

Turkmenistan

Exchange rate: US\$1.00 equals
5,200 manat (TM).

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1956.

Current laws: 1998 (pensions) and 1998 (state allowances).

Type of program: Social insurance and social assistance system.

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

Coverage

Social insurance: All employed and self-employed persons.

Social pension: Persons not eligible for benefits under the 1998 pension law.

Source of Funds

Insured person: 1% of all earnings (plus a voluntary contribution of at least 4% of earnings made to a special personal bank account to supplement income in old age).

The insured's contributions also finance sickness and maternity benefits, work injury benefits, and family allowances.

Self-employed person: 1% of all earnings (plus a voluntary contribution of at least 4% of earnings to a special personal bank account to supplement income in old age).

Employer: 30% of payroll for urban employers; 20% of payroll for agricultural employers. 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 and the total cost of social allowances.

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

Qualifying Conditions

Old-age pension: Age 62 with 25 years of covered employment (men) or age 57 with 20 years of covered employment (women); the qualifying conditions are reduced for mothers with three or more children or disabled children.

Age 58 (men) or age 55 (women) for military personnel; age 50 (men) or age 48 (women) for pilots and flight crew; or age 52 (men) or age 47 (women) for military personnel under contract.

Social pension (old-age): Age 67 or older (men) or age 62 or older (women) and not eligible for the old-age pension.

Disability pension: The pension is paid according to three groups of assessed disability: totally disabled, incapable of any work, and requiring care provided by another person at all times (Group I); disabled persons with reduced working capacity and requiring care provided by another person sometimes (Group II); disabled persons with reduced working capacity (Group III).

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

A territorial or state medical commission under the Ministry of Social Security assesses the degree of disability.

Social pension (disability): Paid to disabled persons not eligible for the disability pension.

Survivor pension: The pension is paid to surviving dependent family members regardless of whether the deceased was insured.

Old-Age Benefits

Old-age pension: The monthly pension is calculated on the basis of a state-set percentage amount (2.5%) for each year of covered employment, multiplied by monthly national average earnings in the last quarter before retirement, multiplied by a personal pension coefficient, multiplied by the number of years of covered employment.

The personal pension coefficient is the ratio of assessed earnings to gross national average earnings. Assessed earnings are equal to the insured's gross average earnings based on the best 5 consecutive years in all the years of covered employment. Gross national average earnings are calculated on the basis of the years of covered employment used to calculate assessed earnings.

The minimum pension is equal to 40% of the national minimum wage.

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

Social pension (old-age): 100% of the minimum old-age pension is paid a month.

Permanent Disability Benefits

Disability pension: For a Group I disability (totally disabled, incapable of any work, and requiring care provided by another person at all times), the monthly pension is equal to 60% of the personal coefficient multiplied by gross national average earnings; for a Group II disability (disabled with reduced working capacity and requiring care provided by another person sometimes), 50% of the personal coefficient multiplied by gross national average earnings; for a Group III disability (disabled with reduced working capacity

ity), 40% of the personal coefficient multiplied by gross national average earnings.

The personal coefficient is the ratio of assessed earnings to gross national average earnings. Assessed earnings are equal to the insured's gross average earnings based on the best 5 consecutive years in all the years of covered employment. Gross national average earnings are calculated on the basis of the years of covered employment used to calculate assessed earnings.

The minimum pension is equal to 40% of the national minimum wage.

The maximum pension is equal to 75% of the national minimum wage.

Eligibility for one benefit (sickness benefit, maternity benefit, child care allowance, survivor pension, or social pension) does not prevent eligibility for another benefit, but eligible persons must opt to receive one benefit only.

Constant-attendance allowance: 30% of the minimum old-age pension is paid a month (Groups I and II); 50% for a disabled war veteran or blind person (Group I) or a single disabled person (Group II).

Dependent's supplement (Groups I and II): 50% of the minimum old-age pension is paid a month for each nonworking dependent.

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

Social pension (disability): 150% of the minimum old-age pension is paid a month if the disability began after childhood (Groups I and II) or for disabled children younger than age 16; 120% of the minimum benefit a month if the disabled person (Groups I and II) does not satisfy the conditions for covered employment; 100% of the minimum benefit a month for a person with a Group III disability.

Survivor Benefits

Survivor pension: 100% of the minimum pension is paid for one eligible survivor; if more than one eligible survivor, each receives 30% of the deceased's personal coefficient (40% for military personnel) multiplied by gross national average earnings.

The minimum pension is equal to 40% of the national minimum wage.

The personal coefficient is the ratio of assessed earnings to gross national average earnings. Assessed earnings are equal to the deceased's gross average earnings based on the best 5 consecutive years in all the years of covered employment. Gross national average earnings are calculated on the basis of the years of covered employment used to calculate assessed earnings.

The maximum pension is equal to 100% of the national minimum wage.

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

Administrative Organization

Ministry of Social Security provides general coordination and supervision.

Regional and local departments of social security administer the program.

Sickness and Maternity

Regulatory Framework

First law: 1955.

Current laws: 1994 and 1998 (state allowances).

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

Coverage

Cash benefits: Employed and nonworking 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, above.

Medical benefits: Voluntary supplementary contributions for medical benefits.

Self-employed person

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

Medical benefits: Voluntary supplementary contributions for medical benefits.

Employer

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

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: With less than 5 years of uninterrupted work, the benefit is equal to 60% of earnings; with between

5 and 8 years, 80%; or if more than 8 years (or if with three or more children younger than age 16; age 18 if a student), 100%.

Insured persons may receive 5 days of paid leave to care for a sick family member; 7 days in exceptional cases or 14 days if caring for child younger than age 14 (or for the duration if the sick child is hospitalized).

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

Maternity benefit: The benefit is equal to 100% of earnings and 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).

Child care allowance: 100% of the minimum old-age pension (40% of the national average wage) for nonurban areas or 125% of the minimum old-age pension for urban areas is paid for a child younger than age 3 whose parents are disabled. A relevant birth certificate must be provided. The allowance is paid monthly, beginning the month following the last day of receiving maternity benefits.

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

Workers' Medical Benefits

Medical services are provided directly to patients by public health providers. Benefits include general and specialized care, hospitalization, laboratory services, dental care, maternity care, vaccination, and transportation. Medicines are free if provided with hospitalization.

Dependents' Medical Benefits

Medical services are provided directly to patients by public health providers. Benefits include general and specialized care, hospitalization, laboratory services, dental care, maternity care, vaccination, and transportation. Medicines are free if provided with hospitalization.

Administrative Organization

Cash benefits: Ministry of Social Security and regional social security departments administer the program. Regional and local departments of social security administer maternity benefits for the unemployed and other nonworking citizens.

Enterprises and employers pay benefits to their own employees using funds from the Social Insurance Fund.

Medical benefits: Ministry of Health and Medical Industry and regional health departments are responsible for implementing state health care policy and developing health care programs. Ministry of Health and Medical Industry and

regional health departments are responsible for providing medical services through clinics, hospitals, maternity homes, and other medical facilities, including private health providers.

Work Injury

Regulatory Framework

First law: 1955.

Current law: 1998 (state allowances).

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

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

Coverage

All employed persons.

Source of Funds

Insured person

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

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, above.

Medical benefits: None.

Government

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

Medical benefits: The total cost.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

The benefit is equal to 100% of earnings and is paid from the first day of disability until recovery or the award of a permanent disability pension. On the award of a permanent disability pension, the employer pays compensation to the insured.

Work injuries must be assessed by the competent authority.

Permanent Disability Benefits

Permanent disability pension: For a Group I disability (totally disabled, incapable of any work, and requiring care provided by another person at all times), the monthly pension is equal to 60% of the personal coefficient multiplied by gross national average earnings; for a Group II disability (disabled with reduced working capacity and requiring care provided by another person sometimes), 50% of the personal coefficient multiplied by gross national average earnings; for a Group III disability (disabled with reduced working capacity), 40% of the personal coefficient multiplied by gross national average earnings.

The personal coefficient is the ratio of assessed earnings to gross national average earnings. Assessed earnings are equal to the insured's gross average earnings based on the best 5 consecutive years in all the years of covered employment. Gross national average earnings are calculated on the basis of the years of covered employment used to calculate assessed earnings.

The minimum pension is equal to 40% of the national minimum wage.

The maximum pension is equal to 75% of the national minimum wage.

Eligibility for one benefit (sickness benefit, maternity benefit, child care allowance, survivor pension, or social pension) does not prevent eligibility for another benefit, but eligible persons must opt to receive one benefit only.

Constant-attendance allowance: 30% of the minimum benefit is paid a month (Groups I and II); 50% for a disabled war veteran or blind person (Group I) or a single disabled person (Group II).

Dependent's supplement (Groups I and II): 50% of the minimum benefit is paid a month for each nonworking dependent.

Work injuries must be assessed by the competent authority.

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

Workers' Medical Benefits

Medical services are provided directly to patients by government health providers. Benefits include general and specialist care, hospitalization, laboratory services, transportation, and the full cost of appliances and medicines.

Survivor Benefits

Survivor pension: 100% of the minimum pension is paid for one eligible survivor; if more than one eligible survivor, each receives 30% of the deceased's personal coefficient (40% for military personnel) multiplied by gross national average earnings.

The personal coefficient is the ratio of assessed earnings to gross national average earnings. Assessed earnings are

equal to the deceased's gross average earnings based on the best 5 consecutive years in all the years of covered employment. Gross national average earnings are calculated on the basis of the years of covered employment used to calculate assessed earnings.

The minimum pension is equal to 40% of the national minimum wage.

The maximum pension is equal to 100% of the national minimum wage.

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

Administrative Organization

Temporary disability benefits: Enterprises and employers pay benefits to their own employees using funds from the Social Insurance Fund.

Pensions: Ministry of Social Security provides general coordination and supervision.

Regional and local departments of social security administer pensions.

Medical benefits: Ministry of Health and Medical Industry and health departments of local governments provide general supervision and policy coordination. Ministry of Health and health departments of local governments administer the provision of medical services through clinics, hospitals, and other facilities.

Unemployment

Regulatory Framework

First and current law: 1991 (employment).

Type of program: Social insurance system.

Coverage

All persons of working age 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 total benefit is equal to three times the worker's gross monthly 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.