

## Kuwait

Exchange rate: U.S.\$1.00 equals 0.30 dinars.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1976 (basic scheme) and 1992 (supplementary scheme).

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

#### Coverage

**Basic scheme:** All employees.

**Supplementary scheme:** Employees with covered earnings above 1,250 dinars a month and persons with sources of earnings not covered by the basic scheme.

Special systems for self-employed persons and military personnel.

#### Source of Funds

##### Basic Scheme

*Insured person:* 5% of covered earnings.

*Employer:* 10% of covered payroll.

*Government:* A subsidy equal to 10% of covered payroll.

Maximum earnings for contribution and benefit purposes are 1,250 dinars a month.

Minimum earnings for contribution and benefit purposes are 230 dinars a month.

##### Supplementary Scheme

*Insured person:* 5% of covered earnings.

*Employer:* 10% of covered payroll.

*Government:* None.

Maximum earnings for contribution and benefit purposes are 1,000 dinars a month. This ceiling is to be increased gradually.

#### Qualifying Conditions

##### Old-age pension

**Basic scheme:** Age 50 with 15 years of contributions; if below age 50, 20 years of contributions.

The minimum retirement age of 45 years is to increase gradually to 55 by 2017.

Women with children: Age 45 with 15 years of contributions. The minimum age of 45 is to increase gradually to age 50 by 2017.

**Arduous work:** Age 45 with 20 years of contributions. The minimum age of 45 is to increase gradually to age 50 by 2017.

Retirement is necessary, except if moving from the public sector to the private sector, with certain conditions as to the length of service in the public sector.

**Supplementary scheme:** Awarded at the same time as the old-age pension under the basic scheme.

##### Disability pension

**Basic scheme:** An assessed degree of incapacity for work of more than 50%.

**Supplementary scheme:** An assessed degree of incapacity for work of more than 50%.

**Survivor pension:** The insured met the coverage requirements for a pension or was a pensioner at the time of death.

#### Old-Age Benefits

##### Old-age pension

**Basic scheme:** 65% of the last monthly earnings plus 2% for each year of contributions beyond 15 years.

The maximum pension is 95% of the last monthly earnings.

Part of the pension may be paid as a lump sum at the pensioner's request before age 65.

**Supplementary scheme:** Based on the number of years of contributions, age, and average covered earnings.

Part of the pension may be paid as a lump sum at the pensioner's request.

#### Permanent Disability Benefits

##### Disability pension

**Basic scheme:** 65% of the last monthly earnings plus 2% for each year of contributions beyond 15 years. A credited contribution period, equal to 60 years minus the insured's age at the onset of disability, is added to the number of years of coverage to calculate the pension.

The maximum benefit is 95% of earnings.

**Supplementary scheme:** For those younger than age 60, the benefit is calculated as if the insured were age 60. A credited contribution period, equal to 60 years minus the insured's age at the onset of disability, is added to the number of years of coverage to calculate the pension.

#### Survivor Benefits

**Survivor pension:** Up to 100% of the deceased's entitlement to a pension according to the number and category of eligible survivors. The survivor pension for different eligible categories of survivor is set according to the schedule of law.

Eligible survivors include widows, dependent widowers, children, parents, brothers, sisters, and sons' children. Children must be under age 26 (age 28 if a student; no age limit for unmarried females and disabled males).

The minimum monthly pension is 160 dinars for a widow or a dependent widower, 130 dinars for each parent, and 83 dinars for each of the other survivors.

### ***Administrative Organization***

Public Institution for Social Security, which is managed by a board of directors chaired by the Minister of Finance, administers the program.

### ***Sickness and Maternity***

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

There is no program for all residents as yet.

### ***Work Injury***

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

**First and current law:** 1976, not yet implemented.

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

Benefits provided under old-age, disability, and survivors insurance and sickness insurance.

The government pays for medical services in case of work injury.