

31st ANNUAL REPORT OF THE GOVERNMENT OF CYPRUS
ON THE MEASURES TAKEN TO GIVE EFFECT
TO THE ACCEPTED PROVISIONS OF THE
EUROPEAN CODE OF SOCIAL SECURITY

Period covered: 1/7/2022 to 30/6/2023

I. List of Laws and Regulations which apply the provisions of the Code

Please add:

LAWS

- Social Insurance (Amendment) Law N. 150(I)/2022 - 7 Oct 2022
- Social Insurance (Amendment) Law N. 214(I)/2022 – 16 Dec 2022
- Social Insurance (Amendment) Law N. 215(I)/2022 – 16 Dec 2022

REGULATIONS

Social Insurance (Benefits)(Amendment) Regulations – 23 Dec 2022

II. Details of the provisions of the above-mentioned legislation giving effect to each of the following Articles of the Code

Law 150(I)/2022 was enacted which provides for sickness benefit to insured persons between the ages of 63-65 provided they continue to work and do not receive the state pension.

The Social Insurance (Amendment) Law N. 214(I)/2022 – 16 Dec 2022 introduced paid parental leave benefit (details in part Family Benefits) as well as insurance credits for 7 days of absence from work due to force majeure and 5 days of insurance credits for Carers leave. In addition the law extended the coverage of paternity benefit to all fathers irrespective of marital status. In addition, in the event of the mother's death before or during childbirth or during maternity leave, the right to paternity benefit is increased by as many weeks as the remaining weeks of maternity benefit that the mother would have been entitled to if she had not died. This increase is also given in the event that the deceased mother does not establish a right to the provision of maternity benefit but the father establishes a right to the provision of a paternity benefit.

According to the Social Insurance (Amendment) Law N. 215(I)/2022 – Dec 2022 the Minister may issue a decree by which the deadline for payment of contributions by employers and self-employed can be extended by two weeks from the date of the issue of the Decree in order to cater for unforeseen circumstances. The law had retroactive effect and its effect ends on 31st of December 2023.

PART I
GENERAL PROVISIONS
Articles 1 – 2

No change.

Articles 3 – 6

Not applicable.

PART II
MEDICAL CARE

Articles 7 – 12

Not applicable as Cyprus has not accepted the obligations of the Code in respect of this Part.

PART III
SICKNESS BENEFIT

Articles 13 – 14

No change.

Article 15

- A. No change except that Law 150(I)/2022 was enacted which provides for sickness benefit to insured persons between the ages of 63-65 provided they continue to work and do not receive the state pension.
- B. No change.

TITLE II (Article 74)

A.	Number of economically active persons protected –	
	(i) under general scheme	559.570
	(ii) under special schemes –	
	scheme for	NIL
	scheme for	<u>NIL</u>
	(iii) Total	473.247
		=====
B.	Total number of residents	904.705 ¹
C.	Total number of economically active persons (A(iii)) per cent of total number of residents (B): 61,85%	

The number given in A(i) above is the total number of persons who have paid or been credited with contributions to the Social Insurance Scheme in 2022. The number given in B above is the total number of residents in the Government controlled area of Cyprus which for 2022

D. Not applicable.

¹ Eurostat: Source: <https://ec.europa.eu/eurostat/databrowser/view/tps00001/default/table?lang=en>

Article 16

- A. Recourse is had to Article 65 for the calculation of sickness benefit.

TITLE I (Article 65)

- A. No change except that the amount of the weekly basic insurable earnings was increased as from 1/1/2023 to €192,47 and the ceiling of earnings on which contributions are payable to €1.155 per week.
- B. No change.
- C. The weekly wage of the skilled manual worker (Wholesale and retail trade; repair of motor vehicles and motorcycles) was €394,25.

1 – 2: Not applicable.

TITLE II (Article 65)

- D. The weekly amount of sickness benefit for the standard beneficiary is €293,36
- E. No change.
- F. No change.
- G. Percentage of the weekly amount of sickness benefit payable (€293,36) in relation to the weekly amount of the reference wage (€394,25): 74,40% (€293,36: (€394,25)).

TITLE V (Article 65)

- D. Amount of benefit granted during the time basis: €216,37
- G. Amount of benefit (D) per cent of the standard wage (€401.08): 54.80% (€216,37: €394,25).
- B. Not applicable.
- C. No change.

Articles 17

No change.

Articles 18

No Change

PART IV**UNEMPLOYMENT BENEFIT****Articles 19-20****Article 21**

- A. No change.
- B. See Articles 19-20
- C.

TITLE I (Article 74)

A.	Number of employees protected:	
	(i) under general scheme	528.413
	(ii) under special schemes	NIL
	(iii) Total	<u>528.413</u>
		=====
B.	Total number of employees	401.336 ¹

The number of employees in A(i) above is the total number of employed persons who have paid or been credited with contributions to the Social Insurance Scheme in 2020.

The total number of employees in B above is provided according to the Labour Force Survey (L.F.S.)(2022)

No comparison between the number of employees protected under the General Scheme and the total number of employees is possible since the basis for the collection of the data is different.

For example the number in A above includes also persons who have worked for at least one week and terminated their employment in the reference year whereas these persons are not included in the number of B above.

- D. Not applicable.

Article 22

- A. Recourse is had to Article 65 for the calculation of unemployment benefit.

¹Cyprus Statistical Service LFS

TITLES I, II AND V
(Article 65)

Same as for sickness benefit (see Article 16 above)

Articles 23 - 24

No change.

PART V

OLD-AGE BENEFIT

Article 25 - 26

No change

Article 27

A. No change.

B. No change.

C(ii)

TITLE II (Article 74)

A. Number of economically active persons protected:

(i)	under general scheme	560.119
(ii)	under special schemes	---
(iii)	Total	560.119
		=====

B. Total number of residents 904705¹

C. Total number of economically active persons ((A(iii)) per cent of total number of residents (B): 61,91%

The number given in A(i) above is the total number of persons who have paid or been credited with contributions to the Social Insurance Scheme in 2022.

The number given in B above is the total number of residents in the Government controlled area of Cyprus which was estimated for 2022.

D. Not applicable.

Article 28

A. Recourse is had to Article 65 for the calculation of old-age benefit.

¹ Eurostat: Source: <https://ec.europa.eu/eurostat/databrowser/view/tps00001/default/table?lang=en>

TITLE I (Article 65)

A No change except that the amount of the weekly basic insurable earnings was increased as from 1/1/2023 to €192,47 and the ceiling of earnings on which contributions are payable to €1.115 per week

B. No change.

B. The weekly wage of the skilled manual worker (Wholesale and retail trade; repair of motor vehicles and motorcycles) was €394,25.

1-2 Not applicable.

TITLE III (Article 65)

D. The amount of the weekly benefit granted to the standard beneficiary whose earnings are equal to the reference wage (€394,25) and with a full insurance record (49 years) is €302,28 or 76,67% of the reference wage, as against 40% provided by the Code.

E. Not applicable.

F. Not applicable.

F. The following Table gives examples of the weekly amount of pension as a percentage of the reference wage of the standard beneficiary with varying years of insurance.

G.

Actual and prospective years of insurance	Amount of benefit for standard beneficiary (€)	Benefit as % of reference wage (€394,25).
35	$(80\% \times €192.47 \times 35/49) + (€201.78 \times 1.5\% \times 35) = €215.91$	54,76
30	$(80\% \times 192.47 \times 30/49) + (€ 201.78 \times 1.5\% \times 30) = €185.04$	46,93

TITLE V (Article 65)

(with full insurance record):

D. Amount granted during the time basis: €242,60.

G. Amount of benefit (D) per cent of the standard wage (€394,25): 60,53% (€242,60 : €394,25).

B. Not applicable.

C.

TITLE VI (Article 65)

1. No change.

2

Period under Review	Cost-of-living Index	Index of earnings ⁽¹⁾ in money terms
A. Beginning of period - (2021)	112.24	107,4
B. End of period - (2022)	114.38	115,0
C. Percentage $\frac{A}{B}$	98,12%	93,39%

3. According to the Social Insurance Legislation, the rate of increase of January 2023 (in both the basic and the supplementary part of the pensions) is offset by the percentage of the numerical increase granted in the pensions of July 2022. Therefore, both the basic and the supplementary part of the pensions from 1.1.2023 will have zero increase

Article 29

1. No change.
2. No change.
3. Not applicable.
4. Not applicable.
5. No change.

Article 30

No change.

⁽¹⁾ Base: 2010

PART VI**EMPLOYMENT INJURY BENEFIT****Articles 31 and 32**

No change.

Article 33

A. No change.

B. **TITLE I (Article 74)**

A. Number of employees protected:

(i)	under general scheme	528.404
(ii)	under special schemes	NIL

Total	528.404
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B. Total number of employees	401.366 ¹
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The number of employees in A (i) above represents the total number of employed persons who have paid or been credited with contributions to the Social Insurance Scheme in 2022.

The total number of employees in B above is provided according to the Labour Force Survey (L.F.S.)(2022) prepared by the Statistical Service of the Ministry of Finance.

Please refer to the Part IV, Unemployment Benefit for further explanation regarding the number of employees above.

Article 34-35

A. No change.

Article 36

A. No change. The weekly amount of the constant allowance was increased as from 1/1/2023 to €64,03 The total weekly benefit for a beneficiary with three dependants, including constant allowance, reaches €377.57 which corresponds to 95.77% of the standard wage.

¹Cyprus Statistical Service LFS

B.

Injury Benefit**TITLE I (Article 65)**

- A. No change except that the amount of the weekly basic insurable earnings was increased as from 1/1/2023 to €192,47 and the ceiling of earnings on which contributions are payable to €1.155 per week
- B. 1-2 No change.
- C. The wage of the skilled manual worker was €394,25 per week.
 - 1. Not applicable.
 - 2. Not applicable.

TITLE II (Article 65)

- D. Weekly amount of injury benefit for the standard beneficiary: €293,36.
- E. No change.
- F. No change.
- G. Percentage of the weekly amount of injury benefit payable (€293,36) in relation to the weekly amount of the reference wage (€394,25): 74,41% (€293,36 : €394,25).

The amount of the periodical benefit does not vary by region.

TITLE V (Article 65)

- D. Amount of benefit granted during the time basis: €216,37
- G. Amount of benefit (D) per cent of the standard wage (€394,25): 54,88% (€216,37 : €394,25).

Disablement Benefit**TITLE I (Article 65)**

- A. No change.
- B. 1-2 No change.
- C. No change.

TITLE II (Article 65)

- D. Weekly amount of disablement benefit for the standard beneficiary: €313,54.
- E. No change.
- F. No change.
- G. Percentage of the weekly amount of disablement benefit in relation to the weekly amount of the reference wage: 79,53% (€314,54 : €394,25).

TITLE V (Article 65)

- D. Amount of benefit granted during the time basis: €236,55
- G. Amount of benefit (D) per cent of the standard wage (€394,25): 60,0% (€236,55: €394,25).

TITLE VI (Article 65)

1. No change.

2.

Period under Review	Cost-of-living Index	Index of earnings ⁽¹⁾ in money terms
A. Beginning of period - (2021)	112.24	107,4
B. End of period - (2022)	114.38	115,0
C. Percentage $\frac{A}{B}$	98,12%	93,39%

3.

4. According to the Social Insurance Legislation, the rate of increase of January 2023 (in both the basic and the supplementary part of the pensions) is offset by the percentage of the numerical increase granted in the pensions of July 2022. Therefore, both the basic and the supplementary part of the pensions from 1.1.2023 will have zero increase.

⁽¹⁾ Base: 2010

Death Benefit**TITLE I (Article 65)**

- A. 1. No change.
2-3. No change.
- B. No change.
- C. The wage of the skilled manual worker was €394,25 per week in.
 - 1. Not applicable.
 - 2. Not applicable.

TITLE IV (Article 65)

- D. Amount of widow/er's pension for the standard beneficiary: €245,86 per week.
- E. No change.
- F. No change.
- G. Percentage of the weekly amount of widow/er's pension in relation to the weekly amount of the standard wage: 62,36% (€245,86: €394,25).

A funeral grant is payable where the victim of an employment accident or occupational disease dies. The beneficiary is the surviving spouse and, in the absence of a spouse, the person who has undertaken the funeral expenses. The amount of the funeral grant is fixed at €560,45 irrespective of the amount of the actual expenses.

The rate of benefit does not vary by region.

TITLE V (Article 65)

- D. Amount of benefit granted during the time basis: €188,12
- G. Amount of benefit (D) per cent of the standard wage (€401,08): 47,71 % (€188,12: €394,25).

TITLE VI (Article 65)

1. No change.

2.

Period under Review	Cost-of-living Index	Index of earnings ⁽¹⁾ in money terms
A. Beginning of period - (2021)	112.24	107,4
B. End of period - (2022)	114.38	115,0
C. Percentage $\frac{A}{B}$	98,12%	93,39%

3. According to the Social Insurance Legislation, the rate of increase of January 2023 (in both the basic and the supplementary part of the pensions) is offset by the percentage of the numerical increase granted in the pensions of July 2022. Therefore, both the basic and the supplementary part of the pensions from 1.1.2023 will have zero increase..

C. No change.

D. Where the degree of disability is between 10% and 19% a disablement grant is payable instead of a pension. The amount of the grant varies according to the degree of disablement as shown in the Table below.

Degree of disablement	Amount €
10%	4.237,42
11%	4.661,16
12%	5.084,90
13%	5.508,64
14%	5.932,38
15%	6.356,12
16%	6.779,86
17%	7.203,61
18%	7.627,35
19%	8.051,09

Articles 37 – 38

No change.

⁽¹⁾ Base: 2010

PART VII **FAMILY BENEFIT**

Article 41

Number of families protected: 61.974^[1] (incl. 11.560 single parent families)

Total number of families: 303.242^[2]

➤ (The Census of Population is updated every 10 years. The last update took place in 2011).

Percentage of families protected during 2022: 20.43%

Total number of children for whom child benefit was paid: 106.386^[3]

Total number of children up to 19 years old^[4]: 190.766

➤ (The Census of Population is updated every 10 years. The last update took place in 2011).

Percentage of children for whom child benefit was paid during 2022: 55.76%

Article 42

The child allowance is granted to the family only for the number of unmarried and dependent children who live with the family under the same roof. The term dependent children is defined as children:

- Up to 18 years of age
- Aged up to 20 years if they are attending a secondary education school
- Aged up to 21 years if they serve in the National Guard
- Irrespective of age, children who lack a permanent capacity to support themselves.

The child benefit is granted based on:

- I. Residence requirements: the family must have its legal and continuous residence for at least five consecutive years prior to the application submission, in the areas under the effective control of the Republic of Cyprus. The above residence condition applies to all the applicants according to the National Legislation.
- II. Income criteria: the family's gross annual income for the previous year does not exceed €49.000 for families with one dependent child and €59.000 for families with two dependent children. For families with more than two dependent children, the threshold is increased by €5.000 per child, i.e., for three children is €64.000, for four children is €69.000 etc.
- III. Assets criteria: the family does not own assets (including immovable property, deposits etc.) in excess of EUR 1.2 million in current prices. The value of any possible alienation of assets that took place within 24 months prior to the application submission date, is also included.

In calculating the family income, the gross income earned in one year before the year in which the payment of the benefit falls due, by all the family members, from work, employment, self-employment, pensions, alimony, rents, dividends, interest on deposits/bonds/securities in Cyprus or/and abroad shall be taken into account. Any public allowance provided by the Social Welfare Services or any other grant provided by any other Government Service shall also be taken into account. Excluded from the family income are provisions such as: child benefit, mother allowance, student grants, student

^[1] Represents the total number of families entitled to child benefit for 2022, according to the Child Benefit Scheme.

^[2] Represents the total number of households in 2011, according to the Census of Population of 2011.

^[3] Represents the total number of children for whom child benefit was paid for 2022 under the Child Benefit Scheme.

^[4] Represents the total number of children up to the age of 19 according to the Census of Population of 2011.

welfare, scholarships, and grants to deprived or distressed people with disabilities or chronic illnesses as well as income from employment of children and full-time students.

Single-parent family benefit

A complementary benefit is attributed to single parent families who are entitled to child benefit. Single parent family means a family where a lone parent, without a spouse/companion, lives with at least one dependent child, either from marriage or out of wedlock and lives alone because he/she is single, widowed, divorced or because one of the parents is declared by the court as a missing person or is serving a sentence of imprisonment more than six months.

The single parent family allowance is also based on the total gross income obtained during the previous year as well as on residence and economic criteria. A single parent family is entitled to single parent benefit if its total gross income obtained during the previous year does not exceed €49.000.

Child Benefit and Single Parent Benefit Rates

The amount of the child benefit is proportional to the number of children in the family and the level of family income. The Single Parent Benefit and the Child Benefit for families with three or more children, is paid on a monthly basis. The Child Benefit for families with one or two children is paid in one annual instalment.

The amount of child benefit and single-parent family benefit for 2022 is described on the following tables:

Number of Children In the family	Child Benefit annual amount per dependent child (€)			
	families with income of up to €19.500,00	families with income over €19.500,01 and up to €39.000,00	families with income over €39.000,01 and up to €49.000,00	families with income over €49.000,01 and up to €59.000,00*
1 child	475	425	380	0
2 children	570	520	380	345
3 children	1.045	995	760	690
4 or more children	1.675	1.525	1.260	1.135

*for families with more than two dependent children, the threshold is increased by €5.000 per child

Single parent benefit monthly amount per dependent child (€)	
Family income	
€0 – €39.000,00	180
€39.000,01 – €49.000,00	160

It's noted that the benefits amount for 2022 were increased by Automatic Price Indexation (4.57%).

Parental leave benefit

On December 2022, the Social Insurance Law was amended to provide for parental leave benefit to insured employed parents who are on parental leave. The benefit is paid for a maximum of 6 weeks (8 weeks after 2/08/2024) to each parent for each child out of the 18 weeks of parental leave provided by the Leaves (Paternity, Parental, Caring, Force Majeure) and Flexible Work Arrangements for Work-Life Balance Law of 2022 (216(I)/2022). In the case of a single parent the leave is extended to 23 weeks. In the case of a child with serious disability or moderate mental disability the benefit is extended by 4 weeks and in the case of a child with total disability by 6 weeks. The benefit is paid between the period end of maternity/paternity leave until the child reaches the age of 8 years old or in the case of a child with disability until the age of 18 years old. In addition, for the unpaid portion of parental leave the law provides for assimilated periods of insurance (insurance credits).

Conditions for parental leave

To have been employed by the same employer for at least 6 consecutive months

Conditions for parental leave benefit

- To have been employed for at least 12 months in the last 24 months

Insurance Conditions

Same as all short term benefits

(a) actual basic insurance equal to at least 0.50 of the insurance unit and at least twenty-six (26) weeks have passed since the week of commencement of his insurance; and

(b) actual or simulated insurance equal to at least 0.39 of the insurance unit in the relevant contribution year.

Amount of weekly benefit

Basic part: 72% of the weekly value of the insurance unit (or fraction thereof) held by the insured in his/her basic insurance during the relevant contribution year.

Supplementary part: 60% of the weekly value of the number of insurance units that the insured has in his/her supplementary insurance during the relevant contribution year.

No statistical data are yet available. More information and calculations will be provided in the next report

PART VIII**MATERNITY BENEFIT****Articles 46-52**

Not applicable as Cyprus has not accepted the obligations of the Code in respect of this Part.

PART IX**INVALIDITY BENEFIT****Articles 53 – 54**

No change.

Articles 55

A. No change.

B. No change.

C.

TITLE II (Article 74)

A. Number of economically persons protected:

(i)	under general scheme	559.745
(ii)	under special schemes	NIL
(iii)	Total	559.745

=====

B. Total number of residents 904.705¹

C. Total number of economically active persons (A(iii)) per cent of total number of residents (B) : 61,87%

The number given in A(i) above is the total number of employed or self-employed persons who have paid or been credited with contributions to the Social Insurance Scheme in 2022.

The number given in B above is the total number of residents in the Government controlled area of Cyprus, for 2022

D. Not applicable.

E.

¹ Eurostat: Source: <https://ec.europa.eu/eurostat/databrowser/view/tps00001/default/table?lang=en>

Article 56

- A. Recourse is had to Article 65 for the calculation of invalidity benefit.

TITLE I (Article 65)

- A. No change except that the amount of the weekly basic insurable earnings was increased as from 1/1/2023 to €192,47 and the ceiling of earnings on which contributions are payable to €1.155 per week
- B. No change.
- C. The amount of the wage of the skilled manual worker (standard wage) was €394,25 per week.
1. Not applicable.
2. Not applicable.

TITLE II (Article 65)

- D. The weekly amount of invalidity benefit for 100% invalidity for a person with a spouse and two children is €334,70. This amount is guaranteed for a person whose actual and prospective contributions cover a period of not less than 47 years.
- E. Not applicable.
- F. Not applicable.
- G. Percentage of invalidity pension in relation to the standard wage: 84,90% (€334,70: €394,25).

TITLE V (Article 65)

Same as for old-age benefit
(see TITLE V under Article 28).

- B. Not applicable.
- C.

TITLE VI (Article 65)

1. No change.

2.

Period under Review	Cost-of-living Index	Index of earnings ⁽¹⁾ in money terms
A. Beginning of period - (2021)	112.24	107,4
B. End of period - (2022)	114.38	115,0
C. Percentage $\frac{A}{B}$	98,12%	93,39%

According to the Social Insurance Legislation, the rate of increase of January 2023 (in both the basic and the supplementary part of the pensions) is offset by the percentage of the numerical increase granted in the pensions of July 2022. Therefore, both the basic and the supplementary part of the pensions from 1.1.2023 will have zero increase

Articles 57 – 58

No change.

⁽¹⁾ Base: 2010

PART X

SURVIVOR'S BENEFIT

Articles 59 – 60

No change.

Article 61

- A. Recourse is had to paragraph (b). The persons protected comprise surviving spouses and children of all persons protected for old-age benefit. See reply under Article 27.
- B. See reply under Article 27.
- C. See reply under Article 27.
- D. Not applicable.

Article 62

- A. Recourse is had to Article 65.

TITLE I (Article 65)

- A. No change in the method of calculation of the **widow's/ers pension**.

The amount of the benefit for a **full orphan** is as follows:

- Basic benefit: €77,60 per week per orphan.
- Supplementary benefit: This represents 50% of the amount of the supplementary widow's pension which would have been payable in each case. The total supplementary benefit where there are more than two orphans cannot exceed the amount of the supplementary widow's pension.

The amount of benefit for half-orphans is the same as the increase payable in respect of dependants in the case of old age pensioner i.e. €38,81 per week for one orphan, €58,21 for two orphans and €77,60 for three or more orphans.

The amount of funeral grant is €560.45 for the death of an insured person or a pensioner and €280,23 for the death of a dependant of an insured person or a pensioner.

- B. No change.
- C. The wage of the skilled manual worker was €394,25.
1. Not applicable.
 2. Not applicable.

TITLE IV (Article 65)

- D. Weekly amount of widow's pension for a widow with two children whose deceased husband had 47 years of insurance (actual and prospective): €258,57.
- E. Not applicable.
- F. Not applicable.
- G. Percentage of the pension in relation to the standard wage: 65,55% (€258,57: €394,25).

TITLE V (Article 65)

- D. Amount of benefit granted during the time basis: €200,83
- G. Amount of benefit (D) per cent of the standard wage (€401,08): 50,93% (€200,83: €394,25).

- B. Not applicable.
C.

TITLE VI (Article 65)

1. No change.
- 2.

Period under Review	Cost-of-living Index	Index of earnings ⁽¹⁾ in money terms
A. Beginning of period - (2021)	112.24	107,4
B. End of period - (2022)	114.38	115,0
C. Percentage $\frac{A}{B}$	98,12%	93,39%

⁽¹⁾ Base: 2010

5. According to the Social Insurance Legislation, the rate of increase of January 2023 (in both the basic and the supplementary part of the pensions) is offset by the percentage of the numerical increase granted in the pensions of July 2022. Therefore, both the basic and the supplementary part of the pensions from 1.1.2023 will have zero increase

Article 63

1. No change except that the amount of the weekly basic insurable earnings was increased as from 1/1/2023 to €192,47 and the ceiling of earnings on which contributions are payable to €1.155 per week

2. The Table below gives examples of the amount of pension for the standard beneficiary whose late breadwinner's average earnings are equal to the reference wage.

Actual and prospective years of insurance	Amount of benefit for standard beneficiary (€)	Benefit as % of reference wage (€394.25).
35	$(90\% \times €192.47 \times 35/47) + (€201.78 \times 1.5\% \times 60\% \times 35) = €192,56$	48,84
30	$(90\% \times 192.47 \times 30/47) + (€ 201.78 \times 1.5\% \times 60\% \times 30) = €165.05$	41,86

3. Not applicable.
 4. Not applicable.
 5. No change.

Article 64

No change.

PART XII

COMMON PROVISIONS

Articles 68-69

No change.

Article 70

1. No Change

Article 71

No change.

III. No change.

IV. No change.

Answers to comments by the Committee of Experts

Part VI (Employment injury benefit), Article 34 of the Code

The Government intends to amend the Social Insurance legislation in order to be in line with the General Health Insurance Scheme taking into consideration the comments of the Committee of Experts

Part XI (Standards to be complied with by periodical payments)

According to Article 17(2) of the Social Insurance law 59(l)/2010 as amended:

*“An insured person who is entitled to invalidity pension under Article 40 or a statutory pension under Article 36, or who has died before reaching the age of sixty-three (63) years and whose death entitles him to a periodic benefit, shall be deemed to have supplementary insurance for each week from the **relevant date**, until the date he will complete or would complete, depending on the case, the age of sixty three (63) years:*

It is understood that the sum of the insurable earnings that the insured is considered to have under this paragraph and the actual or assimilated insured earnings of the insured in the supplementary insurance, can in no case be greater than the product of the difference between the annual ceiling insurable earnings and the annual amount of basic insurable earnings in the number forty (40).”

According to Part IV of the Fourth Schedule of the Social Insurance law 59(l)/2010 as amended the weekly amount of statutory pension, invalidity pension and widows pension is calculated as follows:

Statutory and Invalidity Pension	
Basic Benefit	Supplementary Benefit
The weekly amount of the basic pension equals to 60% of the weekly value of the annual average insurance points which have been credited to the insured person's basic insurance during the reference period, increased to 80%, 90% or 100% if the beneficiary has one, two or three dependants respectively. In the case of an insured person without a dependent spouse, a 10% increase is paid for each dependant up to a maximum of two.	The weekly supplementary pension is equal to 1.5% of the weekly value of the total number of insurance points in the insured person's supplementary insurance.

Widows Pension	
Basic Benefit	Supplementary Benefit
The weekly amount of the basic pension equals to 60% of the weekly value of the annual average insurance points which have been credited to the insured person's basic insurance during the reference period, increased to 80%, 90% or 100% if the beneficiary has one, two or three dependants respectively.	The amount of the supplementary weekly pension is equal to 60% of the supplementary statutory or invalidity pension that was paid to the deceased person. In any other case, the weekly amount of supplementary pension is equal to 60% of the invalidity pension that would have been payable to the deceased if they had satisfied the
If the deceased person was receiving a statutory pension with an actuarial reduction, then the basic surviving spouse's pension amount shall be equal to the amount of the deceased person's statutory pension without the increments for dependants. This	

amount is increased by 1/3, 1/2 or 2/3 where the beneficiary has one, two or three dependants respectively;	insurance conditions for such a pension on the date of their death,
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Formulas for calculating Widows pension

Weekly amount of widows pension for a widow with **two children** whose deceased husband had 47 years of insurance (actual and perspective)¹

WP=total amount of widows pension

BIE=Basic Insurable Earnings

$$WP=(90\% \times BIE) + (SIE \times 1.5\% \times 60\% \times 47)$$

Reference Wage: **€394.25**

BIE: €192.47

SIE=Wage-BIE

$$= €394.25 - €192.47$$

SIE= €201.78

$$WP = (90\% \times €192.47) + (€201.78 \times 1.5\% \times 60\% \times 47)$$

$$= €258.57$$

Weekly amount of widow's pension for a widow with two children whose deceased husband had 47 years of insurance (actual and prospective): €258.57²

Percentage of the pension in relation to the standard wage: 64.21% (€258.57: €394.25).

Actual and prospective years of insurance	Amount of benefit for standard beneficiary (€)	Benefit as % of reference wage (€394.25).
35	$(90\% \times €192.47 \times 35/47) + (€201.78 \times 1.5\% \times 60\% \times 35) = €192,56$	48,84
30	$(90\% \times 192.47 \times 30/47) + (€ 201.78 \times 1.5\% \times 60\% \times 30) = €165.05$	41,86

¹ Pursuant to Article 17(2) from the age of 16 until the age of 63 are 47 years (actual and perspective)

² It was discovered that a mistake was made during the calculation of the supplementary part of the WP hence the number was different to the result in the report (the 60% was not factored in).

Formulas for calculating Invalidity pension

The weekly amount of invalidity benefit for 100% invalidity for a person with a spouse and two children This amount is guaranteed for a person whose actual and prospective contributions cover a period of not less than 47 years.

IP=total amount of invalidity pension

BIE=Basic Insurable Earnings

$$IP=(100\% \times BIE) + (SIE \times 1.5\% \times 47)$$

Reference Wage: **€394,25**

BIE: €192.47

SIE=Wage-BIE

$$= €394.25 - €192.47$$

SIE= €201.78

$$WP = (100\% \times €192.47) + (€ 201.78 \times 1.5\% \times 47)$$

$$= €334.70$$

Actual and prospective years of insurance	Amount of benefit for standard beneficiary (€)	Benefit as % of reference wage (€394,25).
35	$(100\% \times €192.47 \times 35/47) + (€201.78 \times 1.5\% \times 35) = €249.26$	63,22
30	$(100\% \times €192.47 \times 30/47) + (€ 201.78 \times 1.5\% \times 30) = €213.65$	54,19

Formulas for calculating Statutory pension

The weekly amount of statutory pension of standard beneficiary (Husband and wife) with full insurance record from the age of 16 until the age of 65

IP=total amount of invalidity pension

BIE=Basic Insurable Earnings

$$IP=(100\% \times BIE) + (SIE \times 1.5\% \times 47)$$

Reference Wage: **€394,25**

BIE: €192.47

SIE=Wage-BIE

$$= €394.25 - €192.47$$

SIE= €201.78

$$WP = (80\% \times €192.47) + (€201.78 \times 1.5\% \times 49)$$

$$= €302.28$$

Actual and prospective years of insurance	Amount of benefit for standard beneficiary (€)	Benefit as % of reference wage (€394,25).
35	$(80\% \times €192.47 \times 35/49) + (€201.78 \times 1.5\% \times 35) = €215.91$	54,76
30	$(80\% \times 192.47 \times 30/49) + (€201.78 \times 1.5\% \times 30) = €185.04$	46,93

More details will be provided in the next report