

Turning Challenges into Reform Opportunities

Namibia's Journey Toward Beneficial Ownership Transparency

Since Namibia's placement on the FATF grey list in February 2024, the country has intensified efforts to strengthen its Beneficial Ownership (BO) framework. Through a comprehensive 7-module training programme delivered by the EU Global Facility on AML/CFT, Namibian institutions have been building the capacity needed to meet international transparency standards and safeguard the country's financial integrity. We spoke to representatives from two key institutions -the Master of the High Court (MOHC) and the Business Intellectual Property Authority (BIPA)- to learn more about this journey.

Fragmented Systems and Compliance Gaps

Namibia had been facing significant obstacles in implementing robust BO requirements. The fragmented nature of BO information across different registries created gaps that could be exploited for illicit purposes.

For the Master of the High Court, which registers and administers trusts and legal arrangements, the compliance monitoring framework was not fully aligned with international standards. "One of our main challenges has been addressing the fragmented nature of beneficial ownership information across different registries and institutions," explained MOHC representatives. "Trusts registered at the Master of the High Court presented complexities, as the compliance monitoring process framework was not fully aligned with international transparency standards."

“ BO transparency is not just a regulatory burden, but a safeguard for Namibia's financial integrity.”

At BIPA, the Corporate Registry responsible for legal persons, verification posed the greatest hurdle. "Our most pressing challenge was the verification of BO information to ensure accuracy," noted BIPA officials. "Another key challenge was **building a compliance culture**, helping companies understand that BO transparency is not just a regulatory burden, but a safeguard for Namibia's financial integrity."

Practical Training, Lasting Impact: A Tailored Approach

The EU Global Facility's 7-module training programme distinguished itself through its practical, context-specific approach. Rather than prescribing generic solutions, the training helped Namibian institutions analyse their local realities and tailor compliance regimes accordingly.

"What stood out was the training's emphasis on the uniqueness of our jurisdiction," MOHC highlighted. "Rather than prescribing a one-size-fits-all model, the EU GF helped us analyse Namibia's local realities to tailor compliance regimes to our legal and institutional context."

The programme covered every stage of the BO framework, from legislative requirements and data collection to enforcement and international cooperation. Particularly impactful were the hands-on exercises and peer-to-peer exchanges. "The exposure to verification techniques and compliance monitoring tools has significantly improved our confidence in administering BO requirements," BIPA officials noted.

From Training Room to Registry Floor: Immediate Applications

The knowledge gained is already transforming daily operations at both institutions. MOHC now has the technical capacity to design and apply proportionate financial penalties for non-compliance. "If a Trust fails to disclose accurate BO



information, **we now have the technical know-how to enforce compliance through proportionate and dissuasive penalties**," officials explained.

At BIPA, staff can now better detect discrepancies between declared ownership and actual control. "During company registration reviews, our team now has improved knowledge and skills to detect discrepancies between declared ownership and actual control," they shared. "We can identify red flags where [entities] conceal the true beneficial owners. This directly supports both our regulatory oversight and Namibia's investigative agencies when tackling financial crime."



Online sessions brought together representatives from various Namibian authorities

Beyond the Grey List: Building Long-Term Financial Integrity

While immediate compliance with FATF requirements remains a priority, both institutions see the broader significance of these reforms for Namibia's economic future.

"*Beyond ticking compliance boxes, this training empowers us to embed BO transparency into the fabric of our financial system*," MOHC representatives emphasised. "In the long term, this contributes to building investor confidence, safeguarding Namibia's reputation, and protecting the economy from financial crime."

BIPA echoed this vision: "By strengthening our registry and compliance mechanisms, we contribute directly to FATF Action Plan implementation. In the long term, this enhances trust in Namibia's corporate registry, boosts investor confidence, and safeguards the economy from abuse by illicit actors."

“ The FATF grey list can feel daunting, but it is also an opportunity for reform and international cooperation.”

A Message to the Continent: Embrace the Reform Journey

As other African jurisdictions face similar challenges, Namibia's experience offers valuable lessons. "While the FATF grey list can feel daunting, it also presents an opportunity," MOHC officials noted. "**It creates momentum for reform and international cooperation.** BO transparency is not just about meeting FATF requirements - it is about safeguarding national economies, building public trust, and fostering sustainable development."

BIPA's message is equally encouraging: "Take ownership of the reform journey early. **Transparency benefits everyone**, and we encourage our peers to see BO reforms not just as compliance measures, but as an investment in sustainable economic integrity."

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