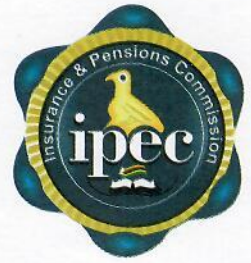


Insurance & Pensions Commission



Date of Issue: 10 September 2020

Effective Date: 10 September 2020

Circular No 18 of 2020

TO: All Insurers (Insurance Companies, Funeral Assurers, and Reinsurers)

All Insurance Brokers

All Insurance Agents (general and life), Intermediaries, Multiple Agents
and Loss Adjusters/ Surveyors / Risk Management Consultants

CC: Insurance Council of Zimbabwe

Life Offices Association

Zimbabwe Association of Reinsurance Organisations

Zimbabwe Association of Funeral Assurers

Insurance Brokers Association of Zimbabwe

TREATMENT OF DOMESTIC FCA BALANCES FOR THE INSURANCE SECTOR

These Circular serves to advise all insurers, reinsurers, insurance brokers, reinsurance brokers, pensions funds and the entire value chain in the insurance and pensions sector on the treatment of NOSTRO Domestic FCA as follows;

1. The Nostro FCA balances for the insurance, pensions and provident funds accounts are deemed transitory in nature for Exchange Control purposes.
2. Therefore, these shall be exempted from the 20% liquidation of receipts into their Nostro FCA (Domestic) accounts.
3. This is also consistent with Section 2.3.4 of the Exchange Control Directive RV176/2020 issued by the Reserve Bank which exempts transitory accounts from this arrangement.
4. Please be guided accordingly

Yours Faithfully

G. Muradzikwa

Commissioner of Insurance, Pension and Provident Funds