



# NaSIA

Namibia Savings & Investment Association

# Newsletter

Issue 29, July 2023

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# Editorial from the Secretariat

Written by  
**Fenni Negonga**



## Association of Undertakings and Cartel Conduct: What you don't know can hurt you

Dear members,

It is with great pleasure that we present to you our July 2023 newsletter!

It is generally acknowledged that industry associations, like NaSIA, perform functions which are legitimate, benefit consumers, and that promote the competitiveness and efficiency of the industry as a whole. However, given the characteristics of industry associations, participation within an industry association may provide a platform for members meeting under its auspices to coordinate their actions contrary to competition laws. It is no secret that the risk of encountering a competition law issue in the context of trade associations is significant. Competition law is generally concerned with collusive behaviour (restrictive business practices) and the abuse of dominance by dominant market players. These actions either eliminate or significantly reduce competition. To this end, in this edition, the secretariat aims to enlighten members on competition law in general and the Competition Law Policy that NaSIA has in place, its goals, and why it's crucial for members to abide by it. This guide is an information resource about competition law compliance risk in the context of industry associations.

The Competition Act, 2003 (Act No. 2 of 2003) ("the Competition Act") is the primary legislation regulating competition in the Namibian market. Section 2 of the said act states, inter alia, that its purpose is to promote the efficiency, adaptability, and development of the Namibian economy. Furthermore, the act seeks to provide consumers with competitive prices and product choices. Because competition law is a tool used to create an efficient market economy, it cannot be considered in isolation without having regard to what it seeks to achieve. In economic theory, the term market structure is used to summarise the rationale by which competition law functions and why it encourages private business competition. Market structure refers to how markets are differentiated depending on characteristics such as the nature of competition, product uniqueness, barriers to entry, the degree of mutual interdependence, and others. Perfect competition, monopolistic competition, oligopoly, and monopoly are the four forms of market structures. The characteristics of the various market structures are summarized in the table below:

The term perfect competition refers to a theoretical market structure. The truth is markets are never perfect in the real world, and they will never be. However, the perfect competition theory provides a useful model for explaining how supply and demand affect prices and behaviour in a market economy.



Features	Perfect Competition	Monopolistic Competition	Oligopoly	Monopoly
Number of Players	Large No of players	Large number of players	Few players	Only one player
Product Features	Identical/non-differentiated	Highly similar, highly substitutable but not identical	Differentiated	No substitutes
Barriers to entry	Easy industry entry & exit	Easy Industry entry and Exit	High barriers to entry but not impossible	Nearly impossible to entry/exit
Competition	High	High	Low - Competitors Act in a collaborative manner	No competition / low
Market Power of firms- (ability to control prices)	None	Has Low Control Over Price	High Market Power-Can influence price in a collaborative manner	Very high- has the Complete Control Over Price Control

The competitive dynamics promote competitiveness and the efficiency of companies, ensuring better prices. When companies create cartels or get involved in other anticompetitive practices, the exact opposite happens- costs rise and consumers are harmed. The objective of competition law is, therefore, to ensure that markets remain as competitive and efficient as possible by prohibiting certain anti-competitive behavior. That way, the government can ensure that consumers will always have different places to buy their goods and services. This also helps bring prices to an optimal level, encourage innovation, and keep the consumer protected from the undesirable effects of anti-competitive practices.

In turn, the NaSIA Competition Law Policy ensures that NaSIA members comply with the provisions of the Competition Act. Its purpose is to ensure that NaSIA, as an industry body, is not used as a conduit for advancing anti-competitive behavior. In particular, agreements to engage in “hard core” activities such as price-fixing, bid-rigging, output reduction, market sharing, and customer allocation. The secretariat is therefore empowered to constantly inform and remind members on the importance of adhering to competition law, and constantly monitor compliance with competition law at all industry platforms. Specifically, the secretariat ensures that members are strictly prohibited from engaging in the following topics when attending NaSIA meetings and or industry gatherings:

- **Price Fixing;** to fix prices, both the final price or any element thereof (e.g., discounts, rebates, cost);
- **Customer Allocation;** to allocate customers to each other (e.g., agree not to compete with each other for work/services from particular customers or in particular sectors);
- **Market Allocation;** to allocate markets, regions, bid-rigging, or products to each other (e.g., agree not to bid for work/services in particular regions, or for particular customers, or for particular products, or not to enter a specific market);
- **To restrict or increase production,** including levels of production, and/or the supply of services;
- **Either party’s purchasing/sales strategy,** including whether to purchase/sell products or systems from a particular supplier/to a particular customer, or at what conditions;
- **Future competitive behavior** (e.g. price increases; development of new technologies).

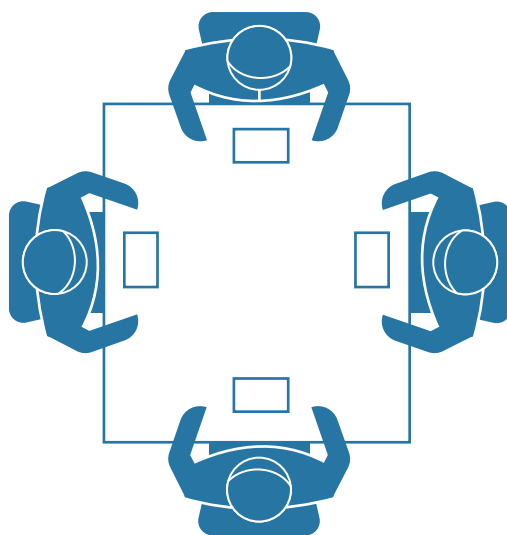
Best wishes for the month of July; let us make each day count!

The Secretariat

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“Competition”, is the act of endeavoring to gain what other endeavors to gain at the same time.” ~ Samuel Johnson

# 1. Upcoming Meetings



Please take note  
of the following committee meeting dates  
(third round):

Month	Meeting Subject
5 Sept 2023	Market Conduct Committee
6 Sept 2023	Transformation Skills Development and Education Committee
7 Sept 2023	Research and Economic Savings Policy Development Committee
19 Sept 2023	Legal & Technical Committee
20 Sept 2023	Insurance Committee
21 Sept 2023	Investments Committee



ASISA

ACADEMY

## 2 Hour Online Investments Sprints



NaSIA, in collaboration with the ASISA Academy now offers live online 2-hour Sprint workshops on various topics relevant for individuals employed in financial services. Sprints are hosted by ASISA's team of expert presenters using online video meeting software.

Since April 2020, more than 200 people have participated in the ASISA Academy's online Investment Sprints which offer a wide variety of bite-size chunks of learning on specific investment topics and give you a taste for what is on offer on their longer courses.

**Fees:** Subject to a minimum of 6 participants in a Sprint, the fees are R715 + VAT per delegate per Sprint. **NaSIA members qualify for an additional R100 discount per individual.**

**Special Discount:** A discounted fee of R615 + VAT per person is available should your organisation enrol at least 5 staff in 3 or more different Sprints. **NaSIA members qualify for an additional R100 discount per individual.**

**Bulk discounts are available for companies that purchase 15 Sprints or more.**

ASISA have scheduled to run the following Sprints in August and September 2023

No	Course Name	Course Date	Due Date
1	Compliance - Prudential Investment Guidelines	2 August 2023	27 July 2023
2	Fundamentals of Pricing and Unitization	10 August 2023	4 August 2023
3	Investment management ethics	16 August 2023	9 August 2023
4	Introduction to the SA savings and investment sector	18 August 2023	11 August 2023
5	Investment management business overview	5 Sept 2023	30 August 2023
6	Investment products and structures	7 Sept 2023	1 Sept 2023
7	Derivatives	13 Sept 2023	7 Sept 2023
8	Responsible investing	15 Sept 2023	9 Sept 2023

9	The investments governance landscape	19 Sept 2023	13 Sept 2023
10	Investment performance overview	21 Sept 2023	15 Sept 2023
11	Compliance - CISCA	27 Sept 2023	21 Sept 2023
12	Investment management fees and costs in the context of retirement funds	29 Sept 2023	25 Sept 2023

ASISA can also deliver in-house any of the Sprints listed in the brochure, or a completely different bespoke Sprint, for your organisation at a discounted fee if you have at least 6 staff who want to run.

To download a brochure with more detailed information, [click here](#).

Should you require more information or wish to enrol for a course, please follow this link to the ASISA Academy website: [Investment Sprints \(asisa.org.za\)](https://www.asisa.org.za/investment-sprints)

## Going Forward

The Secretariat will send out these Sprints as they come out monthly. We encourage all companies to enroll their employees for these courses. In addition to the discount offered to our members, investing into employee training and development will pay off for your business in the long run.

## 2. Short Courses



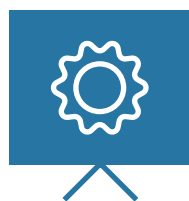
No	Course Name	Course Date	Time & Platform	Course Fees
1	The UCT Collective Investment Scheme (CIS) short course	15-17, 22-24, 29-31 August 2023	09h00-12h30 (Online)	R12,810 + VAT
			09h00-12h30 (Online)	R12,810 + VAT
2	UCT Investment Management Administration & Client Servicing (IMACS) short course	15-17, 22-24, 29-31 August 2023	09h00 – 12h30 (Online)	R12,810 + VAT
3	UCT Life Insurance Claims Assessors short course	24 - 28 July 2023 14 - 18 August 2023	20 face to face full-day sessions	R 39 350 + VAT

### IMACS Sprints combination

- In 2022, ASISA introduced a new flexible way to complete the UCT IMACS Short Course by participating in 12 of their existing 2-hour Investment Sprints within a 2-year period.
- Each Sprint fee is R760 + VAT (Full fee for 12 Sprints is R9,120 + VAT).
- The fee for the online assessment once all 12 Sprints are completed is R500 + VAT.
- For more information on this please view the UCT IMACS Short Course brochure.

To download a brochure with detailed course content and delivery approaches, [click here](#)





## 3. RFIN Trustee Training Dates

### > RFIN - Rudiments

Training on the fundamental elements that a trustee needs before taking on advanced training targets are new trustees, new PO's aspiring trustees, refreshers for long serving trustees in anticipation of FIMA, etc.

Course	Month	Venue	Time	Price Inc VAT
Pension Fund Investment Management (FIMA)	November	NUST - WHK Others TBC	08h30 - 12h00	N\$1,847 members N\$2,479 non-members
Member Engagements and Communication	November	NUST - WHK Others TBC	08h30 - 12h00	N\$1,847 members N\$2,479 non-members
Budget for Pension Funds	June November	NUST - WHK Others TBC	08h30 - 12h00	N\$1,847 members N\$2,479 non-members
Pension Fund Annual Report	November	NUST - WHK Others TBC	08h30 - 12h00	N\$1,847 members N\$2,479 non-members
Governance of Pension Fund: Trustee and PO roles and duties	November	NUST - WHK Others TBC	08h30 - 12h00	N\$1,847 members N\$2,479 non-members
ESG Investments (Basics)	November	NUST - WHK Others TBC	08h30 - 12h00	N\$1,847 members N\$2,479 non-members
Pension Fund Risk Register	November	NUST - WHK Others TBC	08h30 - 12h00	N\$1,847 members N\$2,479 non-members

## > RFIN - Supreme

Equipping Trustees to handle FIMA (Formulated on NAMFISA/FIMA: Requirements/obligation/Guidelines).

Training on the In-Depth knowledge on the elements needed by trustees in preparation for FIMA: targets are new and long serving trustees, new and long serving PO's, aspiring trustees etc. Follows on from RFIN Rudiments Training.

Course	Month	Venue	Time	Price Inc VAT
Pension Fund Investment Management (FIMA)	June November	NUST - WHK Others TBC	08h30 - 13h00 14h00 - 16h30	N\$ 2 648 members N\$ 3 997 non-members
Annual Reporting – regulatory under FIMA	June November	NUST - WHK Others TBC	08h30 - 13h00 14h00 - 16h30	N\$ 2 648 members N\$ 3 997 non-members
FIMA overview (changes to Pension Fund Act vs FIMA, Chapters & Regulations [main points], Legal Requirements, fund regulation)	November	NUST - WHK Others TBC	08h30 - 13h00 14h00 - 16h30	N\$ 2 648 members N\$ 3 997 non-members
Responsibilities, Obligations and Liabilities of Trustees and PO under FIMA	November	NUST - WHK Others TBC	08h30 - 13h00 14h00 - 16h30	N\$ 2 648 members N\$ 3 997 non-members



## > **RFIN - Bespoke Training 2023**

Fund specific training. The fund will indicate what their training needs are picking from the RFIN Rudiments, Supreme or Tailored. Minimum 10 -20 maximum people per training, thus allowing for prospective trustees, company committee members and any others allowed by Board to also attend in aid of Retirement literacy.

Course	Month	Venue	Time	Price Inc VAT
RFIN Rudiments	On request	FUND Premises/ Organized	TBC	N\$ 10 000 members N\$ 15 000 non-members
RFIN Supreme	On request	FUND Premises/ Organized	TBC	N\$ 10 000 members N\$ 15 000 non-members
RFIN Tailored	On request	FUND Premises/ Organized	TBC	N\$ 15 000 members N\$ 20 000 non-members



## > **Publications**

No new publications

## 4.Submissions

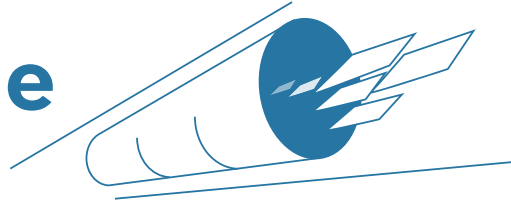


> **Submission done**

Stakeholder	Submission Dates	Matter	Committee
Payment Association of Namibia "PAN"	13 June 2023	Payroll Deduction Codes	Insurance Committee
NAMFISA	30 June 2023	Input into the NAMFISA Levy Gazette	NaSIA Industry



# 5. In The Pipeline



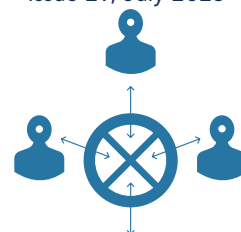
**NaSIA is currently working on research papers that seek to achieve the following objectives:**

**a) NaSIA paper on sustainable investment** - Developing a NaSIA Environmental, Social, and Governance ('ESG') Disclosure Framework for Asset Managers with an ESG focus. The framework is designed to serve as a guide for asset managers to communicate information about their consideration of ESG in their investment strategy. This paper is a long-term project for the NaSIA Investment Committee and will likely be on the agenda for the whole of 2023

**b) Contribution of the Life Insurance and Asset Management Industry to State Revenue** – To provide NAMRA with a comprehensive picture of how the Namibian Insurance and Asset Management industries operate as well as their contribution to state revenue. The research emanated from a request by NAMRA following a courtesy visit by NaSIA held on 11 November 2022. The aim of which is to fortify and maintain a positive stakeholder relationship with the tax authority. The Board endorsed the research on 30 March 2023. The research is currently falling under the auspices of the NaSIA Insurance Committee, which is busy reviewing and offering feedback on the secretariat's first draft.



## 6. Stakeholder Engagements



Stakeholder	Date of Engagement	Key Outcomes
Ministry of Finance and Public Enterprises	6 June 2023	<p><b>ISSUES DISCUSSED:</b></p> <ul style="list-style-type: none"><li>• Section 6 of the Determination of the Operational and Cybersecurity Standards within the National Payment System (“PSD 12”) indicates that PSD 12 applies to “Designated Non-Banking Financial Institutions”. However, these have not been clearly defined. NaSIA therefore arranged for a meeting with the BoN to discuss this uncertainty and to clear up any confusion whether PSD 12 applies to the insurers or not.</li><li>• The requirements of PSD 12 apply to institutions that are authorised by the Payment System Department within the Bank of Namibia. “Designated Non – Bank Financial Institution” are institutions that participate in the National Payment System, and in that case the requirements of PSD 12 would apply to such institutions.</li><li>• Some institutions are regulated by other regulatory bodies (and not necessarily by the BoN). In an event that those institutions undertake to provide services that the BoN must regulate, then that component of their business will be subjected to PSD 12. Moreover, if there is a system integration to provide payment services between an institution that falls under the regulatory scope of the BoN and one that is regulated by another entity, then that integration will also be subjected to PSD 12.</li><li>• As it is, NaSIA members would not be directly subjected to the requirements of PSD 12. However, such a possibility cannot be ruled out, as in the world/ advent of Fintechs, integrations are always taking place for the purposes of providing payment services.</li><li>• The BoN undertook to put the above position in writing to create certainty and to avoid (as people are not in positions forever) different interpretations in the future.</li></ul>

Stakeholder	Date of Engagement	Key Outcomes
Conference on Sustainable Finance: UNEP FI Regional Roundtable- Africa and Middle East)	14 June 2023	<p>ISSUES DISCUSSED:</p> <ul style="list-style-type: none"> <li>The UNEP FI Regional Roundtable Africa and Middle East was held on 14-15 June at the Windhoek Country Club Resort, in Windhoek, Namibia. The event, organised in collaboration with NamibRe, brought together 200+ UNEP FI member banks and insurers, policymakers, civil society, and academics to explore sustainable finance trends, issues, and solutions in Africa and the Middle East.</li> <li>Speakers and participants had the opportunity to network and explore topics such as regulations and their effects on sustainable finance, climate mitigation, and adaptation action, financial health and inclusion, sustainable insurance, nature-related risks, existing projects, and partnerships in the regions, and much more. The goal of all the discussions was to explore ways in attaining a prosperous, resilient, and sustainable Africa.</li> </ul>
Namibia Chamber of Commerce and Industry State of Business Address (SOBA)	26 June 2023	<ul style="list-style-type: none"> <li>The Namibia Chamber of Commerce and Industry ('NCCI') held its first ever State of Business Address ('SOBA') ON 26 June 2023. SOBA aims to draw all sectors of the business sector closer in the quest to accelerate the transformation and repositioning of the Namibian economy through value addition, innovation, and investment, as mandated by the HPPII.</li> <li>Its common goal is to grow and transform the Namibian economy to be inclusive, and sustainable, and address inequality and unemployment.</li> </ul>

Stakeholder	Date of Engagement	Key Outcomes
NIPDB Policy Committee	27 June 2023	<p>ISSUES DISCUSSED:</p> <ul style="list-style-type: none"> <li>• Committee meeting next week Tuesday, June 27th, 2023. An update was given by the NIPDB, on what is happening in the policy space. This is in line with the committee mandate to review and propose policy reforms and measures to support trade and investment promotion, conducive labour market policies, improve the country's Competitiveness and the ease of doing Business.</li> <li>• It was acknowledged that there is a backlog of bills (about 77) that are delayed.</li> <li>• NIPDB indicated that their goal (from a policy perspective) is to push for 3 bills to be passed in parliament per year.</li> <li>• Below is a summary of the discussed laws/policies:</li> <li>• <b>National Equitable Economic Empowerment Bill (NEEEB)</b>-this bill is said to still be with the legislative drafters at Ministry of Justice). Envisaged to be finalized in current financial year (i.e. before March 2023). Latest version is till the November 2020 version.</li> <li>• <b>Namibia Investment Promotion and Facilitation Bill and Regulations</b>- redraft of this Bill is still ongoing.</li> <li>• <b>Local Content Policy</b>- Input sought</li> <li>• <b>Labour Act</b>-input sought.</li> <li>• <b>Employment Services Act</b>-input sought</li> <li>• <b>Migration Bill and Desert VISA Programme (DVP)</b>- second draft of migration bill completed. Two technical committees set up made up of Home Affairs (spear-heading) and NIPDB (working group).</li> <li>• Special Economic Zones and Incentives-the old Foreign Investment Act is being amended to include provisions of special economic zones that have been removed from the Income Tax Act.</li> <li>• Data Protection Bill-the bill is being workshopped in the various regions.</li> <li>• For this specific meeting input was sought on the Upstream Petroleum Local Content Policy in which it plans to give input later the year. The bill aims to pave for local participation in the emerging upstream petroleum market.</li> </ul>

Stakeholder	Date of Engagement	Key Outcomes
NAMFISA	28 June 2023	<p>ISSUES DISCUSSED:</p> <ul style="list-style-type: none"> <li>• The NAMFISA Asset Managers and Unit Trust industry forum brings together players from the Unit Trust and Asset Management industries to deliberate on topical issues facing the industry. Last year various engagements took place which were largely focused on issues related to the Mutual Evaluation Report and directives/guidance notes/circulars issued by NAMFISA/FIC since the last AMLCO forum.</li> <li>• NAMFISA had to combine Unit Trusts with Asset Managers in order to discuss issues that relate to their businesses and the nation at large. The discussion therefore cantered around the following: <ul style="list-style-type: none"> <li>• National Risk Assessment for September 2021;</li> <li>• Outcome of the 2023 Sectoral Risk Assessment;</li> <li>• Update on the execution of the Mutual Evaluation recommended actions;</li> <li>• Proposed amendments on legislations and expectations;</li> <li>• Guidance Note and Directive on Targeted Financial Sanctions;</li> <li>• Typology study and guidelines on third party payments;</li> <li>• The impact of South Africa's grey listing; and</li> <li>• Focus areas for 2023/2024.</li> </ul> </li> </ul>

# NaSIA

Namibia Savings & Investment Association

Namibia Savings and Investment Association (“NaSIA”) is incorporated as a not-for profit company and represents the interest of its members; financial institutions such as unit trusts companies, investment managers and long-term insurers. NaSIA’s strategic purpose and mandate is to continue to strengthen relationships with key stakeholders and to remain a trusted partner to these stakeholders in the financial services industry. NaSIA has been tasked with ensuring that as a collective the industry remains relevant and sustainable.

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