

Cape Verde

Exchange rate: U.S.\$1.00 equals 106.47 escudos.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1957.

Current laws: 1983 and 1995.

Type of program: Social insurance system.

Coverage

Employed persons.

Special system for public-sector employees.

Source of Funds

Insured person: 3% of earnings.

Employer: 7% of payroll.

Government: None.

Qualifying Conditions

Old-age pension: Age 65 (men) or 60 (women) with 36 months of contributions.

Disability pension: Loss of 1/3 of salary or wage, or 2/3 disabled, with 36 months of contributions. The disability pension is payable abroad.

Survivor pension: Age 65 (men) or 60 (women); paid to children with an assessed degree of physical or mental disability.

Temporary survivor pension: A 12-month survivor pension for able-bodied but unemployed widows under age 60, widowers under age 65, or children under age 18.

Old-Age Benefits

Old-age pension: 20% of average earnings (based on the 36 best-paid months in the last 5 years), plus 1.5% for each year of coverage, up to a maximum of 85% of earnings.

The minimum monthly pension is 4,200 escudos.

Permanent Disability Benefits

Disability pension: 20% of average earnings (based on the 36 best-paid months in the last 5 years), plus 1.5% for each year of coverage, up to a maximum of 85% of earnings.

The minimum monthly pension is 4,200 escudos.

The maximum monthly pension is 85% of average earnings.

Survivor Benefits

Survivor pension: 50% of the insured's pension is payable to a widow(er).

Orphan's pension: 25% of the insured's pension for each child under age 18; full orphan, 50% each.

The maximum survivor pension is 100% of the insured's pension.

Administrative Organization

Ministry of Employment, Training, and Social Integration provides general supervision.

National Institute of Social Security provides general administration.

Sickness and Maternity

Regulatory Framework

First law: 1976.

Current laws: 1983 and 1995.

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

Coverage

Employed persons.

Special system for public-sector employees.

Source of Funds

Insured person: 4% of earnings.

Employer: 4% of payroll.

Government: None.

Qualifying Conditions

Cash sickness and maternity benefits: There is no qualifying period.

Medical benefits: There is no qualifying period.

Sickness and Maternity Benefits

Sickness benefit: 70% of the most recent earnings or of average earnings during the last 6 months, whichever is higher. The benefit is payable for up to 36 months. The employer pays 100% of earnings for the first 3 days and 30% from the fourth day until the 90th day.

Maternity benefit: 90% of the last salary or of average earnings in the last 6 months, whichever is higher. The benefit is payable for 30 days. (A nursing allowance is payable under Family Allowances, below.)

Workers' Medical Benefits

Benefits include general and specialist care, hospitalization, house calls, medicines, and partial dental care. Cost sharing includes 75% of the cost of pharmaceuticals; 100% for pensioners and their dependents. If the treatment is provided away from home, transportation costs and living expenses are reimbursed at 900 escudos daily for insured persons and their dependents and at 100% for pensioners and their dependents. There is partial payment (up to 75% of the cost) for prosthetic devices and appliances.

Dependents' Medical Benefits

Same as for the insured person.

Administrative Organization

Ministry of Health provides general supervision.

National Health Service provides general administration.

Work Injury

Regulatory Framework

First law: 1960.

Current law: 1978.

Type of program: Social insurance system.

Coverage

Employed persons, tenant farmers and sharecroppers, certain volunteer workers, members of cooperative enterprises, apprentices, and other on-the-job trainees.

Special program for government workers.

Source of Funds

Insured person: None.

Employer: 2% of payroll for service workers, 6% of payroll for all other workers; for domestic servants, 50 escudos a month (full time) or 30 escudos a month (part time).

Government: The initial capitalization of the program.

The maximum daily earnings for contribution purposes are 300 escudos.

Qualifying Conditions

Work injury benefits: There is no qualifying period. Disability is assessed according to the National Schedule of Accidental Disability.

Temporary Disability Benefits

40% of the average wage during the first 14 days; thereafter, 70%. If hospitalized, the benefit is 40% of the average wage or 70% with dependents.

Partial disability benefit: 25% of the average wage.

Permanent Disability Benefits

Permanent disability pension: If totally disabled, 70% of the average base wage.

Constant-attendance supplement: Up to 30% of average base wage.

Partial disability: A percentage of the total disability pension proportionate to the assessed degree of disability between 10% and 100%.

The pension is payable from the day following the onset of disability (the employer pays the wage on the day of the work injury).

Workers' Medical Benefits

Benefits include medical treatment, surgery, hospitalization, prosthetic devices, appliances, and transportation.

Survivor Benefits

Survivor pension: 30% of the insured's average wage on the day of the accident. The pension is payable to a dependent widow or to a dependent widower aged 65 who has not remarried. The pension is payable to a divorced spouse or spouses (divided equally) if there is a right to alimony.

Orphan's pension: 15% of the insured's average wage for each child, including the unborn, up to age 18 (age 24 if a student; no limit if disabled); 45% for each full orphan.

Other dependent relatives: 10% of the insured's average wage is paid to other dependent relatives, up to a maximum of 30%.

The combined survivor pensions must not exceed 70% of the insured's average wage.

Funeral grant: Up to 7,500 escudos.

Administrative Organization

Ministry of Labor, Youth, and Social Action provides general supervision.

Private insurance company provides general administration.

Family Allowances

Regulatory Framework

First law: 1957.

Current laws: 1983 and 1995.

Coverage

Employed persons.

Special system for public-sector employees.

Source of Funds

Insured: None.

Employer: 3% of payroll.

Government: None.

Qualifying Conditions

Family allowances: Allowances are payable after the first day of enrollment. Children must be under age 14 (age 24 if a student; no limit if disabled). The allowance is paid for the insured's parents if their income is less than 2,000 escudos.

Family Allowance Benefits

Family allowances: 300 escudos a month for each dependent child; up to 900 escudos a month for each disabled child up to age 8 and 1,200 escudos for those aged 8 to 14. The allowance is payable for a maximum of four children; the maximum does not apply if the parent is a pensioner or the insured person is deceased and the mother is unemployed.

Nursing allowance: 900 escudos a month for 6 months.

Funeral grant: The cost of a burial up to a maximum of 14,000 escudos for the insured person and his or her spouse; 9,000 escudos for children aged 5 to 14 and 5,000 escudos for children under age 5.

Administrative Organization

Ministry of Employment, Training, and Social Integration provides general supervision.

National Institute of Social Security provides general administration.