

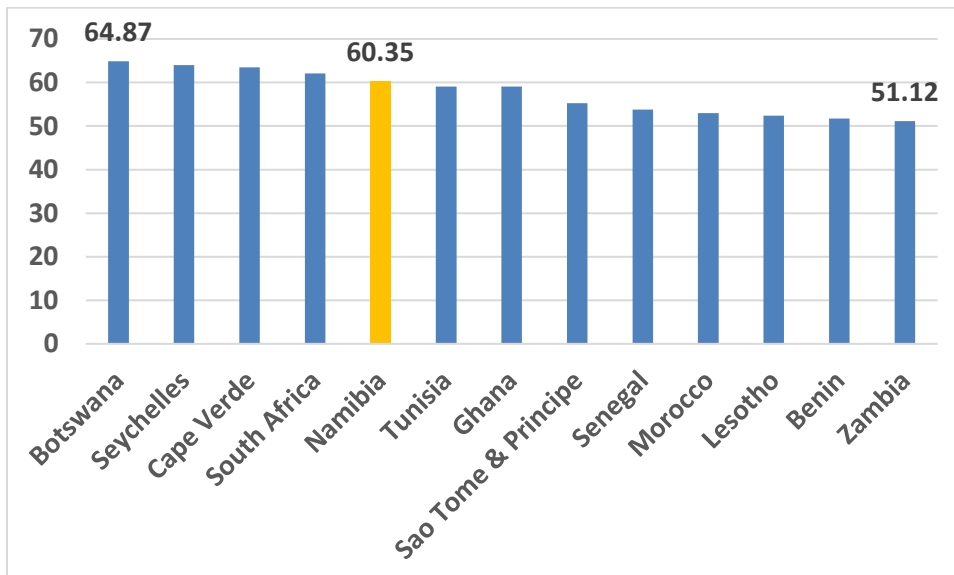
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First Investor Confidence Indicator for Africa (ICIFA) released

The U.S. – Africa Business Centre has released the first Investor Confidence Indicator for Africa end of June. It is composed of 13 widely used indicators, such as the Global Competitiveness ranking, Ease of Doing Business, Corruption Index, Ibrahim Index of African Governance and GDP Per Capita.

Southern African countries are well represented amongst the top 13 African countries. Namibia performs well in the overall score ranking fifth in Africa and third in Southern Africa behind her neighbours Botswana and South Africa. Like Botswana, Namibia ranks in the first quartile for all the indicators, while South Africa performed equally well except for the Global Peace Index, where the country is ranked in the third quartile.

Figure 1 The top 13 countries in the Investor Confidence Indicator for Africa



Source: Authors' compilation based on <http://www.usafricabusinesscenter.com/investor-confidence-indicator-for-africa/>

Despite Namibia's favourable ranking in all these indicators, the economy has not benefited from domestic and foreign direct investment to the extent her ranking would suggest. Foreign direct investment is to a large extent restricted to natural resource extraction. The lack of investment into sustainable industries also limits job creation and eventually the fight against poverty and income inequality. It is therefore important that Namibia continues with initiatives such as improving the business environment through the creation of the one-stop portal NamBizOne, but also designs and implements forward-looking, innovative policies that

encourages and supports investment and job creation in order to reap more benefits from the favourable rankings.

Table 1 Namibia's and neighbouring countries' performance in the ICIFA and sub-indices

	Overall score	Ease of Doing Business	Corruption	Press Freedom	Economic Freedom	Human Development	Global Competitiveness
Namibia	60.35	58.82	52	17.08	62.5	0.640	4.02
Angola	37.84	38.41	18	40.42	48.5	0.533	
Botswana	64.87	65.55	60	24.93	70.1	0.698	4.29
South Africa	62.05	65.20	45	20.12	62.3	0.666	4.47
Zambia	51.12	60.54	38	36.48	55.8	0.579	3.60
Zimbabwe	39.53	47.10	22	41.44	44.0	0.516	3.41
	Fragile States Index	Freedom in the World	Global Peace Index	EIU Democracy Index	Ibrahim Index of African Governance	ICT Development Index	GDP per Capita
Namibia	70.4	77	1.838	6.31	69.8	3.20	4,673.60
Angola	91.1	24	2.116	3.40	39.2	1.95	4,101.50
Botswana	63.8	72	1.622	7.87	73.7	3.79	6,360.10
South Africa	72.3	78	2.324	7.41	69.4	4.70	5,724.00
Zambia	87.8	56	1.786	5.99	58.8	2.05	1,304.90
Zimbabwe	101.6	32	2.352	3.05	44.3	2.73	924.10

Source: <http://www.usafricabusinesscenter.com/investor-confidence-indicator-for-africa/>