

Circular No. 6 of 2020

24 March 2020

TO: All Insurance Companies
All Insurance Brokers
All Pension and Provident Funds
All Fund Administrators

Cc: Insurance Council of Zimbabwe (ICZ)
Insurance Brokers Association of Zimbabwe (IBAZ)
Life Offices Association of Zimbabwe (LOA)
Zimbabwe Association of Reinsurance Offices (ZARO)
Zimbabwe Association of Funeral Assurers (ZAFSA)
Zimbabwe Association of Pension Funds (ZAPF)

INSURANCE AND PENSIONS INDUSTRY'S RESPONSIVENESS TO THE COVID-19 PANDEMIC


1. The President of the Republic of Zimbabwe, His Excellency Cde Emmerson Dabudzo Mnangagwa, declared the COVID-19 pandemic a national disaster on 17 March 2020. He announced various measures that the Government had deliberated on and agreed should be put in place to ensure that the country's national response is effective, comprehensive and complete.
2. Additional measures were announced by His Excellency the President on 23 March 2020, which among other things, require everyone at individual and corporate level, to implement appropriate measures to minimise the risk to exposure and spread of the virus.
3. The COVID-19 pandemic has become a global concern as it continues to spread across and within borders, imposing financial burdens on economies while leaving a trail of human death and suffering.

4. As regulator to the industry, the Insurance and Pensions Commission (IPEC) joins His Excellency and the rest of the world in combating this pandemic and calls on the industry as a whole to join in the fight.
5. Thus, IPEC issues this Circular both in furtherance of its mandate of ensuring that activities within the insurance and pensions industry are aligned with the economic, financial and social policies, objectives and interests of the State, and in recognition of the importance of unity of purpose at this critical time for our nation.

Requirements for the Insurance and Pensions Industry

6. The insurance and pensions industry is required to advise the Commissioner, no later than 31 March 2020, on the measures that each regulated entity has put in place in response to the call by His Excellency to contribute in the effort to minimise the risk to exposure and spread of the COVID-19 virus.
7. The narrative on the measures should clearly state how the entity will:-
 - a. ensure that it remains accessible to policyholders and fund members, stating the platforms that will be utilised for this purpose and how these are suitable both to the objective stated above; and to the policyholder and/or fund member. The key focus should be on how to remain accessible to ensure payment of benefits/claims as they fall due, receive and resolve policyholders and fund members' queries and enquires;
 - b. ensure business continuity, in particular to avoid disruptions and delays in the processing and payment of claims and benefits to policyholders and fund members;
 - c. ensure that policyholders and fund members continue to receive updated information on their policies and benefits;
 - d. continue to interact with and receive relevant updates from external service providers such as asset managers;

- e. continue to meet regulatory reporting obligations including filing of quarterly and annual returns, responding to correspondences from the regulator and key stakeholders;
 - f. likely impact of the pandemic on your business operations and overall wellbeing of the industry; and
 - g. any other matters that are relevant to the purpose of this request.
8. The Commission enjoins every entity to take the necessary precautions while remaining focused to meet client and stakeholder needs for the continued relevance and sustainability of the industry. To this end, I wish to urge all players to put in place measures to combat the pandemic and striking a balance with promoting and safeguarding the rights, interests and benefits of our policyholders and fund members.
9. I look forward to your respective submissions on measures being put in place in response to COVID 19.

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Grace Muradzikwa

Commissioner of Insurance Pensions and Provident Funds