



GOVERNMENT GAZETTE

OF THE

REPUBLIC OF NAMIBIA

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Government Notices

MINISTRY OF FINANCE

No. 266

2016

DETERMINATION AND SPECIFICATION OF PERCENTAGE OF VALUE OF EACH INSURANCE AND REINSURANCE POLICY TO BE CEDED BY EVERY REGISTERED INSURER AND REGISTERED REINSURER:
NAMIBIA NATIONAL REINSURANCE CORPORATION ACT, 1998

In terms of section 39 of the Namibia National Reinsurance Corporation Act, 1998 (Act No. 22 of 1998), I determine and specify that -

- (a) In terms of subsection (1) of that section, every registered insurer and registered reinsurer shall cede in reinsurance to the Corporation 12.5 percent of the value of each policy issued or renewed in Namibia by the registered insurer or registered reinsurer. Said 12.5 percent will increase to 15 percent as of 1 January 2018, 17.5 percent as of 1 January 2019, and 20 percent as of 1 January 2020; and
- (b) In terms subsection (4) of that section, every registered insurer and registered reinsurer shall cede 20 percent, or such lower percentage as the Corporation may in each instance

determine, of the value of each reinsurance contract placed by the registered insurer or registered reinsurer with any other insurer or reinsurer, whether within or outside Namibia;

- (c) Government Notices No. 15 and 16 of 26 January 2015 is revoked with effect 1 January 2017;
- (d) The requirements of this notice takes effect on 1 January 2017.

C. SCHLETTWEIN
MINISTER OF FINANCE

Windhoek, 26 October 2016

MINISTRY OF FINANCE

No. 267

2016

**DETERMINATION AND SPECIFICATION OF RATE OF REINSURANCE COMMISSION
PAYABLE TO REGISTERED INSURERS AND REGISTERED REINSURERS:
NAMIBIA NATIONAL REINSURANCE CORPORATION ACT, 1998**

In terms of section 43(2) of the Namibia National Reinsurance Corporation Act, 1998 (Act No. 22 of 1998), I determine and specify that on –

- (a) On the percentage of the value of each policy issued or renewed in Namibia by the registered insurer or registered reinsurer and ceded to the Namibia National Reinsurance Corporation in terms of Section 39(1) of that Act -
 - (i) the rate of commission payable to registered insurers and registered reinsurers by the Namibia National Reinsurance Corporation shall be limited to –
 - (aa) the minimum of the actual amount of commission paid by the registered insurers and registered reinsurers on the business ceded to the Namibia National Reinsurance Corporation, and
 - (bb) the maximum amount of commission specified in the Short-Term Insurance Act, 1998 (Act No. 4 of 1998) or the Long-Term Insurance Act, 1998 (Act No. 5 of 1998),

whichever applies to the specific insurance or reinsurance business ceded to the Namibia National Reinsurance Corporation; and
 - (ii) the rate of over-rider commission payable to registered insurers and registered reinsurers by the Namibia National Reinsurance Corporation on the business ceded to the Namibia National Reinsurance Corporation shall be limited to the rates as published by the Corporation from time to time; and
 - (iii) the rate of reinsurance brokerage payable on insurance or reinsurance ceded to the Namibia National Reinsurance Corporation will be limited to the rates as published by the Corporation from time to time.
- (b) On the percentage of the value of each reinsurance contract placed by the registered insurer or registered reinsurer with any other insurer or reinsurer, whether within or outside Namibia, ceded to the Namibia National Reinsurance Corporation in terms of Section 39(4) of that Act:

- (i) the rate of commission payable to registered insurers and registered reinsurers by the Namibia National Reinsurance Corporation shall be limited to –
 - (aa) the minimum of the actual amount of commission paid by the registered insurers and registered reinsurers on the business ceded to the Namibia National Reinsurance Corporation, and
 - (bb) the maximum amount of commission specified in the Short-Term Insurance Act, 1998 (Act No. 4 of 1998) or the Long-Term Insurance Act, 1998 (Act No. 5 of 1998),

whichever applies to the specific insurance or reinsurance business ceded to the Namibia National Reinsurance Corporation; and
 - (ii) the rate of over-rider commission payable to registered insurers and registered reinsurers by the Namibia National Reinsurance Corporation on the business ceded to the Namibia National Reinsurance Corporation shall be limited to the rates as published by the Corporation from time to time; and
 - (iii) the rate of reinsurance brokerage payable on insurance or reinsurance ceded to the Namibia National Reinsurance Corporation will be limited to the rates as published by the Corporation from time to time.
- (c) In respect of the proportion of insurance business ceded to the Namibia National Reinsurance Corporation in terms of the application of the right of pre-emption in the acceptance of such insurance business for reinsurance in terms of Section 40(1) of that Act, the rate of reinsurance commission, over-rider commission and reinsurance brokerage payable to registered insurers and registered reinsurers by the Namibia National Reinsurance Corporation shall be at the rate of commission, over-rider commission and reinsurance brokerage as agreed upon in each instance by the Namibia National Reinsurance Corporation in accordance with generally accepted reinsurance practices.
- (d) no profit commission on profits, if any, accruing to the Corporation from any insurance or reinsurance business ceded to the Corporation subject to this Act shall be payable to registered insurers and registered reinsurers.
- (e) Government Notice No. 124 of 29 June 2007 is revoked with effect 1 January 2017, and
- (f) The requirements of this notice takes effect on 1 January 2017.

C. SCHLETTWEIN
MINISTER OF FINANCE

Windhoek, 26 October 2016
