

CIRCULAR NO: RPS/FIN1-FIM/2013

CIRCULAR FROM THE CHIEF EXECUTIVE OFFICER

To the Chief Executives and Principal Officers of Financial Institutions

PROGRESS ON NAMFISA BILL AND FIM BILL

Purpose of Circular

1. The purpose of this circular is to provide information and an update on the progress relating to the NAMFISA Bill and the FIM Bill.

Background

2. After initial consultations during 2008 and 2009, NAMFISA consulted with financial institutions during 2010 and 2011 on the NAMFISA Bill and FIM Bill (the "Bills"). The Cabinet Committee on Legislation ("CCL") directed in 2010 that: (1) provisions relating to NAMFISA in the original FIM Bill be extracted and drafted separately; (2) and the FIM Bill be reduced as it was unwieldy.
3. NAMFISA amended the draft Bills, where necessary, and presented the draft Bills during 2012 and early 2013 to members of the National Assembly and the National Council.
4. After further changes consistent with the inputs of the members of Parliament, the Minister of Finance submitted the draft Bills to the CCL during mid-2013.
5. The CCL deliberated on the Bills on 1 August 2013 and approved the Bills with the following changes to the NAMFISA Bill: (1) that NAMFISA reports to the Minister instead to Parliament; (2) that all appeals by aggrieved persons must be to the Appeal Board as having exclusive original jurisdiction to hear appeals; and (3) that a definition be inserted to provide for the conduct of appeals before the Appeal Board by electronic means.

Way Forward

6. The following legislative process will be followed in respect of the Bills:
 - a. NAMFISA makes changes consistent with inputs by the CCL.



- d. The legal drafters draft the Bills and submit to the Minister for approval.
 - e. The Ministry submits the Bills to CCL Secretary for transmission to the Attorney-General for certification and submission to Parliament for printing and tabling.
 - f. The Minister tables the Bills in Parliament and the Bills are read three times in both National Assembly and National Council and passed in accordance with the Namibian Constitution and Parliamentary procedures. The Assembly or Council may wish to refer the Bills to Committee for further public consultations.
 - g. The passed Bills are submitted to the President for assent and the Bills become Acts once signed and published in the Gazette. A decision must still be taken whether all sections of the Acts will come into operation at the same time, or whether certain provisions will be phased in over time.
7. NAMFISA cannot say how long this process will take and when the Bills will eventually be passed and become law.
8. During 2014, NAMFISA will finalize certain Regulations and Standards to be issued under the NAMFISA Bill and FIM Bill. The legislative process for Regulations and Standards are different from the statutory process above in the sense that Regulations will be issued by the Hon Minister and Standards by NAMFISA. However, the same consultative process with financial institutions and other affected or interested persons will take place as was done in the case of the Bills.
9. The Acts, Regulations and Standards will come into effect at the same time, except where certain provisions of the Acts will be phased in, as mentioned in 6(g) above.



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Phillip N. Shiimi

Chief Executive Officer

01/10/13
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Date