

INSURANCE & PENSIONS COMMISSION



STRATEGIC PLAN 2021-2025

“Restoring Confidence in Insurance & Pensions ”

CONTENTS

GLOSSARY OF KEY TERMS.....	1
FOREWORD	3
1. INTRODUCTION	
1.1. About IPEC.....	4
1.2. The Legal Framework.....	4
1.3. Overall Functions of IPEC.....	5
2. VISION, MISSION, VALUES & MOTTO	
2.1. Vision	6
2.2. Mission.....	6
2.3. Core Values.....	6
2.4. Motto	6
3. PLANNING PROCESS.....	7
4. ANALYSIS OF IPEC'S CONTEXT/ ENVIRONMENTAL SCAN	
4.1. The National Development Strategy	8
4.2. The External Operating Environment	8
4.3. Internal Analysis.....	11
4.4. Client Analysis.....	13
4.5. Stakeholder Analysis.....	15
5. FOCAL PROBLEM ANALYSIS/ SITUATIONAL ANALYSIS.....	17
5.1. Impact Statements (Key Result Areas Objective Analysis).....	17
5.2. Broad, Medium And Short-Term Objectives.....	18
5.3. The Impact Plan.....	18
5.4. The Outcome Plan.....	18
5.5. Commission's Goals Plan.....	20
5.6. Outputs And Activity Plan.....	21
6. STRATEGIES	
6.1. Strategies, Assumptions & Risks	27
6.2. Risk assessment and Analysis	32
7. ORGANISATIONAL STRUCTURE.....	33
8. DEPARTMENTS	
8.1. Insurance Department.....	35
8.2. Pensions Department.....	35
8.3. Actuarial and Research Department	35
8.4. Company Secretarial and Legal Department.....	36
8.5. Finance Department.....	36
8.6. Human Resources and Administration Department.....	37
8.7. Public Relations Department.....	37
8.8. Internal Audit Department.....	37
8.9. Procurement Management Unit.....	38
8.10. Anti- Money Laundering Combating Financial Terrorism Unit.....	38
9. MONITORING AND EVALUATION FRAMEWORK.....	39
10. RESOURCES.....	40

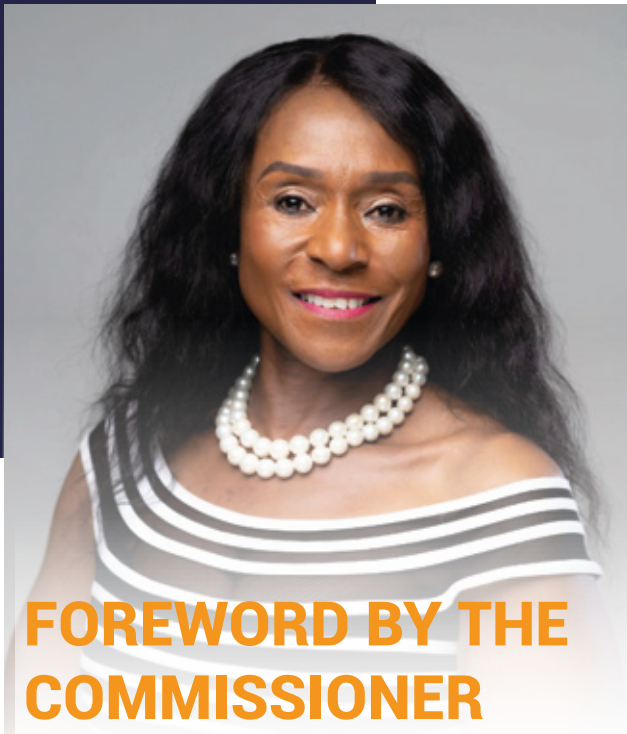
GLOSSARY OF KEY TERMS

The following definitions apply throughout the strategic plan unless the context requires otherwise.

ABBREVIATION	MEANING
AIPPA	Agency Integrated Performance Agreement
BOP	Balance of Payment
CGU	Corporate Government Unit
CISNA	Committee of Insurance, Securities and Non-Banking Financial Authorities
Commission	Insurance and Pensions Commission
Commissioner	The Chief Executive Officer for the Insurance and Pensions Commission (IPEC), appointed in accordance with the Constitution
ESAAMLG	Eastern and Southern Africa Anti Money Laundering Group
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
Goals	Intended result of successful implementation of a project or programme
IAIS	International Association of Insurance Supervisors
ICT	Information and Communication Technology
Impact	The broader or long-term effects of IPEC's activities, outputs and outcomes. These are the highest-level objectives or long-term objectives that indicate the desired direction of travel (the change)
IOPS	International Organisation of Pensions Supervisors
IPEC	Insurance and Pensions Commission
LFA	Logical Framework Approach
Parent Ministry	Ministry of Finance and Economic Development
MoFED	Ministry of Finance and Economic Development
MoV	Means of Verification
MSMEs	Micro, Small and Medium Enterprises.
NDS	National Development Strategy blueprint guiding Government programmes from 2021 to 2025

GLOSSARY OF KEY TERMS

Outcomes	The achieved benefits or evidence of successful implementation of a project or programme. (The effects)
Outputs	The products of said activities & interventions (whether capital goods or services).
PECG Act	Public Entities Corporate Governance Act
PESTLEG	A strategic planning tool used for analysing Political, Economic, Social, Technological, Legal, Environmental and Governance factors;
RBM	Results Based Management
RF	Results Framework
SADC	Southern African Development Community
SME'S	Small and Medium Enterprises
SoV	Source of Verification
SWOC	A strategic planning tool used to identify the Strengths, Weaknesses, Opportunities and Challenges of an institution.
Consultants	M.B.B. Training & Development Consultants
TSP	Transitional Stabilisation Programme - blueprint guiding Government programmes from October 2018 to December 2020
ZICARP	Zimbabwe Integrated Capital and Risk Programme
ZIMASSET	Zimbabwe Agenda for Sustainable Socio-Economic Transformation;
AML	Anti Money Laundering
CFT	Combating the Financing of Terrorism
PF	Provident Fund/Pension Fund



FOREWORD BY THE COMMISSIONER

The Insurance and Pensions Commission (IPEC) presents the 2021 to 2025 Strategic Plan pursuant to the provisions of the Public Entities Corporate Governance Act, highlighting its overall direction and strategic intent during the next five years.

The methodology used in crafting the strategy was derived after an impact analysis and assessment of the long-term benefits to society, pension scheme members and policyholders through the Commission's existence. The strategy envisages a safe, vibrant and sustainable insurance and pensions industry in Zimbabwe by the year 2025. IPEC management undertakes to establish a shared understanding of the vision, mission and values by its key stakeholders. The Commission will require the support of all key stakeholders to achieve soundness, vibrancy and sustainability of the insurance and pensions industry by 2025.

The Commission's strategic plan is anchored on the National Development Strategy (NDS1) (2021-2025), which is aimed at the structural transformation of the economy to be an upper middle-income society by 2030. For the country to achieve that, the insurance

and pensions industry should play an integral part in mobilising adequate resources to finance critical projects and have higher investment returns to improve benefits to members and policyholders.

The plan is aimed at restoring confidence and vibrancy of the insurance and pensions industry and grow it to sustain the standard of living for policyholders and pension fund members after retirement.

The plan has been crafted so that as regulator, the Commission is agile and proactive rather than reactionary in the fast-changing environment. The strategy will ensure that the Commission becomes a strategic partner to Government.

However, the Commission cannot single-handedly achieve these strategic objectives, as such it requires support from other stakeholders. Given that the strategic objective of the Commission is to develop the industry, pensioners and policyholders have been placed at the heart of the strategy. The Commission is also preparing the groundwork for the prudential regulation of medical aid insurance and medical aid societies in line with the Justice Smith recommendations from the Commission of Inquiry.

Finally, the strategy will ensure that the Commission decisively deals with legacy issues relating to the compensation framework for pensioners relating to the two losses of value incidences caused by the currency reforms. The Commission shall ensure fair and sustainable regulation so that regulated entities preserve value for the benefit of pensioners and policyholders.

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

A close-up photograph of a hand holding a black pen, writing on a spiral-bound notebook. The notebook is open, showing lined pages. The background is blurred, showing a person wearing a blue and white striped shirt. The entire image has a dark blue overlay.

1. INTRODUCTION



1.1. About IPEC

The Insurance and Pensions Commission (IPEC) is a statutory body established in terms of the Insurance and Pensions Commission Act [Chapter 24:21], to regulate the insurance and pensions industry with the objective of developing the industry for the protection of insurance policyholders and pension fund members' interests. Currently, IPEC regulates the Private Occupational Pension Schemes and the Individual Pensions arrangements. On the insurance side, the Commission regulates the whole value chain from insurance agents, brokers, insurance companies and reinsurance companies. The Commission commenced its operations in 2006 after it was weaned off from the Ministry of Finance and Economic Development. It operates under the purview of the Ministry of Finance and Economic Development.

1.2. The Legal Framework

Insurance and pension policy issues are contained in Government policy documents such as National Budget Statements, and Monetary Policy Statements, among others. This document is crafted to achieve Vision 2030, towards an upper middle-income society by 2030 and firmly anchored on the National Development Strategy (1) 2021 -2025. These are enshrined in the statutes that govern the insurance and pensions industry and Public Entities which include the following:

- i. Insurance and Pensions Commission Act [Chapter 24:21];
- ii. Insurance Act [Chapter 24:07];
- iii. Pension and Provident Funds Act [Chapter 24:09];
- iv. Public Finance Management Act [Chapter 22:19];
- v. Public Entities Corporate Governance Act [Chapter 10:31];
- vi. Money Laundering and Proceeds of Crime Act [Chapter 9:24]; and
- vii. Related statutory instruments, among others.

1.3. Overall Functions of IPEC

The Commission's main function is to oversee and ensure proper and efficient functioning of the insurance and pension industry in Zimbabwe. To that end, the Commission performs the following functions, which are defined in the Insurance and Pensions Commission Act [Chapter 24:21] and the Money Laundering and Proceeds of Crime Act [Chapter 9:24]: -

- i. To register insurers, mutual insurance societies and insurance brokers in terms of the Insurance Act [Chapter 24:07];
- ii. To regulate and monitor the business of insurers, mutual insurance societies and insurance brokers;
- iii. To register pension and provident funds in terms of the Pension and Provident Funds Act [Chapter 24:09];
- iv. To regulate and monitor the management and administration of the pension and provident funds;
- v. To monitor the activities of insurers, mutual insurance societies, insurance brokers and pension and provident funds to ensure they maintain set standards and comply with the Insurance Act [Chapter 24:07], the Pension and Provident Funds Act [Chapter 24:09] and the Money Laundering and Proceeds of Crime Act [Chapter 9:24];
- vi. To inform the public on matters relating to insurance and pension and provident funds;
- vii. To encourage and promote inclusive growth and development of the insurance and pensions industry;
- viii. To protect the rights and interests of policyholders and pension scheme members; and
- ix. To advise Government on insurance and pension and provident fund issues.

A wooden post with three directional signs pointing in different directions. The top sign is labeled 'VALUES', the middle sign is labeled 'MISSION', and the bottom sign is labeled 'VISION'. The signs are made of light-colored wood and are mounted on a darker wooden post. The background is a clear blue sky with some light clouds.

2. VISION, MISSION, VALUES & MOTTO

2.1. Vision

“A safe, vibrant and sustainable insurance and pensions industry by 2025.”

2.2. Mission

“To regulate, supervise and develop the insurance and pensions industry for the protection of policyholders and pension scheme members through regulatory excellence.”

2.3. Core Values

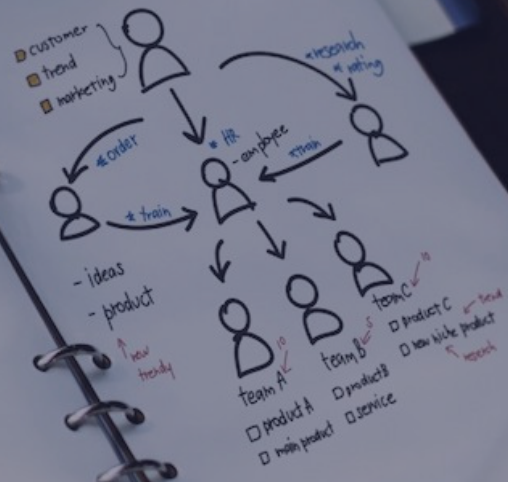
The organisational culture at IPEC is shaped by the following core values, for which the acronym **PAFIE** has been adopted. The Commissioner and all staff have a unity of purpose in the core values that they each uphold, as individuals and as a team.

Core Value		Application Context
P	Professionalism	We are professional in the way we conduct ourselves, carry out our business
A	Accountability	We are answerable, and responsible for all our actions and decisions.
F	Fairness	We develop and apply rules, regulations and procedures equitably among all clients and stakeholders.
I	Integrity	We are ethical and honest in our dealings with all our stakeholders.
E.	Excellence	We are exemplary in the way we do our business. We strive to exceed expectations by upholding the utmost quality standards in carrying out our work.

2.4. Motto

“Protecting the interests of insurance and pension consumers”

PLANNING



3. PLANNING PROCESS

Beginning with the end, the Commission crafted its vision based on the desired long-term impact expected as a result of the successful implementation of the IPEC Strategic Plan. The Commission proceeded to establish broad medium-term goals, associated outcomes and outputs, before developing a detailed Strategic Action Plan based on the Impact and Outcomes Plan, following the Results-Based Management Framework (RBM).

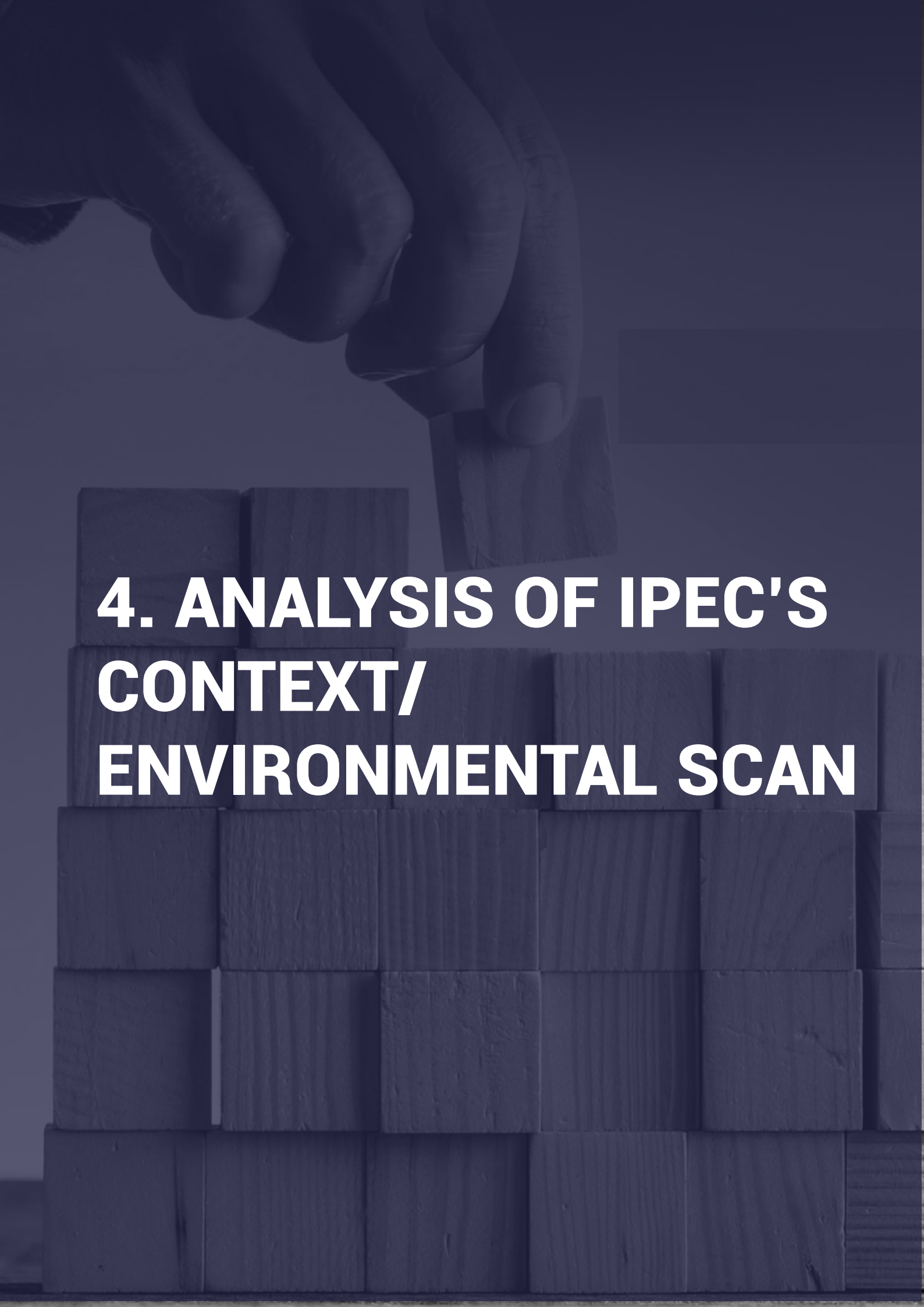
3.1. Conceptual Foundations of The Result-Based Management (RBM).

Results-Based Management is a management strategy method that focuses on strategic results-oriented design and planning in order to maximize impact while optimizing resources. It is widely used in business and industry, Government and Non-Governmental institutions worldwide to align business activities to the vision and strategy of the organisation, to improve internal and external communications and monitor organisational performance against strategic goals.

3.2. Planning Tools

IPEC relied on the following conventional strategic planning tools:

- PESTLEG analysis:- to assess the external operating environment;
- SWOC analysis:- to evaluate the current internal status;
- Problem Tree analysis:- to extract main objective and the other objectives and strategies
- Logical Framework:- to formulate the hierarchy of objectives and build the road map for attaining the goals of the strategic plan
- McKinsey 7-S model:- to define the effectiveness and balance of IPEC in terms of mitigating the risks against achieving the desired objectives/goals.

A hand is shown in the upper left, placing a wooden block onto a stack of other wooden blocks. The blocks are arranged in a grid-like pattern, with some missing, creating a stepped effect. The background is a solid dark blue.

4. ANALYSIS OF IPEC'S CONTEXT/ ENVIRONMENTAL SCAN

4.1. The National Development Strategy:

The NDS(1) 2021-2025 Macroeconomic Framework's objective is to achieve economic transformation anchored on private sector-led growth. Government has assured the nation of the implementation of sound macroeconomic policies anchored on fiscal discipline, monetary and financial sector stability, and improved ease of doing business.

IPEC falls under the Economic Growth and Stability thematic pillar and it is also a contributing partner under the following thematic pillars: -

- Social Protection;
- Food Security and Nutrition;
- Housing Delivery; and
- Infrastructure and Utilities.

4.2. The External Operating Environment

The Commission recognises that strategic planning must be done in context. A thorough review of the external environment was carried out to determine both macro and micro-environmental factors that may affect IPEC's operations directly or indirectly. The PESTLEG analysis identified those factors in the environment that affect the operations of the Commission. Table 1 below highlights the environmental factors affecting IPEC's performance:

TABLE 1: ENVIRONMENTAL ANALYSIS: IPEC PESTLEGG MODEL

ENVIRONMENTAL FACTOR	ANALYSIS	IMPLICATION	ACTIVITIES/STRATEGIES	Time Frame
Political Environment	Stable political environment Political reforms being implemented	Improved ease of doing business	Invest in relationship building with the Government.	2025
	International re-engagement efforts	Improved investor confidence	The environment offers opportunity to develop the market.	2025
Economic Environment	<ul style="list-style-type: none"> • Currency reforms associated with; • High Inflation • Stable exchange rate at about ZW\$82:USD1 • Negative real interest rates • Low economic growth Relative stability	<ol style="list-style-type: none"> 1. Erosion of insurance and pension values. 2. Second loss of value in ten years 3. Low public confidence in the insurance and pensions industry 4. Low disposable incomes 	<ol style="list-style-type: none"> 1. Advise Government on policy formulation. 2. Mainstream the insurance and pensions industry as a strategic partner to Government. 3. Compensation in line with Justice Smith COI recommendations. Develop a compensation framework	2022
	Growing informal sector (60% contribution to GDP)	Low Capacity Utilisation	<ol style="list-style-type: none"> 1. Develop and implement micro pensions and microinsurance respectively 2. License relevant products 	2025
	Infrastructure gap	Constrained infrastructure development to match population growth, rural-urban migration and the increase in the middleclass consumers in need of greater needs for transportation, energy, water and telecommunication among others.	Allow alternative investments.	2025
	Consolidation of the Transitional Stabilisation Programme (TSP) gains Current account and fiscal budget surplus Rising export volumes, and remittances	Relative economic stability	Opportunity to develop the market.	2022
	The National Development Strategy, a successor to the TSP	Sustainable economic growth to achieve upper middle-income status and vision 2030 Provides an opportunity for new ways of insurance	Redign the strategy to the NDS	2020

ENVIRONMENTAL FACTOR	ANALYSIS	IMPLICATION	ACTIVITIES/STRATEGIES	Time Frame
Social Environment	Promotion of gender balance	Gender mainstreaming of policies	Develop a Gender policy	2021
	Young demographics	1. Supports innovation & development 2. Highly productive population with good health 3. Potential to harness demographic dividend	1. Consumer awareness and education 2. Improve insurance and pension inclusion 3. Implement Fair Treatment of Customers	2021
	Egalitarian nation embracing all beliefs and cultures	Inclusivity helps attain common national goals	Consumer awareness and education	2021
Technological Environment	A high literacy rate	Promote update	Promote product relevance	2025
	Plans for Zimbabwe to launch satellite	Use of technological innovations for product/service delivery	Encourage digitalization of the industry.	2025
Legal Environment	1. High mobile penetration rates 2. Internet penetration rate about 60%.	1. Use of technological innovations for product/service delivery 2. Improved access to services by consumers	1. Promote innovation hubs and regulatory sand boxes. 2. Regulatory flexibility. 3. Capacity building.	2025
	1. Constitution of Zimbabwe Amendment (No 20)2013 2. Alignment of Laws to the constitution	1. Consultative processes in enacting of laws. 2. Protracted legislation process	1. Regularly update legislation to protect policyholders and pension members 2. Advocacy and lobby relevant stakeholders.	2025
	1. Parliamentary sub committees supervise line Ministries expenditures. 2. Outdated legislation	1. Protracted legislation process 2. Incapacitation of the regulator	Update the legislation in line with international best practices.	2022
Environmental Issues	1. Climate change 2. Growing use of renewables and green technologies	1. Food insecurity 2. Economic growth for the country. 3. Potential for harnessing resources from the insurance and pensions industry.	1. Promote innovation in the Insurance and pensions industry that reduce impact of climate change. 2. Develop weather-based insurance products.	2025
	Smart Agriculture	1. Improve yields per hectare. 2. Supports economic growth	1. License agric insurance products. 2. Promoting weather-based insurance	2025
Governance	Democracy with the executive, legislature and the judiciary.	Balanced country political, economic and social management.	Expanding revenue base.	2025
	Provides for PE governance - PECOg	Promoting good governance	Engage relevant authorities to ensure flexibility on some provisions of legislation.	2021
	Protracted procurement processes (Public Procurement and Disposal of Assets legislation	Failure to procure and procure at inflated costs	Continue to engage with PRAZ and lobby for efficient procurement processes	2021

4.3. Internal Analysis

In order to identify internal issues requiring strategic intervention or redress, a SWOC Analysis was undertaken to evaluate IPEC's strengths and limitations, as well as the opportunities and challenges emanating from the internal environment. Participants developed various strategies to consolidate IPEC's internal strengths, exploit internal opportunities, address and turn around internal weaknesses and develop defensive mechanisms to protect it from other challenges.

Table 2 below summarises the results of the SWOC Analysis:

TABLE 2: SWOC ANALYSIS: INTERNAL REVIEW

FACTOR	ANALYSIS	IMPLICATION	ACTIVITIES/STRATEGIES TO EXPLOIT THE IMPLICATIONS	Timeframe
STRENGTHS	Creature of statute with. Dedicated and well qualified staff.	1. Have a clear mandate in terms of the law 2. Enhanced supervision and regulation. 3. Enhanced market development	1. Continuous professional development 2. Improved conditions of service. Broaden and deepen the market	2025
	Agility in management and board decision making.	Timeous decisions.	1. Proactive management and Board decision making. 2. Evaluate and adapt the strategy in line with the operating environment. 3. Anticipate new changes to the mandate like regulation of medical aid societies and plan ahead.	2025
	Statutory levies provide guaranteed income.	Stable cashflows	Reduce reliance on levies and diversify revenue streams	2025
	Statutory body	1. Ability to enforce legislation. 2. Existence for the Commission guaranteed. 3. Support from Government.	1 Enact laws that ensure the Commission is a robust institution. 2, Collaborate with other financial sector regulators to ensure stability and growth of the financial sector	2025
	Commission a member of international supervisory bodies- IAS and IOS.	International best practice exposure	Adopt and enforce international best practice	2025
WEAKNESSES	1. Limited project management skills 2. Low head count. 3. Overreliance on levies	1. Delayed conclusion of strategic projects.	1) Training and development in project management skills 2) Widen revenue base 3) Improve processes, systems	2025
	Perceived silos.	Poor coordination and weak team work	Rotation of staff, team building exercises and cascading the strategic plan to all staff.	2021
	Failure to attract and retain critical and technical skills due to uncompetitive working conditions	Incapacitation of the regulator	Staff development and improvement in working conditions.	2021
	Inadequate systems and manual processes	Fragmented approach.	1. Introduce new systems 2. Customise regulatory processes 3. Move away from compliance- based regulation to risk-based regulation	2021

FACTOR	ANALYSIS	IMPLICATION	ACTIVITIES/STRATEGIES TO EXPLOIT THE IMPLICATIONS	Timeframe
OPPORTUNITIES	<ol style="list-style-type: none"> 1. Consolidation of the regulation of insurance and pensions business- NSSA, medical aid societies, Government Pensions. 2. Local, regional and international collaboration. 3. Emerging technologies- InsureTech 4. Transition from rules based to risk-based supervision framework. 5. Manual process/lack of digitalization 	<ol style="list-style-type: none"> 1. Potential for increased regulation coverage for the benefit of policy holders 2. Reduces regulatory arbitrage opportunities 3. Enhanced skills and exposure. 4. Potential financial inclusion. 5. Enhanced policy advisory to Government and other related institutions 6. Increased acceptance and compliance by industry 	Engage relevant stakeholders Spearhead legal reforms Pay subscriptions to international organisations Build capacity to regulate insuretechs	2021
CHALLENGES	Regulatory arbitrage	Inadequate supervision and regulation	Engage relevant stakeholders to eliminate` regulatory arbitrage	2025
	Slow adoption of technology	Poor data integrity, fraud	Improve systems and processes.	2022
	Operating environment-e.g. currency reforms and contracting GDP	Loss of confidence	Improve Commission's visibility	2021
	Limited resources- actuarial in the industry	Poor actuarial oversight in the industry	Develop actuarial skills in the industry	2025
	Unethical conduct by some players	Reputational damage for the industry	Entities to adhere to code of ethics and governance	2022

4.4. Client Analysis

A stakeholder consultation was undertaken by IPEC ahead of the strategic planning workshop and finalised at the planning workshop. The details of the consultations from each organisation/sector/individual are listed in Table 3 below:

TABLE 3: Client Analysis

CLIENT		NEEDS/PROBLEMS		THEIR PRIORITIES
1		Insurance and Pension Services Providers	A stable and sustainable insurance and pensions industry Prevention of financial system failures Openness in the operations of the industry Fair treatment regardless of size Fair business practices Value for money	Continuity, growth and stability Fairness and transparency in the operations of IPEC Satisfied pensioners
	SERVICE CLIENTS	Insurance policyholders and pension fund members	Adequate protection of savings Prompt compensation in the event of retirement or claims against an insured event Regular updates on the financial health of insurers and Pension and Provident Funds	Safety of pension savings and insurance investments
2	PROGRAMME CLIENTS	Government of Zimbabwe through the Ministry of Finance and Economic Development	Advice on policy formulation Healthy competition in the insurance and pensions sector Efficient and effective management of insurance and pension and provident funds Promotion of financial literacy and inclusion Timely and accurate reports Conclusive resolution of disputes between policyholders and insurance companies and pension and provident funds Statutory compliance Early warning about potential problems in the financial system Avoidance of financial crises and orderly resolution when they occur Elimination of financial exclusion from the economy A stable financial services sector Long-term savings mobilisation for financial intermediation	1. Stability of the financial system. 2. Avoidance of financial crises 3. Integrity of the financial sector through AML/CFT measures

CLIENT		NEEDS/PROBLEMS		THEIR PRIORITIES
3	TARGET CLIENTS	Policyholders and pension scheme members	Value preservation of benefits Prompt compensation in the event of a claim being made Regular updates on the financial health of insurance entities and pension funds Adequate protection of insurance and pension savings Timely and accurate reports Performance targets Statutory compliance Effective follow through on Board resolutions and directives	Safety of premiums, contributions and investments
4	INTERNAL CLIENTS	Board and the Commissioner	Timely and accurate reports Performance targets Statutory compliance Effective follow through on Board resolutions and directives Competitive remuneration Equal opportunities Conducive working environment Capacity development Recognition and rewards Personal development schemes	Good Corporate Governance
		Management and Staff		1. Competitive compensation 2. Personal growth 3. A conducive working environment

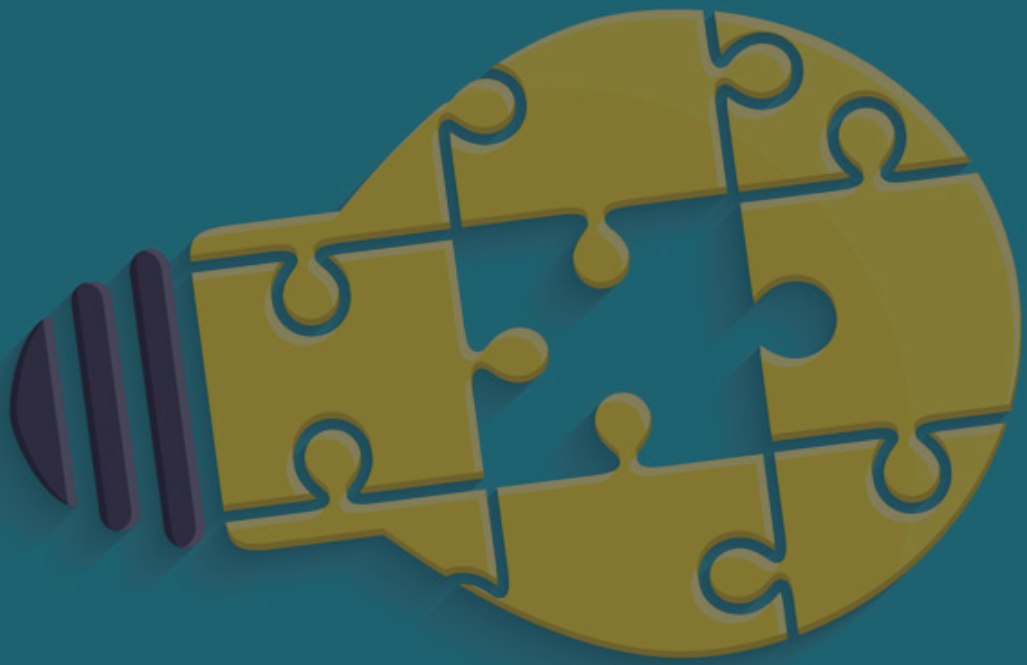
4.5. Stakeholder Analysis

The stakeholder consultation was undertaken by the Commission ahead of the strategic planning workshop and finalised at the planning workshop. The highlights are listed in Table 1 below: -

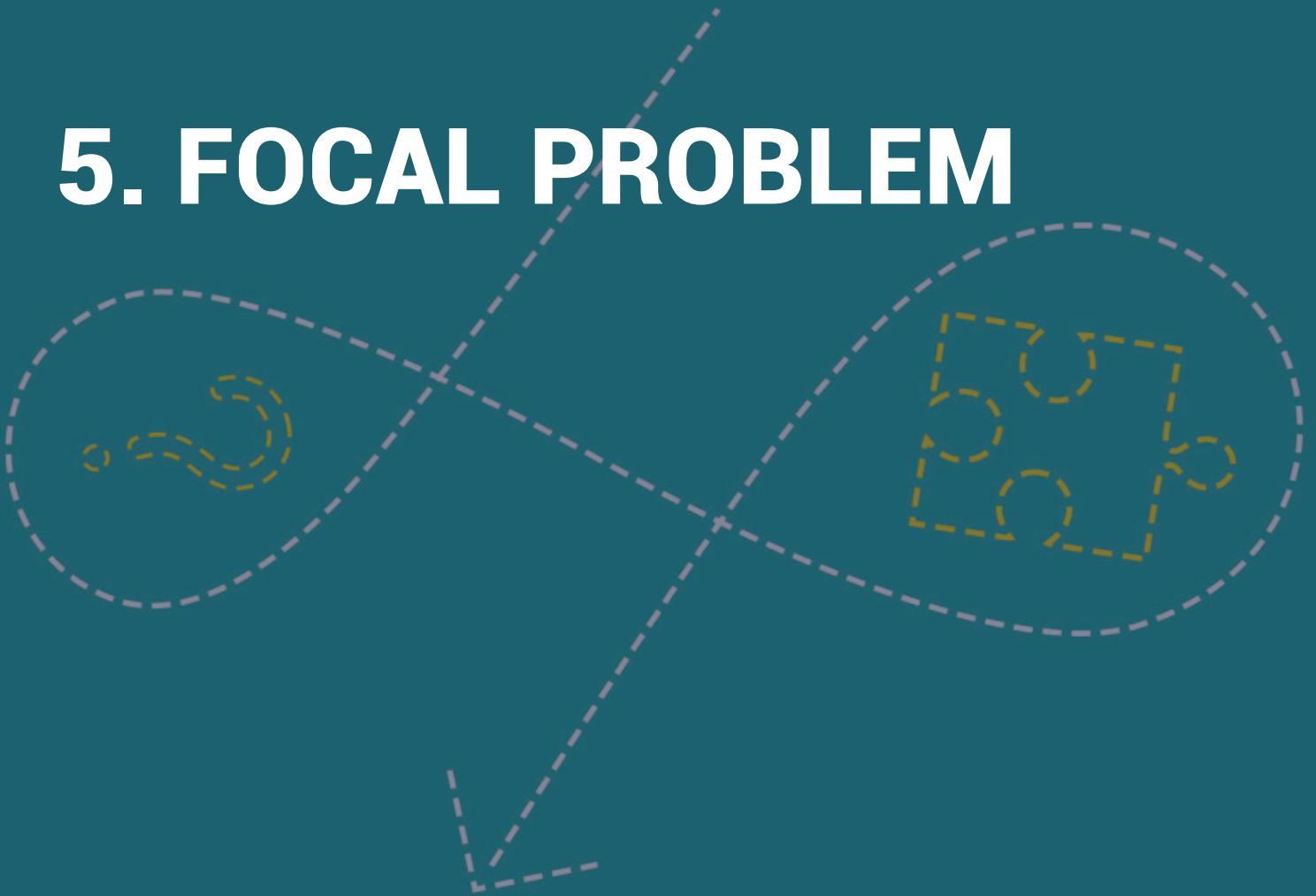
TABLE 4: Stakeholder Analysis

STAKEHOLDER GROUP	DEMANDS / EXPECTATIONS	CHARACTERISTICS	EXTENT
Government	Effective Regulation and Supervision of the Insurance and Pension Industry	Safe, Sustainable and vibrant Insurance and Pensions Industry	Serious/high Regulator failure attributed to 21% on the first loss of values
	Consolidation or regulation	Eliminate regulatory arbitrage by consolidating regulation under IPEC.	
	Sound and timely policy advice on insurance and pension matters	Develop an inclusive Insurance and Pension Industry	
	Efficient use of resources	Appropriate and timely advice on insurance and pension matters	
	Accountability, transparency and good governance	Protection of the insuring public and pension fund Long-term savings from the insurance and pension industry for deployment into productive sectors of the economy and projects of national status A sustainable and sound supervisory institution Submission of regulatory, supervisory and advice reports	
Auditor General	Compliance with statutes	IPEC is compliant with statutory regulations	Medium Compliance will improve corporate governance
Corporate Governance Unit	<ul style="list-style-type: none"> Compliance with statute Implementation of sound corporate governance principles 	IPEC is compliant with the PEGG Act and complies in all material respect with sound corporate governance principles	Medium
Civil Society groups	<ul style="list-style-type: none"> Complaints redress mechanism Accessibility Education on insurance and pension matters 	<ul style="list-style-type: none"> Speed resolution of complaints and determination of appeals Fairness, accountability and transparency Wide geographical presence Free education Transparent way of handling appeals 	Medium Improved exposure will result in technical expertise
SADC CISNA	<ul style="list-style-type: none"> Appeals Handling Adherence to membership rules Cooperation on regional integration projects 	<ul style="list-style-type: none"> Compliance with membership rules Participation in meetings and workshops Cross-border supervision and cooperation 	Medium This will improve visibility of IPEC
Reserve Bank of Zimbabwe Securities & Exchange Commission Deposit Protection Corporation	<ul style="list-style-type: none"> Cooperation and information sharing Stability of the financial sector Inclusive financial sector Establish a regulator's forum Collaborate in offering sound advice to Government 	<ul style="list-style-type: none"> Timeous and accurate information dissemination Sound, inclusive, sustainable and vibrant insurance and pensions industry Improved financial stability, will improve investment income and result in increased returns 	High When core business is not performing insurance business relies on investment returns

STAKEHOLDER GROUP	DEMANDS / EXPECTATIONS	CHARACTERISTICS	EXTENT
ESAAAMLG, Financial Intelligence Unit	<ul style="list-style-type: none"> Implementation of AML/CFT/PF standards Cooperation with other local and foreign regulatory bodies 	<ul style="list-style-type: none"> Codification of AML/CFT/PF standards in the Money Laundering laws and regulatory directives Enforcement of AML/CFT/PF requirements Submission of information in response to regional-wide surveys, ML/TF risks, trends and methods 	The country assessment is borderline in grey and any further infringement we will be in dark grey
African Insurance Organisation	<ul style="list-style-type: none"> Adherence to membership rules Cooperation on insurance and pensions matters Participation in meetings and workshops 	<ul style="list-style-type: none"> Compliance with membership rules Active Participation Capacity development 	Medium Improved exposure will result in improved technical expertise
INTERNATIONAL BODIES			
IOPS	<ul style="list-style-type: none"> Adherence to membership rules Participation in meetings and workshops Implementation of IOPS standards Information sharing with foreign regulators 	<ul style="list-style-type: none"> Adoption of IOPS standards in occupational pension legislation Enforcement of IOPS requirements in the supervisory regime Submission of information on surveys 	Medium Improved exposure will result in improved technical expertise and visibility
IAIS	<ul style="list-style-type: none"> Adherence to membership rules Participation in meetings and workshops Implementation of IAIS standards 	<ul style="list-style-type: none"> Adoption of IAIS standards in insurance legislation Enforcement of the IAIS requirements in the supervisory regime Submission of information on surveys 	Medium Improved exposure will result in improved technical expertise and visibility
FATF	<ul style="list-style-type: none"> Implementation of FATF standards Cooperation with other regulatory bodies in the region Participation in regional surveys 	<ul style="list-style-type: none"> Codification of FATF Recommendations in our legislation Adopting a risk-based approach to AML/CFT supervision Enforcing FATF standards on entities in the life insurance value chain Submission of responses to surveys on ML/TF risk, trends and methods 	Improved exposure will result in improved technical expertise and visibility



5. FOCAL PROBLEM



5. Focal Problem Analysis/ Situational Analysis

The situational analysis or focal problem analysis consisted of identifying the focal problem and its causes and effects. It focused on challenges in the situation of the pensions and insurance beneficiaries and the mandate and resources available for executing the strategies to solve the specific or focal problem. Using the problem tree analysis tool, the focal problem that needed solutions was identified as:

“A declining pensions and insurance industry”

The underlying causes for the decline in the pensions and insurance industry were analysed. Below are the factors that the strategies would be formulated to eliminate, in order to solve the focal problem.

1. Low confidence levels in the industry;
2. Delays in implementing the 2009 compensation framework;
3. Compensation due to 2019 currency reforms
4. Incapacitation of the Regulator;
5. Weak regulation and supervision;
6. Low revenue base;
7. Inadequate systems and processes;
8. Medical insurance not regulated;
9. National Social Security not regulated and
10. High Staff turnover.

The effects or consequences of the declining pensions and insurance industry on the beneficiaries and the community include: -

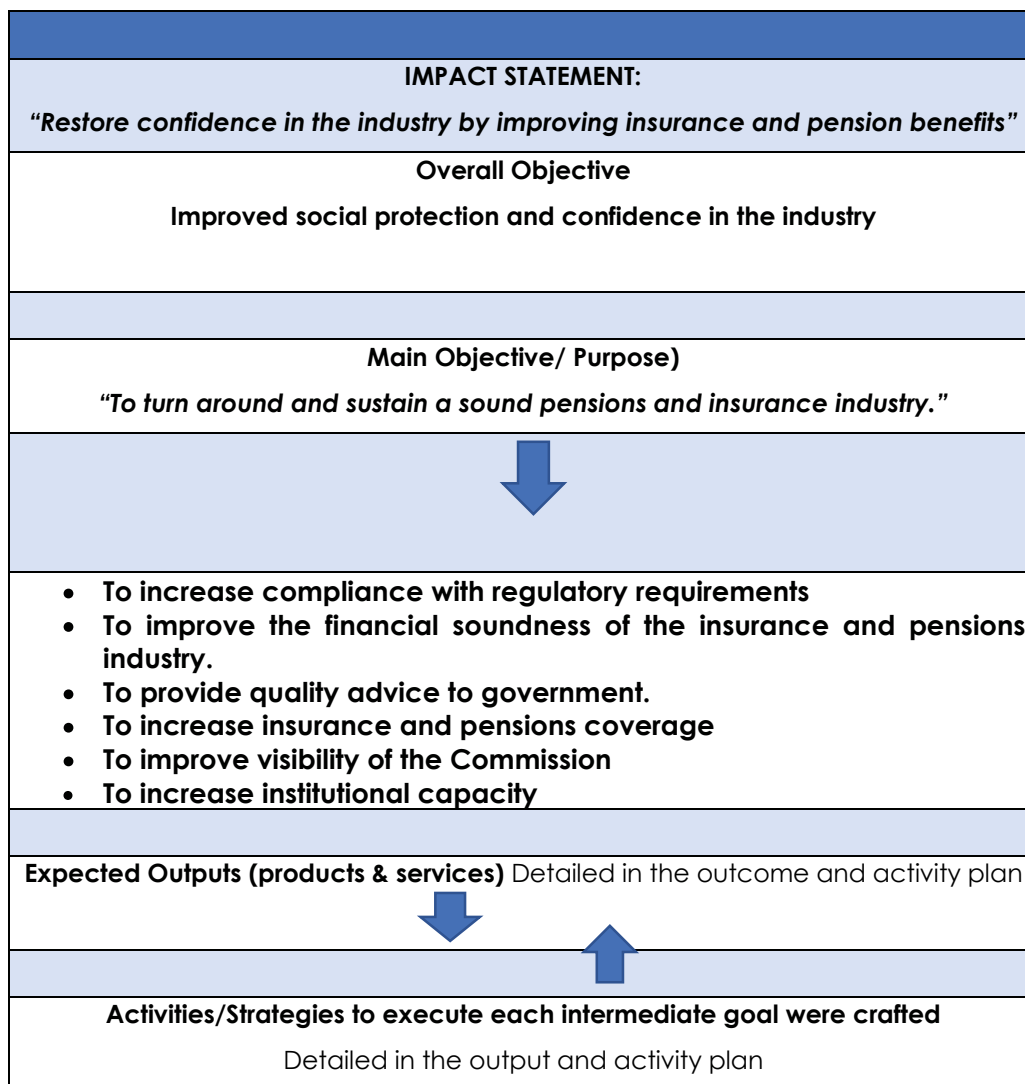
1. Lack of social protection leading to poor pensioners;
2. An ailing market with low investment and limited economic growth;
3. Unstable and unregulated pensions and insurance industry;
4. Regulatory arbitrage;
5. Low uptake of pensions and insurance products;
6. Prevalence of self-insurance schemes; and
7. Skills drain resulting in the Commission being unable to formulate effective regulations.

5.1. Impact Statements (Key Result Areas Objective Analysis):

	KEY RESULT AREA	WEIGHTAGE	RESPONSIBLE DEPARTMENT (ALL)
1	Regulation and supervision of the insurance and pension industry	60%	Insurance Pensions Actuarial and Research
2	Facilitating institutional capacity development.	20%	Finance Human Resources Procurement
3	Facilitation of growth and capacity of the Insurance and Pensions Industry	20%	Insurance Pensions Actuarial and Research Public Relations

5.2. Broad, Medium And Short-Term Objectives:

The objective analysis expresses what should be achieved in the short, medium and long-term. The objectives are linked to the problem analysis. IPEC crafted its vision, mission and values after identifying the main objective or purpose from the focal problem. The main objective answered to the focal problem under section 5 above, which reads **“A declining pensions and insurance industry”**. The focal problem gave rise to the hierarchy of objectives outlined below: -



5.3. The Impact Plan

Impact refers to the broader or longer-term effects of IPEC's activities, outputs and outcomes. Often, these are effects on a broader field such as government policy, the legislative framework, and on people other than the direct clients of IPEC.

5.4. The Outcome Plan

Overall Objective; Developmental Objectives and Outcomes

The Commission has developed its strategic plan around three impact goals. The attainment of these goals will move IPEC towards the realisation of its vision, restore lost wealth and regain society confidence leading to improved life styles and reduced poverty. Pursuant to the attainment of the desired outcomes, the plan

proceeds to craft specific strategies in respect of each desired outcome, and these take the form of programmes, projects and initiatives set out in the implementation log frame hereto.

IMPACT	OUTCOMES	GOALS
Improved social protection and confidence in the industry	1) Strengthened legal and regulatory framework	1) To increase compliance with regulatory requirements from 3 to 5 by 2025.
	2) Improved financial soundness of the sector	2) To improve the financial soundness of the insurance and pensions industry from an overall rating of 3 to 1 by 31 December 2025.
		3) To provide quality advice to government.
	3) Increased confidence in the market	4) To increase the insurance and pensions coverage from 2 to 3 31 December 2025.
		5) To improve visibility of the Commission from 16% to 50% by 2025
	4) Enhanced Institutional Capacity and Service Delivery	6) To increase institutional capacity from 80% to 100% by 31 December 2025



5.5. Commission's Goals Plan

The Goals are derived from the outcomes. The outcomes are the changes, benefits, learnings or other effects that happen as a result of the work. They can be wanted or unwanted, expected or unexpected. The 7 key outcomes identified are expected to result from the successful implementation of this strategic plan.

Goal Ref	Goal	KPI Indicators	Weight	Applicable KRA (KRA REF)
1	To increase compliance with regulatory requirements from 3 to 5 by 2025.	<ul style="list-style-type: none"> Minimum Capital Requirements Prescribed assets Financial Soundness 	30%	1
2	To improve the financial soundness of the insurance and pensions industry from an overall rating of 3 to 1 by 31 December 2025.	<ul style="list-style-type: none"> CARAMELS Rating SARAMELS Rating 	30%	1, 2
3	To provide quality advice to government.	<ul style="list-style-type: none"> Number of policy briefs submitted to Government per quarter 	10%	2
4	To increase the insurance and pensions coverage from 2 to 3 31 December 2025.	<ul style="list-style-type: none"> Financial inclusion dimension Access, usage, quality, Affordability/cost Service delivery Informed usage Micro pension framework 	10%	2
5	To improve visibility of the Commission from 1 6% to 50% by 2025	<ul style="list-style-type: none"> Baseline from a survey Number of policyholders or pensioners using Commission services Testimonials Brand image Awards 	10%	3
6	To increase institutional capacity from 75% to 100% by 31 December 2025	Weights ascribed to each	10%	3

5.6. Outputs And Activity Plan

The 7 intermediate outcomes/objectives above necessitate related strategic activities that are deemed as required in order to achieve the goals. These are further broken down in the tables below:

Objective 1 below shows the 20 main strategic activities that IPEC would need to implement in enhancing compliance across the insurance and pensions industry. The clear setting and monitoring of regulatory standards supported by adequate regulations will be carried out. The responsible divisions for each piece of this plan are indicated.

INTERMEDIATE OBJECTIVE GOAL 1: To increase compliance with regulatory requirements from 3 to 5 by 2025				
ACTIVITIES	EXPECTED OUTPUTS (SMART GOALS)	RESPONSIBLE DEPARTMENT	TIME FRAME	RESOURCES
1.1 Onsite inspections	<ul style="list-style-type: none"> Onsite inspection Reports Corrective Orders 	<ul style="list-style-type: none"> Insurance Pensions Actuarial 	Quarterly	<ul style="list-style-type: none"> Human resources Parking fees, lunch, Airtime Cars, Internet, fuel
1.2 Offsite inspections	<ul style="list-style-type: none"> Offsite inspection reports Quarterly Reports 	<ul style="list-style-type: none"> Insurance Pensions Actuarial 	Quarterly	<ul style="list-style-type: none"> Human resources Financial resources
1.3 Prudential Regulation of Medical Aid Societies	<ul style="list-style-type: none"> Aid Societies Regulation Framework Developed Manuals for Expenses handling Circulars and Directives Trained staff Risk based supervision reports 	Medical Aid Section	Quarterly	<ul style="list-style-type: none"> Expertise Office Space Human resources ICT
1.4 Registration and Licensing	<ul style="list-style-type: none"> Registration Certificates Products approved finers 	<ul style="list-style-type: none"> Insurance Pensions Actuarial and Finance 	As and when necessary	<ul style="list-style-type: none"> Human resources Financial Printing memo & licence,
1.5 Updating legislation	<ul style="list-style-type: none"> Updated laws and regulations Insurance Act, Insurance and Pensions Commission Act and Pension and Provident Funds Act 	<ul style="list-style-type: none"> Legal Pensions Insurance Actuarial 	As and when necessary	<ul style="list-style-type: none"> Human resources Accommodation, T&S, allowances, cars & fuel
1.6 Draft legal opinions	Legal Opinions	Legal	As and when necessary	<ul style="list-style-type: none"> Human resources Legal fees
1.7 Complaints handling	Complaints Handling Report	Public Relations	As and when necessary	<ul style="list-style-type: none"> Human resources Financial
1.8 Compliance Surveys with different stakeholders	Survey Reports	<ul style="list-style-type: none"> Research Pensions Insurance and Actuarial 	Continuous	<ul style="list-style-type: none"> Human resources Financial Cars, accommodation,
1.9 Developing Technical Guidance and Frameworks	Technical Guidelines and Frameworks	<ul style="list-style-type: none"> Research Pensions Insurance Actuarial 	As and when necessary	<ul style="list-style-type: none"> Human resources workshops, lunch,

ACTIVITES	EXPECTED OUTPUTS (SMART GOALS)	RESPONSIBLE DEPARTMENT	TIME FRAME	RESOURCES
1.10 Capacity building	<ul style="list-style-type: none"> Competent Staff Skilled Manpower 	Human Resources	As and when necessary	<ul style="list-style-type: none"> Human resources attendance fees, transport
1.11 Quality Assurance - Auditing	Audit Reports	Internal Audit	Quarterly	<ul style="list-style-type: none"> Human resources Financial Material resources
1.12 Tender Evaluation	Evaluation Report Produced	Procurement	as and when necessary	<ul style="list-style-type: none"> Human resources Financial resources Capacity development in tender evaluation
1.13 Levy collections	Levy revenues	Finance Department Pensions Insurance	Quarterly	<ul style="list-style-type: none"> Human resources Financial Material resources
1.14 Preparation of financial statements	Financial statements	Finance Department	Monthly, quarterly and annually	<ul style="list-style-type: none"> Human resources Financial Material resources
1.15 Automation and integration of systems	System uptime	IT	On demand	<ul style="list-style-type: none"> Human resources Financial resources
1.16 Board Management	PECOG Reports Board Packs	Legal	Quarterly	<ul style="list-style-type: none"> Human resources Financial resources
1.17 AML/CFT Conducting sectoral risk assessment	Sectoral Risk Assessment Reports	Insurance Pensions Actuarial and Research	Annually	<ul style="list-style-type: none"> Human resources Financial Transport, lunch
1.18 Evaluation of Prescribed Assets Applications	Recommendations to the Minister	Pensions	As per service charter	<ul style="list-style-type: none"> Human Financial Material
1.19 Research on Alternative Investment options	Research papers	Actuarial and Research	Annually	<ul style="list-style-type: none"> Human Financial Material
1.20 Formulation and Updating of Investment Guidelines	Investment Guidelines	Actuarial and Research Pensions	Annually	<ul style="list-style-type: none"> Human Financial Material

The second objective is to improve financial soundness of the industry through a risk-based capital requirements approach. The Commission will periodically review and enhance entry requirements in order to ensure the financial strength of all licensed players. Further to financial strength, more activities aimed at gaining confidence for the sector will be carried out as indicated below.

INTERMEDIATE OBJECTIVE GOAL 2: To improve the financial soundness of the insurance and pensions industry from an overall rating of 3 to 1 by 31 December 2025.				
ACTIVITES	EXPECTED OUTPUTS	RESPONSIBLE DEPARTMENT	TIME FRAME	RESOURCES
1.1 Developing and implementing Risk-Based Supervision Framework	Risk based Supervision framework	Insurance Pensions Actuarial	December 2021	Human resources Financial Material resources
1.2 Review of entry requirements for new players	Updated entry requirements	Insurance Pensions Actuarial	Annually	Human resources Financial Material resources
1.3 Facilitating training and implementation of the IFRS 17 standard	Workshops Seminars IFRS 17 compliance reports	Insurance Pensions Actuarial	Bi-Annually	Human resources Financial Material resources
1.4 Conclude compensation framework	Compensation framework	Insurance Pensions Actuarial	December 2021	Human resources Financial Material resources
1.5 Updating of disclosure requirements	Updated disclosure requirements	Insurance Pensions Actuarial	Annually	Human resources Financial Material resources
1.6 Development of framework to deal with legacy products	Legacy product Framework developed	Insurance Pensions Actuarial PR Legal	December 2021	Human resources Financial Material resources

For the third objective, IPEC would actively assist and influence sound government policy aimed at utilising its skills in research and actuarial. The role of the Commission will be complimentary to government efforts in restoring the insurance and pensions sector. Below are the strategies.

INTERMEDIATE OBJECTIVE GOAL 3: To provide quality advice to government.					
ACTIVITIES	EXPECTED OUTPUTS	RESPONSIBLE DEPARTMENT	TIME FRAME	RESOURCES	
1.1 Research on policy	<ul style="list-style-type: none"> • Policy briefs • Budget inputs • National Health Insurance brief 	Actuarial and Research Pensions Insurance	Half yearly	<ul style="list-style-type: none"> • Human resources • Financial • Material resources 	
1.2 Facilitation of engagement between industry and government	<ul style="list-style-type: none"> • Meetings • Workshops Seminars 	Commissioner's Office and Public Relations	quarterly	<ul style="list-style-type: none"> • Human resources • Financial • Material resources 	
1.3 Lobby and advocacy	Established relationships	Public Relations Commissioner's Office	As and when necessary	<ul style="list-style-type: none"> • Human resources • Financial • Material resources 	
1.4 Actuarial consultancy to other related government institutions	Actuarial Advisory Reports	Actuarial and Research	As and when necessary	<ul style="list-style-type: none"> • Human resources • Financial • Material resources 	

As a key medium-term objective, the fourth objective, targets to widen market penetration and coverage of the country through improved access to insurance and pension products. Standard reporting measures to capture data geographically, demographically as well as by income levels will be rolled out as part of new reporting standards into the industry with strict enforcement of compliance.

INTERMEDIATE OBJECTIVE GOAL 4: To increase the insurance and pensions coverage from 2 to 3 by 31 December 2025.				
ACTIVITIES	EXPECTED OUTPUTS	RESPONSIBLE DEPARTMENT	TIME FRAME	RESOURCES
1.1 Developing and implementation of the micropension framework	Micropension framework	<ul style="list-style-type: none"> • Pensions • Actuarial 	2021	<ul style="list-style-type: none"> • Human resources • Financial • Material resources
1.2 Conducting Consumer awareness and education programs	<ul style="list-style-type: none"> • News articles • Radio & TV programmes • Roadshows • Exhibitions • Digital & Social Media 	<ul style="list-style-type: none"> • PR • Insurance • Pensions • Actuarial 	Half yearly	<ul style="list-style-type: none"> • Human resources • Financial • Material resources
1.3 Licensing of products	Product approval letters	<ul style="list-style-type: none"> • Insurance • Pensions • Actuarial and Legal 	As per service charter	<ul style="list-style-type: none"> • Human resources • Financial • Material resources
1.4 Research and Surveys on insurtechs	<ul style="list-style-type: none"> • Survey reports • Regulatory sandboxes framework 	<ul style="list-style-type: none"> • Research & Actuarial • Insurance • IT • Pensions 	annually	<ul style="list-style-type: none"> • Human resources • Financial • Material resources

INTERMEDIATE OBJECTIVE GOAL 5: To Improve IPEC visibility				
ACTIVITIES	EXPECTED OUTPUTS (SMART GOALS)	RESPONSIBLE DEPARTMENT	TIME FRAME	RESOURCES
1.1 Conducting journalist mentorship programmes	Workshops News articles	PR Insurance Pensions Actuarial		<ul style="list-style-type: none"> Human resources Financial resources
1.2 Conducting Local, Regional and International Presentations	Presentations at Workshops Seminar	Actuarial & Research Insurance Pensions	Quarterly	<ul style="list-style-type: none"> Human resources Financial resources
1.3 Conducting roadshows, workshops, seminars, webinars	Presentations at the roadshows, workshops, seminars and webinars	Public Relations Insurance Pensions and Actuarial	Half Yearly	<ul style="list-style-type: none"> Human resources Financial resources
1.4 Facilitating media coverage	media coverage of the Commission's activities	Public Relations Insurance Pensions Actuarial	Half yearly	<ul style="list-style-type: none"> Human resources Financial Material resources
1.5 Erection of Billboards	Billboards	Public Relations	Annual	<ul style="list-style-type: none"> Human resources Financial resources
1.6 Presence in regional and international body committees like IOPS, MEFWI, IAS	Committee membership Candidate fellowship Short term expertise	Core Departments	Quarterly	<ul style="list-style-type: none"> Human resources Financial resources
1.7 Participation and presenting at local, regional and international events	Number of events attended Presentations or speeches made	Commissioner's Office Core Departments	Quarterly	<ul style="list-style-type: none"> Human resources Financial resources
1.8 Training and Development	Trained staff	Human Resources	Ongoing	Human resources Financial
1.9 Succession planning development	Succession plans	All Departments	Ongoing	Financial
1.10 Staff rotation	Multi skilled staff	All departments	Ongoing	Material resources
1.11 Reduce reliance on levies	Self -sustenance New revenue streams	Finance	Ongoing	Finance
1.12 Gender mainstreaming	Gender balance	Human Resources	Monthly	Human Resources
1.13 Securing adequate office space	Office space	Procurement	December 2021	Financial Land
1.14 Managing within the budget	Balanced Budget	Finance	Annual	Financial
1.15 Strategic allocation of resources in line with policy priorities	Priorities achieved	Finance	Monthly	Financial
1.16 Value for money (effectiveness, efficiency, economy)	Quality service and goods	Finance PMU	Ongoing	Financial
1.17 Diversify revenue streams and	New revenue streams	Finance	Ongoing	Financial
1.18 Secondments and exposure to other regulatory agencies, industry or regional bodies	Secondments	Human Resources	Yearly	Financial Human resources

6. STRATEGIES



6. STRATEGIES

6.1 Strategies, Assumptions & Risks

GOAL ONE

Period	Strategies	Assumptions	Risks
Key Result Area 1: Regulation and supervision of the insurance and pension industry			
Goal 1: To increase compliance with regulatory requirements from 2 to 5 by 31 December 2025			
Budget Year	Develop and implement risk-based strategy	Training of risk-based supervision to continue in 2021 ZICARP to be completed in 2021 Q2	ZICARP project is delayed Limited capacity to implement Risk based supervision
	Implement reviewed prescribed framework that preserves value	The new framework will result in value preservation	<ul style="list-style-type: none"> Slow progress in the approval and adoption of the framework significant macro-economic shifts that may render the framework irrelevant
	Improve coordination of overlapping functions	Silo mentality to be replaced with teamwork and collaboration	<ul style="list-style-type: none"> Silo mentality will cause inertia Poor change management
	Improve systems and processes.	New systems and processes to be introduced	<ul style="list-style-type: none"> Systems failure and inadequate budget Inappropriate systems
	Restructure the core operations departments to align with the approved model	New structure to be implemented in January 2021	<ul style="list-style-type: none"> Inadequate funding to support the structure Skills flight due to poor working conditions
	Implement new levy formula and enforce compliance	Compliance of entities to paying levies	<ul style="list-style-type: none"> Slowdown in growth of the industry due to COVID 19 induced challenges Non-compliance by perennial defaulters
	Registration and Licensing	To encourage innovation through regulatory sandboxes	<ul style="list-style-type: none"> Litigations from applicants
	Gazetting of the IPEC Bill, Insurance Bill and Pension and Provident Funds Bill	MOFED committed to have the Bills gazetted by 31 March 2020	No control over parliamentary processes
	Automation and integration of systems	There is adequate funding	<ul style="list-style-type: none"> Systems failure Inappropriate systems and Cyber risks
	Formulation and Updating of Investment Guidelines	Updating guidelines	Guidelines might not be clear
	Evaluation of Prescribed Assets Applications	Improved compliance to prescribed assets	Industry reluctance to invest in Prescribed assets
	Develop and implement resource mobilisation strategies	Increased resource mobilisation	Resistance from the public
	Research on Alternative Investment options	Implement research	Higher risks associated with other alternative investments

GOAL TWO

Period	Strategies	Assumptions	Risks
Key Result Area 2: Facilitation of growth and capacity of the Insurance and Pensions Industry			
Goal 2: To improve the financial soundness of the insurance and pensions industry from an overall rating of 3 to 1 by 31 December 2025.			
Budget Year	Developing and implementing Risk based Supervision framework	Finalise ZICARP project and implement risk-based supervision	Delays in implementing ZICARP and Risk Based Strategy
	Financial Sector Development	Commission to work to reduce transaction costs and information costs to develop the market	Macroeconomic environment still volatile and fluid
	Review of entry requirements for new players	More players apply	Relaxed entry conditions might result in failure to meet minimum capital requirements.
	Ensure cross linkages – backward and forward with SECZIM and RBZ to develop the market	Cooperation by stakeholders	Resistance by other regulators to collaborate
	Facilitating training and implementation of the IFRS 17 standard	Cooperation by stakeholders	Lack of cooperation by stakeholders
	Develop compensation framework due to currency reforms worth US\$75 million	Existence of adequate legal powers to issue the guidance	Policyholders might want to be compensated yet the compensation is for pensioners
	Conclude pre-2009 compensation framework	No legal limitations on the part of IPEC to issue the Directive	High cost of compliance for smaller insurers which will be passed on to the policyholders and pension scheme members
	Ensure compliance with separation of assets (policyholder, pensions and shareholder assets) and issue corrective measures	Full cooperation by regulated entities	Corrective measures may not bear the intended effect
	Development of framework to deal with legacy products	Industry will comply with the directive	Cost of complying may be high and passed to consumers
	Develop compensation framework due to currency reforms worth US\$75 million	Existence of adequate legal powers to issue the guidance	Policyholders might want to be compensated yet the compensation is for pensioners

GOAL THREE

Period	Strategies	Assumptions	Risks
Key Result Area 1: Regulation and supervision of the insurance and pension industry			
Goal 3: To provide quality advice to government			
Budget Year	Advise Government on policy formulation	Commission becomes a strategic partner to Government	Government might do policy changes without consulting the Commission
	Facilitation of engagement between industry and government	<ul style="list-style-type: none">• Government to listen to our inputs• Collaborate with industry and submit policy briefs	<ul style="list-style-type: none">• Government might do policy changes without consulting the Commission• Industry may by-pass the Commission and give Government conflicting positions
	Spearhead the development of the National Health Insurance	<ul style="list-style-type: none">• IPEC budget can support the research needs• Stakeholder buy-in will be secured	<ul style="list-style-type: none">• Consensus might not be reached as many stakeholders are involved• Slow feedback and support from other stakeholders• Delays in the necessary approvals by Gvt
	Research on the unemployment benefits framework and make policy recommendations to Government	Policy briefs to be presented to Government	<ul style="list-style-type: none">• Policy briefs might not be accepted
	Actuarial consultancy to other related government institutions	Become government actuaries and offer advisory services	<ul style="list-style-type: none">• Other public entities like NSSA offer the same services• Slow buy-in

GOAL FOUR

Period	Strategies	Assumptions	Risks
Key Result Area 2: Facilitation of growth and capacity of the Insurance and Pensions Industry			
Goal 4: To increase the insurance and pensions coverage from 2 to 3 by 31 December 2025.			
Budget Year	Developing and implementation of micro-pension frameworks	Research on micro pensions is ongoing	Lack of interest in the product given the current macroeconomic environment
	Spearhead the development of sustainable social security benefits	All relevant stakeholder engagements being coordinated by IPEC	Resistance from other stakeholders
	Conducting Consumer awareness and education programs	Empowered consumers will be able to exercise their rights	Increased complaints as consumers become aware of their rights
	Research and Surveys on insurtechs	Regulator flexibility	Lack of adequate resources
	Licensing relevant products	Approve relevant products	Resistance of new products
	Introduce "Treating Customers Fairly" Framework	Cooperation from insurers, pension funds and administrators	Implementation by insurers, pension funds and administrators may be slow

GOAL FIVE

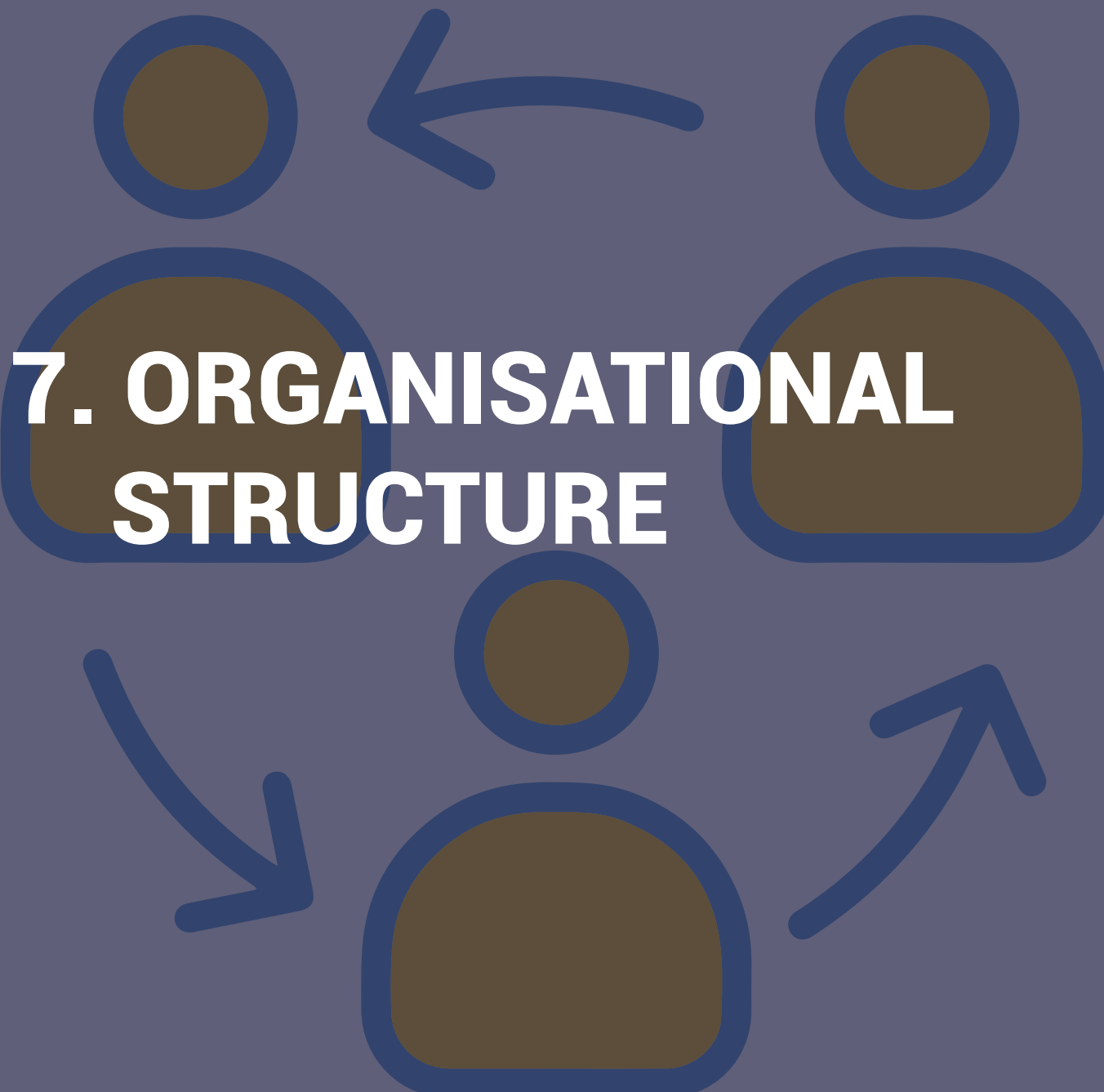
Period	Strategies	Assumptions	Risks
Key Result Area 3: Facilitating institutional capacity development			
Goal 5: To improve visibility of the Commission 16% to 50% by 2025			
Budget Year	Conducting journalist mentorship programmes	Availability of expertise for the exercise	The intended effect may be slow
	Plan for social responsibility activities every year	There is enough budget to do the activities	No risks
	Build strategic relationships with influencers	Identify market influencers	Influencers might also report on negative things at the Commission
	Manage and improve reputation of the Commission	Expertise at the Commission to deliver	Reputational risk
	Rebrand or reposition the Commission	Repositioning of the Commission as a flexible regulator	Failure to retain skilled staff
	Presence of the Commission on regulatory bodies such as IOPS, IAS, MEFM and others	The Commission will be invited to such events	Limited participation
	Facilitating Training and workshops for regulated players for a fee	Availability of expertise for the exercise.	Stiff competition from other established training service providers
	Proper office accommodation where the Commission is visible and accessible	To move into suitable accommodation in April 2020	Renovations might take a longer time than anticipated
	Hosting regional and international meetings, workshops and supervisory colleges	To produce concept note on programmes and projects the Commission can host	Limited uptake of such projects
	Facilitating media coverage	Have capacity to appear on programmes on TV and radios.	Low interest in radio programmes
	Increase public awareness programmes	An adequate budget will be availed	Negative perceptions about insurance and pensions savings may reduce effectiveness of the programme
	Create a market conduct department in the Insurance and pensions department	Elimination of overlapping of roles	Allows for persistence of silo mentality
	Multi-media public education campaigns	Adequate budget for the campaigns will be availed	Lack of interest by the public
	Regularly surveys on insurance and pensions awareness, perception, and uptake	Adequate budget will be availed	Flawed outcome of the survey is possible if the methodology is not properly structured. Inadequate resources

GOAL SIX

Period	Strategies	Assumptions	Risks
Key Result Area 3: Facilitating institutional capacity development			
Goal 6: To increase institutional capacity from 75% to 100% by 31 December 2025			
Budget Year	Training and Development	Resources will be available to recruit new staff	Delays in approval of the restructuring outcomes
	Succession planning development	Resources will be available	Intended results may not be guaranteed
	Staff rotation	Full support from all departments	Delays in approving the policies due to some questions arising
	Ensure real returns on investment income This will reduce reliance on levies Have an aggressive but prudent investment strategy	Availability of resources	Supply-side risks remain due to contractual arrangements between local and international suppliers
	Implement the IPEC gender policy	Availability of resources	Delays in the tender processes due to price instability and protracted procurement approval
	Identification and implementation of non-monetary benefits to ensure staff retention.	Availability of resources	Board approval might be required for some things
	Securing adequate office space	Availability of resources	Delays in commissioning the assessment due to non-availability of expertise
	Managing within the budget	Availability of expertise	Budget release may be delayed
	Strategic allocation of resources in line with policy priorities	Availability of expertise	Non-implementation of research recommendation
	Value for money (effectiveness, efficiency, economy)	Availability of expertise	Budget release may be delayed
	Collaborating with reputable regional and international bodies to enhance actuarial skills in IPEC at the least cost	Technical service partners will be ready to engage	Lack of interest by technical service providers
	Enlarging the Employee Wellness Programme	Full cooperation by all departments	Non-availability of sufficient resources to fund the programme
	Digitalising reporting for the Board and Management	Availability of expertise for the exercise	Non-availability of financial resources
	Implementing an online registry system	Availability of expertise for the exercise	Non-availability of financial resources

6.2 Risk assessment and Analysis

Risk	Sources of Risks	Rating	Mitigation Measures
To increase compliance with regulatory requirements from 60% to 100% by 31 December 2025	<ol style="list-style-type: none"> Operational Risk - Business interruption, Errors and Omission, Fraud and System Failure Policy and regulatory risks Cyber Security Risk 	H	<ol style="list-style-type: none"> Strengthen institutions <ul style="list-style-type: none"> Ensure all bills are promulgated Safeguard data privacy Continuous training and development Engage Government and dialogue Issue directives where necessary Moral suasion as a tool to cause compliance
To improve the financial soundness of the insurance and pensions industry from an overall rating of 3 to 1 by 31 December 2025.	<ol style="list-style-type: none"> Policy and regulatory risks Political and Economic Risk Operation Risk Systemic Risk 	<div>H</div>	<ol style="list-style-type: none"> Accept and budget for. Invest in capital preservation Strengthen systems and processes Market development to build resilient industry
To provide quality advice to government	<ol style="list-style-type: none"> Policy Risks Political and economic risks 	L	<ol style="list-style-type: none"> Submit well-structured policy briefs Continue to engage Government
Improved access to insurance and pensions benefits	<ol style="list-style-type: none"> Political and Economic Risk 	H	<ol style="list-style-type: none"> Strengthen social protection systems Enhance market conduct activities
Improved confidence in the market	<ol style="list-style-type: none"> Value erosion 	H	<ol style="list-style-type: none"> Establish a compensation framework Collaborate with industry for market development.
Increased visibility	<ol style="list-style-type: none"> Reputational Risk Policy Risk 	H	<ol style="list-style-type: none"> Build a strong brand Conclude compensation of pensioners
Improved institutional capacity	<ol style="list-style-type: none"> Employee retention risk 	H	<ol style="list-style-type: none"> Review Conditions of service Look for suitable accommodation Attachment to industry or other regulatory bodies



The diagram features five stylized human figures arranged in a circle. Each figure consists of a small dark blue circle for the head and a larger, rounded dark blue shape for the torso. The figures are positioned at the top-left, top-right, bottom-left, bottom-right, and bottom-center. Four curved arrows connect them in a clockwise cycle: from top-left to top-right, from top-right to bottom-right, from bottom-right to bottom-center, and from bottom-center to bottom-left. The text '7. ORGANISATIONAL STRUCTURE' is centered over the middle of the diagram.

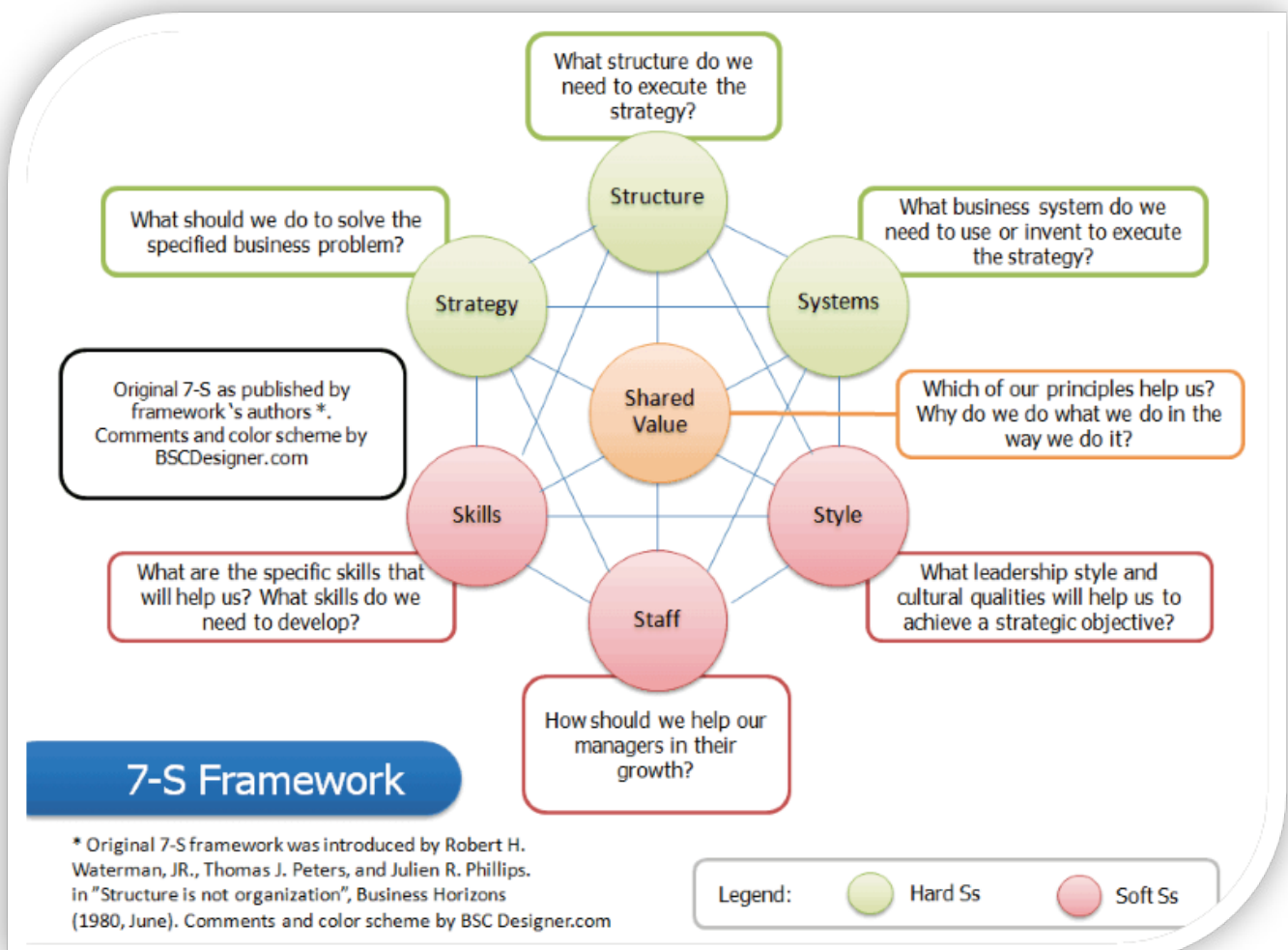
7. ORGANISATIONAL STRUCTURE

The 6 intermediate goals as shown in the tables above supported by the various strategic activities are all aimed at restoring confidence in the insurance and pensions sector. It is anticipated that the increased visibility of the regulator with clearly set guidelines will help regain market confidence and begin to drive future growth in line with the inclusive growth and stability pillar of the National Development Strategy. The McKinsey's model was used to evaluate whether the Structure, Systems, Strategy, Staff, Shared Values and Skills.

7.1. McKinsey 7-S Model

This framework has been used to examine the likely effects of future changes in the organization resulting from the implementation of the strategic plan. Strategic planning is about change management. The exercise was to examine if the 7 elements of the McKinsey's model would support the efficient implementation of the strategy.

Structure follows strategy, thus the organisation was restructured and reorganised to ensure weak areas were strengthened, overlaps in regulation were improved and shared values which would be used to achieve the mandate were chosen. In addition, a new section was created to effectively put in current systems for the regulation of medical aid societies.



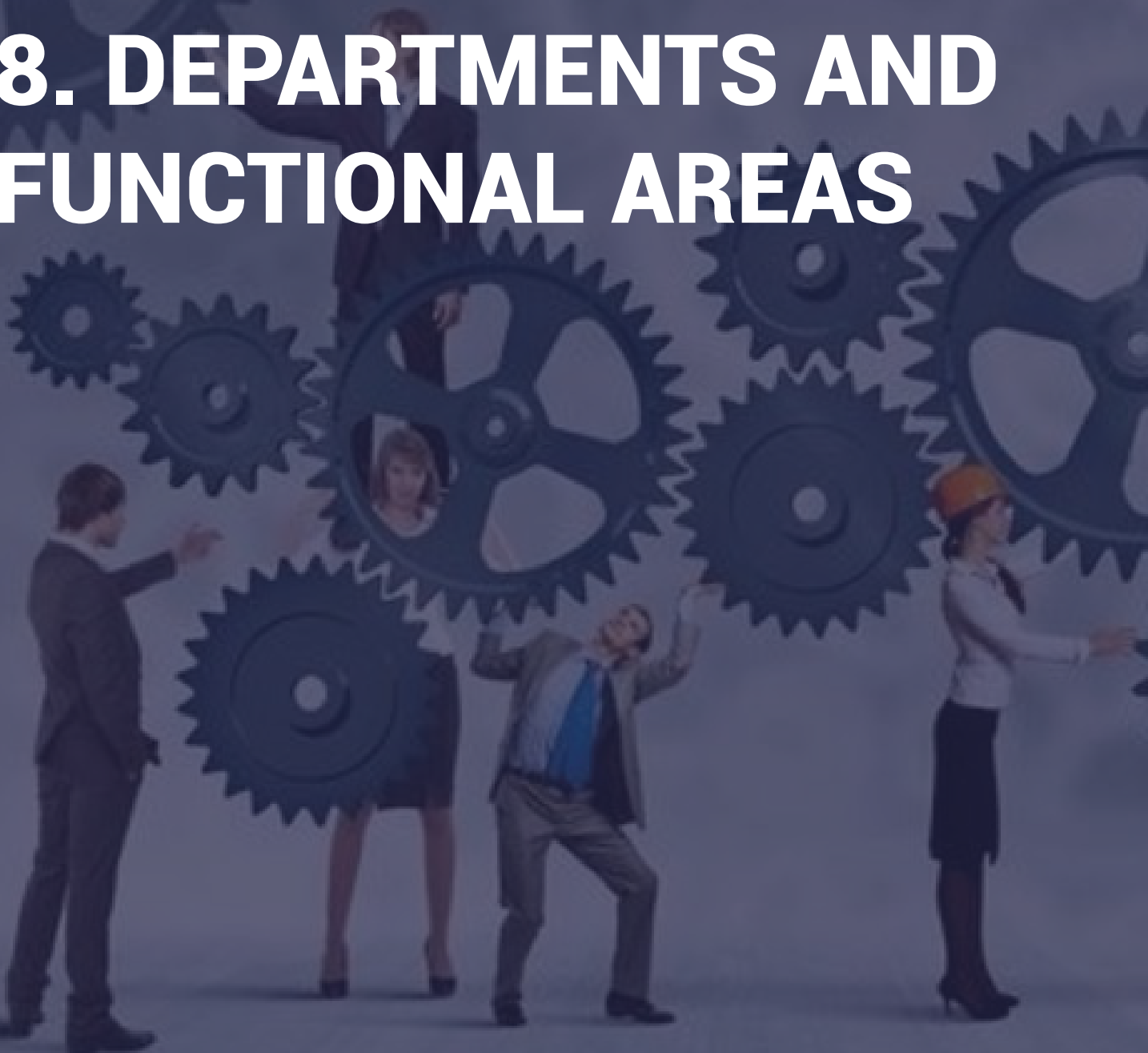
The current state analysis of IPEC using the model is given below:

Element	Limitations	SCORE
Strategy	<ul style="list-style-type: none"> • Lack of resources • Lack of flexibility and challenging operating environment • Out of time strategy overtaken by economic events 	3
Structure	<ul style="list-style-type: none"> • Cracks and overlaps in supervision of life companies, Registry and IT overlaps • Lack of role clarity in regulation on prudential, market conduct and AML/CFT • Third level and fourth level opaque benefits 	2
Systems	<ul style="list-style-type: none"> • Inadequate integration • Inadequate automation on processes • Inadequate digitalisation, Inability for live interface and oversight of industry 	2
Shared values	<ul style="list-style-type: none"> • Lack of shared organisational culture • Silo mentality, Fear of external interference 	3
Skills	<ul style="list-style-type: none"> • Skills flight – Unable to attract and retain staff • Lack of exposure, Skills gap, Uncompetitive remuneration 	3
Staff	<ul style="list-style-type: none"> • Inadequate head count • Failure to retain staff, Talent management • Limited office space 	3
Styles	<ul style="list-style-type: none"> • Gap between leaders and followers • Lack of broad-based consensus 	4

Key

1. Very Poor 2. Below Average 3. Average 4. Above average 5. Excellent
--

8. DEPARTMENTS AND FUNCTIONAL AREAS



The Commission's core departments which are Insurance and Microinsurance, Pensions and Actuarial and Research were reorganised to ensure that they would transition from compliance-based regulation to risk based supervision. In addition, market conduct issues which were been handled by the Complaints Handling Unit were also streamlined into core departments. The regulation of Medical Insurance would be handled by the Insurance and Microinsurance departments.

The Commission's reorganised departments and functions are outlined in the sections below.

8.1. The Insurance Department

- Registering insurers, mutual insurance societies, insurance intermediaries, loss assessors and adjustors in terms of the Insurance Act [Chapter 24:07] and, subject to that Act, regulating and monitoring their business;
- Formulating standards for the conduct of insurance business with which registered insurers may be required to comply with in terms of the Insurance Act and any other relevant laws;
- Advising the Minister, through the Commissioner, on matters relating to insurance;
- Enforcing anti-money laundering and combating financing of terrorism requirements on insurance companies and intermediaries in the insurance value chain;
- Providing supervisory reports to the insurance industry and relevant stakeholders; and
- Promoting growth and development of the insurance industry.

8.2. Pensions Department

- Registering fund administrators, pension and provident funds in terms of the Pension and Provident Funds Act [Chapter 24:09] and, subject to that Act, regulating and monitoring their management and administration;
- Monitoring the activities of fund administrators, pension and provident funds to ensure that they maintain set standards and enforce compliance with the Pension and Provident Funds Act [Chapter 24:09];
- Providing information to the public on matters relating to pension and provident funds and encouraging and promoting investment in such funds;
- Advising the Minister, through the Commissioner, on matters relating to pension and provident funds;
- Enforcing anti-money laundering and combating financing of terrorism requirements on pension industry; and
- Providing supervisory reports to the pension industry and relevant stakeholders.

8.3. Actuarial and Research Department

- Analysing actuarial reports that are tabled with the Commission to ensure that the regulated entities remain financially sound and that consumers' reasonable expectations are met;
- Scrutinising appropriateness of valuation methods and assumptions used and comparing the methodologies against those that are deemed reasonable;

- Assessing appropriateness of recommended actions to manage risk within regulated entities;

- In the case of new licences granted to insurers, advising on product design, underwriting, reinsurance, reserving and how insurers plan to manage their risks;

- Training colleagues in the Insurance and Pensions departments on technical actuarial related matters;

- Assisting in drafting of legislation and directives relating to pension funds and insurance matters;

- Providing actuarial guidance to the industry, in consultation with the Actuarial Society of Zimbabwe and core departments;

- Researching on the impact of technological innovation on the pension and insurance industry to ensure the Commission keeps pace with the evolving technological changes;

- Researching on regulatory developments in regional and international insurance and pensions markets to inform the development of the local market; and

- Analysis of Government policy's implication on the insurance and pensions industry.

8.4. Company Secretarial and Legal Department

- Providing secretarial services and legal advice to the Commission;

- Reviewing existing legislation and drafting new laws;

- Conducting legal research and keeping the Commission abreast with best practice legislation;

- Liaising with the Commission's external lawyers;

- Ensuring that the Commission executes its mandate in compliance with the law;

- Reviewing existing and drafting new contracts; and

- Maintaining information and records management function of the Commission.

8.5. Finance Department

- Formulating, reviewing and implementing financial policies and procedures;

- Mobilising, allocating and managing financial resources and records of the Commission;

- Budgeting and budgetary control;

- Producing and interpreting monthly, quarterly and annual management accounts, as well as other statutory reports;

- Administering and controlling ICT Systems

- Monitoring implementation of Commission's procedure manuals, as well as financial guidelines and practices;

- Liaising with accounting bodies on matters of common interest;

- Ensuring compliance with tax obligations and any other legal requirements relating to the area of finance ; and

- Liaising with external auditors on annual financial audits.

8.6. Human Resources and Administration Department

- Coordinating recruitment and selection of staff;
- Ensuring employee welfare;
- Managing performance;
- Ensuring compliance with labour laws and any other relevant legislation;
- Manpower planning and development;
- Salary administration;
- Industrial relations;
- Administering and maintaining vehicles and premises; and
- Overseeing security service providers.

8.7. Public Relations Department

- Developing and reviewing the Public Relations Strategy;
- Spearheading consumer education activities;
- Coordinating corporate communications;
- Handling consumer complaints and facilitating their redress;
- Managing stakeholder relations;
- Managing media enquiries and interview requests;
- Coordinating corporate citizenship programmes;
- Conducting stakeholder satisfaction surveys;

8.8. Internal Audit Department

- Planning and conducting audit assignments in line with approved audit plan;
- Overseeing the general operations of the internal audit function, including resource allocation, motivation, training and giving direction;
- Developing a risk-based annual internal audit plan;
- Planning and executing internal audit reviews on internal control, risk management and governance processes;
- Managing audits within time and budget allocations to ensure the reliability of controls and systems to meet required standards;
- Reviewing accounting policies and procedures in line with SAP;
- Preparing internal audit reports;
- Evaluating internal processes on a continuous basis;
- Conducting investigations when the need arises;
- Performance of follow-up procedures to monitor timely implementation of management's corrective actions;
- Giving assurance on risk management processes; and
- Ensuring the adequacy of internal controls.

8.9. Procurement Management Unit

- Preparing consolidated procurement plans for the Commission;
- Developing integrated procurement strategies that support the Commission's goals and objectives;
- Managing procurement contracts and overseeing their implementation;
- Adopting and applying appropriate methods of procurement.
- Preparing bidding documents in line with provisions of the Act and other guidelines produced by PRAZ from time to time;
- Designing contract specifications and the evaluation criteria;
- Managing bidding processes, including pre-bid meetings, clarifications and the receipt and opening of bids;
- Managing the disposal of the Commission's public assets in line with the Act;
- Managing the evaluation of bids and any post-qualification negotiations;
- Managing procurement risk;
- Liaising with the Procurement Regulatory Authority of Zimbabwe; and
- Preparing, publishing procurement and disposal opportunities, including invitations and tenders, re-qualification documents and invitations for expressions of interests.

8.10. Anti-Money Laundering Combating Financial Terrorism Unit

- Implementing Risk Based supervision in the insurance and pensions industry, through developing models for risk assessments and risk-based supervision in order to identify risks particular to different sectors which is essential for prioritising supervisory activities within the sector.
- Developing and implementing risk-based supervision manual
- Implementing of the AML/CFT activities as provided by the National Strategy 2020-2025,
- Awareness and capacity building on AML/CFT matters for both supervisory staff and industry.
- Providing input as needed by the national taskforce committee and subcommittee on Compliance and Supervision.
- Providing quarterly updates to FIU on supervisory activities

9. MONITORING AND EVALUATION FRAMEWORK

GOALS: Outcome Description SHORT- OR MEDIUM-TERM CHANGES OR EFFECTS (Benefits to Environment or community)	GOAL INDICATORS (Outcome Indicators are Measurable)	MoVs/ Unit/Criterion (%, No) These MoVs must be inserted. Kindly specify what a number or % means	Baseline	Target	
			2020	2021	2025
1. To increase compliance with regulatory requirements from a rating of 3 to 5 by 2025	Number of entities fully compliant with minimum capital requirements and prescribed assets status	Returns, reports, SAP	3	4	5
2. To provide quality advice to government	Policy papers	Position papers submitted to MoFED	3	6	8
	Policy tools (SIs, laws, directives, position papers)	Policy briefs	2	4	4
	Improve visibility of Financial Stability Committee	Meetings Improve impact of FSC	4	4	4
	Coverage/Penetration ratios	Pension coverage	2	2	3
3. To increase the insurance and pensions coverage from 2 to 3 by 31 December 2025.					
4. To improve the financial soundness of the insurance and pensions industry from an overall rating of 3 to 1 by 31 December 2025.	Funding levels	Returns on Sap	60%	75%	100%
	Asset quality	Returns on Sap	70%	80%	90%
	Administration expenses/total contributions	Returns on Sap	28%	25%	25%
	Administration expenses/Total income	Returns Sap	60%	50%	20%
	Solvency Ratio	Returns Sap	25%	25%	25%
5. To improve visibility of the Commission from 16% to 50% by 2025	Media coverage/public enquiries& complaints	Public Relations report and analytics	16%	25%	50%
6. To increase institutional capacity from 80% to 100% by 31 December 2025	Head count/ skills mix	Levy collection	75%	85%	100%
	Financial resources	Gender balance, skill set, head count	60%	70%	90%

10. RESOURCES

	2021	2022	2023
	(ZW\$)	(ZW\$)	(ZW\$)
Revenue			
Levies	494,930,889	643,410,156	836,433,203
Annual Fees	18,395,000	23,913,500	31,087,550
Return on Investment	42,621,000	55,407,300	72,029,490
Externalisation Levies	40,483,968	52,629,159	68,417,907
Service Fees	5,444,000	7,077,200	9,200,360
Other Income	6,900,000	8,970,000	11,661,000
	608,774,858	791,407,315	1,028,829,510
Operating Expenses			
Staff Costs	(181,227,991)	(235,596,388)	(306,275,304)
Administration Costs	(209,004,449)	(271,705,784)	(353,217,519)
Surplus of the year	218,542,418	284,105,144	369,336,687



PROTECTING THE INTERESTS OF INSURANCE AND PENSION CONSUMERS



HEAD OFFICE- 160 Rhodesville Ave, Greendale, Harare
COMPLAINTS HANDLING OFFICE- Kingstons House, Cnr Leopold
Takawira/Kwame Nkrumah Avenue, Harare
COMPLAINTS HANDLING OFFICE- Office Number 18, Bulawayo Centre
Cnr Joshua Nkomo Street & 9th Ave, Bulawayo



+263 (242) 443358/59/61 | +263 (242) 443322
+263 772 154 281-4 | +263 (242) 444033



www.ipec.co.zw