

## Yemen

Exchange rate: US\$1.00 = 455 rials.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First laws:** 1980 (public sector) and 1987 (private sector).

**Current laws:** 1991 (public-sector pensions) and 1991 (private-sector pensions).

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

#### Coverage

**Public-sector program:** Public-sector employees, including permanent employees of quasi-public entities. Special system for military and police personnel.

**Private-sector program:** Citizens of Yemen and foreign nationals employed in the private sector, and citizens of Yemen working abroad.

**Exclusions:** Self-employed persons, casual workers, agricultural workers, household workers, seamen, and fishermen.

#### Source of Funds

##### Insured person

**Public-sector program:** 6% of monthly earnings.

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

**Private-sector program:** 6% of monthly earnings.

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

**Self-employed person:** Not applicable.

##### Employer

**Public-sector program:** 6% of monthly payroll.

**Private-sector program:** 9% of monthly payroll (old-age only).

##### Government

**Public-sector program:** Finances any deficit; contributes as an employer.

**Private-sector program:** None.

#### Qualifying Conditions

**Old-age pension (public-sector program):** 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 at least 25 years of contributions (women).

**Early pension:** At any age with at least 25 years of contributions if the insured becomes involuntarily unemployed.

**Pension supplement (end-of-service grant):** Paid to supplement an old-age pension claimed at the normal retirement age.

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

**Early pension:** Age 50 with more than 25 years of contributions.

**Disability pension (public-sector program):** Must be assessed with a total nonwork-related disability.

**Pension supplement (end-of-service grant):** Paid to supplement the disability pension if the insured has at least one year of contributions.

**Disability pension (private-sector program):** Must be assessed with a total nonwork-related disability and have at least 60 months of contributions.

**Disability settlement (private-sector program):** Must be assessed with a total disability, not qualify for a disability pension, and have at least one year of contributions.

**Survivor pension (public- and private-sector programs):** Paid when an insured person dies before reaching the normal retirement age.

Eligible survivors include the widow(er); sons up to age 18 if unemployed (age 26 if a full-time student); unemployed, unmarried daughters; and dependent parents, grandparents, brothers, and sisters.

**Pension supplement (end-of-service grant, public-sector program):** Paid to supplement the survivor pension if the deceased had at least one year of contributions.

**Funeral grant (public-sector program):** Paid when an insured person dies.

#### Old-Age Benefits

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

The minimum monthly old-age pension is 21,000 rials.

The maximum monthly old-age 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.

Pension supplement (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 civil servant salary.

**Old-age pension (private-sector program):** The pension is the insured's average gross monthly salary in the last 12 months multiplied by the number of months of contributions, divided by 420.

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

Early pension: The pension is reduced by 3% for each year it is claimed before the normal retirement age.

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

### **Permanent Disability Benefits**

**Disability pension (public-sector program):** The pension is 50% of the insured's last gross monthly salary or the value of the old-age pension the insured is entitled to receive, whichever is greater.

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

Pension supplement (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.

**Disability pension (private-sector program):** 50% of the insured's average monthly salary in the last year is paid.

**Disability settlement (private-sector program):** 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 programs):** The pension is 50% of the deceased's last gross monthly salary before death or the minimum monthly survivor pension, whichever is greater. The pension is split equally among named survivors.

The minimum monthly survivor pension is 21,000 rials.

Pension supplement (end-of-service payment, public-sector program): A lump sum of 9% of the deceased'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.

**Funeral grant (public-sector program):** 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 program.

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

### **Sickness and Maternity**

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#### **Regulatory Framework**

**First law:** 1978 (labor code).

**Current law:** 1995 (labor code).

**Type of program:** Universal (medical benefits) and employer-liability (cash 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**

**Universal (medical benefits):** Residents of Yemen.

**Employer liability (cash benefits):** Private-sector employees.

Exclusions: Self-employed persons, casual workers, household workers, certain agricultural workers, family labor, and certain foreign workers.

Special systems for certain public-sector employees.

#### **Source of Funds**

##### **Insured person**

*Universal (medical benefits):* None.

*Employer liability (cash benefits):* None.

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

*Universal (medical benefits):* None.

*Employer liability (cash benefits):* Not applicable.

##### **Employer**

*Universal (medical benefits):* None.

*Employer liability (cash benefits):* The total cost.

**Government**

*Universal (medical benefits):* The total cost.

*Employer liability (cash benefits):* None.

**Qualifying Conditions**

**Cash sickness benefit (employer liability):** Must be currently employed and provide a medical certificate.

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

**Medical benefits (universal):** There is no minimum qualifying period.

**Sickness and Maternity Benefits**

**Sickness benefit (employer liability):** 100% of the employee's normal earnings is paid for the first two months of incapacity; 85% for the third and the fourth month; 75% for the fifth and the sixth month; and 50% thereafter. The benefit is paid for up to eight months.

**Maternity benefit (employer liability):** 100% of the employee'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**

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**

Ministry of Social Affairs and Labor (<http://www.yemen.gov.ye/portal/mosal/>) provides general supervision of the cash benefits.

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

**Work Injury****Regulatory Framework**

**First and current law:** 1991 (work injury).

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

**Coverage**

**Cash benefits (public-sector program):** Public-sector employees, including permanent employees of quasi-public entities.

**Cash benefits (private-sector program):** 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:** 1% of total payroll (public sector); a contribution is paid (private sector).

**Government:** None; contributes as an employer.

**Qualifying Conditions**

Must be assessed with a work injury or occupational disease.

**Temporary Disability Benefits**

No information available.

**Permanent Disability Benefits**

**Permanent disability pension (public-sector program):** 100% of the insured's last gross monthly salary plus a lump sum of 39,000 rials is paid.

Partial disability: A reduced pension and a reduced lump sum are paid based on the assessed degree of disability and a schedule in law.

Pension supplement (end-of-service grant): A lump sum of 9% of the insured's last gross monthly salary multiplied by the number of months of contributions is paid.

**Permanent disability pension (private-sector program):** For a total (100%) disability, 100% of the insured's highest monthly covered salary in the last year is paid.

Partial disability: For an assessed degree of disability of at least 30% but less than 100%, a percentage of the disability pension is paid based on the assessed degree of disability.

**Disability settlement (private-sector program):** For an assessed degree of disability of less than 30%, a lump sum is paid.

**Workers' Medical Benefits**

Medical benefits are provided only for public-sector employees under the health insurance program. No information is available for the private-sector program.

**Survivor Benefits**

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 program.

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### ***Family Allowances***

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#### ***Regulatory Framework***

Under Law No. 10 of 1997, the Social Fund for Development provides cash benefits to persons performing certain kinds of volunteer work in qualified areas.