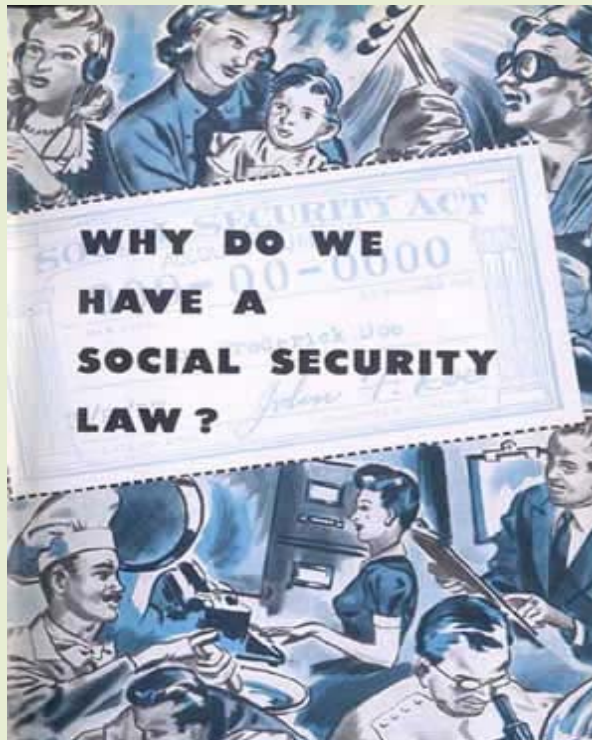


NATIONAL SOCIAL SECURITY FUND



- ❖ What is National Social Security Fund?
- ❖ Registration and Implementation Procedures
- ❖ Determination of Contribution Rate
- ❖ Benefits of Occupational Risks

What is National Social Security Fund?

What is National Social Security Fund (NSSF)?

The National Social Security Fund is a fund established for well being and protection of our employees/workers.

- ❖ The National Social Security Fund was established by Sub-Decree in March 2, 2007 in order to manage the Social Security Scheme.
- ❖ It is a public, legal and financially autonomous entity which is formulated by law of Cambodia.

What is National Social Security Fund (NSSF)?

- ❖ It serves as a socially public service:
 - Under the technical protection of the Ministry of Labor and Vocational Training and
 - Under financial protection of Ministry of Economy and Finance.
- ❖ NSSF is to ensure equal social welfare for all workers/employees under the provisions of the Labor Law.

- ❖ The Cambodian National Social Security Fund is broken into three components

| Components of NSSF | Implementation time frame | Employer contribution | Employee contribution | Comments / Definitions |
|-----------------------------|---------------------------|-----------------------|-----------------------|--|
| Employment Injury insurance | 2008 | 100% | 0% | Coverage for occupational risks including employment injury and occupational disease benefits |
| Health Insurance | 2010 | 50% | 50% | Medical scheme for workers/ employees when they are sick including operations and general sickness (total coverage to be confirmed as not clearly defined yet) |
| Pension scheme | 2012 | 50% | 50% | Providing old age benefit, invalidity benefit and survivors' benefit (total coverage to be confirmed as not clearly defined yet) |

What is Occupational risk?

- **Accident:**

- Inflicted on the body of the worker
- Regardless of the cause
- Happen to worker working or during the working hours
- Whether or not the worker was fault
- During the direct commute from his residence to the work place and home

- **Occupational disease**

Subject to further Joint Prakas of the SSS and Ministry of Health on the identification o the occupational disease.

In case of occupational risk, the employee has to inform the employer and the latter shall notify the NSSF within less than 48 hours.

- **Benefit for occupation risk are:**
 - Medical care services
 - Daily allowance (temporary disability)
 - Disabled pension or allowance (permanent disability)
 - Funeral benefits and survivors' pension.
- In case of temporary disability, with duly confirmation from doctor designated or recognized by the NSFF the victim is entitled to have daily allowances. The daily allowances shall be given to the victim until the injury recovered or until the victim death resulting from the injury after treatment for a period of time. The daily wage of the worker for the first absent day work is payable by the employer.

When having the occupational risk and causing the victim died the National Social Security Fund shall Provide funeral benefits and pension for survivors of the victim.

Who is covered by the NSSF?

- All workers defined by the provisions of the Labor Law.
- Trainees, person who is attending for rehabilitation centre and apprentice.
- Seasonal or occasional workers.
- State workers, public workers and every personnel who is not governed by the common statute for civil servants or by the diplomatic statute as well as officials who are temporarily appointed in the public service.
- Personal work in self-employed profession

Employers and workers covered by Social Security Law shall have a compulsory to pay contribution to NSSF.

Registration of Enterprise /Establishment and Employees in
the NSSF
(Prakas No.021)

- ❖ Every employer or owner of enterprises/ establishments having from 8 employees or more is obliged to register its own enterprise/ establishment in the NSSF.
 - Enterprises establishments having been operating shall register within 45 days at the latest after the effect of this Prakas (Prakas On Registration of Enterprise/Establishment and Employees in the National Social Security Fund (March 01, 2008)
 - Enterprises establishments operating after the effect of this Prakas shall register within 45 days after the date of their openings.
 - NSSF will implemented in Phnom Penh, Kandal Province and Kompong Speu Province after which it will be applied to all provinces. (Notification No. 33)

- There are 310 enterprises registered and got the Certificate from NSSF in November. In December, there are 329 enterprises registered and got the Certificate.
- There were 31 work-related accidents in November and there were additional 12 work-related accidents in December.
- The NSSF has arranged its representative at hospitals and Polyclinics recognized by the National Social Security Fund to coordinate and facilitate between the victim and the hospital. As a result, the work goes smooth.

Determination of Contribution Rate and Procedure of
Contribution Payment for Occupational Risks
(Prakas No.108)

Obligation of Contribution payment

- Every employer or owner of enterprises/establishment under the provisions of the Labor Law, registered with the NSSF and having from 8 employees shall have a compulsory to pay contributions for occupational risks to NSSF
- Workmen compensation contribution is a separate compulsory of employer or owner of enterprise / establishment. Workers / employees are not obliged to pay such contributions.

Occupational Risks Contribution Rate

- Contribution rate for occupational risks is an agreeable rate which is determined by 0.8% of average wage in the level of monthly wage of workers / employees. The monthly average wage is capped at 1,000,000 Riel per month. The maximum occupational risks contribution per month for each employee is 8,000 Riel.
- In the event that enterprises/establishments pay foreign currency wage, the rate of the above average wage shall be calculated according to the exchange rate of National bank of Cambodia.

Benefits of Occupational Risks
(Prakas No.109)

Right to receiving benefits of Occupational Risks

- Every employee of enterprises registered with the NSSF has the right to receiving benefits of occupational risks when they sustain working accident.
- Occupational risks include working accident, accident during commuting directly to the workplace or from the workplace to home and occupational diseases.

Benefits of Occupational Risks:

- Emergency Service
- Caring Services and Treatment
- Daily Average Wage
- Benefits for Temporary Loss of Working Ability
- Benefits for Permanent Loss of Working Ability
- Additional Payment for the Victim's care taker
- Contribution for funeral
- Beneficiary Benefits
- Rehabilitation Service

Emergency Service

- In case accident takes place within the work place, the worker shall support sent to the nearest emergency place and then dispatch the victim to any hospital or clinic recognized by NSSF.
- Expenses over the emergency care and dispatch are covered by the NSSF.
- In case accident happening during commuting, the titular or employer can claim reimbursement from NSSF for medical expenses.

Caring Services and Treatment

- Treatment for employees sustaining working accident must be carried out in the hospital or poly-clinics recognized by the NSSF.
- In case the doctor requires any purchase of medicine or equipment necessary for the care and treatment, which is not stated in the agreement, the NSSF shall reimburse to the victim or the representative in case of proper prescription and invoice.

Calculation of Daily Average Wage

- Average wage is the division of wages subject to contribution 6 months preceding the accident date.
- Daily Average Wage is the division of average wage by 30 days
- The calculation of Daily Average Wage set in this Prakas is enforceable for the calculation of Benefits of Social Security only.

Benefits for Temporary Loss of Working Ability

- The period of temporary loss of working ability
 - Period of hospitalization for treatment of injury or occupational disease in hospital or poly-clinics.
 - Period of rest after the recovery of injury based on doctor's order.
- Daily severance pay for temporary loss of working ability shall only be given in case of working accident requiring hospitalization of over 4 days

Benefits for Temporary Loss of Working Ability

- During the period of temporary loss of working, employee has the right to receiving the benefits from NSSF as
- Daily severance pay to be given from the second day after the date of accident.
- Allowance for the patient' care taker during hospitalization in the case that the patient's condition is critical and requires care takers as requested by the doctor
- Daily severance pay for temporary loss of working ability shall be given to the victim within 180 days at the latest.

- Daily severance pay for temporary loss of working ability = $70\% \times$ Daily Average Wage.
- Allowance for care taker = $50\% \times$ Daily Severance Pay of the victim.

Benefits for Permanent Loss of Working Ability

- Permanent loss of working ability less than 20% has the right to receiving the lump sum

$LS = DAW \times 70\% \times LLWA \times 20\% \text{ PVM}$

LS = Lump Sum

DAW = Daily Average Wage

LLWA = Level of Loss of Working Ability

PVM = Present Value Multiplier

Benefits for Permanent Loss of Working Ability

- Permanent loss of working ability from 20% and over has the right to compensation

$$P = DAW \times 70\% \times (LLWA - 1/5 LLWA) \times PVM$$

P = Pension

- Pension for permanent loss of working ability is always considered temporary. The NSSF shall arrange for health and working ability check on the victim in 1 year at the latest. The victim receiving the pension has an obligation to come for health check as scheduled by the NSSF.

Additional Payment for the Victim's care taker

- Employee sustaining working accident causing 100% permanent loss of working ability has the right to additional payment for the care taker.
- Additional payment for the care taker is 50% of the pension of the victim.

Contribution for funeral

- In case the working accident results in death, those responsible for the funeral shall receive the contribution of 1,000,000 Riels. This contribution shall be directly given to the person in charge of funeral management of the victim.

Beneficiary Benefits

- Beneficiary benefit is pension made to the beneficiary of the victim.
- Pension Payment shall be made quarterly.
- The right to pension for beneficiary shall be ceased when the titular dies.

- In case the beneficiary has husband or wife, children or parents or elder people
 - Husband or wife = $\frac{3}{5} \times 63\%DAW$
 - Total pension for dependent children = $\frac{2}{5} \times 63\%DAW$
 - Total pension for parents or elder person = $7\%DAW$

Beneficiary Benefits

- In case the beneficiary has only husband or wife and/or children
 - Husband or wife = $\frac{3}{5} \times 70\% \text{DAW}$
 - Total pension for dependent children = $\frac{2}{5} \times 70\% \text{DAW}$
- In case the beneficiary has only parents or elder people
 - Total pension for parents or elder person = $28\% \text{DAW}$
- In case the beneficiary has only children and parents or elder people
 - Total pension for children = $28\% \text{DAW}$
 - Total pension for parents or elder people = $28\% \text{DAW}$
- In case the beneficiary has husband or wife and parents or elder people
 - Husband or wife = $28\% \text{DAW}$
 - Total pension for parents or elder people = $28\% \text{DAW}$

Claim of Benefits

- Caring and treatment
- Daily severance pay for temporary loss of working ability and funeral expenses (the right to claim cease after 1 year)
- Benefits for permanent loss of working ability pension (the right to claim cease after 5 years)
- **Note:** there will be a NSSF inspector & governor, the medical committee to ensure the process and provide consultancy to assist the NSSF.

Thank you for your kind attention!

Questions are welcomed!