

LAW OF MONGOLIA ON PENSIONS AND BENEFITS PAID FROM SOCIAL INSURANCE FUNDS

CHAPTER ONE

General provisions

Article 1. Purpose of the law

The purpose of this law is to regulate relations related to the granting and payment of pensions and benefits from social insurance funds to insureds who pay pension and benefit insurance premiums in accordance with the Social Insurance Law.

Article 2. Types of pensions and benefits paid from social insurance funds

1. An insured shall be entitled to the following types of pension from the pension insurance fund:

- 1) retirement pension;
- 2) invalid's pension;
- 3) dependent's pension.

2. An insured shall be entitled to the following types of benefits from the benefit insurance fund:

- 1) temporary disability benefit;
- 2) funeral benefit.

Article 3. Duration of payment of premium

1. Pensions and benefits payable under this law shall be granted in accordance with the period of contribution.

2. In determining the total period of premium payment, other periods specified by law shall be added to the period for which premiums were paid to the pension and benefit insurance fund by employers and insureds.

3. If the state, business entities and organizations paid premiums to the pension and benefit insurance funds for the following periods of time, these periods shall be included in the period of contribution:

- 1) for a contracted employee's or Government servant's study period along with the order of the economic entity, organization and being released from the job;
 - 2) for a period of active army service, serving as a soldier or sergeant;
 - 3) for a period of child-care leave while receiving benefits;
 - 4) for a period of unlawful removal from a job, or prosecution and imprisonment while being innocently prosecuted;
 - 5) for a period of unlawful dismissal from a job;
 - 6) for a period of civil defense or other mobilization;
 - 7) for other periods provided by law.
4. The procedure for paying premiums for the periods referred to paragraph 3 of this article shall be specified by the Government.

CHAPTER TWO

Retirement pensions

Article 4. Entitlement to retirement pensions

1. Men who have reached 60 and women who have reached 55 and who have paid pension insurance premiums for a period of not less than 20 years in total, shall be entitled to retirement pensions.
2. Every woman with four or more children of her own or adopted under the age of 3 and who has raised them until the age of 6 and who has paid pension insurance premiums for a period of not less than 20 years and who has reached the age of 50 shall be entitled to a retirement pension. An insured who worked underground, or in unhealthy, hot, or difficult working conditions, and who meets the following conditions shall be entitled to a retirement pension :
 - 1) a man who has completed in total not less 20 years of work and pension insurance premiums, out of which 10 years were worked underground and who has reached the age of 55;
 - 2) a man who has completed in total not less than 20 years of work and pension insurance premiums, out of which 10 years of work was in unhealthy, hot working conditions, and who has reached the age of 50, and a woman who has completed in total 20 years of work and pension insurance premiums, out of which not less than 7 years and 6 months of work was in similar working conditions and who has reached the age of 45;

3) a man who has completed in total not less than 20 years of work and pension insurance premiums, out of which not less than 12 years and 6 months of work was in difficult working conditions and who has reached the age of 55, and also a woman who has completed in total not less than 20 years of work and pension insurance premiums out of which not less than 10 years or work was in difficult working conditions and who has reached the age of 50.

4. An insured who has not yet reached the age referred to in paragraph 1 of this article but who has completed the required period of payment of premiums and who has stopped paying premiums shall retain his or her entitlement to a retirement pension upon reaching that age.

5. A man who has reached the age of 60 and a woman who has reached the age of 50 and who has paid pension insurance premiums for a period of 10 to 20 years shall be entitled to a retirement pension in proportion to the total period for which premiums were paid.

Article 5. Amount and calculation of retirement pension

1. Retirement pensions shall be granted at 45 percent of the average monthly wage or similar income.

2. For each extra year above 20 years for which pension insurance premiums were paid a supplement shall be paid in the amount of 1.5 per cent of the salary for which the retirement pension is granted.

3. A pension of an insured that was granted while he or she was receiving a disability benefit shall be increased by 1 per cent for each year of complete loss of ability to work.

4. The minimum level of retirement pension shall be not less than the minimum wage fixed by the Government.

Article 6. Period for which retirement pension paid

If an insured applies for a retirement pension before reaching the age at which it is granted, the pension shall be paid from the day of that age is reached and if he or she applies after reaching the age at which the pension is granted it shall be paid from the day of application until the month following his or her death.

CHAPTER THREE

Invalid's pension

Article 7. Entitlement to invalid's pension

1. An insured who has paid pension insurance premiums for a total of not less than 20 years, or for three out of the five prior to becoming an invalid shall be entitled to the invalid's pension if

he or she losses permanently or for long time his or her ability to work as a result of normal disease, domestic accident or becoming an invalid.

2. An insured who has not completed the period of premium payment referred to in paragraph 1 of this article but who has paid pension insurance premiums for not less than 3 years, shall be entitled to an invalidity pension in proportion to the total period for which premiums were paid.

Article 8. Determination of invalidism

1. Invalidism shall be classified as the complete or partial loss of the ability to work.

2. The degree of loss of ability to work and its duration shall be determined by a medical labor examination commission.

3. A list of diseases to form the basis for determining invalidism shall be approved by the central public administrative organization in charge of health matters.

Article 9. Amount of invalid's pension

1. If an insured becomes fully disabled and becomes an invalid, the invalidity pension shall be paid from his wage in the proportion set out in article 5 (1) and (2) of this law.

2. If an insured becomes partially disabled and becomes an invalid, the invalidity pension shall be calculated by the degree of loss of ability to work in the proportion to wages as set out article 5 (1) and (2) of this law.

3. The minimum level of invalidity pension shall be the same as the minimum level of retirement pension.

Article 10. Period of payment of invalid's pension

The invalid's pension shall be paid from the day of loss of ability to work until its restoration, but if the pensioner dies until the month after his death.

Article 11. Rehabilitation of invalid and repayment of pension

1. If an invalid who failed to undergo a medical labor examination for good reasons recovers, his or her pension shall be repaid for a period not exceeding 2 months.

2. If the period of loss of ability to work is extended or rehabilitated as a result of non-restoration of working ability, then the pension for that period may be repaid. If during this period the degree of loss of ability to work changes the pension shall be repaid in accordance with the earlier amount of pension.

3. If an insured who has previously received an invalidity pension becomes an invalid again within 6 months after restoration of his or her ability to work the pension shall be granted on the basis of the amount of salary size and period of premium payment used in the previous granting of the invalidity pension.

CHAPTER FOUR

Survivor's pension

Article 12. Entitlement to survivor's pension

1. If a bread-winner who has completed the period of premium payment referred to in article 7 (1) of this law, dies as a result of normal disease or domestic injury, the following family members who lack the ability to work and who were dependent on him or her shall be entitled to a survivor's pension:

1) kindred or adopted child under the age of 16 (if school children under the age of 19) (this also applies to children born after the death of their father), regardless of the existence of another person legally assigned to take care of them;

2) grandchildren and kindred junior brothers and sisters without a person legally assigned for their care;

3) children, grandchildren, kindred sisters and brothers who are invalids from the time of their birth or became invalids under the age of 16 and who are dependent on the bread-winner;

4) men who have reached 60 and women who have reached 50, or invalid parents or spouse, grandparents, and kindred sisters and brothers without any other person legally assigned for their care;

5) unemployed parents of either spouse, regardless of their age or ability to work who are taking care of children under the age of 8 or kindred junior sisters and brothers who do not have anyone legally assigned to take care of them.

2. The following citizens shall be entitled to a survivor's pension in the same way as members of the family who do not have the ability to work as set out in paragraph 1 of this article:

1) members of the family of the deceased who are unable to work paid retirement pension, or invalidity pension, or fully lost working capacity during the months prior to death;

2) in the case of the death of a step-child, step-parents like the kindred parents;

3) child without any support from the kindred parents along with the court decision, in case of step-parents death, like kindred children;

4) family members who are unable to work - if the court determines that the insured is missing and this decision enters into effect.

3. In case of the death of a bread-winner who has paid retirement pension premiums for a total period of not less than 5 years and in which the premium for the last year was paid regularly, family members without the ability to work shall be entitled to a survivor's pension in the proportion to the total period of payment of premiums.

Article 13. Granting survivor's pensions to invalid citizens

Citizens who are invalids and who have lost their bread-winner and who are not entitled to other types of pension shall be entitled to a survivor's pension for the complete period of loss of ability to work.

Article 14. The amount of survivor's pension and supplements

1. The survivor's pension shall be calculated as the following proportion to the percentage of the insured's wages set out in paragraph 12 of this article:

Number of family members without working ability	proportion in calculating benefit (as a percentage)	benefit (in %)
more than 3	100	
2	75	
1	50	

2. In the case of the death of a bread-winner who was receiving a invalid's pension, the survivor's pension shall be increased by 1.0% for each year of complete loss of ability to work.

Article 15. Period for paying the survivor's pension

The survivor's pension shall be paid to children from the day of death until the age of 16 (in the case of school children until the age of 19), to invalids for the period of loss of ability to work, and to citizens who have reached the age of retirement until the month following the death.

Article 16. Granting a unified survivor's pension

A unified survivor's pension shall be granted to all members of the family who are unable to work. The benefit may be divided evenly among them if they so wish.

CHAPTER FIVE

Temporary disability benefit

Article 17. Entitlement to temporary disability benefit

1. An insured who has made three or more months of contributions of benefit insurance premiums prior to the temporary loss of ability to work from normal disease or domestic injury shall be entitled to a temporary disability benefit.
2. Insured women who give birth to a child less than 196 days premature or who have an abortion shall be entitled to a temporary disability benefit.

Article 18. Amount of temporary disability benefit

1. The amount of the temporary disability benefit shall be calculated in the following proportions to the monthly salary for the previous 3 months depending on the period for which premiums were paid by the insured:

Duration of premium payment while working (in years)	proportion for calculating the benefit
up to 5 years	45
from 5 to 14 years	55
over 15 years	75

2. The temporary disability benefit shall be calculated on daily basis.

Article 19. Period for payment of temporary disability benefit

1. The temporary disability benefit for the first 6 days shall be paid by the employer, and from the 7th day until recovery, or until entitlement to the invalidity pension shall be paid from the insurance fund.
2. The maximum period for paying the temporary disability benefit shall not exceed 78 days including the first 6 days. However, in the case of cancer or tuberculosis the benefit shall be paid for 156 days.

3. If an insured gets sick several times in one calendar year the temporary disability benefit shall be paid for not more than 156 days.
4. After the period of receiving the temporary disability benefit has expired, an insured shall be entitled anew to the benefit subject to paying the premium to the benefit insurance fund for a period of not less than three months.
5. The duration of the temporary loss of ability to work shall be determined by the treatment quality control commission of a professional medical institution, and if there is no such commission by the general physician, manager, or senior physician.

CHAPTER SIX

FUNERAL BENEFITS

Article 20. Entitlement to funeral benefits

1. An insured who has paid the benefit insurance premiums for not less than 36 months in total and who died as a result of normal disease or domestic shall be entitled to funeral benefits
2. If the insured dies as a result of industrial accident or occupational disease, the funeral benefits shall be paid regardless of the period of payment of premiums.
3. If an insured who received pensions and benefits as provided by the Social Insurance Law dies, funeral benefits shall be paid for his or her funeral.

Article 21. Amount of funeral benefits

The amount of funeral benefits shall be the equivalent of six months minimum wage.

CHAPTER SEVEN

Granting and payment of pensions and benefits

Article 22. Determining and changing the salary from which the pension granted

1. The wages from which the pension to be granted is calculated shall be from any consecutive five year period out of the last twenty years of payment of the pension insurance premium or similar income in accordance with the following procedure:
 - 1) if the insured paid the premium monthly, by dividing the total wages or similar income for the five years by total number of months for which the premium was paid;

2) if the insured was unable to pay the premium monthly, by dividing the total wages or similar income received during the five year period by 60.

2. If a pension is granted to an insured who has paid the insurance premium for less than five years, the wages on which the pension is calculated shall be determined by dividing the total wages and similar income calculated from the premiums paid by the total number of months for which the premium was paid.

3. If a pension is granted is set out in article 4 (4) of this law, the wages on which the pension is calculated shall be changed by an index calculated by comparing the existing minimum wage with the minimum wage that applied during the five year period selected as set out in paragraph 1 of this article.

Article 23. Pension calculation in proportion

The pension shall be calculated in proportion by dividing the monthly pension, to which the insured is entitled if he or she meets the premium payment duration requirement in full, by the total number of months during the appropriate period of paying the premium, and multiplying it by the total number of months for which the premium was paid.

Article 24. Time for application for pension or benefit and making decision

1. An application for the grant of a pension and other documents required by law shall be submitted to the social insurance authority within the following time periods:

1) if the insured is applying for a retirement pension, at the time he or she wishes to have the pension granted;

2) if the insured is applying for an invalid's pension, within 14 days of becoming an invalid or within 3 months, if there is a good reason;

3) if family members who are unable to work are applying for a survivor's benefit, within 14 days of the death of the bread winner or within 3 months if there is a good reason;

2. An employer shall be obliged to compile any necessary documents without delay.

3. The social insurance authority shall decide on the application within 30 days of receiving the application and relevant documents.

4. An application for a benefit and the relevant documents required by law shall be compiled and submitted to the social insurance authority within the following periods:

1) if the insured is applying for a temporary disability benefit, within 4 weeks of the day of temporary loss of ability to work and within 6 months if there is a good reason;

2) if a citizen is applying for a funeral benefit, within 4 weeks from the death of the insured and within 6 months if there is a good reason.

5. The social insurance authority shall decide on an application for the temporary disability benefit within 21 days of receiving it, and within 24 hours on an application for funeral benefits.

Article 25. Documents required for grant of pensions and benefits

1. In order to have a pension granted the following documents shall be compiled:

1) social insurance booklet;

2) employment book, if the insured was working before 1995;

3) if the insured wishes to have the pension granted from the wage earned before 1995, he or she shall submit the wage specification;

4) the decision of the medical labor examination commission in respect of loss of ability to work of an insured who is applying for an invalidity pension;

5) the birth certificate of family members who are unable to work and who are applying for a survivor's pension and family members specification;

6) childrens' birth certificates for the grant of a pension as set out article 4 (2) of this law.

2. The temporary disability benefit shall be paid based on the social insurance booklet and a medical certificate issued by a medical institution and the funeral benefit shall be paid based on the death certificate.

3. The social insurance authority shall determine the procedure for compiling and checking the documents required for granting pensions, benefits and gratuities.

Article 26. Payment of pensions and benefits

1. The social insurance authority shall pay pensions every month by means of the correspondent bank.

2. Pensions that cannot be personally received by elderly or sick citizens or for other reasons, shall be given to their legal representatives, or shall be delivered to their homes by the social insurance authority.

3. Pensions granted to citizens who are mentally ill and children under 16 shall be given to their parents or trustees. If there are no such people, the pensions may be given to their legal guardians.

4. Pensioners staying at care centers may be receive 30 per cent of their former pension.
5. If a pensioner wishes, his or her pension may be transferred by the social insurance authority to his bank account.
6. The temporary disability benefit shall be given by the social insurance authority to the insured who temporarily lost the ability to work as set out in article 4 (2) of the Social Insurance Law by deducting it from the premium due to be paid by the employer.
7. The social insurance authority shall pay the temporary disability benefit and funeral benefit to an insured as set out article 4 (3) of the Social Insurance Law.
8. A temporary disability benefit for more than one month shall be calculated and paid every 14 days.

Article 27. Suspnesion of payment of pensions and benefits

If it is discovered that pensions or benefits were granted and paid without entitlement to pensions and benefits as a result of false documents being compiled, payment of them shall be suspended.

CHAPTER EIGHT

Other provisions

Article 28. Alteration of amount of pension

1. The amount of pension shall be changed in the following circumstances:

1) if the basis for changing the premium payment duration and salary amount kept to while granting the existing pension is determined and the pensioner applied for it;

2) if the degree of loss of ability to work or number of family members changes.

2. The social insurance authority shall resolve the issue of changing the amount of pension within 30 days of receiving the application and relevant documents, and if the application is received before the 15th of any month the altered pension shall be paid from the 1st of that month, and if after the 15th of any month from the 1st of the next month.

3. Pensioners shall advise the social insurance authority about the changes referred to in paragraph 2 of this article.

Article 29. Deductions from pensions and benefits

1. Deductions may be made from pensions and benefits for the following reasons:

1) if there has been compiling of false documents, failure to discharge the duties set out article 28 (3) of this law, or the making of a decision by court or social insurance authority concerning repayment of unjustified additional pensions and benefits that have been received;

2) if there is a court decision about paying from pensions and benefits payments other than those set out in paragraph 1(1) of this article, due to be paid by the pensioner or beneficiary.

2. Employees of the social insurance authority guilty of paying incorrect pensions and benefits shall bear his or her official post responsibility.

3. One time deduction amount shall not exceed 50 per cent of the pension or monthly benefit.

4. Deductions from pensions and benefits other than as provided in this article shall be prohibited.

Article 30. Index applied for changing pension

The index for altering the amounts of pensions in connection with changes in the cost of living shall be determined by the Government on the recommendation of the social insurance national council.

Article 33. Pensions granted to citizens of Mongolia who have come from abroad and to foreign citizens

Questions as to the grant and payment of pensions to citizens of Mongolia who return from residing abroad for private purposes or who are still resident there, and also foreign citizens who have not worked in the country since their arrival to take up residence shall be decided in accordance with the social insurance agreement concluded with the relevant country and international agreements.