

Peru

Exchange rate: US\$1.00 = 3.289 soles.

Old Age, Disability, and Survivors

Regulatory Framework

First laws: 1936 (wage earners) and 1962 (salaried employees).

Current laws: 1973 (national pension system); 1992 (individual account), implemented in 1993; 2000 (early retirement); 2007 (early retirement for the unemployed); 2009 (early retirement in the private sector); 2011 (noncontributory old-age pension); 2012 (individual account); 2012 (persons with disabilities); and 2015 (persons with severe disabilities).

Type of program: Social insurance, mandatory individual account, and social assistance system.

Note: When public- and private-sector employees enter the workforce, they can choose between the mandatory individual account program (SPP) and the public social insurance program (SNP). Insured persons who do not make a choice become SPP members by default. SNP members can later switch to the SPP, but SPP members can only switch to the SNP under certain conditions.

Coverage

Social insurance (SNP): Private-sector employees and public-sector employees not covered by a special system, including employees of worker-owned and cooperative enterprises, teachers, artists, household workers, seamen, journalists, and tannery workers.

Voluntary coverage for self-employed person and housewives.

Special systems for fishermen, diplomats, certain public-sector employees, and military and police personnel.

Mandatory individual account (SPP): Public- and private-sector employees.

Voluntary coverage for self-employed persons.

Social assistance: Needy resident citizens of Peru.

Source of Funds

Insured person

Social insurance (SNP): 13% of gross monthly covered earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 930 soles.

There are no maximum earnings used to calculate contributions.

Mandatory individual account (SPP): 10% of gross monthly earnings (8% for fishermen; 11% for construction workers; 2% for miners) (old-age benefits) plus an average of 1.5775% of gross monthly earnings for persons insured before February 2013, or an average of 0.3075% of gross monthly earnings plus 0.82% to 1.25% of the annual account balance for persons insured since February 2013 (administrative fees), and 1.35% of gross monthly covered earnings (disability and survivor insurance). Voluntary contributions are possible.

There are no maximum earnings used to calculate contributions for old-age benefits or administrative fees.

The maximum monthly earnings used to calculate contributions for disability and survivor insurance are 9,639 soles.

Social assistance: None.

Self-employed person

Social insurance (SNP): 13% of gross monthly covered declared earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 930 soles.

There are no maximum earnings used to calculate contributions.

Mandatory individual account (SPP): 10% of gross monthly earnings (old-age benefits) plus a percentage of gross monthly earnings (administrative fees) and 1.35% of gross monthly covered earnings (disability and survivor insurance). The percentage of contributions for old-age benefits is regulated by law; the percentages of administrative fees and contributions to disability and survivor insurance are determined by the AFPs.

There are no maximum earnings used to calculate contributions for old-age benefits or administrative fees.

The maximum monthly earnings used to calculate contributions for disability and survivor insurance are 9,639 soles.

Social assistance: None.

Employer

Social insurance (SNP): None.

Mandatory individual account (SPP): None; 5% of gross payroll for fishermen; 1% for construction workers; 2% for miners.

Social assistance: None.

Government

Social insurance (SNP): Provides special subsidies as needed.

Mandatory individual account (SPP): Finances the value of accrued rights under the SNP.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension (Pensión de Jubilación, SNP, social insurance): Age 65 with at least 20 years of contributions.

Employment may continue if the insured's total monthly income does not exceed half of the tax reference unit (Unidad Impositiva Tributaria, UIT).

The UIT is 4,200 soles a year.

Early pension (Jubilación anticipada): Age 55 with at least 30 years of contributions (men) or age 50 with at least 25 years of contributions (women); age 55 (men) or age 50 (women) with at least 20 years of contributions in cases of a collective lay-off from employment.

Dependent's supplement: Paid for a dependent spouse or a child younger than age 18 (no limit if a student or disabled).

The social insurance old-age pension is payable abroad under bilateral or multilateral agreement.

Old-age family pension (Pensión Especial de Jubilación para la Sociedad Conyugal y las Uniones de Hecho, SNP, social insurance): Paid to a couple whose members are aged 65 or older, have been married or in a recognized partnership for at least 10 years, and have at least 20 years of combined social insurance contributions but do not qualify for the social insurance old-age pension.

The old-age family pension ceases upon divorce, remarriage, or termination of a recognized partnership.

The old-age family pension is payable abroad under bilateral or multilateral agreement.

Old-age pension (Pensión de Jubilación, SPP, mandatory individual account): Age 65.

Early pension (Jubilación anticipada): Age 55 (men) or age 50 (women) with at least 72 months of contributions in the last 120 months before the claim is made and an account balance that is sufficient to finance a benefit of at least 40% of the insured's average indexed earnings in the last 120 months (Jubilación anticipada ordinaria); age 55 (men) or age 50 (women) with at least 12 continuous months of unemployment (Jubilación anticipada por desempleo); or age 40 to 50 for persons working under hazardous conditions, depending on the occupation, subject to further requirements (Jubilación anticipada por labores de riesgo).

Guaranteed minimum old-age pension: Must be born before January 1, 1946, have at least 20 years of contributions paid on earnings equal to or greater than the legal monthly minimum wage, and have an account balance that is insufficient to finance the minimum monthly pension set by law.

The legal monthly minimum wage is 930 soles.

The minimum monthly old-age pension is 500 soles.

The individual account old-age pension is payable abroad under bilateral or multilateral agreement.

Noncontributory old-age pension (Pensión 65, social assistance, means tested): Age 65 and not receiving any other pension or any benefits administered by the social security health insurance program (EsSalud).

Means test: Must be classified as extremely poor based on the Sistema de Focalización de Hogares (SISFOH).

The SISFOH is a national system to target needy households based on earnings, expenditures, and a quality-of-life index.

The noncontributory old-age pension is not payable abroad.

Disability pension (Pensión de Invalidez, SNP, social insurance): Must have at least a 66.7% assessed loss of earning capacity and at least 15 years of contributions; or at least 36 months of contributions, including at least 12 months of contributions in the 36 months before the disability began, if the insured has at least three but less than 15 years of contributions; or have paid contributions in the month before the disability began if it is due to a nonwork-related accident. Must have been paying contributions when the disability began unless the insured has at least 15 years of contributions or at least 18 months of contributions in the 36 months before the disability began.

Dependent's supplement: Paid for a dependent spouse or a child younger than age 18 (no limit if a student or disabled).

Constant-attendance supplement (Bonificación por cuidado permanente de otra persona): Paid if the insured requires the constant attendance of others to perform daily functions.

Disability pension (Pensión de Invalidez, SPP, mandatory individual account): Must have at least a 50% assessed loss of earning capacity and not be receiving an individual account old-age pension.

A medical committee assesses the degree of disability.

Guaranteed minimum disability pension: Paid if the account balance is insufficient to finance the disability pension the insured is entitled to receive.

Noncontributory disability pension (Pensión para Personas con Discapacidad Severa y Situación de Pobreza, Programa CONTIGO, social assistance, means tested): Must be assessed with a severe and permanent disability and not qualify for any other pension.

Means test: Must be classified as poor based on the Sistema de Focalización de Hogares (SISFOH).

The SISFOH is a national system to target needy households based on earnings, expenditures, and a quality-of-life index.

Survivor pension (SNP, social insurance): The deceased received or was entitled to receive a social insurance old-age or disability pension at the time of death.

Eligible survivors include a widow or female partner, a dependent widower older than age 60 or disabled, orphans younger than age 18 (no limit if a student or disabled), a dependent father older than age 60 or disabled, and a dependent mother older than age 55 or disabled.

The widow(er)'s pension ceases upon remarriage or if a disabled widower is assessed as capable of working.

Remarriage settlement: Paid to a widow(er) receiving a social insurance spouse's pension upon remarriage.

Constant-attendance supplement: The survivor requires the constant attendance of others to perform daily functions.

The social insurance survivor pension is payable abroad under bilateral or multilateral agreement.

Survivor pension (Pensión de Sobrevivencia, SPP, mandatory individual account): The deceased received an individual account old-age or disability pension or had at least four months of contributions in the last eight months before death.

Eligible survivors include a widow(er) or partner, orphans younger than age 18 (no limit if disabled), a dependent mother older than age 50 and a dependent father older than age 60.

Guaranteed minimum survivor pension: Paid if the deceased's account balance is insufficient to finance the survivor pension the survivors are entitled to receive.

Death grant (Capital de Defunción, SNP, social insurance): The deceased received or was entitled to receive a social insurance old-age or disability pension and his or her legal heirs are not entitled to receive a survivor pension.

Funeral grant (Gastos de Sepelio, SPP, mandatory individual account): The deceased received or was entitled to receive an individual account old-age or disability pension.

Old-Age Benefits

Old-age pension (Pensión de Jubilación, SNP, social insurance): 30% to 45% of the insured's average monthly earnings in the last 60 months, depending on the insured's age on June 14, 2002 (30% if younger than age 31, 35% if aged 31 to 39, 40% if aged 40 to 49, or 45% if older than age 49), plus 2% of average monthly earnings for each year of contributions exceeding 20 years is paid to persons born after December 31, 1946.

50% of the insured's reference salary plus 4% of the reference salary for each year of contributions exceeding 20 years is paid to men born after December 18, 1932, and women born after December 18, 1937, but before January 1, 1947.

The reference salary for persons with 20 to 24 years of contributions is the insured's average monthly earnings in the last five years; with 25 to 30 years of contributions, average monthly earnings in the last four years; with more than 30 years of contributions, average monthly earnings in the last three years.

50% of the reference salary plus 2% (men) or 2.5% (women) of the reference salary for each year of contributions exceeding 15 years (men) or 13 years (women) is paid to men born up to December 18, 1932, and women born up to December 18, 1937.

The reference salary is the insured's average monthly earnings in the last 12, 36, or 60 months, whichever is greater.

Early pension (Jubilación anticipada): The pension is reduced by 4% for each year it is claimed before the normal retirement age.

Dependent's supplement: 2% to 10% of the insured's reference salary is paid for an eligible spouse and 2% to 5% is paid for each eligible child.

The minimum monthly old-age pension is 500 soles.

The maximum monthly old-age pension is 893 soles or 100% of the insured's average monthly earnings in the last 60 months, whichever is less.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

Old-age family pension (Pensión Especial de Jubilación para la Sociedad Conyugal y las Uniones de Hecho, SNP, social insurance): Calculated in the same way as the old-age pension, based on a common reference salary for the couple.

The full amount of the joint monthly old-age family pension continues to be paid to a surviving beneficiary upon the death of his or her partner.

Old-age pension (Pensión de Jubilación, SPP, mandatory individual account): The insured has five different payment options: make programmed withdrawals, purchase a personal annuity, purchase a joint and survivor annuity, purchase a deferred annuity combined with temporary programmed withdrawals, or make a lump-sum withdrawal of 95.5% of the total account balance.

Early pension (Jubilación anticipada): The payment options are the same as those for the old-age pension paid at the normal retirement age.

Guaranteed minimum pension: The difference between the monthly pension financed by the account balance and the minimum monthly old-age pension is paid.

The minimum monthly old-age pension is 500 soles.

If the insured chooses the lump-sum withdrawal, the remaining 4.5% finances medical benefits (see source of funds under Sickness and Maternity).

Noncontributory old-age pension (Pensión 65, social assistance, means tested): 250 soles is paid every two months.

Permanent Disability Benefits

Disability pension (Pensión de Invalidez, SNP, social insurance): 50% of the insured's reference salary plus 1% of the reference salary for each year of contributions

exceeding three years is paid. For a contribution period of one to three years, 16.7% of the insured's reference salary is paid for each year of contributions.

The reference salary is the insured's average monthly earnings in the last 12 months; for self-employed persons, the reference salary is the insured's average monthly earnings in the last 60 months.

The minimum monthly disability pension is 500 soles.

The maximum monthly disability pension is 893 soles.

Dependent's supplement: 2% to 10% of the insured's reference salary is paid for an eligible spouse and 2% to 5% for each eligible child. The amount is reduced if earnings plus pension income exceed the insured's former average earnings.

Constant-attendance supplement (Bonificación por cuidado permanente de otra persona): The legal monthly minimum wage is paid.

The legal monthly minimum wage is 930 soles.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

Disability pension (Pensión de Invalidez, SPP, mandatory individual account): The pension is calculated based on the insured's average monthly earnings and the assessed degree of disability.

Guaranteed minimum disability pension: Disability insurance pays the difference between the disability pension financed by the account balance and the disability pension the insured is entitled to receive.

Noncontributory disability pension (Pensión para Personas con Discapacidad Severa y Situación de Pobreza, Programa CONTIGO, social assistance): 150 soles a month is paid.

Schedule of payments: The pension is paid every two months.

Survivor Benefits

Survivor pension (SNP, social insurance)

Spouse's pension (Pensión de viudez): 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid to an eligible widow(er).

Remarriage settlement: A lump sum of 12 times the spouse's pension is paid to the widow(er).

Orphan's pension (Pensión de orfandad): 50% of the social insurance old-age or disability pension the deceased received or was entitled to receive is paid for eligible orphans.

Dependent parent's pension (Pensión de ascendiente): If there is no eligible widow(er) or orphan, 20% of the social insurance old-age or disability pension the deceased

received or was entitled to receive is paid to each dependent parent.

The maximum combined survivor pension is 100% of the social insurance old-age or disability pension the deceased received or was entitled to receive or 893 soles a month, whichever is less.

Constant-attendance supplement: The legal monthly minimum wage is paid.

The legal monthly minimum wage is 930 soles.

Benefit adjustment: Benefits are adjusted periodically depending on financial resources.

Survivor pension (Pensión de Sobrevivencia, SPP, mandatory individual account): The pension is based on the deceased's average monthly earnings in the last 48 months before death, according to a schedule in law.

Guaranteed minimum survivor pension: Life insurance pays the difference between the survivor pension financed by the deceased's account balance and the survivor pension the survivors are entitled to receive.

Death grant (Capital de Defunción, SNP, social insurance): A lump sum of up to six times the deceased's average monthly income in the last 60 months before death is paid.

The maximum monthly earnings used to calculate the death grant are 893 soles.

Funeral grant (Gastos de Sepelio, SPP, mandatory individual account): A lump sum of up to 4,370.97 soles is paid.

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

Administrative Organization

Comptroller General of the Republic (<http://www.contraloria.gob.pe/>) provides general supervision for the social insurance program.

Superintendent of Banks, Insurance, and AFPs (<http://www.sbs.gob.pe/>) is responsible for licensing and supervising pension fund administrators (AFPs) and insurance companies.

Ministry of Development and Social Inclusion (<http://www.midis.gob.pe/>) provides general supervision for the social assistance program.

Office of Social Security Normalization (<https://www.onp.gob.pe/>) administers the social insurance program and some special programs.

AFPs administer the individual accounts and contract with insurance companies for disability and survivor insurance.

National Solidarity Assistance Program—Pensión 65 program office (<http://www.pension65.gob.pe/>) administers the Pensión 65 program.

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Ministry of Development and Social Inclusion (www.midis.gob.pe/) administers the noncontributory disability pension.

National Superintendent of Tax Administration (<http://www.sunat.gob.pe/>) collects contributions.

Sickness and Maternity

Regulatory Framework

First laws: 1936 (wage earners), 1948 (salaried employees), and 1979 (maternity and medical benefits).

Current laws: 1996 (maternity leave), 1997 (healthcare modernization); 1999 (health insurance EsSalud); 1999 (self-employed fishermen and fish processors); 2000 (agricultural workers), implemented in 2002; 2001 (aquacultural workers); 2002 (integrated health system); 2003 (social security health insurance administration); 2003 (household workers); 2004 (maternity benefits); 2006 (pensioners); 2009 (universal health insurance); 2011 (dock workers); 2011 (maternity benefits).

Type of program: Social insurance (cash and medical benefits), mandatory private insurance (medical benefits), and social assistance (medical benefits and funeral grant) system.

Note: Insured persons and their dependents can choose to receive basic health care from a private health care provider (EPS) if it offers equivalent or more generous benefits than the minimum health care plan established by law (Plan Esencial de Aseguramiento en Salud). Under this option, the insured persons remain covered by the public health insurance program (EsSalud) for more serious conditions and specialized care.

Coverage

Social insurance and mandatory private insurance: Public- and private-sector employees; employees of worker-owned and cooperative enterprises; household workers; agricultural workers; self-employed fishermen and fish processors; pensioners; and spouses, partners, and children or dependents of insured persons.

Pensioners are covered for medical benefits, the nursing allowance, and the funeral grant only.

Voluntary coverage for self-employed persons (medical benefits only), housewives, and other persons without a dependent work relation.

Special systems for military and police personnel.

Social assistance: Needy residents of Peru.

Source of Funds

Insured person: None; pensioners contribute 4% of the pension; pensioners who opt for a lump-sum payment at retirement under the mandatory individual account (SPP)

program (see Old Age, Disability, and Survivors) pay a one-time contribution of 4.5% of their total account balance for medical benefits.

Self-employed person: A premium of 64 soles a month, plus an additional flat-rate contribution for each dependent for insured persons covered before 2016, and 137 to 215 soles a month for persons covered since 2016, depending on the age of the insured (medical benefits only); 9% of the sales value for self-employed fishermen and fish processors; 4% of the legal monthly minimum wage for agricultural workers.

The minimum monthly earnings used to calculate contributions for self-employed fishermen and fish processors are the legal monthly minimum wage.

The legal monthly minimum wage is 930 soles.

Employer: 9% of monthly covered payroll; 4% for agricultural workers. (Employers providing health services directly to their employees or who use services provided under contract by a private health care provider (EPS) receive a 2.5% credit toward the cost of contributions.)

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The legal monthly minimum wage is 930 soles.

There are no maximum earnings used to calculate contributions.

Government: None; contributes as an employer.

Qualifying Conditions

Sickness, medical, and funeral benefits (social insurance): Must have at least three consecutive months of contributions or at least four months of contributions in the six months before the incapacity began. There is no qualifying period for pensioners or in the case of accidents. Agricultural and dock workers must have at least three consecutive months or four months of contributions in the 12 months before the incapacity began; fishermen and fish processors must have at least three consecutive months of contributions.

Cash maternity benefit and nursing allowance (social insurance): Must have at least three consecutive months of contributions or at least four months of contributions in the six months before becoming pregnant. Agricultural and dock workers must have at least three consecutive months of contributions or at least four months of contributions in the 12 months before becoming pregnant and must have contributed during the month in which the child is born.

Funeral grant and medical benefits (Seguro Integrado de Salud [SIS] Gratuito, social assistance, means tested): Must not be covered by health insurance.

Means test: Must be classified as poor or extremely poor based on the Sistema de Focalización de Hogares (SIS-FOH), except in case of pregnant women or children younger than age 5.

Sickness and Maternity Benefits

Sickness benefit (Subsidio por Incapacidad Temporal, social insurance): 100% of the insured's average daily earnings in the last four months is paid after a one-day waiting period for up to 11 months and 10 days or for up to 540 nonconsecutive days in a three-year period. The employer pays the benefit in the first 20 days; afterwards the benefit is paid by health insurance.

Maternity benefit (Subsidio por Maternidad, social insurance): 100% of the insured's average daily earnings in the last four months is paid, up to a maximum earnings level, for 98 days. The benefit may be extended for up to 30 additional days for multiple births or the birth of a child with a disability.

Nursing allowance (Subsidio por Lactancia, social insurance): A lump sum of 820 soles is paid for each eligible child.

Funeral grant (Gastos de Sepelio, social insurance): A lump sum of up to 2,070 soles is paid to the person who paid for the funeral; up to 1,000 soles if the deceased was covered for medical benefits through voluntary insurance.

The benefit cannot be combined with the funeral or death grant paid under Old Age, Disability, and Survivors, and is not paid if death is the result of a work injury.

Funeral grant (Gastos de Sepelio, social assistance, means tested): A lump sum of up to 1,000 soles is paid for the person who paid for the funeral.

The benefit cannot be combined with the funeral or death grant paid under Old Age, Disability, and Survivors, and is not paid if death is the result of a work injury.

Workers' Medical Benefits

Medical benefits (social insurance and mandatory private insurance): Benefits are paid for prevention, health promotion, and health recovery. They include general, specialist, maternity, and dental care; hospitalization; laboratory services; appliances; medicine; rehabilitation; health education; preventive care; and immunization.

Employees have the option of receiving medical benefits from EsSalud or from an EPS provider. To opt for an EPS provider, 51% of the company's employees must agree to the change.

A copayment of 2% to 10% of monthly income is required for medical benefits offered by an EPS provider.

The program for the voluntarily insured covers ambulatory care and hospitalization, emergency care, maternity care, and medicines and medical supplies.

Medical benefits (Seguro Integrado de Salud [SIS] Gratuito, social assistance, means tested): Benefits include general and maternity care, medical examinations, surgery, hospitalization, and medicine.

Dependents' Medical Benefits

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

Eligible dependents include the insured's spouse or partner and children younger than age 17 (no limit if disabled).

Medical benefits (Seguro Integrado de Salud [SIS] Gratuito, social assistance, means tested): Benefits for dependents are the same as those for the primary beneficiary.

Administrative Organization

Social Security Health Insurance (EsSalud) (<http://www.essalud.gob.pe/>) administers the program.

National Superintendent of Health (SUSALUD) authorizes and supervises private health providers (EPS).

National Superintendent of Customs and Tax Administration (SUNAT) (<http://www.sunat.gob.pe/>) collects contributions.

Work Injury

Regulatory Framework

First laws: 1911 (work injury) and 1935 (occupational diseases).

Current laws: 1997 (health), 1998 (work injury), 2009 (health insurance), and 2011 (workplace health and safety).

Type of program: Social insurance system.

Coverage

Persons working in high-risk activities who are public- and private-sector employees, self-employed persons, or employees of worker-owned and cooperative enterprises.

Voluntary coverage for persons without mandatory coverage.

Source of Funds

Insured person: None.

Self-employed person: A flat-rate monthly contribution of 13 to 38 soles, depending on the sector and associated risk.

Employer: 0.63% to 1.83% of monthly covered payroll, depending on the sector and associated risk.

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The maximum monthly earnings used to calculate contributions are six times the legal monthly minimum wage.

The legal monthly minimum wage is 930 soles.

Government: None; contributes as an employer.

Qualifying Conditions

Must be assessed with a work injury or occupational disease. Accidents that occur while commuting to or from work are not covered.

Temporary Disability Benefits

See the sickness benefit paid under Sickness and Maternity.

Permanent Disability Benefits

Permanent disability pension (Pensión por Invalidez Permanente): For an assessed degree of disability of at least 66.67%, at least 70% of the insured's average earnings is paid.

Constant-attendance benefit: 100% of the insured's average earnings is paid if the insured requires constant attendance of others to perform daily functions.

The minimum monthly constant-attendance benefit is the legal monthly minimum wage.

The legal monthly minimum wage is 930 soles.

Partial disability: For an assessed degree of disability of 50% to 66.66%, a reduced permanent disability pension is paid based on the assessed degree of disability. For an assessed degree of disability of at least 20% but less than 50%, a lump sum of two years of the permanent disability pension is paid.

Workers' Medical Benefits

Benefits include necessary medical, surgical, rehabilitation, and hospital care and appliances until full recovery or certification of permanent disability.

Survivor Benefits

Survivor pension (Pensión de Sobrevivencia)

Spouse's pension: 42% of the permanent disability pension the deceased received or was entitled to receive is paid to a widow or a dependent widower aged 60 or older (any age if disabled); 35% if there are eligible orphans.

The spouse's pension ceases if the widow(er) remarries or if a disabled widower is assessed as capable of working.

Orphan's pension: 14% of the permanent disability pension the deceased received or was entitled to receive is paid for each orphan younger than age 18 (age 21 if a student; no limit if disabled); an additional 42% of the permanent disability pension is split equally among full orphans.

The legal monthly minimum orphan's pension is 500 soles.

Dependent parent's pension: If there is no eligible widow(er) or orphan, 14% of the permanent disability pension the deceased received or was entitled to receive is paid to each dependent parent.

The maximum combined survivor pension is 100% of the permanent disability pension the deceased received or was entitled to receive or 893 soles a month, whichever is less.

Funeral grant (Gastos de Sepelio): A lump sum of up to 2,070 soles is paid to the person who paid for the funeral.

Administrative Organization

Comptroller General of the Republic (<http://www.contraloria.gob.pe/>) provides general supervision.

Office of Social Security Normalization (<http://www.onp.gob.pe/>) administers the program.

Unemployment

Regulatory Framework

First and current law: 1991 (severance account).

Type of program: Mandatory individual account system.

Coverage

Private-sector employees and certain public-sector employees.

Special systems for civil construction workers, fishermen, artists, household workers, farm workers, and employees of microenterprises and small businesses.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: 8.33% of monthly payroll is paid every six months.

Government: None; contributes as an employer.

Qualifying Conditions

Must have at least one month of continuous employment with the same employer with at least four working hours a day or 20 working hours a week.

Unemployment Benefits

The total account balance, minus any previous withdrawals, is paid. (The employee may withdraw funds from the account balance exceeding four times his or her monthly earnings at any time.)

Administrative Organization

Superintendent of Banks and Insurance (<http://www.sbs.gob.pe/>) regulates and supervises financial entities.

Financial entities manage the mandatory individual severance accounts.

Family Allowances

Regulatory Framework

First and current law: 1989 (family benefit), implemented in 1990.

Type of program: Employer-liability system.

Coverage

Private-sector employees with salaries that are not regulated by collective agreement.

Exclusions: Self-employed persons.

Source of Funds

Insured person: None.

Self-employed person: Not applicable.

Employer: The total cost.

Government: None.

Qualifying Conditions

Must be currently employed and have at least one child younger than 18 (age 24 if a student).

If a qualifying employee has multiple employers, the family allowance is paid by each employer.

Family Allowance Benefits

A monthly allowance of 10% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 930 soles.

Administrative Organization

Employers pay the family allowance directly to employees.

National Labor Superintendence (SUNAFIL) (<https://www.sunafil.gob.pe/>) provides general supervision.