THE REGULATION OF INSIDER TRADING IN NAMIBIA: CHALLENGES AND PROSPECTS

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Abstract - Insider trading is treated as an offence in many countries, including Namibia. Accordingly, the paper investigates the challenges and prospects of the Namibian insider trading laws in relation to the effective combating of insider trading practices in Namibia. In this regard, an overview discussion of the enforcement duties of the Namibia Financial Institutions Supervisory Authority (NAMFISA), the adequacy of the current provisions and available penalties under the Namibia Financial Institutions Supervisory Authority Act 3 of 2001 ('NAMFISA Act') and other relevant legislation is provided. This is generally done to expose the flaws that are embedded in such laws while on the other hand, isolating possible measures that could remedy such flaws so as to, inter alia, enhance the integrity of the financial institutions, financial services industry and financial markets in Namibia. The paper also examines whether the insider trading prohibition that is contained in the NAMFISA Act and the Companies Act 28 of 2004 (Companies Act 2004) is robust enough to combat insider trading activities in the Namibian financial markets. Moreover, the adequacy and prospects of the anti-insider trading provisions contained in the the Financial Institutions and Markets Bill, 2012 are discussed.

Key Terms - Insider trading, regulation, adequacy, Namibia Financial Institutions Supervisory Authority.