**Mission Statement**

“Leveraging on partnerships and innovative technologies, to produce and disseminate relevant, quality, timely statistics and spatial data that are fit-for-purpose in accordance with international standards and best practice”

**Vision Statement**

“Be a high performance institution in quality statistics delivery”

**Core Values**

Integrity  
Excellent Performance  
Accuracy  
Team Work  
Accountability  
Transparency
International merchandise trade plays a crucial role in economic development as it binds producers and consumers located in different countries into a global economic system. In this context, availability of timely and high-quality trade statistics becomes a precondition for an in-depth analysis of the employment, production, income, consumption and overall welfare both at the country and global level. It is in that light that since its establishment, the NSA has strived to make provision of timely and quality statistics through various publications. This publication outlines the monthly developments of Namibia's trade in merchandise with the rest of the world during the period of October 2020.

The month of October 2020 saw Namibia's total merchandise trade reaching to the level of N$19.2 billion, which is 0.7 percent less than its level of N$19.4 billion recorded in September 2020 but 6.7 percent higher than N$18 billion recorded in October 2019. However, the country's trade balance remained in a deficit with N$3.9 billion widening from N$2.7 billion recorded in October 2019 and from N$1.5 billion in September 2020.

Namibia's trade composition by partner was skewed towards a few countries. China emerged as Namibia's largest export market while South Africa maintained its position as the number one source of imports. The composition of goods exported remained the same mainly comprising of minerals such as non-ferrous metals, metalliferous ores and metal scrap, non-metallic mineral manufactures, as well as non-monetary gold. Fish remained the only non-mineral products among the top five list of exports. On the other hand, the import basket comprised mainly of non-ferrous metals, petroleum and petroleum products; metalliferous ores and metal scrap, vehicles and inorganic chemicals.

The October 2020 trade figures indicates that total re-exports improved, rising by 0.6 percent month-on-month and by 27.6 percent year-on-year. Non-ferrous metals took the largest share of re-exports, constituting a share of 59.5 percent of total re-exports mainly to China and Hong Kong. The non-ferrous metals which were re-exported were mostly sourced from Zambia and DRC.

Let me take this opportunity to thank all our stakeholders who made it possible for the production of this report. I would also like to urge all our Traders and Clearing Agents to continue providing all the required information when declaring their goods as this information is vital in the production of trade statistics. In the same vain I would like to urge our users of statistical information to send to us any comments that may enhance the improvement of this report.

ALEX SHIMUAFENI
STATISTICIAN GENERAL & CEO
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BRIC: Brazil, Russia, India and China
CIF: Cost, Insurance and Freight
COMESA: Common Market for Eastern and Southern Africa
DRC: Democratic Republic of Congo
EAC: East African Community
EFTA: European Free Trade Association
EPZ: Export Processing Zone
EU: European Union
FOB: Free on Board
ROW: Rest of World
SACU: Southern African Customs Union
SADC: Southern African Development Community
VAR: Imported from Various Countries
SECTION 1: KEY DEVELOPMENTS

1.1 Total Exports and Total Imports

The value of exports\(^1\) in October 2020 remained constant at N$7.6 billion as observed in the corresponding period of 2019 (Chart 1). However, when compared to its level of N$8.9 billion in September 2020, exports deteriorated by 14.3 percent. Imports on the other hand rose by 11.6 percent and 11 percent when compared to October 2019 and September 2020 respectively. Subsequent to the developments in exports and imports, Namibia’s total merchandize trade with the ROW\(^2\) improved by 6.7 percent from its level of N$18 billion in October 2019 to N$19.2 billion in October 2020, while deteriorating by 0.7 percent from its level of N$19.4 billion in September 2020.

*Chart 1: Total exports and imports October 2019 to October 2020*

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\(^1\) Exports represents total exports derived from the sum of domestic exports and re-exports.

\(^2\) Rest of the world (ROW).
1.2 Trade Balance

The trade balance\(^3\) compares the country’s trade with the ROW in terms of earnings (exports) and expenditure (imports\(^4\)). During the month under review, Namibia recorded a trade deficit to the tune of N$3.9 billion. The current figure shows that the deficit worsened by 160 percent and 44.1 percent from its level of N$2.7 billion and N$1.5 billion recorded in October 2019 and September 2020, respectively (Chart 2). Lenient

*Chart 2: Trade balance, October 2019 to October 2020*

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3. Trade balance here is measured as the difference between the country’s total exports and total imports. A positive balance is referred to as a surplus while a negative balance is referred to as a deficit.

4. The value of imports here is denoted as negative to show an out flow.
SECTION 2: DIRECTION OF TRADE (DOT)

2.1 Top Five (5) Export Markets

For the month of October 2020, Namibia's major trading partners in terms of exports remained the same as for October 2019 as well as for September 2020, maintaining the same countries (such as China, South Africa, Botswana and Zambia) while Spain was added to the list replacing Belgium which was among the top five export countries in September 2020. These top five markets absorbed 71 percent of Namibia’s total exports to the ROW (Chart 3), down from 73.4 percent and 74.4 percent absorbed in October 2019 and September 2020, respectively.

Chart 3: Percentage share of export by country

China maintained its first position as the main export market, absorbing 38.4 percent of all goods exported, ahead of South Africa in the second place which absorbed 13.9 percent of total exports. Botswana claimed the third position to account for 7.8 percent while Spain and Zambia occupied the fourth and fifth positions with respective shares of 5.5 percent and 5.3 percent.


2.2 Top Five (5) Import Markets

Similarly, the composition of Namibia’s import market remained the same comprising of countries such as South Africa, Zambia, DRC, Bulgaria and Puerto Rico which replaced China on the list of September 2020. These countries supplied Namibia with 71.1 percent of all import requirements needed by the country. The individual contribution of each of these countries to Namibia total imports is shown in Chart 4.

Chart 4: Import market share by top five countries

As usual, South Africa maintained its position as Namibia’s largest import market with a share of 34.3 percent of the value of all goods received into the country during October 2020. Following in the second place was Zambia with a contribution of 17.5 percent to total imports. The Democratic Republic of Congo (DRC) in the third place accounted for 8.4 percent of Namibia’s total import whereas Puerto Rico and Bulgaria occupied the fourth and fifth position with contributions of 5.7 percent and 5.2 percent, respectively.
SECTION 3: TRADE BY PRODUCTS

Section 3 of this report outlines Namibia’s trade flow based on the Standard International Trade Classification Revision 4 (SITC rev 4). The SITC groups all commodities into headings suitable for economic analysis, in this section, the SITC is disaggregated to 2-digit level. The SITC is recommended by the United Nations for use in external trade data and thus promotes international comparability of trade statistics.

3.1 Top Five (5) Export Products

Non-ferrous metals, mainly destined to China, Germany and Hong Kong was Namibia’s largest export commodity during the month under review, accounting for 36.3 percent of total exports ahead of non-metallic mineral manufactures which accounted for 19.8 percent of total exports due to demand of this product by Botswana, Belgium and United Arab Emirates. Fish, primarily destined to Spain, South Africa and Zambia claimed the third position with a contribution of 11.5 percent to total exports followed by metalliferous ores and metal scrap in the fourth place with 6.7 percent, mainly exported to China. Finally, Non-monetary gold occupied the fifth position with a contribution of 5.9 percent as South Africa continued to be Namibia’s only market for gold exports. The aforementioned five commodities jointly accounted for 80.3 percent of total exports (Chart 5), up from a previous contribution of 79.7 percent in October 2019 but down when compared to a contribution of 83.6 percent recorded in September 2020.

Chart 5: Top five export by products (percentage share)
3.2 Top Five (5) Re-export Products

Re-exports are commodities imported by residents who assume short-term ownership of the commodities. The commodities are subsequently exported without undergoing any significant industrial transformation. Even though no substantial transformation is done, re-exports have the potential to benefit the intermediate country by rendering services such as sorting, re-packaging, storage, transport and trade mediation services. This implies that the country’s services sector greatly benefits from activities of re-exports. Additionally, re-exports serve as an indication of favorable corporate tax in the intermediate country\textsuperscript{5}.

The October 2020 figures show that total re-exports rose by 27.6 percent to register N$4.5 billion after recording N$3.5 billion in the corresponding period of 2019. An increase of 0.6 percent was observed when compared to September 2020.

Chart 6: Percentage share of the top five re-export products

The top five commodities utilizing the most logistical services in Namibia are shown in Chart 6, with non-ferrous metals leading as the largest re-export product, with a share of 59.5 percent of total re-exports mostly destined to China and Hong Kong. The non-ferrous metals which were re-exported were mostly sourced from Zambia and DRC. Following in the second place is non-metallic mineral manufactures with a share of 17.7 percent of total re-exports which was mostly destined to Belgium, India and United States of America. Re-exports of Inorganic chemicals accounted for 3 percent of all commodities re-exported and was mostly destined to China and Finland. Commodities of other

\textsuperscript{5} Lankhuizen, M. & Thessen, M., 2019. The Implication of re-export for Gravity Equation Estimation, NAFTA and BREXIT. Spatial Economic Analysis, 14(4), pp.384-403
categories such as plastics in primary forms and; petroleum and petroleum products accounted for 2.3 percent and 1.6 percent respectively. Zambia was responsible for the absorption of re-exported plastics while Botswana absorbed most of the petroleum products re-exported.

### 3.3 Top Five (5) Import Products

During the period under review, the value of imports into the country amounted to N$11.6 billion from its level of N$10.4 billion recorded in both October 2019 as well as in September 2020. The top five commodities imported into Namibia jointly accounted for 55.4 percent of total imports with non-ferrous metals leading with the largest share of 23 percent. Following in the second position is metalliferous ores and metal scrap with a share of 16.1 percent of all commodities imported. Petroleum and petroleum products were ranked third after a contribution of 8.8 percent to total import while vehicles and inorganic chemicals followed in the fourth and fifth position with contributions of 4.6 percent and 3 percent, respectively (Chart 7).

*Chart 7: Percentage share of the top five import products*

<table>
<thead>
<tr>
<th>Product Description</th>
<th>Percentage Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-ferrous metals</td>
<td>23.0%</td>
</tr>
<tr>
<td>Metalliferous ores and metal scrap</td>
<td>16.1%</td>
</tr>
<tr>
<td>Petroleum and petroleum products</td>
<td>8.8%</td>
</tr>
<tr>
<td>Vehicles</td>
<td>4.6%</td>
</tr>
<tr>
<td>Inorganic chemicals</td>
<td>3.0%</td>
</tr>
</tbody>
</table>

Non-ferrous metals were mostly imported from Zambia and DRC while most of petroleum and petroleum products imported into Namibia originated from United Arab Emirates, Portugal and Oman. Domestic demand for metalliferous ores and metal scrap were mainly met by supply from Bulgaria, Peru and for the first time Puerto Rico. South Africa supplied most of the vehicles imported while inorganic chemicals were mainly sourced from the DRC.
4.1 Exports by Economic Regions

The regional grouping BRIC (Brazil, Russia, India and China) maintained its lead as the largest export destination for Namibia’s goods (mostly non-ferrous metals) during the month under review, with a market share of 40.3 percent of the total exports. Following in the second and third positions is the Southern African Customs Union (SACU) and the European Union (EU) which accounted for 21.7 percent and 16.7 percent of total exports, respectively (Chart 8).

Chart 8: Percentage share\(^6\) of exports by regions

Exports to SACU comprised mainly of non-metallic mineral manufactures, non-monetary gold and fish. The same commodities with the exception of non-monetary gold but including non-ferrous metals were mainly exported to the EU. SADC-excluding-SACU was ranked fourth in terms of its contribution to Namibia’s exports with a share of 10.7 percent due to high exports of fish and plastics. Finally, the Common Market for Eastern and Southern Africa (COMESA) came in fifth position with a market share of 7.7 percent following high exports of fish and plastics to that region.

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\(^6\) The percentages for economic regions are based on the world aggregates because of overlapping member states for some regions hence the percentages do not add up to 100%.
4.2 Imports by Economic Regions

In October 2020, the SACU region maintained its lead as the largest source of imports for Namibia accounting for 35.5 percent of all goods imported (mainly vehicles, miscellaneous manufactured articles, beverages and petroleum & petroleum products). Non-ferrous metals were solely responsible for the high value of imports from COMESA which had a share of 26.3 percent of total imports and hence making it the second largest source of imports into the country. Equally, SADC excluding SACU region accounted for 26.1 percent of Namibia’s total import bill also on account of non-ferrous metals, followed by the EU and BRIC in the fourth and fifth positions with 10.4 percent and 6.5 percent, respectively (Chart 9).

Chart 9: Percentage share of imports by economic regions

Imports from the EU mainly comprised of metalliferous ores and metal scrap; and petroleum and petroleum products. Furthermore, crude fertilizers and cereals accounted for the highest value of imports from BRIC during the period under review.
SECTION 5: TRADE BY MODE OF TRANSPORT

5.1 Export by mode of transport

During the month of October 2020, exports amounting to N$4.2 billion, representing 54.9 percent of total exports left the country by sea, translating into an increase of 8.1 percent when compared to its level of N$3.9 billion recorded in the corresponding period of 2019. On the contrary, a decline of 27.7 percent was observed when compared to the level of N$5.8 billion in September 2020. Furthermore, air and road transportation accounted for 25.6 percent and 19.5 percent of total exports, respectively (Chart 10).

Chart 10: Export by mode of transport (percentage share)

In terms of tonnage, the month of October 2020 saw about 81,772 tons of goods leaving Namibia by sea, down from 240,200 tons and 124,287 tons recorded in October 2019 and September 2020, respectively. About 109,802 tons of goods left the country by road when compared to its level of 123,118 tons recorded in the corresponding period of 2019 and from 110,546 tons recorded in the preceding month. Whereas 122 tons left the country by air after registering 121 tons in the same period a year ago and 125 tons in the preceding month.
5.2 Import by mode of transport

Road was the most frequent mode of transport used for imports in October 2020, with an amount of N$7.5 billion, representing 64.7 percent of all goods imported in the country. Following in the second place is the sea transport which accounted for 33.3 percent of all the goods that reached the country while the remaining 1.9 percent of all imported goods arrived by air (Chart 11).

*CHART 11: Percentage share of Imports by mode of transport*

In terms of tonnage, about 180,529 tons of goods that reached the country came in by road, this is less than its level of 296,084 tons observed in October 2019 and the level of 187,533 tons recorded in the preceding month. Whereas 231,579 tons of goods reached the country by sea compared to its level of 120,350 tons recorded in October 2019 and 133,935 tons recorded in September 2020. A further, 265 tons and 94 tons of goods were imported into the country via rail and air, respectively.
This section focuses on selected commodities mostly contained in food parcels distributed by the Government to the public in the wake of COVID-19. Since the country’s lock down measures, the supply of certain basic commodities was disrupted and hence became of interest to the Agency to monitor as government responded to the pandemic. Among these commodities, are food items such as cooking oil, rice, sugar as well as maize grains and wheat. Non-food items constitutes of disinfectants, toilet paper and breathing appliances. The trend of imports for the commodities outlined above since Jan 2020 to October-2020 are illustrated in Chart 12.

Analysis of Chart 12 shows a mixed trend in imports of commodities considered in the evaluation of the Covid-19 impact with some commodities posting an increase and some a decrease during the period under review. For instance, import of wheat registered the largest increase of N$71 million from its September 2020 level of a mere N$6 million. Similarly, import of maize and rice rose by 66.9 percent and 3.3 percent, respectively. On the other hand, import of sugar and cooking oil weakened, with sugar falling by 39.6 percent while cooking oil dropped by 9.1 percent.

The import trend of non-food items such as breathing appliances, disinfectants and toilet paper are also reflected in Chart 12, with breathing appliances and toilet paper registering declines on a monthly basis of 72.4 percent and 1 percent respectively. Finally, import of disinfectants also fell.
7. Commodity of the Month

The category of interest for October 2020 was fruits, which forms part of the products regulated by the Namibian Agronomic Board (NAB). The regulations involve import levies subjecting importers to register and acquire import permits from the board or total closure of the border for importation of such products. According to the NAB, this is done in line with the Market Share Promotion (MSP) scheme, aimed at stimulating local production of fruits and horticultural products in Namibia. Furthermore, regulations are implemented to promote the growth at home strategy.

According to the NAB, there was no restrictions placed on importation of fruits, hence in October 2020, the import value of fruits amounted to N$32 million rising by 9.3 percent from its level of N$29 million in September 2020. However, there was a decline of 7.7 percent when compared to the level of N$35 million recorded in October 2019. Overall, the country imported N$408 million worth of fruits since October 2019 (Chart 13) with an average of N$31 million. The highest figures of N$41 million-above average was recorded in November 2019 while the lowest figure of N$25 million-below average was registered in May 2020.


The N$32 million import value of fruits recorded in October 2020 comprised of 24.4 percent of fresh apples, 12.1 percent bananas, 11.9 dried fruits, 4.3 percent of strawberries, and 3.2 percent of pears. These products were solely sourced from South Africa (99.3). Exports of fruits (mostly dates grapes and other fresh fruits, n.e.s ) on the other hand amounted to N$19 million distributed to countries such as Netherlands (46.2%), United Kingdom (34.7%) and South Africa (13.9%).

\footnote{N.e.s: not elsewhere specified.}
Conclusion

In October 2020, Namibia's exports stood at N$7.6 billion and imports at N$11.6 billion, subsequently the country's trade balance resulted in a deficit of N$3.9 billion and total trade amounted to the tune of N$19.2 billion.

Recent figures show that exports weakened month-on-month, dropping by 14.3 percent from its revised level of N$8.9 billion in September 2020, but remained constant when compared to its level of N$7.6 billion recorded in October 2019. Imports on the other hand improved, rising by 11 percent and 11.6 percent when compared to its level of September 2020 and October 2019, respectively.

China maintained its dominance as the country’s largest export destination, with a share of 38.4 percent of all goods exported, and was followed by South Africa which accounted for 13.9 percent of total exports. Furthermore, Botswana, Spain and Zambia formed part of Namibia's top five export markets. The demand side saw South Africa maintaining its first spot as the country's largest source of imports, accounting for 34.3 percent of total imports into Namibia. Zambia was also firm on its usual second position with 17.5 percent of the market share. DRC, Puerto Rico and Bulgaria also formed part of Namibia's top five sources of imports.

The analysis of commodities revealed that the category of non-ferrous metals had the largest share (36.3%) in Namibia's total exports ahead of non-metallic mineral manufactures (19.8), fish (11.5%), metalliferous ores and metal scrap (6.7%) and non-monetary gold (5.9%). In terms of imports, non-ferrous metals also appeared as the most imported commodity with a relative share of 23 percent of total imports, followed by metalliferous ores and metal scrap with a share of 16.1 percent; and petroleum and petroleum products with a share of 8.8 percent. Moreover, vehicles and inorganic chemicals contributed 4.6 percent and 3 percent to Namibia's total imports respectively.

In terms of regional composition, BRIC was the largest export market during the month of October 2020, with a market share of 40.3 percent of total exports followed by the SACU region with relative market shares of 21.7 percent while the EU and SADC-excl-SACU had a share of 16.7 percent and 10.7 percent, respectively. On the imports side SACU remained the main source of Namibia's imports having a share of 35.5 percent in the country's total import bill followed by COMESA and SADC excluding SACU with 26.3 percent and 26.1 percent, respectively. The EU had a share of 10.4 percent in Namibia's total import bill.