

Colombia

Exchange rate: US\$1.00 = 3,109.00 pesos.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1946, implemented in 1965.

Current laws: 1993 (social insurance), implemented in 1994; 2005 (means-tested individual account (BEPS)) implemented in 2014; 2007 (national development); 2012 (family pensions) implemented in 2014; 2013 (social pension); and 2013 (self-employed workers).

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

Note: The insured may choose between the social insurance and individual account systems and may switch membership every five years up to the last 10 years before retirement.

Coverage

Social insurance and individual account: Public- and private-sector employees, household workers, and employees of the state oil company (Ecopetrol) hired on or after January 29, 2003; and self-employed persons.

Up to December 31, 2014, insured persons who were aged 40 or older (men) or aged 35 or older (women) and workers with at least 15 years of contributions when the individual account system was implemented were covered for social insurance only.

Voluntary coverage is available.

Special systems for Ecopetrol employees hired before January 30, 2003, teachers, and military and police personnel.

Beneficios Económicos Periódicos (BEPS) (means-tested individual account): Citizens of Colombia.

Colombia Mayor (social assistance): Needy citizens of Colombia.

Source of Funds

Insured person

Social insurance, individual account, and social assistance: 4% of covered earnings. An additional contribution that ranges from 1% of covered earnings with income from four to 16 times the legal monthly minimum wage up to 2% of covered earnings with income above 20 times the legal monthly minimum wage finances the Pension Solidarity Fund (the first 0.5% finances contribution subsidies for

certain self-employed persons; the rest subsidizes the BEPS and finances the Colombia Mayor social pension).

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

The maximum earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Of the 16% combined insured person and employer social insurance contributions, 13% is allocated to the old-age fund, 1.81% for disability and survivor insurance, and 1.09% for administrative fees.

Of the 16% combined insured person and employer individual account contributions, 11.5% is allocated to the individual account for old age, 3.0% for disability and survivor insurance, 1.5% for administrative fees, and 1.5% to the Minimum Pension Guarantee Fund.

Beneficios Económicos Periódicos (means-tested individual account): See Social insurance, individual account and social assistance above. Voluntary contributions.

The minimum annual contribution is 5,000 pesos.

The maximum annual contribution is 885,000 pesos.

Contributions do not have to be made regularly.

Contributions may be paid monthly or weekly.

Self-employed person

Social insurance: 13% of declared earnings (old-age fund); 1.81% (disability and survivors), and 1.09% for administrative fees.

Certain vulnerable self-employed persons may receive a subsidy from the Pension Solidarity Fund of 70% to 95% of their required contribution from 500 to 800 weeks, funded from the Pension Solidarity Fund.

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

The legal monthly minimum wage is 644,350 pesos.

Individual account: 11.5% of declared earnings (old age); 1.5% (disability and survivor); 1.5% (administrative fees); 1.5% (Minimum Pension Guarantee Fund).

Beneficios Económicos Periódicos (means-tested individual account): Voluntary contributions.

The minimum annual contribution is 5,000 pesos.

The maximum annual contribution is 885,000 pesos.

Contributions do not have to be made regularly.

Pension Solidarity Fund (social assistance): None.

Contributions may be paid monthly or weekly.

Employer

Social insurance and individual account: 12% of covered payroll.

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

The maximum earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Of the 16% combined insured person and employer social insurance contributions, 13% is allocated to the old-age fund, 1.81% for disability and survivor insurance, and 1.09% for administrative fees.

Of the 16% combined insured person and employer individual account contributions, 11.5% is allocated to the individual account for old age, 3.0% for disability and survivor insurance, 1.5% for administrative fees, and 1.5% to the Minimum Pension Guarantee Fund.

Beneficios Económicos Periódicos (means-tested individual account): None.

Pension Solidarity Fund (social assistance): None.

Contributions may be paid monthly or weekly.

Government

Social insurance and individual account: Contributes as an employer.

Beneficios Económicos Periódicos (means-tested individual account): Partially subsidizes the Pension Solidarity Fund. The Fund directs 20% of its account balance to the Beneficios Económicos Periódicos (BEPS) individual accounts; 20% of the balance transferred from the social insurance or individual account to the Beneficios Económicos Periódicos (BEPS) individual accounts.

Pension Solidarity Fund (social assistance): Partially finances contribution subsidies for certain self-employed persons and the Colombia Mayor social pension.

Qualifying Conditions

Old-age pension (social insurance): Age 62 (men) or age 57 (women) with at least 1,300 weeks of contributions.

Old-age family pension (social insurance): Paid to a couple of pensionable age (married or domestic partners) who lived together for at least five years before reaching age 55, individually do not have the required weeks of contributions to qualify for an old-age social insurance pension, and who are classified as SISBEN I or II. Must have the required number of weeks of contributions, including 25% before age 45 (in 2015, 1,300 weeks including 325 before age 45). If one member of the couple is covered by social insurance and the other is covered by the individual account, the member with the individual account must first transfer to the social insurance system (only permitted if on October 1, 2012, the member had fewer than 10 years before retirement).

SISBEN is a targeting system used to identify poor and vulnerable households, families and individuals.

The old-age family pension ceases upon divorce or separation.

Special pension (social insurance): Aged 50 to 55 with at least 1,700 weeks of contributions for certain hazardous forms of employment, according to specified qualifying conditions.

Old-age settlement (social insurance): The insured is of pensionable age but does not meet the contribution requirements for a social insurance old-age pension and cannot continue to work in order to reach the minimum contribution period (1,300 weeks).

Old-age pension (individual account): The accumulated capital in the individual account is sufficient to purchase an annuity greater than 110% of the legal monthly minimum wage.

Old-age family pension (individual account): Paid to a couple of pensionable age (married or domestic partners) who have lived together for at least five years before reaching age 55; individually each person does not have enough funds in his or her individual account to finance an old-age pension but the combined individual account balances are sufficient for an old-age pension. Both members of the couple must be enrolled in the same pension fund management company (SAFP); if they are enrolled in different SAFPs, the member with the lower account balance must switch to the other's company. If one member of the couple is covered by social insurance and the other is covered by the individual account, the member covered by social insurance must first transfer to the individual account program and enroll in the same SAFP as the other member (only permitted if on October 1, 2012, the member had fewer than 10 years before retirement).

Guaranteed minimum pension (individual account): Age 62 (men) or age 57 (women) with at least 1,150 weeks of contributions and the individual account balance is insufficient to finance the minimum pension set by law.

Guaranteed minimum family pension (individual account): Paid to a couple of pensionable age who lived together for at least five years before reaching age 55; individually each person does not have enough funds in his or her individual account to finance an old-age pension; must have at least a combined 1,150 total weeks of contributions and be classified as SISBEN I or II.

SISBEN is a targeting system used to identify poor and vulnerable households, families and individuals.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

BEPS (means-tested individual account): Age 62 (men) or age 57 (women); the combined balance of all individual accounts is insufficient to finance the minimum pension. Classified as SISBEN I, II, or III. The amount saved a year

is less than the minimum annual contribution for old-age pensions.

Colombia Mayor (social assistance): Must be at least three years younger than the normal retirement age, be assessed as needy, and have lived in Colombia for the last 10 years.

Needy persons qualify if they are classified as SISBEN I or II.

SISBEN is a targeting system used to identify poor and vulnerable households, families and individuals.

Disability pension (social insurance and individual account): Younger than age 20, assessed with a loss of working capacity of at least 50%, and has at least 26 weeks of contributions in the year before the disability was assessed; or aged 20 or older, assessed with a loss of working capacity of at least 50%, has at least 50 weeks of contributions in the last three years, and contributed for at least 20% of the period from age 20 to the date the disability began.

The degree of disability may be reviewed every three years.

Disability settlement (social insurance and individual account): The insured does not meet the contribution requirements for a disability pension.

Disability benefit (BEPS) (means-tested individual account): Must have made at least six contributions or the annual contribution equals six times the legal daily minimum wage in the last 12 months.

Survivor pension (social insurance and individual account): The deceased received or was entitled to receive an old-age or disability pension at the time of death; was younger than age 20 with at least 50 weeks of contributions at the time of death; or was aged 20 or older with at least 50 weeks of contributions in the last three years and contributed for at least 25% of the time from age 20 to the date of death if the death was the result of an illness (20% of the time if the death was the result of an accident).

Eligible survivors include a widow or partner who lived with the deceased for at least five years or who had children with the deceased; a dependent, a disabled widower; children younger than age 18 (age 25 if a student, no limit if disabled); dependent parents; or a sibling with a disability.

Survivor settlement (social insurance and individual account): The deceased did not meet the contribution requirements for an old-age or disability pension.

Eligible survivors include a widow or partner who lived with the deceased for at least five years or who had children with the deceased; a dependent, a disabled widower; children younger than age 18 (age 25 if a student, no limit if disabled); dependent parents; or a sibling with a disability.

Survivor benefit (BEPS) (means-tested individual account): Must have made at least six contributions or the

annual contribution equals six times the legal daily minimum wage in the last 12 months.

Funeral grant (social insurance and individual account): Paid when an insured person or old-age pensioner dies.

Old-Age Benefits

Old-age pension (social insurance): 55% to 65% of the basic monthly wage (the lower the salary, the higher the replacement rate) plus 1.5% for each 50-week period of contributions is paid, up to 80% of the basic monthly wage.

The basic monthly wage is the insured's average earnings in the last 10 years.

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

The maximum earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The minimum social insurance pension is the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Old-age family pension (social insurance): The legal monthly minimum wage is split equally between the spouses or domestic partners.

Schedule of payments: 13 payments a year; 14 payments if the old-age pension was less than three times the minimum wage and the insured retired before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

Old-age settlement (social insurance): A portion of the insured's average weekly wage on which the insured made contributions multiplied by the number of weeks of contributions is paid.

Old-age pension (individual account): The insured has three different options: programmed withdrawals, an annuity, or a combination of both options.

Guaranteed minimum pension: The difference between the individual account balance and the minimum pension set by law is paid.

The minimum pension set by law is the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

With less than 1,150 weeks of contributions, a lump sum of the individual account balance is paid.

Old-age family pension (individual account): The old-age pension is split equally between the spouses or domestic partners.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

BEPS (means-tested individual account): The account balance plus a 20% subsidy is paid; if the old-age settlement or the individual account savings are transferred to the BEPS individual account, an additional 20% subsidy of the transferred amount is paid. A beneficiary may not receive the guaranteed minimum pension and the BEPS subsidy at the same time.

Colombia Mayor (social assistance): 40,000 to 75,000 pesos a month is paid. The maximum benefit is paid if the insured contributed to the BEPS individual account.

Permanent Disability Benefits

Disability pension (social insurance and individual account): For an assessed degree of disability greater than 66%, 54% of the basic monthly wage plus 2% of earnings for each 50-week period of contributions exceeding 800 weeks is paid, up to 75%. For an assessed degree of disability of 50% to 66%, 45% of the basic monthly wage plus 1.5% of earnings for each 50-week period of contributions exceeding 500 weeks is paid.

The basic monthly wage is the insured's average earnings in the last 10 years before receiving the pension.

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

The maximum earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The minimum disability pension is the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Schedule of payments: 13 payments a year; 14 payments if the old-age pension was less than three times the minimum wage and the insured retired before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

Disability settlement (social insurance): The old-age settlement the insured would have been entitled to receive is paid.

Disability settlement (individual account): A lump sum of the individual account balance may be paid or the insured may continue to make contributions to qualify for an old-age pension.

Disability benefit (BEPS) (means-tested individual account): The value of the benefit is 10 times the account balance.

Survivor Benefits

Survivor pension (social insurance and individual account): 100% of the old-age or disability pension the deceased received, or 45% of the deceased's monthly earnings plus 2% for each 50-week period of contributions

exceeding 500 weeks, is paid, up to 75% of the deceased's monthly earnings.

Monthly earnings are the deceased's average earnings in the last 10 years.

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

The maximum earnings used to calculate benefits are 25 times the legal monthly minimum wage.

All survivor benefits combined must be at least equal to the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Survivor pension (old-age family pension): 100% of the old-age family pension is paid to the widow(er).

Schedule of payments: 13 payments a year; 14 payments if the old-age pension was less than three times the minimum wage and the insured retired before July 31, 2011.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index or the minimum wage.

Survivor settlement (social insurance): The old-age settlement the insured would have been entitled to receive is paid.

Survivor settlement (individual account): A lump sum of the individual account balance is paid.

Survivor benefit (BEPS) (means-tested individual account): The value of the benefit is 10 times the account balance.

Funeral grant (social insurance and individual account):

One month of the deceased's old-age or disability pension or last wage is paid to cover the cost of the funeral. The minimum funeral grant is five times the legal monthly minimum wage. The maximum funeral grant is 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co>) provides general supervision.

Ministry of Finance regulates the economic parameters of the system.

Colpensiones (<http://www.colpensiones.gov.co>) administers the social insurance and BEPS programs nationally.

Pension and Severance Pay Fund management companies (SAFPCs) administer individual accounts.

Superintendent of Finance (<http://www.superfinanciera.gov.co>) provides general supervision.

Ministry of Labor (<http://www.mintrabajo.gov.co>) provides general supervision of Colombia Mayor and the Pension Solidarity Fund.

Colombia Mayor Consortium (<http://colombiamayor.co>) manages the Pension Solidarity Fund.

Banks pay benefits.

Sickness and Maternity

Regulatory Framework

First law: 1938.

Current laws: 1993 (social insurance), implemented in 1994; 2002 (parental leave); 2011 (health care); and 2011 (labor code).

Type of program: Social insurance system.

Coverage

Employees residing in Colombia, including pensioners, students, apprentices, and unemployed persons.

Coverage is being gradually extended to all citizens, regardless of the individual's ability to contribute.

Special systems for military and police personnel.

Source of Funds

Insured person: 4% of earnings.

Self-employed person: 12.5% of declared earnings.

Declared earnings used to calculate contributions are 1.5 or two times the legal monthly minimum wage, depending on trade union affiliation.

The legal monthly minimum wage is 644,350 pesos.

Employer: 8.5% of payroll.

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

The legal monthly minimum wage is 644,350 pesos.

Government: Finances the program for low earners through additional contributions to the Solidarity and Guarantee Fund; contributes as an employer.

Qualifying Conditions

Cash sickness and medical benefits: Must have at least four weeks of contributions immediately before the claim, except for emergencies.

Cash maternity benefits: Must have at least nine months of contributions before the expected date of childbirth or adoption.

Paternity leave: Must have at least 100 weeks of contributions before the expected date of childbirth or adoption.

Sickness and Maternity Benefits

Sickness benefit: 66.6% of the insured's earnings in the month before the incapacity began is paid after a four-day waiting period for up to 180 days.

Maternity benefit: 100% of the insured's earnings is paid for 14 weeks (16 weeks for multiple births). In case of premature birth, the difference (number of days) between the actual and the expected date of childbirth is added.

Paternity leave: 100% of the insured's earnings is paid for eight days.

Workers' Medical Benefits

The insured may choose between public and private health care. Benefits include medical, surgical, hospital, pharmaceutical, maternity, and dental care; and related services. Pre-existing conditions are covered but may be subject to a waiting period; no waiting period for pregnant women.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured. There is no waiting period for pregnant women or children younger than age 1.

Administrative Organization

National Superintendent of Health (<http://www.supersalud.gov.co>) provides general supervision.

Ministry of Health (<http://www.minsalud.gov.co>) and the Regulatory Commission on Health administer the program.

State Social Enterprises and private health institutions provide health services.

Work Injury

Regulatory Framework

First law: 1915.

Current laws: 1993 (social insurance), implemented in 1994, 2002 (work injury organization), and 2012 (work injury).

Type of program: Social insurance and individual account system.

Coverage

Employed persons; pensioners who re-enter the workforce; certain students; and self-employed persons in high-risk occupations.

Voluntary coverage for certain self-employed persons and informal-sector workers.

Source of Funds

Insured person: None.

Self-employed person: 0.348% to 8.7% of declared covered earnings, according to the assessed degree of risk.

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

The maximum earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Employer: 0.348% to 8.7% of covered payroll, according to the assessed degree of risk. (Up to 3% of the employer's contribution finances the work injury fund, which promotes health and safety for workers.)

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

The maximum earnings used to calculate contributions are 25 times the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Government: Contributes to the work injury fund from general revenue; contributes as an employer.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period.

Temporary Disability Benefits

100% of the insured's covered earnings is paid from the day after the work injury occurred or the occupational disease was diagnosed until rehabilitation or certification of permanent disability, up to 180 days (may be extended under certain circumstances).

Permanent Disability Benefits

Permanent disability pension: For an assessed degree of disability of more than 66%, 75% of base earnings is paid; for an assessed degree of disability of 50% to 66%, 60% of base earnings is paid.

Base earnings are the insured's average earnings in the last six months for a work accident benefit or in the last 12 months for an occupational disease benefit.

Constant-attendance allowance: 15% of the insured's permanent disability pension is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability: For an assessed degree of disability of 5% to 49%, from two to 24 times base earnings is paid.

Base earnings are the insured's average earnings in the last six months for a work accident benefit or in the last 12 months for an occupational disease benefit.

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

The maximum earnings used to calculate benefits are 25 times the legal monthly minimum wage.

The minimum pension is the legal minimum wage.

The maximum pension is 20 times the legal minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Benefit adjustment: Benefits are adjusted annually according to changes in the consumer price index.

Workers' Medical Benefits

Benefits include medical, surgical, and hospital care; medicine; appliances; rehabilitation; and transportation.

Survivor Benefits

Survivor pension: 75% of the deceased's monthly earnings is paid to eligible survivors if the deceased was employed at the time of death; 100% of the deceased's permanent disability pension if the deceased was a pensioner at the time of death. If the pensioner received a constant attendance allowance, the survivor pension is reduced by 15% of the permanent disability pension.

Eligible survivors include a widow or partner who lived with the deceased for at least five years or who had children with the deceased; to a dependent, disabled widow(er); or to orphans younger than age 18 (age 25 if a student, no limit if disabled).

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

The maximum earnings used to calculate benefits are 25 times the legal monthly minimum wage.

All survivor benefits combined must be at least equal to the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

All survivor benefits combined must not exceed 100% of the permanent disability pension the deceased received or was entitled to receive.

Schedule of payments: 13 or 14 times a year, according to the value of the pension.

Funeral grant: One month of the deceased's old-age or disability pension or last wage is paid to cover the cost of the funeral. The minimum funeral grant is five times the legal monthly minimum wage. The maximum funeral grant is 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co>), National Superintendent of Finance (<http://www.superfinanciera.gov.co>), and the National Superintendent of Health (<http://www.supersalud.gov.co>) provide general supervision.

Occupational Risk Administrators (ARPs) authorized by the National Superintendent of Finance administer temporary disability benefits and partial disability pensions.

Colpensiones administers permanent disability and survivor pensions for persons insured in the social insurance system.

Pension and Severance Fund management companies (SAF-PCs) administer permanent disability and survivor pensions for persons insured in the individual account system.

Unemployment

Regulatory Framework

First and current laws: 1990 (severance) and 2013 (unemployment protection).

Type of program: Mandatory individual severance account (employer liability), unemployment insurance, and individual unemployment account system.

Coverage

Employed persons.

Voluntary coverage for self-employed persons.

Source of Funds

Insured person

Mandatory individual severance account (employer liability): None.

Unemployment benefit (social insurance): None.

Supplemental individual unemployment account: Employed persons may choose to allocate a portion of their contribution to the mandatory individual severance account to their supplemental individual unemployment account.

Self-employed person

Mandatory individual severance account (employer liability): None.

Unemployment benefit (social insurance): See source of funds under Family Allowances.

Supplemental individual unemployment account: Self-employed persons may choose to allocate a portion of their contribution to the mandatory individual severance account to their supplemental individual unemployment account.

Employer

Mandatory individual severance account (employer liability): One month of the insured's annual salary.

Unemployment benefit (social insurance): See source of funds under Family Allowances.

Supplemental individual unemployment account: None.

Government

Mandatory individual severance account (employer liability): Contributes as an employer.

Unemployment benefit (social insurance): See source of funds under Family Allowances.

Supplemental individual unemployment account: None.

Qualifying Conditions

Severance benefit (mandatory employer-liability individual account): The insured must be unemployed or retired.

Unemployment benefit (social insurance): The insured must have been enrolled in a family allowances fund for at least one year (at least two years for self-employed persons) in the three years before becoming unemployed, register with an employment service, and participate in training and vocational rehabilitation programs. Employed persons must provide a certificate of employment termination.

Supplemental unemployment benefit (individual unemployment account): The insured must have contributed at least 10% of the insured's average monthly wage in the last year (for those with earnings less than twice the legal monthly minimum wage) or at least 25% of the insured's average monthly wage in the last year (for those with earnings equal to at least twice the legal monthly minimum wage).

The legal monthly minimum wage is 644,350 pesos.

Unemployment Benefits

Severance account (mandatory employer-liability individual account): One month of the insured's annual salary is paid for each year of employment; a reduced benefit is paid with less than a year of employment. (The insured may make authorized partial or total withdrawals from the mandatory individual severance account for education or housing.)

Unemployment benefit (social insurance): A monthly family benefit (which varies depending on the region) is paid for up to six months. The Solidarity Fund for Employment Promotion and Protection against Unemployment pays the unemployed person's social security contributions for old-age, disability, survivors, and medical benefits for up to six months. The contribution is calculated based on the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Supplemental unemployment benefit (individual unemployment account): A monthly benefit based on the account balance is paid for up to six months.

Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co>) and the Superintendent for Family Subsidies (<http://www.ssf.gov.co>) provide general supervision.

Solidarity Fund for Employment Promotion and Protection against Unemployment (FOSFEC), administered by family allowance funds, pays social insurance unemployment benefits.

Pension and Severance Pay Fund management companies (SAFPCs) administer individual accounts.

Family Allowances

Regulatory Framework

First law: 1957.

Current laws: 1982 (family allowances), 2012 (More Families in Action program), and 2013 (Youth in Action program).

Type of program: Employment-related and social assistance system.

Coverage

Family benefits (employment related): Employed persons.

Voluntary coverage for pensioners, self-employed persons, and unemployed persons.

Exclusions: Casual workers.

Special systems for military and police personnel.

Más Familias en Acción cash transfer (social assistance): Needy residents of Colombia.

Jóvenes en Acción cash transfer (social assistance): Needy residents of Colombia.

Source of Funds

Insured person

Employment-related: None. Voluntarily insured persons pay 2% of the legal monthly minimum wage or the pension; 0.6% of the legal monthly minimum wage for reduced allowances.

The legal monthly minimum wage is 644,350 pesos.

Social assistance: None.

Self-employed person

Employment-related: 2% of declared earnings; 0.6% of the legal monthly minimum wage for reduced allowances.

The legal monthly minimum wage is 644,350 pesos.

The self-employed person's contributions also finance the social insurance unemployment benefit under Unemployment.

Social assistance: None.

Employer

Employment-related: 4% of payroll.

The employer's contributions also finance the social insurance unemployment benefit under Unemployment.

Social assistance: None.

Government

Employment-related: None; contributes as an employer.

Social assistance: The total cost.

Qualifying Conditions

Family benefits (employment related, income tested):

The child must be younger than age 18 (age 23 if a student, no limit if disabled). The parent must be older than age 60 or assessed with at least a 60% degree of disability and have completed at least 60 days of continuous employment with the same employer, 96 hours of which were credited during the last 25 working days.

Income test: Monthly income must not exceed four times the legal monthly minimum wage.

The legal monthly minimum wage is 644,350 pesos.

Más Familias en Acción cash transfer (social assistance):

Households with children younger than age 18. Must be indigenous, internally displaced, registered in Red Unidos, or registered in SISBEN I, II, or III.

Red Unidos is a part of the government's national strategy for overcoming extreme poverty.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

Families with children aged 0 to 7 must attend scheduled growth and development check-ups and follow the vaccination schedule. Children must enroll in school, attend at least 80% of monthly classes, and not miss more than two years of school.

Jóvenes en Acción cash transfer (social assistance):

Aged 16 to 24 and enrolled in higher education. Must be internally displaced, registered in Red Unidos, registered in the Family Wellbeing Institute, or registered in SISBEN I, II, or III.

SISBEN is a targeting system used to identify poor and vulnerable households, families, and individuals.

Red Unidos is a part of the government's national strategy for overcoming extreme poverty.

Family Allowance Benefits

Family benefits (employment related, income tested):

Benefit amounts vary according to the fund and may be paid in cash or in kind. A double allowance is paid to a child assessed with a disability of at least 60%.

Surviving spouse allowance (employment related, income tested): Twelve times the monthly allowance is paid to a widow or the guardian of dependent children. If the surviving spouse or guardian dies, a lump sum of 12 months of the benefit is paid to the surviving children.

Más Familias en Acción cash transfer (social assistance): 63,525 to 74,100 pesos a month is paid for each child aged 0 to 7 (health benefit); an additional 10,600 to 58,225 pesos a month (depending on the region and education level) is paid for each child aged 5 to 18 (education benefit), up to three children (no limit for disabled children and children age 5).

The benefit is paid every two months to the head of the family.

Jóvenes en Acción cash transfer (social assistance): 200,000 pesos a month is paid. The benefit is paid for six months for a vocational program, for 12 months for a technological program, and for 30 months for a university degree. University students with outstanding results (3.5 out of 5 or better) receive a top up of 200,000 pesos after each semester.

The benefit is paid every two months to the student.

Administrative Organization

Ministry of Labor (<http://www.mintrabajo.gov.co>) provides general supervision.

Superintendent of Family Subsidies (<http://www.ssf.gov.co>) supervises family allowance funds.

Individual family allowance funds provide benefits.

The Department for Social Prosperity (<http://www.dps.gov.co/Paginas/Inicio.aspx>) supervises and manages social assistance schemes.