

## Kazakhstan

Exchange rate: US\$1.00 = 338.90 tenge.

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First law:** 1991.

**Current laws:** 1997 (social security benefits); 2003 (social insurance), implemented in 2005; 2007 (labor code); and 2013 (pensions).

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

#### Coverage

**Old-age state basic pension (universal):** Citizens of Kazakhstan.

**Old-age and survivor pensions (mandatory individual account):** Employed and self-employed persons, including foreign citizens and persons without citizenship who work and reside permanently in Kazakhstan.

**Old-age solidarity pension (social insurance):** Employed Kazakh citizens with at least six months of contributions before January 1, 1998.

**Disability and survivor pensions (social insurance):** Employed and self-employed persons, including foreign citizens and persons without citizenship who work and reside permanently in Kazakhstan.

**State social benefit (social assistance):** Residents of Kazakhstan.

#### Source of Funds

##### Insured person

*Old-age state basic pension (universal):* None.

*Old-age and survivor pensions (mandatory individual account):* 10% of monthly earnings.

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

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

The monthly minimum wage is 22,859 tenge.

*Old-age solidarity pension (social insurance):* None.

*Disability and survivor pensions (social insurance):* None.

*State social benefit (social assistance):* None.

##### Self-employed person

*Old-age state basic pension (universal):* None.

*Old-age and survivor pensions (mandatory individual account):* 10% of monthly income.

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

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

The monthly minimum wage is 22,859 tenge.

*Old-age solidarity pension (social insurance):* None.

*Disability and survivor pensions (social insurance):* 5% of monthly income.

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

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

The monthly minimum wage is 22,859 tenge.

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

*State social benefit (social assistance):* None.

##### Employer

*Old-age state basic pension (universal):* None.

*Old-age and survivor pensions (mandatory individual account):* None; 5% of monthly payroll for workers employed in hazardous occupations.

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

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

The monthly minimum wage is 22,859 tenge.

*Old-age solidarity pension (social insurance):* None.

*Disability and survivor pensions (social insurance):* 5% of monthly payroll.

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

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

The monthly minimum wage is 22,859 tenge.

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

*State social benefit (social assistance):* None.

##### Government

*Old-age state basic pension (universal):* The total cost.

*Old-age and survivor pensions (mandatory individual account):* None.

**Old-age solidarity pension (social insurance):** Subsidies as needed.

**Disability and survivor pensions (social insurance):** None; contributes as an employer.

The government's social insurance contributions (made as an employer) also finance unemployment, maternity, and child care benefits.

**State social benefit (social assistance):** The total cost.

### Qualifying Conditions

**Old-age state basic pension (universal):** Age 63 (men) or age 58 (women).

**Old-age pension (mandatory individual account):** Age 63 (men) or age 58 (women, gradually rising to age 63 from 2018 to 2027). Age 55 (men) or age 50 (women, gradually rising to age 55 from 2018 to 2027) if the account balance is sufficient to finance a benefit at least equal to the minimum monthly pension.

The minimum monthly pension is 25,824 tenge.

**Old-age solidarity pension (social insurance):** Age 63 with at least 25 years of contributions (men) or age 58 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.

**Old-age state social benefit (social assistance, means tested):** Age 63 (men) or age 58 (women) and does not qualify for an old-age earnings-related pension.

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

**Disability state social benefit (social assistance, means tested):** 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 earnings-related pension.

**Survivor pension (mandatory individual account):** Paid to survivors named by the deceased.

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

**Survivor state social benefit (social assistance, means tested):** Paid to survivors when the family breadwinner

dies if the deceased did not qualify for an earnings-related old-age or disability pension.

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

### Old-Age Benefits

**Old-age state basic pension (universal):** 52% of the monthly minimum wage is paid.

The monthly minimum wage is 22,859 tenge.

Benefit adjustment: The benefit is set annually in the national budget.

**Old-age pension (mandatory individual account):** A benefit based on the insured's account balance at retirement 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 25,824 tenge.

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

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: A percentage of the full pension is paid according to the number of years below the required number of years of coverage.

The minimum monthly old-age solidarity pension is 25,824 tenge.

Benefit adjustment: Benefits are adjusted periodically according to changes in the consumer price index.

**Old-age state social benefit (social assistance, means tested):** 52% of the monthly minimum wage is paid.

The monthly minimum wage is 22,859 tenge.

### Permanent Disability Benefits

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

The monthly minimum wage is 22,859 tenge.

The income replacement rate is 0.6.

The loss of working capacity rate is 0.7 for a loss of working capacity of 80% to 100% (Group I disability); 0.5 for a loss of at least 60% but less than 80% (Group II disability); and 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; and 1.0 with at least 60 months.

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

Benefit adjustment: Benefits are adjusted periodically according to changes in the consumer price index.

**Disability state social benefit (social assistance, means tested):** A flat-rate monthly benefit is paid according to the assessed degree of disability and the prescribed category of disability.

### Survivor Benefits

**Survivor pension (mandatory individual account):** A benefit based on the deceased's account balance is distributed among named survivors in proportions determined by the deceased.

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

The monthly minimum wage is 22,859 tenge.

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 six to 12 months; 0.75 with 12 to 23 months; 0.85 with 24 to 36 months; 0.9 with 36 to 48 months; 0.95 with 48 to 60 months; and 1.0 with 60 or more months.

Benefit adjustment: Benefits are adjusted periodically according to changes in the consumer price index.

**State survivor social benefit (social assistance, means tested):** A flat-rate monthly benefit is paid according to family size and whether any family members have disabilities.

### Administrative Organization

**Mandatory individual account:** National Bank of Kazakhstan manages pension fund assets.

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

### Universal, social insurance, and social assistance:

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

State Fund of Social Insurance (<http://www.gfss.kz/>) collects contributions for disability and survivor insurance.

Regional departments administer the programs.

## Sickness and Maternity

### Regulatory Framework

**First and current laws:** 1999 (employer-financed benefits); 2003 (social insurance), implemented in 2005; and 2007 (labor code).

**Type of program:** Employer-liability (sickness benefits), social insurance (maternity benefits), and universal (medical benefits) system.

### Coverage

**Cash benefits:** Employed citizens of Kazakhstan.

Exclusions: Self-employed persons.

**Medical benefits:** Permanent residents of Kazakhstan.

### Source of Funds

#### Insured person

**Cash benefits:** None.

**Medical benefits:** None.

#### Self-employed person

**Cash benefits:** Not applicable.

**Medical benefits:** None.

#### Employer

**Cash benefits:** The total cost of sickness benefits; see source of funds under Old Age, Disability, and Survivors for maternity and child care benefits.

**Medical benefits:** None.

#### Government

**Cash benefits:** None.

**Medical benefits:** The total cost.

### Qualifying Conditions

**Cash sickness, maternity, and child care benefits, and medical benefits:** There is no minimum qualifying period.

### Sickness and Maternity Benefits

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

## Kazakhstan

---

Benefit adjustment: Benefits are adjusted periodically according to changes in the consumer price index.

**Maternity benefit (social insurance):** A benefit based on the mother'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 in certain circumstances.

**Child care benefit (social insurance):** A benefit based on one of the parents' 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 according to 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

**Cash sickness benefits:** Employers pay benefits directly to employees.

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

**Cash maternity and child care benefits:** Ministry of Health and Social Development (<http://www.enbek.gov.kz/>) provides general coordination and supervision.

State Fund of Social Insurance manages the program finances.

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

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).

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

### Coverage

**Employer-liability system:** Employed persons.

Exclusions: Self-employed persons.

**Social assistance:** Residents of Kazakhstan.

### Source of Funds

#### Insured person

*Employer-liability system:* None.

*Social assistance:* See source of funds under Old Age, Disability, and Survivors.

#### Self-employed person

*Employer-liability system:* Not applicable.

*Social assistance:* See source of funds under Old Age, Disability, and Survivors.

#### Employer

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

*Social assistance:* See source of funds under Old Age, Disability, and Survivors.

#### Government

*Employer-liability system:* None.

*Social assistance:* See source of funds under Old Age, Disability, and Survivors.

### Qualifying Conditions

There is no minimum qualifying period.

### Temporary Disability Benefits

**Temporary disability benefit (employer liability):** 100% of earnings is paid from the first day of incapacity until recovery or award of a permanent disability pension.

### Permanent Disability Benefits

**Disability state social benefit (social assistance, means tested):** A flat-rate monthly benefit is paid according to the assessed degree and prescribed category of disability.

Benefit adjustment: Benefits are adjusted periodically according to changes in the consumer price index.

**Lump-sum grant (employer liability):** According to collective agreements, at least five times 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.

Benefit adjustment: Benefits are adjusted periodically according to changes in the consumer price index.

### **Workers' Medical Benefits**

**Medical benefits (employer liability):** Benefits include general and specialist care, hospitalization, laboratory services, transportation, appliances, and rehabilitation.

### **Survivor Benefits**

**Survivor state social benefit (social assistance, means tested):** A flat-rate monthly allowance is paid according to family size and whether any family members have a disability.

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

Benefit adjustment: Benefits are adjusted periodically according to changes in the consumer price index.

**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**

**Employer-liability system:** Employers pay benefits directly to employees.

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

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 permanent residents of 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 average monthly insured 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 six to 11 months of coverage; 0.75 with 12 to 23 months; 0.85 with 24 to 35 months; 0.9 with 36 to 47 months; 0.95 with 48 to 59 months; and 1.0 with 60 or more months.

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 (<http://www.gfss.kz/>) 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; persons with disabilities; full-time students and persons in training; persons aged 80 or older; and children younger than age 7.

### **Source of Funds**

**Insured person:** None.

**Self-employed person:** None.

**Employer:** None.

## Kazakhstan

---

**Government:** The total cost.

### **Qualifying Conditions**

**Family allowances:** Must satisfy needs and income tests.

### **Family Allowance Benefits**

Cash benefits are based on individual or family income, subject to needs and income tests. (Income from state social benefits is not included.)

Benefit adjustment: Benefits are adjusted periodically according to 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.