

## About PAN

PAN has shaped its future to align the Association with the tremendous changes taking place in the payments landscape.

### 1.1 VISION

To be a guardian of a safe and reliable National Payment System (NPS) that conforms to international standards.

### 1.2 MISSION

To maintain a world-class payment system that meets domestic, regional and international requirements.

### 1.3 PURPOSE

To manage and regulate fairly, equitably and transparently the participation, innovation and development of the NPS and its stakeholders, for the benefit of the Namibian nation.

### 1.4 MEMBERSHIP

All members of PAN are defined in the Payment System Management Act, 2003 (Act No.18 of 2003), as amended. Currently the members of PAN include the Bank of Namibia, First National Bank of Namibia, Standard Bank Namibia, Bank Windhoek, Nedbank Namibia, SME Bank Limited and EBank Limited.

### 1.5 THE NATIONAL PAYMENT SYSTEM

The National Payment System comprises modern infrastructure to transfer money between customers, suppliers, merchants, banking institutions and countries, including the use of payment instruments, such as cards, cheques and EFT electronic payments.

The PAN Management Council provides the vision to ensure that risks in the National Payment System are adequately addressed through regulatory and mitigating measures to safeguard the integrity of the system. The interdependencies between service providers and banking institutions within the industry are adequately managed, while proper coordination among all stakeholders in the payment system is achieved through collaborative activities to ensure an efficient, safe and reliable national payment system. We continue to strive towards wider participation, innovation and development of the National Payment System to the ultimate benefit of the Namibian nation.

## ENQUIRIES

All enquiries related to this notice shall be forwarded to:

The Chief Operating Officer – PAN  
P.O. Box 134, 1st Floor, Rieks House,  
C/O Feld and Rieks van der Walt Street,  
Ausspannplatz, Windhoek  
Telephone: +264 61-415420  
Email: [info@pan.org.na](mailto:info@pan.org.na)



# SURCHARGING ON DEBIT & CREDIT CARD



# TRANSACTION LIMITS AND SURCHARGING ON DEBIT & CREDIT CARD PAYMENTS BY MERCHANTS

## 1. INTRODUCTION AND BACKGROUND

The Payments Association of Namibia (PAN) is empowered by the Payment System Management Act, 2003 (Act No.18 of 2003), as amended, section (3) (1) to manage the National Payment System (NPS). With this comes the responsibility to ensure compliance within the NPS to local and international card operating rules and regulations.

PAN has learned that some merchants are adding a surcharge (additional fee) to card transactions or are setting minimum or maximum transaction amount as a condition for accepting debit or credit cards for payment. Such practices have a negative impact on consumers and are in direct violations of VISA International Operating Regulations (ID#: 111011-010410-0006948 and ID#: 111011-210710-0026405) and MasterCard Rule 5.11.3.

## 2. ACQUIRERS AND MERCHANTS

Acquirers and Merchants must comply with all card operating rules and regulations to protect the integrity of the payments systems.

### Merchants are reminded that they are required to:

- Treat all debit and credit card payments like any other method of payment without additional costs (surcharges) added to the value.
- Honour valid debit and credit cards in their acceptance category regardless of the dollar amount of the purchase.

### Acquiring banks are reminded to ensure:

- Merchants do not differentiate methods of payments by imposing a surcharge fee on any card payments.
- Merchants do not impose a minimum or maximum purchase amount for the acceptance of card transactions.

## 3. PAN'S POSITION

Carrying around large amounts of cash poses a risk to the individual. With a debit or credit card, you can pay for goods and services in a safe and secure manner. Cards also offer a fast and convenient way to shop. Penalizing consumers for use of payment cards is not only in contravention of card operating rules, but it unfairly shifts the cost of electronic payments onto the consumer.

## 4. COMPLAINTS AND PENALTIES

The public is encouraged to report any non-compliance with this notice to PAN. If PAN becomes aware of a merchant's non-compliance with any operating rules and regulations, PAN may notify the acquirer of such non-compliance and the acquirer must promptly ensure the merchant discontinues the non-compliance practice immediately.

Failure to comply with this notice, PAN may pursue any remedial measure(s) as provided under Section (16A) (1) of Payment System Management Act, 2003 (Act No.18 of 2003), as amended, or the relevant card operating rules and regulations.

