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To:

ZIMBABWE ASSOCIATION OF PENSION FUNDS (ZAPF)

LIFE OFFICES ASSOCIATION OF ZIMBABWE (LOA)

ZIMBABWE INSURANCE BROKERS ASSOCIATION (ZIBA)

PENSION FUND ADMINISTRATORS

SELF ADMINISTERED PENSION FUNDS

INSURANCE COUNCIL OF ZIMBABWE (ICZ)

ZIMBABWE ASSOCIATION OF REINSURANCE ORGANISATIONS (ZARO)

ARREAR PENSION CONTRIBUTIONS : GUIDE ON WHAT RATE OF INTEREST TO USE IN
THE ABSENCE OF THE RBZ UNSECURED LENDING RATE

From the discussions held during the Zimbabwe Association of Pension Funds and The Pensions Advisory Committee meetings held in February 2012, it has become apparent that as of now, the RBZ unsecured lending rate referred to in Section 7 of Statutory Instrument 243 of 2006 is not available for penalising those employers who fail to remit pension contributions timeously.

The Commission is therefore confirming that the rate of interest to be applied by a pension fund whose contributions have not been remitted in time will be the unsecured overdraft rate used by that pension fund's bank.

It is hoped that this move will go a long way in protecting the interests of the members of the pension funds.

Please be guided accordingly.


M. S. Mporfu

COMMISSIONER OF INSURANCE PENSION AND PROVIDENT FUNDS

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