

## Kyrgyzstan

Exchange rate: US\$1.00 = 46.20 soms.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1922.

**Current law:** 1997 (state pension) and 2008 (individual account).

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

#### Coverage

**Social insurance:** All employed persons, including self-employed persons, individual entrepreneurs, and members of cooperatives and state and collective farms.

Special system for armed forces personnel.

Special provisions for workers in aviation, the performing arts, and citizens with special merits.

**Social assistance:** Needy persons who are not eligible for social insurance benefits.

#### Source of Funds

**Insured person:** 10% of earnings (2% is transferred to the individual account).

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

**Self-employed persons:** 9.25% of monthly average earnings.

The self-insured person's contributions also finance work injury benefits.

**Employer:** 17.25% of the payroll.

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

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

#### Qualifying Conditions

**Old-age pension:** Age 63 with at least 25 years of covered employment (men) or age 58 with at least 20 years of covered employment (women).

Periods of study, maternity leave, caring for persons with disabilities, registered unemployment, and other leave periods approved by special decree are taken into account.

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

**Partial pension:** Paid with less than the required number of years of covered employment for a full old-age pension.

**Pension supplement (old-age):** Age 80 or older, veterans of the Second World War, workers associated with the Chernobyl catastrophe, persons with a Group I disability (requires constant attendance), caregivers of Group II (total disability with an 80% loss of mobility), and single persons with a Group II disability.

Pensions are payable in Russia under bilateral agreement.

**Social assistance allowance (old-age):** Paid at the normal retirement age to persons who are not eligible for an old-age pension. There is no income test.

**Disability pension:** The insured must have 1 to 5 years of covered employment, depending on the insured's age when the disability began. 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.

Periods of study, maternity leave, caring for persons with disabilities, registered unemployment, and other leave periods approved by special decree are taken into account.

An expert commission of the State Agency of Social Security assesses the degree of disability.

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

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

**Pension supplement (disability):** Paid to a person with a Group I disability, single persons with a Group II disability, and workers associated with the Chernobyl catastrophe.

Pensions are payable in Russia under bilateral agreement.

**Social assistance allowance (disability):** Paid to persons assessed with disabilities who are not eligible for the disability pension.

**Survivor pension:** Paid if the deceased had 1 to 5 years of covered employment, depending on age at the time of death.

Periods of study, maternity leave, caring for persons with disabilities, registered unemployment, and other leave periods approved by special decree are taken into account.

Eligible survivors are the spouse; surviving children younger than age 16 (age 21 if a student); nonworking dependents, including sisters, brothers, and grandchildren

younger than age 16; and parents of pensionable age or disabled.

Pensions are not payable abroad if the pensioner emigrates permanently.

**Social assistance allowance (survivors):** Paid to survivors not eligible for a survivor pension. There is no income test.

### Old-Age Benefits

**Old-age pension:** The monthly benefit is the sum of several components: a basic flat-rate benefit (800 soms or 12% of the average wage in the last year, whichever is higher), a transition component, an NDC component, and a benefit based on the value of the individual account from 2010 onward.

The transition component is calculated as average earnings for 60 consecutive working months multiplied by 1% for every complete year of insured employment before 1996. The NDC component is calculated as accumulated contributions (of at least 1 year) from 1996 onward divided by 12 months and multiplied by a coefficient.

There is no maximum pension.

The maximum average earnings used to calculate benefits are 23 times the basic rate.

The basic rate is 100 soms (January 2010).

**Partial pension:** A percentage of the full pension is paid according to the number of years of covered employment.

**Pension supplement:** 50% to 475% of the basic rate is paid.

**Benefit adjustment:** Benefits are adjusted periodically according to changes in the cost of living.

### Permanent Disability Benefits

**Disability pension:** If assessed with a Group I or Group II disability, the monthly benefit is calculated as the sum of several components: a basic flat-rate benefit (800 soms or 12% of the average wage in the last year, whichever is higher), a transition component, and an NDC component.

The transition component is calculated as average earnings for 60 consecutive working months multiplied by 1% for every complete year of insured employment before 1996. The NDC component is calculated as accumulated contributions (of at least 1 year) from 1996 onward divided by 12 months and multiplied by a coefficient.

**Constant-attendance supplement:** 150% of the basic rate is paid for blind persons and 50% of the basic rate for other categories of disabilities.

The basic rate is 100 soms (January 2010).

**Pension supplement:** 50% to 475% of the basic rate is paid.

**Partial pension for total disability:** A percentage of the full pension is paid according to the number of years of covered employment.

**Partial disability (Group III):** 50% of the calculated pension of a Group II disability is paid.

The minimum disability pension of 100% of the minimum wage is paid.

There is no maximum disability pension.

The maximum average earnings used to calculate benefits are 23 times the basic rate.

**Benefit adjustment:** Benefits are adjusted periodically according to changes in the cost of living.

### Survivor Benefits

**Survivor pension:** The monthly pension for one survivor is 50% of the Group II disability pension the deceased received or would have been entitled to receive; 90% for two; 120% for three; 150% for four or more survivors.

**Full orphan's pension:** The pension is the sum of all pensions that both parents would have been entitled to receive.

**Benefit adjustment:** Benefits are adjusted periodically according to the consumer prices index.

**Social assistance allowance (survivors):** 150% of the guaranteed minimum standard of living (GM) is paid monthly for each orphan younger than age 16 (age 21 if a full-time student); 225% for a full orphan. There is no income test.

The GM is 200 soms and is adjusted periodically according to changes in wages.

**Funeral grant:** A lump sum of 10 times the basic component (800 soms or 12% of the average wage in the last year, whichever is higher) is paid for the death of pensioner. If the deceased did not qualify for a pension, a lump sum of 5 to 15 times the basic rate is paid.

The basic rate is 100 soms (January 2010).

### Administrative Organization

Social Fund administers pensions.

### Sickness and Maternity

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#### Regulatory Framework

**First law:** 1922.

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

**Type of program:** Social insurance (cash benefits) and universal (medical benefits) system.

#### Coverage

**Cash sickness and maternity benefits:** Employed persons, students, and members of cooperatives.

**Exclusions:** Self-employed persons.

**Medical benefits:** All persons residing in Kyrgyzstan.

### Source of Funds

#### Insured person

*Cash benefits:* See source of funds under Old Age, Disability, and Survivors.

*Medical benefits:* None.

#### Self-employed person

*Cash benefits:* Not applicable.

*Medical benefits:* None.

#### Employer

*Cash benefits:* See source of funds under Old Age, Disability, and Survivors.

*Medical benefits:* None.

#### Government

*Cash benefits:* None.

*Medical benefits:* The total cost.

### Qualifying Conditions

**Cash sickness and maternity benefits:** There is no minimum qualifying period.

**Medical benefits:** There is no minimum qualifying period.

### Sickness and Maternity Benefits

**Sickness benefit:** The monthly benefit is 75% of 7 times the minimum wage or 7 times the minimum wage with three or more dependent children, if a disabled veteran, or if disabled as a result of the Chernobyl catastrophe.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living.

**Maternity benefit:** 7 times the minimum wage is paid for a total of 126 calendar days before and after the expected date of childbirth (may be extended to 140 days if there are complications during childbirth).

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living.

### Workers' Medical Benefits

Medical services are provided directly by 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 services are provided directly by 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.

### Administrative Organization

Ministry of Health (<http://www.med.kg>) is responsible for policy.

Ministry of Health and health departments of local governments provide general supervision and coordination. The Ministry of Health and local health departments administer medical services delivered through clinics, hospitals, maternity homes, and other facilities.

Mandatory Health Insurance Fund oversees benefits to employees.

### Work Injury

#### Regulatory Framework

**First law:** 1922.

**Current laws:** 1955 (short-term benefits), 1990 (pensions), and 2005 (labor safety).

**Type of program:** Social insurance (cash benefits) and universal (medical benefits) system.

#### Coverage

Employed persons, students, and members of cooperatives.

### Source of Funds

#### Insured person

*Cash benefits:* See source of funds under Old Age, Disability, and Survivors.

*Medical benefits:* None.

#### Self-employed person

*Cash benefits:* Not applicable.

*Medical benefits:* None.

#### Employer

*Cash benefits:* See source of funds under Old Age, Disability, and Survivors.

*Medical benefits:* None.

#### Government

*Temporary disability benefits:* None.

*Permanent disability and survivor benefits:* See source of funds under Old Age, Disability, and Survivors.

*Medical benefits:* The total cost.

### **Qualifying Conditions**

**Work injury benefits:** There is no minimum qualifying period.

### **Temporary Disability Benefits**

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

Ministry of Labor and Social Protection Expert Commission assess the degree of disability.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living.

### **Permanent Disability Benefits**

**Permanent disability pension:** 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.

If assessed with a Group I or Group II disability, the monthly pension is the sum of a basic component (800 soms or 12% of the average wage in the last year, whichever is higher), an insurance component based on years of covered employment and earnings for the period before January 1, 1996, and an insurance component based on the value of accumulated contributions from January 1, 1996, onward.

The insurance component for the period before January 1, 1996, is calculated as average earnings for 60 consecutive working months multiplied by 1% for every complete year of insured employment. The insurance component for the period from January 1, 1996, onward is calculated as accumulated contributions (of at least 1 year) divided by 12 months and multiplied by a coefficient.

Constant-attendance supplement: 150% of the basic rate is paid if blind and requiring the constant attendance of others to perform daily functions; 50% of the basic rate for other categories of disabilities.

The basic rate is 100 soms (January 2010).

Pension supplement: 50% to 475% of the basic rate is paid.

Partial disability (Group III): 50% of the calculated pension for a Group II disability pension is paid.

The minimum disability pension is 100% of the minimum wage.

Pensions for a work injury or an occupational disease are payable abroad.

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living.

### **Workers' Medical Benefits**

All necessary medical care is provided.

### **Survivor Benefits**

**Survivor pension:** The monthly pension for one survivor is 50% of the Group II disability pension the deceased received or would have been entitled to receive; 90% for two survivors; 120% for three survivors; 150% for four or more survivors.

**Full orphan's pension:** Paid at the same rates as the survivor pension but based on the Group II disability pensions that both parents would have been entitled to receive.

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

Benefit adjustment: Benefits are adjusted periodically according to changes in the cost of living.

### **Administrative Organization**

**Temporary disability benefits:** Social Fund provides general supervision.

Enterprises and employers pay cash benefits to employees.

**Permanent disability and survivor pensions:** Social Fund pays benefits.

**Medical benefits:** Ministry of Health (<http://www.med.kg>) and health departments of local governments provide general supervision and coordination, and administer medical services through clinics, hospitals, maternity homes, and other facilities.

### **Unemployment**

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#### **Regulatory Framework**

**First law:** 1921.

**Current law:** 1998 (supporting employment).

**Type of program:** Social insurance system.

#### **Coverage**

Employed persons aged 16 to the pensionable age.

Exclusions: self-employed persons.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** Not applicable.

**Employer:** None.

**Government:** The total cost.

#### **Qualifying Conditions**

**Unemployment benefit:** Must be registered at an employment office and 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**

At least 100% of the minimum wage is paid monthly for up to 6 calendar months.

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

### **Administrative Organization**

The Ministry of Labor, Employment and Migration provides general supervision and coordination.

Employment Service and local employment centers administer the program.

### **Family Allowances**

#### **Regulatory Framework**

**First law:** 1944.

**Current law:** 1998 (state allowances).

**Type of program:** Social assistance system.

#### **Coverage**

Children of single-parent families or of unwed mothers; students (younger than age 18) with disabled or unemployed parents.

For orphans, see social assistance allowances (survivor benefits) under Old Age, Disability, and Survivors.

#### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

**Government:** The total cost.

### **Qualifying Conditions**

**Family allowances (income tested):** Household per capita income, based on average income during the 3 months before making the claim, must be lower than 100% of the guaranteed minimum standard of living (GM).

The GM is 200 soms and is adjusted periodically according to changes in wages.

**Social assistance allowance:** Paid for each child younger than age 16 (age 18 if a full-time student).

**Birth grant:** Paid for each newborn child.

### **Family Allowance Benefits**

**Family allowances (income tested):** 100% of the guaranteed minimum standard of living (GM) is paid monthly for a mother on leave caring for a child younger than age 18 months or caring for two children younger than age 3; 150% of the GM if caring for three children younger than age 16.

The GM is 200 soms and is adjusted periodically according to changes in wages.

**Social assistance allowance:** The allowance is the difference between family average per capita income and the GM.

The GM is 200 soms and is adjusted periodically according to changes in wages.

**Birth grant:** A lump sum of 300% of the GM is paid for each newborn child.

The GM is 200 soms and is adjusted periodically according to changes in wages.

### **Administrative Organization**

Ministry of Labor, Employment and Migration and local offices administer the program.