



**Bank of Namibia**

**EVOLUTION OF NAMIBIAN CURRENCY**  
**21 February 2023**





**OUR CURRENCY, OUR PRIDE KNOW  
YOUR CURRENCY....**





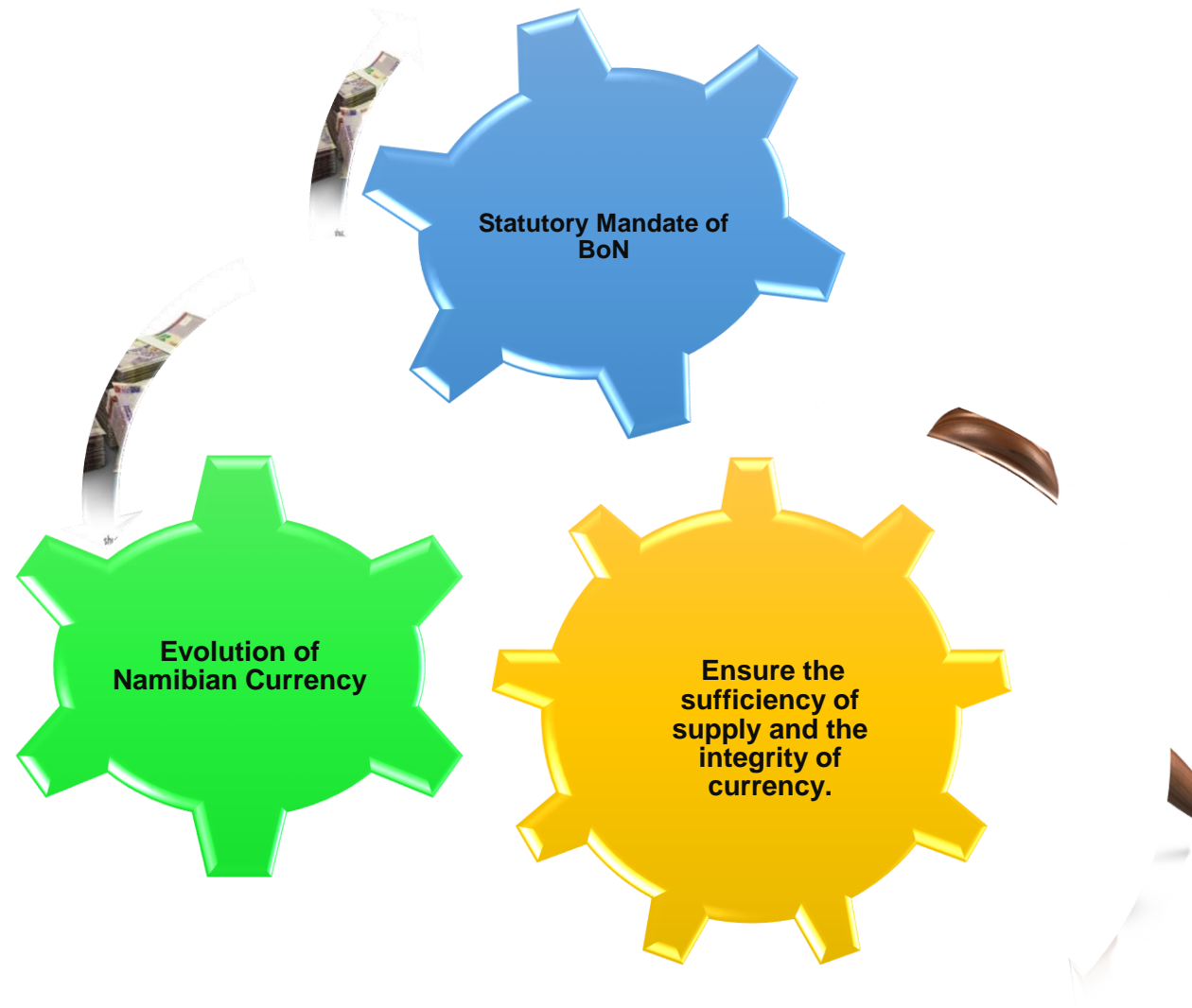
***Cash** remains a dominant payment instrument in the National Payment System and it is the lifeblood of the Namibian economy.*



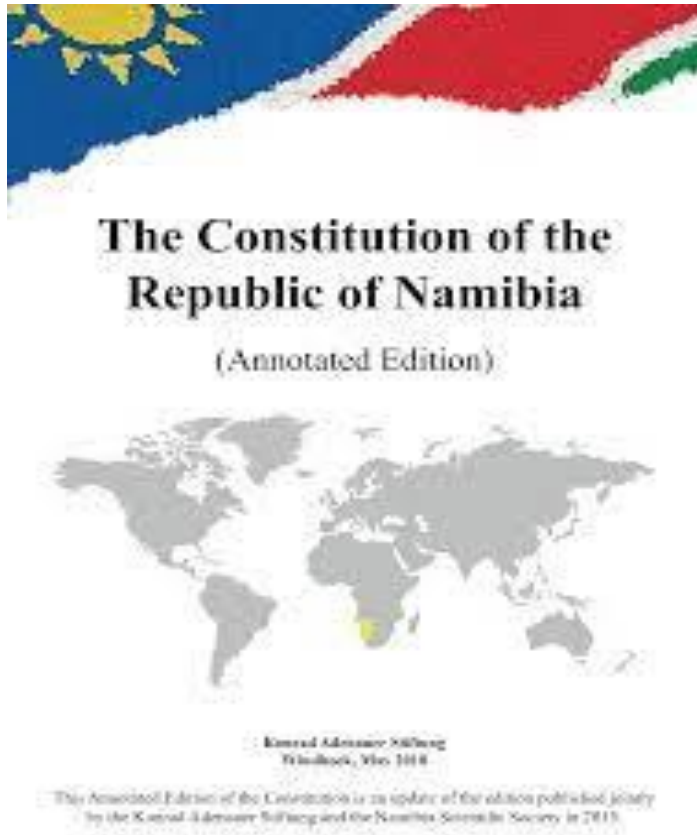
*Every **economic activity**, **geographical region** and **segment of society** must have **access to financial services** to ensure a more balanced economic growth and development.*



# PRESENTATION OUTLINE







## GOVERNMENT GAZETTE OF THE REPUBLIC OF NAMIBIA

N\$31.80

WINDHOEK - 4 February 2020

No. 7109

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#### GOVERNMENT NOTICE

No. 14      Promulgation of Bank of Namibia Act, 2020 (Act No. 1 of 2020), of the Parliament ..... 1

### Government Notice



## Article 128 of the Namibian Constitution - The Central Bank

There shall be established by Act of Parliament a Central Bank of the Republic of Namibia, which shall serve as the State's principal instrument to control the money supply, the currency and the institutions of finance, and to perform all other functions ordinarily performed by a central bank.

## Section 38 (1) of the Bank of Namibia Act 1 of 2020

Authority to issue banknotes and coins. The Bank is the sole issuer of banknotes and coins in Namibia and only such banknotes and coins issued by the Bank are legal tender in Namibia, subject to section 45.





## KNOW YOUR CURRENCY







Bank of Namibia

## NATIONAL CURRENCY MANAGEMENT





**Legislative Requirements**



**Currency Planning and  
Forecasting**



**Periodic review of NAD  
security features**



**Approval Process –  
Governance Structures**



**Currency Replenishment**







## Demand and Supply of Currency:



What informs the general demand of currency?

- Economic activities, interest rates, inflation, capital flow, and money supply.
- Withdrawal of unfit currency from circulation: **N\$2.3 billion in 2022**

*Increased demand appreciates the currency value, while increased supply decreases the currency value, hence the replenishment of physical currency is mainly informed by demand.*



## COMPOSITION OF CURRENCY IN CIRCULATION

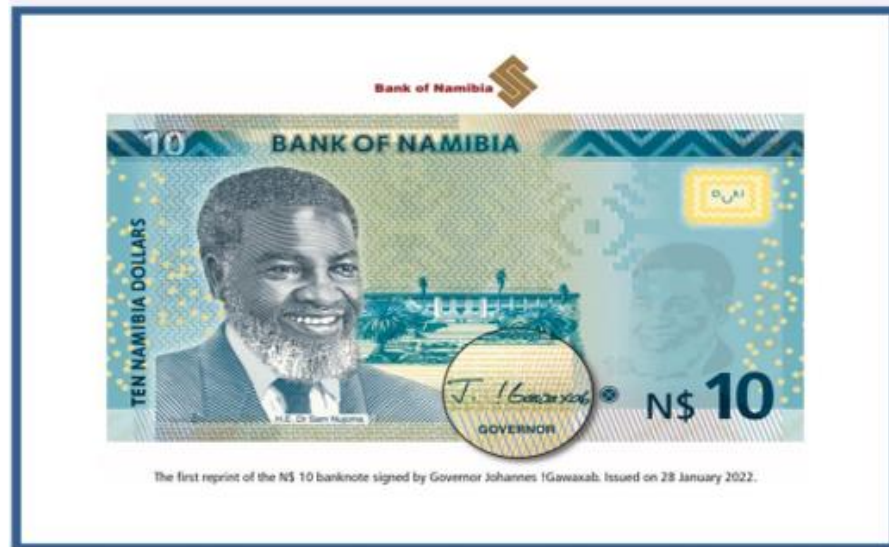
Denomination	2021		2022		Change in value percent
	Value (N\$ million)	Volume (million)	Value (N\$ million)	Volume (million)	
5c coin	14.5	290.0	14.5	290.0	0.0
10c coin	23.0	230.0	23.8	237.9	3.5
50c coin	16.8	33.6	17.0	34.0	1.2
N\$1 coin	115.0	115.0	119.8	119.8	4.2
N\$5 coin	71.6	14.3	75.9	15.2	6.0
N\$10 coin	16.9	1.7	17.0	1.7	0.6
<b>TOTAL -COINS</b>	<b>257.8</b>	<b>684.6</b>	<b>267.9</b>	<b>698.5</b>	<b>3.9</b>
N\$10 notes	101.8	10.2	117.8	<b>11.8</b>	15.7
N\$20 notes	201.1	10.1	149.3	7.5	-25.8
N\$30 notes	136.5	4.6	147.3	4.9	7.9
N\$50 notes	336.5	6.7	352.2	7.0	4.7
N\$100 notes	858.1	8.6	846.1	8.5	-1.4
N\$200 notes	2,867.4	14.3	2,993.2	<b>15.0</b>	4.4
<b>TOTAL-NOTES</b>	<b>4 501.4</b>	<b>54.4</b>	<b>4 605.9</b>	<b>54.6</b>	<b>2.3</b>
<b>GRAND TOTAL</b>	<b>4 759.2</b>	<b>739.0</b>	<b>4 873.8</b>	<b>753.2</b>	<b>2.4</b>

Notes with the **highest velocity: N\$10 and N\$200**, whereas the highest volume change with regards to banknotes in circulation was observed with the **N\$10 banknote at 15.7%**.





## JG – N\$10 Modified Banknote Project (2021 – 2022)



## JG – N\$20 & N\$200 Modified Banknotes Project (2022 – 2023)

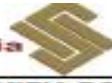


1. Normal Currency Replenishment Cycle. *(last replenishments in 2018).*
2. Change of a level 1 security feature, which is the **Governor's signature.**
3. BoN Act, section 40.1 (Currency features) – Publish the security features in the Government Gazette prior to the issuing of the banknotes.

# NATIONAL CURRENCY MANAGEMENT








Bank of Namibia



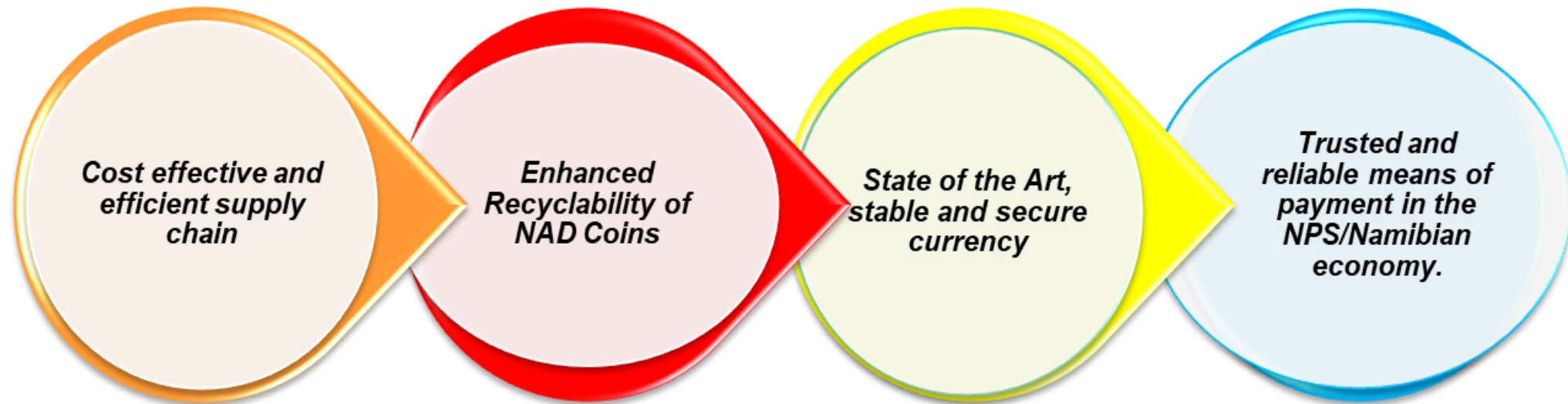
## OFFICIAL SIGNATORY CARD FOR THE NAMIBIA DOLLAR BANKNOTES (N\$)

- 1993 To Date -

1		<p><u>Mr. Erik L. Karlsson</u></p> <p>Acting Governor: 01 Sept 1991 – 24 Nov 1992 Governor: 25 Nov 1992 – 31 Dec 1993</p>	<p>Karlsson Notes</p> <p><i>Erik L. Karlsson</i></p>
2		<p><u>Dr. Jaafar B. Ahmad</u></p> <p>Governor: 01 Jan 1994 – 31 Dec 1996</p>	<p>Ahmad Notes</p> <p><i>Jaafar B. Ahmad</i></p>
3		<p><u>Mr. Tom K. Alweendo</u></p> <p>Governor: 01 Jan 1997 – 25 Mar 2010</p>	<p>Alweendo Notes</p> <p><i>Alweendo</i></p>
4		<p><u>Mr. Hpusumbu W. Shiimi</u></p> <p>Governor: 25 Mar 2010 – 24 Mar 2020</p>	<p>Shiimi Notes</p> <p><i>Shiimi</i></p>
5		<p><u>Mr. Johannes !Gawaxab</u></p> <p>Governor: 01 June 2020 -</p>	<p>JG Notes</p> <p><i>J. !Gawaxab</i></p>



# CURRENCY MANAGEMENT STRATEGIES





Theo's Superspar

July 5, 2022 · 🌐



The banks have run out of 5c and 10c coins. We're asking you, our customers, to please come in and exchange your coins with us. Thank you in advance. #5c #10c #thankyou



# COUNTERFEIT MANAGEMENT



Denomination	Number of Counterfeit Banknotes detected per piece					Counterfeits per single denomination per million notes in 2021	Counterfeits per single denomination per million notes in 2022
	2018	2019	2020	2021	2022		
N\$10	5	2	23	1	1	0	0
N\$20	64	42	29	6	7	1	1
N\$30	0	0	0	0	0	0	0
N\$50	214	189	59	37	28	6	4
N\$100	130	180	54	33	55	4	7
N\$200	189	247	199	78	115	5	9
<b>TOTAL</b>	<b>602</b>	<b>660</b>	<b>364</b>	<b>155</b>	<b>206</b>	<b>3.03</b>	<b>3.99</b>
<b>Total Counterfeits per million notes for all denominations</b>							



Zero counterfeits  
to date.





## Offences relating to currency: Section 80 of BoN Act 1 of 2020:

1. **Illegal reproduction of currency – counterfeiting of national currency is illegal.** If convicted, will be liable to a fine not exceeding **N\$100 000** or to imprisonment for a period not exceeding **five years** or to **both such fine** and such imprisonment, and in **the case of a second or subsequent conviction**, to a fine not exceeding **N\$500 000** or imprisonment for a period not more than **25 years** or to both such fine and such imprisonment.

2. **Defacing of national currency, taking images without BoN approval is an offence.**

A person commits an offence, if the person - (a) willfully defaces, soils or damages a banknote or coin of the Bank or without a reasonable excuse, possesses any defaced, soiled or damaged banknote or coin of the Bank or without the authority of the Bank, writes or places any drawing on a banknote of the Bank that is legal tender or attaches to it anything in an advertisement.

Liable to a fine not exceeding **N\$50 000** or to imprisonment for a period not exceeding **three years** or to **both such fine** and such imprisonment.





**Bank of Namibia**

**OUR CURRENCY IS OUR PRIDE.  
KNOW YOUR CURRENCY AND PROTECT YOUR  
CURRENCY.**





**Bank of Namibia**

THANK YOU.