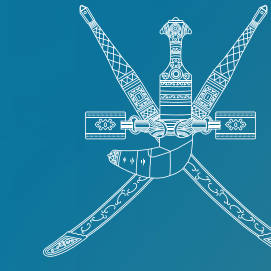


SOCIAL PROTECTION FUND
SULTANATE OF OMAN

FEBRUARY 2024



صندوق الحماية الاجتماعية
SOCIAL PROTECTION FUND

WORLD
GOVERNMENTS
SUMMIT 2024

Coverage of **Non-Omanis** Workforces In the Social Protection System **Savings System**





01



National and international directives

02



Designing the social protection system

03



Non-Omanis Workforce

04



Designing the saving system

05

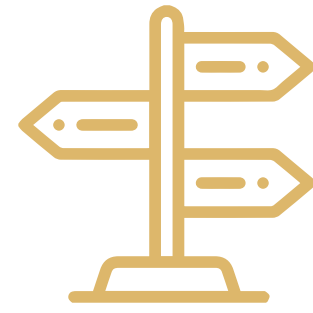


Future Directions

06



What will saving system achieve



01

National and International Directives



01 National directions for the social protection system

In confirmation of our interest in providing the necessary protection and care for our fellow citizens, We directed to expedite the establishment of the Social protection system. To ensure that the state performs its basic duties and provides them with decent living conditions for them
And spare them the effects that may
It results from some measures and financial policies, as we will see
To direct a portion of the proceeds of these financial policies to the regime
Social protection; It will become, God Almighty willing, a national umbrella
Inclusive of various protection and social care efforts and actions

The royal speech of His Majesty Sultan Haitham bin Tariq
May God protect and protect him on the occasion of
the glorious fiftieth National Day

01 National directions for the social protection system

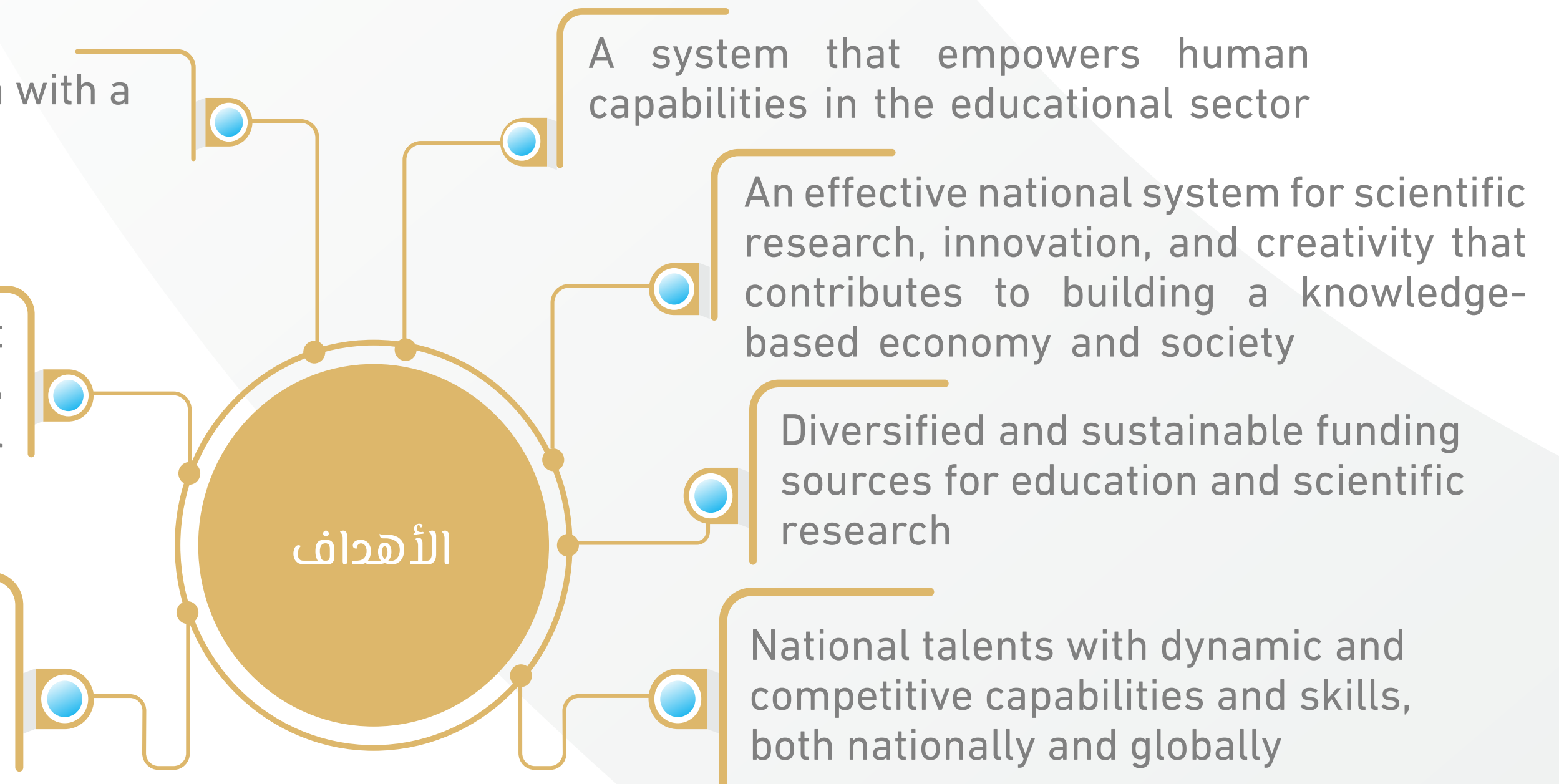


- Axes/
A creative human society**
- National priorities/
Well being and social protection
- Direction /decent and sustainable life for all

A high-quality educational system with a societal partnership

An integrated and independent system to govern the education, and evaluate it in line with national and international standards

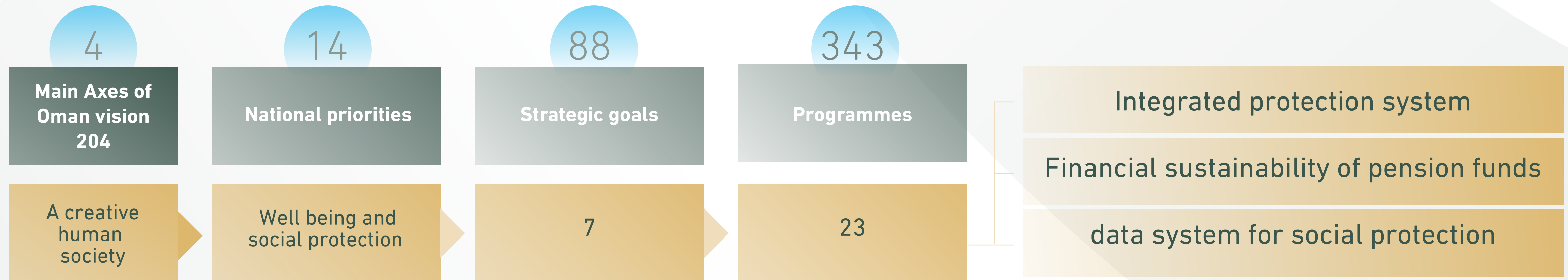
Value-reinforcing curricula; mindful of Islamic principles and the Omani identity, drawing inspiration from the history and heritage of Oman, keeping abreast of the requirements for sustainable development and future skillsets, and supporting the diversification of educational tracks



01 National directions for the social protection system

10th Plan (2021-2025)

The relationship between Oman Vision 2040
And the tenth five-year plan





01 National directions for the social protection system

التنمية المستدامة Goals

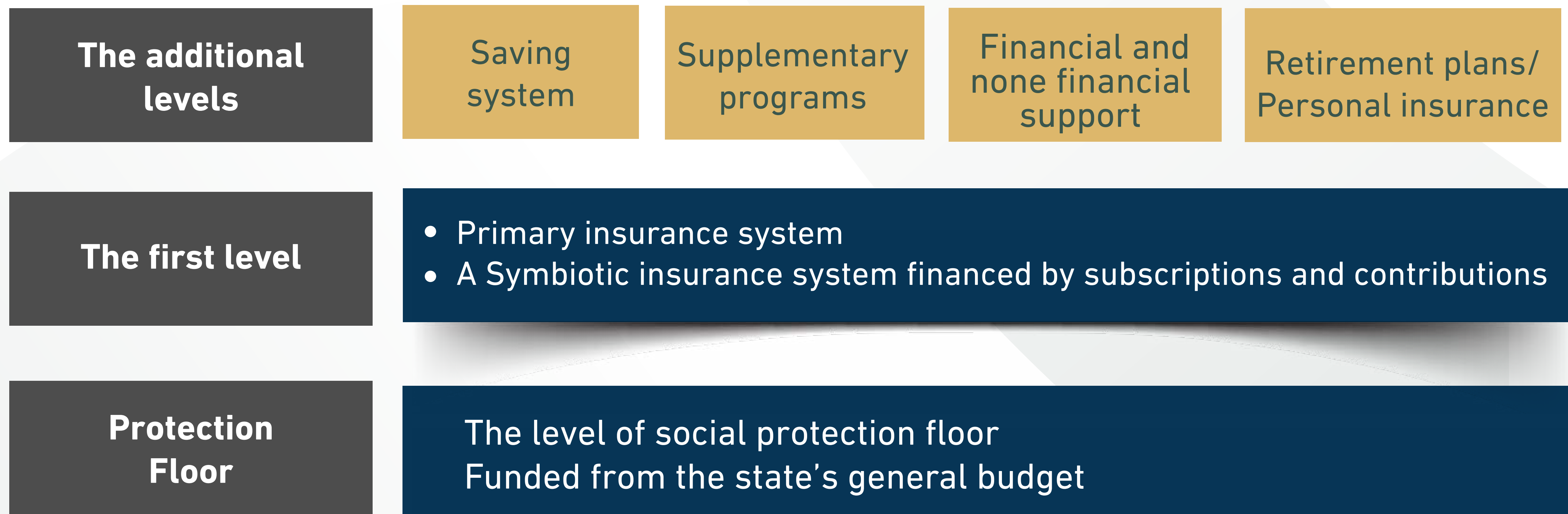




02

Designing the social protection system

Designing the social protection system | Social protection levels in social protection system



The general structure of the social protection system

<p>Level- Protection floor</p> <p>Social protection benefits (Based on redistribution and government funding)</p>	<p>First Level</p> <p>Social Insurance programs based on contribu-) (tions</p>	<p>Service programs or policies provided by other parties</p>
<p>Old age benefits Benefit of persons with disabilities Benefit of orphans and widows Childhood benefit Benefit for job seekers Maternity benefit Family income support program</p>	<p>Insurance for the elderly, disability and death (retirement) Insurance for work injuries and occupational diseases Unemployment insurance/job security Maternity leave insurance Providing sick leave and other unusual leaves Social health insurance</p>	<p>01 Empowering groups (women, people (,with disabilities...)) 02 Employment, training and qualification policies 03 Social care, pre-school education 04 Economic and social inclusion</p>
<p>(Outside the Fund)</p> <p>Other Benefits</p>	<p>Additional Levels</p> <p>Supplementary programs and savings and sup-) (port programme</p>	<p>In cooperation with charities and civil so- ciety and social responsibility of the pri- the role of the Social protec- ,(vate sector tion fund is limited to coordinating and (linking efforts to achieve goals</p>
<p>For social housing, subsidizing housing loan in- terests Providing medical equipment Supporting basic services and fuel Disasters/emergencies Education programs Exemptions from government fees</p>	<p>The supplementary program for the entities is managed by the entities Savings program Financial and non-financial support</p>	<p></p>

03 Social insurance

Level 1 Social insurance programmes (Contributions)

Saving System
after 3 years)
(of issuance of the law)

Omanis and Non-Omanis (Optional)

worker

Non-Omanis

9%

Contributions			Categories	Programs	N
Total	Employer	Employee			
18.5%	11.0%	7.5%	Omanis inside the Sultanate of Oman and in the Cooperation Council Omanis outside the Sultanate of Oman and outside the organized labor market are optional ^a	the elderly Disability and death	1
1.0%	1.0%	0%	Omanis inside the Sultanate of Oman (Applies after 3 years to non-Omani workers, July 2026)	Work injuries and occupational diseases	2
1.0%	0.5%	0.5%	Omanis inside Oman Is mandatory Omanis Outside the Sultanate of Oman and the Cooperation Council is optional	Employment Security	3
1.0%	1%	0%	Omanis and Non-Omanis Working inside Oman	Maternity leaves <i>one year after the issuance of the law</i>	4
1.0%	1%	0%	Omanis and Non-Omanis Working inside Oman	Sick leave And other leaves <i>Two years after the issuance of the law</i>	5
22.5%	14.5%	8.0%	Total		



Non-Omanis Workforce



▶ Statistical indicators of non-Omani workers in the Sultanate of Oman

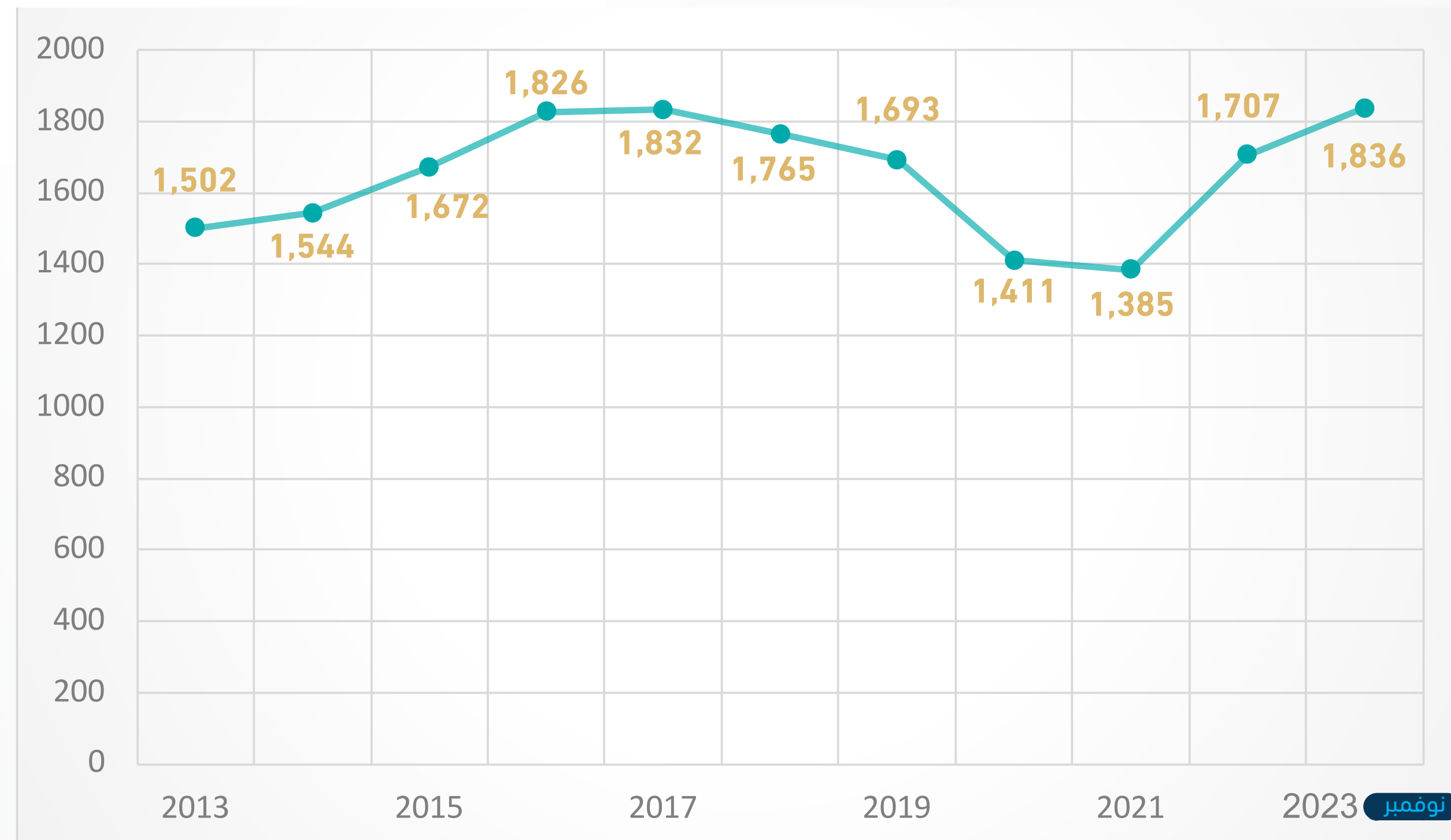
▶ Statistical summary of non-Omani workers in the Sultanate, November 2023

N	Sector	Total	Percentage
1	Government	42,836	2%
2	Private	1,456,040	79%
3	Family	337,194	19%
4	Total workers	1,836,070	100%

▶ Statistical summary of the workforce in the private sector, November 2023

N	Nationality	Total	Percentage
1	Omanis	251,907	15%
2	None Omanis	1,456,040	85%
4	Total workers	1,707,947	100%

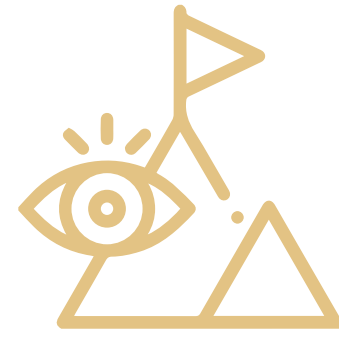
▶ **Number of non-Omani workers (million) during the period from 2013 to November 2023**



Source:

Annual Statistical Report 2023 issued by the National Center for Statistics and Information, August 2023, 2022 data

Monthly statistical bulletin issued by the National Center for Statistics and Information, January 20



04

Designing the saving system



▶ **Saving System**

System Goals

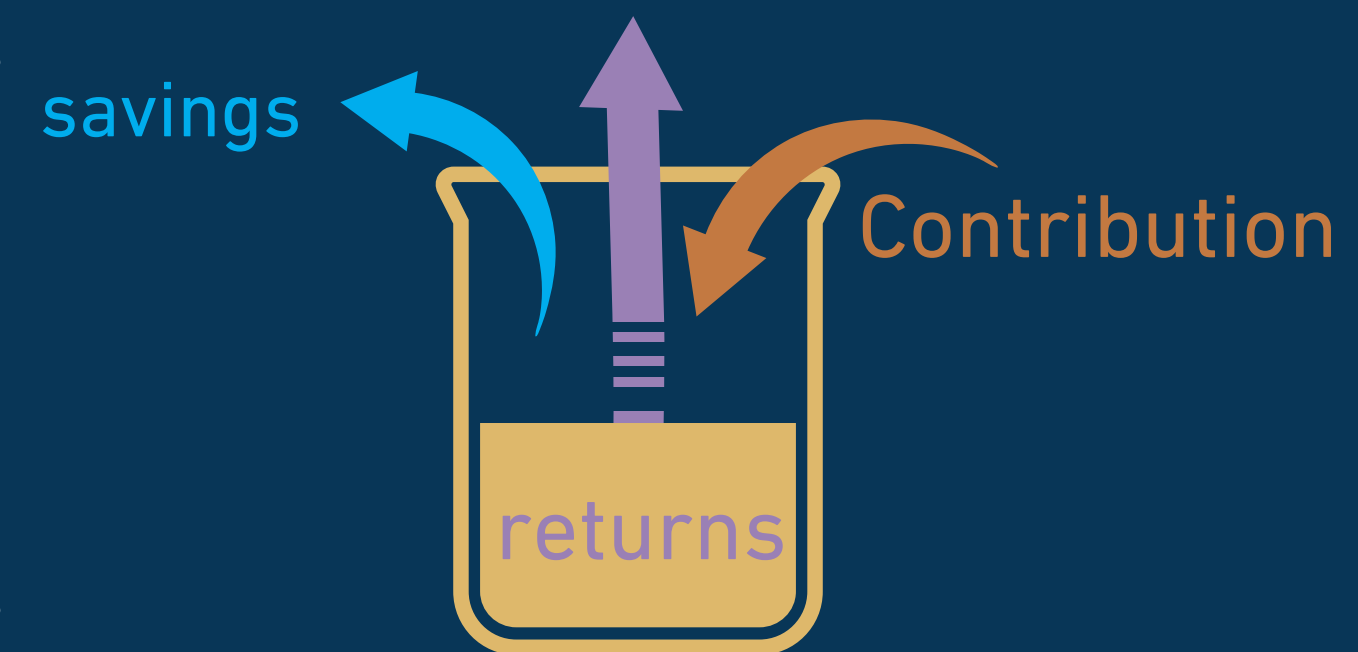
- 01** It contributes to the completion of the application of the levels of the social protection system recommended globally, which ensures the diversity of sources of retirement benefits and the risks associated with them
- 02** Adding new levels to the basic system to enable the worker
- 03** The employer is able to increase retirement benefits without adding financial burdens And actuarial deficits on the fund
- 04** Improving the Sultanate's indicators related to sustainable development goals

▶ Saving System

Foundation of the system

Built on the basis of defined subscriptions so that the benefit is Due is the accumulated amounts of subscriptions and returns
Their investment (savings) is distributed among mandatory levels (such as employees Non-Omanis) and optional

The savings system replaces a grant Or end-of-service gratuity
Disbursement from the employer to someone else
Omanis



Saving System

Optional **01**

- 01** For Omanis and non-Omanis, contributions can be made directly by the worker or The worker's employer
- 02** Saving amounts can be paid at any time by the saver or his employer under a condition
It should not be less than 100 one hundred Omani riyals each time, and its annual value should not exceed
At (12) twelve times the ceiling of the contribution wage for both the saver and the employer
- 03** Guarantees: Minimum returns on investing savings system funds at a rate of (2%) ,two percent annually
- 04** A separate reserve deals with minimum investment returns and their stability

Saving System

Mandatory **02**

- 01** For non-Omanis, the savings system replaces the end-of-service grant or reward
Which is paid by the employer to non-Omanis, the employer is obligated to pay a grant
Or the end-of-service reward for the period of service prior to the date of commencement of the system
- 02** Guarantees: minimum investment returns, and a minimum in the event that all is not collected
or part of the assessed contributions, or the savings were less than the target limit
- 03** A separate reserve deals with guarantees•
- 04** The funds are separated from the savings system funds on an optional basis•

▶ Eligibility conditions



01 Termination of the worker's employment relationship
Non-Omani, unless related
With another employment contract for **3 months**



02 Payment of subscriptions or deposits
Monthly period of no less than
one hundred and (180)
eighty months



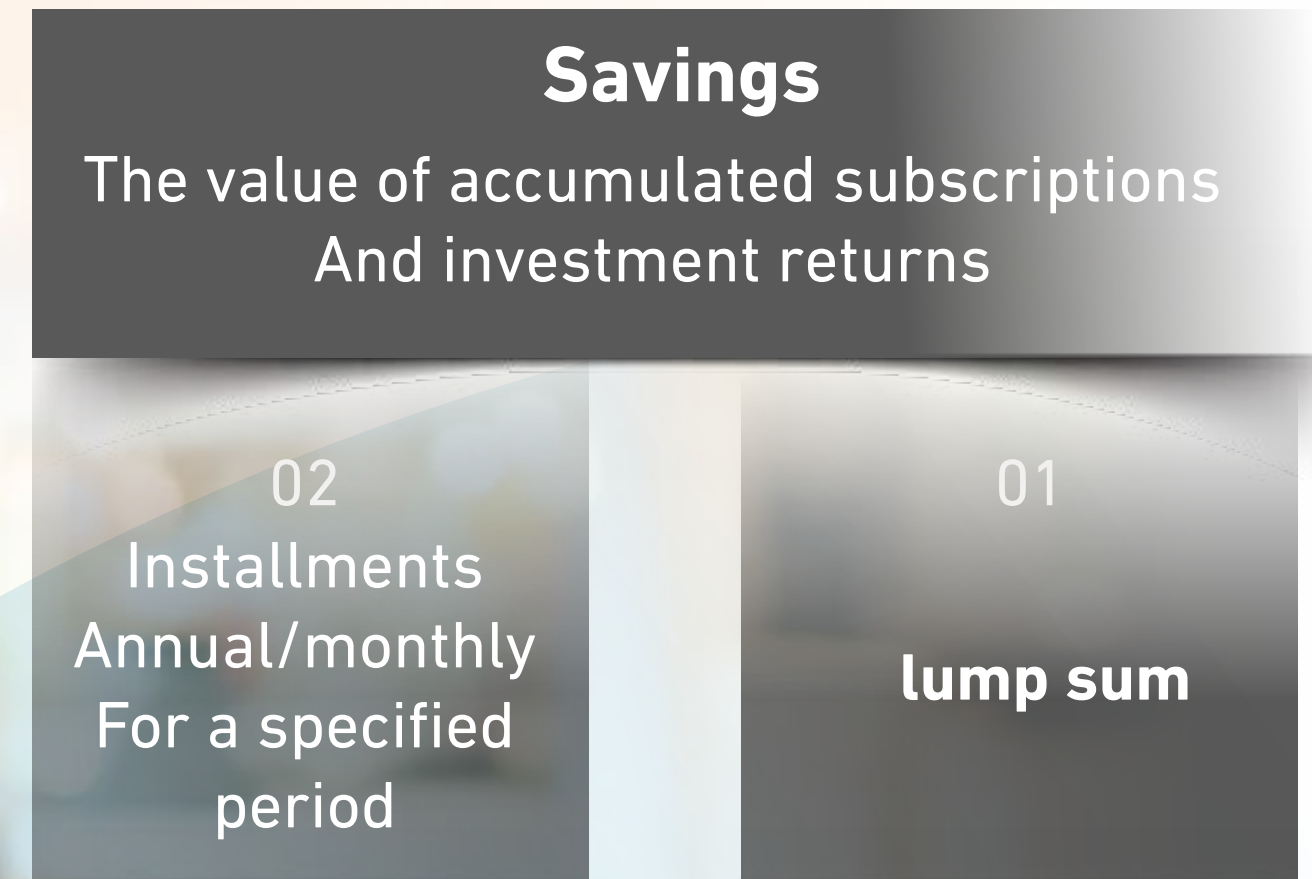
03 Death of the saver, in this case
Except for savings for legal heirs




04 Permanent disability

• Entitlements

(Hybrid) •



private account
For every saver 

01
Specific subscriptions (optional/mandatory)

02
The worker/saver and the employer pay
the contributions

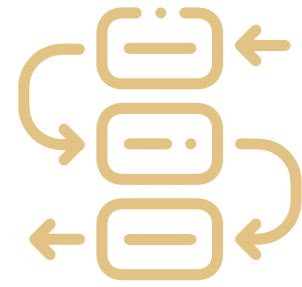
03
Guaranteed return on investment and
minimum benefits

Rate of return on investment

Annual announcement 

The rate is determined by

01 Actual or estimated return on investment 02 Guarantees 03 Administrative and operational expenses 02 Reserve



Future Directions

- 01** Bilateral agreements were initiated and expanded to exchange subscriptions so that extending social and national protection schemes for non-Omanis workers in the Sultanate of Oman

- 02** The benefits will be pensions, not rewards



06

What will the saving system achieve

What will saving system achieve



- 01 Providing a type of social protection for non-Omani workers, and this matter essential to the well-being of workers and their families and their local communities
- 02 Guarantee the delivery of Non-Omanis labor to have their stipulated rights which included in laws and legislation in the Sultanate of Oman
- 03 Meeting the requirements demands of countries and global organizations, and international agreements
- 04 Providing a comprehensive and updated database for Non-Omanis employment in the Sultanate of Oman, which will contribute to the situation of operational plans and policies
- 05 Linking the Non-Omani labor database with effective mechanisms to enhance labor market and empowerment policy, which is considered as an essential requirement for the social protection system
- 06 Maintaining labor market stability and reducing disputes workers related to end-of-service benefits
- 07 Facilitating the exchange of benefits in the future for Non-Omanis workers

► Why is the savings system managed in the Social Protection Fund



Database Detailed

- The importance of having a detailed database workforce in the Sultanate of Oman for all categories



System Financing

- Possibility of financing the savings program among other branches of social insurance to cover any temporary deficits



Ease of implementation And lower cost

- Availability of systems and private data foreign workers by covering them in the branches of maternity leave, vacations illnesses, work injuries and diseases professional
- Provides various and multiple channels to collect subscriptions



Better governance

- .The Fund is a non-profit government entity
- A three-member board of directors (Government, business owners, workers)
- The fund's ability to fulfill the requirements of international organizations and agreements between states on human rights labors
- Ensuring the achievement of the Fund's objectives in providing social protection for society, examining the challenges for all categories and their processing

X @  SPF_Oman

Thanks

