

## Turkmenistan

Exchange rate: US\$1.00 = 3.49 manat.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1956.

**Current laws:** 2007 (social security); 2012 (pension insurance), implemented in 2013; and 2012 (social protection), implemented in 2013.

**Type of program:** Notional defined contribution (NDC) and social assistance system.

#### Coverage

**NDC:** Employed and self-employed persons.

**Social assistance:** Needy persons.

#### Source of Funds

**Insured person:**

*NDC:* None.

*Social assistance:* None.

**Self-employed person:**

*NDC:* 10% of the monthly minimum wage; entrepreneurs and the liberal professions pay 15% to 80% of the monthly minimum wage, depending on monthly income; farmers pay 10% to 20% of net income or 15% of the monthly minimum wage whichever is greater.

The monthly minimum wage is 650 manat (January 2017).

*Social assistance:* None.

**Employer:**

*NDC:* 20% of payroll, plus 3.5% for hazardous occupations. For certain employers, the contribution varies according to sector.

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

*Social assistance:* None.

**Government:**

*NDC:* Subsidies as needed.

*Social assistance:* The total cost.

#### Qualifying Conditions

**Old-age pension (NDC):** Age 62 (men) or age 57 (women) with at least five years of contributions.

The age requirement is reduced for mothers with three or more children, persons disabled before age 16, military personnel, pilots and flight crew, and persons working in hazardous occupations.

Early retirement: Age 52 (men) with 25 years of contributions or age 48 (women) with 20 years of contributions.

**Old-age social pension (social assistance):** Age 62 (men) or age 57 (women) with less than five years of contributions.

**Disability pension (NDC):** Must have at least five years of contributions and 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.

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

Dependent 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 social pension (social assistance):** Must be younger than age 16 with a Group I or II disability or assessed with a Group I, II, or III disability and have less than five years of contributions.

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

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

**Survivor social pension (social assistance):** Paid to surviving dependent family members.

#### Old-Age Benefits

**Old-age pension (NDC):** The monthly pension is a ratio of the insured's accumulated notional pension capital to the average life expectancy after retirement.

Pension rights earned before 2013 are converted into an initial amount of notional pension capital based on years of work, earnings, and average life expectancy after retirement.

Average life expectancy after retirement is 174 months.

The minimum monthly pension is 254 manat (January 2017).

There is no maximum monthly pension.

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

**Old-age social pension (social assistance):** 70% of the basic amount is paid monthly.

The basic amount is 242 manat a month (January 2017).

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

### **Permanent Disability Benefits**

**Disability pension (NDC):** The monthly pension is a ratio of the insured's accumulated notional pension capital to average life expectancy.

Pension rights earned before 2013 are converted into an initial amount of notional pension capital based on years of work, earnings, and average life expectancy.

The minimum monthly pension is 155% of the basic amount for a Group I, 135% for a Group II, or 115% for a Group III disability; 190% of the basic amount for all groups if the disability began before age 16.

The basic amount is 242 manat a month (January 2017).

There is no maximum monthly pension.

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

Constant-attendance allowance: 20% of the basic amount is paid monthly.

Dependent's supplement: 20% of the basic amount is paid monthly for each eligible dependent.

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

**Disability social pension (social assistance):** 160% of the basic amount is paid monthly for a Group I, 140% for a Group II, or 120% for a Group III disability. 160% is paid monthly to disabled children younger than age 16.

The basic amount is 242 manat a month (January 2017).

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

Constant-attendance allowance: 20% of the basic amount is paid monthly.

Dependent supplement: 20% of the basic amount is paid monthly for each eligible dependent.

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

### **Survivor Benefits**

**Survivor social pension (social assistance):** 65% of the basic amount is paid monthly for one eligible survivor; 125% for two; 145% for three; and 170% for four or more.

The basic amount is 242 manat a month (January 2017).

**Orphan's social pension (social assistance):** 145% of the basic amount is paid monthly for one full orphan; 230% for two; and 285% for three or more.

The basic amount is 242 manat a month (January 2017).

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 offices administer the program.

### **Sickness and Maternity**

#### **Regulatory Framework**

**First law and current laws:** 1994 and 2007 (social security); 2012 (social protection).

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

#### **Coverage**

**Cash benefits:** Employed citizens of Turkmenistan.

Exclusions: Self-employed persons.

**Medical benefits:** Residents of Turkmenistan.

#### **Source of Funds**

##### **Insured person**

*Cash benefits:* None.

*Medical benefits:* Voluntary supplementary contributions.

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

*Cash benefits:* Not applicable.

*Medical benefits:* Voluntary supplementary contributions.

##### **Employer**

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

*Medical benefits:* None.

##### **Government**

*Cash benefits:* Subsidies as needed.

*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 the insured's earnings is paid with less than five years of uninterrupted work; 80% with five to eight years; 100% with more than eight years (or

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with three or more children younger than age 16; age 18 if a student).

The insured 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 a woman caring for a child 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 the insured's 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 the basic amount is paid for the first two children; 250% for the third child; and 500% for the fourth and subsequent children.

The basic amount is 242 manat a month (January 2017).

**Child care allowance:** 65% of the basic amount is paid monthly for children up to age 3.

The basic amount is 242 manat a month (January 2017).

Benefit adjustment: Benefits are adjusted periodically by law.

### Workers' Medical Benefits

Patients receive medical services directly from public health providers. Benefits include general and specialized care, hospitalization, laboratory services, dental care, maternity care, vaccinations, 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 offices 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 providers.

### Work Injury

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#### Regulatory Framework

**First law:** 1995.

**Current laws:** 2007 (social security), 2009 (labor code), and 2012 (social protection).

**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

**Cash benefits:** Employed persons.

Exclusions: Self-employed persons.

**Medical benefits:** Residents of Turkmenistan.

### Source of Funds

#### Insured person

*Cash benefits:* None.

*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:* Subsidies as needed.

*Medical benefits:* The total cost.

### Qualifying Conditions

There is no minimum qualifying period.

### Temporary Disability Benefits

100% of the insured's 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:** The monthly pension is the ratio of the insured's accumulated notional pension capital to average life expectancy.

The minimum pension is 155% of the basic amount for a Group I, 135% for a Group II, or 115% for a Group III disability.

The basic amount is 254 manat a month (January 2017).

There is no maximum pension.

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

Constant-attendance allowance: 20% of the basic amount is paid monthly for a Group I or II disability.

Dependent supplement: 20% of the basic amount is paid monthly for each eligible dependent for a Group I or II disability.

The basic amount is 254 manat a month (January 2017).

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

### **Workers' Medical Benefits**

Patients receive medical services directly from public health providers. Benefits include general and specialized care, hospitalization, laboratory services, transportation, and appliances and medicine.

### **Survivor Benefits**

**Survivor pension:** 65% of the basic amount is paid monthly for one eligible survivor; 125% for two; 145% for three; and 170% for four or more.

The basic amount is 242 manat a month (January 2017).

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

**Orphan's pension:** 145% of the basic amount is paid monthly for one full orphan; 230% for two; and 285% for three or more.

The basic amount is 242 manat a month (January 2017).

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 social security departments 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**

Permanent residents of Turkmenistan.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** 2% of payroll.

**Government:** Subsidies as needed.

### **Qualifying Conditions**

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**

A lump sum of three times the insured's gross average monthly earnings is paid.

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.