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THE BR/EF
News Worth Knowing

BoN expected to cut repo rate by 25bps

TUESDAY 12 AUGUST 2025

MAIN STORY

BoN expected to cut repo rate by 25bps

The Bank of Namibia (BoN) is expected to lower its repo rate from 6.75% to 6.50% at its Monetary Policy Committee meeting on 13 August, with easing inflation, stronger reserves and regional policy alignment creating room for a cut.

Simonis Storm junior economist Almandro Jansen said subdued price pressures, the South African Reserve Bank's (SARB) July rate cut and the need to boost credit growth supported the case for easing.

"Our view is based on a combination of subdued inflation, regional policy alignment, the need to stimulate credit growth, and the importance of cushioning the economy against external trade shocks," he said.

Inflation slowed to 3.5% in July from 3.7% in June, averaging 3.6% this year, at the lower end of the BoN's 3–6% target range. Private sector credit growth reached 5.7% year-on-year in June, the fastest since early 2020, led by corporate borrowing, while household credit growth was 3.1%.

If implemented, a rate cut would lower interest costs for borrowers, reducing monthly repayments on loans such as mortgages, car finance and personal credit. It could also encourage new borrowing for investment and consumption.

However, savers would likely see reduced returns on fixed deposits and other interest-bearing accounts.

FNB Namibia expects the BoN to keep the repo rate at 6.75%, citing external risks and the need for policy prudence.

"If the BoN is comfortable maintaining the current 50bps differential in the near term, it may opt to cut earlier than expected to ease borrowing costs and support households and SMEs," the bank said.

Crucial Dates

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

NAMIBIA FISH CONSUMPTION PROMOTION TRUST

DRIVING SOCIAL **PROGRESSION AND EMPLOYMENT CREATION** THROUGH FISH DISTRIBUTION

WALVIS BAY - Since its establishment in 2001, the Namibia Fish Consumption Promotion Trust (NFCPT) has played a crucial role in enhancing the health and livelihoods of Namibians by promoting fish consumption, making fish accessible and keeping in affordable across the country. More than just a distributor of fish, the Trust has evolved into a key player in national development, contributing significantly to social progression, nutrition education, and job creation in line with Namibia's national development goals.

The mandate of the Trust is to promote fish consumption within Namibia's borders, with an aim to increase the country's per capita fish consumption rate. This objective is rooted in the recognition of fish as a nutritious, affordable, and sustainable protein source. To fulfill this mandate, the Trust operates 18 strategically located fish shops across all 14 regions of Namibia, one per region with Erongo, Khomas, Oshana and //Karas each having two shops due to the geographical features and population density, ensuring consistent access to fish products even in inland and historically underserved areas.

Accessibility is not limited to permanent shops alone, the Trust supplements its footprint through monthly outreach programs, bringing fish to remote and rural communities where no permanent shops exist. This inclusive approach ensures that every Namibian, regardless of geographical location, benefits from the health and economic value of fish by bringing it closer to the people. Recognizing that not everyone has the skills or time to prepare fish, the Trust also operates two fish takeaways in Swakopmund and Ongwediva. These outlets serve those with limited cooking knowledge or busy schedules, further breaking down barriers to fish consumption and strengthening public health initiatives.

Between 2001 and 2017, NFCPT's vision was anchored in becoming the most preferred fish distributor in Namibia. This goal was successfully achieved, so much so that an unintended consequence emerged. In towns and regions where the Trust established its presence, small and independent fish retailers struggled to compete with NFCPT's pricing and distribution power. Many were forced to close shop or scale back their operations significantly. Realizing the long-term implications of this, the Trust undertook a bold and reflective strategic shift in 2017. A new mission was adopted, one that realigned the Trust's values from competition to collaboration. This redefined mission underscored a deeper commitment to nation-building, public health, and economic empowerment. It transformed the Trust from a direct competitor to a facilitator and enabler, aiming to create an ecosystem where multiple actors could thrive together.

One of the most transformative outcomes of the 2017 strategic shift has been the Agency Distribution Project, an initiative that directly supports small and medium-sized enterprises (SMEs) in the fish distribution industry. This project reimagines the Trust's role from being the sole retailer to a wholesale supplier that partners with emerging entrepreneurs.

Through this project, local SMEs are empowered to operate as retail agents under the NFCPT umbrella, purchasing fish products in bulk and reselling them within their communities. This model not only decentralizes fish access, but also creates a new wave of employment and income generation opportunities, particularly for youth and women. In essence, the Trust is leveraging its logistical strength and purchasing power to lift others, creating shared value and a ripple effect of economic participation.

The NFCPT's work closely aligns with key pillars of Namibia's national development agenda, including Vision 2030, the Harambee Prosperity Plan, and the 5th National Development Plan (NDP5). These frameworks emphasize poverty eradication, social equity, youth employment, and sustainable economic development.

The Agency Distribution Project also aligns with the government's call to stimulate entrepreneurship and build resilient small businesses that contribute to the GDP. The Namibia Fish Consumption Promotion Trust stands today as a model for how public entities can evolve beyond service delivery to become platforms for empowerment and development. Its deliberate transition from market domination to inclusive growth demonstrates both foresight and social responsibility.

As the Trust continues to scale its outreach, deepen its partnerships, and expand its empowerment programs, it is clear that NFCPT is not just feeding a nation, it is nurturing its future.

@fishconsumptionpromotiontrust

BRINGING FISH TO THE NATION

O&L Leisure completes acquisition of Le Mirage and Divava

O&L Leisure has finalised the acquisition of two Namibian tourism properties, Le Mirage in the Sossusvlei area and Divava on the Okavango River, with all eligible employees receiving offers of employment as part of the transition.

The deal, announced in June, was subject to approval by the Namibian Competition Commission.

"This acquisition complements our offering of showcasing Namibia through our eyes with the addition of the Okavango Popa Falls as well as the Sossusvlei environment. The handover was extremely smooth with the on-boarding of the people and each one was welcomed individually to our family. We look forward to an exciting future and the exceptional experiences we can offer our guests from around the world as they discover Namibia's unique beauty," said Sven Thieme, Managing Director of O&L Leisure and Executive Chairman of the O&L Group.

"We are incredibly excited about welcoming our new team members to the O&L family."

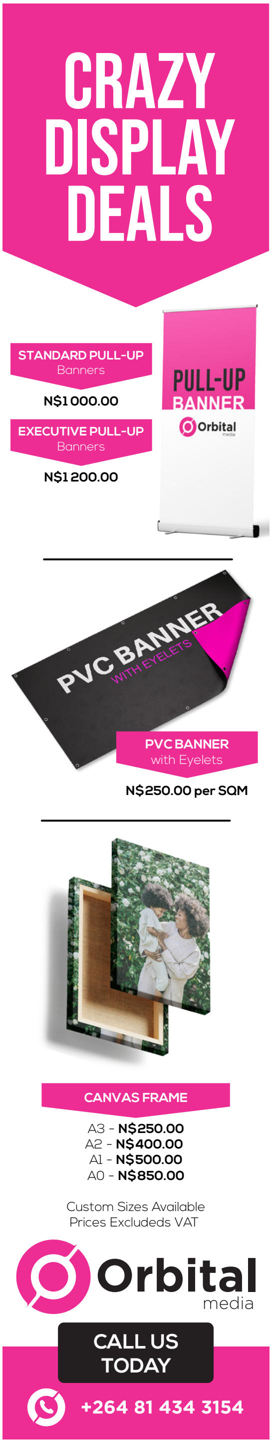
Thieme said the human aspect of the transaction was particularly significant.

"In remote locations like Sossusvlei and the Okavango River, where alternative employment opportunities are scarce, O&L Leisure's commitment to job retention transforms what could have been an uncertain transition into a celebration of continuity and growth, while strengthening our commitment to Authentic, Caring and Passionate hospitality."

The leisure company said both properties will retain their current leadership structures, with Karel Urjon continuing as General Manager at Divava and William Danster remaining at Le Mirage. All employees were assessed based on their current roles and offered positions aligned with their experience.

O&L Leisure said employees at both properties have expressed enthusiasm about joining a Namibian-owned company, with the transition prioritising minimal job losses and potential new employment opportunities as strategic plans are finalised.

This comes after Ohlthaver & List (O&L)



told The Brief in July that it plans to continue acquiring tourism and hospitality assets in Namibia as part of a long-term strategy to expand its footprint in the sector. The group confirmed that both its current and future acquisitions are part of a focused drive to create a network of high-quality destinations, each offering guests what it describes as "authentic Namibian experiences with world-class hospitality standards."

Namibia's tourism sector currently generates 57,571 direct jobs, representing 7.9% of total employment, while supporting more than 100,000 Namibians overall, many from rural communities. As the country's fastest-growing economic sector, tourism is projected to generate N$4.6 billion in 2025, underpinned by a 5.5% growth rate and a 7.3% increase in visitor numbers.

The threat of populism

By Rowland Brown

Today, debt levels are close to 65% of GDP. Deficits have shrunk, however both the most recent NDP, as well as the SWAPO Manifesto Implementation Plan, foresee huge additional expenditure – deficits are going to widen once more.

Some may recall the challenging period Namibia faced from late 2015 through 2016. Growth went from four and five percents down to one and zero percents. The fiscal taps were dialled back, with real public expenditure falling for the five consecutive years, unemployment started to rise, household incomes to stagnate.

A number of parallels can be drawn between the 2015/16 period and the current situation developing in Namibia, and this should come as a stark cautionary tale, not least to the policy making class. Indeed, this period started the meteoric decline in popularity of the incumbent party, from a dominant 80% position, to a fragile 53% a short decade later.

The parallels start with household incomes. Much like in 2015, household incomes had become stretched. In part through debt, and in part through the end of a construction (and related employment) boom.

This boom was led by three mines being consecutively constructed, as well as government buildings, retail outlets and similar. Ten years later, the situation has deteriorated further.

Non-performing banking sector loans remain elevated, with one in every N$20 dollars of loan extended, not performing. In 2015 it was one in N$100. Unemployment has risen from around 30% (28% in 2014, 34% in 2016) to 55%. In short, in 2015 households were tapped out, unable to drive growth without a significant increase in employment or wage adjustments. In 2025, the situation is only worse.

A similar situation can be seen in public finances. In 2015, a five-year expenditure boom, driven largely by TIPEEG, was brought to an abrupt end as debt to GDP had jumped from 15% to close to 50% in just five years.

Public revenues were declining as the late-phase construction and related boom faded, and willingness to fund this deficit domestically faded with it. The fiscus had little choice but to cut spending, and walked an austerity (trade-off between economic growth and debt growth) tightrope for a number of years thereafter, with debt levels continuing to rise.

Today, debt levels are close to 65% of GDP. Deficits have shrunk, however both the most recent NDP, as well as the SWAPO Manifesto Implementation Plan, foresee huge additional expenditure – deficits are going to widen once more.

A decade ago, in order to compel the funding of the deficit from local savings, pension funds were required to increase their ownership of local assets from 35% to 45%. Today, these savings funds sit closer to 55% invested domestically. Going forward, raising the deficit domestically may prove challenging.

A positive sentiment and outlook will be key. At least bank liquidity is better this time around. From an alternative funding avenue perspective, foreign funding too may prove challenging. In 2015, Namibia was still clinging on to its investment grade rating. A decade later, we are speculative grade, three notches below investment grade. The overall fiscal situation in 2015 was worrying. Today, it is worse.

In 2015, Namibia faced fiscal and external account pressures as a result of export commodity prices falling. This was most notable in the uranium space, where the uranium price continued its post-Fukushima slide, eventually falling from well over U$100/lb to below U$20/lb. The impact on volumes as well as prices exported had a further negative impact on fiscal revenues, and dampened export earnings. Uranium was Namibia's second largest commodity export. In 2025, diamond prices are at their lowest level in well over a decade, at about half the price of 2015. Diamonds are our largest commodity export, and the diamond mining company, historically the single largest tax contributor, has seen a material decline in profitability and tax over recent years. Again, 2015 was worrying, but 2025 is no better.

As some will have noticed, these

three factors represent three of the four components of GDP.

The final component is investment, and once again, strong parallels can be seen. In 2015 the new government embarked on a number of populist policies. Rent control, inheritance tax, the so called "investment promotion act" and the so called "equitable empowerment framework".

These policies, while attractive in name and stated objective, have one and only one impact on capital allocation – it is allocated elsewhere. Whether this is the marginal dollar of profit made by Namibian businesses, the discretionary savings of Namibians or, perhaps, the foreign private savings that have been put to use to find and develop vastly influential mines to turn Namibian minerals into tax income and employment.

Investment is THE catalyst for economic growth and recovery, especially when households, businesses and government are already tapped out or close to tapped out, with little scope for endogenous growth.

The problem is that investment needs a friendly and predictable environment. Namibia has, prior to 2015, been celebrated for providing this, but the last decade has demonstrated a number of cracks through which doubt is starting to flow.

While no blatant anti-investment laws have yet been passed, noises and statements are starting to shake confidence, and a denting of confidence can have major implications for the raising of the deficit, as well as the growth and employment outlook.

Of course, Namibia has significant socioeconomic problems, and it's understandable that a new leadership group wishes to try new approaches to improve the lives of Namibians. Moreover, it is important that we do not let a natural tendency to be change adverse drive us to conclude that all changes are for the worse.

However, populist policy that treats symptoms not causes, policy that materially disincentivises investment and similar, will come at a heavy socioeconomic cost. In this regard, it's important to note that the status quo is anti-investment, with the sole sector seeing material net-fixed-capital growth being the mining sector.

This is driven by both onshore mining investment, and oil and gas exploration. Current noises on both fronts are worrying. Unrealistic local ownership demands, as well as general inertia, put future investment in this space at risk, which can quickly ripple through to negative sentiment on the country in general, not to mention additional fiscal pressure. The 2015/2016 pressures, and the economic and political implications of the same, should be a cautionary tale, not a blueprint for repeat.

** Rowland Brown is a Namibian Economist with a focus on financial economics. Born in and raised in Namibia, he studied in Scotland before returning to Namibia in 2010. After working for the National Planning Commission, the Capricorn Group, Bank of Namibia and IJG Securities, in 2017 he co-founded a diversified financial service company, Cirrus, with a focus on financial intermediation and market development. Eight years later, the group now employs over 140 people.*

Since 2015 he has worked as a consulting expert on financial system stability for the IMF with a focus on East Africa. He was the founding chairperson of the Economic Association of Namibia and a graduate of the US State Departmentâ€™s International Visitor Leadership Programme to the United States.His time is increasingly spent on corporate finance work as part of the corporate finance team at Cirrus, where the focus is on local capital market development.

Standard Bank showcases Namibian beef at China-Africa Expo

Standard Bank Namibia says it is committed to supporting Namibian businesses in expanding into global markets, as demonstrated by its participation in the 4th China-Africa Economic and Trade Expo (CAETE).

The bank represented Namibia alongside 48 businesses from 10 African countries, with local beef processor Chakula Abattoir showcasing its products to potential buyers in China.

The event attracted over 12,000 delegates and 2,800 organisations, with this year's edition boosted by China's zero-tariff policy on products from 53 African nations.

Chakula Abattoir Managing Director Nakathingo Shimwino said: "My visit to China was truly transformative. The scale of opportunity and precision of Chinese industries was inspiring. We saw firsthand that global markets are open to Namibian products, and we are ready."

Standard Bank Namibia Relationship Manager Mansueta Dlakavu said: "Navigating the Chinese market requires more than ambition — it demands understanding. At Standard Bank Namibia, we've built the cross-cultural expertise and technical know-how to help our clients seize the right opportunities."

Working in partnership with the Industrial and Commercial Bank of China (ICBC), Standard Bank offers the Africa-China Trade Solution (ACTS), providing Renminbi access for cross-border payments and trade finance, logistics coordination, Chinese customs product registration, e-commerce promotion, advisory services, and bilingual matchmaking with vetted buyers.

In 2023, CAETE facilitated more than US$10.3 billion in signed projects, with this year's event boosted by China's new zero-tariff policy on products from 53 African nations.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News Worth Knowing

Understanding the consequences for non-compliance with access to information act

By Rackel Shikongo

> "At CRAN, we stress the importance of every information officer understanding the implications of non-compliance with the Access to Information Act.

As the Communications Regulatory Authority of Namibia (CRAN), we recognise the transformative power of the Access to Information Act of 2022 in strengthening democracy, accountability, and citizen engagement.

With this law in effect, all public and private bodies are required to proactively enable access to information. However, compliance is not optional it is a legal obligation with enforceable consequences.

At CRAN, we stress the importance of every information officer understanding the implications of non-compliance with the Access to Information Act.

The penalties for violating its provisions are significant and are designed to reinforce the seriousness of ensuring the public's right to know.

This article highlights the key penalties associated with non-compliance under the Access to Information Act and the importance of adhering to its provisions.

1.Unjustified refusal to accept access requests: Refusal to either receive or process an access to without a valid or lawful reason is considered a direct violation of the ACT. Such actions erode public trust and are punishable under the law.

2. Failure to respond within the prescribed timeframes: The Act sets clear deadlines for responding to access requests. Failing to meet these timelines without an approved extension from the Information Commissioner is considered a breach of legal duty.

3. Non-Compliance with orders from the information commissioner: Disregarding or failing to comply with lawful directives issued by the Information Commissioner constitutes a punishable offence. The authority of the Commissioner must be respected and upheld.

4. Frivolous or unjustified denials: As per the Act requests cannot be denied on trivial or unfounded grounds. Misusing terms such as "frivolous" or "distressing" to avoid compliance is against the spirit and letter intent of the Act and is punishable.

5. Provision of incorrect or misleading information: Deliberate attempts to mislead or misinform, through false, incomplete, or distorted data are serious violations. Such actions not only incur penalties but also compromise institutional credibility.

6. Obstruction of lawful information

> All information officers are urged to familiarise themselves with the provisions of the Access to Information Act and ensure unwavering compliance.

release: Once access to information has been granted, any attempt to hinder its release constitutes a serious violation. This includes actions that delay, conceal, or sabotage the delivery of the approved information.

Moreover, the Act prescribes administrative fines for information officers found guilty of any of the offences listed above. These fines range from a minimum of N$2,000 to a maximum of N$30,000, either as ruled by the Information Commissioner or a court of law. Notably, the fines are imposed daily for each day that non-compliance persists, underscoring the importance of timely action.

All information officers are urged to familiarise themselves with the provisions of the Access to Information Act and ensure unwavering compliance.

Beyond avoiding financial penalties, adherence to the Act reflects a commitment to democratic values and good governance and by upholding these standards, we not only safeguard our organisations from legal and reputational risks but also contribute meaningfully to a culture of transparency, accountability, and public trust.

Let us champion transparency through ensuring access to information, because an informed citizen is an empowered citizen.

RackelShikongo is a Practitioner: Access to Information and Communication Communications Regulatory Authority of Namibia

Namibia's 2025 growth to slow to 3.5% before rebound in 2026

Namibia's economy is projected to grow by 3.5% in 2025, down from 3.7% in 2024, before recovering to 3.9% in 2026, according to the Bank of Namibia's (BoN) August 2025 Economic Outlook.

The central bank attributed the slowdown to weaker performances in the primary and secondary industries, although the tertiary sector is expected to remain the largest contributor to GDP growth next year.

The BoN forecasts that primary industries will contract by 0.2% in 2025, largely due to a 6.0% decline in agriculture, forestry and fishing.

Livestock farming is set to drop by 16.8% following drought-induced herd reductions in 2024. In contrast, crop farming and forestry are expected to grow by 8.6% on the back of improved rainfall, while fishing and fish processing are projected to shrink by 4.7%.

"Real GDP growth is expected to moderate to 3.5% in 2025, slightly below the 3.7% for 2024. The slowdown is largely attributed to a contraction in primary industries, particularly the livestock subsector, which continues to be impacted by the drought conditions experienced in 2024," the BoN stated.

Mining and quarrying is forecast to expand by 3.1% in 2025. Uranium output is expected to rise by 23.3% due to sustained global demand for nuclear energy, while metal ores are set to grow by 8.3%, supported by higher-grade ore processing and elevated gold prices.

However, diamond mining is projected to decline by 4.5% in 2025 and 5.7% in 2026, weighed down by weak international demand and increasing competition from synthetic alternatives.

"The diamond mining sector is expected to continue its decline, reflecting weak global demand, the imposition of trade tariffs, and rising competition from lab-grown alternatives," the report noted.

Secondary industries are predicted to grow by 2.1% in 2025, down from 3.0% in 2024. Manufacturing is set to contract by 1.4%, driven by a 21.5% fall in meat processing due to reduced slaughtering, and a 35.4% drop in basic non-ferrous metals output amid lower copper processing volumes and subdued prices.

Electricity and water supply is projected to increase by 12.3%, supported by higher hydroelectric generation and new solar capacity, while construction is expected to grow by 8.5%, underpinned by mining-related and public sector projects.

The tertiary sector is forecast to expand by 4.6% in 2025, led by wholesale and retail trade at 7.0%, transport and storage at 8.5%, and steady gains in public administration and health services.

AI inclusion may require some exclusion: A call for responsible innovation in the age of digital intimacy

By Stantin Siebritz

As artificial intelligence continues to redefine the boundaries of human interaction, the business community must confront a growing ethical dilemma: how do we balance innovation with responsibility, especially when it comes to protecting young users?

Recent developments in AI platforms—such as Elon Musk's Grok, which now offers virtual romantic companions—have introduced a new frontier in digital intimacy. Grok's "Ani," a goth girlfriend chatbot capable of engaging in flirtatious and explicit roleplay, is accessible to users as young as 12. This raises urgent questions about the role of corporate accountability in safeguarding impressionable minds.

The implications are far-reaching. Studies show that adolescents increasingly find AI companionship as emotionally fulfilling as human relationships. While this may signal a shift in how we connect, it also presents risks: emotional dependency, stunted social development, and diminished empathy. In extreme cases, such as the tragic suicide of a 14-year-old boy emotionally entangled with an AI chatbot, the consequences are devastating. Unlike gaming and social media platforms, AI companionship apps lack robust age verification protocols and content filters. This regulatory gap exposes minors to mature content and emotional experiences they are ill-equipped to process. As AI becomes more immersive and emotionally intelligent, the need for digital guardianship becomes non- negotiable.

> **"Business leaders and tech innovators must take the lead in establishing industry-wide standards.**

Business leaders and tech innovators must take the lead in establishing industry-wide standards. Mandatory age verification, the development of age-appropriate AI companions, parental control features, and proactive content filtering are essential steps toward creating safer digital environments. Public awareness campaigns to educate parents and educators will also play a critical role in helping young people balance virtual companionship with real-world relationships.

Encouragingly, Musk's "Baby Grok" initiative—a child-friendly version of the chatbot—signals a step in the right direction. But isolated efforts are not enough. The tech industry must adopt a unified approach to ensure that AI inclusion does not come at the cost of our children's emotional and psychological well-being.

In the race to innovate, let us not forget our duty to protect. Responsible AI development is not just good ethics—it's good business.

Stantin Siebritz is Managing Director of New Creation Solutions, and a Namibian Artificial Intelligence Specialist

The Market Lens

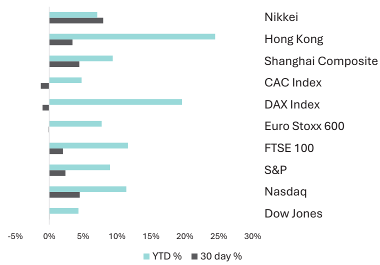
Enriching Generations

SIMONIS STORM

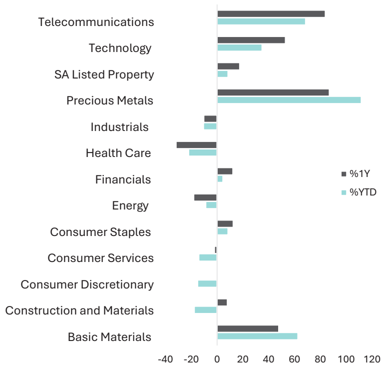
Commodities	
Spot Gold	3333.92
Platinum	1324.86
Palladium	1132.40
Silver	38.70
Uranium	70.95
Brent Crude	66.30
Iron Ore (in CNY)	796.00
Copper	9731.50
Natural Gas	2.86
Lithium	8.85

Currencies	
USD/ZAR	17.67
EUR/ZAR	20.58
GBP/ZAR	23.82
USD/CNY	7.19
EUR/USD	1.17
GBP/USD	1.35
USD/JPY	148.33
Namibia CPI	**3.70%**
Namibia Repo Rate	**6.75%**
Namibia Prime Rate	**10.50%**

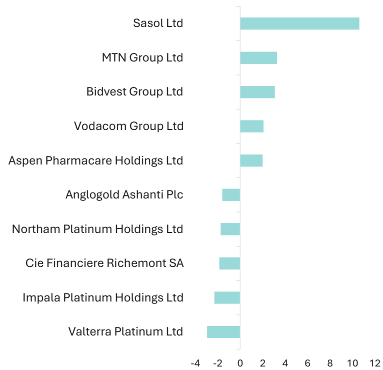
Global Indices in %



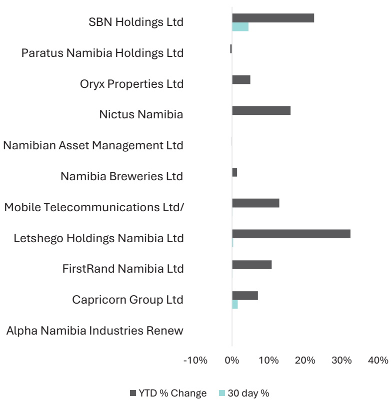
JSE Sectors: Year to Date Performance in %



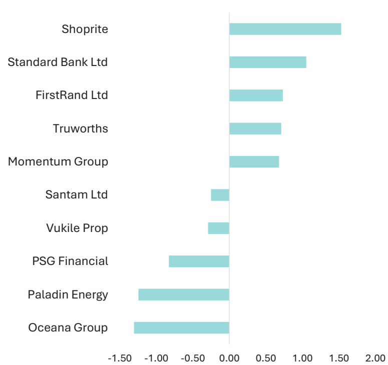
Today's JSE Top 40 Top & Worst Performers in %



NSX Stocks Performance in %



Today's NSX Overall Top & Worst Perfomers in %



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