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General Notice

BANK OF NAMIBIA

No. 1

2026

DETERMINATION UNDER THE PAYMENT SYSTEM MANAGEMENT ACT, 2023: LICENSING AND AUTHORISATION OF PAYMENT SERVICE PROVIDERS IN NAMIBIA (PSD-1)

In my capacity as Governor of the Bank of Namibia (the Bank), and under the powers vested in the Bank by virtue of section 45 of the Payment System Management Act, 2023 (Act No. 14 of 2023), I hereby issue the **Determination on the Licensing and Authorisation of Payment Service Providers in Namibia (PSD-1)**, which Determination shall become effective on the date of publication in the *Gazette*.

DR. JOHANNES !GAWAXAB
GOVERNOR
BANK OF NAMIBIA

Windhoek, 19 December 2025

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PART I: PRELIMINARY

1. **Short Title** – Determination on the licensing and authorisation of payment service providers in Namibia.
2. **Application** – This Determination will apply to all persons who intend to offer in Namibia, any of the payment services listed in the Schedule of the Payment System Management Act, 2023 (Act No. 14 of 2023).
3. **Definitions** – In this Determination, unless the context indicates otherwise, the words and expressions used herein will have the same meaning assigned to them in the Payment System Management Act, 2023 (Act No. 14 of 2023), and in the Banking Institutions Act, 2023 (Act No. 13 of 2023), and cognate expressions will have corresponding meanings:

“Act” means the Payment System Management Act, 2023 (Act No. 14 of 2023);

“Administrative penalties” means a penalty determined by the Bank under section 40(1) of the Act;

“Bank” means the Bank of Namibia as referred to in section 2 of the Bank of Namibia Act, 2020 (Act No. 1 of 2020);

“Beneficial owner”, means beneficial owner as defined in the Act;

“Electronic money” means monetary value as represented by a claim on its issuer, which is –

- (a) stored electronically, magnetically or digitally;
- (b) issued on receipt of funds (legal tender) of an amount equivalent to the monetary value issued;
- (c) accepted as a means of payment by persons other than the issuer; and
- (d) redeemable on demand for cash in Namibia Dollar;

“Electronic money issuer” means a payment service provider licensed or authorised to issue electronic money;

“Payment facilitation services” means the act of holding onto funds when offering payment services which includes switching, transmitting or processing payment instructions (including the delivery to and/or receipt of payment instructions) between system participants and merchants or customers and/or communicates transaction information between merchants, issuing banks, and the acquiring bank, as well as providing infrastructure and platform which allows other payment service providers to offer payment services;

“Payment facilitator” means a payment service provider that offers payment facilitation services;

“Payment instruction” means an order to make a payment or transfer funds;

“Payment instrument” means any device, procedure or a process licensed or authorised by the Bank by which a payment instruction is issued for the purpose of obtaining money, making payments or transferring funds;

“Payment services” means services relating to the facilitation of payment instructions, the issuance and acquiring of payment instruments or electronic money and any other services incidental to executing payments or transferring of funds, as specified under the Schedule of the Act;

“Payment service provider” means a person, including a banking institution, licensed under the Act to provide payment services as specified under the Schedule of the Act;

“Regulations” means the Regulations prescribed under sections 10(2) and 11(3) of the Act;

“Schedule” means the Schedule in the Act;

“Sponsoring bank” means a banking institution licensed in terms of the Banking Institutions Act, 2023, which the payment service provider has entered into an agreement with to offer payment services;

“Third-party payment service providers” means a payment service provider that offers payment services which includes the provision of technological services to facilitate switching, routing, acquiring of payment instructions, payment transaction processing and the provision of gateway services at merchant point of sale, electronic commerce platforms including mobile applications and websites, without holding funds; and

“user” means any person that uses a payment service in their capacity as a payer or a payee or both.

PART II: STATEMENT OF POLICY

4. **Authorisation** – Authority for the Bank to issue this Determination is provided for under section 45, read with section 10(2) of the Act.
5. **Purpose** – The purpose of this Determination is to provide the requirements for the licensing and authorisation of payment service providers in Namibia.
6. **The Position of the Bank** – In line with international best practices, the Payment System Management Act, 2023, introduced provisions whereby the National Payment System will be overseen and regulated by a single regulator. The Act further introduces the concept of a single term (payment service providers) in reference to all persons, including banking institutions, that may be authorised by the Bank to offer payment services as defined in the Act. Section 10 of the Act provides that a person that intends to offer any of the payment services as set out in the Schedule in the Act must apply to the Bank to be licensed as a payment service provider. It is the Bank’s position that this Determination provide the general and specific requirements for the licensing and authorisation of payment service providers in Namibia, in addition to that which is stated in the Act.

PART III: IMPLEMENTATION**7. Authorisation to offer payment services by banking institutions**

- 7.1 A banking institution that has been granted a banking license or a provisional authorisation in terms of the Banking Institutions Act (Act No. 13 of 2023), must formally request authorisation to offer one or more of the payment services listed in the Schedule.
- 7.2 Pursuant to 7.1 in this Determination, the formal request must be submitted at least three (3) months in advance to the Bank for consideration and decision and must be done in accordance with the Act and the specific requirements of the payment services, as set out in this Determination and/or in any other relevant laws.
- 7.3 Subject to 7.2 in this Determination, a banking institution who intends to offer a payment service is required to send a letter of intent to the Bank directed to the Director responsible for the National Payment System, which states the intention to offer payment services, accompanied by a business plan/model and schematics of the envisaged payment service.
- 7.4 Once the application has been assessed, the Bank may either grant provisional authorisation or decline the application. When granting the provisional authorisation, the Bank may impose conditions that should be met within a period of three (3) months in order to be authorised as a payment service provider.
- 7.5 The Bank may conduct an onsite pre-opening inspection, once the applicant has communicated that it has successfully fulfilled the provisional authorisation conditions, to test the applicant's readiness to offer payment services.
- 7.6 Once all conditions have been met, the applicant will be granted authorisation to offer payment services, which may be accompanied by conditions to ensure the safe and secure operation within the National Payment System.
- 7.7 For purposes of this Determination and as defined in the Act, a banking institution authorised to offer payment services will be referred to as a payment service provider and is required to comply with all compliance requirements applicable to payment service providers.

8. Licensing process to offer payment services by non-bank financial institutions

- 8.1 A person that intends to offer payment services as a non-bank financial institution must formally apply to the Bank to be licensed as a payment service provider.
- 8.2 Further to 8.1 in this Determination, a person who intends to offer a payment service is required to send a letter of intent to the Bank directed to the Director responsible for the National Payment System, which states the intention to offer payment services, accompanied by a business plan/model and schematics of the envisaged payment service. The business plan should include the following:
- 8.2.1 Name of payment service product;
 - 8.2.2 Nature of the business;
 - 8.2.3 Features of the scheme, diagrammatic illustration of the system and transaction flows;
 - 8.2.4 Security features that will be put in place;
 - 8.2.5 Project deployment plan (launching date and location etc.);
 - 8.2.6 Transactional charges and other fees that will be borne by the user; and
 - 8.2.7 Target market and market penetration strategies.

- 8.3 The Bank will review the submission and respond by either affording a meeting to the applicant to discuss the intention and the way forward or provide guidance on how to submit an application for assessment.
- 8.4 An initial application to be licensed as a non-banking financial institution must be accompanied by the non-refundable application fee as prescribed in the Regulations.
- 8.5 The application must comply with the relevant requirements to issue that specific payment service as stipulated in the Act, this Determination and/or any other relevant laws.
- 8.6 A non-bank financial institution may offer payment services listed under the Schedule of the Act, under the following categories:
- 8.6.1 a payment instrument issuer; and/or
 - 8.6.2 a payment facilitator; and/or
 - 8.6.3 a third-party payment service provider.
- 8.7 Pursuant to section 8.6 in this Determination, a non-bank financial institution may only submit one (1) application at a time to the Bank to be licensed as a payment service provider, which application may include the intention to offer one or more payment services.
- 8.8 An application by a non-bank financial institution to be authorised to offer payment services under an additional category stipulated in section 8.6 in this Determination should be made after three (3) months from obtaining full authorisation as a payment service provider.
- 8.9 Once the application has been assessed, the Bank may either grant provisional authorisation or decline the application. When granting, the provisional authorisation the Bank may impose conditions that should be met by the applicant within a period of three (3) months in order to be licensed as a payment service provider.
- 8.10 The Bank may conduct an onsite pre-opening inspection, once the applicant has communicated that it has successfully fulfilled the provisional authorisation conditions, to test the applicant's readiness to offer the payment service.
- 8.11 Once all the conditions have been met and the onsite pre-opening inspection has been successfully finalised, the applicant will be required to pay the license fee as determined by the Bank in the Payment System Notice and subsequently be licensed as a Payment Service Provider.
- 8.12 Pursuant to section 8.1 and section 8.6 of this Determination and in accordance with section 10(4) of the Act, the Bank will specify the category of payment services such a person is licensed to offer and further stipulate the terms and conditions accompanying the license.
- 8.13 A non-bank financial institution (already engaged in other business interests) that intends to submit an application to offer payment services in addition to other services (not related to payment services), must establish a separate entity whose activities will be limited to the offering of payment services.
- 8.14 Pursuant to section 8.13 in this Determination, the Bank may consider a request for a waiver from compliance with section 8.13 in exceptional circumstances. For the Bank to consider such a waiver, a non-bank financial institution must prove that:
- 8.14.1 Compliance with such a requirement would be unduly burdensome;
 - 8.14.2 The protection of user funds is not compromised, and
 - 8.14.3 Granting a waiver would not compromise the Bank's ability to effectively regulate and supervise the non-bank financial institution.

9. Authorisation to offer payment services under an additional category

- 9.1 A payment service provider authorised or licensed to offer payment services in accordance with the categories provided under section 8.6 in this Determination, and who intends to offer payment services under an additional category under that section, must formally request for authorisation from the Bank.
- 9.2 Pursuant to section 9.1 in this Determination, the formal request must be submitted at least three (3) months in advance to the Bank and must be done in accordance with the Act and the specific requirements to offer payment services under that specific category, as set out in this Determination, the Act and/or in any other relevant laws.
- 9.3 Subject to section 9.1 in this Determination, a payment service provider who intends to offer a payment service under an additional category is required to send a letter of intent to the Bank directed to the Director responsible for the National Payment System, which states the intention to offer a payment service under an additional category, accompanied by a business plan/model and schematics of the envisaged payment service.
- 9.4 A payment service provider that intends to offer an additional category is required to pay the fee as prescribed in the Payment System Notice.

PART IV: GENERAL REQUIREMENTS

10. Pursuant to section 8.1 in this Determination, non-bank financial institutions that intend to offer payment services must submit to the Bank the following documents in terms of the General Requirements –

10.1 Governance requirements

10.1.1	A certified true copy of the memorandum and articles of association and/or certificate of incorporation or business registration in Namibia, including the contents of registration of directors, auditors, and officers (CM29), the company's profile, organisation structure, organogram, and contact details;
10.1.2	Beneficial ownership information of all substantial shareholders or those with effective control of the company, including holding companies and subsidiaries of the business, in accordance with the definition of the beneficial owner;
10.1.3	At the time of licensing and any other time thereafter, the Bank may decide that a non-bank financial institution is required to submit to the Bank information relating to the beneficial ownership of the non-bank financial institution as required by section 10(3) of the Act;
10.1.4	Certified copies of the latest audited financial statements in respect of existing companies, whereas newly formed companies must submit a 3-year pro forma financial statement; and
10.1.5	Any approval, authorisation, license, or permit from other regulatory authorities.

10.2 Appointment of board of directors and executives

10.2.1	The names, addresses and identity documentation or passport numbers, and contact details of the chief executive officer, executive management, board of directors and substantial shareholders;
10.2.2	A non-bank financial institution may not allow a person who is not a fit and proper person in accordance with the criteria for fitness and probity, to become a board of director of the non-bank financial institution. The non-bank financial institution must submit completed fitness and probity forms of all shareholders or those with substantive and effective control of the company, and board of directors comprising of: (a) PSF-001 (b) PSF-002-1 (c) PSF-002-2

	(d) a declaration form;
	(e) a police clearance or certificate of conduct from Namibia and/or the country of present residence, which is not older than 6-months;
	(f) a tax good standing certificate;
10.2.3	Comprehensive CV and certified copies of the qualifications of the chief executive officer, executive management and the board of directors clearly outlining expertise and competence to administer the affairs of the payment service provider;
10.2.4	The Bank may interview the board of directors and executives as part of the fitness and probity assessment;
10.2.5	The board of a non-bank financial institution must comprise of a majority of non-executive members, most of whom should be independent, to ensure objectivity and effective oversight;
10.2.6	A non-bank financial institution may not appoint a board of director or chief executive officer, managing director or principal officer without written approval from the Bank.

10.3 Risk management and mitigation requirements

10.3.1	A non-bank financial institution/payment service provider must have an adequate risk management framework. The final Risk Management Framework must include the systems, and controls explaining how the payment service provider will identify, monitor, manage and report risks to which it can reasonably expect to be exposed in accordance with the provisions of the Bank's legal framework. These risks include, but are not limited to: (a) operational risk; (b) outsourcing and counterparty risk; (c) money laundering, fraud, terrorism and proliferation financing and financial crime risk; (d) cyber security risk; (e) reputational and legal risk; (f) liquidity risk; (g) credit risk; (h) security systems and Information Technology infrastructure risks; and (i) data protection and privacy risk.
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10.4 User protection requirements

10.4.1	A non-bank financial institution/payment service provider must have an adequate user protection framework. The draft or final user protection policy must explain how the payment service provider will reduce the risk of fraud, data privacy or other forms of user abuse, including the following: (a) clarification of the roles and responsibilities of the payment service provider, agents, and users; (b) sufficient and accessible information to users on their rights and responsibilities; and (c) a clear description of available payment services and the fees or charges for using these services.
10.4.2	The draft written or electronic agreement entered into, with every user for whom the payment service provider intends to offer payment services to. The agreement should at minimum: (a) include the identity of the user; (b) provide clear guidance on the user's right to redemption, including conditions and fees for redemption; and (c) include information on available redress procedures for complaints together with the address and contact information of the payment service provider.

10.5 Contractual requirements

10.5.1	The draft or final agreements with third parties (technical partners, banking institutions, service providers, merchants, mobile network operators (MNO's) and any other parties) that include the following: (a) provisions that ensure compliance with section 14 of the Act; (b) clarification of the roles, responsibilities, and contractual liabilities of the parties to the contract; (c) responsibilities of parties for providing and receiving information regarding the payment service; (d) materiality thresholds and procedures for notifying the users of service disruptions, security threats, or other issues that create material risks; (e) ownership and protection of user and transactional data; (f) whether agents or service providers are required to obtain insurance and/or provide guarantees; (g) termination or expiration of contracts, including circumstances leading to intervention by the payment service provider; (h) business continuity measures; (i) confidentiality clauses such as non-disclosure agreements or confidential agreements; (j) the payment service provider's right to monitor and audit operations of agents, service providers, or third parties, security policies and procedures, internal controls, and business continuity and contingency plans.
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10.6 Capital requirements

10.6.1	At the time of licensing, a non-banking financial institution is required to hold an initial capital amount as determined by the Bank in the <u>Payment System Notice</u> .
10.6.2	The Bank reserves the right to waive this condition or impose such further conditions as it deems necessary.

10.7 Any document or information the Bank may deem necessary from time-to-time.

PART V: SPECIFIC REQUIREMENTS FOR PAYMENT SERVICES

11. Specific requirements for payment instrument issuers:

- 11.1 In addition to the general requirements contained in section 10 of this Determination, an application to be licensed or authorised as a payment service provider to offer a payment instrument must include:
- 11.1.1 the name, functionality and a detailed description of the payment instrument, including payment flows and settlement arrangements;
 - 11.1.2 rules and procedures setting out the rights and liabilities of the payment service provider issuing the payment instrument and the rights of the user and the risks that the user may incur, including the terms and conditions of use;
 - 11.1.3 measures that ensure the safety, security and operational reliability of the payment instrument, including contingency arrangements;
 - 11.1.4 evidence of the provision of payment settlement not more than 24 (twenty-four) hours during business days after a payment instruction has been cleared;
 - 11.1.5 a technical plan on how the payment instrument will be interoperable in the National Payment System;
 - 11.1.6 a complete audit trail or transaction processing cycle, including initiation, clearing, settlement and payment finality.

12. Specific requirements for payment facilitators for purposes of facilitating payments or transfers:

- 12.1 In addition to the general requirements contained in section 10 of this Determination, an application to be licensed or authorised as a payment service provider to offer payment facilitation services, must include proof of the opening of a merchant bank account with one or more Namibian licensed banking institutions, to pool funds for the purpose of providing payment facilitation services.
- 12.2 A payment facilitator must develop a merchant policy, which policy must refer to the merchant bank account maintained for the purpose of offering payment facilitation services, subject to the following conditions:
- 12.2.1 Funds held in a merchant bank account for the purpose of offering payment facilitation services must not form part of the payment service provider's assets or be commingled with the payment service provider's own funds.
- 12.2.2 Funds held in the merchant bank account for the purpose of offering payment facilitation services must not be commingled with funds held in a trust account for the issuance of electronic money as provided in section 22 of the Act.
- 12.2.3 Funds intermediated through a pool account must be paid over to a recipient to whom the funds are due within two (2) business days from the date when the funds were received by the payment service provider.
- 12.2.4 At all times, the aggregate value of the pooled funds must equal at least 100% of the value of all outstanding liabilities. These funds must be reconciled on a daily basis, with any deficiencies addressed within one (1) business day.
- 12.3 A payment facilitator licensed or authorised by the Bank must satisfy the Bank that it has implemented measures, controls, and procedures to safeguard the funds in the merchant bank accounts as prescribed in subsection 12.2 in this Determination.
- 12.4 A payment facilitator may not give any other person access to the merchant bank accounts through which payments or transfers to third persons are facilitated.
- 12.5 A payment facilitator must provide evidence that the payment facilitator's systems are operationally and technically capable of offering the payment service.
- 12.6 A payment facilitator must provide evidence that the payment facilitator's systems are interoperable with the relevant banks, non-bank financial institutions and/or system operators.

13. Specific requirements for third-party payment service providers:

- 13.1 In addition to the general requirements contained in section 10 of this Determination, an application to be licensed or authorised as a third-party payment service provider must include, where applicable:
- 13.1.1 information in respect to user and/or merchants and the written mandate of the user and/or merchant providing the payment instruction;
- 13.1.2 policies and procedures that ensure that the payment service which allows the offsetting of mutual obligations by trading partners or persons for whom they are processing payment instructions are prohibited;
- 13.1.3 evidence that the third-party payment service provider's systems are operationally and technically capable of offering the payment service;
- 13.1.4 evidence that the third-party payment service provider's systems are interoperable with the relevant banks and/or system operators;

- 13.1.5 attestation by the sponsoring bank(s) and/or system operator that the third-party payment service provider has the capability to offer payment services through the systems of the sponsoring bank(s) or system operator;
 - 13.1.6 attestation from the relevant card associations that the third-party payment service provider has the necessary approval to facilitate payment instructions emanating from payment instruments or payment systems of that card association;
 - 13.1.7 attestation that the third-party payment service provider has obtained the relevant certification to process payment instructions as well as to hold, store, and process customer and transactional data; and
 - 13.1.8 submit any other documents that the Bank may require to complete the application assessment.
- 13.2 Banking institutions must not unreasonably and unduly deny sponsoring arrangements to payment service providers, including access to their systems and payment channels, for purposes of providing payment services.

PART VI: COMPLIANCE REQUIREMENTS FOR PAYMENT SERVICE PROVIDERS

14. Compliance Function and Appointments

- 14.1 A non-bank financial institution must appoint a compliance officer, who must be a resident in Namibia that is directly accessible to the Bank for consultation on matters of policy, compliance and day-to-day operations of the non-bank financial institution or controlling company.

15. Risk Management and Mitigation

- 15.1 A payment service provider must put in place risk management policies, systems, and controls for payment services.
- 15.2 A payment service provider must ensure that its risk management policies, systems, and controls are regularly reviewed and kept up-to-date.
- 15.3 The policies, systems, and controls must take into account the types of activities performed by the payment service provider, the nature, scale and complexity of its business model, any operational challenges and the degree of risk associated with its operations.
- 15.4 A payment service provider must ensure that the payment services offered and systems being used are sufficiently sound and resilient so as not to bring risk to the National Payment System.
- 15.5 The Bank may direct that the board composition of a non-bank financial institution be revised based on the risk profile of the non-bank financial institution.
- 15.6 A non-bank financial institution must, three (3) months after its financial year end, submit to the Bank annual audited financial statements prepared and signed off by a reputable independent auditor.

16. User Protection

- 16.1 A payment service provider should, within six (6) months after commencing business, establish a user care system to address the complaints of users.
- 16.2 A payment service provider must, prior to the establishment of a user care system provide adequate means for users to file complaints which must be addressed within a period of fifteen (15) business days as from date of receipt of the complaint.

- 16.3 A payment service provider should within five (5) business days acknowledge receipt of the complaints filed with them, by a complainant.
- 16.4 Where a complainant is not satisfied with a decision reached pursuant to a complaint, the payment service provider should provide the complainant with the option of pursuing an identified escalation process by which the decision may be examined by a suitably qualified person in the payment service provider's organisation.
- 16.5 Where a user raises a complaint in relation to an allegedly fraudulent payment transaction, the payment service provider must handle such complaint in accordance with section 10.4 of this Determination.
- 16.6 If the complaint contemplated in section 16.2 of this Determination, is submitted to the Bank, the payment service provider must, if required by the Bank, provide evidence that the payment service provider's instructions or guidelines are in accordance with section 31 of the Act.
- 16.7 A payment service provider is liable for any fraudulent payment transaction, whether before or after the user informs the payment service provider of any potential or suspected fraud, except where:
- 16.7.1 the user acts fraudulently; or
 - 16.7.2 the user acted negligently and did not take reasonable steps to keep safe its personalised security credentials.

17. Appointment of Agents to offer Payment Services

- 17.1 A payment service provider that intends to appoint an agent must, at least sixty (60) days prior to conducting the business of the payment service provider through an agency agreement, submit to the Bank:
- 17.1.1 A copy of the standard agency agreement in compliance with section 13 of the Act;
 - 17.1.2 The business license, permit or municipal registration that allows for conducting business and the contact information of the agent;
 - 17.1.3 A description of the services and technology to be used by the agent;
 - 17.1.4 Evidence of measures adopted to control money laundering, terrorist and proliferation financing through agents, including security measures to be adopted at the agent's premises;
 - 17.1.5 A risk assessment report of the provision of payment services through the agents including control measures that will be applied to mitigate the risks;
 - 17.1.6 A statement that the payment service provider has conducted appropriate due diligence and has determined that the proposed agent:
 - (a) is legally permitted to act as an agent;
 - (b) has sufficient financial resources to effectively carry out the duties of an agent;
 - (c) has the technical knowledge to competently offer payment services and comply with all legal requirements;
 - (d) is willing and able to meet all User Due Diligence requirements and comply with the Financial Intelligence Act, 2012 (Act No.13 of 2012), as amended, all other relevant and applicable laws and its accompanying regulations;
 - (e) possesses good moral character; and
 - (f) such other information or evidence as the Bank may request.
- 17.2 A payment service provider is liable to its users for the conduct of its agents, performed within the scope of the agency agreement.

- 17.3 An agency agreement entered into under section 17 of this Determination, shall not exempt a payment service provider from liability.
- 17.4 A payment service provider who uses the services of an agent to perform payment services on its behalf shall:
- 17.4.1 Provide adequate training and support to its agent, including an agent manual containing the policies, rules and operational guidelines needed to ensure safe and efficient provision of payment services to its users;
 - 17.4.2 Maintain effective oversight over the activities of its agents; and
 - 17.4.3 Maintain records of the number, volumes and values of transactions carried out by each agent.

PART VII: ADDITIONAL REGULATORY REQUIREMENTS

18. Request for approval of significant changes to payment services

- 18.1 A payment service provider is required to request approval from the Bank at least thirty (30) days prior to proposed changes on the following aspects:
- 18.1.1 A non-banking financial institution's intention to make any changes to the board of directors.
 - 18.1.2 A payment service provider's intention to modify the terms and conditions of its agreements with users.
 - 18.1.3 A payment service provider's intention to make changes to its fees and charges.
 - 18.1.4 Any other matter that the Bank may deem necessary.

19. Notifications of significant changes to payment services

- 19.1 A payment service provider is required to notify the Bank at least thirty (30) days prior to its intention to make any significant changes to the scope or nature of its business model in terms of the license held by the payment service provider.

20. Interoperability

- 20.1 A payment service provider must use systems capable of becoming interoperable with other payment systems.

21. Surrender of the licensing or authorisation to offer payment services

- 21.1 A payment service provider may surrender the license or authorisation to offer payment services by formally notifying the Bank at least three (3) months in advance of its intention to surrender its license or authorisation to offer payment services and may thereafter voluntarily cease operation.
- 21.2 Where a payment service provider surrenders the license or authorisation to offer payment services in terms of this Determination, the payment service provider must:
- 21.2.1 return the original license or authorisation certificate to the Bank within one (1) week of notifying the Bank;
 - 21.2.2 notify its users at least two (2) months prior to the surrender to allow users to retrieve funds held;
 - 21.2.3 provide the Bank with the entire database in a readable format and other relevant information on the processing of payments to users;
 - 21.2.4 submit a report on the distribution of funds held in the trust account, where applicable; and

21.2.5 ensure that all due diligence processes are followed upon ceasing operation.

22. Suspension of the license or authorisation to offer payment services

22.1 The Bank may, by notice to a licensed or authorised payment service provider, suspend an authorisation or license for such period as the Bank may specify, under the following circumstances:

22.1.1 The payment service provider conducts business in a manner which is detrimental to the stability of the National Payment System;

22.1.2 The payment service provider contravenes any of the provisions of the Act, this Determination and other laws and regulations issued by the Bank or any other authority mandated by statute;

22.1.3 The payment service provider fails to offer payments services for a period of at least twelve (12) consecutive months;

22.1.4 The payment service provider no longer meets or, in the opinion of the Bank, is unlikely to meet any of the requirements of the Act, this Determination and/or any other relevant laws;

22.1.5 The payment service provider fails to inform the Bank, in accordance with section 18.1 as contained in this Determination, of a change in circumstances which the Bank considers to be materially relevant to its compliance with any of the requirements of this Determination (including capital requirements);

22.1.6 The Bank considers that suspension is otherwise desirable in order to protect the interests of users or is in the public interest; and

22.1.7 Any other circumstances that the Bank considers material to warrant suspension.

22.2 The Bank must follow the procedure below when suspending a payment service provider:

22.2.1 Before suspending the license or authorisation to offer payment services, the Bank will notify the payment service provider of the reason for the intended suspension.

22.2.2 A payment service provider may, within thirty (30) business days from the date of receipt of a notice referred in subsection 22.1 in this Determination, make written representations to the Bank.

22.2.3 On receipt of the written representations, the Bank must consider the representations made by the payment service provider, if any, before making a decision.

22.2.4 Once the Bank has made a decision as contemplated in subsection 22.2.3 in this Determination, the Bank must –

(a) in writing, inform the payment service provider of its decision and the reasons for such decision; and

(b) publish the suspension of the license or authorisation to offer payment services in the *Gazette*.

22.2.5 If the payment service provider does not make written representations within thirty (30) business days from the date of receipt of the written notice, the Bank must, by written notice inform the payment service provider of the suspension of the licence or authorisation to offer payment services and publish such suspension in the *Gazette*.

23. Revocation of the license or authorisation to offer payment services

23.1 The Bank may, in accordance with section 10(5) of the Act, by notice to a payment service provider, revoke a license or authorisation, under the following circumstances:

23.1.1 The payment service provider has contravened the provisions of the Act or any other law administered by the Bank or any other statutorily mandated authority;

- 23.1.2 The payment service provider fails to comply with this Determination and remedial measures required by the Bank, following an inspection of the affairs of the payment service provider;
 - 23.1.3 It is determined that a license or authorisation was obtained on the strength of misrepresented, inaccurate or misleading information furnished to the Bank at the time of application;
 - 23.1.4 The scheme is considered not to be conducive to the national interest of Namibia;
 - 23.1.5 The payment service provider ceases to operate for a period of twelve (12) consecutive months or becomes insolvent; and/or
 - 23.1.6 Any other circumstances that the Bank considers material to warrant revocation.
- 23.2 The Bank will follow the procedure below when revoking a license or authorisation of a payment service provider:
- 23.2.1 Before revoking the license or authorisation to offer payment services, the Bank will notify the payment service provider of the reason for the revocation.
 - 23.2.2 A payment service provider may, within thirty (30) business days from the date of receipt of a notice referred in subsection 23.1 in this Determination, make written representations to the Bank.
 - 23.2.3 On receipt of the written representations, the Bank must consider the representations made by the payment service provider, if any, before making a decision.
 - 23.2.4 Once the Bank has made a decision as contemplated in subsection 23.2.3 in this Determination, the Bank must –
 - (a) in writing, inform the payment service provider of its decision and the reasons for such decision; and
 - (b) publish the revocation of the license or authorisation to offer payment services in the *Gazette*.
 - 23.2.5 If the payment service provider does not make written representations within the thirty (30) business days from the date of receipt of the written notice, the Bank must, by written notice inform the payment service provider of the revocation of the license or authorisation to offer payment services and publish such revocation in the *Gazette*.

24. Reporting

- 24.1 Payment service providers are required to submit monthly reports to the Bank using the Payment Service Provider Returns as provided by the Bank.
- 24.2 The statistics for the reporting month must reach the Bank within ten (10) days of the following month. For example, statistics for October must reach the Bank before or on 10 November.
- 24.3 In order to ensure effective oversight of payment service providers, the Bank reserves the right to inspect all records, data and other relevant information, whether in the possession of the payment service provider or its agent, in compliance with section 33 of the Act.

25. Administrative penalties

- 25.1 Any person that contravenes or otherwise fails to comply with this Determination will be subject to administrative penalties or criminal investigation or prosecution as provided under the Act.

26. General

- 26.1 This Determination is not exhaustive and may be supplemented and/or amended from time to time.

27. Repeals

- 27.1 This Determination repeals and replaces the Determination on the Licensing and Authorisation of Payment Service Providers in Namibia (PSD-1) published under General Notice No. 84, in the Government Gazette No. 8308 issued on 15 February 2024.

28. Effective date

- 28.1 This Determination will come into effect on the date of publication in the *Gazette*.

29. Enquiries

- 29.1 All enquiries related to this Determination may be forwarded to:

**THE DIRECTOR
NATIONAL PAYMENT SYSTEM AND FINANCIAL SURVEILLANCE
DEPARTMENT
BANK OF NAMIBIA
P.O. BOX 2882, WINDHOEK
NAMIBIA
Email: assessments.npsd@bon.com.na**

ANNEXURE A
PSF 001
(Section 10.2.2(a))

(Attach Supporting Documents, including but not limited to certified ID and qualifications copies, comprehensive CV, police clearance or certificate of conduct, and tax good standing certificate)

STATEMENT BY BENEFICIAL OWNER, SHAREHOLDER, AND/OR BOARD OF DIRECTOR OR THOSE WITH EFFECTIVE CONTROL OF THE COMPANY

(Confidential and not available for inspection by the public)

1. Name of institution in connection with which this questionnaire is being completed ("the institution"):

2. Your surname:

3. Your full forename(s):

4. Former surname(s) and or forename(s) by which you may have been known:

5. Addresses (Residential and Postal):

6. Any previous residential address(es) during the past 10 years:

7. Date and place of your birth (including town or city):

8. Please state in which capacity you are completing this questionnaire, that is, as a current or prospective director, a shareholder or combination of these:

9. Please state your full title and describe the particular duties and responsibilities attached to the positions(s) that you hold or will hold:

10. If you complete this form in the capacity of director, indicate whether, in your position as director, you have or will have executive responsibility for management of the entity's business. In addition, please provide a copy of your curriculum vitae:

11. Your nationality or nationalities and how it was acquired (birth, naturalization or marriage). If applicable, certified copy/suitable documentary evidence as proof that you were granted Namibian citizenship must also be attached.

12. Your nationality and how it was acquired (birth, naturalization or marriage):

13. Name(s) and address(es) of your bankers during the past 10 years:

14. Your occupation and employment now and during the past 10 years, including the name of your employer in each case, the nature of the business, the position held and relevant employment dates:

(Please include current occupation as well)

POSITION HELD	EMPLOYER NAME	NATURE OF BUSINESS	PERIOD OF EMPLOYMENT

15. Of which body corporate are you currently a director or a shareholder and since when:

16. Of other legal persons were you a director or a shareholder over the past 10 years (those not mentioned above):

17. Do you hold directly or indirectly issued capital of any entity (other than the entity) that is now licensed, or that has applied for authorisation, to offer payment services. If so, give particulars:

18. Do you hold or have you ever held or applied for a license or equivalent authorization to conduct any business activity in Namibia or elsewhere? If so, give particulars. If any such application was refused or withdrawn after it was made, or if any authorisation was revoked, give particulars:

19. Does any institution with which you are, or have been, associated as a director or shareholder hold, or has it ever held or applied for a license or equivalent authorization to conduct any business activity? If so, give particulars. If any such application was refused, or was withdrawn after it was made or if an authorisation was cancelled, give particulars thereof:

20. Have you been convicted or found guilty of a criminal offence under any legislation, including foreign legislation (where applicable i.e. due to residency in a foreign jurisdiction), kindly provide the necessary proof. Such proof can consist of police clearance(s) or certificate(s) of conduct provided by local authorities of the jurisdiction you are currently a resident and the jurisdiction(s) you have previously been a resident.
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21. Have you, in Namibia or anywhere else, been censured, disciplined, warned as to future conduct, or made the subject of a court order at the instigation of any regulatory authority or any professional body to which you belonged or have you ever held a practicing certificate subject to conditions? If so, give particulars:
-
-
22. Have you, or any legal person with which you are, or have been, associated as a director or shareholder or beneficial owner, been the subject of an investigation, in Namibia or elsewhere, by or at the instigation of a government department or agency, professional association or other regulatory body? If so, give particulars:
-
-
23. Have you, in Namibia or elsewhere, been dismissed from any office or employment, or been subject to disciplinary proceedings by your employer or been barred from entry to any profession or occupation? If so, give particulars:
-
-
24. Have you failed to satisfy any debt adjudged due and payable by you, as a judgment debtor under an order of a court in Namibia or elsewhere, or made any compromise arrangement with your creditors within the past 10 years? If so, give particulars:
-
-
25. Have you ever been declared insolvent (either provisionally or finally) by a court in Namibia or elsewhere, or has a bankruptcy petition ever been served on you? If so, please give particulars:
-
-
26. Have you, in connection with the information or management of anybody corporate, partnership or unincorporated institution, been adjudged by a court in Namibia or elsewhere civilly liable for any fraud, misfeasance or other misconduct by you towards such a body corporate, partnership or unincorporated institution or towards any members thereof? If so, give particulars:
-
-
27. Have any legal person with which you were associated as a director or shareholder or beneficial owner, in Namibia or elsewhere, been wound up, made subject to an administration order, otherwise made any compromise or arrangement with its creditors or ceased trading either while you were associated therewith or within one year after you ceased to be associated therewith, or has anything analogous to any of these events occurred under the laws of any other jurisdiction? If so, give particulars:
-
-

28. Have you been concerned with the management or conduct of the affairs of any institution that, by reason of any matter relating to a time when you were so concerned, has been censured, warned as to future conduct, discipline or made the subject of a court order at the instigation of any regulatory authority in Namibia or elsewhere? If so, give particulars:
-
-
29. In carrying out your duties will you be acting on the directions or instructions of any other individual or institution? If so, give particulars:
-
-
30. Do you or does any related party whom you are aware of, undertake business with this entity? If so, give particulars:
-
-
31. How many shares in the entity are registered in your name or that of a related party? If applicable, give name(s) in which such shares are registered and the class of shares:
-
-
32. In how many shares in the entity (not being registered in your name or that of a related party) are related parties beneficially interested?
-
-
33. Are you currently, or do you, other than in a professional capacity, expect to be, engaged in any litigation in Namibia or elsewhere? If so, give particulars:
-
-
34. Do you, at all times, while acting in your capacity as director, shareholder, or beneficial owner of the entity, undertake to:
- a. Act in good faith towards the entity and the Regulatory Authority. (YES / NO)
 - b. Avoid conflict between your other interests and the interests of the entity and the Regulatory Authority. (YES / NO)
 - c. Place the interest of the entity and the Regulatory above all other interests. (YES / NO)
35. Are you a prominent influential person (PIP) as defined in the Financial Intelligence Act or family member or close associate of such person? Examples of PIPs are: - member of National Assembly or the National Council of Namibia or any other equivalent state organs in other jurisdictions; - (prime) minister; - executive director in a ministry; - senior judicial or military official; - senior executive of state-owned corporations, et cetera. (YES / NO)
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PSF 002-1
(Section 10.2.2(b))

**ATTESTATION BY BENEFICIAL OWNER, SHAREHOLDER, AND/OR BOARD OF
DIRECTOR OR THOSE WITH EFFECTIVE CONTROL OF THE COMPANY OF
FINANCIAL SOUNDNESS**

Date: _____

ATTESTATION OF FINANCIAL SOUNDNESS

I, [Beneficial Owner/Shareholder/Director's Full Name], in my personal capacity, hereby attest to my financial soundness. As a responsible individual, I understand the importance of maintaining personal financial stability.

I affirm that my personal finances are well-managed and in a healthy state. I have diligently managed my assets, liabilities, and investments, ensuring prudent financial planning and management. Additionally, I have taken appropriate measures to mitigate financial risks and ensure the preservation and growth of my personal wealth.

Furthermore, I confirm that I am in compliance with all relevant financial obligations and commitments. I have met my financial responsibilities promptly and have adhered to all applicable laws and regulations governing personal finance.

In conclusion, I attest that my personal financial situation is stable and secure, reflecting my commitment to financial responsibility and integrity.

Sincerely,

Name: _____

Signature: _____

PSF 002-2
(Section 10.2.2(c))

TO ASCERTAIN THE FINANCIAL SOUNDNESS OF THE APPLICANT, THE BANK REQUIRES THE SUBMISSION OF THE FOLLOWING DOCUMENTATION:

- 1. Good Standing Certificate from the Namibia Revenue Agency (or the equivalent of a foreign jurisdiction)**
- 2. Credit report**
- 3. Attestation letters by commercial banks for the beneficial owner, shareholder, and board of director or those with effective control of the company (at least one letter).**

(The letter from the commercial bank must include but not limited to the information contained below).

(Example of bank attestation letter)

Date:

TO WHOM IT MAY CONCERN

Subject: Letter of attestation from (name of commercial Bank) for (name of account holder)

(Bank's attestation that the account holder is financially sound, conduct of the client and commencement of the bank account by the client, and credit record).

Name of the bank manager: _____

Signatures of bank manager: _____

Bank Stamp:

DECLARATION
(Section 10.2.2(d))

I,, hereby declare the following:

This statement consists of..... pages, each signed by me. The content of this declaration is true to the best of my knowledge and belief. I am aware that should it be submitted as evidence and I know something appears therein that I know to be false or believe not to be true, I may be liable to prosecution.

I undertake that, as long as I continue to be a director or executive officer or beneficial owner of the institution, I will notify the Bank of Namibia of any material changes to, or affecting the completeness or accuracy of, the information supplied by me on forms PSF 002 and PSF 001 as soon as possible, but in no event later than 21 days from the day that the changes come to my attention or from the day that I reasonably should have been aware of the changes.

I also authorize the Bank to request and receive any information necessary, from any source the Bank deem appropriate, in Namibia and abroad, to verify the accuracy of information contained in these statements.

I know and understand the content of this declaration. I have*/do not have* objections to taking the prescribed oath. I consider the prescribed oath to be binding*/not binding* on my conscience.

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..... SIGNATURE OF DEPONENT

..... ADDRESS OF DEPONENT

..... NAME OF DEPONENT

..... POSITION OF DEPONENT

I certify that the above statement was taken by me and that the deponent has acknowledged that he*/she* knows and understands the content of this statement. This statement was sworn to*/affirmed* before me and the deponent's signature was placed hereon in my presence at on.....

COMMISSIONER OF OATHS

FULL NAMES

EX OFFICIO

AREA

ADDRESS

**Delete whichever is not applicable*
