



Media Statement

Agence Française de Développement (AFD) and NamPost celebrate a N\$ 235 million loan agreement to support microfinance activities aimed at pensioners

Windhoek, 16 June 2020 – Namibia Post Limited (NamPost) and Agence Française de Développement (AFD) celebrated today the disbursement of a N\$ 235 million loan to finance the growth of NamPost’s microfinance business through its subsidiary PostFin.

The concessional loan, which is on-lended to PostFin, specifically targets NamPost’s microfinance activities aimed at pensioners. In addition, it supports PostFin’s strategy of targeting more vulnerable and underbanked segments of the Namibian population and reach a market share within pensioners of about 20-30% over the next five years.

“This loan to NamPost through its subsidiary PostFin will promote financial inclusion in Namibia by reaching out to thousands of pensioners who are considered as not bankable for credit reasons, by banks and microfinance institutions. It will contribute to the socio-economic resilience of Namibia and will, to a certain extent, mitigate the effects of the Covid-19 crisis which makes access to financing even more challenging”, Ms. Claire Bodonyi, French Ambassador to Namibia, said.

Financial inclusion for individuals has increased remarkably in recent years and Namibia stands out for the high percentage of banked individuals. However, a significant part of the country’s more than 150,000 pensioners remain a largely financially excluded segment and often overlooked by banks and microfinance institutions. This makes them financially vulnerable and unable to actively participate in the country’s economy.

“I strongly believe that pensioners have a great role to play in our society. This partnership with AFD, coupled with the expertise of our subsidiary PostFin in providing financial services to low-income populations, will enable us to support pensioners who wish to launch small business or simply improve their living conditions and those of their family members”, Mr. Festus F. Hangula, CEO, NamPost, said.

AFD is also discussing with NamPost to provide technical assistance to the maximum value of EUR 200,000 (approximately N\$ 3.8 million) to increase PostFin’s practices in terms of client’s protection, and support the diversification of its products, as well as cooperate with other microfinance stakeholders in Africa.

This project is fully in line with the wishes of the Namibian regulators and the government of Namibia to promote an economic growth that will benefit the most vulnerable members of society and thereby enhance social inclusion.

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About Agence Française de Développement (AFD)

AFD is an inclusive public financial institution and the main actor in France's development policy. It makes commitments to projects that genuinely improve the everyday lives of people, in developing and emerging countries and in the French overseas territories.

AFD works in many sectors – energy, health, biodiversity, water, digital technologies, training – and supports the transition to a safer, more equitable and more sustainable world: a world in common. Its action is fully in line with the Sustainable Development Goals (SDGs).

Through its network of 85 agencies, AFD operates in 109 countries and is currently supporting over 3,500 development projects. In 2018, it earmarked EUR 11.4bn to finance these projects.

Click [here](#) to find out more about the AFD in South Africa.

About Namibia Post Limited

Namibia Post Limited (NamPost) was established by the Post and Telecommunications Companies Establishment Act 17 of 1992. The company is owned by Namibia Post and Telecom Holdings Limited (NPTH) which is in turn owned by the Government of the Republic of Namibia. The purpose of NamPost is to “conduct postal services and supplementary services” with supplementary services defined as the provision of Savings Bank and money transfer services.

NamPost has a network of 137 Post Offices and is the only financial and logistic services provider with such country-wide footprint. The span of its infrastructure makes NamPost the most suitable vehicle for financial inclusion in Namibia.

Namibia and by extension NamPost, is a member of the Universal Postal Union (UPU), Pan African Postal Union (PAPU) and Southern Africa Postal Operators Association (SAPOA). Therefore, it carries the international obligation to provide universal postal services in line with the requirements of the world postal body, UPU.

For more on NamPost please visit www.nampost.com.na