



**REPUBLIC OF NAMIBIA
MINISTRY OF FINANCE**

**REMARKS
BY
HON. NATANGUE ITHETE,
DEPUTY MINISTER OF FINANCE
AT THE
OCCASION OF
NAMIBRE DIVIDEND HANDOVER EVENT**

30th July 2019

WINDHOEK, NAMIBIA

Directors of ceremonies;
Madame Ericah Shafudah, Executive Director of Finance;
The Board Chairperson and Directors present;
Mrs. Patty Karuaihe-Martin, Managing Director and other
Executive Management of NamibRe;
Ministry of Finance's officials;
Distinguished Invited Guests;
Members of the Media;
Ladies and Gentlemen,

Good day and welcome to the Ministry of Finance.

1. It is my singular honor and pleasure to welcome you to this year's dividend handover ceremony. I am delighted to be accepting, once again, for the fifth consecutive year the dividend cheque from NamibRe on behalf of the Namibian Government as Shareholder.
2. I am further delighted to note that the cheque amount I received in 2015, has more than tripled from two million (N\$2 million) to over six million (N\$6.15 million) in 2019. This brings the total amount in dividends received from NamibRe in the past five (5) years to over sixteen million (N\$16.65 million). Thanks and congratulation to the Board of Directors and Management team for such commendable work.
3. In the midst of economic challenges and the on-going court battle whereby some members of the industry challenged the NamibRe

Act, NamibRe has managed to stay true to its mandate and bring returns for the shareholder. For this and more, we are indeed proud of NamibRe because you heed to our calls to employ restraints in expenditure and minimize reliance on Government funding as this is unsustainable. I am repeating and emphasizing this call to all Government agencies, Ministries and Public Enterprises that, Government can no longer afford bail outs.

4. I believe that it is time for Public Enterprises to start living up to their mandates and deliver on their promises of providing good quality public service, pay dividends, increase shareholder value and wealth. Now is indeed the time for PEs to drive the economy by contributing to GDP, fiscus and job creation through taxes and dividends.
5. It's not economical sound for one to own and operate a business for 25 years or more without getting returns, the same apply to Government. Public Enterprises were not established to be cost-liabilities with constant bail-outs; they were created for times such as this, to assist Government in growing our economy and provide reliable and affordable services to industry and the public at large. Therefore, Public Enterprises should emulate the good example provided by NamibRe.
6. Ladies and gentlemen, at this juncture, I would like to highlight that apart from paying your dividend yearly, you are also way ahead toward the fulfilment of your main objective, which is to minimise capital outflow from the insurance industry and to develop the reinsurance industry by promoting the participation of all Namibians.
7. Moreover, I am reliably informed that:

- ◆ During the last couple of years, NamibRe, together with other industry players, hosted three (3) international Insurance conferences in Namibia which were attended by more than 300 executives from the insurance and reinsurance industries all over Africa and abroad.
- ◆ NamibRe, will be hosting the Africa Insurance Organization conference for 2023 which will be attended by more than two thousand delegates.
- ◆ As part of its drive to expand its footprint on the African insurance industry, NamibRe is well represented at industry bodies as its Managing Director, Mrs. Patty Karuaihe-Martins is the Chairperson of the Organisation for Eastern and Southern African Insurers (OESAI) as well as being an Executive Member of the Africa Insurance Organisation (AIO).
- ◆ NamibRe, through its bursary scheme has provided financial support to young Namibians from previously disadvantaged backgrounds to pursue their studies in fields where the country faces skills scarcity. In the past five years, NamibRe managed to successfully fund two actuary students who completed their studies in 2018 and one is now working for the local insurance industry while the other one have been placed in a two-year internship program abroad.
- ◆ As part of its mandate to promote the participation of Namibians in the Industry, NamibRe has provided support to its staff members to ensure that they have the necessary expertise in insurance and Reinsurance.

8. As you are aware, NamibRe is one of many reinsurance companies in Africa and the world. Similarly, European countries such as Germany, Switzerland as well as Ghana, Kenya, Zimbabwe, Ethiopia in Africa also have national insurance and reinsurance companies. These companies were created mainly for two purposes: to minimize capital outflow from the insurance industry and develop the local insurance industries in order to enhance the participation of its people. Indeed, funds from the insurance and reinsurance industry have an important role to play in local economic development.
9. What this shows is that the Namibian Government, like many other Governments in both developed and developing countries, by enacting the NamibRe Act and establishing NamibRe did so in order to promote economic development. Indeed, big reinsurance companies such as MunichRe and Swiss Re were created by their Governments and today they are some of the biggest reinsurance companies in the world.
10. It is therefore imperative to note that success is best achieved through collective efforts, hence I am kindly advising our local insurance industry to desist from taking the Government to court and rather focus on working with NamibRe and the Government to develop our financial industry as this will be more beneficial for all of us.
11. Our Board of Directors and management at NamibRe, you have done well, however, you should be aiming to break your own record

by striving to reach even greater heights. Continue to work together as one team united by one purpose, and create an atmosphere that attracts the best expertise in the industry. With the second highest insurance penetration rates in Africa at seven-point two percent (7.2%), we should foster cooperation with neighboring countries such as South Africa, to develop Namibian as well as the African financial sector and make it more sophisticated and resilient.

12. Lastly, I call on all industry players to work with the Government so that we can positively develop our industry to ensure it contributes positively to a better future for all Namibians. I further urge you to work hard and drive performance at your respective Companies. Our economy depends on you!

13. I THANK YOU!