

BUDGET HIGHLIGHTS

**2026 Namibia Annual
National Budget
Highlights**

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INTELLIGENCE

**From
calculators to
intelligence**

p. 17



PROFIT

**NHE records
N\$22.5m profit
or 2024/25**

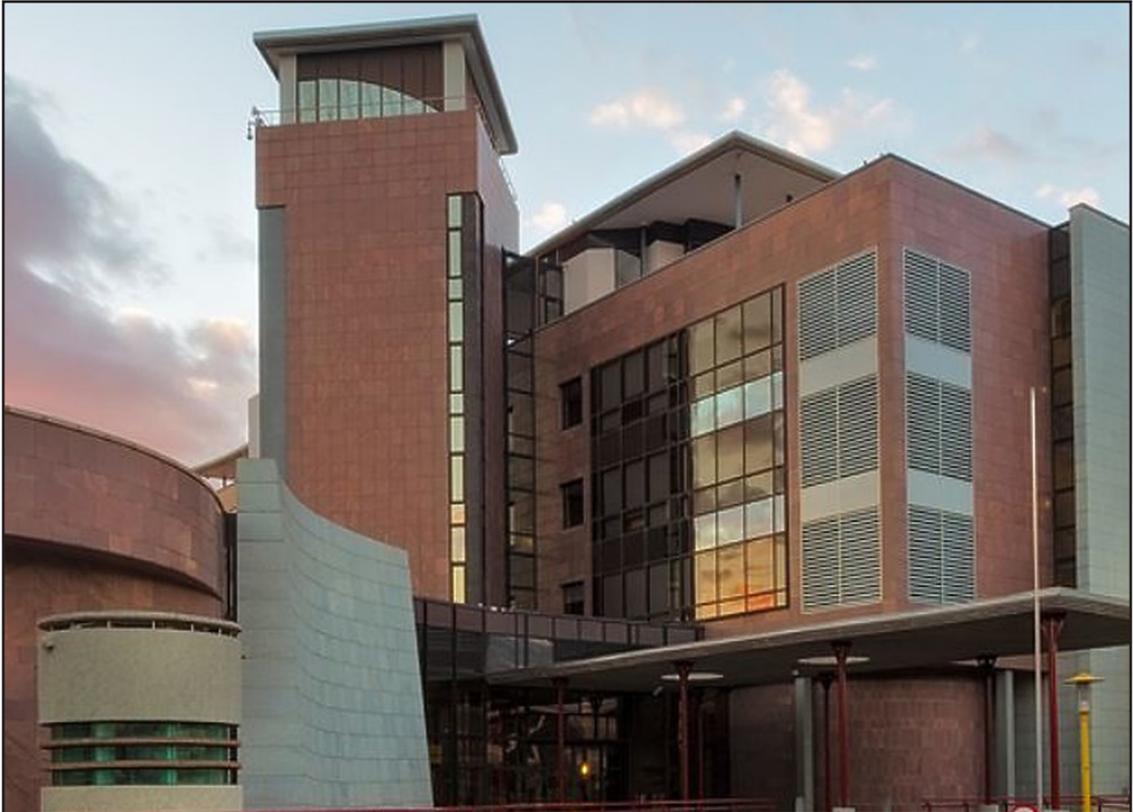
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THE

BRIEF

News Worth Knowing



**Rate cuts to save Namibian
borrowers N\$314m annually**

FRIDAY 27 FEBRUARY 2026

MAIN STORY

Rate cuts to save Namibian borrowers N\$314m annually

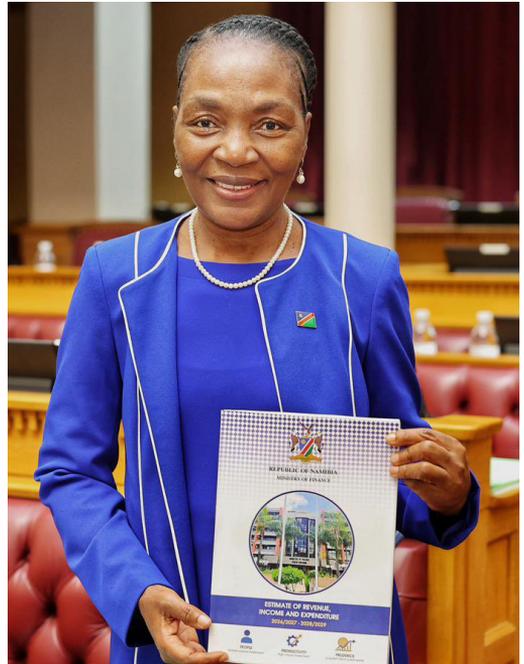
Namibian borrowers are expected to save at least N\$314 million annually following a 25-basis-point reduction in commercial banks' lending rates implemented by December 2025, Finance Minister Ericah Shafudah has revealed.

The adjustment, directed by the Bank of Namibia, narrowed the prime-minus-seven repo spread from 3.75% to 3.50%, lowering borrowing costs for households and businesses across the economy.

"The central bank also mandated a 25-basis-point reduction in commercial banks' lending rates by December 2025, narrowing the Namibian prime-minus-seven repo spread from 3.75% to 3.50%. This initiative offers major benefits to all borrowers, with annual savings of at least N\$314 million," Shafudah said.

The lending rate reduction followed cumulative repo rate cuts of 50 basis points during 2025, which brought the policy rate to 6.50% as authorities sought to support domestic economic activity while maintaining the Namibia dollar's peg to the South African rand.

In February 2026, the Monetary Policy Committee (MPC) kept the repo rate unchanged at 6.50%, adopting a cautious stance amid moderating inflation and weaker economic momentum.



Crucial Dates

- **Bank of Namibia Monetary Policy announcement dates:**
 - * 22 April 2026
 - * 17 June 2026
 - * 12 August 2026
 - * 21 October 2026
 - * 02 December 2026
- **Namibia Oil and Gas Conference 18–21 August 2026 in Windhoek**

This initiative offers major benefits to all borrowers, with annual savings of at least N\$314 million.

The Bank of Namibia adjusts the repo rate to influence lending conditions, stimulate economic activity and safeguard external stability under the currency peg arrangement.

Simonis Storm Research said monetary policy is expected to remain cautiously supportive in 2026 following the easing cycle of the past two years.

“With inflation pressures largely contained and domestic demand recovering unevenly, the Bank of Namibia is likely to maintain a measured, data-dependent policy stance, balancing growth support against the need to preserve external stability and the currency peg,” the firm said.

The research house expects limited scope for additional easing, projecting at most two further 25-basis-point rate cuts in 2026, conditional on inflation remaining within target and the interest rate differential with South Africa remaining appropriate.

Under this scenario, the repo rate is likely to average between 6.00% and 6.25% in 2026, implying positive real interest rates in an

environment of low to mid-single-digit inflation.

Simonis Storm cautioned that although borrowing costs are now lower than during the 2023–2024 tightening phase, monetary policy alone is unlikely to drive a broad-based increase in demand given high unemployment levels and constrained household balance sheets.

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Deloitte.**Deloitte & Cirrus****Namibian National Budget in Focus**

Join us for an in-depth analysis of Namibia's National Budget for FY2026/2027, as we unpack the fiscal realities, proposed tax and economic policy announcements, and what these mean for the Namibian economy.

Join us online**3 March 2026
08:00am***In Media Partnership with***THE
BR/EF**
News Worth Knowing



FirstRand Namibia profit rises 15% to N\$1.066bn in six months

FirstRand Namibia reported profit before tax of N\$1.497 billion for the six months ended 31 December 2025, as headline earnings rose 15.3% year on year to N\$1.066 billion.

The group said the interim performance was underpinned by disciplined balance sheet optimisation and improved margin management in a moderating interest rate environment. Basic headline earnings per share increased to 399.3 cents, while return on equity strengthened to 30.2%.

Despite a 2.6% decline in total assets, profitability improved, with the group

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Junior Balano Industrial Consultants cc hereby gives notice to all potentially interested and Affected Parties (I&APs) that an application will be made to Environmental Commissioner in terms of the Environmental Management Act (No 7 of 2007) and the Environmental Impact Assessment Regulations (GN 30 of 6 February 2012) for the following activity:

PROJECT DESCRIPTION: Proposed development and operation of a Desalination plant in Walvis Bay

PROJECT LOCATION: Eastern side of the town boundaries of Walvis Bay, in the vicinity of Walvis Bay Airport and the Military base at Rooibok on state land

PROPONENT: Southern Africa Desalination (Pty) Ltd

I&APs are invited to register with the consultant and give their comments and concerns in writing.

Kindly take note of the following:

PUBLIC MEETING
 Date: Friday 6 March 2026
 Venue: Protea Felician Bay Hotel, Walvis Bay
 Time: 14h00 – 17h00

To register or request for documents please submit your name, contact information and interest in the project in writing to:

Mr Nghiyohwa, Fredrich
 Tel: +264 (0) 81 147 2029 /0812095996
 Email: lynne@2026@juniorbalano.com

junior balano
INDUSTRIAL CONSULTANTS

FirstRand Namibia: H1 2025 Financial Performance Highlights

Profitability & Shareholder Returns

N\$1.066 Billion Headline Earnings

15.3%
YoY Growth
Representing a robust year-on-year growth in profit.

30.2%
Return on Equity
Profitability improved significantly through operational efficiency and margin expansion.

221.77 Cents Dividend Declared
The interim dividend reflects a strong capital position with a 20.3% adequacy ratio.

Net Interest Margin **6.3%** Up from 5.4%

Cost-to-Income Ratio **47.4%** Remained below 50% target

Basic Headline EPS **399.3 cents** Increased from prior period

Strategic Drivers & Credit Quality



6.6% Growth in Advances
Total advances rose to N\$41.9 billion, supported primarily by corporate and term lending.

noting that earnings growth was driven by operational efficiency and margin expansion rather than balance sheet growth.

“Earnings growth in the period was achieved through structural funding realignment, credit cost normalisation and measured asset expansion, not through cyclical excess or temporary windfall gains,” the group said.

Interest income declined 7.2% to N\$2.847 billion. However, net interest income rose 11.2% to N\$1.841 billion, lifting the net interest margin to 6.3% from 5.4%. This was largely attributed to a 28.8% reduction in interest expenses following a shift away from higher-cost institutional funding.

Franchise deposits, including current,

savings and call accounts, increased 9.4%, while institutional funding declined 26.7%, resulting in overall deposit growth of 4.0%. The improved funding mix strengthened structural margin resilience during the rate-cutting cycle.

“The reduction in wholesale funding and pivot towards lower-cost franchise deposits enhanced margin resilience and reduced reliance on volatile funding sources,” the group said.

Credit quality improved during the period, with impairments declining to N\$173 million from N\$263 million. The credit loss ratio moderated to 0.4%, while the non-performing loan ratio improved to 4.3% from 6.0%.

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THE BRIEF
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Loan growth of 6.6% increased advances to N\$41.9 billion, supported mainly by corporate and term lending. The group cautioned that while corporate exposures support relationship-based growth, they require careful monitoring amid softer macroeconomic conditions.

“Credit metrics reflect stabilisation supported by disciplined underwriting and proactive portfolio management,” it said.

Non-interest revenue increased 3.9% to N\$1.396 billion, driven by higher transaction volumes and growth in card commissions. However, its contribution to total income eased to 45.6% as net interest income expanded at a faster rate.

Operating expenses rose 10.4% to N\$1.536 billion, largely due to a 10.6% increase in staff costs and continued investment in digital platforms, compliance and analytics capabilities. The cost-to-income ratio edged up to 47.4%, remaining below the 50% threshold.

“The group continues to prioritise operational efficiency and disciplined cost management to sustain positive operating leverage,” it said.

Capitalisation remained robust, with a total capital adequacy ratio of 20.3% and a common equity tier 1 (CET1) ratio of 18.2%. An interim dividend of 221.77 cents per share was declared, representing dividend cover of 1.8 times, at the upper end of the group’s stated target range.

FirstRand Namibia said while the first-half performance benefited from funding optimisation and credit normalisation, growth in the second half of the financial year is expected to moderate as the effects of rate cuts filter through and base effects normalise.

FirstRand Namibia is the holding company of FNB Namibia, RMB Namibia, WesBank Namibia, Ashburton Investments Namibia, Pointbreak Wealth Management and FNB Short-Term Insurance.



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BoN to commence pilot of Instant Payment System

The Bank of Namibia (BoN) will begin piloting Namibia's long-awaited Instant Payment System (IPS) in the coming weeks, starting with currently banked social grant beneficiaries, as

government moves closer to phasing out cash-based disbursements.

The development follows renewed political backing from Finance Minister Ericah Shafudah during her 2026/27 Budget Speech, where she reaffirmed government's commitment to implementing the country's first real-time digital payments platform.

The system will initially focus on Government-to-Person (G2P) payments and is expected to transform how social grants are distributed.

In her address to the National Assembly on Thursday, Shafudah confirmed that social grants currently paid in cash would gradually transition to digital channels under the new framework.

She said the initiative aims to improve

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PROJECT DESCRIPTION: Proposed development and operation of a Sodium Potash plant in Walvis Bay

PROJECT LOCATION: Eastern side of the town boundaries of Walvis Bay, in the vicinity of Walvis Bay Airport and the Military base at Rooikop on state land

PROPONENT: Southern Africa Potash (Pty) Ltd

IAPs are invited to register with the consultant and give their comments and concerns in writing.

Kindly take note of the following:

PUBLIC MEETING
Date: Friday 4 March 2024
Venue: Protea Pelican Bay Hotel, Walvis Bay
Time: 14h00 – 17h00

To register or request for documents please submit your name, contact information and interest in the project, in writing to:

Mr Ngyholwa, Fredrich
Tel: +264 (0) 81 147 2029 /0812095996
Email: juniorbaiano@gmail.com

LEGEND

- Proposed Plant
- Proposed Road
- Proposed Water
- Proposed Sewer
- Proposed Stormwater
- Proposed Electricity
- Proposed Gas
- Proposed Potash
- Proposed Infrastructure
- Proposed Other Infrastructure

Map Information: Scale: 1:10,000, Date: 2024, Author: Junior Baiano Industrial Consultants cc

Junior baiano
Industrial Consultants cc

efficiency, reduce travel distances and queues for pensioners, and deepen financial inclusion, particularly in rural areas and within the informal economy.

“The Ministry of Finance, the Bank of Namibia, and payment service providers are working together to improve financial inclusion through affordable digital payment services, focusing on rural communities and the informal sector,” Shafudah told lawmakers.

BoN Governor Ebson Uanguta said the initiative reflects a broader commitment to financial sector transformation and inclusive growth.

“This signifies a commitment by the Bank of Namibia and the financial sector to answer our President’s call for meaningful transformation. With this initiative, we aim to improve the lives of Namibians and offer more convenient, affordable financial services beyond costly brick-and-mortar means,” Uanguta said.

According to Instant Payments Namibia (IPN), a subsidiary of the central bank, system integration with participating institutions has been completed successfully, with user acceptance testing currently underway. The pilot phase will initially involve banked beneficiaries before expanding to pensioners and other recipients who presently

receive grants in cash.

Participating institutions in the first phase include Bank Windhoek, Letshego Bank Namibia, NamPost and the Bank of Namibia’s Currency and Banking Operations Department.

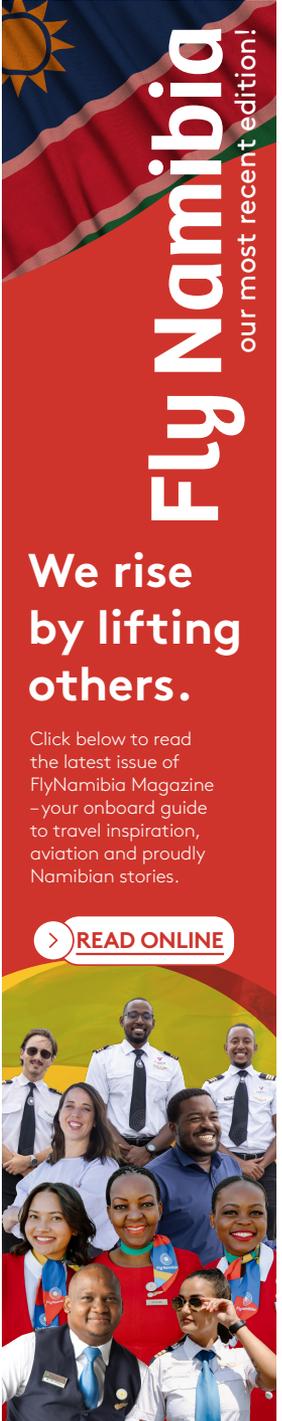
Once fully implemented, beneficiaries will receive funds directly into their bank accounts or mobile wallets after registering through participating institutions.

The project has faced previous delays, having initially been scheduled for rollout in September 2025 before being postponed to the first half of 2026.

Government has since confirmed a revised timeline targeting the third quarter of 2026 for broader implementation, as technical preparations and stakeholder onboarding continue.

The platform is being developed in partnership with NPCI International Payments Limited, the international arm of India’s National Payments Corporation, and is modelled on India’s Unified Payments Interface (UPI) framework.

Authorities say the system will enable 24-hour instant transfers between bank accounts, mobile wallets and other financial platforms, while lowering transaction costs and improving interoperability across Namibia’s financial system.



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2026 Namibia Annual National Budget Highlights

- Economic growth for 2025 was approximately 2.9%, down from 3.3% reported in the mid year budget review.
- The expected inflation for 2025 is around 3.5%, supported by lower global oil and food prices.
- Revenue for the 2026/27 is estimated at N\$89,8 billion and expenditure (excluding debt servicing) is estimated at N\$87.8 billion.
- Debt to GDP ratio climbs to 67.8%
- Total interest payments are estimated to be N\$16.2 billion in FY2026/27, rising from N\$14.3 billion in FY2025/26
- SACU receipts are estimated to be more than initially anticipated and is expected to come in around N\$24.3 billion (before adjustments).
- N\$1.7billion has been budgeted to enhance salary structures of civil servants and implementation is set to play out over a two year period with a large number of employees receiving a 5% base salary increase.

Tax policy proposals

Capital allowances in terms of the Income Tax Act will be reviewed to better align depreciation rates with business



and investment growth, particularly to accommodate the assessed loss limitation rules introduced in 2024.

Updating of income tax brackets and tax thresholds for individual taxpayers to account for inflationary adjustments and improve fairness.

Review and update the Special Economic Zone tax regime to provide for incentives that will ensure compliance with international regulations.

Amendment of the Petroleum Taxation Act of Namibia to reflect new developments in the expanding industry.

Amendments to the VAT Act to bolster priority sectors

(e.g. agriculture input imports and the creative industry)

Introduction of e-invoicing and modernising the VAT Act to improve clarity on legislative interpretation. The VAT zero rating provisions may also be revised to look at the "Zero-rate" basket

Introduction of a Corporate Social Responsibility contribution tax incentive.

Taxation of international sporting events will be a new focus to ensure that the taxation and revenue collection therefrom is

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PROJECT DESCRIPTION: Proposed development and operation of a Chlor-Alkali plant in Walvis Bay

PROJECT LOCATION: Eastern side of the town boundaries of Walvis Bay, in the vicinity of Walvis Bay Airport and the Military base at Rooikop on state land

PROFONENT: Southern Africa Chlor-Alkali (Pty) Ltd

IAPs are invited to register with the consultant and give their comments and concerns in writing.

Kindly take note of the following:

PUBLIC MEETING
Date: Friday 4 March 2024
Venue: Protea - Pelican Bay Hotel, Walvis Bay
Time: 14h00 – 17h00

To register or request for documents please submit your name, contact information and interest in the project, in writing to:

Mr Nghyolwa, Fredrich
Tel: +264 (0) 81 147 2029 /0812095996
Email: juniorbaiano@gmail.com

CHLOR-ALKALI PLANT WILVIS BAY

LEGEND

- 100m
- 200m
- 300m
- 400m
- 500m
- 600m
- 700m
- 800m
- 900m
- 1000m

Scale: 1:5000

North Arrow

Junior Baiano Industrial Consultants

streamlined, and incentives and simplicity work together to ensure revenue is collected without hampering the promotion of tourism and investment.

Introduction of group relief legislation specifically in the property industry that will allow for restructuring (including mergers and acquisitions) to happen on a tax-neutral basis.

A mandatory disclosure regime is to be introduced regarding aggressive tax planning structures to align with BEPS Action Point 12. This will enable Namibia to quickly respond to tax risks, as such information will be available early.

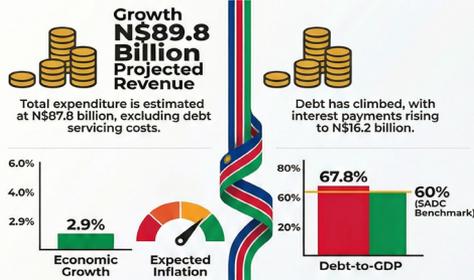
Introduce anti-avoidance measures for hybrid arrangements that erode the Namibian tax base.

Update the taxation of fringe benefits to reflect current compensation practices, provide guidance on the balance between cash and non-cash remuneration, and strengthen compliance (i.e reviewing benefits such as car allowances)

Explore additional levies in the fishing industry where the average corporate tax

Namibia 2026 Budget: Fiscal Horizons & Legislative Roadmap

2026 FISCAL OUTLOOK & EXPENDITURE



N\$1.7 Billion Civil Service Investment

Funds are allocated for a two-year salary structure enhancement for civil servants.

2026 MILESTONE TIMELINE



The Business Banking Masterclass

Business Planning & Strategy

rates are below average

Important announcements

The Namibia Investment Promotion and Facilitation Bill has been open for public consultation and is currently under detailed review to ensure investment promotion and facilitation is adhered to and aligned to international best practices.

The National Equitable Economic Empowerment Framework (NEEEF) is bound to surface again and public consultations will commence on 2 March

2026 facilitated by the Office of the Prime Minister

The Special Economic Zones (SEZ) regime is a key part of future industrial growth. The SEZ Bill is currently under legal review and will be presented in Parliament later in the year

The Income Tax Amendment Bill is currently under legal review and is set to be presented in Parliament during the second quarter of 2026.

Government is committed to restore a positive primary fiscal balance and in this way gradually bring the debt-to-GDP ratio down to the SADC benchmark of 60% debt to GDP ratio.

The National Housing Enterprise has secured N\$1.5billion in funding to facilitate the expansion of housing development projects by delivering around 2,300 houses over the medium term.

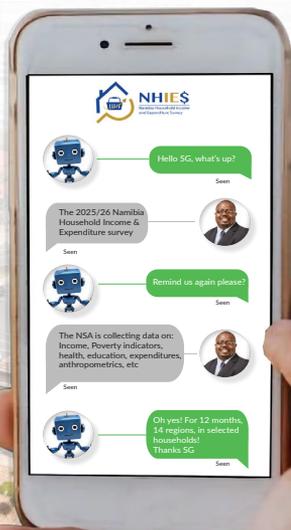
Fuel levy revenue collected will be allocated to the Road Fund Administration to finance construction and the rehabilitation of important road infrastructure. This is estimated to be in the region of N\$2.4billion

Tax refunds of totalling N\$9.8billion has been processed over the last 11 months. NAMRA is aiming to improve operational efficiencies to reduce refund turnaround times.

No extension will be granted on the current tax amnesty programme and this initiative will finish on 31 October 2026.



Hello Namibia



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Focus on improving, not proving

By Junias Erasmus

In professional life, many people spend an extraordinary amount of energy trying to prove themselves.

They want to prove they are competent. Prove they are intelligent. Prove they deserve their position. Prove they are better than others.

While ambition is healthy, a mindset centred on proving can quietly become a trap and unhealthy. The more powerful and sustainable approach is to focus on improving.

When the goal is to prove, the focus shifts outward. We measure ourselves constantly against colleagues. We defend our ideas instead of refining them. We resist (Constructive) feedback because it feels like a threat to our image.

We aim to win arguments rather than learn from them. In this mode, growth slows down because ego becomes more important than development and learning.

Improvement, on the other hand, is inward and progressive. It asks a different question: "How can I be better today than I was yesterday?" This shift changes everything.

Feedback becomes valuable rather than uncomfortable. Mistakes become lessons rather than embarrassments. Colleagues become partners in growth rather than competitors to outperform.

In many workplaces, the pressure to prove oneself is intense. Professionals feel they must always appear confident, decisive, and flawless. However, the most respected leaders are not those who pretend to know everything; they are those who demonstrate a consistent commitment to learning.

They ask questions. They admit gaps and



Professionals feel they must always appear confident, decisive, and flawless.

accept corrections. They seek advice. Their credibility is built not on perfection, but on progress.

Focusing on improvement strengthens competence in a measurable way. Skills sharpen. Knowledge deepens. Communication becomes clearer. Over time, results begin to speak louder than self promotion ever could. When you are committed to growth, you do not need to constantly announce your value. Your work reflects it.

There is also a psychological advantage. Trying to prove yourself is exhausting. It creates anxiety because validation depends on external approval. Improvement, however, is self-driven.

It gives you control over your progress. You may not control promotions, recognition, or office politics, but you can control your effort, your discipline, and your willingness to grow.

This principle is especially important in leadership. Leaders who focus on proving their authority often rely on status and position. They may dominate discussions or resist opposing views.

In contrast, leaders who focus on improving build trust. They create safe spaces for dialogue. They encourage new ideas. They model humility. Their authority is strengthened because it is grounded in competence and integrity.

Improvement also promotes resilience. When you are proving, failure feels like exposure. When you are improving, failure becomes information. It shows you where to adjust. It highlights areas for development. Instead of damaging confidence, it refines performance.

This does not mean ambition should disappear. It means ambition should be anchored in mastery rather than comparison. The goal should not be to appear successful, but to become capable. The emphasis should not be on being seen as excellent, but on consistently building excellence.

In competitive environments, comparison is natural. However, growth is not a race. Each professional journey is unique. When you focus on proving, you chase external

validation. When you focus on improving, you build value. One depends on perception, the other produces substance.

At a practical level, focusing on improvement requires discipline. It means setting clear development goals. It means seeking constructive criticism. It means reading more, practising more, and reflecting more. It means asking yourself regularly: "What can I refine? What can I strengthen? What can I learn next?"

Over time, this mindset transforms careers. Colleagues begin to trust your consistency. Superiors recognise your maturity. Opportunities arise not because you demanded them, but because you demonstrated readiness beyond reasonable doubt. Proving is temporary. Improvement is permanent. Proving seeks applause and attention. Improvement builds ability. Proving competes for attention. Improvement creates real positive impact. Choose growth over ego. Choose progress over pride. Choose substance over appearance. Focus on improving and you will never need to prove.

** Junias Erasmus is a Financial Sector Professional and an Artificial Intelligence Expert, serving on the AI Skills Development Advisory Committee. He is a Management Scientist and Operational Researcher, a Strategic Scholar, and a Motivational Speaker. This article is written in his personal capacity. For enquiries, he may be contacted at Junias99@gmail.com.*

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Namibia's financing needs to rise 32% to N\$19.2bn in 2026/27

Namibia's total government financing requirement, the amount the State must borrow to cover its budget deficit and maturing debt obligations, is projected to rise by 32% to N\$19.2 billion in the 2026/27 financial year, up from N\$14.5 billion in 2025/26.

Finance Minister Ericah B. Shafudah told the National Assembly on Thursday that the financing requirement is expected to peak in 2026/27 before easing over the medium term as fiscal consolidation gains traction.

The requirement is projected to decline to N\$12.9 billion in 2027/28 and further to N\$10.6 billion in 2028/29, in line with a narrowing budget deficit from 5.5% of gross domestic product (GDP) to 3.3% over

the Medium-Term Expenditure Framework period.

The projected increase follows a marginal rise in the gross financing requirement from N\$14.4 billion in 2024/25 to N\$14.5 billion in 2025/26.

“As of January 2026, total government debt stood at N\$174.5 billion, equivalent to 65.2% of GDP. The debt portfolio is now 88% domestic and 12% foreign, reflecting a strategic shift towards domestic financing,” Shafudah said.

Total public debt is expected to increase further to N\$217.3 billion by 2028/29, with domestic borrowing continuing to account for the majority of the portfolio.

Interest payments are also set to rise, increasing from N\$14.3 billion in 2025/26 to N\$16.2 billion in 2026/27. This



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Namibia's Fiscal Horizon: Navigating the 2026/27 Financing Peak

Namibia faces a strategic 'peak' in its financing needs for the 2026/27 financial year, driven by debt obligations and budget deficits. The government is implementing a fiscal consolidation plan to reduce borrowing and modernize debt management through 2029.



will represent 18.1% of total revenue before stabilising at around 17.8% in subsequent years.

“These figures highlight the importance of effective debt management to reduce interest costs and support development priorities,” the Minister said.

While foreign debt remains moderate, government intends to maintain some external borrowing to diversify funding sources. At the same time, government guarantees supporting strategic investments are projected to rise from N\$7.6 billion in 2025/26 to N\$11.8 billion in 2026/27, equivalent to between 2.8% and 4.3% of GDP over the MTEF period.

To strengthen public debt oversight, Shafudah said the Ministry has begun implementing the Commonwealth Meridian debt management system to improve efficiency, transparency and reporting.

Government also plans to expand the use of blended finance, public-private partnerships and greater private sector participation to deliver major infrastructure projects while preserving fiscal space. Operational

expenditure for 2026/27 is estimated at N\$81.3 billion, an increase of N\$746 million from the revised preliminary outturn for 2025/26. The Minister said this was achieved through targeted cost management measures, which identified N\$2.3 billion in savings across ministries and repurposed one-off expenditures towards priority projects.

Meanwhile, Namibia’s external buffers have come under pressure. The Bank of Namibia’s international reserves declined to N\$51.6 billion at the end of December 2025, down from N\$63.0 billion a year earlier.

“This decline was mainly due to foreign debt repayments by the Government, including the Eurobond redemption, along with lower SACU receipts and net ZAR outflows from banks, compounded by the strengthening of the NAD/ZAR against major currencies,” Shafudah said.

The rising financing requirement and higher interest burden underscore the delicate balance government faces between funding development priorities and maintaining debt sustainability as fiscal consolidation efforts continue.

From calculators to intelligence: How AI can transform banking in Namibia

By Stantin Siebritz

Admit it: even for those of us immersed in the world of artificial intelligence, the pace has become exhausting.

In this industry, one is expected to remain perpetually energised—constantly celebrating the latest breakthrough, applauding every increment of “state-of-the-art” progress, and behaving as though we have front-row seats to the future.

Yet behind the public enthusiasm lies a quieter truth: the speed is no longer exhilarating. It is overwhelming. And so, in a profession built on momentum, I did something uncharacteristically unglamorous. I paused, took a breath, and let the noise settle.

Part of the exhaustion stems from the way AI development has broken away from the traditional discipline of software engineering. For generations, developers were guided by a philosophy of rigour: test, validate, iterate, repeat. Progress was measured by incremental versioning—1.0.12, 1.0.13, 1.0.14—each step deliberate and justified.

Alpha, beta, stable release; a reliable rhythm that echoed everything from conventional software lifecycles to structured performance testing in fields such as motorsport. Watching Ferrari approach its 2026 Formula One season through methodical iteration felt like a rare reminder that disciplined engineering still has a place in modern technology.

AI, however, refuses to follow this cadence. You go to sleep confident that the world is still exploring Model 5.1, and by morning 5.3 has quietly appeared. No



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announcement, no structured rollout, simply an abrupt declaration that a new frontier has arrived. Before we can begin mapping out threat models, evaluating capabilities or understanding risks, the next update has already landed.

The cycle is relentless, and it leaves little room for the diligence that should accompany technologies with such profound societal implications.

This lack of pause is becoming increasingly problematic, particularly as hype continues to outpace safety. In recent months, the global community has witnessed breathless excitement around autonomous agents like clawdbot, moltbot and openclaw—systems with deep access to personal devices.

The collective reaction bordered on euphoria, as though a long lost technological treasure had been unearthed. Yet within days, serious security vulnerabilities surfaced, exposing glaring risks that early adopters had no time to anticipate. Enthusiasm, it seems, too often outruns responsibility.

For individuals, that risk is personal and voluntary. For organisations—particularly those handling sensitive financial data—the implications are far more serious. Across the world, banks and large corporations are rushing to equip their employees with AI copilots in the pursuit of productivity gains and competitive advantage.

In theory, the business case is strong. In practice, the governance landscape is incomplete. Namibia's cyber security bill is only now coming into force, while the data protection bill and national AI strategy are still being developed.

This leaves a critical question: to what standards are organisations aligning their AI policies when the regulatory frameworks remain unfinished?

The risks extend further. How will institutions ensure that KYC protocols, data privacy obligations and sovereignty requirements are upheld if AI prompts are processed beyond national borders?

How can any enterprise guarantee that an employee will not inadvertently feed sensitive client information into a generative model? These are not hypothetical concerns—they are real, material risks that need to

be addressed long before widescale adoption becomes the norm.

This, ultimately, is the concern: momentum is overtaking governance. I am a firm believer in technological progress, and my fascination with innovation stretches back to the days of watching Beyond 2000. I remain optimistic about AI's transformative potential. But even the most enthusiastic among us can sense that the tempo is shifting from energising to destabilising.

Perhaps the most responsible—and ultimately the most strategic—approach is not acceleration, but intention. Slow down. Assess. Govern. Then deploy. Establish the guardrails before the technology becomes too embedded to control. If we want AI to drive long term, sustainable progress, we cannot allow hype to design the policies we will later be forced to live with.



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NHE records N\$22.5m profit for 2024/25

The National Housing Enterprise (NHE) has reported a net profit of N\$22.5 million for the 2024/25 financial year, a significant increase from the N\$6 million profit recorded in the previous period.

Speaking at the entity's Annual General Meeting (AGM), NHE Board Chairperson Toska Sem said the improvement in profitability was largely driven by a N\$61 million recapitalisation from the Government of Namibia, which supported the organisation at a time when its core revenue streams came under pressure.

Total revenue declined by 15% to N\$195 million, mainly due to a sharp drop in housing unit sales, which fell from 455 units in 2024 to 231 units in 2025.

"The Enterprise's performance has improved significantly over the past two years, with NHE recording a profit of N\$23 million for the 2025 financial year, compared to N\$6 million in the previous year," Sem said.

She noted, however, that profitability continues to be constrained by rising impairments on advances, which increased from a total provision of N\$149 million in 2024 to N\$164 million in 2025, representing an increase of N\$15 million, or 11%.

Despite these pressures, the NHE's rental portfolio remained a stable contributor to performance, achieving a 97% occupancy rate during the reporting period.

The financial year also saw increased spending aimed at strengthening the organisation's internal capacity. Operating expenses rose by 18% to N\$178 million, up from N\$152 million in the previous financial year.

Key cost drivers included employment expenses, which increased by 17% to N\$95 million as the Enterprise filled critical



executive and vacant positions. Professional fees also rose sharply by 64% to N\$10 million, reflecting investments in the Integrated Strategic Business Plan and a Culture Change Programme.

"Operating expenses increased from N\$152 million recorded in the 2024 financial year to N\$178 million in 2025, representing an increase of N\$27 million, or 18%, from the prior year," Sem said.

The NHE's loan book grew by 3.6% to N\$1.142 billion. While management reported an increase in non-performing loans amid ongoing economic pressures on customers, cash receipts generated from the loan portfolio remained sufficient to cover the Enterprise's day-to-day operational expenses.

"The Enterprise has observed a steady rise in non-performing loans and impairment ratios over the past two years. Continued uncertainty and volatility in the economic environment throughout 2025 have contributed to the deterioration in the quality of the loan portfolio," she said.



Fuel prices unchanged for March despite higher international oil costs

The Ministry of Industries, Mines and Energy has kept fuel pump prices unchanged for March 2026, despite rising international oil prices and under-recoveries recorded in the domestic pricing model.

In a review of fuel prices for the period, the Ministry said international shipping and freight costs declined in February 2026, largely due to easing geopolitical tensions along key transit routes and improved vessel availability in the tanker market.

As congestion in major export corridors normalised, the supply of Very Large Crude Carriers increased relative to demand, lowering charter rates. Reduced bunker fuel prices also helped cut voyage costs.

However, crude oil prices rose during the same period, driven by tightening global supply and stronger-than-expected demand from major consuming economies. Production discipline by OPEC and its allies sustained upward price pressure by limiting additional output, while geopolitical uncertainty in key producing regions added a risk premium to prices.

The US dollar remained relatively weak amid expectations of an expansionary monetary policy stance by the Federal Reserve.

According to the Ministry's calculations, the average price of Petrol 95 for the period 1–23 February 2026 stood at US\$78.67 per barrel, a 5% increase from the January average of US\$74.92.

Diesel prices rose more sharply. Diesel 50ppm averaged US\$88.21 per barrel during the review period, up 9.19% from US\$80.79 in January. Diesel 10ppm averaged US\$88.37 per barrel, reflecting a 9.30% increase from US\$80.85 recorded in the previous month.

The Namibia dollar strengthened against the US dollar during the period under review. From 1 to 23 February 2026, the average exchange rate was N\$16.03 per US dollar, representing a 1.68% appreciation compared to the January average of N\$16.30. The stronger currency helped offset part of the increase in international oil prices.

Based on the fuel pricing model, an over-recovery of 5.04 cents per litre was recorded for ULP95, while under-recoveries of 40.04 cents per litre for Diesel 50ppm and 89.77 cents per litre for Diesel 10ppm were

registered during the period.

The Ministry also confirmed an adjustment to the dealer margin for fuel retailers. Although the margin was increased by 14 cents per litre last month, further consultations with the Fuel and Franchise Association of Namibia identified a residual shortfall of 2 cents per litre.

As a result, the dealer margin will be increased from 236 cents per litre to 238 cents per litre, effective 4 March 2026.

Despite the mixed pricing pressures, the Ministry resolved to maintain current pump prices for March 2026. ULP95 will remain at N\$19.58 per litre, Diesel 50ppm at N\$19.63 per litre, and Diesel 10ppm at N\$19.73 per litre.

The Ministry said it will continue to monitor international oil market developments closely to safeguard domestic price stability.

A milestone worth celebrating. Namibia Mining & Energy has reached 50,000 followers on LinkedIn. Thank you to our readers, partners and industry stakeholders for being part of the journey. Continue to read, share and engage with us as we tell Namibia's mining and energy story.

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