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### FOR IMMEDIATE RELEASE

## NAMPAY – A NAMIBIAN PAYMENT REVOLUTION ON THE HORIZON

The Payments Association of Namibia (PAN), in partnership with the local banking and payment service providers will be introducing a brand new solution, called NamPay. The new payment solution will result in a major enhancement to the National Payment System (NPS) for Electronic Fund Transfers (EFT). The new system is built based on the international financial message standard ISO20022.

This NamPay solution will comprise of three payment streams across debit orders (EnDO), credit payment transfers (EnCr) and near-real-time (NRTC) credit payment transfers that will transform all EFT processing in Namibia and are explained in more detail below. The enhancement of the system is in response to a payment system determination (PSD-7) by the Bank of Namibia that requires efficiency in the payment system.

### Enhanced Debit Orders (EnDO)

The current debit order system will be replaced by an enhanced collection process, called EnDo that will benefit both the submitter of debit orders (Creditor) as well as the consumer paying that debit order (Payer).

Key features of the EnDO stream include the following:

- Users are able to send debit orders that will have the ability to repeatedly check for funds (credit tracking) on the debtor's account over a period of time which will improve the success rate of collections.
- Credit tracking will be run for up to 14 days.
- Intraday credit tracking will be done three times per day.
- All debit orders are fully randomized to avoid preferential treatment on collection of funds.
- During the tracking period, debit orders will not be classified as "unpaid" but rather "pending" on the consumer's account resulting in fewer unpaid penalty fees.

A handwritten signature in black ink, appearing to be the initials 'AM'.

- Institutions that submit debit orders are required to register as users with unique abbreviated short name so that it is easily identifiable.

### **Near-Real-Time Credit Transfers (NRTC) and Enhanced Credit Transfers (EnCR)**

The current EFT credit payments system will be replaced by two new streams (ENCR & NRTC) that will enhance the way that money can be transferred across all banks in the NPS. This involves the ability to transact within a current day and to transfer money immediately to any beneficiary in Namibia, whether they bank at the same institution or not.

Key features of the NRTC & EnCR streams include the following:

- The NRTC payment stream enables any consumer to transfer in real-time to any beneficiary within the business day within 1minute.
- transactions are processed daily between 08h00 and 16h00 by the banks and are therefore not subject to overnight or multiple day clearances unless submitted after the close of the business day.
- An electronic process is in place to handle transactions processed erroneously.
- Data enriched messages allow for better anti-money laundering controls to prevent fraudulent activity.

### **About PAN**

Payments Association of Namibia (PAN) is the NPS's self-regulatory body and promotes a co-operative environment to drive payment system policy development and self-regulation among its members and stakeholders. PAN members and service providers work together to maintain and deliver an efficient world-class national payment system that meets domestic, regional and international requirements.

Issued by



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