

Namibia QER Q3 2025

Namibia Quarterly Economic Review

July-September 2025

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Quarter Summary

Macroeconomic Situation

Namibia's economic recovery, which started in the second quarter of 2021, continued with sixteenth consecutive quarters of positive growth culminating in growth of 2.7% in the first quarter of 2025. In its Economic Outlook of August 2025, the Bank of Namibia revised forecast GDP growth to 3.5% in 2025 and 3.9% in 2026. The Bank of Namibia announced the fourth successive cut in the repo rate on 12 February 2025 bringing it down to 6.75%, its lowest level since January 2023, and this did not change during the second or third quarter. In the Bank of Namibia's latest statement in August, the MPC said its decision to keep the repo unchanged was taken "to continue safeguarding the peg between the Namibia Dollar and the South African Rand, while supporting the domestic economy."

The Bank of Namibia Monetary Policy Announcement Dates for 2025

12 February 2025
16 April 2025
18 June 2025
13 August 2025
15 October 2025
3 December 2025

Special Feature: Do We Need an NIPDB?

Introduction

Recent media reports have focused public attention on the pending demise of the Namibia Investment Promotion & Development Board (NIPDB). The Namibian recently carried an article stating that the NIPDB would no longer report to the President but be downgraded to a department within the newly restructured Ministry of International Relations and Trade. This forms part of the dismembering of the old Ministry of Industrialisation and Trade: trade functions will go to International Relations and Industry functions to Mines and Energy. The writing seemed to be on the wall when there was no specific mention of the NIPDB in either the SWAPO Manifesto, the SWAPO Manifesto Implementation Plan, or more recently in NDP6.

The Track Record

President Geingob announced the creation of NIPDB in March 2020 and mandated the new body “to promote a conducive business environment and market Namibia as a favourable investment destination”. The hope of many observers at the time was that the new body would inject new life into investment promotion after years during which the sleepy Namibian Investment Centre (NIC) in the Ministry of Industrialisation and Trade had done a half-hearted job of promoting Namibia abroad. The stated mandate gave cause for further optimism because it seemed to suggest the new body would have the power not only to market Namibia abroad but to improve the investment environment. A question surrounded its institutional status as a Section 21 (“not for profit”) company within the Office of the President. The corporate governance is described as follows on page 23 of the latest annual report:

“The Agency’s executives, who serve as the Board of Directors, are responsible as “those charged with governance” as defined by the Companies Act, 2004 (No. 28 of 2004). In contrast, the members of the company form the Advisory Board. The Advisory Board provides guidance to the President on the Agency’s performance while adhering to their legal and contractual obligations outlined in the Articles of Association. The CEO serves as chairperson for both the Executive and Advisory Boards.”

The Executive Directors consisted of the following individuals:

1. Nangula Nelulu Uaandja (Chairperson)
2. Richwell Lukonga
3. Margareth Gustavo
4. Julia Muetudhana
5. Dino Ballotti
6. James Mnyupe

7. Jessica Hauuanga
8. Francois van Schalkwyk

The most recent nine-person advisory board consisted of the following individuals:

1. Nangula Nelulu Uaandja (Chairperson)
2. Stefan Hugo
3. Elizabeth Hilger
4. Vetumbuavi Mungunda
5. Hans-Bruno Gerdes
6. James Mnyupe
7. Dagmar Honsbein
8. Kauna Ndilula
9. Martin Shipanga

Their term was set to expire on 30 September 2024.

The NIPDB has certainly been given more resources to do the job than the NIC ever had. Since its creation it has been led by a dynamic and energetic individual in the person of Nangula Uaandja, someone with years of private sector experience at PWC. Budget documents reveal that over six financial years the NIPDB was allocated over N\$700 million through the national budget as shown in the table below. At the end of FY23/24 the NIPDB employed 79 staff members plus three temporary employees.

Table 1: Budgeted and Actual Spending on NIPDB since Establishment

FY	Budget	Actual	Vote and Main Division
FY20/21	41.864	12.326	Vote 01 MD07 Investment Board
FY20/21	2.417	6.319	Vote 19 MD05 Investment Centre
FY21/22	125.453	125.437	Vote 01 MD07 NIPDB
FY22/23	135.000	135.000	Vote 01 MD07 NIPDB
FY23/24	120.450	129.450	Vote 01 MD07 NIPDB
FY24/25	125.137	n/a	Vote 01 MD07 NIPDB
FY25/26	150.137	n/a	Vote 01 MD07 NIPDB
Total	700.458		

What have the results been? That is a more difficult question to answer. Admirably, the NIPDB has published three reports on its activities (for the years 2022, 2023 and 2024). The latest highlights a project pipeline of N\$174.86 billion of which N\$117.91 billion were leads, N\$32.27 billion had reached a Final Investment Decision, N\$24.68 billion had seen capital deployed, and N\$2.89 billion had reached operationalisation. These numbers, the NIPDB states, exclude oil and gas exploration and green hydrogen. On the face of it then, if these investments have come about as a result of the efforts of the NIPDB, the benefit-cost ratio looks impressive: spending N\$700 million to generate N\$174 billion of investment for the

country. Anecdotally, foreign investors report the NIPDB was one of the few places in government where they were at least assured of a friendly welcome.

The latest NIPDB annual report provides some details of projects which it says it has supported and which have begun operations in the last financial year:

“During the review period, four projects supported by the NIPDB began operations. The largest of these was a N\$100 million investment to upgrade the Mövenpick Hotel in Windhoek. This was followed by Acacia Composites Manufacturers’ N\$20 million investment to produce wood composites from invader bush for export to the European market and Your Kitchen’s N\$17 million investment in the food sector. All three of these projects are based in Windhoek. The fourth project, located just outside of Okahandja, involved Bravura Namibia’s N\$10.5 million investment in an aquaponics plant within a 5,500m² greenhouse. These four projects collectively created 75 new permanent jobs and 164 temporary jobs. The smaller two projects, in particular, contributed to food security and strengthened agricultural value chains.”

The report goes on to provide information about other projects which have broken ground including Cleanergy Solutions Namibia, Your Kitchen, Northern Grape Project, Loxworth (Namibia Berries), Hylron, and Benguela Aqua Farming and also the number of (unnamed) projects that have reached Final Investment Decision (FID).

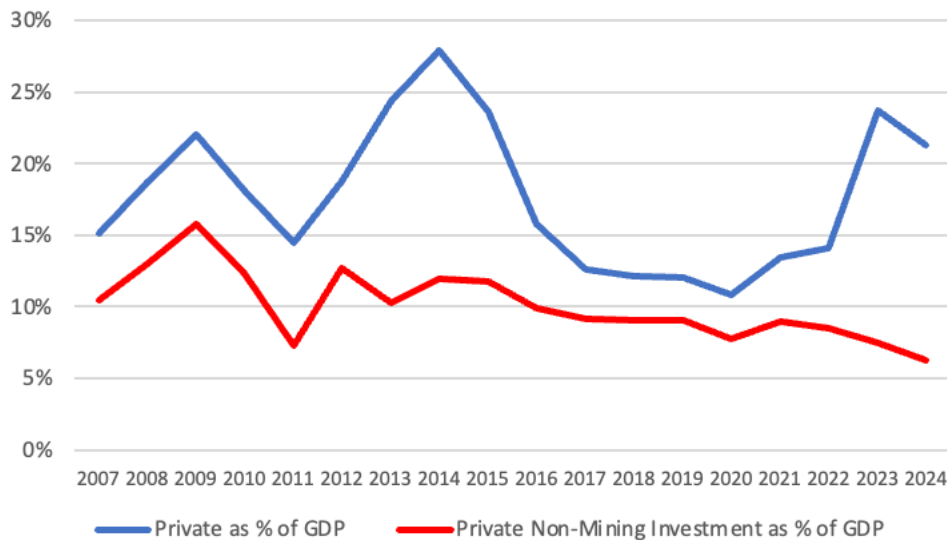
Travel and travel expenses seem to have been a particularly fraught issue for the NIPDB¹. Given the information available, it is hard for outsiders to assess whether the extensive travel undertaken by NIPDB employees has been productive. For example, many trips to Dubai have been reported over the past five years, especially during the Dubai Expo of 2021/22 where the NIPDB ran a stand for 6 months targeting global investments, but little investment from Dubai, the United Arab Emirates or elsewhere seems to have taken place. Most of the foreign investment that has actually taken place in Namibia since 2021 – especially in the extractive industries – would in all likelihood have taken place in the absence of the NIPDB.

The Decline in Private Sector Investment Has Continued Under the NIPDB

As the IPPR QER has long tried to highlight, private sector investment in the economy outside of the mining and oil and gas industries has been on a long downward decline since around the time of the Global Financial Crisis. If the economy is to grow and create jobs, the private sector needs to invest far more than it has been investing over the past. The private sector accounts for the lion’s share of investment in Namibia’s economy. The question that needs to be asked is why has it been on a long-term decline? That does not seem to be a question that the NIPDB has addressed. The decline in non-extractive private sector investment has continued and possibly even accelerated under the NIPDB.

¹ See for example <https://www.namibian.com.na/nipdb-empire-of-one/>

Chart 1: Private Sector Investment as % of GDP



Namibia Continues to Languish in International Rankings

At the same time it looks like Namibia continues to perform poorly as an investment destination in comparison to other countries. The last World Bank Ease of Doing Business ranking, conducted in 2020 before it was scrapped, placed Namibia at 94 out of 190 countries. Namibia never made a serious effort to improve its score. The NIPDB is the partner institute for the World Competitiveness Ranking produced by IMD, the Swiss-based business school. In its first IMD ranking in 2025 Namibia comes in at 68th out of 69 countries just above Venezuela². This QER incorporates the IMD ranking in the international rankings on page 19.

Policy Improvements Are Hard to Discern

Again as successive QERs have sought to highlight, Namibia's investment environment has been clouded by considerable policy uncertainty. Four key examples serve to illustrate the point:

The **National Equitable Economic Empowerment Bill (NEEEB)** which, following the Investment Summit in August 2019, was said to be a "a key priority" with the Bill being "tabled in Parliament within 6 months." It is not clear what has happened to the NEEEB but it is clearly of interest to investors, both local and foreign.

² https://www.imd.org/centers/wcc/world-competitiveness-center/rankings/world-competitiveness-ranking/rankings/wcr-rankings/#_tab_Rank

The **Namibia Investment Promotion Act (NIPA)** which, following the Investment Summit in August 2019, was supposed to replace the flawed NIPA of 2016 and which “could be operational by the end of this financial year.” This is apparently a legislative priority for the new government but has yet to reach Parliament. It is clearly of interest to foreign investors.

The **New Minerals Act** of which the Chamber of Mines stated that “Their [Government’s] aim is to conclude consultations on the draft Minerals Bill in 2024, moving towards its implementation and the finalisation of associated regulations. This comes after more than 20 years of review of the Bill.” Industries, Mines and Energy Minister Natangwe Ithete stated on 5 August that government was considering mandating a 51% Namibianisation requirement in the new Act.

The **Special Economic Zones Act** which is due to supercede the Export Processing Zone Act of 1995 which is due to expire at the end of this year.

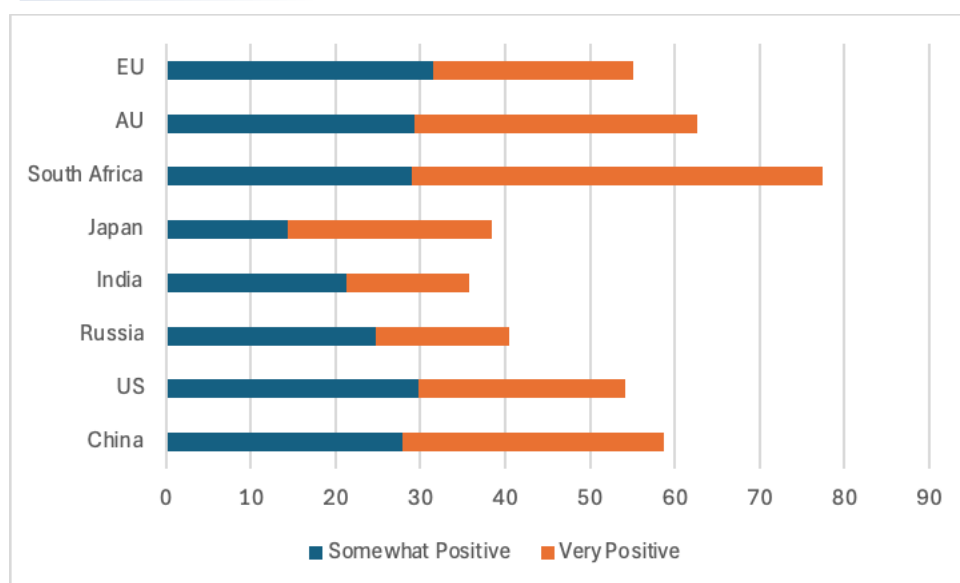
These four pieces of legislation are key to encouraging private sector investment and reversing the decline referred to above. Yet it is hard to say whether the NIPDB has contributed towards improving and expediting them. The suspicion is that it has not.

Does Namibia need an NIPDB II?

It looks like the NIPDB may be disbanded or reformed. Before deciding on any new institutional setup, policy makers need to answer the more existential question of whether Namibia needs a body like the NIPDB. Four points need to be considered:

Article 99 of Namibia’s Constitution mandates the government to encourage foreign Investment. Any analysis of Namibia’s post independence growth experience would surely conclude that Foreign Direct Investment (FDI) had played a critical role in economic development (although unfortunately no such study has been undertaken). And yet the attitude of politicians and the general public towards foreign investment remains unclear. The latest Afrobarometer survey conducted in March 2024, whilst not asking directly about FDI, suggested Namibians were either somewhat or very positive about the influence of certain key trading partner countries and country groupings. This is an issue perhaps future Afrobarometers can explore.

Afrobarometer Question 67: Do you think that the economic and political influence of each of the following countries or organisations on Namibia is mostly positive, mostly negative, or haven’t you heard enough to say?



But investment promotion only works if what is being promoted withstands the scrutiny of investors. It is likely that the NIPDB has contributed towards raising Namibia's international profile as an investment destination, but when investors come and take a closer look they are likely to find that what is on offer is not as attractive as portrayed. Not only is the policy and legal framework in limbo, but they encounter bureaucratic obstacles and additional local ownership requirements that are not included in promotional initiatives. No amount of clever marketing can sell a product that is fundamentally deficient.

Most countries have some form of NIPDB but in theory the need for such a body is not at all clear cut. If all regulations and requirements were clear up front and bureaucratic systems worked effectively, all that would be required is a list of steps to be taken by investors who could then get on with fulfilling them. However, the more complex, opaque and discretionary investment requirements become, the greater the need for something like an NIPDB to exist to help navigate investors through the thicket of requirements. Ironically, the less attractive the investment environment, the greater the need for an NIPDB.

Finally, a great investment destination sells itself. International investors are smart and well-informed and want to maximise profits by looking for new investment opportunities which would allow them to grow. Word quickly gets round if a particular destination gains a reputation as a great investment destination. This is particularly true in the mining and oil and gas sectors where junior companies play such a critical role in bringing in the big boys. As in marketing more generally, the best promotion is by the consumers themselves. And because Africa has such a poor international reputation and is perceived as risky, it would be relatively easy to shine in comparison with other countries, including in Southern Africa. Unfortunately, Namibia tends not to rank highly in international comparisons and appears to have given up trying to improve this state of affairs as our rankings table below testifies.

As a small country with a small domestic market, Namibia probably needs something to make it stand out in a crowded field. But this need should not be exaggerated. An accurate and informative website would be a useful and cost-effective start.

What Does the International Evidence Say?

There is an extensive economic literature on Investment Promotion Agencies (IPAs) and leading international bodies such as the World Bank, Organisation for Economic Cooperation and Development, the United Nations Industrial Development Organisation (UNIDO) and Germany's GIZ provide ample guides to best practice. Before taking further steps to disband or reform the NIPDB, Government would be well advised to distill these sources.

A recent paper by the World Bank concluded as follows:

“Although many countries have established investment promotion agencies over the past two decades, there is little evidence on what characteristics make them effective in attracting foreign direct investment into their home country. To provide new insight into this question, this paper brings together sectoral foreign direct investment data with survey data on investment promotion agency characteristics. Using a structural gravity model framework, it explores the effect of investment promotion agencies' sectoral targeting on inward foreign direct investment stocks over 2013 to 2018, across a sample of 36 middle- and high-income countries. The study finds that investment promotion agency sectoral targeting provides a significant positive effect on the sector's foreign direct investment stock in that country. Yet, a gravity model with country-interaction effects suggests that not all countries are equally effective at promoting investment. The results from the model are used to define two groups: high-performing investment promotion agencies (those with positive, significant effects in attracting foreign direct investment) and other investment promotion agencies (those with insignificant or negative significant effects). Using t-tests, the study considers which investment promotion agency characteristics significantly differ between the two groups. The findings suggest that effective investment promotion agencies are more likely to be private or semi-private agencies. Their mandate tends to be focused narrowly on foreign investment and exclude responsibilities for domestic investment promotion. Such investment promotion agencies are more likely to have a board of directors, and their staff tends to be better compensated. Finally, high-performing investment promotion agencies tend to provide more investor services, partly by engaging smart, sectoral analytics and adopting systems for identifying investor complaints or disputes.”

Conclusions

The above considerations give rise to the following conclusions:

Government has to decide whether encouraging FDI is necessary to reverse the long-term decline in private sector investment. If it is it must dedicate itself to increasing FDI.

Government should focus first and foremost on “improving the product” rather than trying to sell a product which does not withstand scrutiny. This would involve eliminating policy uncertainty and focusing on those issues that are critical to foreign investors in making their decisions to invest. These include:

- An internationally competitive tax regime;
- Clear property rights and protection from arbitrary government nationalisation or the forced incorporation of local partners;
- Clear dispute resolution mechanisms;
- The ability to bring capital in and repatriate profits;
- The ability to bring in skilled workers where necessary;
- Clear expectations towards employing and training Namibians;
- Access to land where appropriate; and
- Streamlined and efficient bureaucratic procedures.

If this is done it may discover that there is no need to create an expensive body like the NIPDB. If it decides such a body is required and may indeed help deliver improvements in the key issues mentioned above, then the following issues need to be considered:

Should the body continue to be a Section 21 company? International evidence suggests government departments are the least effective option whereas bringing in private sector expertise can have a major positive impact.

A new NIPDB might embrace the following elements:

1. It must be headed by a strong leader with ministerial status who has the authority to oversee ongoing improvements in the investment climate including those mentioned above.
2. A strong board with independent private sector participants and a clear mandate able to resist political pressure.
3. Reliable government funding but also the ability to charge investors for services including visa services.

4. Clear corporate governance and accountability so that employees are held to account for the trips they make and the expenses they incur.
5. The development of internal expertise so that it becomes more proactive in seeking out the best investors for the country rather than passively processing investors who happen to show an interest.
6. Ideally the body would need to be anchored in a proper investment act that seeks to encourage genuine investors that would benefit the country.

At this stage it looks like government is determined to make the investment environment more complex and opaque rather than less. The local content policy in upstream oil and gas. Is but one example. The requirements for suppliers to public enterprises is another. It is far from certain that any new NIPDB would be in a position to do much about this.

News Highlights

Date	Highlight	Commentary
29 September	42 youth ventures secure government funding (The Brief)	The government launched the National Youth Development Fund, with 42 youth-owned projects valued at N\$14.78 million announced as the first beneficiaries.
29 September	Ondangwa tannery to produce 2,000 shoes (Windhoek Observer)	The Ondangwa Northern Tannery is set to produce 2,000 shoes per day once it becomes fully operational following a new agreement between the Ministry of Industries, Mines and Energy, the Namibia Industrial Development Agency, and Desert Planet Industries (DPI). DPI CEO Adami Doriano said the company will invest N\$58 million for the 25-year lease and plans to employ about 1,000 people.
29 September	RWE pulls out of deal with Hyphen (Informante)	German energy company RWE has pulled out of its agreement to purchase ammonia for export to Europe from the Hyphen Hydrogen Energy project in Namibia. The company stated this was not connected with the location of the project on ancestral Nama land.
26 September	ECC granted to 3GW green hydrogen plant (PV Magazine)	The Ministry of Environment, Forestry and Tourism granted an Environmental Clearance Certificate (ECC) to developer Zhero Molecules Walvis Bay for a 3 GW solar project. The company has also submitted a generation licence application to Namibia's Electricity Control Board, seeking approval to operate the 3 GW solar plant alongside an accompanying 3,500 MWh of battery energy storage.
20 September	Namibian students depart for China on nuclear trip (Xinhua)	A group of 12 Namibian students aged between 13 and 16 departed for a 10-day educational excursion to China aimed at exposing them to scientific innovation and cultural exchange. The programme, titled "Nuclear Energy Lights Up Dreams, Friendship Bridges the Future," is sponsored by Rossing Uranium, purchased by China Nuclear Uranium Corporation (CNUC) Namibia Mining Limited.
19 September	NaCC approves Trigon deal (Mining & Energy)	The Namibian Competition Commission (NaCC) approved the sale of TSX-listed Trigon's 80% Kombat Mine interest to Horizon Corporation's affiliate Kamino Minerals for a base price of US\$24 million, clearing a key hurdle for restart of operations at the mine. Epangelo retains 10%, with Knowledge Katti's Havana Investments also having 10%.
19 September	Nasan reaches deal with Vivo Energy (Mobility Plaza)	Nasan Energies Namibia reached an agreement with Vivo Energy Namibia to acquire 53 Engen- and Shell-branded service stations. The transaction, which is subject to approval by the Namibian Competition Commission, would position Nasan Energies as one of the first major locally owned oil marketing companies in the country.
18 September	Cleanergy Solutions Namibia inaugurates green	Prime Minister Elijah Ngurare, speaking on behalf of the President, inaugurated the Cleanergy Solutions Namibia Hydrogen Dune Project, a joint venture between Belgium's clean energy company CMB.Tech and Namibia's Ohlthaver &

	hydrogen plant (Xinhua)	List Group, at Walvis Bay. Powered entirely by solar energy, the facility will produce green hydrogen to fuel dual-fuel trucks, buses, port equipment, locomotives, generators, and small ships.
18 September	EU provides €1.3 billion for green transition (Bloomberg)	The EU will provide €1.3 billion in loans and grants for Namibia's green industrialisation, the bloc's international partnerships commissioner Jozef Sikela announced in Windhoek.
17 September	Debmarine Namibia unveils new under water crawler (IDEX)	Debmarine Namibia unveiled its new underwater crawlers for sucking up diamonds from the seabed. The remote-controlled 370-tonne vehicles will improve mining efficiency by 20%. The first pair of new-generation crawlers will be deployed by the end of September on Debmarine's flagship vessel, the Benguela Gem.
4 September	TotalEnergies in discussions to extend licence (Reuters)	TotalEnergies CEO Patrick Pouyanne said the company is in discussions with Namibian authorities to extend an exploration licence.
3 September	Pilchard quota defended (Namibia Economist)	Ministry of Agriculture, Fisheries, Water and Land Reform issued a formal response to a recent article, defending its decision in July to award a precautionary pilchard harvesting quota of 10,000 metric tons to Eco Fish Farms which is 100% Namibian-owned. There has been no pilchard quota since 2015.
25 August	MTC rolls out 5G (Xinhua)	MTC Chief Technical and Information Officer Monica Nehemia said that the 5G network is now available in Ongwediva, Swakopmund, Walvis Bay, and the capital city of Windhoek, with nationwide rollout to follow in the coming months. MTC, in partnership with China's Huawei, first trialed 5G technology in February 2024.
21 August	President appoints new NPC members (Informante)	President Nandi-Ndaitwah appointed 19 new members to the National Planning Commission (NPC), who will serve a three-year term beginning in August 2025. The newly appointed members are: Josef Andreas, Kavei Gurvy, Ellencia Hanse, Nelago Indongo, Jason Kasuto, Susan-Marie Lewis, Thaddius Maswahu, Immaculate Mogotsi, Fidelus Mwazi, Titus Nampala, Roseta Mersia Nawases, Kuniberth Shamathe, Rose-Mary N. Sihova, Beverly Cecily Silas-Garas, Christoph Siririka, Sven Thieme, Penny Tuna Magdalena Uukunde, Roelie Venter, and Bernie Zaaruka.
20 August	Namibia plans to increase share of processed fish (Xinhua)	Speaking during a consultation with fishing industry leaders in Walvis Bay, Agriculture, Fisheries, Water, and Land Reform Minister Inge Zaamwani said government seeks to raise the share of locally processed catch from 23% to 45% within five years as part of NDP6.
18 August	Shell to resume drilling in 2026 (Upstream)	According to Shell's top representative in Namibia Eduardo Rodriguez, the super major will kick-off a new exploration drilling drive in 2026 on its geologically complex licence in Namibia's Orange basin after making a US\$400 million write-down earlier this year.

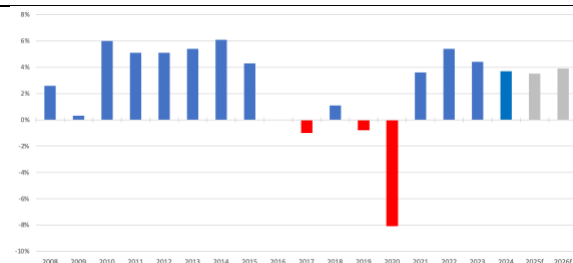
15 August	Namport cancels pre-qualification tender (Reuters)	Namport cancelled a pre-qualification tender for a new oil and gas supply base at Luderitz just days after launching it and without explanation.
13 August	Bank of Namibia holds repo at 6.75% (Bank of Namibia)	For the third meeting in a row, the Monetary Policy Committee (MPC) of the Bank of Namibia again decided to keep the key repo rate at 6.75%, 25bps below the equivalent rate in South Africa which cut its equivalent rate to 7.00% at the end of July.
5 August	Government considering 51% Namibian ownership in mining (China.org.cn)	Speaking during the Mining Expo in Windhoek, Namibia's Industries, Mines and Energy Minister Natangwe Ithete said the government is consulting industry stakeholders on mechanisms to implement 51% Namibian ownership in the mining sector.
1 August	US announces reciprocal tariffs (Al Jazeera)	The Trump Administration announced “further modifications to the reciprocal tariff rates” on 69 countries including 15% for Namibia down from 21% in April.
29 July	Bank of Namibia launches Financial Sector Transformation Strategy (Namibia Economist)	The Bank of Namibia, in collaboration with the Ministry of Finance and the Namibia Financial Institutions Supervisory Authority, officially launched the Namibia Financial Sector Transformation Strategy (NFSTS).
24 July	President warns heads of public enterprises (The Namibian)	During a speech read out for her at the 10th Public Enterprises CEO Forum's Annual General Meeting at Walvis Bay, President Nandi-Ndaitwah warned public enterprise chiefs against corruption saying that “anybody who engages in this evil act will be held accountable, and will face the wrath of the law as we are serious about business unusual.”
24 July	Bank of Namibia launches new currency (Namibia Economist)	The Governor of the Bank of Namibia Johannes IGawaxab said during the official launch of the upgraded banknote series alongside a fully redesigned new Namibian coinage series issued under the theme “Our Currency, Our Heritage, Our Pride—Meet the Next Generation of the Namibia Dollar,” marking a historic milestone in the Bank’s 35th year journey of promoting price and financial stability. The currency will enter circulation in August 2025.
23 July	NDP6 launched (Namibia Economist)	President Nandi-Ndaitwah officially launched the Sixth National Development Plan (NDP6), the final strategic framework aimed at achieving Vision 2030.
18 July	Swakop Uranium to create 1,000 jobs (New Era)	Swakop Uranium CEO Luo Wei paid a courtesy call on President Nandi-Ndaiwah and stated that “We are planning a few major projects on site, including a desalination plant and a heap leach project.” These are likely to create more than 1,000 jobs.
15 July	Meatco suspends acting CEO (The Namibian)	The Meat Corporation of Namibia's board of directors suspended its acting chief executive, Patrick Liebenberg, pending ongoing investigations into the disappearance of 400 head of cattle and appointed Kingsley Kwenani as acting CEO effective from 15 July 2025 until 31 August 2025.

11 July	ACC makes 11 arrests (Informante)	The Anti-Corruption Commission of Namibia (ACC) made arrests, which include up to nine businesspeople, mostly centring on the non-approved overextension of credit facilities to two companies and the botched sale of oil storage facilities to the National Petroleum Corporation of Namibia (NAMCOR) to the tune of N\$53 million, which was later discovered to already belong to the Ministry of Defence.
9 July	Indian PM visits Namibia (New Era)	Indian Prime Minister Narendra Modi visited Namibia as part of a five-country visit encompassing Ghana, Trinidad and Tobago, Brazil, Argentina and Namibia. He addressed Parliament and was awarded the Order of the Most Ancient Welwitschia Mirabilis', by President Netumbo Nandi-Ndaitwah. This was the first visit by an Indian Prime Minister for 30 years.
3 July	DBN accredited with GCF (Xinhua)	The Development Bank of Namibia (DBN) became the first Namibian institution to gain official accreditation by the Green Climate Fund (GCF) as a Direct Access Entity under the medium-sized project category.
2 July	Namibia downgraded (Windhoek Observer)	Namibia was downgraded from an upper-middle-income to a lower-middle-income country, according to the World Bank's latest income classification. Namibia was the only country whose classification moved downward in the 2024 update.
1 July	Namibia makes first shipment under AfCFTA (New Era)	Namibia made history when 45,000 tonnes of salt were shipped from Walvis Bay to Nigeria, the first consignment of goods under the African Continental Free Trade Area (AfCFTA) agreement.
1 July	US gains access to Namibia's poultry market (Oklahoma Farm Report)	US Secretary of Agriculture Brooke L. Rollins announced American poultry producers would have greater market access to Namibia, which will accept fresh, frozen, and chilled poultry exports from the 1 July after Namibia decided to recognise US food safety standards.

Key Economic Variables

GDP Growth (%)

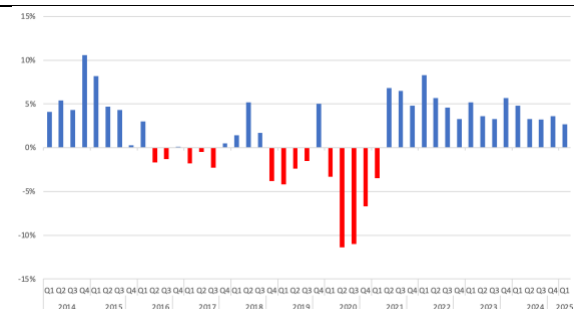
Source: NSA



The NSA published its estimates of GDP for 2024 which showed that GDP grew by 3.7% in 2024 after growing by 4.4% in 2023. The Bank of Namibia Economic Outlook for August 2025 forecast GDP growth at 3.5% in 2025 and 3.9% in 2026.

GDP Quarterly Growth (%)

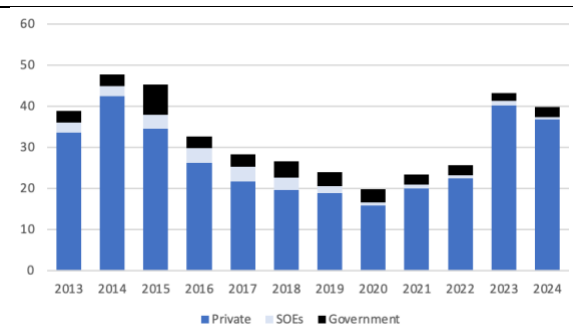
Source: NSA



GDP grew by 2.7% in the first quarter of 2025, the sixteenth successive increase in economic activity after the last quarterly contraction experienced in Q1 2021.

Fixed Investment (N\$bn in 2015 prices)

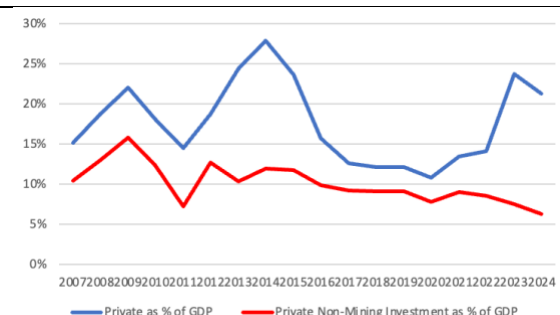
Source: NSA



Investment by the private sector fell slightly in 2024 after an exceptionally strong 2023 on the back of oil and gas exploration in both years.

Private Fixed Investment (% of GDP)

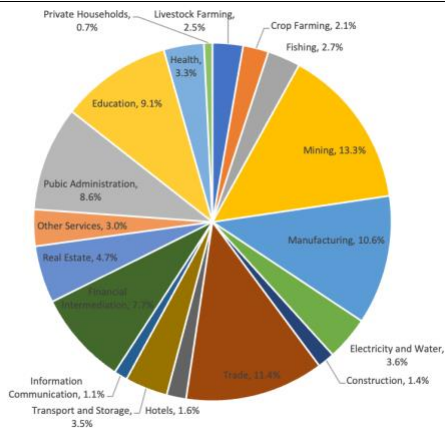
Source: NSA



Total private fixed investment fell somewhat as a percentage of GDP in 2024 but private non-mining investment declined further to just 6.3% of GDP.

Sectoral Breakdown of GDP in 2024 (%)

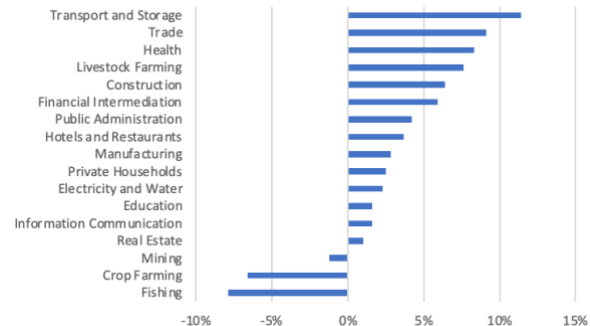
Source: NSA



The chart shows the contributions made to overall economic activity in 2024 by the different sectors of the economy according to the full national accounts. Service sectors contributed 54.7% while primary and secondary sectors contributed 20.6% and 15.6% respectively.

Sectoral Growth in 2024 (%)

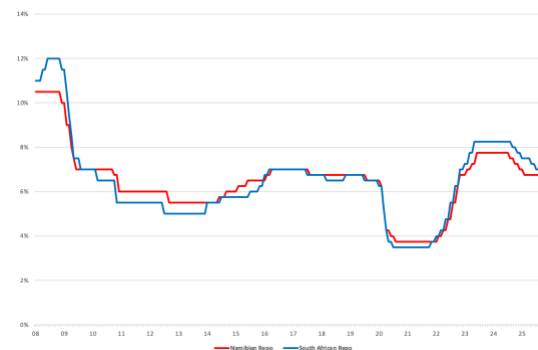
Source: NSA



Most sectors of the economy experienced positive growth in 2024 led by the transport and storage, trade, health, livestock farming construction sectors. However, three sectors suffered negative growth: mining (due to diamonds), crop farming (due to drought) and fishing (due to lower TACs).

Namibian and SA Repo Rates (%)

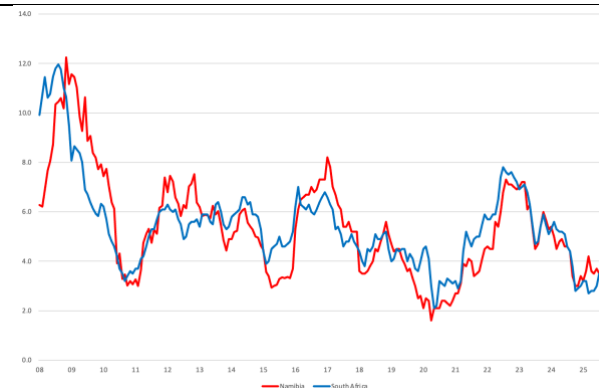
Source: BoN and SARB



As inflation subsided, the Bank of Namibia started cutting the repo rate in August 2024 and a fourth successive cut on 12 February 2025 brought it down to 6.75% where it has remained during the last quarter whilst the SARB cut to 7.25% at the end of May 2025 and 7.00% at the end of July 2025.

Namibian and SA Inflation (% y-o-y)

Source: NSA



Namibian consumer inflation fell slightly during the quarter to 3.2% in August 2025 whilst in South Africa consumer prices fell to 3.3% in August 2025.

Private Sector Credit Extension (% y-o-y)

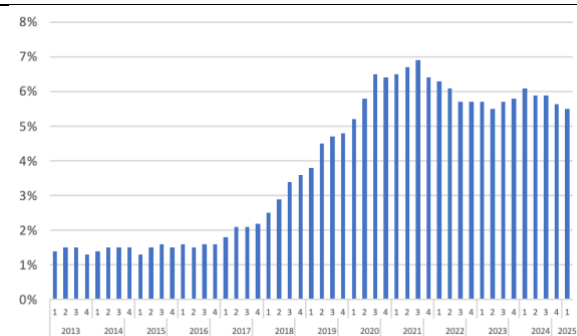
Source: BoN



Credit growth to business has risen since the lows of 2021 whilst credit to households has remained subdued as is residential mortgage lending.

Non-Performing Loans (% of Total Loans)

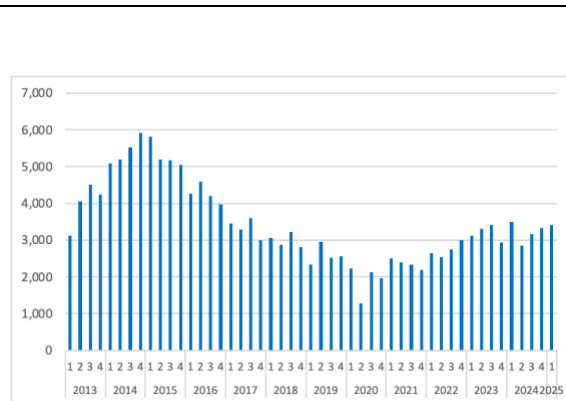
Source: BoN



The ratio of Non-Performing Loans (NPLs) reported by the commercial banks to the Bank of Namibia fell slightly to 5.5% in Q1 2025.

New Vehicle Sales (Units Sold)

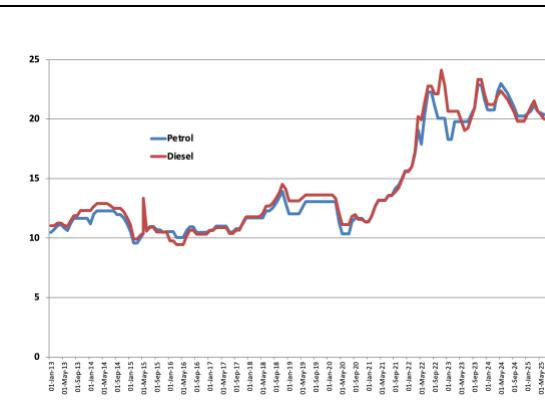
Source: BoN



The combined sales of new commercial and private vehicles rose from 3,338 in Q4 2024 to 3,403 in Q1 2025.

Price of Petrol and 10ppm Diesel (N\$/l)

Source: Namcor



Controlled petrol and 10ppm diesel prices started Q2 2025 at N\$21.17 and N\$21.52 per litre respectively and ended Q3 2025 at N\$20.37 and N\$20.02 per litre.

Data Trends

Key Economic Indicators		2018	2019	2020	2021	2022	2023	2024
Annual Economic Growth								
GDP	%	1.1%	-0.8%	-8.1%	3.6%	5.4%	4.4%	3.7%
GDP current prices	N\$m	181,067	181,211	174,243	183,292	205,584	228,887	245,097
Change in Mining Value Added	%	16.1%	-8.7%	-15.0%	8.7%	24.1%	19.3%	-1.2%
Change in Manufacturing Value Added	%	-0.4%	4.7%	-17.1%	-1.2%	5.2%	-2.1%	2.8%
Fixed Investment								
Fixed Investment	% of GDP	16.9%	15.8%	13.7%	16.0%	16.7%	26.1%	23.7%
Change in Fixed Investment	%	-6.0%	-9.5%	-17.7%	18.0%	9.9%	68.9%	-7.9%
Fixed Investment - Government	'000 N\$m	4,858	4,616	3,961	3,536	4,007	3,488	4,718
Fixed Investment - SOEs	'000 N\$m	3,678	2,034	1,048	1,263	1,286	1,901	1,077
Fixed Investment - Private	'000 N\$m	22,008	21,893	18,802	24,576	29,062	54,344	52,193
Prices and Interest Rates								
Average Inflation	%	4.3%	3.7%	2.2%	3.6%	6.1%	5.9%	4.2%
Year End Prime Lending Rate	%	10.50%	10.25%	7.50%	7.50%	10.50%	11.50%	10.75%
Year End Repo Rate	%	6.75%	6.50%	3.75%	3.75%	6.75%	7.75%	7.00%
Trade and Balance of Payments								
Exports - total goods	N\$bn	56.6	57.5	53.7	53.8	75.1	88.9	88.4
Exports - total services	N\$bn	8.4	8.4	5.0	4.8	8.1	11.0	13.7
Imports - total goods	N\$bn	75.2	77.0	66.5	84.0	108.0	121.0	132.5
Imports - total services	N\$bn	7.8	7.3	8.8	10.6	12.9	32.6	34.2
Trade Balance	N\$bn	-18.0	-18.3	-16.7	-36.0	-37.7	-53.8	-64.6
Balance of Payments	N\$bn	-6.1	-3.8	5.0	-25.2	-30.2	-38.8	-41.6
as % of GDP	%	-2.4%	-1.3%	3.8%	-12.6%	-13.6%	-15.9%	-15.8%
Foreign Exchange								
Year End Exchange Rate (N\$ to USD)	N\$	14.4116	14.0418	14.6246	15.8899	16.9831	18.5826	18.7115
Year End Exchange Rate (N\$ to EUR)	N\$	16.4848	15.7437	17.9897	17.9794	18.1057	20.5839	19.4767
Year End Exchange Rate (N\$ to GBP)	N\$	18.3424	18.4383	19.9801	21.4752	20.4714	23.6984	23.4801
Foreign Exchange Reserves	N\$bn	31.0	28.9	31.8	43.9	47.6	52.2	63.0
Fitch credit rating (at year end)		BB+ (stable)	BB	BB (negative)	BB (negative)	BB- (stable)	BB- (stable)	BB- (stable)
Moody's credit rating (at year end)		Ba1 (-ve)	Ba2 (stable)	Ba3 (negative)	Ba3 (negative)	B1 (stable)	B1 (stable)	B1 (stable)
Financial Sector								
Private Sector Credit Extension Growth	%	6.6%	6.8%	2.0%	1.2%	4.2%	1.9%	4.0%
Non-Performing Loans	% of total loans	3.6%	4.8%	6.4%	6.4%	5.6%	5.8%	5.7%
NSX Overall Index (at year end)	Index	1,303	1,306	1,232	1,572	1,639	1,624	1,797
NSX Local Index (at year end)	Index	621	614	456	529	507	672	691
New Local Listings		0	1	0	1	0	0	0
Business Indicators								
Namdeb Diamond Production	'000 carats	2,008	1,700	1,448	1,467	2,137	2,327	2,234
Uranium Production	tonnes	5,525	5,476	5,413	5,753	5,613	n/a	n/a
Gold Production	kg	6,171	6,526	6,254	7,103	6,992	9,800	n/a
SHG Zinc Production	tonnes	65,993	67,295	659	0	0	0	0
Mining Licences Granted	number	3	4	6	11	8	3	n/a
Exploration Licences Granted	number	259	297	243	97	56	97	n/a
Number of Companies Formed	number	2,851	1,153	852	n/a	1,153	n/a	
New Vehicle Sales	number	11,998	10,379	7,606	9,414	10,919	12,775	12,854
Tourist Arrivals	'000	1,557	1,596	170	233	461	864	n/a
- From Africa	'000	1,164	1,252	112	163	256	621	n/a
- From Europe	'000	306	256	45	59	155	185	n/a
- From RoW	'000	87	89	12	11	50	58	n/a
International Arrivals at HKIA	'000	247	215	46	63	163	223	230
Regional Arrivals at HKIA	'000	239	223	45	64	134	173	206

Employment		2017	2018	2019	2020	2021	2022	2023	2024	
Government		n/a	86,587	n/a	n/a	n/a	n/a	n/a	n/a	
Parastatals		n/a	30,654	n/a	n/a	n/a	n/a	n/a	n/a	
Private Companies		n/a	214,693	n/a	n/a	n/a	n/a	n/a	n/a	
Private Households		n/a	70,036	n/a	n/a	n/a	n/a	n/a	n/a	
Total		n/a	401,970	n/a	n/a	n/a	n/a	n/a	n/a	
Government Finances		FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
Revenue	N\$bn	58.7	55.9	58.4	57.8	55.4	64.4	81.5	90.9	92.6
Expenditure	N\$bn	67.5	65.3	66.6	73.7	71.3	75.4	87.5	101.3	106.3
Budget Balance	N\$bn	-8.9	-8.4	-8.2	-15.3	-14.8	-11.1	-5.6	-9.9	-12.8
Public Debt	N\$bn	74.5	87.5	100.4	110.5	125.8	142.7	153.7	165.9	172.4
Interest Payments	N\$bn	5.4	6.3	7.0	7.4	7.7	9.4	11.8	12.9	13.7
Public Guarantees	N\$bn	11.0	10.9	11.1	10.1	10.3	9.4	8.3	8.7	9.3
Revenue	% of GDP	33.7%	30.9%	32.6%	32.8%	29.6%	29.8%	34.5%	36.2%	33.3%
Expenditure	% of GDP	38.8%	35.5%	37.3%	41.9%	38.1%	35.0%	37.0%	40.3%	38.2%
Balance	% of GDP	-5.1%	-4.6%	-4.6%	-8.7%	-7.9%	-5.1%	-2.4%	-3.9%	-4.6%
Public Debt	% of GDP	42.8%	48.4%	56.0%	62.7%	67.2%	66.2%	65.1%	66.0%	62.0%
Interest Payments	% of revenue	9.3%	11.3%	11.9%	12.8%	13.9%	14.7%	14.5%	14.2%	14.8%
Public Guarantees	% of GDP	6.3%	6.0%	6.2%	5.8%	5.5%	4.4%	3.5%	3.5%	3.4%
		2017	2018	2019	2020	2021	2022	2023	2024	2025
International Rankings										
Global Competitiveness Index Ranking		99/135	100/140	94/141	n/a	n/a	scrapped	scrapped	scrapped	scrapped
Global Competitiveness Index		4.0	4.0	54.5	n/a	n/a	scrapped	scrapped	scrapped	scrapped
IMD World Competitiveness Ranking		n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	68/69
Energy Transition Index Ranking		57/120	75/120	53/120	78/120	69/120	79/120	71/120	68/121	n/a
Energy Transition Index		53.6	53.0	56.3	52.7	55.0	53.8	53.6	64.5	n/a
Ease of Doing Business Ranking		108/190	106/190	107/190	104/190	scrapped	scrapped	scrapped	scrapped	scrapped
Ease of Doing Business Index		59.57	60.29	60.53	61.4	scrapped	scrapped	scrapped	scrapped	scrapped
Corruption Perceptions Index Ranking		53/180	52/180	56/180	57/180	58/180	59/180	59/180	59/180	n/a
Corruption Perceptions Index		51	53	52	51	49	49	49	49	n/a
Ibrahim Index of African Governance Ranking		8/54	7/54	7/54	8/54	8/54	n/a	6/54	n/a	n/a
Ibrahim Index of African Governance		65.2	65.2	64.2	63.6	63.3	63.6	63.9	63.9	n/a
Investment Attractiveness Index Ranking		54/91	60/83	55/76	52/77	59/84	38/62	42/86	n/a	n/a
Investment Attractiveness Index		60.67	56.66	58.22	59.72	52.59	59.88	56.43	n/a	n/a
Open Budget Index (out of 100)		50	n/a	51	n/a	42	n/a	54	n/a	n/a
World Press Freedom Index - Ranking		24/180	26/180	23/180	23/180	24/180	18/180	22/180	34/180	28/180

Sources: Anglo American, Bank of Namibia, Business and Intellectual Property Authority, Chamber of Mines of Namibia, Fitch Ratings, Fraser Institute, IMD, International Budget Partnership, Ministry of Environment and Tourism, Ministry of Finance, Mo Ibrahim Foundation, Moody's Investor Services, Namibia Airports Company, Namibia Statistics Agency, Namibian Stock Exchange, Reporters Without Frontiers, Transparency International, World Bank, World Economic Forum, World Nuclear Association

Note: On 16 September 2021 the World Bank issued a statement announcing it would discontinue its flagship Doing Business report. This followed a detailed investigation after data irregularities in Doing Business 2018 and 2020 were reported internally in June 2020. We will keep the Index and Rankings in our table for the time being.

Note: From QER Q4 2021 we have included the annual Energy Transition Index and Ranking produced by the World Economic Forum.

Note: From QER Q3 2025 we have included the World Competitiveness Ranking from the IMD.