



**Circular 20 of 2023**

27 June 2023

**To: Principal Officers - All Life Companies  
Principal Officers - All Reinsurers**

**CC: Life Offices Association (LOA)  
Zimbabwe Association of Pension Funds (ZAPF)  
Zimbabwe Association of Reassurance Organisation (ZARO)**

**SEPARATION OF PENSIONS AND LIFE BUSINESS**

1. The Commission has noted reporting anomaly by some life companies whereby pensions and life business is being combined under the life return on quarterly returns.
2. The above practice, results in double counting of pensions business when reported under both life and pensions returns. Further, it results in the overstatement of insurance business.
3. To ensure that the correct industry position is reported from time to time, all life companies are hereby reminded to separate fund business from the life business in both the Statement of Comprehensive Income as well as the Statement of Financial Position.
4. For the avoidance of doubt, pension contributions from insured funds must be reported under pensions return and not as premiums under the life reporting template.

5. The assets which support fund business must also be reported under the pensions return whilst those that support life business must be reported under the life return in the statement of financial position.
6. To properly account for the forex business being underwritten, all life and reinsurance companies are now required to disclose business written in forex by submitting a comprehensive income statement showing all the income lines in forex as well as expenses met from the same starting Q2 of 2023.
7. The life and reinsurance companies are also reminded to submit a statement of financial position clearly showing assets that support the forex business underwritten from Q2 2023 onwards.
8. Please note, this circular is not overriding Circular 9 of 2023 but complementing it to ensure the correct position is reported to the regulator and key stakeholders.
9. The Commission reiterates the need to timeously submit quarterly returns.

Please be guided accordingly.

Yours Sincerely

  
Grace Muradzikwa

**COMMISSIONER OF INSURANCE, PENSION AND PROVIDENT FUNDS**