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Debmarine seeks US tariff exemption for Namibian diamonds

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MAIN STORY

Debmarine seeks US tariff exemption for Namibian diamonds

Debmarine Namibia says engagements are underway to secure an exemption from newly imposed diamond import tariffs by the United States government, which threaten to erode the competitiveness of Namibian diamonds in the world's largest jewellery market.

"As an industry, we remain aligned to the World Diamond Council. Together with our shareholders and the Namibian government, we are engaging the US government to seek a blanket exemption on both rough and polished diamonds. The US does not produce diamonds, so these tariffs serve no protective purpose for American industry," said Willy Mertens, CEO of Debmarine Namibia.

The tariffs, currently set at 15%, are applied to diamonds significantly transformed in countries such as Namibia and India.

Mertens warned that if an exemption is not granted, the additional costs will undermine Namibia's beneficiation strategy and force US retailers to pay 15% more for Namibian diamonds, weakening demand in an already sluggish market.

"This is not a stable situation. Today it's 15%, tomorrow it could be 30%. The unpredictability is creating massive uncertainty in the supply chain, and it

Crucial Dates

- **Bank of Namibia Monetary Policy announcement date:**
  * 13 August 2025
  * 15 October 2025
  * 3 December 2025

directly impacts the competitiveness of Namibian diamonds against other global producers," he said.

Faced with these external pressures and a prolonged decline in global diamond prices, Debmarine has scaled down its 2025 production forecast to 1.5 million carats, a reduction from the 1.8 million carats produced in 2023.

Despite this cutback, Debmarine's output still accounts for 75% of Namibia's total diamond production.

"We are currently looking at an outlook of probably getting to 1.5 million carats. I don't think we can go less than that without compromising our operations entirely," Mertens said.

Debmarine has seen its EBITDA fall from N$6.8 billion in 2022 to under N$1 billion in 2024, driven by a 45% drop in rough diamond prices since 2015.

Mertens noted that this has forced the company to implement cost-cutting measures, including the early retirement of two mining vessels, the Grand Banks and the Coral Sea.

"From quarter four of 2022, we started seeing a downtrend in diamond prices, and we had no choice but to respond by reducing volumes. The tariffs only add to the pressure on our margins," he explained.

Adding to the challenges is the rapid growth of lab-grown diamonds, whose wholesale prices have dropped to US$114 per carat, while retailers continue to sell them for up to US$1,000 per carat, creating distorted market dynamics.

"The retail price has been sticky for us. Even though the wholesale price of synthetics has dropped significantly, retailers are still marking them up ten times. This is directly eroding the demand for natural diamonds," Mertens said.

Debmarine and its partners are intensifying marketing campaigns such as Desert Diamonds and deploying technologies like Diamond Proof to verify natural diamonds. However, Mertens emphasised that trade barriers such as tariffs require urgent resolution to stabilise the sector.

"If these challenges are cyclical, there is hope. But if they are structural and we don't resolve issues like the US tariffs, the entire industry is in for a prolonged struggle. That's why securing this exemption is critical," he said.

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Namibia emerges as key growth market in Nedbank Group's Africa strategy

Nedbank Group has identified Namibia as a priority market for expansion under its revised Africa growth strategy, which will also focus on Mozambique and Kenya.

This follows the bank's decision to divest from a minority stake in a West African bank.

Group Chief Executive Officer Jason Quinn said the bank's ten-year investment in the West African operation had been hampered by its limited influence as a minority shareholder, compounded by challenging economic conditions in Nigeria.

These included foreign currency shortages and revised capital requirements, which have weighed on the Nigerian market.

The group's focus on Namibia aligns with its existing footprint in mining finance through Nedbank Corporate and Investment Banking (CIB), which has been active in resource financing across the continent.

"The stake has now been classified as a non-current asset held for sale," Quinn said in an interview.

Commenting on future priorities, Quinn singled out Namibia and Mozambique as countries with strong potential, particularly in the context of energy developments.

"And similarly down here, we see Namibia, which has incredible potential, I think — particularly on the back of LNG off the coast — and Mozambique as well, with similar opportunity. Those two markets, I think, have the potential to transform over the medium to long term," he said.

According to Quinn, proceeds from the West African divestment will be reinvested into markets with stronger growth prospects.

"We'll use the proceeds of that to not only invest in our South African business, but also, you know, we're seeing real opportunities in Mozambique and Namibia with the LNG resource finds there. And then slowly and steadily, over time in Kenya, we'd like to build out a business there — in line with areas where we're strong," he said.

The group's focus on Namibia aligns with its existing footprint in mining finance through Nedbank Corporate and Investment Banking (CIB), which has been active in resource financing across the continent.

According to the bank, CIB has originated, arranged, and structured transactions worth N$71 billion (USD 4 billion) over the past 15 years in 22 African countries. These have spanned a wide range of commodities including copper, gold, platinum group metals, nickel, silver, cobalt, diamonds, mineral sands, iron ore, vanadium, and uranium.

Only five public entities submit procurement plans on time

Only five out of 176 public entities submitted their annual procurement plans on time for the 2025/26 financial year, according to a new bulletin from Procurement Tracker Namibia.

This represents just 3% compliance, despite legal requirements for timely submissions.

The Public Procurement Amendment Act of 2022 requires public entities to submit procurement plans to the Procurement Policy Unit (PPU) by the end of December—at least three months before the start of the financial year.

However, by 31 July 2025, only 71 plans had been submitted, equating to just 40% of the total number of entities.

"By 31 July 2025, only 71 annual procurement plans were viewable via the e-Procurement Portal. That means only about 40% of public entities had submitted their plans to the PPU for the 2025/26 financial year," said Frederico Links, Research Associate at the Institute for Public Policy Research (IPPR), speaking at the launch of the tracker.

He further noted that only five of these submissions were made within the required deadline.

The tracker warns that delayed or inaccessible procurement plans undermine transparency, hinder oversight, and can result in inefficiencies in how public resources are allocated.

These findings follow the release of the Methodology for Assessing Procurement Systems (MAPS) report, developed by the World Bank and African Development Bank in collaboration with the PPU.

Launched earlier this year, the MAPS review highlighted deep-rooted weaknesses in Namibia's procurement system, with the PPU described as under-resourced and lacking the authority to fulfil its oversight role effectively.

As of March 2024, the PPU had just 14 staff—35% below its approved establishment—and operated at a lower institutional rank than the Accounting Officers it is meant to supervise. The MAPS report recommends that the PPU should have at least 46 staff to function properly.

"Part-time staffing in many procurement roles; limited capacity to enforce standards or monitor performance; fragmented oversight of procurement activities across ministries," Links said, citing the report's findings.

He explained that the MAPS report calls for a complete overhaul of the PPU, transforming it into a professionally led directorate with a dedicated budget, defined oversight powers, and the authority to issue binding guidelines, approve standardised bidding documents, and carry out compliance inspections.

The recommended reforms also include strengthening the institutional standing of the PPU, ensuring adequate staffing and budgetary support, and clarifying its oversight functions.

Additionally, it suggests the introduction of mandatory training standards, formal certification paths, and regular refresher programmes for procurement officers.

The rollout of a comprehensive e-Government Procurement platform with strong data analytics capabilities is also advised to monitor compliance and flag irregularities.

Finally, the report proposes the creation of a robust monitoring and evaluation framework, which would include annual performance reports to Parliament, procurement dashboards to track levels of competitive bidding, and regular audits.

Namibia’s mining industry warns against proposed 51% local ownership requirement

Namibia’s mining industry has warned that the government’s proposal to enforce a 51% local equity stake in new mining ventures risks deterring foreign investment and undermining the sector’s long-term viability.

The reaction follows a pronouncement by Deputy Prime Minister and Minister of Industries, Mines and Energy, Natangwe Ithete, who said the proposed 51% ownership threshold is intended to ensure Namibians gain a sustainable and equitable share of the sector's long-term benefits.

He added that the Minerals Bill review will include wide-ranging stakeholder consultations to bring the legislation in line with modern industry standards.

Speaking at the 2025 Mining Expo in Windhoek, John Roos, First Vice President of the Chamber of Mines and Country Manager of B2Gold Namibia, said a narrow focus on equity stakes overlooks the broader economic benefits already accruing to Namibia under current frameworks.

He warned that foreign investors may divert their attention to countries offering more favourable terms.

"The focus should not be solely on equity ownership. There will be reductions in foreign direct investment, and mining companies overseas will realise there are better opportunities in other jurisdictions. Locally, there is insufficient capital to support the highly capital-intensive mining and exploration sector," Roos said.

He argued that meaningful Namibian participation should be embedded across the mining value chain, including procurement, skills development, and local service provision, rather than concentrated on ownership percentages.

"The conversation must shift to the entire value chain. Namibians need to be involved through local procurement, training, and development. It is not about owning 50% of a mine. From 2015 to 2019, shareholders received no returns, as capital had to be repaid first. During this period, there were no shareholder payments, yet government benefited from day one through royalties, export levies, and CSR initiatives," he said.

Roos cited figures from B2Gold's operations to show that the Namibian government's share of revenues has historically exceeded that of private shareholders, reinforcing that value is realised through sustained engagement rather than upfront equity.

"Looking at the 10-year period from 2015 to 2024, total returns to shareholders

amounted to 49%. In contrast, government, through taxes, royalties, levies, and CSR obligations, received 51%. This clearly shows that Namibia's share of the benefits exceeded that of the shareholders," Roos added.

Chamber of Mines President and QKR Namibia Managing Director, George

Botshiwe, said the mining sector supports economic empowerment, but cautioned that ownership is just one component of a broader empowerment strategy.

He emphasised the need for Namibia to design its own policies based on domestic realities.

“As a Chamber, we are aware of the ongoing national discussions around shareholding and ownership in the mining sector. We firmly believe that Namibia must develop its own homegrown solutions for empowerment. Ownership is only one avenue; there are various ways to empower Namibians within the mining industry beyond shareholding,” Botshiwe said.

He stressed that the long-term nature of mining requires greater attention to initiatives that provide immediate and visible benefits to communities, such as procurement, corporate social responsibility (CSR), and local service provision.

“Mining is a long-term investment. From exploration to production, it can take years before any shareholder sees returns. Therefore, we must explore other ways for local communities to benefit from the industry, including procurement, CSR activities, and service provision across the entire mining value chain. This approach ensures that empowerment is tangible and immediate,” he said.

Botshiwe noted that the Chamber is in ongoing discussions with government and other stakeholders to expand empowerment opportunities, with the goal of making mining’s benefits more visible to ordinary Namibians.

“We are in active discussions with the government, shareholders, and other stakeholders to broaden these empowerment avenues. The goal is to ensure Namibians feel the benefits of mining in their daily lives. We must avoid replicating models from other countries and instead develop a formula that works for our context. The focus must be on meaningful participation and visible impact on the ground,” he said.

Economist and Cirrus Capital Co-Founder, Rowland Brown, said public discourse has often failed to distinguish between ownership of minerals and mining operations, a misunderstanding that could distort policy formulation.

"There is an important distinction between minerals and mines. Namibians, through the State, own the minerals, but mines are the mechanisms through which these minerals are extracted and developed. The two are interdependent and must work in close alignment. Failing to understand this distinction poses serious risks to Namibia's future," Brown said. He argued that the development of capital markets presents a viable path to broaden Namibian ownership in mining, allowing citizens to invest in projects via savings and pension funds.

"Allowing ordinary Namibians to invest in and become shareholders in local mines is achievable. While challenging under current structures, it is not technically complex. Capital market development is a critical avenue for broadening local ownership, and discussions at events like this should include how capital markets can channel Namibian savings into the extractive sector," he said.

Brown also highlighted the need for greater scrutiny of how state revenues from the mining sector are used, saying perceptions of exclusion often stem from weak public resource management rather than insufficient private sector contributions.

"There is little focus on how the significant tax revenues paid to the state are being used. Namibians are justified in feeling left out of the benefits of the extractive industry, but the problem lies not just in private sector contributions, but in how public resources are managed and utilised. Namibia has the second-highest tax-to-GDP ratio in the world, yet developmental outcomes remain lacking," he said.

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Dividend tax won't dent Namibia's appeal to investors

Namibia's tax environment remains attractive to investors despite plans to introduce a 10% dividend tax from 2026, according to investment managers speaking at a recent panel discussion hosted by the Young Investment

Professionals Club (YIP).

Arinze Okafor, Executive Investment Manager at Mopane Asset Management, said that Namibia still offers significant advantages over neighbouring South Africa, particularly in its treatment of government bonds.

"Investors benefit from tax-free government bond interest, an incentive designed to encourage citizens to lend money to the government," Okafor said.

He added that while a 10% dividend tax is expected to be implemented in 2026, Namibia's overall tax landscape remains appealing.

"They are introducing a 10% dividend tax in 2026, which they want to implement. So that is when, for example, if a company makes a little extra profit by charging more fees and pays a dividend to shareholders, you'll get taxed 10%. Currently, we don't have that, which is why it's really nice buying local stocks — you don't pay any tax on dividends. There is either a slight withholding tax or interest that gets charged, but it's around 10%," he said.

Also on the panel, Lyndon Sauls, Fixed Income Dealer at Cirrus Securities, advised investors to understand the different investment philosophies used by asset managers or unit trusts. He recommended diversifying across these approaches to improve performance under changing market conditions.

"So when value is doing well, you have exposure to value; when growth is doing well, you have more exposure there. But that's something I think people don't initially pick up on, but it's something to keep in the back of your mind," Sauls said.

He further emphasised the importance of reviewing long-term performance and being mindful of emotional decision-making, which can undermine investment outcomes.

Chidera Onwudinjo ,Equity Portfolio Manager at IJG Investment Managers also stressed the importance of a balanced approach to portfolio construction. Investors should spread their funds across low-, medium-, and high-risk instruments, while setting aside a portion for more speculative investments.

He noted that consistent, modest returns are generally preferable to high-risk strategies that could result in steep losses.

OTESA appoints Rudolf Coetzee as Chief People and Culture Officer

OTESA Civil Engineering has appointed Rudolf Coetzee as Chief People and Culture Officer, effective 4 August 2025.

Coetzee has over 21 years of experience in human resources leadership across the mining and manufacturing sectors.

He previously held senior roles at Skorpion Zinc, Rosh Pinah, and Ohorongo Cement, where he led workforce development, change management, and organisational transformation initiatives.

"Rudolf's appointment comes at a crucial time in our growth journey," said Elmo Kaiyamo, Founder and CEO of OTESA.

"As we continue to expand our presence in Namibia's construction sector, we recognise that our people are our greatest asset. This appointment reflects our commitment to fostering a value-driven culture and positioning OTESA as the employer of choice in the industry."

"I am confident that Rudolf will play a vital role in creating an environment where our people flourish and our business succeeds," Kaiyamo said.

Coetzee holds a Bachelor of Administration in Industrial Psychology from UNISA, an MBA from Oxford Brookes University, a Postgraduate Diploma in Project and Programme Management from Cranefield College, and has completed the Programme for Management Excellence at GIBS.

He will lead OTESA's strategic human capital programme, focusing on talent development, employee engagement, organisational culture, and workforce sustainability.

OTESA Civil Engineering is a key player in Namibia's infrastructure sector, delivering roads, railways, bridges, and building projects.

When one job isn't enough

By Ashante Manetti

"The numbers say it plainly: nearly a third of working Namibians are juggling more than one income stream.

There was a time when having one job was enough. You'd go to work, earn your salary, and manage your responsibilities as best as you could. But for many Namibians today, that model simply doesn't cut it anymore.

The numbers say it plainly: nearly a third of working Namibians are juggling more than one income stream. Some have side hustles after hours.

Others run small businesses alongside their nine-to-five. A growing number freelance, rent out rooms, sell goods online, or tap into gig work just to make ends meet.

This trend, often referred to as "poly-jobbing", isn't just about ambition. It's about survival. With income levels largely stagnant and the cost of living constantly rising, many people have had to become their own plan B.

The 2024 Old Mutual Financial Services Monitor shows that 28% of working adults are poly-jobbers, and 1 in 4 own or co-own a business. That's a strong signal that the hustle economy is no longer a trend, it's a lifestyle.

For some, it's empowering. There's pride in building something of your own.

There's a sense of possibility when you realise you're not limited to one stream of income. That flexibility and creativity can be deeply rewarding — especially for younger Namibians eager to rewrite the rules and shape their own success stories.

But there's another side to the story. The hustle that fuels opportunity can also lead to burnout. When weekends become working hours, and rest is constantly postponed, the line between ambition and exhaustion gets blurry.

People are showing up to their main jobs tired, emotionally drained, and sometimes resentful. Time with family suffers. Mental health takes a knock. And the pressure to always be "on" can quietly erode the very freedom that side hustles promise.

There's also risk involved. Many side businesses and freelance gigs run informally, without contracts, protection, or contingency plans. A delayed payment from one client or a slow month in sales can trigger real financial strain. And when there's no insurance or savings to cushion the blow, the weight of being a "one-person economy" becomes too heavy to carry alone.

So, what's the way forward? It starts with recognising that multiple income streams are here to stay, and that's not necessarily a bad thing.

But hustle needs structure. A good side gig needs the same care and planning as a full-time business. That means thinking about cover for the risks, budgeting realistically,

If you're one of the many Namibians running a small business on the side, this is your reminder that your hustle deserves protection.

keeping records, and investing profits, not just spending them to plug monthly gaps.

If you're one of the many Namibians running a small business on the side, this is your reminder that your hustle deserves protection. Whether it's a stall at the market, a digital service, or a small livestock operation, if it earns you income, it deserves to be safeguarded. Planning for the unpredictable doesn't mean you expect failure, it means you believe your hustle has value.

The rise of the poly-jobber reflects our resilience. But resilience shouldn't always mean doing more with less. With the right tools, advice, and support, doing more can also mean building better.

** Ashante Manetti is a Foundation and Retail Business Marketing Manager at Old Mutual Namibia.*

Nedbank SADC earnings dip as Namibia, Eswatini and Mozambique weigh on results

Nedbank Group has reported a 77% increase in impairments across its Southern African Development Community (SADC) operations to R184 million for the six months ended 30 June 2025, driven primarily by write-offs in Namibia's retail home loan portfolio.

In a trading update, the group said: "Impairments [were] up 77% to R184m, driven by write-offs in Namibia on the retail home loan portfolio, adequacy of impairments reviews in Eswatini and ratings downgrade on Mozambique sovereign debt."

The sharp rise in impairments contributed to a 5% decline in headline earnings for the SADC region, falling to R257 million, with return on equity (ROE) easing to 6.7%.

However, net interest income from the region grew 15% to R1.4 billion, supported by an 11% increase in average loans and advances and a net interest margin expansion to 8.08%.

Nedbank Chief Executive Jason Quinn said the operating environment remained challenging. "In SA, economic recovery momentum slowed, resulting in real GDP growth declining to 0.1% in Q1 2025. Against this backdrop, we did well to increase our diluted earnings per share by 7%," he said.

Non-interest revenue from SADC operations fell by 4% to R857 million, reflecting a tough trading environment.

Still, the region recorded an 11% year-on-year increase in client numbers, with 69% of the client base now digitally active, despite a selective investment approach during technology harmonisation across Namibia, Eswatini, Lesotho, and Zimbabwe.

On Nedbank's broader strategy in Africa, Quinn said the group had completed a strategic review of its financial investment in Ecobank Transnational Incorporated (ETI), citing regulatory uncertainty and possible higher capital requirements.

"As a result of the review, the group's financial investment in ETI has from 30 June 2025 been classified as a non-current asset held for sale in terms of IFRS 5," he said.

"The board has approved a formal plan to dispose of the investment, and we are currently engaging interested parties and, if a sale is concluded, it will be a clean deal subject only to normal regulatory approvals," Quinn added.

"This change represents a reset of Nedbank's strategy on the rest of the continent with a clear focus on the SADC and East Africa regions in businesses we own and control, and in areas where we can play to our strengths."

Across the group, diluted headline earnings per share rose by 7%, with headline earnings increasing 6% to R8.4 billion.

Return on equity improved to 15.2%, up slightly from 15.0% in the same period last year. An interim dividend of 1 028 cents per share was declared, reflecting a 6% increase.

Quinn noted the group's progress in impact-driven finance: "In line with our commitment to making a positive impact in the societies in which we operate... lending that supports sustainable development finance increased to R189bn, including strong growth in renewable energy exposures to R47bn, where we are market leaders."

The Nedbank Africa Regions (NAR), which includes Namibia, reported a 63% increase in headline earnings to R1.18 billion, delivering an ROE of 28.6%. Excluding the ETI-related accounting adjustment, headline earnings rose 24%.

"I value the dedication of our Nedbank colleagues and ongoing support of the investment community, regulators and our other stakeholders during the past 6 months, and remain grateful to our 7.9 million retail and wholesale clients for choosing Nedbank," Quinn said. "As Nedbank, we will continue to play our role in society as we fulfil our purpose of using our financial expertise to do good."

The Market Lens

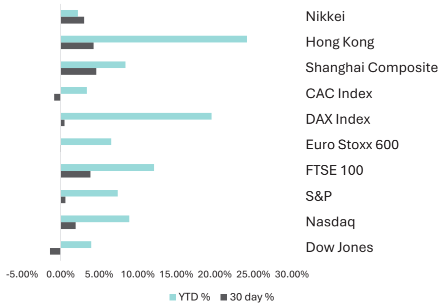
Enriching Generations

SIMONIS STORM

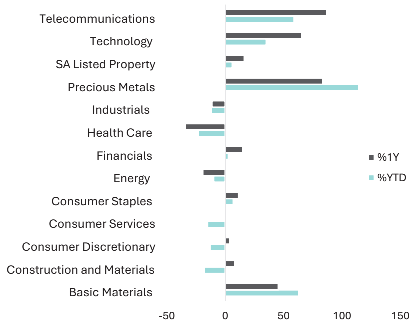
Commodities	
Spot Gold	3378.82
Platinum	1333.80
Palladium	1145.66
Silver	38.70
Uranium	70.95
Brent Crude	68.41
Iron Ore (in CNY)	791.50
Copper	9638.50
Natural Gas	3.06
Lithium	8.45

Currencies	
USD/ZAR	17.80
EUR/ZAR	20.69
GBP/ZAR	23.72
USD/CNY	7.18
EUR/USD	1.16
GBP/USD	1.33
USD/JPY	147.41
Namibia CPI	**3.70%**
Namibia Repo Rate	**6.75%**
Namibia Prime Rate	**10.50%**

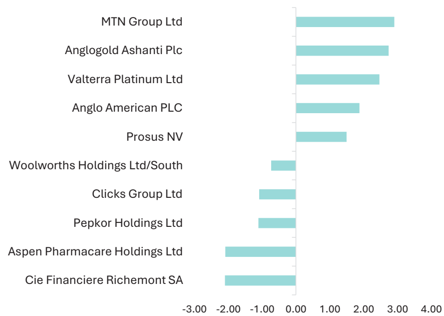
Global Indices in %



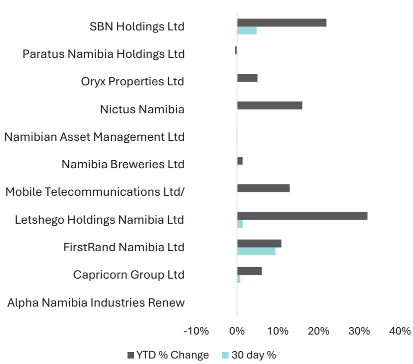
JSE Sectors: Year to Date Performance in %



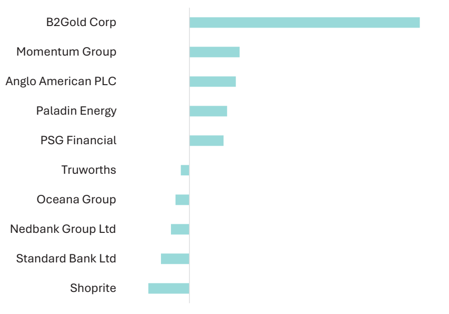
Today's JSE Top 40 Top & Worst Performers in %



NSX Stocks Performance in %



Today's NSX Overall Top & Worst Perfomers in %



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