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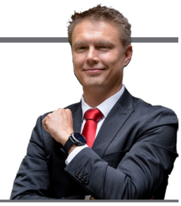

THE BRIEF
News Worth Knowing

Namibia's rand peg remains best option, !Gawaxab insists

WEDNESDAY 03 DECEMBER 2025

MAIN STORY

Namibia's rand peg remains best option, !Gawaxab insists

Bank of Namibia Governor Johannes !Gawaxab has defended Namibia's continued currency peg with the South African rand, arguing that the arrangement supports contained inflation, regional alignment and broader monetary stability.

Speaking at his final monetary policy announcement, the Governor said the peg has consistently delivered low inflation and remains the most appropriate framework under current economic conditions.

"Our monetary policy has helped us to create macroeconomic stability. You can see this in the actual figures. South Africa has recently been targeting a 4.5% midpoint, and our currency, backed by that arrangement, has delivered 4.6%, which is very close to their target," he said.

He emphasised that Namibia's inflation performance since 2020 demonstrates the peg's effectiveness, noting that the country has remained within the SADC inflation range while avoiding volatility experienced in other emerging markets.

"If you look at macroeconomic stability in the country, and the average inflation from June 2020, when I joined, until now, it is about 4.6%. Inflation is well contained, so you cannot argue against that. It is not a matter of opinion; it is factual," he said.

!Gawaxab said the peg continues to anchor confidence and provide a stable environment

for policy decisions. He added that any shift to an alternative exchange rate regime would only be feasible once Namibia's economic conditions strengthen considerably.

"The current arrangement we have is the best arrangement for this country. We import low inflation, and we have macroeconomic stability on the back of a bigger brother," he said.

Crucial Dates

- **Bank of Namibia Monetary Policy announcement date:**
  * 3 December 2025

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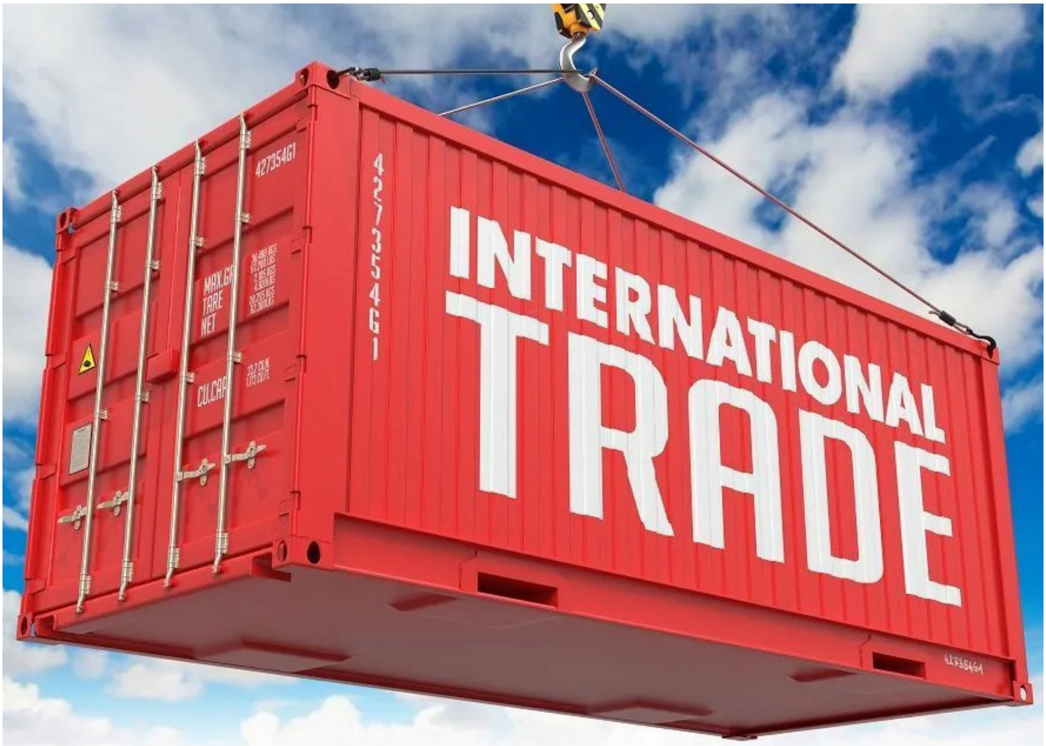


Namibia's exports surge by 78.7% to N$13.2bn in October as trade deficit shrinks

Namibia's export earnings rose sharply to N$13.2 billion in October 2025, a 78.7% increase from the previous month and a 52.9% rise year-on-year.

Despite the strong performance, imports

continued to exceed exports, resulting in a trade deficit of N$2.9 billion. This, however, marked an improvement from the N$3.4 billion deficit recorded in September 2025 and the N$7.2 billion shortfall logged in October 2024.

According to the latest International Merchandise Trade Statistics Bulletin released by the Namibia Statistics Agency (NSA), the country imported goods worth N$16.1 billion in October 2025. This represented a 48.5% increase from the N$10.8 billion recorded in September and a 1.6% rise compared to the same month in 2024.

"Fish was the only non-mineral product among the top five exports. Moreover, increases of 52.7 percent and 30.4 percent were observed in re-exports month-on-month and year-on-year, respectively," said NSA CEO and Statistician General, Alex Shimuafeni.

Fish accounted for 8.6% of export earnings, with Spain, Zambia and South Africa among the main destinations. Copper ores and concentrates contributed a further 6.8%, largely destined for South Korea.

China was Namibia's largest export destination in October, absorbing 29.0% of all goods exported. South Africa followed with 22.0%, while Botswana, Zambia and South Korea rounded off the top five. On the import side, South Africa remained Namibia's biggest supplier with 36.6% of total imports, followed by China with 14.5%, and India, Oman and Morocco.

Petroleum oils were the largest import commodity, accounting for 10.9% of the import bill. Fertilisers made up 6.1%, while diamonds and medicaments each contributed 3.9%. Motor vehicles for commercial use represented 3.3% of imports.

The NSA noted that the increase in medicament imports was partly due to a significant shipment procured by the Ministry of Health and Social Services under its revised direct procurement policy. Manufactured goods dominated the import basket, valued at N$12.4 billion — a 63.4% rise from September.

Overall, Namibia imported goods from 160 countries in October, up from 146 in September, while exporting to 106 markets, four more than the previous month. This suggests a gradual widening of the country's global trade footprint.

Within the African Continental Free Trade Area (AfCFTA), Namibia exported goods worth N$5.6 billion and imported N$7.6 billion, resulting in a N$2.0 billion intra-Africa trade deficit. Key African destinations for Namibian exports included South Africa, Botswana, Zambia, the Democratic Republic of Congo and Zimbabwe. Imports from the continent were dominated by South Africa, Zambia, Morocco and Eswatini.

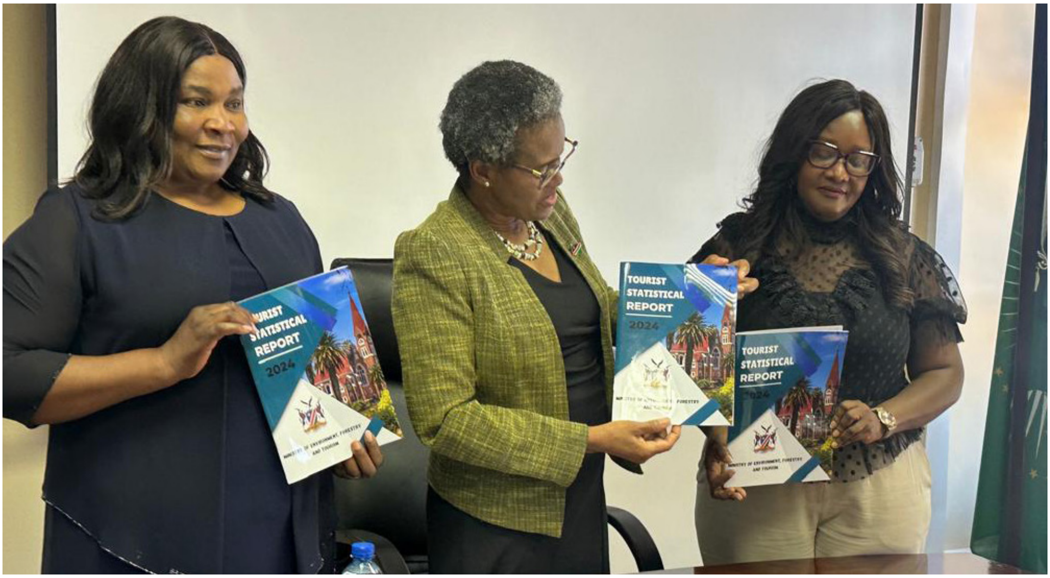
Sea transport remained the dominant mode for exports, carrying 56.0% of total export value, followed by air with 25.1% and road with 18.9%. On the import side, road transport handled 56.7% of all goods, with sea transport accounting for 35.2% and air for 8.0%. In volume terms, Namibia exported 386,215 tonnes of goods and imported 587,922 tonnes during the month.

The Port of Walvis Bay continued to serve as the country's principal trade gateway, facilitating N$7.3 billion worth of exports and N$5.5 billion in imports. Eros Airport and the Katima Mulilo border post followed Walvis Bay for exports, while Ariamsvlei and the Trans-Kalahari border post ranked second and third for imports.

"A closer review of trade in food items revealed that Namibia was a net exporter of food, recording a surplus of N$89 million, and a net importer of beverages, with a deficit of N$552 million," Shimuafeni said.

Beverages continued to show a persistent trade gap: Namibia imported N$677 million worth of beverages in October 2025 while exporting only N$125 million. Over the period from October 2024 to October 2025, beverage imports averaged N$355 million per month compared to average exports of N$94 million.

Pesticides, highlighted as the commodity of the month, recorded imports worth N$48 million, mainly from South Africa and Spain. Exports were minimal, totalling N$57,393 and destined for Angola and Panama.



Namibia records 1.25 million tourist arrivals in 2024, with Germany and SA as top markets

Namibia's tourism sector recorded its strongest rebound since the pandemic, with 1,257,093 tourist arrivals in 2024 , a 45.5% rise from the 863,872 visitors registered in 2023, according to the newly launched Tourist

Statistical Report 2024.

The figures reflect a return to 79% of the country's pre-COVID performance, signalling steady recovery and renewed confidence in Namibia as a global travel destination.

Launching the report in Windhoek, Environment, Forestry and Tourism Minister Indileni Daniel said the surge in arrivals highlights the sector's resilience and its ability to withstand external shocks.

"The year 2024 recorded 1,257,093 tourist arrivals, representing a 45.5 percent increase from 863,872 in 2023. The 2024 figures indicate nearly 79 percent recovery compared to the pre-COVID-19 numbers of 2019, which stood at 1,595,973," she said.

She noted that South Africa remained Namibia's largest source market, accounting for 38.5% of all tourist arrivals in 2024, followed by Angola, Botswana, Zambia and Zimbabwe.

Among overseas markets, Germany retained its long-standing position as the top contributor, representing 8.8% of total arrivals. The United States, United Kingdom, France and the Netherlands also featured strongly.

Holidaymakers continued to dominate travel patterns, with 47.5% of visitors citing holiday and leisure as their main reason for travel. Business travel made up 15.8%, underscoring tourism's role not only in leisure but also in regional commerce and investment.

"This figure, and similar statistics from previous years, show that visiting for holidays and leisure remains the most common purpose for coming to Namibia. Meanwhile, tourists who came to conduct business made up 15.8 percent," she said.

The Minister also announced that the Ministry is finalising the National Tourism Spatial Development Master Plan, a framework aimed at guiding spatial planning, improving tourism infrastructure and positioning Namibia as a more competitive global destination.

She further urged industry players to strengthen their digital and online marketing efforts, grow domestic tourism and promote year-round travel to reduce seasonal fluctuations.

"This includes growing and promoting our domestic tourism market to provide a more stable, year-round stream of income for tourism businesses," she said.

Why Namibia should — and could — become the Dubai of Africa

By Gabriel Nghituwamata Haulyamayi

Imagine a city rising from the desert: gleaming skyscrapers, a deep-water port humming with global trade, luxury resorts overlooking endless dunes, and an international airport that serves as the primary gateway between Europe, Asia, and sub-Saharan Africa.

This is not Dubai in 2050 — this could be Walvis Bay or a new coastal metropolis in Namibia within the next two decades.

Namibia already possesses almost every natural advantage that the United Arab Emirates lacked when Dubai began its transformation in the 1990s. Vast land, political stability, world-class infrastructure potential, a sparse population that makes bold planning possible, and — most crucially — 1,572 km of Atlantic coastline with one of the best natural deep-water harbors on the continent.

Yet while the UAE turned sand into a global hub, Namibia remains one of Africa's best-kept secrets. It is time for that to change.

> “Namibia has the chance to become the single greatest African economic miracle of the 21st century.

The Ingredients Are Already There

1. Strategic Location

Namibia sits at the crossroads of southern Africa's shipping lanes. Walvis Bay is closer to Europe and the Americas than any East African port, and its position on the Benguela Current gives it calmer waters and fewer cyclones than the Indian Ocean coast. With the right investment, it could shave days off transshipment times between South America, North America, and southern Africa — a prize worth billions.

2. Political Stability and Governance

Namibia consistently ranks in the top five African countries for rule of law, ease of doing business, and lack of corruption (often ahead of South Africa). It has never had a coup, never defaulted on debt, and maintains one of the continent's most investor-friendly mining codes. Dubai became a hub because people trusted the rules would not change overnight. Namibia already has that trust.

3. Land and Space

The country is larger than France and Germany combined but has only 2.6 million people. Greater Walvis Bay has a population density lower than the Nevada desert. This is an urban planner's dream: you can literally draw a new city on a blank canvas without the expropriation battles that plague Lagos, Johannesburg, or Nairobi.

4. Existing World-Class Infrastructure Seeds

- Walvis Bay port is already southern Africa's most efficient and is being expanded with Chinese and European funding.

- The ongoing and planned upgrades at

Hosea Kutako International Airport outside Windhoek are expected to significantly increase capacity.

- Namibia's uranium, diamonds, rare earths, lithium, and offshore gas discoveries provide the sovereign wealth seed capital that oil once gave the Gulf states.

5. Green Energy Superpower Potential

Namibia has some of the best solar irradiation on earth and consistent coastal winds. The $10 billion Hyphen green hydrogen project — backed by European offtake agreements worth tens of billions — could make Namibia the Saudi Arabia of green molecules. Dubai pivoted from oil to services and logistics; Namibia can leapfrog straight to the energy source of the 21st century.

What Would a "Dubai Strategy" Look Like?

Create a single, purpose-built free trade megacity on the coast — let us call it "New Swakop" or "Atlantic City" for now — with the following pillars:

- Allow 100% foreign ownership of companies with no local partnership required.
- Zero income, corporate, or VAT taxes for 30–50 years inside the zone
- A sovereign wealth fund seeded by mining and hydrogen royalties that builds airports, high-speed rail to Johannesburg and Luanda, and iconic architecture
- A financial center regulated to international (not just African) standards, with common-law courts and English as the working language
- Visa-free entry for most nationalities and a "golden visa" for investors and skilled professionals
- Direct incentives for data centers, ship repair yards, aircraft maintenance hubs, and luxury tourism

Do this, and within fifteen years the city could rival or surpass Dubai's non-oil GDP model — except with better weather, cleaner air, and whales visible from five-star hotel balconies.

The Competition Is Not Even Close

Abidjan, Accra, Dar es Salaam, and Luanda all have larger populations and existing megacities — but that is the problem. They are already congested, politically volatile, and fighting legacy infrastructure battles. Kigali is brilliant but landlocked and tiny. Lomé and Djibouti have made strides as transshipment hubs but lack Namibia's combination of space, governance, and renewable energy potential.

Namibia can do what almost no other African country can: start with a clean slate.

The Biggest Risk Is Inaction

Every year of delay allows competitors — Morocco with its Tangier Med ambitions, Egypt with its Suez Canal Economic Zone, or even Rwanda's quiet financial-center dreams — to lock in first-mover advantage. Namibia's current development pace is comfortable, almost sleepy. Comfort is the enemy of greatness. The United Arab Emirates had no democratic tradition, no large educated middle class, and no obvious reason to succeed when Sheikh Rashid borrowed money in the 1960s to dredge Dubai Creek. Vision, audacity, and relentless execution turned a fishing village into a global brand.

Namibia does not need to copy Dubai's authoritarian glitz. It can build an African Dubai that is democratic, transparent, and green — a city where Emiratis come on holiday instead of the other way around.

The desert is waiting. The ocean is deep. The sun never stops shining. All that is missing is the decision.

Namibia has the chance to become the single greatest African economic miracle of the 21st century. The question is not whether it can be done.

The question is whether its leaders — and its people — are bold enough to do it.

The world is watching.

It is time to build.

BoN holds repo rate at 6.50%

The Bank of Namibia (BoN) has kept the repo rate unchanged at 6.50%, with Governor Johannes !Gawaxab saying inflation remains contained and economic growth has slowed.

The decision was announced on Wednesday, as !Gawaxab delivered his final monetary policy statement before stepping down at the end of the month.

!Gawaxab said the economic outlook for 2025 and 2026 remains stable, with several key sectors expected to support a medium-term recovery.

"Inflation for 2025 remains stable at 3.6%, while the 2026 outlook has been revised slightly down to 3.8% due to a stronger exchange rate and favourable oil price assumptions," he said.

He noted that high-frequency indicators show the domestic economy continued to grow during the first ten months of 2025, though at a slower pace than the previous year. Contractions in manufacturing, diamond mining, livestock farming and transport prompted the central bank to revise its 2025 GDP forecast downward.

"Given subdued activity so far this year, real GDP growth is now projected to ease from 3.7% in 2024 to 3.0% in 2025, before recovering to 3.8% in 2026 and 4.3% in 2027," !Gawaxab said.

The Governor added that maintaining the current monetary stance is necessary to safeguard the Namibia dollar's peg to the South African rand while supporting domestic conditions. The prime lending rate remains unchanged at 10.125%.

"This policy stance is appropriate for safeguarding the one-to-one link with the rand and remains supportive of economic activity despite slowing momentum," he said.

!Gawaxab warned that global uncertainty and South Africa's adoption of a 3% inflation target require increased vigilance to protect local price and exchange-rate stability.

"The Committee noted global risks and stressed that South Africa's new target demands greater vigilance in managing domestic inflation to ensure the smooth functioning of the peg," he said.

He added that capital flows remain orderly and confirmed that the recent Eurobond redemption was completed smoothly.

The next Monetary Policy Committee meeting is scheduled for 16 and 17 February 2026.

What if compliance actually made you money?

By Jacques van der Smit

“ A genuine compliance culture goes beyond completing forms or passing an audit.

Compliance in Namibia is at a turning point. With the country under global scrutiny following its FATF greylisting and the EU’s high-risk designation, regulators are tightening expectations.

But while the pressure has increased, many institutions remain stuck in an old mindset: treating compliance as an admin burden and mere checklist to satisfy minimum requirements.

That approach is outdated. More importantly, it’s risky.

Globally, forward-thinking businesses have learned that strong compliance isn’t just about avoiding penalties—it’s a strategic advantage. It builds trust, enhances resilience, strengthens reputation, and creates opportunities for growth. Namibia’s institutions can no longer afford to view compliance as a burden. The ones that win will be those that embed it into how they operate, make decisions, interact with customers and strategically grow their business.

What a Real Compliance Culture Looks Like

A genuine compliance culture goes beyond completing forms or passing an audit. It shapes behaviour and decision-making across the business.

When done well, it:

• Builds Trust: Investors, clients, and international partners want transparency and ethical conduct. Institutions that demonstrate this consistently gain credibility.

• Enhances Resilience: Regulations change. Risks evolve. Institutions with embedded compliance frameworks adapt quickly instead of scrambling to catch up.

• Creates Competitive Advantage: In a crowded market, proactive compliance signals professionalism and reliability, two qualities that directly influence customer choice.

• Improves Data Quality: Good onboarding practices result in clean, reliable client data. That data can be used to understand customer behaviour, improve products, and identify new opportunities.

In short: compliance isn’t just about “staying out of trouble.” It’s a tool for smarter business.

Shifting From Obligation to Opportunity: Turning Compliance into Real Business Value

Here’s something you might not have considered: the same information you gather to serve your clients and manage debtors is exactly what you need for FIA compliance. In fact, it’s also the data you’d use to run targeted marketing campaigns, understand customer behaviour, or tweak your products to fit their needs.

Start thinking of compliance as something that adds value and creates opportunity. Align those compliance tasks with things you’re already doing: growing your business, serving clients, and running efficiently. Not only will this approach save time and reduce headaches, but it’ll help you get more out of the effort you're already putting in, both for compliance and for your business.

Practical Steps to Start:

1. Integrate Compliance into Strategy: Make it part of your growth plan and performance metrics, not just an audit checklist.
2. Invest in Digital Tools: Automate onboarding and monitoring for efficiency and accuracy.
3. Train for Purpose, Not Procedure: Help staff understand why compliance matters for business success.
4. Leverage Data: Use compliance data to improve risk models, customer segmentation, and product development.

Risk vs Reward

Institutions which treat compliance as a tick-box exercise risk not only being found wanting by the regulator but also being left behind by competitors. Tick-box compliance feels safe—but it isn't. It creates the illusion of control and may get you through an inspection if you're lucky, but it won't grow or protect your institution—and it certainly won't help Namibia strengthen its AML framework or global reputation.

Institutions that treat compliance as a strategic opportunity, gain significant benefits:

- Investor Confidence: Alignment with global standards makes foreign partners more willing to engage and invest.
- Operational Efficiency: Implementing digital compliance reduces errors, speeds up processes, and lowers long-term costs.
- Reputation and Integrity: Strong compliance culture signals professionalism, honesty, and reliability—qualities that attract both customers and talent.
- Better Business Decisions: High-quality client data enables better risk assessment, product development, efficiency, long-term planning and unlocks opportunity.

In other words: strategic compliance doesn't slow a business down; it sets it up for sustainable growth.

Conclusion

Namibia's Accountable Institutions are facing a choice: Continue operating with a narrow, tick-box mindset, or build a compliance culture that supports long-term success, strengthens the country's standing, and reduces the risk of repeating past mistakes.

Meeting FIA requirements is no longer enough. The future belongs to those that use compliance as a competitive edge—and turn regulatory pressure into strategic advantage.

Jacques van der Smit is an AML specialist with over 10 years' hands on AML Risk & Compliance experience. Currently employed at IDToday as the Chief Operations and Compliance Officer.

Govt launches N$57m Otjiwarongo informal settlement upgrade

The Ministry of Urban and Rural Development (MURD) has launched a N$57.3 million infrastructure upgrade for the DRC informal settlement in Otjiwarongo, marking a step towards improving living conditions and service delivery in one of the town's fastest-growing communities.

Speaking at the groundbreaking ceremony, Deputy Minister Evelyn !Nawases-Tayele said the project will include upgrading a 1.8-kilometre access road to bitumen standard, construction of bulk sewer and water infrastructure, installation of water metres and the development of a community park. "This launch, I am informed, will cost a combined N$57,370,000 (fifty-seven million, three hundred and seventy thousand Namibian dollars). It entails the upgrade of a 1.8-kilometre access road, construction of bulk sewer infrastructure, bulk water supply, installation of water metres and the establishment of a community park," she said.

She noted that improved road access will ease congestion, support future residential and commercial development, and strengthen transport links within the settlement.

The Deputy Minister also acknowledged the patience and cooperation of residents, emphasising that government works with communities rather than in isolation.

She urged the community to take responsibility for safeguarding and maintaining the new infrastructure once completed.

MURD reaffirmed its support to local authorities and expressed confidence that the project will enhance safety, service delivery and overall quality of life for households in the DRC settlement.

The ministry said it will maintain oversight to ensure the works are completed to the standard the community deserves.

"It is for this reason that government does not build in isolation; it builds with people. Your role does not end today, because good infrastructure must be protected, maintained and valued over time to benefit generations to come," she said.

Core strategies for credit management

By Eddie King

> “Budget creation can never be overemphasised as the start of your strategy.

Credit management, a key component of financial health, traces its origins back to when trade and commerce began to flourish.

Initially, credit was a simple transaction based on trust and verbal agreements. As economies grew and financial systems became more complex, the need for formalised credit management strategies became clear.

This evolution led to the development of various techniques and tools designed to help individuals and businesses manage their credit and debt more effectively.

This article provides an overviewofseveral strategies to help you manage your debts effectively.

One fundamental approach is assessing financial position. You must review your income sources, monthly expenses and outstanding debts comprehensively. This step not only clarifies your financial position but also highlights areas where you can potentially save.

By understanding where money is spent, you can identify unnecessary expenditures and adjust your budget accordingly. It will also enable you to project whether there is a shortfall, allowing you to make the necessary arrangements with creditors.

Budget creation can never be overemphasised as the start of your strategy. Once you understand your financial position, creating a realistic budget becomes central to your progress.

This budget should first allocate funds for essential expenses, such as housing, food, and healthcare. Subsequently, it should focus on debt repayment.

With the budget as a roadmap, prioritising debts, particularly those accruing high interest, proves a much easier task. Such prioritisation reduces the amount spent on interest and speeds up the debt clearance process. This strategy is commonly referred to as the debt avalanche.

In contrast, the 'debt snowball' method involves paying off debts from smallest to largest balance, regardless of the interest rate. This strategy aims to quickly clear smaller debts, providing psychological wins that motivate the debtor to keep paying down larger debts. In contrast, the “debt avalanche” method focuses on paying off debts with the highest interest rates first, potentially saving more money on interest in the long run.

Negotiating with creditors can also provide relief. Many creditors are willing to discuss repayment terms. You can negotiate reduced payments or lower interest rates. Such negotiations can result in more manageable monthly payments, preventing defaults and further financial strain.

Another strategy is consolidating your debts, which involves combining multiple debts into a single loan with a lower interest rate. Debt consolidation simplifies debt management by consolidating multiple payments into a single, more manageable monthly payment. Having emergency funds is vital for managing your credit effectively. Setting aside money for unforeseen expenses prevents the need to borrow in emergencies. Ideally, you should build an emergency fund covering three to six months of living expenses. This fund serves as a financial buffer, providing security in the event of unexpected financial difficulties.

Implementing automated payments can prevent missed deadlines. Automating debt repayments ensures payments are made on time, avoiding late fees and interest charges. Set up automatic transfers aligned with your income schedule to ensure you have sufficient funds available for debt repayment.

In a world of high interest rates and inflation, you may need to make adjustments to your lifestyle. You should reduce discretionary spending, such as dining out, entertainment and vacations. As the saying goes, no pain, no gain.

These sacrifices, although challenging, are often temporary and can significantly accelerate debt repayment.

By employing these strategies, individuals in debt can regain control over their financial situation. However, it is essential to recognise that everyone's circumstances are unique, and what works for one person may not work for another.

It is necessary to consider your income, expenses and debt obligations when deciding which strategy to implement.

These methods, including budgeting, negotiating with creditors, consolidating debts and building emergency funds, offer a clear path out of debt. Each strategy helps manage current debts and nurtures habits that prevent future financial issues.

** Eddie King is the Chief Credit Officer at Bank Windhoek*