

NATIONAL ASSEMBLY

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NOTICE OF MOTION

BY

Hon. Nico Smit

(Signature:.....)

I hereby give notice that on 15th September 2021, I shall move:

The Namibian economy is in severe distress. Among many indicators, it is best reflected in the inability or unwillingness of the private sector to borrow as shown by the dismal Private Sector Credit Extension statistics provided by commercial banks. This is due to a toxic combination of a lack of business confidence and strict banking regulations on capital adequacy and distressed loans.

Furthermore, after 18 months of operating at a loss, a very large number of businesses have reached the end of their available reserves, or their access to bridging credit.

The Bank of Namibia, on 26 March 2020 announced measures to improve liquidity in an attempt to boost the economy. These included the following:

A moratorium on loan repayments, liquidity relief measures, a capital conservation buffer rate reduced to 0 for 24 months and the postponement of the implementation date of the 25% Single Borrower Limit. However, there is more that can be done by the Central Bank.

The Bank of Namibia has the statutory power to allow commercial banks access to liquidity that would not be available under normal