

# THE NAMIBIA FINANCIAL SECTOR TRANSFORMATION STRATEGY

2025 - 2035

Presented by:  
**The Financial Sector Secretariat**

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## WHAT INFORMS THE NEW STRATEGY



Independent  
evaluation of  
NFSS  
2011–2021



Extensive  
grassroots  
consultations  
with industry,  
policy  
makers and  
grassroots  
Consumers



Unresolved  
structural  
constraints:  
inequality,  
youth  
unemployment  
, financial  
exclusion



Emerging  
global  
issues:  
climate  
change,  
digitalisation,  
cybersecurity



Need for  
financial  
sector to  
support  
economic  
diversification  
and inclusive  
growth

## STRATEGIC PILLARS



Financial Sector  
Development  
for Growth and  
Sustainability



Digital  
Transformation  
and Innovation



Financial  
Access, Literacy  
and Protection



Financial  
Sector  
Localisation



Skills and  
Capacity  
Development

## Pillar 1

### SFA1: Broadening and Deepening the financial market



#### Strategy 1

Develop a policy framework for advanced capital markets and resilience.



#### Strategy 2

Encourage the development of innovative and diversification of financial services instruments and products.



#### Strategy 3

Promote investor education and participation by youth, women and MSMEs in capital markets activities.



## SFA2: Enhancing sustainable finance



### Strategy 4

Develop a comprehensive Sustainable Finance Strategy to integrate sustainability practices within the financial sector.



### Strategy 5

Develop new financing products, instruments and security for effective financing of priority sectors.



## SFA3: Modernising and Upgrading the Financial Infrastructure



### **Strategy 6**

Upgrade the existing financial infrastructure by incorporating cutting edge digital payments technologies and innovative financial solutions.



### **Strategy 7**

Implement a digital identity, digital payments and secure data sharing system that streamlines and simplifies KYC processes.



### **Strategy 8**

Foster collaboration with relevant stakeholders to enhance relevant ICT required for digital financial services.

## Pillar 2

### SFA4: Digitisation and innovation of financial services, regulation and supervision



#### **Strategy 9**

Facilitate the digitisation of financial services, regulation and supervision to reduce costs, improve speed, enhance transparency and financial inclusion.



#### **Strategy 10**

Foster an enabling environment that provides for the RegTech, SupTech and Digital financial services.



#### **Strategy 11**

Strengthen cybersecurity readiness and responsiveness.



## SFA4: Digitization and innovation of financial services, regulation and supervision



### Strategy 12

Implement measures to promote access to financial services for underserved populations (rural areas & informal sector, MSMEs, youth and women).



### Strategy 13

Promote the development of affordable and accessible financial institutions and products.



## Pillar 3

### SFA6: Financial Literacy and Education



#### **Strategy 14**

Enhance and expand financial literacy and digital financial literacy among consumers of financial services, covering the full scope of personal and business finances (MSMEs).



## SFA7: Consumer Protection and Empowerment



### **Strategy 15**

Ensure that the relevant supervisory framework is in place and enforce regulations that safeguard consumers' rights, improve transparency, and address issues such as predatory lending and unfair practices.



### **Strategy 16**

BON and NAMFISA to establish clear mechanisms for handling consumer complaints and grievances.

## Pillar 4

### SFA8: Financial sector localization, ownership and Participation



#### **Strategy 17**

Implement a meaningful localisation strategy for financial institutions in terms of ownership, participation and decision making.



#### **Strategy 18**

Employ improved data measurement on localisation and participation.

## Pillar 5

### SFA9: Futureproofing the financial sector workforce



#### **Strategy 19**

Foster collaboration in reviewing, updating and implementing the existing financial sector skills development plan.





## What does Success Looks Like in 2035

<b>Broadening and deepening the financial sector</b> 70% increased number of registered domestic and foreign investors.	<b>Enhancing sustainable finance for growth and development.</b> Availability of a sustainable finance strategy.	<b>Modernizing and upgrading financial infrastructure</b> 80% increased number of digital transactions, especially in rural areas.
<b>Digitization and innovation of financial services, regulation and supervision</b> A comprehensive Regtech and Suptech framework for the financial sector in place.	<b>Access to Finance for individuals and MSMEs</b> 70% of informal sector businesses and start-ups accessing finance from formal financial institutions yearly.	<b>Financial literacy and education for individuals and MSMEs</b> Increased financial literacy rate from the baseline 54.9% to 85%. Digital financial literacy data disaggregated by gender, age, urban rural.
<b>Consumer Protection and Empowerment</b> Number of laws and regulations reviewed or Introduced.	<b>Financial sector localization</b> Metrics or indicators to measure or track local decision making in place.	<b>Futureproofing the financial sector workforce</b> 70% of employees who have completed essential skills and digital training.

## Action Plan (Snapshot)

ACTION PLAN FOR THE NAMIBIA FINANCIAL SECTOR TRANSFORMATION STRATEGY 2024-2035								
FINANCIAL SECTOR DEVELOPMENT FOR GROWTH AND SUSTAINABILITY								
FOCUS AREA	OUTCOME	STRATEGY	KPI	IMMEDIATE TARGET (2025-2027)	INTERMEDIATE TARGET (2028-2030)	LONG-TERM TARGET (2031-2034)	RESPONSIBLE & SUPPORTING AGENCIES	
Broadening and deepening of the financial sector	An advance and vibrant capital market that attracts and sustains and foreign investors	1. Develop a policy framework for developing advanced capital markets and resilience	Policy framework developed and implemented	Capital Markets Development Committee established and Policy Framework Developed.	Implementation of policy framework	Continuous implementation and review of policy framework	NAMFISA: BoN & NSX	
		2. Encourage the development of innovative and diverse financial services instruments and products	New instruments & products introduced into the market	Industry-led innovation hub established and operationalised.	x number of new financial instruments and services introduced into the market.	x market adoption rate of new instruments	Industry associations: BoN & NAMFISA, MOFPE & MIT	
		3. Promote the participation of the youth, women and SMEs in the capital markets.	Framework and strategies developed to enhance participation of Youth-led, Women-led and SMEs access to capital markets	Framework and strategy in place	% growth in the number of youth-led, women-led and SMEs accessing capital markets.	% growth in the number of youth-led, women-led and SMEs accessing capital markets.	NAMFISA: BoN & NSX, NYC, MYSC, MGEW	
	x number of Youth-led, women-led and SMEs accessing capital markets			x amount of funds invested by youth, women and SMEs in the capital market.	x amount of funds invested by youth, women and SMEs in the capital market.			
	Enhancing sustainable finance	Support sustainable financing initiatives and activities	4. Develop a comprehensive sustainable finance strategy to itegrate sustainable practices with financial the financial sector.	Sustable finance strategy developed and implemented.	Task team to integrate sustainable finance practices in Namibia created and a sustainable finance strategy developed.	Integration and adoption of sustainable finance practices by the financial sector institutions	Integration process monitored and sustainability impact assessed.	BoN & NAMFISA: Financial Instructions, Ministry of Environment & EIF
					Existing regulatory guidlines and policies reviewed to promote and support sustainable finanie practices.			

# Thank You!



**Bank of Namibia**

