

Tanzania

Exchange rate: US\$1.00 = 2,295 shillings.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1942 (government employees), 1944 (local authorities), 1954 (public service), and 1964 (provident fund).

Current laws: 1997 (social insurance), implemented in 1998; 2008 (regulatory authority); and 2018 (public service).

Type of program: Social insurance system.

Note: A 2018 law merged four separate pension programs: Government Employees Provident Fund (GEPF), Local Authorities Pension Fund (LAPF), Parastatal Pension Fund (PPF), and the Public Service Pensions Fund (PSPF). Under this law, the Public Service Social Security Fund (PSSSF) administers the program for public-sector employees and the National Social Security Fund (NSSF) administers the program for private-sector employees and self-employed persons. The information below applies to both programs unless otherwise stated.

Coverage

Public-sector program: Public-sector employees, including civil servants, employees of local governments, police and correctional personnel, and judiciary officers.

Special system for military personnel and certain high-ranking civil servants.

Private-sector program: Private-sector employees, including foreign nationals and employees of international organizations working in Mainland Tanzania.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person

Public-sector program: 5% of monthly salary (excluding bonuses, overtime pay, and allowances).

There are no minimum or maximum earnings used to calculate contributions.

The insured person's contributions also finance cash maternity benefits and unemployment benefits.

Private-sector program: 10% of gross monthly salary.

There are no minimum or maximum earnings used to calculate contributions.

The insured person's contributions also finance cash maternity benefits, medical benefits, and unemployment benefits.

Self-employed person

Public-sector program: Not applicable.

Private-sector program: 10% to 20% of monthly earnings.

The self-employed person's contributions also finance cash maternity benefits and medical benefits.

Employer

Public-sector program: 15% of monthly payroll (excluding bonuses, overtime pay, and allowances).

There are no minimum or maximum earnings used to calculate contributions.

The employer's contributions also finance cash maternity benefits and unemployment benefits.

Private-sector program: At least 10% but no more than 20% of gross monthly payroll.

There are no minimum or maximum earnings used to calculate contributions.

The employer's contributions also finance cash maternity benefits, medical benefits, and unemployment benefits.

Government

Public-sector program: None; contributes as an employer.

Private-sector program: None.

Qualifying Conditions

Old-age pension (public- and private- sector programs): Age 60 with at least 180 months of contributions.

The contribution requirement is reduced for workers who become covered at older ages, ranging from 165 months (if age 45) to 45 months (if aged 55 to 59) of contributions.

Employment must cease.

Early pension: Age 55 with at least 180 months of contributions. The early pension must be at least the monthly minimum old-age pension.

The minimum monthly old-age pension is 40% of the legal monthly minimum wage.

The legal monthly minimum wage ranges from 100,000 shillings to 400,000 shillings, depending on the economic sector.

Deferred pension: The pension may be deferred. There is no age limit.

Old-age settlement (public- and private- sector programs): Age 60 and does not qualify for an old-age pension.

Employment must cease.

Disability pension (public- and private- sector programs): Must have at least a 66.7% assessed loss of earning capacity and at least 180 months of contributions or at least

36 months of contributions, including 12 months immediately before the disability began.

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

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

Disability settlement (public- and private- sector programs): Must have at least a 66.7% assessed loss of earning capacity and not qualify for a disability pension.

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

Survivor pension (public- and private- sector programs): The deceased was not receiving an old-age or disability pension at the time of death but had at least 180 months of contributions.

Eligible survivors include a widow(er) aged 45 or older (no age limit if caring for a child younger than age 15) and orphans younger than age 18 (age 21 if a full-time student, no limit if disabled). If there is no widow(er) or eligible orphan, the pension is paid to the deceased's parents.

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

Survivor settlement (public- and private- sector programs): The deceased received an old-age or disability pension at the time of death.

Eligible survivors include a widow(er) aged 45 or older (no age limit if caring for a child younger than age 15) and orphans younger than age 18 (age 21 if a full-time student, no limit if disabled). If there is no widow(er) or eligible orphan, the benefit is paid to the deceased's parents.

Funeral grant (private-sector program only): Paid to the person who paid for the funeral if the deceased had at least one month of contributions and was in covered employment at the time of death. The benefit must be claimed within 60 days of the date of death.

Old-Age Benefits

Old-age pension (public- and private- sector programs): The monthly pension is calculated by multiplying the accrual rate of 1/580 by the number of contribution months and by the insured's Annual Pensionable Emoluments (APE), divided by 12. If the insured person chooses to receive part of the pension as a lump sum, the pension is calculated using 75% of APE. The lump sum is calculated by multiplying the accrual rate of 1/580 by the number of contribution months and by 25% of the APE, multiplied by a commutation factor of 12.5.

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

APE is the insured's average annual earnings in the highest three years of earnings in the 10 years before retirement.

The above rules apply to all persons first contributing to one of the former four programs on or after July 1, 2014, and all existing members of the NSSF, the PPF, and the GEPF who retire on or after July 1, 2014. Different rules apply to insured persons who were members of the LAPF or the PSPF on June 30, 2014.

The minimum monthly old-age pension is 40% of the legal monthly minimum wage.

The legal monthly minimum wage ranges from 100,000 shillings to 400,000 shillings, depending on the economic sector.

The maximum monthly old-age pension is 72.5% of the insured's monthly earnings used to calculate the monthly pension (private-sector employees) or 66.6% of the insured's month of highest covered earnings in his or her entire career (public-sector employees).

Early pension: The monthly pension is reduced by 0.3% for each month it is claimed before the normal retirement age.

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

Benefit adjustment: Benefits are adjusted periodically based on changes in the consumer price index.

Old-age settlement (public- and private- sector programs): A lump sum of total employee and employer contributions plus accrued interest minus previous unemployment benefit payments (See Unemployment) is paid.

Permanent Disability Benefits

Disability pension (public- and private- sector programs): The monthly pension is calculated by multiplying the accrual rate of 1/580 by the number of contribution months and by the insured's Annual Pensionable Emoluments (APE), divided by 12. If the insured person chooses to receive part of the pension as a lump sum, the monthly pension is calculated using 75% of APE. The lump sum is calculated by multiplying the accrual rate by the number of contribution months and by 25% of the APE, multiplied by a commutation factor of 12.5.

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

APE is the insured's average annual earnings in the highest three years of earnings in the 10 years before the disability began.

The above rules apply to all persons first contributing to one of the former four schemes on or after July 1, 2014, and all existing members of the NSSF, the PPF, and the GEPF who retire on or after July 1, 2014. Different rules apply to insured persons who were members of the LAPF or the PSPF on June 30, 2014.

The minimum monthly disability pension is 30% of the insured's monthly earnings used to calculate the monthly pension.

Benefit adjustment: Benefits are adjusted periodically based on changes in the consumer price index.

Disability settlement (public- and private- sector programs): A lump sum is paid.

Survivor Benefits

Survivor pension (public- and private- sector programs)

Spouse's pension: 40% of the old-age pension the deceased was entitled to receive is paid to a widow(er); 100% if there are no eligible orphans. If there is more than one widow, the pension is split equally.

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

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

Parent's pension: If there are no other eligible survivors, 100% of the old-age pension the deceased was entitled to receive is paid to the deceased's parents.

Survivors can choose to receive part of the pension as a lump sum. The lump sum is calculated by multiplying the accrual rate of 1/580 by 25% of the deceased's Annual Pensionable Emoluments (APE), multiplied by a commutation factor of 12.5.

APE is the deceased's average annual earnings in the highest three years of earnings in the 10 years before death.

The maximum combined survivor pension is 100% of the old-age pension the deceased would have been entitled to receive.

Benefit adjustment: Benefits are reviewed periodically and may be adjusted based on an actuarial valuation of the schemes' funds.

Survivor settlement (public- and private- sector programs): A lump sum of 33 (private-sector employees) or 36 (public-sector employees) times the old-age or disability pension the deceased received is paid.

Funeral grant (private-sector program only): A lump sum of 150,000 shillings to 600,000 shillings is paid, depending on the deceased's last monthly earnings used to calculate contributions.

Administrative Organization

Prime Minister's Office, Labour, Youth, Employment and Persons with Disability (<https://www.kazi.go.tz/>) provides general supervision.

Social Security Regulatory Authority (<http://www.ssra.go.tz/>) regulates and supervises the performance of the public- and private- sector programs.

Public Service Social Security Fund administers the public-sector program and collects contributions.

National Social Security Fund (<https://www.nssf.or.tz/>), administers the private-sector program and collects contributions.

Sickness and Maternity

Regulatory Framework

First and current laws: 1997 (social insurance), implemented in 2005; 2003 (national health policy); 2004 (employment); 2009 (health); and 2018 (public service).

Type of program: Social insurance (cash maternity and medical benefits) and employer-liability (cash sickness and paternity benefits) system.

Note: A 2018 law merged four separate social insurance programs: Government Employees Provident Fund (GEPF), Local Authorities Pension Fund (LAPF), Parastatal Pension Fund (PPF), and the Public Service Pensions Fund (PSPF). Under this law, the Public Service Social Security Fund (PSSSF) administers the social insurance program for public-sector employees and the National Social Security Fund (NSSF) administers the program for private-sector employees and self-employed persons.

Coverage

Social insurance

Cash maternity benefit: Public-sector employees, including civil servants, employees of local governments, police and correctional personnel, and judiciary officers; and private-sector employees, including foreign nationals and employees of international organizations working in Mainland Tanzania.

Voluntary coverage for self-employed persons.

Special system for military personnel and certain high-ranking civil servants.

Medical benefits and maternity medical benefits: Private-sector employees and self-employed persons working in Mainland Tanzania.

Voluntary coverage for pensioners (private-sector program only).

Special systems for public-sector employees.

Employer liability (cash sickness and paternity benefit): Private-sector employees working in Mainland Tanzania.

Exclusions: Self-employed persons.

Special systems for public-sector employees.

Source of Funds

Insured person

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

Employer liability: None.

Self-employed person

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

Employer liability: Not applicable.

Employer

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

Employer liability: The total cost.

Government

Social insurance: None; contributes as an employer.

Employer liability: Not applicable.

Qualifying Conditions

Cash sickness benefit (employer liability): Must have at least six months of employment with the same employer in the 12 months before the incapacity began or be employed on a seasonal basis by the same employer. Must have a medical certificate and not be entitled to receive paid sick leave from any other source.

Cash and medical maternity benefits (social insurance): Must have at least 36 months of contributions, including at least 12 months in the 36 months before the expected date of childbirth. Cash maternity benefits are paid to an insured woman only once in a three-year period.

Cash paternity benefit (employer liability): Must have at least six months of employment with the same employer in the 12 months before the birth or be employed on a seasonal basis by the same employer. Must be the father of the child and take the leave within seven days of the birth.

Medical benefits (social insurance): Must have at least three months of contributions immediately before seeking medical care.

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

Sickness and Maternity Benefits

Sickness benefit (employer liability): 100% of the employee's last earnings is paid for 63 days; 50% thereafter. Up to 126 days are paid within a three year period.

Maternity benefit (social insurance): A lump sum of up to 12 weeks (100 days in case of multiple births) of the insured's average daily earnings in the six months before

the 20th week of pregnancy is paid. The lump sum may be paid in two parts: four weeks before and eight weeks after childbirth (four weeks after childbirth for a stillborn child).

Paternity benefit (employer liability): 100% of the employee's last earnings is paid for up to three days in a three-year period irrespective of the number of children fathered.

Workers' Medical Benefits

Medical benefits (social insurance): Benefits include preventive and curative care, essential drugs, laboratory tests, medical imaging, hospitalization, major and minor surgery, physical therapy, and some optical and dental services.

Maternity medical benefits (social insurance): Benefits include maternity care from accredited medical providers from the 24th week of pregnancy to 48 hours after childbirth (seven days in case of a caesarean delivery).

Government programs provide free care for immunizations, tuberculosis, HIV/AIDS, leprosy, cancer, epidemics, mental illness, and diabetes mellitus.

Dependents' Medical Benefits

Medical benefits (social insurance): Benefits for dependents are the same as those for the insured.

Maternity medical benefits (social insurance): No information available.

Administrative Organization

Prime Minister's Office, Labour, Youth, Employment and Persons with Disability (<https://www.kazi.go.tz/>) provides general supervision.

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

Public Service Social Security Fund collects contributions and administers the social insurance program for public-sector employees.

National Social Security Fund (<https://www.nssf.or.tz/>), managed by a director general, collects contributions and administers the social insurance programs for private-sector employees.

Work Injury

Regulatory Framework

First law: 1948.

Current law: 2008 (workmen's compensation), implemented in 2016.

Type of program: Social insurance system.

Coverage

Employed persons in Mainland Tanzania.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: 1% (private-sector employees) or 0.5% (public-sector employees) of gross monthly payroll.

There are no minimum or maximum earnings used to calculate contributions.

Government: None; contributes as an employer.

Qualifying Conditions

Must be assessed with a work injury or an occupational disease by a recognized medical practitioner. Accidents that occur while commuting to and from work are covered.

Temporary Disability Benefits

For a total (100%) disability, 70% of the insured's monthly earnings immediately before the disability began is paid after a three-day waiting period for up to 24 months, until full recovery, or until certification of permanent disability, whichever is earlier.

The minimum monthly temporary disability benefit for a total disability is 275,702.83 shillings.

The maximum monthly temporary disability benefit for a total disability is 3,685,852.69 shillings.

Partial disability: For an assessed degree of disability of less than 100%, a percentage of the full temporary disability benefit is paid based on to the assessed degree of disability. Under certain conditions, the benefit may be paid as a lump sum.

The maximum monthly temporary disability benefit for a partial disability is 3,685,852.69 shillings.

Permanent Disability Benefits

For a total (100%) disability, 70% of the insured's monthly earnings immediately before the disability began is paid.

The minimum monthly permanent disability benefit for a total disability is 275,702.83 shillings.

The maximum monthly permanent disability benefit for a total disability is 3,685,852.69 shillings.

Partial disability: For an assessed disability of less than 100%, a percentage of the full permanent disability benefit is paid based on the assessed degree of disability.

The maximum monthly permanent disability benefit for a partial disability is 3,685,852.69 shillings.

Constant-attendance allowance: An additional benefit may be paid if the insured requires the constant attendance of others to perform daily functions.

Workers' Medical Benefits

Benefits include medical care, surgery, nursing, medicine, appliances, transportation, and the cost of rehabilitation provided by accredited health care providers.

Survivor Benefits

Survivor pension

Spouse's pension: The widow(er) or cohabiting partner is paid either a monthly pension of 40% of the full permanent disability benefit the deceased was entitled to receive but had not received, or a lump sum of two times the full permanent disability benefit.

Orphan's pension: 20% of the full permanent disability benefit the deceased was entitled to receive but had not received is paid for orphans younger than age 18 (no limit if studying at the secondary level or disabled); 40% for full orphans.

Other dependent's pension: If there are no other eligible survivors, 40% of the full permanent disability benefit the deceased was entitled to receive but had not received is paid for totally dependent parents, siblings, grandparents, and grandchildren; a lump sum is paid if partially dependent.

The maximum combined survivor pension is 100% of the full permanent disability benefit the deceased was entitled to receive.

Funeral grant: A benefit is paid.

Administrative Organization

Prime Minister's Office, Labour, Youth, Employment and Persons with Disability (<https://www.kazi.go.tz/>) provides general supervision.

Social Security Regulatory Authority (<http://www.ssra.go.tz/>) regulates and supervises the program.

Workers Compensation Fund (<http://wcf.go.tz/>), managed by a board of trustees, collects contributions and administers the program.

Unemployment

Regulatory Framework

First and current laws: 1997 (social insurance) and 2018 (public service).

Type of program: Social insurance system.

Note: A 2018 law introducing social insurance unemployment benefits is still being implemented. Provisions of the new law are included below.

Coverage

Employed citizens of Tanzania, including civil servants, employees of local governments, police and correctional personnel, judiciary officers, and private-sector employees.

Special system for military personnel and certain high-ranking civil servants.

Source of Funds

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

Self-employed person: No information available.

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

Government: None; contributes as an employer.

Qualifying Conditions

Unemployment benefit: Must be younger than age 55, have at least 18 months of contributions before unemployment began, and be involuntarily unemployed. Must not be entitled to receive any other social insurance pension or benefit.

Unemployment grant: Must be younger than age 55, have less than 18 months of contributions, be involuntarily unemployed, and not be entitled to receive any other social insurance pension or benefit.

Unemployment Benefits

Unemployment benefit: 33.3% of the insured's last monthly earnings is paid for up to six months in any 12-month period. An individual may receive the unemployment benefit for up to 18 months in his or her working life.

Unemployment grant: Up to 50% of total employee and employer contributions to the social insurance program may be paid as a lump sum.

Administrative Organization

Prime Minister's Office, Labour, Youth, Employment and Persons with Disability (<https://www.kazi.go.tz/>) provides general supervision.

Social Security Regulatory Authority (<http://www.ssra.go.tz/>) regulates and supervises the performance of the public- and private-sector programs.

Public Service Social Security Fund administers the public-sector program and collects contributions.

National Social Security Fund (<https://www.nssf.or.tz/>), administers the private-sector program and collects contributions.