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## **BANK OF NAMIBIA ENGAGES EDITORS AND JOURNALISTS**

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1. The Bank of Namibia today engaged senior editors from various media houses with a status update on the Bank's various operations and activities. This engagement forms part of the Bank's longstanding relationship with the media and its commitment to promoting transparency and accountability.
2. Led by the Bank's Deputy Governors, Mr. Ebson Uanguta and Ms. Leonie Dunn, the engagement entailed an extensive presentation on the Bank's role. Deputy Governor Uanguta reiterated the central bank's role, particularly in ensuring price and financial stability.
3. The presentation also covered key highlights of both domestic and global economic conditions. On domestic economic highlights, the Deputy Governor noted that growth in the domestic economy slowed to 3.7 percent during the second quarter of 2023, compared to 8.5 percent recorded in the corresponding quarter of 2022. Headline inflation rose to an average of 6.0 percent during the first eight months of 2023, compared to the average of 5.6 percent during the corresponding period of 2022. This was mainly on account of increased inflation for Food & non-alcoholic beverages, Housing, Alcohol Beverages, and Tobacco.
4. Globally, monetary policy tightening and geopolitical tensions have created economic uncertainty. The Deputy Governor, however, highlighted that the domestic, global, and regional economic developments, as well as the peg arrangement between the Namibia Dollar and the South African Rand, are essential considerations in the formulation of monetary policy. Responding to questions on the viability of the peg, the Deputy Governor emphasised the Bank continues to assess the arrangement and has found that it continues to serve Namibia well from a price stability perspective while reducing transactional costs which ultimately benefit the economy.

5. The meeting also highlighted efforts to address concerns about home repossessions which have increased in the post-Covid-19 pandemic. In this regard, the Bank issued the Determination of policy changes in response to economic and financial stability challenges to cushion affected households and businesses. However, the Bank expressed its commitment to working with stakeholders to find viable solutions to address these pressing challenges while maintaining financial stability. The Bank also acknowledged the various initiatives being undertaken by the Ministry of Justice to reform the legal processes to ensure the protection of the interest of both homeowners and lenders.
6. The meeting further provided key updates on the SME Economic Recovery Loan Scheme that was re-launched in February 2023. To date, over N\$ 280 million has been disbursed to 267 businesses operating in the construction, retail, manufacturing, and oil and gas industries.
7. The forum also discussed the salient features of new and revised laws being administered by the Bank of Namibia, namely the Payment System Management Act, Act 14 of 2023, The Banking Institutions Act No. 13 of 2023, and the Virtual Assets Act, Act 10 of 2023). Highlighting the significance of the new laws, Deputy Governor Leonie Dunn emphasised the continued responsibility the Bank has in ensuring that an effective regulative framework is in place, which prioritises the interests of all Namibians.
8. Finally, the Deputy Governors provided key updates on the Bank's progress in executing its 2022-2024 Strategy. Enabled by digital transformation, the strategy employed new initiatives that will enhance financial inclusion in Namibia while modernising the financial system. Some worthy projects include the automation of government payments in light of the Bank's role as a banker to the government. Furthermore, mandating Open Banking and researching viable instant payment solutions count as among the initiatives undertaken.
9. Summing up the event, Deputy Governor Ebson Uanguta acknowledged the media's role in streamlining the communication efforts by the Banks and streamlining public education. "These engagements are instrumental in upholding the valuable relationship the Bank of Namibia shares with our media stakeholders. Given the Bank's extensive responsibilities and its implementation of the 2022-2024 strategy, the media's role remains pivotal in ensuring that not only does Namibia understand the Bank's role but also take into account how our decisions and mandates impact their lives and potentially shape their ability to make well-informed financial choices."



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