INFORMAL CROSS BORDER TRADE REPORT 2019
MISSION STATEMENT

“In a coordinated manner we produce and disseminate relevant, quality and timely statistics that are fit-for-purpose in accordance with international standards and best practice”

VISION STATEMENT

“Be a high performance institution in statistics delivery”

CORE VALUES

Performance
Integrity
Service focus
Transparency
Accuracy
Partnership
Preface

The Namibia Statistics Agency (NSA) conducted its first Informal Cross Border Trade Surveys (ICBTS) in 2014. Thus, the 2019 ICBTS is the fourth undertakings since the inception and the latest after the previous survey in 2016. The ICBTS is an economic survey covering merchandise trade transactions between residents and non-residents across the economic boundaries of two or more countries that are not recorded by the Customs Authorities as their values are below the N$1,000 threshold required by Customs. However, when aggregated, these small transactions become significant due to their frequencies. If properly harnessed, ICBT have the potential to support Namibia’s on-going efforts of poverty alleviation.

In 2019, total trade (imports plus exports) amounted to N$19.9 million up by 29.9 percent from the level of N$15.3 million recorded in 2016. Exports made up the largest share of total trade at 83.7 percent (N$16.7 million) compared to imports which accounted for a relatively low share of 16.3 percent (N$3.2 million), subsequently Namibia recorded a favorable informal trade balance amounting to N$13.4 million. The Oshikango border post had the highest share (46.4 percent) in total trade followed by Wenela with a share of 42.2 percent.

With regards to the informal exports, the largest share of exports was through the Wenela border post (48 percent) followed by Oshikango which accounted for 45.6 percent. On the other hand, most of the imports was recorded to have passed through Oshikango border post (51.1 percent) while 19.4 percent and 12.1 percent passed through Calai and Wenela, respectively.

We are very grateful to the stakeholders who contributed in various ways towards the execution of this survey such as the Bank of Namibia, Ministry of Finance, Ministry of Safety and Security, Ministry of Home Affairs and Immigrations and the Clearing Agents among others. We also thank the traders for their cooperation in providing the data.

Alex Shimuafeni
Statistician-General and CEO
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Definitions

**External trade:** is the exchange of capital, goods, and services across international borders or territories, which could involve the activities of the government and individual.

**Gazetted border posts:** refers to the point of entry/exit where the movements of goods into or out of the country are strictly monitored and recorded by Customs Authorities and forms part of official trade statistics.

**Informal Cross Border Trade:** Refers to trade transactions between residents and non-residents across the economic boundaries of two or more countries that are not recorded by Customs Authorities.

**Other Products:** This is the category of goods that is not classified under any category specified in the report.

**Trade Balance:** This is the difference in value between exported goods and imported goods.

**Ungazetted border posts:** refers to the point of entry/exit where the movements of goods into or out of the country are not strictly monitored and recorded by Customs Authorities.
Acronyms

BoN          Bank of Namibia
CIF          Cost Insurance and Freight
FOB          Free On Board
DPC          Data Processing Center
GDP          Gross Domestic Product
GTS          General Trade Statistics
ICBTS        Informal Cross Border Trade Survey
IMTS         International Merchandize Trade Statistics
MoF          Ministry of Finance
NSA          Namibia Statistics Agency
RSA          Republic of South Africa
UN           United Nations
SECTION ONE: INTRODUCTION

1.0 Introduction

This section provides a brief background of the Informal Cross Border Trade Survey (ICBTS) and outlines the objectives of the survey.

1.1 Background

The 2019 informal Cross Border Trade Survey (ICBTS) is the fourth undertaking since the inception. The first ICBT survey was conducted in 2014 followed by the second edition in 2015 and third edition in 2016. The main aim of the ICBTS survey is to supplement official merchandize trade statistics data collected by Customs Authorities and to enhance the compilation of merchandize trade statistics.

Informal cross border trade in general plays a significant role in avoiding widespread food insecurity in neighboring countries. However, due to the unavailability of information relating to informal trade, its contribution towards redressing supply/demand imbalances has not been adequately quantified in many countries. In the absence of this crucial data, decision making by Government, Aid Agencies and Traders about the appropriate levels of commercial imports and exports of food aid becomes difficult.

Namibia began the journey of quantifying the imbalances arising from informal cross border trade since the inception of the ICBT survey in 2014. The informal cross border trade is an important component of a country’s informal sector as it has spill-over effects on countries involved, particularly in the border towns. Informal cross border trades have positive macroeconomic and social effects such as food security and income creation for the rural populations who would otherwise suffer from exclusion from the main stream of trade. If properly harnessed, ICBT has the potential to support Namibia’s on-going efforts on poverty alleviation.

The 2019 ICBTS was a jointly effort between the two institutions namely; Namibia Statistics Agency (NSA) and the Ministry of Finance (MoF). The survey also benefited from support by Customs officials and members of the Namibian police force who ensured compliance from traders at various border posts.
1.2 Objectives of the survey

The broad objective of the survey was to establish the size of unrecorded/informal trade flows between Namibia and its neighbouring countries with the exception of Botswana. Within this broad objective, the specific objectives of the survey were to:

a) Determine the nature and composition of commodities transacted;
b) Establishing the direction of informal cross border trade by country of origin/destination;
c) Determine the volume and value of informal trade flow;
d) Provide a comparative analysis of recorded and unrecorded trade including net trade balances and;
e) To supplement official customs data by capturing transactions below customs threshold.

1.3 Overview of ICBTS

In most countries, Customs administrative documents are the primary source for commercial trade data. However, the UN Statistical Office recommends all member states to supplement customs data with non-customs data to ensure full coverage of International Merchandise Trade Statistics (IMTS). Supplementary data can be obtained from various sources e.g. enterprise surveys, aircrafts and shipping registers, foreign shipping manifests, informal cross border trade etc. In an effort to execute the UN’s recommendation, the NSA began by undertaking the Informal Cross Border Trade Surveys.

1.4 Structure of the report

The rest of the report is arranged as follows: Section 2 presents the methodology while Section 3 highlights the findings of the survey. The conclusion and policy recommendations are outlined in Section 4.
SECTION: 2 Methodology

2.0 Introduction

The selection criteria of the border posts surveyed, trade systems and valuation of transactional data, selection of survey period, organization of the survey, data collection techniques, instrument for data collection, data processing and analysis as well as limitations of the survey are discussed in this section.

2.1 Selection of surveyed border posts

The 2019 ICBTS covered five gazetted border posts (Ariamsvlei, NooordoeWer, Oshikango, Omahenene and Wenela) and one ungaZetted border post (Calai). The selection of the surveyed border posts was based on the significance of trade flows by value, availability of Customs Offices and supporting government institutions such as the Immigration, and Safety and Security.

The border posts surveyed and the bordering countries are shown in Table 1 below.

Table 1: Border posts surveyed in 2019

<table>
<thead>
<tr>
<th>Neighboring country</th>
<th>Border post</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angola</td>
<td>Ariamsvlei</td>
</tr>
<tr>
<td>South Africa</td>
<td>Calai</td>
</tr>
<tr>
<td>Zambia</td>
<td>NooordoeWer</td>
</tr>
<tr>
<td></td>
<td>Omahenene</td>
</tr>
<tr>
<td></td>
<td>Oshikango</td>
</tr>
<tr>
<td></td>
<td>Wenela</td>
</tr>
</tbody>
</table>

2.2 Trade system and valuation

The collection of informal trade data follows the general trade system of compiling IMTS. The general trade system requires that all goods leaving or entering the country are recorded as they cross the customs frontiers. Thus, during data collection, the following were recorded:

a) All merchandize coming in/out of the country carried by traders on foot, bicycles, push carts, motorcycles, vehicles etc. both in small and large quantities that is not recorded by customs authorities;

b) Undeclared merchandize of traders on formal customs declaration documents and

c) Goods in transit through the country at any border post being surveyed.
The following were excluded from informal trade recording:

d) Merchandise properly declared (100%) and verified by customs on declaration documents;
e) Goods smuggled into or out of the country.

The valuation of both informal exports and imports was based on Free on Board (FOB) valuation basis, thus the cost, freight and insurance levied on such goods were not taken into account. The trader’s invoices/receipts and price tags on the merchandise were used to determine the final value of the merchandise. In the absence of supporting documents, prices were obtained directly from the traders during a face to face interview.

2.3 Selection of survey period

The ICBT data was collected on a daily basis for the entire month of September 2019. This month was selected taking into account seasonality changes such as weather conditions which could disrupt data collection and impact the results of the survey. The effects of festive season was also taken into account given that during this time cross border trade activities occurs more frequent than normal.

2.4 Organization of the survey

At most border posts, field staff composed of one supervisor and two enumerators were engaged to record data during the survey month. However, at Oshikango, twenty staff were assigned due to the large volume of trade at that border. The different teams of enumerators composed of trained individuals with adequate knowledge of the local language at each respective border posts. The NSA and MoF staff jointly supervised field activities on a daily basis during the first and last week of the survey period. The supervision was for quality control purposes and to ensure compliance to the set standards.

The training offered to both enumerators and supervisors focused on creating the necessary competencies in concepts and definitions pertaining to the survey as well as in methods of approaching traders to ensure that accurate information was obtained. Furthermore, the training covered a topic on enhancing data quality with emphasis on Namibia’s Data Quality Assessment Framework.
2.5 Data collection technique

The recording of all transaction under informal trade was based on direct observation. This technique entails that enumerators are strategically positioned at their respective border posts (Ariamsvlei, Calai Noordoewer, Oshikango, Omahenene and Wenela) enabling them to identify and subsequently record all merchandize trade into and out of the country. This method is the most cost-effective and efficient way of gathering data at border posts as merchandise data is captured at the point of crossing the customs frontier.

2.6 Data collection instruments

The instruments used during data collection included: paper questionnaires, list of commodity categories, list of units of measurements, pens, pencils, shorthand note books and weighing scales.

2.7 Data processing and analysis

The data processing was done by NSA after the submission of field returns. Once data capturing was completed, the data was further imported into excel formats and subsequently submitted to subject matter staff for further analysis.

2.8 Limitations of the survey

a) Some of the border posts were excluded from the survey due to limited resources.

b) Informal trade activities occurring at night and beyond the stipulated time of monitoring (8:00 A.M to 5:00 P.M) were not covered.

c) Difficulties in estimating the quantities of some traded items especially where assorted goods were carried in one package e.g. vegetable combos.

d) Estimation problems where items were transported in packages that are not transparent;
SECTION 3: SURVEY FINDINGS AND ANALYSIS

3.0 Introduction

This section presents the survey findings and analysis of the ICBT for the year 2019. The most significant indicators derived from the data collected include the levels of exports and imports, the balance of trade, direction of informal trade flows. Additionally, trade by border post, commodity category and value of major exported and imported commodities were analyzed. Finally, the aspect of gender was also included in the 2019 survey as a variable to measure informal trade activities by male and female.

3.1 Analysis of Informal/formal trade flows

The combined export earnings (informal plus formal) in 2019 amounted to N$1,464 million out of which formal exports were estimated at N$1,447 million or 98.9 percent of total exports. Whereas informal exports amounted to a mere N$16.7 million to represent a share of 1.1 percent, up from 0.4 percent in 2016.

*Table 2: Formal/informal trade flows*

<table>
<thead>
<tr>
<th>Flow</th>
<th>Value (N$ m)</th>
<th>Sep-19</th>
<th>Sep-16</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Export</td>
<td>A. Informal</td>
<td>17</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>B. Formal</td>
<td>1,447</td>
<td>2,543</td>
</tr>
<tr>
<td>Total (A+B)</td>
<td></td>
<td>1,464</td>
<td>2,554</td>
</tr>
<tr>
<td>Import</td>
<td>C. Informal</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>D. Formal</td>
<td>5,852</td>
<td>3,034</td>
</tr>
<tr>
<td>Total (C+D)</td>
<td></td>
<td>5,855</td>
<td>3,038</td>
</tr>
<tr>
<td>Overall trade balance ((A+B)-(C+D))</td>
<td></td>
<td>-4,392</td>
<td>-484</td>
</tr>
<tr>
<td>Percentage</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>%Δ in Informal export</td>
<td></td>
<td>53.2%</td>
<td>-8.3%</td>
</tr>
<tr>
<td>%Δ in formal import</td>
<td></td>
<td>-27.1%</td>
<td>221.8%</td>
</tr>
<tr>
<td>% Share of Informal export</td>
<td></td>
<td>1.1%</td>
<td>0.4%</td>
</tr>
<tr>
<td>% Share of Informal import</td>
<td></td>
<td>0.1%</td>
<td>0.1%</td>
</tr>
</tbody>
</table>

The overall value of imports (formal plus informal) stood at N$5,855 million, of which, the largest share of 99.9 percent (N$5,852 million) constituted formal imports while the value of informal imports amounted to N$3 million, accounting for 0.1 percent of the total import bill which is at par with its 2016 level of 0.1 percent.
Further, the results indicate that the informal exports grew by 53.2 percent compared to a decline of 8.3 percent registered in 2016. Imports on the other hand showed a contraction of 27.1 percent after it registered a significant growth of 221.8 percent in 2016.

3.2 Overview of informal trade

The combined value of informal merchandize trade (imports plus exports) recorded at all border posts in 2019 amounted to N$19,908 000 up by 29.9 percent from the level of N$15,327 000 recorded in 2016. Furthermore, exports made up the largest share of overall informal trade with 83.7 percent compared to imports which accounted for a relatively low share with 16.3 percent. The Oshikango border post had the highest share (46.4 percent) in total trade followed by Wenela with a share of 42.2 percent. The contribution of other border posts to total trade are shown in Table 3.

Namibia’s informal trade balance amounted to a surplus of N$13,412 000. The positive trade balance was mainly due to Wenela border post that recorded the largest surplus of N$7,609 000 followed by Oshikango with an amount of N$5,974 000 ahead of Omahenene which recorded a surplus of N$570 000. Despite these surpluses, the remaining three border posts recorded deficits as shown in Table 3.

Table 3: Informal trade by border post

<table>
<thead>
<tr>
<th>Border post</th>
<th>Value (N$’000')</th>
<th>Export % Share</th>
<th>Value (N$’000')</th>
<th>Import % Share</th>
<th>Overall trade Value (N$’000')</th>
<th>Trade balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wenela</td>
<td>8,002</td>
<td>48.0%</td>
<td>394</td>
<td>12.1%</td>
<td>8,396</td>
<td>7,609</td>
</tr>
<tr>
<td>Oshikango</td>
<td>7,601</td>
<td>45.6%</td>
<td>1,627</td>
<td>50.1%</td>
<td>9,228</td>
<td>5,974</td>
</tr>
<tr>
<td>Omahenene</td>
<td>747</td>
<td>4.5%</td>
<td>177</td>
<td>5.4%</td>
<td>923</td>
<td>570</td>
</tr>
<tr>
<td>Calai</td>
<td>177</td>
<td>1.1%</td>
<td>630</td>
<td>19.4%</td>
<td>807</td>
<td>-453</td>
</tr>
<tr>
<td>Ariamsvlei</td>
<td>104</td>
<td>0.6%</td>
<td>268</td>
<td>8.3%</td>
<td>372</td>
<td>-164</td>
</tr>
<tr>
<td>Noordower</td>
<td>30</td>
<td>0.2%</td>
<td>152</td>
<td>4.7%</td>
<td>182</td>
<td>-123</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>16,660</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>3,248</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>19,908</strong></td>
<td><strong>13,412</strong></td>
</tr>
</tbody>
</table>
For the period under review, Wenela border post had the largest share (48 percent) in exports followed by Oshikango with a share of 45.6 percent. On the other hand, the lion’s share of 50.1 percent in imports was recorded to have passed through Oshikango while 19.4 percent and 12.1 percent passed through Calai and Wenela, respectively. Ariamsvlei had a share of 8.3 percent in total imports followed by Omahenene with a share of 5.4 percent, and lastly Noordoewer with 4.7 percent share.
3.2.1 Trade composition by sex

Overall informal trade total (exports plus imports) was dominated by male traders (Chart 1). The value of total trade by male amounted to N$12,264,000 which represent 61.6 percent of the total trade value, this is higher than its 2016 rate of 52.8 percent. Total informal trade by female traders was N$7,644,000 or 38.4 percent of the total trade value, down from 47.2 percent in 2016.

CHART 1: Percentage share of total trade by sex

Analysis of individual flows shows that exports were dominated by male traders while females dominated the import side (Chart 1). Male accounted for 66.7 percent of the value of all goods exported while females only had 33.3 percent. On the contrary, females had the largest share of 64.7 percent in total imports compared to the males’ counterpart (35.3 percent).
3.2.2 Trade composition by sex at border posts

A further breakdown of trade by sex at border post as shown in table 4 indicate that female traders at Oshikango border post accounted for 42.1 percent of total imports followed by Calai border post with 13.3 percent. While on the exports side, male traders had the largest share of total exports male traders at Wenela accounting for 38.1 percent of total exports followed by Oshikango with 24.2 percent.
Table 4: Percentage share of trade by sex and border post

<table>
<thead>
<tr>
<th>Sex/Border post</th>
<th>Export</th>
<th>Import</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ariamsvlei</td>
<td>33.3%</td>
<td>64.7%</td>
</tr>
<tr>
<td>Calai</td>
<td>0.2%</td>
<td>2.9%</td>
</tr>
<tr>
<td>Noordoewer</td>
<td>0.6%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Omahenene</td>
<td>0.1%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Oshikango</td>
<td>1.1%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Wenela</td>
<td>21.4%</td>
<td>42.1%</td>
</tr>
<tr>
<td>Male</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ariamsvlei</td>
<td>66.7%</td>
<td>35.3%</td>
</tr>
<tr>
<td>Calai</td>
<td>0.5%</td>
<td>6.1%</td>
</tr>
<tr>
<td>Noordoewer</td>
<td>0.1%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Omahenene</td>
<td>3.4%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Oshikango</td>
<td>24.2%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Wenela</td>
<td>38.1%</td>
<td>10.4%</td>
</tr>
<tr>
<td>Total</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

3.2.3 Exports by border posts

In 2019, Wenela and Oshikango border posts emerged as the largest exit points for exports with a combined share of 93.7 percent of total exports, while the remaining 6.3 percent was distributed among Ariamsvlei, Calai, Noordoewer and Omahenene (Chart 3). Exports via Wenela rose by 199.8 percent from its 2016 level of N$2,677,000 to N$8,002,000, subsequently increasing the share of exports passing through that border post to 48 percent from its 2016 level of 24.6 percent.

The Oshikango border post ranked second on the list as exports through that border rose by 11.5 percent from its 2016 level of N$6,815,000 to N$7,601,000. However, the share of exports declined to 45.6 percent compared to 62.7 percent in the corresponding period in 2016.

Omahenene held steady in third place despite weakening exports through that border post. Exports via Omahenene declined by 20.4 percent to N$747,000 from its 2016 level of 938,000. This trend was also depicted in the share of exports through that border post which fell to 4.5 percent from its level of 8.6 percent in 2016. Coming in fourth place was Calai that showed a strong improvement of up to 65.4 percent increase to N$177,000 compared to N$107,000 registered in 2016.
Finally, exports through the two southern border posts declined massively with Noordoewer registering the largest decline of 78.7 percent, falling from its 2016 level of N$139 000 to N$30 000 while exports via Ariamsvlei dropped by 47 percent from N$196 000 in 2016 to N$104 000. The market share of these two border posts followed the same trend as can be seen in Chart 3.

3.2.4 Imports by border post

The Oshikango border post remained on top of the list as the leading entry point for imports in 2019 despite imports coming through that border post falling by more than half (50.1 percent) from its 2016 level of N$3,259 000 to N$1,627 000. The total share of imports via Oshikango alone stood at 50.1 percent, down from its 2016 rate of 73.2 percent (Chart 4).

Calai held steady on the second position following a strong growth of imports coming through that border post. Imports rose by 26.2 percent to register N$630 000 compared to N$499 000 in 2016, therefore, the share of imports through Calai also followed suit, rising to 19.4 percent from its 2016 rate of 11.2 percent.
Wenela followed in the third place with import through that border post rising from its 2016 level of N$120 000 to N$394 000 constituting an increase of 228.1 percent, the largest growth compared to other border posts. Subsequently, Wenela’s share in imports also rose from 2.7 percent recorded in 2016 to 12.1 percent.

**CHART 4: Imports by border posts**

Ariamsvlei, though recorded the least growth of 4.7 percent occupied the fourth position on the import list as is the case for exports. The share of imports through this border post stood at 8.3 percent up from its 2016 rate of 5.6 percent. Ariamsvlei was ahead of Omahenene and Noordoewer which occupied fifth and sixth positions respectively. Imports via Omahenene rose significantly (227.2 percent) to register N$177 000 compared to its 2016 level of only N$54 000. Consequently, its share in imports also rose from 1.2 percent in 2016 to 5.4 percent.

Similar to the import trend in Oshikango, Noordoewer also recorded a negative growth in imports of up to 42.7 percent, dropping from the 2016 level of N$266 000 to N$152 000. This also affected its share to weaken from 6 percent to 4.7 percent.
3.3 Direction of Informal Trade

3.3.1 Exports by country

Over 51 percent of exports were destined to Angola, making that country Namibia’s largest export market in 2019 (Chart 5). Although Angola’s share in Namibia’s total exports fell from its 2016 level of 72.3 percent to 51.2 percent in 2019, exports increased by 8.3 percent from N$7,861 000 to N$8,515 000.

Zambia maintained her second position on the export list absorbing 48.1 percent of Namibia’s total exports, up from its 2016 rate of 24.6 percent. Exports to Zambia grew significantly, rising by 199 percent to N$8,004 000 compared to its 2016 amount of N$2,677 000.

Despite the growth experienced in exports to Angola and Zambia, exports to Namibia’s southern neighbor, South Africa contracted, falling by 61.9 percent to register N$128 000 from its 2016 level of N$335 000. Similarly, South Africa’s market share in Namibia’s exports was also dented, from 3.1 percent in 2016 to below 1 percent.
3.3.2 Imports by country

Angola continued to be the leading source of imports for Namibia during the survey period (Chart 6). Imports from that country amounted to N$2,433 000 indicating a contraction of 36.2 percent from N$3,812 000 recorded in 2016. Hence, the share of imports from Angola declined to 74.9 percent from 85.6 percent in 2016.

South Africa followed with imports valued at N$421 000 showing a decline of 19.6 percent after recording N$523 000 in 2016. On the other hand, the share of imports from that country improved from 11.7 percent in 2016 to 13 percent.

*CHART 6: Imports by country*

Apart from the contraction experienced in imports from Angola and South Africa, imports from Zambia improved from a N$120 000 in 2016 up to N$393 000.
3.4 Trade by commodity

3.4.1 Exports

In 2019, the value of exports amounted to N$16,660,000 out of which over 42 percent was distributed to only five commodities, among them is cooking oil, prepared foods, detergents and other chemical products; fuel and vegetables (Chart 7). The combined value of these commodities was estimated at N$7,140,000. Cooking oil was the largest exported commodity, accounting for 10.8 percent of the total export followed by prepared foods accounting for 10 percent of total exports. Detergents and other chemical products ranked third on the export chart with a share of 8.5 percent while fuel was 3 percentage points less with a share of 8.2 percent. In a distant fifth position was vegetables which accounted for 5.5 percent of total exports.

*CHART 7: Percentage share of exports*

Apart from the top five largest commodities exported, Chart 7 further shows other commodities such as sugar and sugar confectionary; and milling products which contributed 5.3 percent each to Namibia’s total exports. The remaining commodities as shown in Chart 7 contributed less than 5 percent to Namibia’s total exports.
Namibia mostly imported commodities such as prepared foods, beverages, vegetables, footwear and cosmetics. These five commodities combined made up 52.9 percent (N$1,719 000) of the value of all commodities imported which was estimated at N$3,248 000. Analysis of individual commodities show that prepared foods dominated the import list contributing 13.4 percent to Namibia’s imports ahead of beverages which accounted for 11.9 percent of total imports.

Imports of vegetables amounted to N$355,916 000 representing 11 percent of total imports, hence lodging on the third position ahead of footwear which accounted for 8.4 percent. Cosmetics was also among the top five most imported commodities into Namibia with a share of 8.3 percent.

Further analysis of Chart 8 shows that commodities such as clothing and jewellery; cooking oil and fish were also part of Namibia’s import accounting for 7.1 percent, 6 percent and 4.2 percent of total imports, respectively. The rest of the commodities accounted for less than 5 percent each in imports.
3.5 Composition of commodities per border post

3.5.1 Exports
3.5.1.1 Oshikango

Exports passing through Oshikango border post were mostly composed of commodities such as: prepared foods, cosmetics, electronics (Inc cellphones), clothing and jewellery; and kitchenware as shown in Chart 9. The combined export value of these commodities amounted to N$3,170,000 translating to a share of 41.7 percent of the value of all commodities recorded at that border post which was estimated at N$7,601,000. The category of prepared foods alone had a share of 9.8 percent in total exports and hence appeared as the most exported commodity at Oshikango. Cosmetics ranked second with a contribution of 9.4 percent ahead of electronics (Inc cellphones), clothing and jewellery; and kitchenware whose respective contributions were 8.3 percent, 8 percent and 6.2 percent. The contributions made by other commodities are shown in Chart 9.

*CHART 9: Main exports: Oshikango*
3.5.1.2 Wenela

At Wenela border post, the most exported commodities comprised of cooking oil, fuel, detergents; prepared foods and vegetable whose combined value amounted to N$5,505,000 which represent a share of 68.8 percent out of the total amount of N$8,002,000.

Cooking oil emerged as the leading export commodity through Wenela with an estimated value of N$1,773,000, representing a share of 22.2 percent of total export. Fuel ranked second on the export list with an amount of N$1,210,000 constituting 15.1 percent of total exports while the category of detergents and other chemical products had a share of 12.2 percent hence ranking third on the export list. Fourth on the exports list was the category of prepared foods which accounted for 10.7 percent ahead of vegetables which had a share of 8.6 percent in total exports.

Apart from contributions made by beverages (6.9 percent) and sugar and sugar confectionary (5.8 percent), the contributions made by other commodities were below 4 percent as shown in Chart 10.

*CHART 10: Main exports: Wenela*
3.5.1.3 Omahenene

The leading export commodities through Omahenene border post were; milling products (47.9 percent), sugar and sugar confectionary (9.7 percent), Detergents and other chemical products (5.9 percent), cosmetics (5.2 percent) and pharmaceutical products (4.2 percent) (Chart 11). Together, the value of these commodities was estimated at N$544 000, representing a share of 72.9 percent of total exports passing through that border post. This is a decrease when compared to N$371 000 recorded in 2016. The remainder of the commodities contributed less than 5 percent share each to the total informal exports via Omahenene.

*Chart 11: Main exports: Omahenene*
3.5.1.4 Calai

Exports via Calai border post amounted to N$17 700,000, this was mainly distributed among commodities shown in Chart 12 with milling products, fish, prepared foods, clothing and jewellery; and vegetables accounting for a combined share of 45.1 percent of total exports. Among these commodities milling products had the highest share (13.8 percent) of total exports, hence making it the most exported commodity passing through that border post. Fish ranked second on the export list contributing a share of 10.3 percent towards exports via Calai. In third place was the category of prepared foods which accounting for 8.4 percent ahead of clothing and jewellery; and vegetables which contributed 6.7 percent and 5.9 percent respectively. In addition, the contributions made by meat and meat products; building materials and kitchenware ranged between 5.1 percent and 5.7 percent. The contributions made by other commodities were less than 4 percent shown in Chart 12.

*Chart 12: Main exports: Calai*
3.5.1.5 Ariamsvlei

The value of exports through Ariamsvlei was recorded at N$104 000 of which 77.8 percent share was distributed to only five commodities such as beverages, meat and meat products, prepared foods, clothing and jewellery; and vegetables.

Beverages had the largest share (28.4 percent) of exports passing through Ariamsvlei making it the most exported commodity at this southern border post, it was followed by meat and meat products with a share of 26.8 percent of total exports. Prepared foods, clothing and jewellery; and vegetables followed in that order accounting for 10.8 percent, 6.9 percent and 4.9 percent respectively. The contributions made by other commodities are shown in Chart 13.

CHART 13: Main exports: Ariamsvlei
3.5.1.6 Noordoewer

Exports passing through Noordoewer border posts were recorded at N$30 000. About 87 percent of total exports recorded at that border posts composed of meat and meat products, beverages, prepared foods, dairy products and wood and articles of wood.

The category of meat and meat products alone has a share of 64.5 percent in total exports, hence it was the largest exported commodity by value. In a distance second place was beverages which had a share of 12.6 percent in total exports. Moreover, prepared foods contributed 5.3 percent while dairy products and wood and articles of wood had a share of 2.3 percent each. The contribution made by other commodities were negligible as shown in Chart 14.

*CHART 14: Main exports: Noordoewer*
3.5.2 Imports

3.5.2.1 Oshikango

The most imported commodities through Oshikango border post were; beverages, footwear, clothing and jewellery; vegetables; and prepared food whose combined value was estimated at N$972 000 representing a share of 59.8 percent of the total import bill. Beverages accounted for 16.9 percent share of the total import bill via Oshikango, making it the most imported commodity by value through that border post. Footwear ranked second with 14.3 percent, followed by clothing and jewellery with 11 percent, vegetables with 9.2 percent and prepared food with 8.3 percent. Other commodities contributed 8.3 percent share or less as shown in Chart 15.

**CHART 15: Main imports: Oshikango**

Overall, informal imports through Oshikango declined by 50.1 percent to register N$ 1,627 000 compared to N$3,259 000 recorded in 2016.
3.5.2.2 Omahenene

In 2019, vegetables, fish, prepared food, footwear and milling products emerged as major imported commodities via Omahenene border post accounting for N$144 000, representing a share of 81.6 percent of the total import bill through that border post (Chart 16). Vegetables accounted for the largest share of 40.3 percent to the total informal import bill, followed by fish with 22.4 percent and prepared food with 7.4 percent of the total informal imports. Footwear and milling products ranked fourth and fifth accounting for 6.6 percent and 4.9 percent share, respectively.

**CHART 16: Main imports: Omahenene**

Overall, the value of informal imports through Omahenene border post increased by 225.7 percent to register N$177 000 in 2019 when compared to N$54 000 recorded in 2016.
3.5.2.3 Wenela

Cosmetics, fish, electronics (including cellphones), clothing and jewellery as well as vegetables dominated the list of commodities imported through Wenela border post in 2019. Altogether, these commodities accounted for N\$318 000, representing 80.8 percent of the total informal import bill through that border post. Cosmetics accounted for 64.6 percent, followed by fish with 4.8 percent and electronics with 4.2 percent of the total informal imports (Chart 17). Furthermore, informal imports of clothing and jewellery along with vegetables accounted for 3.7 percent and 3.5 percent of the total informal import bill through Wenela border post respectively.

**CHART 17: Main imports: Wenela**

Overall imports through that border post increased by 228.1 percent to register N\$394 000 in 2019 compared to N\$120 000 recorded in 2016.
3.5.2.4 Calai

Prepared food, vegetables, sugar and sugar confectionary; cooking oil and fish emerged as the leading imported commodities through Calai border post in 2019 with an estimated combined value of N$487 000 representing a share of 77.3 percent of the total imports. Prepared food accounted for 37.8 percent of the total informal imports via Calai, making it the largest imported category through that border post by value, followed by vegetables with 14.7 percent while sugar and confectionery accounted for 9.3 percent. Furthermore, cooking oil and fish also ranked among the top five imported commodities through Calai border post, accounting for a share of 8.3 and 7.2 percent respectively (Chart 18). The share of other commodities imported through Calai is further shown in Chart 18.

CHART 18: Main imports: Calai

Overall informal imports through Calai border post increased by 26.2 percent to account for N$630 000 in 2019 compared to N$499 000 recorded in 2016.
3.5.2.5 Ariamsvlei

Informal imports through Ariamsvlei border post was dominated by beverages accounting for the largest share of 21 percent of the total import bill recorded at that border post as shown in Chart 19. It was followed by the category of prepared food which contributed a share of 11.4 percent, clothing and jewellery contributed 11.2 percent, whereas electronics and vegetables accounted for 9.4 percent and 6.9 percent respectively. Altogether, the above mentioned commodities accounted for N$161 000 or 59.9 percent of the total import bill at that border.

**CHART 19: Main imports: Ariamsvlei**

Overall, the value of informal imports via Ariamsvlei rose by 4.7 percent registering N$268 000 compared to N$256 000 recorded in 2016.
3.5.2.6 Noordoewer

The value of informal imports through Noordoewer border post amounted to N$152,000 representing a decline of 42.7 percent when compared to the amount of N$266,000 recorded in 2016.

Beverages accounted for the largest share of 24.7 percent of the total import bill through Noordoewer (Chart 20). Coming in a distant second and third is prepared food with 7.8 percent and vegetables with 6.2 percent, followed by dairy products and machinery with 6 percent and 5.9 percent respectively. The aforesaid commodities together accounted for a combined value of N$77,000, representing a share of 50.6 percent of the total informal import bill via Noordoewer.

*CHART 20: Main imports: Noordoewer*
SECTION FOUR: SUMMARY OF FINDINGS AND CONCLUSION

4.0 Introduction

This section presents a summary of the findings and conclusions.

4.1 Summary of findings

The main findings of the survey are as follows:

i. Exports rose in 2019, following increased demand of domestic commodities from Angola and Zambia. Exports were estimated at N$16,660,000 to represent an improvement of 53.1 percent from its 2016 level of N$10,873,000.

ii. Zambia recorded the largest growth of 199% in exports from Namibia but Angola remained the largest export destination. Exports to Angola grew by 8.3 percent to register N$8,515,000 from its 2016 figure of N$7,861,000.

iii. Imports were estimated at N$3,248,000, indicating a contraction of 27.1 percent when compared to its 2016 level of N$4,454,000 as Namibia’s demand for imports from Angola and South Africa plunged.

iv. Among the leading export commodities was cooking oil, prepared foods, detergents and other chemical products; fuel and vegetables. On the other hand, prepared foods, beverages, vegetables, footwear and cosmetics emerged as the most imported commodities into Namibia.

v. Exports mostly passed through Oshikango, Wenela and Omahenene with a combined share of 98.1 percent of the total exports. Oshikango had the largest share (48%) in exports ahead of Wenela (45.6%) and Omahenene (4.5%).

vi. Similarly, imports were mostly prevalent at Oshikango, Calai and Wenela whose combined share stood at 81.6 percent of the value of all goods imported.

vii. The border posts in the Southern parts of the country had the least share in both imports and exports.
Conclusion

The objective of the survey was to establish the size of unrecorded/informal trade flows between Namibia and its neighbouring countries with the exception of Botswana. The study has shown to a greater extent that there is a high volume of informal cross border trade between Namibia and its neighboring countries through the six surveyed border posts. However, the figures from informal trade are still negligible when compared to that of commercial trade.

The survey has also shown that there is a high volume of informal cross border trade, in particular between Namibia, Angola and Zambia. This is an indication of how residents in bordering towns dependents on supplies across the border. Informal trade between Namibia and Zambia only occurs at Wenela border post, while Oshikango, Omahenene and Calai border posts account for trade with Angola. Informal trade between Namibia and RSA was only prevalent at the two southern borders, Ariamsvlei and Noordoewer.