

ANNOUNCEMENT

On March 15, 2024, an Open Door Day was held at UAPF JSC

This event has already become traditional and was carried out as part of outreach work among the population. The main agenda this time was the topic *New in pension legislation: ECPC*.

The pension system of Kazakhstan consists of several levels and sources of benefits: the basic and PAYG parts come from the state budget, the funded part comes from mandatory and voluntary contributions to the Unified Accumulative Pension Fund.

From January 1, 2024 the phased introduction of a new component of the funded (accumulative) pension system (APS) began – employer’s compulsory pension contributions (ECPC), which are paid at the expense of the employer’s own funds. This will allow for optimal distribution of responsibility for pension provision between the state, employer and employee.

It was the mechanism for introducing the ECPC that became the main topic of the Open Doors Day held by UAPF JSC on March 15 of this year. The organizers of the event told the participants about the goals of the innovation. For example, that this is aimed at supporting the generation of Kazakhstanis born in 1975 and later, who did not work until 1998 and will no longer receive a joint pension. Their pension provision will consist of a basic pension from the state and payments from pension savings, including contributions from employers. It was explained to the employers participating in the meeting that the additional payment for employees is not introduced at once, but gradually: starting from one and a half percent of the employee’s income up to 5 percent by 2028. This was done in order to reduce the burden on them and prepare the business to pay compulsory pension contributions from its budget.

Also, during the meeting, specialists from UAPF JSC not only explained the conditions for introducing the innovation, told how employers can pay for the ECPC and how citizens can control them, but also answered other questions from participants and media representatives related to the pension system of Kazakhstan.

According to the participants of the Open Doors Day, the meeting was held at a high organizational level with lively discussions, and specialists from UAPF JSC explained in a clear and accessible form all the nuances of changes in the funded pension system of Kazakhstan.

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)