

ANNOUNCEMENT

Compulsory nature of pension contributions

Compulsory pension contributions (CPC) are 10% of all types of wages in monetary terms and other income that the agent (employer) pays to the UAPF to an individual pension saving account. This rule applies to employees both under an employment contract and under a civil law agreement concluded with a legal entity.

Until July 1, 2023, the following categories of citizens **have the right**, but are not required to pay CPC to the UAPF:

- individuals permanently residing in the territory of the Republic of Kazakhstan, receiving income under civil law contracts, the subject of which is the performance of works (rendering services) concluded with individuals who are not tax agents;

- individuals permanently residing in the territory of the Republic of Kazakhstan, working in representative offices of international organizations in the Republic of Kazakhstan, diplomatic missions and consular offices of foreign states accredited in the Republic of Kazakhstan.

From July 1, 2023, all of the above persons will be required to pay CPC to the UAPF. Payment of CPC is carried out through second-tier banks in cash or by bank transfer through the State Corporation, which, in turn, transfers them to the UAPF in accordance with a single list of individuals in whose favor they are transferred.

This measure helps to increase the coverage of the population by the funded pension system to ensure adequate pension benefits in the future.

Read about who is obliged or entitled to pay pension contributions on [the Fund's website in the "For Contributors" section](#).

The UAPF was established on August 22, 2013 on the basis of GNPF APF JSC. The UAPF founder and shareholder is the Government of the Republic of Kazakhstan represented by the State Institution "Committee of State Property and Privatization" of the Ministry of Finance of the Republic of Kazakhstan. UAPF pension assets are managed by the National Bank of the Republic of Kazakhstan. From January 1, 2016, the functions for developing proposals to improve the management of pension assets were transferred to the National Fund Management Council. In accordance with the pension legislation, the UAPF attracts compulsory pension contributions, compulsory occupational pension contributions, voluntary pension contributions, pension benefits, individual accounting of pension accumulations and benefits, provides the contributor (beneficiary) with information on the status of his pension accumulations (for more information visit www.enpf.kz)