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THE

BRIEF

News Worth Knowing

Namibian microlenders extend loans worth N\$7.2bn



FRIDAY 30 AUGUST 2024

MAIN STORY



Namibian microlenders extend loans worth N\$7.2bn

The microlending loan book value in Namibia increased to N\$7.2 billion in the first quarter of 2024 from N\$6.7 billion in the prior year, representing a 7.9% annual and 0.2% quarterly growth, official figures show.

According to the Namibia Financial Institutions Supervisory Authority's (NAMFISA) statistical report for the first quarter of 2024, term lender loans continued

Crucial Dates

- Bank of Namibia Monetary Policy announcement date:
23 October 2024
4 December 2024
- Global African Hydrogen Summit (GAh2S)
Windhoek, Namibia from 03 – 05 September 2024

to dominate, with a slight quarter-on-quarter decline of 0.7% and a year-on-year rise of 7%, reaching N\$6.8 billion.

Term lenders' loans constituted 95% of the total share during the quarter under review.

The report also said the number of payday lender clients grew by 5.7%, far outpacing the 2.8% rise in term lender clients.

The surge reflects a broader trend within the microlending sector, where the total value of loans disbursed climbed by 25% to N\$1 billion.

"Payday loans saw a 23.4% increase in average loan amounts, rising from N\$2,368 in Q1 2023 to N\$2,921 in Q1 2024. Payday lenders were the main contributors to this growth, representing 39.0% of the total disbursements, and term lenders accounted for the remaining 61%," the report noted.

In contrast, term lenders experienced a 16.3% decline in average loan amounts, dropping from N\$27,408 to N\$22,938, signalling a move away from long-term credit options.

"Term lender loans continued to dominate, with a slight decline of 0.7% quarter-on-quarter and a rise of 7.0% year-on-year, reaching N\$6.8 billion. Term lenders' loans constituted 95.0% of the total share," said NAMFISA.

Mirroring the rise in the value of disbursements, the number of new loans issued increased during the first quarter of 2024, reaching 166,452 loans, a 9.8% increase quarter-on-quarter and a 16.1% increase year-on-year.

"The growth in new loans aligns with the increase in loans issued by both term and

payday lenders. Regarding the distribution of new loans, payday lenders dominated, issuing 83.0% of all new loans, and term lenders accounted for the remaining 17.0%," said the quarterly bulletin.

Meanwhile, the total arrears showed a downward trend, decreasing by 1.0% quarter-on-quarter, but increasing by 7.9% year-on-year to N\$1.5 billion at the end of the first quarter of 2024.

"Arrears accounted for 20.0% of the total loan book value at the end of this period which indicates the potential risk of borrowers defaulting on their loans," said the report.

The total arrears for term borrowers stood at N\$1.4 billion at the end of the first quarter of 2024, representing a default rate of 20.0 % of the loan book value for term lenders.

"Compared with the previous quarter, this reflects a downward trend with a decrease in arrears by 2.1 %, but with an increase of 6.7 % year-on-year. The age category of 120 days+ accounted for the largest share of arrears at 12.0 % of the total value, and the 30-60 days category represented 6.0 %. These figures highlight the potential of repayment difficulties among term borrowers," the authority said.

Meanwhile, the arrears for payday borrowers amounted to N\$74.2 million with a default rate of 22.0% accounting for 76.0% of the payments due in the first quarter of 2024.

"Within the different age categories, the 120 days+ category represented the largest portion of the total arrears, making up 12.0 % by the end of the first quarter of 2024," said NAMFISA.





REPUBLIC OF NAMIBIA
MINISTRY OF AGRICULTURE, WATER AND LAND REFORM

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55 Robert Mugabe Avenue
Private Bag 13343
Windhoek

NOTICE TO THE PUBLIC

The Ministry of Agriculture, Water and Land Reform intends to allocate and recognize the registration of the two (2) farming units (units A and B) of the farm Kunibes No. 88 to be allocated in accordance with the Agricultural (Commercial) Land Reform Act, (Act No. 6 of 1995) as follows:

FARMING UNIT A OF THE FARM KUNIBES NO. 88, SIZE: 10,524.8859 HA, REG. DIV. "H", ERONGO REGION TO THE NDERURA FARMERS' COOPERATIVE

NO.	NAME	ID NUMBER
1.	Late Kephass Nderura	40052300070
2.	Ms. Helena Nderura	43041100215
3.	Late Evangeline Tjikune	59110900306
4.	Mr. Stanley Tjikune	55030600043
5.	Mr. Daniel Kongombe	55011600734
6.	Ms. Milka Mushimba	61040900348
7.	Mr. Michael Mushimba	61070400785
8.	Mr. Claudius Muruko	57032600042
9.	Mr. Isak Katjizumo Matukarua	73080600010
10.	Mr. Bensie Immanuel Nderura	65052900090
11.	Ms. Selma Nderura	72052900241
12.	Mr. Hophney Kanandjembo	76013100136
13.	Ms. Rachel Kanandjembo	81092910247
14.	Late Maria Solomon	37071500355
15.	Ms. Lena Solomon	63061200673
16.	Ms. Sylvia Uaatjo	69050800378
17.	Ms. Adleheid Uaatjo	67041600866
18.	Late Arnorld Tjihavero	59041000127
19.	Mr. Brian Nderura	72040100571
20.	Ms. Belinda Nderura	76040300299
21.	Mr. Justus Veei	71070100080
22.	Late Absolom //khaoseb	56071600588

FARMING UNIT B OF THE FARM KUNIBES NO. 88, SIZE: 2,703.4345 HA, REG. DIV. "H", ERONGO REGION TO THE FOLLOWING PEOPLE;

NO.	NAME	ID NUMBER
1.	Late Jafet Uirab	19030300159
2.	Mr. Fenastus Hoeseb	64020401195
3.	Mr. Wilfried Uirab	53042000192
4.	Mr. Troughout Dausab	52061700322
5.	Mr. Lesley Uirab	89051900201
6.	Late Emil Uirab	56100500388
7.	Mr. Jafet Mani Uirab	52101001403
8.	Mr. Emil Eixab	76031500353



The Ministry therefore invites interested parties to lodge with the Ministry within a period of seven (7) days, any objection regarding the allocation and registration of the two (2) farming units listed above in accordance with Section 38 and 39 of Agricultural (Commercial) Land Reform Act, 1995 (Act No 6. of 1995). Written objections should be addressed to the following address: Executive Director, Ministry of Agriculture, Water and Land Reform, Private Bag 13343, Windhoek and submitted to Erongo Regional Office in Erongo Region.
For any enquiries, please contact Ms. Melania Iiputa, Acting Director: Resettlement and Regional Programme Implementation at 0811438553 and/or Ms. Petrina Mphaheni, Deputy Director, Ministry of Agriculture, Water and Land Reform, Erongo Regional Office at 064 – 402208/0811 433724.


Ndiyakupi Nghituwamata (Ms)
EXECUTIVE DIRECTOR



Demarcation notes: Farm Kunibes No.88, Size: 13228.3204 ha, Reg. Div. "H" Erongo Region
Farm Extent: 13228.3204 ha
Location: About 10 Km West of Otjimbingwe settlement on route D1976.
Carrying capacity: 12ha/LSU
Demarcation: Two (2) farming units @ 75% stocking rate.
Current/proposed Land Use: Mixed Livestock Farming.
Agro Ecological Zone [AEZ]: Central Plateau.
Topography: Generally flat, with Hills to some parts of the farm.
Rainfall: 140 – 150 mm per annum.
Vegetation types: Semi-desert and savannah transition

Farming Unit A:

- **Size:** 10,524.8859 ha
- Seven (7) functional boreholes
- Seven (7) Non-functional boreholes
- Nine (9) reservoirs
- Six (6) pvc plastic tanks
- Eight (8) drinking troughs
- 9x Homesteads
- 2x Workers quarters
- 3x Shack houses
- Four (4) internal camps
- It can carry **657 LSU or 3946 SSU**

@ 75% stocking rate.

Farming Unit B:

- **Size:** 2703.4345 ha
- One (1) reservoir
- One (1) PVC plastic tank
- Two (2) drinking troughs
- 9x Shack houses
- Single internal camp
- It can carry **225 LSU or 1351 SSU**

@75% stocking rate.

Namibia seeks speedy greylist removal with early FATF report

The Financial Intelligence Centre (FIC) says it is taking a proactive step towards Namibia exiting the Financial Action Task Force (FATF) greylist by submitting an early report.

The FIC highlighted the progress made in addressing deficiencies identified in the country's anti-money laundering and counter-terrorism financing (AML/CFT) framework.

FIC Director Brian Eiseb said the country has been working diligently to address the identified shortcomings.

By submitting a progress report in July 2024, well ahead of the October FATF meeting, Namibia aims to demonstrate its commitment to strengthening its AML/CFT framework and expedite its removal from the greylist.

"Given the progress made since greylisting, Namibia has decided to voluntarily submit an earlier report to the FATF for its meeting in October 2024. Reporting earlier than required can expedite exiting the greylist if effective progress is noted," he said.

He further explained that the report details the progress made on 72 recommended



actions outlined in a mutual evaluation report.

While 59 actions have been addressed, 13 remain outstanding. The report also clarifies the potential economic consequences of prolonged greylisting, including reduced capital inflows and increased transaction times.

"During January 2024, Namibia reported to the FATF on progress made in addressing the said 72 recommended actions. The country was found to have effectively addressed 59 recommended actions while the remaining 13 required improvements,"



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Eiseb said.

He also said that although Namibia has a strong economy, greylisting could still have some short-term negative effects. However, he believes that Namibia's robust economic fundamentals will likely offset these impacts.

“Notwithstanding, we do acknowledge that the period is certainly too short to thoroughly examine the full extent of the impact on some key indicators such as GDP

as the transmission therein takes time. However, given the prevailing robust economic landscape, these effects may be offset,” he said.

On 23 February 2024, the FATF added Namibia to its list of jurisdictions under enhanced monitoring, commonly known as the greylist. The greylist contains countries with strategic deficiencies in their anti-money laundering and counter terrorism financing frameworks.



2025/26 NAMIBIA HOUSEHOLD INCOME AND EXPENDITURE SURVEY: *PILOT SURVEY*

1

yo Bluey, verra! What is keeping you busy?

You know, preparing for 2025/2026 NHIES

2

What is the NHIES about?

It's a household-based survey designed to collect data on income and expenditure patterns of households in Namibia

3

We commence with the pilot survey?

Yes from 30 September - 20 October 2024

4

Aha! so this survey is only in selected areas in 8 regions?

Yes, Erongo, Hardap, Zambezi, Karas, Kunene, Khomas, Oshana and Otjozondjwa


5

Remember, the NHIES collects data on income, Expenditure, Poverty and Inequality

Thank you, continue updating the NSA social media pages!

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FGI House, Post Street Mall,
Windhoek, Namibia

Tel: +264 61 431 3200
Fax: +264 61 431 3253
Email: info@nsa.org.na
www.nsa.org.na





FIMA clause mandates minimum N\$200,000 is retained for beneficiaries despite policy claims

A clause in the Financial Institutions and Markets Act (FIMA) aims to protect beneficiaries of insurance policies by requiring insurers to maintain a minimum coverage of N\$200,000, regardless of any claims made by banks or creditors, an official has said.

The Namibia Financial Institutions

Supervisory Authority (NAMFISA) Policy Advisor Irene Shebo said the new rule will ensure that beneficiaries receive a minimum payout of N\$200,000 from their insurance policies.

“There is no specific benchmark [that] exists for such protections, and this measure is designed to ensure that beneficiaries are

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not left with nothing if creditors claim the policy value," she said.

"When you take out any policy and nominate a beneficiary, the insurance payment typically goes to that beneficiary upon your death. However, if you have used the policy as collateral for a mortgage or other debt, things can get a bit complicated. For example, if your policy was worth N\$1 million and you owed N\$1 million on your mortgage, the bank could claim the entire amount from the policy upon your death," Shebo added.

She said other benefits of the Act include protecting consumers by preventing coerced insurance purchases and providing a 30-day "cooling-off" period for policy cancellations.

"The new regulations include limiting brokers to commission-only pay, and banning them from owning interests in insurance companies, and insurers cannot reject claims based on pre-existing conditions disclosed at the time of purchase," she said.

FIMA is set to regulate and supervise several sectors, including insurance companies, agents, and brokers; financial markets; collective investment schemes; retirement funds; and friendly societies.

Furthermore, FIMA will also regulate medical aid funds; fund and society administrators; and property held in a trust.

NAMFISA CEO Kenneth Matomola noted that the date on which FIMA will come into operation will be communicated to the public at the appropriate time by the Minister of Finance.

"Our goal is to ensure that we are all aligned and working together towards the same objectives. If there are any issues with FIMA, let's address them openly and continue our progress. I am very optimistic about the implementation of FIMA and will continue to advocate for it because I firmly believe in its benefits," he said.

NTA plans upgrade of 4 VTC centres to college level

The Namibia Training Authority (NTA) says it is in the process of upgrading four state-owned vocational training centres (VTCs) to technical vocational education and training (TVET) colleges.

NTA CEO Erick Fundula Nenghwanya said the planned upgrade aims to fill the gap left by the Namibia University of Science and Technology (NUST) when it ascended to university status and to respond to the skills demand for emerging industries.

“Upgrading the existing institutions can play a crucial role in addressing skill gaps in the economy by providing training in high-demand areas. In addition, the promotion of TVET in Namibia is supported by several policy documents which challenge the country to implement an efficient and effective TVET system that can equip the youth with the necessary skills required to enter the labor market,” Nenghwanya said.

He said the upgrade process will involve enhancing the capacity of the VTCs to accommodate more students, improving the quality of TVET programs, and developing technical teacher training capabilities.



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“The transition of VTCs to colleges can afford students a wide range of courses and specializations, catering to various industries, and offer advanced diplomas or even degrees in vocational and technical fields, providing students with more opportunities for academic and professional advancement,” NTA CEO said.

“Primarily, the analysis will focus on identifying major strengths and related weaknesses that exist in the Namibian TVET sector and institutions, as well as

opportunities and potential factors that can be leveraged to reach strategic objectives and specific development goals.”

Additionally, the NTA plans to enhance the management capacity and efficiency of the TVET system, ensuring that it operates effectively and meets the needs of both students and industry.

“Therefore, the proposed TVET center upgrade is a major undertaking for the NTA, as it intends to grow both in terms of quantity (staff and students) and quality (curriculum upgrade and infrastructure).

The negative impact of space constraints has been evident, affecting student enrollment due to the lack of dedicated and purpose-fitted workshops, laboratories, and other workspaces needed for an effective and efficient TVET sector ecosystem,” he said.

The Namibia Training Authority (NTA) was created by the VET Act in 2008 to advise the government on vocational training. While the Act primarily focuses on the regulation of vocational education and training institutions, it also provides a framework for the upgrading of Vocational Training Centres (VTCs) to technical colleges. The Act is responsible for funding and regulating the vocational education and training sector in the country, as well as advising the Minister on TVET-related matters.



CALLING ALL DIAMOND & JEWELLERY ENTREPRENEURS

Namibia Diamond Trading Company (NDTC)

is looking to support ambitious existing business owners in the Diamond and Jewellery related sector.

NDTC wants to support them with the skills and knowledge needed to grow a sustainable and profitable business.

The successful entrepreneurs will qualify for a fully sponsored business development programme, which includes entrepreneurial training and business guidance from experienced business mentors.

What are the minimum requirements to apply?

The business owner must be a VTC/technical school owner who has a valid ID (priority will be given to black owned and growing to women who have already successfully run a business) and be a permanent resident of Namibia.

Five musts:

- 1. Have a telephone / Email / Address / bank details / internet access / a home based / valid ID / valid ID / valid ID / valid ID / valid ID
- 2. Be a permanent resident of Namibia
- 3. Be a woman / Be a woman / Be a woman / Be a woman / Be a woman
- 4. Have a registered business which is not yet trading and must be for sale / for sale / for sale / for sale / for sale
- 5. Have a registered business which is not yet trading and must be for sale / for sale / for sale / for sale / for sale

Preference will be given to applicants trading for at least 1 month.

HOW TO APPLY



Scan the QR Code or use the below link to complete the programme application form online.

<http://www.ndtc.com.na/open-ndtc-programme/ndtc>

Namibia cuts fuel prices for September


The Ministry of Mines and Energy has announced that petrol prices will decrease by 120 cents per litre, while both diesel 50ppm and diesel 10ppm prices will decrease by 110 cents per litre, effective 4 September 2024 at 00:01.

In Walvis Bay, the price of petrol will be N\$21.00 per litre, diesel 50ppm will be N\$20.47 per litre, and diesel 10ppm will be N\$20.57 per litre. According to the Ministry's latest calculations, the average price of Unleaded Petrol 95 over August was USD 91.048 per barrel, indicating a 7.16% decrease compared to July. Additionally, the average price of Diesel 50ppm over August 2024 was US\$ 91.562 per barrel, which represents a 6.11% decrease compared to July, while the average price of Diesel 10ppm over August 2024 was US\$ 91.781 per barrel, representing a 6.22% decrease compared to the end of July.

“After observing the results of the aforementioned input factors and other parameters, the output of the fuel pricing model recorded an over-recovery of 140.667 cents per litre for petrol, 113.973 cents per litre for 50ppm diesel, and 121.468 cents per litre for 10ppm diesel,” the Ministry said.

According to government data, Namibia consumes an average of 90 million litres of fuel per month.





TENDER: DPMT24_029

HIGH- AND LOW-PRESSURE AIR RECEIVER REPLACEMENTS

Dundee Precious Metals Tsumeb (Pty) Ltd. invites registered, competent and experienced individuals or companies to tender for High- and Low-Pressure Air Receiver Replacements.

Details of the Tender

Tender availability:

From Monday, 2 September 2024
Tender details and documents will be available exclusively on our e-Procurement portal at www.webportunities.net

Cost per set:

No levy

Closing date for submission:

Friday, 27 September 2024, at 16h00 pm

Submission requirements are defined in the tender documents and the closing date for submission is final, no extensions will be granted. Technical information, bid clarifications and any enquiries pertaining to this tender can be requested at email: Tendersnam@dundeeprecious.com



All tender proposals must be submitted via our e-Procurement portal at www.webportunities.net

No other method of submission will be accepted.

The High- and Low-Pressure Air Receiver Replacements tender will be found under the tab Quotes/Tenders.

For any assistance on the portal, please call the Tara Nawa team on +26464402403 or send an email to the Contact Us page on the portal.

Dundee Precious Metals Tsumeb employs an equal opportunity policy. Calls for tenders will be awarded through a competitive bidding process which is transparent and open to all. Any persons or companies that qualify as per the tender's evaluation criteria, may bid.



dundeeprecious.com

The promise and peril of Namibia's green hydrogen ambitions

By Dr. Mesias Alfeus

Namibia is on the brink of a green revolution. The country's ambition to become a global leader in green hydrogen production is not just a bold move toward sustainability but also a potential game-changer for its economy.

However, as with any significant economic shift, the road ahead is fraught with risks, particularly if proper financial risk management strategies are not put in place.



“

Namibia's vast, sun-drenched deserts and strong wind resources make it an ideal location for green hydrogen production.

changes in global demand, technological advancements, and competition from other energy sources. Namibia, entering this market, could find itself vulnerable to these price swings, especially if production costs are not kept in check. Without a robust financial risk management strategy, the country could face substantial losses, turning what seemed like a golden opportunity into a financial burden.

The Green Hydrogen Opportunity

Namibia's vast, sun-drenched deserts and strong wind resources make it an ideal location for green hydrogen production. By harnessing renewable energy, Namibia aims to produce hydrogen that could be exported globally, positioning itself as a key player in the emerging green energy market. This venture is not only expected to bring in substantial revenue but also to create jobs, drive infrastructure development, and reduce the country's carbon footprint.

However, the excitement surrounding this potential economic boon should not overshadow the significant financial risks that come with it.

The Risks of Overlooking Quantitative Risk Management

1. Volatile Global Market Prices: Green hydrogen, despite its promise, is a nascent market. Prices are subject to significant fluctuations due to

2. Investment Risks: The development of green hydrogen infrastructure requires massive capital investment. Namibia will likely rely on foreign direct investment (FDI) to fund these projects. However, FDI often comes with strings attached, including high returns expected by investors. If the projects do not yield the anticipated profits, Namibia could find itself in a precarious position, with debts that could stifle other critical economic activities.

3. Exchange Rate Risks: As Namibia will likely export green hydrogen, the revenues generated will be in foreign currencies. Fluctuations in exchange rates

could significantly impact the net revenue received in Namibian dollars, further exacerbating financial vulnerabilities. Without proper hedging mechanisms, the country's financial stability could be jeopardized.

4. Operational and Technological Risks: The green hydrogen sector is heavily reliant on advanced technologies, which are continually evolving. Namibia faces the risk of its infrastructure becoming outdated or inefficient, leading to higher operational costs and lower productivity. Additionally, any delays in project timelines or failures in technology could lead to cost overruns, further stressing the financial viability of the projects.


5. Regulatory and Policy Risks: The global green energy market is highly regulated, with policies that can change rapidly. Namibia must navigate a complex web of international regulations, carbon trading systems, and potential tariffs on green hydrogen. Missteps in complying with these regulations could lead to fines, sanctions, or loss of market access, all of which would have significant financial implications.

The Need for Comprehensive Financial Risk Management

Given these risks, Namibia's green hydrogen strategy must be underpinned by a comprehensive financial

risk management framework. This framework should include:

- **Price Hedging Strategies:** To protect against volatile market prices, Namibia should consider entering into long-term contracts and using financial derivative instruments like futures and options to hedge revenue streams.
- **Careful Management of FDI:** While attracting foreign investment is crucial, Namibia must negotiate terms that safeguard its financial interests, ensuring that the benefits of green hydrogen are not disproportionately skewed in favor of



www.dobmarinamibia.com

TENDER

First date of publication: 21 August 2024

TENDER NO: DBMNE0447 PROVISION OF WELLNESS SERVICES : ON-SITE NURSING SERVICES

DESCRIPTION:
Debmarmine Namibia is seeking an experienced business entity to provide on-site nursing services.

SCOPE OF SERVICE:

The scope of the tender without limitation includes the provision of on-site nursing services at the Debmarmine Namibia registered clinics in Oranjemund (for Debmarmine Namibia sea-going employees) and in Windhoek (for Debmarmine Namibia officed based employees). The service provider will also be required to visit the Debmarmine Namibia Lüderitz depot at the Port of Lüderitz (Nampor), to deliver on-site nursing services for Debmarmine Namibia employees Lüderitz based employees, on the scope of services.



CLOSING DATE: 20 September 2024 at 12H00, by electronic submission

Registered businesses interested in providing such services are requested to obtain a tender document with reference number DBMNE0447 PROVISION OF ON-SITE NURSING SERVICES

REQUEST FOR ELECTRONIC TENDER DOCUMENT:
Tender documents should be requested by the above date and time.
Email Address: Tenders@debmarine.com
Subject line: DBMNE0447 PROVISION OF ONSITE NURSING SERVICES

ENQUIRIES:
The Procurement Officer
Tel: +264 61 297 8481
Email: TenderEnquiries@debmarine.com
Subject line: DBMNE0447 PROVISION OF ONSITE NURSING SERVICES

DISCLAIMER:
Debmarmine Namibia shall not be responsible for any costs incurred in the preparation and submission of a response to this tender and furthermore reserves the right not to extend this tender into any future tenders, negotiations and or engagements.
Debmarmine Namibia shall not accept submissions rendered after the closing date and time.



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foreign investors.

- **Currency Hedging:** To mitigate exchange rate risks, Namibia should employ currency hedging strategies, such as forward contracts, to lock in favorable exchange rates and protect its revenue streams.

- **Continuous Technological Assessment:** Namibia must remain at the forefront of technological advancements, ensuring that its infrastructure remains competitive and efficient. This requires ongoing investment in research and development as well as partnerships with leading technology providers.

- **Regulatory Compliance and Adaptation:** Finally, Namibia must be agile in its regulatory approach, ensuring compliance with international standards while also advocating for favorable conditions in global markets.

Conclusion

Namibia's green hydrogen ambitions are commendable and could indeed transform the country's economic landscape. However, the potential benefits come with significant risks that cannot be ignored. Without proper financial risk management, the very initiative that promises to uplift the nation could instead lead to financial instability. It is imperative that Namibia adopts a prudent approach, balancing ambition with caution, to ensure that its green hydrogen dream does not turn into a financial nightmare.

The future is bright for Namibia, but only if we are careful to manage the shadows that accompany such a bold venture.

****Dr. Mesias Alfeus is a Senior Lecturer in Financial Risk Management at Stellenbosch University, South Africa. He serves on the Board of Directors of the South African Institute of Financial Markets (SAIFM) and is the Lead Principal Investigator for the Quantitative Finance Research Programme at NITheCS. Additionally, Dr. Alfeus is the Stellenbosch University-GARP Academic Partnership Director, a node leader for IC4RS, and a member of the editorial board for the Journal of Futures Markets.***

Effective economic policies will determine Namibia's economic success



Economist Robin Sherbourne says effective policies will play a critical role in driving Namibia's economic prosperity, particularly in light of its recent oil and gas discoveries.

Sherbourne emphasised that good governance and well-crafted policies are far more influential than natural resources or population size in determining a country's long-term economic success.

"The policies we implement in the coming years will significantly shape our future trajectory. Success or failure hinges not on our natural resources or population, but on the quality of our economic policies," he said.

He further explained that key legislation, such as the National Equitable Economic Empowerment Bill (NEEB) and the Minerals Act, remains incomplete or outdated, creating uncertainty for investors.

He said excessive bureaucracy and ministerial discretion have hindered investment and discouraged entrepreneurship.

"In 2019, the new Minerals Act was still under review. The Chamber of Mines has indicated that the government aims to

complete consultations on the draft bill by 2024 and proceed with implementation. This significant piece of legislation has been under review for over two decades, and the current draft is being considered by the Ministry of Mines and Energy," Sherbourne said.

He also said the economic costs of these policy delays and inefficiencies are substantial and suggested that Namibia has already incurred significant economic losses due to the lack of progress in these areas since 2015.

"The point I'm trying to make is that we're on the brink of a significant influx of foreign direct investment, yet critical legislation remains incomplete. This uncertainty about the rules of the game could hinder our ability to capitalise on opportunities in sectors like oil and gas, green hydrogen, and job creation. If we don't establish clear and favourable policies, we risk missing out on these benefits," he said.

Furthermore, Sherbourne also emphasised that small businesses, which are crucial for job creation and economic diversification, are particularly vulnerable to bureaucratic hurdles and policy uncertainty.



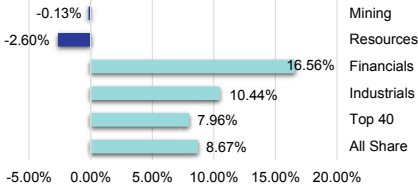
Commodities

Spot Gold	2516.59
Platinum	938.10
Palladium	979.28
Silver	29.32
Uranium	78.00
Brent Crude	78.81
Iron Ore	94.96
Copper	9152.64
Natural Gas	2.13
Lithium	11.25

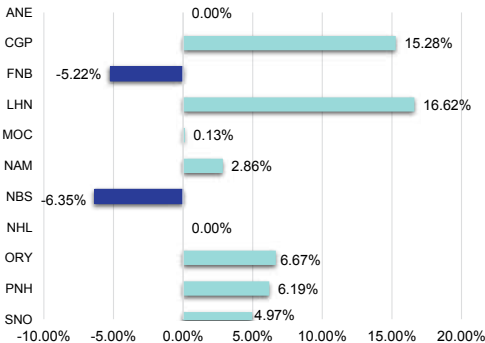
Currencies

USD/ZAR	17.7171
EUR/ZAR	19.6062
GBP/ZAR	23.2897
USD/CNY	7.0856
EUR/USD	1.1067
GBP/USD	1.3147
USD/RUB	90.4343
CPI	4.60%
Repo Rate	7.50%
Prime Rate	11.25%

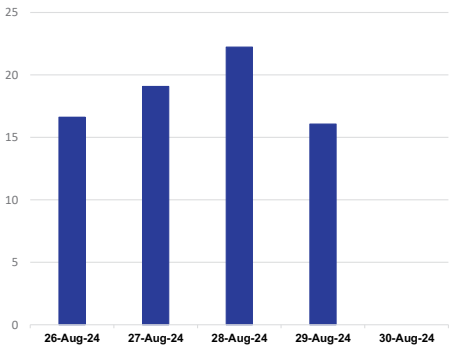
JSE Indices: Year to date movement %



NSX Local Stocks: Year to date price movement %



JSE ALL SHARE VALUE TRADED (ZAR BILLIONS)



Global Indices: Year to date movement %

