

Social Insurance Law

Modified up to Feb. 91

Social Insurance Law

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- **D.No.35/1987** Concerning the Wage of the Variable Contribution

LAW NO. 79 FOR THE YEAR 1975
Promulgating the Social Insurance Law ⁽¹⁾

**In the Name of the People,
The president of the Republic
The People's Assembly approved the following Law
and it is promulgated by us.**

Article (1):

The provisions of the Law annexed hereunder shall be applicable in connection with the Social Insurance Scheme.

Article (2):

The present Law shall supersede the following legislations:

- 1- Decree on civil pensions, issued on 26 December, 1854.**
- 2- Decree on civil pensions, issued on 11 January, 1871.**
- 3- Decree on civil pensions, issued on 21 June, 1887.**
- 4- Law No. (5), for the year 1909 on civil pensions.**
- 5- Law No. 37 for 1929, on civil pensions.**

(1) Published in the Official Journal No. 35 (following) on 28.8.1975, and was enforceable as from 1.9.1975.

- Was amended by the following Laws:
- No. (25) for 1977 - The Official Journal No. 17 (bis) on 30.4.1977.
- No. (32) for 1978 - The official Journal No. 22 (following) on 1.7.1978.
- No. (44) for 1978 - The Official Journal No. 29 on 20.7.1978.
- No. (93) for 1980 - The Official Journal No. 18 bis on 3.5.1980.
- No. (48) for 1981 - The Official Journal No. 26 on 25.6.1981.
- No. (61) for 1981 - The Official Journal No. 26 on 25.6.1981.
- No.(47) for 1978 - The Official Journal No. 13 bis'w'on 31.3.1984 and was enforceable from 1.4.1984.
- No. (107) for 1987 Official Journal No. 30 (Bis) on 27.7.87
- No. (1) for 1991 Official Journal No. 1 Bis on 5.1.1991.

6- Law No. 27 for 1954, amending retirement regulation for teacher scholars and scholars working for

Al-Azhar.

7- Law No. 25 for 1957, on possible gathering, of a wage from a public office, and a pension entitled before appointment to such public office.

8- Law No. (1) for 1962, concerning the payment of a three month salary, or wage, or pension, at the decease of the employee, or worker, or pensioner.

9- Law No. 77 for 1962, prohibiting the gathering of a salary payable for a post at a company wherein the state is participant, and a pension entitled before the appointment with the said company.

10- Law No. 50 for 1963, promulgating the Insurance and Pensions Law of Civil Servants, Workers, and Officials of the state.

11- Law No. 33 for 1964, according pensions to employees and workers whose services were terminated before October 1,1956 without obtaining pensions.

12- Law No. 63 for 1964, promulgating the Social Insurance Law.

13- Law No. 75 for 1964, on health insurance civil servants of the state and local government departments, and workers of public authorities and general institutions.

14- Regulation of pensions fund for employees of Alexandria Municipality's Workers Association, as issued in 1930.

15- Republican decree No.185, for 1968, concerning the gathering of salary, or indemnity, and pension.

16- Decree of the Council of Ministers issued on 28.1.1928 in connection with the pensions of Darfor princes⁽¹⁾.

17- The salaries bill for the Egyptian workers who were in the employment of the Military Authority.

(1) The items from No. 16 are added by the Law No. 107/1987, the Official Journal - 30 bis, on 27 July 1987.

18- Decree of the Minister of Port Said No. 69 for 1957 in connection with the martyrs of Port Said City.

- Law No. 80 for 1944, in connection with the lawyers of the Mixed Courts ⁽¹⁾.

- Decree of the Council Ministers issued on 28.1.1928 in connection with the pensions of Darfor Princes.

- The salaries bill for the Egyptian workers who were in the employment of the Military.

- Decree of port said Minister No. 69 for 1957 in connection with the Martyrs of port City.

Article (3) :

Departments that were in charge of applying the legislations mentioned in the second article, shall be concerned with the payments of entitlements as already determined by such legislations, as well as those to be determined by the Law annexed hereto, to pensioners and beneficiaries who were treated under those legislations before the Law annexed hereto comes into force.

Such departments shall be bound to settle such entitlements as are referred to in the previous paragraph on the account of the Public Treasury ⁽²⁾.

Article (4) :

Privileges as determined by Laws, and employment schemes for workers treated under special cadres shall continue to be applicable.

Decrees and regulations implementing the provisions of legislations as referred to in article (2), and which are still in force at the date the present Law comes into force, shall continue to be applicable where they do not contradict with the provisions of the present

(1) The last four legislations are added by the Law No. 47 for 1984 (Ninth Article).

(2) Last paragraph of the Article (3) is amended by the Law No. 25 for 1977, and to be applicable as from 1.9.1975, that is by adding (on the account of the Public Treasury).

Law, till the promulgation of the decrees provided for therein.

Article (5) :

The Minister of Insurance should issue such decrees and regulations as are necessary for the implementation of the present Law provisions, within six months from the date it comes into force.

Notes :

- The Minimum limit provisions - stipulated upon in the second paragraph of the article(24) of the mentioned social insurance Law- shall not be applicable with regard to the due pension on the variable wage.
- The insured worker, or the pensioner shall amalgamate the due pensions on the variable wage without limits, that is while observing the provision of Article (71) of the aforementioned Social Insurance Law.
- The insured person, or pensioner shall combine between the due pension on the basic wage and the due pension of the variable wage without limits, with exception the cases where the settlement of the pension according to the stipulation of the Article (31) of the aforementioned Social Insurance Law is better for the insured person, so the combination between pension on the basic wage and pension on the variable wage shall not be exceeding the total value of these two wages.
- Without prejudice to the provisions of Article 103 (bis) of the aforementioned Social Insurance Law, the provisions for the increases and contributions that are added to the pension shall not be applicable with respect to the due pension on the variable wage.
- The provisions of Article (26) of the aforementioned Social Insurance Law shall not be applicable on the due entitlements on the variable wage.
- The provisions stipulated upon in the special Laws shall not be applicable with respect to the due entitlements on the variable wage, with the exception of what is included in these Laws regarding treating some of its categories pursuant to Article (31) of the aforementioned Social Insurance Law, also, the said provisions shall not be applicable on the bases of indemnity computation.
- The provisions of the third paragraph of the Article (19) of the aforementioned Social Insurance Law shall not be applicable with respect to the due pension on the variable wage.
- The minimum limit stipulated upon in Article (87) of the aforementioned Social Insurance Law shall not be applicable on the due wage indemnity on the variable wage.
- The due pensions on the basic, and variable wages are considered one unit in determining the entitlements stipulated upon in Articles 112 (item 1&2) , 113 (Item 2) , and 122 (first paragraph).

Article (6) :

Each privision contradictory to the provisions of this Law shall be abolished with regard to those treated under its privisions.

Article (7) :

This Law shall be published in the official journal, and to be enforceable as from the first of the month following its publication.

To receive the SEAL of the STATE, and come into force as one of the state Laws.

SOCIAL INSURANCE LAW

PART (1) SOCIAL INSURANCE SCHEME, SCOPE OF APPLICATION AND DEFINITIONS

Article (1) :

The social insurance scheme shall comprise the following insurance scopes ⁽¹⁾ :

- 1- Old age, disability, and death insurance.**
- 2- Work accidents insurance.**
- 3- Medical insurance.**
- 4- Unemployment insurance.**
- 5- Social patronage insurance for pensioners.**

Article (2) :

The provisions of this Law shall be applicable to workers of the following categories:

A) The civil workers of the administrative system of the state, public authorities, general organizations, and economic units subordinate to any of such departments and the like of public sector economic units.

B) The workers subject to the provisions the labour Law who fulfill the following requirements :

1- The age of the insured person should be 18 years and over.

2- The work relation linking the insured person with the employer shall be a regular one. The Minister of Insurance shall issue the rules and conditions necessary to be fulfilled in order to consider the work relation as regular. Shall be excepted from this requirement, workers-working in the contracting field, as well as loading and unloading workers.

(1) The Article (1) amended by the Law no. 25 for the year 1977 and is in force as from 1/9/1975, the official journal - edition 17 bis, on 30/4/1977, and the insurances nominations had been amended by dropping the word "AGAINST".

Without prejudice of the provisions of the International agreements that were endorsed by the Arab Republic of Egypt, in order to apply the provisions of this Law on the foreigners who are subject to labour Law, it is provided that the contract period is not less than one year and the existence of an agreement for reciprocal treatment.

C) Those engaged in work connected with domestic and household services except for those working inside private houses who shall be determined by a decree of the Minister of Insurance ⁽¹⁾.

Article (3) :

As an exception to the provisions of Article (2), the present Law provisions shall be applicable to workers previously insured under the Social Insurance Law, and the Insurance and Pensions Laws referred to in Article (2) of the promulgation Law.

The provisions of work accidents insurance shall also be applicable to workers whose ages are less than 18 years, and those on probation, and industrial apprentices, and students employed in summertime working projects, and those charged with public service duties according to Law No. 76 for the year 1973 concerning public service for youths who have completed their educational stages ⁽²⁾.

Article (4) :

Under the provisions of this Law, insurance with the competent authority shall be compulsory, and it is not permitted to charge the insured persons with any part of insurance costs except where stipulated by a special provision.

(1) The Minister of Insurance issued the decree No. 286 for the year 1976, published in the official gazette - issue no. 262 on 15/11/1976, and to be enforceable as from 1/9/1975 carrying out the decree of the Minister of Insurance No. 149 for the year 1980.

(2) The second paragraph of the Article (3) is amended by the Law No.93 for the year 1980, and the amendment is applicable as from 4.5.1980.

Article (5) :

For applying the provisions of this Law:

A) The expression (competent authority) means: The general insurance and pensions authority, or the general social insurance authority, according to the case.

B) The expression (directorate) means: The board of directors of the general insurance and pensions authority, or the general social insurance authority, according to the case.

C) The expression (the insured person) means: The worker subject to the provisions of this Law, and the pensioner benefiting by the medical insurance.

D) The expression (The Employer) means: Whoever employs one or more workers who are subject to the provisions of this Law.

E) The expression (work injury) means: Any of the vocational diseases indicated in Schedule (1) hereto attached, or any injury caused by an accident occurring during the performance of work or resulting from it. The injury resulting from exertion or exhaustion from work shall be considered a work injury where it fulfills the conditions and rules to be specified a decree of the Minister of Insurance in accord with the Minister of Health. Also, shall be considered as a work injury, any accident which happens to the insured person during the time of his going to perform his work, and during his return from it, provided that going to and returning from his work will be without stoppage, or falling behind, or deviation from the normal route ⁽¹⁾.

F) The expression (the injured person) means : A person who sustains a work injury.

G) The expression (the sick person) means : A person who falls sick by a disease or an accident other than work injury.

⁽¹⁾ The Minister of Insurance issued the Decree No. 81 for the year 1976, published in the official gazette issue No. 87 on 14.4.1967, amended by a decree from the Minister of Insurance No. 239 for the Year 1977, published in the official gazette issue No. (2) on 2.1.1978.

H) the expression (total disability) means : Any disability which leads to the permanent quality of loss of ability to the insured person to perform job totally or partially in his original occupation, or generally the loss of ability to earn, and in cases of mental diseases, as well as chronic and incurable diseases to be specified by a decree of the Minister of Insurance in agreement with the Minister of Health ⁽¹⁾.

I) The expression (wage) means : All cash payments obtained by the insured person from his original employer in consideration of his original work.

The work to which the insured person is delegated for full time, or to which he is seconded inside the territory, shall be considered as the main work at the original work location.

They include: ⁽²⁾

1. The basic wage which shall be taken to mean:

A- The wage provided for, in the table enclosed with the employment schemes relatively to the insured persons provided for in Item (A) of Article (2).

B- The wage provided for in the labour contract, as well as the rises occurring therein excluding the elements which are regarded as forming part of the variable wage relatively to the insured persons provided for in Items (B and C) of Article (2), taking into consideration that this wage should not be less than the minimum wage provided for in the tables referred to in Item (A) nor should it exceed L.E. 3000.

If the whole wage is calculated on piece rate, or commission basis, such wage shall be regarded as being a basic wage within the limits of the maximum referred to.

(1) The Item (H) is amended by the Law No. 93 for the year 1980, and to be applicable as from 1/9/1975.

(2) The Item (I) was amended by the Law No. 25 for the year 1977, then amended by the Law No. 93 for the year 1980, then amended by the aforementioned Law No. 47 for the year 1984 then amended by Law No. 107/1987.

2. The variable wage which shall be taken to mean the remainder obtained by the insured person, particularly the following :

A- The incentives.

B- The commissions.

C- The gratuity.

D- The allowances, and the Prime Minister shall -upon the proposal of the Minister of Insurance- determine the allowances which shall not be regarded as an element of the subscription wage.

E- The overtime wages.

F- The compensation for extraordinary efforts.

G- The high cost of living allowance.

H- The social rises.

I - The additional social rise.

J - The group bonuses.

K- The group gratifications.

L - The share of the insured person in the profit.

M- The amount in excess of the maximum limit of the basic wage ⁽¹⁾, and the Minister of Insurance shall issue a decree for calculating the elements of this wage.

N- A person incapacitated from earning, is any person who sustains an incapacity preventing him totally from work, or reducing his capacity to work by 50% at least. It is stipulated that such incapacity should have been sustained since birth or as a result of an accident or disease the person may be struck by before the age of 60 ⁽²⁾.

(1) The Item (2) is amended by the Law No. 47 for the year 1984 since the insurance shade extended to include all wage elements mentioned in this item.

(2) The Item (N) is added by the Law No. 25 for the year 1977, (Article Eight).

PART (2)
ESTABLISHMENT, FINANCE & MANAGEMENT
OF FUNDS

Article (6) :

Two Funds for insurances as provided for in Article (1) shall be established as follows:

1) Insurance fund for the workers in the workers in the state administrative system, and in public authorities.

2) Insurance fund for workers in general institutions, economic units, and in cooperative and private sectors ⁽¹⁾:

(1) The Article (1) of the Law No. 47 for 1984 stipulates upon: Shall be established in each of the two funds, provided for in Article (6) of the Social Insurance Law, promulgated by Law No. 79 for the year 1975 a special account of which funds shall consist of the following resources:

1. The contributions due for the variable wages, provided for in Item (I) of Article (5) of the aforementioned Social Insurance Law.

2. The amounts which are paid by the public treasury for the account of the old age, incapacity and death insurance in respect of the variable wages.

3. The contribution provided for in Item (9) of Article (17) of the aforementioned Social Insurance Law.

4. The amounts which are paid by the insured person in consideration of adding a period to the period of subscription in respect of the variable wages, or for the period of subscription in the scheme of remuneration.

5. The reserve of production incentives, commission, gratuity and allowances calculated in compliance with Article (3) of this Law.

6. The balance of the amounts of savings with the Ministry of Finance and National Investment Bank, and the return realized on the investment of these amounts.

7. The additional amounts due by the employer in respect of the funds of this account in compliance with the provisions of Articles Nos. 129, 130, and 151 of the aforementioned Social Insurance Law.

8. The return realized on the investment of the funds of the account. The financial position of this account shall be examined at the date of examining the financial position of the two funds referred to, and the provisions of Article (8) of the aforementioned Social Insurance Law shall apply in this connection.

Article (7) :

The resources for each of the two funds referred in Article (6) shall consist of the following resources:

1. Contributions payable by employers on behalf of their workers, whether the share which the employer is committed to pay, or the share of contribution of the insured person pursuant to the provisions of this Law⁽¹⁾.

2. Amounts payable by the public treasury for account of old age, incapacity and death insurance.

3. Amounts payable by the public treasury, or the employer, or the insured persons for accounts of previous service periods calculated within the period of contribution to insurance.

4. Fees payable by employers or the insured persons pursuant to the provisions of this Law.

5. Proceeds of investing the fund's moneys.

6. Additional amounts due for payment in accordance with the provisions of this Law ⁽²⁾.

7. Other resources resulting from the fund's activity.

8. Subsidies, donations and gratuities to be approved by the board of directors.

Article (8) :

The financial position of each of the two funds shall be examined once at least every five years, starting from the date of last examination effected before this Law comes into force; such examination shall be carried out by one or more actuaries.

This examination should handle the value of existing commitments, and if a deficit is found in the

(1) Item (1) and (2) of Article (7) are amended by the Law No. 25 for the year 1977.

(2) The term "additional amounts" mentioned in item (6) of Article (7) shall be in accordance with the provisions of (item 6) in Article of the aforementioned Law No. 47 for the year 1984.

moneys of the fund, and the various reserves and appropriations are not sufficient for its settlement, the public treasury shall be bound to pay it. The actuary in this case should indicate the reasons of such deficit, and the means capable of avoiding it.

But if the valuation reveals the existence of surplus money, this money shall be transferred to a special account, and is not allowed to be disposed of except by the approval of the board of directors, and for the following purposes:

1. Full or partial settlement of the deficit paid by the public treasury pursuant to the preceding paragraph.

2. Setting up a general reserve and special reserves for the various purposes.

3. Raising the pensions in the light of the standard prices, in a proportion to be determined by a Republican Decree on the proposal of the Minister of Insurance.

Article (9) :

The public authority for insurance and pensions shall be in charge of managing the fund referred to in Item (1) of Article (6).

Also, the social insurance public authority shall be in charge of managing the fund referred to in Item (2) of Article (6).

Each of the two mentioned authorities shall be considered as national authority having its own moral entity as well as its own separate budget to be annexed to the general budget of the state, and shall be subject to the general rules, and provisions in force concerning the national Authorities and Organizations, and to be under command of the Minister of Insurance⁽¹⁾.

(1) The third paragraph of Article (9) was amended by Article (5) of the Law No. 47 for the year 1984.

Article (10):

Each of the two authorities referred to in Article (9) shall have a board of directors whose formation, appointment of its chairman, the method of electing its members and their remunerations shall be determined by a republican decree.

The workers shall be represented in the directorate of the general federation for workers; by four members who are nominated by The general federation of workers also, the employers shall be represented in the said directorate by the chairman of the federation of chambers of commerce, and the chairman of the federation of egyptian industries.

Article (11) :

The directorate of the concerned authority shall be the supreme power in controlling its affairs, and managing its activities, and shall in particular have the right to:-

1- Enacting decrees and internal regulation connected with the financial, administrative and technical affairs of the authority, as well as personnel affairs, without being bound by governmental rules and systems ⁽¹⁾.

2- Study the plans and approve the planning draft-budget of the authority.

3- Study follow-up reports, valuation of international conceptions and issuing necessary resolutions for raising standard of performance.

4- Approve the authority's budget and its annual final accounts, as well as its financial position.

5- Study legislations concerning the social insurance.

(1) Item no. (1) of the Article (11) is amended by the Law No. 93 for the year 1980, and the amendment to be in force as of 4/5/1980.

6- Appoint the Actuaries to examine and prepare the financial position.

7- Approve the financial, administrative and technical matters which are within the competence of the directorate pursuant to Laws, decrees and regulations.

The directorate is allowed to form among its members one or more committees and entrust them a part of its powers. The directorate may also mandate to its chairman or to one of the directors of the authority some of the directorate competences. It may also entrust one of its members or one of the directors to carry out a specified job.

Article (12) :

The directorate may form consultative committees to help it in performing its tasks.

Article (13) :

The decisions of the directorate shall be submitted for the Minster's approval, that is in connection with items (1, 2, 3, 4 and 5) of Article (11).

Article (14) :

The chairman of the board shall represent the authority before judgment, and in its relations with others; and shall be in charge of the following competencies:

1- Implementation of the decisions of the board of directors.

2- Managing the authority, and evolving its system of work and following up the implementation of work in it.

3- Studying& approving the financial, administrative and technical matters, which are within his competence as stated by Laws, decrees and regulations.

4- Submission of the authority's draft budget and closing accounts to the board of directors, within six months from the end of the fiscal year together with a report on the follow up of the authority work, and

assessment of its performance.

5- Notifying the competent departments of the authority's draft closing account, within one month from the date of the directorate approval thereof.

6- Providing the ministry and the state agencies with all data and reports requested by them about the authority.

The Chairman of the board may mandate some of his competencies to the directors of the authority.

Article (15) :

The minister of insurance shall delegate a substitute to the board's chairman in case of his absence, or if his post becomes vacant.

The minister is entitled to mandate some of his competencies stipulated upon in this Law to the board of directors, or to board's chairman.

Article (16) :

The supervision on accounts in the concerned authority shall be carried out by financial officials among the authority personnel, whose names shall be notified to the ministry of finance, and who shall alone have the right to sign the cheques and payment vouchers.

The provisions of Law No. 53 for the year 1973, regarding the state general budget, shall be applicable to the budget of the concerned authority in so far as no special stipulation provides another provision under this Law.

PART (3)
OLD AGE, INVALIDITY AND DEATH INSURANCE ⁽¹⁾

Chapter (1)
Finance

Article (17) :

Old age, invalidity and death insurance shall be financed through:

1- The portion payable by the employer at the rate of 15 percent of the monthly wages of the insured persons.

2- The portion payable by the insured person at the rate of 10 percent of his monthly wage.

3- The amounts which the public treasury is bound to pay at the rate of 1 (one) percent of the monthly wages of the insured persons. These amounts shall be paid to the concerned authority on the first of the month following the date they fall due.

4- The capital value of the dues paid by the fund on behalf of the other fund, or the public treasury.

5- The amounts due for payment, for the account of the contribution period in the social insurance or, the insurance and pension Law.

6- The amounts due for payment, for the account of previous service periods, prior to the contribution in the social insurance, or the insurance and pension schemes, and they include:

A) The amounts which the public treasury is bound to pay on service periods prior to the date the insurance and pension schemes came into force.

B) End of service legal indemnities with regard to the insured persons who were subject to the Labour Law, and which shall be payable by the employer to the

(1) This chapter is amended by Law No.25/1977, and to be applicable as from 1/9/75, excepting the financial balances resulting from the re-settlement according to the provisions of this Law, and to be paid as from 1/5/77 according to the provisions of the article No.19 in the Law No.25/1977

concerned authority, at the termination of the insured person's service, as follows:

1- The due indemnities for service periods prior to the contribution in the social insurance scheme, calculated in accordance with the second paragraph of the article (2), and (72) of the Law No. 91 year 1959 promulgating the labour Law ⁽¹⁾.

2- The difference between the due indemnity, calculated in the manner indicated in the previous item and

(1) The article (3) of the Law No. 137 for the year 1981 promulgating the Labour Law - replaced the articles referred to in this text and the stipulation of article (3) referred to shall be as follows:

Article (3): "End of service legal indemnity which the employer is bound to pay to the concerned insurance authority according to the social insurance Law promulgated by the Law No. 79 for the year 1975 - shall be calculated in accordance to the following rules :

1- The last wage of the worker calculated according to the provisions of the attached Law - shall be taken as a base to calculate this indemnity.

2- The indemnity shall be estimated - for the period before 7/4/1959 the date of applying the Law No. 91 for the year 1959 by promulgating the Labour Law - as follows :

a- Regarding monthly pay, workers - wage of half month for each year of the first five years, and wage of one month for each of the following years, provided that the value of indemnity does not exceed a wage of 1 1/2 year till the date referred to.

b- Regarding daily pay, workers - wage of ten days for each year of the first five years, and a wage of fifteen days for each of the following years, provided that the value of indemnity does not exceed a wage of one year at the date referred to.

3- The indemnity shall be estimated for the period from 7/4/1959 at the rate of wage of half month for each year of the first five years, and wage of one month for each of the following years without a maximum limit.

4- If the worker is transferred from monthly to daily payroll system the end service indemnity shall be settled as if the whole period lasted in monthly system.

5- If the worker had been transferred from the daily payroll system before 7/4/1959, the indemnity should be estimated on the basis that the whole service period lasted in the monthly payroll system; and if this transfer is as from the aforementioned date, the indemnity shall be estimated for each separate period according to its nature, and on the basis of the last wage.

the proceeds of contributions paid by the employer to the concerned authority, if any, in respect of the period of contribution up to 13/12/1961.

The indemnity referred to shall be calculated on the basis of the last wage of the insured person at the termination of his service.

Concerning insured persons whose wages were transferred from daily to monthly payrolls as from 7/4/1959, it should be observed on calculating the indemnity for daily payroll service period that it shall be made on the basis of dividing the wage of the last month at the date of the end of service, on the number of days taken as a basis for transferring the daily pay to the monthly wage.

7- The amounts payable by the insured persons in return of contribution for the previous service periods, or their calculation .

8- Yield of investing the present insurance moneys.

9- The contribution to be deducted at the rate of 5% of the basic wage of the insured person ⁽¹⁾.

Chapter (2)

Pensions and Compensations

Article (18):

A pension shall be due in the following cases:

1) Termination of the insured person's service for attaining the age of retirement as stipulated upon in the employment system by which he is treated, or for reaching 60 years old in respect of the insured persons as stipulated upon in items (b) and (c) of article (2), if the period of contribution is 120 months at least.

2) Termination of the insured person's service because of dismissal by a republican decree, or due to

(1) Item (9) of the article (17) is added by the Law No. 47 for the year 1984 - (The official journal) - edition 13 bis (W) on 31/3/1948.

the cancellation of the post in respect of the insured persons stipulated upon in clause "A" of Article (2), in the service is 180 months at least.

3) Termination of the service of the insured person because of death, or total disability, or permanent partial disability, if it is evident that no other job is available for him with the employer, whatever his contribution period in the insurance be.

Evidence of the non-existence of another work for him shall be established by a decision of a committee to be formed by a decree of the minister of insurance in agreement with the concerned ministers. The committee shall include among its members a representative of the trade union, or of workers according to each case, as well as a representative of the competent authority. The decree shall determine the rules and procedures of the committee's works ⁽¹⁾.

Shall be excepted from the stipulation of the non-existence of another job, cases whereby a decree shall be issued by the minister of insurance upon a proposal of the board of directors.

4) Decease of the insured person, or his complete disability is established during one year from the termination date of his service, provided that he does not exceed the age stipulated upon in item (1), and not having been paid the cash bulk sum indemnity whatever his period of contribution to the insurance be.

5) Termination of service of the insured person for reasons other than those stipulated upon in item (1, 2 and 3) if his contribution period in the insurance is 240 months at least.

6) Decease of the insured person, of establishing his total incapacity after the elapse of one year from the date his service was terminated, or his attaining the age of sixty after the termination of his service, once his

(1) A paragraph amended by the Law No. 93 for the year 1980, the amendment shall be in force as from 4.5.1980.

period of contribution to the insurance is 120 months at least, and he had not been paid the cash bulk-sum indemnity. The pension in such a case shall be settled on the basis of the period of contribution to the insurance.⁽¹⁾

(The following para is amended as per Law No. 107/1987) ⁽²⁾ **and it is provided for entitling a pension in the two cases indicated in the previous items 3 and 4, that the subscribed period in insurance for the insured person shall not be less than three consecutive months, or six intermittent months, and this condition shall not be applicable concerning the following cases:**

(A) The insured persons provided for in item (a) of Article (2), as well as the insured persons provided for, in item (b) of the same Article, who are subject to employment statutes promulgated according to Law, or their wages, allowances, and promotions are determined according to collective agreements concluded pursuant to Labour Law, whenever the minister of insurances, approves such statutes, or agreements according to the proposal of the concerned authority.

(B) Shifting of the insured person from the personnel provided for in the previous item of this paragraph, to join work in private sector, and in whose regard, cases of deserving provided for, in items (3&4) are fulfilled.

(C) In case the disability of the insured person is established, or the occurrence of his death as a result of work injury.

The age stipulated upon in item (1) may be reduced in respect of insured workers employed in difficult or dangerous jobs which are determined by a decree of the president of the republic, at the proposal of the minister of insurance; and the decree should

(1) Item 6 of the Article (18) innovated by the Law No. 93/1980, and is enforceable as from 4.5.1980.

(2) This para amended as per Law No. 107/1987.

include the following ⁽¹⁾:

A) Determination of the said age with respect to each of such works.

B) Raising the ratios on the basis of which the pension is calculated in proportion to compensate the insured person for the reduction of age.

C) Increasing the percentage of contributions to meet the burdens resulting from the privileges to be stated for the aforementioned workers, and determining the party that shall bear this increase.

Article (18) Bis:

The pension on the variable wage shall become due regardless of the contribution period of the insured person for this wage, when one of the cases of the due pension on the basic wage becomes available ⁽²⁾.

The following para ⁽³⁾ is amended as per Law No. 107/1987 and it is provided for payment of a pension on the variable wage, on its being due, for the existence of the case provided for, in item 5 of Article (18)-that the age of the insured person should not be less than fifty years.

Article (19) ⁽⁴⁾

The pension on basic wage, in cases other than disability, or decease, shall be settled on the basis of the monthly average wages of the insured person, on which basis subscriptions were paid during the last two years of his subscribed period in insurance, or during

(1) The second paragraph of the Article (18) substituted by the Law No. 47 for the year 1984 as follows.

- Since the categories - for their employment systems, regulations were issued according to Law - are of the excepted categories, and the condition of granting the power of exception - for the categories in respect of them collective agreements were endorsed - to the minister of insurance at the proposal of the concerned authority.

(2) The Article No. (18) bis, is innovated by the Law No. 47 for the year 1984.

(3) This para is amended as per Law No. 107/1987.

(4) This article is substituted as per Law No. 107/1987.

his subscription period in insurance if it is less than that.

In cases of applying for payment of pension on the referred-to, wage, for disability, or decease, the pension shall be settled on the basis of the monthly average for the wages on which basis subscriptions were paid during the last year of the subscribed period, or the subscription period in insurance, if it is less than that.

The pension on the variable wage shall be settled on the basis of the monthly average of the wages on which basis the subscriptions were paid, during the subscribed period for such wage.

On calculating the monthly average, the following must be taken into account:

1- The month in which the service was ended, shall be considered a complete month.

2- If periods fall between the period of average pension computation on the basic wage, for which the insured person did not obtain his wage wholly or partially - the average shall be calculated on the basis of the total wage.

3- The average on which basis the variable wage pension is calculated, shall be increased at the rate of 2% on each full year of the years of actual subscription period for such wage; provided that the average after adding such increase, shall not be more than the maximum limit of the subscribed variable wage.

4- With respect to the insured persons whose subscription period in the insurance ended, and they were at such date among the personnel provided for in items (b and c) of Article (2), it must be observed that the average basic wage on which basis the pension was assessed, shall not exceed 140% of the average wages for the five years preceding the average period; and if the preceding period is less than five years, it should be taken into account that the average on which basis the pension was assessed, shall not exceed the average of the previous years, to which 8% shall be added for each year; and the following shall be exempted from the provision of this item:

A- The insured persons, in bodies, subject to

employment statutes issued according to Law; or their wages, allowances, and promotions are determined pursuant to collective agreements concluded pursuant to the labour Law, whenever the minister of insurances approves such statutes or agreements, according to the proposal of the competent authority.

B- Cases of applying for payment, due to disability or decease.

Article (20) ⁽¹⁾

The pension shall be assessed at the rate of one part of forty-five parts of the wage stipulated upon in the previous article for each year of contribution period to the insurance.

The pension shall be assessed with a maximum limit of 80% of the wage referred to in the previous paragraph. The following cases shall be excepted from such limit: ^(2,3)

1- Pension with a value less than fifty pounds monthly will have a maximum limit of 100% of the assessment wage, or fifty pounds monthly whichever is less.

2- Amended by Law107/87 ⁽⁴⁾: Pensions for which the laws or decrees issued in execution thereof stipulate their settlement on the basis other than the wage provided for, in this Law; their maximum limit shall be 100% of the last subscribed wage of the insured person, and the public treasury shall be charged with the

(1) Article (20) is amended by the aforementioned Law No. 93 for 1980.

(2) Reference to the Article (12) of the aforementioned Law No. 47 for the year 1984 - (page 312 of this book)

(3) The exceptions in respect of the maximum limit are not applicable on the pension payable on the variable wage.

(4) The last paragraph of the Article (20) is amended by the Law No.61 for the year 1981, and to be applicable as from 1.8.1981.

difference between such limit and the previous maximum limits ⁽¹⁾.

3- Pensions which are assessed according to the provisions of the last paragraph of the Article (18) shall have a maximum limit of 100% of the last contribution wage of the insured person.

The provisions of items (3 and 4) of the fourth paragraph of the Article (19) should be observed in calculating the wage stipulated upon in items (2 and 3).

In all cases, the maximum limit of the monthly pension should not exceed two hundred pounds per month⁽²⁾.

Article (21):

The contribution period of the insured person in insurance is:

1- The period which begins from the date of applying the provisions of this Law, or the date of enforcing Insurance and Pensions Laws, or the Social Insurance Laws, according to each case, and the periods which such laws stated on its being added to the contribution period.

2- The periods added to the contribution period of the insured person at his request.

3- Periods of the official scientific missions which follow university or high studies which are allowed to be computed within the service period, or were taken into account in assessing the wage ⁽³⁾.

For the assessment of the aforementioned periods, it is stipulated that the insured person should not have received his retirement or insurance entitlements.

The fraction of a month shall reckoned as a full month in calculating the total periods referred to, and

(1) The last paragraph of the Article (20) is amended by the Law No.61 for the year 1981, and to be applicable as from 1.8.1981.

(2) Item 2 amended by Law No. 107/1987.

(3) Item (3) of the article (21) is added by the Law No. 25 for the year 1977.

the fraction of a year shall be considered as a full year in this total if this would result in regarding the insured person as becoming entitled to a pension.

Article (22):

A suppositional period of 3 years shall be added to the period of contribution to the insurance, for the assessment of the pension due according to items (3 and 4) of the article (18), provided that such period does not exceed the remaining period for the insured person to attain the age stipulated upon in item (1) of the said article. If the pension after adding this period is less than 50% of the wage on the basis of which the pension is assessed, the pension shall be raised to 50 percent.

In the said cases, the pension shall be increased by an amount equal to half of the difference between the pension and the maximum limit stipulated upon in the first paragraph of the article (20).

The provisions of this article shall apply in case an application is made for payment of the due pension according to the two cases No. (2) and No. (5) of the article (18) for the establishment of total disability, or the occurrence of death within one year from the date of service termination, provided the insured person shall have not reached the age stipulated upon in item (1) of the said article, at the date the disability or the occurrence of death is established, and he shall not have received his pension before the disability is established or the death occurred.

Article (23): ⁽¹⁾

The pension payable on the basic wage, shall be decreased for the existence of the case provided for in item 5 of article (18) by a percentage to be valuated according to the age of the insured person, on due date of payment, according the attached schedule No. (8).

(1) Article 23 substituted by Law No. 107/1987.

The pension due on variable wage, shall be decreased by a rate of 5% for each of the remaining years from the payment due date and up till the date the insured person reaches the age of sixty, taking into consideration that the fractions of a year in this period shall be treated as a full year.

The pension shall not be deducted in case of applying for its payment due to decease or the establishment of complete disability, unless the insured person had been paid it before that.

Article (24):

If the pension due for the cases stipulated upon in items (1 and 2) of the article (18) is less than 50% of the wage on the basis of which the pension is assessed, the pension shall be raised to 50% of the wage if the insured person contribution period to insurance has completed at least 240 months.

The minimum limit of pension - due for the insured person, in cases of attaining old age or dismissal by a republican decree or due to the cancellation of the post, or disability or death stipulated upon in Article (18) - shall be twenty pounds per month ⁽¹⁾.

(1) The last paragraph of the article (24) is amended by the Law No. (61) for the year 1981, pursuant to the stipulation of item (2) of article (12) of the Law No. 47 for the year 1984, and the provision of this limit shall not be applicable in respect of pension - of variable wages.

At the date of the Law No. 79 for the year 1975 being in force, the minimum limit was 6 pounds per month, and was raised to 9 pounds per month as from 1.1.1973 by the Law No. 25 for the year 1977; then to 12 pounds per month as from 1.1.1978 by the Law No. 44 for the 1978.

An additional high cost living allowance was added to it which was determined by the Law No. 62 for the year 1980 as from 1.1.1980 thus the total pension became 15 pounds per month; and from 1.7.1981 the minimum limit was raised to 20 pounds per month, and as from 1.7.1982 an allowance amounting 4 pounds was added; and from 1.7.1983 a rise amounting 5 pounds was added; thus the total became 29 pounds, and pursuant to the aforementioned Law No. 47 for the year 1984 the pension on variable wages is to be added to the total referred to.

Article (25): ⁽¹⁾

The pension shall be due on the first of the month in which the reason for deserving arises; and the pension shall be due for fulfilling the conditions of the case provided for, in item 5, of article (18) from the first of the month in which the application order for payment is submitted. In case of not submitting payment order up till the insured person reaches the age of sixty, or the complete disability is established, or the occurrence of death, such pension shall be paid as of the first of the month in which one of the referred to, occurrences is established.

Article (26):

If the contribution period to the insurance exceeds 36 years or the number of years required for entitlement to the maximum pension which the fund shall bear whichever is larger, the insured person shall be entitled to a lump sum indemnity at the rate of 15% of the annual wage for each of the years in excess ⁽²⁾.

The annual wage means the average monthly wage on which contribution was paid during the last two years multiplied by 12. In calculating this average, the rules stipulated upon in paragraph 4 of article (19) shall be observed.

In calculating the period for which this indemnity is due, the following periods should be discarded from the contribution period:

- 1- The periods stipulated upon in article (22).
- 2- The periods calculated according to article (34).
- 3- The periods which laws and decrees provide for adding to contribution period, unless laws provide for entitlement to such indemnity on these periods.

(1) Article 25 substituted by Law No.107/1987.

(2) The provision of this stipulation shall not apply in respect of the due entitlements on the variable wages (item 6 of article 12 of the Law No. 47 for the year 1984).

This amount shall be payable in case the insured person or the pensioner dies before it is paid, according to the provisions of item (10) of the article (27).

The pensioners and beneficiaries may commute the whole or part of the indemnity for a pension to be calculated at the rate of 1/75 for each of the years in excess which shall be added to the due pension, and is considered as a part thereof, provided that the total of the two pensions shall not exceed the maximum limit stipulated upon in paragraph (4) of the article (20).*

Article (27):

Without prejudice to the provisions of the two items (4 and 6) of article (18), if the service period of the insured person is terminated without his fulfilling the requirements for entitlement to pension, he shall be entitled to the lump sum indemnity to be calculated at the rate of 15% of the annual wage for each year of contribution period to the insurance. ⁽¹⁾

The annual wage means the average monthly wage in respect of which the contribution was paid during the last two years, or the contribution period if less than two years, multiplied by 12. In calculating this average, the rules stipulated upon in paragraph (4) of article (19) should be observed.

This indemnity shall be payable in the following cases:-

- 1- If the insured person attains the age of 60.**
- 2- In case the foreigner leaves the country finally, or is permanently engaged in work abroad, or joins the diplomatic mission at the embassy, or consulate of his own country.**
- 3- In case of emigration of the insured person.**

(*) The last paragraph was cancelled. It was stipulating upon that: "It is not permitted to assess an exceptional pension in case this indemnity being paid without commuting it in full for a pension".

(1) The article (27) is amended by the aforementioned Law No 93 for the year 1980.

4- In case a final court judgment is issued sentencing the insured person to imprisonment of ten years or more, or for the period remaining for him to attain the age of 60, whichever is less.

5- If during his imprisonment, the insured person sustains a permanent partial disability preventing his from work.

6- Termination of service of the insured persons stipulated upon in item (A) of Article (2) for abolishing the post, or dismissal as per a republican decree. ⁽¹⁾

7- If the insured person joins claustral life.

8- If the insured person joins work with one of the quarters excepted from applying the provisions of this Law, according to the conditions and rules issued by a decree of the minister of insurance (*).

9- In case of total disability of the insured person.

10- Death of the insured person. In this case, the full due amounts shall be paid to the legally entitled beneficiaries for pension, to be distributed among them according to the proportions of their shares in the pension. If there is only one beneficiary, he will be paid such amounts complete. If there is not a person entitled to the pension, these amounts shall be paid to the legitimate heirs.

In the cases provided for in items (1, 9, and 10) the amount of indemnity shall be paid in addition to an amount of 6% thereof for the number of complete years from the date of termination of the service until the date

(1) The item No. (6) of the article (27) is amended by the Law No. 47 for the year 1984.

- Description of the amendment:

(*) Decree of the minister of insurance No. 214 for the year 1977, is amended by the ministerial decree No. 136 for the year 1978, published in the official gazette -edition No. 222 on 27.9.1978. and, prime minister decree No. 510 for the year 1982 regarding the rules to be followed in the transitional cases between private substitute social insurance schemes, and the public social insurance scheme.

when payment becomes due.⁽¹⁾

11- If the insured woman is married, or divorced, or a widow, or is 51 years of age, or over, at the date of the application for payment is made, the indemnity shall not be paid in these cases except once during the whole periods of contribution to the insurance by the insured woman. ⁽²⁾

Article (28):

In the cases stipulated upon in the two items (2 and 3) of the article (27), the insured person has the choice to obtain a lump sum indemnity, or a pension, if his contribution period to the insurance gives him the right to obtain the pension.

In the cases referred to in the previous paragraph, the pensioner is allowed to abdicate his right in pension, and to be paid a lump sum indemnity provided to deduct from him the amount of the pension paid to him, and he is not allowed to do so except for one time.

Article (29) :

if the emigrant returns to stay finally in the country, and joins a job which is subject to the provisions of this Law, within two years from the date of emigration, he shall be bound to refund the lump sum indemnity which was paid to him according to the provisions of Articles (27 and 28) either altogether within one year from the date of his return, or by instalments according to the provisions of article (144) and the period for which he had been paid a lump sum indemnity shall be calculated within his contribution period.

The provision of the previous item shall be applicable to the cases prior to the date of enforcement of the present Law, provided the period during which the

(1) Paragraph (4) of article (27), second of item (10) is amended by the aforementioned Law No. 47 for the year 1984.

(2) Item No. (11) of article (27) is added by the Law No. 32 for the year 1978, and is applicable as from 1.5.1977.

said amounts should be refunded shall be three years from this date.

Article (30) :(1)

the insured person shall be entitled to a compensation, whenever one of the cases of pension deserving, or lump sum disbursement exists.

The compensation shall be calculated at the rate of one month wage for each of the years of subscribed period in the compensation system; and the wage for calculating the compensation shall be estimated by the wage of computing the pension on the basic wage, provided for, in the first paragraph of article (19).

The minimum limit of compensation, shall be ten months' wage calculated according to the previous paragraph, in the following cases:-

1- Termination of the insured person service due to the establishment of complete disability, or decease, whenever the conditions, provided for, in the second paragraph for, in the second paragraph of article (18) are fulfilled.

2- Expiry of the insured person's benefit from the compensation system, for reaching the age provided for, in item 1, of article (18), whenever he was subject to such system on 1.4.1984 and his subscription period in the saving system was ten years at least. If such age was less than sixty, the public treasury should be charged by the difference between such limit, and the entitled compensation on the actual period; and this provision shall be applicable with respect to article one of the present Law.

The insured person shall not benefit from the minimum limit of compensation except once, during his subscription periods in the insurance.

With respect to the periods calculated in the compensation system pursuant to article (34), the following should be observed:-

(1) Article 30 is substituted as per Law No. 107/1987

1- Compensation shall be calculated for this period, and added to the referred to minimum limit.

2- The due compensation for such period, shall be estimated according to the attached schedule No. (4), and on the basis of the insured person's age at the due date of payment, and the referred to wage for calculating the compensation, in cases of deserving payment other than reaching the age referred to, in item (2) of the second paragraph, or decease.

In case of deserving compensation for the death of the insured person, it shall be paid pursuant to the rules provided for in item (10) of article (27).

Article (31):

The pension of an insured person who fill the post of a minister or deputy minister shall be assessed on the basis of the last wage he received according to the following :(1)

First : A minister shall be entitled to a pension of 150 pounds per month, and a deputy minister to a pension of 120 pounds per month in the following cases:

1- If his period of contribution at the termination of his service as minister or deputy minister is twenty years, and he had spend at least one continuous year in either post or both posts.

2- If his period of contribution at the termination of his service as minister or deputy minister is ten years; and he had spent at least two continuous years in either post or both posts.

(1) Paragraph amended by the Law No. 47 for the year 1984 (article 10 - item 3) - as the phrase "with an amount not exceeding the maximum limit of contribution wage ", was abolished.

Description of the amendment:-

Dropping the phrase "with an amount not exceeding the maximum limit of contribution wage" to be in agreement with releasing the maximum limit of contribution wage in the scheme.,

Provisions of item (4) of article 12 of the Law No. 47 for the year 1984 should be obseved.

3- If his period of contribution at the termination of his service as minister or deputy minister, is five years; and he had spent at least four continuous years in either post or both posts.

If he had not fulfilled the aforesaid contribution periods, and had spent in either posts a period of three continuous years, he shall be entitled two-thirds of the said pension.

In calculating the periods stipulated upon in this item, the fractions of a month should be reckoned as a complete month.

Second : The pension shall be assessed for him on his contribution period to the insurance which exceeds the periods stipulated upon in item (first), and to be added to the due pension pursuant to the said item, provided the total of the two pensions shall not exceed the last contribution wage ⁽¹⁾.

Third : If the service period he has spent in both posts, or in either post, does not reach the extent referred to in the item (first), he shall be entitled a pension to be calculated according to the contribution period in insurance on the basis of the last wage he received. If the pension thus assessed is less than 25 pounds per month, he will have the choice of either receiving a pension or a lump sum indemnity.

The public treasury shall bear the difference between the pension calculated according to the provisions of this article and the pension calculated pursuant to the other provisions.

With exception to article (23 and 27) pensions due according to this provision shall be paid without reduction; and the lump sum indemnity shall be payable upon the termination of service, in case of his choice.

(1) An amended paragraph by the Law No. 93 for the year 1980, and is applicable as from 1.9.1975, then by the Law No. 61 for the year 1981.

Chapter (3)

Rules for Computing Some Contribution Periods to Insurance

Article (32):

With exception to articles (20 and 27), the following contribution periods shall be calculated at the rate of 1/75 in case a pension is due, and at the rate of 9% in case of a lump sum indemnity is due, if the insured person has not contributed for them:-

1- The period prior to the date of benefitting from the Laws of Insurance and Pensions, or Social Insurance, which such laws provide for counting within contribution period to insurance.

2- Periods spent in a permanent or temporary post, or in post on a personal grade, or on a daily payroll, or in a post on basis of compensation payment or for which a fixed remuneration is paid, or outside the authority, or remuneration from the "Third Allocations" chapter included in the general budget of the state, or in the budgets that were appended to it, or in a post at the university or AL-Azhar university, or religious institutes, or in ministry of wakfs, municipality councils, provincial councils, or public transport department for alexandria zone, in respect of the following insured persons:-

a) Insured persons whose service periods in such posts were terminated before benefitting by insurance and pensions Law No. 394 for the year 1956 establishing an insurance and pensions fund for the state civil personnel, and other fund for personnel of organizations having independent budgets, or by the Law No. 36 for the year 1960, promulgating the Insurance and Pensions Law for the State Civil Personnel, or by the Law No.37 for 1960 promulgating the Insurance and Pensions Law for the State Civil Personnel and Workers according to each case. If the insured person has received a compensation for that period, he should repay it in a cash lump sum in addition to an extra amount ⁽¹⁾ at the rate of 4.5% annually from the date of payment till the date it is refunded.

The public treasury shall meet the amount of

entitlements resulting from the computation of this period .

b) Insured persons whose service period was terminated in these posts under the Laws referred to in item (A), and to whom their insurance and pension contribution were refunded.

For the calculation of these periods, it is stipulated that the insured person should have been reinstated to service in the administrative system of the state, or public authorities, or general organizations, or economic units of the public sector, or health organizations, and that the insured person should submit an application for its computation.

3- Periods of secondment abroad, and exceptional leaves, and unpaid study leaves which were spent before the present Law came into force, in respect of those who were treated under the Insurance and Pension Law referred to in article (2) of the promulgating Law.

(1) The phrase "yield of investment" is substituted by the phrase "Extra amount"- in applying the provision of article (6) of the Law No. 47 for the year 1984 which stipulates that: (the phrase "the yield of investment, and extra amounts, and the phrase" the yield of investment" provided for in the Social Insurance Law promulgated by the aforementioned Law No. 79 of 1975 wherever they are mentioned should be substituted by the phrase "the extra amounts").

4- Periods spent by the insured foreigner in one of the posts which were subject to the Insurance and Pensions Laws stipulated upon in article (2) of the promulgating Law, and during which he was not treated under these Laws.

Article (33) : ⁽¹⁾

The insured person is allowed to apply for calculating any of the subscribed periods, provided for, in article (32) at the rate of the percentages, provided for in articles (20) and (27), in return of paying an amount to be estimated pursuant to the attached schedule No. (4).

Article (34): ⁽²⁾

The insured person is allowed to apply for computing any number of complete years which he spent in any work or activity after having attained the age of 20 years, to be included in his contribution period to the insurance against payment of an amount to be calculated in conformity with the attached table No. (4).

For the periods required to be included in the contribution period in respect of the variable wage, it is provided that the total contribution periods for this wage should not exceed the contribution period for the basic wage.

The insured person may further request to include any number of years in his contribution period to the condensation scheme against payment of an amount to be calculated according to the attached table No. (4), and the provisions stipulated upon in the last two paragraphs should be observed.

⁽¹⁾ Article 33 substitutes as per Law No. 107/ 1987.

⁽²⁾ Article (34) is amended by the law No. 93 for the year 1980, then amended by the law No. 47 for the year 1984.

Chapter (4)

(1) Rules for Treatment of the Insured Persons Who Were Among the Armed Forces Personnel (1)

Article (35) :

Periods of service in the armed forces, shall be added to the subscribed period in senility, disability and decease insurance, with respect to those shifting to the civilian service from the officers, honourable officers, sergeant majors, non-commissioned officers, volunteered soldiers, or those renewing service having high salaries.

The deservings of the insured person referred to, in the last paragraph, shall be settled at the termination of his service, pursuant to the provisions of the present Law, together with taking into consideration the following :-

1- If he had not acquired a right for pension, for his military service period, his deservings shall be settled considering the two periods of his service, connected, pursuant to the provisions provided for, in the present Law.

2- If he had acquired a right for pension, for his military service period, his basic pension, and additional pension for his military service period shall be settled on the basis of the last wage from which reserve for pension is deducted for either of the two pensions at the rate of 1/36 of such wage for each of its years; then, to each of such pensions shall be added what he is entitled to, of similar pension for his civilian subscribed period, whatever was its amount, calculated pursuant to the provisions stipulated upon, in this Law; or his pension shall be settled, considering his military service period connected with the civilian period, pursuant to the provisions stipulated upon, in this Law, and by observing the connection of each of the basic wage

(1) Article 35 substituted as per law No. 107/1987.

period and the variable wage period, with the period similar to it, for the military period; and the better pension shall be assessed for him.

In all cases provided for, in this item, the following should be observed:-

(a) The period of military service shall be calculated according to the armed forces insurance and pensions law under which this service is terminated.

(b) Holding together between the pension due on the military period, and the pension due on the civilian period, shall be with what not exceeding 80% of the total maximum limit of the basic and variable subscription wages provided for in this law.

(c) The public treasury shall be charged with the deservings resulting from calculating the military service period within the subscription period in this law.

3- If a pension had been determined for him on his military service period, his deservings shall be settled pursuant to the provisions of Article (36).

Article (36) :(1)

If the military service for one of those provided for in the previous article is terminated, then he joined a work again which shall make him subject to the provisions of this law, the following shall be applied thereon:-

1- If he is entitled to a compensation and payments on his military service period, and had not been paid such amounts, his period shall be calculated within the subscribed period in this insurance without paying any amounts thereon.

If he had been paid such amounts, and wishes to compute the referred to period within his subscribed period in this insurance, he will be obligated to refund the amounts referred to in the previous paragraph, in a lump sum disbursement in cash, during three years of the date of his benefiting from the provisions of this

(1) Article 36 substituted as per law No. 107/ 1987

law, and after the expiry of this period, he shall have the right to apply for its computation in return of paying the amounts due on it, calculated pursuant to the attached schedule No. (4).

On the termination of his civilian service, his deservings for the military period which was calculated within his subscribed period in this insurance, together with the civilian period shall be settled as one unit pursuant to the provisions of the present law

2- If he was a pensioner for his military service period, and this pension was less than the maximum limit of the total pension on the basic wage and the variable wage, pursuant to provisions of this law, and the civilian subscribed period, did not fulfill the conditions required for deserving a pension, he should deserve for it a lump sum disbursement to be paid promptly upon the termination of the service.

If the conditions required for deserving a pension on the civilian subscribed period are fulfilled for, other than disability or decease, the pension for it shall be calculated pursuant to the provisions regarding the reason of his deservings a pension to be assessed for him with the total of the two pensions.

If the conditions required for deserving a pension on the civilian subscribed period for disability or decease, are fulfilled, the pension shall be settled pursuant to the settlement rules for disability or decease pension in this law, for the total of the two civilian and military subscribed periods, as a one unit, and on the basis of pension settlement on average wages for the total of the two subscription periods, or the pension shall be settled on the last period, pursuant to the settlement rules of senility pension in this law, and to be added to the military pension; and the better pension shall be assessed for him.

In all cases of pension computation provided for, in this item, the following should be observed:-

(a) The military service period shall be estimated pursuant to the armed forces insurance and pensions law,

under its shade the service is terminated.

(b) On calculating the pension on the civilian period, the period which was taken into account in determining the military pension shall be excluded thereof. Refunding what was paid of subscriptions on the excluded period to the public treasury should be observed.

(c) In case of pension settlement on the civilian service period, and its addition to the military pension, the addition of the pension due on each of the subscribed period in the basic wage, and the subscribed period in the variable wage to its similar military pension should be taken into account.

(d) In case of pension settlement on the periods of both of the civilian and military service as one unite, the additions of each of the subscribed period for the basic wage, and the subscribed period for the variable wage to its similar military period, should be taken into account.

(e) Holding together between the pension due on the military period, and the pension due on the civilian period, shall be without exceeding 80% of the total maximum limit of the basic and variable wage, pursuant to the provisions of this law.

(f) If the insured person, is entitled to a lump sum indemnity, pursuant to article (26), what he had been paid of compensation for the excess period over the period on which he is entitled to the pension, pursuant to the armed forces insurance and pensions law, shall be deducted from him.

(g) The provisions of this law, shall be applicable with respect to the pension assessed pursuant to the foregoing.

(h) The public treasury shall be charged with the deservings resulting from the computation of the military service period within the subscribed period in the present law.

An exception of the provision of this item, it is permissible for the insured person, in whose respect the provisions of this article are applied, and he does not express his desire to hold together the military period with the civilian period to apply for holding non addition, during a period on 30.6.1989, and in such a case, he shall not be entitled for the civilian period which

was not included in his military pension, except a lump sum indemnity whatever was its amount, and whatever was the reason of deserving; and this indemnity shall be paid promptly upon the termination of service. The provisions of stated increases as of 1.7.1987, shall not be applied, regarding his military pension; and it is also permissible to grant his exceptional increase in pension.

3- If he is a pensioner for his military service period, and such pension reached the maximum limit of the pension on the basic wage, and the variable wage, pursuant to the provisions of the present law, he shall not be entitled for his subscription period in this insurance, except the lump sum indemnity, whatever was its amounts, and whatever was the reason of the service termination; and this indemnity shall be paid upon the service termination.

Article (37) :(1)

If the military service of the insured person, whether enlisted, or retained, or summoned to military service, or in charge - was terminated for his death due to military operations, or military service, or one of the cases mentioned in article (31) of the armed forces insurance and pensions law, promulgated by the law no. 90 for 1975 - his beneficiaries shall have the preference right over all the insurance rights determined by this law, or by the armed forces insurance and pensions law.

Article (38) :(2)

The rates provided for in the previous article shall be applicable with respect to the insured person who was entitled to a disability pension, pursuant to the armed forces insurance and pensions law promulgated

(1) +(2) Article 37 +38 substituted as per law No. 107/ 1987

by the law no. 90 for 1975 - injury relapse and its complications, provided for, in chapter four of the present law.

On the termination of the civilian service period, for the insured person referred to in the previous paragraph, his pension shall be settled for his whole subscribed period, pursuant to the provisions of the present law, according to the reason of deserving payment, or his pension shall be settled for his civilian subscription period following the period for which he was entitled a military pension, pursuant to the pension computation rules of service termination for reaching age of retirement, whatever was the reason of his deserving, and to be added to the military pension; and the better pension shall be assessed for him.

In all cases, it should be observed that, in case of pension settlement on the civilian period following the period for which the military pension is entitled, pension of subscribed period on the basic wage is to be added to the military period basic pension, and he shall hold them together exceeding the maximum limit provided for in the last paragraph of article (20); and the pension of subscribed period on the variable wage shall be added to the military period extra pension; and he shall hold them together without exceeding 80% of the average settlement wages of the military pension and the civilian pension.

Chapter (5)

General Rules

Article (39):(1)

The service of an insured person is supposed not to be terminated in case he moves from one of the sectors belonging to an insurance fund, to another sector belongs to other fund, even though he is entitled to pension for the first period. His entitlements shall be

(1) An Article innovated by the law No. 25 for the year 1977.

assessed at the termination of his service if his whole contribution period was in one fund.

The fund to which he belongs at the termination of his service shall be held responsible for his entitlements for the total period of his contribution to the insurance, and each fund shall bear its share in the pension, or indemnity, or compensation according to the period of contribution to it, in proportion to the whole period of contribution . The first fund shall pay to the other Fund the capital value of its share in pension, assessed according to a schedule to be decreed by the minister of insurance ⁽¹⁾.

Shall be included in the period of contribution to this insurance, the periods in respect of which the insured person has paid a contribution in compliance with the social insurance law for employers and the like, issued as per law No. 108 of 1976, or pursuant to the social insurance law for Egyptian workers abroad issued as per law No. 50 of 1978. The rules for adding the periods referred to, and the method of calculating them in the pension shall be determined as per a republican decree upon the proposal of the minister of insurance.

Article (40) :⁽²⁾

If the pensioner returns to a job which makes him subject to the provisions of this insurance, or to one of the bodies which deserted the range of applying this law, for the existence of a substitute system determined pursuant to a law, his pension shall be suspended as from the start of the following month, and up till the termination of his service in the referred to bodies; or for reaching the age provided for in item (1) of Article (18) whichever is earlier.

(1) The second paragraph of Article No. (39) is amended by the law No. 47 for the year 1984 by adding "the compensation" .

(*) Decree No. 146 for the year 1977 was issued by the minister of insurance, and published in the official Gazette No. 146 on 5. 7. 1977.

(2) Article 40 is substituted as per law No. 107 / 1987

If the wage on which the pension is settled, or the total of what he was paid of wage at the end of his service period - whichever is bigger - is exceeding his due wage on the job to which he has returned, he shall be paid of the pension, the difference between them, provided that the part to be paid of the pension shall be deducted by the amount of what he receives of increases in his wage.

In case of the existence of one of the deserving cases on the last period, shall be settled pursuant to the following :-

1- If the reason for deserving on this period was other than disability, or decease, a pension shall be calculated for it, whatever was its amount, and to be added to the previous pension.

2- If the reason of deserving on this period was disability or decease, the pension shall be settled by one of the following two ways whichever is better for him:-

(a) The pension shall be settled on the two service periods, considering them one unit, and on the basis of the two wages average for pension settlement on each period, or pension settlement wage for the last period, whichever is better for him.

(b) The pension regarding the last period shall be calculated pursuant to pension computation rules of service termination for reaching the age of retirement, and to be added to the first pension.

In all cases of settlement for the two periods of service, considering them one unit, the provisions of pension maximum limit for each of the basic and variable wage shall be observed; and in cases of settlement for the last period, and its addition to the pension of the first period pension, it shall be observed that the total of the two pensions on the basic wage, is not exceeding the maximum limit provided for in the last paragraph of article (20), and that the total of the two pensions on the variable wage shall not exceed 80% of the two wages average for pension settlement.

If the due pension on the first period service is assessed pursuant to one of the laws provided for in

article four of the promulgating law, the pension shall be settled pursuant to the foregoing; or a pension on the new service period shall be settled for him pursuant to pension settlement rules for reaching age of retirement. it shall be added to the first pension, and a pension with the total of both shall be assessed for the insured person, taking into account that the total of the basic and variable wage pension shall not exceed 80% of the total maximum limit of the basic and variable subscription wage, pursuant to this law.

The provisions of this insurance shall not be applicable with respect to the insured person, if his age exceeded sixty, except for the one whose service is extended by a decree from the concerned authority, from the insured person referred to in item (a) of article (2) ; and also the cases provided for in article (31), (163) and (164). In this case the pension shall be paid as from the first of the month in which the service will terminate, except the cases of article (163) where the pension shall be paid as from the first of the month in which the period necessitating pension deserving shall be completed.

Article (41): ⁽¹⁾

The insured person has to pay the amounts required from him for the account of the previous period, or for the subscription of a period pursuant to one of the following ways:-

1- One disbursement during one year of the date of requesting the account, or subscription, without exceeding the date of service termination.

2- Pursuant to the fourth paragraph of article (144).

3- Pursuant to the fifth paragraph of article (144) whenever the age of the insured person exceeded fifty years on 1/4/1984, and the period required for computation, in

(1) Article 41 is substituted as per law No. 107 / 1987.

addition to his subscription period in insurance entitles him for a pension.

In case of paying the required amounts pursuant to items (2) and (3), the insured person shall not be considered a subscriber unless the first premium is paid to the competent authority before the date of service termination.

An exception of the provision of the last paragraph, the insured person is allowed - after his service termination, even if he exceeded the sixty years - to express his desire to compute a period preceding his last subscription period, and with the observance of article (34) within the limits of the required period for deserving a pension. The amount due on it shall be paid in one disbursement, and he shall be entitled to a pension as of the first day of the month preceding payments of such amounts.

In case of the death of the insured person , after expressing the desire to subscribe for a period, or to compute a period, and before payment of the amounts requested from him in one disbursement, or before the first premium of them falls due, his beneficiaries are allowed to pay the due amounts in one disbursement, in cash, during a year starting from the date of death.

Subscription for any period, or the computation of any period, shall not result in the deserving of the insured person for a pension thereof, except after the expiry of the period during which the application for subscription or computation is submitted.

It shall not be permissible for any reason, to recant the application for computing periods or subscribing for them.

An exception of the provision of the previous paragraph, the insured person, or the pensioner is allowed to retract the application of periods computation or subscription for them, in case of the issuance of laws or final judgments for adding periods to the subscribed period of the insured person. The retraction application must be submitted during three years from the date of applying such laws, or the issuance of such judgments.

In case of the occurrence of death of the insured person or pensioner during the referred to period, before applying for retraction, this right shall be for his beneficiaries.

In case of retraction, the amounts previously paid shall be refunded to the concerned person; and the bodies which are held responsible for paying the cost of the added periods shall be charged with what the computing authority carried out of obligations in return of computing the period, or subscribing for it.

Article (42):

In cases of dismissal by disciplinary way, if the dismissal is abolished or withdrawn in respect of the insured person being among the personnel of the quarters referred to in item (A) of article (2) , the following will be adopted:-

1- For those to whom a lump sum indemnity has been paid, the period for which the indemnity was paid, and the period of dismissal shall be compted as a part of the contribution period to the insurance; and the insured person shall be pound to refund the indemnity amount.

2- A pensioner shall have the choice of either refunding the pension amounts already paid to him, in order to compute the period of dismissal with his period of contribution to the insurance, or not to refund the pension amounts against non-computation of dismissal period.

3- The employer shall be bound by the contributions due for the period of dismissal, in case such period is computed within the period of contribution to the insurance scheme.

The Foregoing provisions shall apply in respect of the insured persons stipulated upon in paragraph (B) of article (2), if it is stablished that the dismissal was arbitrary, and the insured person is reinstated to work by a court ruling.

Article (43): ⁽¹⁾

If the insured person is dismissed through non-disciplinary channel, and was from the personnel of the quarters stipulated upon channel, and was from the personnel of the quarters stipulated upon in item (A) of article (2), then he was reinstated to work by court ruling, or by virtue of law, or due to withdrawing his dismissal decision, the following shall be applied in his respect:-

1- The period during which he was not subject to the social insurance scheme shall be included in computing contribution period to the insurance; and the public treasury will bear the contributions due for such a period .

2- With respect to those who already received lump sum indemnity, they will have the choice either to refund the indemnity, and to compute the previous period or not to refund the indemnity, in which case the said period shall not be computed.

3- Regarding the pensioner, the public treasury will pay to the fund the value of pensions already paid.

Article (44):

It is not allowed to deprive an insured person or a pensioner of his pension, or lump sum indemnity whether partially or wholly, for any reason whatsoever.

Article (45) :

In case of any employer who refrains from carrying out the decision of the committee referred to in item (3) of article (18), he shall be bound to pay the due wage up to the date the insured person joins another job. For the insured person to benefit by this provisions, he must fulfill the conditions stipulated upon in items (5 and 6) of article (92). The insured person's right for wage shall be forfeited if he refuses to join a suitable job.

The decision issued by the concerned authority in respect of the entitlement of the insured person to awage shall, in this case, be similar to a law enforcement document.

(1) The article (43) is amended by the aforementioned law No. (25) for the year 1977.