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1. As is customary, it gives the NSA great pleasure in releasing the economic statistics to the nation. Today I am pleased to release statistical information on the annual national accounts 2019, trade bulletin for July 2020 and the results of the second Survey of COVID-19 Effect on Selected Businesses.

Annual National Accounts 2019

2. The first estimates of the Namibian economic performance in 2019 was released in March 2020. The preliminary national accounts released in March of each year serves as a flash estimates to inform policy makers on the performance of the nation, the estimates are provisional as not all data is available during the time of the release. During the month of September of each year the NSA releases the annual national accounts based on the latest information gathered after the release of the preliminary national accounts.
3. Allow me to emphasize on the revision practices in the compilation of the national accounts. The national accounts revisions are necessitated as certain data only becomes available more than a year after the end of a reference period. Thus the national accounts estimates for the last three years are revised once or twice a year due to updated data from the data sources.
4. The revisions to the national accounts estimates beyond the three years becomes necessary if new evidence becomes available or there is a need to correct errors in the estimates, although the aim is to avoid this kind of revisions until the rebasing exercise.
5. The NSA undertook a revision exercise of national accounts in 2019 to implement ISIC revisions 4 and adopt the SNA 2008

compilation methodology. Following the revisions in 2019 new evidence on unregistered slaughters of animals in the 'Agriculture, forestry and fishing' sector became available that has necessitated the revision of the sector from 2013 to reflect the correct levels of the sector.

6. Implicitly, given the linkages in the economy, the revision in 'Agriculture, forestry and fishing' sector flows into other sectors such as Manufacturing and ultimately impacted the 'Wholesale and retail trade' sector which in turn affected taxes on products due to margins.
7. Looking at the annual national accounts estimates for 2019 in nominal terms, the size of the Namibian economy was estimated to be at N\$ 181.2 billion during the reporting period relative to N\$ 181.0 billion in 2018. This shows a marginal expansion of N\$ 225 million.
8. In real terms, Namibia's gross domestic product (GDP) contracted by 1.6 percent in 2019 compared to a growth of 1.1 percent recorded in 2018.
9. The contractionary performance of the economy in 2019 was mainly due to the Primary industries that declined by 8.9 percent. The contraction in the Primary industries was observed across all sectors namely 'Mining and quarrying' (-11.1 percent) and 'Agriculture, forestry and fishing' (-5.7 percent).
10. In contrast, the Secondary industries recorded a positive performance in real value added of 1.7 percent. The improved performance was mainly observed in the Manufacturing sector that increased by 3.0 percent. Since the implementation of the austerity measures by government in 2016, the construction sector for the first time after three years of contractions registered a positive growth of 1.2 percent in 2019, this growth was mainly reflected in the activities of construction works for civil engineering.
11. On the other hand, the Tertiary industries recovered albeit registering a decline of 0.1 percent in 2019 when compared to a

contraction of 1.2 percent in 2018. The main drivers of the recovery of the Tertiary industries are the following two sectors that recorded positive growths 'Information and communication' (8.6 percent) and 'Financial and insurance service activities' (6.0 percent).

12. Namibia's final consumption expenditure amounted to N\$ 178.0 billion in 2019 compared to N\$ 171.8 billion in 2018 with the private consumption expenditure accounting for 74.0 percent of the total final consumption expenditure.
13. In conclusion, the domestic economy contracted by 1.6 percent in real terms in 2019. The poor performance is attributable to the Primary industries that posted negative growth rates however, Secondary industries registered a positive growth whilst the Tertiary industry remain subdued albeit showing signs of recovery.

Trade Bulletin for July 2020

14. 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 production, consumption, employment, income and overall welfare both at the country and global level.
15. For the month of July 2020, Namibia's exported goods worth N\$5.9 billion while she imported goods amounting to N\$9.4 billion, thus resulting in the country to register a deficit trade balance of N\$3.5 billion, the highest deficit over the period under review (July 2019-July 2020). The deficit follows a surplus of N\$270 million recorded in June 2020 which was the second surplus during the period under review (July 2019-July 2020).
16. Namibia's exports to the rest of the world weakened to N\$5.9 billion in July 2020, falling by 21.1 percent from N\$7.5 billion reported in June 2020 and by 23 percent from the level of

N\$7.6 billion recorded in July 2019 respectively. Total imports increased by 31.2 percent from its level of N\$7.2 billion in the preceding month and declined by 3.8 percent when compared to its level of N\$9.8 billion recorded in July 2019.

17. China maintained its dominance as the country's largest export destination, with a share of 40.1 percent of all goods exported followed by South Africa which accounted for 18.3 percent of total exports. Furthermore, Belgium, Spain and Zambia formed part of Namibia's top five export destinations.
18. The demand side reflected South Africa as Namibia's largest source of imports, accounting for 37.4 percent of total imports followed by Zambia with 14.8 percent of the market share. Countries such as DRC, Chile and Bulgaria also formed part of Namibia's top five sources of imports.
19. In terms of regional composition, BRIC (Brazil, Russia, India and China) was the largest export market during the month of July 2020, with a market share of 41.8 percent of total exports followed by the SACU region with relative market shares of 22.4 percent. On the imports side SACU remained the main source of Namibia's imports having a share of 38.2 percent in the country's total import bill followed by COMESA with a share of 22.5 percent.
20. Namibia's trade by mode of transport indicated that in July 2020, the majority of goods exported left the country by sea, accounting for 67.4 percent of total exports. The road and air transportation accounted for 19.7 percent and 12.9 percent of total exports, respectively. Whereas most of the goods that entered Namibia came in by road, accounting for 63.2 percent of total imports followed by sea (35.6 percent) and air (1.2 percent).

Survey of COVID-19 Effect on Selected Businesses

21. I am now pleased to present the results of the second Survey of COVID-19 Effect on Selected Businesses. The objective of the survey was to deliver near real time information that provides an impression of the effect of COVID-19 on the businesses. The survey measured the prevalence and nature of adverse effects from coronavirus experienced by these businesses operating in Namibia.
22. The results will help in understanding the dynamic effect of COVID 19 on the businesses and provides areas for further research that will provide the much-needed information to the policy and decision makers.
23. The first round of the survey covered a period of 30 April 2020 to 11 May 2020. While the second round of the survey was conducted from 27th of July 2020 to 07th of August 2020.
24. A convenient sample list of 619 formal businesses across 16 sectors of the economy was used for this survey with an overall response rate 58.5 percent.
25. The survey shows that 87.8 percent of businesses are adversely affected by the coronavirus pandemic compared to the 96.5 percent that was reported in the first round of the survey report that was released in the May 2020. Thus, reflecting the opening up of the economy following the lock-down period that was covered in the first round of the survey.
26. The survey indicated that almost half of the businesses (48%) continued to trade partially as compared to 50 percent that operated partially during the first round of the survey. This was followed by 31 percent of businesses that indicated they continued to trade at full capacity, an increase when compared to 21.2 percent of businesses that cited to be operating at full capacity during the first round of the survey.

27. The survey further revealed that 20 percent of the businesses cited to have temporarily closed a slight decline from 25.2 percent of businesses that were temporarily closed during the first round of the survey. While only 1 percent of the businesses cited that they were permanently closed compared to 3.5 percent during the first round of the survey.
28. Although government introduced some relief packages in order to mitigate the impact of coronavirus, the survey results shows that only 23.7 percent of the businesses managed to obtain such relief packages during this period.
29. A significant amount of businesses (30.2%) reported to have laid off workers during the state of emergency period, thus an indication of rising unemployment during the prevailing pandemic period.
30. Finally, let me thank our data providers and stakeholders, without whose collaboration this publications would not have been possible. Again, allow me to under-score the importance of the timely delivery of data to the Agency and responding to the survey questionnaires to ensure timely and comprehensive compilation of economic statistics in the country.
31. I would also like to express my appreciation to our international stakeholders, more specifically the United Nations Development Programme (UNDP) who financially supported this Survey of COVID-19 Effect on Selected Businesses.
32. Further, it is my hope, that information released today would go a long way to guide in policy advice and interventions, the investors and academia.

I thank you



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