

Kazakhstan

Exchange rate: US\$1.00 = 341.31 tenge.

Old Age, Disability, and Survivors

Regulatory Framework

First law: 1991.

Current laws: 1997 (social security benefits); 2003 (social insurance), implemented in 2005; 2013 (pensions); and 2015 (labor code).

Type of program: Universal, social insurance, mandatory individual account, and social assistance system.

Coverage

Universal: Citizens of Kazakhstan.

Social insurance (old age): Employed citizens of Kazakhstan with at least six months of contributions before January 1, 1998.

Social insurance (disability and survivors): Employed and self-employed persons, including foreign citizens and persons without citizenship who work and reside permanently in Kazakhstan.

Mandatory individual account: Employed and self-employed persons, including foreign citizens and persons without citizenship who work and reside permanently in Kazakhstan.

Social assistance: Needy residents of Kazakhstan.

Source of Funds

Insured person

Universal: None.

Social insurance: None.

Mandatory individual account: 10% of monthly covered earnings.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 75 times the legal monthly minimum wage.

The legal monthly minimum wage is 28,284 tenge.

Social assistance: None.

Self-employed person

Universal: None.

Social insurance: None (old age); 3.5% of monthly covered income (disability and survivors).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 28,284 tenge.

The self-employed person's contribution also finances unemployment benefits.

Mandatory individual account: 10% of monthly covered income.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 75 times the legal monthly minimum wage.

The legal monthly minimum wage is 28,284 tenge.

Social assistance: None.

Employer

Universal: None.

Social insurance: None (old age); 3.5% of monthly covered payroll (disability and survivors).

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 10 times the legal monthly minimum wage.

The legal monthly minimum wage is 28,284 tenge.

The employer's contributions also finance unemployment, maternity, and child care benefits.

Mandatory individual account: None; 5% of monthly covered payroll for workers employed in hazardous occupations.

The minimum monthly earnings used to calculate contributions are the legal monthly minimum wage.

The maximum monthly earnings used to calculate contributions are 75 times the legal monthly minimum wage.

The legal monthly minimum wage is 28,284 tenge.

Social assistance: None.

Government

Universal: The total cost.

Social insurance: Pays subsidies as needed (old age); none (disability and survivors); contributes as an employer.

Mandatory individual account: None.

Social assistance: The total cost.

Qualifying Conditions

Old-age pension (State Basic Pension, universal):

Age 63 (men) or age 58 and 6 months (women).

Old-age solidarity pension (social insurance): Age 63 with at least 25 years of contributions (men) or age 58 and 6 months with at least 20 years of contributions (women); age 50 with at least 25 years of contributions (men) or age 45 with at least 20 years of contributions (women) and lived in certain ecologically damaged zones for at least five years from 1949 to 1963; or age 53 for mothers who raised at least five children until age 8.

Partial pension: A reduced pension is paid if the insured does not meet the contribution requirements for a full pension.

Old-age pension (mandatory individual account):

Age 63 (men) or age 58 and 6 months (women, gradually rising to age 63 by 2027). Age 55 (men) or age 50 (women, gradually rising to age 55 by 2027) if the account balance is sufficient to finance a benefit at least equal to the minimum monthly old-age pension.

The minimum monthly old-age pension is 33,745 tenge (36,108 tenge as of January 2019).

Old-age settlement (mandatory individual account):

Age 63 (men) or age 58 and 6 months (women, gradually rising to age 63 by 2027) with an account balance insufficient to finance a benefit at least equal to the minimum monthly old-age pension.

The minimum monthly old-age pension is 33,745 tenge (36,108 tenge as of January 2019).

Old-age social pension (State Social Benefit, social assistance, means tested):

Age 63 (men) or age 58 and 6 months (women) and does not qualify for an old-age pension (social insurance or mandatory individual account).

Disability pension (social insurance): Must be assessed with a Group I (incapacity for any work), Group II (incapacity for usual work), or Group III (capacity for work) disability.

Disability social pension (State Social Benefit, social assistance, means tested): Must be assessed with a Group I (incapacity for any work), Group II (incapacity for usual work), or Group III (capacity for work) disability and does not qualify for a disability pension (social insurance or mandatory individual account).

Survivor pension (social insurance): The deceased received or was entitled to receive a social insurance old-age or disability pension at the time of death.

Eligible survivors include a widow(er) of retirement age, disabled, or caring for children younger than age 3; children younger than age 18 (age 23 if a full-time student; no limit if disabled before age 18); any relative caring for children younger than age 3; and dependents unable to work.

Survivor benefit (mandatory individual account): Paid to named survivors when an insured person dies.

Survivor social pension (State Social Benefit, social assistance, means tested): Paid when the family breadwinner dies and he or she was not entitled to receive an old-age or disability pension (social insurance or mandatory individual account).

Eligible survivors include a widow(er) of retirement age, disabled, or caring for children younger than age 8; children younger than age 18 (age 23 if a full-time student; no limit if disabled before age 18); any relative caring for children younger than age 8; dependents unable to work.

Old-Age Benefits

Old-age pension (State Basic Pension, universal): 54% of the legal monthly minimum wage plus an additional 2% for each year of covered employment exceeding 10 years is paid (as of January 2019).

The legal monthly minimum wage is 28,284 tenge (29,698 tenge as of January 2019).

Benefit adjustment: The legal monthly minimum wage is set annually in the national budget.

Old-age solidarity pension (social insurance): The pension is 60% of the insured's average monthly earnings in the best three consecutive years after 1995 plus 1% of average monthly earnings for each year exceeding 25 years (men) or 20 years (women) of covered employment.

The minimum monthly old-age solidarity pension is 33,745 tenge (36,108 tenge as of January 2019).

The maximum monthly old-age solidarity pension is 75% of the insured's average monthly earnings in the best three consecutive years after 1995.

Partial pension: The pension is proportionally reduced for each year of coverage less than the number of years required for a full pension.

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

Old-age pension (mandatory individual account): The pension is based on the insured's account balance at retirement and may be paid monthly, quarterly, or annually.

A lump sum is paid if the value of the insured's account balance is less than 30 times the minimum monthly pension.

The minimum monthly pension is 33,745 tenge (36,108 tenge as of January 2019).

Old-age settlement (mandatory individual account): A lump sum of the account balance is paid.

Old-age social pension (State Social Benefit, social assistance, means tested): 52% of the legal monthly minimum wage is paid.

The legal monthly minimum wage is 28,284 tenge (29,698 tenge as of January 2019).

Permanent Disability Benefits

Disability pension (social insurance): A monthly benefit is paid based on the difference between the insured's average monthly covered earnings in the 24 months before the disability began and 80% of the legal monthly minimum wage, multiplied by the income replacement rate, the loss of work capacity rate, and the covered period rate.

The legal monthly minimum wage is 28,284 tenge (29,698 tenge as of January 2019).

The income replacement rate is 0.6.

The loss of work capacity rate is 0.7 for an assessed loss of work capacity of 80% to 100% (Group I disability); 0.5 for a loss of at least 60% but less than 80% (Group II disability); or 0.3 for a loss of at least 30% but less than 60% (Group III disability).

The covered period rate is 0.1 with less than six months of coverage; 0.7 with at least six but less than 12 months; 0.75 with at least 12 but less than 24 months; 0.85 with at least 24 but less than 36 months; 0.9 with at least 36 but less than 48 months; 0.95 with at least 48 but less than 60 months; or 1.0 with at least 60 months of coverage.

The disability pension ceases at the normal retirement age and is replaced by the old-age solidarity pension.

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

Disability social pension (State Social Benefit, social assistance, means tested): A flat-rate monthly benefit is paid based on the assessed degree of disability and the beneficiary's age.

192% of the legal monthly minimum wage is paid for a Group I disability, 153% for a Group II disability (159% if aged 16 to 18), or 104% for a Group III disability (120% if aged 16 to 18); 140% for a child younger than age 16 with any group of disability.

The legal monthly minimum wage is 28,284 tenge (29,698 tenge as of January 2019).

Survivor Benefits

Survivor pension (social insurance): A monthly benefit is paid based on the difference between the deceased's average monthly covered earnings in the last 24 months and 80% of the legal monthly minimum wage, multiplied by the income replacement rate, the number of survivors rate, and the covered period rate.

The legal monthly minimum wage is 28,284 tenge (29,698 tenge as of January 2019).

The income replacement rate is 0.6.

The number of survivors rate is 0.4 for one dependent survivor; 0.5 for two; 0.6 for three; and 0.8 for four or more.

The covered period rate is 0.1 with less than six months of coverage; 0.7 with at least six but less than 12 months; 0.75 with at least 12 but less than 24 months; 0.85 with at least 24 but less than 36 months; 0.9 with at least 36 but less than 48 months; 0.95 with at least 48 but less than 60 months; or 1.0 with 60 or more months of coverage.

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

Survivor benefit (mandatory individual account): The deceased's account balance is distributed among named survivors in proportions determined by the deceased.

Survivor social pension (State Social Benefit, social assistance, means tested): A flat-rate monthly benefit is paid depending on family size and whether any family members have disabilities.

Administrative Organization

Ministry of Health and Social Development (<http://www.enbek.gov.kz/>) provides general coordination and supervision for the universal, social insurance, and social assistance programs.

State Fund of Social Insurance collects contributions for the social insurance program.

Regional departments administer the universal, social insurance, and social assistance programs.

National Bank of Kazakhstan manages pension fund assets for the mandatory individual account program.

Unified Accumulative Pension Fund (<http://www.enpf.kz/>) administers the mandatory individual account program.

Sickness and Maternity

Regulatory Framework

First law: 1999 (labor code).

Current laws: 1999 (employer-financed benefits); 2003 (social insurance), implemented in 2005; and 2015 (labor code).

Type of program: Universal (medical benefits and birth grant), social insurance (cash maternity and child care benefits), and employer-liability (cash sickness benefit) system.

Note: A 2015 law introducing mandatory health insurance for citizens and non-citizens who are employed in the public and private sectors or self-employed has been partially implemented.

Uninsured women caring for children younger than age 2 may receive a monthly child care benefit that ranges from 13,853 tenge to 21,405 tenge. The benefit is financed by the State Budget.

Coverage

Universal (medical benefits and birth grant): Permanent residents of Kazakhstan.

Social insurance (cash maternity and child care benefits): Employed citizens of Kazakhstan.

Exclusions: Self-employed persons.

Employer liability (cash sickness benefit): Employed citizens of Kazakhstan.

Exclusions: Self-employed persons.

Source of Funds

Insured person

Universal (medical benefits and birth grant): None.

Social insurance (cash maternity and child care benefits): None.

Employer liability (cash sickness benefit): None.

Self-employed person

Universal (medical benefits and birth grant): None.

Social insurance (cash maternity and child care benefits): Not applicable.

Employer liability (cash sickness benefit): Not applicable.

Employer

Universal (medical benefits and birth grant): None.

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

Employer liability (sickness benefit): The total cost of sickness benefits.

Government

Universal (medical benefits and birth grant): The total cost.

Social insurance (maternity and child care benefits): None.

Employer liability (sickness benefit): None.

Qualifying Conditions

Cash sickness benefit (employer liability): Must be currently employed and provide a medical certificate.

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

Birth grant (universal): Paid for the birth of a child.

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

Sickness and Maternity Benefits

Sickness benefit (employer liability): The daily benefit is calculated based on the employee's average daily earnings.

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

Maternity benefit (social insurance): A benefit based on the insured's average monthly earnings in the last 12 months is paid for 126 days, including 70 days before and 56 days after childbirth; may be extended for an additional 14 days for complicated childbirths and multiple births.

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

Birth grant (universal): A lump sum of 91,390 tenge is paid for each child up to three children; 151,515 for each additional child.

Child care benefit (social insurance): A benefit based on one of the parent's average monthly earnings in the last 24 months is paid from the end of the paid maternity leave period until the child reaches age 1.

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

Workers' Medical Benefits

Benefits include general and specialist care, hospitalization, laboratory services, dental care, maternity care, and transportation.

Dependents' Medical Benefits

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

Administrative Organization

Ministry of Health and Social Development (<http://www.enbek.gov.kz/>) provides general coordination and supervision of the cash benefits.

Employers pay cash sickness benefits directly to employees. State Fund of Social Insurance manages the program finances.

Ministry of Health and Social Development (<http://www.enbek.gov.kz/>) and health departments of local governments provide general supervision and coordination of medical benefits.

Clinics, hospitals, and other facilities administered by the Ministry of Health and Social Development (<http://www.enbek.gov.kz/>) and local health departments provide medical services.

Work Injury

Regulatory Framework

First law: 1955 (temporary benefits).

Current laws: 2005 (accident insurance) and 2015 (labor code).

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Type of program: Employer-liability (normally through a private carrier) and social assistance system.

Coverage

Employer liability: Employed persons.

Exclusions: Self-employed persons.

Social assistance: Residents of Kazakhstan.

Source of Funds

Insured person

Employer liability: None.

Social assistance: None.

Self-employed person

Employer liability: Not applicable.

Social assistance: None.

Employer

Employer liability: The total cost (pays annual insurance premiums that range from 0.04% to 9.9% of payroll or provides benefits directly to employees).

Social assistance: None.

Government

Employer liability: None.

Social assistance: The total cost.

Qualifying Conditions

Must be assessed with a work injury or occupational disease.

Temporary Disability Benefits

Temporary disability benefit (employer liability): 100% of the employee's earnings is paid from the first day of incapacity until recovery or certification of permanent disability.

Permanent Disability Benefits

Disability social pension (State Social Benefit, social assistance, means tested): See Old Age, Disability, and Survivors.

Disability grant (employer liability): According to collective agreements, a lump sum of at least five times the employee's annual earnings is paid for a Group I (incapacity for any work) or Group II (incapacity for usual work) disability; two times annual earnings for a Group III (capacity for work) disability; or 100% of annual earnings for the permanent loss of working capacity if no disability group is determined.

Workers' Medical Benefits

Benefits include general and specialist care, hospitalization, laboratory services, transportation, appliances, and rehabilitation.

Survivor Benefits

Survivor social pension (State Social Benefit, social assistance, means tested): See Old Age, Disability, and Survivors.

Funeral benefit (employer liability): The cost of the funeral is paid if the death was the result of a work injury or an occupational disease.

Administrative Organization

Employers pay temporary disability benefits and the disability grant directly to employees.

Ministry of Health and Social Development (<http://www.enbek.gov.kz/>) provides general supervision and coordination of medical benefits and the social assistance program.

Clinics, hospitals, and other facilities administered by the Ministry of Health and Social Development (<http://www.enbek.gov.kz/>) and local health departments provide medical services.

Regional departments administer social assistance benefits.

Unemployment

Regulatory Framework

First and current law: 2003 (compulsory social insurance), implemented in 2005.

Type of program: Social insurance system.

Coverage

Employed and self-employed persons, including foreign citizens and persons without citizenship who work and reside permanently in Kazakhstan.

Exclusions: Employed pensioners.

Source of Funds

Insured person: None.

Self-employed person: See source of funds under Old Age, Disability, and Survivors.

Employer: See source of funds under Old Age, Disability, and Survivors.

Government: See source of funds under Old Age, Disability, and Survivors.

Qualifying Conditions

Must have at least six months of coverage.

Unemployment Benefits

A monthly benefit is paid based on the insured's average monthly covered earnings in the last 24 months multiplied by the income replacement rate and the covered period rate.

The income replacement rate is 0.3.

The covered period rate is 0.7 with at least six but less than 12 months of coverage; 0.75 with at least 12 but less than 24 months; 0.85 with at least 24 but less than 36 months; 0.9 with at least 36 but less than 48 months; 0.95 with at least 48 but less than 60 months; or 1.0 with 60 or more months of coverage.

The duration of the benefit depends on the insured's coverage period.

Administrative Organization

Ministry of Health and Social Development (<http://www.enbek.gov.kz/>) provides general coordination and supervision.

State Social Insurance Fund manages the program finances.

Family Allowances

Regulatory Framework

First and current laws: 1997 (housing); 2001 (social assistance), implemented in 2002; and 2005 (family allowances).

Type of program: Social assistance system.

Coverage

Needy residents of Kazakhstan.

Source of Funds

Insured person: None.

Self-employed person: None.

Employer: None.

Government: The total cost.

Qualifying Conditions

Family allowances (Targeted Social Assistance, income tested): Paid to persons with disabilities and certain other vulnerable persons and families.

Income test: The benefit is reduced if regular monthly household income (excluding state social benefits) exceeds 50% of the legal monthly minimum wage.

The legal monthly minimum wage is 28,284 tenge (29,698 tenge as of January 2019).

Family Allowance Benefits

Family allowances (Targeted Social Assistance, income tested): The benefit amount varies depending on household composition.

Benefit adjustment: Benefits are adjusted periodically depending on the subsistence minimum level and the maximum allowable share of expenditures for utilities.

Administrative Organization

Ministry of Health and Social Development (<http://www.enbek.gov.kz/>) provides general coordination and supervision.

Regional departments administer the program.