

Enquiries: Mr K Urikhob

21 September 2015

To: All the Principal Officers of reinsurance and insurance companies
All the Principal Officers of insurance brokers
Namibia Insurance Association (NIA),
Namibia Insurance Brokers Association (NIBA),

Dear All,

APPLICATIONS: REINSURANCE EXEMPTIONS

It has been observed that registered insurers sometimes seek to place their reinsurance business with entities that are not registered to conduct reinsurance business.

It is trite that insurers can only reinsure with reinsurers. The Registrar will therefore not accept the placing of reinsurance business with entities that are not registered to conduct reinsurance business. Hence, primary insurance companies are not allowed to reinsure amongst themselves and the Authority encourages the industry to make use of bona fide, licensed local or international reinsurance entities in this regard.

Section 2(2) of the Short-Term Insurance Act, 1998 (Act No. 4 of 1998) ("the STI Act") empowers the Registrar to grant an exemption to a foreign reinsurer to issue a policy payable in Namibia in the currency of Namibia; if no registered reinsurer can provide short-term insurance cover at equitable terms. The Registrar will therefore in terms of section 2(2) of the STI Act not grant an exemption for an insurer to place reinsurance business with an entity that is not registered to conduct reinsurance business.

We trust that you will find the above in order but should you require any additional information, please do not hesitate to contact Mr. K. Urikhob at +264-061-290 5148 or email: kurikhob@namfisa.com.na.

Yours sincerely,



L. Grace Mohamed

General Manager: Insurance Division

FOR THE REGISTRAR OF SHORT-TERM INSURANCE