

NAMIBIA BUSINESS REVIEW

Where Business meets ideas

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One in every four people who borrow from DBN, don't repay

▶ The bank's non-performing loans now stands at 22%



• TIRI MASAWI

Nearly one in four people who borrowed money from the Development Bank of Namibia (DBN) is not paying it back.

The bank's own figures show that 22% of its loans are now defaulting, raising fresh questions about risk, oversight and who is benefiting from state-backed funding. This means that more than N\$1 out of every N\$5 loaned by DBN is not being repaid.

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“Such a high impairment (defaulting) ratio has a negative effect on the value of the loans book and the total assets.”

Namibians to pay for goods using phones by May

▶ Move aimed at giving citizens options to pay without cash or cards

• IMELDAAMBONDO

Namibia is preparing to roll out a national instant payment system between April and May, allowing citizens to make real-time payments without cash or cards.

The move is aimed at promoting financial inclusion and reducing reliance on traditional banking services.

Bank of Namibia (BoN) governor Ebson Uanguta confirmed the development in an interview with *Namibia Business Review* last week.

“Likely this year now, maybe around April or May, we are likely to launch an instant payment solution, starting with a government-to-person use case and then also add other use cases,” Uanguta said.

Instant payments allow funds to move from a payer's account to a payee's account in real time, typically within 10 seconds. Unlike traditional bank transfers that process payments in batches over one to three business days, instant payments operate 24/7, including nights, weekends, and holidays.

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> Ebson Uanguta

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DBN FROM PAGE 1

With 22% of its loan book non-performing and N\$579 million written off in a single year, pressure is mounting on the state lender to explain what went wrong.

The bank says the high default rate is linked to the effects of Covid-19 and pressures in key sectors of the economy. DBN spokesperson Jerome Mutumba, explained the trend and the steps the bank has taken to stabilise its loan portfolio.

"Our impairment (defaulting) ratio experienced a sharp increase from 12% in 2021 to 26% in 2024, largely driven by the heightened credit risk experienced during the Covid-19 pandemic and the prolonged strain it placed on key sectors of the economy," he told Namibia Business Review last week.

He said the repayment ratio improved in the 2025 financial year.

"In the 2025 financial year, the ratio improved to 22%, marking the first year of recovery since 2021. This reduction reflects the gradual stabilisation of the operating environment, as well as the bank's strengthened credit risk management, enhanced recovery efforts, and targeted support to distressed clients," Mutumba said.

According to Bank of Namibia (BoN) guidelines last year, the accepted limit

for the Non-Performing Loan (NPL) ratio—a key measure of loan problems—is 6%. While Namibia's banking sector has remained strong, NPL ratios have sometimes approached or slightly exceeded this 6% mark, especially in 2024, due to a tough economic environment.

Mutumba said the bank follows strict financial regulations and due diligence processes to guard against political interference or corruption.

"All applicants undergo mandatory screening in line with the bank's Anti Money Laundering and Counter Financing of Terrorism (AML/CFT) framework," he said.

This, Mutumba said includes enhanced due diligence for Preferential Influential Persons (PIPs) (PIP/PEP's), ensuring that every application is assessed objectively and in accordance with regulatory requirements with strict AML/CFT screening.

Others, he says, include enhanced due diligence, independent Board PIP committees, and transparent governance controls.

"All lending decisions are merit based and follow the same rigorous credit and risk assessment process for every applicant, ensuring fairness for all Namibians," he said.

Mutumba added that the bank will provide a full report on its credit performance and financial position for the 2026 financial year once finalised.

THE SUSPECTS

The highest defaults were in land servicing, construction and manufacturing.

"Land servicing accounts for the highest proportion of defaults at 25%, followed by construction at 16% and manufacturing at 14%. These sectors are capital-inten-

sive and are particularly exposed to long project cycles, delayed payments in the infrastructure value chain, and rising operational and input costs, which have affected cash flows and debt servicing capacity," Mutumba said.

Mutumba said the bank closely monitors these sectors to guide risk management and client engagement.

Bye-Bye N\$579 Million

During the 2025 financial year, DBN wrote off N\$579 million in loans and advances.

"It is important to emphasise that an accounting writeoff does not mean that a client's debt is forgiven or cancelled, nor does it reflect preferential treatment toward any borrower," Mutumba said.

He explained that write-offs only occur after all recovery options are exhausted.

"This point is typically reached only after a borrower has failed to honour their repayment obligations and the bank has exhausted all reasonable recovery options. These steps usually include enforcing security, liquidating pledged assets, pursuing legal remedies, and listing the defaulting client with credit information bureaux, among other collection measures," he said.

CALLS FOR REFORM

Independent Patriots for Change parliamentarian and shadow minister for finance, Michael Mwashindange, said the high default rate highlights deeper governance and structural problems.

"DBN must be transformed from a politically vulnerable lender into a disciplined, impact-driven development institution. If properly reformed, DBN can become a powerful engine of structural transfor-

mation in Namibia, financing productive growth, not politically connected defaulters," he said.

Mwashindange said DBN must focus on productive sectors and long-term capital formation.

"As shadow minister of finance, my response would focus on reform, accountability, and strategic positioning. We must reform and refocus DBN's Strategic Development Priorities," he said.

Mwashindange said DBN must finance productive sectors such as agriculture, renewable energy, manufacturing, logistics, and SME growth, and support value addition in key sectors instead of consumption-driven or speculative projects.

"Co-finance large infrastructure and industrial projects aligned with national development plans and prioritise youth and women-led enterprises with structured risk management," he said.

Mwashindange urged board members to be appointed through a transparent process based on financial, legal, and development expertise.

"DBN must implement aggressive recovery of non-performing loans, regardless of the status of borrowers and public blacklisting of willful defaulters and clear penalties as well as Legal action without exception," he added.

Mwashindange called for performance-based management contracts and annual public audits.

"DBN should adopt a hybrid developmental-commercial model with The 'Catalytic Co-Financing' Model rather than lending alone. DBN should consider co-finance with commercial banks to share risks. The bank needs an SME Industrialisation Fund Model by creating a ring-fenced SME industrialisation window with Smaller, structured loans," he said.

NATION FIRST... MAYBE

Social justice activist Herbert Jauch said DBN should prioritise projects that create jobs and national value.

"In general the DBN must be different from the commercial banks, their aim is to make profit," he said.

Jauch said DBN must prioritise projects that have a huge impact in terms of job creation.

"I mean meaningful and sustainable jobs. If that happens there should not be a question of whether individuals line up and not pay. In fact if there are wealthy individuals should they even be accessing these loans or they can go to the commercial banks," he said.

He said the bank is essential in addressing Namibia's social and economic challenges, but only if its loans are directed at projects with real national impact.

WORRISOME SITUATION

A finance expert who spoke to Namibia Business Review said the high impairment ratio at DBN is worrisome.

"Such a high impairment ratio has a negative effect on the value of the loans book and the total assets. Naturally when the bank of Namibia is talking about impairment ratios of 5.4 % being high they are directly speaking about the commercial banks. The development finance institutions like DBN obviously have a low acceptable ratio but does the DBN know what exactly is their mandate?," **NBR**

NAMIBIANS TO PAY FROM PAGE 1

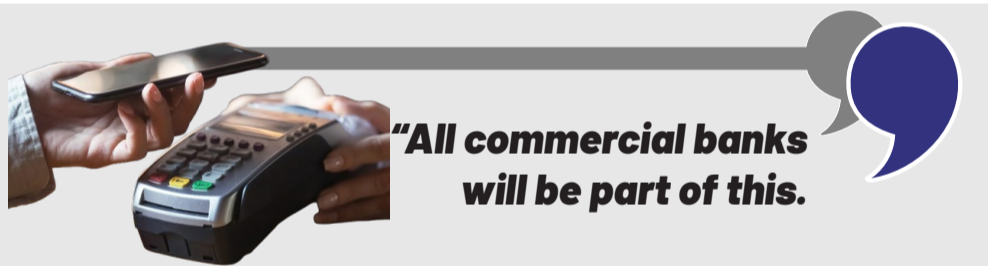
"The issue of financial inclusion is very critical, and it is very close to our mandate. We have already started an initiative for an instant payment solution. The reason we, as a central bank, developed it is purely for inclusion," Uanguta said.

Bank of Namibia said the system will reduce the need for Namibians to carry large amounts of cash or rely on bank accounts, credit, or debit cards for transactions. Similar models are already in use in countries such as Kenya and Zimbabwe, where citizens can transact directly from their cellphones using platforms like M-Pesa and EcoCash.

The central bank's push for instant payments comes as 22% of Namibia's population remains unbanked. While more Namibians now use bank accounts and digital payments, a significant portion still lacks access to formal financial services, highlighting ongoing gaps and risks.

Last year, finance minister Ericah Shafudah told The Namibian that financial inclusion can be catalytic in reducing inequality. Speaking at the 2025 Alliance for Financial Inclusion Global Policy Forum, she revealed that the proportion of Namibians with access to a bank account has risen from 51% to 78% over the past decade.

She also noted that Namibia remains one of the most unequal countries in the



world, with a Gini coefficient of 59.1.

"True financial inclusion extends far beyond access to a bank account. For us, it is about granting economic agency to empower our citizens to save securely, invest wisely, build resilience against shocks, and actively contribute to our national development," Shafudah said.

BANKS ON BOARD

Uanguta said all commercial banks and e-money providers have committed to participating in the initiative.

"All commercial banks will be part of this. All other entities involved in e-money will also take part. The instant payment solution will create opportunities for digital money. Currently, when sending e-money to another person, you are expected to go to an ATM to withdraw it," he said.

He added: "When the instant payment system is launched, you won't need to withdraw money. You can keep your funds digitally and spend them at any shop. There will be full interoperability between all banking institutions."

According to Uanguta, the system will

improve access to financial services, even for those without bank accounts.

"That is part of the inclusion we want. You don't necessarily need a banking account—you just need a cellphone, a number, register on the platform, and you can buy and trade," he said.

PRIORITIES OF THE NEW GOVERNOR

Uanguta, who was appointed the seventh governor of BoN on 1 January 2026, said modernising the central bank is among his top priorities.

"I have indicated that leadership is always in transition, but mandates remain. Part of my priority will be fully aligned with the mandate of the central bank," he said.

He added: "It will not be just what I personally intended to do. The key question when assuming leadership is: what ought to be done at a time like this? For me, it is making sure that the central bank, in five, 10, or 20 years, becomes modernised and able to respond to changes in the economy." **NBR**



> President Netumbo Nandi-Ndaitwah

Opposition fights President over control of oil and gas



> Ambrosius Kumbwa (All Party People)



> Lilian Lutuhezi (IPC)



> Aloisius Kangulu (IPC)



> Bernadus Swartbooi (LPM)

• IMELDAAMBONDO

Proposed amendments in the Petroleum Exploration and Production Amendment Bill 2026 faced stiff resistance from opposition parliamentarians last week.

The government says the amendments are necessary to curb possible corruption and maladministration in issuing Petroleum Exploration Licences. The bill, tabled by the Minister of Industries, Mines and Energy, seeks to give firm control of the upstream oil and gas sector to President Netumbo Nandi-Ndaitwah.

The President argues this will allow the country to learn how to manage the new industry while preventing misuse of national resources. Critics, however, say moving such a vital sector under the Presidency risks manipulation and weakens parliamentary oversight.

All People's Party MP Ambrosius Kumbwa told parliament that the amendments give too much power over oil and gas to the President and could harm democracy and public trust. He said the Upstream Petroleum Unit (UPU), a specialised regulatory body under the Presidency, derives its constitutional mandate from Article 32 of the Namibian Constitution.

Kumbwa warned the amendments carry risks of abuse, self-interest, and the creation of a private fiefdom over time.

"The head of state is administratively and legislatively not accountable to Parliament. Parliament may summon the minister, not the President, to answer for any omissions resulting from professional incompetence," he said.

The bill proposes establishing the UPU under the Presidency, replacing the current ministry-centered model, and transferring executive powers. Powers previously held by the Minister of Mines and Energy—such as entering petroleum agreements, making regulations, and managing royalties—would shift to the President. The UPU would be led by a Director-General (DG) and Deputy Director-General (DDG), with the DG granting licenses and the DDG handling technical

duties formerly managed by the Commissioner for Petroleum Affairs.

Kumbwa said the President should supervise and intervene only when necessary, not serve as both player and referee.

"When the electorate cries, we must hear them, accommodate them, and support them, because they witness both successes and shortcomings in our governance of national resources such as oil and gas."

He added that promoting personal preference "makes the electorate unhappy and excluded, despite the powers, duties, and responsibilities entrusted for execution."

"The law is clear; however, the current situation cannot accommodate the Head of State's decision. It is not in the nation's interest as a Unitary State."

Independent Patriots for Change (IPC) Shadow Minister of Gender Equality and Child Welfare Lilian Lutuhezi also rejected the bill, saying it undermines the Constitution's separation of powers and reduces transparency and accountability.

"Our natural resources belong to the State, meaning the people of Namibia. They do not belong to an individual, an office, or a political party," she said.

She quoted IPC leader Panduleni Itula: "Namibia must not replace colonial extraction with elite extraction."

Lutuhezi questioned accountability if petroleum governance is placed under the Office of the President.

"The President does not sit in this House. The DG does not sit here. The deputy does not sit here. Who will answer? Who will table petroleum agreements? Who will explain licensing decisions? Who will account for billions in petroleum revenue?"

She emphasised that oversight must be strong and enforceable, not symbolic or dependent on goodwill.

"Trusting a single leader is risky. Today we may trust the person in office; tomorrow, we may not. One bad petroleum contract can affect generations. Without strong parliamentary oversight, petroleum revenue may not reduce poverty, support vulnerable families, or strengthen social protection systems."

"Petroleum is not presidential property. It is not executive property. It is the in-

heritance of the Namibian people. Power must never sit where it cannot be questioned. Authority must never exist without accountability. We are custodians, not owners."

IPC Shadow Minister for Defence and Veterans Affairs Aloisius Kangulu also opposed the amendments, warning they could weaken oversight and concentrate power in the Presidency. He said transferring key regulatory powers to the UPU risks confusion and duplication of roles.

"Governance is not strengthened by multiplying centres of power without dissolving or aligning the old ones," he said.

Kangulu noted that Namibia already has institutions handling petroleum regulation and questioned the national security justification for placing oil and gas under the Presidency. He warned that focusing only on upstream activities without downstream oversight could expose Namibia to price manipulation and revenue losses.

"Prosperity cannot be achieved through perpetual institutional resets. It requires continuity, predictability, and respect for long-term national frameworks."

He also raised constitutional concerns, noting that the 1991 Petroleum Act places authority within a ministerial framework subject to parliamentary oversight. Concentrating power in the Presidency could weaken checks and balances.

Landless People's Movement leader Bernadus Swartbooi also expressed dissatisfaction with the bill, agreeing that corruption in the Ministry of Mines and Namcor needs to be addressed but arguing that the amendments are unconstitutional.

Political analyst Henning Melber echoed concerns.

"There may be trust in the current office bearer, but this structure will be inherited by successors. Personalised control undermines institutional oversight," he said.

Melber warned that President Nandi-Ndaitwah would bear sole responsibility if problems arise.

"Even with the best intentions, loopholes may benefit illegal practices. She would have the sole blame to accept. Public suspicions should be seen as a warning signal." **NBR**

Namibia declared free of foot and mouth disease



• STAFF WRITER

The ministry of agriculture, fisheries, water and land reform chief veterinary officer Kenneth Shoombé said Namibia is free from the Foot and Mouth Disease (FMD) that recently hit South Africa causing panic among some farmers.

Addressing the Meat Corporation of Namibia (Meatco) annual general meeting last week, Shoombé said the country remains free of Foot-and-Mouth Disease (FMD), with no cases south of the veterinary cordon fence.

"Namibia continues to trade internationally as an FMD-free country without vaccination, while the government maintains heightened vigilance in response to outbreaks in neighbouring countries," he said.

Shoombé said animal health remains fundamental to market access and competitiveness. He indicated that the Meatco board is finalising an FMD readiness plan aligned with the national response framework, reinforcing Meatco's preparedness to protect the industry.

Meatco convened its 37th Annual General Members' Meeting at NIPAM in Windhoek, bringing together producers, government representatives, directors, and stakeholders to reflect on the 2024/25



> Kenneth Shoombé

financial year and the steady progress made under the turnaround plan.

Minister of agriculture, fisheries, water and land reform Inge Zaamwani, commended the move by the company to strengthen governance oversight, improving financial stability, and renewed operational discipline.

The Meatco group revenue increased by approximately 55%, reaching about N\$1.87 billion, recorded a profit before tax of approximately N\$105 million, with a profit after tax of N\$43 million while 83,112 animals were slaughtered across the system.

The company also saw approximately N\$1.13 billion - nearly 67% of cost of sales paid directly to producers. **NBR**

Namibia embraces regional cooperation for aviation safety

• STAFF WRITER

The Namibia Civil Aviation Authority (NCAA) said it is intensifying regional cooperation to improve aviation safety performance, strengthen regulatory systems and enhance the country's aviation infrastructure.

NCAA director Toska Sem made the remarks last week after the authority hosted a high-level delegation from the International Civil Aviation Organization (ICAO) Eastern and Southern African Office. The delegation, led by Regional Director Lucy Mbugua, was on an official

visit to Namibia from 17 to 20 February 2026.

"We are pleased to have the opportunity to engage with our regional partners and stakeholders in reviewing our progress in aviation safety, security, and environmental protection," said Sem.

"This visit is a testament to the NCAA's



< Toska Sem

commitment to strengthening our collaboration with key stakeholders and ensuring the continued safety and efficiency of Namibia's civil aviation industry," she added.

The delegation included Deputy Regional Director Richard Gatete, as well as experts in environment, meteorology and safety implementation. They engaged in discussions with key stakeholders to review Namibia's progress in aviation safety, security, environment and air transport.

A substantial portion of the discussions focused on Namibia's performance under ICAO's Universal Safety Oversight Audit Programme (USOAP).

"Currently, the ESAF regional Effective Implementation (EI) average is 61.2%, compared to the global EI average of 70.5%," Sem said.

"I am pleased to highlight that Namibia has attained an EI score of 73%, thereby surpassing both the regional and global benchmarks. The ICAO delegation commended the NCAA for its efforts in strengthening aviation safety, security, and environmental protection in Namibia, and encouraged continued cooperation and collaboration to achieve the highest international standards."

The visit aimed to strengthen collaboration and foster cooperation between the NCAA and regional partners.

The delegation met with senior officials from the Namibia Airports Company, the Ministry of Works and Transport, the Ministry of Environment, Forestry and Tourism, the Namibian Police, immigration officials and other strategic aviation industry partners. **NBR**




Public announcement

Applications For MITT 2026

The Namibia Tourism Board (NTB) would like to invite all interested industry partners/NTB registered members to apply.

DATE	11-13 March 2026
VENUE	Crocus Expo, Pavilion 1, Moscow, Russia
COSTS	TBC

AVAILABLE TABLES
6 Tables

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NB: Visit the NTB website www.visitnamibia.com.na to download the application form.



• MALLY LIKUKELA

Minister of Finance, Erica Shafuda announced last week that she will present the national Budget 2026-27 on Thursday, February 26.

For many Namibians, the Budget – as presented to parliament in a speech or statement often boils down to a handful of headline questions and key takeaways such as: Will income taxes change?

Will fuel get cheaper?

Will spending on jobs, infrastructure, and welfare increase?

While these are pertinent questions to understanding the Budget, the real Budget story runs far deeper than the speech alone.

The picture is much bigger than what is captured in the speech. Beyond the technical speech to be delivered by the Minister, deep inside the text and numbers, there lies critical information that pertains to what the government is truly prioritizing in terms of “bread and butter” issues.

At a time when the nation is faced with high unemployment, lower growth, widespread poverty and inequality, decoding the message from one of the key budget documents is paramount.

If there was a time in the history of Namibia where decoding the subtle messages from the Minister's speech mattered, this is the time where decoding the messages beyond the speech really matters as much as listening to the speech itself.

Decoding the finance minister's budget speech is crucial for every citizen because it will help them to understand how government fiscal policy will impact their personal finances, business operations, and economy at large.

This article is a simple attempt to guide citizens on how to easily decipher the messages contained in the budget speech and accompanying document once tabled on the 26th of February 2026. This guide will help citizens to decode the speech and be able to break down complex, jargon-heavy announcements into actionable insights, allowing citizens, investors, and businesses to digest the speech and plan for the upcoming financial year. Once the speech has been decoded, citizens should be able to tell whether their living standards will improve, if taxes will increase, and where the “bread and butter” money will be being spent.

Understanding the Budget speech

First and foremost, citizens must understand that the budget statement is not “The Budget” as is commonly known, but it is just one of the documents in a set of several other documents that the Minister presents (or tables) to Parliament.

The Budget Speech together with oth-

er documents is aimed to explain the Government's plan for revenue, spending, borrowing and taxation down to the last dollar.

The Budget statement marks the beginning of the budget approval process which is done to obtain Parliament's approval before the budget (Appropriation Bill) is approved and signed by the head of state to become the Appropriation Act.

Therefore, the Speech primarily serves to act as the official, public-facing summary of the government's financial plan for the upcoming financial year. Delivered by the Minister of Finance, it basically highlights key spending priorities, revenue-generating measures (taxes), and the overall economic strategy to Parliament and the public.

While the budget speech covers the key points, the accompanying documents such as the Estimates of National Expenditure, MTEF, Development Budget, Accountability Report as well as the Citizen's Guide are more detailed and are technical to provide the full breakdown of the financial plan.

Structure of the Budget speech

To be able to decipher the budget statement, citizens must read it in conjunction with the most recent previous statement. The structure matters as it controls the flow of the message and over the past, the budget speech has always assumed a structured policy statement format. Based on the Mid-Year Review Policy Speech for 2025/26 Financial Year, the upcoming statement is most likely to contain the following parts:

- Introduction and Policy Context (Page 2): The Minister will start with protocol, quoting the constitution, and setting the theme for the fiscal year (e.g., “A New Dawn: Beyond 35”). It highlights the economic, social, and fiscal context, including global and regional economic conditions.

- Global Economic context (Page 3 and 4): She will then move on to give an analysis of the global and domestic economic context, including GDP growth projections, inflation rates, and the impact of sectors like mining, agriculture, and tourism.

- Fiscal Performance and Outlook (Page 5): Thereafter she will give a review of the previous financial year's revenue, expenditure, and budget deficit, including updates on public debt levels.

- Revenue Proposals (Page 6): The Minister will thereafter provide details on expected revenue, including tax changes, improvements in tax administration, and customs revenue from the Southern African Customs Union (SACU).

- Budget Priorities and Expenditure Allocations (Page 7): The Minister will then spend a substantial amount of time on the core of her speech. Here she will highlight key expenditure priorities (e.g., education, health, infrastructure, social sectors) and specific allocations for ministries or “Votes.”

- Financing and Debt Management (Page 11): Following the core presenta-



> Mally Likukela

tion, the Minister will outline the strategy for financing the deficit through domestic and external borrowing.

- Conclusion (Page 15): Finally, she will give a summary of the budget goals, appreciation to the Budget Working Group and a formal tabling of the Appropriation Bill for approval.

Budget Headline

Budget speeches just like all Government speeches often focus on positive outcomes while the real picture on the ground remains hidden in the text and numbers. Citizens must look at the specific figures to see the reality.

The best point to start is to look at the main priorities and headlines – the aggregates or totals of the key numbers, e.g. Total Revenue, expenditure, fiscal deficit, major allocations, etc. From these numbers, one can quickly see where Government's priorities lay. These aggregate numbers can help citizens to quickly tell what kind of Budget it is: whether it is a Growth-focussed, consolidation-focussed, reform-focussed Budget, or a balancing act. To see what the government is really saying, citizens must simply look at these specific areas within the statement:

What to look out for in the Budget statement

In the Budget statement for the fiscal year to be tabled on the 26th of February 2026, it is important for citizens to look out for what the government will be signalling about critical issues that affects the economy in general and households in particular.

General observation

- Global and domestic developments: Start by looking at how the Government views global and domestic developments (events) and their impact on growth, inflation, interest, and exchange rate risks. These variables are crucial because they serve as a “barometer” of the status of the economy and sets the stage for how tax money will be collected and spent.

At the time of the mid-term budget review, the world bank had forecasted that advanced economies were to decrease from 3.3% in 2024 to 3.2% in 2025 and further down to 3.1% in 2026.

- Revenue (Income): Citizens should

understand where the money is coming from and how much has been collected? At the time of the last statement (mid-term budget review), the government had indicated that the revenue overrun had reached N\$36.6 billion. Another pertinent question to ask is where this money is coming from. If it is mostly from taxes on individuals (income tax/VAT), the burden is on the citizen. If it is high in borrowing, the burden is on future generations.

- Expenditure plans: When it comes to the expenditure plans, citizens should check the Budget statement to see whether Government will continue with the fiscal expansion or it will tighten spending; if it tightens the budget – which sectors, or priority areas will be affected. At the time of the Mid-term budget review, the total expenditure remained at N\$89.4 billion.

- Capital/development spending: Citizens should also assess whether the Government is going to prioritise long-term capital/development spending and which sectors it believes will shape Namibia's next phase of growth (energy, agriculture, education, etc.). Here it is particularly important to also check for government's deviations (if any) from its long-term development plans as contained in the Vision 2030, NDP(s), Harambee and even the political manifesto of the ruling party. At the time of the Mid-term budget review, the government have reduced the capital budget from N\$9.6 billion to N\$8.8 billion.

- Fiscal stance: It is also critical to look at the statement and assess the fiscal stance or what is also commonly known as budget balance. From the statement one should be able to tell whether the Government plans to run a deficit, surplus, or balanced budget. According to the Mid-term budget review, the budget deficit widened to 6.0% of GDP, up from the initial 4.6% forecasted. Given Namibia's notable Debt profile, the budget balance is a critical number to shed light on the country's debt sustainability plan. This number indicates how much the government must borrow to cover the financial shortfall.

- Public Debt Stock: Citizens should also look for the Public Debt Stock figures to check if the debt-to-GDP ratio is projected to rise, and if this happens to be the case, it could indicate long-term sustainability risks. These figures are usually less visible in the statement to most citizens yet are especially important – borrowing levels shape inflation expectations and interest rates that eventually influences the financial environment household's lives. Namibia's public debt stock was projected to rise to N\$177.1 billion (67.5% of GDP) by the close of the 2025/26 fiscal year, according to Bank of Namibia forecasts. The Mid-Year Budget Review indicates that rising interest payments, estimated at N\$14.4 billion (15% of revenue), are driving the need for tighter fiscal management.

*** Read full article at Namibia Business Review website**

www.namibiabusinessreview.com



Mining industry struggles to create jobs

• TIRI MASAWI

The International Labour Organisation (ILO) says the Namibian mining industry is not creating enough jobs to change the country's fortunes.

However, the Chamber of Mines of Namibia has disputed this. According to the ILO, the mining industry is failing to create jobs because of a failure to add value to the country's minerals. They say most minerals are shipped out of the country in their raw format.

Among other things, the report also flagged the mining industry's failure to employ women at the same rate as men.

"The sector has not transformed significantly from extraction and export of minerals in their raw materials to increased value addition and beneficiation that would create more jobs locally. Countries like Chile have implemented policies to enhance local employment through value-added processing and community engagement, resulting in a more diversified job market," the ILO said in reference to the Namibian mining sector.

CHAMBER PUSHES BACK ON 'RAW EXPORT' CLAIMS

Chamber of Mines chief economist Lauren Graham said the assertion that Namibia exports minerals in raw form without value addition is incorrect.

She said the mining industry undertakes significant value addition within the mining value chain, with most minerals processed to concentrate level before export.

"Historically and currently, Namibia's mining sector has undertaken meaningful value addition within the country.

The Tschudi copper mine produces refined copper cathode, while the Skorpion mine operation produced special high-grade zinc metal for export markets before it was placed on care and maintenance," Graham said.

She said, on the contrary, the Sinomine Tsumeb Smelter previously produced blister copper from imported concentrates.

The Chamber also argued that according to 2024 statistics, 97% of all permanent positions within the industry are occupied by Namibian citizens, highlighting the sector's strong localisation of employment.

MULTIPLIER EFFECT

The Chamber of Mines said mining has



97% of all permanent positions within the industry are occupied by Namibian citizens.

one of the strongest multiplier effects in the Namibian economy. Through procurement of goods and services – including engineering, transport, logistics, manufacturing, catering, construction and professional services – the sector stimulates extensive employment across multiple value chains.

"These examples demonstrate that value addition and mineral processing form an integral part of Namibia's mining value chain," Graham said.

The Chamber said it welcomes robust and constructive dialogue on decent work, transformation, inclusion and sustainability within the mining sector.

"These are important national priorities that the industry takes seriously. However, public discourse must be grounded in accurate data, contextual understanding and recognition of the sector's full economic contribution," Graham said.

She added that while mining is capital-intensive by nature, its direct and indirect employment footprint, value chain linkages, fiscal contribution and ongoing sustainability initiatives underscore its strategic importance to Namibia's economy.

"The industry continues to invest in skills development, gender inclusion, responsible environmental management and commercially viable value addition.

"The Chamber remains committed to working collaboratively with Govern-

ment, labour, development partners and other stakeholders to strengthen policy certainty, enhance competitiveness and ensure that mining delivers sustainable and inclusive economic benefits for the Namibian people," Graham said.

GENDER GAP

The ILO said while Namibia's policies are supportive of female representation, outcomes within the mining sector remain limited – a situation the Chamber acknowledged, saying mining remains

male-dominated. The Chamber said member companies continue to implement deliberate programmes to improve female participation across technical, professional and leadership roles.

Progress is being made, and gender inclusion remains a priority for the industry.

"Despite the mining industry committing to local procurement as a critical factor in the promotion of inclusive economic growth, a lot more still needs to be done to reach the 51% ownership policy target by Government and ensuring fair benefit sharing allowing the sector to move beyond raw material extraction to processing and manufacturing, creating more and better-paying jobs and retaining more economic value domestically," the ILO said.

PARLIAMENT RAISES ALARM OVER WORKER TREATMENT

The Parliamentary Standing Committee on Poverty Eradication, Labour, and Industrial Relations has raised concern about incidences of unfair labour practices in the Namibian mining industry.

Speaking at last month's public dialogue on advancing decent jobs in the mining industry, committee chairperson Justina Jonas raised concern over mining companies ill-treating Namibian workers.

She said some mining companies are underpaying part-time staff and compromising conditions of service for permanent workers.

"The mining sector remains a cornerstone of our national economy, contributing significantly to GDP, government revenue, and employment.

Yet, recent oversight by the Committee has highlighted concerning practices that threaten the welfare of workers and the communities in which these mines operate," she said.

She added: "Issues such as widespread retrenchments, outsourcing, unequal treatment of subcontracted employees, inadequate occupational health and safety measures, and inconsistent skills transfer demand our attention and action."

Jonas said continued dialogue between the industry and policy makers is essential in improving the lives of many workers in the industry.

"Our goal today is to share the Committee's findings, listen to your views, and collectively discuss practical solutions to ensure that the mining sector is not only driving economic growth, but also advancing decent work, community welfare, and national development." **NBR**



> Lauren Graham



EDITORIAL

It Takes Two to Tango

Reports that the Development Bank of Namibia's (DBN) impairment ratio stands at 22% are deeply worrying. This means that nearly a quarter of all loans issued by the bank are at significant risk of not being repaid.

As a cornerstone of Namibia's development agenda, the DBN must be carefully managed and fully supported by everyone who benefits from it.

Yet, as DBN spokesperson Jerome Mutumba notes, the bank's default ratio surged from 12% in 2021 to 26% in 2024, largely due to heightened credit risks during the Covid-19 pandemic.

While the ratio improved to 22% in 2025, the first sign of recovery since 2021, this is still uncomfortably high for an institution that has historically maintained strong growth.

It takes two to tango. While the bank pursues defaulters, borrowers must also take responsibility to honour their debt.

The DBN says it implements rigorous due diligence, including vetting through Financial Intelligence guidelines, but more must be done.

Loan beneficiaries cannot treat borrowing lightly; timely repayment is essential not only for the bank's stability but also for the broader economy.

It would be regrettable if the bank continues to write off loans without holding defaulters accountable. Perhaps stricter measures are needed, such as blacklisting habitual defaulters, so that the consequences of failing to repay are clear.

Equally important, loans should only go to those who can demonstrate, beyond doubt, their capacity to meet their obligations.

The road to recovery will require effort from both the DBN and its borrowers.

Only through shared responsibility can the bank safeguard its mission and continue driving Namibia's development forward.

The road to recovery will require effort from both the DBN and its borrowers"

Chronicles of a Real Estate Agent



• AISHA SHIPANGA

From the outside, the real estate industry appears polished and prosperous. Images of elegant homes, seamless negotiations, and celebratory handshakes at closing often dominate public perception. Commission earnings are assumed to be substantial, and success appears effortless.

The reality, particularly in the early stages of an agent's career, is considerably more complex.

Having been officially licensed for over a year and currently serving at Virgo Real Estate, I have gained practical insight into the demands of the profession. Behind every listing lies a process that requires discipline, resilience, and strategic execution.

Real estate extends far beyond the act of selling property. It is a business built on positioning, market understanding, negotiation skill, and consistent prospecting. In markets such as Windhoek, new agents quickly learn that sales are not guaranteed. Every opportunity must be created, pursued, and sustained through continuous effort.

Daily responsibilities include prospecting, following up with potential buyers and sellers, hosting show houses, producing marketing content, analysing pricing trends, and navigating legal documentation. At the same time, agents are expected to project confidence and professionalism, even while building experience and credibility.

Trust, a critical component of any transaction, is not immediate. It develops over time through consistent performance and visibility.

One of the most underestimated aspects of the profession is personal branding. Agents are not only marketing properties; they are marketing themselves. Communication style, presentation, negotiation approach, and online presence all contribute to professional positioning. Reputation becomes a form of currency, often determining whether a client proceeds with a listing or not.

The financial structure of the industry presents another significant challenge. Real estate is performance-based, with income directly

tied to successful closings. There is no fixed salary during slower months. New agents frequently incur expenses before generating revenue, including licensing fees, branding costs, advertising, photography, fuel, and administrative expenses.

Furthermore, transactions are not always predictable. Deals may collapse prior to transfer. Buyers may withdraw after extended engagement. Sellers may change representation after weeks of consultation. These realities form part of the profession but are rarely highlighted publicly.

During the initial months – and sometimes the first year – much of the work invested does not immediately translate into financial reward. Agents are building databases, establishing systems, learning market behaviour, and strengthening negotiation skills. The visible results may be delayed, but the developmental process is continuous.

Those who sustain long-term success typically approach real estate as a structured business rather than a short-term pursuit. They prioritise budgeting, reinvest in marketing, maintain consistent follow-up systems, and understand that professional positioning often precedes profitability.

The early stage of a real estate career demands emotional discipline and resilience. Rejection is common, competition is constant, and performance expectations remain high. However, these pressures also cultivate entrepreneurial thinking, strategic planning, and long-term adaptability.

While the beginning is demanding, the experience builds competence. When consistent closings eventually follow sustained effort, it becomes clear that the initial challenges were not obstacles, but preparation.

Behind every listing lies far more than a property. It reflects the persistence, strategy, and unseen effort required to build credibility in a competitive market.





I didn't do it alone - Aochamub on Meatco's **N\$1.2 billion** revenue

• ALBERTUS AOCHAMUB

Gratitude, accountability, and the next leg of the relay.

Since Monday, 16 February, following Meatco's media release ahead of our 2026 Annual General Meeting, there have been varied responses – encouragement, scrutiny, cautious optimism. All of it is welcome.

Turnarounds are never the work of one individual. They are institutional efforts built over time, often in what I would call "vinegar times", when discipline matters more than applause.

Today, I simply wish to say thank you.

Thank you to the Government of the Republic of Namibia, our sole shareholder, for steady medium-term support and confidence in the stabilisation of this national strategic asset.

Thank you to our livestock producers, commercial and communal alike, who continue to market with Meatco even during uncertainty. Your resilience anchors this industry.

Thank you to the workers of Meatco, those who rise before dawn in the plants, on the lines, in procurement yards, in logistics and administration. Institutions are carried on the shoulders of those who toil daily.

Thank you to the Board of Directors and to previous and current management teams who implemented difficult reforms under the Turnaround Plan approved in November 2024.

The results were formally tabled at the AGM on 20 February reflecting collective



***ALBERTUS AOCHAMUB serves as Meatco interim chief executive officer, effective 02 September 2025.**

effort across many years, not a moment, and certainly not a person.

Key indicators ahead of the AGM were:

- Group revenue increased to N\$1.865 billion (from N\$1.203 billion)
- Operating profit before tax of approximately N\$106 million (from a N\$150 million loss)
- Shift away from five consecutive years of losses (2020-2024)
- Throughput south of the VCF: 75,268 head
- Throughput in the Northern Veterinary Area: 7,844 head
- Implementation of five-pillar Turnaround Plan focusing on financial stability, governance, market development, operational efficiency and producer prices

These numbers matter, not as trophies, but as signals of restored discipline, improved controls, and renewed credibility.

Meatco remains attentive to climate variability, market dynamics, and biosecurity risks. Recovery is not an event; it is a sustained process of vigilance and stewardship.

Leadership in such moments is best understood as a relay. Many have run before us.

The current team simply carries the baton for this leg of the race. In due course, others will take it forward.

Our commitment is simple:

- To continue stabilising.
- To continue strengthening governance.
- To continue serving producers.
- To continue protecting this strategic national asset.

With humility, and with resolve, we run the next leg of the race.



WE ARE HIRING!

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