

National Social Security Authority (Pensions and Other Benefits Scheme) (Rates of Benefits) (Amendment) Notice, 2021 (No. 28)

IT is hereby notified that the Public Service, Labour and Social Welfare has, in terms of section 3 of the National Social Security Authority Act [*Chapter 17:04*], made the following notice:—

1. This notice may be cited as the National Social Security Authority (Pensions and Other Benefits Scheme) (Rates of Benefits (Amendment) Notice, 2021 (No. 28).

2. This notice shall come into effect on the date of publication.

3. Section 2 of the principal notice is amended by the insertion of the following definition—

““diplomatic agent” means the head of an Embassy, International Organisation or Consulate including members of their staff or agents mandated to act on their behalf;”.

4. Section 4 of the principal notice is amended—

(a) in subsection (2) by the insertion of paragraph (a) as follows—

“(a) any employer who fails to comply with subsection (2) shall be liable to a penalty stipulated in terms of section 3A of the National Social Security Authority Act [*Chapter 17:04*] (hereinafter called the “Act”) and in addition, pay the general manager a surcharge of ZWL\$10 000,00, for each month of late registration up to a maximum of ZWL\$200 000,00;”;

(b) by the insertion of a new subsection after subsection (2) as follows—

“(3) A diplomatic agent shall be liable to register and contribute for all its staff employed under the diplomatic agent who are Zimbabwean nationals or other nationals permanently resident in Zimbabwe.”.

5. Section 6 of the principal notice is amended by the insertion of the following subsections, the existing section becoming subsection (1)—

“(2) Every employee shall regularly check their member status and any changes not updated within five years will be out of time.

(3) Any amendments to a member’s contribution record shall be subject to a verification process to establish whether or not the employee was a contributor.”.

6. Section 7 of the principal notice is amended—

(a) in section (1) by the deletion of “16th day” and the substitution of “10th day”;

(b) by the insertion of a new subsection after (1) as follows—

“(1a) Any employer who fails to comply with subsection (1) shall be liable to a penalty stipulated in terms of section 3A of the Act and in addition, pay the general manager a surcharge of ZWL\$1 000,00, per day for each day beyond 90 days that the return was due up to a maximum of ZWL\$200 000,00.”.

7. The principal notice is amended in section 10 (“Rates of contributions”) as follows—

(a) in the proviso of 10F (“Rate of retirement pension”) by the deletion of “ZWL\$200,00” and substitution of “ZWL\$2 100,00” with a 100% increase across the board with effect from 1st April, 2021;

(b) in section 10G (“Rate of retirement grant”) by the insertion of the following subsections after subsection (1)—

“(2) Insurable earnings for contributors who contributed for less than 120 months, whose contributions were in Zimbabwe dollars on or before 1st April, 2009, shall be deemed to be ZW\$10 200,00, per month for purposes of calculating the retirement grant.

(3) All claims submitted on or before 25th February, 2019, and not paid shall be calculated in terms of subsection 2 above.”;

- (c) in section 10H by the deletion of “ZWL\$2 000,00, with effect from 1st October, 2019” and substitution of “ZW\$5 000,00” with effect from 1st November, 2020”.

8. The principal notice is amended in section 11 as follows—

- (a) by the repeal of subsection (3) and substitution of the following—

“(3)The maximum amount of monthly earnings in respect of which contributions are payable shall be seventy-five (75) *per centum* of the prevailing previous month Total Consumption Poverty Line for an average of five persons per household with effect from 1st June, 2021. Where the Total Consumption Poverty Line figure is not available or published, the last published figure is applicable.”;

- (b) by the insertion of the following after subsection (3)—

“(4) Any person in Zimbabwe who earns remuneration in a currency other than that of Zimbabwe shall be required to pay his/her contributions in foreign currency.

(5) For purposes of applying the contribution rates, the income earned in United States dollars shall be converted to its equivalent Zimbabwe dollars at the prevailing interbank rate when the income is paid.

(6) If income is denominated in a foreign currency other than the United States dollars, the equivalent amount in United States dollars shall be calculated using the international cross rate of exchange of that currency in United States dollars prevailing on the day the income is paid.

(7) Where an individual earns remuneration in a combination of United States dollars and Zimbabwe dollars, for purposes of calculating the contributions due, the incomes earned shall be treated separately as in (5) and (6) above.”.

9. Section 12 of the principal notice is amended by the insertion of the following subsection, the existing section becoming subsection (1)—

“(2) Where the basic salary is below the maximum insurable earning threshold and allowances and other benefits exceed the basic salary by 100%, the allowances and benefits shall be grossed up and deemed to be the salary for purposes of establishing the insurable earning.”.

10. The principal notice is amended in section 13 by the insertion of a new subsection after section (3) as follows—

“(3a) The prescription period for contribution debts shall be 30 years.”.

11. Section 16(2) is amended as follows—

- (a) by the deletion of “4 months” and the substitution of “5 years”;
- (b) by the insertion of paragraph (a) as follows—

“(a) a person who was a member of the scheme for at least 12 months prior to the publication of this notice shall be eligible to apply as a voluntary contributor.”.

12. The principal notice is amended by the insertion of a new section after section 77 as follows—

“78. (1) Upon conviction for an offence consisting of the following elements—

- (a) a failure to do anything required in terms of this scheme including a failure to pay any contribution, surcharge, or any other amount; or
- (b) receiving any amount, whether by way of benefit or otherwise, to which he or she was not entitled under a scheme; or
- (c) making a statement in any claim, report, return or document prepared or submitted in terms of this scheme which he or she knows to be false in material

particular or does not believe on reasonable grounds to be true;

the court convicting the person shall, in addition to any penalty it may impose, give summary judgment in favour of the Authority for the amount which the person failed or unlawfully received, as the case may be.

(2) A judgment given by a court in terms of subsection (1) shall have the same force and effect and may be executed in the same manner as if the judgment had been given in a civil action instituted in the court.”.