



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

**In The Name of God
The Compassionate , The Merciful**

A GLANCE AT IRAN

- **Area : 1.648. 7 sq.kms**
- **Population : 67000000**
- **Capital : Tehran**
- **Official Religion : Islam**
- **Official Language : Farsi(Persian)**
- **Inflation rate : %11.4**
- **GDP growth : %4.8**
- **Debts (billion dollar) : 7**
- **Foreign exchange rate (rials-dollar) : 8000**
- **Commercial balance : 5775**
- **Non-oil export (billion dollar) : 4.15**
- **Imports (billon dollar) : 17.94**
- **Capital establishment growth rate (gross constant :69=100) : 13.0**
- **Employed population (million) : 16.1**
- **Decreasing income discrepancy : 8.3**

Social Security in Iran (overall view)

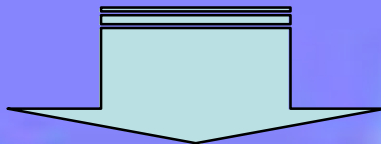
1. Current Status

2. Objectives and Prospects

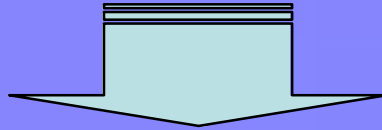
3. Challenges and Major Problems

The Constitutional Law of The Islamic Republic of Iran (Article 29)

To benefit from social security with respect to retirement, unemployment, old age, disability, absence of a guardian, and benefits relating to being stranded, accidents, health services, and medical care and treatment, provided through Insurance or other means, is accepted as a universal right.



The Constitutional Law of The Islamic Republic of Iran (Article 29)



The government must provide the foregoing services and financial support for every individual citizen by drawing, in accordance with the law, on the national revenues and funds obtained through public contributions

Social Security and Subsidy Programs

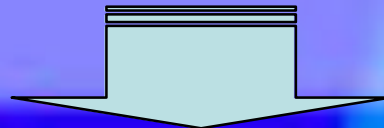
in Third Socio-Economic and Cultural Development Plan(2000-2004)

Article 36 – In realization of article (29) of the constitution and promotion of Social justice , social security is considered as a human right aimed at protecting various classes of the society .

Article 37 – Insurance activities shall be performed in two categories of general and supplementary.

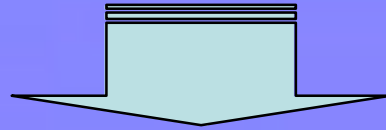
Article 38 – providing provision for non-insurance protections consisting of preventive health care and rehabilitation

Article 39 – Try to increase the level of services to the insured, and at the same time to prevent any financial crisis.



Social Security and Subsidy Programs

in Third Socio-Economic and Cultural Development Plan(2000-2004)



Article 40 - providing an appropriate organizational structure for social security system

Article 41 – procedures to increase the return on investment by insurance agencies .

Article 42 – to create possibilities for insured persons to change the insurance agencies .

Article 43 – improving the provision of the services to war veterans .

Article 44 – providing the comprehensive program for aid and saving .

Article 46&47 – organizing subsidy affairs .

Background

- **The initial step to introduce a preliminary social security plan in Iran was taken back in 1907 through the enactment of a law which provided protective measures for families and survivors of workers employed in public services .Then ,Iran adopted its first state employment law in 1922.**
- **In January 1952, the worker's Social Insurance Law was approved and the Social Insurance Organization founded as an independent administrative entity .**

Iran Social Security System

Current Status

Financial Highlights 2002

programs	budget billion rls	budget million \$	%
Social protection programs and subsidies	46700	5838	44.0
Social insurance programs	45700	5713	43.1
Programs for supporting sacrificers	6100	850	5.8
Active labar market program	6000	750	5.7
Helping and saving programs	1500	188	1.4

Iran Social Security System

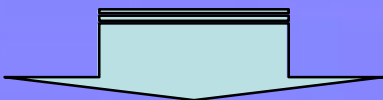
coverage in contributory programs 1999-2002

No	Insurance programs	In thousands 1999 (#)	In thousands 2000 (#)	Growth rate
1	Contributors of social security organization	5795	6094	5.1
2	health insurance of vulnerable people	5204	5630	8.2
3	health insurance of rural people	20000	20000	-
4	self-employed health insurance	509	570	12
5	military forces health insurance	3300	3500	6.1
6	scarifies health insurance	340	340	-
7	civil servants health insurance	6310	6200	-1.8



Iran Social Security System

coverage in contributory programs 1999-2002



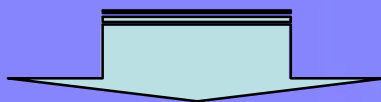
No	Insurance programs	In thousands 1999 (#)	In thousands 2000 (#)	Growth rate
8	Health insurance of martyrs dependants	243	260	7
9	Health insurance of religion students and clergymen	208	230	10.6
10	Health insurance of Prisoners of War	10.5	10	-4.8
11	Health insurance for employees and contributors of social security organization	24800	25361	2.3
12	Unemployment insurance	98	72	-26.5
13	Pensioners under labor and social security law	682	726	6.4
14	Pensioners of civil servants pension fund	428	480	12.1
15	Contributors of civil servants pension fund	1500	1500	-

The contributory system

- 1) The Social Security Organization (SSO)**
- 2) The Civil Servant Retirement Organization (CSRO)**
- 3) The Armed Forces' Pension Funds (AFPF)**
- 4) The Organization for Treatment Insurance Services (OTIS)**
- 5) Other Contributory Pension Schemes**

List of Social Assistance and Relief Institutions (Non-Contributory)

No	Name	Established year	Function or Coverage
1	Imam Khomeini Relief Committee	1979	Assistance to the elderly, needy rural and urban households ; the depressed categories
2	Mostazafan & Janbazan Foundation	1979	The distressed , disabled veterans
3	The Martyr Foundation	1980	Survivors of the martyrs of the Islamic Revolution , and the Imposed war



List of Social Assistance and Relief Institutions (Non-Contributory)



No	Name	Establish year	Function or Coverage
4	Welfare Organization	1981	Guardianless families ; welfare programs
5	Fifteen Khordad Foundation	1982	Charity services ; cultural educational , economic and commercial activities
6	The Prisoners of War Foundation	1990	Ex-POW welfare
7	The Red Crescent Society of I.R.of Iran	1927	Natural disasters including floods , earthquakes , and fire ; relief activities

Coverage by Social Insurance Funds

Year	Coverage Rate	Employees		Pensioners	
		SSO	CSRO	SSO	CSRO
1996-97	%59.36	5131276 %41.39	1291192 %10.41	588392 %4.75	348456 %2.81
1997-98	%88.94	5658038 %44.48	1263265 %9.93	617830 %4.86	3774680 %29.67
1998-99	%63.14	5882172 %45.15	1283372 %9.85	653516 %5.02	407864 %3.13
1999-00	%62.92	5977598 %44.67	1319951 %9.86	694321 %5.19	427977 %3.20
2000-01	%62.13	6059167 %44.04	1289536 %9.37	726336 %5.28	473002 %3.44
2001-02	%67.12	6374000 %45.10	1366820 %9.67	775000 %5.55	536013 %3.79

**Monitor
performance by
custodial body**

**Reinforce
efficiency and
competence**

**Strengthen
supervision and
regulation**

**Decentralized
management
system**

**Introducing basic
reform**

**Objectives
and
Prospects**

**Create reliable
provision**

**Encourage private
sector
participation**

**Setting transparent
regular assessment**

**Establish 2nd
pillar pension
funds**

**Setting a
comprehensive IT
system**

Population growth

**Increasing
dependency rate**

**Weak
performance in
asset management**

**Resources and
consumption crisis**

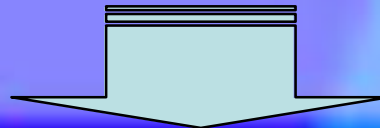
**Challenges and
major problems**

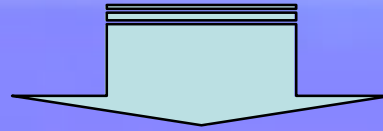
**Lack of resources
for basic
nation-wide needs**

**Non –inclusion of
insurance at rural
areas**

**Negative impact of
subsidies**

**Low rate of
employment**





**Restrictions for
private sector
participation**

**Inefficient
supervising and
monitoring system**

**Shortcoming of
transparency in
responsibilities**

**Contrasted and
overlapping laws
and regulations**

**Challenges and
major problems**

**Improper IT and
data processing
system**

**Undesirable
organizational
structure**

**Shortage of
technical staff**