PRELIMINARY NATIONAL ACCOUNTS 2021
Outline

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ECONOMIC PERFORMANCE OVERVIEW
Overall GDP growth rate

- Domestic economy surge into a positive trajectory.
- Real GDP growth increased to **2.4%** in 2021 vs historic **7.9%** in 2020.
- RGDP stood at N$136.6 billion vs N$133.4 billion recorded in 2020, an upsurge of N$3.2 billion.
- Nominal GDP stood at N$180.8 billion vs N$173.9 billion in 2020. Nominal GDP improved by N$ 7.0 billion.
Economic Performance Overview

Key drivers to GDP growth

- Improved performance was observed mainly in:
  - “Taxes less subsidies on products” ↑ 17.1%
  - “Mining and quarrying” leading the pack with ↑ 13.6%
  - “Hotels and Restaurants” recorded ↑ 10.4%
  - “Inform. & communication” recorded ↑ 6.9%
  - “Wholesale & retail trade” registered ↑ 6.1%
  - “Health” registered ↑ 4.5%
  - “Prof. scientific & tech services” posted ↑ 2.9%
  - “Transport” registered ↑ 2.8%
  - “Real estate” registered ↑ 2.3%
  - “Education” posted ↑ 2.3%
Economic Performance overview

Sectoral share to a growth of 2.4%

- Main contributors to the growth of 2.4%
  - Mining and quarrying sector contributed 1.2% pt.
  - Taxes on products 1.0% pt.
- Least contributors to the growth of 2.4%
  - Manufacturing -0.7% pt.
  - Financial and insurance services -0.4% pt.
Economic Performance Overview

Industries shares to GDP

2020

- Tertiary industries, 58.8%
- Secondary industries, 16.6%
- Primary industries, 18.5%
- Other, 6.1%

2021

- Tertiary industries, 58.6%
- Secondary industries, 15.9%
- Primary industries, 18.5%
- Other, 6.9%

Primary industries
Secondary industries
Tertiary industries
Other
Economic Performance Overview

Growth rates of industries

- Tertiary industries ↑ 8.0% vs ↓ 5.9% in 2020.
- Secondary industries ↑ 1.9% vs ↓ 4.9% in 2020.
- Primary industry took an improved decline of ↓ 6.6% vs ↓ 12.1% in 2020.
PRIMARY INDUSTRIES OVERVIEW
Primary Industry Overview

Agriculture, forestry and fishing

• Agriculture, forestry and fishing sector posted a slow positive growth rate in real value added of 2.0% vs an increase of 6.5% recorded in 2020

Key drivers:

✓ Crop farming subsector † 4.6% vs † 77.6% in 2020
  ➢ Due to increased hectares of land under cultivation coupled with good rainfall received in 2021.

✓ Livestock subsector ‡ 2.2% vs ‡ 9.7% in 2020
  ➢ Due to declining live cattle exported as well as cattle and small stock slaughtered by the export approved abattoirs.

✓ Fishing subsector † 3.2% vs ‡ 9.0% in 2020
  ➢ Driven by increase in volume of fish landed during the period under review
Primary Industry overview

Mining and quarrying

• Mining and quarrying registered a growth rate of 13.6% in real value added vs a decline of 15.0% witnessed in 2020.

**Key drivers:**

- Diamond mining subsector registered \( \uparrow 2.5\% \) vs \( \downarrow 14.9\% \) in 2020.
  - Due to an increase in carats produced during 2021.

- Uranium subsector posted \( \uparrow 25.8\% \) vs \( \downarrow 8.5\% \) in 2020.
  - Due to high global demand for uranium ores

- Other mining and quarrying subsector posted \( \uparrow 47.5\% \) vs \( \downarrow 18.4\% \) in 2020.
  - Due to the increase in production of salt and marbles.

- Contrary, Metal ores subsector posted \( \downarrow 0.6\% \) vs \( \downarrow 20.7\% \) in 2020.
  - Due to reduction in production of copper and manganese minerals
SECONDARY INDUSTRIES OVERVIEW
Secondary Industry Overview
Manufacturing

• Manufacturing sector decline by 6.2% in real value added vs a decline of 17.1% in 2020.

Key drivers:
• "Beverages" subsector also recorded 17.7% vs 32.5% in 2020.
• Due to an increase in the production of beer
• ‘Textile and wearing apparel’ subsector recorded 17.3% vs 3.1% in 2020.
• “Leather and related products’ subsector recorded 16.8% vs 12.1% in 2020.
Secondary Industry overview

Construction and “Electricity and water”

✓ The “Construction” sector continued to contract since 2016, the sector registered 10.2% in real value added in 2021 vs 11.8% recorded in 2020.
  ➢ Due to both construction works for ‘civil engineering and related services’ and ‘buildings and related services’ that reduced in 2021.

✓ “Electricity and water” sector registered a 5.7% in 2021 vs 22.8% registered in 2020.

✓ Weak performance in “Electricity and water” sector is attributed to the ‘Electricity subsector’ that recorded 13.5% in real value added for 2021 vs 46.5% in 2020.
  ➢ Due to increase in intermediate costs
TERTIARY INDUSTRIES OVERVIEW
Tertiary Industry Overview

Hotels and restaurants sector

- “Hotels and restaurants” sectors posted ↑10.4% vs ↓30.4% in 2020.

Key drivers:
- Relaxation of COVID-19 travel and gathering restrictions; resulted in high demand for leisure, conferencing and accommodation services.

Transport sector

- Transport sector recorded ↑2.8% vs ↓22.7% in 2020

Key drivers:
- Airport services subsector ↑30.0% vs ↓52.7% in 2020.
  - Due to an increase in passenger arrivals given relaxed COVID-19 travel restrictions
- Air transport subsector posted ↑14.7% vs ↓73.9% in 2020.
  - As a result of increase in aircraft movement.
- Freight transport by road subsector ↑3.6% vs ↓5.2% in 2020.
  - Due to improved logistical chains
Tertiary Industry Overview

Financial and insurance services activities

- ‘Financial and insurance services activities’ sector ↓5.3% vs ↓12.8% in 2020.

Key drivers:

✓ Financial intermediation subsector ↓ 20.6% vs ↓ 4.8% in 2020.
  - Reduction in loans and advances extended to household and businesses.
✓ Contrary, the insurance subsector recorded ↑ 11.6% in 2021 vs ↓ 20.2% in 2020.
  - Due to improved economic activities resulting in new demand for insurance policies and increased premiums.

Wholesale and retail trade sector

- Wholesale and retail trade sector recorded ↑ 6.1% vs ↓ 11.7 % in 2020.

Key drivers:

✓ The sector observed an increase in final demand, resulting in an upward shift in revenues of vehicles, supermarkets, furniture and wholesalers sales.
Tertiary Industry Overview

Information and Communication sector

- Information and communication sector recorded ⬆ 6.9% vs ⬆ 17.4% in 2020.

  ➢ Due to the increase in the number of minutes used during the period under review.

Administrative and Support Services

- Administrative and support services sector contracted by ➲ 4.1% vs ➲ 10.4% in 2020.

  **Key drivers:**
  
  ✓ The poor performance in the sector is attributed to the ‘Security’ subsector that posted a ➲ 7.4% in real value added during the period under review vs 6.1% registered in 2020.
  
  ✓ ‘Car rentals’ and ‘Travel agents’ subsectors recorded positive growth rates of 0.8% and 3.8% in 2021 vs declines of 4.9% and 37.9% seen in 2020, respectively.

  ➢ Due to increased demand from international and domestic travelers given relaxed restrictions of the COVID 19 measures.
Public administration and defense increased by 0.5% in 2021 compared to 1.2% in 2020. This increase in compensation of employees is noted.

The Education sector posted a 2.3% increase in 2021 as opposed to 4.7% in 2020. This decrease in public expenditures on compensation of employees improved the economics activities in the sector.

The Health sector posted a 4.5% increase in 2021 compared to 2.3% in 2020. This increase in health personnel and health expenditures was registered in 2021.
THANK YOU!