

## Kiribati

Exchange rate: US\$1.00 =  
1.35 Australian dollars (A\$).

### Old Age, Disability, and Survivors

#### Regulatory Framework

**First and current laws:** 1976 (provident fund) and 2004 (universal pension).

**Type of program:** Universal and provident fund system.

#### Coverage

**Universal:** Citizens of Kiribati.

**Provident fund:** Employed persons.

Voluntary coverage is available for persons without mandatory coverage, including self-employed persons.

Exclusions: Foreign nationals working in Kiribati under certain types of contracts, household workers, prisoners, and patients in mental hospitals.

#### Source of Funds

##### Insured person

*Universal:* None.

*Provident fund:* 7.5% of gross monthly covered earnings.

Additional voluntary contributions are possible.

The minimum monthly earnings used to calculate contributions are A\$10.

##### Self-employed person

*Universal:* None.

*Provident fund:* At least A\$5 a month.

##### Employer

*Universal:* None.

*Provident fund:* 7.5% of monthly covered payroll.

The minimum monthly earnings used to calculate contributions are A\$10.

##### Government

*Universal:* The total cost.

*Provident fund:* None; contributes as an employer.

### Qualifying Conditions

**Old-age pension (universal):** Age 65.

**Old-age benefit (provident fund):** Age 50; at any age if emigrating permanently or unemployed for at least six months.

Early withdrawal: Age 45 if retired permanently from employment or if evidence of the intention to do so is provided.

Partial withdrawal: Age 45 and employed.

Loan program: Fund members must present a viable business plan to the Ministry of Commerce.

**Disability benefit (provident fund):** Must be assessed with a physical or mental incapacity for work by two independent medical practitioners.

**Survivor benefit (provident fund):** Paid to a named survivor or, in the absence of a named survivor, to person(s) indicated by a court if the fund member dies before withdrawing all of his or her funds.

**Funeral grant (provident fund):** Paid when a fund member dies.

### Old-Age Benefits

**Old-age pension (universal):** A\$50 a month is paid to persons aged 65 to 69; A\$60 a month to persons aged 70 or older.

**Old-age benefit (provident fund):** A lump sum of total employee and employer contributions plus accrued interest minus prior withdrawals is paid.

Early withdrawal: A lump sum of total employee and employer contributions plus accrued interest minus prior withdrawals is paid.

Partial withdrawal: Multiple partial withdrawals of up to 50% of the fund member's account balance are possible. If the fund member makes a partial withdrawal at age 45, the remaining amount cannot be withdrawn until age 50.

The interest rate is 5% a year (2017).

Interest rate adjustment: The Kiribati Provident Fund Board reviews the interest rate annually.

Loan program: Up to 50% of the fund member's account balance may be used as collateral against a loan from approved lending institutions for up to two years. In the event of loan default, fund members can apply for hardship withdrawals under certain conditions.

### Permanent Disability Benefits

**Disability benefit (provident fund):** A lump sum of total employee and employer contributions plus accrued interest minus prior withdrawals is paid.

The minimum interest rate is 4% a year.

Interest rate adjustment: The Kiribati Provident Fund Board reviews the interest rate annually.

### Survivor Benefits

**Survivor benefit (provident fund):** A lump sum of total employee and employer contributions plus accrued interest minus prior withdrawals is paid.

The interest rate is 7% a year.

Interest rate adjustment: The Kiribati Provident Fund Board reviews the interest rate annually.

**Funeral grant (provident fund):** A lump sum of 50% of the balance in the deceased fund member's account at the time of death, or A\$1,500, whichever is lower, is paid to eligible survivors before the final distribution of the survivor benefit.

### Administrative Organization

Ministry of Internal Affairs and Social Development administers the universal old-age pension.

Kiribati Provident Fund Board (<http://www.kpf.com.ki/index.php/en/>), consisting of two representatives each from the government and employer and employee organizations, administers the program.

### Sickness and Maternity

#### Regulatory Framework

**First and current law:** 1977 (maternity).

**Type of program:** Universal (medical benefits) and employer-liability (cash maternity benefits) system.

#### Coverage

**Cash sickness benefit:** No statutory benefits are provided.

**Cash maternity benefit (employer liability):** Employed persons.

Exclusions: Self-employed persons.

**Medical benefits (universal):** Citizens of Kiribati.

#### Source of Funds

##### Insured person

*Universal (medical benefits):* None.

*Employer liability (cash maternity benefits):* None.

##### Self-employed person

*Universal (medical benefits):* None.

*Employer liability (cash maternity benefits):* Not applicable.

### Employer

*Universal (medical benefits):* None.

*Employer liability (cash maternity benefits):* The total cost.

### Government

*Universal (medical benefits):* The total cost.

*Employer liability (cash maternity benefits):* None; contributes as an employer.

### Qualifying Conditions

**Cash sickness benefit:** No statutory benefits are provided.

**Cash maternity benefit (employer liability):** Must be currently employed.

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

### Sickness and Maternity Benefits

**Sickness benefit:** No statutory benefits are provided.

**Maternity benefit (employer liability):** 25% of the employee's monthly earnings is paid for 12 weeks, including up to six weeks before and at least six weeks after childbirth for up to two children.

### Workers' Medical Benefits

Public hospitals and health facilities provide free public health care, including treatment abroad in certain circumstances. Benefits include preventive and primary care; hospitalization; medicine; rehabilitation; mental health, laboratory and medical imaging services; and dental care.

### Dependents' Medical Benefits

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

### Administrative Organization

**Cash maternity benefit:** Ministry of Employment and Human Resource (<https://www.employment.gov.ki/>) provides general supervision.

**Medical benefits:** Ministry of Health and Medical Services (<http://www.health.gov.ki/>) provides general supervision.

### Work Injury

#### Regulatory Framework

**First and current law:** 1949 (workmen's compensation).

**Type of program:** Employer-liability system through a private carrier.

### **Coverage**

Employed persons earning A\$10,000 or less a year, including apprentices and seamen employed on Kiribati ships.

Exclusions: Casual employees and self-employed persons.

### **Source of Funds**

**Insured person:** None.

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

**Employer:** The total cost.

**Government:** None; contributes as an employer.

### **Qualifying Conditions**

There is no minimum qualifying period. Accidents that occur while traveling to and from work are covered. For occupational diseases, the incapacity or death must have occurred during employment or within 12 months after ceasing employment.

### **Temporary Disability Benefits**

The benefit is 100% of monthly earnings up to A\$40; 75% of monthly earnings greater than A\$40 up to A\$60; and 66.6% of monthly earnings greater than A\$60.

The benefit is paid after a three-day waiting period.

The maximum monthly temporary disability benefit is A\$160.

The total maximum temporary benefit is the permanent disability lump sum the insured would be entitled to receive.

### **Permanent Disability Benefits**

**Permanent disability grant:** A lump sum of 48 months of the insured's average monthly earnings is paid.

Average monthly earnings are based on the insured's earnings in the last 12 months before the disability began.

The minimum permanent disability grant is A\$500.

The maximum permanent disability grant is A\$25,000.

Constant-attendance supplement: 25% of the permanent disability grant is paid if the insured requires the constant attendance of others to perform daily functions.

Partial disability: A percentage of the permanent disability grant is paid based on the assessed degree of disability and a schedule in law.

### **Workers' Medical Benefits**

Medical and surgical care is provided.

### **Survivor Benefits**

**Survivor grant:** A lump sum of 48 months of the deceased's earnings is paid.

The minimum survivor grant is A\$400.

The maximum survivor grant is A\$25,000.

**Funeral grant:** A lump sum of up to A\$30 is paid.

### **Administrative Organization**

Ministry of Employment and Human Resources (<https://www.employment.gov.ki/>) administers claims and calculates the benefits due.

Employers insure work injury liability with the Kiribati Insurance Corporation (<http://kic.org.ki/>).