



FINTECH INNOVATION REGULATORY FRAMEWORK



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1. DEFINITIONS AND ACRONYMS

AML/CTF/CPF	Means “Anti-Money Laundering, Combating the Financing of Terrorism and Proliferation “as defined in the FIA.
FinTech	“Financial Technology” is technology-enabled innovation in financial services that could result in new business models, applications, processes, or products with an associated material effect on financial markets and institutions and the provision of financial services. ¹
FinTech Innovation	A financial innovation in the financial sector that impacts on the Bank’s mandate and role as a regulator of the financial sector.
FIA	Financial Intelligence Act 13 of 2012 and the Financial Intelligence Amendment Act of 2023.

2. PURPOSE

This Regulatory Framework sets out how the Bank of Namibia from herein referred to as “the Bank” will approach Financial Technology (FinTech) innovations that fall outside the scope of its current regulations. The framework aims to embrace Fintech innovations by providing clear guidance on how such innovations will be assessed and supported in regulatory programs.

3. INTRODUCTION

The rapid evolution of Financial Technology (FinTech) is reshaping the financial sector globally. From digital payments and credit lending to cross-border remittances and alternative finance, FinTech continues to challenge traditional models and regulatory frameworks. With lean, agile structures, many FinTech firms can roll out innovative solutions across borders swiftly without needing a physical presence - making them more difficult to regulate under conventional approaches.

While many of these innovations bring greater efficiency, accessibility, and value to consumers, they often operate in a vacuum as existing regulations do not include the necessary provisions. This creates a regulatory gap, leaving regulatory authorities with difficult decisions on whether to restrict such activities, modify existing laws to adapt to the changing landscape, or develop new regulatory pathways that balance innovation with accountability and oversight.

¹ <https://www.fsb.org/work-of-the-fsb/financial-innovation-and-structural-change/fintech/>

In view of both opportunities and risks associated with FinTech, the Bank is taking proactive steps to ensure a more agile, forward-looking regulatory approach. In line with best international practices, the Bank is adopting activity-based and risk-focused tools to better understand and engage with emerging technologies that are within its mandate but outside its current regulatory scope.

To this end, this Regulatory Framework is developed with a view to providing a structured, transparent, and adaptive approach for dealing with FinTech innovations. The aim is to create a conducive environment for testing and learning, while ensuring that financial stability, consumer protection, and market integrity remain safeguarded. This Framework also reflects the Bank's commitment to inclusive innovation—supporting the development of accessible, affordable, and secure financial services for all.

Recognising the interconnectedness of modern financial services and the importance of consistent regulatory outcomes, the framework will adopt a collaborative approach

, with strong emphasis on dialogue and cooperation between domestic and international regulators, and related stakeholder ecosystem players. To implement this vision, the Framework introduces a two-track Regulatory Programme: the *Allow-and-See Programme* and the *Regulatory Sandbox*. These tools provide a phased and risk-based process to evaluate whether an innovation qualifies as FinTech, and if so, how it should be regulated. Together, they reflect the Bank's intent to foster responsible innovation while building regulatory capacity in line with technological change.

4. OBJECTIVES

This section outlines what the Regulatory Framework seeks to achieve and the key assurances the Bank will uphold in its application. Together, these objectives provide a clear foundation for enabling FinTech innovation in a manner that is responsible, inclusive, and aligned with the Bank's mandate to safeguard financial stability and consumer protection.

4.1 High-Level Objectives

This Framework aims to:

- 4.1.1 Foster responsible innovation by supporting and encouraging FinTech solutions, while proactively managing associated risks to consumers and the financial system.
- 4.1.2 Identify and assess whether a proposed solution qualifies as a FinTech innovation and whether it falls within the regulatory remit of the Bank.
- 4.1.3 Offer structured regulatory programmes, such as the Regulatory Sandbox and Allow-and-See Programme that enable eligible FinTech innovations to be tested in a controlled environment, subject to defined safeguards.

- 4.1.4 Enable evidence-based policymaking by using insights from FinTech testing to inform the refinement of existing regulations or the development of new, innovation-responsive frameworks.
- 4.1.5 Strengthen the Bank's capacity to understand emerging technologies by actively engaging with innovators and collaborating with other regulators domestically and internationally.
- 4.1.6 Promote proportional and risk-based regulatory approaches that are flexible and responsive to the size, complexity, and impact of FinTech innovations.
- 4.1.7 Ensure FinTech innovations uphold principles of consumer protection², transparency, and fair treatment throughout their lifecycle, including during the testing phase.

4.2 Operational Objectives

When applying the Framework, the Bank will ensure the following:

- 4.1.8 Safeguard customer funds by ensuring innovations that involve fund collection, transfer, or custody implement sound risk management practices and meet minimum standards for insolvency, liquidity, and credit risk protection.
- 4.1.9 Support the development of innovative solutions under the mandate of the Bank and expand access to financial services through digital channels.
- 4.1.10 Ensure that FinTech innovations comply with the Bank's anti-money laundering, countering the financing of terrorism, and financial integrity obligations.
- 4.1.11 Ensure that FinTech innovations integrating with or relying on the National Payment System do not pose operational risks or disrupt core clearing, settlement, or payment infrastructure. Innovations requiring direct or indirect access will be assessed against system participation criteria.
- 4.1.12 Promote fair competition and mitigate the risk of market concentration or abuse by dominant players in the digital finance space.
- 4.1.13 Support innovations that enhance the affordability, accessibility, and efficiency of domestic and cross-border financial services, particularly for underserved and unbanked populations.
- 4.1.14 Ensure FinTech innovations adhere to data protection, cybersecurity, and digital governance standards appropriate to the risks posed by the innovation.
- 4.1.15 Encourage experimentation that supports broader national goals, including digital transformation, financial inclusion, and sustainable economic development.

² [Consumer Protection Act, 2003](#) (No. 68 of 2003)

5. REGULATORY PROGRAMMES

As part of its commitment to enabling responsible innovation, the Bank offers two regulatory tools under this Framework: The **Allow-and-See Programme** and the **Regulatory Sandbox Programme**. These programmes provide structured pathways for engaging with innovative financial products, services, and business models that may fall outside the scope of existing regulations.

Applicants will be invited to participate in the relevant programme based on the Bank's assessment of their application, ensuring that the most suitable pathway is determined by the nature and risk profile of the innovation.

Both programmes aim to create an enabling environment for innovation while ensuring appropriate safeguards to protect consumers and maintain financial stability. However, they differ in approach and intensity of oversight.

5.1 Allow-and-See Programme

The objective of the *Allow-and-See Programme* is to enable the Bank to engage with innovators and permit the live deployment of a financial innovation with no or minimal regulatory conditions, while continuously observing and monitoring its development and impact in the market.

This programme is intended for solutions that demonstrate a higher level of readiness for market deployment, including:

- A functional and fully developed product;
- Evidence of prior testing or deployment in other jurisdictions; and
- A risk profile that does not raise immediate consumer protection, regulatory, or systemic stability concerns, but fall outside existing regulatory frameworks.

Through this programme, the Bank aims to gain a deeper understanding of the innovation in a real-world environment and may, based on observed outcomes, issue specific regulatory conditions, require modifications or initiate the development of new regulations. While the programme is less intrusive than a full regulatory sandbox, innovations must still undergo an analytical assessment to determine their suitability for the *Allow-and-See Approach*.

5.2 Regulatory Sandbox

The *Regulatory Sandbox Programme* provides a controlled and time-bound environment for FinTech firms and financial institutions to test innovative solutions in the live market under the Bank's supervision.

This tool is intended for innovations that may carry higher risk or broader impact that

- Have significant potential consumer implications, such as handling customer funds, sensitive data, or involving complex products that may not be easily understood;
- Could pose prudential, market conduct, or systemic risks if deployed at scale;
- Operate in areas of regulatory uncertainty where the appropriate treatment is not yet established:
- Introduce novel technologies or business models whose risks are not yet well understood in the domestic market;
- Depend on untested operational processes or third-party infrastructures that could introduce vulnerabilities

Because of these characteristics, the Sandbox requires structured oversight, risk mitigation, and consumer protection measures.

Testing within the sandbox is governed by a formal agreement that sets out the testing scope, duration, performance expectations, safeguards, and reporting requirements. The objective is to better understand the innovation's regulatory implications, evaluate potential benefits and risks, and guide post-testing decisions such as full licensing, further engagement, or exit.

6. ELIGIBILITY CRITERIA

This regulatory framework applies to Fintech innovations that may not yet be accommodated under existing regulatory provisions but hold potential to enhance service delivery, accessibility, or safety of financial services in Namibia.

To be eligible for participation in the Regulatory Sandbox or the Allow-and-See Programme, applicants must meet the following criteria:

6.1 Applicability: This Framework is open to both local and foreign entities, including:

- Start-ups and early-stage innovators,
- Established financial institutions,
- Big Tech firms engaging in financial services, and
- Technology service providers collaborating with licensed financial entities

The innovation must relate to a financial activity or service that falls within the mandate of the Bank of Namibia.

6.2 Innovative use of technology: The proposed solution must demonstrate the use of technology in offering a financial service or product.

6.3 Clear Value Proposition: The innovation must show the potential to:

- Improve accessibility to financial services;

- Enhance financial inclusion, particularly for Namibians that remain excluded from formal financial services, especially in rural areas and among informal sector participants³; or
- Offer identifiable benefits to end-users and/or the broader financial ecosystem (e.g. cost reduction, increased transparency, faster delivery, improved security)

6.4 Regulatory uncertainty: The innovation should operate in an area where either the current regulations do not make provision or the regulatory treatment is ambiguous, evolving, or not clearly addressed by current laws or licensing frameworks.

6.5 Need for live testing: The innovation must require live market testing to validate its functionality, business model, or risk profile—testing that cannot reasonably be achieved through simulation or off-market environments.

6.6 Readiness for Testing: The solution should be sufficiently developed to be tested in a controlled environment.

6.7 Risk Management and Safeguards: Applicants must demonstrate the ability to manage potential risks associated with innovation, including risks to consumers, operational resilience, data privacy, and financial integrity.

6.8 Local Relevance and Accountability: Foreign entities must commit to establishing a local presence, appointing a local representative, or entering a partnership with a Namibian-registered entity to ensure jurisdictional accountability and consumer recourse mechanisms.

6.9 Programme Allocation: Meeting the above eligibility criteria does not guarantee entry into a specific programme. Based on the Bank’s assessment, applicants will be allocated to either the Allow-and-See Programme (for more market-ready, lower-risk innovations) or the Regulatory Sandbox Programme (for earlier-stage, higher-risk or broader-impact innovations).

6.10 Admission Fee: There are no admission or participation fees for the Regulatory Programmes.

7. APPLICATION AND ASSESSMENT PROCESS

Applications must be digitally submitted through the Bank of Namibia website. The template of the application form is outlined in Appendix I.

Applications submitted to the Bank will be assessed against the analytical framework in Table 1 below, to determine whether an innovation should be recognised as a Fintech innovation for admission to either regulatory programme.

The process outlined in Table 1 below will only commence once the application has met all criteria through a completeness check. Incomplete applications will not be considered.

³ The Namibia Financial Sector Development Strategy 2025 - 2035

Table 1: Analytical Framework

Stage 1: Pre-Assessment (2 weeks)
<p>This stage entails an analysis of the business model of the applicant to identify whether it is a Fintech Innovation and whether it adheres to the eligibility criteria of this Framework.</p> <p>A) Identification of Fintech Innovation</p> <ul style="list-style-type: none">• Does the innovation relate to a financial activity or service?• Is the innovation technology-enabled to provide the financial service?• Does the financial service or activity fall under the mandate of the Bank of Namibia?• Are there similar financial activities or services already regulated by the Bank of Namibia?• Does the innovation demonstrate the use of technology?• Is there a clear value proposition? (i.e. improve accessibility to financial services, enhance financial inclusion, cost reduction, transparency, faster delivery, improved security, etc).• Does the innovation operate in an area where either the current regulations do not make provision or the regulatory treatment is ambiguous, evolving, or not clearly addressed by current laws or licensing frameworks? <p>B) Regulatory Status</p> <ul style="list-style-type: none">• Is this innovation already operating in another industry and/or licensed by another authority in Namibia?• Is this innovation already operating and/or licensed in another jurisdiction?• Does the entity offering the innovative fintech service have good standing in Namibia and/or other jurisdictions? <p>The Bank may engage the relevant authorities and/or regulators in the other industries or jurisdictions to request and consider the good standing status of the entity.</p> <p>C) Fitness and Readiness Check</p> <ul style="list-style-type: none">• Is the innovation sufficiently developed to be tested in a live market?• Does the innovation have the confirmed third-party and/or partnerships agreements required to provide the financial service?• Is the innovation, as well as any of its associated entities or members, currently insolvent or undergoing liquidation proceedings?• Is the product or solution, as well as any of its associated entities or members, currently insolvent or undergoing liquidation proceedings?• Does the entity, its principals, or shareholders ever been convicted of fraud or any other criminal offences?• Has the entity, its principals, or shareholders ever been convicted of fraud or other crimes, or been declared unfit to hold office under any domestic or foreign laws?

Stage 2: Assessment (2 months)

During this stage an in-depth analysis is conducted to evaluate the value proposition of the innovation, the scalability and the risk profile.

A) Product Scalability Assessment

- Does the FinTech's infrastructure support seamless growth and adaptation within the broader financial ecosystem?
- Is there sufficient and sustainable market demand to support the FinTech's expansion within the financial system?
- Does the innovation demonstrate potential for long term viability?
- Is the solution designed to operate effectively with existing financial technologies and platforms?
- Can the innovation be integrated efficiently into current financial systems without significant disruption or overhaul?

B) Risk Evaluation

- Are adequate safeguards in place to ensure that customer funds are protected?
- What is the potential impact of the innovation on the stability and integrity of the financial system?
- Does the FinTech comply with Anti-Money Laundering (AML), Counter-Terrorism Financing (CTF), and Counter Proliferation Financing (CPF) regulations?
- Has the FinTech adopted robust cyber and data security practices in line with industry standards?
- To what extent does the innovation rely on or integrate with existing banking, payment, or exchange control systems—and does it maintain the smooth functioning of the financial system and its key participants?

C) Benefits Evaluation

- What are the economic benefits that the solution will generate?
- Does the innovative solution offer customer benefits such as improved access, affordability, convenience, or service quality?
- Does the innovative solution address problems or market gaps and offer a unique value compared to existing solutions?

If the FinTech innovation operates in another domestic or foreign jurisdiction, the Technical Committee will assess the risk reports availed to the Innovation Hub.

Stage 3: Assessment Outcome

This stage will determine the type of Regulatory Programme the FinTech innovation will be subjected to, if any, depending on the Pre-assessment and Assessment stage outcomes.

A) The FinTech innovation may be subjected to:

- An Allow-and See Regulatory Programme, or
- The Regulatory Sandbox Programme.

B) Cross-Jurisdictional Collaboration and Oversight

- In instances where a FinTech innovation operates within the regulatory mandate of both the Bank and another domestic and/ or foreign competent authority, the Bank may coordinate with the relevant authority to effectively oversee the participant in the regulatory programme.

8. PREPARATION PHASE

8.1 Initial Engagements

Once the applicant has accepted an invitation issued by the Bank to participate in a regulatory programme, the next phase is to prepare for live testing. The Bank will engage with the respective applicant to

- Define roles and responsibilities for the test;
- Establish clear communication protocols between innovators, regulators and other stakeholders;
- Ensure the availability of technical, financial and human resources necessary for conducting the test;
- Discuss the requirements for the development of a detailed testing plan, including the safeguards and controls to be built into the test.

8.2 Testing Plan

As part of the initial application, the applicant would already have submitted a basic plan for the sandbox test. During the preparation phase the initial outline is developed into a detailed testing plan by the applicant and specify the following:

- *Testing objectives and mode*: Set out clearly defined goals the innovation aims to achieve within the sandbox, and outline how the live test will be conducted, for which products/services, with which clients and through which channels
- *Success metrics*: Establish key performance indicators (KPIs) to measure effectiveness and how this will be measured and reported during the testing period.
- *Compliance measures*: Outline strategies for maintaining Regulatory alignment throughout testing.
- *Risk mitigation plan*: Identify the risks and the necessary controls to mitigate them in an acceptable manner.
- *Consumer protection measures*: Outline the mechanisms to be implemented to ensure fair practices and transparency.
- *Customer disclosure*: Set out the disclosures that will be made to customers participating in the live test to inform them of the test, to secure explicit consent for data processing, and to commit to compensating for any damages during testing.

- *Dispute Resolution Mechanism:* Articulate the complaints/ dispute resolution mechanism that will apply during the testing.
- *Data security and privacy standards:* Define steps to safeguard user information and comply with data protection regulations.
- *Financial guarantees:* Where consumer losses may result, stipulate the financial guarantees to be put in place.
- *Exit plan:* Develop a structured exit plan outlining steps to transition out of the Sandbox

8.3 Testing Controls and Safeguards

Before testing commences, the Bank will impose testing controls and safeguards for the live test based on the review of the safeguards and controls proposed in the testing plan. Common controls and safeguards are referred to as participation conditions and are outlined in Appendix II.

Once the Bank is satisfied with the testing plan, controls and safeguards, the applicant may proceed with live testing. The Bank and the innovator will sign a formal participation letter, which outlines the responsibilities, reporting requirements, and participation conditions. If not, the Bank will request additional participation conditions.

9. REGULATORY PROGRAMME LIFECYCLE

9.1 Programme Timelines

The duration of the programme will be communicated in advance. Exact testing timelines may vary on a case-by-case basis considering the unique nature of an innovation; however, the standard programme duration will be running between 6 to 18 months. This duration allows for market deployment, user feedback and risk management. An extension of up to 6 months may be granted for participants demonstrating strong progress but requiring additional data collection.

9.2 Ongoing Reporting and Supervisory Oversight

Participants must submit periodic reports to the Bank, detailing performance metrics, risk incidents, consumer feedback, and any deviations from the approved scope. Participants are required to immediately report any operational failures, data breaches, consumer complaints, or other material events during the programme. The Bank will actively monitor activities during the programme and maintain open channels for regular check-ins, technical clarifications, and supervisory intervention if required.

9.3 Evaluation and Final Report

At the end of the programme, participants must submit a comprehensive report summarising the results, learnings, consumer outcomes, and regulatory

implications of the innovation. The report should include detailed record of all operational and technical incidents and procedures taken to resolve them, customer queries and resolutions and the proposed next steps, and way forward.

9.4 Regulatory Determination and Outcomes

Based on the insights gained during the regulatory programme and the participant's final report, the Bank will determine the outcome. The possible outcomes are in section 9 below.

A FinTech innovation may be deemed to have failed the Programme and denied access to provide financial services if the participant:

- has deviated or failed to satisfy the Programme conditions;
- failed to comply with relevant Namibian laws and licensing conditions from other competent authorities both domestic and foreign; and
- has substantial evidence brought against it by consumers or other authorities relating to breaching customer protection principles and/or abusing its Programme privileges.

A FinTech innovation which has failed the Programme may reapply 6 months after the Bank has pronounced itself on the Programme outcome.

9.5 Transition and Exit Strategy

- The programme may conclude upon reaching its time limit (6 – 18 months), meeting testing objectives set out in the Preparation Stage, or at the request of either party. The Bank may also terminate participation early if risk thresholds are breached or non-compliance occurs.
- At the end of the regulatory programme all legal and regulatory requirements that were relaxed will expire.
- Based on the regulatory determination and outcome as outlined in Section 9 below, the participant will be guided to transition to licensing or exemption, as well as initiate their exit strategy if required, or be instructed to discontinue their service offering and initiate their exit strategy.

10. EXPECTED OUTCOMES

Following participation in either the *Regulatory Sandbox* or the *Allow-and-See Programme*, the Bank may adopt one of the following regulatory stances, based on the insights gained during the regulatory programme.

10.1 Designation under Existing Regulation: The Bank may determine that the innovation falls within the scope of existing regulations. As a result, the entity may be required to obtain the appropriate license(s) or authorisation to continue operations.

10.2 Regulatory Exemption: The Bank may grant conditional exemption, allowing the innovation to operate without a license, provided it complies with specific exemption conditions established by the Bank.

- 10.3 **Letter of No Objection:** Where the innovation falls outside the Bank’s current regulatory mandate and poses no immediate risk, the Bank may issue a Letter of No Objection, permitting the innovation to continue operating without regulatory interference.
- 10.4 **Deny Access:** If the innovation is assessed as unsuitable for market entry—due to risks to consumers, financial stability, or legal misalignment—the Bank may issue a formal letter of objection, clearly outlining the reasons for denial.
- 10.5 **Regulatory Reform or Development:** If the innovation highlights gaps in the current regulatory framework, the Bank may initiate a process to amend existing regulations or develop new regulations to accommodate the innovation and similar future developments.

11. LEGAL AND CONFIDENTIALITY PROVISIONS

This section outlines the legal basis of the Regulatory Framework, the status of participation in the sandbox or allow-and-see programme, and the handling of confidential or proprietary information shared by participants. It also defines the Bank’s obligations and liability limitations in relation to the regulatory programmes.

11.1 Participation without Legal Obligation or Entitlement

Participation in the Regulatory Sandbox or Allow-and-See Programme does **not constitute legal entitlement** to operate or provide financial services in the jurisdiction.

Admission into the programmes should not be interpreted as:

- An endorsement or validation of the innovation by the Bank;
- A waiver of applicable laws or requirements unless explicitly stated;
- An exemption from liability or responsibility for any regulatory breaches or consumer harm during the programme;
- A guarantee of future licensing or regulatory approval; or
- A premise for any expectation or claim against the Bank beyond the rights and obligations expressly stipulated in this Framework.

The Bank reserves the right to unilaterally withdraw participation or require the immediate cessation of testing or operations upon reasonable written notice to the participant, if risks arise that could threaten consumer protection, financial stability, or market integrity. Such decisions are made within the Bank’s sole discretion and are final.

11.2 Legal requirements for Innovation Activities

Innovators participating in the sandbox or allow-and-see programme must ensure that:

- They comply with all applicable laws and regulations, except those for which the Bank has granted formal written exemptions or letters of no-objection, as well as requirements and obligations determined by the Bank in terms hereof.
- They operate only within the scope and parameters approved by the Bank during the test or observation period.
- Any changes to the business model, technology, or user base must be reported and approved prior to implementation during the programme period.

11.3 Confidentiality of Information

The Bank recognises that information shared with the Bank by participants during application, testing, and reporting may include commercially sensitive information. Accordingly:

- Save as set out in this Framework (including any appendices thereto), all data, documentation, and business information clearly labelled proprietary or confidential material submitted by participants will be treated as confidential and used solely for regulatory assessment and supervision purposes.
- The Bank will not disclose such proprietary or sensitive information to third parties without the written consent of the participant, except where disclosure is required:
 - By law;
 - For cooperation with other domestic or international regulatory authorities under established arrangements; or
 - To protect the public interest, prevent systemic risk, or investigate financial misconduct.

Participants are advised to clearly label proprietary or confidential material in their submissions.

11.4 Intellectual Property Rights

The participation of an innovator in the regulatory programmes shall not affect the ownership or protection of their intellectual property rights. However:

- The Bank may retain copies of test data, reports, and communications submitted during the programme for record-keeping and regulatory and supervisory learning.
- The Bank shall not reproduce or use the innovation's intellectual property for any commercial purpose.

11.5 Limitation of Liability

The Bank shall not be held liable for:

- Any loss, harm, or damage and potential loss, harm or damage suffered or which may be suffered by participants, third parties or any other person as a result of participation in the sandbox or allow-and-see programme;

- Business outcomes arising from regulatory decisions made during or after the testing/observation period;
- Any interpretation or reliance by third parties or any other person on a participant's involvement in the programme.

Participants join the programmes voluntarily and at their own risk and are expected to conduct proper due diligence and seek independent legal advice, where necessary.

12. GENERAL

This Framework is not exhaustive and may be supplemented and/or amended as necessary to respond to market and technological developments. The Bank will review the Framework every three years, or earlier if warranted by significant changes in the financial sector or regulatory landscape.

13. EFFECTIVE DATE

This Framework shall become effective on the date of signature.

14. ENQUIRIES

All enquiries related to this Framework must be directed to:

Innovation Hub
Bank of Namibia
P.O. Box 2882
71 Robert Mugabe Avenue
fintechinnovations@bon.com.na

Issued by:



Ebson Uanguta

GOVERNOR

3 March 2026

Date

Appendix I – Application Form Template

This application form is considered one of the primary documents that the Bank relies on to determine the applicant’s eligibility to participate in a programme of the Regulatory Fintech Innovation Framework.

The digital form can be completed and submitted on the website of the Bank. Incomplete applications will not be considered.

Section A – Applicant Information	
Name of applicant entity	
Country/Countries of incorporation of entity	
Registration number of entity	
If the entity is not registered in Namibia, please specify if the registration is in process or if there is intention to register the entity in Namibia. Please elaborate.	
List all the countries in which the entity has operational activities and specify the nature of its legal presence in each jurisdiction (e.g. locally incorporated entity, subsidiary, branch, or other arrangement)	
Ownership and executive management structure of the entity (Full name, nationality, ownership percentage and position of each owner and executive).	
Website of applicant entity	
Physical address of entity	
Email address of entity	
Type of institution	<ul style="list-style-type: none"> ▪ Licensed financial institution ▪ Fintech / startup (unlicensed) ▪ Government agency or public institution ▪ International institution seeking market entry ▪ Other entity, please specify: _____
Name of contact person / representative of entity	
Contact number of representative	

Email address of representative	
Brief description of the entity (including its activities in the field of financial technology and innovation, whether within or outside of Namibia)	
If the applying entity or any of its shareholders has been subject to any pending/ongoing or past legal proceedings in the preceding five years, please provide details. (Including attachments)	

The applicant is required to attach the following documents:

- A cover letter setting out the proposed activity and reasons for sandbox application.
- A certified copy of commercial registration and articles of association.
- A certified copy of the identification document and/or passport for shareholders owning (10%) or more of the entity's ownership (excluding for financial institutions already licensed by the regulator), for executive management and for the contact person.
- The share certificate or any other valid document to verify ownership.
- Certificate of good standing with the Social Security Commission and the Receiver of Revenue.
- A business plan setting out details of the proposed innovation, supported by any relevant local partnership documentation.
- CVs and police clearance reports for the executive managers and/or all shareholders owning 10% or more of the entity's ownership.
- Documents to verify effective data protection and cybersecurity (if available).
- Any other supporting documents e.g. business licenses, compliance certificates, and technical blueprints that the applicant may deem relevant.

Section B – Description of the innovative solution	
Provide a brief explanation of your innovative solution. You can additionally attach a demonstration presentation or any material detailing the innovative solution and business mode.	
Can your innovation currently be licensed under existing financial services regulation?	<ul style="list-style-type: none"> ▪ Yes ▪ No ▪ Uncertain <p>If the answer is “no” or “uncertain”, please explain why it does not fit existing license categories or product rules, or why there is uncertainty.</p>
Would sandbox participation help validate the regulatory or operational viability of your innovation?	<ul style="list-style-type: none"> ▪ Yes ▪ No <p>If “yes”, please explain how the innovative solution will achieve this.</p>
What are the reasons for applying to join the regulatory sandbox (select all that are applicable):	<ul style="list-style-type: none"> ▪ There is no alternative way to access the regulator. ▪ Testing the innovative solution using a real environment to prove the concept/ product. ▪ Lack of a legislative framework to regulate the innovative solution. ▪ The innovative solution conflicts with applicable legislation. ▪ Licensing a company to implement the innovative solution is difficult/very expensive. ▪ Other, please specify: _____
Has the innovation that forms the basis for your application been examined or is currently under review by any local or external Regulatory authority?	<ul style="list-style-type: none"> ▪ Yes ▪ No <p>If the answer is “yes”, please provide us with the name of the Regulatory authority and the results of the examination process that was carried out, if it has completed an assessment of your solution.</p>
Please explain how your business model interacts with any applicable existing regulations.	

Please explain how your innovative solution falls under the regulator's remit.	
Does your innovative solution require formal approval from the Bank before it can be launched in Namibia?	<ul style="list-style-type: none"> ▪ Yes ▪ No
Does your innovative solution involve any of the following (select all that apply):	<ul style="list-style-type: none"> ▪ Banking Services ▪ Exchange Control Services ▪ Payment Services ▪ Virtual Assets ▪ N/A ▪ I do not know
Provide details on how your innovation interacts with any financial services regulated entities (if applicable).	
Does your innovation require cooperation with third parties?	<ul style="list-style-type: none"> ▪ Yes ▪ No <p>If the answer is "yes", please:</p> <ul style="list-style-type: none"> ○ Specify these entities/ third parties, the nature of the relationship. ○ Note whether they are regulated by any financial regulatory authorities and, if so, by whom.
What technology is used in the innovative solution?	
Describe your operational readiness (team, capital, systems) to commence sandbox testing.	
Please indicate how long you anticipate it would take before you are ready to start testing your innovation with real users, should your application be successful.	<ul style="list-style-type: none"> ▪ < 3 months ▪ 3 months ▪ 3 – 6 months ▪ 6 – 12 months ▪ > 12 months

Section C – Expected benefits of the innovative solution

The desired benefits of the innovative solution	
What are the expected benefits of the innovative solution for the Namibian economy? (select all that apply)	<ul style="list-style-type: none"> ▪ Enhance access to financial services, including underserved groups ▪ Enhance competitiveness ▪ Improve the level of efficiency of financial services ▪ Provide job creation ▪ Provide market expansion ▪ Improve digitalisation ▪ Improve customer experience ▪ Improve affordability ▪ Improve distribution channels for difficult-to-reach markets ▪ Other, please specify: _____
Please explain how your innovative solution will result in these benefits, whether directly or indirectly?	
What direct benefits will customers experience from your solution?	
What are the targeted customer categories for the innovative solution?	
What existing challenges and obstacles does your application solve?	
What added value will your innovative solution provide to Namibian consumers that is not already available within the market?	
How many customers do you estimate will benefit from this solution, both within the sandbox pilot and in the years thereafter? Please explain how you estimated this, and your assumptions used.	
What strategies do you have in place to scale your solution?	

Section D – Potential risks and risk management

Consumer Protection

Describe the potential risks to your customers (both retail and businesses) that may arise from testing your product/service and the measures you will institute to safeguard your customers.	
How do you plan to ensure that the terms and conditions, pricing/cost, benefits and processes are clearly communicated to your target customers?	
What measures will you put in place to protect the confidentiality and integrity of customer data? [including attachment outlining the measures]	
What procedures and mechanisms will you put in place to handle customer complaints?	
What procedures will you put in place to identify customers and conduct due diligence as per the KYC requirements of Namibia’s Financial Intelligence Act (FIA). [including attachment outlining the measures]	

Potential risks and measures taken to mitigate potential risks

From the list of risks below, please describe the extent/significance of each risk to your innovation and how you plan to mitigate their severity: <ul style="list-style-type: none">○ Operational risks○ AML/CFT Risks○ Compliance risk○ Reputation risk○ Data protection risk○ Cybersecurity risks○ Legal risk	
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Section E – Testing Parameters

Overview of how you plan to test the innovative solution within a programme of the Framework

Describe the key objectives and measurable outcomes of the live test of your innovative solution under the sandbox or allow-and-see programme.

Describe how you propose to conduct the testing:

- The start and end date of the sandbox test
- Your target customers (client type) for the testing, how they will be selected and your customer acquisition strategy
- The maximum number of test customers you wish to involve
- Transaction thresholds
- Other quantifiable limits

Describe your communication plan to inform customers of the following:

- Disclosure that the product is operating within the Sandbox or on an Allow-and-See basis
- The duration, boundary conditions and the associated risk for participating in a programme; and
- Advance notification of termination or extension of the programme or when the solution is to be deployed at a broader scale.

Appendix II – Participation Conditions

Applying the participation conditions against the Regulatory Programme approaches.

Participation Conditions	Allow-and-See Programme	Regulatory Sandbox Programme
Duration	Long enough to derive statically relevant data to understand the innovation and determine a way forward.	The sandbox will run for a minimum period of 6 months to a maximum period of 18 months. The programme period may be extended by an additional 6 months based on requirements for further testing. This extension can be requested before the expiry date or at the Bank's discretion.
Number of Customers	No limit to the number of customers that may be initially introduced to the innovation. Customer protection principles will apply.	Number of customers or market segment to be determined and agreed upon in consultation with the applicant based on business model considerations. Customer protection principles will apply.
Transaction and balance limits	No transaction or balance limits but FIA requirements and Exchange Control limits will apply.	Transaction limits to be issued on a case-by-case basis and in accordance with risk profile of the innovation's business model. FIA requirements and Exchange Control limits will apply.
Security tests	FinTech innovations will be encouraged to observe financial data security standards. Unless otherwise stated, no security tests will be required.	The FinTech innovations during the sandbox environment must present vulnerability and penetration testing reports with scope agreed upon by the Bank, where relevant. Compliance with established data security frameworks may be required.
Reporting requirements	The FinTech innovation will be required to submit status reports on such basis as determined by the Bank.	The FinTech innovation will be required to submit monthly progress reports that include predefined: (i) progress on KPIs (ii) summary of operational and technical incidents as well as mitigating controls (iii) internal audits conducted and (iv) customer satisfaction reports or complaints.
Documentary Submissions	FinTechs are required to submit documents to the Bank to evidence their plans as required.	FinTechs are required to submit the following documents to the Bank to evidence their plans pertaining to: Communications Protocols, Marketing Plan, Customer Complaints and Dispute Resolution, Exit Plan, and any others the Bank may specify.

	Allow-and-See Programme	Regulatory Sandbox Programme
Applicable regulations	<ul style="list-style-type: none"> • The Bank may provide appropriate regulatory support by relaxing specific regulatory requirements or providing formal dispensation, where necessary, for the duration of the regulatory programme. This will be communicated to each applicant in writing. • It must also be noted that regulations pertaining to AML/CTF/CPF cannot be relaxed during a Programme. The FIA Act and accompanying regulations will apply throughout the regulatory programme. • The Bank will bear no liability arising from the innovator's operations, as such any liability will be borne by the participant. 	
Disclosure requirements	<ul style="list-style-type: none"> • For transparency, the Bank will publish non-confidential information about FinTech innovations that are participating in any of the Bank's Regulatory Programmes. This includes the full details of the FinTech innovation, particulars of the innovator and type of Programme. • A list of admitted FinTechs will be published on the Bank's website for public access. • The participant will be mandated to publicly disclose product- and service-related risks, fee information, and data protection. 	
Good standing and license requirements	<ul style="list-style-type: none"> • A FinTech innovation that is licensed in another jurisdiction should maintain its license and good standing status throughout the duration of the Programme. • An entity that operates in another domestic industry and duly licensed or authorised by another domestic authority and intends to introduce a FinTech innovation in Namibia should maintain its license or authorisation throughout the duration of the Programme. • Failure to maintain existing licenses and good standing status will result in the removal of the innovation and cancellation of the Programme. 	