# Kyrgyzstan

Exchange rate: US\$1.00 = 68 soms.

# Old Age, Disability, and Survivors

### Regulatory Framework

**First law: 1922.** 

Current laws: 1997 (state pension), 2004 (contribution rates), 2008 (individual accounts), and 2017 (state benefits).

**Type of program:** Social insurance, notional defined contribution (NDC), mandatory individual account, and social assistance system.

#### Coverage

**Social insurance, NDC, and mandatory individual account:** Employed persons, self-employed persons, and members of cooperatives and state and collective farms.

Special system for military personnel.

Special provisions for workers in aviation and the performing arts, and for citizens recognized by the government for meritorious service to the nation.

**Social assistance:** Resident citizens of Kyrgyzstan and certain foreign citizens residing in Kyrgyzstan.

#### Source of Funds

**Insured person:** 8% of monthly earnings (social insurance and NDC) plus 2% of monthly earnings (mandatory individual account); 10% of monthly earnings (social insurance and NDC) if up to 15 years younger than the normal retirement age.

The insured person's contributions also finance sickness, maternity, work injury, and unemployment benefits.

**Self-employed person:** 10% of average monthly earnings for most categories of self-employed persons; 3% to 6% of average monthly earnings for certain merchants, depending on the insured's activity.

The self-employed person's contributions also finance medical benefits.

**Employer:** 15.25% of monthly payroll.

The employer's contributions also finance sickness, maternity, and work injury benefits.

**Government:** The total cost of social assistance benefits and constant attendance supplements for persons with disabilities.

### **Qualifying Conditions**

Old-age pension (social insurance, NDC, and mandatory individual account): Age 63 with at least 25 years of covered employment (men) or age 58 with at least 20 years of covered employment (women).

Covered employment includes periods of study, maternity leave, caring for persons with disabilities, registered unemployment, and other leave periods approved by special decree.

The qualifying conditions are reduced for periods of fulltime underground work, full-time work in hazardous conditions, Chernobyl disaster-related work, for mothers with five or more children or at least one child with a disability, and for little people.

Partial pension: Meets the age requirement for the oldage pension but has less than 25 years (men) or 20 years (women) of covered employment.

Early pension: Age 60 with at least 40 years of covered employment (men) or age 55 with at least 35 years of covered employment (women).

Old-age pension supplement: Paid to persons aged 80 or older, World War II veterans, Chernobyl disaster workers, persons with a Group I (requires constant attendance) disability, caregivers of persons with a Group II (total disability with an 80% loss of mobility) disability, and single persons with a Group II disability.

The old-age pension is payable in the Russian Federation under bilateral agreement.

**Old-age social pension (social assistance):** Age 65 (men) or age 60 (women) and does not qualify for an earnings related old-age pension. There is no income test.

Disability pension (social insurance and NDC): Must be assessed with a Group I (total disability and requires constant attendance), Group II (total disability with an 80% loss of mobility), or Group III (partial disability with some loss in working capacity) disability, and meet a covered employment requirement that varies based on the insured's age when the disability began: at least one year of covered employment if younger than age 23; two years if aged 23 to 25; three years if aged 26 to 30; or at least five years if aged 31 or older.

Covered employment includes periods of study, maternity leave, caring for persons with disabilities, registered unemployment, and other leave periods approved by special decree.

An expert commission of the Ministry of Labor and Social Development assesses the degree of disability.

Constant-attendance supplement: Paid if the insured requires the constant attendance of others to perform daily functions.

Partial pension: Paid with less than the required number of years of covered employment for a total disability pension.

Disability pension supplement: Paid to a person with a Group I disability, single persons with a Group II disability, and Chernobyl disaster workers.

The disability pension is payable in Russia under bilateral agreement.

Disability social pension (social assistance): Paid to persons with a disability that began in childhood, children with disabilities younger than age 18; and persons assessed with a Group I (total disability and requires constant attendance), Group II (total disability with an 80% loss of mobility), or Group III (partial disability with some loss in working capacity) disability who do not receive any other pension.

Survivor pension (social insurance and NDC): Must meet a covered employment requirement that varies based on the insured's age at the time of death: at least one year of covered employment if younger than age 23; two years if aged 23 to 25; three years if aged 26 to 30; or at least five years if aged 31 or older.

Covered employment includes periods of study, maternity leave, caring for disabled persons, registered unemployment, and other leave periods approved by special decree.

Eligible survivors include a dependent spouse older than age 58 (at any age if disabled); children younger than age 16 (age 23 if a full-time student); nonworking dependents with disabilities, including sisters, brothers, and grandchildren younger than age 16; and parents older than the normal retirement age (at any age if disabled).

The survivor pension is not payable abroad if the pensioner emigrates permanently.

Survivor social pension (social assistance): Paid to children younger than age 16 (age 23 if a full-time student) when the family breadwinner dies and he or she was not entitled to receive an earnings related old-age or disability pension. There is no income test.

**Funeral grant (social insurance and NDC):** Paid when an insured person or a pensioner dies.

**Funeral allowance (social assistance):** Paid when an employed person, an unemployed person, a self-employed person, or a social assistance beneficiary dies. The benefit is also paid when certain dependent persons die.

### **Old-Age Benefits**

Old-age pension (social insurance, NDC, and mandatory individual account): The monthly benefit is the sum of several components: a basic flat-rate benefit, a social insurance component, an NDC component, and a benefit from the mandatory individual account.

The basic flat-rate benefit is 1,780 soms or 12% of the national average monthly wage in the last year, whichever is greater.

The national average monthly wage is 15,670 soms (2017).

The social insurance component is calculated as the insured's average monthly earnings for 60 consecutive working months multiplied by 1% for every complete year of insured employment before 1996.

The maximum average monthly earnings used to calculate the social insurance component are 50 times the basic rate.

The basic rate is 100 soms a month.

The NDC component is calculated as accumulated contributions (of at least one year) since 1996 divided by 12 months and multiplied by a coefficient based on life expectancy of the insured's cohort at retirement age.

The individual account benefit is based on the account balance at retirement

Partial pension: A percentage of the full pension is paid based on the number of years of covered employment.

Early pension: Calculated in the same way as the old-age pension.

Old-age pension supplement: 50% to 475% of the basic rate is paid monthly.

There is no maximum monthly old-age pension.

Benefit adjustment: Benefits are adjusted periodically based on changes in the national average wage and the consumer price index.

**Old-age social pension (social assistance):** 1,000 soms a month is paid.

#### Permanent Disability Benefits

**Disability pension (social insurance and NDC):** If assessed with a Group I or Group II disability, the monthly pension is the sum of several components: a basic flat-rate benefit, a social insurance component, and an NDC component. If assessed with a Group III disability, 50% of the full disability pension is paid.

The flat-rate benefit is 1,780 soms or 12% of the national average monthly wage in the last year, whichever is greater.

The national average monthly wage is 15,670 soms (2017).

The social insurance component is calculated as the insured's average monthly earnings for 60 consecutive working months multiplied by 1% for every complete year of insured employment before 1996.

The maximum average monthly earnings used to calculate the social insurance component are 50 times the basic rate.

The basic rate is 100 soms a month.

The NDC component is calculated as accumulated contributions (of at least one year) since 1996 divided by 12 months and multiplied by a coefficient based on life expectancy of the insured's cohort at retirement age.

Constant-attendance supplement: 200% of the basic rate is paid monthly for blind persons and 100% of a specified rate for other categories of disabilities.

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Partial pension: A percentage of the full pension is paid based on the number of years of covered employment.

Disability pension supplement: 50% to 475% of the basic rate is paid monthly.

There is no maximum monthly disability pension.

Benefit adjustment: Benefits are adjusted periodically based on changes in the national average wage and the consumer price index.

**Disability social pension (social assistance)**: 2,000 soms a month (4,000 soms if disabled before age 18) is paid for a Group I disability; 1,500 soms (3,300 soms if disabled before age 18) for a Group II disability; or 1,000 soms (2,700 soms if disabled before age 18) for a Group III disability.

#### Survivor Benefits

**Survivor pension (social insurance and NDC):** 50% of the Group II disability pension is paid for one eligible survivor, 90% for two, 120% for three, and 150% for four or more.

Full orphan's pension (social insurance and NDC): The pension is the sum of all pensions that both parents received or were entitled to receive.

Benefit adjustment: Benefits are adjusted periodically based on changes in the national average wage and the consumer price index.

Survivor social pension (social assistance): 1,000 soms a month is paid for each orphan younger than age 16 (age 21 if a full-time student); 2,000 soms for full orphans. There is no income test.

The GM is 900 soms a month (October 2016).

Funeral grant (social insurance and NDC): A lump sum of 10 times the basic component is paid (three times the basic component for a dependent of a pensioner).

The basic component is 1,780 soms or 12% of the national average monthly wage in the last year, whichever is greater.

The national average monthly wage is 15,670 soms (2017).

Funeral allowance (social assistance): 100% of the national average wage in the previous year is paid; 50% if self-employed, unemployed, a beneficiary of social assistance, or a dependent of an employed person; 20% for a dependent of an unemployed or self-employed person.

#### Administrative Organization

Ministry of Labor and Social Development of the Kyrgyz Republic (http://mlsp.gov.kg/) provides general coordination and oversight.

Provincial and county offices of the Ministry of Labor and Social Development of the Kyrgyz Republic administer the programs.

Social Fund (http://socfond.kg/) collects contributions and pays social insurance benefits.

# Sickness and Maternity

# Regulatory Framework

First law: 1922.

Current laws: 1955, 1996 (social insurance), and 1997

(medical insurance).

**Type of program:** Universal (medical benefits), social insurance (cash benefits) and social assistance (maternity benefits) system.

### Coverage

Universal (medical benefits): Residents of Kyrgyzstan.

Social insurance (cash sickness and maternity bene-

**fits):** Employed persons; students; and members of cooperatives and state and collective farms.

Exclusions: Self-employed persons.

**Social assistance (cash maternity benefits):** Selfemployed persons and unemployed persons registered with the employment service.

#### Source of Funds

#### Insured person

Universal (medical benefits): None.

*Social insurance (cash benefits):* See source of funds under Old Age, Disability, and Survivors.

Social assistance (maternity benefits): None.

#### Self-employed person

*Universal (medical benefits):* See source of funds under Old Age, Disability, and Survivors.

Social insurance (cash benefits): Not applicable.

Social assistance (maternity benefits): None.

#### **Employer**

Universal (medical benefits): 2% of payroll.

Social insurance (cash benefits): See source of funds under Old Age, Disability, and Survivors.

Social assistance (maternity benefits): None.

#### Government

Universal (medical benefits): Provides subsidies as needed.

Social insurance (cash benefits): The total cost of maternity benefits from the 11th to the 126th day.

Social assistance (maternity benefits): The total cost.

### **Qualifying Conditions**

Cash sickness and maternity benefits (social insurance): There is no minimum qualifying period.

**Cash maternity allowance (social assistance):** There is no minimum qualifying period. Must provide a medical certificate.

**Medical benefits (universal):** There is no minimum qualifying period.

### Sickness and Maternity Benefits

Sickness benefit (social insurance): 60% of the insured's average daily earnings in the three months before the incapacity began is paid for the first 10 working days with less than five years of work; 80% with five to seven years; 100% with eight or more years. After 10 days, the monthly benefit is 50 times the basic rate.

The basic rate is 100 soms a month.

100% of the insured's average daily earnings in the three months before the incapacity began is paid regardless of years of work with at least three dependent children, if a disabled veteran, or if disabled as a result of the Chernobyl disaster.

Benefit adjustment: Benefits are adjusted periodically based on changes in the national average wage and the consumer price index.

Maternity benefit (social insurance): 100% of the insured's average daily earnings in the three months before the maternity leave began is paid for the first 10 working days; 10 times the basic rate from the 11th day up to 126 calendar days before and after the expected date of child-birth (may be extended to 140 days if there are complications during childbirth; 180 days for multiple births). The employer pays the first 10 days.

The basic rate is 100 soms a month.

Maternity allowance (social assistance): A lump sum of 10 times the basic rate is paid from the 11th day up to 126 calendar days before and after the expected date of child-birth (may be extended to 140 days if there are complications during childbirth; 180 days for multiple births).

The basic rate is 100 soms a month.

Benefit adjustment: Benefits are adjusted periodically based on changes in the national average wage and the consumer price index.

#### Workers' Medical Benefits

Medical services are provided directly to patients through government or enterprise-administered health providers. Benefits include general and specialist care, hospitalization, laboratory services, dental care, maternity care, and transportation.

Providers may charge fees for services.

### **Dependents' Medical Benefits**

Medical benefits for dependents are the same as those for the insured.

### Administrative Organization

Ministry of Labor and Social Development of the Kyrgyz Republic (http://mlsp.gov.kg/) administers the social assistance program.

Ministry of Health (http://www.med.kg/) and local government health departments provide general supervision and coordination, and oversee medical services delivered through clinics, hospitals, maternity homes, and other facilities.

Mandatory Health Insurance Fund provides health care benefits.

# Work Injury

### Regulatory Framework

First law: 1922.

**Current laws:** 1955 (short-term benefits), 1997 (state pension), and 2003 (labor safety).

**Type of program:** Universal (medical benefits) and social insurance (cash benefits) system.

### Coverage

**Cash benefits:** Employed persons; students; and members of cooperatives and state and collective farms.

Exclusions: Self-employed persons.

Medical benefits: Residents of Kyrgyzstan.

### Source of Funds

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

Self-employed person: Not applicable.

**Employer:** See source of funds under Old Age, Disability, and Survivors (disability and survivor benefits), and Sickness and Maternity (medical benefits).

**Government:** See source of funds under Old Age, Disability, and Survivors (disability and survivor benefits), and Sickness and Maternity (medical benefits).

### **Qualifying Conditions**

Must be assessed with a work injury or occupational disease.

### Temporary Disability Benefits

100% of the insured's average daily earnings is paid from the first day of incapacity until recovery or the award of a permanent disability pension.

Benefit adjustment: Benefits are adjusted periodically based on changes in the national average wage and the consumer price index.

## **Permanent Disability Benefits**

**Permanent disability pension:** See Old Age, Disability, and Survivors.

#### Workers' Medical Benefits

All necessary medical care is provided.

#### **Survivor Benefits**

**Survivor pension:** See Old Age, Disability, and Survivors.

**Full orphan's pension:** Paid at the same rates as the survivor pension, based on the Group II disability pensions for both parents.

The minimum full orphan's pension is 100% of the minimum wage.

The legal monthly minimum wage is 1,662 soms.

Benefit adjustment: Benefits are adjusted periodically based on changes in the national average wage and the consumer price index.

#### Administrative Organization

Social Fund (http://socfond.kg) provides general supervision of temporary disability benefits.

Employers pay temporary disability benefits directly to their employees.

Ministry of Labor and Social Development of the Kyrgyz Republic (http://mlsp.gov.kg/) provides general coordination and oversight of permanent disability and survivor pensions.

Provincial and county offices of the Ministry of Labor and Social Development of the Kyrgyz Republic (http://mlsp.gov.kg/) administer permanent disability and survivor pensions.

Ministry of Health (http://www.med.kg/) and local government health departments provide general supervision and coordination of medical benefits, and oversee medical

services delivered through clinics, hospitals, maternity homes, and other facilities.

# Unemployment

### Regulatory Framework

**First law: 1921.** 

Current law: 2015 (promoting employment).

Type of program: Social insurance system.

## Coverage

Employed persons.

Exclusions: Self-employed persons.

#### Source of Funds

**Insured person:** See source of funds under Old Age, Disability, and Survivors.

Self-employed person: Not applicable.

**Employer:** None.

**Government:** Central and local governments provide subsi-

dies as needed.

# **Qualifying Conditions**

Must have at least 12 consecutive months of contributions in the last three years before unemployment began, be registered at an employment office, and be able and willing to work. The benefit may be reduced, suspended, or terminated if the worker is discharged for violating work discipline, leaving employment without good cause, violating conditions for a job placement or vocational training, or filing fraudulent claims.

Also paid to students who register as unemployed in the 12 months after graduation.

#### **Unemployment Benefits**

250 to 500 soms is paid monthly for up to six calendar months.

Dependent supplement: 10% of the unemployment benefit is paid for each dependent.

#### **Administrative Organization**

Ministry of Labor and Social Development of the Kyrgyz Republic (http://mlsp.gov.kg/) provides general coordination and oversight.

Employment Service and local employment centers administer the program.

# Family Allowances

### Regulatory Framework

**First law: 1944.** 

Current law: 2017 (state benefits).

Type of program: Universal and social assistance system.

### Coverage

Citizens of Kyrgyzstan.

#### Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

### **Qualifying Conditions**

**Child care allowance (social assistance):** Paid to a mother caring for a child younger than age 3.

### Family allowance (social assistance, income tested):

Paid for each child younger than age 16 (age 18 if a full-time student).

Income test: Household per capita income, based on average monthly income during the three months before making

the claim, must be lower than 100% of the guaranteed minimum standard of living (GM).

The GM is 900 soms a month (October 2016).

**Birth grant (universal):** Paid for each newborn child. The benefit must be claimed within six months of the birth.

#### Family Allowance Benefits

**Child care allowance (social assistance):** 700 soms a month is paid for each child.

# Family allowance (social assistance, income tested):

810 soms a month is paid for each eligible child.

**Birth grant (universal):** A lump sum of 4,000 soms is paid for each newborn child.

### Administrative Organization

Ministry of Labor and Social Development of the Kyrgyz Republic (http://mlsp.gov.kg/) and local offices administer the programs.