwork-related disability pension: 50% of the insured's average monthly salary in the last year is paid for a total disability.

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

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 9% of the deceased's average gross monthly salary over the total period of service, 50% of the

deceased's last gross monthly salary before death, or the minimum monthly pension, whichever is greater. The pension is split equally among named survivors.

The minimum monthly pension is 20,000 rials.

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

Funeral grant (public-sector system): A lump sum of two months of the deceased's average monthly wage before death is paid to the person who paid for the funeral.

Administrative Organization

General Authority for Social Security and Pensions (<http://gasspyemen.org/>), supervised by a board of directors, administers the public-sector system.

General Corporation for Social Security (<http://gasspyemen.org/>), supervised by a tripartite board of directors, administers the private-sector system.

Sickness and Maternity

Regulatory Framework

First and current law: 1995 (labor code).

Type of program: Employer-liability (cash maternity benefits) and universal (medical benefits) system.

Note: A health insurance system covers public-sector employees. A new health insurance system for public- and private-sector employees was approved by the parliament in 2012 but has not yet been implemented. Limited health care services are provided free of charge to all residents.

Coverage

Cash sickness benefits: No statutory benefits are provided.

Cash maternity benefits (employer liability): Employed persons.

Exclusions: Self-employed persons.

Medical benefits: Residents of Yemen.

Source of Funds

Insured person

Cash maternity benefits: None.

Medical benefits: None.

Self-employed person

Cash maternity benefits: Not applicable.

Medical benefits: None.

Employer

Cash maternity benefits: The total cost.

Medical benefits: None.

Government

Cash maternity benefits: None; pays the total cost for public-sector employees.

Medical benefits: The total cost.

Qualifying Conditions

Cash sickness benefits: No statutory benefits are provided.

Cash maternity benefits (employer liability): Must be currently employed.

Medical benefits: There is no minimum qualifying period.

Sickness and Maternity Benefits

Cash sickness benefits: No statutory benefits are provided.

Cash maternity benefits: 100% of the insured's normal earnings is paid for 70 days; may be extended to 90 days if there are complications or for multiple births.

Workers' Medical Benefits

Medical benefits: Government hospitals and health centers provide limited free health services.

Dependents' Medical Benefits

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

Administrative Organization

Cash maternity benefits: Ministry of Social Affairs and Labor provides general supervision.

Medical benefits: Ministry of Public Health and Population (<http://www.mophp-ye.org/>) provides general supervision.

Work Injury**Regulatory Framework**

First and current law: 1991 (work injury).

Type of program: Social insurance system.

Coverage

Cash benefits: Public-sector employees, including permanent employees of quasi-public entities.

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: 1% of total payroll (private sector).

Government: None; contributes 1% of payroll as an employer.

Qualifying Conditions

Paid for a permanent disability due to 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.

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

General Authority for Social Security and Pensions (<http://gasspyemen.org/>), supervised by a board of directors, administers the public-sector system.

General Corporation for Social Security, supervised by a tripartite board of directors, administers the private-sector system.