

# Debtfree

NAMIBIA

WILL  
2024  
BE YOUR YEAR?

January 2024

[www.debtfreedigi.co.za](http://www.debtfreedigi.co.za)

A portrait of John W. Gardner, a Black man with short hair and a goatee, wearing a dark suit jacket, a light blue and white striped shirt, and a blue tie. He is smiling slightly and looking directly at the camera. The background is a soft, out-of-focus blue.

EXCELLENCE IS DOING  
ORDINARY THINGS  
**EXTRAORDINARILY  
WELL**

— John W. Gardner

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# H Y P H E N

Payment Distribution Agent

## WHAT MAKES US EXCELLENT?

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- / Enhancing Debt Counsellor efficiency and sustainability
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- / Strong compliance and best-industry-practice implementation is at our centre

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Head of Hyphen PDA | 071 884 7300

Or call our friendly support centre on 011 303 0060 - Option 2  
or visit our website [www.hyphenpda.co.za](http://www.hyphenpda.co.za)

# FROM THE EDITOR

The start of a new year can be exciting.

You still feel fresh from a small break in December and you feel optimistic about the year because... well, little has gone wrong so far. That may change, of course, but for most of us we find we have a little spring in our step in these first few weeks of the year.

But as January stretches on and on you can start to lose your focus, lose your enthusiasm. The heat, the prices, the fact that your credit card runs out of credit. That can be stressful.

Many people find they set goals at the end of one year and then already fail at them during January. This is often because how they set goals or the goals that they set are not realistic or absolute. If you set a goal that is all or nothing then often you will find you fail. Rather you should think about things and steps that can get you closer or further away from where you want to be. Then...take a step, then another, and another.

This issue we look at some of the things that you can do to make your life better in 2024. We hope the articles present you

with another small boost to your enthusiasm. Especially if you have been struggling with debt and not able to save anything then you will find the articles helpful.

We also have plenty of news for you. Important news.

We are looking forward to the year. Who knows exactly what tomorrow will bring but if we take small positive steps in the right direction (no matter what is going on around us) you may find that you make much more progress than you ever thought possible.

Take those steps and here's hoping that 2024 is your year.

*Zak King*



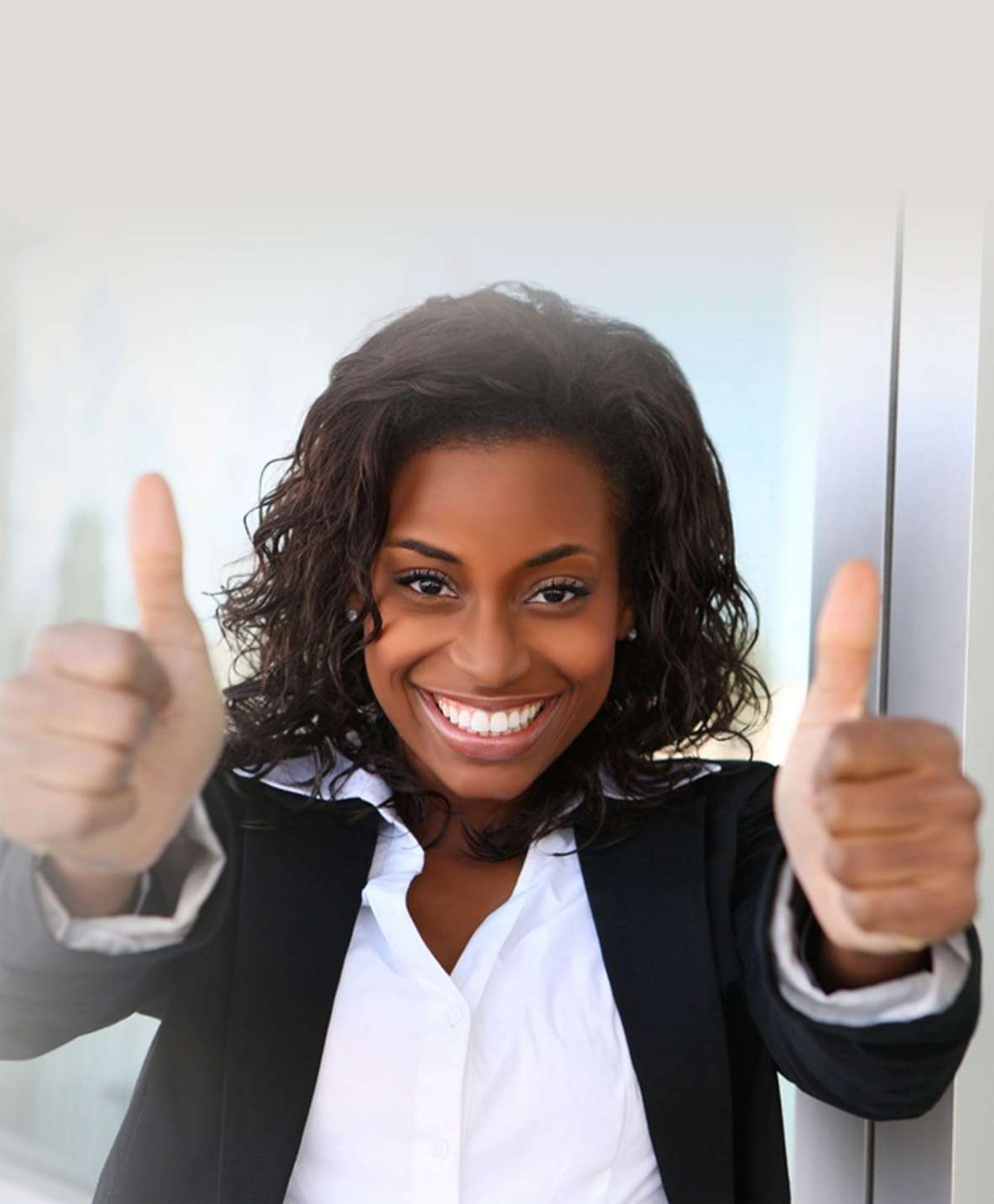
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# WITH GREAT POWER COMES...

- great responsibility
- a huge electricity bill



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#### **DISCLAIMER**

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A group of people are silhouetted against a sunset or starry night sky over water. The sky transitions from a deep blue at the top to a warm orange and red near the horizon. The water in the foreground is dark and reflects the light from the sky. The text is centered over the image.

**WILL**  
**2024**  
**BE YOUR YEAR?**

**WILL 2024 BE YOUR YEAR?** |



# HOW DID YOUR YEAR GO?

**Are you considering setting yourself some achievable goals for next year?**

It is not uncommon when nearing the end of a year for people to consider how the year went, and what they would like to do differently in the upcoming year.

Setting goals can help us stay focused and motivated. They can help us measure our progress and keep us on track when we start to waiver.

What are your goals for 2024?









WILL 2024 BE YOUR YEAR?



## SET REALISTIC GOALS

While it might seem great to set yourself the goal of making a million bucks or buying a Ferrari this coming year, that may not be something you can realistically achieve, for a variety of reasons.

But that does not mean that you cannot move closer to reaching such goals in the future. You can definitely progress towards achieving those goals.

Just as it would be impossible to jump straight from the start line to the end of a marathon, so too reaching really big goals may require you to find smaller stepping stones along the way.

So, can you start with some realistic goals that move you closer to your long term goals?

**WILL 2024 BE YOUR YEAR?**



# IMPROVE YOUR HEALTH

Many people are still carrying around a few extra Kilos since the covid years. They may find that they are still struggling to get back into a more active lifestyle.

Lockdown was not the healthiest time for everyone. Many fell into poor exercise and dietary habits, which they are still dealing with.

Maybe you are thinking of changing how you eat and exercise. If so, then consider how you can (without breaking the bank) change your routine to set aside some time for exercise.

You can also look at the types of food (or maybe just how much you are eating). While different eating fads come and go, it is often a case of eating a little less than we burn that helps shed unwanted weight in the long run.

By improving our physical health it can provide a mental health boost too.









WILL 2024 BE YOUR YEAR?



# SAVE SOMETHING

It is easy to fall into the habit of spending every last cent we have access to each month.

But this habit leaves us exposed to stress when an emergency comes along. If we have nothing at all saved to help us get through unplanned expenses, it could derail our long term plan to get out of debt.

So, during this coming year, could you start saving something each month?

For those in debt review, having such savings can be the difference between staying in the process when disaster hits, or dropping out and losing years of progress towards settling their debts.

WILL 2024 BE YOUR YEAR?

# GET OUT OF DEBT

Having debt is like selling your future. You have to do work in the future just to pay for something you already bought.

The borrower becomes locked into the demands of the lender. Your time, effort, and all your energy belongs to them, until you settle those debts.

Making a decision to get out of debt means changing the way you do things. If you have struggled with this in the past, then why not get someone, a professional, to help you work out how to do it.





Though it is a common goal few people make progress on actually getting out of debt because making use of credit is just so easy. Often, we postpone doing anything because we think that something is going to come and miraculously save us from our situation. Sadly, that seldom happens.

Can you switch to making use of debit cards rather than credit cards?

Can you focus down smaller accounts which have higher interest rates?

Once you have done that, can you focus on another one, and then another one?

Snowballing debt repayments does work.





**WILL 2024 BE YOUR YEAR?**



# THE ANTI-GOAL

So, maybe you are not a big fan of the “new year, new me” mentality.

Setting goals and then adding new items to your already full plate can leave you exhausted, before you even begin.

Well, here is one for you:

**Have you heard of the “Anti Goal”?**

Anti Goals are all about what you want to avoid in 2024.

WILL 2024 BE YOUR YEAR?

# AVOID GETTING BURN-OUT

Maybe you have reached December 2023 feeling exhausted. Would you like to avoid that in 2024?

If so, then an Anti-Goal would be to avoid over-working resulting in feeling tired all the time.

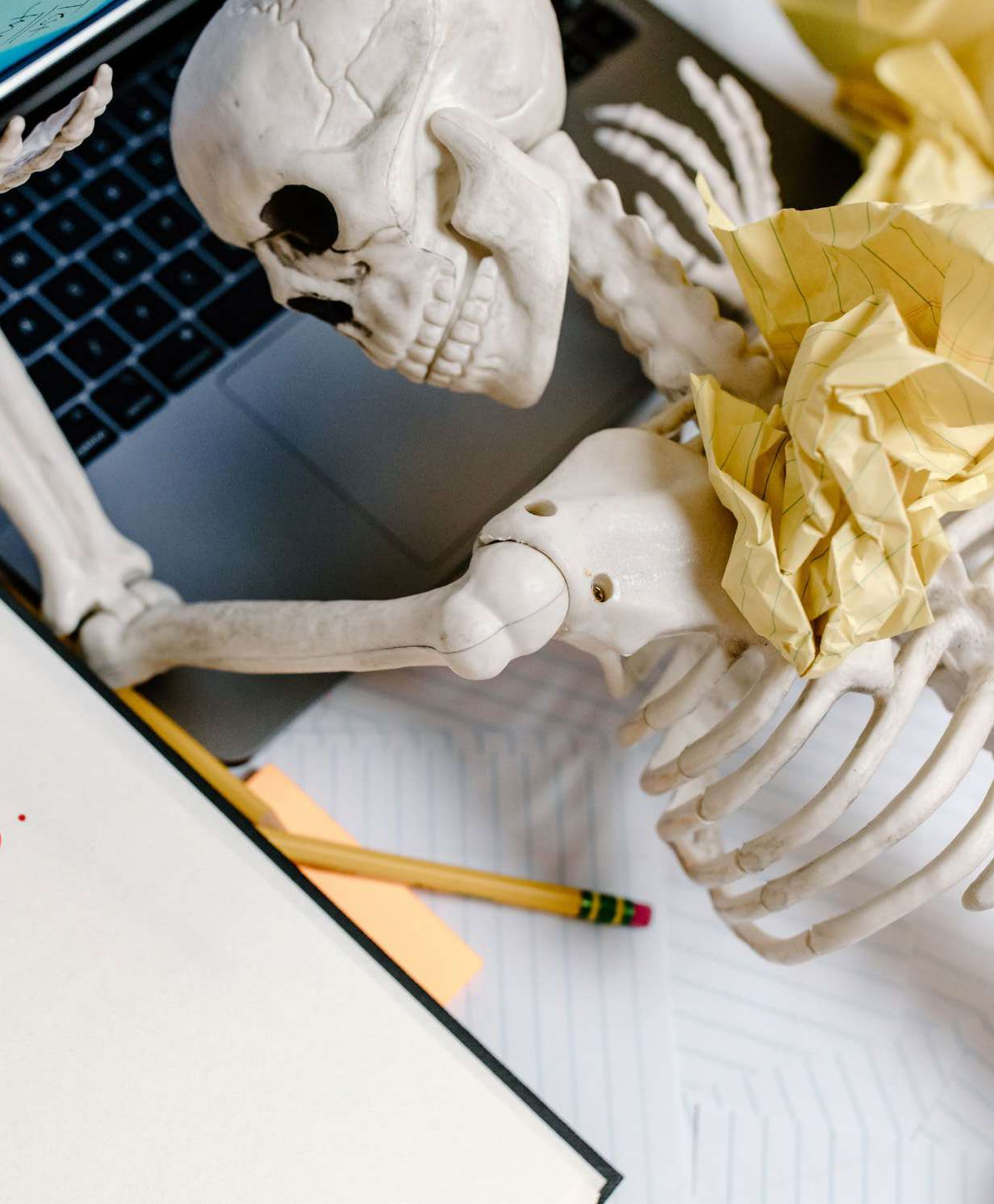
Once you have what you want to avoid in mind, you can identify the things that make you feel that way, and then plan to eliminate them in 2024.

So, for 2024 you could set a cut-off time for work: No work after 5pm or no work on the weekends, for example.

You identify what you want to avoid, figure out what it is that currently makes you feel that way, and then consider how much better things would be if you could avoid such things, then working out how to avoid that thing in 2024.









**WILL 2024 BE YOUR YEAR?**

# AVOID RUNNING OUT OF MONEY AT MONTH END

If you identify bad shopping habits at the start of the month as the cause, then you can take a moment to think about how much better it would be to be able to get whatever your family realistically needs, at any time of the month.

Now, how do you achieve that?

Can you make better shopping lists and stick to them?

Can you do bigger shopping trips after planning out your meals for the week or month?

Can you shop at better priced places instead of impulse buying at over-priced convenience stores?

Can you do a meal prep evening (maybe Sunday) to ensure you have snacks and things to take to work/school, so you avoid unnecessary spending?

You give the problems some thought, and find ways to avoid the problem in the future. This is the power of the Anti-Goal.

WILL 2024 BE YOUR YEAR?



# PROGRESS IS PROGRESS

You may have once set yourself the goal of getting out of debt. This is a vital first step if you want to build future wealth, but it is not an easy one.

It normally means cutting down the spending at home, and focusing more on settling your debts as a priority. If you have entered debt review, then you have already made excellent progress towards this goal.

But there is a danger. Paying off debt can take time and like many long term goals, we can easily lose motivation during the process. It can take a year, 2 years or even 5 years.

This is why it is good to track your progress. It helps you stay focused.

But even if you have been tracking your progress, it might start feel like it is going very slowly. This is where the right mindset is vital.





You must realise that you are making progress.

Firstly, if you had not set that goal, if you had not started to do something about it, then your debt would be even bigger right now. Think back to how fast your debt was growing in the past. Maybe it was growing by 10% or 20% a year, or more.

Instead, because you are doing something about it, your debt has not just stayed the same size, it has actually shrunk. It may have shrunk by 20% (if you are planning to pay it off over 5 years). Think back to how quickly your debt was growing or how you were only ever paying off the interest, and were basically stuck in debt.

Now, you are making progress, your debt is shrinking, well done! And this principle can apply to all our goals.

If you go for a jog every day, you will not turn into a star athlete overnight but... if you were gaining 5Kgs every year, you may have stopped that from happening this year - Progress.

Maybe we even start to lose a few centimetres - Progress.

Tracking your progress can help you stay motivated, and keep your goals top of mind.





**WILL 2024 BE YOUR YEAR?**



# 2024 HERE WE COME

You may want to get healthier, or more financially stable, or you may plan to avoid bad habits.

Whatever goals you set, if they are realistic, if you can figure out how to use short term goals to help you reach long term ones, and if you track and acknowledge your progress, you will be one step closer to where you want to be.

Perhaps 2024 will be your year after all.





The background of the image is a dramatic landscape. The sky is filled with dark, heavy clouds, suggesting an approaching storm or late afternoon light. The ground is dark and appears to be wet, with a white line marking a road or path that curves from the bottom left towards the center. The overall mood is somber and atmospheric.

**SAVING  
FOR A  
RAINY  
DAY**

**SAVING FOR A RAINY DAY** | 

# HAVE YOU GOT A SAFETY NET?

As we go through life, we often come across unexpected money challenges such as car repairs or emergency medical bills.

To handle these situations, it's important to have what is often called an "emergency fund".

The money that you have set aside can act like a safety net, ensuring you recover quickly from unexpected expenses, as well as helping you to stay on track with your bigger money goals (like getting out of debt).









**SAVING FOR A RAINY DAY**

# WHAT IS AN EMERGENCY FUND

An emergency fund is simply money set aside for unexpected things, like car or home emergencies, or when you suddenly have less money coming in.

While in debt, these emergency funds are super important because without it, even a small money problem can be disastrous, and that can lead to long-lasting money troubles.

# HOW MUCH SHOULD YOU SET ASIDE?

Figuring out the right amount to keep in your emergency fund depends on your unique financial situation.

You obviously can't keep a mountain of cash around when you are focusing on paying off your debt, and living on less.

One way to estimate this amount, is to recall previous surprise bills and how much they cost, and then use that as a way to set a goal.

Even if money is tight, starting with small, regular contributions can give you a sense of financial security.

If you are not sure what to set aside or how to manage, then ask a professional for advice.





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100 HUNDRED DOLLARS





# HOW TO DO IT

There are a number of different ways to build an emergency fund, but they all come down to the act of putting some money aside in a savings pocket, or a separate bank account and not touching it until it is absolutely necessary.

Once you have paid your debt instalment for the month, immediately take some funds and move them into your emergency fund.

*Tip: Don't wait till the end of the month to see if anything is left over, there wont be.*

If you regularly do this, then when that rainy day does come, you will have a cushion to help absorb the blow. Even if what you have saved is not enough to cover 100% of the extra cost, it will help you cover some of it, while you make a plan for the rest.

An emergency fund can help you keep your financial future on track.





# NCFA

*National Consumer Finance  
Association of Namibia*

In an important step towards balancing the needs and rights of Namibians with the needs and somewhat overwhelming resources of credit providers, a new consumer education and rights' association has been born.

The association is called NCFA.



***BREAKING***

***NEWS***

# **NATIONAL CONSUMER FINANCE ASSOCIATION OF NAMIBIA SUBMITS COMMENTS ON PROPOSED DRAFT CONSUMER CREDIT BILL**

Like many other concerned parties, NCFA recently submitted comments to Namfisa about the proposed (draft) Consumer Credit Bill. The comments outlined concerns members have including the last minute removal of reference to credit counselling as a solution for distressed consumers.

In previous versions of the Bill such provisions were made to help troubled consumers but it was removed in the last version.

This month NCFA received confirmation from Namfisa that the comments had been received and will be considered.

# WORLD LARGEST CYBER BREACH EVER

A massive data breach involving more than 26 Billion records has been reported.

Researchers found the stolen records on an unsecured website, and found that the records contain information from major apps such as Twitter, Weibo, MySpace, LinkedIn, Adobe and others. Information in the leak is said to also contain government organisation data from the US, Brazil, Germany, Philippines and Turkey.

It has been described as the Mother of all Breaches (MOAB). While the info does not immediately let crooks access your bank accounts, it can be enough for them to start tricking you, or others into giving them access to more and more sensitive information.

Consumer should be on the look out for sneaky emails asking you to log in to accounts or to click on links. These types of attacks can be made to look legitimate by using some information from such data leaks. They may quote account numbers or mention information the crooks have learned about you in the data breach.

Many passwords were contained in the data. So, if you tend to use the same passwords across multiple platforms or apps it might be time to consider an update.

# **THE AU HATE INTERNATIONAL RATINGS AGENCIES & PLAN TO MAKE THEIR OWN**

International Ratings Agencies like Moody's, S&P and Fitch offer insights into the credit worthiness of various institutions, companies and even sovereign debt and bonds. For example, in August last year, Fitch Ratings downgraded the ratings of the US stating there has been a steady deterioration in standards of governance in the USA.

Since these ratings are often used by investors to inform their decisions, negative ratings or downgrades can cause nervous investors to look elsewhere.

The most famous ratings agencies are: Moody's Service, S&P Global Ratings and Fitch Ratings. They use slightly different scales, but all 3 use an alphabetical scale where AAA is the highest rating and C (or D) are the lowest. They often use a + or - to indicate sub-levels and publicise a positive or negative outlook pointing to future increases or lowering of ratings.

Many African states have been hit by lowered ratings recently. In the first 6 months of last year, 11 African countries got hit with 13 negative ratings decisions. The causes are many, and the ratings agencies hold fast to their ratings and how they came to them.

Now the African Union say they want to create a better, more understanding, more insightful credit rating agency to provide better ratings that take more information and more factors into account than these long established international ratings agencies. It is likely to be called the African Credit Rating Agency or ACRA.



# IMPLICITY

- DEBT REVIEW SOFTWARE YOU CAN TRUST -

## Fun Facts about Simplicity

- Fully fledged turnkey Debt Review solution
- Comprehensive document creation and management features
- DCRS proposal solves using new PDA fees
- Approximately 120K active clients
- Integrated with THE BEST PDA in the industry

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