



**RFLAUN**

Retirement Fund for Local Authorities  
and Utility Services in Namibia

# NEWSLETTER

**JUNE 2025**

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## DISCLAIMER

While every effort has been made to ensure the accuracy of the information in this newsletter, if any discrepancy occurs between the Rules of RFLAUN and any information or statement in this publication, the Rules of RFLAUN will prevail. The articles and topics discussed in this publication are for information purposes only and are not intended to be and do not constitute, nor should they be interpreted as financial advice.



## EDITOR'S DESK

Welcome to the second edition of our 2025 newsletter.

With the year already halfway through, it's a great time to reflect on how far we've come and what lies ahead. By now, all members should have received their full-year benefit statements for 2024 in printed form. We encourage you to take it a step further and explore the online member portal, an easy and secure way to track your retirement savings in real time.

In today's digital age, staying informed is just a click away. That's why we've strengthened our communication strategy by enhancing our online presence.

Follow us on our social media platforms to receive the latest updates, important announcements, and valuable insights about the Fund.

This edition of the newsletter covers a wide range of topics designed to give you a deeper understanding of our operations and initiatives. We hope you find it both informative and engaging.

As always, your feedback is welcome. This newsletter is a platform for conversation, transparency, and connection with you our valued stakeholders. Together, we continue building a Fund that truly represents our shared vision and goals.

Until next time, stay engaged, stay informed, and most of all, enjoy the read.

**Mr. Julianus Rukamba**  
Editor



## NEW PARTICIPATING EMPLOYER JOINED THE FUND

Please join us in welcoming Gibeon Village Council to the RFLAUN family. The council joined the Fund on 1 February 2025. The new addition of the council tallies the total number of participating employers in the Fund to 57.



## RFLAUN PENSIONER PROOF OF LIFE CAMPAIGN

RFLAUN recently launched a wide-reaching media campaign to remind all pensioners about an important task of submitting their Certificate of Existence forms. The campaign spanned across newspapers, radio, SMS, and social media, ensuring that the message reached as many pensioners as possible.

Why is this important? The Certificate of Existence is used to confirm that pensioners are still alive, helping the Fund ensure that benefits are paid out to the right people. If the form is not received, pension payments may unfortunately be suspended.

Pensioners should have received their forms in the mail by March 2025. If you haven't received yours yet, please contact the Fund's office or download a copy directly from our website at [www.rflaun.com.na](http://www.rflaun.com.na).

As part of our commitment to excellent customer service, we encourage younger family members and friends to help spread the word and assist pensioners in completing and submitting their forms on time.

Together, we can make sure that every pensioner continues to receive the support they've earned.



## RFLAUN DIRECT HOUSING LOANS

RFLAUN commenced with the Direct Housing Loan facility officially on the 1st of September 2023. Under the facility, members able to borrow a portion of your accrued Fund Credit for housing purposes as prescribed in terms of the provisions of the Pension Funds Act under the same conditions as is currently the case under the existing arrangement, but now instead of paying the interest to the Bank, you will be paying the interest back to your Fund Credit.

The uptake of the facility has been very positive from all over the country. The Pension Funds Act prescribes the interest percentage to be charged currently at repo plus 2.5%.

**The housing loans should be considered as investment as per the section 19 (5) (a) of the Pension Fund Act, hence the loan repayment with interest.**

The Direct Housing Loan will also require each member to manage his/her own affairs insofar as building a house / making renovations to an existing property is concerned and we now already urge members to please act in a responsible and prudent manner in doing so. From the Fund's side everything possible will be done to ensure that the arrangement is not abused, but at the end of the day it will be up to each member taking a housing loan to ensure that it is being used for its intended purpose.

On approval of the loan, the payments are done as follows:

### LOAN FOR ADDITIONS, ALTERATIONS, MAINTENANCE OR REPAIR OF A RESIDENTIAL DWELLING

**First Payment:**  
100% Material  
50% Labour

**Second Payment:**  
50% Labour

The payments are made directly to the member, and it is the responsibility of the member to process the payments for the material and labour.

A progress inspection is required before the remaining 50% (second payment) can be paid out. Please ensure that the progress work has been completed in time and inform your HR as soon as possible to allow for the final inspection.

## RFLAUN ENGAGES NATIONAL LEADERSHIP ON FIMA LEGISLATIVE REFORM

The Retirement Fund for Local Authorities and Utility Services in Namibia (RFLAUN) recently had the honour of meeting with the Speaker of the National Assembly, Hon. Saara Kuugongelwa-Amadhila. Joined by key representatives from the Ministry of Finance and NAMFISA, this important briefing focused on sharing industry concerns about the proposed legislative reforms under the Financial Institutions and Markets Act (FIMA).

During the presentation, the RFLAUN delegation outlined specific concerns surrounding the impact of FIMA, particularly the pension preservation clause on members and the broader retirement fund industry. Concerns were also raised about the proposed National Pension Fund and how it may affect existing schemes. In addition, evidence-based insights and potential solutions were shared to support a balanced and inclusive regulatory approach.

It was underscored that as of December 2024, Namibia's retirement fund industry manages assets exceeding N\$260 billion, representing a substantial 118% of the country's GDP, and serves over 400,000 members. These figures reflect the industry's vital role in both national financial markets and long-term social protection.

The meeting also reflected on earlier developments, including the 2023 consultative workshop hosted by the Parliamentary Standing Committee on Economics and Public Administration. Originally set to take effect in October 2022, FIMA was postponed following widespread public concern and calls for reconsideration of key clauses.

Stakeholders, including RFLAUN, continue to advocate for transparent dialogue and meaningful consultation in this ongoing legislative process. In her remarks, Hon. Kuugongelwa-Amadhila commended the Fund and its industry peers for the comprehensive and thoughtful presentation and encouraged continued engagement with parliamentary committees and relevant stakeholders.

As RFLAUN, we remain steadfast in our commitment to representing the interests of our members and contributing to a legislative framework that safeguards retirement security while supporting Namibia's broader economic objectives.



(Source - Parliament of the Republic of Namibia)

## ANNUAL INVESTMENT RETURNS

The Funds' total assets as at 31 May 2025 amounted to N\$8,388,370,179 which comprises of the portfolios below:

### Market Value Portfolio

**N\$7,557,375,917**

### Capital Protection Portfolio (CPO 1) (Old Mutual)

**N\$4,221,015**

### Capital Protection Portfolio (CPO 2) (Sanlam, Old Mutual, Momentum & Standard Bank)

**N\$826,773,247**

The table below provides an indication of the monthly investment returns earned on the respective portfolios for the Fund year from 1 January 2025 to 31 May 2025.

	Jan	Feb	Mar	Apr	May	YTD 2025
Market Value Portfolio	1.8	-0.1	0.3	1.9	2.7	<b>6.8%</b>
CPO 1	0.7	0.7	0.7	0.7	0.7	<b>3.6%</b>
CPO 2	0.7	0.7	0.7	0.7	0.7	<b>3.6%</b>

## MARKET COMMENTARY Q2 2025

Considering the market's reaction to the proposed implementation of global tariffs by President Trump on the 02nd of April 2025, it can be classified as a "black swan event".

A "black swan event" is defined as an unpredictable event that is beyond what is normally expected of a situation and have potentially severe consequences. Over the last couple of decades, a number of similar events occurred being the Asian Tigers crisis in 1997, the Dot-Com bubble in 2001, the Global Financial Crisis in 2018 and then more recently Covid in 2020 which not only severely impacted on investment markets, but the global population on a personal level as well.





The US imposed a tariff of 21% on Namibia and 30% on South Africa. The impact of these tariffs on the AGOA trade agreement is uncertain. If this agreement becomes obsolete (needs to be re-negotiated in September), African countries would have to seek alternative trade partners or expand existing markets.

Evidence of market uncertainty and volatility post the liberation day tariff announcements were the ALSI index going down from over 90,000 end of March 2025 to close to 78,000 at its lowest mid-April levels. Similarly, the currency also depreciated from N\$ 18.25 end of March 2025 to close to N\$ 20.00 during this period.

Most severely impacted by the proposed tariffs are countries like China, Vietnam and Taiwan. South

Africa seems relatively less directly affected by the proposed tariffs with an estimated -0.8% impact on GDP. However, considering South Africa's growth rate of barely 1%, as well as huge unemployment figures, it will have an impact on especially the motor manufacturing and mining industries which will further negatively impact on the current socio-economic challenges already being faced.

Namibia appears to be even less affected as a result of the proposed tariffs considering not significant trade volumes between the two countries. However, Namibia's close reliance and dependency on the South African Rand and monetary policy decisions, the Namibian economy and consumer will also be directly impacted from any further escalation in trade / political tensions between the US and SA.



Further escalation of tensions can result in currency depreciation with the potential of foreign direct investment outflows. Tensions within the Government of National Unity during the second budget tabling also did not bode well from an investor confidence perspective which can further increase pressure on the currency as well as local markets.

The impact tariffs can potentially have on inflation will also have to be closely accessed by Central Banks who are likely to adopt a more cautious approach and not continue aggressively cutting interest rates for the time being. The last thing Central Banks would like to see happen was for inflation to start spiralling out of control again as was the case post-Covid

Although the final implementation of the new tariff regime under President Trump had been postponed for the time being with Countries now entering into a “deal making” process with the White House, market volatility and uncertainty will continue for the duration of his term of office.

Wider implications will however also be his position and reaction the next couple of years to existing and new geo-political tensions and conflicts.



From a fiscal perspective Namibia is in a much better position than South Africa with expected GDP growth in excess of 4% over the next couple of years.

A bit concerning however is the fact that according to the 2025 / 2026 budget as tabled by the new Minister of Finance, The Government will again start borrowing significantly with an estimated N\$ 21 billion to be raised in the next financial year.

Given that total government spending is already around 70% of GDP, this situation is quite concerning when considering the current illiquid and shallow bond market. However, it is worth noting that the debt will be raised domestically, thereby mitigating the risk of currency fluctuations that would have arisen if it were raised in US Dollars.

Despite market volatility from Trump’s tariffs, continuing political tensions in South Africa as well as ongoing geopolitical conflicts (Russia/Ukraine, Israel/Hamas/Iran), the Fund again achieved excellent investment performance in the first four months of the year with a return of 4% for the period 1 January 2025 to 30 April 2025.

## Total Fund assets

as at 30 April 2025 amounted to

**N\$ 8,176,207,030.**

As highlighted in the previous edition of this newsletter the Fund had two fantastic years from an investment performance perspective with a return of 12.9% for the year ended 31 December 2024, and a return of 15.40% for the year ended 31 December 2023.

Again proof that the Fund’s current long-term focussed investment strategy of having a diversified portfolio investing in different asset classes, exposed to different geographical areas and managed by big reputable investment managers, each with their own unique investment philosophies and style, are indeed the prudent and correct approach to follow.

## RFLAUN ELSEWHERE

Stay up to date on the latest **events, news, and fund-related information**. We also answer any **questions or queries** you may have via our **Facebook and Twitter** pages.

Follow us on:



Contact us via email  
**marketing@rflaun.com.na**



Visit our website:  
**www.rflaun.com.na**

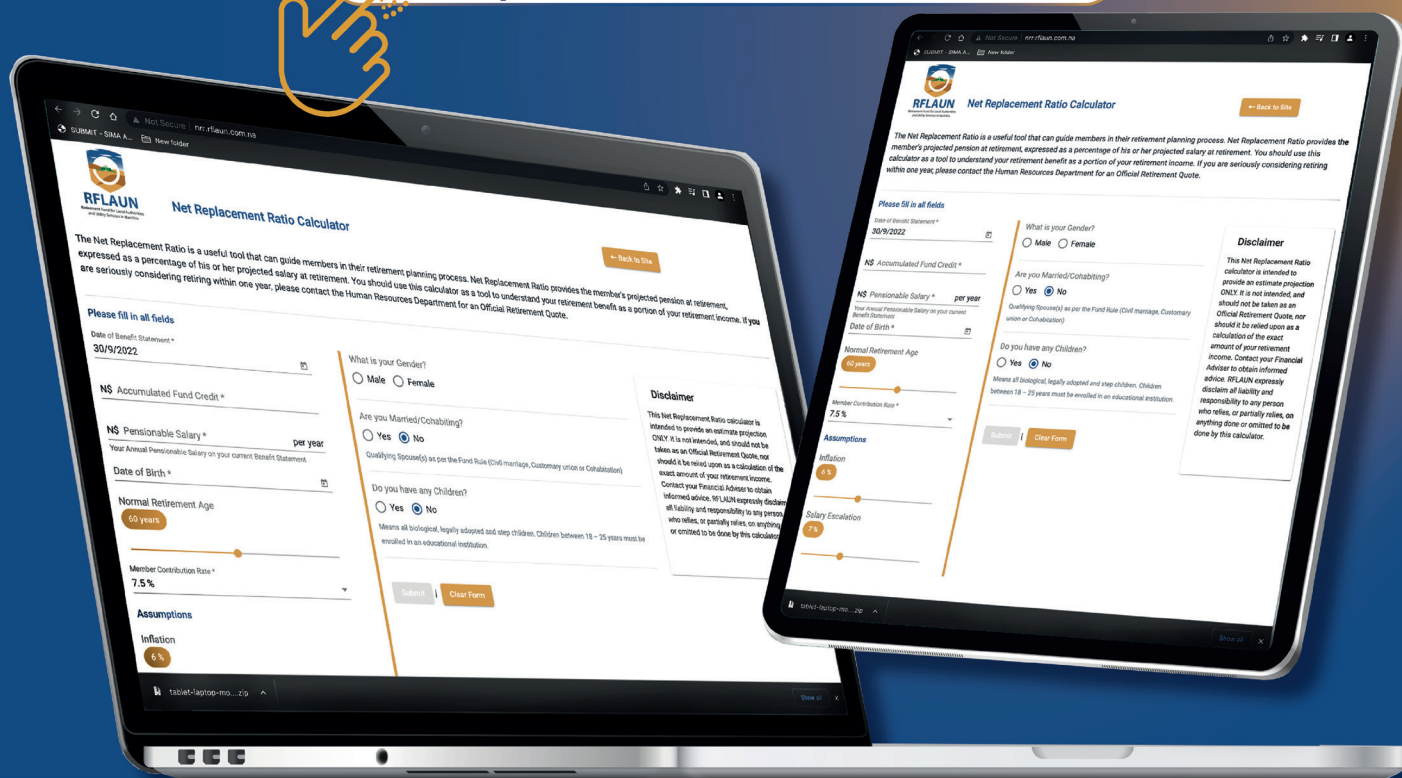


# NET REPLACEMENT RATIO CALCULATOR

The Net Replacement Ratio is a useful tool that can guide members in their retirement planning process. Net Replacement Ratio provides the member's projected pension at retirement, expressed as a percentage of his or her projected salary at retirement. Visit our website.



<http://nrr.rflaun.com.na/>



The image shows two tablets displaying the RFLAUN Net Replacement Ratio Calculator. The left tablet shows the initial form with fields for Date of Benefits Statement, NS Accumulated Fund Credit, NS Pensionable Salary, Date of Birth, Normal Retirement Age, Member Contribution Rate, and Assumptions (Inflation, Salary Escalation). The right tablet shows the same form with additional questions: What is your Gender?, Are you Married/Cohabiting?, and Do you have any Children?. A disclaimer is also visible on the right side of the right tablet.

This newsletter has a dual purpose, firstly to keep the members up to date on the developments of the Fund and secondly, it serves as an educational tool. As a member or pensioner of the Fund, you are invited to forward comments, suggestions and contributions to **Marketing@rflaun.com.na**.