

REMARKS BY MR. EBSON UANGUTA, GOVERNOR OF THE BANK OF NAMIBIA, AT THE ENVIRONMENTAL STEWARDSHIP AND GENDER MAINSTREAMING FOR STATE RESILIENCE TO SHOCKS AND DISASTERS WORKSHOP: 26 & 27 JANUARY 2026, COUNTRY CLUB AND RESORT, WINDHOEK

Right Hon. Dr Tjitunga Ngurare, Prime Minister of the Republic of Namibia,

Hon. Indileni Daniel, Minister of Environment, Forestry and Tourism,

Hon. Dr Esperance Luvindao, Minister of Health and Social Services,

Hon. Dr. Emma Kantema, Minister of Gender Equality and Child Welfare,

Hon. Dr. Tobie Aupindi, Chairperson of the Parliamentary committee on natural resources,

Esteemed stakeholders

Good morning,

1. **It is both an honour and a privilege for me to speak at this very distinguished platform on behalf of the Bank of Namibia.** More so because I am only a month into my new role as Governor of the Central Bank. Let me first express my profound appreciation to the Ministry of Environment, Forestry, and Tourism for convening this important platform to discuss important issues of environment and gender streaming for state resilience to shocks, which are all at the centre of the national development agenda or a prerequisite for sustainable economic development.
2. This theme, ***Environmental Stewardship and Gender Mainstreaming for State Resilience to Shocks and Disasters***, is both necessary for national development and timely in line with the recently launched NDP6. Namibia, like any other country around the globe, faces various environmental and climate-related challenges.
3. **It is now conventional wisdom that we are living through unprecedented times. Times of great challenges and immense opportunities.** The world order, as we knew it, has completely shifted, and this requires that our mindset and the way we do things must shift as well, if we are to succeed in this complex world characterised by great uncertainty. The pace of change and the frequent waves of challenges experienced

since the beginning of the 21st century require that we revisit our disaster management and recovery plans and reshape them to meet the demands of the new era.

Ladies and gentlemen,

4. **The financial sector has not been spared from this wind of change and disruptive emerging risks.** The emergence of innovative technology through Artificial Intelligence and machine learning has significantly disrupted the way we interact within the financial system. New entrants are coming in all forms and shapes and providing complex services at the speed of light. We have seen this in the payment system revolution, where consumers can now transact from anywhere in the world, from the greatest of cities to the smallest of villages in rural areas. We have seen this through e-commerce, where companies can provide services through a click of a button to unfamiliar customers a world away. All these have intensified competition among businesses and nations and redefined the rules of global trade. The question is no longer whether we brace ourselves for this magnificent change, but how we embrace this change and make it part of our business model.
5. **It is well understood that the stability of any financial system is a prerequisite for economic growth and prosperity.** The financial sector plays a significant role through financial intermediation, by channelling mobilised savings in support of economic activities. The basic measure of a stable financial system is one in which financial institutions and markets facilitate the smooth flow of funds between savers and investors, which in the end helps to generate wealth and promote economic growth. As a Central Bank, we spare no effort in ensuring that our financial system remains sound and stable. The Bank of Namibia Act, 2020 (No. 1 of 2020), expanded the Bank's responsibility to include macroprudential oversight of the entire financial system. This is a mandate we take with the seriousness it deserves, mindful that the cost of inaction and negligence can have far-reaching consequences for our economy.
6. **Namibia is characterised by increasingly frequent and interconnected economic shocks.** These range from climate-related disasters such as flooding, wildfires, and heatwaves, which all can affect our beautiful environment and productivity in key sectors such as agriculture, fishing, and finance, which are climate-sensitive sectors. These climate shocks often interact with existing structural challenges in Namibia, such

as high unemployment, increasing their impact on the real economy. These further exacerbate the already fragile economy, which is affected by geopolitical tensions, global economic uncertainty, and financial conditions. Thus, addressing these challenges requires not only strong sectoral policies at a ministerial level but a coordinated effort from all sectors and stakeholders of the economy, including the Bank of Namibia.

7. **As a key stakeholder, the Bank is mandated to promote both price and financial stability, which is critical for macroeconomic stability.** Macroeconomic stability creates a safe and trusted environment that supports households, businesses, and government. To achieve stability, the Bank, just like many other authorities, has recognised climate change as a risk with the potential to undermine macroeconomic stability, financial sector resilience, and sustainable economic development. As such, it is particularly important that as a country we craft policies and strategies that move beyond mitigation, to strategies that strengthen adaptation to climate-related shocks.

Ladies and gentlemen,

8. **While Namibia's legal and regulatory framework provides for equal access to financial services, the impacts of environmental and economic shocks are not experienced uniformly across society.** In practice, women, particularly in rural areas, in agriculture, informal enterprises, and female-headed households, often face greater vulnerability due to structural factors such as income inequality, asset ownership patterns, and exposure to climate-sensitive livelihoods. Gender mainstreaming, therefore, is not about addressing legal exclusion, but about responding to these structural realities to strengthen economic resilience. A financial system that promotes inclusive access to finance and climate-resilient financial solutions enhances household stability, supports faster recovery from shocks, and reinforces macroeconomic and financial stability.

Ladies and gentlemen

9. **The Central Bank has in recent years, taken bold steps in strengthening its risk assessment and macroprudential surveillance frameworks.** Through its Financial System Stability Committee, the Bank continues to ensure that financial institutions are

stable and has further strengthened its financial sector surveillance to support macro-financial stability. These actions include the expansion of the macroprudential toolkit, enhancement of climate-related research and capacity building, as well as smart regulations that are tailored to various risks. For example, the issuance of BID-39 (agricultural relief measures) in 2025 responded to extreme drought conditions, which affected the agricultural sector.

- 10. Furthermore, the Bank established a sustainability framework, which promotes resilience financing in support of the green and blue economy.** The framework encourages the integration of environmental, social, and governance considerations into financial investment decisions, while also fostering innovation in sustainable and inclusive financing approaches.
- 11. Moreover, in 2025, the Bank spearheaded the undertaking of Namibia's financial sector Crisis Simulation Exercise (CSE) to assess the readiness and effectiveness of the crisis management tools and techniques in handling a financial crisis.** Four financial safety net players, namely: the Ministry of Finance, Bank of Namibia, NAMFISA and the Namibia Deposit Guarantee Authority, took part in the exercise. A report with clear recommendations and timelines has been developed to ensure effective crisis management and cooperation among the Authorities.
- 12. Building on this foundation, the Bank is at an advanced stage of developing a national Sustainable Finance Strategy, with a strong emphasis on inclusive green finance as a practical means of strengthening resilience to environmental and economic shocks.** In line with the Namibia Financial Sector Transformation Strategy's vision of a resilient, inclusive, and sustainable financial system, the Strategy has been extensively workshopped with key industry stakeholders, including banking and non-banking financial institutions, to ensure practicality, shared ownership, and alignment with the realities of the Namibian financial sector. The process is now approaching its final validation phase, after which the Strategy will be prepared for submission to Cabinet, beginning with its tabling through the established governance structures. This includes the Financial Sector Council, which oversees the implementation of the Financial Sector Transformation Strategy and serves as a key platform for aligning financial sector priorities with national policy objectives, including NDP6. The Council

is chaired by the Minister of Finance and includes the Ministry of Environment, Forestry, and Tourism among its membership. This process reflects the Bank's commitment to ensuring that sustainable finance policy is both nationally aligned and practically implementable.

13. **As part of the development of the Sustainable Finance Strategy, the Bank undertook a benchmarking visit to Mongolia, a country that has made notable progress in mainstreaming gender within its sustainable finance framework.** Mongolia's experience illustrates how clear, policy-led approaches can translate into concrete financial instruments, including the issuance of gender bonds targeted at women-led small and medium enterprises, alongside the formal recognition and support of savings and credit cooperatives as important financial institutions within the financial sector's regulatory ambit, particularly those that prioritise women-led enterprises. These lessons are informing Namibia's approach and reinforcing the Bank's role in setting policy direction while enabling financial institutions to expand their contribution to climate resilience, gender inclusion, and sustainable development.
14. **As I conclude my remarks, I am reminded of what Peter Drucker once said: “*The greatest danger in times of turbulence is not the turbulence — it is to act with yesterday's logic.*”** Meeting the demand of the present and the future will require a paradigm shift. What we have come to learn over the past decade or so is that innovative technology has also come with unintended consequences of excessive risks, particularly within the financial system. Allow me to re-emphasise that building resilience to environmental-related and economic shocks requires engagement and collaboration with various stakeholders, and today's workshop is a good example of such collaboration. I commend the Ministry of Environment, Forestry, and Tourism for such platforms that promote discourse on environmental, climate and resilience financing issues. I urge all of us to commit ourselves to moving this discourse into action and make a meaningful impact for our country and our fellow citizens.

I Thank you.