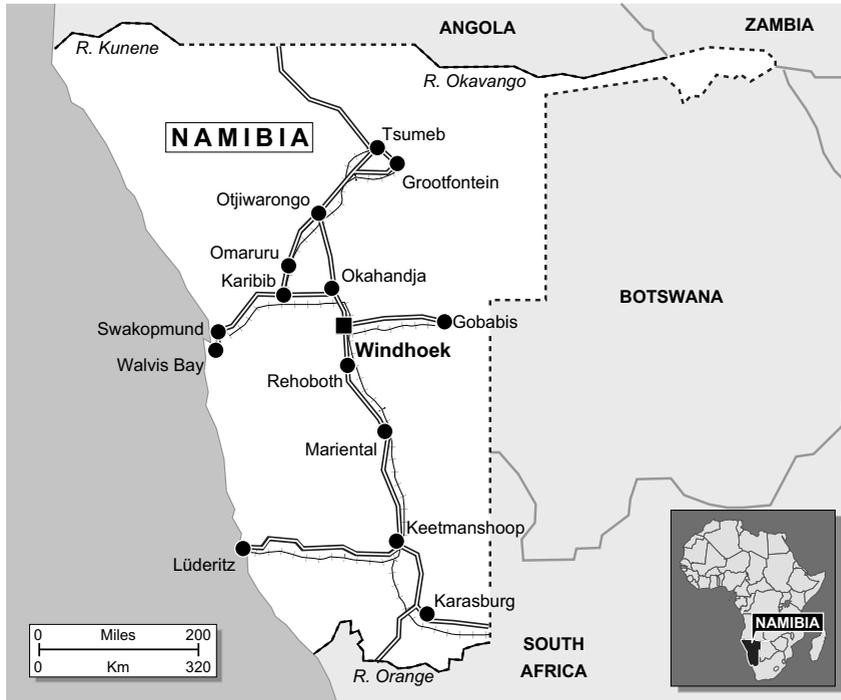


Namibia



Namibia was suffering one of its worst ever droughts in 2013. It was reckoned to be the driest country in sub-Saharan Africa with some 778,000 Namibians at risk of malnutrition – almost one third of the population. A state of emergency was declared in May after crops had failed and the government pledged US\$20 million in relief for the worst hit areas. The drought has been most severe in the north where families have been forced to sell their stock and move south in search of work. The UN’s children agency, Unicef, noted that ‘Against a backdrop of underlying fragility, including pre-existing high levels of food insecurity and maternal and child under-nutrition (29 per cent national stunting) combined with low sanitation coverage (14 per cent in rural areas), children and women are particularly at risk of worsening health and nutrition status given the current drought conditions.’

When he declared the state of emergency, President Pohamba said that ‘It has now been established that climate change is here to stay and humanity must find

ways and means of mitigating its effect.’ Crop production in some areas was expected to decrease by about 50 per cent because of the lack of rain, he added.

Natural resources

Namibia relies heavily on the extraction and utilisation of its abundant natural resources. These include some of the world’s most unusual flora and fauna, as well as minerals. Diamonds and uranium account for the bulk of the country’s total exports. Namibia is also rich in a variety of other minerals, with over 30 different commodities produced from about 40 formal mining operations. Aside from gold and silver, they include base metals such as copper, lead and zinc, as well as industrial minerals such as salt, graphite, marble, fluorspar and limestone. Other minerals found in the country include semi-precious stones, namely rose quartz, amethyst, agate and tourmaline, plus dimension stones such as granite and marble. Huge deposits of iron ore and uranium were recently discovered, and the development of a fourth uranium mine is

KEY FACTS

- Official name:** Republic of Namibia
- Head of State:** President Hifikepunye Pohamba (Swapo) (since 2005; re-elected 28 Nov 2009)
- Head of government:** Prime Minister Hage Geingob (appointed by the President 4 Dec 2012)
- Ruling party:** South West African People’s Organisation (Swapo) (re-elected 16 Nov 2004)
- Area:** 824,269 square km
- Population:** 2.16 million (2012)*
- Capital:** Windhoek
- Official language:** English
- Currency:** Namibian dollar (N\$) = 100 cents; at par with the South African commercial Rand
- Exchange rate:** N\$9.81 per US\$ (Jul 2013)
- GDP per capita:** US\$5,705 (2012)*
- GDP real growth:** 4.04% (2012)*
- GDP:** US\$12.30 billion (2012)*
- Inflation:** 6.70% (2012)*
- Balance of trade:** -US\$1.21 billion (2011)
- Annual FDI:** US\$968.87 million (2011)

* estimated figure

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currently under construction, with production expected to commence in 2015. Further investment in new large-scale uranium projects and the expansion of existing mines are also expected to be carried out in the medium term, subject to improvements in uranium prices. It is also thought that Namibia has large deposits of oil, natural gas and coal. Offshore exploration for petroleum is therefore currently underway. Two wells have already been drilled, but they have not led to the discovery of economically viable deposits. Further drilling is planned to commence in the first quarter of 2013. Efforts are also being pursued for the mining of ore to commence by 2016.

The structure of Namibia's economy has changed over the past three decades, records the *African Economic Outlook 2013* (AEO), published jointly by the African Development Bank and the Organisation for Economic Co-operation and Development. The mining sector's contribution to gross domestic product (GDP) was more than 47 per cent in 1978, but it shrunk to about 26 per cent of GDP by the 1980s and 13 per cent by 1991. This was mainly due to the closure of numerous mines, reflecting the decline of mineral prices in the late 1970s and early 1980s. By 2011, the sector's contribution to GDP had fallen to 9.5 per cent, generating N\$8.7 billion (US\$1 billion) of value added. In spite of the decline, mining remains the most important primary industry in Namibia, accounting for nearly 57 per cent of primary industry's 16.7 per cent contribution to GDP in 2011.

Manufacturing contributed 12.1 per cent to GDP in 2011, up from 9.4 per cent in 1991. Manufacturing activities are concentrated in the sub-sectors of food and beverages and the category of other manufacturing (which includes mineral added value). These two activities accounted for 5.3 per cent and 6.1 per cent of GDP, respectively, in 2011. Mineral value added mainly includes the smelting of copper and zinc ore, and the cutting and polishing of rough diamonds.

Agriculture's and the forestry sector's contribution to GDP have been declining, from 9 per cent in 1991 to nearly 4.2 per cent in 2011. This is partly due to unpredictable climatic and soil conditions, which are less suitable for agricultural production. In spite of this, about 35–40 per cent of the population still depends on subsistence agriculture for its livelihood. The share of services in GDP rose significantly up to the period soon after independence in 1990, from an average of about 39 per cent in the 1970s before stabilising at an average of about 56 per cent in the 1990s. The increase can be attributed to the expansion of government services – particularly education and health – during the period leading up to and after independence. Government services account for about 50 per cent of the share of services in GDP.

In spite of the decline in the mining sector's contribution to GDP, the sector has maintained its role as a major contributor to government revenue, mainly through royalties levied on the market value of minerals and the country's exports. In

2011, ores and minerals accounted for nearly 33 per cent of the total exports of goods and services, compared to 52.5 per cent in 1991. Diamonds are Namibia's most significant mineral resource, making up nearly 52 per cent of total mineral exports in 2011, followed by uranium. Manufacturing products contributed 45.6 per cent to Namibia's total exports in 2011 compared to 29.2 per cent in 1991, while agricultural products such as live animals, animal products and crops dropped to 3.9 per cent of total exports from 6.5 per cent during the same period.

Mining's capital-intensive nature and weak linkages with other sectors, as well as its lack of added value, has limited its impact on employment. According to the 2008 National Labor Force Survey, Namibia's labour force amounted to 678 680 persons in 2008, of which less than 3 per cent is employed in the mining sector. Agriculture, however, employs about half of Namibia's labour force in spite of its small size relative to GDP. Furthermore, the Namibian economy still remains dependent upon commodity-driven growth due to its heavy reliance on the mining sector. As such, Namibia remains highly vulnerable to commodity price shocks. The country therefore needs to make further progress in developing stronger engines for growth in order to increase the resilience of its medium-term growth prospects.

Against this background, optimising mineral linkages needs to be a conscious policy in Namibia. The country has potential for large expansion – particularly in secondary industries – through further exploration of mineral added value opportunities, including the identification and development of upstream activities. For instance, only 10 per cent of diamonds mined in Namibia were kept for cutting and polishing by local industry in 2011. Moreover, currently very little value addition is carried out in Namibia with regard to both agricultural and fish products. The government is cognisant of the fact that manufacturing can contribute toward enhancing the Namibian economy's resilience to external shocks and promoting inclusive growth. It has identified specific agents of expansion in the manufacturing sector, including upstream mining products (inputs for mining activity), mineral added value (potentially in copper, diamonds, gold, uranium, zinc and small-scale mining output) and agro- and fish-processing. The government is aware that reaching a high level of growth in manufacturing is possible only if such

KEY INDICATORS

Namibia

	Unit	2008	2009	2010	2011	2012
Population	m	2.06	*2.08	2.14	*2.14	*2.16
Gross domestic product (GDP)	US\$bn	8.80	9.50	11.90	12.50	*12.30
GDP per capita	US\$	4,278	4,543	5,652	5,828	*5,705
GDP real growth	%	3.4	-0.4	6.6	3.6	*4.0
Inflation	%	10.0	9.1	4.2	5.8	*6.7
Industrial output	% change	0.8	-12.4	-57.8	–	–
Agricultural output	% change	-1.3	-3.1	-43.9	–	–
Exports (fob) (goods)	US\$m	3,116.4	3,535.3	4,025.7	4,373.0	–
Imports (fob) (goods)	US\$m	3,833.2	4,518.8	4,914.7	5,585.5	–
Balance of trade	US\$m	-716.9	-983.5	-889.0	-1,212.4	–
Current account	US\$m	44.9	-161.0	-239.1	-584.7	*-196.0
Total reserves minus gold	US\$m	1,292.9	2,050.9	1,695.7	1,820.5	–
*1,745.9						
Foreign exchange	US\$m	1,292.8	1,846.4	1,494.7	1,611.7	*1,737.9
Exchange rate	per US\$	8.26	8.47	7.32	6.89	8.69
* estimated figure						

initiatives are supported and an investment climate is cultivated to enable them to thrive. The government also recognises that the added value of diamonds is restricted by inadequate skills and infrastructure bottlenecks. Initiatives aimed at addressing issues of capacity are being pursued through the ESTIP. The government also recently launched the Human Resource Development Council to address the skills mismatch in the labour market.

Current initiatives to stimulate manufacturing activities include the launching of the Draft Industrial Policy Strategies, which is scheduled for the 2013. The government also intends to undertake an extensive value chain analysis of the goods produced in Namibia. This includes examining the further added value of copper, gold, uranium, zinc and small-scale mining products in order to determine areas where additional value addition can be viably undertaken. The AEO reports there are also plans to increase the supply of rough diamonds for local cutting and polishing factories to increase the current levels of mineral added value. Through suitable support and incentives, the government feels that agro- and fish-processing could also serve as a strategic manufacturing industry for Namibia.

Overview

Namibia’s real gross domestic product (GDP) growth is expected to remain moderate at around 4.7 per cent in 2012, reflecting the strong performance in mining and construction activities and high government spending. The latter has been aimed at cushioning the domestic economy from the severe impact of the global economic downturn and addressing persistently high rates of unemployment, poverty and inequality. The country’s growth prospects for the medium-term remain favourable. GDP growth is projected to remain moderate at about 4.2 per cent per annum in 2013/14 due to the deteriorating prospects for the global economy.

Politics

South-West Africa People’s Organisation (SWAPO) has dominated politics since independence from South Africa in 1990. It has maintained its commanding majority, taking 74.3 per cent of the last parliamentary vote in November 2009. There are no opposition parties that could currently challenge this position. In 2012 71-year-old Hage Geingob was re-elected by SWAPO as the party’s vice-president and, consequently, President Hifikepunye

Pohamba’s heir apparent when he steps down after serving his two-term limit in 2015. A Geingob-led administration will likely be business friendly and will probably avoid more radical policy ideas on the state’s economic role and land reform, with political stability expected to be maintained.

Risk assessment

Politics	Fair
Economy	Fair
Regional stability	Fair

COUNTRY PROFILE

Historical profile

- 1884 Declared a German territory (except Walvis Bay, which was occupied in 1878 by the British).
- 1920 Mandated to South Africa by the League of Nations.
- 1946 There was stalemate when the United Nations (UN) refused to allow South Africa to annex South West Africa (SWA) and South Africa refused to place SWA under UN trusteeship.
- 1958 The Ovamboland People’s Congress, which later became the South West Africa People’s Organisation (Swapo), was created by Herman Toivo Ya Toivo and others in the anti-contract labour movement.
- 1960 The Ovamboland People’s Congress becomes Swapo.
- 1968 South West Africa officially renamed Namibia by UN General Assembly.
- 1966 South Africa introduced apartheid laws, the UN terminated its mandate and Swapo launched an armed struggle for independence.
- 1972 The UN General Assembly recognised Swapo as the ‘sole legitimate representative of Namibian people’.
- 1977 The UN declared South Africa’s decision to annex Walvis Bay as ‘illegal, null and void and an act of colonial expansion’.
- 1985 South Africa established the Transitional Government (TG), an un-elected black majority government consisting of members of six different tribal parties, instructing it to draw up a constitution.
- 1988 South Africa turned down the TG’s constitutional draft but eventually agreed, along with Angola, Cuba, (the then) USSR and USA, Namibian independence in exchange for removal of Cuban troops from Angola.
- 1989 Free and fair elections were held under the auspices of the UN. South Africa withdrew its forces. The Swapo leader, Sam Nujoma, formed a transitional ministerial team.

- 1990 Independence was granted and Nujoma became Namibia’s first president.
- 1994 Walvis Bay and 12 offshore Penguin Islands were formally transferred from South African to Namibian sovereignty. In Namibia’s first post independence presidential and National Assembly elections in December, Swapo and Nujoma defeated the Democratic Turnhalle Alliance party of Mishake Muyongo.
- 1998 Namibia, Angola and Zimbabwe sent troops to the Democratic Republic of Congo to support President Laurent Kabila against rebels.
- 1999 President Sam Nujoma and the ruling Swapo won the presidential and legislative elections.
- 2001 President Nujoma said he would not stand in the 2004 presidential election although he would remain as leader of Swapo until at least 2007.
- 2002 President Sam Nujoma dismissed his prime minister, Hage Geingob and replaced him with Theo-Ben Gurirab, the former foreign minister
- 2003 Flood waters from the Zambezi River affected 10,000 villagers in the eastern Caprivi.
- 2004 Germany expressed regret for the colonial-era killing of tens of thousands of ethnic Hereros. Hifikepunye Lucas Pohamba was chosen by Swapo to run in the presidential election and won with 76.4 per cent of the vote. In National Assembly elections, Swapo won 76.1 per cent of the vote (55 out of 72 seats).
- 2005 President Hifikepunye Pohamba appointed Nahas Angula as prime minister. The ministry of lands and resettlement announced that it would cost N\$3.7 billion (US\$555 million) over 15 years to implement the land reforms proposed by the government. While 33 million hectares of communal land will be converted to small-scale farming, controversially one aspect of the reforms is the expropriation of white farmer-owned lands.
- 2007 A rich deposit of uranium was found in the Erongo region. Sam Nujoma resigned as president of Swapo; he had led the party for 47 years. A joint dam and hydroelectric power station project was agreed between Angola and Namibia. A new political party, the Rally for Democracy and Progress (RDP), was formed.
- 2008 The location of a 500-year-old sunken treasure ship off the coast of Namibia was announced by the diamond company Namdeb during exploration operations. The finds included gold coins and tonnes of elephant tusks.
- 2009 Incumbents, Hifikepunye Pohamba and Swapo won presidential and parliamentary elections

2010 A landmark court case began, concerning the forced sterilisation of HIV positive women since the mid-1990s (the case involved as many as 230 women litigants and lasted into 2011). Travel restrictions on people living with HIV/Aids and other contagious diseases were lifted. Nine members of parliament ended their boycott of parliament, imposed after the Supreme Court struck down the case brought by opposition parties contesting the last parliamentary elections on a technicality.

2011 In March, a state of emergency was declared in the north of the country around the town of Oshakati after serious flooding following heavy seasonal rains. Over 20 people were drowned and around 10,000 people displaced, as well as damage to crops and livestock and roads washed away. In July, mining and energy minister, Isak Katali announced that an estimated 11 billion barrels of oil had been found offshore in Namibian waters, with initial production scheduled for 2015.

2012 In January, China's state-owned Guangdong Nuclear Power Holding Corporation (CGNPC) (nuclear energy producer) acquired a 42 per cent share in Kalahari Minerals, which has rights to mine uranium in Namibia. This followed its offer of US\$1.2 billion for the mining company in 2011. On 30 July, a ruling in the forced sterilisation case, brought by HIV sufferers, was won by three victims, although it was decided that their status as HIV-positive was not a factor. In August a consignment of African animals from Namibia arrived in Cuba to become part of Havana's zoo, prompting international concern at the removal of 146 wild animals and their future lives in captivity. On 30 September, tribal leaders took possession of the remains of the nine Herero and 11 Nama people, returned to Namibia by German museums. On 4 December, Hage Geingob was named as prime minister. A vast aquifer that could supply the north of Namibia for the next 400 years at the current rate of consumption was discovered in July. It could have a major impact on development in the driest country in sub-Saharan Africa. 2013 Drought throughout the country, but especially in the north-east, affected some 780,000 people, a third of the population. The government declared a state of emergency in May and started handing out maize meal to those most affected. There are concerns that the wildlife vital to the tourist industry as well as farm stock will suffer.

Political structure

Constitution

In 1999 the constitution was altered to allow President Nujoma to serve a third term.

Independence date

1990

Form of state

Multi-party republic

The executive

Executive power rests with the president, who is head of state, elected by universal suffrage for a five-year term, with the assistance of a cabinet headed by a prime minister appointed by the president.

National legislature

Legislative power is vested in a bicameral parliament comprising a directly elected, 72-member National Assembly with a five-year term, and an indirectly elected National Council (26 members, two members from each of Namibia's 13 regions), with a six-year term.

Last elections

27–28 November 2009 (presidential and parliamentary)

Results: Presidential: Hifikepunye Pohamba (Swapo) won 76.4 per cent of the vote, Hidipo Hamutenya (Rally for Democracy and Progress (RDP)) 11.1 per cent; 10 other candidates won less than 3 per cent each.

Parliamentary: Swapo won 75.3 per cent of the vote (54 seats out of 72), RDP 11.3 per cent (8); seven other political parties shared the remaining 10 seats with none winning more than two, five other parties failed to win any seats.

Next elections

November 2014 (presidential and parliamentary)

Political parties

Ruling party

South West African People's Organisation (Swapo) (re-elected 16 Nov 2004)

Main opposition party

Rally for Democracy and Progress (RDP)

Population

2.16 million (2012)*

Over 70 per cent of the population is under 29 years.

Two-thirds of the predominantly rural population live in the north: Ovamboland (now four non-tribal regions), Okavango and Caprivi.

Last census: August 2001: 1,830,330

Population density: Two inhabitants per square km. Urban population 38 per cent (2010 Unicef).

Annual growth rate: 2.4 per cent, 1990–2010 (Unicef).

Ethnic make-up

87.5 per cent black, 6.5 per cent mixed race (coloured) and 6.0 per cent white.

Religions

Christianity (approximately 80 per cent), traditional beliefs (20 per cent).

Education

Primary schooling is compulsory and lasts for seven years. Secondary education is divided into two stages, junior secondary between the ages of 12 and 15 and senior secondary level lasting for another two years. A final two-year school course may be undertaken for the pre-university certificate, until aged 19.

The country has a serious lack of secondary school teachers and because of the remoteness of villages many older children are unable to complete high school. Public expenditure on education amounts to approximately 4 per cent of annual GDP.

Literacy rate: 83 per cent adult rate; 92 per cent youth rate (15–24) (Unesco 2005).

Compulsory years: Five to 21

Enrolment rate: 131 per cent gross primary enrolment, 62 per cent gross secondary enrolment; of relevant age group (including repeaters) (World Bank).

Health

As a result of HIV/Aids, the annual cost of public healthcare has risen steadily.

Over 68 per cent of infants aged less than one year are immunised against measles. Access to clean drinking water is available to over 77 per cent of the population.

An outbreak of polio in 2006 prompted three mass immunisation campaigns 178 people were reported to have died of the disease. An international alert has increased vigilance in Namibia's border region with Botswana and Angola.

There were cases of polio reported to the World Health Organisation – Global Polio Eradication Initiative in 2006; the country had previously been free of the disease and its re-emergence was due to infected travellers.

HIV/Aids

Namibia has one of the highest rates of HIV infection in the world. If the trend continues, the number of individuals living with the disease will rise to 400,000 by 2006. Aids is the main single cause of death for all age groups. UNAIDS estimates that the annual loss to GDP per capita growth will be 1.5 per cent by 2010.

HIV prevalence: 21.3 per cent aged 15–49 in 2003 (World Bank)

Life expectancy: 54 years, 2004 (WHO 2006)

Fertility rate/Maternal mortality rate: 3.2 births per woman, 2010 (Unicef); maternal mortality 230 per 100,000 live births (World Bank).

Child (under 5 years) mortality rate (per 1,000): 39 per 1,000 live births (WHO 2012)

Head of population per physician: 0.3 physicians per 1,000 people, 2004 (WHO 2006)

Welfare

The social pension scheme (from 1949) has massive anti-poverty objectives. Surveys in Namibia have shown that pension-dependent households are better off than small farmers. The scheme offers a non-contributory social pension for its elderly citizens. Namibia's 85,000 social pensioners receive a much lower amount each month compared to South Africa and Botswana. The social pension also supports unemployed adults, young grandchildren and other relatives. Increasingly, the pension is providing vital support to relatives of those suffering from HIV/Aids, with many elderly people fostering Aids orphans. The social pension costs the Namibian government an average of 4.8 per cent of total government expenditure.

Rape constitutes a massive problem in society. It is estimated that as many as 15,000 people a year could be victims of rape or attempted rape with only one in every 20 rapes being reported to the police.

Main cities

Windhoek (capital, estimated population 334,580 in 2012), Rundu (96,915), Walvis Bay (74,062), Swakopmund (35,675), Oshakati (35,144), Katima Mulilo (28,699), Okahandja (27,335).

Languages spoken

English is the first language of only 7 per cent of the population. All documents, notices and directional signs are in English. German and Afrikaans are widely used throughout the country.

There are six main African languages: Oshiwambo, Herero, Nama-Damara, Kwangali (Okavango region), Lozi (Caprivi region) and Tswana.

Official language/s

English

Media

The constitution guarantees freedom of the press, which is respected by the authorities.

Press

Dailies: In English and Oshiwambo, *The Namibia* (www.namibian.com.na) has the highest circulation; *New Era* (www.newera.com.na) is government owned; in Afrikaans *Die Republikein* (www.republikein.com.na) and in German *Allgemeine Zeitung* (www.az.com.na) all cover general news and current affairs.

Weeklies: In English, *Namibia Plus* (www.namibiaplus.com), *Windhoek Observer* and *The Southern Times* (www.southerntimesafrica.com) is published on Sunday.

Business: In English, the weekly *Namibia Economist* (www.economist.com.na) covers financial and economic news.

Periodicals: In English, *Insight Namibia* (www.insight.com.na) covers current affairs.

Broadcasting

The national public broadcaster is the Namibian Broadcasting Corporation (NBC) (www.nbc.com.na).

Radio: NBC (www.nbc.com.na) operates nine services over FM, medium wave and short wave in English, Afrikaans, German and seven local languages. There are many private, radio stations providing national networks including Radiowave (www.radiowave.com.na) and Omulunga Radio (www.omulunga.com) and Kanal 7 (www.k7.com.na).

Television: NBC (www.nbc.com.na) operates one channel, broadcasting locally produced and imported programmes in English. The private station Desert TV is located in Windhoek.

National news agency: Nampa (Namibia Press Agency)

Other news agencies: APA (African Press Agency): www.apanews.net
Reuters Africa: <http://africa.reuters.com>

Economy

The economy is dominated by primary industry, in particular mining of diamonds and uranium, as well as farming and fishing. For historic and trade reasons, the economy is heavily integrated with neighbouring South Africa; the Namibian dollar is pegged at one-to-one with the South African rand, which is legal tender in Namibia, and the majority of imports and exports are generated by South Africa. There is a pool of skilled workers and professional managers that are employed in capital-intensive industries. Tourism has become a major industry since the mid-1990s, with the fastest growth of all sectors and which unlike other sectors has registered continued growth over the past five years. In 2010, the service sector constituted 72.9 per cent of GDP, industry 19.7 per cent, of which manufacturing amounted to 7.7 per cent and agriculture 7.5 per cent.

GDP growth was 3.4 per cent in 2008, but in 2009 as the global economic crisis cut world trade, especially in exports of minerals, the economy fell into recession of -0.4 per cent. As world trade picked up in 2010 so GDP growth bounced back to 6.6 per cent; the economy weakened in 2011 with growth estimated at 3.6 per cent.

The mining sector experienced a contraction of 45 per cent over 2009-10, as its contribution to GDP fell from 15.9 per cent in 2008 to 10 per cent in 2009 (US\$912 million); diamond mining alone

contributed US\$333 million. Mining exports in 2009 of US\$1.3 billion almost matched the record US\$1.08 billion in 2006. Foreign direct investment (US\$796 billion in 2010), jumped by 38 per cent on the FDI figure of 2009 (US\$490 billion) as global commodities prices began to rise in 2010.

Revenue from the Southern African Customs Union (Sacu) tariff pool was some US\$1.01 billion in 2009, the largest single contribution to government income. However, as a result of the global financial crisis, in 2010 Namibia's share of the pool was significantly lower at US\$853 million. Namibia is also required to repay excess Sacu transfers of N\$5.2 billion (US\$710 million). Finance minister Saara Kuukongelwa-Amadhila was reported in 2010 as saying she would not raise taxes, which may have led to a cut in social spending, but the government continued to stimulate the economy by spending money on infrastructure and other projects designed to attract investment and generate employment.

The government is attempting to diversify economic activities. Namibia offers relatively low labour costs, and, at Walvis Bay, a strategic location for sea exports from the southern African region. The government is targeting manufacturing, trans-shipment and energy as prime sectors for new business.

Unemployment continues to be a major problem with a rate of 51 per cent in 2009, together with under-employment at 15 per cent. The government is attempting to address this issue by, among other actions, a land re-allocation programme. Much will depend on the training opportunities for local farmers who are typically engaged in subsistence farming and herding.

Income inequality in Namibia is one of the largest in the world. In 2011, the UN Human Development Index (HDI) ranked Namibia 120 (out of 187) for development in health, education and income. In 2010, 47.2 per cent of the population experienced deprivation in at least one of the indicators.

Under Namibia's millennium goal initiatives, the high rates of HIV/Aids had been reduced to 13.1 per cent of the adult population in 2009; in 2008 around 80 per cent of HIV positive Namibians were receiving antiretroviral (ARV) treatment.

External trade

Namibia is a member of the Southern African Customs Union (Sacu), with South Africa, Lesotho, Swaziland and Botswana. Sacu sets customs duties for commodities passing between member states and members share the common pool of customs and excise revenue on all external

trade. It is also a member of the Southern African Development Community (SADC), the objectives of which include reducing trade barriers, achieving regional development and economic growth and evolving common systems and institutions. The bulk of imports originate in South Africa.

Imports

Principal imports are foodstuffs, petroleum products and fuel, manufactured goods, machinery, equipment, chemicals and construction materials.

Main sources: South Africa (75.8 per cent of total in 2011), China (4.1 per cent), UK (3.6 per cent).

Exports

Principal exports are diamonds (typically 35 per cent), copper, gold, zinc, lead, uranium and agricultural produce including cattle, processed fish and sheep (karakul) skins and wool.

Main destinations: South Africa (29.1 per cent of total in 2011), UK (14.4 per cent), Angola (8.3 per cent).

Agriculture

The agricultural sector contributes around 11 per cent to GDP and employs 39 per cent of the workforce. Only half the country is suitable for farming. In the north, yields remain low on average, due to overgrazing.

Farming supports directly or indirectly some 70 per cent of the population.

There is wide disparity in land access between the 12,000, mainly white-owned, commercial farms and subsistence farmers, who number some 60 per cent of the population.

Commercial farming is dominated by livestock ranching – cattle in the north-central districts, sheep (karakul and mutton) and ostriches in the south – and accounts for 80 per cent of total agricultural output. Namibia normally produces some 40 per cent of its maize requirements from commercial farms and is generally self-sufficient in millet, the main food crop grown in the north by communal farmers. Beef is the most high-value product and exports go to the EU with an annual quota of 60,000 tonnes.

The government is pursuing a land reform programme to redistribute lands owned by white farmers. While initially the policy was to be implemented on a voluntary basis, expropriation orders began to be issued in 2005 against reluctant farmers. The south-east Atlantic is a rich fishing ground, with sardines, hake and mackerel being the main species.

The government declared a 370km exclusive economic zone and banned unlicensed foreign trawlers after independence. A new fishing policy designed to maximise shore-based processing, and long-term concessions to 159 operators

(including 54 new ones) were granted. Namibia has a 300-strong fishing fleet and foreign trawlers operate under charter. 60,000 tonnes of fish are caught annually, 90 per cent of which is exported. The industry employs 40,000 people and accounts for eight per cent of GDP.

In a meeting of African ministers in Namibia, held on 2 July 2009, members discussed illegal and unregulated fishing, which is estimated to cost Africa US\$1 billion per annum in lost revenue and the threat to stocks and local artisan fishing.

Industry and manufacturing

The industrial sector contributes around 25 per cent of GDP and employs 8 per cent of the workforce.

There is a small and highly specialised manufacturing sector, concentrated in Windhoek and Walvis Bay, with food processing (meat, agronomic products, fish) and beverages (beer and soft drinks) predominant. Other activities include structural metal products, non-metal mineral products, wood furniture, leather goods. An export processing zone (EPZ) regime was established in 1995; it provides incentives to investors in manufacturing plants producing goods mainly for export, including a zero income tax liability for an unlimited period.

Tourism

Namibia has some extreme environments, including the Namib desert with its huge sand dunes and the Skeleton Coast with its eerie ship wrecks (the environment here is so fragile that special permits must be obtained before visiting). Air and balloon rides are a popular method of seeing these sites. Namibia is home to an array of typical African animals, such as the desert elephant and free-roaming black rhino, that have adapted to the dry conditions.

The Twyfelfontein included on Unesco's World Heritage List has the largest concentration of rock art (petroglyphs, engravings) in Africa.

Travel and tourism is a vital component of the economy and has averaged a contribution of 19.2 per cent (2007–11), although in 2011 its contribution at 20.3 per cent was the highest since 2007. The industry also provides employment for over 25 per cent of the workforce (around 110,000 jobs), which saw a rise of 7.4 per cent in 2011 with 116,000 jobs (27 per cent employment rate) as the growth in the sector strengthen following the decline due to the global economic crisis cut the number of European and North American visitors to Namibia.

Mining

The mining sector is the traditional backbone of the economy, contributing around 20 per cent to GDP.

Around 7 per cent of government revenues and a third of the country's foreign exchange earnings come from diamonds. Namdeb Diamond Corporation (50 per cent owned by De Beers and 50 per cent owned by the Namibian government) mines the world's richest source of high quality gem diamonds onshore north of Oranjemund, while offshore diamond recoveries by De Beers Marine have expanded significantly since commercial mining began in 1991.

The Skorpion zinc mining complex is one of the largest zinc producers in the world. Costs of extraction at Skorpion are low at around US\$0.40 per kg, compared to the industry average of around US\$0.70 per kg. This puts it in a good position to compete in tough markets.

Primary gold production started in 1989 and significant quantities of copper, lead, pyrite, salt and zinc are also produced while there are large unexploited deposits of base, precious and industrial minerals. Marble, granite and semi-precious stones such as rose quartz, tourmaline, amethyst and blue-lace agate are also mined; the government is seeking to promote local value by adding processing. Larger mines are mainly owned by foreign multinationals from South Africa and the UK. Namibia is also a major uranium producer.

Hydrocarbons

There are no known oil reserves in Namibia but exploration is ongoing; prospects are considered good in the offshore Lüderitz Basin. Namibia and Angola have agreed to explore blocks in the Namibe Basin, adjoining Angola's deepwater oil fields.

There is no refinery capacity and Namibia relies on imported petroleum products, which amounted to 21,000 barrels per day in 2008. Dependence on South Africa for oil products has been reduced with supplies also coming from Angola and other overseas refineries.

Natural gas reserves totalled around 62.3 billion cubic metres in 2008. The Kudu offshore gas field, in the south, contained some 36.8 billion cubic metres of natural gas.

Coal is not produced and only a small amount is imported from neighbouring countries to meet energy demands.

Energy

Total installed generating capacity was 264MW in 2007, production 1.64 billion kilowatt hours. Namibia and Angola have had plans to build a hydroelectric dam, to be located at Baynes, on the Kunene

River, along the border with Angola since 2007. Another plan, for the 400MW Epupa hydroelectric plant, was given the go-ahead in April 2009. The US\$7 billion project is scheduled to be completed by 2017. All new dam projects have attracted international pressure not to be built, especially across the Kunene River, one of only six perennial rivers in Africa, at a time of increased droughts. However Namibia's energy shortage is just as pressing and despite the potential for electricity generated from domestically produced natural gas and solar power projects, the dam is still favoured by government policy makers.

NamPower is the national electricity company responsible for generation, transmission and supply of electricity. It is a member of the Southern African Power Pool (Sapp); set up to provide reliable and economical energy supplies to all 12-member countries.

A power line from Victoria Falls in Zambia to Katima Mulilo in Namibia was commissioned by Presidents Mwanawasa and Pohamba in 2008. The 231km line will allow Zambia to supply 220 kilovolts of power to Namibia; it will form part of the Zimbabwe-Zambia-Botswana-Namibia (Zizabona) agreement, which will link the four country's power grids.

Financial markets

Stock exchange

Namibian Stock Exchange (NSE)

Banking and insurance

The banking sector is small, with four private commercial banks. The ratio of non-performing loans is relatively low, making the sector stable and financially sound.

Central bank

Bank of Namibia

Main financial centre

Windhoek

Time

GMT plus two hours

Geography

Namibia lies in south-western Africa, with South Africa to the south and south-east, Botswana to the east and Angola to the north. The country has a long coastline on the Atlantic Ocean. The narrow Caprivi Strip, between Angola and Botswana in the north-east, extends Namibia to the Zambezi river, giving it a border with Zambia. The arid Namib Desert stretches along the west coast, while the eastern-most area is part of the Kalahari Desert.

Hemisphere

Southern

Climate

Namibia has one of the driest climates in the world. Sub-tropical, the hottest months

are January–February (20–29 degrees Celsius (C)) and the coldest are June–July (6–18 degrees C).

Entry requirements

Passports

Required by all and must be valid for six months after intended departure date.

Visa

Required by all, except tourist visitors, for up to 90 days, from North America, Australasia, most of Europe, and some Asian countries, for a full list of exceptions see www.mfa.gov.na. A proposed tourist *univisa* (a single visa to visit all 15-member states of SADC: Angola, Botswana, DRC, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, South Africa, Seychelles, Swaziland, Tanzania, Zambia and Zimbabwe) is expected to be in use by 2013. Visitors should check with the appropriate consulates to confirm start of *univisas* and their scope before beginning a tour of southern Africa.

Business visas require a letter of invitation or a full list and addresses of business contacts to be visited in Namibia. A certified copy of the return ticket should also be submitted. For a multiple entry visa, application should be made to the Ministry of Home Affairs on arrival in Windhoek.

Currency advice/regulations

The import and export of local currency is limited to N\$50,000. The import of foreign currency is unrestricted but must be declared on arrival, and export is allowed up to declared amount.

Customs

Personal items are duty-free. Hunting rifles require a permit that can be issued by customs on arrival; handguns are prohibited.

Health (for visitors)

Mandatory precautions

Yellow fever vaccination certificate required if arriving from an infected area.

Advisable precautions

Visitors should take precautions against all tropical diseases. Vaccinations for diphtheria, tetanus, hepatitis A and typhoid and polio are recommended. Hepatitis B vaccinations may be recommended. Malaria risk exists in most areas in the north. Water in all main towns is purified and safe to drink. There is a risk of rabies. To avoid the risk of bilharzia, only use well maintained, chlorinated swimming pools.

Tap water must be treated as unsafe unless boiled and filtered (bottled water is available in the main cities). Eat only well cooked meals, preferably served hot; vegetables should be cooked and fruit peeled. Dairy products are unpasteurised and should be avoided

A first aid kit that includes disposable syringes, is a reasonable precaution. Medical insurance is essential, including emergency evacuation, and an adequate supply of personal medicines is necessary.

Hotels

Classified from one to four stars. Accommodation in towns outside Windhoek is limited apart from Swakopmund so should always be booked well in advance. Luxury lodges or bungalow accommodation is available at Etosha and other national parks; there is also an expanding range of desert lodges and guest farms.

Credit cards

International cards are widely accepted throughout the country.

Public holidays (national)

Fixed dates

1 Jan (New Year's Day), 21 Mar (Independence Day), 1 May (Workers' Day), 4 May (Cassinga Day), 25 May (Africa Day), 26 Aug (Heroes' Day), 10 Dec (International Human Rights Day), 25 Dec (Christmas Day), 26 Dec (Family Day).

Variable dates

Good Friday, Easter Holiday (Mar/Apr), Ascension Day (Apr/May).

Working hours

Banking

Mon–Fri: 0900–1530; Sat: 0830–1100.

Business

Mon–Fri: 0800–1700.

Government

Mon–Fri: 0800–1700.

Shops

Mon–Sat 0800–1800.

Telecommunications

Mobile/cell phones

There are GSM 900/1800 networks that cover most populated areas.

Electricity supply

220 V AC

Getting there

Air

National airline: Air Namibia

International airport/s: Windhoek Airport (WDH), 40km from city. Facilities include restaurant, bars, duty-free shops, post office, *bureau de change* and car hire. Taxis, minivans and buses are available to the city.

Airport tax: None

Surface

Road: Tarred highways link the South African border via Keetmanshoop to Windhoek then Oshakati and the northern border with Angola, and between Windhoek and Swakopmund-Walvis Bay. The new Trans-Kalahari highway from Botswana via Ghanzi, along with the Trans-Caprivi tarred highway, provide

direct road links between Walvis Bay and central Africa.

A road bridge across the River Zambezi, between the Caprivi Strip (Namibia) and Zambia, opened in 2004.

Rail: Main line runs from South African border via Keetmanshoop and Windhoek to Swakopmund, Walvis Bay, and via Otavi to Tsumeb and Grootfontein, the northern railheads.

Main port/s: Walvis Bay is a modern, deep-water harbour, Lüderitz is older and smaller.

Getting about

National transport

Air: Flying is the most efficient way of connecting with all main towns, either using the extensive scheduled services or charter flights.

Road: Roads are generally well maintained. There are 64,799km of road, of which 7,841km are tarred, while the rest are gravel and earth. The former Owambo region in the north of the country is inhabited by about 44 per cent of the population, yet is served by only 5 per cent of the total road network.

The Trans-Kalahari and Trans-Caprivi highway provide the backbone of a network serving rural areas as well as connecting landlocked countries with the coast.

Buses: A luxury bus service exists between Windhoek and all major towns.

Rail: The main rail routes in Namibia are Windhoek-Keetmanshoop-De Aar, Walvis Bay-Swakopmund-Windhoek-Tsumeb and Lüderitz-Keetmanshoop. First- and second-class carriages are available on these routes. Light refreshments are offered on some services. On overnight services, seats in first-class compartments convert to four couches and those in second-class to six couches.

City transport

Taxis: Available in main towns; 10 per cent tip is usual.

Buses, trams & metro: Bus services are not well developed and there is generally no transport except taxis.

Car hire

Available in Windhoek city centre, international airport, Walvis Bay.

Although roads between major towns are generally of a good standard, the distances involved can be prohibitive; four-wheel drive is advisable if going off the main routes.

International driving licence is required. Traffic drives on the left. The general speed limit is 60kph in built-up areas and 120kph on open roads. Safety belts must be used at all times.

BUSINESS DIRECTORY

The addresses listed below are a selection only. While World of Information makes every endeavour to check these addresses, we cannot guarantee that changes have not been made, especially to telephone numbers and area codes. We would welcome any corrections.

Telephone area codes

The international dialling code (IDD) for Namibia is +264 followed by the area code and subscriber's number:

Keetmanshoop	631	Swakopmund	641
Luderitz	6331	Tsumeb	671
Mariental	661	Windhoek	61

Chambers of Commerce

Namibia Chamber of Commerce and Industry, 2 Jenner Street, PO Box 9355, Windhoek (tel/fax: 228-009; e-mail: nccihq@iwwn.com.na).

Windhoek Chamber of Commerce and Industries, 315 Swa Building, 7 Post Street Mall, PO Box 191, Windhoek (tel: 222-000; fax: 233-690; e-mail: whkchamber@namib.com).

Banking

Bank of Windhoek, 262 Independence Avenue, PO Box 15, Windhoek (tel: 299-1229; fax: 299-1285).

City Savings and Investment Bank, PO Box 63, FGI Building, Post St Mall, Windhoek (tel: 221-262; fax: 221-555).

Commercial Bank of Namibia, 12-20 Bulow Street, PO Box 1, Windhoek (tel: 295-9111, 295-2014; fax: 295-2046; e-mail: cbon@iwwn.com.na).

First National Bank Namibia, 209 Independence Avenue, PO Box 195, Windhoek (tel: 229-610; fax: 225-994).

Standard Bank Namibia, Mutual Platz Building, Post Street Mall, PO Box 3327, Windhoek (tel: 294-2283; fax: 294-2583).

Central bank

Bank of Namibia, PO Box 2882, 71 Robert Mugabe Avenue, Windhoek (tel: 283-5111; fax: 283-5067; e-mail: general.inquiries@bon.com.na).

Stock exchange

Namibian Stock Exchange (NSE, www.nsx.com.na)

Travel information

Air Namibia, PO Box 731, Transnamib Building, Bahnhofstreet, Windhoek 9000; (tel: 299-6000; fax: 299-6168); Town Office (tel: 229-6444; fax: 299-6168); internet: www.airnamibia.com.na).

Automobile Association, PO Box 61, Windhoek (tel: 224-201).

Etosha Northern Tourism and Publicity Association, PO Box 779, Tsumeb (tel: 220-728; fax: 220-916).

Lodge and Guest Farm Reservations, PO Box 21783, Windhoek (tel: 226-979; fax: 226-999).

Namibia Resorts International, PO Box 2862, Windhoek (tel: 233-145; fax: 234-512).

Southern Tourism Forum, Private Bag 2125, Keetmanshoop (tel: 2095; fax: 3818).

Tour and Safari Association of Namibia, PO Box 5144, Windhoek (tel: 232-748; fax: 228-461).

National tourist organisation offices

Namibia Tourism Board, Independence Avenue, Private Bag 13346, Windhoek (tel: 290-6000; fax: 254-848; email: tourism@mweb.com.na; internet: www.namibiatourism.com.na).

Ministries

Ministry of Agriculture, Water and Rural Development, Private Bag 13184, Windhoek (tel: 202-9111; fax: 229-961).

Ministry of Basic Education and Culture, Private Bag 13186, Windhoek (tel: 293-9411; fax: 224-277).

Ministry of the Environment and Tourism, Private Bag 13346, Swabour Building, Independence Avenue, Windhoek (tel: 284-2111; fax: 229-936).

Ministry of Finance, Private Bag 13295, Windhoek (tel: 209-9111; fax: 236-454).

Ministry of Fisheries and Marine Resources, Private Bag 13355, Windhoek (tel: 205-3911; fax: 233-286).

Ministry of Foreign Affairs, Private Bag 13347, Windhoek (tel: 282-9111; fax: 223-937).

Ministry of Higher Education, Vocational Training, Science & Technology, Private Bag 13391, Windhoek (tel: 253-670; fax: 253-671).

Ministry of Information and Broadcasting, Private Bag 13344, Windhoek (tel: 283-911; fax: 222-343).

Ministry of Mines and Energy, 1 Aviation Road, Private Bag 13297, Windhoek (tel: 284-8111; fax: 283-643; email: info@mme.gov.na).

Ministry of Trade and Industry, Private Bag 13340, Windhoek (tel: 283-7111; fax: 220-148).

Ministry of Works Transport and Communication, Private Bag 13341, Windhoek (tel: 208-9111; fax: 228-560).

President's Office, State House, Private Bag 13339, Windhoek (tel: 220-010; fax: 221-770).

Prime Minister's Office, Private Bag 13338, Windhoek (tel: 287-9111; fax: 226-189).

Other useful addresses

British High Commission, PO Box 22202, 116 Robert Mugabe Avenue, Windhoek (tel: 223-022; fax: 228-895; e-mail: bhc@iwwn.com.na).

Investment Centre, Private Bag 13340, Windhoek (tel: 283-7335; fax: 22-0278).

Meat Board of Namibia, PO Box 38, Windhoek (tel: 233-280; fax: 228-310).

Namibia Crafts Centre, 40 Talstreet, Windhoek (tel: 222-236).

Namibia Development Corporation, Private Bag 13252, Windhoek (tel: 206-9111; fax: 23-3943).

Namibia Power Corporation, PO Box 2864, Windhoek (tel: 205-4111; fax: 23-2805).

Namibian Embassy (USA), 1605 New Hampshire Avenue, NW, Washington DC 2009 (tel: (+1-202) 986-0540; fax: (+1-202) 986-0443; e-mail: embnamibia@aol.com).

Namibian Ports Authority, PO Box 361, Walvis Bay (tel: 20-8201; fax: 20-8242).

National Planning Commission (NPC), Office of the President, Private Bag 13356, Windhoek (tel: 222-549; fax: 226-501).

Offshore Development Company, Private Bag 13397, Windhoek (tel: 239-032; fax: 231-001).

Ombudsman's Office, Private Bag 13211, Windhoek (tel: 225-998; fax: 226-838).

Telecom Namibia, PO Box 297, Windhoek (tel: 201-2221; fax: 223-323).

TransNamib Ltd, Private Bag 13204, Windhoek (tel: 298-1111; fax: 298-2053).

UK High Commission, 116A Leutwein Street, PO Box 22202, Windhoek (tel: 223-022; fax: 228-895).

US Embassy, Private Bag 12029, 14 Lossen Street, Ausspannplatz, Windhoek (tel: 221-601; fax: 229-792).

Windhoek Show Society, PO Box 1733, Windhoek (tel: 224-748; fax: 227-707).

National news agency: Nampa (Namibia Press Agency)

PO Box 26185, Windhoek (tel: 374-000; fax: 221-713; internet: www.nampa.org).

Other news agencies: APA (African Press Agency): www.apanews.net

Reuters Africa: <http://africa.reuters.com>

Internet sites

Africa Business Network: www.ifc.org/abn

AllAfrica.com: <http://allafrica.com>

African Development Bank: www.afdb.org

Africa Online: www.africaonline.com

Mbendi AfroPaedia (information on companies, countries, industries and stock exchanges in Africa): <http://mbendi.co.za>

Office of Prime Minister:
<http://opm.gov.na>