

NAMFISA CALLS FOR PUBLIC INPUT TO THE CONSUMER CREDIT POLICY PAPER

The Namibia Financial Institutions Supervisory Authority (NAMFISA) exists to supervise financial institutions and financial services, and to advise the Minister of Finance on matters relating to financial institutions and financial services in terms of the NAMFISA Act, 2001 (Act No. 3 of 2001).

NAMFISA is calling on the public to provide valuable input to the Consumer Credit Policy Paper, which would ultimately guide the development of a Consumer Credit Bill in Namibia.

Consumer protection and improved financial literacy is one of the key focus areas of financial inclusion under the Namibia Financial Sector Strategy framework (2011-2021). However, there are legislative limitations on the regulatory and supervisory framework governing agreements on consumer credit in Namibia's financial sector, as the current legislation lacks robust provisions on effective consumer protection against unfair market practices. There is a need to identify the ideal way of reforming a fragmented market conduct oversight on credit, currently falling under the mandate of different legislation and institutions.

Therefore, NAMFISA is leading a project together with representatives from the Ministry of Finance, Bank of Namibia, Ministry of Industrialisation and Trade, Financial Literacy Initiative (FLI), and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), to address the legislative challenges in the form of the Consumer Credit Policy Paper.

The primary objective of the Consumer Credit Policy Paper is to identify:

- a) existing legislative gaps in the relevant prevailing laws, and how the gaps should be addressed;
- b) optimal institutional set-up suiting Namibia based on experiences from other countries; and
- c) clear principles that will guide the drafting of the legislation on consumer credit.

In view of these identified limitations in the current legal framework, it was deemed necessary to revamp the legislation that governs the provision of credit in Namibia. Hence the need for further input from the public on the content of the Consumer Credit Policy paper. The public is encouraged to submit their comments via the **Comments Template** on or before the **31 July 2020** to Ms. Anesia Cloete at acloete@namfisa.com.na and copying Mr. Abiatar Andreas at aandreas@namfisa.com.na.

The Policy Paper as well as the Comment Template is available on NAMFISA's website www.namfisa.com.na/publications.

Should you have any queries, you may contact Ms. Cloete at (061) 290 5276 or Ms. Christofina Shindume at (061) 290 5266 and cshindume@namfisa.com.na.