

ANNOUNCEMENT

How the Agreement on Pension Provision for Workers of the EAEU Member States Works

The agreement entered into force on January 1, 2021 and its main goal is the formation and implementation of the pension rights of workers of the member states of the Eurasian Economic Union (EAEU) on the same conditions and in the same manner as citizens of the state of employment.

For the period since the entry into force of the Agreement as of January 1, 2023, for 46,350 workers-citizens of the EAEU Member States engaged in labor activities in our country on the basis of labor and civil law contracts concluded with employers, compulsory pension contributions were transferred (CPC) to individual pension saving accounts (IPSA) opened with the UAPF.

At the same time, in the absence of IPSA opened in the UAPF for accounting (CPC), these accounts were opened automatically upon receipt of contributions.

Also during 2021-2022. UAPF received and executed applications for the appointment of pension benefits from 40 citizens of the EAEU member states, of which 37 workers were assigned pension benefits in connection with reaching retirement age under the legislation of Kazakhstan and 3 heirs were assigned pension benefits in connection with the death of workers.

2 citizens of Kazakhstan who worked in the territory of Kyrgyzstan and Russia on the basis of an employment contract and transferred insurance contributions to the pension system of these countries were assigned life-long pensions by age by the relevant competent authorities.

Thus, the formation of pension rights by workers in the EAEU member states by transferring pension contributions to the pension system of the state of employment and their implementation in the form of assigned pension benefits became possible thanks to the Agreement based on the Treaty on the EAEU, which includes Armenia, Belarus, Kyrgyzstan, Kazakhstan and Russian Federation.

The UAPF notifies that in order to provide pensions under the Agreement, citizens of the EAEU member states need **to formalize their labor relations with employers in the state of employment by concluding labor or civil law contracts.**

In turn, employers are obliged to make pension (insurance) contributions to the pension system of the state of employment for officially employed workers in the manner and within the time limits established by the legislation of the state of employment.

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)

