



Policy title:	Stakeholder Identification and Engagement Procedure
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1. PURPOSE

As an organisation responsive to the needs of its stakeholders, the Bank places high value on stakeholder relations through proactive and regular stakeholder engagement/management as an integral part of promoting and maintaining a positive image and reputation of the Bank. As a result, stakeholder engagement is one of the high-level strategic focus areas of the Bank of Namibia Strategic Plan (2022-2024). Promoting a positive image through ensuring sound stakeholder relations, delivering excellent service to all customers, promoting good corporate citizenship, and enhancing a good corporate image is key to the Bank. Therefore, effective stakeholder management requires for the Bank to strategically manage its relationships with various internal and external stakeholder groups. This procedure updates the identified stakeholders, prescribe a procedure to prioritise the Bank's key stakeholder groups and outlines how the various stakeholders need to be engaged through a stakeholder engagement plan. These procedures are part of the implementation tool of the Bank's Corporate Communication Policy & Procedures.

2. OBJECTIVES

The overall objective is to develop an awareness of the multiple and diverse stakeholders of the Bank, understand their involvement and interest in the functions and operations of the Bank. This procedure therefore identifies and assesses all current stakeholders, prioritise them and suggest an engagement plan to be executed to:

- 2.1 Strengthen relationships with stakeholders identified as per the stakeholder groups; and
- 2.2 Improve the Bank's communication efforts with all stakeholder groups.

3. SCOPE

This framework applies to all employees of the Bank in identifying, assessing, and engaging with internal or external stakeholders of the Bank in line with the Bank's Corporate Communication Policy & Procedures and the Emergency Communications Plan.

4. DEFINITIONS

The following key terms and concepts are used in this document with the following definitions:

BoN or The Bank:	The Bank of Namibia
Stakeholder:	As defined in the Communication Policy
Stakeholder Identification:	The process of identifying and classifying stakeholders according to some attributes such as.
Power:	Attribute which implies the degree to which stakeholder claims call for immediate attention from BoN

Legitimacy:	Attribute that is based on contract, exchange, legal right, moral right, at risk status or moral interest in terms of the harms and benefits generated by the Bank.
Urgency:	This refers to the influence and impact of a stakeholder/group on the Bank's reputation. The greater the impact of the stakeholder on the Bank, will inform the Bank's urgency and appropriateness in its response strategy and timeframe of taking action.
Issue:	An internal or external condition or pressure (a point of conflict or unsettled matter) that will have a significant effect on the functioning of the Bank now or in future.
Issues Management:	The proactive process of identifying key issues (public, social and strategic issues) confronting or affecting the operations of the Bank and the management of organisational responses to these issues.
Stakeholder Engagement:	The process when the Bank initiates open, two-way dialogues with stakeholders seeking an understanding, educating, and creating public awareness on stakeholder issues or on issues of mutual concern through engagement.

5. STAKEHOLDER IDENTIFICATION AND ANALYSIS

5.1 Stakeholder Identification

On a regular basis, the Bank's stakeholder groups are reviewed based on Bank wide consultations.

Table 1: The Bank's stakeholder groups

Ranking	Stakeholders	Nature of alliance
1.	Staff, former Staff, Management and Board members	Productivity, governance and enabling environment
2.	Government	Operational independence and advice
3.	Banking Institutions / Credit Bureaus / any other financial institution under the supervision of the Bank	Compliance and cooperation
4.	Media / Trade Union	Fair coverage/ cooperation
5.	Business community	Value the role of the Bank
6.	Public	Service and value
7.	Regional institutions / stakeholders	Capacity and networking
8.	International financial institutions	Technical Assistance & depository agency services
9.	Research and educational bodies	Cooperation

10.	Financial regulatory bodies (central banks, non-banking supervisors etc)	Cooperation / Information sharing and exchange / Technical Assistance
11.	Higher Learning Institutions	Cooperation, Capacity
12.	Suppliers	Compliance and service delivery

5.2 Stakeholder identification and classification

The Bank's stakeholders have been identified and classified based on the *power grid*.

5.3 The Power Grid

The position that BoN allocates to a stakeholder on the grid will indicate the actions needed to take on engagements with each stakeholder:



Figure 1: Power Grid

High power, highly interested people (Manage Closely)

- Fully engage these stakeholders and ensure consultation and efforts to satisfy them

High power, less interested people (Keep Satisfied):

- Engage enough with these stakeholders to keep them satisfied, but not too much so that they are not overloaded with information/consultation.

Low power, highly interested people (Keep informed):

- Adequately inform these stakeholders and engage with them to ensure no major issues would arise.

Low power, less interested people (Monitor):

- Monitor these stakeholders but do not overload them with excessive communication or consultations.

Table 2: Types of Bank’s stakeholders as per the Power Grid

Types of Stakeholders	Identified Stakeholder Groups
<p>High Power, High Interest <i>(Manage closely)</i></p>	<p>BoN employees & Board members, Ministry of Finance, Presidency, Banking Institutions, Credit bureaus, Non-bank regulators, Non-banking institutions, Parliament, Economic Cluster – Ministries, Offices & Agencies, Ministry of Justice & Attorney General, Namibia Statistics Agency, Financial market custodian institutions, Correspondent banks, Users of the National Payment System, Banking operational/supporting organisations, Suppliers, Money and capital market organisations, Financial/economic analysts, Private sector/business community, Industry associations (e.g. BAN, PAN), Payment system service providers, Authorised dealers, Financial market clients, Accountable institutions, Law enforcement agencies, Regional and International central banks, SACU, CMA, IMF & World Bank & International financial institutions, EGMONT Group of Financial Institutions, State-owned enterprises – Economic cluster Media</p>
<p>High Power, Less Interest <i>(Keep satisfied)</i></p>	<p>Trade Unions, Customers of banking institutions, Community and Opinion Leaders, Political Leaders, Activist groups, Office of Judiciary</p>

<p>Low Power, High Interest <i>(Monitor Closely)</i></p>	<p>Communities, Previously disadvantaged, Women, Youth groups, Learners and Students, Teachers and Lecturers, Elderly, Disabled persons, Community residents, Community Organisations (NGOs and CBOs), Other Professional Societies, Former employees, Regional Councils & local authorities</p>
<p>Low power, Less Interested (Monitor)</p>	<p>Potential Stakeholders</p>

5.4. Stakeholder Map

Mapping stakeholders is a strategic business tool which is used to identify and assess the effect of an individual or group of stakeholders on a company. Using this tool, a graphical representation of the Bank’s stakeholder groups has been crafted and should be used to update the Bank’s stakeholders’ groups regularly.

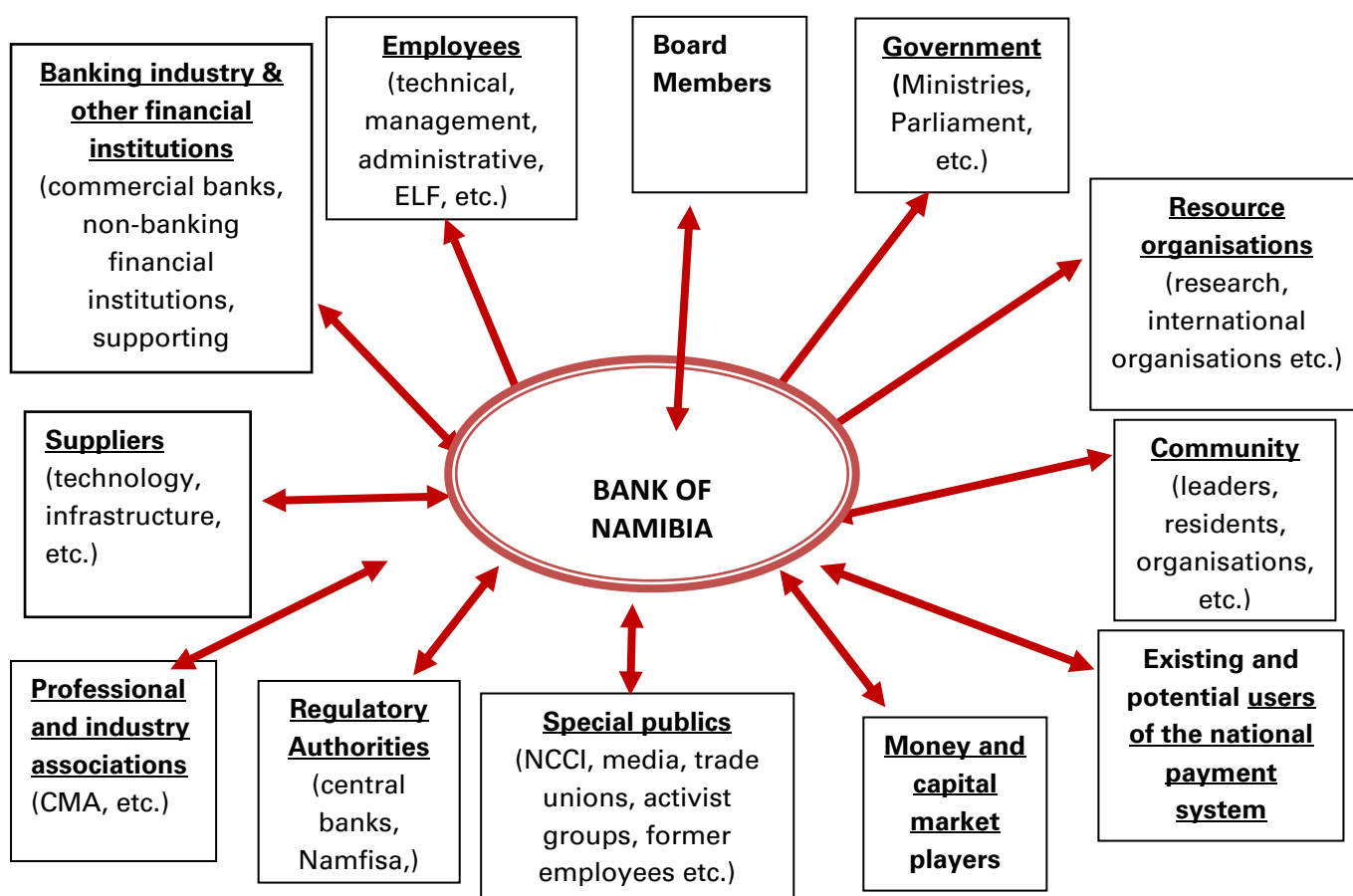


Figure 1: Bank’s stakeholder map

6. PRIORITISING STAKEHOLDERS

Based on clear stakeholder analysis, the Bank's stakeholder groups have been prioritised. Using the Power Grid and the presence of the mentioned attributes, these procedures were applied to identify and analyse the Bank's key stakeholder groups. A comprehensive stakeholders list with profile information of the key identified stakeholders shall then be used to engage them on a regular basis.

7. STAKEHOLDER ENGAGEMENT AND ISSUES MANAGEMENT

7.1 Stakeholder Engagement

Stakeholder engagement needs careful planning because it involves time, resources, and commitment. Stakeholder engagement process takes different forms and shapes. If not well planned and executed, the process can however produce cynicism and distrust among stakeholders which can damage the Bank's efforts. Stakeholder engagement process seeks to create an awareness or common understanding among stakeholders on issues such as:

- When there is a major issue confronting the Bank and the economy
- When the Bank is seeking stakeholder buy-in through advocacy and persuasion
- When the Bank needs to create more options for a planned action
- When all the decisions related to an issue have not yet been made and stakeholder input are required
- When there is a concern about the impact of the Bank's strategy or action
- When there is sufficient evidence that there is concern or overlap between the Bank and those of the stakeholders
- When all stakeholders need to be aware of certain changes made by the Bank which is affecting them

It is therefore imperative that the Bank adopt a procedure/framework that entails a set of practical Bank wide guidelines on how to plan for and manage an effective stakeholder engagement plan. Below are the guides and tools to be used in executing stakeholder engagement process effectively:

Table 3: Stakeholder engagement guideline

Steps	Guide	Tools
1. Prepare Identify and understand the issue to be explored through engagement with stakeholders	<ul style="list-style-type: none">• What are the Bank's most important issues of concerns which require stakeholder engagement?• What kind of stakeholder groups need to be considered for engagement?	<ul style="list-style-type: none">• Identify and prioritise issues• Identify stakeholder categories based on relevant attributes
2. Plan Set clear objectives of the engagement	<ul style="list-style-type: none">• What is considered as adequate objectives for engagement?• Keep the engagement within bounds	<ul style="list-style-type: none">• Specify engagement objectives, scope, and accountability• Identify scope of the engagement

Identify and prioritise stakeholders with whom to engage	<ul style="list-style-type: none"> • Who should be accountable for engagement? • What is the best mode of engagement given the objective? • How is success of such engagement measured? 	<ul style="list-style-type: none"> • Select the right stakeholders • Determine engagement mode and logistics. • Establish evaluation criteria
<p>3. <u>Design</u></p> <p>Develop engagement plan, including agenda and logistics to meet engagement objectives.</p>	<ul style="list-style-type: none"> • Determine the best way of conducting the engagement • What logistics and rules must be in place? 	<ul style="list-style-type: none"> • Design the engagement format (set the agenda or programme) • Identify technique and need for facilitation or moderation • Coordinate resources such as involved staff.
<p>4. <u>Engage</u></p> <p>Successfully meet objectives through execution of engagement plan with stakeholders.</p>	<ul style="list-style-type: none"> • Provide the right context for the engagement • Determine what will be next step after the engagement 	<ul style="list-style-type: none"> • Provide stakeholder with relevant background information • Follow up on matters agreed to during engagement
<p>5. <u>Evaluate</u></p> <p>Assess outcomes of engagement against the specific objective of the engagement.</p>	<ul style="list-style-type: none"> • Is there a need for further engagement sessions? • Was the engagement successful? 	<ul style="list-style-type: none"> • Evaluate the engagement formally or informally • Note suggestions made by stakeholders on future engagement
<p>6. <u>Apply</u></p> <p>Share learning and integrate engagement outcomes appropriately.</p>	<ul style="list-style-type: none"> • Ensure that the results of the engagement reach the right offices • Share with relevant stakeholders the outcomes and findings of the engagement 	<ul style="list-style-type: none"> • Assess applications and share internally. • Plan and redesign the process if need be

7.2 Issue Management

Issue management is the process of identifying issues affecting the operations of the Bank. When such issues are detected, they are resolved as a matter of urgency before becoming a crisis. There are three categories of issues that can be identified and be considered by the Bank. These are **current issues, emerging issues, and social issues**:

Current issues: These are issues that are currently debated and talked about in the public sphere including in government, business or within political parties and are covered/discussed in both traditional social media.

Emerging issues: These are issues that are likely to be important in two to five years and will become the subject of legislation or which the government position or legislation has not yet been formulated.

Social trends: These issues entail changing attitudes and human behaviour, including demographic, social and technological trends that may have political or economic effect.

The Bank conducts environmental scanning to identify potential threatening issues and stakeholder assessment. Thereafter a situation analysis and action planning and implementation measures are employed to manage relevant issues that have a direct bearing on the operations of the Bank. At the end of each performance cycle, the Strategic Communications and International Relations reports on the issues detected how such were handled or resolved as a way of mitigating the impact on the reputation of the Bank.

Key elements of the issue management framework entail a clear understanding of the sponsoring stakeholder groups, an issue (a concise statement of the problem that is gaining public attention, creating pressure or conflict), importance and impact on the Bank and recommended actions.

8. ANNUAL ENGAGEMENT PLAN

To manage stakeholder relations effectively a detailed engagement plan for the Bank's prioritised stakeholders should be devised annually by the SCIR Department in consultation with management and approved by the Governor. The engagement plan should be compiled at the beginning of every year and adjusted accordingly if need be. The current engagement plan is presented in Annexure 1.

9. REFERENCE

A reference policy for these procedures is the Corporate Communications Policy & Procedures as well as the Emergency Communications Plan as part of the Bank's Crisis Management Plan.

10. APPROVAL

The Stakeholder Identification and Engagement framework of the Bank of Namibia is hereby approved.



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GOVERNOR

28 June 2022

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DATE

ANNEXURE 1: Annual Stakeholder Engagement Plan

