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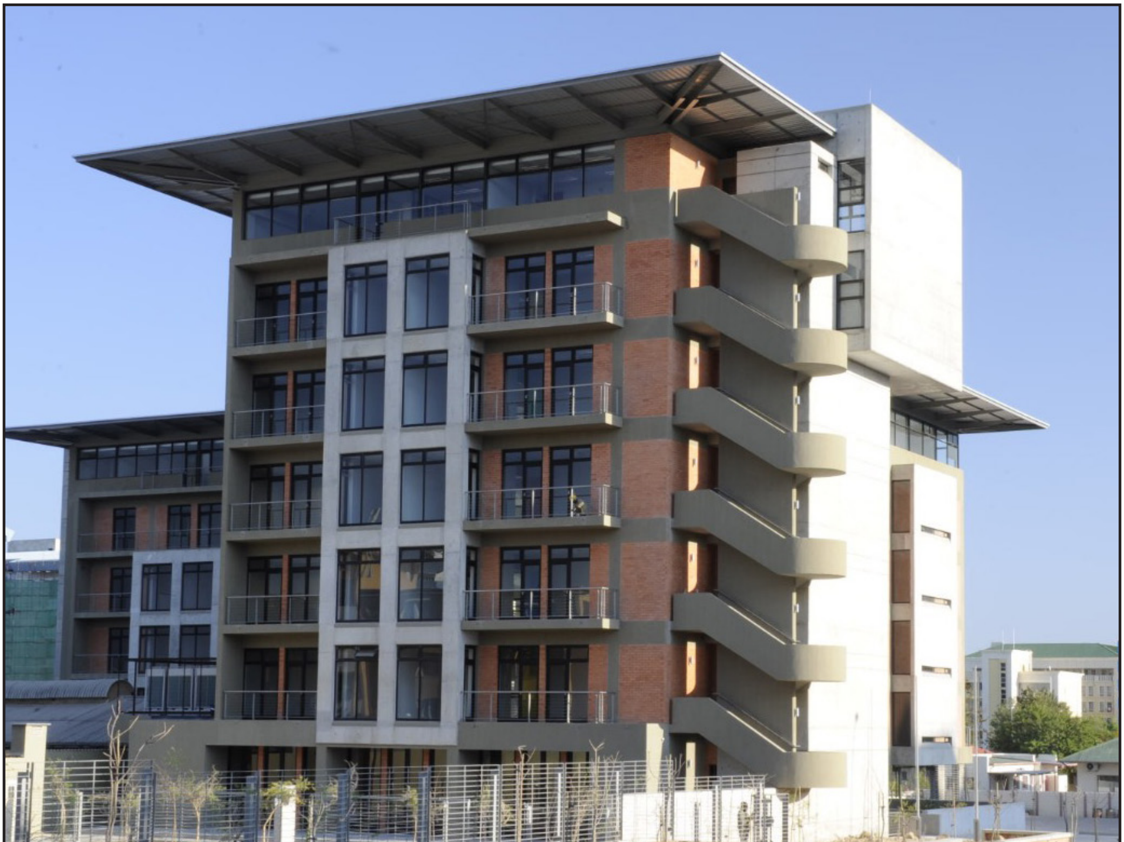


Deputy Auditor General calls for sacking of failing local authority heads

MONDAY 16 JUNE 2025

MAIN STORY

Deputy Auditor General calls for sacking of failing local authority heads

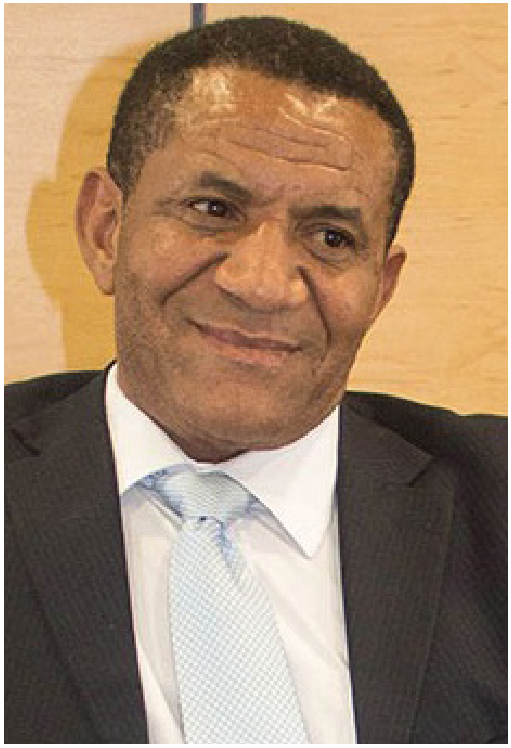
Deputy Auditor General Goms Menette has called for the immediate dismissal of non-performing Chief Executive Officers (CEOs) and Chief Regional Officers (CROs), warning that the worsening state of local authorities is directly linked to poor governance and a lack of accountability.

"There is absolutely no improvement. It's just getting worse for the people. And we really need to find strategies on how the committee can really ensure that there is quite an improvement," Menette told the Public Accounts and Economy Committee of the National Council during a recent engagement with the Office of the Auditor General.

He said it was no longer acceptable to continue tolerating underperformance at the expense of citizens, noting that persistent financial mismanagement in local authorities is contributing to worsening living conditions.

"We should not really be trying to be nice because it's not really helping us. People are suffering and unemployment is getting worse, but then it's because the books are not in order," Menette said.

The meeting focused on audit reports from various local authorities and regional councils, most of which received adverse, qualified, or disclaimer audit



Crucial Dates

- **Bank of Namibia Monetary Policy announcement date:**
  * 18 June 2025
  * 13 August 2025
  * 15 October 2025
  * 3 December 2025
- **Commonwealth Business Summit 2025**
  Windhoek, Namibia 18 - 20 June 2025

opinions — clear signs of entrenched financial mismanagement.

"We audit every time when we go to an institution, we find that things are just worse and they're not improving. And that really concerns us as auditors," Menette said.

According to Menette, only the municipalities of Walvis Bay and Mariental have shown satisfactory financial performance and proper record-keeping.

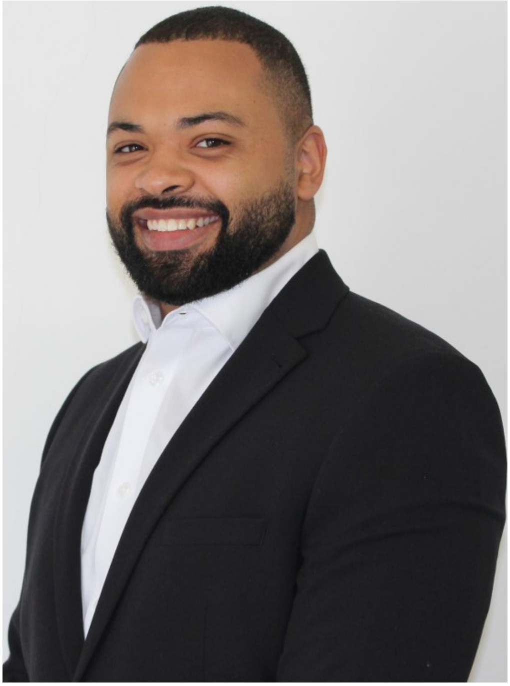
He blamed the ongoing problems on a systemic failure to enforce accountability, noting that CEOs and CROs are rarely held responsible for their institutions' poor financial records.

"The system has been designed so that people have not been taken to task. I think that is really what we should probably focus on — finding a way to put in place effective measures that will compel our CEOs to work and deliver. If a CEO is not delivering a clean audit, then he or she must be let go," he said.

Menette further stressed that public hearings should lead to concrete action and that media participation is essential to bring greater visibility to these issues.

"The next public hearings must be effective. I don't know whether the media covers all the public hearings, but I think in the future the media should be present to cover all these public hearings," he added.

The Deputy Auditor General's remarks come as concerns grow over the financial sustainability and service delivery performance of several local authorities across Namibia.



What to expect from the Bank of Namibia's interest rate announcement

The Bank of Namibia (BoN) is expected to hold its repo rate at 6.75% when it meets on 18 June, as analysts cite contained but persistent inflation, moderate credit activity and continued external uncertainty.

FNB Namibia Economist Helena Mboti said the BoN is likely to maintain a cautious stance despite a recent drop in headline inflation.

This comes as April's inflation stood at 3.6%, down from 4.2% in March, largely due to lower fuel costs.

However, Mboti noted that core inflation remained above headline at 4.0%, reflecting deeper price pressures that limit the space for immediate rate adjustments.

"We expect the Bank of Namibia (BoN) to keep the repo rate unchanged at 6.75% on 18 June 2025 amid sticky core inflation, subdued credit growth, and global uncertainty," she said.

Mboti added that private sector credit growth continues to show weakness.

In April, credit extension slowed to 4.5% year-on-year, with household lending relatively flat at 2.7%.

She said this indicates limited consumer demand despite stable liquidity and positive economic growth, which FNB now forecasts at 3.0% for 2025, down from an earlier projection of 3.5%.

Simonis Storm Junior Economist Almandro Jansen said BoN will likely delay any rate cuts until there is more clarity on inflation and external balances.

He pointed to potential volatility in global capital flows and exchange rates as key risks that justify a data-driven approach.

Jansen added that while regional developments may suggest room to ease, Namibia's monetary policy must remain aligned with broader macroeconomic stability goals.

"With inflation easing to 3.6% in April, the central bank has a little more breathing room, but not quite enough to act. The risks particularly from global trade uncertainty, external financing conditions, and exchange rate volatility still warrant a measured," he said The South African Reserve Bank (SARB) cut its repo rate by 25 basis points to 7.25% in May, narrowing the interest rate differential with Namibia to 50 basis points.

This marked the SARB's first rate cut of the year and was supported by slowing inflation and weak domestic growth.

However, Jansen said Namibia is unlikely to mirror the move immediately due to its smaller policy buffer and the need to protect the currency peg.

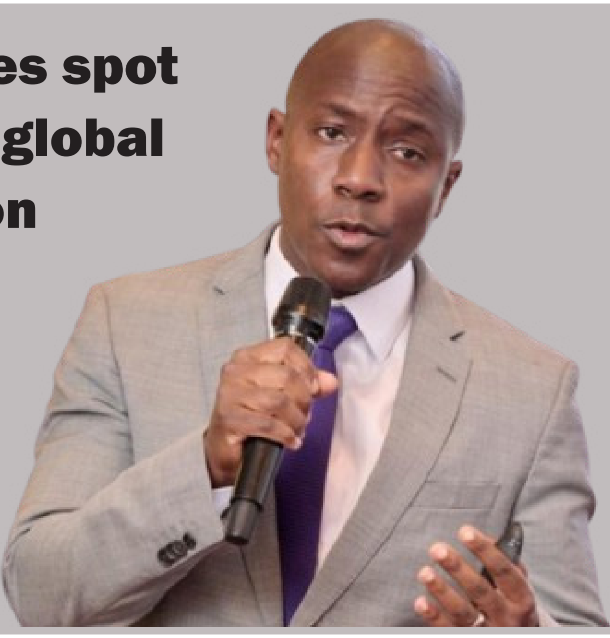
According to High Economic Intelligence (HEI), Namibia's international reserves rose to N$63.6 billion in April, providing just over four months of import cover.

HEI said this level supports the current monetary policy stance, but cautioned that slow mortgage uptake and weak household demand limit the short-term impact of lower interest rates.

"The market sentiment is that the Bank of Namibia could decrease the repo rate by 25 basis points, to 6.5%, or hold rates steady to help stimulate credit levels and economic growth," the firm noted

Looking ahead, analysts expect the BoN to remain cautious for the rest of the year, with the possibility of a rate cut later in 2025 if inflation continues to trend lower and currency conditions remain stable.

Namibia secures spot in N$18 billion global decarbonisation programme



Namibia has been selected as one of the first countries to participate in the Climate Investment Funds' (CIF) N$18 billion (US$1 billion) Industry Decarbonisation Programme, a major step in advancing its green hydrogen ambitions and green industrialisation efforts.

The country, through the Namibia Green Hydrogen Programme (NGHP), ranked third globally in the selection process and will now develop a national investment plan to access up to N$4.4 billion (US$250 million) in concessional finance.

James Mnyupe, Head of the NGHP, confirmed the development, saying the funding will help Namibia decarbonise high-emission industries, develop clean technology supply chains, and attract further investment into low to net-zero carbon business models.

"We basically get an opportunity to ask for up to N$4.4 billion of very concessional money,30-year tenor, eight-year grace period, at a 1.1% cost of capital,which will be blended with funding from the World Bank, IFC, and AfDB to mobilise more than N$44 billion in strategic funding for our private sector to build out green industrialisation as envisioned in the Green Industrialisation Blueprint," Mnyupe said.

He added that the programme will enable Namibia to build green value chains in critical minerals, renewable energy, and green hydrogen, while also supporting energy security, decarbonising the regional power pool, and creating green jobs through inclusive development.

"We look forward to co-developing an investment plan aligned with our forthcoming Sixth National Development Plan (NDP6). Green industrialisation will be a key driver of inclusive economic growth, job creation, and progressive climate action for Namibia," Mnyupe said.

The bid was spearheaded by the Ministry of Finance, in partnership with the Namibia Green Hydrogen Programme and global asset manager Ninety One.

The initiative aligns with the country's ambition to attract foreign direct investment and promote sustainable, inclusive growth.

Finance Minister Ericah Shafudah said the government remains committed to using targeted investment to address socio-economic challenges.

"The Government of the Republic of Namibia is committed to mobilising fit-for-purpose capital to drive socio-economic emancipation. This programme allows us to build future-proof industrial clusters that deliver jobs, growth, and climate resilience," Shafudah said.

The CIF programme is expected to support recipient countries in tapping into the growing global green industrial goods market, estimated to be worth N$35 trillion (US$2 trillion) by 2030.

Namibia now joins Egypt and South Africa as one of the African countries selected for the inaugural round of the Industry Decarbonisation Programme.

Namibia's Dividend Tax: Penalising patriotism (Now with loopholes) Silence isn't consensus

BRIEFLY

This column has a methodology. Though not watertight, it starts with observation: watching the Namibian news cycle and the shamefully thin analysis that passes for commentary on major fiscal shifts. So we waited.

The government announced its intent to tax dividends paid to local shareholders—a move with wide implications. And yet: silence.

No serious rebuttals, no modelling, no probing editorials. Just a few headlines, a cheer or two from technocrats, and then the fog of disinterest.

The absence of critique does not mean consensus.

It means complacency, or worse, fear of questioning what is dressed up as reform but amounts to revenue hunting in a fragile economy. And in that vacuum, the official line hardens into presumed logic.

A Tax Framed as Reform

So here we are. From next year, Namibian individuals and trusts will pay a 10 percent tax on dividends. The Finance Ministry says this will make the system more equitable, broaden the tax base and promote reinvestment.

There is even a corporate tax cut to 28%, plus a N$100,000 exemption on business profits to protect smaller firms.

On the surface, it looks like a balancing act. Peer beneath, and the cracks show.

Exemptions for the Well-Informed

The exemption structure tells you everything. Dividends paid to Namibian resident companies, retirement funds and so-called exempt persons will not be taxed.

That is not equity—it is optional participation.

The wealthy will shift their dividend flows into exempt vehicles, trusts or holding companies.

The middle-class saver will not. They will take the hit. As always, those with access to tax structuring win; those without pay.

Loopholes Closed—For Some

The Ministry of Finance calls this closing a loophole. It is closer to shifting the burden. A dividend is still taxed—unless you know where to hide it. This is not reform. It is selective immunity.

Punishing Local Capital

This tax does not promote reinvestment. It penalises extraction. Profits that once funded dividends will now sit idle or be channelled into non-productive holdings.

And the message to local investors is unmistakable: if you are Namibian and still investing locally, we will make sure you regret it.

Copy-Paste Policy, Wrong Context

The Ministry justifies the tax by pointing to South Africa, Botswana and Zambia, as though mimicking their tax codes will magically confer their economic depth.

Namibia has none of their market liquidity, scale or investor confidence. What it does have is a habit of copying complexity without understanding consequences.

Citing Zambia—a country still reeling from investor flight after overreaching on revenue grabs—is telling. Worse is the Angola comparison, where capital is barely mobile and the tax code reads like a ransom note. If these are the benchmarks, we are not aligning; we are regressing.

The Signal: Don't Grow, Don't Pay Out

The government insists this will not strain small businesses. Maybe not today. But small businesses do not stay small, and once profits exceed the N$100,000 threshold, the incentives become clear: extract less, or extract elsewhere.

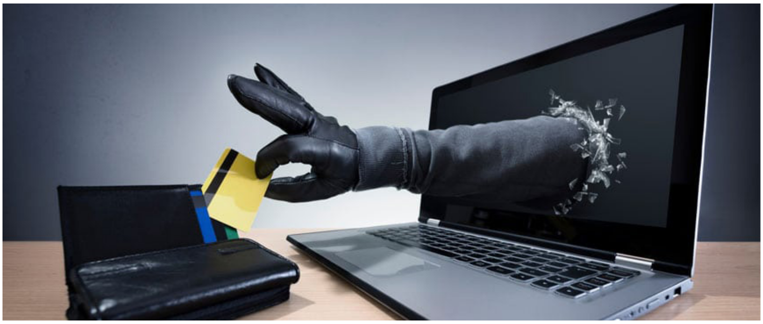
The corporate tax cut is meant to soften the blow. But serious businesses do not operate on slogans. They read signals. And this one says: government short on ideas, long on appetite. When policy becomes reactive and revenue-hungry, trust evaporates.

Reform, or Surrender?

The Ministry talks about closing loopholes. What its opening is a flight path. Local capital will move offshore or into instruments the government cannot touch. That is not broadening the tax base—it is gutting it.

If the Finance Ministry were serious about economic growth, it would focus on credibility, not cosmetics. A dividend tax on locals—disguised by exemptions—is not reform. It is surrender. It sends one message, loud and clear: invest elsewhere.

Briefly is a weekly column that's opinionated and analytical. It sifts through the noise to make sense of the numbers, trends and headlines shaping business and the economy — with insight, wit and just enough scepticism to keep things interesting.



Fraudsters step up phone and online scams in Namibia

Nearly two-thirds of Namibians surveyed by TransUnion said they had been targeted by digital fraud in the last three months of 2024, with vishing, phishing and online retail scams being the most common schemes.

According to the Namibia findings of the TransUnion H1 2025 Update to the State of Omnichannel Fraud Report, 63% of respondents reported attempted fraud via email, online platforms, phone calls or text messages between November and December 2024.

Of these, 11% said they had fallen victim to such scams.

The most frequently reported fraud scheme was vishing, where criminals attempt to extract personal information over the phone, cited by 30% of those who had been targeted.

Phishing, typically involving fake emails, websites, social media posts or QR codes, followed at 24%, while 22% of respondents pointed to scams involving fraudulent third-party sellers on legitimate online shopping platforms.

In a separate finding from the same survey, nearly one-third of Namibians (31%) said they had lost money to digital fraud in the past year.

Among these, 33% said the losses were due to stolen credit cards or fraudulent charges, 27% cited third-party seller scams, and 21% lost money to phishing. "Namibia has a 110% mobile phone penetration rate, with people using mobile phones to conduct their everyday business, connect with friends, or keep in touch with family, so it's easy to understand why digital fraud would be such a common tactic among fraudsters targeting this region," said Amritha Reddy, Senior Director of Fraud Solutions at TransUnion Africa.

"While cybercriminals will attack at any time using any channel, they appear to focus on channels most popular in the regions they are targeting."

The survey also found that 37% of Namibian respondents were not aware of being targeted by fraud, raising concerns that many may have been approached without recognising it.

According to TransUnion, Namibia tied with Kenya as the African country with the second-highest percentage of respondents who said they had fallen victim to email, online, phone or text fraud in the second half of 2024. Zambia recorded the lowest percentage among the countries surveyed.

In Namibia, vishing was the most commonly reported fraud type. In comparison, South Africans mostly reported phishing attacks, while smishing (fraud via SMS) was most common in Kenya and Zambia.

Globally, the highest rates of suspected digital fraud in 2024 were recorded on community platforms such as online forums and dating sites, where nearly 12% of transactions were flagged as suspected fraud attempts.

This was followed by video gaming (11%), online gaming including betting and poker (8%), and retail (8%). TransUnion also highlighted that shipping fraud within the logistics sector, often linked to organised crime groups, saw the largest surge in fraud volume globally, more than doubling from the previous year.

“Digital fraud on community platforms is by no means a new phenomenon. In 2024, it appears that fraudsters targeted these areas with renewed vigour,” said Reddy.

“Cybercriminals take advantage of the trust inherent on community-based platforms and target members with a wide range of scammer solicitations.”

In Namibia, the retail sector recorded the highest rate of suspected attempted digital fraud in 2024 at 8.4%, with a 68.5% increase in fraud attempts compared to 2023.

The gaming sector followed at 7.7%, with fraud attempts rising by 84.2%. The travel and leisure industry, though recording a relatively low fraud rate at 0.2%, experienced the sharpest year-on-year increase in suspected fraud volume, up by 111.8%.

“It is encouraging to see that attempts at digital fraud have decreased across several of the surveyed industries in Namibia,” Reddy said.

“Organisations that draw on identity, device and behavioural insights to help them interact with legitimate consumers while mitigating fraud risk are more likely to protect themselves and their customers from the scourge of digital fraud.”

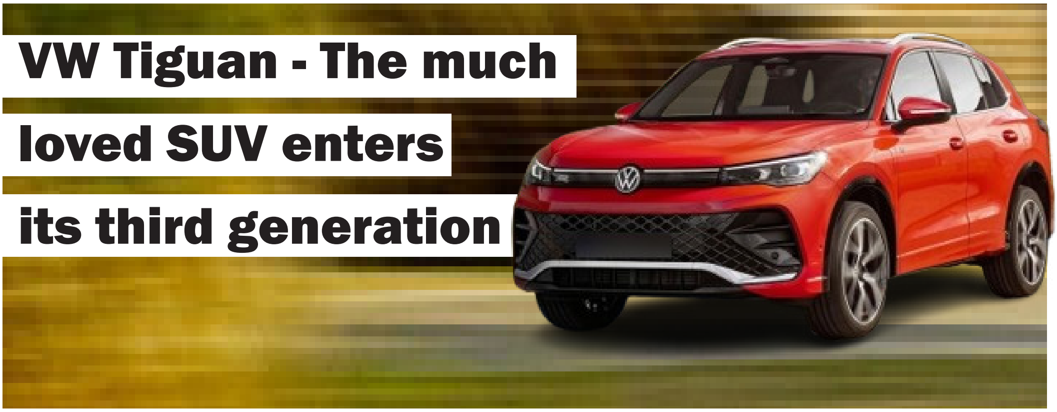
Other sectors such as financial services, video gaming, telecommunications and communities reported significantly lower fraud rates in Namibia, with some industries experiencing a notable drop in attempted fraud compared to the previous year.

The survey also found that 29% of global respondents said they lost money to fraud in 2024, with the median amount lost standing at N$32,428.

In Namibia, the median loss reported by those affected was N$11,174.

TransUnion’s report is based on consumer survey data and fraud detection insights from multiple countries, including Namibia, Kenya, South Africa, Zambia, the United Kingdom and the United States.

VW Tiguan - The much loved SUV enters its third generation



By Max Lodewyk

The Volkswagen Tiguan has long been a pillar of the Volkswagen's success and for good reason.

Since its global debut in 2007, the Tiguan has sold over 7.6 million units, making it Volkswagen's best selling SUV and one of the top-selling SUVs globally.

Loved for its refined styling, practicality, and premium feel particularly in R-Line, the Tiguan is a household name in Namibia

In September 2023, Volkswagen unveiled the third-generation Tiguan, marking a significant evolution in design, technology and safety.

In this review, we'll explore what makes the all-new Tiguan stand out, focusing on its design, performance, tech, safety and pricing.

Exterior Design: Bold and Modern

The third-generation Tiguan is offered in three trim levels: the entry-level Tiguan, mid-spec Life and the sporty R-Line. This generation introduces VW's new design language,"Modern Solid", which emphasises clean, simplified surfaces, muscular proportions and tech-forward styling elements.

Up front, the new Tiguan features a bold grille, flanked by slim LED matrix headlights that add both functionality and finesse. The rear design is sleeker too, with full-width LED taillights and a more sculpted tailgate.

The R-Line variant further enhances the design with larger 20 inch alloy wheels, IQ.Light HD matrix headlights and more aggressive bumpers. Dimensionally, the new Tiguan is slightly longer and wider than its predecessor, which translates into more presence on the road and more space inside.

Under the Bonnet

The all new Tiguan is available with a range of turbocharged engines to suit a variety of driving preferences: a 1.4 TSI (110 kW / 250 Nm), a 2.0 TDI (110 kW / 340 Nm) and a 2.0 TSI (140 kW / 320 Nm). All engines are paired with a 7-speed dual-clutch transmission for quick, seamless gear shifts.

While the 1.4 TSI is front-wheel drive, the 2.0-litre variants are available in either front-wheel or 4MOTION all-wheel drive, offering additional stability on slippery surfaces.

Comfort and Technology

Step inside the new Tiguan and you're met with a cabin that feels luxurious and contemporary. The minimalist dashboard features fewer physical buttons, replaced instead by a high-tech 12.9-inch touchscreen that serves as the command centre for infotainment, navigation and climate control.

Connectivity is taken care of with wireless Apple CarPlay and Android Auto, while a 10.25-inch digital instrument cluster keeps key driving information front and centre.

A notable new feature is the "Driving Experience Control Dial", which not only lets drivers toggle between drive modes (Eco, Comfort, Sport, Individual, Offroad, Snow) but also changes the interior ambiance through pre-set themes like Lounge, Joy, Nature, and Energetic, which is a feature exclusive to the R-Line.

Volkswagen has also replaced the traditional gear lever with a steering-column-mounted gear selector, freeing up space in the centre console for added practicality.

Safety Features

Standard safety features across the range include: 8 airbags, Electronic Stability Control (ESC), Park Assist and Lane Keep Assist, Adaptive Cruise Control and Front Assist with Autonomous, Emergency Braking (available on higher trims).

The Tiguan has also been awarded a 5-star Euro NCAP safety rating, reaffirming its reputation as one of the safest vehicles in its class.

Ownership Costs: Warranty and Service

Volkswagen backs the new Tiguan with a 3-year/120,000 km warranty and a 5-year/90,000 km service plan as standard, whilst pricing for the all-new Tiguan comes in as follows: Base Tiguan 1.4 TSI DSG – from N$730,000, Tiguan Life / 2.0 TDI variants – around N$ 850,00 and the Tiguan R-Line 2.0 TSI 4MOTION – above N$900,000.

While not the cheapest SUV in its category, the Tiguan justifies its price with a combination of premium materials and advanced tech, traits that continue to attract buyers that still prefer German engineering.

The third-generation Volkswagen Tiguan represents a thoughtful and progressive evolution of a winning formula as it blends familiar strengths, comfort, quality and everyday usability with fresh styling and smarter tech.

***Max Lodewyk is a motoring enthusiast.**

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Rewriting Namibia's financial future through digital wallets

By Candy Ngula

The financial services industry is undergoing a seismic shift driven by rapid technological advancement, growing mobile connectivity, and an increasingly adaptive regulatory environment. Across Africa, electronic money (e-Money) solutions are redefining the banking experience—and Namibia is at a unique inflexion point. With rising smartphone infiltration and expanding digital infrastructure, the country is well-placed to leverage the transformative potential of digital wallets.

"Bank Windhoek is at the forefront of this evolution, championing financial inclusion, accelerating economic growth, and aligning with Namibia's national development priorities.

Bank Windhoek is at the forefront of this evolution, championing financial inclusion, accelerating economic growth, and aligning with Namibia's national development priorities.

A new era of access for individuals

Where once banking required a trip to a physical branch, today's financial institutions operate in the palms of their client's hands. This continued evolution is compelling for unbanked and underbanked populations historically excluded from the formal financial system. In Namibia, e- Money has shifted the financial narrative over the years, enabling users to receive, store, and transfer funds without needing a traditional bank account.

For individuals in rural communities or the informal economy, these platforms represent more than convenience—they offer a secure gateway to participate in the economy, build financial identity, and access a broader suite of services over time.

Empowering SMEs and the Informal Sector

Digital wallets have the potential to unlock enormous opportunities for small and medium enterprises (SMEs) and informal traders—critical engines of Namibia's economy. Despite their economic significance, many SMEs still face barriers to finance due to a lack of credit history, collateral, or formal banking relationships.

Bank Windhoek's EasyWallet supports these entrepreneurs by enabling quick payments and customer collections. As an innovative solution for sending and receiving money using a mobile device, EasyWallet also offers a safe alternative to carrying or storing cash and helps build atransaction history that can support future credit access. Whether it is a fresh produce seller at a local market or a hairdresser running a home-based salon, the Bank's EasyWallet is designed to fit real life and real business.

Infrastructure and policy: the backbone of transformation

Namibia's mobile and broadband infrastructure has laid a strong foundation for the digital economy. With mobile dissemination exceeding 100% and 4G coverage expanding (and 5G on the horizon), more Namibians are connected than ever before. This digital connectivity is matched by a forward-looking policy environment that encourages innovation while safeguarding consumers.

Regulation has played a pivotal role in fostering this ecosystem—introducing frameworks for e- money, biometric authentication, and streamlined know-your-customer (KYC) processes. These reforms have enabled financial institutions to extend services to underserved communities while maintaining compliance and security.

Bank Windhoek continues to innovate within this evolving regulatory framework, constantly adapting to meet customers' growing speed, convenience, and value needs.

The road ahead: scaling financial inclusion

EasyWallet is more than a product—it is part of a broader movement to democratise finance in Namibia. As Bank Windhoek continues to innovate through its e-Money offering, our focus remains on creating solutions that serve real people in real communities with real impact.

With our partners and regulators, we are building a future where everyone has access to basic financial tools, regardless of background, location, or income, because when money moves easily, life does, too.

*** Candy Ngula is Head of e-Money at Bank Windhoek***