

Insurance and Pensions Commission (Issuance of General Guidelines and Standards) Regulations, 2020

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IT is hereby notified that the Minister of Finance and Economic Development has, in terms of section 33 of the Insurance and Pensions Commission Act [*Chapter 24:21*], made the following regulations: —

*Title*

1. These regulations may be cited as the Insurance and Pensions Commission (Issuance of General Guidelines and Standards) Regulations, 2020.

*Interpretation*

2. (1) In these regulations —

“currency conversion” means the process through which any currency which has been legal tender in Zimbabwe is superseded by any other currency;

“insurance and pensions industry” means —

- (a) in the case of insurance, any business of insurance or any other insurance related business carried out in terms of the Insurance Act [*Chapter 24:07*];
- (b) in the case of pension, any business of pension and provident funds carried out in terms of the Pension and Provident Funds Act [*Chapter 24:09*].

*Issuance of general guidelines and standards*

3. (1) Whenever the Commission considers it necessary, convenient and in the best interest of policy owners, and pension and provident fund members, the Commission may issue general guidelines and standards which may provide for the following —

- (a) revaluation of assets and liabilities by the insurance and pensions industry after a currency conversion;
- (b) disclosures to be made by the insurance and pensions industry;

- (c) risk management and corporate governance practices to be observed by the insurance and pensions industry; and
- (d) market conduct practices to be observed by the insurance and pensions industry;

(2) Compliance with any general guideline or standard issued by the Commission, shall form part of the audit of the entity and shall be reported upon in the annual audited accounts required in terms of the Insurance Act [*Chapter 24:07*] and Pension and Provident Funds Act [*Chapter 24:09*].

*Performance of function by Commissioner*

4. In the issuance of the general guidelines and standards outlined in section 3(1), the Commission shall at all times have regard to the need to attain the following objects, namely—

- (a) the protection of the rights, benefits and other interests of policy owners, pension fund members and their beneficiaries;
- (b) the alignment of the activities of persons carrying on insurance and pensions business in Zimbabwe with the economic, financial and social policies, objectives and interests of the State;
- (c) the monitoring of the solvency of insurers, pension and provident funds; and the maintenance of sound financial principles and best practice in the conduct of insurance and pensions business in Zimbabwe; and
- (d) the regulation and strengthening of the insurance and pensions industry in Zimbabwe.

*Penalties for non-compliance with general guidelines and standards*

5. (1) Any person in contravention of any general guideline or standard issued in terms of these regulations shall be in default and liable to a fine not exceeding level 4 for each day that the contravention continues up to a maximum of sixty days.

(2) A penalty imposed in terms of subsection (1) shall constitute a debt due to the Commission by the person liable to pay it, and may be recovered by action in a court of competent jurisdiction by proceedings in the name of the Commission.

(3) Any person who, after sixty days referred to in subsection (1), continues to be in contravention of the guideline or standard issued in terms of these regulations shall be guilty of an offence and liable to a fine not exceeding level 5 or to imprisonment for a period not exceeding six months or to both such fine and such imprisonment.