HEALTH
Health Ministry to partner private sector to upgrade clinics
p. 07

BUSINESSES
The meaning of business turnaround for Namibian businesses
p. 11

INFLATION
April inflation rises to 3.6%, driven by food and housing costs
p. 13

THE BRIEF
News Worth Knowing

Nangombe calls for N$1 billion annual electrification budget

TUESDAY 13 MAY 2025

MAIN STORY

Nangombe calls for N$1 billion annual electrification budget

The Executive Director of the Ministry of Industries, Mines and Energy, Ben Nangombe, has called for a fivefold increase in the ministry's annual electrification budget – from N$200 million to N$1 billion – to fast-track access to electricity across Namibia.

Speaking at the recent National Electrification Acceleration Engagement, Nangombe warned that the country's current electrification rate is too slow to meet national development goals and rising demand.

"Currently, we are able to connect about 3,000 to 5,000 households per year. To reach our goals, we must be connecting not less than 40,000 households per year," he said.

"With every year that we miss that target, the burden in subsequent years grows heavier, and the backlog grows longer."

To address the issue, Nangombe proposed a phased increase in the electrification budget over the coming years.

"We must also increase our annual spending exponentially, let's say: from N$200 million, to N$300 million, to N$800 million to N$1 billion," he said.

He stressed the need for prioritisation of projects in densely populated areas, where the cost per household connection is lower and implementation more feasible.

Crucial Dates

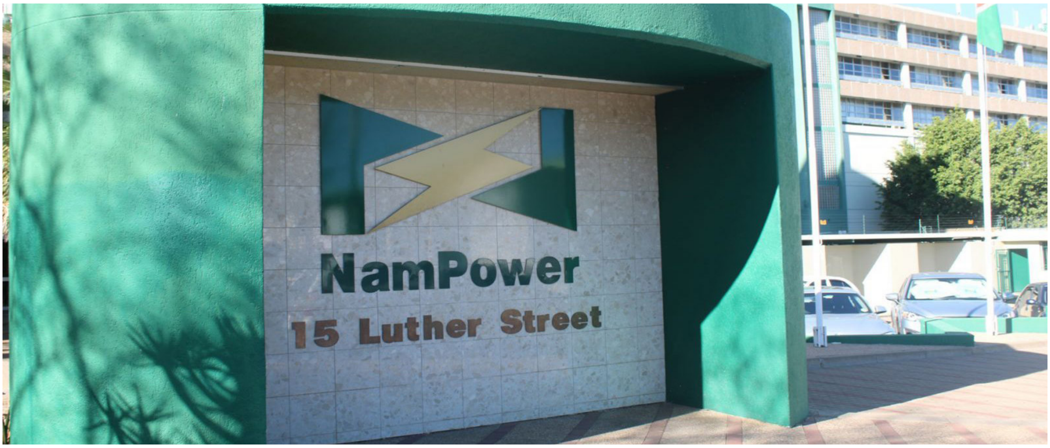
- Bank of Namibia Monetary Policy announcement date:
  - * 18 June 2025
  - * 13 August 2025
  - * 15 October 2025
  - * 3 December 2025

"We must prioritise and harvest the low-hanging fruit. This means pursuing and implementing electrification projects in densely populated, low-cost-per-connection areas and localities," Nangombe said. "These connections can generate revenue, stabilise distributors, and give them the strength to push the grid further into remote areas. This calls for strategic thinking and deliberate, focused planning and implementation."

Nangombe also urged electricity distributors to take a leading role in planning and executing electrification projects.

"Planning and implementation must be spearheaded by you, the distributors. We cannot and must not talk about electrification as a goal for tomorrow. It is for today, and we must start delivering today. That's what the directive from the President calls for. We need agility, and we need speedy and expeditious results," he said.


For all your Corporate, Promotional & Display Needs
Orbital media
WINTER SPECIALS
CONTACT US TODAY AND WILL SEND YOU OUR WINTER CATALOGUE
Corporate Clothing
• Golf Shirts
• Lounge Shirts
• T-Shirts
• Body Warmers
• Headwear
• Jackets
• Hoodies
• Tracksuits
• Work Wear
• Footwear
Corporate Gifting
• Notebook
• Diaries & Pens
• Backpacks
• Drinkwear
• Giftsets/Bags
• Umbrellas
• Lanyards
• Key Chains
• Flash Drives
• Power Banks
Display Items
• Gazebos
• Tear Drops
• Director Chairs
• Table Cloths
• Kiosks
• Banner Walls
• Pop-up Banners
• A Frames
• Pull-up Banners
• PVC Banners
orbitalmedianam@gmail.com
+264 81 434 3145



ECB cuts NamPower's revenue request by N$700 million

The Electricity Control Board (ECB) has announced a major adjustment to NamPower's proposed revenue requirement, slashing the national utility's request by more than N$700 million following an extensive review process.

NamPower had initially applied for a revenue requirement of N$8.8 billion for the 2025/2026 financial year, but the ECB approved only N$8.1 billion after conducting a detailed analysis of the utility's tariff application and its implications.

"This amount represents the total cost required to supply electricity and keep the lights on. That figure has now been revised by the ECB, from N$8.8 billion down to N$8.1 billion, following their due process. So essentially, we've reduced the requested revenue requirement by nearly N$700 million," said ECB CEO Robert Kahimise.

The ECB Board reached its decision after deliberations on 16 April and 12 May 2025, and the review considered a number of critical factors, including the utility's financial sustainability, electricity affordability, and the potential economic impact of any tariff changes.

The regulator ultimately approved a tariff increase of 3.8%, significantly lower than the 17.44% initially requested by NamPower.

The ECB also considered the utility's over-recovery of N$963 million in the 2023/2024 financial year, primarily due to unexpectedly high generation from the Ruacana Hydropower Plant.

Kahimise said to support the lower

adjustment, the Namibian government will provide N$283 million in financial support to NamPower, equivalent to the 3.8% increase.

"This brings the average tariff up from N$1.9856kWh to N$2.0611kWh for the 2025/2026 period. Regarding the impact of the approved bulk tariff on the economy, with the tariff increasing at 3.8%, below the current inflation rate of 4.2% (March 2025)," he said.

He added that the decision is expected to have minimal impact on inflation and consumer prices, though a slight negative effect on GDP growth is anticipated due to the role of electricity costs in inflation calculations.

"While we are cognisant of the impact of any tariff increase on the end consumers, a zero tariff increase has unintended consequences: deterioration of infrastructure without the necessary and continual refurbishment and renewal, which will lead to an unstable grid, damage to equipment, and blackouts," he said.

He said these, in turn, will lead to financial and economic losses and poor economic performance, thus an unfavourable investment environment for citizens and other interested parties.

This comes as the Namibia Power Corporation (NamPower) is grappling with unpaid customer debts, which have pushed its total outstanding overdue debt to N$960 million.

The utility recorded N$157 million in expected credit losses for the 2024 financial year, citing widespread non-payment as a major factor straining its financial stability and hindering critical infrastructure investments.

NamPower sought a 17.44% tariff increase for the 2025/26 financial year, driven by its ongoing inability to recover costs through current tariffs due to regulatory constraints.

The company had requested the increase to meet its N$8.8 billion revenue requirement for the period, covering key expenses including energy costs of N$5.6 billion, fixed costs of N$1.4 billion, and N$2.2 billion for return and depreciation.

Health Ministry to partner private sector to upgrade clinics

The Ministry of Health and Social Services (MoHSS) will approach the private sector to form partnerships in upgrading all clinics across the country to healthcare facilities, Health Minister Esperance Luvindao has revealed.

"When I took office, there were a lot of congratulatory messages and enquiries for partnerships from the private sector that reached my desk. We have to be creative," she said.

Luvindao says that she has already approached a number of private sector companies to form partnerships towards this initiative.

The MoHSS was allocated N$12.2 billion in the 2025/2026 financial year budget.

\While N$780 million in the current financial year and N$2.7 billion over the MTEF has been availed to expand the network of health infrastructures countrywide and reduce the congestion at State hospitals, Luvindao argues that this was insufficient to upgrade all the clinics.

Namibia currently has about 322 clinics and 56 healthcare centres.

"At this point in time, we are putting together a list of what exactly we need so that when we approach private entities, we can list the needs and say 'If you can partner with us to do five facilities at a time, we can then make sure that, while we're not solving everything at once, we're tackling it once piece at a time'," she said.

She revealed that an internal memo has gone out, in which she directed the ministry's head of primary healthcare to create a list of the needs of all clinics throughout the entire country.

"Because when we upgrade from a clinic to a healthcare centre, there are construction needs, as well as equipment, and human resource needs. The clinics are different, some are more advanced than others, so the needs are different. The list will speak to what we need to do to upgrade those clinics to healthcare facilities," the Minister said.

She underscored the need to upgrade the nation's clinics, which would accelerate the ministry's efforts to decentralise healthcare services in the country and to reduce the burden placed on district hospitals.

According to the ministry, about 85% of Namibians rely on public health services.

Namibia to add 93MW in renewables, cutting power imports

The Electricity Control Board (ECB) says Namibia is expected to add 93 megawatts (MW) of new electricity generation capacity online in the 2025/2026 financial period, significantly reducing its dependence on imported power.

The new capacity will primarily be sourced from renewable energy, introduced through the Modified Single Buyer (MSB) model.

"There are currently

seven solar PV plants with a combined 28MW operating under the MSB model. The additional 93MW to come online next year will significantly reduce reliance on imports," said ECB Chief Executive Officer (CEO) Robert Kahimise.

The ECB has issued 79 electricity generation licenses to date, excluding standby generators. Of these, 41 are operational and 38 remain under development.

Kahimise said two new plants, the Anixas II (58MW, heavy fuel oil) and Khan Solar PV (20MW) were added to the grid in the 2024/2025 period to strengthen domestic capacity.

"These plants are among the licensed projects expected to improve local generation and reduce electricity costs in the long term," Kahimise stated.

For the 2025/2026 period, Namibia anticipates that 53% of national electricity demand will be met through local generation, with the remaining 47% supplied via regional imports.

The CEO noted that the Ruacana Hydropower Plant remains the country's main generation asset, though its performance is dependent on the water levels of the Kunene River. Hydropower from Ruacana is relatively cost-effective compared to other sources.

"Less generation at Ruacana typically results in increased imports or the use of more expensive domestic alternatives," Kahimise warned.

During the 2023/2024 financial period, Ruacana achieved one of its best production years in recent history, generating 2,067 gigawatt-hours (GWh) due to favourable water management and river flow conditions.

"Ruacana's performance last year was one of the best in recent memory, helping to stabilise the cost of electricity," said Kahimise.

To accelerate progress, the ECB called on remaining license holders to commission their projects without further delay, emphasising the impact on national energy prices.

"We hope that licensees who have not yet commissioned their plants will do so soon; this will positively impact end-consumer electricity prices," Kahimise said.

The MSB model, unique to Namibia, allows private generators and eligible customers to transact electricity directly. It is seen as a cornerstone in creating a competitive and diversified electricity market.

- www.miningandenergy.com.na

Bachmus launches first Caltex-branded service station in Namibia

Bachmus Oil and Fuel Supplies has officially launched its first Caltex-branded service station in Namibia, marking the return of the internationally recognised fuel brand to the country.

The rebranded service station will operate under the Caltex banner following a partnership between Bachmus and Chevron Brands International LLC.

"This is a proud and historic moment for Bachmus. The Caltex brand holds a special place in the hearts of Namibians, and we are honoured to lead its return — not just as a symbol, but as a promise of consistent quality, superior service, and local empowerment. This is just the beginning of our retail journey, and we are excited to roll out more Caltex-branded service stations across Namibia,"said Corne Schalkwyk, Managing Director of Bachmus.

Danielle Lincoln, Vice President of Chevron International Products, emphasised Chevron's long-term commitment to the Namibian market.

"We are proud to partner with Bachmus in bringing the Caltex brand back to Namibia. Chevron is committed to deliver superior quality and reliable energy solutions to Namibian motorists. By leveraging the strength of the Caltex brand, our objective is to position Caltex as a leading and trusted name in fuel solutions within the region," she said.

"We believe Bachmus is the right partner to carry this legacy forward."

Bachmus said it plans to expand its footprint across the country with additional Caltex-branded service stations in the near future.

- www.miningandenergy.com.na

The meaning of business turnaround for Namibian businesses

By Christof Steenkamp

"Business turnaround is crucial in stabilising financially distressed companies and preventing closures.

As Namibia continues developing its approach to business turnaround, businesses and financial institutions need to take proactive steps to strengthen financial resilience. By implementing effective strategies, struggling businesses can recover, rebuild, and contribute to the country's long-term economic stability.

Business turnaround is crucial in stabilising financially distressed companies and preventing closures. Banks and financial institutions are key in identifying financial challenges early and working alongside businesses to restore stability. While Namibia does not yet have formal business turnaround legislation, some financial institutions, including Bank Windhoek, have introduced structured support systems to assist businesses facing financial difficulties.

At Bank Windhoek, we recognise the importance of business turnaround in sustaining economic growth. Through our structured approach, we aim to help businesses navigate financial distress and regain stability. This initiative protects jobs and livelihoods and strengthens Namibia's business sector. This article explains the fundamentals of business turnaround and how it benefits businesses in Namibia.

Recognising the Signs of Financial Distress

Most businesses face financial challenges at some point, which may manifest as missed loan payments, declining revenue, or difficulty covering everyday operational costs. If left unaddressed, these issues can escalate into more serious financial distress. Business turnaround aims to identify these warning signs early and take corrective action before a company reaches a critical stage.

Business turnaround aims to detect these warning signs early and take corrective action before a company reaches a critical stage. Banks and financial institutions monitor indicators such as:

- Missed or Irregular Loan Payments: Frequent delays or missed repayments signal potential cash flow problems.
- Declining Revenue Trends: A consistent drop in sales or income may indicate operational challenges or market downturns.
- Cash Flow Struggles: Difficulty in covering everyday expenses, such as salaries, rent, and supplier payments, suggests liquidity issues.
- Increased Debt Levels: A growing debt burden without a clear repayment plan raises concerns about financial sustainability.
- Reduced Profit Margins: A steady decline in profitability can point to inefficiencies, rising costs, or competitive pressures.
- Excessive Reliance on Overdrafts or

Short-Term Loans: Dependence on short-term financing to cover ongoing expenses may indicate deeper financial trouble.

• Delayed Financial Reporting: Late submission of financial statements or tax filings may indicate disorganisation or financial distress.

• Outstanding Obligations to NAMRA: Falling behind on tax payments or entering into repeated payment arrangements with tax authorities may signal worsening financial pressure and potential regulatory consequences.

How Business Turnaround Works

Once financial strain becomes clear, a recovery-focused process begins. The aim is to help the business regain control of its finances and remain operational. This process generally includes:

• Understanding the Situation: The business's financial and operational challenges are reviewed to clearly identify what needs to be addressed.

• Planning the Response – Based on the review, a recovery plan is developed. This approach may involve adjusting how the business manages its income and expenses, revisiting its financial commitments, or reconsidering allocating resources.

• Taking Action—The plan is implemented, and progress is tracked regularly to determine what's working and where adjustments might be needed.

The business remains actively involved throughout the process and is encouraged to stay committed to the agreed changes. The goal is to improve its financial position and protect its future.

The Role of Business Owners in the Process

A successful business turnaround relies heavily on business owners' commitment and active participation.

While banks and financial institutions provide support, the responsibility to drive recovery ultimately rests with the business itself. While banks offer support, business owners must:

• fully cooperate by sharing accurate financial information and ensuring that decisions are based on a clear understanding of the company's situation.

• Follow the agreed-upon recovery plan and making necessary adjustments as circumstances change is essential to staying on track.

• Open communication is also crucial—business owners should proactively discuss any challenges that arise to allow for timely interventions.

Christof Steenkamp is Bank Windhoek's Business Turnaround Specialist

April inflation rises to 3.6%, driven by food and housing costs

Namibia's annual inflation rate rose to 3.6% in April 2025, primarily fuelled by increases in food and housing-related costs, the Namibia Statistics Agency (NSA) has reported.

According to the NSA, the main drivers of inflation during the month were the categories 'Food and Non-Alcoholic Beverages' and 'Housing, Water, Electricity, Gas and Other Fuels', contributing 1.1 and 1.0 percentage points to the overall inflation rate, respectively. 'Alcoholic Beverages and Tobacco' was the third largest contributor, adding 0.7 percentage points.

On a monthly basis, inflation edged up by 0.2% in April, a slowdown from the 0.5% recorded in March.

As April marks the start of the 2025/26 financial year, the month's figures also serve as the baseline for fiscal inflation monitoring.

The 'Food and Non-Alcoholic Beverages' category, which accounts for 16.5% of the Namibia Consumer Price Index (NCPI) basket, registered an annual inflation rate of 5.6% in April, up from 4.9% in the same month last year.

However, its monthly rate remained flat at 0.0%, down from 0.3% in March.

Meanwhile, the ‘Alcoholic Beverages and Tobacco’ category—comprising 12.6% of the basket—posted an annual inflation rate of 4.9%, significantly lower than the 7.3% recorded in April 2024.

On a monthly basis, inflation in this group declined to 0.5% from 1.6% the previous month.

Housing-related costs, which make up 28.4% of the consumer basket, showed an annual inflation rate of 4.1%, compared to 3.6% a year earlier.

The monthly rate increased slightly to 0.3%, up from 0.2% in March.

The NSA also highlighted notable annual inflation rates in several categories: ‘Hotels, Cafés, and Restaurants’ rose by 6.3%, ‘Recreation and Culture’ by 4.6%, and ‘Food and Non-Alcoholic Beverages’ by 5.6%.

In contrast, the ‘Transport’ category experienced a rare deflation, with an annual rate of -0.3%, reversing sharply from the 5.9% increase recorded in April 2024.

“The decline was mainly due to a drop in the cost of operating personal transport equipment—from 7.0% to -1.8%—and vehicle purchases, which decreased from 6.3% to 3.2%,” the NSA stated. Month-on-month, transport inflation eased to 0.9%, from 1.2% in March.

Regionally, Zone 3—comprising //Kharas, Erongo, Hardap, and Omaheke—recorded the highest year-on-year inflation rate at 4.1%, followed by Zone 1 (northern and north-eastern regions) at 3.7%, and Zone 2 (Khomas) at 3.2%.

The report also noted regional price disparities in everyday goods. In Zone 2, consumers paid the highest price for 750ml of pure sunflower oil at N$33.43, while the lowest price, N$31.95, was recorded in Zone 3. Zone 1 recorded the highest price for 100g Rooibos teabags at N$37.76.

Core inflation—which excludes volatile items such as food and energy—was recorded at 4.0%, surpassing the headline inflation rate.

“These volatile elements typically include food and energy prices, which tend to experience significant price fluctuations due to factors such as weather conditions, geopolitical events, or changes in supply and demand,” the NSA said.

SIMONIS STORM

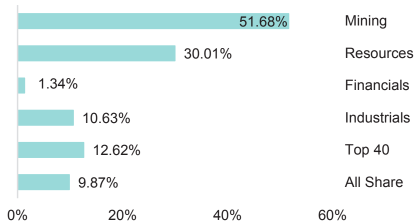
Enriching Generations

FINANCIAL MARKET MONITOR

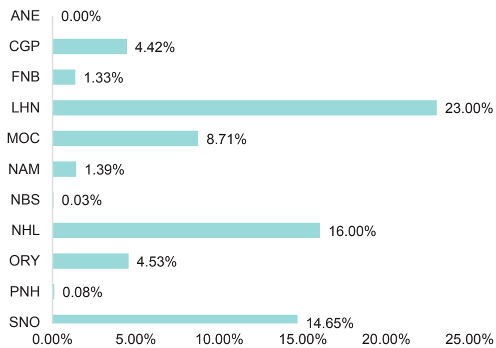
Commodities	
Spot Gold	3244.83
Platinum	990.79
Palladium	953.34
Silver	32.17
Uranium	69.40
Brent Crude	65.81
Iron Ore	93.52
Copper	9550.00
Natural Gas	3.60
Lithium	8.75

Currencies	
USD/ZAR	18.3705
EUR/ZAR	19.2300
GBP/ZAR	24.3599
USD/CNY	7.2056
EUR/USD	1.1162
GBP/USD	1.3261
USD/RUB	80.3203
CPI	3.60%
Repo Rate	6.75%
Prime Rate	10.50%

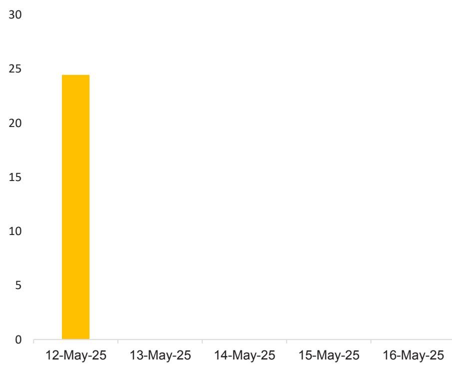
JSE Sectors: Year to Date in %



NSX Local Stocks: Year to Date in %



JSE ALL SHARE VALUE TRADED (ZAR BILLIONS)



Global Indices: Year to Date in %