



GOVERNMENT GAZETTE

OF THE

REPUBLIC OF NAMIBIA

N\$2.00

WINDHOEK - 23 October 2009

No. 4364

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General Notices

BANK OF NAMIBIA

No. 254

2009

NOTIFICATION OF APPOINTMENT OF AUTHORISED DEALER: ORDERS AND RULES ISSUED UNDER EXCHANGE CONTROL REGULATIONS, 1961

It is notified that the Bank of Namibia has, pursuant to section 46 of the Bank of Namibia Act, 1997 (Act 15 of 1997) read with rule 2 of the Orders and Rules made under the Exchange Control Regulations and published under Government Notice R. 1112 of 1 December 1961, has

- (a) appointed Oshikango Bureau de Change (Pty) Limited as an authorised dealer with limited authority with effect from the date of publication of this notice; and
- (b) substituted the following paragraph for paragraph (a) of rule 3, as amended by Government Notices 4 of 1 June 1990, 20 of 16 July 1990, 218 of 15 August 1996 and 251 of 31 August 2007:
 - “(a) The banks specified hereunder have been appointed as authorised dealers for the purposes of the regulations:

Bank Windhoek Limited

First National Bank of Namibia Limited
Namibia Bureau de Change (Pty) Limited
Nedbank Namibia Limited
Novacambios Namibia (Pty) Limited
Oshikango Bureau de Change (Pty) Limited
Standard Bank Namibia Limited.”.

T.K. ALWEENDO
GOVERNOR
BANK OF NAMIBIA

Windhoek, 7 October 2009

BANK OF NAMIBIA

No. 255

2009

DETERMINATION UNDER THE PAYMENT SYSTEM MANAGEMENT ACT, 2003
(ACT NO. 18 OF 2003)

In my capacity as Governor of the Bank of Namibia (The Bank), and under the powers vested in the Bank by virtue of section 14 of the Payment System Management Act, 2003 (Act No. 18 of 2003), I hereby issue this determination on the reduction of the item limit for domestic cheque payments within the Namibian National Payment System (PSD-2), which shall become effective on 10 June 2010.

T.K. ALWEENDO
GOVERNOR

Windhoek, 23 October 2009

Determination No. 2

REDUCTION OF THE ITEM LIMIT FOR CHEQUE PAYMENTS WITHIN THE NAMIBIAN NATIONAL PAYMENT SYSTEM

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PART I: PRELIMINARY**1. Short Title**

Reduction of domestic cheque item limit to N\$ 500,000 within the Namibian National Payment System.

2. Authorization

Authority for the Bank to issue this Determination is provided in Section 14 of the Payment System Management Act, 2003 (Act No. 18 of 2003).

3. Application of the Determination

This determination applies to all banking institutions, Namclear, businesses and individuals that issue, accept and process domestic cheque payments within the Namibian National Payment System.

4. Definitions

Terms used in this determination are as defined in the Payment System Management Act, 2003 (Act No. 18 of 2003), terms unique to this determination are defined as follows:

4.1 'Cheque' means a bill drawn on a bank payable on demand'

4.2 'Domestic cheque' means cheques issued from a Namibian account for payment to a Namibian account;

4.3 'Item limit' means the maximum value for which a cheque can be legally issued, processed and cleared within the Namibian National Payment System;

4.4 'Namclear' means the company authorized by the Payment Association of Namibia to provide clearing services in Namibia and operating as payment system service provider as defined in the Payment System Management Act, 2003 (Act No. 18 of 2003);

4.5 'NISS' means Namibia Interbank Settlement System, which facilitates the settlement of all domestic transactions in Namibia dollar at Bank of Namibia;

PART II: STATEMENT OF POLICY**5. Purpose**

- 5.1 This determination effects a reduction of the domestic cheque item limit from N\$ 5,000,000 to N\$ 500,000 within the National Payment System.

6. Scope

- 6.1 This determination obliges Namclear and banking institutions, businesses and individuals to note and to make the necessary system and business process changes not to issue, accept or process domestic cheque payments in excess of N\$ 500 000.

7. Responsibility

- 7.1 Banking institutions, Namclear, businesses and individuals shall be responsible for the implementation of item limit of N\$ 500,000 for domestic cheque payments.
- 7.2 Banking institutions are required to make alternative payment means available to their customers to process payments in excess of N\$ 500,000.

PART III: IMPLEMENTATION REQUIREMENTS**8. Implementation Requirements**

With regard to implementation of this determination, it is required that:

- 8.1 The banking institutions shall sensitize, inform and educate their cheque account holders well in advance not to issue domestic cheques above the item limit
- 8.2 No person shall be allowed to split cheque payments into units of N\$ 500,000 or less, such that multiple cheques are issued for the settlement of the same transaction to circumvent this determination.
- 8.3 Businesses and individuals in Namibia shall consult with their banking institutions in order to determine how payments should be effected where such payments exceed N\$500,000 per item.

PART IV: REMEDIAL MEASURES**9. Remedial Measures**

If any person fails to comply with the provisions of this determination, the Bank may impose remedial measures through the issue of a Directive as provided for under the Payment System Management Act, 2003 (Act No. 18 of 2003)

PART V: EFFECTIVE DATE**10. Effective Date**

- 10.1 This determination shall come into effect on 10 June 2010.

PART VI: GENERAL AND ENQUIRIES**11. General**

- 11.1 This determination is not exhaustive and may be supplemented and/or amended from time to time.
- 11.2 Any person that is uncertain of the contents of this determination should initiate discussions with the Banking Supervision Department of the Bank of Namibia to clarify the matter.

12. Enquiries

All enquiries related to this determination shall be forwarded to:

The Director:

Banking Supervision Department

Bank of Namibia

P.O. Box 2882

71 Robert Mugabe Avenue

Tel: +264-61-2835111

Fax: +264-61-2835228
