

GOVERNMENT NOTICE NO. 57

INSURANCE ACT
(CAP 47:01)

INSURANCE (MINIMUM CAPITAL ADEQUACY AND SOLVENCY
REQUIREMENTS FOR LIFE INSURERS) (AMENDMENT) DIRECTIVE, 2024

IN EXERCISE of the powers conferred by section 79(3) of the Insurance Act, I, DR. WILSON TONINGA BANDA, Registrar of Financial Institutions, make the following Directive—

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| 1. This Directive may be cited as Insurance (Minimum Capital and Solvency Requirements for Life Insurers) (Amendment) Directive, 2024. | Citation |
| 2. The Insurance (Minimum Capital and Solvency Requirements for Life Insurers) Directive (herein after referred to as the “principal Directive”) is amended, in the enactment formula, by deleting the words “section 13” and substituting therefor, the words “section 79 (3)”. | Amendment of the enactment formula to G.N.41/2017 |
| 3. The principal Directive is amended, by inserting, immediately after paragraph 13, a new paragraph 13A, as follows— | Insertion of para 13A into the principal Directive |
| “Insertion of para. 13A into the principal Directive | 13A. The Registrar may, in writing, exempt a life insurer, wholly or partly, from complying with requirements prescribed under Part IV, subject to such terms and conditions as the Registrar may determine.”. |

Made this 2nd day of August, 2024.

(REF. NO. FIN/PFSD/02/03) Dr. W. T. BANDA
Registrar of Financial Institutions

GOVERNMENT NOTICE NO. 58

PENSION ACT
(NO. 6 OF 2023)

PENSION (LEVY) ORDER, 2024

IN EXERCISE of the powers conferred by section 137 of the Pension Act, 2023, I, SIMPLEX CHITHYOLA, Minister of Finance and Economic Affairs, on the recommendation of the Registrar, make the following Order—

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| 1. This Order may be cited as the Pension (Levy) Order, 2024. | Citation |
| 2. This Order shall apply to all pension entities. | Application |
| 3.—(1) A pension entity shall pay a pension levy to the Registrar, in the manner prescribed in the <i>Schedule</i> . | Pension levy |
| (2) A pension entity shall pay the pension levy within four months after the end of financial year, through an electronic funds transfer. | |

(3) The pension levy shall be calculated based on audited financial statements of the pension entity.

(4) Where the audited financial statements referred to under subparagraph (3) are not available, pension levy shall be calculated based on the call report for the period ending December for each pension entity.

(5) For purposes of paragraph (4), a “call report” shall have the meaning as ascribed to that term under the Financial Services (Submission of Information relating to the business of Pension Funds) Directive, 2018.

No. 47/2018

Exemption
from paying
the pension
levy

4.—(1) A pension entity shall be exempted from paying the pension levy—

(a) until after eighteen months from the date of its licensing or registration with the Registrar; or

(b) where the pension entity is under receivership, administration, liquidation or has been dissolved.

(2) The exemptions in subparagraph (1) shall not apply to—

(a) a pension fund registering to be a stand-alone or self-administered after it has operated under an unrestricted pension fund; or

(b) a pension entity arising from a merger, acquisition, transfer, amalgamation, conversion or similar corporate transaction.

Penalty for
non-
compliance

5.—(1) The Registrar may impose the following monetary penalties for violations of this Order—

(a) for a pension fund, an administrator, a pension services company or a provider of programmed withdrawal up to fifty million Kwacha;

(b) for pension broker or pension advisor up to ten million Kwacha; and

(c) for natural persons who are members of the board, or senior management up to ten million Kwacha.

(2) The monetary penalties in subparagraph (1) shall be paid to the Registrar through an acceptable form of electronic payment, within ten working days after being notified of the violation.

Administra-
tive penalties
Cap. 44:05

6. In addition to the penalties prescribed under paragraph 8, the Registrar may impose other administrative penalties as provided for under the Act or the Financial Services Act.

SCHEDULE

(para. 3(1))

CALCULATION OF PENSION LEVY

PART—I

<i>Pension Entity</i>	<i>Annual levy rate—percentage of net assets</i>		
Pension fund	0.10%
Provident fund	0.05%

<i>Pension Entity</i>	<i>Annual levy rate—percentage of net assets</i>
Voluntary personal pension fund 0.00%
Corporate or individual trustee 0.00%

PART—II

1. A pension administrator shall pay a minimum pension levy of two million Kwacha or an amount equivalent to 0.5 percent of its audited annual profit after tax for the preceding year, whichever is greater, provided that the amount shall not exceed eight million Kwacha.
2. A pension services company shall pay a minimum pension levy of three million Kwacha or an amount equivalent of 0.5 percent of its audited annual profit after tax for the preceding year, whichever is greater, provided that the amount shall not exceed ten million Kwacha.
3. A pension broker shall pay a minimum levy of five hundred thousand Kwacha or an amount equivalent of 0.5 percent of its audited annual profit after tax for the year, whichever is greater, provided that the amount shall not exceed two million and five hundred thousand Kwacha.
4. A pension advisor shall pay a minimum levy of five hundred thousand Kwacha or an amount equivalent of one percent of its audited annual profit after tax for the year, whichever is greater, provided that the amount shall not exceed two million and five hundred thousand Kwacha.
5. A provider of programmed withdrawal shall pay a minimum levy of five hundred thousand Kwacha or an amount equivalent of 0.5 percent of its audited annual profit after tax for the year, whichever is greater, provided that the amount shall not exceed two million and five hundred thousand Kwacha.

Made this 21st day of August, 2024.

S. CHITHYOLA

Minister of Finance and Economic Affairs

(FILE NO. FIN/PFSPD/02/03)