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**Law No. (13) of 2022 amending Some Provisions of Law No. (13) of 1975 regarding the Regulating of Pensions and Retirement Benefits for Government Employees**

We, Hamad bin Isa Al Khalifa, King of the Kingdom of Bahrain.

Having reviewed the Constitution;

Law No. (13) of 1975 regarding the Regulating of Pensions and Retirement Benefits for Government Employees, as amended;

Law regarding the Regulation of Retirement Pensions and Gratuities for Officers and Personnel of the Bahrain Defence Force and Public Security, promulgated by Legislative Decree No. (11) of 1976, as amended;

Social Insurance Law promulgated by Legislative Decree No. (24) of 1976, as amended;

Law No. (68) of 2006 approving the Unified System for Extending Social Insurance Protection to the citizens of the Gulf Cooperation Council countries working in countries other than their own in any member state of the Council;

Law No. (3) of 2008 regarding the Social Insurance Organization, as amended by Law No (33) of 2014;

Civil Service Law promulgated by Legislative Decree No. (48) of 2010, as amended;

Legislative Decree No. (45) of 2018 regarding the Retirement System for Ministers and the Like, and Retirement Gratuities for Members of the Shura and Representatives Councils, and Municipal Councils;

And Legislative Decree No. (21) of 2020 regarding retirement funds and pensions in pension and insurance laws and systems;

The Shura Council and the Council of Representatives have approved the following Law, which we have ratified and enacted:

**Article One**

The texts of Articles (1) clauses (c) and (e), and (4) first paragraph, and (7) third and fourth paragraphs, and (11), (13), (15), (37) the first paragraph, and (41), (43) and (55) of Law No. (13) of 1975 regarding the Regulating of Pensions and Retirement Benefits for Government Employees shall be replaced with the following texts:

**Article (1) clauses (c) and (e):**

**c-** **Employee:** The Bahraini national who has a regulatory or contractual relationship with the Kingdom and has reached the age of eighteen, and is employed by the government. This term includes both permanent employees and temporary employees working under a fixed-term contract on a full-time basis throughout working days, receiving the salary and benefits prescribed for the position held or a fixed salary.

**e- Last Basic Salary:** The average basic salary for the last five years preceding the retirement date divided by (12). And if the duration of service is less than five years, based on the last basic salary according to the average salary of the employee during this period.

**Article (4) first paragraph:**

The period of service that is calculated in retirement is the actual duration spent in one of the positions specified in Article (2) of this law or in positions covered by previous pension systems. The calculation of the service period shall include the duration of optional insurance, secondment, and study missions for employees, as well as the duration of study missions for students following higher education based on the request of the employing authority as well as different types of leaves, including educational leaves, and the percentage specified in Article (11) of this law shall be deducted from the salary during these periods. Fractions of a year shall added together and rounded up to a year if they reach six months or more. Contributions shall be refunded if they are below this threshold. In addition, employees shall be allowed to complete fractions of a year by continuing contributions in accordance with the second paragraph of Article (12) of this Law.

**Article (7) Second and Third Paragraphs:**

For employees subject to the provisions of this Law, they have the right to request the inclusion of virtual service periods for their calculated retirement service period, provided that these periods are full years and do not exceed five years. The condition is that the retirement service period does not exceed forty years after inclusion when the service ends. The employee shall not have previously benefited from the inclusion of the maximum limit of virtual service years under any retirement or insurance laws in effect. This is in exchange for payment of an amount determined according to Schedule No. (6) attached to this law, with the payment being either a lump sum or in monthly instalments according to Schedule No. (5) attached to this Law.

Virtual service periods shall not be included in the service period calculated in retirement that is used to determine the employee's substitutionary rights, except when the employee reaches the age of fifty or upon the termination of their service, whichever comes first. The virtual service periods shall be included in the service period calculated in retirement after paying its full cost.

**Article (11):**

A deduction of (7%) of the employee's basic salary shall be withheld, and the deduction shall be made in equal monthly instalments from the salary.

The government contributes with(20%) of the employee's basic salary.

The Council of Ministers may, based on the Minister's proposal, decide to increase the government's contribution percentage.

The Minister issues a decision outlining the necessary procedures to be followed in paying contributions and the government's contribution.

**Article (13):**

An employee shall eligible for a retirement pension when they have completed the following years of service:

a- Fifteen full years if the termination of service occurs upon reaching the normal retirement age.

b- Twenty full years if the termination of service is due to job termination, dismissal without disciplinary action, retirement at the employee's request, or termination by disciplinary decision or court judgement.

c- Twenty-five full years if the termination of service is due to resignation.

d- Twenty full years if the termination of service is due to resignation, and the employee has reached the age of fifty.

**Article (15):**

If the termination of service is due to job cancellation or employee dismissal without disciplinary action, the employee shall be eligible for a pension when their length of service reaches twenty years. The pension is calculated based on adding five years to this service period, and the cost of this addition is covered by the employer in accordance with Schedule No. (6) accompanying this Law, provided that it does not exceed the remaining period until reaching the age prescribed for leaving the service.

Article (37) first paragraph:

It is not permissible to receive more than one pension eligible according to the provisions of this Law or any other retirement or insurance law or system. If entitled to more than one pension, the pension with the larger value shall be paid or the difference shall be provided to the entitled individual.

**Article (41):**

The salary on which the gratuity is calculated is the last basic salary. Fractions of a month shall be considered a full month.

**Article (43):**

If the termination of service is due to job cancellation or employee dismissal without disciplinary action, or retirement on grounds other than eligibility for a pension, and the length of service does not qualify for pension entitlement, the employee shall be entitled to the specified gratuity according to Article (39) of this Law. The gratuity shall be paid to them with an additional half, and the cost of this addition shall be borne by the employer, while taking into consideration the provisions of Article (40) of this Law.

**Article (55):**

A special account for insuring work-related injuries specified in this Law shall be established in the Retirement and Social Insurance Fund. Its funds shall consist of monthly contributions that the government commits to, amounting to (3%) of the basic salary of each employee subject to the provisions of this Law. These contributions shall be deducted from the government's contribution to the retirement system specified in this Law.

**Article Two**

The word "salary" shall replace the word "wage", and the word "the salary" shall replace the word "the wage", and the word "with a salary" shall replace the word "with a wage", and the word "minister" shall replace the phrases "Minister of Finance" and "Minister of Finance and National Economy", wherever they appear in the texts of Law No. (13) of 1975 regarding the Regulating of Pensions and Retirement Benefits for Government Employees.

The phrase "Kingdom of Bahrain" shall replace the phrase "State of Bahrain" and the word "Kingdom" shall replace the word "State" wherever they appear in the texts of the Law No. (13) of 1975 regarding the Regulating of Pensions and Retirement Benefits for Government Employees.

**Article Three**

A new clause No. (n) shall be added to Article (1) of Law No. (13) of 1975 regarding the Regulating of Pensions and Retirement Benefits for Government Employees, and a new article No. (4) bis, second paragraph shall be added to Article (12), and a new article No. (21) to the same law, with the following texts:

**Article (1) Clause (n):**

**n-** **Minister:** The Minister responsible for supervising the Authority.

**Article (4) bis:**

Taking into consideration the provisions of clause (g) of Article (1) of this Law, the employee may continue working optionally until the age of sixty-five. The competent authority may approve the employee's continuation of work after the age of sixty-five as necessitated by work needs. These periods shall be included within the calculated service period for retirement, not exceeding forty years of service.

**Article (12) second paragraph:**

However, if the employee's service ends for any reason and he is not eligible for a retirement pension according to any of the retirement or insurance laws and systems, he shall have the right to optionally continue in the retirement system, provided they have an actual service period of no less than five years. The employee shall submit a request to the authority within the first year following the end of their service and before settling their retirement rights. The employee shall commit to paying the full due contributions to the authority, equivalent to the sum of his contributions and the government's share, excluding the contribution percentage for work injury insurance stipulated in Article (55) of this Law. His new contribution period shall be calculated within the service period considered for retirement. This shall be in accordance with the procedures and controls issued in a decision by the Minister based on a recommendation from the authority's board of directors.

**Article (21):**

Upon the employee's request, the authority may convert the eligible bonus according to clause (2) of Article (20) of this Law into an additional pension calculated according to clause (1) of Article (20), provided that the total pension and additional pension do not exceed 90% of the last basic salary. If the service period exceeds forty-five years, the employee shall be entitled to a benefit equivalent to 15% of the last paid salary subject to contributions, for each year beyond forty-five years, up to a maximum of two years.

**Article Four**

A new schedule numbered (6) shall be added to the attached schedules of Law No. (13) of 1975 regarding the Regulating of Pensions and Retirement Benefits for Government Employees.

**Article Five**

Upon the entry into force of the provisions of this law, the last basic salary shall be calculated on the basis of the average basic salary for the last two years preceding the retirement date, and shall be raised gradually by one additional year every twelve months starting from the month of January following the entry into force of this law until it reaches the last five years preceding the retirement date.

**Article Six**

With regard to the application of the provisions of the first paragraph of Article (11) of Article One of this Law, the deduction percentage shall be (6%) of the employee's basic salary, and it shall be increased at the beginning of the year following the entry into force of the Law to be the share specified in the same Article.

**Article Seven**

The provisions of the replacement mentioned in Article One of this Law shall not apply to the employee eligible for pension entitlement upon entry into force of this Law until one year has passed from its entry into force date, except for articles (11) and (55).

**Article Eight**

Pensions due under the provisions of Law No. (13) of 1975 regarding the Regulating of Pensions and Retirement Benefits for Government Employees shall be increased by (3%) for the year 2021, not exceeding 30 dinars, and (3%) for the year 2022, not exceeding 30 dinars, upon the entry into force of the law.

**Article Nine**

Articles One and Two of Legislative Decree No. (16) of 1982 amending Some Provisions of Law No. (13) of 1975 regarding the Regulating of Pensions and Retirement Benefits for Government Employees shall be repealed. Article (17) of Law No. (13) of 1975 regarding the Regulating of Pensions and Retirement Benefits for Government Employees shall be repealed as well as any text that conflicts with the provisions of this Law.

**Article Ten**

The currently applicable decisions shall remain in effect as long as they do not contradict the provisions of this Law, until the necessary decisions are issued to implement its provisions.

**Article Eleven**

The Prime Minister and the ministers - each within his jurisdiction - shall implement the provisions of this Law, and it shall come into force from the day following the date of its publication in the Official Gazette.

**King of the Kingdom of Bahrain**

**Hamad bin Isa Al Khalifa**

Issued in Riffa palace:

On: 17 Ramadan 1443 A.H.

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