

# NaSIA

Namibia Savings & Investment Association

# Newsletter

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# Editorial by

## NaSIA Secretariat

Dr. Meameno Johannes



## Understanding FIMA Standard CIS.S.4.8

The promulgation of FIMA Standard CIS.S.4.8, titled *“Permissible Investments, Portfolio Composition, and Subscription or Redemption Rules for Collective Investment Schemes”*, represents a substantial evolution in the regulatory framework guiding Namibia’s Collective Investment Schemes (CIS). Developed under the Financial Institutions and Markets Act (FIMA), 2021, and officially issued by the Namibia Financial Institutions Supervisory Authority (NAMFISA), the standard introduces a set of clear, enforceable rules designed to promote transparency, protect investors, and ensure the long-term stability of the collective investments industry.

Standard CIS.S.4.8 outlines three major regulatory pillars: the types of investments that collective schemes are permitted to hold (permissible investments), how such investments must be structured within a portfolio (portfolio composition), and the rules governing how investors enter or exit these schemes (subscription and redemption). These elements are interlinked and collectively ensure that CISs operate within prudent risk limits while maintaining the liquidity necessary to meet investor redemptions without disrupting financial markets or incurring capital losses.

One of the most notable requirements within the standard is the provision that certain classes of assets in a CIS portfolio must be capable of being converted into cash within seven calendar days, without any penalty to capital. This liquidity threshold serves as a critical safeguard to ensure that investors can exit their investments in a timely manner, particularly under market stress. In addition to this, the standard enforces diversification requirements, including limits on exposure to a single issuer or asset class, thereby reducing concentration risk and enhancing portfolio resilience.

For CIS managers, this means that portfolio construction must now take into account both the regulatory limitations on asset classes and the liquidity profile of those assets. Compliance must be demonstrable and consistent with the fund’s mandate, and any changes to portfolio strategy must remain within the defined limits. Although the standard does not specify the frequency of monitoring, the structural requirements imply the need for regular oversight and sound internal systems capable of ensuring compliance across various market conditions.

Trustees and custodians also carry increased responsibility under the standard. They are expected to play an active role in oversight, ensuring that the fund manager’s actions are consistent with the fund’s governing documents and that investor assets are adequately safeguarded. The role of these stakeholders is no longer passive or administrative but is clearly embedded in the governance and risk management framework of the CIS structure.

In line with NAMFISA’s consultative regulatory approach, NaSIA was formally invited to participate

in the stakeholder review process. We submitted our final official comments on 16 October 2024, following a series of internal consultations with members and technical analysis by our policy team. Our submission included detailed commentary on practical implementation, market structure realities, and the operational implications of the proposed requirements. Several of our key recommendations were incorporated into the final version of the standard. We commend NAMFISA for its openness to industry input and its responsiveness in refining the standard to balance regulatory objectives with operational feasibility.

Standard 4.8 also brings to the forefront the sector’s ongoing need for capacity building. As Namibia’s investment environment becomes more complex and regulatory expectations grow, the ability of institutions to comply will hinge on the availability of well-trained, technically competent professionals. This includes fund managers, compliance officers, internal auditors, analysts, and members of fund boards or committees. NaSIA views this as an opportunity to elevate professional standards within the sector and to position Namibia as a regional leader in collective investment regulation.

The introduction of this standard should not be seen as a mere compliance exercise. Rather, it reflects the maturation of Namibia’s financial sector and the strategic role that CISs are expected to play in mobilizing domestic savings, deepening the capital market, and supporting broader economic development goals. Well-governed, transparent investment structures inspire investor confidence, attract long-term capital, and reduce systemic risk in times of financial stress.

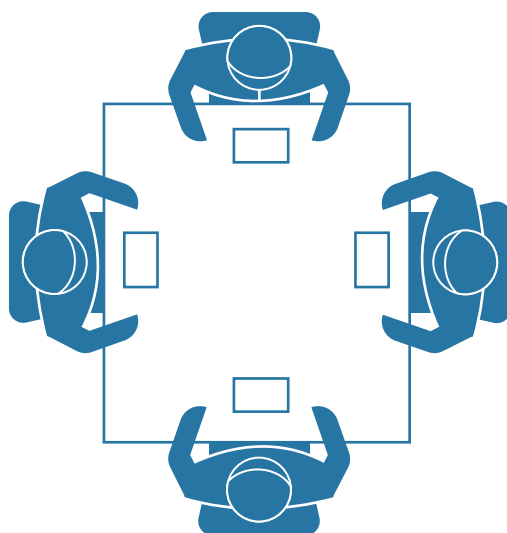
This marks a new chapter for Namibia’s non-banking financial sector. One that is defined by stronger governance, more sophisticated risk management, and deeper collaboration between regulators and industry. As always, NaSIA remains committed to supporting its members through guidance, advocacy, and capacity-building initiatives to ensure that the sector remains resilient, competitive, and aligned with international best practice.

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*Happy Reading!*



## 1. Upcoming Committee Meetings



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

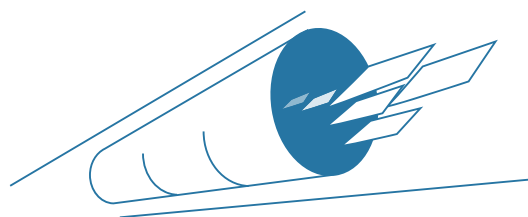
Month	Meeting Subject
8 July 2025	Market Conduct Committee
10 July 2025	Transformation, Skills Development and Education Committee
15 July 2025	Research and Economic Savings Policy Development Committee
17 July 2025	Legal and Technical Committee
22 July 2025	Insurance Committee
24 July 202	Investments Committee



## 2. Submissions done:

No submission was made during the month April 2025.

## 3. In The Pipeline




**Research on Infrastructure Investment in Namibia** – This study, led by the Research and Investments Committee, focuses on infrastructure investment projects in Namibia to attract pension fund money. The study looks at where we are as an industry with regard to infrastructure investment projects, as well as how to attract pension fund money into this asset class. It involves analyzing global best practices and pinpointing deficiencies in the existing framework (including the private-public partnership act), with the goal of developing a strategy that is specifically tailored to the Namibian context.

## 4. Member Engagement: NaSIA Social Fridays

Stakeholder	Dates of Submission	Matter	Committee
NaSIA Members (Compliance practitioners/officers)	11 April 2025	NaSIA compliance functionaries had an in-person informal engagement at the NaSIA office where they generally discussed some pressure points and ways on how to improve compliance matters and appease communication with the regulators.	NaSIA Members

## 5. Stakeholder Engagements

Stakeholder	Date of Engagement	Key Outcomes
Bank of Namibia (BoN), Industry stakeholders	4 April 2025	<p><b>BoN CEO roundtable:</b></p> <ul style="list-style-type: none"> <li>NASIA attended a CEO Roundtable engagement hosted by BoN under theme “Setting the Scene and Driving Impact for 2025” on 4 April 2025. The engagement was attended by the Chief Executive Officers of banks and key non-banking financial institutions, the Chief Executive Officer of the Namibia Financial Institutions Supervisory Authority (NAMFISA), and the leadership of the Bank of Namibia.</li> <li>The session provided a platform for leaders in the financial sector to discuss critical industry developments and explore a regulatory approach that balances economic growth, innovation, and consumer protection.</li> </ul> 

## 5. Stakeholder Engagements continue..

Stakeholder	Date of Engagement	Key Outcomes
Namibia Deposit Guarantee Authority (NDGA), Industry Stakeholders	11 April 2025	<p><b>NaSIA Participates in NDGA's 5th Anniversary and 2024 Annual Report Launch:</b></p> <ul style="list-style-type: none"> <li>On the 11th of April 2025, the Namibia Deposit Guarantee Authority (NDGA) celebrated its 5th anniversary under the theme “Fostering Financial Stability Through an Effective Deposit Insurance Scheme.” NaSIA was honored to attend the event, which highlighted NDGA's progress in strengthening depositor protection and enhancing public trust in Namibia's financial system.</li> <li>A significant highlight was the launch of NDGA's 2024 Annual Report, showcasing milestones such as the growth of the Deposit Guarantee Fund to N\$30.3 million and full coverage for over 91% of depositors. The report also emphasized NDGA's commitment to strong governance and prudent investment strategies.</li> <li>During the event, NDGA signed Memoranda of Understanding with the Ghana Deposit Protection Corporation (GDPC) and South Africa's Corporation for Deposit Insurance (CODI), reinforcing regional collaboration in financial stability initiatives.</li> </ul>
Namibia Investment Promotion and Development Board (NIPDB)	16 April 2025	<p>The NaSIA secretariat was invited to the launch of NIPDB's Partnership Impact Report 2024/2025. At the launch, NIPDB discussed areas where they are open or have opportunities for partnership. These areas include partnering for:</p> <p>The promotion of Namibia as an investment destination; MSME Development; A globally competitive Namibia; and Skills and talent development.</p> <p><i>Kindly reach out to the secretariat if you would like a soft copy version of the report.</i></p>



# 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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