



Mining Industry Pension Fund  
"Cares for your future"

MIPF House, 5 Central Avenue  
P.O.Box CY 1452  
Causeway, Harare  
Zimbabwe

Tel: +263 (0242) 793821-5, 796262-3, 796234-6, 251550

Cell :+263 712 607 557 / 0772 220 678/9,

Fax: +263 (0242) 792024 / 796266

WhatsApp: +263 772 147 606 / +263 772 220 679

E-mail: [pr@mipf.co.zw](mailto:pr@mipf.co.zw) / [mipfhre@mipf.co.zw](mailto:mipfhre@mipf.co.zw)

Website: [www.mipf.co.zw](http://www.mipf.co.zw)

4<sup>th</sup> August, 2021

## Circular to Mines and Workers' Committee Chairpersons

No. 3/2021

**Subject: Review of Prescribed Limits for 100% Pension Commutation and Preservation Amounts, as well as Interest Levied on Outstanding Contributions**

This Circular provides an update on the review of the prescribed limits for full pension commutations and preservation amounts, as well as interest rates levied by the Fund on contributions arrears.

### 1. Review of Pension Commutation Limits

The Commissioner of Insurance and Pensions has reviewed, with immediate effect, the pension amounts commutable from the previous limit of ZWL\$6,000.00 per annum to ZWL\$36,000.00 per annum. This means that all current and future pensioners with pension amounts that are less than ZWL\$3,000.00 per month or ZWL\$36,000.00 per annum are allowed to commute their full pensions as a lump sum, on application. Should a pensioner choose to commute their full pension as a lump sum, this will mean that they will no longer receive a monthly pension from the Fund.

### 2. Review of Pension Preservation Limits

The Commissioner of Insurance and Pensions has also reviewed, with immediate effect, the pension preservation limits from the previous limit of ZWL\$6,000.00 to ZWL\$36,000.00. This means that any member who leaves employment due to resignation or dismissal is now allowed to commute the employer portion of their contributions, provided that it is below ZWL\$36,000.00. This also applies to all preserved members who left employer contributions below ZWL\$36,000.00 with the Fund prior to this review. This means that any member with preserved amounts less than ZWL\$36,000.00 can now claim their retained amounts in full.

### **3. Review of Interest Rate Charged by the Fund on Contributions Arrears**

You are advised that effective from 1<sup>st</sup> August, 2021 the interest rate levied by MIPF on contributions arrears has been reviewed from 60% to 45% per annum, compounded monthly. This review is in compliance with Section 13 (1) c of the Pension and Provident Funds Regulations, Statutory Instrument 323 of 1991 [as amended], which requires that all Pension Funds charge interest on all outstanding contributions, at a rate equivalent to the unsecured overdraft lending rate charged by the respective Fund's bankers. The Fund's bankers have revised their unsecured overdraft lending rates downwards to 45%. Therefore, this means that all outstanding contributions that will be at least two (2) months in arrears by 14<sup>th</sup> August 2021, will attract an interest at a rate of 45% per annum, compounded monthly, until further notice.

The Fund will continue to monitor the environment and respond in a manner that best serves the interests of its members.

Yours Faithfully,

**Mining Industry Pension Fund**



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