



State benefits in Kyrgyzstan

Report on the results of telephone interviewing the citizens of
Kyrgyzstan

July 2019

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INTRODUCTION

Non-governmental association "Coalition for Democracy and Civil Society" interviewed Kyrgyz citizens regarding the state benefits. The nationwide telephone sociological survey was conducted from 26 to 30 July, 2019.

According to the Constitution, Kyrgyzstan is a social welfare state, i.e. its social policy is aimed at ensuring adequate material terms, human existence and free development, and overcoming unjustified social differences.

The most important purpose of the social welfare state is to ensure social equality. One of the main tools for this is the social security of the poor, the disabled, the elderly people, and others, through the payment of social benefits and other types of state benefits to citizens. This allows ensuring equal and fair opportunities for personal development.

The objective of the interview was to study the current situation in the state benefits system.

The following areas were studied in the course of the research:

- socio-demographic portrait of the benefit recipients;
- level of the citizens' awareness of the status of Kyrgyzstan as a social welfare state and its obligations to grant pensions and benefits for vulnerable groups of the population;
- percentage of the citizens receiving state benefits, the types of benefits received by them and the difficulties, which they face;
- possibility of receiving state benefits at the place of actual residence without registration;
- level of the citizens' satisfaction with the current system of granting state benefits and their amount;
- degree of usefulness of the state benefits for the recipients and alternative types of aid;
- idea of the citizens about the actual minimum cost of subsistence and average wage in Kyrgyzstan.

The representatives of two target audiences acted as respondents: recipients and non-recipients of the state benefits.

MAIN CONCLUSIONS

- The level of awareness among citizens that Kyrgyzstan is a social welfare state, which provides benefits for vulnerable groups of population is 66 %;
- The percentage of citizens receiving state benefits amounted to 21% of the total number of respondents. Out of them: 6% up to now receive benefits, 5% received benefits earlier, 6% are close relatives of those who receive benefits, 4% are close relatives of those who received benefits earlier;
- The main reasons for the termination of receiving of the state benefits: a benefit is a lump-sum - 41%, benefit recipient's financial situation has improved - 28%, benefit recipient has found a job - 9%;
- Kyrgyzstan, as a social welfare state, in building its socio-economic policy must adhere to certain principles, one of which is "social justice and social solidarity of the society, which are ensured on the basis of the development of the stock ownership of the employees, as well as through tax redistribution of incomes from rich to poor and greater loading of the most able-bodied members of the society in order to help the less able-bodied people";
- The citizens receiving state benefits are more likely to believe that the principles of a social welfare state are observed in Kyrgyzstan (41%) than those who do not receive benefits (20%). However, in bulk, the overwhelming majority believes that the principles of a social welfare state are not respected in the country;
- The biggest share of the benefit recipients are people at the ages from 40 to 54 who are married. The biggest share of the citizens receiving benefits comparing to the rest of the population lives in Naryn oblast;
- The main types of received benefits: "Ui bulogo komok" – a monthly benefit for supporting low-income families with children under 16 years of age, its share is 46%; "Balaga suiunchu" – a lump-sum payment at birth of a child, 19%; Adults with identified disability (groups I, II, III), 17%; children under 18 years of age with identified disability, 10%;
- The amount of benefits received per month, for the most part, is 800–900 soms (25%); from 3000 to 4000 soms (24%); from 1000 to 2000 soms (18%);

- 48% of citizens receiving benefits experienced difficulties in its obtaining. The main difficulties are as follows: difficulties with preparation of documents for receiving benefits - 39%; duration of the benefit approval procedure - 24%; corruption - 8%;
- A number of amendments were made to the Law on state benefits in the Kyrgyz Republic on March 30, 2018, including an amendment allowing receiving benefits at the place of residence without the need for registration. However, 21% of the citizens receiving benefits after the date of introduction of amendments said that they were required to present registration. Therefore, according to the research data, the introduced amendment does not work to full extent;
- The benefits granted to citizens, despite their small amount, help them to meet their vital needs to a greater extent. 57% of respondents said that the benefits help them more likely, 8% said that they help them to fully meet their basic needs;
- 75% of the citizens receiving benefits believe that the amount of the benefits received by them or by their relatives is small, but without a benefit they will have a little bit more difficulties; 11% think that the amount of benefit is tangible and without it they will have much more difficulties. 10% believe that they can easily live without the benefit they are receiving now, since the share of incomes from it is negligible;
- 38% of respondents are not satisfied with the existing system of granting benefits. The main reasons for this are: an extremely small amount of benefits - 63%, bureaucracy - 44%, corruption - 21%;
- The main aid from the government, which those who are eligible to receive benefits would like to get, is increase of the benefit amount - 12.7%. The following actions, in addition to benefits, can be alternative types of aid: supply of food products - 7.5%, assistance in finding employment - 6%, assistance in acquiring housing - 4.8%;
- Among the citizens who do not receive benefits, the level of awareness of the types of benefits provided by the state amounted to 58%, i.e. out of 100% of citizens, 58% were able to name the types of granted benefits. The most well-known types of benefits are: "Ui-bulogo komok" - 34.2%, "Balaga suyunchu" - 28.6%, disability benefits - 20.1%;
- Citizens who do not receive benefits have much more critical attitude to the benefits system. 46.7% consider it to be ineffective, 33% found it difficult to evaluate it. Similarly to the recipients of benefits, they see the main reasons for its inefficiency in the following: extremely small amounts of benefits - 69.5%, bureaucracy - 49.6%, corruption - 39.4%'
- If there was a need for getting benefits, 63% of the citizens would apply to the state bodies for this purpose, however 30% of citizens would prefer not to do this. The main reasons for this are: small amounts of payments - 15%, complicated processes for obtaining benefits / bureaucracy - 13%;
- According to official information, the minimum subsistence level in Kyrgyzstan for the 2nd quarter of 2019 amounted to 4,739 soms (Data from the National Statistical Committee of the Kyrgyz Republic). However, according to the study data, the average value of the actual minimum subsistence level, according to

the respondents' opinion, was 16687 soms, which is three times higher than the official minimum subsistence level. The minimum idea of the minimum subsistence level amount in Naryn oblast is 13556 soms, the maximum in Bishkek - 21006 soms. This suggests that the amount of the official minimum subsistence level is significantly undervalued, which in its turn explains the citizens' discontent with the benefits amount and their desire for an increase in the amount of payments;

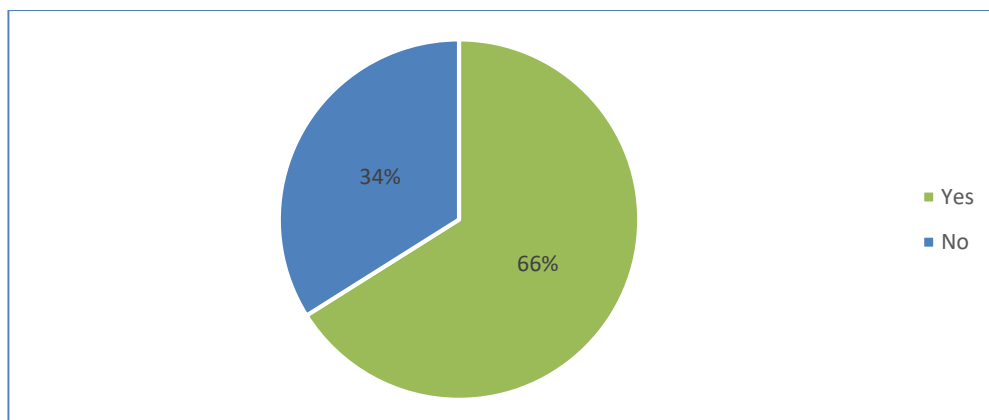
- According to the study, the average salary in Kyrgyzstan was 8403 soms. The minimum salaries are in Osh oblast - 6839 soms, the maximum in Bishkek - 10786 soms. According to the data from the National Statistical Committee for 2018, the amount of average salary in the Republic amounted to 16427 soms, which is two times higher than the amount specified by the respondents;
- Sharp dissonance between the official figures and the respondents' opinion regarding the amount of the minimum subsistence level and the average salary indicates serious problems in the social security system and in particular in the system of payment of state benefits.

GENERAL RESULTS OF SOCIOLOGICAL SURVEY

Benefit recipients' share in Kyrgyzstan

The percentage of citizens who know that Kyrgyzstan is a social welfare state, which provides for benefits for vulnerable groups of population, amounted to 66%. The remaining 34% said that they do not know about this. (See Diagram 1)

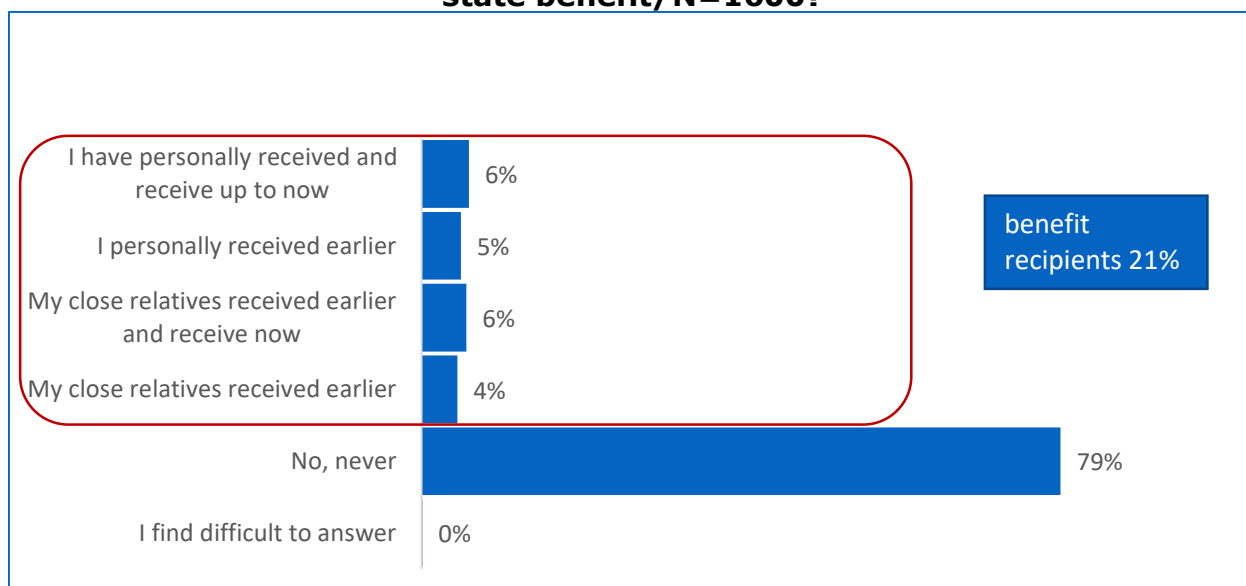
Diagram 1. Do you know that Kyrgyzstan is a social welfare state, where vulnerable groups of population are entitled to receive benefits from the state? /N=1600*



*N(n) - the number of observations in absolute value, from which the percentage ratio was calculated

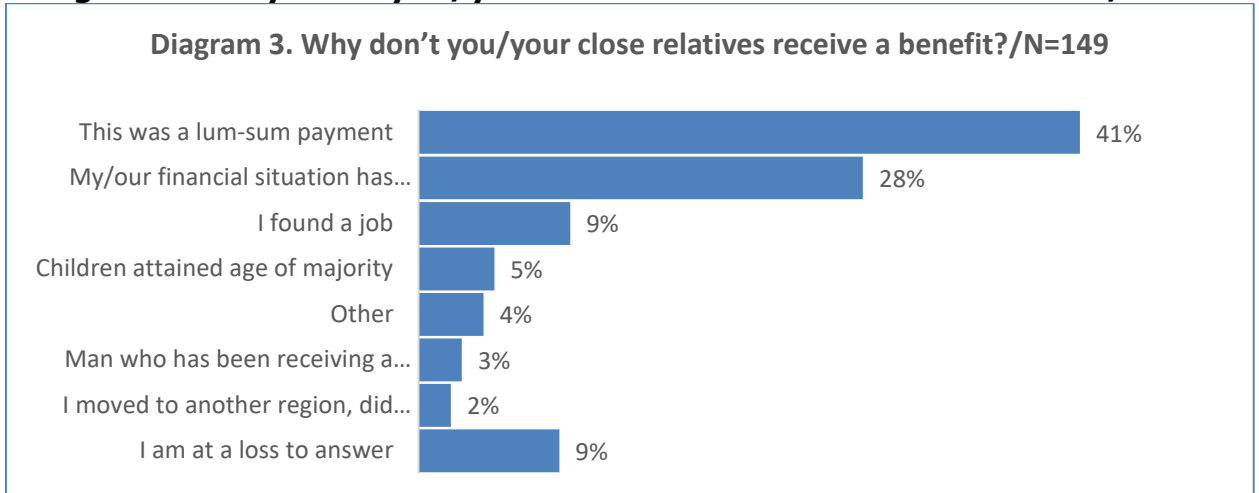
The share of people receiving state benefits amounted to 21% of the total number of respondents. Out of them: 6% receive benefits up to now, 5% received benefits earlier, 6% are close relatives of those who receive benefits, and 4% are close relatives of those who received benefits earlier. (See Diagram 2)

Diagram 2. Have you or your close relatives ever or up to know received a state benefit/N=1600?



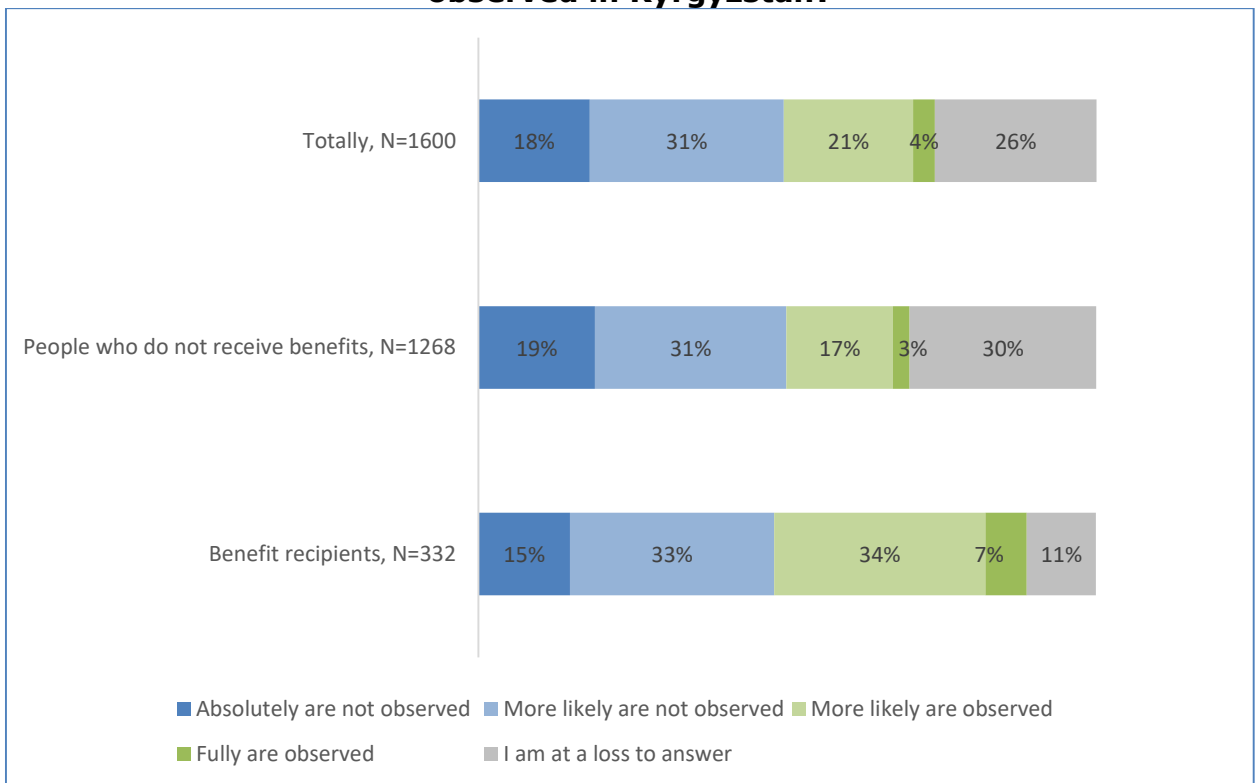
The main reasons for the termination of receiving of the state benefits are as follows: a benefit is a lump-sum one - 41%, benefit recipient's financial situation has improved - 28%, benefit recipient has found a job - 9% (See Diagram 3).

Diagram 3. Why don't you/your close relatives receive a benefit? /N=149



The citizens receiving state benefits are more likely to believe that the principles of a social welfare state are observed in Kyrgyzstan (41%) than those who do not receive benefits (20%). However in bulk, the overwhelming majority believes that the principles of a social welfare state are not respected in the country (See Figure 4).

Diagram 4. To what extent are the principles of a social welfare state observed in Kyrgyzstan?



Social Demographic Profile of the Benefit recipients

Statistically significant differences between those who receive and do not receive benefits were identified by the following characteristics: age, marital status, region of residence.

The biggest share of the benefit recipients are people ages from 40 to 54 who are married. The biggest share of citizens receiving benefits comparing to the rest of the population lives in the Naryn oblast, 36.2% (See Diagrams 5-7).

Diagram 5. Receiving of benefits in terms of age

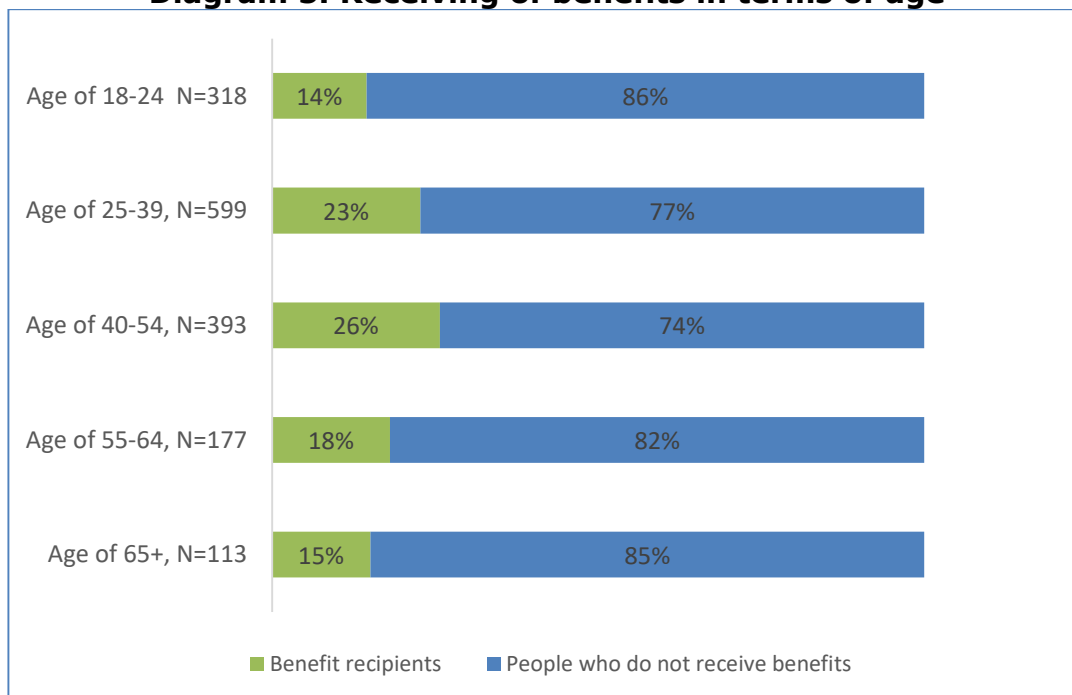


Diagram 6. Receiving of benefits in terms of marital status

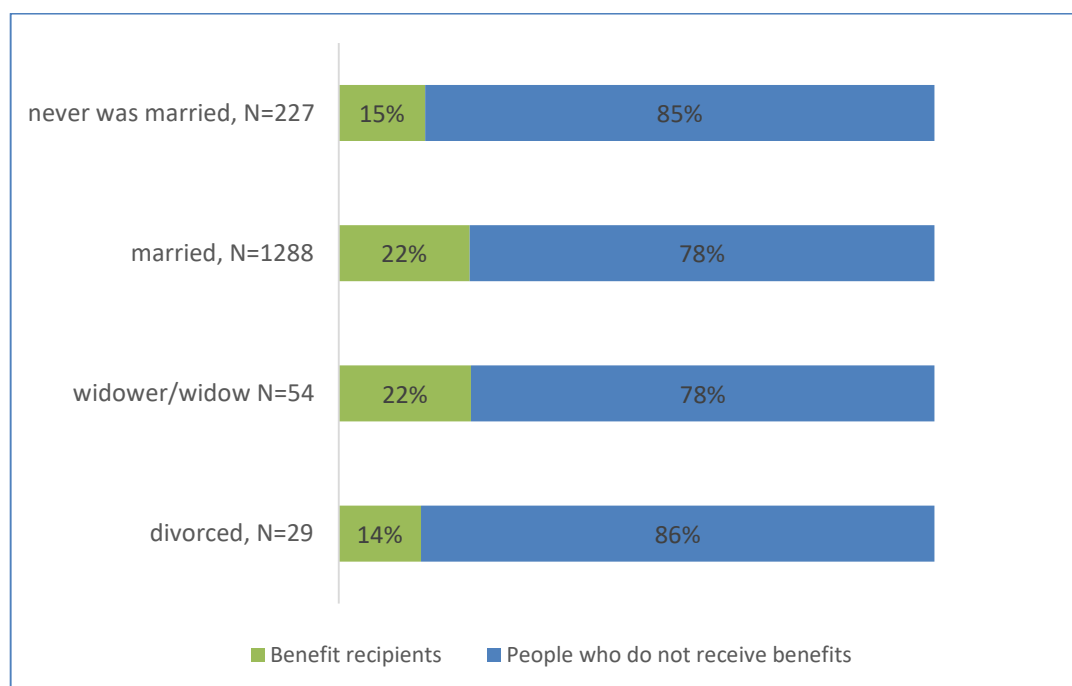
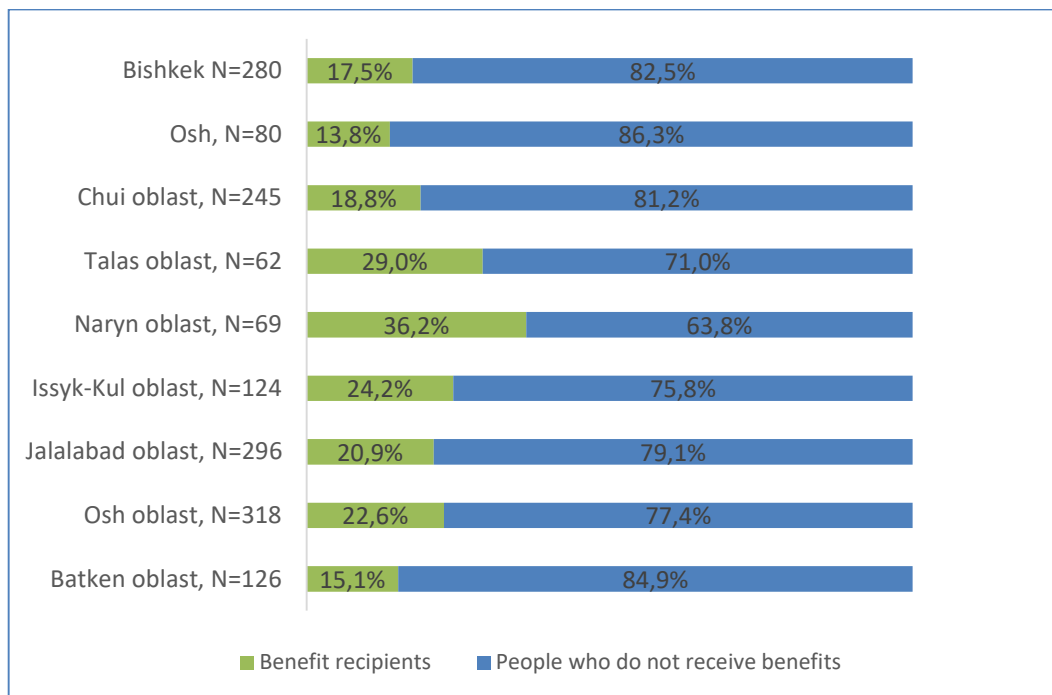


Diagram 7. Receiving of benefits in terms of regions

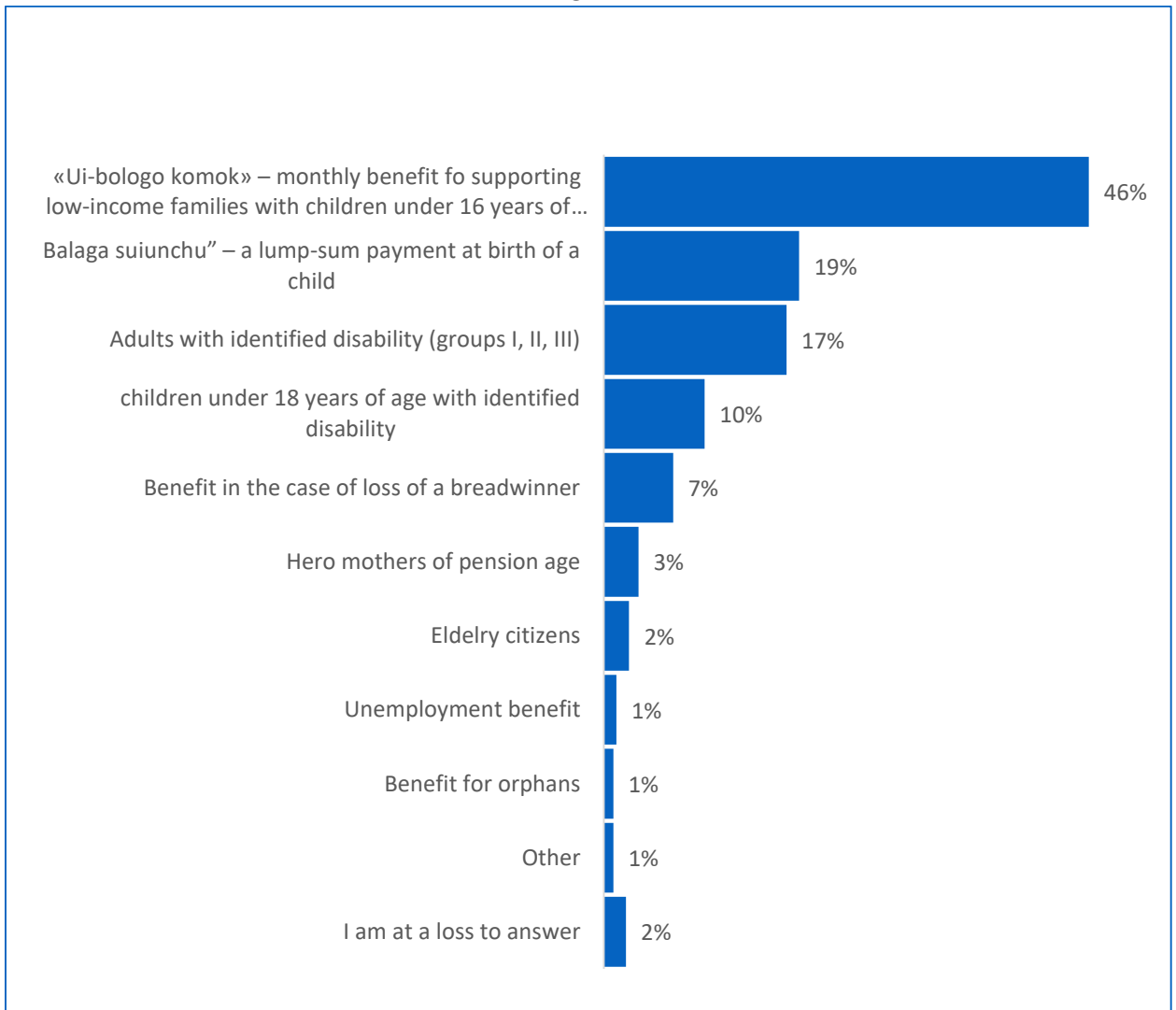


Peculiarities of receiving state benefits in Kyrgyzstan

The following benefits were named by the respondents among the main received benefits: “Ui bulogo komok” – a monthly benefit for supporting low-income families with children under 16 years of age, its share is 46%; “Balaga suiunchu” – a lump-sum payment at birth of a child, 19%; Adults with identified disability (groups I, II, III), 17%; children under 18 years of age with identified disability, 10% (See Figure 8).

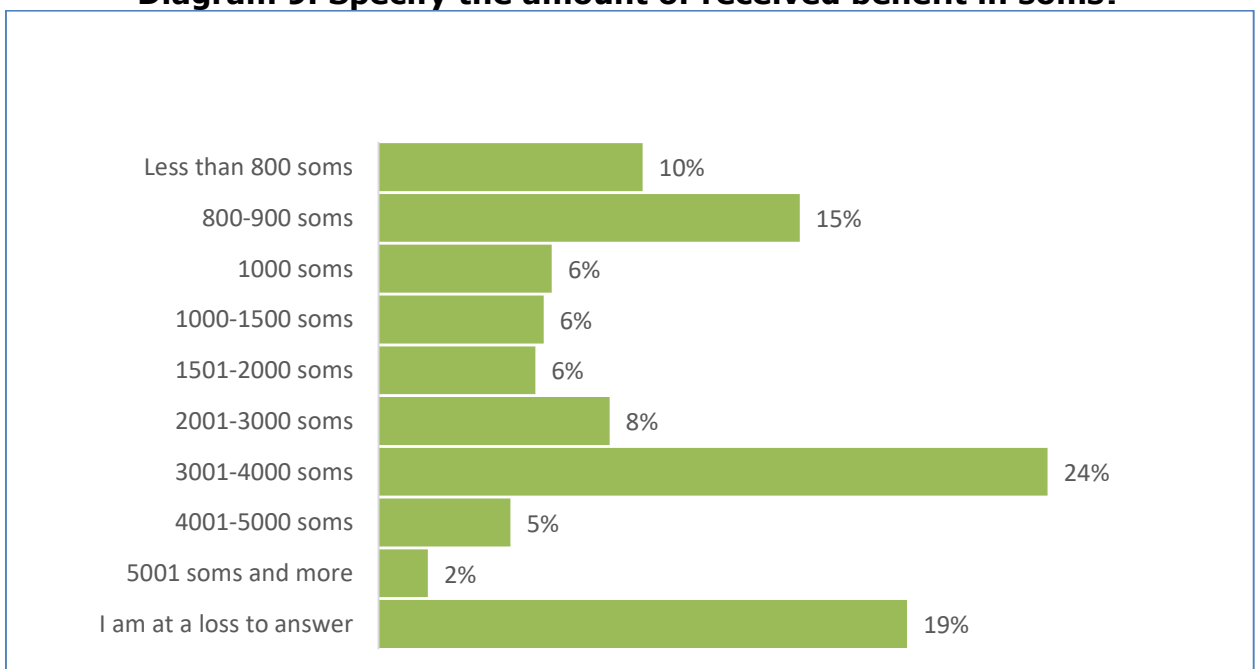
The amount of benefits received per month, for the most part, is 800–900 soms (25%); from 3000 to 4000 soms (24%); from 1000 to 2000 soms (18%). A significant part of the respondents (19%) found it difficult to answer this question (See Diagram 9).

Diagram 8. What type of benefit do you/does your close relative receive now?



* The sum of the answers exceeds 100%, because the question suggested the possibility of choosing more than one answer options.

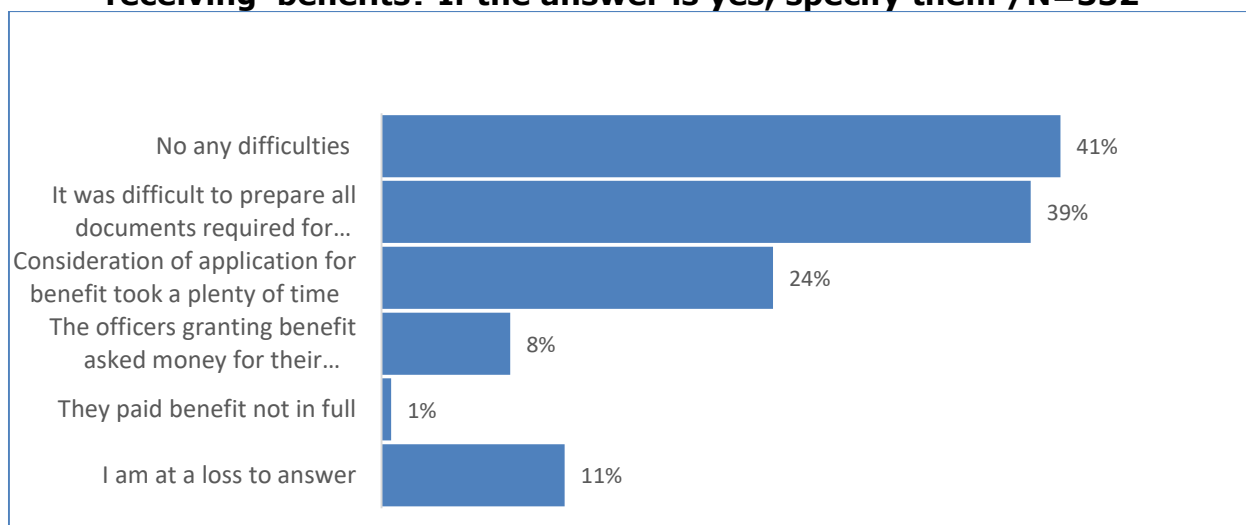
Diagram 9. Specify the amount of received benefit in soms?



* The sum of the answers exceeds 100%, because the question suggested the possibility of choosing more than one answer options.

48% of citizens receiving benefits experienced difficulties in its obtaining. The main difficulties are as follows: difficulties with preparation of documents for receiving benefits - 39%; duration of the benefit approval procedure - 24%; corruption - 8%; (See Diagram 10).

Diagram 10. Did you have/your close relative has difficulties upon receiving benefits? If the answer is yes, specify them /N=332*



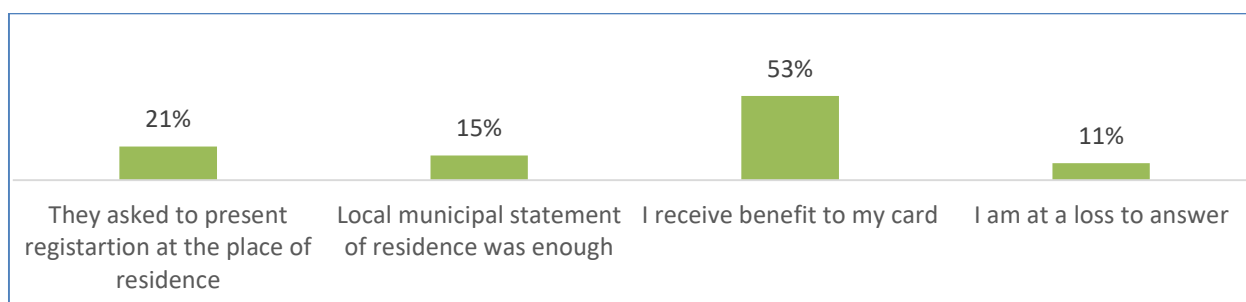
* The sum of the answers exceeds 100%, because the question suggested the possibility of choosing more than one answer options

** Percentage was calculated as follows = 100% -41% (No any difficulties) -11% (I am at loss to answer)

A number of amendments were made to the Law on state benefits in the Kyrgyz Republic on March 30, 2018, including an amendment allowing receiving benefits at the place of residence without the need for registration.

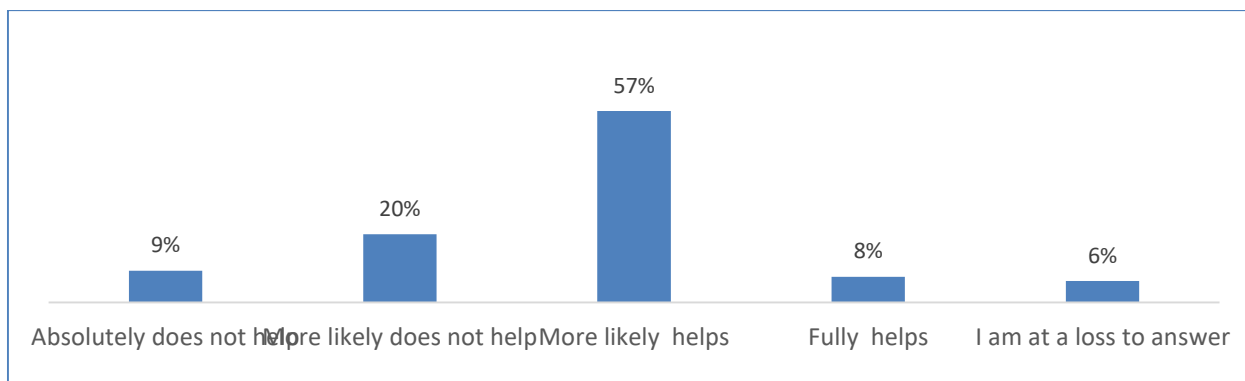
In order to identify whether the amendments made to the law work, the respondents who received benefits after March 30, 2018 were asked if they were required to register at the place of residence for receiving benefits. It turned out that more than half (53%) of them receive benefits to bank account and registration is not required. However, 21% of the citizens said they were required to register at the place of residence. Therefore, according to research data, the introduced amendment does not work to its full extent (See Diagram 11).

Diagram 11. Upon receiving a benefit last time, did they require to present registration at the place of residence or was it enough to present a local municipal statement of residence? /N=121



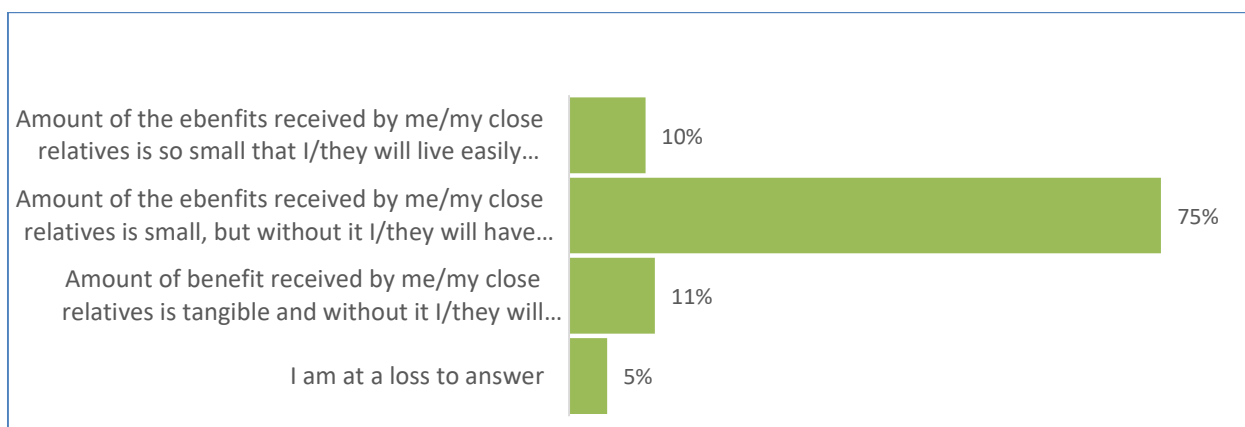
The benefits granted to the citizens, despite their small amount, help them to meet their vital needs to a greater extent. 57% of the respondents said that the benefits help them more likely, 8% said that they help them to fully meet their basic needs (see Diagram 12).

Diagram 12. To what extent the amount of benefits received by you/your close relatives does help you/them to meet vital needs? /N=332



75% of citizens receiving benefits believe that the amount of the benefits received by them or by their relatives is small, but without a benefit they will have slightly more difficulties; 11% think that the amount of benefit is tangible and without it they will have much more difficulties. 10% believe that they can easily live without the benefit they are receiving now, since the share of incomes from it is negligible (See Diagram 13).

Diagram 13. I am going to read you several statements on the benefits received by you/your close relatives, please choose an answer that is suitable for you /N=332



As for the current system for granting benefits, 38% of respondents are not satisfied with its functioning. The main reasons for this are: an extremely small amount of benefits - 63%, bureaucracy - 44%, corruption - 21% (See Diagrams 14, 15).

Diagram 14. To what extent are you satisfied with the current system for granting benefits?

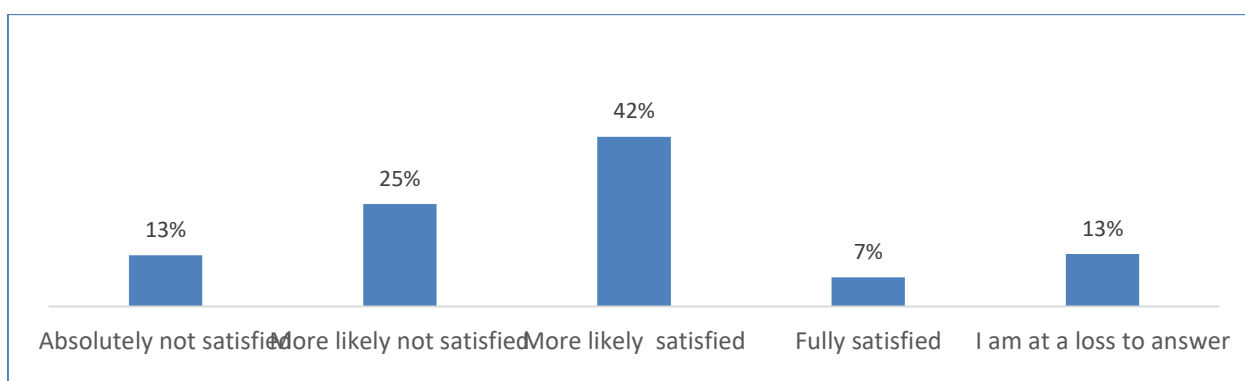
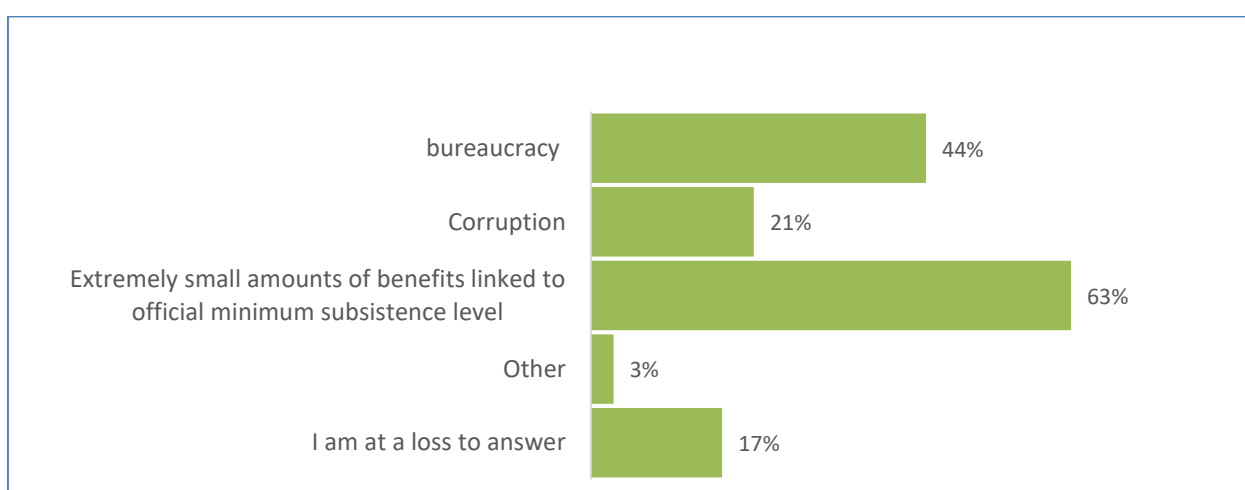


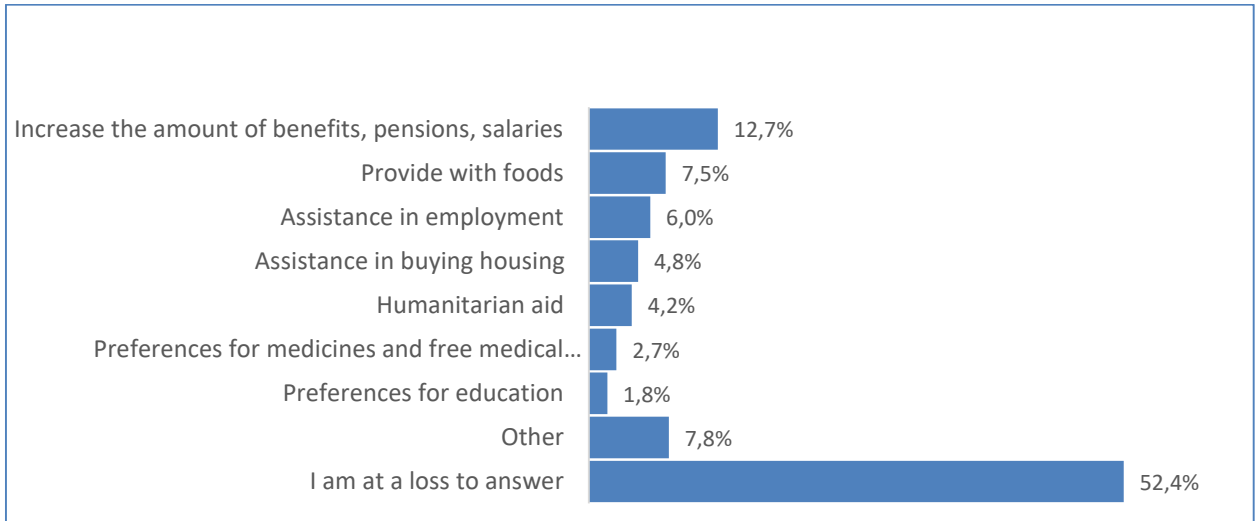
Diagram 15. What thing does not satisfy you in the system for granting benefits?/N=169*



* The sum of the answers exceeds 100%, because the question suggested the possibility of choosing more than one answer options.

Most of those who receive benefits, consider them as the most appropriate type of aid and instead of searching for alternatives, consider it necessary to increase the amount of payments - 12.7%. The following actions, in addition to benefits, can be alternative types of aid: supply of food products - 7.5%, assistance in finding employment - 6%, assistance in acquiring housing - 4.8%;

Diagram 16. What aid from the state, besides benefits, would be most effective for you/your close relative? /N=332

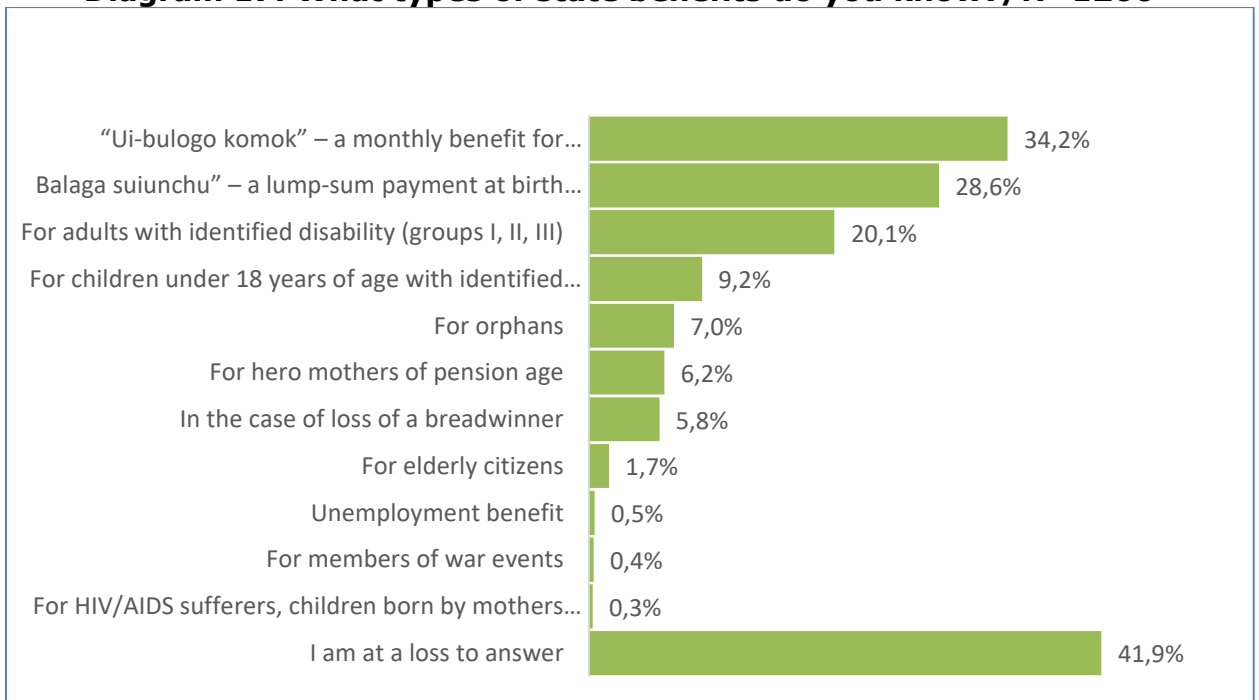


Level of awareness of the subject in question among the people who do not receive benefits

Among citizens who do not receive benefits, the level of awareness of the types of benefits provided by the state amounted to 58%, i.e. out of 100% of the citizens, 58% were able to name the types of the granted benefits.

The most well-known types of benefits are: "Ui-bulogo komok" - 34.2%, "Balaga suyunchu" - 28.6%, disability benefits - 20.1%; (See Diagram 17).

Diagram 17. What types of state benefits do you know?/N=1266*



* The sum of the answers exceeds 100%, because the question suggested the possibility of choosing more than one answer options.

Citizens who do not receive benefits have much more critical attitude to the benefits system. 46.7% consider it to be ineffective, 33% found it difficult to evaluate it (See Diagram 18).

The main reasons of the inefficiency of the system for granting benefits, in their opinion, are extremely small amounts of benefits - 69.5%, bureaucracy - 49.6%, corruption - 39.4% (See Diagram 19).

Diagram 18. In your opinion, to what extent is the current system for granting benefits effective?/N=1266

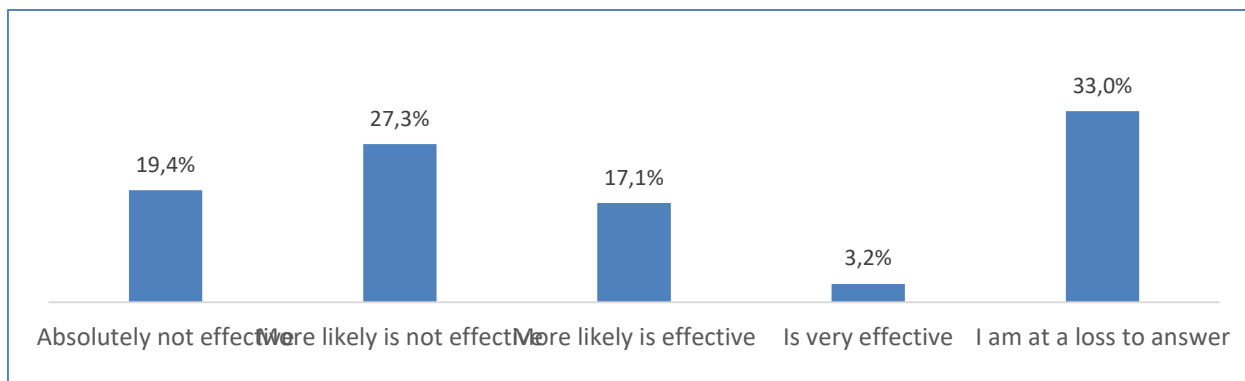
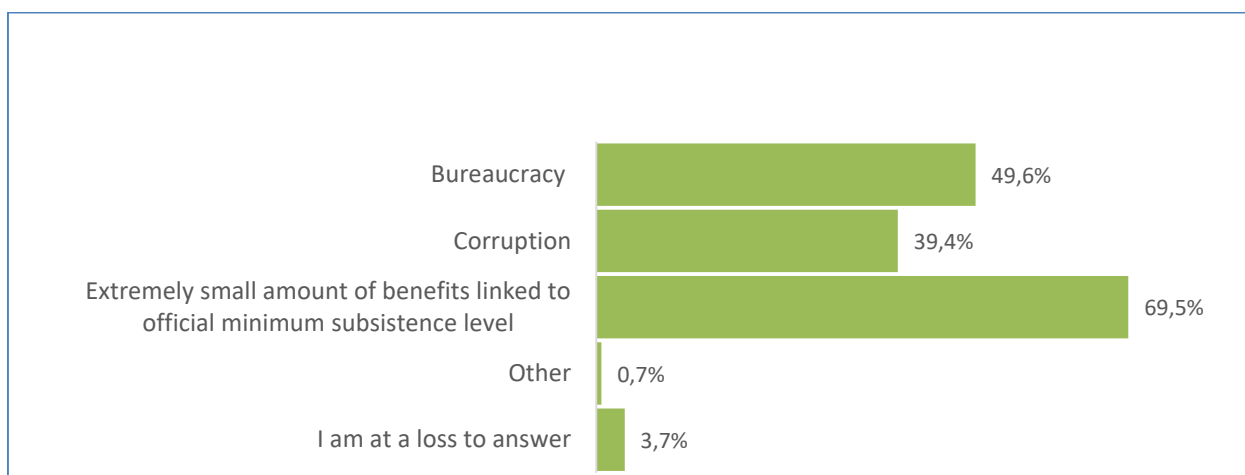


Diagram 19. What thing in the system for granting benefits do you consider as ineffective?/N=591*



* The sum of the answers exceeds 100%, because the question suggested the possibility of choosing more than one answer options.

The overwhelming majority of citizens (68.4%) found it difficult to name the types of assistance to vulnerable groups of the population, which are alternative to the benefits.

8.6% believe that it is necessary to increase the amount of payments of current benefits; 4.9% see the need for providing assistance in finding employment; 3.6% believe that representatives of vulnerable groups need assistance in obtaining housing or land plots (See Diagram 20).

If there was a need for benefits, 63% of the citizens would apply to the state bodies for this purpose; however 30% of the citizens would prefer not to do this.

The main reasons for this are: too small amounts of payments -15%, too complicated processes for receiving benefits / bureaucracy - 13% (See Diagram 21).

Diagram 20. What type of aid from the state for socially vulnerable groups of population, besides benefits, would be more effective?/N=1266

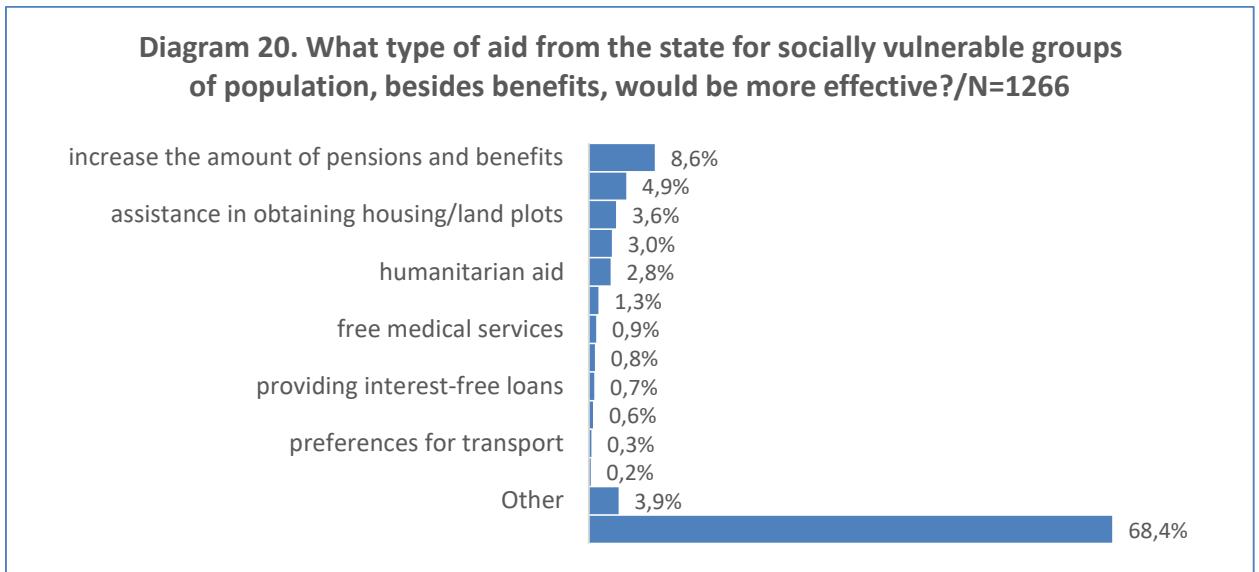
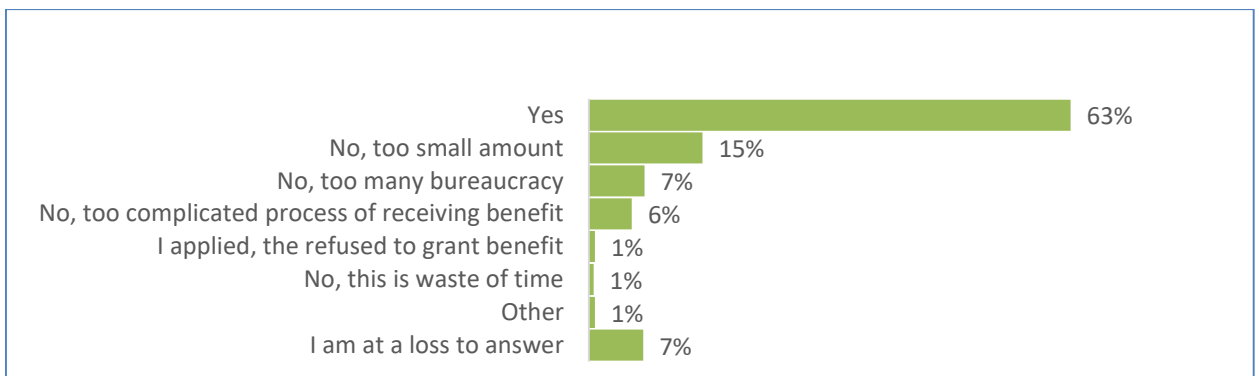


Diagram 21. If you were entitled to receive benefits, would you apply to the state bodies for receiving it?/N=1266



Official and actual minimum subsistence level

The minimum subsistence level (MSL) is the monthly minimum income level, which is necessary to meet a person's vital needs. The MSL includes the valuation of the consumer basket, as well as mandatory payments and fees.

The MSL indicator has a social character and is applied for a number of purposes, some of which are: providing required state social aid to the economically disadvantaged citizens, determining the level of scholarships, benefits, and other social allowances fixed at the national level.

Thus, the amount of state benefits are calculated taking into account the size of the MSL.

According to official data, the MSL value in Kyrgyzstan for the 2nd quarter of 2019 amounted to 4,739 soms (Data from the National Statistical Committee of the Kyrgyz Republic).

But is this amount sufficient for one person per month in order to meet his/her basic needs? In order to find out the actual amount of MSL, a question was asked to respondents in order to determine the minimum amount of income per person per month, which would allow him/her to satisfy his/her basic needs for food, clothing and payment of utility bills.

The answers to this question distributed as follows. 23% indicated the amount of 15,000 soms, 15.8% indicated the amount of 20,000 soms, and 12.8% indicated the amount of 10,000 soms (See Diagram 22).

The average value amounted to 16687 soms, which is three times higher than the official MSL value. Minimal idea of the MSL amount is in Naryn oblast - 13556 soms, the maximum one is in Bishkek - 21006 soms (See Diagram 23).

Thus, the official MSL is significantly underestimated. This fact explains the dissatisfaction of citizens with the amount of benefits and their desire to increase the amount of payments.

Diagram 22. What minimum monthly income in soms should a person have in order to be able to buy only the most needed foods and goods of first priority, pay for utilities? /N=1600

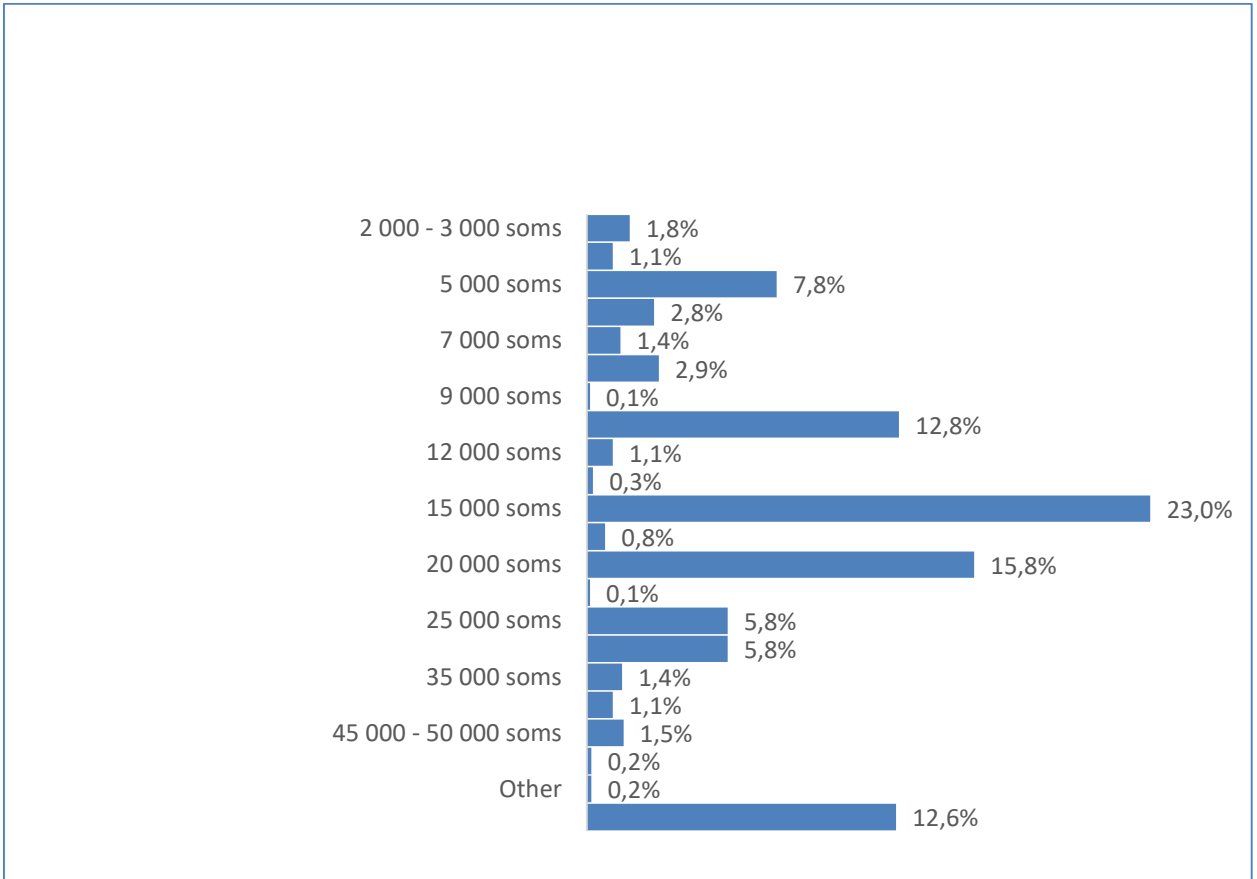
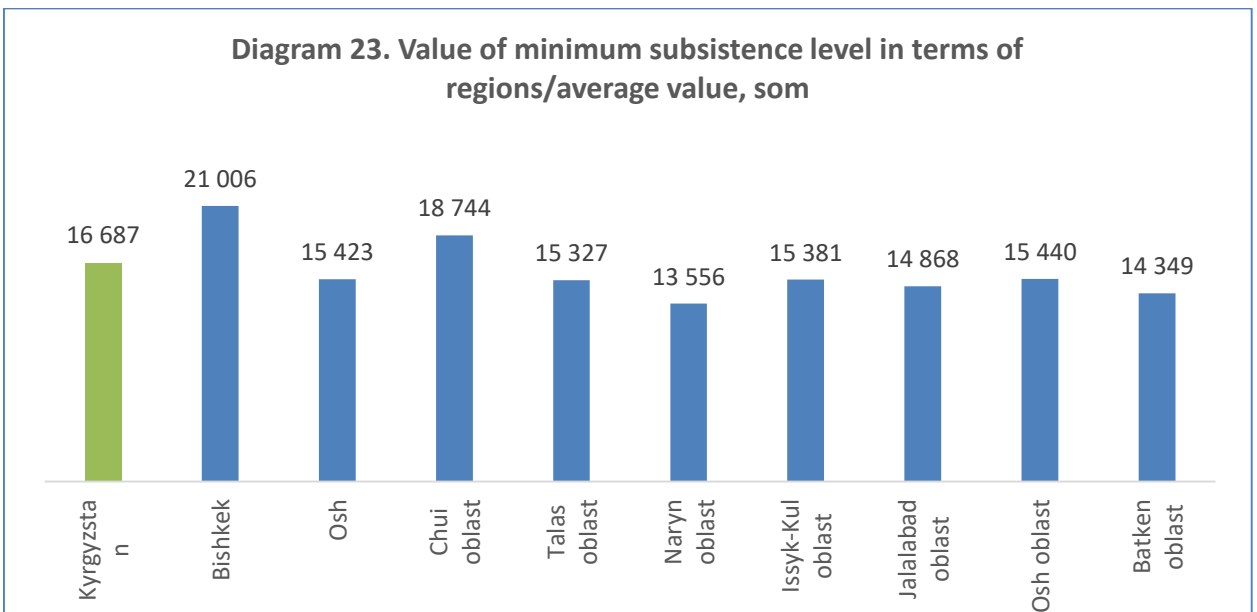


Diagram 23. Value of minimum subsistence level in terms of regions/average value, som



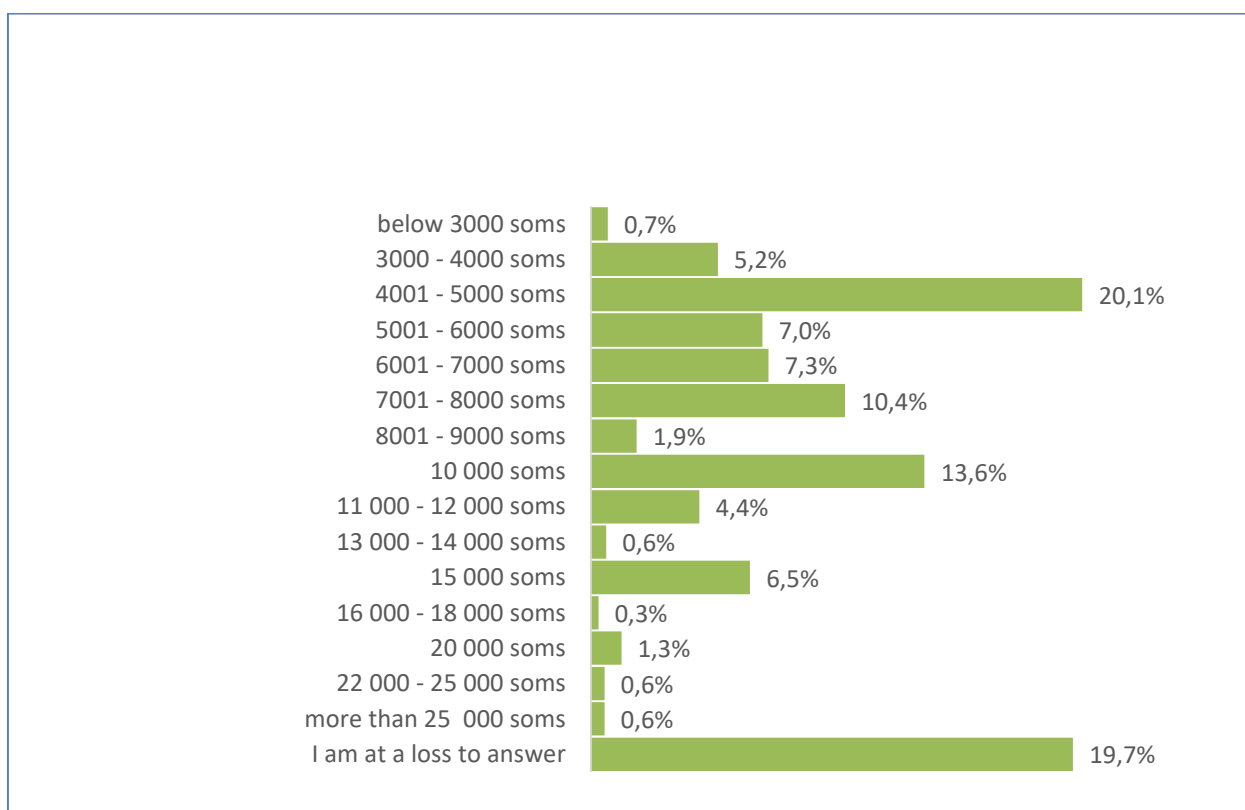
Average salary

The next indicator actively affecting the livelihood of citizens and the amount of benefits is the average salary.

According to the research data, the average salary in most cases is 4,000-5,000 soms, 20.1% of respondents think so.

13.6% specified that the average salary is 10,000 soms, 10.4% think that the average salary is 7000-8000 soms (See Diagram 24).

Diagram 24. Specify the amount of average salary in your region in soms as of today /N=1600

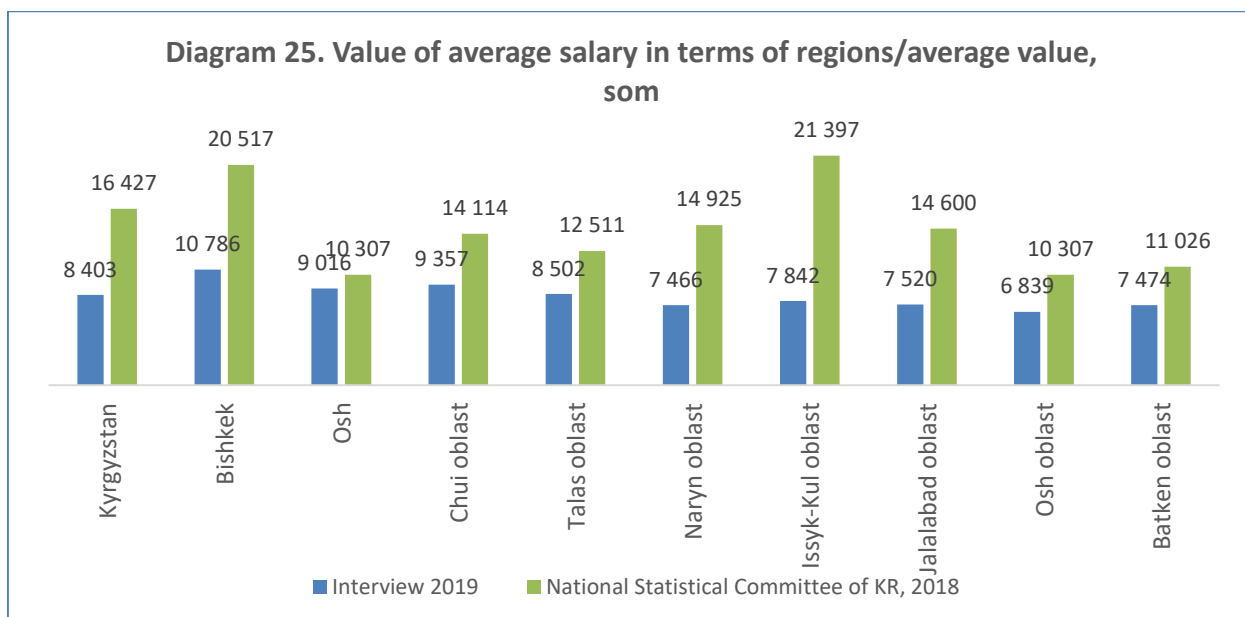


Thus, according to research data, the average salary in Kyrgyzstan amounted to 8,403 soms. The minimum salaries are in Osh oblast - 6839 soms, the maximum is in Bishkek - 10786 soms (See Diagram 25).

According to the data from the National Statistical Committee for 2018, the average salary in the Republic amounted to 16427 soms, which is two times higher than the amount indicated by the respondents (See Diagram 25).

The sharp dissonance between the official figures and the respondents' opinion regarding the amount of the minimum subsistence level and the average salary suggests presence of serious problems in the of social security system and in particular in the system of payment of state benefits.

Diagram 25. Value of average salary in terms of regions/average value, som



RESEARCH METHODOLOGY

The survey was conducted with the help of the specialized telephone interviewing computer system CATI (Computer Assisted Telephone Interviewing). This method provides an opportunity to quickly and efficiently collect data on socially important issues. An important advantage of telephone interviewing is that information can be obtained quickly and it also can be quickly processed. In addition, one of the advantages is reliability, because the organization is able to oversee the interviewing through direct presence in the operator room. Interviewers are under supervision of a supervisor, who can listen to any ongoing conversation and oversee the work of the interviewers.

For interviewing, cell telephone numbers were randomly generated by a specially developed computer program. In addition, a database of landline telephone numbers for each oblast was used for calling the landline telephones.

Population under consideration

The population under consideration was the urban and rural population of Kyrgyzstan aged 18 years old and older permanently residing within the territory of 9 regions of the country: city of Bishkek, city of Osh, Chui oblast, Issyk-Kul oblast, Talas oblast, Naryn oblast, Jalal-Abad oblast, and Osh and Batken oblasts.

Characteristics	Country distribution in % according to the data of the National Statistics Committee in 2016¹	Distribution in the sample
Gender		
Men	49,6%	46,6%
Women	50,4%	53,4%
Age		
18-24	19,1%	19,9%
25-39	37,9%	37,4%
40-54	24,2%	24,6%
55-64	11,5%	11,1%
65+	7,3%	7,1%
Oblast		
Bishkek city	16%	17,5%
Osh city	4,6%	5,0%
Batken oblast	8,2%	7,9%
Jalalabad oblast	19%	18,5%
Issyk-Kul oblast	7,7%	7,8%
Naryn oblast	4,5%	4,3%
Osh oblast	21%	19,9%
Talas oblast	4.1%	3.9%
Chui oblast	14.7%	15.3%

Table 1. Comparison of sample and general populations under three demographic characteristics

¹ Electronic database of the NSC <http://www.stat.kg/ru/statistics/naselenie/>

Sample design

The sample was equally distributed among the seven oblasts and the cities of Bishkek and Osh. This equal distribution of sample allowed reducing the statistical margin of error. Error for such sample size was calculated according to the formula:

$$\text{Moe} = \frac{1}{\sqrt{n}}$$

Where n is the sample size.

In total, 1,600 people were interviewed. For such a sample size, the maximum statistical sampling error at a confidence level of 95% is equal to 2.5%.

General selection of respondents was carried out with the control of the gender and age quotas, regional quotas (oblast/city/village), as well as the quotas for using only mobile, only landline numbers and the quotas for respondents that use both mobile and landline communications.

Upon completion of calls to the landline numbers the person who lifted the handset was interviewed. Randomness was ensured by random selecting the landline numbers from a common database. Upon completion of calls to cell numbers the respondent who picked up the phone was interviewed. Cell phone numbers were generated randomly with the help of the special software.

The respondents were the citizens who use the services provided by the following mobile network operators:

- Beeline
- Megacom
- O!
- Kyrgyztelecom

Data processing

Processing of the interview results was carried out with the use of the specialized software package for statistical and econometric modeling SPSS.

Tools

Telephone survey questionnaire consisted of 8 demographic questions and 22 questions aimed at studying the population's opinion and awareness of the state benefits in the country.

The questionnaire consisted of the closed and semi-closed questions. The questionnaire was drawn up in Russian language and translated into the Kyrgyz language. Both versions were used in the interview depending on the respondent's language.