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FOR IMMEDIATE RELEASE

BANK OF NAMIBIA REITERATES ITS POSITION ON CRYPTO CURRENCIES

1. The Bank of Namibia has taken note of the rising interest in cryptocurrencies as witnessed of late in public engagements on the matter. The heightened interest has also been evident in the increasing number of media enquiries which the Bank has received in this regard.
2. In order to provide clarity on the Bank's position, the Bank wishes to reiterate that it does not recognise cryptocurrencies as legal tender in Namibia. As such, cryptocurrencies are therefore not considered as an authorised foreign currency and thus the Namibia Dollar is not exchangeable for it.
3. The market prices of cryptocurrencies are highly volatile, fluctuate significantly on a daily basis and are unstable with no underlying substantive value. Cryptocurrencies therefore do not meet the minimum standards of any credible currency.
4. In addition, because of the unregulated nature of cryptocurrencies, individuals that engage in such trading would be doing so at their own risk, and as a result, expose themselves to financial losses due to the lack of regulatory protection.
5. Equally, the Bank continues to be concerned with potential abuses, including money laundering and associated risks which have been highlighted as major threats associated with cryptocurrencies internationally.
6. The Bank continues to monitor the developments around cryptocurrencies and its impact on the functions of the Bank.



7. Finally, the Bank will continue to educate the public on its position and particularly on the risks associated with cryptocurrencies and therefore calls on the Namibian public to be cautious when presented with information on cryptocurrencies.
8. The position paper is available at <https://www.bon.com.na/Bank/Payments-and-Settlements/Publications/Position-Papers.aspx>

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