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## **Namibia Interbank Settlement System (NISS) and Namclear declared systematically important to the National Payment System**

**Windhoek** - Earlier this year, the Bank of Namibia undertook to designate the Namibia Interbank Settlement System (NISS) and Namclear as systematically important Financial Market Infrastructures (FMIs), within the National Payment System (NPS).

This is to ensure that the NPS conforms to international standards for payment systems, such as the Principles for Financial Market Infrastructure (PFMIs). NISS and Namclear were labelled as systemic important FMIs because, NISS is the only infrastructure that settles payment transactions finally and permanently within the NPS and Namclear is the only FMI within the NPS that provides interbank clearing services and this duly has an impact on the NPS.

NISS is a Real Time Gross Settlement System operated by the Bank of Namibia, which facilitates the exchange of funds at interbank level and/or between system participants i.e from one bank to another within the country. NISS also settles cleared Electronic Fund Transfers, Card and Cheque transactions from Namclear.

On other hand, Namclear is a private sector owned system through which system participants can exchange data, documents and payment instructions and instructions relating to funds or securities transfers to other system participants.

As it is important and required that a designated systemically important payment system observe and apply the principles for financial market infrastructures and in particular provide relevant information to its participants, relevant authorities and the broader public, the Bank is encouraging all stakeholders to familiarise themselves with the PFMIs which can be found here: [www.bis.org/cpmi/info\\_pfmi.htm](http://www.bis.org/cpmi/info_pfmi.htm)

PFMIs also requires the Bank to publicly announce the designation of any systemically important payment system or market infrastructure and to this effect, a designation notice has been issued and is available at: [www.bon.com.na](http://www.bon.com.na)

### **WHY DESIGNATED AS SYSTEMATICALLY IMPORTANT?**

- **NISS is the only infrastructure that settles payment transactions finally and permanently within the NPS**
- **Namclear is the only FMI within the NPS that provides interbank clearing services and this duly has an impact on the NPS.**



# NISS

Namibia Interbank Settlement System