

LAW OF THE REPUBLIC OF ARMENIA

ON STATE PENSIONS

CHAPTER 1. GENERAL PROVISIONS

Article 1. The Pension System of the Republic of Armenia

1. The pension system of the Republic of Armenia (hereinafter referred to as the System) incorporates:

- 1) the state pension security,
- 2) the mandatory funded pension component,
- 3) the voluntary pension component.

2. The relationships pertaining to the state pension security, mandatory funded pension component and voluntary pension component shall be regulated by the laws of the Republic of Armenia.

3. In the cases and in the manner prescribed by law the state pension security shall guarantee the implementation of social security of the legally identified individuals (hereinafter also referred to as the state pension system) at the cost of the State budget.

4. The mandatory funded pension component shall ensure the payment of funded pension benefits to individuals as prescribed by law from mandatory funded contributions and return on their investment if these individuals qualify for an old age pension.

5. The voluntary pension component shall ensure the payment of supplementary income (pension benefit) to individuals from voluntary funded contributions and return on their investment or insurance fees if these individuals qualify for an old age pension.

Article 2. Subject of the Law

1. This Law regulates the relationships pertaining to the management and financing of the state pension security, as well as establishes the powers of the state governance authorized body of the pension sector, the types of state pensions, terms and conditions for granting of pension, and the procedure for their payment.

2. In accordance with the laws of the Republic of Armenia, norms of pension security other than the ones enshrined herein may be laid down for individual groups of citizens.



Article 3. Legal Regulation of State Pension Security

Relationships pertaining to state pension security are regulated by the Constitution of the Republic of Armenia, international treaties of the Republic of Armenia, this Law, other laws and regulations.

Article 4. The Principles of the State Pension Policy

The principles of the state pension policy shall be as follows:

- 1) ensuring the pension right, irrespective of nationality, race, sex, language, religion, political or other views, social origin, property or other status;
- 2) ensuring the financial sustainability, and development of the state pension system;
- 3) ensuring social coherence and social justice;
- 4) ensuring minimal amount of pension guaranteed by the State which are compatible with the minimal consumer budget.

Article 5. State Authorized Body of the Pension System

The authorities of the state body of the pension system authorized by the Government of the Republic of Armenia (hereinafter, referred to as an authorized body) are established by a statute.

Article 6. Means of Payment of Pension Benefits

The pensions identified in this Law shall be payable from the funds of the State budget of the Republic of Armenia.

Article 7. Eligibility for Pension

1. Any individual residing in the Republic of Armenia who meets the conditions specified in this Law shall be eligible for a pension.

2. The individual entitled to receive a pension benefit who has applied to the authorized body in the manner as established by the legislation and has been granted a pension shall be eligible for a pension anticipated in this Law (hereinafter referred to as the pension beneficiary).

3. The individual who is eligible to receive various types of pension financed from the State budget as specified in this Law, as well as other laws, shall be granted one pension at his own discretion.

4. No social pension may be granted to the individual who is entitled to receive an occupational or military pension as prescribed in this Law.

Article 8. Types of Pensions

The below types of pensions are established as per this Law:

1. Occupational:

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- 1) old age,
- 2) privileged,
- 3) long service,
- 4) disability,
- 5) survivor's,
- 6) partial.

- 2. Military:
 - 1) long-term service,
 - 2) disability,
 - 3) losing the bread winner.

- 3. Social:
 - 1) old age,
 - 2) disability,
 - 3) survivor's.

CHAPTER 2. OCCUPATIONAL PENSIONS

Article 9. Eligibility for Old Age Pension

- 1. An old age occupational pension shall be granted to any individual who has reached 63, provided s/he has the following:
 - 1) 25 years of length of service, which is the required length of service, or
 - 2) At least 10 years of length of service, which is the minimum length of service.

During the course of year 2010 women shall be granted pension starting from the age of 62.5, whereas starting from year 2011 they shall be granted pension starting from the age of 63.

2. Until 2015 the minimum length of service empowering an individual to receive an old age pension shall be defined in accordance with the below scale:

Year of retirement	2011	2012	2013	2014	2015
Required length of service	6 years	7 years	8 years	9 years	10 years

3. Any individual with a 35-year's length of service may retire a year before reaching the age provided such an individual is not employed.

4. The individual entitled to an old age pension may apply for a pension any time at his discretion.

5. The old age pension shall be granted for a life-time period.

Article 10. Eligibility for Privileged Pensions

1. Any individual shall be entitled to a privileged pension who has reached 55 and has a 25-year's length of service of which at least 15 years count for employment under particularly dangerous or particularly heavy conditions (List 1), where he or she has been occupied full-time in employment entitling him or her to a privileged pension.

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In addition, before reaching the retirement age specified in this clause, females may be eligible for a pension in accordance with the below scale:

Date of Birth	Age	Year of Retirement
01.01.1958 - 30.06.1958	52,5	2010
01.07.1958 - 31.12.1958	53	2011
01.01.1959 - 30.06.1959	53,5	2012
01.07.1959 - 31.12.1959	54	2013
01.01.1960 - 30.06.1960	54,5	2014
01.07.1960 - 31.12.1960	55	2015
and later		

2. Any individual who has reached 59 and has at least 25-year's length of service of which at least 20 years count for employment under dangerous or heavy conditions (List 2), where he or she has been occupied full-time in employment entitling him or her to a privileged pension.

In addition, before reaching the retirement age specified in this clause, females may be eligible for a pension in accordance with the below scale:

Date of Birth	Age	Year of Retirement
01.01.1953 - 30.06.1953	57,5	2010
01.07.1953 - 31.12.1953	58	2011
01.01.1954 - 30.06.1954	58,5	2012
01.07.1954 - 31.12.1954	59	2013
and later		

3. Individuals suffering from hypophyseal dwarfism (nanism) who have at least 20-year's length of service may receive a privileged pension upon reaching 45.

4. Lists 1 and 2 for professions, employments, occupations, positions and indicators entitling to a privileged pension as anticipated in Clauses 1 and 2 of this Article shall be established by the Government of the Republic of Armenia.

Article 11. Eligibility for Civil Aviation Employees to Occupational Long Service Pension

1. Long service pension shall be granted to the below employees of civil aviation:

1) members of flight command and air traffic control staff, air crews: upon reaching 45 if the duration of their service is at least 25 years; individuals who have been released from air service for health reasons may be entitled to a long service pension in their length of service is at least 20 years;

2) flight operators and stewards: upon reaching 45 if the duration of their service is at least 25 years; individuals who have been released from air service for health reasons may be entitled to a long service pension in their length of service is at least 20 years;

3) staff members of air traffic control service who have a dispatcher's certificate: upon reaching 50 if the duration of their service is at least 25 years of which at least 15 years count for employment in the air traffic control service; individuals who have been released from their service in air traffic control system: upon reaching 50 if the duration of

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their service is at least 25 years of which 10 years count for their employment in air traffic control service;

4) member of the engineering-technical staff: upon reaching 55 if the duration of their service is at least 25 years of which 20 years count for occupations entitling to a long service pension.

The list of occupations and positions entitling the individual to a long service pension, and the specifics of calculating the duration of long service shall be established by the Government of the Republic of Armenia.

Article 12. Eligibility for Disability Occupational Pension

1. The individual who has been recognized as a person with disability by the state authorized body responsible for medical-social expert investigation shall be eligible for a disability pension if:

1) the above individual has been recognized as a person with disability due to an occupational injury or disease, irrespective of his or her length of service;

2) the above individual has been recognized as a person with disability due to a systemic disease, congenial disease, natural, man-made and other disasters provided he or she has earned the following length of service at the time of determining his or her disability:

Age Group	Length of Service
under 23	2 years
23 - 26	3 years
26 - 29	4 years
29-32	5 years
32-35	6 years
35-38	7 years
38-41	8 years
41-44	9 years
More than 44	10 years

2. The disability pension shall be granted for the entire period of disability.

Article 13. Eligibility for Survivor's Occupational Pension

1. The below relatives of the deceased individual shall be eligible for a survivor's pension:

(a) a child under the age of 18;

(b) brother, sister and grandchild under 18, provided their parents have limited working capacity of a third category;

(c) a disabled person aged 18 or above, provided such a person has been recognized as a disabled before attaining the age of 18 and has limited working capacity of a second or a third category and is unemployed;

(d) parents, spouse who have reached the old retirement age or are recognized as disabled irrespective of their age provided they are unemployed.

(e) spouse or any other capable adult member of the family or a person recognized as custodian in the manner as established by law, regardless of his/her age, provided s/he is

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engaged in the custody of the deceased breadwinner's child, brother, sister or grandchild under 14 and is unemployed;

(f) grandparents, provided they are unemployed and have no children or their children have limited working capacity of a third category.

In case of losing the benefactor, persons specified in sub-points "a", "c" and "d" of point 1 of this Article shall be entitled to survivor's pension, irrespective of whether or not they were under the custody of the deceased person.

2. Full-time students of educational institutions may be eligible for a survivor's pension until their graduation from the educational institution but before they reach 23.

3. The survivor's pension shall be granted for the entire period contemplated in this Article.

4. The provisions of this Article shall also apply to the family of the individual recognized as deceased. When granting a survivor's pension to the family members of the individual recognized as deceased, the effectiveness date of the court order on recognizing the individual deceased or the date identified in the valid court order shall be treated as date of death of the above individual.

5. Survivor's working pension shall be granted, provided at the moment of his/her death the benefactor had minimum length of service entitling him/her to old age pension as envisaged in Article 9 of this Law.

6. In case of death of a person who was recognized as disabled due to general sickness, child age sickness or due to natural, technical and other accident, his/her family members qualifying for survivor's pension shall be granted pension, provided such a deceased person at the moment of his/her death possessed required length of service as specified in Article 12 of this Law.

Family members of a deceased person who passed away as a consequence of an accident at work or occupational disease shall qualify for a survivor's pension, irrespective of the length of service of such a deceased person.

Article 14. Eligibility for Pension after the Death of Adopter, Adoptee, Stepfather (Stepmother) and Stepson (Stepdaughter)

1. The adopter and adoptee shall be entitled to survivor's pension in the manner as established in Article 13 of this Law.

2. Minor individual receiving a survivor's pension shall maintain their eligibility in the event of his/her adoption.

3. In case of the adopter's death, the adoptee eligible for a survivor's pension shall be entitled to choose the type of his or her pension.

4. The stepfather (stepmother) shall be equally entitled to a pension like the father (mother) if he (she) has cared for the deceased stepson or stepdaughter for at least 5 years.

5. The stepson (stepdaughter) shall be entitled to a pension in case of losing the benefactor.

Article 15. Eligibility for Partial Pension

1. The following individuals shall be eligible for a partial pension:

1) persons employed in the education sector, certain categories of workers of culture, upon reaching 55 if they have at least 25-year's length of service, out of which at least 12 years count towards professional length of service;

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2) certain categories of actors of theatrical and theatrical-concert organizations: upon reaching 50 if they have at least 25-year's length of service, out of which at least 12 years count towards professional length of service.

Partial pension shall be granted also to persons belonging to certain categories as envisaged in this Point, who applied for a partial pension before enforcement of this Law and have professional length of service of at least 12 years and attained the age of partial pension as envisaged in this Law.

2. Professional length of service shall incorporate the time period engaging in professions and positions qualifying for partial pension before August 1, 2003.

3. The lists of positions and types of employment activities which entitle individuals to receive a partial pension shall be established by the Government of the Republic of Armenia.

Article 16. Calculation of the Size of Occupational Pension

1. The amount of the occupational pension is the sum of the basic pension and the occupational portion of the pension benefit.

The occupational portion of the pension benefit shall constitute the supplementary amount for the service years which shall be calculated based on the number of service years and yearly service value, taking into account the retiree's individual coefficient.

The occupational pension shall be calculated based on the following formula:

$P=B+(N \times V) \times C$, where:

P is the monthly pension amount,

B is the basic pension amount;

N is the years of service;

V is the one year service value;

C is the pensioner's individual coefficient.

2. The basis for calculating the individual coefficient of a pensioner is the required length of service.

The one year coefficient of up to 25-years of length of service (inclusive) shall be defined as 0,04 and one year coefficient in case of availability of length of service of more than 25 years – 0,02.

An individual coefficient of a pensioner shall be calculated according to the following formula:

a) In case of availability of up to 25-years of length of service (inclusive) - $C=0.04 \times N$ formula:

b) In case of availability of length of service of more than 25 years – $C=1+0.02 \times (N-25)$ formula.

3. When calculating the size of old age pensions to individuals born on and after January 1, 1970, only the period of engaging in employment and other activities not prohibited by the legislation of the Republic of Armenia shall be counted before enforcement of this Law, except for calculating the individual coefficient of a pensioner.

4. When calculating the size of the occupational disability pension, the size of the basic pension shall equal to:

1) for the first severity group: 140 percent of the basic pension;

2) for the second severity group: 120 percent of the basic pension;

3) for the third severity group: 100 percent of the basic pension.

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5. A survivor's occupational pension at the amount of the basic pension shall be granted to each of the family members by adding the occupational portion of the deceased provider's calculated pension at the below amounts:

- 1) 50 percent to one survivor;
- 2) 90 percent to two survivors;
- 3) 120 percent to three survivors;
- 4) 150 percent to four and more survivors.

The pension for each child having lost both parents shall be granted by adding to the five-fold amount of the basic pension the occupational portion of pension calculated for each parent at the proportions specified in part 5 of this Article.

Article 17. Size of Basic Pension and Yearly Service Value

1. The size of the basic pension and yearly value of the length of service shall be determined on an annual basis in the State Budget Law of the Republic of Armenia based on the requirement of Parts 2 of this Article.

The size of the official basic pension and yearly service value may not be less than the formerly established size of the basic pension and yearly service value.

2. From January 1 of each year the size of the basic pension and yearly service value shall be adjusted based on the consumer price index.

3. The consumer price index shall be calculated in conformity with the procedure established by the Government of the Republic of Armenia.

CHAPTER 3. MILITARY PENSIONS

Article 18. Eligibility for a Military Pension

The following persons shall be eligible for a military pension:

- 1) Commanders and ordinary staff defense, police, national security, Republican executive bodies and Rescue Service of Armenia (hereinafter referred to as respective body) of the system of Republic of Armenia defense, police, national security or;
- 2) Persons called for military exercises and participants of military defense operations of the Republic of Armenia;
- 3) Persons serving in the penitentiary institutions and the enforcers of judicial acts, functioning under the Ministry of Justice of the Republic of Armenia.

Article 19. Terms and Conditions for Granting of a Military Pension to a Person With a Long Service Record with the Military

1. A military pension for long service shall be granted to the following military servants, who in the manner and timelines specified in respective laws regulating the service in the respective bodies, penitentiary institutions and the court act enforcement services (hereinafter, referred to as militant):

- 1) At the moment of retiring from the service have accrued at least 20 years (calendar) of service with the military;

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- 2) At the moment of retiring from the military because of old age, health conditions or reduction of the occupied position attained maximum age, in the manner as envisaged by law and possessed length of service of at least 25 years, out of which at least 12 years count towards a military service (length of service).
2. A military servant shall be granted pension in case of retiring from service in a due manner.

Article 20. Procedure of Calculating the Size of Military Pension Granted for Long Service

1. Military pension for long service granted to a military servant shall be calculated in the following manner:
 - a) For a military servant as specified in point 1, sub-point 1 of Article 19 of this Law - 70% of the monthly compensation given for living and for food. For each full year exceeding the 20 years of service in the military the amount of long service pension shall be supplemented by an additional 2% of the amount of living and food and 1% of such amount for each full year of service in a non-military service accrued before joining the military service;
 - b) For a military servant as specified in point 1, sub-point 2 of Article 19 of this Law - 65% of the monthly compensation paid for living and for food. For each full year exceeding 12 years of military service the amount of long service pension shall be supplemented by an additional 1% of the compensation paid for living and for food, however not exceeding 5% of such an amount. For each year exceeding the 25 years of service in the military and other activities the amount of long service pension shall be supplemented by an additional 2% of the compensation paid for living and for food and 1% of such amount for each full year of a non-military service.
2. Amount of military pension shall not exceed the monthly compensation paid for living and for food.
3. Military pension for long service shall be granted for life.
4. Supplementary amount shall be paid in addition to the monthly salary of a person qualifying for military pension for long service, who however continues his/her military service in the manner and sizes as defined by the Government of the Republic of Armenia.

Article 21. Conditions for Granting of Disability Military Pension

1. Disability military pension shall be granted to a military servant recognized as disabled by the competent state body responsible for conducting medical-social examination, who got disability during the course of military service or within five years after retiring in a due manner, however as a consequence of the sickness when still in service or afterwards, but still such a sickness originated when in service.
2. The disability military pension shall be granted irrespective of the length of the military service.

Article 22. Manner of Calculating the Size of the Disability Military Pension

Amount of monthly Disability Military Pension shall be calculated in the following manner:

- 1) For a person with a first category of disability - 70% of the monthly compensation paid for living and for food. However, such an amount should not be less than 200% of basic pension as defined by legislation;
- 2) For a person with a second category of disability - 60% of the monthly compensation given for living and for food. However, such an amount should not be less than 150% of basic pension as defined by legislation;
- 3) For a person with a third category of disability - 40% of the monthly compensation given for living and for food. However, such an amount should not be less than the amount of basic pension as defined by legislation.

The amount of disability military pension of an ordinary military servant on a mandatory military service shall comprise double of the minimal pension amount as defined in this Article.

Article 23. Granting of Survivor's Military Pension

1. Survivor's military pension shall be granted to family members of a deceased military servant in the manner defined by Articles 13 and 14 of this Law.

2. Survivor's military pension shall be granted to family members of the deceased military servant irrespective of the reasons of such military servant's death and the period that elapsed.

3. Provisions of this Article shall apply also to the following persons:

- 1) Family members of a military servant having retired from service in a defined manner and deceased afterwards, irrespective of the time period that elapsed, however the cause of death being an injury, disability or sickness that the person got during the course of the service;
- 2) Family members of a military servant, who during the service or when performing his/her military service obligations, has been recognized as missing or absent or deceased.

4. Family members of a deceased military servant shall be entitled to a military pension in case of losing the benefactor, irrespective of the length of service of the deceased military servant.

5. In case of losing the benefactor a military pension shall be granted also to family members of a deceased military servant duly retired from service and qualifying for a pension, who however failed to apply for pension and was deceased within six months of duly retiring.

6. A family member entitled to survivor's military person, who also has or obtains entitlement to an occupational or social pension, shall be granted an occupational or social pension rather than a military pension and such a pension shall be supplemented by a pension or supplemental amount calculated in the manner as envisaged in Article 24 and point 1, sub-point 7 of Article 26.

The procedure of giving supplemental pension shall be defined by the Government of the Republic of Armenia.

Article 24. Manner of Calculating the Survivor's Military Pension

Survivor's military pension shall be calculated in the following manner:

1) For each child having lost his/her parent – 40% of salary and food compensation paid to the deceased benefactor, however such an amount should not be less than the basic pension as envisaged by legislation;

2) For each child having lost his/her parents – 60% of salary and food compensation paid to the deceased benefactor, however such an amount should not be less than 200 fold of the basic pension as envisaged by legislation;

3) For each of the other family member specified in Article 13 of this Law - 30% of salary and food compensation paid to the deceased benefactor, however such an amount should not be less than the basic pension as envisaged by legislation.

Survivor's military pension of family members of an ordinary military servant within the mandatory service term, as well as contractual term shall comprise double of minimum pension amount as defined in this Article.

Article 25. Manner of Determining Monthly Allowance

1. When granting pension to a military servant the monthly allowance defined for his/her last position and the amount of compensation paid for food shall be taken as a basis for calculations.

2. The list of sums calculated as an allowance shall be defined by the legislation of the Republic of Armenia.

Article 26. Amounts Supplemented to Military Pension and their Size

1. A military pension shall be supplemented by an additional sum:
 - 1) to a military servant, who became disabled during a war or in service – minimum disability pension amount calculated in the manner as envisaged in Article 22 of this Law, by taking into consideration the category of disability;
 - 2) For participation in World War II, defense of the Republic of Armenia and military operations in other countries – 60% of basic pension as defined by legislation of the Republic of Armenia;
 - 3) To a pensioner having dependents as defined in Article 13, points “a”, “b” and “c” as well as dependents as envisaged by law – 30% of basic pension to each dependent;
 - 4) To a person with a first category of disability – 60% of the basic pension, whereas for a person with a second category of disability, as well as a pensioner, who is 70 years and above – 40% of the basic person;
 - 5) To a hero of the Republic of Armenia, USSR hero, honorary awards, three category of glory medals – in the amount of the basic pension;
 - 6) To an ordinary military servant, who became disabled in the course of participating in military operations for defense of the Republic of Armenia or during the course of service – 80% of pension calculated in the manner as provided in Article 22 of this Law;

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- 7) To the family member of an ordinary military servant, who died (passed away) when participating in military operations for defense of the Republic of Armenia or during the course of service – 80% of pension calculated in the manner as provided in Article 24 of this Law.
2. Supplemental amounts provided in point 1 of this Article may be calculated simultaneously, except for those provided in sub-points 1 and 2. However, the total amount should not exceed 8 fold of the basic pension.
3. The supplements as envisaged in Point 1, sub-point 3 of this Article shall not be given, provided the pensioner is employed, as well as in case his/her dependents are in receipt of pension.

CHAPTER 4. SOCIAL PENSIONS

Article 27. Conditions for Granting of Old Age Social Pension

1. An old age social pension shall be granted to a person having attained the age of 65 and not qualifying for a labor pension.
2. A person entitled to an old age pension may any time at his/her discretion apply for assigning of pension.
3. An old age social pension shall be granted for life.

Article 28. Conditions for Granting of Disability Social Pension

1. A disabled person not qualifying for a disability labor pension as provided in Article 12 of this Law, as well as a person who has been recognized as a “child with disability” shall be granted disability social pension.
2. The disability social pension shall be granted for the entire period of disability.

Article 29. Conditions for Granting of Survivor’s Social Pension

1. A person not entitled to a survivor’s labor pension shall be granted a survivor’s social pension.
2. The survivor’s social pension shall be granted persons as stipulated in Articles 13 and 14 of this Law.
Children having remained without a parental care, whose parents are missing shall be granted pension in the manner as established in this Article.

Article 30. Size of Social Pension

1. The size of the old age social pension shall comprise 100 percent of the basic pension.
2. The size of disability social pension shall comprise:
 - 1) for persons belonging to the first category disability group and the person recognized as “disabled child” – 140 percent of the old-age social pension;
 - 2) for persons belonging to the second category disability group – 120 percent of the old-age social pension;

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3) for persons belonging to the third category disability group – 100 percent of the old-age social pension.

3. The size of the survivor's social pension granted to each family member shall constitute 100 percent of the old-age social pension.

For each child having lost both parents the survivor's social pension shall equal to the five-fold amount of the old-age social pension.

CHAPTER 5. MANNER OF CALCULATION OF LENGTH OF SERVICE

Article 31. Length of Service and Time-Periods Calculated Towards Length of Service

1. The length of service shall constitute the duly approved aggregate of periods of employment activity and other activities not prohibited by the legislation of the Republic of Armenia in the manner as envisaged in this Law.

2. The following shall be included in the length of service:

1) the period during which the individual has entered into employment arrangements with employers (has performed hired work) and generated income as a result of execution of civil-legal contracts;

2) the period during which the individual has acted as a sole entrepreneur or worked in the capacity of a notary or during the period of paying licensed fee;

3) the period of military service as provided in Article 33, point 1, sub-points "a" and "b" of this Law (with the exception of studying at education institutions);

4) the entire period of disability if the individual has been recognized as a person with disability and has 3rd degree incapability due to an occupational injury or disease, until the individual attains the age entitling him/her to old age pension;

3. Where the individual has earned the length of service necessary for granting a pension, the following shall also be treated as part of his or her service:

1) the period of receiving unemployment benefit;

2) the period during which any of the parents (adopters, custodians) has taken care of his or her disabled child until such a child reaches the age of 18, or the period during which an individual recognized as a custodian has taken care of a person with a first degree of working incapacity where such a period shall not exceed ten years;

3) the period during which any of the parents (adopters) has taken care of each of his or her child until such a child reaches the age of two, provided the above period shall not exceed six years;

4) the period of cohabitation with one's spouse who has worked as a member of the officer or ordinary staff, military servant of additional service in places where such a person has been unable to find a job suitable for his or her occupation, provided the above period shall not exceed five years;

5) the period of cohabitation with one's spouse who has been commissioned to a diplomatic service of a diplomatic mission of the Republic of Armenia in a foreign state, provided the above period shall not exceed five years;

6) the period of full-time study at an educational institution, provided the above period shall not exceed six years.

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7) periods of arrest, imprisonment and banishment of persons subjected to repression, groundless conviction and later duly acquitted – three fold starting from 14 years of age;

8) time periods provided in Article 33, point 2, sub-point 1 of this law – three fold.

2. The Government of the Republic of Armenia shall define the manner and conditions for calculating of the length of service (including, performing of civil-legal agreements, time periods of paying taxes for working as a notary, paying of license fees), incorporation of time periods of performing employment or other activities therein and approving the length of service.
3. If it is impossible to obtain documents certifying length of service due to wars, military operations, natural disasters, accidents, catastrophes and other emergency situations, the Government of the Republic of Armenia shall establish committees defining length of service with the membership composition of representatives of executive authorities, employers, trade unions or other representatives of employees.

Article 32. Time Periods Calculated Towards the Length of Service of Civil Aviation Employees and Peculiarities of its Calculation

The periods of long service of members of the civil aviation air command, air traffic control staff and air crews shall be calculated in following manner:

1) every 20 hours of flights by a piston-engine airplane shall be treated as a one-month's service;

2) every 12 hours of flights by jet planes, helicopters, special aircrafts (sanitary flights, air-chemical works, air photography, patrol, atmospheric probing, etc.) work as members of air command, air traffic control staff and air crews of escort groups accompanying aircrafts of other states, as well as flights performed during a study at higher and secondary educational institutions for training and qualification training of members of aviation air crews shall be treated a one-month's service;

3) one year's service of air crews in emergency-rescue (search-rescue) units shall be treated as a year and a half's service;

4) one year's service in the capacity of a member of air crews of educational and sport aviation organizations of DOSAAF (Voluntary Sport Union of Support to Army and Navy) shall be treated as a year and a half's service - provided the academic-flight training plan is executed – and as a two-year's service if complex or extreme flight maneuvers have been performed;

5) one year's service of parachutists and rescuers shall the treated as a year and a half's service if the annual plan for flights from piston-engine airplanes, helicopters, airships and balloons, landings through special devices from helicopters suspended at the height of at least ten meters has been executed, and it shall be treated as two years' service if the annual plan for flights by airplanes and helicopters has been executed.

2. Failure to meet the requirements necessary for entitlement to calculation of privileged length of service as envisaged in points 1, sub-points 4 and 5 of this Article will result in calculating one year service as a one year length of service.

Article 33. Time Periods Calculated Towards a Length of Military Service and Peculiarities of its Calculation

1. For the purposes of granting long service military pension to military servants the below periods shall be calculated as length of service:
 - a) Service in ordinary or commandant positions with the respective authorities, the penitentiary service and execution service, as well as time periods of studying at education institutions within such systems, irrespective of possessing military or other ranks;
 - b) Military service in USSR military forces, USSR State Security Committee and USSR Interior Ministry systems, as well as time periods of studying at education institutions within such systems, irrespective of availability of military or other ranks;
 - c) periods of arrest, imprisonment and banishment of military servants subjected to repression, groundless conviction and later duly acquitted due to absence of any evidence that the person concerned committed the crime.
2. In case of availability of long-term length of military service required for granting of long-term service pension to military servants the following shall be calculated towards length of service in military:
 - 1) Three fold:
 - a) Time periods of military operations in the armed forces;
 - b) Time period of participation in military operations during the defense of the Republic of Armenia or military service not within the territory of the Republic of Armenia in case of performing a special military order;
 - c) Participation by military servants in works related to elimination of consequences of Chernobyl nuclear power station catastrophe during the period of April 1986 through December 31, 1987;
 - d) periods of arrest, imprisonment and banishment of military servants subjected to repression, groundless conviction and later duly acquitted due to absence of any evidence that the person concerned committed the crime;
 - e) period of uninterrupted treatment of military servants, who have been injured, contused, disabled or got a sickness during the course of military operations or when performing a special assignment;
 - f) military service in the territory of other countries where the military operations took place (except for the military servants, who have been discharged from military service or whose military rank was recalled in connection with a non-proper conduct), as well as the period of uninterrupted treatment in medical centers of such military servants in connection with the injury, contusion, disability or sickness;
 - g) other time periods as envisaged in the legislation of the Republic of Armenia .
 - 2) Two fold:
 - a) Service of military aircraft pilots, in case of performing annual flight norms;
 - b) Time period of being in hostage, provided the military servant did not voluntarily surrender as a hostage and did not commit a crime against the Republic of Armenia during the period of in a hostage;

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- c) From the period of January 1, 1961 through December 31, 1982 business trips performed by military specialists (except for pilots) to such countries, whose armies were engaged in military operations or provided military assistance to other countries;
 - d) Military service in high mountain areas, starting from January 1, 1976 – 2500 meters above the sea level and more and from August 11, 1997 – 2000 meters above the sea level and higher;
 - e) other time periods as envisaged in the legislation of the Republic of Armenia.
- 3) One and a half fold:
- a) Parachute service – in case of complying with the annual flight norms as defined by respective authorities;
 - b) Service of women in special military divisions, as per list of positions as defined by respective authorities;
 - c) Military service in territories in an emergency situation;
 - d) Military service in the Armed Forces of the Republic of Armenia from the period of February 1, 1992 through May 1, 1994;
 - e) Mountainous areas starting from April 1, 1973 – 1500 meters above the sea level and above, and from November 30, 1998 – 1700 – 2000 meters above the sea level;
 - f) Participation by military servants in works related to elimination of consequences of Chernobil nuclear power station catastrophe during the period of January 1, 1988 through December 1, 1990;
 - g) Military service in division “A” of the state body authorized in National Security system;
 - h) other time periods as envisaged in the legislation of the Republic of Armenia
- 4) One month of other activities provided it counts towards a month of military service:
- a) Before serving in the military aircraft and engineering length of service with DOSAAF (Voluntary Sport Union of Support to Army and Navy);
 - b) Time period when the military officers’ studied under the order issued by Ministry of Defense of the Republic of Armenia in Master programs in higher education institutions of the Republic of Armenia, following which such persons were drafted to the Armed forces of the Republic of Armenia, were awarded with an officer’s rank and served within a period of no less than 5 years;
- 5) One year of other activities, provided such activities count as 6 months of military service:
- a) Up to 5 years of studying in higher educational institutions of officers’ reserve staff before being drafted to the military service;
 - b) Time period when the military servants studied under the order issued by Ministry of Defense of the Republic of Armenia in higher education institutions of the Republic of Armenia, following which such military servants were drafted to the Armed forces of the Republic of Armenia, were awarded with an officer’s rank and held the officer’s position within a period of no less than 5 years.

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Persons participating in operations of defense of the Republic of Armenia shall be awarded with a status of a participant in military operations in the manner established by the Government of the Republic of Armenia.

3. For the purposes of granting long service pension in military, the procedure of calculating of the total calendar length of service in military and the privileged calculation of the military service period, as well as the list of other types of activities, the manner and requirements for calculation shall be defined by Government of the Republic of Armenia.

Article 34. Documents Certifying Length of Service and Manner of Recording Length of Service

1. For the periods recorded before January 1, 2010 the main document certifying the length of service shall be the service record book, and starting January, 1992 through January 1, 2004 also the payments of social contributions or the document certifying the receipt of salary and starting from January 1, 2004 also the data available in the information database of the state pension security system shall also serve as an evidence of the length of service.

2. For the period following January 1, 2010 the length of service shall be validated based on the data included in the database as specified in Chapter 7 of this Law.

3. In the absence of the service record book or the respective records thereof or other legally prescribed documents reflecting the length of service, an archive proof shall serve as a basis for validating the length of service. In the absence of such a proof, the length of service shall be validated in the court order.

4. The length of service shall be recorded in years and calculated by dividing the number of months of the aggregate period by 12.

5. For each calendar year the length of service may not exceed one year, other than the cases identified by this Law.

6. Starting from January 1, 2010 time periods of receiving income from work performed under civil-legal agreements, performance of services, acting as an individual entrepreneur or a notary shall be calculated towards the length of service, provided contributions have been paid in the amount of minimum annual unified tax subject to payment by a person in receipt of minimum monthly salary as defined by legislation of the Republic of Armenia, which shall serve as a basis for calculation of one year of length of service when granting pension to mentioned persons.

CHAPTER 6. GRANTING AND PAYING PENSIONS

Article 35. Granting Pensions

1. A pension shall be granted based on the written application of the citizen by the unit granting pensions in accordance with his or her place of registration in the Republic of Armenia. For individuals who have no place of registration, the pension shall be granted based on his or her place of actual residence.

A military pension shall be granted by the social security unit of the respective body.

2. The date of accepting the application on granting a pension by the unit granting pensions shall be treated as the date of granting the pension. The application shall be submitted along with all documents defined by legislation necessary for granting a pension. Where the package of documents attached to the application is incomplete the unit granting

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pensions shall accept the application and notify the applicant in writing about the documents which need to be submitted additionally.

If the citizen fails to attach to the application the documents certifying payment of social contributions or receiving of salary, the division in charge of granting pension shall acquire the statement of information about making of social contributions.

3. If the above application is delivered by mail along with the attached necessary documents, then the date indicated on the stamp of the post office shall be treated as the date of application. If the application is not attached with all the relevant documents, the unit granting pension shall accept the application and within three working days notify the applicant in writing about the list of documents that still need to be submitted.

4. If all necessary documents are submitted within three months after the receipt of the notice, the date of accepting the application on granting a pension or the date indicated in the stamp of the post office shall be treated as the date of application.

5. Within ten working days after accepting the application on granting the unit granting pensions shall review the mentioned documents and take a decision on granting or rejecting a pension.

In the event of taking a decision on rejecting the application the unit granting pensions shall send a written notice to the applicant within five working days along with indicating the reason for rejection, the procedure for appealing the decision.

6. The list of documents necessary for granting pensions, the procedure for filing applications on granting (recalculating) pensions, changing their types, paying pensions and maintaining pension files shall be established by the Government of the Republic of Armenia.

Article 36. Timing for Granting Pension

The pension shall be granted:

- 1) from the day of submitting the application;
- 2) from the day the state competent body conducting expert medical-social investigation recognizes the individual as a person with disability, if the application on granting a pension has been filed within three months after such a day;
- 3) from the day of death of the benefactor, if the application on granting a pension has been filed within six months after such a day;
- 4) from the day of retiring from military service, provided the military servant retired from his/her service in a due manner and submitted the application within six months after retiring.

Article 37. Paying of a Disability Pension

1. Disability pension shall be paid for the period of the disability.
2. In case of changing the disability group the pension with a new size shall be paid starting from the first day of the month following occurrence of that event.
3. In case a person is not recognized as disabled by a medical-social examination, the pension shall be paid through the end of the month when the disability is lifted.
4. If within three months upon expiry of disability the person undergoes another expert examination and is again recognized as disabled, paying of pension shall be commenced from the date it was suspended. In the event the expert examination recognizes

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the person as disabled the same amount of pension shall be paid to that person for such period of time.

5. Provisions of this Article shall apply also to a person recognized as “a disabled child”.

Article 38. Paying of Survivor’s Pension

1. In case of losing the bread winner the survivor’s pension shall be paid to a capable person or one of the minors, who is entitled by law to dispose of his/her income or to the guardian.

2. The pension amount shall be modified or paying of pension to family members shall be terminated starting from the first day of the month following expiry of entitlement to survivor’s pension as envisaged in Article 13 of this Law.

3. In case of losing the benefactor all family members entitled to a survivor’s pension shall receive a joint pension.

At the request of a family member his/her portion of survivor’s pension shall be paid to him/her separately, starting from the first day of the month following submission of an application on separate payment of the survivor’s pension.

4. In case of changes in the number of family members entitled to survivor’s pension the amount of the pension shall be respectively adjusted starting from the first day of the month following occurrence of such a change.

Article 39. Changing the Type of Pension

1. The unit granting pensions shall change the type of pension at the beneficiary’s wish before the latter becomes eligible for an old age pension.

2. Upon becoming eligible for an old age pension as stipulated by this Law, regardless of the fact whether the beneficiary has filed an application or not, an old age pension shall be granted instead of the privileged, partial, long service of civil aviation employees. In the event of receiving or becoming eligible for a disability pension or survivor’s pension, the type of pension shall be changed based on the written application of the beneficiary.

3. The type of the pension shall be changed from the 1st day of the month after the origination of circumstances leading to such a change.

4. When changing the type of the pension the length of service duly calculated before the effectiveness of this Law based on the documents contained in the pension case shall be subjected to no changes.

Article 40. Recalculation of Pension

1. The occupational pension benefit shall be recalculated in case of changes in size of the basic pension, the yearly service value and/or the pensioner’s individual coefficient.

2. The social pension shall be recalculated in case of changes in the size of the basic pension.

3. Military pension shall be recalculated in case of changes in the amount of military compensation and/or the size of the basic pension.

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4. The retiree's pension benefit may be recalculated once a year after granting his/her old age or disability pension if the retiree has an employment record of at least six months.

5. The recalculation shall be performed from the 1st day of the next month after occurrence of events giving room for recalculation.

Article 41. Procedure for Paying Pensions

1. The full amount of pension for each month shall be payable by the 20th day of the concerned month.

2. The costs of paying pensions shall be incurred at the expense of the State budget.

3. The payment of pensions granted as per this Law shall be effected by the organization selected in accordance with the Law of the Republic of Armenia on Procurements, or at the discretion of the beneficiary, any other organization delivering payment services.

4. Pension of a pensioner granted from January 1, 2010 may also be paid as a non-cash transaction via a bank transfer to the account of the pensioner.

Article 42. Payment of Pensions Based on Power of Attorney

1. Pensions may be paid based on a power of attorney.

2. The pension may be paid based on a power of attorney for 12 months from the month when the beneficiary fails to receive his or her pension in person.

3. Terminated payment of pensions shall not be resumed on the basis of a power of attorney.

Article 43. Payment of Non-received Pensions

1. The amount of non-received pensions shall be paid for the entire past period after this law becomes effective.

2. Terminated pension shall not be paid by a power of attorney, with the exception those cases when the pension files of individuals who leave (or have left) for permanent residence to states which have entered into inter-state agreements on pension security with the Republic of Armenia are forwarded to Armenia, in which case the due non-received amount shall be payable to the beneficiary as prescribed by this Article.

3. The amount of pension not paid to the beneficiary through the fault of the unit granting pensions shall be payable for the whole past period.

4. The amount of pension not received by the beneficiary in the cases specified in Parts 1, 2 and 3 of this Article shall be paid in the form of a lump-sum amount.

5. The amount of pension not received by the beneficiary due to his or her death shall be payable to his or her family member upon submission of an application and necessary documents to the unit granting pensions within six months after the beneficiary's death. The amount of pension not received due to non-submission of an application shall be subject to bequeathal within the specified timeframe.

The list of the required documents and procedure for their submission shall be established by the Government of the Republic of Armenia.

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Article 44. Payment of Pension Benefits to Retirees Residing in State Social Protection Institutions

1. A child residing in an orphanage shall be paid 50% of survivor's pension.

Until attaining the age of 18 or before duly leaving the orphanage, such amounts shall, in a manner as defined by the state government body authorized in the pension system, be accrued in a special account opened in the name of the child and specifically operated for such purposes and shall be paid to the child within month following the day when the child attains the age of 18 or duly leaves the orphanage.

2. Retirees residing in social protection institutions (old age boarding houses) shall be paid the occupational portion of their granted pensions and to persons receiving military pension – 50% of the pension.

3. Pensions paid to Retirees residing in social protection institutions shall be paid in a manner as defined by the state government body authorized in the pension system.

Article 45. Granting and Payment of Pensions to Persons in Places of Deprivation of Liberty

A person in a place of deprivation of liberty shall apply to the head of the penitentiary institution in writing for issues regarding granting and paying of pension and undergoing a medical expert examination.

Based on the application of the detainee/prisoner, the head of the penitentiary institution shall prepare the documents required for granting, paying or subjecting the detainee/prisoner to a medical expert examination as defined by legislation.

Prisoners shall be granted and paid pensions, as well as undergo a medical expert examination in line with the procedure established by the Government of the Republic of Armenia.

Article 46. Termination and Resumption of Pension Payments

1. The payment of pension shall be terminated in the following cases:

- 1) beneficiary was deceased or was recognized as deceased or missing for unknown reasons;
- 2) Expiration of the disability period;
- 3) if the beneficiary has failed to receive his or her pension for twelve successive months;
- 4) if the period for paying a survivor's pension expires or is the beneficiary is no longer eligible for a pension;
- 5) if the beneficiary becomes employed after a pension specified in Article 9, Point 4, Article 13, point 1, sub-points "c", "d", "e" and "f" of this Law is granted to him or her;
- 6) in case a person takes a civil service position after being granted military pension;
- 7) if the beneficiary is no longer eligible for the pension or as a result of detecting faked (inaccurate) documents in his or her pension file.

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In case of losing the right of residence in the Republic of Armenia the social pension shall be terminated from the first day of the month following occurrence of the event.

In the cases specified in sub-points 1-6, Point 1 of this Article the payment of pension shall be terminated from the 1st day of the next month after the origination of these circumstances, and in the case specified in sub-point 7 the payment of pension shall be terminated from the day of detecting the fact.

2. The payment shall be resumed in the following cases:

1) from the 1st day of the next month after the receipt of the beneficiary's written application filed after the court order on acknowledging void the decision on recognizing the beneficiary as deceased or absent for unknown reasons;

2) from the day of terminating payment of the survivor's pension of the beneficiary who has reached 18, if within three months after the day of termination the individual files a certificate proving his or her study at an educational institution, and where the individual submits such a certificate after the above time-period, the terminated payment of the pension shall be resumed from the 1st day of the next month after the submission of the individual's written application.

3) from the 1st day of the next month after the individual reaches the retirement age where a pension is granted as per Part 4, Article 9 of this Law.

4) From the day of termination of pension, provided within three months upon expiry of the disability term the person is again recognized as disabled. Pension shall be paid on the basis of the document issued by the state authorized body in charge of medical expert examination.

Within 12 months upon expiry of the disability term, the pension shall be paid on the basis of the document issued by the state authorized body in charge of medical expert examination, whereas in case of being recognized as disabled after the mentioned time period – on the basis of the written application of the person. Paying of pension shall be resumed starting from the first day of the month following submission of the written application and all required documents by the pensioner.

In the event of resuming the pension payment, the eligibility for the concerned pension shall not be revised. In this case the pension amount shall be calculated taking into account the size of the official basic pension, yearly service value and individual coefficient of the beneficiary.

Article 47. Payment of Pension in Case of Changing Place of Residence

1. Where the pension beneficiary changes his or her place of residence, the unit granting pensions in the new place of residence shall pay the beneficiary's pension after receiving his or her pension file from the unit servicing his former place of residence. The payment of the beneficiary's pension shall resume from the day its payment is terminated in the former place of his residence.

2. The pension file shall be forwarded to the respective unit which grants pensions in the beneficiary's new place of residence based on the request of the pension unit on the basis of the beneficiary's application within one month.

3. The unit which forwards the pension file to the unit of the new place of residence of the beneficiary shall also send a proof on the most last payment of pension.

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Article 48. Withholdings from Pensions

1. Amounts may be withheld from the pension:
 - 1) Based on valid court orders and decisions;
 - 2) Based on the decision of the unit granting pensions for the place of factual residence of pension beneficiaries concerning any excess amounts paid out to beneficiaries as a result of submitting documents with inaccurate information, or failure to submit information about changes in the number of their family members, but the withheld amount may not exceed 15 percent of the granted pension.:
2. The withholdings from pensions shall be calculated from the monthly amount of the pension benefit payable to the beneficiary.
3. The total amount of withholdings from the pension benefit may not exceed 30 percent of the pension benefit.

Article 49. Payment of Funeral Benefit in Case of Pension beneficiary's Death

1. In the event of the death of a pension beneficiary, as well as an individual who has failed to pass a re-investigation within three months after the expiration of the term for re-investigation of his disability, the person who has arranged his funeral shall be paid a funeral benefit provided such a person submits an application and the necessary supporting documents to the unit granting pensions within six months after the death of the pension beneficiary.
2. Where an individual passes away and before his death he has been recognized as disabled by the state competent body conducting expert medical-social investigation but has failed to apply for a pension dies, a funeral benefit as per Part 1 of this Article shall be paid to the person who has arranged the individual's funeral, provided the individual with disability has died within 3 months after he or she is official recognized as disabled.
3. Funeral benefit shall be paid in the manner as envisaged in point 1 of this Article to the person having incurred the funeral expenses of the former military servants retired from service in a due manner, who were recognized as disabled by the state authorized body in charge of medical expert examination and qualifying for a pension, who however failed to apply for pension and were deceased within a period of six months following retiring or being recognition as disabled.
4. The funeral benefit shall be paid within a month period following submission of the application.
5. From January 1 of each year the size of the funeral benefit shall be adjusted based on the consumer price index as calculated in conformity with Article 17 of this Law.
6. The size of the funeral benefit shall be established on an annual basis under the State Budget Law of the Republic of Armenia, based on the requirements of Part 5 of this Article.
7. The size of the funeral benefit may not be less than its previously applicable size.

CHAPTER 7. DATABASE IN THE STATE PENSION SECURITY SYSTEM

Article 50. Purpose of Creating Database in the State Pension Security System

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The purpose of creating the database of the state pension security system (hereinafter referred to as the database) shall be to ensure the realization of the individual's right to pension security.

Article 51. Data Incorporated in the Database

1. The database shall incorporate the following:
 - 1) the below data about individuals, as well as pensioners:
 - a) number of the social security card or the proof certifying its absence, TIN (if available);
 - b) first, middle and last names, day, month and year of birth, day, month and year of death if the individual is deceased;
 - c) sex;
 - d) address of registration and (or) actual residence;
 - e) serial and successive passport number of the citizen of the Republic of Armenia (if the person is under 16 – the birth certificate data), serial and successive number of the residency card of the foreign citizen and stateless person;
 - f) citizenship;
 - g) information about the periods of other legally prescribed activities counted towards the length of service;
 - 2) in respect of hired employees, also:
 - a) day, month and year of recruitment and dismissal;
 - b) identification data of documents supporting the employment arrangements (contract, order, etc.), occupation (position), period of employment activity entitling the individual to pension with privileged conditions;
 - c) identification data of the employer(s), TIN, full name, location and the state registration address, day, month, year and number of state registration;
 - d) size of income subject to taxation by income tax, and amount of paid income tax as by employers and months;
 - 3) in respect of a sole entrepreneur, also:
 - a) taxpayer identification number, day, month and year of state registration, day, month and year of terminating the business activities,
 - b) day, month and year of suspending the business activity (temporarily handing the state registration certificate to the tax body) and re-launching the business activity (receiving back the state registration certificate from the tax body),
 - c) size of income subject to taxation by income tax, and amount of calculated and paid income tax (or any other tax or fee substituting the income tax),
 - 4) in respect of a notary, also:
 - a) day, month and year of appointment in the position and dismissal,
 - b) size of income subject to taxation by income tax, and amount of calculated and paid income tax, day, month and year of tax payment;
 - 5) in case of gaining income from performing works, delivering of services performed within the framework of civil-legal relationships – also the time period of receiving income, the size of income gained from a unified tax object, amount of unified tax calculated and paid, day, month and year of tax payment;
 - 6) for license fee payers, also - day, month and year of registration with the tax authority, the time period of license fee payment.

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2. The database shall also include information about the day, month, year of granting pensions, size of pensions, as well as data on pensioners as specified by the Government of the Republic of Armenia.

Article 52. Creating and Maintaining the Database

1. The database shall be created on the basis of the data received from the tax body, as well as the data provided by citizens for pension assignment to the unit of the authorized body in charge of granting pensions (hereinafter referred to as the unit granting pensions).

2. The database shall be operated by the authorized body.

3. The procedure for creating and maintaining the database, the data received from the tax body as identified in Part 1, Article 32 of this Law shall be established by the Government of the Republic of Armenia.

4. The data contained in the database shall be protected as prescribed by law.

CHAPTER 8. POWERS OF THE AUTHORIZED BODY, RESPONSIBILITIES AND RIGHTS OF ORGANIZATIONS AND CITIZENS; PROCEDURE OF SETTLEMENT OF PENSION-RELATED DISPUTES

Article 53. Powers of Authorized Body

The authorized body shall:

1) develop and implement the unified policy for the state pension security;

2) oversee the legality of implementation of the legislation in state pension security;

3) carry out the methodological guidance of granting (recalculating) and paying pension benefits;

4) prepare the respective government programs for the system and ensure their execution;

5) prepare the annual government report on the pension security of population of the Republic of Armenia and within two months after the completion of each calendar year promulgate the above report after it has been approved by the Government of the Republic of Armenia;

6) request documents from employers, other government bodies and organizations, individuals necessary for granting and paying pensions, and in the cases identified by the GoA the authorized body shall check their accuracy;

7) in the manner established by the Government of the Republic of Armenia, receive data from the tax authorized body necessary for developing the database, and in the cases and manner set out by the Government of the Republic of Armenia the authorized body may check the accuracy of such information;

8) in the manner established by the Government of the Republic of Armenia, set forth proposals to the tax body with a view to verify the accuracy of data incorporated in the database and make changes thereto;

9) within its powers discuss cases of violations occurred in the pension sector;

10) in the cases and manner prescribed by legislation grant, recalculate pensions, secure paying of pensions or reject applications on granting, recalculating pensions;

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11) in the manner as established by the Government of the Republic of Armenia administer the database, provide data from the database to employers, individuals, government agencies and organizations;

12) in the manner prescribed by law consider the applications on granting, and recalculating and paying of pensions;

13) within 10 days after taking a decision on granting a pension, issue a free pension certificate to the beneficiary in the format approved by RA Government;

14) provide counseling to citizens having addressed pension related issues and assist them in getting the required documents when necessary;

15) cooperate with the appropriate non-governmental and international organizations and physical entities;

16) perform other functions as specified in the provisions of this Law and other legal acts.

Article 54. Rights and Responsibilities of Individuals and Legal Entities and Organizations

1. The individuals, legal entities and organizations shall be entitled to:

1) receive advice and methodological clarifications from the authorized body about the operations of the pension system, file applications to the authorized body on issues related to pension security;

2) in the manner established by GOA receive data concerning himself/herself from the database of the authorized body and suggest recommendations to the authorized body on making amendments to such data;

3) apply to the authorized body for the purpose of granting a pension, recalculating the pension, changing the type of the pension, resuming the payment of the pension.

2. The individuals, legal entities and organizations shall be obligated to submit documents and accurate data required by the GoA when applying for granting a pension, recalculating the granted pension, changing the type of the pension, resuming the payment of the pension.

Article 55. Obligations of a Pensioner

A pensioner shall be obligated to:

1) submit authentic data about himself/herself to the authorized body;

2) notify the unit granting pensions about any circumstances whose presence leads to a change in the size of his or her pension or termination of its payment.

Article 56. Contesting Decision on Pension-Related Issues

The decisions taken by the unit which is in charge of granting pension benefits may be contested in the order of hierarchy or through the court.

Article 57. Responsibility for Infringing Pension Security Legislation

Responsibility for infringing the pension security legislation shall be laid down by law.

Article 58. Regulations on Application of Law

The state authorized pension authority shall, within the scope of its authorities, adopt regulations on application of the Law.

CHAPTER 9. CLOSING PART AND TRANSITIONAL PROVISIONS

Article 59. Closing Part

1. This Law shall become effective from January 1, 2010.
2. The Law of the Republic of Armenia on State Pensions (HO-519) of November 19, 2002 shall be revoked from the moment this Law comes into force.

Article 60. Transitional Provisions

1. In the event of submitting additional documents for re-calculation of the pension granted before the effectiveness of this Law, such a pension shall be re-calculated in line with the procedure laid down in this Law. In this case the periods of employment under particularly heavy, particularly harmful condition, periods reflected in hours of flight of civil aviation employees, periods validated by testimony, periods of child care, full-time study at educational institutions as duly incorporated in the length of service reflected in the pension case shall be subjected to no changes.

2. The yearly service value shall be adjusted based on the consumer price index starting January 1, 2012, and the size of basic pension – starting January 1, 2012.

3. Until 2012 the yearly service value, and until 2018 the size of the basic pension shall be established by the Government of the Republic of Armenia.

Starting 2021 the amount of the social pension shall amount to 80% of the basic pension.

4. Until 2012 the size of the funeral benefit shall be equal to the 25-fold amount of the basic pension.

5. The data included in the personified (individual) record keeping database, as well as the data of the pension beneficiaries' recording database created before the effectiveness of this Law shall also be incorporated in the database of state pension security system in conformity with the procedure established by the Government of the Republic of Armenia.

6. The data of the personified (individual) record keeping database created before the effectiveness of this Law shall be aggregated (in addition, the data for 2009 shall be submitted to the authorized body) in conformity with the procedure established by the Government of the Republic of Armenia.

7. Before enforcement of this Law the amounts of non-received pension are paid for a period not exceeding 3 years.