

CIRCULAR

NO. MC/CCD/1/2025

TO: ALL REGISTERED SHORT-TERM INSURERS
ALL REGISTERED LONG-TERM INSURERS
ALL REGISTERED BROKERS
ALL REGISTERED REINSURANCE BROKERS
NAMIBIA INSURANCE ASSOCIATION
NAMIBIA INSURANCE BROKERS ASSOCIATION
ASSOCIATION OF INSURANCE MARKETERS
NAMIBIA SAVINGS AND INVESTMENT ASSOCIATION

DATE: 15 OCTOBER 2025

EFFECTIVE DATE: WITH IMMEDIATE EFFECT

SUBJECT: DISPENSATION LEVY IN TERMS OF REGULATION 6
OF THE GOVERNMENT GAZETTE NO. 6438
PUBLISHED UNDER GOVERNMENT NOTICE NO. 265,
DATED 10 OCTOBER 2017

1. INTRODUCTION

1.1. This Circular is issued by virtue of the functions and powers of the Namibia Financial Institutions Supervisory Authority ("NAMFISA") and those of its Chief Executive Officer in his capacity as the Registrar of all registered long-term and short-term insurers and reinsurers ("the Registrar"), in terms of the Long-term Insurance Act, 1998 (Act No. 5 of 1998) ("the LTI Act") and the Short-term Insurance Act, 1998 (Act No. 4 of 1998) ("the STI Act"), read with the Namibia Financial Institutions Supervisory Authority Act, 2001 (Act No. 3 of 2001).

1.2. This Circular serves to notify the above-mentioned entities of the correct application of Government Gazette No. 6438 ("the Levy Gazette") published under Government Notice No. 265, dated 10 October 2017.

2. THE LAW

2.1. Section 6 of the Levy Gazette provides as follows:

6. (1) Every insurer, insurance broker or re-insurance broker registered under the Short-term Insurance Act, 1998 (Act No. 4 of 1998) or under the Long-term Insurance Act, 1998 (Act No. 5 of 1998) must pay a dispensation levy equivalent to 1% of the gross written premium to be taken out of Namibia as brokered by themselves.

(2) Dispensation levies in terms of subparagraph (1) are calculated based on the foreign exchange rate applicable on the date when the dispensation approval is granted by the Authority and is payable within 30 days after the payment of the premium to foreign insurers or re-insurers.

3. THE CURRENT PRACTICE

3.1. The entities cited under section 6 of the Levy Gazette have paid a dispensation levy to the value of 1% of the **Net Written Premium** to be taken out of Namibia as brokered by themselves. This practice is contrary to what is prescribed in Regulation 6(1) of the Levy Gazette and as such needs to be rectified accordingly.

4. THE PRACTICE GOING FOWARD

With immediate effect as at date of issuance of this circular, NAMFISA will enforce the Levy Gazette as prescribed. Therefore, all insurers, insurance brokers and re-insurance brokers must pay a dispensation levy equivalent to 1% of the **Gross Written Premium** to be taken out of Namibia as brokered by themselves.

For further information or clarification regarding the above, please do not hesitate to contact Mr. Samuel Zeraua at telephone number (061) 290 5058 or via e-mail at szeraua@namfisa.com.na.

Yours sincerely,

p.p. 

Kenneth S. Matomola

REGISTRAR: SHORT TERM AND LONG-TERM INSURANCE