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QUARTERLY REVIEW

OCTOBER 2025

ORGANISATIONAL PROFILE

ABOUT THE EAN

The Economic Association of Namibia (EAN) is a leading think tank, that serves as a catalyst for economic development in Namibia by providing research-based public policy advisory services and facilitating public discourse to promote economic progress and prosperity.

VISION

To cultivate a thriving Namibia, marked by robust economic growth, where public policy catalyses sustainable economic development and progress

MISSION

To drive economic development through research-based thought leadership, offering expert public policy advisory services, and facilitating constructive public discourse, all geared towards inclusive advancement and prosperity.

CORE VALUES



Integrity



Excellence



Impact-Driven



Collaboration

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EXECUTIVE SUMMARY

The second edition of the EAN Quarterly Review offers an in-depth assessment of Namibia's economic performance for the second quarter of 2025, capturing evolving macroeconomic trends, sectoral dynamics, and the policy environment shaping the nation's growth trajectory. Under the administration of President Netumbo Nandi-Ndaitwah, Namibia continues to balance cautious optimism with structural challenges as global uncertainty, climate pressures, and fiscal constraints test the resilience of key sectors.

Key Highlights:

Macroeconomic Performance

- Economic growth slowed to 1.6% in Q2 2025, down from 2.8% in Q1 2025 and 3.3% in Q2 2024, reflecting weaker performance in agriculture, manufacturing, and fishing, partially offset by a rebound in mining, construction, and public services.
- Nominal GDP rose to N\$64.8 billion, the slowest increase since 2021, as private consumption declined amid persistent household financial strain.
- Headline inflation eased to 3.6%, driven by lower transport costs, while food and housing inflation accelerated, tightening budgets for low- and middle-income households.

“NAMIBIA'S ECONOMY SHOWS CAUTIOUS RESILIENCE IN 2025, WITH MINING DRIVING GROWTH WHILE MANUFACTURING WEAKENS, EXPOSING DEEPENING STRUCTURAL IMBALANCES.

Sectoral Challenges

- Agriculture and fishing contracted due to disease outbreaks, restocking cycles, and weak global demand, underscoring the vulnerability of rural livelihoods.
- Manufacturing declined sharply (-9.7%), driven by reduced output in cement, copper, beverages, and diamond polishing, while construction grew 4.1% amid infrastructure investment.
- Mining and quarrying surged 2.7%, buoyed by uranium and gold, reinforcing the economy's dependence on extractive industries.
- The sectoral composition of GDP indicates a trend of re-primarisation, with mining's share rising to 17.4%, while manufacturing fell to 9.5%, a signal of deepening structural imbalance.

Financial and Trade Dynamics

- The Bank of Namibia maintained the repo rate at 6.75%, keeping monetary policy accommodative to support growth. Real lending rates rose slightly as inflation moderated, offering modest returns for savers.
- Private sector credit remains concentrated in household borrowing (57.8%), highlighting weak productive lending to sectors like manufacturing and agriculture.
- The current account deficit narrowed sharply to N\$5.4 billion (8.4% of GDP), supported by strong uranium and gold exports, while manufactured and agricultural exports weakened.
- China and South Africa remained Namibia's largest trade partners, with uranium exports to China and gold exports to South Africa underpinning the trade balance.

Policy and Reform Imperatives

- Sustaining growth requires diversifying the economic base, strengthening employment-intensive sectors, and enhancing local production capacity.
- Mining revenues should be strategically channelled into education, health, housing, and infrastructure to promote inclusive, regionally balanced growth.
- Policymakers must prioritize industrial policy renewal, agro-processing, and green transition investments to reduce dependence on volatile commodity markets.
- Efforts to streamline regulation, improve SME financing, and expand climate-smart agriculture are key to building long-term resilience.

Recent Domestic Developments

- Namibia achieved major milestones, including the listing of the first Namibian Actively Managed ETF, a N\$1.5 billion German loan for water infrastructure, and N\$2.08 billion in green hydrogen investments.
- Government announced free tertiary education starting in 2026, a 4% pension increase, and new frameworks for AI governance, carbon trading, and digital payments.
- Namibia Dollar remains among Africa's most stable currencies, while Fitch cautioned on rising public debt (67.2% of GDP), signalling the need for fiscal prudence.
- Namibia's economic outlook reflects cautious resilience—anchored by mining and services but constrained by weak manufacturing, high unemployment, and limited private investment. To translate growth into broad-based prosperity, policy execution must be disciplined, inclusive, and innovation-driven.



DASH BOARD

DOMESTIC ECONOMY

Figure 1: Quarterly GDP Growth

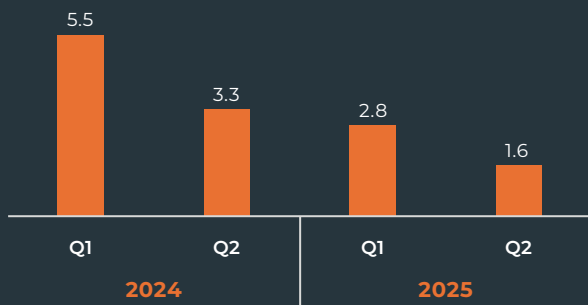


Figure 2: Inflation Rate (Quarterly Average)

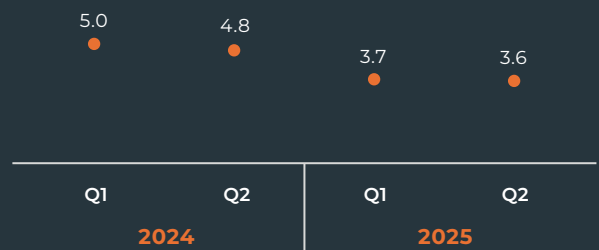


Figure 3: Repo And Prime Lending Rate
(End Of Period)

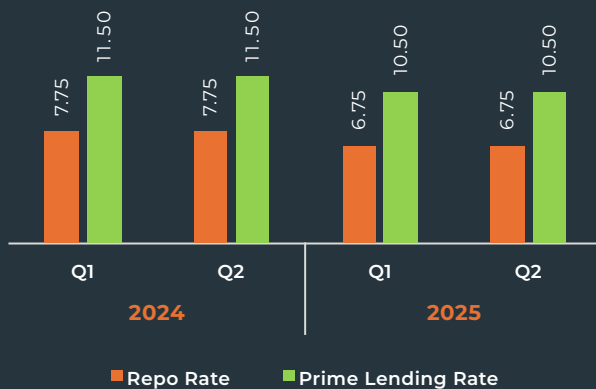


Figure 4: Namibian Dollar Per Foreign Currency (Period Averages)

Currency	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25
US Dollar	18.7228	18.4964	18.2826	18.908	18.1013	17.8356
UK Pound	23.1159	23.1833	23.5881	24.8153	24.1996	24.1754
EU Euro	19.3892	19.2601	19.7418	21.1738	20.4205	20.5347
Botswana Pula	1.3426	1.3360	1.3363	1.3367	1.3386	1.3328
Switzerland Franc	20.5987	20.4620	20.6913	22.5756	21.1817	21.9035
Chinese Yuan	2.5646	2.5423	2.5212	2.5892	2.5092	2.4833
IMFSDR	24.3619	24.1922	24.7890	25.4629	24.5016	24.3384

Figure 5: Central Government Debt

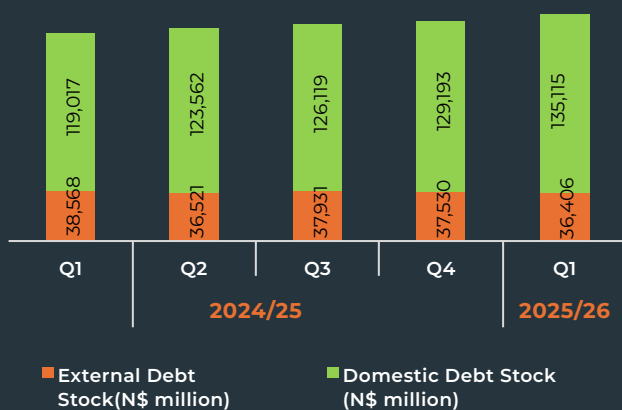
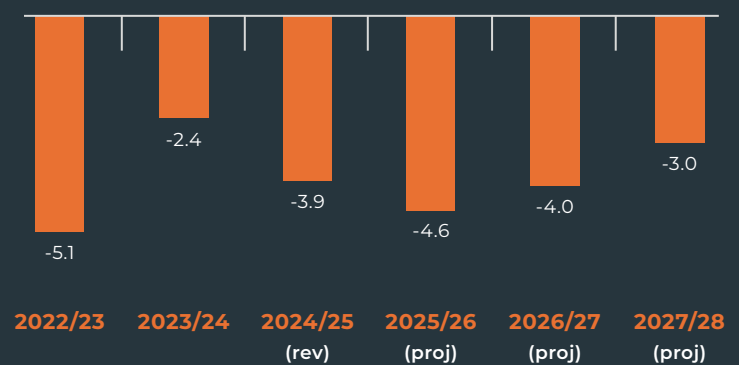


Figure 6: Central Government Budget Deficit % Of GDP



MACROECONOMIC PERFORMANCE

ECONOMIC GROWTH & INDUSTRY CONTRIBUTIONS

NAMIBIA'S ECONOMIC GROWTH SLOWS DUE TO WEAKER PERFORMANCES IN MANUFACTURING, FISHING AND AGRICULTURE.

Namibia's economy grew by only 1.6% in Q2 2025, compared to 2.8% in Q1 2025 and 3.3% in Q2 2024. In nominal terms, the economy expanded to N\$64.8 billion, up from N\$58.8 billion in the same quarter last year, but this represents the slowest increase since 2021. The slowdown was largely due to weaker performances in manufacturing, fishing, and agriculture, where livestock restocking and animal disease outbreaks disrupted activity. On the other hand, uranium mining strengthened, offsetting lower diamond production while construction and public services maintained moderate growth on the back of government infrastructure projects. On the demand side, growth was supported by exports, government spending, and investment, but private consumption fell, an indication that many households are under financial pressure.

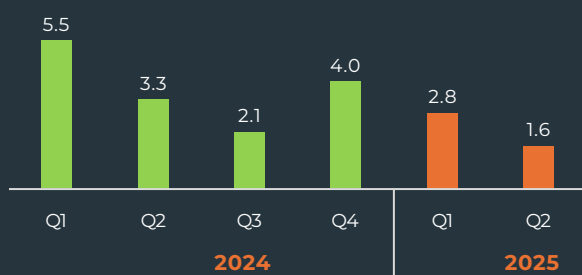
For many Namibians, this modest growth offers little visible improvement in daily life. Declining output in farming and manufacturing translates into fewer jobs, lower rural incomes, and weaker informal trading activity. Fishing communities continue to face uncertain earnings, while reduced factory production limits opportunities in urban areas. Even where jobs exist, wage growth is subdued, forcing households to cut back on spending. Although the service and public sectors have provided some stability, they absorb only a fraction of new entrants into the labour market, leaving many young and unskilled workers excluded from the gains of growth. As a result, economic progress remains largely numerical reflected in GDP figures but distant from lived realities.

Namibia's current growth path is therefore unsustainable without urgent structural reform, as the uneven distribution of economic gains continues to entrench inequality. To build resilience, policy should focus on employment-dense sectors capable of absorbing the growing labour force. Expanding climate-smart agriculture through drought-resistant crops, small-scale irrigation, and better disease control would strengthen rural economies and stabilise food production. Likewise, targeted investment in manufacturing and construction, aligned with renewable energy and infrastructure development, could generate significant urban employment.

To complement public interventions, private-sector expansion should be incentivised through streamlined regulatory processes, investment-friendly tax regimes, and targeted financing facilities for SMEs engaged in agro-processing, green manufacturing, and logistics. Encouraging venture capital participation and easing access to credit would enable domestic enterprises to scale up operations, creating stronger linkages across the value chain.

Beyond short-term stabilisation, Namibia must channel mining revenues and public investment into sectors with high social returns, such as education, housing, and agro-processing, to promote inclusive and regionally balanced development. However, to ensure that growth is people-centred, measured not only by higher output, but by tangible improvements in jobs, equity, and living standards, coordinated action between the state, private investors, and local communities is required.

Figure 7: Quarterly GDP Growth



Source: Namibia Statistics Agency

“GROWTH MAY BE POSITIVE ON PAPER, BUT FOR MANY NAMIBIANS IT REMAINS DISTANT FROM LIVED REALITIES AS JOBS, INCOMES, AND HOUSEHOLD SPENDING CONTINUE TO WEAKEN.

EDUCATION, FINANCE AND TRADE ANCHOR GROWTH AMID AGRICULTURE, FISHING AND MANUFACTURING SLOWDOWN

The contributions of individual sectors to Namibia's GDP growth in Q2 2025 reveal a mixed picture, highlighting both resilience and vulnerability in the economy. Wholesale and retail trade maintained a positive contribution of 0.5 percentage points, unchanged from Q2 2024, reflecting stable domestic demand and the ongoing role of commerce in supporting livelihoods. Education and public administration and defence contributed 0.5 and 0.4 percentage points, respectively, showing that government services continue to act as a stabilising anchor, particularly in providing secure employment for a portion of the workforce.

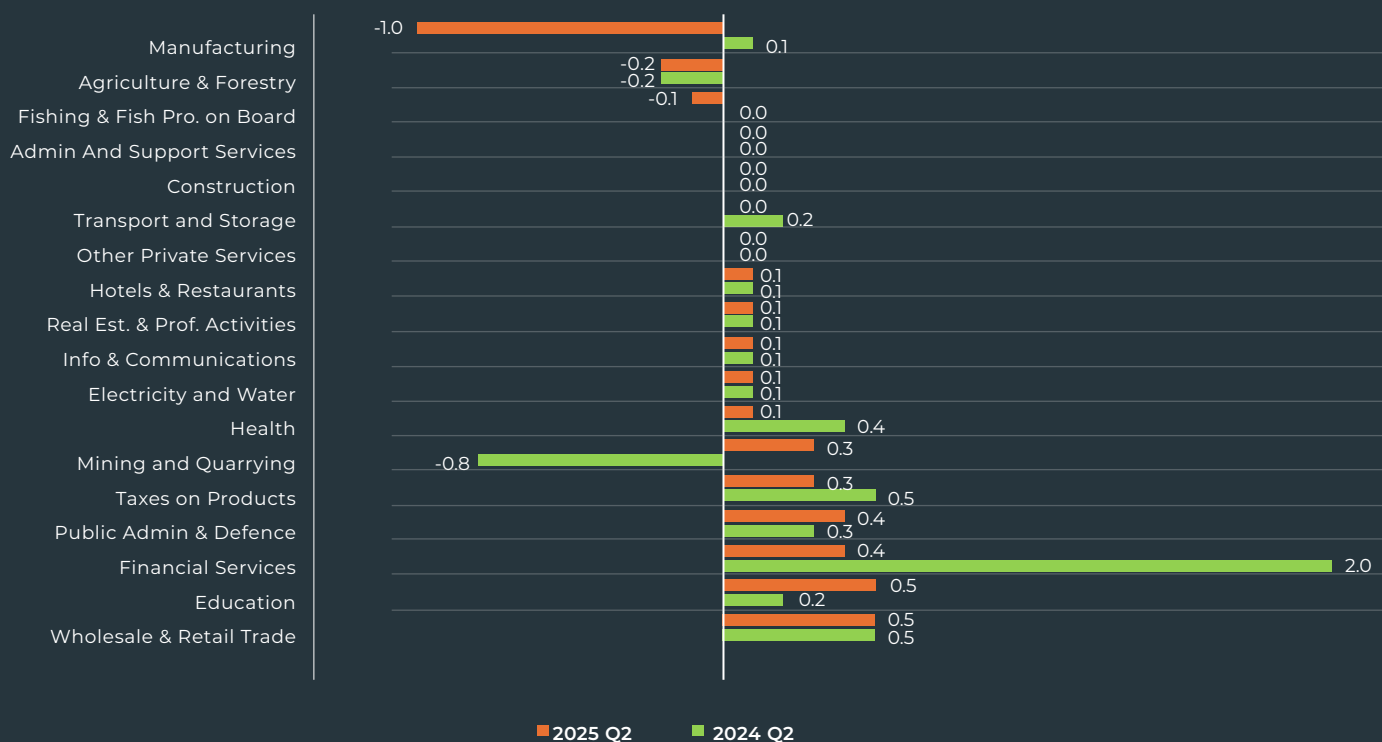
In contrast, some traditionally high-contributing sectors recorded a marked slowdown. Financial services, which added 2.0 percentage points in Q2 2024, fell to 0.4 percentage points, reflecting reduced investment activity and tighter credit conditions that limit the sector's ability to support business expansion and jobs. Taxes on products also contributed less, dropping to 0.3 percentage points, in line with reduced private consumption. Among primary industries, mining and quarrying, previously a drag on growth at -0.8 percentage points, rebounded modestly to 0.3 percentage points, largely due to higher uranium output, though diamond production remained

weak. Meanwhile, agriculture and forestry and fishing continued to underperform, contributing -0.2 and -0.1 percentage points respectively, highlighting the vulnerability of rural livelihoods to disease outbreaks, restocking cycles, and seasonal fluctuations.

The secondary sector showed particular strain, with manufacturing moving from a minor positive contribution of 0.1 percentage points in Q2 2024 to negative -1.0 percentage points in Q2 2025, which was driven by declining cement, copper, and beverage production. Other sectors, including construction, transport, and support services, recorded negligible contributions to overall growth, reflecting untapped potential for employment expansion if structural constraints are addressed.

The pattern of sectoral contributions underscores the uneven nature of Namibia's growth. While government services, education, and trade continue to provide stability, the sectors that historically absorb large numbers of workers, such as agriculture, fishing, and manufacturing, are underperforming. This imbalance reinforces the challenges noted in the broader GDP growth figures: headline growth is modest, and the benefits are concentrated in sectors that are not labour-intensive.

Figure 8: Sectors Contribution to GDP Growth (Percentage Points)



Source: Namibia Statistics Agency

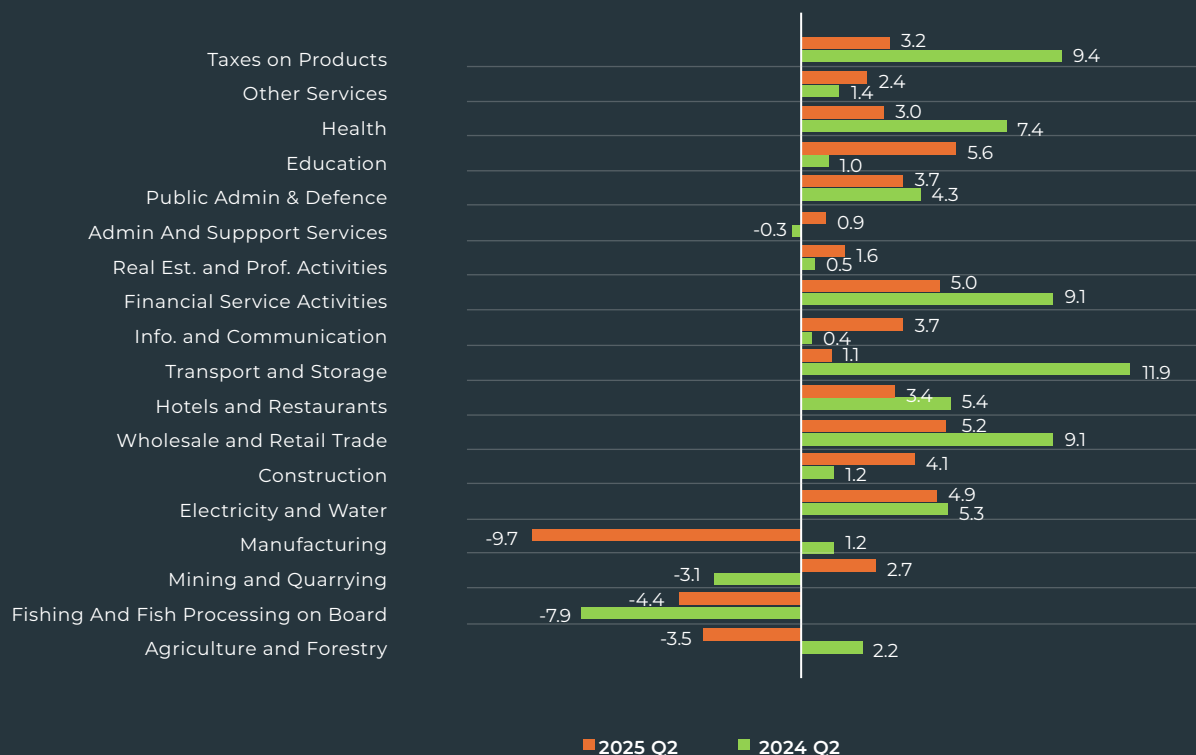
SECTORAL PERFORMANCE

SECTORAL REAL-VALUE ADDED GROWTH RATES

GOVERNMENT AND PRIVATE SECTOR PARTNERSHIPS CRITICAL FOR DIVERSIFIED, JOB-CREATING GROWTH

A deeper look into sectoral growth rates for Q2 2025 reveals an economy pulling in opposite directions. The primary sector is a tale of stark reversals. Mining and quarrying rebounded to a 2.7% annual growth, a dramatic upswing from the -3.1% contraction a year prior. This was driven almost entirely by a 25.4% surge in uranium production which powerfully offset the declines seen in diamonds and zinc production due headwinds from global market conditions, operational constraints, and weak international prices. Gold production, by contrast, grew on an annual basis due to higher-grade ore and elevated international prices, though it contracted slightly on a quarterly basis.

Figure 9: Sectoral Real Value Added Growth Rates



Source: Namibia Statistics Agency

stark contrast, agriculture and forestry contracted sharply by 3.5% year-on-year, reversing the 2.2% growth seen in the same quarter of 2024. The decline reflects the combined effects of livestock restocking, animal disease outbreaks, and disruptions in live exports, despite a modest quarterly uptick in cattle and small stock marketed for slaughter. Milk and crop production, however, showed improvement due to better rainfall and increased irrigation, indicating pockets of productivity that could be scaled with targeted support. Fishing and fish processing also remained subdued, contracting by 4.4%, though this was an improvement relative to the -7.9% recorded in Q2 2024, highlighting persistent structural challenges in the sector.

The most severe deterioration is concentrated in the secondary sector. Manufacturing exhibited the most pronounced decline among secondary sectors, falling by 9.7% year-on-year after modest growth of 1.2% in Q2 2024. The contraction was driven by reduced outputs in cement, copper, beverages, and diamond polishing, reflecting operational challenges and weaker regional and global demand. Construction was a notable exception, expanding by 4.1% following increased government and private sector investment in infrastructure, particularly in transport, health, and water projects. Electricity and water generation also remained resilient, growing by 4.9% despite a slight quarterly decline, supported by high rainfall and increased hydro-power generation at Ruacana.

The tertiary sector served as the economy's stabilising core, though with notably moderated momentum. Wholesale and retail trade expanded by 5.2%, although this marked a moderation from the exceptional 9.1% growth in Q2 2024, reflecting strong but stabilizing domestic demand. Education recorded solid growth at 5.6%, while public administration and defence grew by 3.7%, underscoring the stabilizing role of government services in employment provision. Hotels and restaurants grew by 3.4%, buoyed by a resurgent tourism sector, with total airport arrivals increasing by 8.9% year-on-year, supported by regional and international travel and the new visa regime. Information and

communication activities rose by 3.7%, benefiting from higher data traffic and increased mobile usage, while transport and storage grew modestly by 1.1%, despite declines in sea cargo volumes offset by improved road and rail transport.

This performance map highlights the urgent need for targeted industrial and social policies. The collapse in manufacturing and contraction in agriculture require sector-specific interventions to protect jobs and stabilise supply chains, including addressing factory constraints and supporting communal farmers with veterinary services and production assistance. Meanwhile, growth in uranium mining and public construction offers strategic levers for change. Resource revenues and public investment should be directed toward employment-intensive sectors such as education and healthcare, while also supporting the revitalisation of local manufacturing.

Additionally, to unlock private capital, government could establish industrial zones and special economic areas offering fiscal incentives and reliable utilities for manufacturers. Partnerships with private agribusinesses, export-oriented producers, and investors in digital infrastructure can drive technology transfer, enhance productivity, and open new export markets. Private equity participation in renewable energy and logistics infrastructure can further multiply growth effects, creating a more self-sustaining industrial base.



SECTORS PERCENTAGE SHARE OF GDP

The fundamental structure of the economy has proven resilient, with Mining and quarrying, Wholesale and retail trade, and Manufacturing retaining their positions as the three largest sectors. However, the balance of power between them has shifted dramatically.

A notable change is the expansion of the mining and quarrying sector, whose share of the economy surged to 17.4%, up from 12.8% a year earlier. This 4.6 percentage point increase solidified its position as the largest single contributor to the GDP, a transformation almost entirely attributable to the boom in uranium production and its high value, which outweighed declines in other minerals.

This mining-led expansion, however, came partly at the expense of contraction in other core sectors. Wholesale and retail trade, while remaining a crucial component, saw its relative weight slightly decline to 11.8%, while the share of manufacturing, fell sharply from 11.5% to 9.5%.

This trend of consolidation in mining was mirrored elsewhere, with the combined share of primary sectors like agriculture and fishing edging lower. While the financial services sector increased its share from 7.1% to 8.1%, other major service sectors like public administration, and education saw their relative weights diminish. This indicates that the stellar growth of mining is, in part, crowding out other sectors in their contribution to the total economic pie.

This re-alignment carries profound implications, masking a concerning trend of "re-primarization," where the role of value-added industrial activity is shrinking relative to raw material extraction. The economy's structure is not diversifying; instead, it is consolidating around a primary sector boom while its secondary manufacturing base erodes. A growth model increasingly reliant on a single, capital-intensive primary sector poses inherent risks. While the mining boom boosts headline GDP and government revenue, it creates fewer jobs per dollar of output compared to manufacturing or agriculture, exacerbating the unemployment crisis. The declining share of manufacturing indicates a weakening industrial base, which is vital for value addition, skills development, and economic resilience. The stability offered by sectors like public administration and education is being diluted, making the economy more susceptible to global commodity price volatility.

Policy must urgently address the collapse in manufacturing through targeted industrial support to halt its decline. Simultaneously, the windfall from the dominant mining sector must be strategically harnessed. Revenues should be channelled into future-proofing the economy by investing in renewable energy, education, and healthcare, sectors that form the foundation of long-term resilience but currently hold smaller shares. At the same time, creating an enabling environment for private investment through improved access to finance, predictable regulations, and reduced bureaucratic barriers can stimulate innovation and job creation. Facilitating joint ventures between mining companies and local firms, promoting skills partnerships with the private sector, and supporting SME integration into industrial supply chains would help translate extractive wealth into broad-based, sustainable growth. This approach aims to create a more synergistic and stable economic triad, where both public and private investments actively fund diversification, leading to a more robust and job-creating economic structure in the long run.

Figure 10: Sectors Percentage Share to GDP 2024 Q2

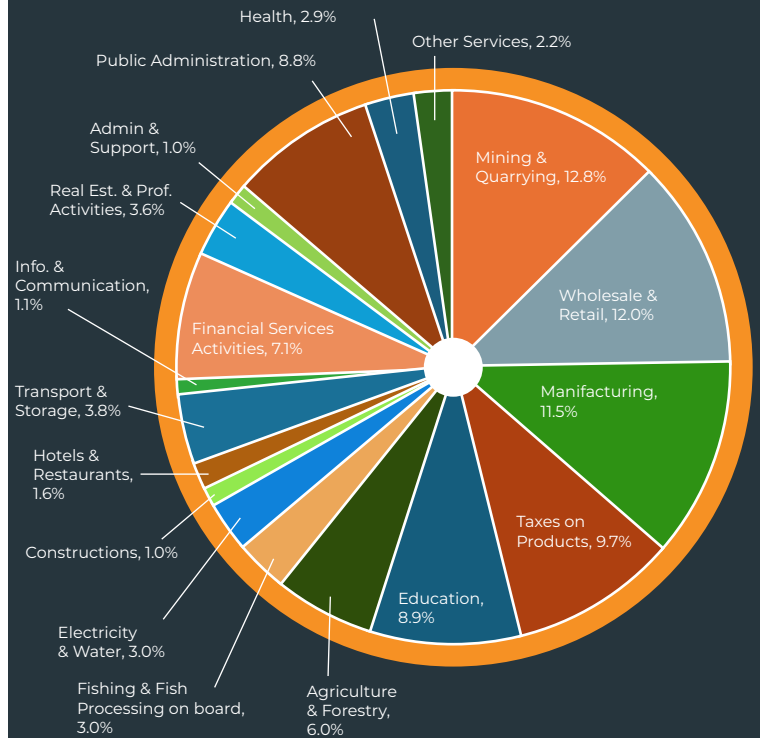
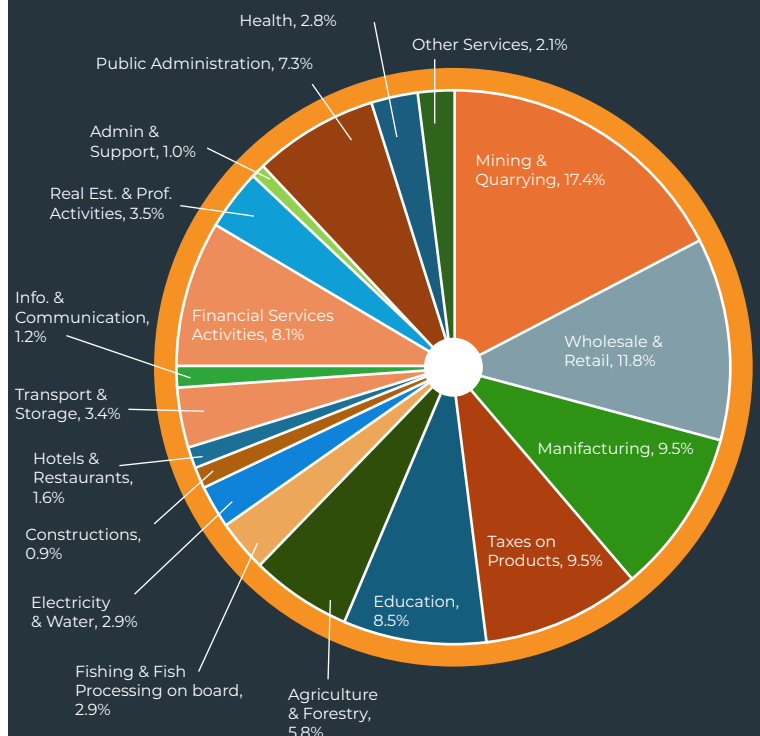


Figure 11: Sectors Percentage Share to GDP 2025 Q2



INFLATION AND PRICE TRENDS

NAMIBIA URGED TO STRENGTHEN LOCAL FOOD SYSTEMS AND IMPLEMENT RENTAL CONTROLS AMID RISING LIVING COSTS

Namibia's headline inflation slowed slightly in Q2 2025, easing to 3.6%, down from 3.7% in Q1 2025 and 4.8% in Q2 2024, reflecting mixed movements across key categories.

Transport inflation significantly dropped to -1.2%, down from 1.4% in Q1 2025 and 7.3% in Q2 2024. This was driven mainly by lower costs for fuel, vehicle operation, and repairs as global crude oil prices fell. In contrast, inflation for food and non-alcoholic beverages rose to 6.0%, up from 5.8% in Q1 2025 and 4.6% a year earlier, reflecting higher prices for meat, fish, oils, fats, vegetables, and staples such as bread and cereals. Housing-related inflation, including rent, water, electricity, gas, and other fuels, rose to 3.9%, slightly above the previous quarter, due to rental adjustments and higher utility costs.

Figure 12: Quarterly Inflation

Inflation Category	2024	2025	
	Q2	Q1	Q2
Transport Inflation	7.3%	1.4%	-1.2%
Food and Non-Alcoholic Beverages Inflation	4.6%	5.8%	6.0%
Housing Inflation	3.6%	3.4%	3.9%

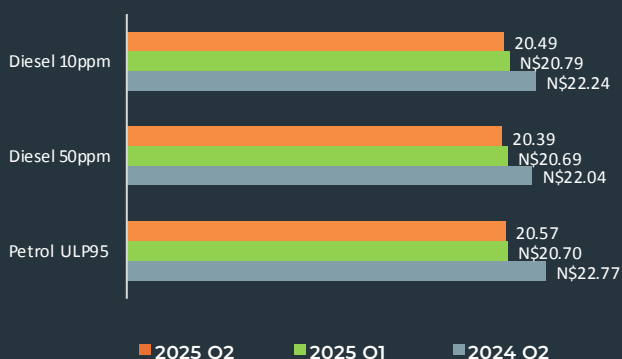
Source: Bank of Namibia

Overall, inflation for goods remained relatively subdued at 3.2%, while services inflation reached 4.2%, reflecting continued pressure on household services and living costs.

Fuel and grocery prices provide a clearer view of the inflationary pressures that households feel on a day-to-day basis. Retail fuel prices edged lower during the quarter, with Petrol ULP95 falling to N\$20.57 per litre, and diesel averaging N\$20.39 and N\$20.49 per litre for 50ppm and 10ppm respectively, offering some relief for households and businesses reliant on transport. In contrast, grocery costs continued to rise, with the average basket at selected retailers increasing to N\$1,102.50, up from N\$1,031 in Q1 2025 and N\$984.70 a year earlier, reflecting sustained pressure on food prices. The combination of rising grocery costs and housing-related inflation, despite lower fuel prices, tightens household budgets, particularly for low- and middle-income households, leaving less disposable income for education, healthcare, and savings.

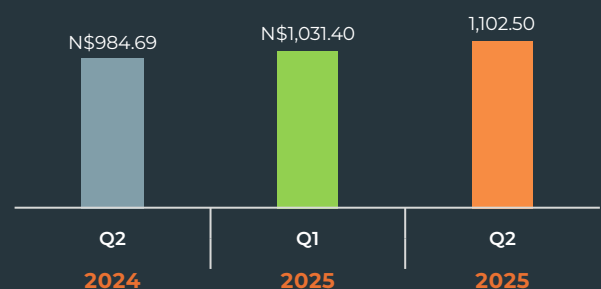
Addressing these inflationary pressures requires both immediate and strategic interventions. Strengthening local food production through investments in storage, transport, and cold-chain infrastructure, alongside community-based irrigation and cooperative farming initiatives, can reduce supply bottlenecks, build rural resilience, and create employment opportunities. Public-private partnerships in transport and logistics, with incentives for fuel-efficient or hybrid fleets, can stabilise fuel costs and improve distribution efficiency. On housing, Namibia must prioritise reviving the long-dormant Rent Control Board and fast-track the Rent Control Bill, ensuring the board is empowered to enforce fair rental practices, protect tenants, and curb excessive rent increases. Coordinated investment in these areas can stabilise food and housing costs, anchor price growth, and strengthen Namibia's resilience to global shocks, supporting household purchasing power and broader economic stability.

Figure 13: Quarterly Diesel and Petrol Prices



Source: Bank of Namibia

Figure 14: Quarterly Average Grocery Basket Cost at Selected Retailers



Source: The Brief

FINANCIAL PERFORMANCE

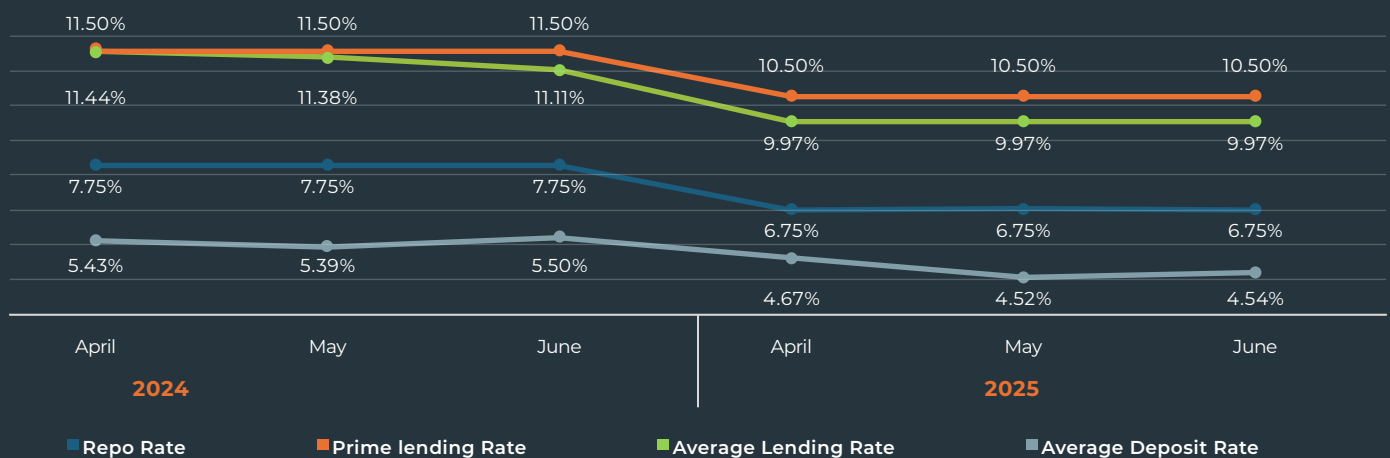
MONETARY POLICY AND BANKING SECTOR

LOWER INTEREST RATES SPUR BORROWING, BUT TARGETED SUPPORT FOR SMES, AGRICULTURE, AND HIGH-IMPACT SECTORS IS NEEDED FOR INCLUSIVE, SUSTAINABLE GROWTH

Namibia's interest rate environment remained broadly accommodative in the second quarter of 2025, reflecting the Bank of Namibia's continued focus on supporting domestic economic recovery while preserving the currency peg with the South African Rand.

The central bank maintained the repo rate at 6.75%, unchanged from the previous quarter but 100 basis points lower than the corresponding period in 2024. Consequently, the prime lending rate of commercial banks stood at 10.50%, down from 11.50% a year earlier, while the average lending rate fell to 9.97% from 11.11%, and the average deposit rate eased to 4.54% from 5.50%.

Figure 15: Quarterly Diesel and Petrol Prices



Source: Bank of Namibia



“ LOWER INTEREST RATES SIGNAL SUPPORT FOR RECOVERY, BUT WEAK CREDIT UPTAKE SHOWS THAT STRUCTURAL BARRIERS—NOT BORROWING COSTS—ARE HOLDING BACK GROWTH.

This easing of nominal rates signals a more supportive monetary stance aimed at stimulating borrowing, investment, and consumer spending in the face of slower economic growth. Yet, while lower borrowing costs may encourage credit uptake, the benefits are uneven. The persistence of subdued private sector credit growth suggests that structural constraints such as weak household purchasing power, cautious business sentiment, and tighter lending standards continue to limit monetary transmission. Meanwhile, the reduction in deposit rates may have constrained income growth for savers, particularly pensioners and low-income households dependent on interest earnings.

In real terms, however, the picture is more nuanced. With inflation easing during the period, real lending rates rose to 6.09% in June 2025 from 5.53% in the previous quarter, while real deposit rates edged up to 0.85% from 0.44%. This improvement in real returns offers a modest incentive for savings, which is essential for deepening domestic capital formation. However, the widening spread between lending and deposit rates underscores ongoing inefficiencies within Namibia's financial system, particularly the limited competition among commercial banks and the lack of diverse credit channels for SMEs and households.

Looking ahead, sustaining an accommodative stance will depend on balancing growth support with financial stability. While a competitive banking sector and efficient monetary transmission are essential for stimulating private investment, inclusive access to finance remains equally critical. If inflation stays contained and credit uptake subdued, the policy focus should shift toward reducing structural lending barriers and expanding affordable credit to productive and socially vital sectors, particularly SMEs, agriculture, and community enterprises. Strengthening cooperative finance mechanisms and ensuring that lower rates translate into tangible benefits for households and wage earners would align monetary policy with both growth and equity objectives.

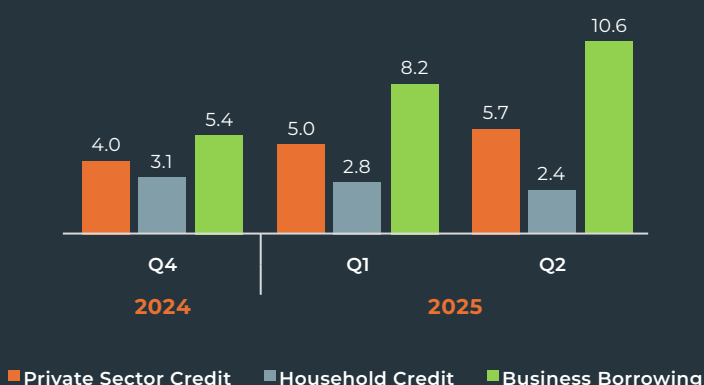
Namibia's Private Sector Credit Extension (PSCE) strengthened in the first half of 2025, expanding by 5.7% year-on-year in Q2, up from 5.0% in Q1 and 4.0% in Q4 2024. The acceleration was driven by a 10.6% increase in business borrowing, reflecting renewed corporate confidence and a supportive interest rate environment, while household credit slowed to 2.4%, signalling affordability pressures and cautious consumer sentiment.

Mortgage lending, though still the largest component at 49.2%, declined from 52.2% a year earlier, amid weak demand and high housing costs. Instalment and leasing credit rose to 12.8%, supported by vehicle demand, and overdrafts increased to 10.4%, highlighting reliance on short-term financing. The share of other loans and advances remained stable at around 27.6%, indicating resilience in diversified lending outside traditional mortgages.

Namibia's credit landscape is undergoing a structural shift from long-term, asset-based lending toward more flexible, consumption- and liquidity-driven financing. This transition provides short-term stimulus through higher spending and business turnover but raises concerns about the sustainability and quality of credit growth if it is not linked to productive investment. The situation highlights the need for targeted financial policies that direct credit toward high-impact sectors such as SMEs, agriculture, manufacturing, and renewable energy, which can strengthen the growth base and create employment opportunities.

Policymakers could support this shift by expanding credit guarantees, blended finance instruments, and cooperative lending models, particularly in rural and underserved areas. At the same time, enhancing bank competition, credit risk assessment, and interest rate pass-through would improve lending efficiency and safeguard financial stability. Balancing short-term consumption support with long-term investment is critical for inclusive, sustainable growth, while financial innovation and prudent governance remain key to deepening capital access and economic resilience.

Figure 16: Credit Growth Rates
(Annual Growth Rate)



Source: Bank of Namibia

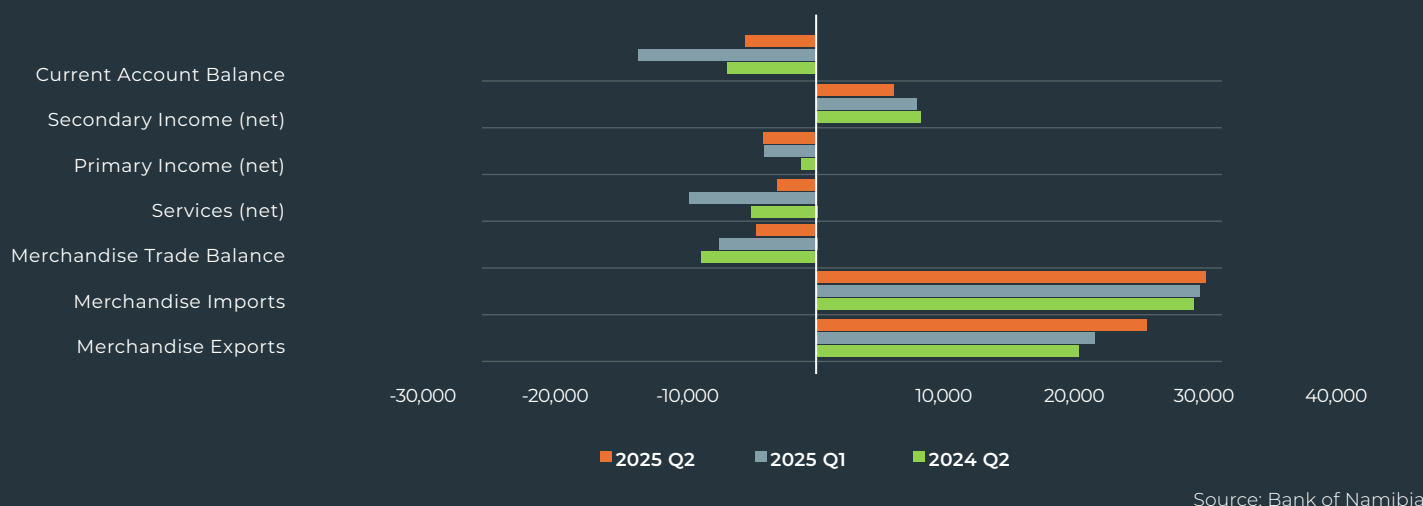


TRADE PERFORMANCE

SURGING MINERAL EXPORTS NARROW NAMIBIA'S CURRENT ACCOUNT DEFICIT, BUT DIVERSIFICATION REMAINS CRITICAL FOR RESILIENCE.

Namibia's current account deficit narrowed significantly in Q2 2025, falling to N\$5.4 billion, down from N\$13.8 billion in Q1 2025 and N\$6.8 billion a year earlier. As a share of quarterly GDP, the deficit stood at 8.4%, compared to 21.4% in Q1 and 11.6% in Q2 2024, reflecting both improved trade performance and lower outflows on the services account.

Figure 17: Current Account Balance



The narrowing deficit was primarily driven by the merchandise trade balance, which improved to N\$4.5 billion, down 49% year-on-year and 44.5% quarter-on-quarter, as export earnings surged. Minerals, particularly uranium and gold, underpinned the export growth. Imports, in contrast, rose modestly by 2.8% year-on-year and 1.1% quarter-on-quarter, reflecting higher purchases of vehicles, machinery, and chemical products. Outflows on the services account also declined to N\$3.0 billion, due largely to reduced spending on oil and gas exploration activities in the Orange Basin.

The improvement in the current account provides some breathing space for the Namibian Dollar, reduces external vulnerability, and indicates that export performance can offset modest import growth. However, the deficit remains structurally dependent on mineral exports, leaving the economy exposed to commodity price shocks and external demand fluctuations.

Figure 18: Merchandise Exports



Namibia's merchandise exports strengthened notably in the second quarter of 2025, rising to N\$25.6 billion, up 25.4% year-on-year and 18.3% quarter-on-quarter, driven mainly by strong mineral performance despite declines in manufactured and food exports.

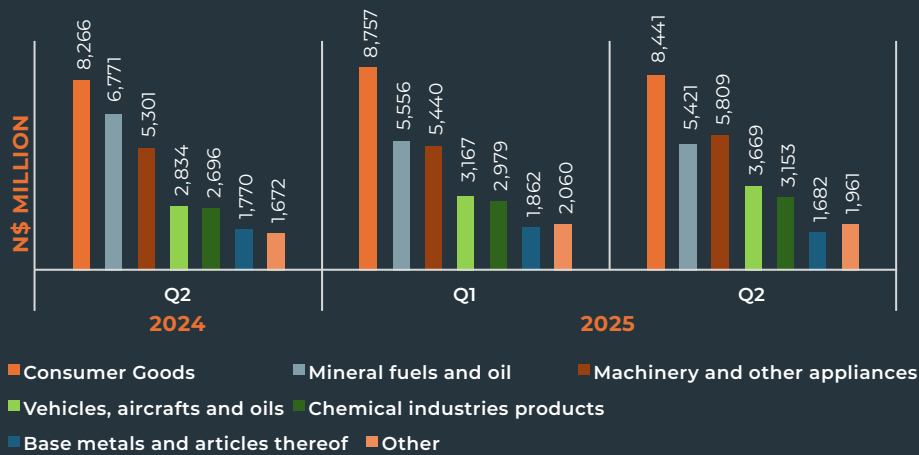
Rough diamonds rebounded to N\$2.9 billion, a 76.1% quarterly increase, supported by improved volumes and prices. However, export earnings were still 29.5% below the same period in 2024 as weak global demand, and competition from lab-grown stones. This volatility highlights Namibia's dependence on a narrow set of high-value commodities for foreign earnings and fiscal stability. Uranium exports surged to N\$7.9 billion, up N\$6.1 billion year-on-year and N\$3.6 billion quarter-on-quarter,

reflecting higher production and deferred sales. Although international uranium prices fell year-on-year, a 9.7% quarterly recovery to US\$72.59/lb supported revenues amid steady nuclear energy demand. This performance helped narrow the current-account deficit and strengthen the balance of payments, though heavy reliance on uranium still leaves the economy exposed to external shocks.

Other minerals, notably gold, rose to N\$6.0 billion, up 32.7% year-on-year, benefiting from a 41% surge in global prices to US\$3,293/oz, driven by central-bank buying and investor uncertainty. The combined lift from uranium and gold bolstered government revenues and the Namibian dollar, though it reinforced the country's structural dependence on commodities. In contrast, manufactured exports fell to N\$6.3 billion mainly due to weaker polished diamond sales, while food and live animal exports dropped 40.3% to N\$527 million amid herd restocking and disease outbreaks.

Overall, Namibia's export basket remains heavily concentrated in primary commodities, which continue to anchor fiscal and external stability but limit broad-based growth. Expanding value-added processing, agro-manufacturing, and renewable-linked exports will be essential to translate commodity windfalls into inclusive development and job creation.

Figure 19: Merchandise Exports

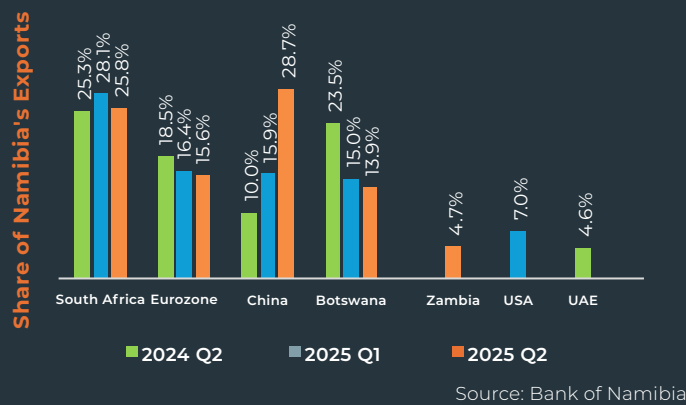


Source: Bank of Namibia

Namibia's merchandise imports increased moderately in Q2 2025, reaching N\$30.1 billion, up 2.9% year-on-year and 1.1% quarter-on-quarter, led by vehicles, machinery, and chemical products. Vehicle imports rose to N\$3.7 billion amid stronger consumer demand and lower interest rates, while machinery and appliances increased to N\$5.8 billion, driven by renewable-energy investments. Chemical products, including sulphuric acid for mining, rose to N\$3.2 billion, reflecting higher industrial activity. In contrast, mineral-fuel imports eased to N\$5.4 billion, offering some relief to households and energy-intensive sectors.

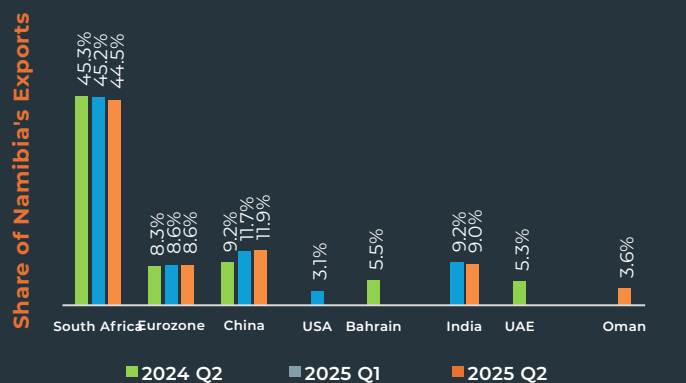
The relatively modest import growth compared to exports helped narrow the trade deficit and contain inflationary pressures, providing slight relief to consumers. However, continued reliance on imported machinery and inputs underscores structural constraints that limit domestic value-addition.

Figure 20: Top 5 Export Partners



Source: Bank of Namibia

Figure 20: Top 5 Import Partners



Source: Bank of Namibia

Namibia's trade remained concentrated among a few partners. China was the top export destination, accounting for 28.7% of total shipments, mainly uranium (91%), followed by South Africa (25.8%), dominated by gold, live animals, and fish. The Eurozone absorbed 15.6%, with fish, uranium, meat, and diamonds as key exports. Botswana (13.9%) and Zambia (4.7%) were smaller but important regional markets. On the import side, South Africa supplied 44.5% of Namibia's total, led by consumer goods, vehicles, and machinery. China accounted for 11.9%, primarily electrical equipment, while India and Oman remained major fuel suppliers.

Namibia's strong mineral exports and moderate import growth have supported short-term macroeconomic stability, easing inflationary pressures and providing relief for households. However, the continued concentration of exports in primary commodities and dependence on imported inputs leave the economy vulnerable to external shocks and supply disruptions. Policy should focus on deepening value addition in mining, accelerating diversification through agro-processing, downstream manufacturing, and climate-resilient agriculture, while substituting feasible imports with local production. Namibia's strong trade ties with China, South Africa, and the Eurozone continue to underpin export growth, however, expanding partnerships will be essential to broaden market access and reduce concentration risks. A balanced approach linking export growth, import management, and domestic industrial capacity will build long-term resilience, support job creation, and enhance household welfare.

RECENT DOMESTIC DEVELOPMENTS

Month	Development	Highlight
April	NSX local trading value doubles to N\$124 million in Q4	The value of shares traded on the Namibia Securities Exchange (NSX) Local Index surged to N\$124 million in the fourth quarter of 2024, doubling from N\$60 million in the third quarter.
	Namibia generates N\$25 million from new visas system	The Ministry of Home Affairs, Immigration, Safety, and Security has generated N\$25,487,500 in revenue from e-visas and visas on arrival to date.
	Government approves 7-seater transportation	Minister of Works and Transport Veikko Nekundi has announced that seven-seater vehicles will now be allowed to operate long-distance routes without the hurdles of previous restrictions.
	NSX secures new listing with Koryx Copper Inc.	NSX has secured a fresh listing with Koryx Copper Inc.
	EU, Netherlands pledge N\$258 million to Namibia's green hydrogen fund	The European Union and the Netherlands have announced a combined grant contribution of N\$258 million to the SDG Namibia One Fund, aimed at supporting the development of Namibia's green hydrogen sector.
	GIPF announces 4% pension increase from April 2025	The Government Institutions Pension Fund has announced a 4% increase in pension benefits, effective 1 April 2025.
	BoN finalising regulations to tackle high bank charges	The Bank of Namibia is finalizing regulations aimed at curbing high banking fees and charges, Governor Johannes !Gawaxab has announced.
	Arysteq lists Namibia's first Actively Managed ETF on JSE	Arysteq has become the first Namibian-based asset manager to list an Actively Managed Exchange Traded Fund (AMETF) on the Johannesburg Stock Exchange (JSE).
	Namibia to offer free tertiary education starting 2026	President Netumbo Nandi-Ndaitwah has announced that Namibia will introduce free tertiary education at all state institutions starting next year.
	NSFAF to be reintegrated into education Ministry by October	President Netumbo Nandi-Ndaitwah has announced that the Namibia Students Financial Assistance Fund will be reintegrated into the education Ministry by October 2025, as part of government efforts to cut costs and improve service delivery.
May	Fuel prices to remain unchanged in May	The Ministry of Industries, Mines and Energy has announced that fuel prices for both diesel and petrol will remain unchanged for the month of May.
	Govt plans to automate recruitment process for civil service	The Public Service Commission of Namibia expects to finalise the funding estimate required to fully automate the recruitment process in the public service by the next financial year.
	Namibia targets Asia, the UAE, and North America in new tourism push	Minister of Environment, Forestry and Tourism, Indileni Daniel, says Namibia will begin aggressively marketing itself as a preferred tourist destination in Asia, the Middle East, and North America as part of efforts to diversify its tourism markets.
	Windhoek Country Club pays N\$25 million dividend	Windhoek Country Club announced a N\$25 million dividend payout to the government for the 2023/24 financial year during a handover ceremony, marking the second consecutive year of shareholder returns.
	NamPower gets 3.8% tariff increase, govt steps in with N\$283m subsidy	The Electricity Control Board has approved a 3.8% increase in NamPower's average bulk tariff, effective from July 1, 2025 to June 30, 2026.
	Govt secures N\$1.5 billion German loan to tackle northern water crisis	The Namibian government has signed a loan agreement worth approximately N\$1.5 billion with the German Development Bank, KfW, to fund major water infrastructure projects in the country's northern regions.
	NIP launches N\$15m Swakopmund medical consumables manufacturing facility	The Namibia Institute of Pathology launched a new Innovation Hub for laboratory consumables in Swakopmund, following an investment of nearly N\$15 million in a move to bolster local medical manufacturing and reduce reliance on imports.
	Visa on arrival generates over N\$100 million as 70,000 visitors enter Namibia	Namibia's Visa on Arrival system has brought in more than N\$100 million in revenue and facilitated the entry of over 70,000 international visitors since its implementation.
	Namibia house prices see strongest growth since 2023	Namibia's housing market posted its strongest growth in years in the first quarter of 2025, with house prices and sales volumes both recording significant gains, according to the latest FNB House Price Index Report.
	Fitch flags mounting fiscal pressures as Namibia's debt hits 67.2% of GDP	Namibia's government debt rose to 67.2% of GDP by the end of 2024, surpassing the 'BB' median of 53.8%, Fitch Ratings has revealed in its latest assessment.
	Namibia partially lifts Brazilian poultry import ban	The Ministry of Agriculture, Water and Land Reform has partially lifted its ban on the import and in-transit movement of live poultry, poultry meat and poultry products from Brazil, with restrictions now limited to the State of Rio Grande do Sul.
	Namibia fuel prices set to drop in June	The Ministry of Mines, Industries and Energy has announced a reduction in domestic fuel prices, effective Wednesday, 4 June 2025.
	Namibia ranks 7th in economic freedom in Sub-Saharan Africa	Namibia ranked 7th out of 47 countries in Sub-Saharan Africa for economic freedom, with an overall score of 58.7, according to the 2025 Index of Economic Freedom by The Heritage Foundation.

June	Over 1,000 delegates expected at Namibia Oil and Gas Conference 2025	More than 1,000 delegates from 35 countries are expected to attend the third Namibia Oil and Gas Conference (NOGC 2025), which will take place in Windhoek from 12 to 15 August.
	Namibia finalising AI, data security laws	Namibia is developing legislation to govern artificial intelligence and digital safety, including a Draft Artificial Intelligence Bill, a Data Protection Bill, and a Cybercrime Bill.
	Windhoek seeks 4% electricity tariff increase	City of Windhoek has proposed a 4% weighted average increase in electricity tariffs for the 2025/2026 financial year, citing higher bulk purchase costs from NamPower, staffing requirements, and increased maintenance expenses.
	Namibia finalising carbon trading policy	The Ministry of Environment, Forestry and Tourism is preparing to submit a draft Carbon Markets and Trading Policy to Cabinet, following completed consultations and stakeholder validation.
	Namibia advances on FATF action plan, faces EU high-risk listing	Namibia has addressed eight of the 13 strategic deficiencies identified by the Financial Action Task Force since being grey-listed in February 2024.
	Namibia secures spot in N\$18 billion global decarbonisation programme	Namibia has been selected as one of the first countries to participate in the Climate Investment Funds N\$18 billion Industry Decarbonisation Programme, a major step in advancing green hydrogen ambitions and green industrialisation efforts.
	Bank of Namibia keeps repo rate unchanged at 6.75%	The Bank of Namibia has kept the Repo rate steady at 6.75%, a move widely anticipated by analysts, following the Monetary Policy Committee's third bi-monthly meeting held on 16 and 17 June 2025.
	Namibia's high-risk listing won't affect EU trade or investment	The European Union (EU) says Namibia's listing as a high-risk country for money laundering and terrorism financing does not prevent trade, investment or cooperation with EU member states.
	Old Mutual launches global equity fund tracking 2,500 stocks in 47 markets	Old Mutual Investment Group Namibia has launched the Worldwide Equity Unit Trust Fund, a new investment product offering exposure to global markets through a portfolio that tracks the MSCI All Country World Index (ACWI).
	Govt sets August deadline for free tertiary education roadmap	The government has officially launched the planning phase for the implementation of free tertiary education in public institutions, setting an August 2025 deadline for the finalisation of a national roadmap.
	Cabinet approves N\$257m youth fund for entrepreneurs	The Cabinet has approved a N\$257 million National Youth Fund to support youth-led start-ups and tackle the country's 44.5% youth unemployment rate. The fund will offer N\$60,000–N\$200,000 per start-up, with additional support for scaling businesses.
	Green hydrogen projects attract N\$2.08 billion investment	Namibia's green hydrogen sector attracted N\$2.08 billion in investment since inception, supporting a growing number of projects that form part of the country's green industrialisation drive.
	Namibia targets investment growth with planned corporate tax cuts	Namibia says its planned reduction in the corporate tax rate from 32% to 28% over the next two years is aimed at attracting investment, promoting business growth, and improving the country's competitiveness in both regional and global markets.
	Govt approves pension-backed home loan scheme for civil servants	The Government of Namibia has approved the launch of a Pension-Backed Home Loan (PBHL) scheme aimed at improving access to affordable housing for civil servants.
	MPs push Bank of Namibia to enable PayPal and Apple Pay access	Members of Parliament have called on the Bank of Namibia to step up efforts to bring global digital payment platforms such as PayPal, Apple Pay and Google Pay to the country, saying access to these services is crucial to enable young Namibians to earn income from international clients.
	Namibia Dollar among Africa's most stable currencies in 2025	The Namibia Dollar has once again secured its position among the top 10 strongest African currencies, according to Forbes currency data last updated 23 June 2025.
	Namibia exports 45,000 tonnes of salt to Nigeria in first AfCFTA shipment	Namibia has made its first official export under AfCFTA, sending 45,000 tonnes of salt from Walvis Bay to Nigeria.

FEATURE ARTICLE

NAMIBIA'S RECLASSIFICATION:

A STRATEGIC OPPORTUNITY FOR INCLUSIVE DEVELOPMENT

Namibia's recent reclassification by the World Bank from an upper-middle-income country to a lower -middle-income country should be received not as a setback, but as a strategic and welcome development in the country's quest for inclusive growth.

Since its designation as an upper-middle-income country in 2000, Namibia has been boxed into a category that did not reflect the lived realities of the majority of its population. The classification, based solely on per capita income overlooked the structural inequalities entrenched in the country's economy and significantly limited its access to concessional financing and critical grant funding.

The reclassification, announced on July 1st, 2025, in the World Bank's annual income group update, was largely driven by a drop in Namibia's gross national income (GNI) per capita, which declined to US\$4,240 in 2024 below the current threshold for upper-middle-income status, which stands at US\$4,466. This reduction was amplified by a significant upward revision of Namibia's population figures by the United Nations Population Division, which increased the population estimate by 13.8%, thereby diluting per capita income. At the same time, economic growth has moderated. According to the Bank of Namibia, real GDP growth slowed to 3.7% in 2024, down from 4.4% the previous year. The mining and quarrying sector, which has long been a cornerstone of the economy, contracted by 1.2% a stark contrast to its robust 19.3% growth in 2023. This decline was largely due

to weaker global demand for diamonds and other minerals. While sectors such as agriculture and services continue to show resilience, the overall growth momentum has weakened relative to the country's development needs.

Namibia's previous income classification ignored the stark inequalities that persist in the country. With a Gini coefficient of 0.58 the second highest in the world after South Africa, Namibia's high per capita income figures have long masked the reality that a significant share of the population continues to live in poverty. The World Bank estimates that 19.6% of Namibians live below the international poverty line of US\$2.15 per day, affecting over 600,000 people. The wealth of the few has often skewed national statistics and failed to translate into broad-based improvements in living standards.

The recent reclassification is therefore an opportunity to reset Namibia's development agenda. It opens the door to renewed eligibility for concessional loans and donor support, which, if used strategically, can support inclusive and sustainable growth. However, caution is warranted. Namibia's public debt remains elevated, with a debt-to-GDP ratio hovering around 70%, well above the average for lower-middle-income countries and significantly higher than that of peer economies such as Botswana. This high debt level underscores the need for discipline in the use of new borrowing instruments. Concessional loans should be reserved for investments with a high developmental return, particularly in sectors that can spur job creation and foster long-term growth.



The country's economic strategy must now pivot. Rather than relying heavily on debt-financed growth, Namibia should prioritise innovative approaches to secure donor and grant funding, particularly for critical sectors such as education, healthcare, agriculture, and renewable energy. These areas hold the potential to not only uplift the quality of life for many Namibians but also to create employment, strengthen food security, and support a greener, more diversified economy. Importantly, national development plans such as NDP6 must be realigned with this new economic reality. The underlying assumptions around Namibia's income status, fiscal space, and resource envelope must be updated to reflect the country's current classification and the fresh opportunities it presents. This also requires building strong institutional partnerships with multilateral organisations and re-engaging bilateral donors who had previously scaled back support due to Namibia's upper-middle-income label.

If managed prudently, Namibia's reclassification can serve as a pivotal moment to deepen structural reforms, realign policy priorities, and strengthen social investment. It offers a second chance to craft a more inclusive path to prosperity one that puts the majority of Namibians at the centre of the development process.

“**NAMIBIA'S RECLASSIFICATION IS NOT A SETBACK—IT IS AN OPPORTUNITY TO RESET THE DEVELOPMENT AGENDA AND UNLOCK CONCESSIONAL FINANCING FOR INCLUSIVE GROWTH.**”

NDP6

AT A GLANCE

OVERVIEW

The Sixth National Development Plan (NDP6) represents Namibia's final medium-term roadmap toward achieving Vision 2030. Covering the years 2025-2030, the plan is a response to the structural challenges revealed under NDP5, such as low growth, unemployment, inequality, and weak diversification, and a blueprint for inclusive, sustainable, and transformative development.

Anchored on the operational theme "Fostering Economic Growth, Inclusiveness, and Resilience for Sustainable Development," NDP6 seeks to accelerate job creation, enhance productivity, strengthen governance, and build resilience against climate and global shocks.

The plan is underpinned by four interlinked principles:

- Sustainable Development: Economic growth aligned with environmental and social balance.
- People-Centred Development: Citizens as both beneficiaries and drivers of change.
- Integrated Planning: Alignment across macro, sectoral, and institutional levels.
- Partnership: Collaboration among government, private sector, civil society, and development partners.

It's goals:

- Wealth Creation
- Improved Equality
- Employment Creation

THE FOUR STRATEGIC PILLARS

PILLAR 1



Economic Growth, Transformation and Resilience

Goal: Achieve sustainable economic growth and prosperity for all Namibians

PILLAR 2



Human Development and Community Resilience

Goal: Achieve accelerated human development for realising self-actualisation for communities and people

PILLAR 3



Environmental Sustainability

Goal: Achieve sustainable development through improved resilience, adaptability, and new (green) growth opportunities

PILLAR 4



Effective Governance and Public Service Delivery

Goal: Achieve a competent public service with speed and quality service delivery for improved quality of life



PILLAR 1: ECONOMIC GROWTH, TRANSFORMATION AND RESILIENCE

Desired Outcome: Namibia becomes a resilient middle-income economy with inclusive, diversified, and sustainable growth.

Key Strategies:

- **Economic Diversification:** Shift from primary industries to value-added secondary and tertiary sectors.
- **New Growth Sectors:** Aggressively develop agriculture, agro-processing, manufacturing, green hydrogen, oil & gas, and the nuclear industry.
- **Private Sector Growth:** Increase private sector contribution to GDP from 78% to 85% by improving the business environment and access to finance.
- **World-Class Infrastructure:** Develop transport, logistics, energy (renewables), bulk water, and digital infrastructure to support economic activity.

Targets by 2030:

- Average GDP growth of 7% or higher.
- Employment rate increase from 63% to 75%.
- Secondary industries to contribute 25% to GDP, with manufacturing at 18%.
- Creation of 30,000 green jobs and employment for 70,000 people in manufacturing.
- Share of manufactured exports to total exports to rise to 60%.

Key Focus Areas:

- Agriculture, Agro-processing, Manufacturing, Green Hydrogen, Oil and Gas, Nuclear, MSMEs, Private Sector Development, Tourism, and Mining.

PILLAR 2: HUMAN DEVELOPMENT AND COMMUNITY RESILIENCE

Desired Outcome: A high standard of living, with the Human Development Index rising from 0.610 to 0.695.

Key Strategies:

- **Education Revolution:** Overhaul the entire system from Early Childhood Development to Higher Education, focusing on quality, equity, digital skills, and alignment with industry needs.
- **Health for All:** Improve healthcare access, infrastructure, and outcomes to increase life expectancy.
- **Youth & Social Empowerment:** Maximize the demographic dividend through youth employment, sports, entrepreneurship, and robust social protection systems.
- **Gender Equality & Child Protection:** Strengthen legal frameworks and services to ensure equal opportunities and protect the vulnerable.

Targets by 2030:

- Human Development Index (HDI) from 0.610 to 0.695.
- Human Capital Index (HCI) from 0.45 to 0.50.
- Average school completion rate from 26% to 50%.
- Per capita income in the lowest region from US\$3,000 to US\$5,000.
- Increase R&D expenditure from 0.73% to 1.0% of GDP.

Key Focus Areas:

- Education for Development, Skills Training and TVET, Research and Innovation, Cultural and Creative Industries, Youth Development, and Access to Health, Water, and Sanitation.

PILLAR 3: ENVIRONMENTAL SUSTAINABILITY

Desired Outcome: Improved environmental health, with the Environmental Performance Index score rising from 50.9 to 52.0.

Key Strategies:

- **Green & Blue Economy:** Position Namibia as a leader in renewable energy (target: 700MW), sustainable water management, and responsible fisheries.
- **Climate Resilience:** Integrate climate adaptation and disaster risk reduction into all development planning.
- **Natural Resource Management:** Ensure sustainable management of biodiversity, forests, and land, including land acquisition for redistribution.
- **Circular Economy:** Promote waste reduction and recycling initiatives.

Targets by 2030:

- Protected area coverage from 40% to 65%.
- Water resource availability from 1,608 to 2,100 million m³.
- Renewable energy capacity from 367MW to 700MW.
- Value addition in landed fish from 23% to 45%.

Key Focus Areas:

- Green and blue economy development, climate change adaptation, biodiversity protection, and circular economy initiatives.

PILLAR 4: EFFECTIVE GOVERNANCE AND PUBLIC SERVICE DELIVERY

Desired Outcome: Improved governance, with the World Bank Governance Index rising from 0.33 to 0.55.

Key Strategies:

- **Transparency & Accountability:** Combat corruption and improve public sector performance.
- **Peace, Security & Rule of Law:** Strengthen national security and ensure equitable access to justice.
- **Efficient Service Delivery:** Enhance decentralization, labour market governance, and statistical coordination for evidence-based decision-making.

Targets by 2030:

- Governance Index (IIAG) from 63.9 to 75.
- Corruption Perception Score from 78 to 65.
- 100% Performance Management System implementation across government.
- Maintain No.1 ranking in Africa for Press Freedom.
- Economic freedom index from 45 to 60.

Key Focus Areas:

- Public sector reform, decentralisation, digitalisation of government services, and enhanced transparency and accountability.

FINANCING AND IMPLEMENTATION

NDP6 will be funded through an Integrated Financing Framework, combining:

- **Domestic Sources:** Public finance (taxes, debt) and private finance (bank credit, investments).
- **International Sources:** Official development assistance, climate finance, and foreign direct investment.

Implementation will follow the Project Management Body of Knowledge (PMBOK) framework, ensuring clear accountability, measurable outcomes, and real-time progress tracking through digital dashboards.

Monitoring and evaluation are based on a Results-Based Management (RBM) approach, ensuring that every programme contributes to measurable development outcomes.

AT ITS CORE

NDP6 envisions a prosperous, industrial, and inclusive Namibia, driven by human capital, innovation, and sustainable use of natural resources.

By 2030, the plan aims for a nation characterised by high incomes, high standards of living, a sustainable environment, and strong citizen satisfaction, effectively bridging the gap between Namibia's aspirations and tangible socio-economic transformation.

NYDF AT A GLANCE

OVERVIEW

The Government has officially launched the National Youth Development Fund (NYDF), a N\$500 million initiative, aimed at promoting youth entrepreneurship, job creation, and sustainable enterprise development across all 14 regions. The Fund will be implemented and managed by the Development Bank of Namibia (DBN), Agribank, and the Environmental Investment Fund (EIF), with NamPost expected to join once its systems are ready.

FUNDING STRUCTURES AND TERMS

The NYDF provides affordable loans and grants Namibian youth aged 18–35 years, supporting both start-ups and established enterprises under the following structure:

- Start-ups: N\$ 60,000 – N\$ 200,000 at 2% interest.
- Growth and Expansion: Up to N\$ 1 million at 3% interest
- Expansion enterprises: Over N\$ 1 million at 4% interest

Key Features include:

- No collateral required
- Grace period of up to 12 months before repayment begins
- Repayment period of up to 5 years

PRIORITY SECTORS

The Fund targets projects in key growth and innovation areas, including:

Agriculture & Food Production, Renewable Energy, ICT & Digital Innovation, Manufacturing, Creative Industries, Tourism & Services, Recycling, Auto Repairs, Fisheries, Leather Processing, and Logistics.

LAUNCH AND INITIAL BENEFICIARIES

Prime Minister Elijah Ngurare officially launched the NYDF in Gobabis, Omaheke Region, announcing 42 youth-owned projects as the first beneficiaries, collectively valued at N\$14.78 million.

Each of Namibia's 14 regions produced three successful projects, selected from more than 10,000 applications received during the pilot phase which ran from 1 August – 4 September 2025.

These projects are expected to create more than 315 jobs, demonstrating the fund's early impact. The government allocated N\$ 257 million to the NYDF for the 2025/26 financial year as part of its broader N\$500 million commitment to youth enterprise development.

Prime Minister Ngurare noted that while 42 projects were announced initially, this represents only the first phase of approvals, with additional beneficiaries to be announced on a rolling basis as assessments progress.

IMPLEMENTATION AND SUSTAINABILITY

The fund will be supported through partnerships with NamibRe, DBN, NIPAM, and international contributors such as the African Development Bank and the United Nations. NamibRe has already pledged N\$ 5 million as the first contribution toward the fund's sustainability.

The NYDF embraces a project entrepreneurship model, promoting youth ventures that can scale to market maturity through lending, grants, and market-linkage support. All beneficiaries will undergo entrepreneurship training, while unsuccessful applicants will be engaged through capacity-building programmes.

NAMIBIA OIL AND GAS CONFERENCE 2025

MEDIA LAUNCH

THE EAN IN PARTNERSHIP WITH NIPDB, HSF, NAMCOR AND SNC INCORPORATED LAUNCHED THE **NOGC 2025** ON 2 JUNE 2025



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