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 August 2020.

The month of August 2020 saw Namibia’s total merchandise trade reaching to the level of N$14.6 billion, which is 11.5 percent and 0.5 percent lower than N$16.5 billion recorded in July 2020 and N$14.7 billion recorded in August 2019. The country recorded a trade deficit of N$1.9 billion compared to a deficit of N$3.4 billion recorded in July 2020 and N$2.9 billion recorded in August 2019 respectively.

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 for Namibia. The composition of goods exported remained the same mainly comprising of minerals such as non-ferrous metals, non-metallic mineral manufactures, metalliferous ores and metal scrap, 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, metalliferous ores and metal scrap, vehicles, miscellaneous manufactured articles trailed by petroleum and petroleum products.

The August 2020 figures indicates that total re-exports increased by 1.5 percent month-on-month and 9 percent year-on-year to register N$3.3 billion. The non-ferrous metals was the largest product that was re-exported, constituting a share of 62.7 percent of total re-exports mainly to China and Belgium. The non-ferrous metals that was re-exported was 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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List of acronyms

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

In August 2020, the value of exports weakened, declining by 3.2 percent to N$6.3 billion from its revised level of N$6.6 billion recorded in July 2020. While, when compared to its level of N$5.9 billion obtained in August 2019, exports improved by 7.6 percent. Imports on the other hand declined by 17 percent and 6 percent when compared to July 2020 and August 2019, respectively, resulting in Namibia’s total merchandise trade with the ROW to weaken by 11.5 percent and 0.5 percent when compared to July 2020 and August 2019 respectively (Chart 1).

Chart 1: Total exports and imports August 2019 to August 2020

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 compares the country’s trade with the ROW in terms of earnings (exports) and expenditure (imports). In August 2020, Namibia registered a trade deficit of N$1.9 billion, an improvement from a revised deficit of N$3.4 billion recorded in July 2020 and N$2.9 billion in August 2019 respectively (Chart 2).

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

3 The value of imports here is denoted as negative to show an out flow.
2.1 Top Five (5) Export Markets

In August 2020, Namibia’s major trading partner in terms of exports did not change much, maintaining the same countries (such as China, South Africa, Spain and Zambia) as in July 2020 with the addition of Botswana which replaced Belgium. These top five markets absorbed 80.1 percent of Namibian exports to the rest of the world (Chart 3).

Chart 3: Export market share by top five countries

In August 2020, China maintained its position as the largest export market, absorbing 41 percent of all goods exported, ahead of South Africa in the second place which absorbed 16.5 percent of total exports. Botswana claimed the third position to account for 13.2 percent while Spain followed in the fourth place with a share of 5 percent of total exports. Finally, Zambia occupied the fifth position accounting for 4.4 percent to total exports.
2.2 Top Five (5) Import Markets

South Africa, Zambia, China, Bulgaria and DRC were the main suppliers of the most needed import requirements for Namibia. These countries accounted for a combined share of 85.5 percent of total imports (Chart 4).

*Chart 4: Import market share by top five countries*

South Africa remained at the top as Namibia's largest import market with a share of 41.9 percent of the value of all goods received into the country during August 2020. Zambia followed in the second position with a contribution of 27.2 percent to total imports from the rest of the world. China accounted for 6.8 percent of Namibia's total imports in August 2020, subsequently ranking that country the third largest source of imports into the domestic economy. Finally, Bulgaria and DRC rounded off the top five list with contributions of 5.7 percent and 3.9 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 and Belgium was the largest export product for Namibia during the month of review accounting for 33.8 percent ahead of non-metallic mineral manufactures which accounted for 18.3 percent and was mainly absorbed by Botswana, United Arab Emirates and Belgium. Fish primarily destined to Spain, South Africa, Zambia and Italy claimed the third position with 9.9 percent contribution to total exports followed by Metalliferous ores and metal scrap with 9.8 percent absorbed mainly by China and Brazil. Finally, Non-monetary gold came in the fifth position with a contribution of 7.8 percent as South Africa continued to be Namibia’s only export market for gold. The top five commodities jointly accounted for 79.7 percent of total export (Chart 5).

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

Re-exports are goods imported by residents who assume (short-term ownership) of the goods. The goods are subsequently exported without having received any significant industrial transformation. Activities in the intermediate country that may benefit from re-exports include but not limited to the following: 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 cooperate tax in the intermediate country.

The August 2020 figures show that total re-exports increased by 1.5 percent month-on-month and 9 percent year-on-year to register N$3.3 billion.

Chart 6: Top five re-export by products (percentage share)

Chart 6 shows the top five commodities demanding the most domestic logistical services, with non-ferrous metals being the largest product re-exported, constituting a share of 62.7 percent of total re-exports mainly to China and Belgium followed by non-metallic mineral manufactures with a share of 13.6 percent of total re-exports which were mostly destined to United Arab Emirates, Belgium, Israel and USA. Re-exports of Inorganic chemicals accounted for 4.7 percent of all commodities re-exported and was mostly destined to Finland, China and DRC. The other categories of petroleum and petroleum products, and vehicles accounted for 3.5 percent and 3.1 percent.

Non-ferrous metals were mostly sourced from Zambia and DRC while most of non-metallic mineral manufactures re-exported by Namibia came from South Africa and Botswana. Inorganic chemicals were primarily imported from DRC, China and South Africa. Tunisia and South Africa supplied most of re-exported petroleum and petroleum products. Finally, South Africa accounted for the largest share of vehicles re-exported by Namibia.

3.3 Top Five (5) Import Products

In August 2020, the value of total imports into Namibia stood at N$8.2 billion from N$9.9 billion recorded in July 2020. The top five commodities that were imported into Namibia jointly accounted for 48.2 percent of total import with non-ferrous metals accounting for the largest share of 29.1 percent. Metalliferous ores and metal scrap followed in the second place with a share of 6.4 percent. Vehicles ranked third with 5.9 percent of the total import and finally miscellaneous manufactured articles, and petroleum and petroleum products followed with contributions of 3.4 percent each (Chart 7).

Chart 7: Top five import by products (percentage share)

Non-ferrous metals were mostly imported from Zambia and DRC while most of metalliferous ores and metal scrap imported into Namibia came from Bulgaria and South Africa. Domestic demand for vehicles were mainly met by South Africa and United Kingdom. China and South Africa supplied the most needed miscellaneous manufactured articles. Finally, Tunnisia and South Africa satiated Namibia’s demand for petroleum and petroleum products.
**SECTION 4: TRADE BY ECONOMIC REGIONS**

4.1 Exports by Economic Regions

Brazil, Russia, India and China (BRIC) became the largest export destination for Namibia’s goods (mostly copper & Uranium) during the month of review, with a market share of 42.3 percent of the total exports. The Southern African Customs Union (SACU) and the European Union (EU) followed in the second and third positions, accounting for a market share of 29.8 percent and 12.5 percent, respectively (Chart 8). Exports to SACU comprised mainly of diamonds, non-monetary gold and live animals, while fish, diamonds and copper were responsible for the large volume of exports to the EU. SADC-excluding-SACU followed in fourth place with a share of 7.7 percent due to high exports of fish. Finally, the Common Market for Eastern and Southern Africa (COMESA) came in fifth position with a market share of 7.1 percent. Fish remained the largest export commodity to the COMESA region.

*Chart 8: Top five export by Economic Regions (percentage share)*

5 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 August 2020, the SACU region emerged as the largest source of imports for Namibia accounting for 42.7 percent of all goods imported (mainly vehicles). Copper was responsible for the high value of imports from COMESA which had a share of 31.3 percent of total imports and hence making it the second largest source of imports into the country. Equally, SADC excluding SACU region accounted for 31.3 percent of Namibia's total import bill, followed by the EU and BRIC in the fourth and fifth positions with 8.7 percent and 8 percent, respectively (Chart 9).

*Chart 9: Top five imports by economic regions (percentage share)*

Imports from SADC excluding SACU comprised mainly of copper; while ores were responsible for the high import value from the EU. Furthermore, miscellaneous manufactured articles were the main commodities imported from BRIC during the period under review.
5.1 Export by mode of transport

During the month of August 2020, exports amounting to N$3.5 billion, representing 55.8 percent of total exports left the country by sea. However, this translated into a decline of 21.2 percent when compared to the value (N$4.5 billion) of goods exported in July 2020, on the contrary an increase of 4.1 percent was noted when compared to its August 2019 level of N$3.4 billion. Road and air transportation accounted for 26.3 percent and 17.9 percent of total exports, respectively (Chart 10).

In terms of tonnage, for the month of August 2020 about 106,578 tons of goods left Namibia by road, down from 156,689 tons recorded in July 2020 and further down from 112,299 tons registered in August 2019. About 76,110 tons of goods left the country by sea lower than 95,909 tons registered in the previous month and from 97,041 tons recorded in the same month last year. Only 72 tons left the country by air after registering 37 tons in July 2020 and 367 tons in August 2019.
5.2 Import by mode of transport

For the month of August 2020, goods that entered Namibia via road were valued at N$6.4 billion representing 77.7 percent of all goods imported in the country. While 21.2 percent of the goods that reached the country came by sea and the remaining 1 percent arrived by air (Chart 11).

*CHART 11: Import by mode of transport (percentage share)*

In terms of tonnage, about 178,531 tons of goods that reached Namibia came in by road while 109,675 tons reached the country by sea. A further 118 and 60 tons of goods were imported into the country via air and rail, respectively.
6. Impact of COVID-19

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 responds 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 August-2020 are illustrated in Chart 12.

**CHART 12: Import of selected commodities**

Analysis of Chart 12 shows a fluctuating trend in imports of selected commodities used to evaluate the impact of Covid-19. But in August 2020, imports of these commodities improved. For instance, import of sugar registered the largest growth of 47 percent from its July level of N$76 million to N$112 million in August. Further growth of 16.2 percent and 10.8 percent were registered by maize and wheat respectively. On the other hand, imports of rice and cooking oil plunged, with rice dropping by 9.3 percent while cooking oil dropped by 0.6 percent.

The import trend for non-food items such as breathing appliances, disinfectants and toilet paper are also reflected in Chart 12, with disinfectants recording an increase of 87.7 percent while a decline of 67.8 percent and 27 percent were noted for breathing appliances and toilet paper, respectively.
7. Commodity of the Month

In August 2020, the category of dairy products was selected as the commodity of the month. This category has been a center of attention since 2000 when government attempted a motion to place some commodities, especially milk under an import industry protection (IIP) scheme. The IIP entailed quantity restrictions on foreign imports in an effort to protect local producers from foreign competition.

Despite these government efforts, the country has continued importing large quantities of these products, with recent figures showing an import value of N$61 million, above monthly average of N$56 million since August 2019. However, the recent figure reflects a decline of 3.6 percent (Chart 13) from the level of N$63 million in July 2020. Highest figures above N$61 million were recorded in October and November 2019 and in March and July 2020 while the lowest figure of N$45 million was noted in August 2019. On the other hand, an increase of 35 percent was observed in dairy products import when compared to its level of N$45 million in August 2019.

CHART 13: imports of dairy products

The import value of dairy products amounting to N$61 million registered in August 2020 constitutes 45.5 percent of milk, 25.7 percent of cheese, 9.1 percent of yogurt, 7.7 percent of dairy spreads and 3.6 percent of butter. This implies that the above mentioned commodities makes up the bulk of products that are imported under this category of dairy products.

The dairy products that were imported was mainly sourced from South Africa, Sweden, Denmark, Zimbabwe and Portugal as shown in Chart 14.
Exports of this category is negligible when compared to imports with only N$13 million recorded in August 2020.
Conclusion

In August 2020, Namibia's exports stood at N$6.3 billion and imports at N$8.2 billion, subsequently the country's trade balance resulted in a deficit of N$1.9 billion.

The August 2020 figures show that exports weakened month-on-month, falling by 3.2 percent from its revised level of N$6.6 billion in July 2020 whereas year-on-year export improved by 7.6 percent from N$5.9 billion recorded in August 2019. Total imports declined by 17 percent and 6 percent from its level of N$9.9 billion in the preceding month and N$8.8 billion recorded in August 2019.

China maintained its dominance as the country’s largest export destination, with a share of 41 percent of all goods exported, and was followed by South Africa which accounted for 16.5 percent of total exports. Furthermore, Botswana, Spain and Zambia formed part of Namibia's top five export destinations. The demand side saw South Africa maintaining its first spot as the country’s largest source of imports, accounting for 41.9 percent of total imports into Namibia. Zambia also remained firm on its usual second position with 27.2 percent of the market share. Countries such as China, Bulgaria and DRC 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 (33.8%) in Namibia’s total exports ahead of non-metallic mineral manufactures (18.3%), fish (9.9%), metalliferous ores and metal scrap (9.8%) and non-monetary gold (7.8%). In terms of imports, non-ferrous metals also appeared as the most imported commodity with a relative share of 29.1 percent of total imports, followed by metalliferous ores and metal scrap with 6.4 percent, vehicles with 5.9 percent. Moreover, miscellaneous manufactured articles as well as petroleum and petroleum products contributed 3.4 percent each in Namibia’s total imports.

In terms of regional composition, BRIC was the largest export market during the month of August 2020, with a market share of 42.3 percent of total exports followed by the SACU region with relative market shares of 29.8 percent. On the imports side SACU remained the main source of Namibia’s imports having a share of 42.7 percent in the country’s total import bill followed by COMESA and SADC excluding SACU with 31.3 percent each.

Namibia’s trade by mode of transport show that in August 2020, the majority of goods exported left the country by sea, accounting for 55.8 percent of total exports. Followed by Air transport with 26.3 percent and Road transport with 17.9 percent. While on imports most goods that entered Namibia came in by road, accounting for 77.7 percent of total imports followed by sea (21.2%) and air (1%). An analysis on the import of COVID-19 related products indicates that sugar, cooking oil, maize and toilet papers topped the list of such product and breathing appliance was the least imported product for the month of August 2020.

Finally, dairy was selected as the commodity of the month in August 2020 and the figures shows that import of daily products stood at N$61 million mainly distributed among commodities such as milk, cheese, yogurt, dairy spreads and butter and were mostly (92.9%) sourced from South Africa.