



**RFLAUN**

Retirement Fund for Local Authorities  
and Utility Services in Namibia

JUNE 2018  
**NEWSLETTER**

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# RFLAUN WINS PMR AWARD



**The Award...** Senior Officer: Information and Marketing, Julianus Rukamba and Principal Officer, Dorian Amwaandangi.

**T**he Fund was awarded the Diamond Arrow 2017 award for the Best Pension/Retirement Fund for Local Authorities in Namibia at an industry breakfast held on the 12th March 2018 at Safari Hotel in Windhoek. The Diamond Arrow is only awarded to companies and institutions that have outperform exceptionally in their category. RFLAUN achieved the outstanding 1st overall

position in its category with 4.1 points. The award was rated by a sample of 160 respondents comprising of CEO's, MD's, business owners, company directors and managers, and senior government officials based in Namibia. The award is a testament of service excellence and we would like to thank the RFLAUN Board, Staff and Service Providers for the exceptional work they continuously invest to achieve the set organisational goals.



## **RFLAUN COMMITS TO SERVICE DELIVERY THROUGH CUSTOMER SERVICE CHARTER**

**T**he Retirement Fund for Local Authorities and Utility Services (RFLAUN) was established in 1992 as a Defined Contribution Pension Fund in terms of the Pension Funds Act, No24 of 1956 with a mandate of contributing to the socio-economic upliftment of the current and former employees of all participating local authorities and their associated entities. Following the unveiling of the Funds new brand in 2017, RFLAUN has embarked upon a total culture change which includes improving in the area of service delivery. In this regard, the Fund wishes to introduce its Customer Service Charter to all its stakeholders. The main objective of this customer service charter is to provide a framework for defining service delivery standards, the rights of customers, and how complaints from customers are handled. The Charter also guides the expected behaviour of RFLAUN staff to all its customers. Customer service is embodied within the corporate values of the Fund and RFLAUN is committed to bringing this value to life through this Charter. Besides the rights and responsibilities expected from RFLAUN and its customers, another key feature in the Charter focuses on the core standards as it relates to the turnaround times



of the various services offered by the Fund.

The Charter further includes a section on how it handles customer complaints, suggestions, and compliments.

Efficient, fast and accessible service can no longer be regarded as a luxury in today's era as such that our customers' needs and expectations are our greatest agenda priority.

Stakeholders can access the complete Customer Service Charter via our corporate website, and through our regular member engagement sessions we will continue to raise awareness of our new service delivery commitment.

Kindly find attached the RFLAUN Customer Service Charter attached to this release for further details.

## TIME TO AMEND CONTRIBUTION CATEGORY CHOICES

The Fund informs all members that it is time to adjust their contribution categories if they choose to. The adjustment will be effected by the 1st July 2018, hence the Fund encourages members to submit the forms in advance. Members are allowed to select a contribute category of 7.5%, 9%, 10%, 12%, 14% or 16%. As per Fund Rule 4.1.2 (b), members are only allowed to increase their contribution category

and may NOT select a lower category than the existing one.

If the member failed to exercise the option, he/she shall continue to contribute at the rate last elected. The Contribution Category Choice Form can be found on our website [www.rflaun.com.na/Forms](http://www.rflaun.com.na/Forms) or from the HR office.

The employer contribution remains at 21.7% of a member's pensionable salary.

## CERTIFICATE OF EXISTENCE SUBMISSIONS FOR PENSIONERS

To efficiently manage your pension money, you need to verify your existence with the Fund. The Fund post "Proof of Existence" to all the pensioners to their postal addresses. It is important that the form is completed and submitted before 30th June every year.

Doing so will ensure that the money paid out goes to the correct beneficiaries and failure to prove existence will result in pension payment suspension.

Pensioners should ensure their latest banking details and postal address is confirmed during the Proof of Existence period. The Certificate of Existence is available on the Fund's website ([www.rflaun.com.na](http://www.rflaun.com.na)) as well. It is also important to update your Beneficiary Nomination form during this exercise .

The Fund encourages regular readers of the Newsletter to assist in spreading the message to our elderly citizens.

## FUND INVESTMENT RETURNS

The Funds' total assets as at 30 April 2018 totalled N\$4,577,521,591. This is made of the portfolios below:

φ **Market Value Portfolio** N\$3,894,931,485

† **Capital Protection Portfolio** N\$ 622,590,106

The table below clearly gives figures on the investment return within the said portfolios from January till 30 April 2018



	01 Jan 2018 31 Jan 2018	01 Feb 2018 28 Feb 2018	01 Mar 2018 31 Mar 2018	01 Apr 2018 30 Apr 2018	Year To Date
Market Value Portfolio	0.5	-0.9	-1.8	3.5	1.3
Capital Protection Portfolio	0.6	0.6	0.3	0.0	1.5



## MARKET COMMENTARY Q1 2018

**B**y the end of March, the markets had been through quite a bit, locally and globally. The end of the month brought a sharp market correction, triggered by an intensifying trade war between the US and China, whereby the US announced tariffs to curb imports from China, which prompted retaliation. There was also a significant sell-off in technology shares and an increase in US interest rates which affected markets.

This first quarter of 2018 delivered the worst returns in eight years, with stock markets around the world declining. The FTSE All World Index down 1.4%, the S&P 500 Index down 1.2%, the FTSE 100 Index down 8.0%, the Nikkei Index down 5.8% and the FTSE/JSE All Share Index down 6.0%. However, the NSX Local and Overall Index were up 4.9% and 6.1% for the quarter.

The US continued to strengthen, and the strong economic data and a pick-up in inflation to 2.2% in February (above the target of 2%), led to the US Fed to increase interest rates to between 1.5% and 1.75%, while projecting two more increases for 2018. The US Fed expects a GDP growth rate of 2.7% in 2018.

The other supernation, China, had a mixed bag of economic data. They had set a target of “around 6.5%” for 2018 economic growth, however, their actual growth in 2017 came in higher than expected at 6.9%, buoyed by global demand and aggressive government efforts to keep the economy stable.

In Namibia, after numerous years of >5% GDP growth, 2016's figure of 0.7% set the tone for the struggling economy for the near-future. The year of 2017 saw Namibia enter a technical recession and ended on a preliminary figure of -0.8% growth. The first three quarters had negative growth, however,



the last quarter grew by 0.7%, but was not enough to pull the country out of a negative growth year. The main detractor remains the construction sector, and a lot of focus on the government's finances, which have also had a drag on the economy, and are under immense pressure to reduce expenditure and increase revenue, with even more spotlight after Fitch downgraded Namibia's credit rating to junk last year. However, after a more sobering budget speech during March where problem areas of expenditure and planned government revenue collection were addressed, the consensus is that 2018 will show a small, but an improved figure. In South Africa, thanks to a backdrop of largely positive news, a downgrade was avoided and Moody's retained its investment grade rating of South Africa's debt. South African fourth quarter GDP growth was surprisingly on the upside at 3.1%, closing the full year's growth at 1.3%. Inflation for February came down further from 3.6% in January, to 3.5%, compared to 7.8% this time last year, and is the lowest it has been since November 2015. The Bank of Namibia maintained interest rates at 6.75% during March, after a reduction in the repo rate by 0.25% in the middle of 2017, which along with the lower inflation, provided some welcomed relief to Namibian consumers.

# UPDATE YOUR INFORMATION



**T**he Fund has forwarded Information Update Forms to every member via their Benefit Statement. Please update your information on the form and submit it to your HR office. The Fund is in the process of implementing new

and exciting customer channels and features that will benefit all members and it is important that the Fund has access to your updated personal contact details. The HR office will forward the completed forms to the RFLAUN Head Office.

## 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 or Twitter pages.



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# RFLAUN

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and Utility Services in Namibia



## OUR MEMBER ENJOY A WIDE VARIETY OF **BENEFITS**

**RETIREMENT BENEFITS**

**WITHDRAWAL BENEFITS**

**PENSION BACKED HOUSING LOANS**

**DREAD DISEASES BENEFIT**

**FUNERAL BENEFIT**

**DEATH BENEFITS**

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