



MEDIA RELEASE: Global Competitiveness Report 2016

September 28 2016

The World Economic Forum's Global Competitiveness Report 2016-2017 - an annual assessment of the factors driving productivity and prosperity in 140 countries - was released today (September 28 2016).

Namibia has risen by one place on the Global Competitiveness rankings for 2016-17 - to 84th up from 85th with a score of 4.02 (3.99 last year).

Namibia ranks highly for its institutions (39th), infrastructure (66th), financial market development (49th), and labour market efficiency (32nd) but is rated poorly for the quality of its higher education (110th), health and primary education (121st), business sophistication (83rd), technological readiness (87th), and market size (113th).

Access to financing followed by an inadequately educated workforce and inefficient government bureaucracy are listed in the report as the most problematic factors for doing business in Namibia (see Table 1).

The marginal improvement in the overall ranking, while welcome, still leaves Namibia a long way from its NDP4 target of being the most competitive country in Southern Africa by 2017 (see Table 2). The NDP4 target has since been superseded by the Harambee Prosperity Plan - released in April 2016 - which sets a target of Namibia becoming the most competitive economy in Africa by 2020.

Since 2012-13 (over five editions of the GCR), Namibia has improved by eight places - from 92nd to 84th. At this rate, it would take Namibia 25 years to overtake the top African country - Mauritius - at 45th. If the rate of progress does not improve, Namibia would only reach its Harambee target by 2041 not 2020.



The biggest African mover this year is Rwanda which climbed 6 places on the global competitiveness index. The performances of countries like Rwanda this year and Botswana in the past do indicate that major leaps forward are possible.

Concerted efforts to achieve the desired outcomes and goals of the Harambee Prosperity Plan are likely to see Namibia making more significant moves up the rankings in the future. To achieve this several of the Harambee Plan's proposed actions to improve competitiveness should be expedited. These include:

- Establishment of the single window for services to investors
- Simplifying business registration procedures
- Support for practical training programmes
- Making the import of skilled labour easier
- Servicing more business and industrial plots
- Reducing the number of days it takes to register a property
- Increasing the percentage of Grade 10 and 12 learners achieving pass marks
- Incentivising tertiary institutions to achieve high positions in the rankings of best African universities
- Improving dialogue with the private sector

In addition, to ensure improved rankings going forward, government should:

- Introduce various investment incentives as stipulated in the Harambee Plan
- Clarify plans and intentions around the New Equitable Economic Empowerment Framework - which is causing uncertainty among existing and prospective investors
- Explain how the Namibia Investment Promotion Act will remove barriers to investment and incentivise serious investors to do business in Namibia
- Relaunch the Namibia Investment Centre - (at present the NIC has a limited profile and does not even have a dedicated website)

Table 1: 2016 Most problematic factors for doing business

	% Respondents	Issue
1	17.7	Access to financing
2	14.8	Inadequately educated workforce
3	10.3	Inefficient government bureaucracy
4	10.2	Poor work ethic in national labour force
5	7.2	Corruption
6	6.5	Inflation
7	6.3	Insufficient capacity to innovate
8	5.6	Tax rates
9	5.0	Restrictive labour regulations
10	4.6	Inadequate supply of infrastructure

2016-17 WEF global competitiveness report

Table 2: 2016 Top 12 African nations

Ranking	Country	Region
45	Mauritius	SADC
47	South Africa	SADC
52	Rwanda	Africa
64	Botswana	SADC
70	Morocco	Africa
84	Namibia	SADC
87	Algeria	Africa
95	Tunisia	Africa
96	Kenya	Africa
99	Ivory Coast	Africa
108	Gabon	Africa
109	Ethiopia	Africa

2016-17 WEF global competitiveness rankings: Top 12 African nations

The IPPR is the Partner Institute for the World Economic Forum in Namibia.

To explore the Global Competitiveness Report in detail see -
<http://wef.ch/2cAlAdw>

Further information: Graham Hopwood, IPPR Executive Director
(061) 240514, director@ippr.org.na

IPPR, PO Box 6566, Windhoek, Namibia
· Tel: +264 61 240514 · Fax +264 61 240516
info@ippr.org.na · www.ippr.org.na