

Proclamation 8 of 2015

PROCLAMATION

by

HIS EXCELLENCY THE HONOURABLE ROBERT GABRIEL MUGABE, G.C.Z.M., President of Zimbabwe and Commander-in-Chief of the Defence Forces of Zimbabwe.

WHEREAS by section 2 of the Commissions of Inquiry Act [*Chapter 10:07*], it is provided that, the President may, when he considers it advisable, by proclamation, appoint a commission of inquiry consisting of one or more commissioners;

AND WHEREAS the President may authorise the Commissioner or Commissioners or any quorum of them specified in the proclamation into any matter in which any inquiry would, in the opinion of the President, be for the public welfare:

NOW, THEREFORE, under and by virtue of the powers vested in the President as afore said, I do hereby—

- (a) establish a Commission of Inquiry into the Conversion Process used in the Conversion of Pensions and Insurance Benefits from Zimbabwean dollars to United States dollars, to provide the Insurance and Pensions Industry a transparent process for addressing the afore-said conversion;
- (b) appoint Justice G. Smith (Mr) to be the chairman of the Commission;
- (c) direct that the Inquiry shall be held for a period of nine months from the date of gazetting, with an option of an extension of a further three months, at the Insurance and Pensions Commission (IPEC) offices;
- (d) direct that the Report shall be availed at the conclusion of the Inquiry;
- (e) direct that the Commission's terms of reference shall be as follows—

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- (i) to establish fully the total value of pensions, as at 31st of December, 2006, and as at the 31st of March, 2009;
- (ii) to establish the value of old Generation Pension Funds and the newer Generation Pension Funds as of 31st December, 2006, and the 31st of March, 2009, and to establish an objective criteria for the delineation of old Generation Pensions and the newer Generation Pensions in both instances;
- (iii) to fully establish the nature, type and value of Pension Fund Assets acquired from Pension Funds as of the 31st of December, 2006, and 31st of March, 2009;
- (iv) to fully establish the factors, causes and reasons for the loss of values of pensions as of 31st March, 2009;
- (v) to give a breakdown of those causes, reasons, factors, and to provide a weighting of the same in terms of their individual contribution to the loss of pension values;
- (vi) to investigate fully the role of Pension Funds and pension Fund Managers during the conversion period;
- (vii) to establish and quantify the value of "Orphan Assets" created by Funds and Fund Managers, and to make recommendations on the integration of these "Orphan Assets" with the balance sheets of the Pension Funds;
- (viii) to investigate the processes, methods and criteria used for converting values from Zimbabwean dollars to United States dollars;
- (ix) to identify appropriate criteria for assessing whether any pension fund members or insurance policy holders have been prejudiced, and based on these, to establish the extent of prejudice, if any, to pension fund members and insurance policyholders;
- (x) where it has been established that pension fund members or insurance policyholders have been materially prejudiced, to establish an appropriate

basis for compensating such pension fund members or insurance policyholders;

- (xi) to investigate the financial soundness of the Zimbabwe insurance and pensions industry before, during, and after the conversion from Zimbabwean dollars to United States dollars;
 - (xii) to identify the causes of all financial unsoundness, if any, and establish how Zimbabwe can restore financial soundness of the insurance and pensions industry;
 - (xiii) to investigate all instances of failure of regulation, governance, legislation and oversight in the running of insurance and pension funds, regulation and monitoring of the pensions industry and make recommendations on how to deal with these issues; and
 - (xiv) to investigate the relationship between the insurance and pensions industry and the rest of the financial services sector as well as the economy as a whole before, during, and after conversion and benchmark it with international best practice in order to make recommendations on the role of the insurance and pensions industry in the economy of Zimbabwe;
- (f) direct that the Inquiry may be held both in public, or privately, as the exigencies of the Inquiry may determine; and
- (g) appoint the commissioners listed in the Schedule.

SCHEDULE

APPOINTMENT OF COMMISSIONERS TO THE
COMMISSION OF INQUIRY

Justice G. Smith (Mr.) (Chairman)
Mr Anesu Daka
Mr George Dikinya
Mr Tapiwa Maswera
Dr Godfrey Kanyenze
Mrs Violet Mutandwa
Mr Martin Tarusenga
Mr Itai Chirume
Mr Brains Muchemwa

Given under the hand and the public seal of Zimbabwe at Harare
this ninth day of July, in the year of our Lord two thousand and fifteen.

R. G. MUGABE,
President.

By Command of the President.