



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

President

No. 213/PO

Vientiane Capital, dated 13 July 2018

DECREE
of the
PRESIDENT
of the

Lao's People Democratic Republic

On the promulgation of the Law on Social Security (Amended version)

- Pursuant to the Constitution of the Lao People's Democratic Republic (Amended version 2015) chapter VI, Article 67, Clause 1;

- Pursuant to the Resolution of National Assembly, No. 095/NA, dated 27 June 2018 on the endorsement of the Law on Social Security;

- Pursuant to the proposal of the Standing Committee of the National Assembly, N0. 015/SCNA, dated 25 July 2018

The President of the Lao People's Democratic Republic
Issues the President Decree:

Article 1 Promulgated the Law on Social Security (Amended Version)

Article 2 This Presidential Decree is effective from the date of signing.

President of the Lao PDR

[Signature and Seal]

Bounnhang Vorachith



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

National Assembly

No. 095/NA

Vientiane Capital, dated 27 June 2018

Resolution
Of the National Assembly
On the Endorsement of the Law on Social Security (Amended version)

Pursuant to the constitution of the Lao People's Democratic Republic (Amended version 2015) Article 53, Clause 1 and Law on National Assembly (Amended Version 2015) Article 11, Clause 1;

After the 5th Ordinary Session of the National Assembly Legislature VIII, widely and profoundly considerations were undertaken on the contents of the Law on Social Security (Amended Version) in the meeting agenda of 27 June 2018.

The National Assembly Meeting Agreed:

Article 1 Endorsed the Law on Social Security (Amended Version) with majority votes.

Article 2 This resolution is effective from the date of signing.

President of the National Assembly

[Signature and Seal]

Pany Yathotou



**Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity**

National Assembly

Ref. No 54 / NA
Vientiane, on 27 June 2018

**Law on Social Security
(Amended Version)**

Part I

General Provisions

Article 1 (Amended) Purpose

This law defines the principles, rules, and measures for the organisation, implementation, management and inspection of the social security with a view systematically, strengthening and effectiveness to protect the rights and interests of employers and employees by paying contributions and providing social security benefits in order to ensure basic livelihoods, social solidarity, linkable to the region and international, contributes to the socio-economic development of the nation.

Article 2 (Amended) Social Security

Social Security is a guarantee that ensured person and family members receiving benefits from social security fund in order to ensure basic livelihoods when it comes to health care, employment injury, occupational diseases, maternity, sickness, invalidity, pension, death, survivor's benefit and unemployment as prescribed on each qualifying condition.

Article 3 (Amended) Definition of terms

The terms used in this law have the following meaning:

1. Employer means a person, entity or organizations employing individual employee to work for him by paying salary or wages, as well as benefits as regulated by law and labour contract;
2. Labour Unit means a manufacturing, business, commerce or service in any economic sector that has been legally registered;
3. Civil servant means Lao citizens who are recruited to work, elected or appointed to hold a position in the Party organization, State agencies, Lao Front for National Construction, Lao War Veterans Union and Mass organizations at central and local levels as well as in the overseas representative agencies of the Lao PDR, and who receive a salary and other allowances from the Government budget

4. Employee means individual person working under the supervision of an employer by receiving compensation for work through salary or wages, benefits or other benefits as regulated by laws and labour contract;

5. Self-employed means a person who works at his own account in agriculture, industry, commerce or service sector;

6. Voluntary insured means self-employed and general persons who voluntarily contributes to the social security fund;

7. Insured Person means civil servants, soldiers, policemen, employees who receiving salaries or wages and voluntary that pay contributions to the social security fund including old-age and invalidity pensioners;

8. Qualifying period means a period of contributions being paid to the social security fund, a period of receiving sickness or maternity benefits, for civil servant the period is counted from the date of recruited to be civil servant.

9. Family member means dependent spouse, children or parents of an insured person;

10. Caretaker means spouses, children, other person who looks after a person receiving category 1 of loss of working capacity benefit;

11. Contributions means the monthly amount paid to the national social security fund by the government, employers and insured persons in accordance with the contribution rate as determined;

12. Loss of working capacity means the loss of working ability or mental impairment, loss of organs or limb of the human body caused by employment injury or occupational diseases, other accidents or general diseases;

13. Employment injury means accident occurred during duties inside or outside working premises, commuting travel from home to the work place and vice versa or during an official mission;

14. Occupational diseases means any disease caused by occupation that include short and long term affect to physical and mental health of the insured persons;

15. Healthcare beneficiaries means insured persons, dependent spouses and children of insured persons including person who is receiving social security benefits;

16. Re-pensioner means civil servant, military and police officers who joined the national revolutionary movement from 1975 backwards and met the pension qualifying conditions but received lump sum payment when resigned or a person who has been appointed by the Party, State organization to work in the state enterprise that resigned from 1994 backwards while transformed state enterprise to be autonomous or other ownership.

Article 4 (Amended) State Policy on Social Security

The state encourages and promotes the development of social security in line with national economic growth and government, employers and insured persons shall contribute to social security in order to ensure the affordability of social security benefits managed by the state. All social security benefits shall be exempted from tax.

The state encourage all citizens participating in social security in order to receive social security benefits as regulated in this law;

The state encourages individual, entity, national and international organizations to contribute financial and technical support for the development of social security.

Article 5 (Amended) Basic Principles on Social Security

Social security shall be based on the following principles:

1. Comply with the guideline, policies, strategies and management legally centrally and universally across the nation;
2. To ensure the contributions of the government, employers, employees, self-employed and voluntary insured persons to the social security fund based on the rate as determined in this Law;
3. To ensure the protection of rights and benefits of insured person and family members;
4. To ensure equity, transparency, rapidity and able to audit;
5. To ensure the availability of reserve fund, risk pooling, mutual assistance and financial sustainability;
6. To ensure the calculation of social security benefits based on insurable earnings or minimum wages;
7. To comply with international conventions and treaties ratified by the Lao PDR.

Article 6 Obligations of Social Security

Obligations of social security are following:

1. The government has the obligation to allocate the national budget to the social security fund and guarantees the sustainability of the fund;
2. Employers has the obligation to join and contribute to the social security fund;
3. Insured persons have the obligation to register and pay contributions to the social security fund.

Article 7 (Amended) Scope of Application

This Law applies to individual, entity and organizations including public, private sectors and voluntary insured persons that are related to activities of social security across the nation.

Article 8 International cooperation

The state encourages and promotes the regional and international cooperation on social security for capacity building, sharing experiences, information exchange, science, technology and resource mobilization to develop the social security system and apply international conventions and treaties ratified by the Lao PDR.

Part II

Types of Social Security Benefits and Target Groups

Article 9 (Amended) Types of Social Security Benefits

Types of social security benefits are following:

1. Health insurance benefit;
2. Employment injury or occupational diseases benefits;
3. Maternity benefit;

4. Sickness benefit;
5. Loss of working capacity benefit;
6. Pension benefit;
7. Death grant;
8. Survivor's benefit;
9. Unemployment benefit.

Article 10 (Amended) Health Insurance Benefit

Health insurance benefit is a provision of cash benefit to ensure that insured persons including their spouse and children, survivor beneficiaries, care taker receive medical care services such as health examination, diagnosis, medical care, rehabilitation, pre- and post-natal services, and medical care for the employment injury or occupational diseases.

Article 11 (Amended) Employment Injury or Occupational Diseases Benefits

Employment injury or occupational diseases benefits are provision of cash benefits for medical care, sickness benefit, loss of working capacity benefit, death grant and survivor's benefit in case of work accident or occupational diseases.

Article 12 (Amended) Maternity Benefit

Maternity benefit is a cash benefit providing in case of giving birth, miscarriage, abortion or adoption of newborn baby aged less than three months old as stepchild.

Maternity benefit composes of maternity grant payable for each childbirth and maternity benefit which paid monthly compensate the income of female insured person in the private sector during childbirth leave as prescribed in the other relevant law.

Article 13 (Amended) Sickness Benefit

Sickness benefit is an income replacement payable to the insured person whose salary is temporary suspended during their medical care and rehabilitation affected from employment injury or occupational diseases, non-work related accidents and illnesses, childbirth, miscarriage or fatal death.

Article 14 (New) Loss of Working Capacity Benefit

Loss of working capacity benefit is a cash benefit providing to the insured person who is incapacity for work or mental impairment, loss of organs or limb of the human body caused by employment injury or occupational diseases, other accidents or illnesses.

Article 15 (Amended) Pension Benefit

Pension benefit is a monthly cash benefit providing to insured person who reach the qualifying conditions of old-age pension, for whom, has not met the qualifying conditions shall receive lump sum payment.

Article 16 (Amended) Death Grant

Death grant is a grant providing to reduce burden costs of funeral ceremony of the insured person, pensioner, person receiving loss of working capacity benefit and their family members including person receiving survivor's benefit and caretaker who died.

Article 17 Survivor's Benefit

Survivor's benefit is a monthly cash benefit providing to spouses, children and parents of the deceased insured person.

Article 18 (Amended) Unemployment Benefit

Unemployment benefit is an income replacement benefit payable monthly to an insured person, who is unemployed in any given period of time.

Article 19 (Amended) Target Groups of Social Security Benefits

The target groups of social security benefits are following:

1. Civil servants, military and police officers are entitled to social security benefits as prescribed in the Part III of this law;
2. Employees working in the labour units are entitled to social security benefits as prescribed in the Part IV of this law;
3. Voluntary insured persons are entitled to social security benefits as prescribed in the Part IV of this law, except employment injury or occupational diseases and unemployment benefits;
4. Dependent spouses and children of insured persons are entitled to medical care, death grant and survivor's benefits;
5. Dependent parents of insured persons are entitled to survivor's benefits.
6. Caretaker of the person receiving loss of working capacity benefit is entitled to health insurance benefit and death grant.

Part III

Social security Benefits for Public Sector

Chapter I

Health Insurance Benefit

Article 20 (Amended) Qualifying Conditions for Health Insurance Benefit

A beneficiary to health insurance benefit has met the following qualifying conditions:

1. Has been recruited to be civil servant, military or police officer;
2. Dependent spouse who is not insured person and children not older than eighteen years old or twenty three years old for those studying and unmarried also are qualified to the healthcare benefit.

In case of the death of insured person, his/her surviving spouse and children are also entitled to this benefit for three months after the death of insured person.

Article 21 (Amended) Calculation of Health Insurance Benefit

Calculation and implementation of health insurance benefit is prescribed in the related law and regulations.

Chapter 2 Employment Injury and Occupational Diseases Benefits

Article 22 (Amended) Qualifying Conditions for Employment Injury and Occupational Diseases Benefits

Qualifying conditions for employment injury or occupational diseases benefits as follows:

1. Has been recruited to be civil servant, military or police officer;
2. Stopped working due to medical care and rehabilitation, incapacity for work or mental impairment, loss of organs or limb of the human body caused by employment injury or occupational diseases;

In the case, insured person has intended to cause such employment injury or occupational diseases there will be no entitlement to such benefit.

Article 23 (New) Types and Calculation of Employment Injury and Occupational Diseases Benefits

Types and calculation of employment injury and occupational diseases benefits are referred to each type of benefits such as sickness benefit, loss of working capacity benefit, death grant and survivors' benefit as prescribed in articles 27,29,30,31,32,33,40 and article 42 of this law.

Chapter 3 Maternity Benefit

Article 24 (Amended) Qualifying Conditions for Maternity Benefit

Female civil servant, military and police officers or a wife of the civil servant, military and police officers that is not insurer and has been pregnant for at least two months or older, shall receive birth grant and regular salary while giving birth, miscarriage or fatal death with medical certification.

In case of illegal miscarriage or abortion shall not be entitled to such benefit.

Article 25 (Amended) Calculation of Maternity Benefit

During the on leave due to childbirth or miscarriage as prescribed in the Law on Civil Servant, besides the regular salary, she will also receive birth grant payable for each child is equal to sixty per cent (60%) of the last salary.

Chapter 4

Sickness Benefit

Article 26 (Amended) Qualifying Conditions for Sickness Benefit

Qualifying conditions for sickness benefit are as follows:

1. Has a temporary suspension of salary certified by related agency, if civil servant shall also have a certification from Home Affairs Agencies;
2. Has medical certification.

Article 27 (Amended) Calculation of Sickness Benefit

Sickness benefit is calculated equal to seventy per cent (70%) of insured person's last salary for the first duration of up to six months. If he/she is still on leave for medical treatment or rehabilitation shall continue to receive sickness benefit equal to sixty per cent (60%) of the last salary for the duration of up to six months as the last period.

In case the health status of the beneficiary has not improved by then, he/she shall have health examination and assessment again with medical certification to be qualified for the entitlement of Loss of working capacity benefit.

Chapter 5

Loss of Working Capacity Benefit

Article 28 (New) Qualifying Conditions for Loss of Working Capacity Benefit

Qualifying conditions of Loss of Working Capacity Benefit are as follows:

1. Loss of working capacity and mental impairment, loss of organs or limb of the human body caused by an employment injury or occupational diseases, other accidents or illnesses;
2. Has a certification of assessment and classification the loss of working capacity as prescribed in the relevant regulation

The invalidity prior of being a civil servant, soldier or policeman shall not be qualifying conditions of such benefit.

Article 29 (Amended) Categories and Degree of Loss of Working Capacity Benefit

Categories and degree of the loss of working capacity are prescribed as follows:

1. Category one has a degree of incapacity from eighty one per cent (81%) to one hundred per cent (100 %);
2. Category two has a degree of incapacity from seventy one per cent (71%) to eighty per cent (80 %);
3. Category three has a degree of incapacity from sixty one per cent (61%) to seventy per cent (70 %);
4. Category four has a degree of incapacity from fifty one per cent (51%) to sixty per cent (60 %);
5. Category five has a degree of incapacity from forty one per cent (41%) to fifty per cent (50 %);

6. Category six has a degree of incapacity from fifteen per cent (15%) to forty per cent (40 %);

For a person who has loss of working capacity from one per cent (1%) to fourteen per cent (14%) shall not be qualified for such benefit.

Categories one to five shall receive monthly loss of working capacity benefit and categories six shall receive a lump sum payment.

The assessment of classifications and categories should be based on the assessment and classification manual of loss of working capacity for the patient and disability prescribed by Ministry of Public Health.

If it is necessary can submit the assessment and classifications result to the stakeholders for consideration.

Article 30 (Amended) Calculation of the Monthly Loss of Working Capacity Benefit

Calculation of monthly Loss of working capacity benefit is calculated based on his/her last salary before incapacity multiplied by the percentage level of the loss of working capacity categories as follows:

1. Category one equals to eighty per cent (80%);
2. Category two equals to seventy per cent (70%);
3. Category three equals to sixty per cent (60%);
4. Category four equals to fifty per cent (50%);
5. Category five equals to forty per cent (40%).

Calculation of monthly Loss of working capacity benefit is equal to hundred per cent (100%) of the percentage level of the loss of working capacity categories for the insured person suffering the loss of working capacity due to an employment injury and occupational diseases and eighty per cent (80%) for non-work related accidents or illnesses. If the above beneficiary resumes work, he/she shall receive fifty per cent (50%) of his/her Loss of working capacity benefit or twenty five per cent (25%) if retired.

If the insured person who has earlier received the Loss of working capacity benefit and got a lump sum payment when resigned from work, he/she will receive the same percentage of the Loss of working capacity benefit as pensioner for the rest of his/her life.

If the level of loss of working capacity is worse and has an additional loss he/she shall have to re-assess and classify the loss of working capacity category again.

The percentage of the monthly Loss of working capacity benefit for whom receiving before this law comes into force is subjected to be no changed.

Article 31 (Amended) Equipments and Prosthetic Limbs

Insured person, who has received Loss of working capacity benefit, faces difficulties in physical movement and daily life shall receive equipments and prosthetic limbs as provided by the state agency and using social security fund if such equipments and prosthetic limbs are charged.

Article 32 (Amended) Caretaker Benefit

Caretaker benefit is a provision of cash benefit to only caretaker of a Loss of working capacity beneficiary category one, the caretaker shall be entitled to receive a monthly benefit

equal to a basic administration salary of rank 1 grade 5 until the death of the Loss of working capacity beneficiary.

The caretaker benefit which has been received before this law comes into force is subjected to be no changed.

Article 33 (Amended) Calculation of Lump sum of Loss of Working Capacity Benefit

Lump sum of Loss of Working Capacity Benefit is calculated as follows:

1. Insured person suffering loss of working capacity due to an employment injury and occupational diseases shall receive a lump sum benefit equal to the degree of loss of working capacity multiplies by twelve months of his/her last salary;
2. Insured person suffering loss of working capacity due to other accidents or illnesses shall receive a lump sum benefit equal to the degree of loss of working capacity multiplies by ten months of his/her last salary.

Chapter 6

Pension Benefits

Article 34 (Amended) Qualifying Conditions for Pension Benefit

Qualifying conditions for pension benefit are as follows:

1. Has reached the age of sixty years old and has at least twenty five years of public services; for females can volunteer to receive early retirement, but should reach the age at least fifty five years old. For those who had thirty years of services and longer but the age is not met the qualifying conditions for three years and younger or a person whose age above sixty years old with the year of services not reach the qualifying conditions for less than two years can be entitled to the pension benefit but the pension shall be deducted by one per cent (1%) for each year that has not met qualifying period or age;

The qualifying conditions on age and year of services of the military and police officers shall be prescribed in the Law on Lao's People Armed Force and Law on Public Security.

2. For those who joined the National Revolutionary Movement before 1975, Loss of working capacity beneficiary categorized of one to four, or worked in hazardous conditions, chemical and toxic substances which is harming for health continuously for five years or longer, and have reached the age of fifty five years or older for male and fifty years or older for females and have at least twenty years of public services shall be entitled to the pension benefit as third phase group;

3. Insured person who used to work for old regime earlier than 1975, those periods of time shall be calculated as three years equal to one year of public services and arrange in the second phase group of pension benefit;

4. Having a retirement certificate issued by concerned organizations.

Article 35 (Amended) Percentage of Pension Benefit

The percentage of pension benefit shall be determined in four phases as follows:

1. Those who joined the National Revolutionary Movement from 1954 or prior shall be arranged in the first phase of pension benefit which percentage ranging from eighty per cent (80%) to a hundred per cent (100%);

2. Those who joined the National Revolutionary Movement during 1955 - 1974 shall be arranged in the second phase of pension benefit which percentage ranging from seventy five per cent (75%) to ninety per cent (90%);

3. Those who joined the National Revolutionary Movement after 1975 shall be arranged in the third phase of pension benefit which percentage ranging from seventy per cent (70%) to eighty five per cent (85%);

4. Those who recruited to civil servant from 1st January 2018 onwards shall be arranged in the fourth phase of pension benefit which percentage ranging from sixty percent (60%) to seventy five per cent (75%).

The percentage of pension benefit is based on his/her minimum qualifying years of services compared to the minimum percentage of four phases groups mentioned above as for starting point of calculation and for each year surplus the benefit shall be increased one per cent (1%) per year but the benefit should not exceed the percentage ceiling of each phase of pension benefit.

Article 36 (New) Calculation of Pension Benefit

Calculation of pension benefit is based on the percentage of pension benefit multiplies by the last salary of the insured person;

Article 37 (Amended) Adjustment of Pension Benefit

Adjustment of pension benefit is based on the adjustment of salary indexes of the civil servants in any period of time.

Article 38 (Amended) Calculation of Lump Sum Benefit

An insured person who does not meet the qualifying conditions for a monthly pension benefit shall be entitled to a lump sum benefit equals to one and a half times of his/her last insurable salary multiplied by the number of years of services.

For whom, who has met the qualifying conditions for pension benefit shall not be allowed to receive such lump sum benefit.

Chapter 7

Death Grant

Article 39 (Amended) Qualifying Conditions for Death Grant

Qualifying conditions for death grant are as follows:

1. Insured person, spouses and children aged not older than eighteen years has died;
2. A death certificate has been issued.

Qualifying conditions of decease due to war for national defence shall be prescribed in the specific regulation.

Article 40 (Amended) Calculation of Death Grant

The calculation of death grant is as follows:

1. A person who had year of services from one month to one year died due to war for national defence, suffering from employment injury or occupational diseases and from three months to one year for whom died due to other accidents or illnesses, the death grant is calculated equal to fifteen months of his/her last insurable earning, pension or Loss of working capacity benefit as a starting point of calculation;

2. If exceed one year to six years the death grant shall be increased by each year exceeding equal to one month and for those who have seven years of services and longer, the grant shall be increased by each year exceeding equal to haft a month.

3. For the death of a spouse of insured person, pensioner, and Loss of working capacity beneficiary, the grant is payable equal to six months of the last insurable earnings, pension or Loss of working capacity benefits. If both spouses are insured persons, when someone died, shall receive death grant only for his/her own entitlement and will not be entitled for the addition as dependent spouse.

4. For the death of a dependent child with eighteen years of age or younger, the death grant is payable equal to three months of the insurable earnings pension or Loss of working capacity benefits. In case both parents are insured persons, when children died, the grant shall be payable based on the insurable earnings of only father or mother.

5. For the death of survivor beneficiary who are spouses, parents and the death of caretaker the death grant shall be payable equal to six months of their benefits and for surviving children is equal to three months of their survivors' benefit.

Chapter 8

Survivors' Benefit

Article 41 (Amended) Qualifying Conditions for Survivors' Benefit

Family members shall be entitled to survivors' benefits if the deceased insured person, pensioner and Loss of working capacity beneficiary have completed a qualifying period of at least five years of contributions to social security fund.

Qualifying conditions of eligible family member as follows:

1. A surviving husband who has reached the age of sixty years, or a surviving wife who has reached the age of fifty five years, have no regular income and are not re-married or not a beneficiary of the loss of working capacity from the National Social Security Organization;

2. Offspring, step-children and adopted children whose ages eighteen years or younger shall entitled to a survivors' benefit of their insured father or mother;

Children with disability or mentally impaired from birthdates to eighteen years old and not being able to work or has no any income shall be entitled to the benefit for the rest of their life. For those whose deceased parents are both insured persons, the benefit shall be payable based on only a father or mother entitlement.

3. In case insured person is the only child of the parents and their breadwinner, father and mother of the deceased, if aged at least sixty or fifty five years respectively, and having no regular income shall be entitled to such survivors' benefit for the rest of their life.

Parents whose children all died in the battle field for the national defence shall be entitled to a benefit as prescribed in the specific regulation.

Article 42 Calculation of Survivors' Benefit

Survivors' benefit shall be monthly calculated as follows:

1. Husband or wife shall be entitled to receive the benefit equal to thirty per cent (30%) of the last insurable earnings, pension or loss of working capacity benefits of the deceased person;

2. Children shall be entitled to receive the benefit equal to twenty per cent (20%) of the last insurable earnings, pension or invalidity benefits of the deceased person for each child. If there are many dependent children the total benefits shall not exceed sixty per cent (60%).

3. Father or mother shall be entitled to receive the benefit equal to thirty per cent (30%) of the last insurable earnings, pension or loss of working capacity benefits of the deceased person. If both parents are beneficiaries, their total benefits shall not exceed fifty per cent (50%).

All types of survivors' benefits shall totally not exceed eighty per cent (80%) of the deceased person's last insurable earnings, pension or loss of working capacity benefits.

Part IV

Social security Benefits for Enterprise Sector and Voluntary Insured Persons

Chapter I

Health Insurance Benefit

Article 43 (Amended) Qualifying Conditions for Health Insurance Benefit

A beneficiary to health insurance benefit has met the following qualifying conditions:

1. Has paid contributions to social security fund for at least one month for employment injury or occupational diseases and pre- and post-natal services;

2. Has paid contributions to social security fund for at least three months for other accidents and illnesses;

3. Dependent spouse who is not insured person and children not older than eighteen years old or twenty three years old for those studying and unmarried also are qualified to the healthcare benefit.

In case of the death of insured person, his/her surviving spouse and children are also entitled to this benefit for three months after the death of insured person.

Article 44 (Amended) Calculation of Health Insurance Benefit

Calculation and implementation of health insurance benefit is prescribed in the related law and regulations.

Chapter 2

Employment Injury and Occupational Diseases Benefits

Article 45 (Amended) Qualifying Conditions for Employment Injury and Occupational Diseases Benefits

Qualifying conditions for employment injury or occupational diseases benefits are as follows:

1. Has paid contributions to social security fund for at least one month;
2. Stopped working due to medical care and rehabilitation, incapacity for work or mental impairment, loss of organs or limb of the human body;
3. Death caused by employment injury or occupational diseases;
4. Occupational diseases caused by occupations and duties.

For the case of 2 and 4 above should have medical certification.

In the case, insured person has intended to cause such employment injury or occupational diseases there will be no entitlement to such benefit.

Article 46 (New) Types and Calculation of Employment Injury and Occupational Diseases Benefits

Types and calculation of employment injury and occupational diseases benefits are referred to each type of benefits such as sickness benefit, loss of working capacity benefit, death grant and survivors' benefit as prescribed in articles 51, 53, 54, 55, 56, 57, 63 and article 65 of this law.

Chapter 3

Maternity Benefit

Article 47 (Amended) Qualifying Conditions for Maternity Benefit

Qualifying conditions for maternity benefit are as follows:

1. Has paid contributions to social security fund for at least six months within the last twelve months, while giving birth, miscarriage or fatal death, shall receive birth grant;
2. Has paid contributions to social security fund for at least nine months within the last twelve months, while giving birth, miscarriage, fatal death or adopting newborn baby aged three months or younger as a stepchild, shall receive monthly maternity benefit;
3. Childbirth, miscarriage or fatal death with six months or older of pregnancy and has a medical certification.

For the insured person who has two to five months of pregnancy had a miscarriage shall receive birth grant.

Insured person who legally adopted a newborn baby age three months or younger as a stepchild shall receive maternity benefit as a replacement of incomes during the leave period and it shall not exceed three months.

A wife of insured person that is not member of social security shall receive birth grant of her husband entitlement.

In case of illegal miscarriage or abortion shall not be entitled to such benefit.

Article 48 (Amended) Calculation of Birth Grant

Insured person or a wife of insured person that has been pregnant for at least two months or older shall receive a birth grant equal to sixty per cent (60%) of the average insurable earnings during the last six months for each child.

Article 49 (Amended) Calculation of Maternity Benefit

Female insured person working in a labour unit and voluntary insured person who has childbirth, miscarriage, fatal death or adopt newborn baby aged three months or younger as a stepchild, shall receive monthly maternity benefit equal to eighty per cent (80%) of her average insurable earnings during the last six months for a duration of one hundred and five days or one hundred and twenty days if twin. The employer has to be responsible for the differences between insurable earnings and the total salary or wages of the insured person.

After the duration of receiving maternity benefit terminated, the insured person is unhealthy and cannot resume working with medical certification, she is entitled to continue to receive sickness benefit.

Chapter 4 Sickness Benefit

Article 50 (Amended) Qualifying Conditions for Sickness Benefit

Qualifying conditions for sickness benefit are as follows:

1. Has paid contributions to social security fund for at least one month or longer for employment injury or occupational diseases;
2. Has paid contributions to social security fund for at least three months during the last six months for other accidents and illnesses;
3. Has a temporary suspension of salary certified by employer;
4. Has medical certification.

Article 51 (Amended) Calculation of Sickness Benefit

Sickness benefit is calculated as follows:

1. Insured person who is on sick leave due to employment injury or occupational diseases shall receive sickness cash benefit equal to eighty per cent (80%) of his/her average insurable earnings during the last six months for the first duration of up to six months. If he/she is still on leave for medical treatment or rehabilitation shall continue to receive sickness benefit equal to seventy per cent (70%) for the duration of up to six months as the last period.
2. Insured person who is on sick leave due to other accidents or illnesses shall receive sickness cash benefit equal to seventy per cent (70%) of his/her average insurable earnings during the last six months for the first duration of up to six months. If he/she is still on leave for medical treatment or rehabilitation shall continue to receive sickness benefit equal to sixty per cent (60%) for the duration of up to six months as the last period.

The calculation of sickness benefit is based on the number of days that on sick leave by referring to an average of thirty days per month.

In case the health status of the beneficiary has not improved by then, he/she shall have health examination and assessment again with medical certification to be qualified for the entitlement of Loss of working capacity benefit.

Chapter 5

Loss of Working Capacity Benefit

Article 52 (New) Qualifying Conditions for Loss of Working Capacity Benefit

Qualifying conditions of Loss of Working Capacity Benefit are as follows:

1. Has paid contributions to social security fund from one month or longer for employment injury or occupational diseases and for twelve months or longer for other accidents and illnesses.
2. Has a certification of assessment and classification the loss of working capacity as prescribed in the relevant regulation

The invalidity prior of being an insured person shall not be qualifying conditions of such benefit.

Article 53 (Amended) Categories and Degree of Loss of Working Capacity Benefit

Categories and degree of the loss of working capacity are prescribed as follows:

1. Category one has a degree of incapacity from eighty one per cent (81%) to one hundred per cent (100 %);
2. Category two has a degree of incapacity from seventy one per cent (71%) to eighty per cent (80 %);
3. Category three has a degree of incapacity from sixty one per cent (61%) to seventy percent (70 %);
4. Category four has a degree of incapacity from fifty one per cent (51%) to sixty per cent (60 %);
5. Category five has a degree of incapacity from forty one per cent (41%) to fifty per cent (50 %);
6. Category six has a degree of incapacity from fifteen per cent (15%) to forty per cent (40 %);

For a person who has loss of working capacity from one per cent (1%) to fourteen per cent (14%) shall not be qualified for such benefit.

Categories one to five shall receive monthly loss of working capacity benefit and categories six shall receive a lump sum payment.

The assessment of classifications and categories should be based on the assessment and classification manual of loss of working capacity for the patient and disability prescribed by Ministry of Public Health.

If it is necessary can submit the assessment and classification result to the stakeholders for consideration.

Article 54 (Amended) Calculation of the Monthly Loss of Working Capacity Benefit

Calculation of monthly Loss of working capacity benefit is calculated based on his/her average insurable earnings during the last six months multiplied by the percentage level of the loss of working capacity categories as follows:

1. Category one equals to eighty per cent (80%);
2. Category two equals to seventy per cent (70%);
3. Category three equals to sixty per cent (60%);
4. Category four equals to fifty per cent (50%);
5. Category five equals to forty per cent (40%).

Calculation of monthly Loss of working capacity benefit is equal to hundred per cent (100%) of the percentage level of the loss of working capacity categories for the insured person suffering the loss of working capacity due to an employment injury and occupational diseases and eighty per cent (80%) for non-work related accidents or illnesses. If the above beneficiary resumes work, he/she shall receive fifty per cent (50%) of his/her Loss of working capacity benefit or twenty five per cent (25%) if retired.

If the insured person who has earlier received the Loss of working capacity benefit and got a lump sum payment when resigned from work, he/she will receive the same percentage of the Loss of working capacity benefit as pensioner for the rest of his/her life.

The percentage of the monthly Loss of working capacity benefit for whom receiving before this law comes into force is subjected to be no changed.

Article 55 (Amended) Equipments and Prosthetic Limbs

Insured person, who has received Loss of working capacity benefit, faces difficulties in physical movement and daily life shall receive equipments and prosthetic limbs as provided by the state agency and using social security fund if such equipments and prosthetic limbs are charged.

Article 56 (Amended) Caretaker Benefit

Caretaker benefit is a provision of cash benefit to only caretaker of a Loss of working capacity beneficiary category one, the caretaker shall be entitled to receive a monthly benefit equal to a minimum wage of the formal employee until the death of the Loss of working capacity beneficiary.

The caretaker benefit which has been received before this law comes into force is subjected to be no changed.

Article 57 (Amended) Calculation of Lump sum of Loss of Working Capacity Benefit

Lump sum of Loss of Working Capacity Benefit is calculated as follows:

1. An insured person suffering loss of working capacity due to an employment injury and occupational diseases shall receive a lump sum benefit equal to the degree of loss of working capacity multiplies by twelve months of his/her average insurable earnings during the last six months;

2. An insured person suffering loss of working capacity due to other accidents or illnesses shall receive a lump sum benefit equal to the degree of loss of working capacity multiplies by ten months of his/her average insurable earnings during the last six months.

Chapter 6

Pension Benefit

Article 58 (Amended) Qualifying Conditions for Pension Benefit

Qualifying conditions for pension benefit are as follows:

1. Has reached the age of sixty years old and females can volunteer to receive early retirement, but should reach the age at least fifty five years old.
2. Insured person who worked in hazardous conditions, chemical and toxic substances which are harming to health continuously for five years or longer with the medical certification, and have reached the age of fifty five years or older for male and fifty years or older for females.
3. Has paid contributions to the social security fund for at least one hundred and eighty months or longer, for the insured person who enrolled the scheme before 1 October 2014 shall have a qualifying period of at least sixty months of contributions.
4. Has completed a qualifying period of contributions but not met the qualifying conditions of age that is three-years younger can be entitled to a pension benefit but the pension shall be deducted by one per cent (1%) for each year that has not reached the qualifying age;
5. Having a retirement certificate issued by concerned organizations.

Article 59 (Amended) Calculation of Pension Benefit

Calculation of pension benefit is based on his/her total pension points multiplied by the estimated average insurable earnings of all insured persons and index of two per cent (2%), the calculation is as follows:

1. The total pension points are obtained from the points of contributions plus the points of temporary suspension of contributions and plus special pension points, the calculations of each pension points are as follows:
 - 1.1 Pension point of contributions is calculated from the average contributions made by such insured person over a year divided by the average contributions made by all insured persons within the same period of time;
 - 1.2 Pension point of temporary suspension of contributions due to sickness and maternity benefits is calculated from the average of pension points of contributions during twenty four months prior receiving benefits divided by thirty days and multiplied the number of days receiving benefit;
 - 1.3 Special pension point is a point giving to a person whose ages older than 30 years old when starting enrolled the scheme, the point is calculated equal to 0.8 point multiplied by the number of years the exceed 30 year of age. The total of such special pension points are not exceeded 12 points.
2. The estimated of average insurable earnings of all insured persons are the total earnings of all insured persons in one year divided by the number of contribution payments of all insured persons within the same year as used for pension points calculation.

The estimated average earnings of all insured persons are the average of all insurable earnings within one year plus the year-on-year fluctuation rate used to calculate pension benefit. The estimated average earnings of all insured persons are updated in January of every year.

3. Index two per cent (2%) is an annual compensation ratio that it is adjustable to suit the calculation of pension benefit in any given period of time.

The estimated of average insurable salaries or wages of all insured persons for the employees working in the labour units and voluntary persons shall be updated in January of every year.

Calculation of pension benefit for insured persons in the enterprise sector and voluntary shall not be exceeded seventy five per cent (75%) of his/her insurable earnings.

Article 60 (Amended) Adjustment of Pension Benefit

Adjustment of pension benefit for the enterprise sector and voluntary insured persons is based on the fluctuation rate of the estimated average earnings of all insured persons in January of every year.

Article 61 (Amended) Calculation of Lump Sum Benefit

An employee and voluntary person who reaches the pension age but have not met the qualifying period of contributions or unhealthy person who cannot continue to work shall be entitled to a lump sum benefit equals to one and a half times of his/her average insurable earning during the last sixty months multiplied by the number of insurable years.

For the insured person who is not reached a qualifying pensionable age or pensionable period that resigned from a labour unit while he/she is still active and can continue to work shall not be entitled to a lump sum payment, but the contributions will be accumulated for pension benefit or lump sum payment whenever he/she reaches the qualifying pensionable age.

For foreign migrant employees who completed labour contract and returned home shall be entitled to lump sum benefit equal to one month and a haft of his/her average insurable earnings during sixty months multiplied the number of insurable years.

Chapter 7

Death Grant

Article 62 (Amended) Qualifying Conditions for Death Grant

Qualifying conditions for death grant are as follows:

1. Has paid contributions to social security fund for at least one month or longer for employment injury or occupational diseases;
2. Has paid contributions to social security fund for at least three months during the last twelve months for other accidents and illnesses;
3. Children of the insured person aged not older than eighteen years;
4. A death certificate has been issued.

During the insured person resigned from work or stopped paying contributions within three months, if died, he/she and his/her spouse and children are still entitled to such benefit.

A survivor's beneficiary is also entitled to a death grant if died.

Article 63 (Amended) Calculation of Death Grant

The calculation of death grant is as follows:

1. A insured person, who has insurable periods of one month to one year, died due to employment injury or occupational diseases and three months to one year for those who died due to other accidents or illnesses, the death grant is calculated equal to fifteen months of his/her average insurable earning, pension or Loss of working capacity benefit during the last six months as a starting point of calculation;

2. If exceed one to six years of insurable periods the death grant shall be increased by each year exceeding equal to one month and for those who have seven years and longer, the grant shall be increased by each year exceeding equal to haft a month.

3. For the death of a spouse of insured person, pensioner, and Loss of working capacity beneficiary, the grant is payable equal to six months of the average insurable earnings, pension or Loss of working capacity benefits during the last six months. If both spouses are insured persons, when someone died, shall receive death grant only for his/her own entitlement and will not be entitled for the addition as dependent spouse.

4. For the death of a dependent child with eighteen years of age or younger, the death grant is payable equal to three months of the average insurable earnings pension or Loss of working capacity benefits during the last six months. In case both parents are insured persons, when children died, the grant shall be payable based on the insurable earnings of only father or mother.

5. For the death of survivor beneficiary who are spouse, parents and the death of caretaker, death grant shall be payable equal to six months of their survivors' benefits and for surviving children is equal to three months of their survivors' benefit.

Chapter 8

Survivors' Benefit

Article 64 (Amended) Qualifying Conditions for Survivors' Benefit

Family members shall be entitled to survivors' benefits if the deceased insured person, pensioner and Loss of working capacity beneficiary have completed a qualifying period of at least five years of contributions to social security fund.

Qualifying conditions of eligible family member as follows:

1. A surviving husband who has reached the age of sixty years, or a surviving wife who has reached the age of fifty five years, have no regular income and are not re-married or not a beneficiary of the loss of working capacity from the National Social Security Organization;

2. Offspring, step-children and adopted children whose ages eighteen years or younger shall entitled to a survivors' benefit of their insured father or mother;

Children with disability or mentally impaired from birthdates to eighteen years old and not being able to work or has no any income shall be entitled to the benefit for the rest of their

life. For those whose deceased parents are both insured persons, the benefit shall be payable based on only a father or mother entitlement.

3. In case insured person is the only child of the parents and their breadwinner, father and mother of the deceased, if aged at least sixty or fifty five years respectively, and having no regular income shall be entitled to such survivors' benefit for the rest of their life.

Parents whose children all died in the battle field for the national defence shall be entitled to a benefit as prescribed in the specific regulation.

Article 65 Calculation of Survivors' Benefit

Survivors' benefit shall be monthly calculated as follows:

4. Husband or wife shall be entitled to receive the benefit equal to thirty per cent (30%) of the last insurable earnings, pension or loss of working capacity benefits of the deceased person;

5. Children shall be entitled to receive the benefit equal to twenty per cent (20%) of the last insurable earnings, pension or invalidity benefits of the deceased person for each child. If there are many dependent children the total benefits shall not exceed sixty per cent (60%).

6. Father or mother shall be entitled to receive the benefit equal to thirty per cent (30%) of the last insurable earnings, pension or loss of working capacity benefits of the deceased person. If both parents are beneficiaries, their total benefits shall not exceed fifty per cent (50%).

All types of survivors' benefits shall totally not exceed eighty per cent (80%) of the deceased person's last insurable earnings, pension or loss of working capacity benefits.

Chapter 9

Unemployment Benefit

Article 66 (Amended) Qualifying Conditions for Unemployment Benefit

Qualifying conditions for unemployment benefit are as follows:

1. Within the last twenty four months before resigning from work, an insured person shall have accomplished a qualifying period of unemployment contributions for at least twelve months or longer;

2. Unemployment caused by the bankruptcy, termination of business or termination of official development assistance project;

3. Unemployment caused by temporary suspension business due to the affected of natural disaster;

4. Unemployment due to the need to reduce the number of labourers or having been laid off;

5. Unemployment with an official certification from concerned agencies;

6. Unemployment for at least thirty days with the certified of concerned agencies;

7. Healthy and can be back to the labour market.

For those who used to receive unemployment benefit has to pay another twelve months of unemployment contributions before entitlement for the next unemployment benefit.

Article 67 Calculation of Unemployment Benefit

The calculation of unemployment benefit is as follows:

1. Sixty per cent (60%) of the average insurable earnings within the last six months prior to unemployment;
2. Duration of unemployment benefit payments:
 - 2.1 Three months if having paid contributions for twelve months up to thirty six months;
 - 2.2 Six months if having paid contributions for thirty seven months up to seventy two months;
 - 2.3 Nine months if having paid contributions for seventy three months up to one hundred and forty four months;
 - 2.4 Twelve months if having paid contributions for one hundred and forty five months or longer;

Article 68 Introduction of Vocational Training

If it's necessary, unemployment beneficiaries shall be advised by the National Social Security Organization on a vocational training offered by relevant training institutions.

Article 69 (Amended) Job Placement Assistance

Unemployment beneficiary shall receive assistance on job placement and relevant information provided by Employment Service Centre or Labour and Social Welfare Departments at provincial and capital level.

Article 70 Termination of Unemployment Benefit

Unemployment beneficiary shall be terminated if:

1. The duration of unemployment benefit ends ;
2. The beneficiary refuses to accept a new offered job without justifiable reason;
3. The beneficiary gets new job;
4. The beneficiary died.

Part V Social Security Fund

Chapter 1 Social Security Fund

Article 71 (Amended) Social Security Fund

Social Security Fund is an accumulate contributions from the government, civil servants, military and police officers, employers, employees working for labour units and voluntary insured persons, revenues from the investments of reserve fund and from other legally revenue sources.

Article 72 (Amended) Compositions of Social Security Benefit Funds

Social Security Fund is divided into sub-funds as follows:

1. Heath Insurance Benefit Fund;
2. Employment Injury and Occupational Disease Benefit Fund;
3. Short-term Benefit Fund for the payment of sickness, maternity benefits and death grant;
4. Long-term Benefit Fund for the payment of pension, Loss of working capacity and survivors' benefits;
5. Unemployment Benefit Fund.

Each benefit fund shall be allocated resources from Social Security Fund used for the payments, reserves and mutual subsidies among benefit funds as prescribed in the specific regulation.

Chapter 2

Revenue Sources of the Social Security Fund

Article 73 (Amended) Revenue Sources of Social Security Fund

Revenue Sources of the Social Security Fund are as follows:

1. Contributions of the government, Employers or Labour Units;
2. Contributions from civil servants, military and police officers, employees working in the labour units and voluntary insured persons;
3. Interests or profit returns from the investment;
4. Other legally revenue sources

Besides that there are subsidies from state budget allocating for invalidity beneficiaries caused by battle and serving combat, re-pensioners and pensioners' dependent children.

Article 74 (Amended) Contribution Rates

Contribution Rates are as follows:

1. Contribution Rates for Public Sector:
 - 1.1 The government contributes eight point five per cent (8.5%) of the total payroll;
 - 1.2 Civil servants, military and police officers make a monthly contributions equal to eight per cent (8%) of the insurable earnings composing of basic salaries based on ranks and grades, year of services allowance, position allowance and other technical allowances which are permanent such as teacher allowance, medical practitioner allowance, for the arm forces also have a duty allowance and army promoted allowance.
 - 1.3 Civil servants, military and police officers who are appointed to work in the overseas representative agencies or have a long term study within the country or abroad, contributions are calculated from the last salary prior to such appointment or study.
2. Contribution Rates for Enterprise Sector and Voluntary Insured Persons:
 - 2.1 Employers or labour units contribute six per cent (6%) of employees' monthly insurable earnings composing of basic salary, product-based cash, overtime and other wages

that declare for income taxes, by taking the minimum wages to the ceiling of the insurable earnings as a reference for the calculation;

2.2 Employees working in the labour units pay a monthly contribution equal to five point five per cent (5.5%) of the insurable earnings which composed of basic salary, product-based cash, overtime and other wages that declare for income taxes, by taking the minimum wages to the ceiling of the insurable earnings as a reference for the calculation. In case the employees received their wages daily or weekly, the contributions shall be monthly calculated by included all wages which they earned during a month.

2.3 Voluntary insured person pays a monthly contribution equal to nine per cent (9%) of the selected insurable earning which is among the minimum wages to the ceiling of the insurable earnings as a reference for the calculation.

Pensioners, loss of working capacity, survivors' and caretaker beneficiaries contribute half of the ratio of health insurance benefit fund, except the caretaker is the family member of the insured person.

Article 75 (New) Contributions Remittance

Contributions remittance as follows:

1. Contributions remittance of Public Sector:

1.1 Ministry of Finance on behalf of the government pays quarterly contributions equal to eight point five per cent (8.5%) to the National Social Security Organization's saving account at the National Treasury;

1.2 Related organizations remit monthly contributions of civil servants equal to eight per cent (8%) to the National Social Security Organization's saving account at the National Treasury or the National Treasury at Provincial and Capital levels. For the eight per cent (8%) contributions of military and police officers are remitted to the social security accounts of those arm forces;

2. Contributions remittance of enterprises and voluntary insured persons:

2.1 Employers prepare the payroll of their employees and calculate monthly contributions of their portion equal to six per cent (6%) and deduct five point five per cent (5.5%) of the employee portion then remit them to the National Social Security Organization's saving account at the banks and declare a detailed list of contributions to the National Social Security Organization;

2.2 Voluntary insured persons pay monthly contributions equal to nine per cent (9%) of the insurable earnings or pay in advance for the duration of contract to saving account at the banks or paying cash at the National Social Security Organization;

2.3 Labour units and voluntary insured persons can remit the contributions in cash at the National Social Security Organization if the amount is not exceed five million kips and recording the transactions according to rules and regulations .

Labour units can stop remittance of contributions in the case of termination of business, bankruptcy and affected by the natural disaster with the certification of concerned agencies.

Contributions for healthcare of pensioners, loss of working capacity, caretaker and survivors' beneficiaries are deducted from such benefits through accounts of the National Social Security Organization at the National Treasury or banks.

Article 76 (New) Remittance of State Subsidies for Invalidity due to battle and serving combat, Re-pensioners and Pensioner’s Children.

The National Social Security Organization shall consolidate the subsidized budget proposal for invalidity due to battle and serving combat, re-pensioners and pensioner’s children to Ministry of Labour and Social Welfare for further submission to the Ministry of Finance for consideration and transfers the budget to the National Social Security Organization’s account at the National Treasury.

Article 77 (New) Adjustments of the Contribution Rates and Determination of the Insurable Earning Ceiling

Adjustment of the contribution rates is a review of contribution rates in according to actuarial assessment in every five years in order to consistent with the country’s socio-economic dynamics.

The determination of the insurable earning ceiling is taken action on the basis of economic volatility and the necessary of actuarial assessment.

For the determination of the minimum insurable earnings is based on the minimum wages adopted by the state in the given of time.

**Chapter 3
Expenditures of the Social Security Fund**

Article 78 (Amended) Expenditures of the Social Security Fund

Expenditures of the Social Security Fund as follows:

1. Social security benefits expenditures.
2. Current operating expenditures.
3. Capital expenditures for infrastructures and social security developments

Expenditures of social security fund for benefits of any sector are used the revenues of that sector. For the expenditures of current operation, infrastructure and social security development shall be used profit returns from the fund investment consistent with the relevant laws. In case the profit returns from the investment are insufficient for the expenditures can formulate budget plan from the annual state budget.

For the annual total revenues and expenditures budget plan of the social security fund is considered by the Board of Directors and submission to the government for approval.

The annual report on the revenues and expenditures of the fund shall have to be audited and certified by State Audit Organization and disseminated to public.

The using of profit returns from social security fund investment shall be prescribed in specific regulation.

Article 79 (New) Disbursement of Budget

Disbursement of Budget is as follows:

1. Disbursement of budget should be based on the budget plan which is considered by the Board of Directors and approved by minister of Ministry of Labour and Social Welfare;
2. Budget disbursement of a social security fund for the public sector shall be approved by the minister of Ministry of Labour and Social Welfare as an ordonator to transfer from social security revenue account to expenditure account at the National Treasury and then the director as an authorized person shall execute the payment from expenditure account for social security benefits, current operation and capital investment;
3. Budget disbursement of the social security fund for enterprise sector and voluntary insured person, the director as an authorizes person shall execute the payment from bank saving accounts for social security benefits, current operation and capital investment in line with the budget plan approved by the Board of Directors;
4. Calculation of disbursements is executed according to this law and other related laws.

Article 80 (New) Accounting and Fiscal Year

The National Social Security Organization shall have specific accounting and budget lines which is approved by Ministry of Finance for the income and expenditure management.

All revenues and expenditures of the National Social Security Organization must be managed centrally and equity by opening revenue and expenditure accounts within the National Treasury, National Treasury at provincial and capital levels or banks located in the Lao PDR.

Fiscal year and draw up accounting statements of the National Social Security Fund is executed according to the Law on State Budget.

Chapter 4

Reserve Fund and Investments

Article 81 (Amended) Reserve Fund

The reserve fund is an accumulation collecting from the surplus cash of the social security fund and it shall be kept in the National Treasury or banks in order to maintain for the long term benefits payment.

Article 82 (New) Investments

The National Social Security Organization can use the reserve fund for its investments in appropriate forms as prescribed in the article 73 of this law in order to make the fund growing, strengthening and sustainability. The investments must be ensured the security and have no risks on the capital and profits that are approved by the Board of Directors.

The using of reserve social security fund for investment shall be prescribed in specific regulation.

Part VI

Board of Directors and the National Social Security Organization

Article 83 (New) Board of Directors

Board of Directors is a non-standing organisation, has been appointed by the prime minister in according to the minister of Ministry of Labour and Social Welfare proposal, it has a role to consult and manage the social security fund implementation and collaboration with ministries, local authorities and other relevant organizations.

Board of Directors composes of tri-partite representatives from the government, employer and employee and the National Social Security Organization acts as a secretariat.

Article 84 (Amended) Composition of the Board of Directors

The Board of Directors is composed of:

1. Minister of Ministry of Labour and Social Welfares, chair person ;
2. Vice-president of the Lao Federation of Trade Unions, vice-chair person ;
3. Vice-president of the National Chamber of Commerce and Industry, vice-chair person ;
4. Deputy Minister of Ministry of Labour and Social Welfares, vice-chair and standing chair person;
5. Deputy Minister of Ministry of Finance, member ;
6. Deputy Minister of Ministry of Public Health, member ;
7. Deputy Director of General Political Department, Ministry of National Defence, member ;
8. Deputy Director of General Political Department, Ministry of Public Security, member;
9. Representatives of Employers and Employees at least two persons each representative, member;
10. Director of the National Social Security Organization, member and head of the secretariat.

The composition of the Board of Directors shall be updated in order to be consistent with the situation in each period of time.

Article 85 (Amended) Rights and Duties of the Board of Directors

Rights and duties of the Board of Directors as follows:

1. To study and provide comment on the draft of strategies and action plans about social security;
2. To consider and approve internal rule of the National Social Security Organization;
3. To guide, support, monitor and inspect the performance of the National Social Security Organization;
4. To study and consider sources of revenues and expenditures of the National Social Security Organization;
5. To consider and approve forms of investments of the social security fund in order to make the fund growing, strengthening and sustainability;

6. To study on the contribution rates, insurable earning ceiling, level of benefits and determine the rates of benefit funds in order to meet the needs over a given period of time and submission to Ministry of Labour and Social Welfare for approval;

7. To consider and approve the implementation reports, action plans and budgets of the National Social Security Organization in each period of time;

8. To perform other rights and duties as prescribed in the law or assigned.

Article 86 (Amended) Meetings of the Board of Directors

Ordinary meetings of the Board of Directors shall be held quarterly to consider and approve important issues regarding the social security.

In the case of necessary or emergency the extraordinary meeting can be called by the chair or proposed by the Director General of the National Social Security Organization to hold the meeting.

Ordinary meetings of the Board of Directors can be held only if the members of Board of Directors are presented more than a half of the total members.

Resolutions of the meeting shall be effective only when adopted by a majority vote of the participants.

In case of a tied vote, the chairperson shall be entitled to cast the deciding vote.

Article 87 (New) National Social Security Organization

National Social Security Organization is a technical unit under Ministry of Labour and Social Welfare, is specific financial unit which has its own accounting system in order to gradually become an autonomous body in the future, it has a role as a secretariat to the Board of Directors and Ministry of Labour and Social Welfare in the implementation and management of the social security.

National Social Security Organization has its abbreviation as “NSSO”.

Article 88 (New) Composition Organizations of the National Social Security Organization

National Social Security Organization has its mechanism organizations from central to local levels.

The organization, roles and functions of each level are prescribed in the specific regulation.

Article 89 (New) Rights and Duties of the National Social Security Organization

Rights and duties of the National Social Security Organization are as follows:

1. To implement policies, strategies, laws, regulations, plans, work programs and projects;

2. To disseminate and campaign the policies, strategies, law and regulations on social security widely and extensively;

3. To manage and develop social security to modernized and sustainable;

4. To manage and implement social security incomes and expenditures budget plan in according with the law;

5. To scientific study on social security, calculations and data analysis on the insurance statistics;
6. To propose the adjustment of the contribution rates, insurable earning ceiling, benefit levels and the rates of benefit funds in order to be consistent with the level of benefit payments over a period of time;
7. To study, consider and pay benefits to its members correctly and rapidly;
8. To monitor and encourage the provision of health insurance benefit to insured persons and their family members by collaboration with other stakeholders;
9. To receive, consider and resolve of disputes on social security activities;
10. To collect, consolidate information and statistics, develop database for the implementation of social security;
11. To study, determine work positions and develop human resources in each period of time and propose new staff requirement based on the need of work positions in each year.
12. To implement the budget plan with the agreement of the Board of Directors and the approval of the minister of Ministry of Labour and Social Welfare;
13. To propose the establishment, improve or cancel mechanism, positions of the organization to higher authority for consideration;
14. To propose the appointment, demotion, transferring, re-arrangement, awarding and discipline of its staff;
15. To encourage, monitor and inspect the expansion of social security coverage in order to cover widely various targeted groups;
16. To collect information on targeted groups and expand social security scheme coverage from other related stakeholders;
17. To conduct meetings in various levels on social security activities;
18. To issue the notifications on social security, propose the amendment and cancellation of rules and regulations which are not consistent with social security activities;
19. To coordinate and cooperate with other stakeholders internal, external, regional and international levels on social security as assigned by the higher authority;
20. To regularly summarize, evaluate and report on the implementation of social security to the higher authority;
21. To perform other rights and duties as prescribed in the law or as assigned

Part VII

Social Security Registration and Claim Review

Chapter 1

Social Security Registration

Article 90 (Amended) Social Security Registration

Social Security Registration is as follows:

1. Civil servants, employees including foreign employees, voluntary insured persons, pensioners, invalidity beneficiaries from arm forces and caretaker beneficiary shall register with the National Social Security Organization and its line management levels;

2. Labour units which has one or more employees shall register with the National Social Security Organization and its line management levels;
3. Every state agencies and employers are responsible to complete and collect the registration forms with completely attached documents as regulated.

If the insured person who is already registered transferring to another workplace has to declare his/her social security number to the National Social Security Organization in order to accumulate their insurable periods.

Article 91 (Amended) Social Security Registration Documents

Social security registration documents are as follows:

1. Personal information of labour unit, civil servant, voluntary insured person, pensioner, invalidity beneficiary from arm forces and caretaker beneficiary as specified in the printed forms;
2. List of employees who registered with social security scheme provided by the concerned employer as specified in the printed forms;
3. Copied of Business Registration, Tax Registration or Business License;
4. Other certified documents as specified in the printed forms.

Article 92 (Amended) Submission of Registration forms and Social Security Card Issuance

Submission of registration forms and social security card issuance are as follows:

1. Organization or employer shall submit all social security registration forms of the civil servants, employees to the National Social Security Organization and its line management levels within 30 days after the recruitment of civil servant or employment contract has been signed.
2. Self-employed and voluntarily insured persons shall submit social security registration forms to the National Social Security Organization and its line management levels in a due time;
3. Pensioner, invalidity beneficiary from arm forces and caretaker beneficiary shall submit social security registration forms after receiving such benefit agreement;
4. In case the certified documents of registration or social security card are loss, damaged or broken, can propose to the National Social Security Organization in line management levels for re-issuing the certified document or social security card.

The National Social Security Organization shall consider the registrations and issue the registration certificate to labour units and social security cards to insured persons within 30 days after receiving completed and corrected documents.

Chapter 2

Accumulation of Insurable Periods and Claim Reviews

Article 93 (New) Accumulation of Insurable Periods

An insured person, who has discontinued contributions to the social security fund due to job turn-over, resigned from a labour unit or temporary stop payment, can continue paying contributions from his/her accumulative contributions for further benefits entitlements.

Duration of receiving short-term benefits of an insured person shall be counted as his/her insurable periods, for the duration of receiving long-term benefits or unemployment benefit shall not be counted as an insurable period.

An insured person who has reach the pensionable qualifying conditions but still working and paying contributions shall receive additional pension as exceeding pensionable age equal to one per cent (1%) for a year of exceeded age, but the total percentage of pension shall not be over the pensionable ceiling as regulated.

An insured person, who has paid contributions in many workplaces or transferring from the public service to a labour unit or vice versa and has accumulative contributions, year of services or insurable period that has not received a lump sum payment earlier shall accumulate his/her year of services or insurable period for further benefits entitlements with only in the Public or Enterprise Sectors or voluntary insured persons.

Article 94 (Amended) Claims of Social Security Benefits

1. Documents required for claiming social security benefits include the following:

1. Proposal letter or printed claim forms for social security ;
2. Copied of social security card;
3. Certified documents of any benefits;
4. Other relevant documents.

B. Duration of claim procedures for each social security benefit as follows:

1. Claims for short-term benefits shall complete claim documents and submit to the National Social Security Organization and its line management levels within ninety days, in case of necessary can consider the case but shall not have overlap payment with other benefits.

2. Claims for long-term benefits shall be complete claim documents and submit to the National Social Security Organization and its line management levels within one hundred and eighty days, in case of exceeding mentioned period of time the benefits shall be considered from the date of claim submission onwards.

Beneficiaries of social security benefits are insured persons, spouses and children of the insured persons, inheritor or authorized person which shall be paid in the priority order.

Article 95 (Amended) Claim Reviews of Social Security Benefits

Claim reviews of social security benefits as follows:

1. The National Social Security Organization and its line management levels shall consider the claims of social security benefit within thirty days after receiving a completed and corrected claim forms;

2. The consideration of short-term benefits for those who worked in many workplaces shall add together insured earnings but shall not exceed the insurable ceiling as prescribed and the insured person can also entitle to receive a compensation from other sources;

An insured person and pensioner who also received loss of working capacity benefit can choose one of the sources that is bigger for the calculation of death grant.

3. If the survivors' beneficiary has regular incomes are re-married, the benefit shall be cancelled;

If the loss of working capacity beneficiary died, the caretaker shall receive lump sum caretaker benefit equal to five months of caretaker benefit as starting point, if the period of care is over five years, , the lump sum shall increase equal to one month for every two years of exceeding and will be a termination of caretaker benefit.

4. Employees that are not registered with social security scheme, the labour unit shall be responsible for social security benefits as prescribed in this law.

For the invalidity benefit and caretaker for the invalidity beneficiary caused by battle and serving combat shall be prescribed in a specific regulation.

Part VIII

Prohibitions

Article 96 Prohibitions for the Social Security Staff

Prohibitions for the social security staff as follows:

1. To perform unjust, immoral, unfair duties, poor quality, under standard of services and do not follow the regulations toward insured persons;
2. To cheat and corrupt the social security cash benefits, forging documents or using forged documents, deliberate delay, destroy or lose the social security claim documents.
3. Abuse of position, power, duties for the benefits of their own, family or friends and accepting bribes regarding social security affair;
4. Disclosure secret of social security organization;
5. Any conduct violating social security legislation.

Article 97 Prohibitions for Insured Persons and Family Members

Prohibitions for insured persons and family members as follows:

1. Reporting of false information;
2. Falsification of documents and giving bribes to social security officials;
3. Discrediting or spreading rumours or false information about social security;
4. Protecting or assisting officials, employees or insured persons who violate the social security legislation;
5. Committing other acts that violate social security laws and regulations.

Article 98 Prohibitions for Individuals and Organizations

Prohibitions for individual persons and organizations as follows:

1. To create obstacles hampering the mission of social security officials;

2. To act as middle men for paying and/or receiving bribes in relation to social security
3. To voice or report false information in relation to social security;
4. To assist or protect from punishment civil servants, employees or insured persons who violate social security legislation;
5. Any conduct violating social security laws and regulations.

Part IX Resolution of Disputes

Article 99 (Amended) Forms of Resolution of Disputes

Resolution of social security disputes shall be proceed through one of the following forms:

1. Mediation or arbitration;
2. Administrative resolution;
3. Resolved by the organization of economic dispute resolution;
4. Judgments by the Court of Justice;
5. International resolution.

Article 100 Mediation or Arbitration

When a dispute on social security benefit occurs, the concerned parties may use conflict resolution, negotiation, agreement or mediation to find a mutually acceptable conclusion.

Article 101 (Amended) Administrative Resolutions

When a dispute on social security benefit occurs, the concerned parties may apply to the social security management agency to pronounce an administrative resolution.

When a dispute occurred between insured persons, hospital and the National Social Security Organization on healthcare benefit provision shall apply to public health sectors for consideration.

Article 102 Resolved by the Organization of Economic Dispute Resolution

When a dispute on social security benefit occurs, the concerned parties may submit the case to the organization of economic dispute resolution for a legal resolution.

Article 103 Judgment by the People's Court of Justice

When a dispute on social security occurs any of parties concerned may submit the case to the People's Court of Justice in accordance with the laws and regulations of the Lao PDR.

Article 104 (New) International Resolution

When a dispute on social security regarding international occur shall be solved in accordance with international conventions and/or treaties ratified by the Lao PDR.

Part X

Social Security Management and Inspection

Chapter 1

Social Security Management

Article 105 (Amended) Social Security Management Organizations

The government shall manage social security centrally and unity countrywide by mandated the Ministry of Labour and Social Welfare to directly act as the responsible agency and to coordinate with the concerned ministries, organizations and local authorities.

The social security management organization composing of:

1. The Ministry of Labour and Social Welfare;
2. The Provincial and Capital Department of Labour and Social Welfare;
3. The District and Municipal Labour and Social Welfare Office;

If necessary, a social-cultural unit at village level shall manage such affairs.

Article 106 (Amended) Rights and Duties of the Ministry of Labour and Social Welfare

In managing of social security affairs, the Ministry of Labour and Social Welfare shall have the following rights and duties:

1. To undertake study and draft policies, strategic plans and law that relative to social security in order to propose to the government for approval;
2. To develop policies, strategic plans and law on social security into the detailed of work programs, projects and activities;
3. To propagate, disseminate and conduct seminars on the policy directions, strategic plans, and laws pertaining to social security countywide ;
4. To monitor and manage revenues and expenditures of social security fund;
5. To guide, monitor, inspect and collaborate with the relevant parties and local authorities on the implementation of social security such as the widely extension of social security coverage to various targeted groups;
6. To consider and approve the contribution ceiling, benefit levels and allocate social security benefit funds to consistent with the needs in a given period of time;
7. To undertake study and propose the adjustment of contribution rate to the government for approval;
8. To consider grievances submitted by individuals, juristic persons, and organisations regarding the performance of social security officials and administrative decisions that may violate social security laws and regulations;

9. To study and propose the measures and resolutions that violated law in the social security implementation in order to be transparency and consistent with the laws;
10. To consider and propose the candidates for the Board of Directors appointment to the government consideration;
11. To consider and propose the appointment, transferring and demotion of director general of the National Social Security Organization;
12. To appoint, transfer and demote positions of the National Social Security Organization's officers;
13. To coordinate and cooperate with foreign countries, regional and international organisations regarding social security;
14. To summarize and report periodically on the results achieved on the implementation of social security to the government ;
15. To exercise other rights and duties as prescribed in the laws.

Article 107 (Amended) Rights and Duties of Provincial and Capital Labour and Social Welfare Departments

In managing of the social security affairs, Provincial and Capital Labour and Social Welfare Departments shall have rights and duties as follows:

1. To implement policies, strategic plans and law on social security and including disseminate information and undertake public relations within their provinces or capital;
2. To monitor and collaborate with all relevant stakeholders to implement social security affairs;
3. To consider grievances submitted by individuals, juristic persons, and organisations regarding the performances and decisions that may violate social security laws and regulations
4. study and propose the measures and resolutions that violated law in the social security implementation in order to be transparency and consistent with the laws;
5. To push and extend social security coverage covering widely all various targeted groups;
6. To coordinate and cooperate with foreign countries on social security as assigned to by the higher authority;
7. To summarize and report regularly on the result of the social security implementation to the higher authority;
8. To exercise other rights and duties as prescribed in the laws.

Article 108 (Amended) Rights and Duties of District and Municipal Labour and Social Welfare Office

In managing of social security affairs, the district and municipal level Labour and Social Welfare Office shall have the rights and duties as follows:

1. To implement policies, strategic plans and law on social security and including disseminate information and undertake public relations within their provinces or capital;
2. To consider grievances submitted by individuals, juristic persons, and organisations regarding the performances and decisions that may violate social security laws and regulations

3. study and propose the measures and resolutions that violated law in the social security implementation in order to be transparency and consistent with the laws;
4. To push and extend social security coverage covering widely all various targeted groups;
5. To summarize and report regularly on the result of the social security implementation to the higher authority;
6. To exercise other rights and duties as prescribed in the laws.

Article 109 (New) Rights and Duties of Other Relevant Sectors, Local Authorities and Stakeholders

In managing of social security affairs, the other relevant sectors, authorities and stakeholders shall have the rights and duties to coordinate with labour and social welfare sector in according to their roles and functions.

Chapter 2

Social Security Inspection

Article 110 (Amended) Social Security Inspection Agencies

The social security inspection agencies are composing of:

1. Internal inspection agency is the same as the social security management organisation mentioned in Article 105 of this Law;
2. The external inspection agencies are the National Assembly, Provincial Assembly, State Audit Organization, State Inspection Agencies in each levels, referring to the Law on Inspection of the National Assembly; Lao Front for National Construction, Lao War Veterans Union and Mass Organizations, people and mass medias.

Article 111 (Amended) Contents of Social Security Inspections

Inspections of social security activities shall have the following contents:

1. The implementation of the law on social security;
2. The performance of civil servants and social security officers;
3. The development and implementation plans on social security.

Article 112 Forms of Social Security Inspections

The forms of social security inspections as follows:

1. Regular systematic inspections, which are carried out based on the operational plan on a regular basis and at a specified time;
2. Inspections with advance notification which are inspections outside the operational plan in the event of necessity and of which notice shall be given in advance to the inspecting target;

3. Emergency inspections are urgent inspections carried out when deemed necessary without advance notification inspecting target.

Social security inspections shall be strictly done in according to the laws.

Article 113 Inspection Reports and Correction Measures

The inspection committee shall summarize and report on the result of inspections and propose measures of the violations to the authorized organization for consideration.

The inspection committee shall be legally responsible for the findings reported and to ensure confidentiality of all social security documents that are reviewed.

Article 114 Rights and Obligations of the Inspecting Target

An inspecting target shall have the following rights and obligations:

1. To request the inspection officers to represent the agreement and inspection identification cards;

2. To petition the relevant organization on the inappropriate inspection as prescribed in the rules and regulations;

3. To facilitate the mission of inspections officers by providing requirement documents, information, evidences and answering to the issues raised by the inspection committee;

4. To exercise other rights and obligations as prescribe in the laws.

Part XI

Policies towards Outstanding Performance Persons and Measures against Violators

Article 115 Policies towards Outstanding Performance Persons

Individuals, juristic persons or organization with outstanding performance in the implementation of this Law shall be rewarded or other privileges in accordance with the laws.

Article 116 Measures against Violators

Individuals, juristic persons or organization committed violations of the Law shall be subject to different measures such as education, disciplinary sanctions, fines and civil or criminal charges depending on the severity of the violation as prescribed in the laws.

Article 117 (Amended) Education Measures

Individuals, juristic persons or organization committed violation of the Law on Social Security such as prohibitions that are minor offence and a first time offence shall be warned and educated.

For the employers who have not followed the obligations as prescribed in this law such as not jointed and submitted contributions to the social security or participated but stop paying contributions shall be warned with an official recording and suggest to join and submit contributions within ninety days.

Article 118 (Amended) Disciplinary Sanctions

Civil servants, who violate this law such as prohibitions, lack of responsibility that does not constitute a criminal offence, shall be disciplined as prescribed in the Law on Civil Servants.

For the social security officers shall follow the internal rule of the National Social Security Organization.

Article 119 (Amended) Fine Measures

Individuals, juristic persons or organization committed violation of this Law, in cases that cause a prejudice but do not constitute a criminal offense, shall be fined as the same amount over the value of prejudice caused.

For the employers who are not followed the warning, recording and timing as specified in article 117 paragraph 2 of this law shall be fined equal to the social security contributions being made by the employer in each month.

Article 120 Civil Liability Measures

Individuals, juristic persons or organization, that causes damage to others due to social security affair, shall compensate for the loss or damage created by one own.

Article 121 Penal Measures

An individual person, who commits violations of this law which is a criminal offence, shall be prosecuted in accordance with the criminal law depending on the severity of the violation.

Part XII

Final Provisions

Article 122 Implementation

The government of the Lao People's Democratic Republic shall implement this law.

Article 123 Effectiveness

This Law enters into force since the promulgation of the President of the Lao People's Democratic Republic and after fifteen days of publishing on the Official Gazette.

This Law shall replace the Law on Social Security No. 34/NA, dated 26 July 2013.

All provisions and regulations which contradict with this Law are null and void.

President of the National Assembly

(Seal and Signature)

Pany Yathotou