

ANNOUNCEMENT

Contributors began to change IPM *UAPF provided records as of April 1, 2023*

Housing

From January 2021, as of **April 1, 2023**, about **KZT3.2 trillion** was transferred from UAPF to the special accounts of Kazakhstanis opened in banks-authorized operators to improve living conditions. Thus, the Fund fulfilled **1,355,921** applications of contributors and beneficiaries. The average amount seized per one application is about KZT2.4 million. At the same time, it should be noted that the number of unique applicants amounted to **691,204 people**. This means that many contributors and beneficiaries have taken advantage of the opportunity to use savings for housing several times.

On the website www.enpf.kz in the "Indicators" section, information is monthly updated on the purposes for which Kazakhstanis use lump-sum pension benefits, incl. by regions (subsections "[Lump-sum pension benefits by purposes](#)" and "[Lump-sum pension benefits for the improvement of housing conditions and medical treatment](#)", respectively).

Analyzing the presented statistics of executed applications, the following can be noted:

Kazakhstanis plan to use 64.3% of the transferred amounts for the purchase of a dwelling in the ownership of civil law transactions (final settlement) and the construction of an individual residential building (if there is a land plot in the property).

Contributors (beneficiaries) directed 12.9% of the used pension money to programs under the system of housing construction savings.

12.1% of the transferred amounts went to mortgage programs (from the initial payment to the full repayment of the mortgage loan).

8.3% of the transferred amounts are invested in housing construction savings for further accumulation.

Slightly more than 2% of the used pension savings went to other purposes (long-term rental of housing with subsequent purchase, acquisition of a housing plot for construction, etc.).

Please note that statistics are given for applications executed by UAPF. On the side of authorized operators, the goals of Kazakhstanis may change or the funds may return to the individual pension saving accounts (IPSA) of contributors (beneficiaries) in the UAPF. **KZT466.8 billion** was returned for the entire period to the IPSA of contributors (beneficiaries) from authorized operators due to the fact that lump-sum pension benefits were not used within the time limits established by law, at the request of the applicant and for other reasons.

Medical treatment

Since January 2021, as of **April 1, 2023**, UAPF has fulfilled **410,197 applications** for medical treatment for a total amount of **KZT329.1 billion**. The average amount of withdrawals for medical treatment for the period amounted to about KZT0.8 million. The number of unique applicants is about **300 thousand people**. Thus, some contributors and beneficiaries with savings above the minimum sufficiency threshold also took advantage of the withdrawal option several times.

Dentistry is still the most popular medical service for which pension savings are directed. More than 90% of executed applications indicate this goal.

At the same time, KZT32.9 billion from the authorized operator (Housing Construction Savings Bank Otbasay Bank JSC) returned to the IPSA of contributors (beneficiaries) in UAPF. These funds were not used within the time limits established by law, at the request of the applicant and for other reasons.

You can get acquainted with the current statistics on the use of pension savings for medical treatment on the website www.enpf.kz in the section "Indicators" - [Lump-sum pension benefits for the improvement of housing conditions and medical treatment](#)".

Private management

As of **April 1, 2023, KZT8.8 billion** was transferred to the investment portfolio managers (IPM) for the entire period based on **5,957 applications**. The total number of unique applicants is 3,421, which means that there are contributors who have decided to transfer part of their savings to several management companies. The average transfer amount is about **KZT1.5 million**.

At the same time, the total amount of funds managed by IPM, taking into account investment income, is about **KZT9.6 billion**.

As of April 1, 2023, there are five IPMs on the market: Jusan invest JSC, BCC Invest JSC, Centras Securities JSC, Halyk Global Markets JSC, Halyk Finance JSC. You can get acquainted with information about them and study their investment declarations on the website enpf.kz in the section "[Services](#)" - "[Register of Investment Portfolio Managers](#)".

Detailed statistics on the transfer of pension savings to trust management is also available on the enpf.kz website in the section "Indicators" - "[Transfer of pension savings to management companies](#)".

As a reminder, after the initial transfer of pension assets to IPM trust management, a contributor has the right to submit an application to the UAPF **no more than once a year** to transfer his pension savings to trust management from one IPM to another IPM. Since last year, contributors have begun to use this opportunity. 62 applicants exercised this right: as of April 1, 2023, UAPF executed 87 applications for transfer from one IPM to another for a total amount of KZT302 million.

Recall that after receiving pension assets from UAPF, IPM invests them in permitted financial instruments specified in the *Rules for the implementation of investment portfolio management activities*, approved by the Resolution of the Board of the National Bank of the Republic of Kazakhstan dated February 3, 2014 No. 10, and provided for in the IPM Investment Declaration.

Under the Law on Pension Provision, IPMs are entitled to charge an investment management fee. The maximum amount of IPM remuneration cannot exceed 7.5% of the received investment income. The actual amount of the commission is annually approved by the IPM management body and can change no more than once a year.

Up-to-date information on the [IPM commission](#) for 2023 is available on the enpf.kz website in the section: "[Services](#)" - "[Register of Investment Portfolio Managers](#)".

Also, contributors have the right to apply to the UAPF for the return of pension savings held in IPM's trust management to the National Bank's trust management, but **not earlier than two years** after the initial transfer of pension savings to IPM's trust management. Since the transfer to IPM began in February 2021, applications for transfer to the NBRK's trust management have only just begun to come to UAPF. As of April 1, 2023, 90 applications are being processed.

In addition, 10 days before the contributor reaches the retirement age, the contributor's pension savings are automatically returned to the investment management of the National Bank. As a result, as well as due to the departure for permanent residence outside the Republic of Kazakhstan or the death of a contributor, as of April 1, UAPF statistics record an automatic return of pension savings from IPM trust management to the National Bank of the Republic of Kazakhstan trust management in the amount of KZT33 million. KZT8.4 million was returned in 2021, about KZT24.5 million - in 2022, in 2023 there were no auto-refunds.

During the period when pension savings are under the management of the National Bank until the contributor reaches the retirement age, there is a guarantee of the safety of pension savings, taking into account the level of inflation. When transferring pension savings to IPM trust management, the state guarantee is replaced by the guarantee of the management company to ensure the minimum level of return on pension assets, which is calculated based on the weighted average return on pension assets transferred to the management of IPM operating on the market.

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)