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
Preface

Foreign trade statistics plays an important role in many economies and Namibia is no exception. It is an account of all transactions of merchandise between domestic residents and the rest of the world. The account measures the value and quantity of goods which add or subtract from the stock of material resources of a country by entering (imports) or leaving (exports) its economic territory. Therefore, trade statistics remains one of the major contributing indicators of the performance of Namibia’s economy and its competitiveness on the world market.

Quarter-on-quarter (Q-on-q) merchandise trade statistics are used extensively in the compilation of the country’s national accounts and the balance of payments. Furthermore, these statistics are also used by various government institutions in preparation of trade negotiations such as: (a) defining and implementing anti-dumping policies, (b) macroeconomic and monetary policies and (c) establishing new markets and evaluating the progress of existing markets. Statistics on international trade of merchandise are used comprehensively by decision makers at national, regional and international level, while investors use this information in market research and to define their commercial strategies.

In the context of Namibia, the government’s trade policy is aimed at developing, promoting and diversifying the country’s exports as well as reducing its reliance on foreign goods.

The Directorate of Customs and Excise in the Ministry of Finance is responsible for the collection of revenues. Computerization of procedures at Customs and Excise continues to enhance the timely dissemination and analysis of trade statistics through prompt transfer of captured trade data at points of entries nationwide to the Namibia Statistics Agency (NSA).

Therefore, this report outlines the q-on-q developments of Namibia’s trade in merchandise with the rest of the world during the third quarter of 2019 compared to the same quarter of 2018.

Alex Shimuafeni
Statistician-General & CEO
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<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>BRIC</td>
<td>Brazil, Russia, India and China</td>
</tr>
<tr>
<td>CIF</td>
<td>Cost, Insurance and Freight</td>
</tr>
<tr>
<td>COMESA</td>
<td>Common Market for Eastern and Southern Africa</td>
</tr>
<tr>
<td>DRC</td>
<td>Democratic Republic of Congo</td>
</tr>
<tr>
<td>EAC</td>
<td>East African Community</td>
</tr>
<tr>
<td>EFTA</td>
<td>European Free Trade Association</td>
</tr>
<tr>
<td>EPZ</td>
<td>Export Processing Zone</td>
</tr>
<tr>
<td>EU</td>
<td>European Union</td>
</tr>
<tr>
<td>FOB</td>
<td>Free on Board</td>
</tr>
<tr>
<td>ROW</td>
<td>Rest of World</td>
</tr>
<tr>
<td>SACU</td>
<td>Southern African Customs Union</td>
</tr>
<tr>
<td>SADC</td>
<td>Southern African Development Community</td>
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</table>
**Introduction**

The mandate of the Namibia Statistics Agency (NSA) is to produce and disseminate relevant, quality and timely statistics including statistics relating to imports and exports of merchandise. This report presents a summary of trade statistics in terms of imports and exports of merchandise during the third quarter of 2019.

Foreign trade statistics derived from records of trade flows across international borders are invaluable for the formulation of trade, commercial, fiscal and monetary policies of any country. The basic information for the compilation of trade statistics is collected and captured based on import and export declarations made by traders to Customs at various Customs offices across the country.
Key developments

Revisions

Revised trade statistics is due to availability of new information from data sources. Revisions on trade data are made every month when new monthly data files are uploaded onto the database with additional information of previous months. In some instances, revisions are negligible while in others they are significant.

Table 1. Revisions

<table>
<thead>
<tr>
<th>Flow</th>
<th>Value (N$ Millions)</th>
<th>Revised q2-2019</th>
<th>As reported in q2-2019</th>
<th>Discrepancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Export</td>
<td></td>
<td>23,692</td>
<td>23,468</td>
<td>-224</td>
</tr>
<tr>
<td>Total Imports</td>
<td></td>
<td>27,408</td>
<td>27,247</td>
<td>-161</td>
</tr>
<tr>
<td>Trade balance</td>
<td></td>
<td>-3,716</td>
<td>-3,779</td>
<td>-63</td>
</tr>
</tbody>
</table>

Table 1 shows revisions made to export and import values of q2-2019. The value of both exports and imports were revised upwards with exports rising from N$23,468 million to N$23,692 million and Imports rising from N$27,247 million to N$27,408 million. The revisions led to the narrowing of the trade deficit by N$63 million from N$3,779 million to N$3,716 million.

Most of the revisions on exports were largely driven by copper, fish and vessels and boats while on imports; copper, oils & mineral fuels, motor vehicles and parts, ores and industrial machinery were responsible for most revisions.
Trade balance

Recent figures show that the overall value of exports and imports amounted N$19,360 million and N$26,153 million respectively, hence the total trade (export plus imports) amounted to N$45,513 million, reflecting a decline from a revised figure of N$55,025 million recorded in the corresponding period a year ago and from N$51,100 million registered in the previous quarter. Namibia’s persistent trade deficit is displayed in Chart 1 over a period of ten quarters, starting from q2-2017 to q3-2019.

The largest deficits over the period shown in Chart 1 was recorded in q1-2018 (N$9,289 million), q3-2017 (N$8,317 million), q3-2019 (N$6,792 million) and q2-2017 (N$6,438 million). Whereas the smallest deficits of N$1,140 million, N$2,612 million and N$3,716 were observed in q2-2018, q4-2018 and q2-2019 respectively. On the other hand, it is not surprising that no surplus was recorded throughout this period. The persistent deficit is mostly driven by the country’s high demand for high-valued manufactured commodities and industrial machinery from the rest of the world as opposed to exporting low value primary commodities such as raw minerals and unprocessed fish.

CHART 1: Trade balance; q2-2017 to q3-2019
The trade balance, measured as the difference between exports and imports for the current period amounted to a deficit of N$6,792 million, up from a revised figure of N$4,687 million in the corresponding period (q3-2018) a year ago and from N$3,716 million registered in the previous quarter (q2-2019). Subsequently, the annual deficit deteriorated, worsening by 44.9 percent, as the value of exports over the course of the year weakened, falling by 23.1 percent as opposed to imports whose growth deteriorated by 12.4 percent. On the contrary, the quarterly gap between exports and imports also deteriorated, growing by 82.8 percent as exports fell by 18.3 percent compared to a 4.6 percent decrease observed in the value of imports. The recent deficit was mostly attributed to Namibia’s low export value to and high import value from Canada and Hong Kong (Chart 3). Despite the deficit, Namibia also recorded bilateral surpluses with countries such as Lithuania, Estonia, Bangladesh, Liechtenstein, Chad and Thailand (Chart 2).

Furthermore, Chart 1 reveals an unsteady trend in the deficit, with the most significant growth of 311.3 percent recorded in q3-2018. The average growth of the deficit over a ten-quarter period stood at 43.4 percent.
Exports to key markets

During the period under review, Namibia’s exports were mostly destined to five countries namely; China, South Africa, Botswana, Belgium and Spain (Chart 4). These are the same countries that absorbed huge volumes of Namibia’s exports in the previous quarter except that Botswana moved up one place to occupy the third position while Belgium moved down to forth position. Together, these countries made up the largest share of the value of all goods exported to the rest of the world, with 67.12 percent of the value of all goods exported destined to these markets. Despite their large share, overall exports to these markets weakened, dropping by 18.3 percent to register N$12,986 million after recording N$15,896 million in the corresponding quarter a year ago. A further decline of 6.3% from N$13,855 million was observed when compared to the previous quarter. China, like in the previous quarter emerged as Namibia’s largest export destination, absorbing 23.8 percent of all goods exported while South Africa occupy second position, absorbing 21 percent of the total domestic exports. Botswana in the third position accounted for 8.3 percent whereas Belgium was responsible for 8 percent of Namibia’s total exports, finally Spain’s contribution to domestic exports stood at 6 percent.

More bilateral analysis of Chart 4 shows that domestic exports absorbed by four of this group of countries weakened, with Botswana experiencing the largest decline of 40.5 percent (N$1,096 million) to N$1,607 million from N$2,703 million as witnessed in the corresponding quarter a year ago. Exports to Belgium also weakened substantially, dropping by 32.4 percent to register N$1,558 million after recording N$2,306 million in the corresponding period a year ago. Furthermore, the value of exports to China fell by 17.9 percent to register N$4,599 million from the amount of N$5,599 million recorded in the corresponding period of last year. Finally, Namibia saw exports to South Africa dropping by 2.5 percent to register N$4,062 million from N$4,167 million in the corresponding quarter a year earlier. Despite the negative

![Chart 4. Key export markets](image-url)
growth experienced in exports to some countries, Exports to Spain rose, rising by 3.4 percent to register N$1,159 million after recording N$1,121 million in the same period of last year.

The decline in exports to Botswana was mainly owed to precious stones and metals while to Belgium, the negative growth was led by copper. Moreover, copper and ores (mostly uranium) were responsible for the decline in exports to China whereas exports to South Africa were impacted by fish and live animals. On the other hand, the rise in exports to Spain resulted from a once off shipment of copper.

**Imports from key markets**

Namibia’s persistent reliance on foreign goods was mostly sustained by South Africa, Zambia, China, India and Turkey, as they supplied the domestic economy with the most needed import requirements (Chart 5). Together, these countries accounted for the largest share of Namibia’s total imports, with 74.7 percent of the value of all imported goods into Namibia. Subsequently, the value of imports from these markets strengthened, rising by 2.2 percent to register N$19,540 million, running ahead of q3-2018’s estimated value of N$19,114 million. By the same token, overall imports edged up by N$104 million (5%) from N$19,436 million observed in the previous quarter.

South Africa accounted for the largest share (49.9%) of the value of all goods absorbed into Namibia during the period under review, subsequently topping the list as Namibia’s largest import market. Recent figures show that the value of imports from South Africa stood at N$13,509 million, a 6 percent up from N$12,324 million recorded in q3-2018 and 0.4 percent up when compared to N$13,010 million registered in the previous quarter. After South Africa, Zambia followed contributing 15.6 percent to Namibia’s total imports from the rest of the world. Despite its position as the second largest source of imports for Namibia, imports from

![Chart 5. Main source of imports](image-url)
that country weakened, dropping by 5.6 percent to register N$4,071 million from N$4,315 million recorded in the corresponding quarter a year ago. Similarly, when compared to the previous quarter, imports from Zambia dropped from N$4,482 million, representing a downturn of 9.2 percent. Further, China’s contribution stood at 4.1 percent of total imports and hence ranked the third largest source of imports for the domestic economy. However, Namibia saw a decline (38.5%) in imports from China after recording N$1,082 million compared to N$1,760 million recorded in q3-2018. A comparison to the prior quarter also shows a decline (16.9%) from N$1,302 million recorded in q2-2019. Moreover, India and Turkey’s respective shares of the country’s total imports stood at 2.9 percent and 2.1 percent, hence, occupying fourth and fifth position respectively. Imports from these countries rose, with the largest growth of 191.3 percent recorded with Turkey while from India, imports grew by 46.8 percent.

The recent growth in imports from Turkey and India emanates from high levels of domestic demand of mineral fuels and oils from these countries. The increase observed in imports from South Africa was mainly due to increased demand of mineral oils and fuels; and articles of copper. Although increase in imports was realized from three of the five countries, domestic demand of goods from China and Zambia dropped. The most decline was recorded with China were Namibia’s demand for Chinese goods (industrial machinery and motor vehicles & parts) slipped. Whereas the drop in imports from Zambia was mostly due to slowing demand of copper cathodes.
Trade with Export Processing Zone (EPZ)

Trade flow between Namibia and the Export Processing Zone (EPZ) was mostly dominated by exports, accounting for 85.9 percent of the total trade with EPZ. Overall, exports to the EPZ stood at N$1,017 million, falling from N$1,265 million recorded in q3-2018, this translates to a decline of 19.6 percent. In comparison to the previous quarter, exports fell from N$1,745 million, denoting a decline of 41.7 percent. The category of precious stones and metals accounted for 100 percent of total exports to EPZ (See Table 2).

Table 2. Trade flow with the EPZ

<table>
<thead>
<tr>
<th>Commodities</th>
<th>q3-2019 Value (N$ m)</th>
<th>% share</th>
<th>q2-2019 Value (N$ m)</th>
<th>% share</th>
<th>q3-2018 Value (N$ m)</th>
<th>% share</th>
<th>%Δy/y</th>
<th>%Δq/q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Precious stones and metals</td>
<td>874</td>
<td>100.0</td>
<td>1,602</td>
<td>99.9</td>
<td>1,133</td>
<td>94.5</td>
<td>▼22.9</td>
<td>▼45.5</td>
</tr>
<tr>
<td>Inorganic chemicals</td>
<td>143</td>
<td>100.0</td>
<td>141</td>
<td>99.2</td>
<td>59</td>
<td>90.1</td>
<td>▲142.4</td>
<td>▲1.5</td>
</tr>
</tbody>
</table>

Imports from the EPZ, on the other hand, amounted to N$143 million in q3-2019, which is 14.1 percent of the total trade with the EPZ. Imports from the EPZ rose by 118.5 percent after recording N$65 million in q3-2018 (See Table 2). The increase experienced y-on-y was largely attributed to the significant upswing domestic demand of inorganic chemicals from EPZ. Similarly, q-on-q imports grew by 0.7 percent after recording N$142 million in the previous quarter.
Top export products

Copper (N$5,276 million), precious stones and metals (N$4,338 million); fish (N$2,440 million), ores (N$2,127 million), as well as live animals (N$532 million) were the leading commodities exported by the local economy in q3-2019. Together, these commodities made up 76.0 percent of the total exports. Despite a significant contribution coming from these commodities, the annual overall export value of these commodities declined, falling by N$3,367 million (18.6%) to N$14,713 million from N$18,081 million in q3-2018.

The observed decline in domestic exports was largely driven by low foreign demand of all the top five export products, with the most noticeable decrease reflected in the value of live animals (33.2%) followed by ores (24.5%) and precious metals & stones (24.3%) (Chart 6). The value of copper and fish also dropped by 13.7% and 6.9% respectively. The decrease in the value of copper from N$6,111 million in q3-2018 to the current N$5,276 million is attributed to low demand of products under this category mainly by China and Belgium. In the case of precious stones and metals, the decline from N$5,734 million in q3-2018 to the current N$4,338 million is ascribed to low demands of precious stones and metals by Botswana; Namibia’s key export market for diamonds. In addition, fish export which is the only food item on the list declined from N$2,622 million in q3-2018 to N$2,440 million during the current quarter mainly due to the low demand of fish by Namibia’s key export markets for fish such as Spain and South Africa. In the same way, export of ores also contracted from N$2,818 million in same quarter a year ago to record N$2,127 million during the reporting quarter primarily due to a weak demand of ores by China. The export of live animals also tumbled from N$796 million in q3-2018 to the current N$532 million mostly due to low export of live animals to South Africa (Table 13).

On a quarterly basis, export figures displayed similar trend to the annual figures, recording an overall decline of 18.3 percent which is mainly reflected in the value of all top 5 five export commodities.
**Fish exports**

During the period under review, fish continued to demonstrate its significance as one of the country’s major export revenue earner, ranking third among the top five major export commodities, and the only food item amongst minerals and live animals (Chart 7). Fish accounted for 12.6 percent of all the goods exported to the rest of the world.

**CHART 7: Fish exports**

Even though fish plays an important role in generating revenue for the country, current figures show that revenue declined, falling from N$2,622 million recorded in q3-2018 to the current N$2,440 million. Spain and South Africa emerged as the main drivers behind the decrease in fish exports.

Over the past ten quarters, fish exports grew at an average of 2 percent, equivalent to N$2,383 million, reaching an all-time high of N$2,694 million in q2-2019 and a record low of N$2,011 million in q4-2017 (See Table 10).

Q-on-q, the strongest growth in fish exports were recorded in q1-2018 (23.8%) and q1-2019 (21.5%). On the other hand, some quarters recorded significant declines, with the most noticeable declines observed in q4-2018 (22.4%) and q4-2017 (10.9%).
Top re-export products

Copper, precious stones and metals; industrial machinery, motor vehicles and parts; as well as plastics appeared as the most dominant re-exports by value (Chart 8), however, the combined re-export value of the aforementioned commodities plunged, falling by N$1,388 million (17.0%) to N$6,784 million when compared to N$8,172 million registered in the corresponding quarter of last year. Even so, these commodities together accounted for 82.1 percent of Namibia’s total re-export value (N$8,261 million), up from 66.7 percent and 72.2 percent recorded in q3-2018 and q2-2019 respectively.

The current drop in the value of these commodities stemmed from an overall decline (32.6%) of domestic re-exports. Additionally, when compared to the previous quarter, re-exports of the same commodities declined, falling by N$1,439 million (17.5%) from the amount of N$8,223 million recorded in the previous quarter.

The decline in re-exports was revealed in the value of copper, precious stones and metals as well as motor vehicles and parts (Chart 8). Re-exports of copper dropped by N$934 million (16.0%) to register N$4,895 million after recording N$5,829 million in q3-2018. Similar to the case of exports, the decrease was attributed to weakening foreign demand of copper by China and Belgium. Similarly, re-exports of precious stones and metals declined by N$488 million (29.9%) to register N$1,141 million when compared to N$1,629 million witnessed in q3-2018. The current decline was mainly driven by falling external demand of precious stones and metals by USA, Belgium and India. Furthermore, re-export of motor vehicles and parts contracted by N$157 million (41.3%) to register N$223 million when compared to N$380 million. This follows a sluggish demand of commodities under that category by South Africa, Zambia and Zimbabwe.
Apart from the declines recorded in three of the top products, re-export of industrial machinery grew by N$170 million (100.1%) to register N$339 million from the N$169 million recorded in q3-2018, this was mainly due to an increase in the value of industrial machinery re-exported to South Africa. Finally, the category of plastics also rose by N$22 million (13.2%) to register N$186 million after registering N$164 million in the corresponding quarter a year earlier, mainly on account of increased demand of products of this category by Zambia.
**Top import products**

Copper, mineral oils and fuels; motor vehicles and parts; industrial machinery and ores emerged as the most commodities imported into Namibia (Chart 9). These commodities accounted for a combined share of 50 percent of the value of all goods imported, up from 45.5 percent and less than 50.7 percent recorded in q3-2018 and q2-2019 respectively. The overall import value of these commodities combined declined by N$518 million (3.8%) to register N$13,066 million compared to N$13,584 million recorded in q3-2018, subsequently depressing imports by 12.4 percent to register N$26,153 million from N$29,856 million recorded in q3-2018. A similar trend was observed when compared to the previous quarter, where imports of the aforementioned commodities fell by 6.0 percent after registering N$13,894 million in q2-2019.

The recent decline in imports was mainly attributed to low domestic demand of three of the top five import products, with the most noticeable decline witnessed in the import value of ores which decreased by 23.9 percent from N$1,806 million recorded in q3-2018 to the current amount of N$1,373 million. The reduction experienced in ores was owed to low volume of copper ores for further processing, mostly imported from Bulgaria and Peru. Namibia saw the second largest decline in imports of motor vehicles and parts which fell by 12 percent to register N$1,944 million, when compared to an amount of N$2,209 million recorded in q3-2018, as domestic demand for motor vehicles and parts from South Africa and Japan decelerated. Furthermore, importation of industrial machinery also deteriorated, falling from N$2,015 million recorded in q3-2018 to N$1,811 million, translating to a 10.1 percent decline. Similarly, the decrease reflected in industrial machinery is owed to low domestic demand of commodities under this category mainly sourced from South Africa and China. On the contrary, import of copper increased, rising by 5.0 percent from N$4,098 million in q3-2018 to N$4,301 million observed in q3-2019, whereas importation of mineral fuels and oils rose from N$3,456 million

![Chart 9. Top five import products](chart)
registered in q3-2018 to the current N$3,637 million, representing a 5.2 percent growth. The upswing experienced in importation of copper was mostly reflected in the value of imports from Democratic Republic of Congo, whereas the increase in imports of mineral fuels and oils is mainly attributed to high domestic demand of that commodity from South Africa.

On a quarterly basis, Namibia recorded a decline in most of the top five import products with an exception of mineral fuels and oils.

On a quarterly basis, Namibia recorded a growth in the import value of mineral oils and fuel as well as ores; whereas the import value of copper, vehicles and parts; and industrial machinery declined.
Trade by economic regions

Exports
The Southern African Customs Union (SACU) dominated Namibia’s export market compared to other economic regions during the period under review (Chart 10). Despite its dominance as the largest export market for the local economy, SACU’s absorption of domestic exports weakened, falling by 17.2 percent to register N$5,686 million from N$6,871 million recorded in the corresponding quarter a year ago. Similarly, a decline of 4 percent was observed when compared to the previous quarter in which the value of exports was estimated to be N$5,921 million. Additionally, SACU absorbed 29.4 percent of Namibia’s total exports, the largest share compared to all other economic regions. The 29.4 percent share is more compared to 27.3 percent and 25 percent share recorded in q3-2018 and q2-2019 respectively.

The BRIC group (Brazil, Russia, India and China) ranked second as the largest export market for Namibia in q3-2019. However, the recent value of goods exported to the BRIC market declined, falling to N$4,786 million after recording N$5,851 million in q3-2018, which translates to a decline of 18.2 percent. Similarly, when compared to the previous quarter, exports to that region dropped slightly (1.9%) from N$4,880 million registered in q2-2019. The share of domestic exports absorbed by BRIC rose to 24.7 percent of total exports, from 23.2 percent and 20.6 percent share accounted for in q3-2018 and q2-2019 respectively.

In q3-2019 the EU ranked third as the largest export market for the domestic economy in q2-2019, as exports to that region plunged. Subsequently, the value of exports to the EU positioned itself below last year’s pace, registering N$4,356 million from N$5,725 million recorded in the corresponding quarter a year earlier, showing a decline of 23.9 percent. Likewise, when compared to the previous quarter exports absorbed by the EU market...
weakened, from an estimated amount of N$5,854 million in q2-2019, indicating a decrease of 25.6 percent. Furthermore, current figures show that the value of exports absorbed by the EU as a share of total exports improved to 22.5 percent after registering 22.7 percent and 24.7 percent in q3-2018 and q2-2019 respectively.

Recent quarterly figures show that Namibia exported goods worth N$1,920 million to the SADC-Non-SACU region, consequently making that region the fourth largest export destination for locally produced goods. However, the N$1,920 million export value reflects a decline (2.1%) when compared to N$1,961 million recorded in the corresponding quarter a year ago. A similar trend can be seen when compared to the previous quarter in which export to SADC-Non-SACU region stood at N$1,921 million, showing a slight decline of 0.1 percent. On the other hand, the contribution of SADC-Non-SACU to Namibia’s total export revenue stood at 9.9 percent, up from 7.8 percent in q3-2018 and from 8.1 percent in q2-2019.

The Common Market for Eastern and Southern Africa (COMESA) was also another significant export destination for the domestic economy, as it absorbed N$1,683 million worth of total domestic exports after registering N$1,723 million in q3-2018, translating into a negative growth of 2.3 percent. Hence occupying the fifth position on the export market list. A further negative growth of 8.1 percent was noted when compared to the N$1,831 million registered in the previous quarter. In terms of its contribution to the country’s export revenue, COMESA’s share rose to 8.7 percent of the country’s total export after registering 6.8 percent in q3-2018 and 7.7 percent in q2-2018 and down from 10.9 percent recorded in q1-2019. Moreover, regions such as EFTA and the EAC have contributed to Namibia’s revenue by absorbing 0.2 percent and 0.1 percent of all goods exported by Namibia (Appendix Table 3).
Imports
In the case of imports, the Southern Africa Customs Union (SACU) also emerged as Namibia’s largest trading partner (Chart 11), as imports from this region improved by 0.3 percent to register N$13,402 million in q3-2019 after recording N$13,368 million in the corresponding quarter a year earlier. On the other hand, a negative growth of 2.1 percent was observed in comparison to the N$13,684 million registered in the preceding quarter. The contribution of SACU to Namibia’s import requirement rose by 6.5 percentage points to 51.2 percent after registering 44.8 percent in the corresponding quarter a year ago while it rose by 1.3 percentage points from 49.9 percent observed in the preceding quarter.

COMESA occupied the second position as the largest source of imports for the domestic economy after Namibia registered N$4,733 million worth of imports from COMESA in q3-2019. The N$4,733 million import bill reflects a decline (12.3%) when compared to N$5,396 million recorded in q3-2018. On the contrary, the recent figure reflects an improvement (2.5%) when compared to the N$4,617 million observed in the previous quarter. Furthermore, COMESA’s contribution to the country’s import requirement stood at 18.1 percent, similar to its contribution a year ago, but up from 16.8 percent accounted for in the previous quarter.

Coming after COMESA, the third position was occupied by SADC-Non-SACU as a key source of imports for the domestic market (Chart 11). But imports from that market deteriorated, falling by 13.3 percent to register N$4,639 million in the current quarter after registering N$5,352 million in q3-2018. By contrast, imports from that market rose by 2.5 percent when compared to the previous quarter in which the import bill was estimated at N$4,535 million. The share of SADC-Non-SACU to the country’s total import stood at 17.7 percent of the value of all goods imported to Namibia, down from 17.9 percent accounted for in the corresponding period a
year ago, but up when compared to 16.5 percent share accounted for in the preceding quarter.

Climbing one place up to occupy the forth position as an important source of imports for the country is BRIC from where Namibia imported goods amounting N$1,945 million. The recent figure reflects a decline (18%) in the value of imports from N$2,373 million registered a year ago. a further decline of 2 percent was observed when compared to N$1,985 million registered in the previous quarter. The EU accounted for 7.4 percent of the value of all goods imported to Namibia, down 0.2 percentage points from 7.6 percent registered a year ago and further down 0.7 percent from 8.1 percent recorded in the preceding quarter.

The EU also played a vital role in supporting the domestic economy’s demand for imports. However, the EU dropped one position down to the fifth place as a major supplier of imports to Namibia, as imports from the EU dropped by 14.2 percent to register N$1,940 million from N$2,260 million registered in the corresponding quarter a year earlier. Likewise, imports from the EU dropped by 12.9 percent after registering N$2,226 million in the previous quarter.

EFTA and EAC contributed 0.6 percent and 0.1 percent of all goods imported to Namibia as shown in Table 5.
Trade by mode of transport

Exports

Recent figures show that local goods amounting to N$10,409 million left the boarders of Namibia via sea, this amount is equivalent to 53.8 percent of the value of all commodities exported from the domestic market to the rest of the world, down 5.3 percentage points from 59.1 percent when compared to the corresponding period a year ago and down by 4.8 percentage points from 58.6 percent recorded in the previous quarter. The current export figure of N$10,409 million shows a decline of 30 percent (N$4,460 million) from N$14,870 million recorded in q3-2018. A similar trend was observed when compared to the previous quarter in which imports dropped by 25 percent after registering N$13,882 million in q2-2019.

The large volume of exports by sea was mostly owed to minerals (copper and ores-uranium) and fish.

Road was the second most used means of transporting domestic exports to the rest of the world (Chart 12, following a 1.6 percent rise in the volume of exports to register N$4,432 million compared to N$4,360 million recorded in the corresponding period a year ago. By contrast with the previous quarter, the value of goods exported via road deteriorated, falling by N$663 million (13%) after recording N$5,095 million in q2-2019. The share of exports by road rose to 22.9 percent, 5.6 percentage points more than 17.3 percent recorded in q3-2018 and just over 1 percentage points over 21.5 percent registered in q2-2019.

Air ranked third as the most used means of transporting exports, as the value of exports weakened following a decline in precious stones and metal (diamonds). The recent figure of exports by air amounted to N$4,507 million, translating to a negative growth of 23.5 percent after registering N$5,894 million in q3-2018. A similar trend was observed when compared to
the previous quarter, exports fell by N$207 million (4.4%) from N$4,714 million recorded in q2-2019. In terms of contributions, the percentage share of exports fell 0.1 percentage points to 23.3 percent of the value of all goods exported, from 23.4 percent in q3-2018, but rose by 3.4 percentage from 19.9 percent registered in q2-2019.

**Imports**

Most of the cargo imported into Namibia was transported by means of road (Chart 13), with copper, mineral oils and fuels; and motor vehicles and parts accounting for the largest share of the total imports. Subsequently, imports rose by N$80 million (0.5%) to N$17,212 million compared to N$17,132 million registered in q3-2018. When compared to the previous quarter, imports also improved, rising by N$272 million (1.6%) after recording N$17,484 million in q2-2019. The value of goods imported by road remained high compared to other mode of transports during the period under review, contributing 65.8 percent up by 8.4 percentage points from 57.4 percent in the corresponding quarter a year ago, and up 2 percentage points from 63.8 percent registered in the previous quarter.

Sea transportation was the second highest mode of transport used to import cargo into the country. This was attributed to large volumes of commodities such as copper, mineral fuels and oils; and vessels which contributed the largest shares to total imports via this mode. Following its ranking, imports fell by 31.3 percent (N$3,588 million) to register N$7,883 million after recording N$11,472 million in the corresponding quarter a year earlier. Similarly, imports slipped by N$1,105 million (12.3%) when compared to N$8,988 million registered in the previous quarter. Finally, the contribution of sea to overall imports fell by 8.3 percentage points to 30.1 percent from 38.4 percent registered in the same period of the previous year and by 2.7 percent from 32.8 percent recorded in the preceding quarter.

The transportation of goods by means of air transport was also significant in the period of review after ranking third as the most used means of importing goods into the country. As in
the case of exports, precious stones and metals, electrical machinery emerged as the most imported goods as a percentage of total imports by means of air transport. Nevertheless, the value of goods imported via air was negligible compared to the value of imports by means road and that of sea transport. Furthermore, recent figures show that imports dropped by N$225 million (18.1%) to register N$1,015 million after registering N$1,240 million in the corresponding quarter a year ago. In comparison to the previous quarter, imports strengthened, rising by N$108 million (11.9%) after recording N$907 million in Q2-2019. In terms of contributions, air transport accounted for 3.9 percent of the total import bill, down from 4.2 percent and up from 3.3 percent accounted for in Q3-2018 and Q2-2019 respectively.
Conclusion

Namibia saw the overall value of exports reducing from an amount of N$25,169 million recorded in q3-2018 to register N$19,360 million in q3-2019 and down when compared to N$23,692 million recorded in the previous quarter. On the other hand, the value of imports stood at N$26,153 million, down 12.4 percent after registering N$29,856 million in the same quarter a year earlier and down 4.6 percent when compared to N$27,408 million recorded in the previous quarter. The simultaneous decline observed in the value of both exports and imports resulted in a negative trade balance amounting N$6,792 million, implying that the deficit worsened by 44.9 percent when compared to N$4,687 million in the corresponding period (q3-2018) a year ago.

China rose to the top as the largest export destination for domestic goods after absorbing 23.8 percent of all the goods exported from Namibia. South Africa ranked second with a market share of 20 percent of Namibia’s total exports, while Botswana and Belgium absorbed 8.3 percent and 8 percent share of total exports respectively. Furthermore, Spain only absorbed 6 percent of total exports, this was the least share accounted for within the top five export markets. On the other hand, imports were mainly sourced from South Africa, which supplied the largest share of 49.9 percent of total import to Namibia, followed by Zambia and China with 15.6 and 4.1 percent respectively. Other significant markets such as India and Turkey contributed 2.9 percent and 2.1 percent respectively.

The analysis on commodities revealed that exports were mostly led by copper (27.3%), precious stones and metals (22.4%), fish (12.6%), ores (11%) and live animals (2.7%). Similarly, two commodities out of the aforementioned commodities also featured on the list of re-exports in the exception of industrial machinery, motor vehicles and parts; and plastics. Re-exports were mainly led by copper (59.2%), precious stones and metals (13.8%), industrial machinery (4.1%). Motor vehicles and parts and; plastics followed, contributing 2.7 percent and 2.3 percent respectively. On the other hand, imports were dominated by copper (16.4%), mineral oils and fuels (13.9%), motor vehicles and parts (7.4%), industrial machinery (6.9%) and finally ores (5.3%).

Namibia’s exports were mostly absorbed by African regional groupings, BRIC and the EU, with the SACU absorbing the largest share of 29.4 percent, BRIC with 24.7 percent, EU with 22.5 percent, SADC-Non-SACU with 9.9 percent, and COMESA with 8.7 percent while EFTA and EAC absorbed 0.2 percent and 0.1 percent respectively. Equally, imports were also sourced from the same economic regions with SACU taking the lead by 51.2 percent of total imports,
COMESA with 18.1 percent, SADC-Non-SACU with 17.7 percent, BRIC and the EU each contributing 7.4 percent. Finally, EFTA and EAC accounted for 0.6 percent and 0.1 percent respectively.

Recent figures showed that Namibia’s goods were mostly exported by sea, road and air, with sea emerging as the most used means of transport by traders, accounting for 53.8 percent share of total exports, followed by air with 23.3 percent, while road freight occupied third position as the most used means of transport with a share of 22.9 percent of total exports. On the other hand, most commodities imported into Namibia were transported by road and sea contributing 65.8 percent and 30.1 percent to the total import bill respectively. Air accounted for a mere 3.9 percent of the value of all goods imported.
List of Terms and Definitions

**Cost Insurance and freight (CIF):** The transaction value of the goods, the value of services performed to deliver goods to the border of the exporting country and the value of the services performed to deliver the goods from the border of the exporting country to the border of the importing country.

**Export Processing Zone (EPZ):** An Export Processing Zone (EPZ) is a Customs area where one is allowed to import machinery, equipment and material for the manufacture of export goods under security, without payment of duty. The imported goods are subject to customs control at importation, through the manufacturing process, to the time of sale/export, or duty payment for home consumption.

**Free on board (FOB):** The transaction value of the goods and the value of services performed to deliver goods to the border of the exporting country

**Re-export:** The export of foreign goods previously imported from the ROW

**Trade Balance:** The commercial balance or net exports (sometimes symbolized as NX), is the difference between the monetary value of exports and imports of output in an economy over a certain period.

**Trade Deficit:** Is an economic measure of a negative trade balance in which a country's imports exceeds its exports.

**Trade Surplus:** Is an economic measure of a positive trade balance in which a country's exports exceeds its imports.