



JOINT MEDIA STATEMENT

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BANK OF NAMIBIA AND NAMIBIA REVENUE AGENCY UNVEIL GROUNDBREAKING TRADE VERIFICATION SYSTEM

1. In efforts to bolster the efficiency and transparency of trade processes in the country, the Bank of Namibia and the Namibia Revenue Agency today officially launched Namibia's first Trade Verification System (TVS). This innovative system will see Namibia's trade landscape step into a new era of efficiency, compliance, and growth.
2. Launched under the theme, "Where innovation meets opportunity, and where businesses thrive in a connected world", the TVS, will ensure the trading of goods is verified. In this regard, the TVS is expected to reduce the estimated N\$33 billion potential tax-related offenses as estimated by the Financial Intelligence Centre (FIC) in the National Money Laundering, Terrorist and Proliferation Financing (ML/TF/PF) Risk Assessment Report of 2021 are eliminated.
3. Trade verification is crucial, and the benefits for the state are enormous. Namibia will see to it that there is a significant reduction in fraudulent VAT refund claims while empowering the Namibian government to uphold fair trade practices and financial transparency. On the other hand, it will also aid in curbing illicit financial activities and misreporting and ensure accurate and efficient tax collection.
4. Speaking at the launch, Deputy Executive Director for Economic Policy of the Ministry of Finance and Public Enterprises, Mr. Oscar Capelao pledged the government's support in denouncing activities that enable Illicit Financial Flows, as they adversely impact

sustainable development: “Over the years, there has been noted misconduct among importers who breach the country's laws and regulations. We cannot accept this as normal, and TVS is a tool that we will use as a country to the best of our ability to ensure that there is improved decision-making due to timely data and real-time reporting. The overall goal is to have a tax compliance ratio up as it relates to imports and exports.”

5. The Bank of Namibia Deputy Governor, Ms. Leonie Dunn expressed enthusiasm about the project. “We are now comfortable to be among the first few countries in Africa that have successfully developed and implemented a trade verification system that monitors cross-border financial transactions as they relate to the import and export of goods. TVS further empowers commercial banks and the Bank of Namibia to run improved controls whilst allowing for the elimination of payment duplications which in consequence reduces the inherent risk of commercial banks from being used as conduits or facilitators of illicit financial flows.”
6. On his part, NamRA Commissioner Mr. Sam Shivute added, "This collaborative effort underscores our dedication to promoting transparency and compliance in trade operations. The Trade Verification System aligns with our mission to create a conducive environment for economic growth through efficient revenue collection". He further commended the United Nations Children’s Fund (UNIFEC) on its contribution towards funding the project and enabling Namibia to execute on its domestic sustainable goals.
7. Once fully integrated, the TVS is expected to promote seamless and paperless trading processes as commercial banks, clearing agents, the Namibia Revenue Agency and the Bank of Namibia will all view the same documentation as it relates to a particular export or import, be it at payment or clearing at the border.

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