



April 11, 2014

Circular number 2 of 2014

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

PENSION AND PROVIDENT FUNDS (AMENDMENT) REGULATIONS, 2014 (NO. 21)
COMMUTATION OF PENSIONS

1. Subsequent to discussions with various industry associations, the Insurance and Pensions Commission has, through Statutory Instrument 61 of 2014, reviewed upwards the annual pension allowable for commutation as follows;

Maximum annual pension allowable amounting to USD360.00 (three hundred and sixty United States Dollars only per annum;

This means that USD30.00 and below payable to a pensioner per month can now be commutable as per the wish of the member.

In addition, the **maximum preserved employer portion** which can be commuted in full has also been raised to USD300.00 (three hundred United States Dollars only) and can also be commuted as per the wish of the member.

The abovementioned Pension and Provident Funds (Amendment) Regulations, 2014 (No. 21) was published in the Zimbabwe Government Gazette dated 4th April 2014;

2. Circular Number 2 of 2014 supersedes Circular Number 6 of 2009 dated August 5, 2009 where the amounts involved were USD10 maximum commutable amounts per month and USD250 preserved employer portion.

Please be guided accordingly.


M. S. Mpofo

COMMISSIONER OF INSURANCE PENSION AND PROVIDENT FUNDS