

Tanzania

Exchange rate: US\$1.00 = 1,580 shillings.

Old Age, Disability, and Survivors

Regulatory Framework

First and current laws: 1964 (provident fund) and 1997 (social insurance), implemented in 1998.

Type of program: Social insurance system.

Coverage

All employed and self-employed persons.

Voluntary coverage is available.

Source of Funds

Insured person: 10% of gross salary; the voluntarily insured pay 20% of declared income but at least 20% of the legal minimum wage.

The legal monthly minimum wage ranges from 65,000 shillings to 350,000 shillings, according to eight industry sectors.

The insured person's contributions also finance cash maternity benefits, medical benefits, funeral grants, and work injury benefits.

Self-employed person: 20% of declared income but at least 20% of the legal minimum wage.

The legal monthly minimum wage ranges from 65,000 shillings to 350,000 shillings, according to eight industry sectors.

The self-employed person's contributions also finance cash maternity benefits, medical benefits, funeral grants, and work injury benefits.

Employer: 10% of gross payroll. The employer may contribute at a higher rate.

The employer pays contributions for insured women who receive maternity benefits.

The employer's contributions also finance cash maternity benefits, medical benefits, funeral grants, and work injury benefits.

Government: None; contributes as an employer.

Qualifying Conditions

Old-age pension: Age 60 with at least 180 months of contributions.

Employment must cease.

Early pension: Age 55 with at least 180 months of contributions.

Deferred pension: A deferred pension is possible. There is no maximum deferral period.

Old-age grant: Age 60 with less than 180 months of contributions.

Employment must cease.

Disability pension: Must be assessed with at least a 66.7% loss of earning capacity and have at least 180 months of contributions or 36 months of contributions, including at least 12 months in the 36 months immediately before the disability began.

A medical board of doctors appointed by the Ministry of Health assesses the disability. A medical examination may be required.

Disability grant: Paid if the insured is assessed with at least 66.7% loss of earning capacity but has less than 180 months of contributions.

Survivor pension: The deceased received or was entitled to receive an old-age or disability pension.

Eligible survivors include a widow(er) and children younger than age 18 (age 21 if a full-time student, no limit if disabled). If there is no surviving spouse or child, parents of the deceased may be eligible.

Survivor grant: The deceased was not entitled to receive an old-age or disability pension at the time of death.

Eligible survivors include a widow(er) and children younger than age 18 (age 21 if a full-time student, no limit if disabled). If there is no surviving spouse or child, parents of the deceased may be eligible.

The widow(er)'s pension ceases on remarriage.

Funeral grant: The insured had at least one month of contributions and was employed at the time of death. The grant is paid to the person who pays for the funeral.

Old-Age Benefits

Old-age pension: 30% of the insured's average monthly earnings in the best five of the last 10 years before retirement plus 1.5% of average monthly earnings for each 12-month period of coverage exceeding 180 months is paid.

A lump sum of 24 times the monthly pension is paid in the first month and a monthly pension thereafter.

The minimum pension is 80% of the legal monthly minimum wage.

The legal monthly minimum wage ranges from 65,000 shillings to 350,000 shillings, according to eight industry sectors.

The maximum pension is 67.5% of the insured's monthly earnings used to calculate the pension.

Early pension: The pension is reduced by 0.5% of the insured's earnings used to calculate the pension for each 12-month period the pension is taken before age 60. The pension must be at least equal to the minimum pension.

Deferred pension: Calculated in the same way as the old-age pension.

The insured receives credit for previous contributions made to the National Provident Fund.

Benefit adjustment: The Board of the National Social Security Fund reviews benefits periodically and adjusts them according to the actuarial valuation of the fund and changes in the legal minimum wage.

Old-age grant: The grant is the average of the last sixty months of contributions before retirement times the number of months of contributions.

Permanent Disability Benefits

Disability pension: 30% of the insured's average monthly earnings in the best five of the last 10 years before the disability began plus 1% of average monthly earnings for each 12-month period of coverage exceeding 180 months is paid.

The insured is credited with 1% of average monthly earnings for each year the disability began before the pensionable age.

A lump sum of 24 times the monthly pension is paid in the first month and a monthly pension thereafter.

The minimum pension is 80% of the legal monthly minimum wage.

The legal monthly minimum wage ranges from 65,000 shillings to 350,000 shillings, according to eight sectors.

The maximum pension is 67.5% of average monthly covered earnings.

The disability pension may be replaced by an old-age pension at age 60 if the value of the old-age pension is at least equal to the disability pension.

Disability grant: A lump sum is paid.

Benefit adjustment: The Board of the National Social Security Fund reviews benefits periodically and adjusts them according to the actuarial valuation of the fund and changes in the legal minimum wage.

Survivor Benefits

Spouse's pension: 100% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) without dependent children; 40% if an orphan's benefit is also paid. If there is more than one widow, the pension is split equally.

The widow(er)'s pension is paid for two years if the widow(er) is younger than age 45 or does not have a dependent child younger than age 15 at the time of the insured's death.

The minimum pension is 80% of the legal monthly minimum wage.

The legal monthly minimum wage ranges from 65,000 shillings to 350,000 shillings, according to eight industry sectors.

The maximum pension is 67.5% of average monthly covered earnings.

Orphan's pension: 60% of the old-age or disability pension the deceased received or was entitled to receive is split equally among eligible children; 100% for full orphans.

Parent's pension (if there are no other eligible survivors): 100% of the old-age or disability pension the deceased received or was entitled to receive is paid.

A lump sum of 24 times the monthly pension is paid in the first month to each eligible survivor and a monthly pension thereafter.

Survivor grant: A lump sum of 12 months of the deceased's pension is paid.

Funeral grant: A lump sum ranging from 150,000 shillings to 600,000 shillings is paid, depending on the amount of monthly contributions.

Benefit adjustment: The Board of the National Social Security Fund reviews benefits periodically and adjusts them according to the actuarial valuation of the fund and changes in the legal minimum wage.

Administrative Organization

Ministry of Labour and Employment (<http://www.kazi.go.tz>) provides general supervision.

Social Security Regulatory Authority (<http://www.ssra.go.tz>) regulates and supervises the performance of all social security programs.

National Social Security Fund (<http://www.nssf.or.tz>) administers the program.

Sickness and Maternity

Regulatory Framework

First and current law: 1997 (social insurance), implemented in 2005.

Type of program: Social insurance system. Cash maternity benefit and medical benefits only.

Coverage

All employed and self-employed persons.

Voluntary coverage is available. Old-age pensioners may make a voluntary contribution.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors. Old-age pensioners, 6% of the monthly pension.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: See source of funds under Old Age, Disability, and Survivors.

Qualifying Conditions

Cash sickness benefits: No statutory benefits are provided.

Cash maternity benefits: Must have at least 36 months of contributions including at least 12 months in the 36 months immediately before the expected date of childbirth. Cash maternity benefits are paid to an insured woman only once in each three-year period.

Medical benefits: Must have at least three months of contributions immediately before the medical problem began.

Sickness and Maternity Benefits

Sickness benefit: No statutory benefits are provided.

Maternity benefit: 100% of the insured woman's average daily wage in the six months before the 20th week of pregnancy is paid for up to 12 weeks in one or two parts: four weeks before and eight weeks after childbirth (four weeks after childbirth for a stillborn child). Maternity care is provided from the 24th week of pregnancy and ceases two days after childbirth; seven days after childbirth for a cesarean section; up to 12 weeks if prolonged care is necessary.

Workers' Medical Benefits

Benefits include preventive and curative care, essential drugs, X-rays, laboratory tests, hospitalization, major and minor surgery. The National Social Security Fund Board of trustees may determine additional benefits.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Eligible dependents include the spouse and up to four of the insured's children younger than age 18 (age 21 if a full-time student).

Administrative Organization

Ministry of Labour and Employment (<http://www.kazi.go.tz>) provides general supervision.

Social Security Regulatory Authority (<http://www.ssra.go.tz>) regulates and supervises the performance of all social security programs.

National Social Security Fund (<http://www.nssf.or.tz>) administers the program.

Work Injury

Regulatory Framework

First law: 1948.

Current law: 1997 (social insurance), implemented in 2002.

Type of program: Social insurance system.

Coverage

All employed and self-employed persons.

Source of Funds

Insured person: See source of funds under Old Age, Disability, and Survivors.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: See source of funds under Old Age, Disability, and Survivors.

Qualifying Conditions

Work injury benefits: Must be registered with the National Social Security Fund and assessed with a work injury or an occupational disease by a medical board.

Temporary Disability Benefits

60% of the insured's average daily wage is paid for up to 26 weeks.

The insured's average daily wage is based on the insured's earnings in the six months before the month the disability began.

Permanent Disability Benefits

Permanent disability benefit: If the insured is assessed with a total disability, 70% of the insured's average monthly earnings is paid for up to seven years.

Partial disability: If the assessed degree of disability is less than 30%, a lump sum is paid.

The maximum partial disability benefit is 84 times the insured's average monthly earnings, according to the assessed degree of disability.

Constant-attendance allowance: If the insured requires the constant attendance of others to perform daily functions, 25% of the permanent disability benefit is paid.

Workers' Medical Benefits

Benefits include medical, hospital, and nursing care; prostheses; and the cost of medicine, appliances, and transportation up to a maximum.

Survivor Benefits

Death benefit: A lump sum of 60% of the deceased's average insurable monthly earnings is paid.

Administrative Organization

Ministry of Labour and Employment (<http://www.kazi.go.tz>) provides general supervision.

Social Security Regulatory Authority (<http://www.ssra.go.tz>) regulates and supervises the performance of all social security programs.

National Social Security Fund (<http://www.nssf.or.tz>) administers the program.

Unemployment

Regulatory Framework

No statutory benefits are provided.

The labor code requires employers to provide severance pay to employees with at least three months of continuous service.