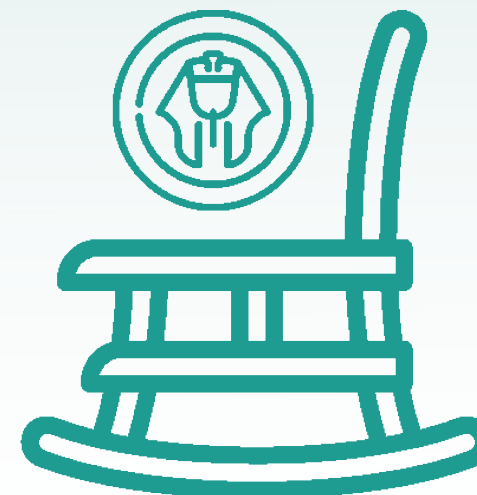


PROPOSED SOCIAL SECURITY & PENSIONS DRAFT LAW

RESPONSIBLE ENTITIES:

» The Ministry of Social Solidarity



CHALLENGE	STATUS/NOTES
<p>Abolish all penalties involving the deprivation of liberty</p> <p>The insurable earnings should not be less than 50% of the total earnings of the employee, with a maximum of LE 6,520; this is the maximum cap (base earnings + variable earnings) prescribed in the law, which is scheduled to come into force on 1/1/2020.</p> <p>Exclude all elements of variable earnings, including incentives and allowances, not to exceed 100%, from the total insurable earnings. (SEIF)</p> <p>Dividends paid to employees should not be considered as earnings for the purpose of calculating insurable earnings.</p> <p>Do not increase the maximum cap amount of insurable earnings beyond the amount which will be applied on 1/1/2020, when the law enters into force (LE 6,520); contributions against any amount that exceeds this cap should be borne only by the insured, however, the amount should not exceed double the total maximum limit on 1/1/2020.</p>	<p>A new Social Insurance and Pension Law No. 148 of /2019 was issued on 19/08/2019.</p> <p>Key features of the law include:</p> <ul style="list-style-type: none"> -Elimination of penalties involving the deprivation of liberty. - Monetary penalties—fines— are reduced, and the amount of the fine varies according to the offense committed. For example, the fine was reduced from LE 50,000 to LE 20,000; the LE 20,000 is set as the fine floor, and LE 100,000 the fine ceiling, if the offense is not repeated. -Allowances are fully excluded from the calculation of the insurable earnings.
<p>Specify the contribution rates for old-age, disability, and death insurance that the employer and the insured employee should commit to (Clause 2 of Article 19). In the absence of specific contribution rates, conflicts between employers and insured employees are likely to arise.</p> <p>Set the contribution rates referenced in Clause 2 of Article 19 (pertaining to private sector employment) at 11% for the employer, and 10% for the employee.</p>	