



**On approval of the Rules for the use of lump-sum pension payments to improve housing conditions in accordance with the legislation of the Republic of Kazakhstan**

*Unofficial translation*

Order of the Minister of Industry and Infrastructural Development of the Republic of Kazakhstan dated January 21, 2021 No. 24. Registered with the Ministry of Justice of the Republic of Kazakhstan on January 21, 2021 No. 22100.

**Unofficial translation**

In accordance with subparagraph 10-27) of Article 10-2 of the Law of the Republic of Kazakhstan "On housing relations," **I HEREBY ORDER:**

**Footnote. Preamble – in the wording of the order of the acting Minister of Industry and Infrastructure Development of the Republic of Kazakhstan dated 10.08.2023 № 571 (shall enter into force upon expiry of ten calendar days after the day of its first official publication).**

1. to approve the attached Rules for the use of lump-sum pension payments to improve housing conditions in accordance with the legislation of the Republic of Kazakhstan.

2. Committee for construction and housing and communal services of the Ministry of Industry and Infrastructural Development of the Republic of Kazakhstan in accordance with the procedure, established by the legislation shall ensure:

1) state registration of this order with the Ministry of Justice of the Republic of Kazakhstan;

2) placement of this order on the Internet resource of the Ministry of Industry and Infrastructural Development of the Republic of Kazakhstan.

3. Control over execution of this order shall be entrusted to the supervising Vice-Minister of Industry and Infrastructural Development of the Republic of Kazakhstan.

4. This order shall be enforced from the date of its first official publication and shall apply to relations arisen from January 1, 2021.

*Minister of Industry and  
Infrastructural Development  
of the Republic of Kazakhstan*

*B. Atamkulov*

**“APPROVED”**

Ministry of Labor and  
Social Protection of Population  
of the Republic of Kazakhstan

**“APPROVED”**

Agency of the Republic of Kazakhstan  
for Regulation and Development  
of Financial Market

## **Rules for the use of lump-sum pension payments to improve housing conditions in accordance with the legislation of the Republic of Kazakhstan**

**Footnote. The rules - as amended by the order of the Minister of Industry and Construction of the Republic of Kazakhstan dated 12.07.2024 № 259 (shall come into effect upon expiry of ten calendar days after the day of its first official publication).**

### **Chapter 1. General Provisions**

1. These Rules for the use of lump-sum pension payments to improve housing conditions in accordance with the legislation of the Republic of Kazakhstan (hereinafter referred to as the Rules) have been developed in accordance with subparagraph 10-27) of Article 10-2 of the Law of the Republic of Kazakhstan "On Housing Relations", the Social Code of the Republic of Kazakhstan (hereinafter referred to as the Code), and shall determine the procedure for using lump-sum pension payments to improve housing conditions in accordance with the legislation of the Republic of Kazakhstan.

2. The following definitions shall be used in these Rules:

1) recipient – an individual who uses his/her lump-sum pension payments and/or lump-sum pension payments of his/her spouse and/or close relatives to improve housing conditions in the manner prescribed by these Rules;

2) a lump sum pension payment - the amount of pension savings formed from mandatory pension contributions withdrawn by the contributor of mandatory pension contributions (recipient of pension payments) from a single accumulative pension fund to improve housing conditions and (or) paying for treatment in the manner established in accordance with subparagraph 33) of paragraph 1 of Article 1 of the Code;

3) special accounts for lump-sum pension payments (hereinafter referred to as the Special account) – a current bank account opened by the recipient of lump-sum pension payments with an authorized operator determined by the Government of the Republic of Kazakhstan for the transfer of lump-sum pension payments from the UAPF to improve housing conditions and (or) paying for treatment;

4) close relatives – parents (parent), children, adoptive parents, adopted children, full and half-siblings, grandfather, grandmother, grandchildren;

5) applicant – a person entitled to receive lump-sum pension payments from the UAPF in accordance with the Code;

6) authorized operator - a legal entity (legal entities) determined by the Government of the Republic of Kazakhstan that opens and maintains special accounts for lump-sum pension

payments from the UAPF to improve housing conditions and (or) paying for treatment, to which the UAPF transfers lump-sum pension payments from pension savings formed through mandatory pension contributions, in accordance with subparagraph 136) of Article 1 of the Code;

7) the registering authority is the State Corporation "Government for Citizens", which carries out state registration at the location of real estate;

8) electronic digital signature (hereinafter referred to as EDS) – a set of electronic digital symbols created using an electronic digital signature and confirming the authenticity of an electronic document, its ownership and the immutability of its content.

## **Chapter 2. Procedure for using lump-sum pension payments to improve housing conditions**

3. To use lump-sum pension payments to improve housing conditions, the applicant independently obtains information from the UAPF on the available amount of the lump-sum pension payment, including through the UAPF Internet resource.

4. The applicant, using an EDS or other electronic method established by the internal document of the authorized operator, shall log in to the Internet resource of the authorized operator and open his/her account, which he/she shall apply to open a special account.

The applicant may also open a special account in another manner established by the internal document of the authorized operator.

5. After opening a special account, the applicant shall fill out electronic applications for a one-time pension payment to improve housing conditions, indicating the special account number, purpose of use, available amount, methods of withholding and transferring individual income tax, as defined in Article 351-1 of the Code of the Republic of Kazakhstan "On Taxes and Other Mandatory Payments to the Budget (Tax Code)", certified by the applicant's EDS.

6. The use of lump-sum pension payments to improve housing conditions in the territory of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan shall be permitted for the following purposes:

1) final settlement (without registration of a mortgage housing loan) under civil law transactions related to the acquisition of ownership under contracts of sale and purchase, exchange (barter) of housing or a land plot (with a designated purpose - individual housing construction or personal subsidiary farming), shared participation in housing construction in the presence of a guarantee from the Single Housing Construction Operator in accordance with the legislation on shared participation in housing construction or upon conclusion of an act on the transfer of a share in an apartment building in accordance with the legislation on shared participation in housing construction;

2) making an initial payment to obtain a mortgage housing loan for the purchase of housing and (or) housing with repairs under one bank loan agreement, partial or full repayment of the debt on a mortgage housing loan for the purchase of housing and (or) housing with repairs under one bank loan agreement, refinancing of a mortgage housing loan;

3) replenishment of a contribution to housing construction savings (including for further accumulation) to obtain (refinancing) a mortgage housing loan for the purchase of housing (including for carrying out repairs within the framework of one bank loan agreement) or the construction of an individual residential building (including the purchase of a land plot with a designated purpose - individual housing construction or personal subsidiary farming).

In this case, the accrual or return of the remuneration rate and state bonus shall be carried out in accordance with the legislation on housing construction savings;

4) partial or full repayment of debt on a mortgage housing loan for the purchase of housing (including for repairs under one bank loan agreement) or the construction of an individual residential building (including the purchase of a land plot with a designated purpose - individual housing construction or personal subsidiary farming), received under the housing construction savings system;

5) acquisition of housing within the framework of financing by an Islamic bank, partial or full repayment of debt within the framework of financing by an Islamic bank of a transaction for the acquisition of housing;

6) payments under long-term lease agreements for housing with the right to purchase, provided within the framework of housing construction programs or anti-crisis programs, privatization, purchase and sale with payment instalments;

7) construction of an individual residential building (if the owner owns a land plot with a designated purpose – individual housing construction or personal subsidiary farming).

7. It shall be permitted to assign rights under a contract for a contribution to housing construction savings, supplemented by lump-sum pension payments in accordance with subparagraph 3) of paragraph 6 of these Rules, to spouses and/or close relatives.

The spouses and/or close relatives of the recipient shall not be allowed to further assign to third parties the agreement for contribution to housing construction savings, replenished with one-time pension payments of the applicant.

8. Lump-sum pension payments may be used an unlimited number of times, subject to the requirements established by paragraph 3 of Article 220 of the Code, within the limits of the purposes defined in paragraph 6 of these Rules.

9. In accordance with the requirements established by paragraph 3 of Article 220 of the Code, it shall be permitted to use lump-sum pension payments in favour of the recipient or the recipient's spouse, or close relatives of the recipient, for the purposes specified in paragraph 6 of these Rules.

10. For the recipient to use the lump-sum pension payments assigned by the applicant(s) represented by the spouse and/or close relatives, the parties shall agree on the assignment of lump-sum pension payments in their account, which shall be certified by their EDS or other electronic method established by the internal document of the authorized operator with the attachment of documents confirming the marriage (matrimony) or family relationship.

11. The fact that the recipient owns a home shall not be a basis for refusing to receive and use lump-sum pension payments.

12. The use of lump-sum pension payments to improve housing conditions shall be carried out in a non-cash manner.

If the amount of lump sum pension payments is insufficient for the purposes specified in paragraph 6 of these Rules, the use of personal funds shall be permitted.

13. It shall be prohibited to use lump sum pension payments for the acquisition by the recipient of real estate from the spouse or close relatives, as well as close relatives of the recipient's spouse.

The use of lump-sum pension payments for mortgage housing loan obligations shall be permitted in cases where the acquired (being acquired) residential property is owned by the applicant, his/her spouse or close relatives.

14. It shall be prohibited to sell real estate registered as a property using lump sum pension payments for 5 (five) years, except in the following cases:

1) the sale of mortgaged real estate by the mortgagee in accordance with the Law of the Republic of Kazakhstan "On Mortgage of Real Estate";

2) the sale of real estate by a court decision in accordance with the procedure provided for by the legislation of the Republic of Kazakhstan.

In the case specified in subparagraph 1) of this paragraph, the amount of the lump sum pension payment shall be subject to return by the pledgee to the recipient's special account opened with the authorized operator within 5 (five) business days.

The authorized operator shall transfer the amount of the lump sum pension payment to the UAPF within the timeframes established by the relevant agreement on the interaction between the authorized operator and the UAPF.

The norm specified in this paragraph on the alienation of real estate registered as a property using lump-sum pension payments shall apply only to mortgage housing loans with a remaining repayment period of more than 5 years and for which there is an outstanding debt

To control the execution of this paragraph, the recipient in the personal account on the date of transfer of the lump sum pension payment shall sign an obligation to restrict the sale of real estate for which the lump sum pension payment was used, which is certified by an EDS or other electronic method established by the internal document of the authorized operator.

15. In the event of termination of the agreement on housing construction savings or shared participation in housing construction, or assignment of the right under the agreement on shared participation in housing construction, the amount of the lump sum pension payment shall be returned to the recipient's special account within 3 (three) business days for subsequent return to the UAPF within 3 (three) business days.

16. In the event of the death of a depositor under a housing construction savings agreement, the amount of the lump sum pension payment shall be returned to the recipient's account in the UAPF within 3 (three) business days.

17. The conditions regarding the need to return lump sum pension payments shall not apply to cases where there are court decisions that have entered into legal force.

18. It shall be prohibited to transfer as collateral the rights of a depositor under a housing construction savings agreement, the replenishment of which was made using a lump sum pension payment to a third party.

19. The authorized operator shall approve by internal documents the procedure and timeframes for reviewing applications from applicants for lump-sum pension payments, a list of necessary documents to confirm the intended purpose of lump-sum pension payments to improve housing conditions, methods of their provision, and shall post this information on its Internet resource.

**Section 1. Procedure for using lump-sum pension payments to improve housing conditions through a housing construction savings bank**

20. The authorized operator, represented by the housing construction savings bank (hereinafter referred to as Otbas Bank), shall accept applications from applicants for lump-sum pension payments for the purposes specified in paragraph 6 of these Rules and shall consider them in the manner and within the timeframes established by the internal documents of Otbas Bank.

21. Within 2 (two) business days after reviewing the applicant's application for a lump sum pension payment, Otbas Bank shall send information on registered applications to the UAPF as part of an electronic notification in the manner established by the relevant agreement concluded with the UAPF.

22. Within 5 (five) business days from the date of receipt of the electronic notification from Otbas Bank, the UAPF shall transfer the amount of the lump sum pension payment to Otbas Bank, which credits it to the applicant's special account.

23. After funds have been received into the special account, the applicant shall provide Otbas Bank with documents confirming the intended purpose of the lump-sum pension payments for the purposes specified in subparagraphs 1), 2), 4), 5), 6), 7) of paragraph 6 of these Rules, within 20 (twenty) business days from the date of their receipt.

24. After funds have been received into the special account, the applicant shall provide Otbas Bank with documents confirming the intended purpose of the lump sum pension payments for the purposes specified in subparagraph 3) of paragraph 6 of these Rules, within 6 (six) years from the date of their receipt.

25. In the event of failure to provide supporting documents within the established timeframe, lump sum pension payments are subject to return to the UAPF.

26. In the event of an assignment, lump sum pension payments shall be transferred from the applicant's special account to the special account of spouses and/or close relatives within 3 (three) business days from the date of submission of supporting documents.

27. Otbasys Bank shall verify the documents provided by the applicant regarding the intended purpose of lump-sum pension payments within 10 (ten) business days from the date of their submission and transfers lump-sum pension payments for their intended purpose.

## **Section 2. Procedure for using lump-sum pension payments to improve housing conditions through second-tier banks**

28. Authorized operators represented by second-tier banks (hereinafter referred to as the Bank) shall accept applications from applicants for a lump-sum pension payment and documents from recipients for the purposes specified in subparagraph 2) of paragraph 6 of these Rules and consider them in the manner and within the timeframes established by the internal documents of the Bank.

29. Within 2 (two) business days after reviewing and approving the application, the Bank shall send information on registered applications for lump-sum pension payments to the UAPF as part of an electronic notification in the manner established by the relevant agreement concluded with the UAPF.

30. Within 5 (five) business days from the date of receipt of the electronic notification from the Bank, the UAPF shall transfer the amount of the lump sum pension payment to the Bank, which credits it to the applicant's special account for subsequent use for the intended purpose specified in the application for the lump sum pension payment.

31. The Bank shall transfer lump-sum pension payments for their intended purpose within 10 (ten) business days from the date of crediting the lump-sum pension payments to the special accounts of the applicant (recipient).

32. In the event of an assignment, lump sum pension payments shall be transferred from the applicant's special account to the special account of spouses and/or close relatives within 3 (three) business days from the date of submission of supporting documents.

33. Authorized operators shall provide the UAPF with information monthly on accepted and approved applications for lump-sum pension payments, as well as information on the targeted use of lump-sum pension payments in the manner established by the relevant agreement between the UAPF and the authorized operator.

34. The UAPF shall provide, every month, consolidated information on accepted and approved applications for lump-sum pension payments and the targeted use of lump-sum pension payments to the central executive body exercising management, as well as, within the limits stipulated by the legislation of the Republic of Kazakhstan, intersectoral coordination in the sphere of social protection of the population.

