



**RFLAUN**

Retirement Fund for Local Authorities  
and Utility Services in Namibia

# NEWSLETTER

SEPTEMBER 2020



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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.*

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# EDITOR'S DESK



**W**e can all agree that the year 2020 had been a very surprising year so far. The Namibian Covid-19 positive numbers had a spiked during July and August 2020 and this allowed for the government to implement different measures to curb the spread of the virus.

During these difficult times, the asset managers foresaw opportunities to restructured investments classes and that moved the investments returns into a positive margin, ending the month of August 2020 by 2.7% for the Market Value portfolio. This equally aided the Fund to cement within the N\$5 billion Assets Under Management (AUM) marker. The Fund had to adop to the new normal and im-

plemented virtual meetings within the committees to keep the operations going and to comply with the Fund Rules, standards, and the regulator. We still discourage personal visits to the office but as corporate citizen that understands the industry stakeholders, we always encourage visiting members to adhere to the mandatory guidelines and wear a face mask.

New trustees joined the RFLAUN Board of Trustees from the regions that were up for elections, according to the Fund Rules. Within this newsletter, we introduce you to the new trustees as well as the new leadership.

We hope you find this edition of the newsletter worth reading, until next time.

**Mr. Julianus Rukamba**  
**Senior Officer: Information**  
**and Marketing**



# THE NEW CHAIRPERSON

The Fund introduces its New Chairperson of the RFLAUN Board of Trustees, Cllr Moses Shiikwa. Cllr Shiikwa was elected by the Board of Trustees at the recently held board meeting and will serve as a chairperson until 31 August 2021. He will be deputised by Mr. Chris Katjitundu as the Vice Chairperson. The Fund bid farewell to the outgoing chairperson, Ms. Monich Muturi. Ms. Muturi served as the chairperson of the Fund for the financial year 2019/2020. In her farewell speech, Ms Muturi said it was an absolute privilege to worked with the most inspiring team of RFLAUN for

their commitment and dedication towards the Fund." I have always been proud to be a Chairperson of a leading Pension Fund within Namibia, since in many occupations, RFLAUN has been ranked and awarded many rewards for been one of the leading pension industry players when it comes to accountability and sustainability in investments", the outgoing chairperson stated.

The Board further expressed appreciation to Ms. Muturi for her leadership and commitment towards the Fund's operations and wished her well.



**Cllr Moses Shiikwa**  
Chairperson



**Mr. Chris Katjitundu**  
Vice-Chairperson



**Ms. Monich Muturi**  
Outgoing Chairperson



# NEW BOARD OF TRUSTEES

According to the Fund Rules, Board of Trustees serves on the Fund for a period of 4 years. In 2020, trustee elections took place for Oshana, Oshikoto, Ohangwena, Omusati, Omaheke, Otjozondjupa, Kunene and Kavango East regions. The trustees will serve on the RFLAUN Board as from 1 September 2020 to 31 August 2024. The elected trustees can be seen below:



**Cllr Naemi Amuthenu**  
Oshana



**Cllr Veeza Kasiringua**  
Oshikoto



**Cllr Eunice Shonena**  
Ohangwena



**Cllr Erastus Mashina**  
Omusati



**Cllr Cornelius Tjizoo**  
Omaheke



**Cllr George /Garab**  
Otjozondjupa



**Cllr Samuel !Oe-Amseb**  
Kunene



**Cllr Christoph Kupembona**  
Kavango East



**Mr. Damian Hamunjela**  
Oshana



**Mr. Julius Gaseb**  
Oshikoto



**Ms. Tuwilika Ndjendja**  
Ohangwena



**Mr. Oskar Kanime**  
Omusati



**Mr. Frederich Ueitele**  
Omaheke



**Ms. Rachel Engelbrecht**  
Otjozondjupa



**Mr. Immanuel Tjipura**  
Kunene

Each elected Trustee has an Alternate Trustee elected in the same manner as described above. The main purpose of the Alternate Trustee is to avail themselves to the board should the principal trustee be unavailable.

We urge all the members to welcome the trustees to their roles as Board of Trustees. New committee members have respectively been elected as well and member can visit the Funds website to acquaint themselves.

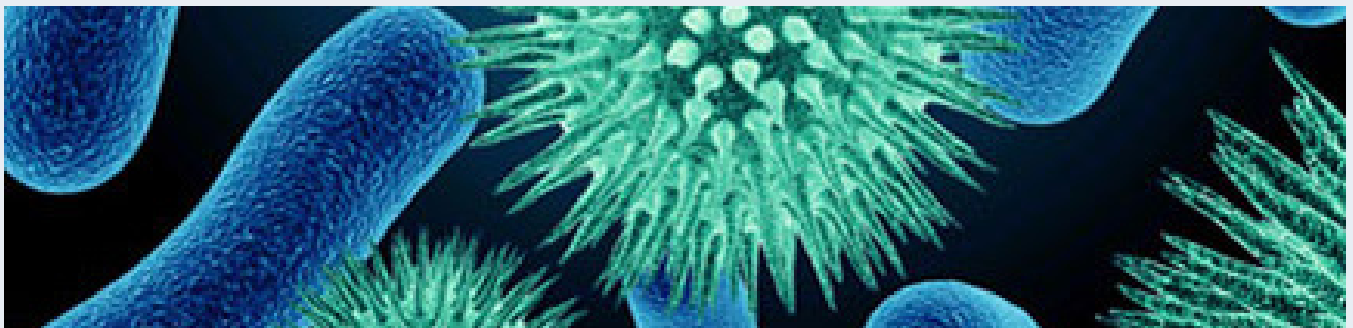
## ENHANCED DREAD DISEASES BENEFITS

The Fund has appointed a new insurer and enhanced the Dread Diseases Benefits for active members effective 01 July 2020. If a member suffers from any of the Dread Diseases Illness before Normal Retirement

Age, the member will receive a lump sum equal to 1 time the annual pensionable salary. The table below clearly identify the full spectrum on the illness covered under this benefit. The benefit is claimable within 6 months of diagnoses.

### DREAD DISEASES ILLNESS

- Accidental HIV infection
- Sero-positive Rheumatoid Arthritis
- Aortic Artery Surgery
- Aplastic Anaemia
- Arrhythmia
- Angioplasty
- Alzheimer
- Benign Brain tumor
- Blindness
- Cancer
- Cardiomyopathy
- Chronic liver failure
- Chronic Renal Failure
- Coronary Artery Bypass Surgery
- Deep Coma
- End Stage Lung Disease
- Hearing loss
- Heart Attack
- Kidney Failure
- Heart Valve Surgery
- Major Burns
- Motor Neuron Disease
- Multiple Sclerosis
- Muscular Dystrophy
- Organ transplant
- Paraplegia
- Pulmonary Embolism
- Parkinson's disease
- Stroke



# INVESTMENT RETURNS

The Funds' total assets as at 31 August 2020 amounted to **N\$5,121,228,867**. This is made of the portfolios below:

<b>φMarket Value Portfolio</b>	N\$4,521,583,582
<b>†Capital Protection Portfolio 1</b> (Old Mutual)	N\$304,668,596
<b>†Capital Protection Portfolio 2</b> (Sanlam & Old Mutual)	N\$294,976,689

The table below clearly gives figures on the investment return within the said portfolios from 01 January 2020 till 31 August 2020. See figures in table below.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	YTD 2020
Market Value Portfolio	1.3	-3.3	-7.7	8.1	0.7	1.9	1.4	1.0	2.7%
Capital Protection Option (Old Mutual)	0.2	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.5%
Capital Protection Option (Sanlam & Old Mutual)	0.4	0.5	0.2	0.0	0.2	0.2	0.3	0.3	2.2%

## MEMBER COMMUNICATION Q1 2020

**D**uring the second quarter of 2020, markets began to digest the impact of the eventful months prior, while economies still battled the effects of the Coronavirus. On the financial market front, we witnessed a strong rebound worldwide in April, which steadied into May and June, illustrating a sharp "Vshaped" recovery.

**A V-shaped recovery is characterized by a quick and sustained recovery in measures of economic performance after a sharp decline. Because of the speed of adjustment and recovery, a V-shaped recovery is a best-case scenario given the prior losses.**

On the economic front, many countries eased lockdown restrictions and began to open up gradually. However, the risks of rising infections and the unforeseeable end of the pandemic kept uncertainty high. Despite the high level of government support packages, and central banks making multiple interest rate cuts, the global economy has not avoided recession.

A recession is a significant decline in econom-

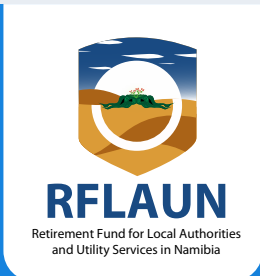


ic activity which can last for several months or even years. Recessions can have a huge impact on individuals, families and businesses. One way in which it might affect you is by putting many jobs across different sectors in jeopardy. Job loss affects the stability of families and individuals and during a recession unemployment rates run extremely high. Those who lose their jobs can find it extremely hard to find new work to buy food and pay the bills each month.

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Like other nations, the Namibian government's COVID19 stimulus package of N\$8.1b has put pressure on Government resources. Together with this high debt, low growth and expected job losses, economic activity is expected to remain depressed for the foreseeable future. Globally the main drivers of uncertainty are around the upcoming US election in November. A seemingly decreasing global risk is the standoff between Russia and OPEC as they ended their oil price war.

**In a nutshell, investment losses suffered in March were recovered during the month of April. Portfolios remain positioned in a way to protect assets during these difficult times. The future remains very uncertain and members are reminded to keep a long-term view to investing.**



# THANK YOU

RFLAUN would like to thank all the members that participated in the RFLAUN Brand Evaluation Survey. The feedback received will help the Fund to develop strategies and enhance brand engagement with all our stakeholder



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 [info@rflaun.com.na](mailto:info@rflaun.com.na).