



Date of Issue: 27 September 2019

Effective Date: 27 September 2019

Circular 12 of 2019

TO: All Insurers

CC: Insurance Council of Zimbabwe

Life Offices Association of Zimbabwe

Zimbabwe Association of Reinsurance Offices

Zimbabwe Association of Funeral Assurers

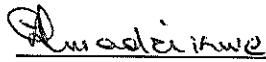
**NEW PRESCRIBED ASSET THRESHOLDS IN TERMS OF STATUTORY INSTRUMENT 206 OF 2019**

1. The Minister of Finance, in his 2019 Budget Statement, announced an upward review of the prescribed asset thresholds.
2. Pursuant to the announcements in the Budget Statement and in anticipation of a statutory instrument giving effect to the announcement, the Commission, through Circular 3 of 2019, requested all insurers to submit plans for compliance with the new prescribed asset thresholds by 31 March 2019.
3. The new prescribed asset thresholds have now been promulgated into law following the gazetting of Statutory Instrument 206 of 2019. The table below shows the changes in the prescribed asset thresholds:

Type of Insurer	Old P.A thresholds (S.I 24 of 2016)	Current P.A thresholds (S.I 206 of 2019)
Funeral Assurer	7.5%	<b>10%</b>
Life Assurer	7.5%	<b>15%</b>
Short Term Insurer	5%	<b>10%</b>
Composite Insurer	7.5% in respect of that portion of their life assurance business	<b>15%</b> in respect of that portion of their life assurance business
	5% in respect of that portion of their insurance business other than life assurance	<b>10%</b> in respect of that portion of their insurance business other than life assurance

\*\* % of the market value of total adjusted assets

4. All insurers are expected to familiarise themselves with the Statutory Instrument and comply with the applicable prescribed asset thresholds.

  
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G. Muradzikwa

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