Law of Public Retirement No. 7 of 2005[1]

The Chairman of the Executive Committee of the Palestine Liberation Organisation,
The President of the Palestinian National Authority,

Having reviewed the Amended Basic Law,
Having reviewed the Law of Insurance and Salaries No. 8 of 1964 and its Amendments in force in the Governorates of Gaza,
Having reviewed the Law of Civil Retirement No. 34 of 1959 in force in the Governorates of the West Bank,
Having reviewed the Law of Insurance and Pensions of the Palestinian Security Forces No.16 of 2004,
Having reviewed the Law of Civil Service No. 4 of 1998 and its Amendments,
Having reviewed the draft law submitted by the Council of Ministers, and
Based upon the approval of the Legislative Council during its session of 7 April 2005,

I hereby promulgate the following law:

Part I. Definitions and the Scope of the Law

Article 1

In applying the provisions of this law, the following terms and expressions shall have the meanings specified below, unless the context determines otherwise:

National Authority:	The Palestinian National Authority.
President:	The President of the National Authority.
Government:	The Council of Ministers of the National Authority.
Prime Minister:	The Head of the Government.
(…)	(…)
Treasury	The Treasury of the National Authority.
Employee:	Any person who is appointed by decision of a competent authority to occupy a function included in the regulation of the structures of civil or military functions under the budget of a governmental department, whatever be the nature of such function or its name, or any other employee subject to the Law of Public Retirement pursuant to laws and bylaws.
Governmental Department:	Any ministry, department, public institution, authority, commission, or other party whose budget is part of the General Budget of the National Authority or attached thereto.
Pensioner:	Any employee who is retired pursuant to the provisions of the law.
Subscriber:	Any employee who subscribes to the system of public retirement and to whom the provisions of this law apply.
(…)	(…)

[1] This collection only contains the parts of the law relevant to security sector governance.

Beneficiary:	Any person who receives retirement benefits following the enforcement of this law, which includes the pensioner and those entitled to a pension pursuant to the provisions of this law.
Salary:	The monthly amount which an employee earns and from which the contributions are deducted, including the basic salary and the fixed increments (which is the increment of the nature of work), periodic increments and the increment of the cost of living.
Subscriber's Contribution:	The sum which is deducted from the salary of an employee on a monthly basis pursuant to the provisions of this law.
Government's Contribution:	The monthly sum which is paid by the Treasury of the National Authority for the benefit of an employee.
Obligatory Contribution:	A sum or percentage of the salary which an employee must pay as his contribution for the benefit of the basic salary account. The Government shall deduct and deliver the percentage to the Commission.
Optional Contribution:	A sum or percentage of the salary which an employee requests the Government to deduct from his salary in an optional manner. It shall be transferred to his account.
Retirement Returns:	Interest and profits due from the investments of any sum belonging to the basic retirement system and the designated sums in the account of an employee.
Retirement Pension:	The due monthly sum, the amount of a one-time payment or a combination thereof, paid to public sector employees or any other category included in the provisions of this law.
Retirement of Successors:	The amount of the retirement pension which the successors of a deceased employee receive pursuant to the provisions of this law.
Age of Early Retirement:	Any age less than the age of compulsory retirement, which allows an employee to retire on pension, receive a retirement pension, and benefit from other retirement contributions, shares, returns and benefits, pursuant to the law.
(…)	(…)
(…)	(…)
Entitled Persons:	Persons who are entitled to benefit from the basic retirement pension and the funds accumulated in the optional account of a retired employee.
Investments:	The sums which the Commission instructs investment experts (the investment manager or managers) to invest for the benefit of an employee on his behalf in the domains and places determined pursuant to the provisions of this law and its bylaws.
Years of Retirement Service:	The period of service that is admitted for retirement pursuant to the provisions of this law, the due financial amounts of which were paid in full to the Commission.
Commission:	'The Palestinian Retirement Commission,' which shall be established pursuant to the provisions of this law.

Accounts:	The accounts of previous retirement systems pursuant to the Law No. 34 of 1959 and the Law No. 8 of 1964, in addition to the accounts of the new systems, which are the 'Defined Benefit System' and 'Defined Contribution System', pursuant to the provisions of this law.
(…)	(…)
(…)	(…)
Public Directorate of Salaries:	The authorised department at the Ministry of Finance which prepares and pays the salaries of public sector employees.
Military Financial Administration:	The financial administration which implements the budget of the military sector, including the preparation and payment of the salaries of military officers.
(…)	(…)
(…)	(…)
Other Systems:	Any retirement system other than the system set forth in this law.
(…)	(…)
(…)	(…)
Record of Consumer Prices:	The record of prices assessed and published by the Palestinian Central Bureau of Statistics.
Defined Benefits:	The returns which are previously identified and guaranteed to be granted to the employees included in this law by the Commission, pursuant to the provisions of this law.
Defined Benefit System:	The retirement system in which a pensioner has the right to receive a retirement pension or remuneration that is determined and assessed on the basis of his salary and years of service, pursuant to the provisions of this law.
Defined Contributions:	The defined percentage of the salary which an employee under the provisions of this law pays on a monthly basis as a contribution, which is registered in his account at the Commission.
Defined Contribution System:	The retirement system in which an employee under the provisions of this law chooses to contribute a determined amount of his salary, so that the pensioner obtains such amount in full upon retirement, in addition to the contribution of the Government and the retirement returns.
(…)	(…)
(…)	(…)
Public Sector:	The public sector includes the employees of the civil sector and Palestinian security officers, as well as the employees of the Palestine Liberation Organisation who assume responsibilities abroad and whose salaries are paid from the budget of the National Authority, provided that they do not subscribe to other governmental retirement systems.

Article 2

The provisions of this law shall apply to all public sector employees, employees of local bodies and non-governmental and civil society organisations subscribing to the retirement system in accordance with its provisions, which shall provide retirement benefits in the following cases:

1. Retirement on pension.
2. Infirmity or disability to work.
3. Death.

Part II.

Chapter I. Establishment of the Commission and its Duties

Article 3

1. Pursuant to the provisions of this law, a commission called the 'Palestinian Retirement Commission' shall be established. It shall enjoy juridical personality, financial and administrative independence, and legal eligibility, so as to commence all acts and practices which are necessary for the achievement of its purposes, including the possession of movable and immovable properties that are necessary for the progress of its work, and to exercise its activity pursuant to the provisions of the law.
2. The main office of the Commission shall be in the city of Jerusalem. The Commission shall have the right to open branch offices in other Governorates.
3. The Commission shall enjoy exemptions and facilities granted to ministries and governmental departments, as well as all other exemptions granted pursuant to the law.

Article 4

The funds of the Commission shall be from the following resources:

1. Subscriptions deducted on a monthly basis from the salaries of the beneficiaries under the provisions of this law.
2. Contributions delivered by parties responsible for the salaries of the beneficiaries.
3. Yields of investments of the Commission.
4. Other resources resulting from the activity of the Commission.

Duties of the Commission

Article 5

The Commission shall perform the following duties:

1. Regulate, manage, and supervise the retirement system pursuant to the provisions of this law.
2. Ensure that assets are invested in a manner that safeguards capital and guarantees the achievement of the highest possible return, taking into consideration factors which may affect the funding of the Commission, its capacities and its ability to meet financial needs and requirements, pursuant to a regulation to be issued in this regard.
3. Exercise all tasks assigned to it with the highest professional responsibility in due form.

Article 6

The Commission and its departments shall be prohibited from exercising any acts, powers or activities that do not conform to the objectives of the Commission. It shall also be prohibited from any borrowings in order to fund its operational budget.

Article 7

The running budget of the Commission shall be funded by the subscribers' contributions, provided that such contributions do not exceed two (2%) percent of the subscriptions during each fiscal year. The Commission shall be obliged to obtain the approval of the Legislative Council in advance in such cases of compelling necessity and if the running budget requires that such percentage be exceeded.

Chapter II. Subscribers

Article 8

1. The following categories shall benefit from the provisions of this law:
   a) Civil employees and Palestinian security officers, who earn their salaries from the General Budget.
   b) Employees of the Palestine Liberation Organisation, who assume responsibilities abroad and whose salaries are paid from the General Budget, provided that they do not subscribe to other governmental retirement systems.
   c) Employees of local bodies and public institutions, which explicitly require employees to subscribe to the retirement system pursuant to the provisions of this law.
2. Non-governmental civil society institutions may include their employees in this law. A bylaw thereof shall be issued by the Council of Ministers.

Article 9

The following categories shall not benefit from the provisions of this law:

1. Public sector employees, who are older than forty-five (45) years of age on the date of the enforcement of this law. Those employees shall continue their financial contributions and obtain their retirement benefits pursuant to the laws to which they are subject.
2. Subscribers who are appointed or transferred to work in an institution or commission whose employees are not subject to the provisions of this law.

Article 10

Any subscriber to this system may subscribe to other non-governmental retirement systems.

Chapter III. Accounts

Article 11

The retirement system shall be comprised of:

1. The Defined Benefit System.
2. The Defined Contribution System.

Article 12

The Commission shall establish the following accounts:

1. A special account for the entitlements and contributions of subscribers to the previous retirement system under the Law No. 8 of 1964 (the ten (10%) percent system).
2. A special account for the entitlements and contributions of officers, non-commissioned officers, and members of personnel of the Palestinian Security Forces pursuant to the Law of Insurance and Salaries of the Palestinian Security Forces No. 16 of 2004.
3. A special account for the entitlements and contributions of subscribers to the previous retirement system under the Law of Civil Retirement No. 34 of 1959 (the two (2%) percent system).
4. A special account for the purposes of the 'Defined Benefit System' set forth under this law.

5. A special account for the purposes of the 'Defined Contribution System' set forth under this law.

Chapter IV. Tax Transaction

Article 13

1. The investment revenues of the Commission and retirement pensions shall be exempt from income tax.
2. The contributions of the subscriber shall be subject to income tax.

Article 14

The Commission shall collect its funds pursuant to the laws and regulations concerning the collection of public funds.

Part III. The System of Public Sector Employees

Chapter I. Contributions

Article 15

The percentage of the compulsory contribution shall be equal for all beneficiaries.

Article 16

The salary shall be the basis for the assessment of the percentage of the contribution of the subscriber, the Government or any other party which is responsible for the salaries of the employees.

Article 17

1. The compulsory contribution by the Government to the Defined Benefit System shall be nine (9%) percent of the salary.
2. The compulsory contribution by the subscriber to the Defined Benefit System shall be seven (7%) percent of the salary.

Article 18

The compulsory contribution by the Government to the Defined Contribution System shall be three (3%) percent and the compulsory contribution by the subscriber shall be three (3%) percent of the salary. The subscriber shall be entitled to contribute any other additional percentages, provided that no such contributions will incur any additional financial obligations on the part of the Government.

(…)

Chapter IV. The Benefits

Article 25

1. The subscriber shall have the right to obtain retirement benefits in the Defined Benefit System in accordance with the following:
   a) An infirmity pension to be assessed on the basis of two (2%) percent for each year of service from the average salary of the last three (3) years of service counted for retirement.

b) The subscriber shall have the right to obtain a physical disability pension at an average of two (2%) percent for each year of service from the average salary of the last three (3) years of service. The years of service counted for retirement shall be the number of the actual years up to the date of injury or disability, to which half of the remaining years up to the age of compulsory retirement shall be added, provided that the number of years of service counted for retirement does not exceed thirty-five (35) years.

2. If three (3) years of service are not available for assessing the average salary, benefits shall be assessed on the basis of the average salary for the actual years of service.
3. In case of death, successors shall receive the same amount of retirement pension which the deceased would have earned if he had retired on pension before his death. If the subscriber dies during actual service, the retirement pension shall be assessed in accordance with the bases approved for the assessment of the salary of physical disability set forth under paragraph 1, clause (b). The retirement pension and insurance sum shall be distributed to entitled successors in accordance with Table 2 in Article 34.
4. In addition to the benefits set forth under paragraph 1, the subscriber shall, in case of death or physical unfitness due to a permanent disability resulting from a work injury or accident during work or due thereto, be entitled to obtain an insurance sum through the Commission that is equal to the percentage of the annual salary based upon age in accordance with Table 1:

Table 1
Percentages of Insurance Sums

Age up to age	Percentage of the insurance sum %	Age up to age	Percentage of the insurance sum %
25	267	43	147
26	260	44	140
27	253	45	133
28	247	46	127
29	240	47	120
30	233	48	113
31	227	49	107
32	220	50	100
33	213	51	93
34	207	52	87
35	200	53	80
36	193	54	73
37	187	55	67
38	180	56	60
39	173	57	53
40	167	58	47
41	160	59	40
42	153	60	33

Note: For the determination of the age, the fractions of a year shall be deemed a full year.

5. The successor shares of the retirement pension shall be paid as follows:
   a) To the widow, widows or daughters if they are married.

   b) If any dependent sons, daughters or siblings reach twenty-one (21) years of age without being enrolled in universities or twenty-six (26) years of age if any enrolls in a university or higher institute.
6. Benefits shall be modified by decision of the Council of Ministers at least once every three (3) years in accordance with the increase or decrease in the average record of the consumer prices in the National Authority within such period.

Article 26

The Defined Contribution System:
1. The subscriber, as he reaches the age of compulsory retirement, shall be entitled to the whole sum accumulated in his name in the special account set forth under paragraph 5 of Article 12, including the share of the employee, the share of the Government, and the pension returns. He shall have the right to choose between one of the following options:
   a) The whole sum as one payment upon retirement.
   b) A monthly sum throughout his lifetime or as per a timetable to be agreed upon.
   c) A combination of the options set forth under (a) and (b) above.
2. In the event of disability, the subscriber shall be able to withdraw the whole sum as one payment.
3. If the subscriber dies, the beneficiaries or entitled persons shall receive the whole sum as one payment, which shall be paid in accordance with the Table 1 in Article 34 less the total amount of payments, if any, already paid to the subscriber in his lifetime.

Chapter V. Eligibility to Benefit from a Retirement Pension

Article 27

Eligibility to benefit from the pension of compulsory retirement shall be determined as follows:
1. The compulsory age for retirement shall be sixty (60) years, provided that fifteen (15) years of service admissible for retirement are available with all due contributions being paid.
2. Subscribers who complete twenty (20) years of service admissible for retirement and who reach fifty-five (55) years of age shall receive an infirmity retirement pension.
3. The minimum amount of years of contribution to receive an infirmity retirement pension shall be twenty-five (25) years of service admissible for retirement. Eligible subscribers must reach fifty (50) years of age.
4. Subscribers who complete twenty (20) years of service admissible for retirement and who reach fifty (50) years of age may receive an infirmity retirement pension if they worked in the following functions:
   a) Officers of the Security Forces.
   b) Laboratories and X-ray centers.
   c) Employees of oil and gas drillings.
   d) Miners.
5. If a subscriber reaches sixty (60) years of age and is not eligible for a retirement pension, he shall obtain his contribution together with simple interest as one payment in the year during which he reaches sixty (60) years of age.

Article 28

In case of resignation, the retirement pension entitlements shall be paid as follows:
1. Defined Benefit System:

a) If an employee resigns before he becomes entitled to a retirement pension, it shall be possible, with the agreement of the employee, to transfer all years of service counted for his account and for which financial contributions are paid in accordance with the effective Defined Benefit System to a new substitute benefit system, to which the employee may subscribe, or to any similar system in force in the private sector.
b) If funding is not available for the former employee, the Commission shall return the whole contribution of the employee, to which interest shall be added, on the date closest to the death of the employee, his disability or his reaching the age of compulsory retirement.
c) If a former employee rejoins service, previous years of service which were not transferred to the substitute retirement system shall be counted as if interruption had not taken place.
d) Without prejudice to paragraph (a), a subscriber who resigns from service and has three (3) years of service or less may request the payment of his whole contribution in the Defined Benefit System, provided that the subscriber pays the contributions, all at once or per monthly payments to be agreed upon, and provided further that he returned to service within five (5) years from receiving the return of contribution. When the subscriber withdraws his contribution, the contribution of the Government shall be deemed irregular revenues for the Commission.

2. Defined Contribution System:
   a) If an employee resigns before he becomes entitled to a retirement pension, it may be possible, with the agreement of the employee, to transfer his account balance in the Defined Contribution System to any subsequent substitute system to which the employee may subscribe.
   b) Before such transfer, the former employee shall have the right to keep all entitlements of the amount accumulated in the account and the right to continue to control the investment of it.
   c) If an employee does not transfer the account balance to a subsequent substitute system, the Commission shall pay him the sum in the event of death, disability or reaching the age of compulsory retirement. The amount of the transferred benefits shall include the account balance on the date of resignation, in addition to all obligations and returns resulting from the account.
   d) The Commission shall have the right to close the account of a resigning employee and to distribute the balance in the case of death, as set forth in the regulations and instructions.
   e) The provisions of this Article shall apply to persons resigning from work in an optional or obligatory manner.

Article 29: Eligibility to Benefit from a Disability Retirement Pension

Eligibility to obtain a retirement pension in case of a permanent partial or full physical disability shall be determined by a specialised medical committee appointed by the Commission, provided that the employee:

1. Is younger than sixty (60) years of age.
2. Is ineligible to receive an infirmity or early retirement pension.
3. Had his physical disability confirmed by a specialised medical committee appointed by the Commission, provided that his condition is to be examined again in accordance with the decision of the medical committee.

(…)

Article 31: Eligibility to Benefit from a Successor Retirement Pension

1. Successors shall be entitled to receive the successors' retirement pension if the deceased was receiving a retirement pension at the time of death or if he was eligible to receive a retirement pension in accordance with the Defined Benefit System pursuant to the provisions of this law.
2. If the number of successors changes, the retirement pension shall be assessed again prospectively and distributed to the successors in order to preserve equal shares for the entitled successors in accordance with Table 2 in Article 34.

Article 32

The entitled successors shall be the following:

1. The widow or widows of the subscriber.
2. Children and siblings younger than twenty-one (21) years of age supported by the subscriber prior to his death.
3. Children and siblings younger than twenty-one (21) years of age or younger than twenty-six (26) years of age if pursuing their higher education, supported by the subscriber prior to his death.
4. Children and siblings supported by the subscriber prior to his death and who are unable to earn a living by virtue of physical reasons. A medical committee appointed by the Commission shall determine whether their health condition impedes them from working.
5. Unmarried, divorced or widowed female daughters and siblings.
6. The parents of the subscriber.
7. The husband of the female subscriber, if he was at the time of her death unable to earn a living in physical terms or unable to support himself in accordance with the report of a medical committee appointed by the Commission.

Article 33

Additional conditions to benefit from the successors' retirement pension:

1. The payment of the retirement pension to the widow shall cease upon her remarriage. Her entitlement to the retirement pension shall be recovered if she is thereafter divorced or widowed for the first time within ten (10) years from the date of her remarriage. If the share of the widow was paid to the children of the pensioner or the parents, only the remaining part of her retirement pension shall be returned to her without redemption.
2. The widow may not combine the retirement pension from her first husband and the retirement pension from her last husband. In such case, the higher retirement pension shall be paid to her.
3. Upon the death of the subscriber, there shall be no income of the partner's brothers, daughters and sisters or their income shall be less than the amount of their entitlement. For such purpose, the maintenance that is paid for the daughters and sisters shall not be deemed an income. The beneficiary must prove that he does not receive an income or that his income is less than the amount of his entitlements by means of a testimony from the concerned party which supports his declaration. If a private income is available, the amount of that income shall be deducted from the retirement entitlement. The retirement entitlement shall be assessed again on an annual basis in light of changes taking place regarding the income, whether increasing or decreasing.
4. In order to obtain the successors' retirement pension, the entitlement of the mother shall be conditional upon her not being married to any person other than the father of the deceased.

5. The pension of the daughters and sisters shall be halted upon their marriage. The daughter or sister shall be granted the retirement pension to which she was entitled if she is divorced or widowed within a period not to exceed ten (10) years from the date of marriage or from the date of the death of the beneficiary or pensioner, whichever first occurs, without prejudice to the rights of the remaining entitled persons.
6. The husband, upon the death of his wife, shall be entitled to the share which is determined in Table 2 in Article 34, if he was at the time of her death suffering from a physical disability prohibiting him from earning a living. The state of his disability shall be proven by a decision of a medical committee appointed by the Commission. At the time of death, he shall not have a private income which is equal to or exceeds the amount of his entitlement to the retirement pension. If the income is less than the amount to which he is entitled, a retirement pension shall be paid to him in the amount of the difference. In such case, the remainder of the retirement pension due to the wife shall be distributed to the beneficiaries within the limits set forth in the aforementioned table without the presence of the husband.

Article 34

The retirement pension shall be distributed to the successors in accordance with the following table:

Table 2
Due Shares in the Retirement Pension

Case Number	Entitled Persons	Widows	Children	Parents	Siblings
1	Entitled widow or widower or spouse and more than one son	Half	Half	-	-
2	Entitled widow or widows or spouse and one son and parents	Half	One-third	One-sixth for each one of them	-
3	Entitled widow or widows or spouse and one son	Half	One-third	-	-
4	Entitled widow or widows or spouse or more than one child and parents	One-third	Half	One-sixth for each one of them	-
5	Widow or widows or entitled spouse and parents without presence of children	Half	-	One-sixth for each one of them	-
6	More than one child and parents without presence of an entitled widow or spouse	-	Three-quarters	One-sixth for each one of them	-
7	One child and parents without presence of an entitled widow or spouse	-	Half	One-third for each one of them	-
8	Parents without presence	-	-	One-third	-

	of an entitled widow or spouse			for each one of them	
9	A brother or sister without presence of an entitled widow or spouse with no children nor parents	-	-	-	One-sixth
10	More than one brother or sister without presence an entitled widow or spouse with no children or parents	-	-	-	One-third in equal proportion

Article 35

1. In the event of marriage or death of a widow upon her entitlement to a retirement pension, her share shall devolve to the children of the pensioner who receive retirement pensions at the time of her marriage or death. Her share shall be distributed among them in an equal manner, provided that the total of their entitlements does not exceed the rates detailed in Case No. 6 or Case No. 7 in Table 2 above. This provision shall apply to the entitled husband in case of his death.
2. If the amount granted to the parents in Case No. 4 in Table 2 above is lower than one-sixth (1/6) as a result of an income, the remainder shall be returned to the widow.
3. Upon the death of one of the parents in Case No. 4 in Table 2 above, his share shall devolve to the widow. If she is deceased or married, such share shall devolve to the children, provided that the total of their entitlements does not exceed the rates detailed in Case No. 6 or Case No. 7 in Table 2 above.
4. The entitlement of the brothers and sisters to a retirement pension shall be proven by the support of the testator during his lifetime.

Article 36: Eligibility to Benefit from Early Retirement Pension

1. Civil employees included in the law may receive an early retirement pension following approval by the Commission, the completion of fifteen (15) years of service counted for retirement, and reaching fifty-five (55) years of age. In such case, the retirement pension in accordance with the Defined Benefit System shall decrease by four (4%) percent for each year or portion thereof until reaching the age of compulsory retirement, sixty (60) years.
2. The Security Forces included in the law may receive an undiminished early retirement pension following approval by the Commission, the completion of fifteen (15) years of service counted for retirement and reaching fifty (50) years of age.
3. If an officer of the Security Forces wishes to work in another sector subject to the Defined Benefit System, all years of military service shall be transferred to the new sector and counted for retirement.
4. If an officer of the Security Forces does not become a member of a new retirement system, the Commission must return all of the sums which accumulated for him, in addition to the investment revenues, as per the status of the military officer and the provisions of the law.
5. If an officer of the Security Forces resigns from his function, his account balance in the Defined Contribution System shall be transferred to the new Defined Contribution System to which he subscribes.
6. If an officer of the Security Forces does not subscribe to another retirement system of the Defined Contribution System, the Commission shall pay to him the account balance in accordance with his status and pursuant to the provisions of the law.

(…)

Part VII. General and Transitional Provisions

Chapter I. Special Arrangements for Officials of the Palestine Liberation Organisation

Article 110

Years of occupancy of private sector employees and officers in the Security Forces who served in the bodies belonging to the Palestine Liberation Organisation and its accredited factions, in addition to the years of imprisonment of prisoners released from the occupation prisons, shall be counted as follows:

1. If an employee is younger than forty-five (45) years of age, previous years of occupancy or imprisonment shall be counted for the benefit of the new retirement law, provided that the National Authority transfers the due entitlements, including the share of the employee and the Government, for such years to the Commission. The entitlements shall be registered in the account of the employee at the Commission.
2. If an employee is older than forty-five (45) years of age while he is a member in the previous retirement system pursuant to the Law No. 34 of 1959, previous years of occupancy or imprisonment shall be counted for the benefit of the law. The National Authority shall transfer the due entitlements, including the share of the employee and the Government, as one payment for the benefit of such system.
3. If an employee is older than forty-five (45) years of age while he is a member in the previous retirement system pursuant to the Law No. 8 of 1964, previous years of occupancy or imprisonment shall be counted for the benefit of such system. The National Authority shall transfer the due entitlements, including the share of the employee and the Government, as one payment for the benefit of such system. This shall include civilians and officers in the Security Forces.
4. If an employee is older than forty-five (45) years while he is a member in the previous retirement system pursuant to the Law of Insurance and Pensions of the Palestinian Security Forces of 2004, years of occupancy or imprisonment shall be counted for the benefit of such system. The National Authority shall transfer the due entitlements, including the share of the employee and the Government, as one payment for the benefit of such system. This shall include civilians and officers in the Security Forces.
5. The Palestinian National Fund, the Commission of Organisation and Administration or the Military Financial Administration, based upon their official registers, shall adopt the number of occupant years of service in the Palestine Liberation Organisation and its accredited factions. The Government shall pay the full amount of cash compensation for all years of such adopted service. Other official sources may be used in order to determine the number of years of occupant work as per a regulation issued by the Council of Ministers.
6. If an employee receives a retirement pension from another source or if the information stated in the registers regarding the duration of service or compensation paid thereof is incomplete, the contributions of the Government for the years of such service in the Palestine Liberation Organisation and its accredited factions shall be modified so as to conform to the developed procedures and provisions pursuant to the regulations issued by the Council of Ministers.

Article 111

Pensioners who worked in an occupant manner in the Palestine Liberation Organisation and its accredited factions shall have the right to choose the method of the settlement of their entitlements to retirement pension in accordance with any of the following alternatives:

1. Receive a retirement pension in accordance with the retirement system to which they subscribed upon retirement.
2. Receive a financial remuneration in accordance with the system of the Palestinian National Fund to be paid once upon the retirement of the employee, in which case, neither the employee nor the beneficiaries may claim retirement pensions.
3. Financial loans which they received on the account of remunerations and which were paid by the National Fund or by the Ministry of Finance shall be deducted from such entitlements and from the retirement pensions, pursuant to a bylaw to be issued in this regard.

Chapter II. Transitional Arrangements

Article 112

So as not to contradict relevant laws (1959, 1964, and 2004), entitlements to retirement pension of civil employees and officers in the Security Forces shall not be violated by current retirement systems following the enforcement of the provisions of this law.

(…)

Article 114

The service of public sector employees who are older than sixty (60) years of age shall terminate within one hundred-twenty (120) days from the date the enforcement of this law, provided that their retirement pension entitlements are settled.

Article 115

The competent authorities shall transfer the entitled benefits of employees younger than forty-five (45) years of age to their accounts as per the current retirement system, pursuant to the previous laws, within a period not to exceed two (2) years from the date of the enforcement of this law. The conditions and data of transfer shall be as follows:

1. The amount of the financial entitlements transferred to the employee from the former system shall be registered in his account.
2. The years of contribution shall be registered on the date of implementation at a ratio of one to one (1:1) in the retirement system for the benefit of the subscriber and at an average of two (2%) percent of the monthly salary on the day of transfer for each adopted year.
3. The Commission must approve every transfer.

Chapter III. General Provisions

Article 116

The provisions of this law shall not apply to the President of the National Authority, the Prime Minister and the members of the Council of Ministers, and the Speaker and members of the Legislative Council.

Article 117

The Council of Ministers may retire any employee for considerations of public interest if the employee has completed fifteen (15) years of service admissible for retirement without deduction of his obligatory entitlements. Nothing within this Article shall prohibit the employee from obtaining compensation as per agreement with the employer and within the provisions of the law.

Article 118

The provisions of this law shall be enforced regarding all cases of retirement as of the date of its enforcement.

Article 120

Public sector employees, whose services terminated or are being terminated due to their reaching sixty (60) years of age, but who did not complete an official service that is counted for retirement (fifteen (15) years), shall be paid a basic retirement pension by the Treasury of the National Authority pursuant to a bylaw to be issued by the Council of Ministers, if they do not have any other income. If such income or support is available, only the difference between the amount of the basic retirement pension and the monthly salary shall be paid.

Article 121

With the exception of public sector employees, the Treasury of the National Authority shall pay a basic retirement pension in the amount of one-hundred (100) Dollars on a monthly basis for each person who has reached sixty (60) years of age and does not have any other income or source of support. If such income in an amount of less than one-hundred (100) Dollars is available, only the difference shall be paid.

Article 124

The Council of Ministers shall issue the bylaws and decisions necessary for the enforcement of the provisions of this law.

Article 125

Every provision which contradicts the provisions of this law is hereby repealed.

Article 126

All competent authorities, each one within its sphere of jurisdiction, shall implement the provisions of this law, which shall enter into force as of the date of its publication in the Official Gazette.

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Mahmoud Abbas
Chairman of the Executive Committee of the Palestine Liberation Organisation
President of the Palestinian National Authority