



Insurance and Pensions Commission

CIRCULAR 3 OF 2024

5 February 2024

TO: All Insurance Companies

Cc: Insurance Council of Zimbabwe (ICZ)

Life Offices Association of Zimbabwe (LOA)

SUBJECT: SETTLEMENT OF CLAIMS

1. The Commission has observed an increasing number of policyholders seeking the Commissioner's intervention due to the protracted settlement of claims in the insurance industry. This situation necessitates urgent attention and action from all insurers.
2. Timely claims settlement is critical as this directly impacts policyholder satisfaction, market penetration and confidence in the insurance sector.
3. Insurers are expected to conduct thorough evaluations and process claims promptly, while ensuring clear and transparent communication with policyholders regarding the status and progress of their claims.
4. In view of the foregoing, from the date of receipt of all the required submissions a decision shall be made and communicated to the

policyholder within **seven working days** on the outcome of the claims application.

5. Further, once the claims authorisation process has been finalised, the claim shall be settled within **three working days**.
6. Whilst we are aware that additional investigation may be required in claims involving complex circumstances and claims recoveries from other insurers/reinsurers, in such cases, insurers are advised to inform policyholders of potential delays and to provide clear explanations for the extended processing time.
7. To meet the above, there is need for insurers to review claims processes by streamlining and optimising claims handling procedures.
8. Please take note, failure to adhere to the above as required attracts a level 4 penalty for each day the insurer is in default in terms of section 5 of the Insurance and Pensions (Issuance of General Guidelines and Standards) Regulations, 2020.
9. Furthermore, each insurer is required to maintain a complaints register, clearly indicating name of complainant, date of receipt, nature of complaint and date of resolution.
10. We appreciate your attention to this matter and your commitment to providing timely and efficient claims services to policyholders.

Yours sincerely



Grace Muradzikwa

Commissioner of Insurance, Pension and Provident Funds