



REPUBLIC OF NAMIBIA

Answers on Question posted

by

Hon Elma Dieda on (2015-09-22)

Responded

by

Honourable Natangue Ithete

Deputy Minister of Finance

01 October 2015

Question 47: (2015-09-22)

Ms. Dienda (DTA) asked the Minister of Finance:

1. Does the Ministry of Finance grant any Financial or other form of support to the Namibian Financial Sector Charter Council?
2. Does the Ministry of Finance has any oversight authority over the Namibia Financial Sector Charter if so, where the Charters has failed to deliver on undertakings given by the nation, what steps does the Ministry intend to take in this regard?

Honourable Speaker

Honourable Members

I noted the questions posed to the Minister of Finance ^{ON} with respect to the Namibian Financial Sector Charter by Hon Elma Dienda

First, the Namibian Financial Sector Charter is an industry voluntary Charter with a goal to guide the transformation of the Namibian financial sector within the framework of Vision 2030 and the National Development Plans.

This could be achieved through, amongst others, the broad-based transformation of the financial sector and Namibianisation of enterprises in the financial sector. That is the reason why the Charter is made part of the Namibia Financial Sector Strategy (NFSS) approved by Cabinet and launched in August 2012 by the then Minister of Finance.

The said voluntary Financial Sector Charter made other specific commitments including financial institutions committed to invest 0.2 percent after tax operating profits in consumer education.

Secondly, the Namibian Financial Sector Charter Council is reporting to the Minister of Finance by submitting progress reports based on their developed implementation scorecard. Report has been submitted to our Minister of Finance for that purpose.

As for the specific question about grant or other form of support the Ministry provide to the Namibian Financial Sector Charter Council, the Namibian Financial Sector Charter Council is an independent industry body composed of and sustained by the signatory financial sector industry members and thus no financial commitment made by the Ministry towards the Council.

The Ministry do support the Council activities and can consider any form of support based on clear evaluated proposal from the Council.

Thirdly, whether the Ministry of Finance has any oversight authority over the Namibia Financial Sector Charter, the Namibia Financial Sector Charter is a voluntary charter.

However, the Ministry of Finance is the custodian of the Namibia Financial Sector Strategy (of which the Namibia Financial Sector Charter is part of) and the Financial Sector Strategy places an obligation on the Ministry through the respective Regulators to monitor the implementation of the provisions under various initiatives.

As to what steps the Ministry intend to take where the Charter has failed to deliver on undertakings given, while this is a voluntary charter by industry, the Ministry, through moral suasion continue to put pressure for the industry to meet agreed set targets.

Lastly, it is important to note that in terms of the Governance structure of the Namibia Financial Sector Strategy, there is a Council chaired by the Prime Minister that consider, guide and direct the implementation of the Namibia Financial Sector Strategy with an Advisory Body consist of industry players advising the Council. The Ministry of Finance is the leading Ministry in this regard supported by the Secretariat (Bank of Namibia and NAMFISA).

I thank you for your attention