



# GOVERNMENT GAZETTE

## OF THE

# REPUBLIC OF NAMIBIA

N\$6.00

WINDHOEK - 15 October 2018

No. 6736

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## Government Notices

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### MINISTRY OF FINANCE

No. 260

2018

#### COMMENCEMENT OF USURY AMENDMENT ACT, 2018

Under section 3 of the Usury Amendment Act, 2018 (Act No. 6 of 2018), I determine that the said Act comes into operation on 15 October 2018.

**C. SCHLETTWEIN**  
**MINISTER OF FINANCE**

Windhoek, 23 September 2018

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**MINISTRY OF FINANCE**

No. 261

2018

**COMMENCEMENT OF MICROLENDING ACT, 2018**

Under section 47 of the Microlending Act, 2018 (Act No. 7 of 2018), I determine that the said Act comes into operation on 15 October 2018.

**C. SCHLETTWEIN**  
**MINISTER OF FINANCE**

Windhoek, 23 September 2018

**MINISTRY OF FINANCE**

No. 262

2018

**REPEAL OF EXEMPTION NOTICE IN RESPECT OF MICRO LOAN TRANSACTIONS  
UNDER SECTION 15A OF USURY ACT, 1968**

Under section 15A of the Usury Act, 1968 (Act No. 73 of 1968), I repeal Government Notice No.189 of 25 August 2004.

**C. SCHLETTWEIN**  
**MINISTER OF FINANCE**

Windhoek, 20 September 2018

**MINISTRY OF FINANCE**

No. 263

2018

**REGULATIONS RELATING TO MAXIMUM PENALTY INTEREST  
CHARGEABLE BY MICROLENDERS IN EVENT OF DEFAULT BY BORROWERS:  
MICROLENDING ACT, 2018**

Under section 36(1)(e) of the Microlending Act, 2018 (Act No. 7 of 2018), I have made the regulations set out in the Schedule.

**C. SCHLETTWEIN**  
**MINISTER OF FINANCE**

Windhoek, 20 September 2018

**SCHEDULE****Definitions**

**1.** In these regulations a word or an expression to which a meaning has been assigned in the Microlending Act, 2018 (Act No. 7 of 2018) bears that meaning.

**Maximum penalty interest chargeable by microlenders in event of default by borrowers**

**2.** (1) A microlender may not, in connection with any microlending transaction, stipulate for, demand or receive a penalty interest in excess of five percent per month on the arrear instalment in the event of a default by a borrower.

(2) Despite subregulation (1), a microlender may not, in connection with a microlending transaction, charge the penalty interest referred to in that subregulation for a period of more than three months.

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## General Notices

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### NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY

No. 571

2018

#### DETERMINATION OF MAXIMUM FINANCE CHARGE RATES CHARGEABLE IN CONNECTION WITH MICROLENDING TRANSACTIONS: USURY ACT, 1968

In terms of section 2C of the Usury Act, 1968 (Act No. 73 of 1968), I, in accordance with the directions of the Minister of Finance, determine that a microlender may not, in connection with any microlending transaction, stipulate for, demand or receive finance charges at a rate greater than the percentages set out in the Schedule.

**K. S. MATOMOLA**  
**REGISTRAR: USURY ACT**

#### SCHEDULE

1. For the purpose of this notice -

“prime rate” means the prime rate charged by banking institutions in Namibia;

“banking institution” means a banking institution as defined in section 1 of the Banking Institutions Act, 1998 (Act No. 2 of 1998);

“principal debt” means the principal debt as defined in section 1 of the Microlending Act, 2018 (Act No. 7 of 2018); and

“the Act” means the Usury Act, 1968 (Act No. 73 of 1968).

2. For the purpose of section 2C of the Act and in respect of a microlending transaction where the principal debt together with the finance charges must be paid -

- (a) within a period of five months, whether in instalment or otherwise, the rate of the finance charges may not in total be greater than 30 percent of the principal debt; and
- (b) over a period of more than five months, whether in instalment or otherwise, the rate of the finance charges may not in total be greater than the percentage equal to two times the prime rate per year calculated by multiplying the rate at which finance charges are levied at the end of a period on the balance of the principal debt then owing by the number of such periods in one year.

3. Where the parties to a microlending transaction have agreed that the rate of the finance charge is fixed or variable, that rate may not exceed the percentage determined in terms of paragraph 2.

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**NAMIBIA FINANCIAL INSTITUTIONS SUPERVISORY AUTHORITY**

No. 572

2018

**DETERMINATION OF MAXIMUM FINANCE CHARGE RATES CHARGEABLE IN CONNECTION WITH MONEY LENDING TRANSACTIONS, CREDIT TRANSACTIONS AND LEASING TRANSACTIONS: USURY ACT, 1968**

In terms of section 2(1), (2) and (3) of the Usury Act, 1968 (Act No. 73 of 1968), I, in accordance with the directions of the Minister of Finance -

- (a) determine that -
- (i) a money lender may not in connection with any money lending transaction;
  - (ii) a credit grantor may not in connection with any credit transaction;
  - (iii) a lessor may not in connection with any leasing transaction,
- stipulate for, demand or receive finance charges at an annual finance charge rate greater than the percentages set out in the Schedule; and
- (b) repeal General Notice No. 196 of 25 August 2004.

**K. S. MATOMOLA**  
**REGISTRAR: USURY ACT**

**SCHEDULE**

1. For the purpose of this notice -

“prime rate” means the prime rate charged by banking institutions in Namibia;

“banking institution” means a banking institution as defined in section 1 of the Banking Institutions Act, 1998 (Act No. 2 of 1998); and

“the Act” means the Usury Act, 1968 (Act No. 73 of 1968).

2. For the purpose of -

- (a) section 2(1) of the Act and in respect of a money lending transaction, the annual finance charge rate may not be greater than 1.6 times the prime rate;
  - (b) section 2(2) of the Act and in respect of a credit transaction, the annual finance charge rate may not be greater than 1.6 times the prime rate; and
  - (c) section 2(3) of the Act and in respect of a leasing transaction, the annual finance charge rate may not be greater than 1.6 times the prime rate.
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