



## **PAYMENT SYSTEM NOTICE No.2**

**Issued in terms of section 46 (1) of the Payment System Management Act, 2023  
(Act No.14 of 2023)**

**DATE: 27 June 2025**

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### **1. Purpose**

The purpose of the Payment System Notice is three-fold:

- 1.1.** To provide capital adequacy requirements for payment service providers;
- 1.2.** To list fees payable to the Bank of Namibia (the Bank) by payment service providers and payment system operators; and
- 1.3.** To outline the transaction and balance limits for e-money wallets, as well as the general requirements to enable users to access savings, investments, credit, and insurance products through the e-money wallet.

### **2. Minimum Capital Adequacy Requirements for Payment Service Providers**

- 2.1.** A payment service provider shall ensure that at the time of licensing, it maintains a minimum capital, and during its operations, it maintains an ongoing capital in the country as determined by the Bank. The purpose of initial capital and ongoing capital requirements is to safeguard against liquidity and insolvency risks.
- 2.2.** The following categories of payment service providers are required to maintain the below-prescribed minimum capital requirements:

**Table 1: Minimum Capital Adequacy Requirements for Payment Service Providers**

<b>Payment Provider</b>	<b>Service</b>	<b>Initial Capital Requirement</b>	<b>Ongoing Capital Requirement</b>
Non-bank Money Issuer	Electronic	N\$1.5 million, inclusive of capital assets and systems, among others.	Cash or liquid assets equivalent to the average of outstanding liabilities held in the
Micro Electronic Money Issuer	Electronic	N\$500 thousand, inclusive of capital assets and systems, among others.	trust/merchant bank account, calculated over the previous six (6) months.

Payment Facilitation Service Provider	N\$1.5 million, inclusive of capital assets and systems, among others.	Not applicable.
Third-Party Payment Service Provider	N\$1 million, inclusive of capital assets and systems, among others.	Not applicable.

2.3. The liquid assets should remain unencumbered and may be in the form of cash balances or other recognised financial instruments at banking institutions (different from where the trust account is kept) or in the form of highly liquid assets such as short-term financial instruments issued by the Government, the Bank or as may be approved by the Bank.

2.4. The Bank may, on application in writing and on good cause shown, permit a payment service provider to and for such a period as the Bank may specify, have capital funds which are lower than the capital funds determined under 2.2.

2.5. Pursuant to section 2.4, the Bank reserves the right to waive the condition of ongoing capital requirements or impose such further conditions as it deems necessary.

**3. Fees payable by payment service providers in accordance with the *Determination on Licensing and Authorisation of Payment Service Providers (PSD-1)***

3.1. Banking institutions are not required to pay any fees to offer payment services as a payment service provider.

3.2. Non-bank financial institutions that intend to offer payment services, are required to pay an application fee at the time of submitting an application and a licensing fee at the time of licensing. Licensed non-bank financial institutions are required to pay an annual license renewal fee, and an application under an additional category fee when intending to offer additional payment services.

3.3. The following mandatory and non-refundable fees shall be payable by non-bank financial institutions that intend to offer payment services:

**Table 2: Fees Payable by Payment Service Providers**

Fee Type	Amount in N\$
Application fee	N\$5,000
Licensing fee	N\$20,000
Annual License Renewal	N\$10,000
Application under an additional category fee	N\$5, 000

3.4. The Bank may amend the fees payable by payment service providers from time to time.

**4. Fees payable by payment system operators in accordance with the *Determination for the Authorisation of Payment System Operators and System Participants in the Payment, Clearing and Settlement Systems (PSD-6)***

4.1. A person that intends to operate a payment system is required to pay an application fee at the time of submitting an application, an authorisation fee at the time of authorisation and an annual license renewal fee.

4.2. The following mandatory and non-refundable fees shall be payable by a payment system operator:

**Table 3: Fees Payable by a Payment System Operator**

Fee Type	Amount in N\$
Application fee	N\$5,000
Authorisation fee	N\$20,000
Annual License Renewal fee to operate a payment system	N\$20,000

4.3. The Bank may amend the fees payable by a payment system operator from time to time.

## 5. E-money Transaction and Balance Limits

5.1. E-money issuers are subjected to the below daily and monthly transaction and balance limits in accordance with the Know Your Customer (KYC) requirements.

5.2. The transaction and balance limits will apply to individual and business wallets.

5.3. The e-money transaction and balance limits may be amended from time-to-time.

5.4. The following transaction and balance limits will apply to e-money wallets:

**Table 4: Transaction and Balance Limits**

Type of Clients	Maximum Transaction Daily Limit	Maximum Transaction Monthly Balance Limit	KYC Requirements
<b>Individual Lite KYC</b>	N\$10,000.00	N\$10,000.00	An individual/business that falls under the Lite KYC level should provide the following: <ul style="list-style-type: none"><li>• Full Name</li><li>• Nationality</li><li>• National Identity or Passport Number</li><li>• Company Registration ( in the case of a business)</li></ul>
<b>Business Lite KYC</b>	N\$10,000.00	N\$10,000.00	
<b>Individual Full KYC</b>	N\$20,000.00	N\$50,000.00	An individual/business that falls under the Full KYC level should provide the following: <ul style="list-style-type: none"><li>• Full Name</li><li>• Nationality</li><li>• National Identity or Passport Number</li><li>• Residential Address (both for Namibians &amp; Non-Citizens)</li><li>• Contact Information ( i.e telephone number, mobile number &amp; email address)</li></ul>
<b>Business Full KYC</b>	N\$50,000.00	N\$100,000.00	

			<ul style="list-style-type: none"> <li>• Company registration ( in a case of business)</li> <li>• Nature &amp; Location of Business Activity (where applicable)</li> </ul>
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**6. General Requirements to enable users to access savings, investments, credit and insurance products on the e-money wallet**

**6.1.** In accordance with section 10.2 in PSD-3, an e-money issuer that intends to enable users to access savings, and/or investment and/or credit and/or insurance products on the e-money wallet, must submit a letter of intent directed to the Director responsible for the National Payment System, which states the intention to enable access to the product(s) on the e-money wallet, accompanied by a business plan/model and schematics of the envisaged product(s).

**6.2.** Pursuant to 6.1. of this Notice, the request for approval should be accompanied by the following:

**Contractual Requirements**

**6.2.1.** A final agreement entered with a banking institution or a financial institution licensed by the relevant authority to offer savings, and/or investments, and/or credit and/or insurance product(s) on the e-money wallet. The agreement must include the following:

- a) provisions that ensure compliance with section 14 of the Act;
- b) clarification of the roles, responsibilities, and contractual liabilities of the parties to the agreement;
- c) materiality thresholds and procedures for notifying the users of service disruptions, security threats, or other issues that create material risks;
- d) ownership and protection of user and transactional data;
- e) whether insurance and/or guarantees are required for the product(s);
- f) termination or expiration of agreement, including circumstances leading to intervention by the e-money issuer;
- g) business continuity measures;
- h) a confidentiality clause;
- i) terms governing the resolution and orderly discontinuation of the product(s) offered on the e-money wallet, including the management of user funds and fulfilment of associated obligations, in the event of termination of this Agreement; and
- j) dispute resolution mechanisms.

**Risk Management Requirements**

**6.2.2.** A risk assessment report for enabling access to savings, and/or investment and/or credit and/or insurance products on the e-money wallet, including control measures that will be applied to mitigate the risks.

**User Protection Requirements**

**6.2.3.** An agreement entered into with the e-money user which includes, but not limited to:

- a) transparent and concise information regarding the terms and conditions, fees and charges, risks, and benefits associated with credit and/or insurance and/or investment and/or savings products to enable users to make an informed decision;
- b) the rights, obligations, and procedures for accessing, modifying, and terminating the product(s);

- c) provisions requiring explicit consent from the user to access the product(s) linked to the e-money wallet, with no automatic enrolment;
- d) simple and accessible opting-out mechanisms for the user;
- e) data security and protection provisions guarding against the unauthorised access of user data; and
- f) user refund, complaints and dispute resolution mechanisms related to the product(s).

### **Due Diligence Requirements**

**6.2.4.** A statement that the e-money issuer has conducted appropriate due diligence and confirmed that the proposed banking or financial institution:

- a) is fully compliant with all licensing requirements and all other relevant legal and regulatory obligations, including those pertaining to the provision of credit, insurance, investment, and/or savings products;
- b) has sufficient financial resources to effectively carry out its duties and obligations under the agreement; and
- c) has the technical capability and infrastructure to integrate with the e-money issuer's platform and competently offer the products while adhering to all applicable legal requirements.

**6.3.** Any document or information the Bank may deem necessary from time to time.

## **7. Effective Date**

**7.1.** The Payment System Notice will become effective on the date of signature. All payment service providers and system operators are expected to comply with the provisions of the Payment System Notice.

## **8. Repeal**

**8.1.** The Payment System Notice repeals and replaces the Payment System Notice No. 1 issued on 26 March 2024.

Issued:



**JOHANNES !GAWAXAB**  
**GOVERNOR**