



Mining Industry Pension Fund

"Cares for your future"

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20th January, 2021

CIRCULAR TO MINES AND WORKERS' COMMITTEE CHAIRPERSONS

No. 1/2021

Subject: Update on the Remittance of Pension Contributions and - Payment of Pension Benefits in Foreign Currency

This circular serves to provide an update to member mines and members on the changes in the law that now allows pension funds to collect contributions in foreign currency.

Statutory Instrument 280 of 2020 recognises the importance of making pension savings in the currency in which members are paid their salaries. Therefore, based on the provisions of Statutory Instrument 280 of 2020, the Fund would like to advise member mines and members that pension contributions can now be remitted to the Fund in either the local ZWL\$ or in USD. Consequently, pension claims in respect of exiting members will be settled in the currency in which contributions were remitted to the Fund. This means that, should an employer start remitting contributions in USD, such contributions will be ringfenced and invested in USD denominated investments. Therefore, pension claims in respect of the ringfenced USD contributions will also be settled in USD while the rest of the claims will be settled in the local currency (ZWL\$).

Please note that payment of benefits in foreign currency ("United States Dollar" or "USD") shall be restricted to benefits arising from pension contributions made in USD effective from January 2021. This is because the currency reforms implemented by Government in 2019 resulted in the conversion of all assets previously denominated in USD to the local currency, discontinued the multicurrency system and subsequently introduced the new Zimbabwe Dollar (ZWL\$) as the sole legal tender. Therefore, the value of all assets that the Fund invested in during the period 2009 to February 2019 were converted to ZWL\$ in line with the Government Directive. The 2019 currency reforms were accompanied by a directive for pension funds to collect pension contributions and pay pension benefits exclusively in local currency. This means that the payment of pension benefits in USD shall not apply to the benefits previously accrued during the period 2009 to February 2019.

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Below are the Fund's banking details for remittance of USD pension contributions;

a. MIPF US Dollar Nostro Account Details – Standard Chartered Bank

Account Name	Mining Industry Pension Fund
Name of Bank	Standard Chartered Bank
Branch Name	Africa Unit Square
Branch Code	5140
Account Number	8740421192700
SWIFT Code	SCBLZWHXXXX
Account Currency	USD-US Dollar

b. MIPF US Dollar Nostro Account Details – Stanbic Bank

Account Name	Mining Industry Pension Fund
Name of Bank	Stanbic Bank
Branch Name	Nelson Mandela
Branch Code	141004
Account Number	9140003799815
SWIFT Code	SBICZWHXXXX
Account Currency	USD-US Dollar

The Fund would like to remind mines to forward a copy of the transfer document or deposit slip as soon as a payment is made. This, together with a breakdown of how the payment should be allocated, can be emailed to dmutawu@mipf.co.zw; gwawu@mipf.co.zw, and tndlovu@mipf.co.zw.

Please note that it is a statutory requirement for all pension contributions to be remitted to the Fund on or before the 14th of the following month to which the contributions relate.

Yours sincerely,



K. GATSHENI NDLOVU (MS)
PRINCIPAL OFFICER AND CHIEF EXECUTIVE