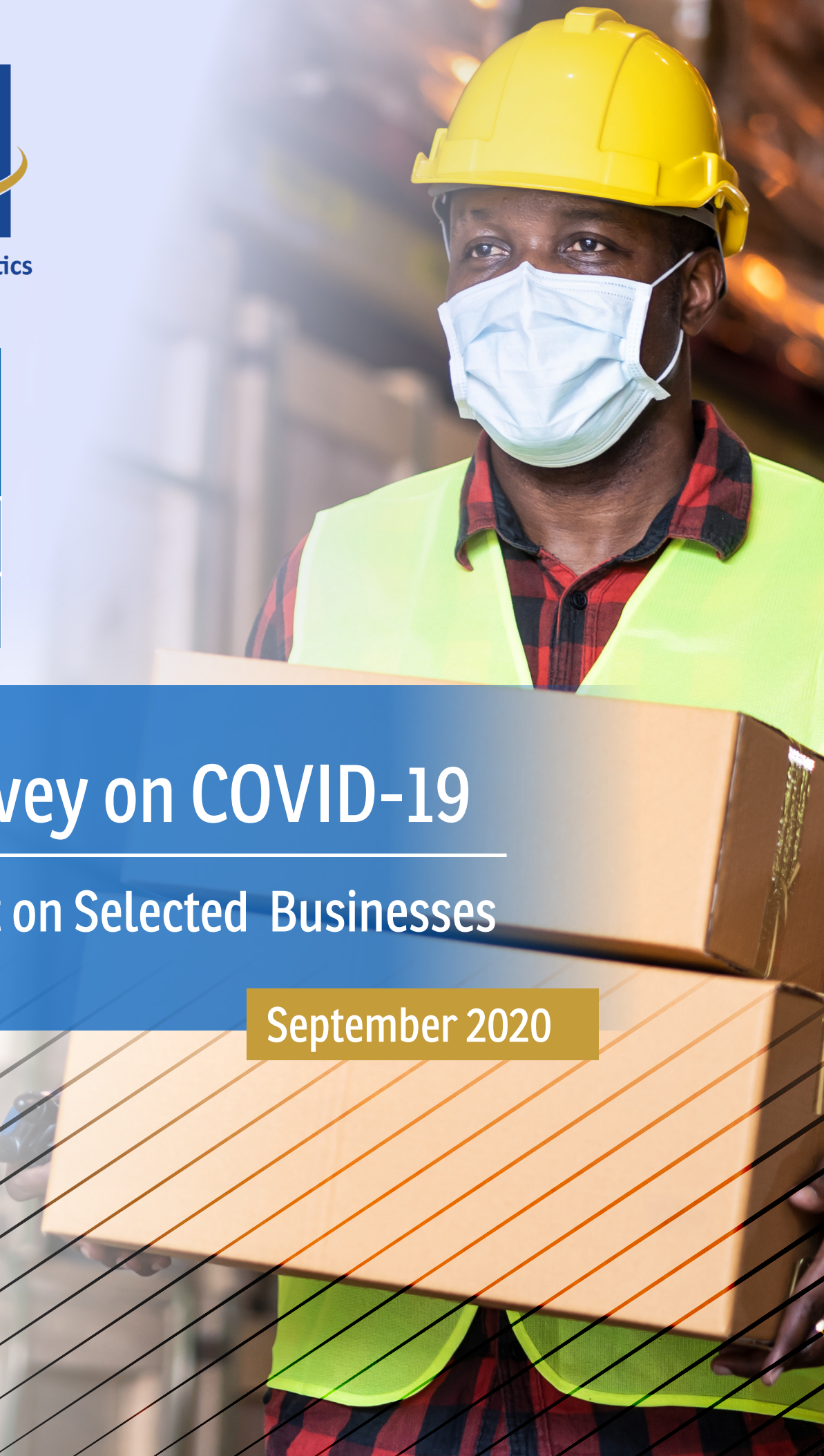**Namibia Statistics Agency**

UNDP

Survey on COVID-19

Effect on Selected Businesses

September 2020

MISSION STATEMENT

In a coordinated manner we produce and disseminate relevant, quality and timely statistics that are fit-for-purpose in accordance with international standards and best practice

VISION STATEMENT

Be a high performance institution in statistics delivery

CORE VALUES

Performance
Integrity
Service focus
Transparency
Accuracy
Partnership

Preface

The Namibia Statistics Agency conducted a second round of the survey on the effect of COVID-19 on a selected businesses in Namibia. This second round of the survey was conducted from 27th July 2020 to the 07th of August 2020. The survey was designed as an experimental study aimed at providing an indication of the business impact resulting from COVID-19 state of emergency. The overall response rate stood at 58.5 percent an increase response when comparing to the 41.4 percent overall response rate of the first round of the survey. This is an indication that more businesses participated in the second round of the survey comparing to the first round of the survey.

The survey revealed that 87.9 percent of businesses that respondent are adversely affected by the coronavirus pandemic compared to the 96.5 percent that was reported in the May 2020 report. However, the impact will pick again with 92.0 percent of business are expecting to be affected in the coming months.

The survey further revealed that 48 percent of the businesses indicated that they traded partially while 20 percent were temporary closed. Only 31 percent of the businesses reported as trading at full capacity during the period of enumeration. A reduction in local demand impacted 61.6 percent of the businesses and this effect will increase to impact 71.8 percent of businesses in the future. Only 23.7 percent of the businesses managed to obtain government relief packages during this period. Lastly, 30.2 percent of businesses reported to have laid off workers during the state of emergency period.

Finally, let me express my appreciation to all the businesses that responded to the survey as and made it possible for the NSA to release this report. I would also like to thank our international stakeholder, the United Nations Development Programme (UNDP) who financially supported this survey.

Allow me to me to simultaneously encourage all businesses to participate in such surveys in order for policy and decision makers to get a full picture of the situation on the ground.

Alex Shimuafeni
Statistician General & CEO

Table of Contents

1. Background

The World Health Organization (WHO), on the 11th March 2020 declared COVID-19 (popularly known as coronavirus) as a worldwide pandemic. The spread of the novel coronavirus (COVID-19) in Africa has been increasing at a fast pace since mid-March 2020. Governments have implemented various strategies that range from simple restrictions to isolation of cities and regions in order to contain the pandemic.

In the Namibian context, following the recording of the first two positive cases in the country on the 13 March 2020, the government declared a state of emergency from the 27 March 2020 to the end of September 2020 to be implemented in stages, starting with stage 1. Thus, the country went under a stage 1 lock down with effect from 27 March 2020 in order to minimize the spread of the virus, and this resulted in the closure of most of the businesses that are deemed not to be providing essential services. Following the lock down, Namibia progressed in different stages of easing the lock down up until the fourth stage.

The COVID-19 pandemic has brought disruptions in most economic activities in Namibia. The actual impact of the pandemic on the economy remains unknown until critical variables can be identified, including the duration of the pandemic and the measures that are put in place to fight the pandemic.

The pandemic has highlighted the need to obtain accurate information as close as possible to real time for planning purposes. NSA is implementing various strategies to address current statistics needs to support decision and policy makers during COVID-19. It is in this regard that the NSA decided to undertake an experimental perception survey on the effect of COVID-19 on selected businesses to provide an impression of the effect of COVID-19 on these businesses. The first round of these survey covered a period of 30 April 2020 until 11 May 2020 while the second round of the survey covered a period of 27 July 2020 until 07 August 2020.

2. Objectives

In response to the ongoing pandemic, decision-makers must be equipped with the right information and analytics to guide policy, recovery strategies and future planning hence access to reliable data is critical. The survey on the effect of COVID-19 on a selected Businesses, is a perception survey that information that provides an impression of the effect of COVID-19 on these businesses. The survey measured the prevalence and nature of adverse effects from coronavirus experienced by these businesses operating in Namibia. The results will help in understanding the dynamic effect of COVID-19 on the businesses and provides areas for further research that will provide the much-needed information to the policy and decision makers.

3. Methodology

A convenient sample list of 619 formal businesses across 16 sectors of the economy was used for this survey. In the absence of the Statistical Business Register (SBR), the NSA maintains a list of businesses selected based on their importance in terms of turnover. This survey list contains contact details i.e. telephone numbers and emails of the companies. These businesses are classified based on the International Standard Industrial Classification of all Economic Activities (ISIC), Rev.4 of the United Nations.

3.1 Data collection

The data collection covered a period of 27 July 2020 until 07 August 2020. The survey used a mixed method approach of online questionnaire supplemented by telephone interviews. For the businesses with email addresses, an on-line link to the questionnaire was send to them through the email for them to undertake self-assessments. Follow ups were then made via telephone calls to ensure completion of the questionnaires. For businesses without email addresses of which were minimal, a telephone survey was undertaken.

The data entry application was developed in google forms. Edit and validation rules were inbuilt in the questionnaire in order to ensure that responses from respondents are consistent.

3.2 Response rate

The overall response rate of the survey stood at 58.5 percent. The businesses that did not respond to the survey was mainly due to non-contacts with those companies as telephone calls went un-answered during the enumeration period. Table 1 shows the responding businesses by economic sector which stood at 362 out of 619 companies.

Table 1: Responding businesses by sector

Sectors	Number of businesses reached	Number of responding businesses	Response rate (%)
Agriculture and forestry	15	15	100.0
Fishing and fish processing onboard	21	12	57.1
Mining and quarrying	19	9	47.4
Manufacturing	98	55	56.1
Electricity and water	6	4	66.7
Construction	69	23	33.3
Wholesale and retail trade, repairs	45	19	42.2
Hotels and restaurants	93	65	69.9
Transport and storage	17	8	47.1
Information and Communication	4	4	100.0
Financial and insurance service activities	13	13	100.0
Real estate activities	26	17	65.4
Professional, scientific and technical services	50	18	36.0
Administrative and support services	59	44	74.6
Arts, Entertainment & Other Service activities	30	15	50.0
Education	44	34	77.3
Health	10	7	70.0
TOTAL	**619**	**362**	**58.5**

4. Survey results

4.1 Business operating status

The second round of the survey indicated that almost half of the businesses (48%) continued to trade partially (Figure 1) as compared to 50 percent that operated partially during the first round of the survey. This was followed by 31 percent of businesses that indicated they continued to trade at full capacity, an increase when compared to 21.2 percent of businesses that cited to be operating at full capacity during the first round of the survey. The survey revealed that 20 percent of the businesses cited to have temporarily, closed a slight decline from 25.2 percent of businesses that were temporarily closed during the first round of the survey. During the second round of the survey, only 1 percent of the businesses cited that they were permanently closed compared to 3.5 percent during the first round of the survey.
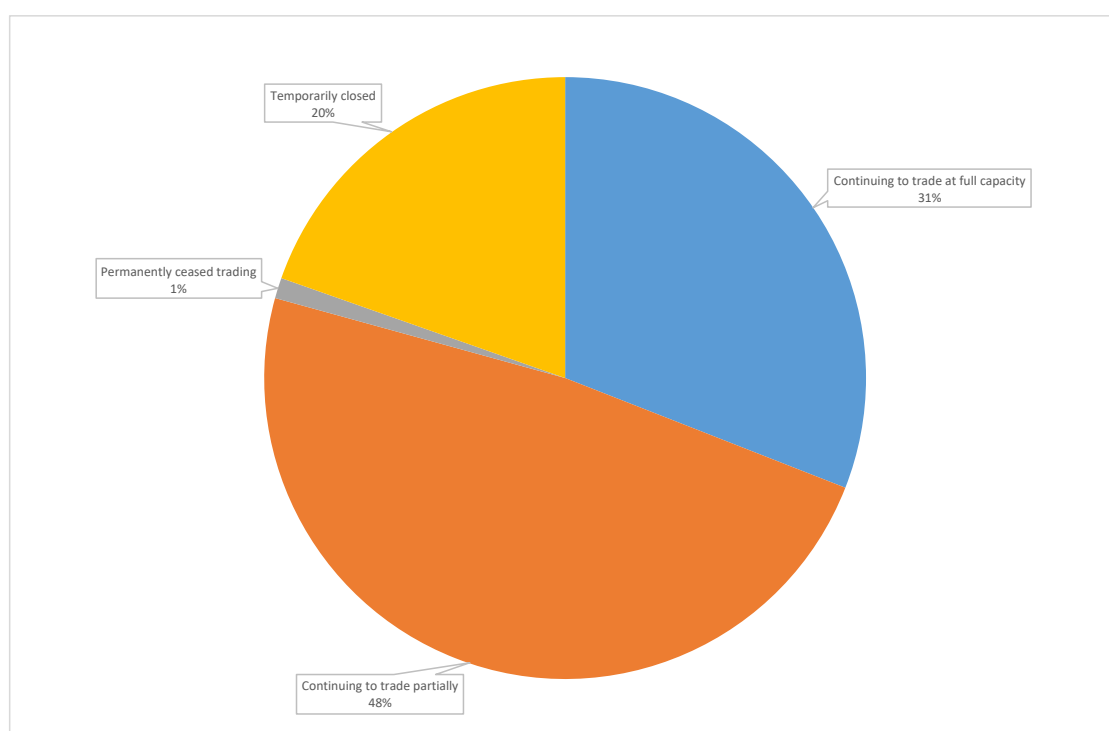

Figure 1: Percentage of businesses by operating status

In the category of businesses that indicated trading partially, the 'Manufacturing' sector accounted for 23.2 percent (Figure 2). This was followed by 'Wholesale and retail trade, repairs'' and 'Professional, scientific and technical services' sectors with a share of 11.6 percent each.
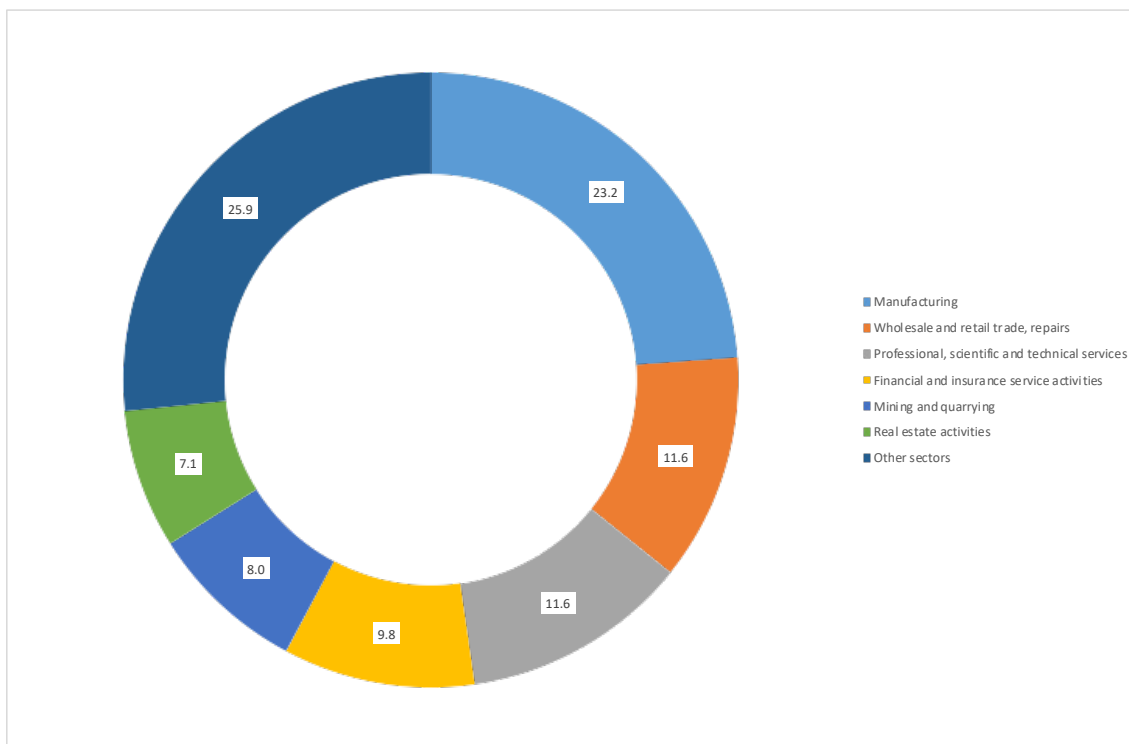
Figure 2: Percentage of businesses operating partially by sector

4.2 Business adversely affected

Table 2 displays the number of businesses that are currently and expected to be adversely affected by coronavirus (COVID-19) by sector. The results depicts that 318 out of 362 businesses are adversely affected by coronavirus. The 'Hotels and restaurants' sector reported the highest number (65) of companies adversely affected followed by 'Administrative and support services' sector (43) and 'Manufacturing' sector (41).

Overall, businesses that were affected by COVID-19 during the period of assessment, were the same entities expecting to be affected by the impact of the virus in the coming months.

Table 2: Businesses adversely affected by coronavirus (COVID-19), current and expected by sector

Sector	Number of Responding Businesses	Number of Businesses affected	
		Current Effect	Expected Effect
Agriculture and forestry	15	15	15
Fishing and fish processing on board	12	11	11
Mining and quarrying	9	7	7
Manufacturing	55	41	45
Electricity and water	4	3	3
Construction	23	21	23
Wholesale and retail trade, repairs	19	15	16
Hotels and restaurants	65	65	65
Transport and storage	8	7	8
Information and Communication	4	4	4
Financial and insurance service activities	13	8	10
Real estate activities	17	15	16
Professional, scientific and technical services	18	14	14
Administrative and support services	44	43	43
Arts, Entertainment & Other Service activities	15	11	13
Education	34	32	33
Health	7	6	7
Total	**362**	**318**	**333**

4.3 Nature of business effect

Businesses were asked on the nature of effect that COVID-19 has on their business and the majority of the businesses (61.6%) cited that they were currently being affected by the reduction in local demand (Figure 3). Similarly, 71.8 percent of the businesses indicated reduced local demand as the most effect they oversee in the coming months if the status of COVID-19 pandemic continues to be persistent. In addition, reduction in international demand was highlighted as the second most current effect experienced by the businesses with 44.3 percent while 45.9 percent of the businesses identified it as a prospect future effect. Furthermore, staff shortages was also identified as a possible future effect by 39.0 percent of the responding businesses.
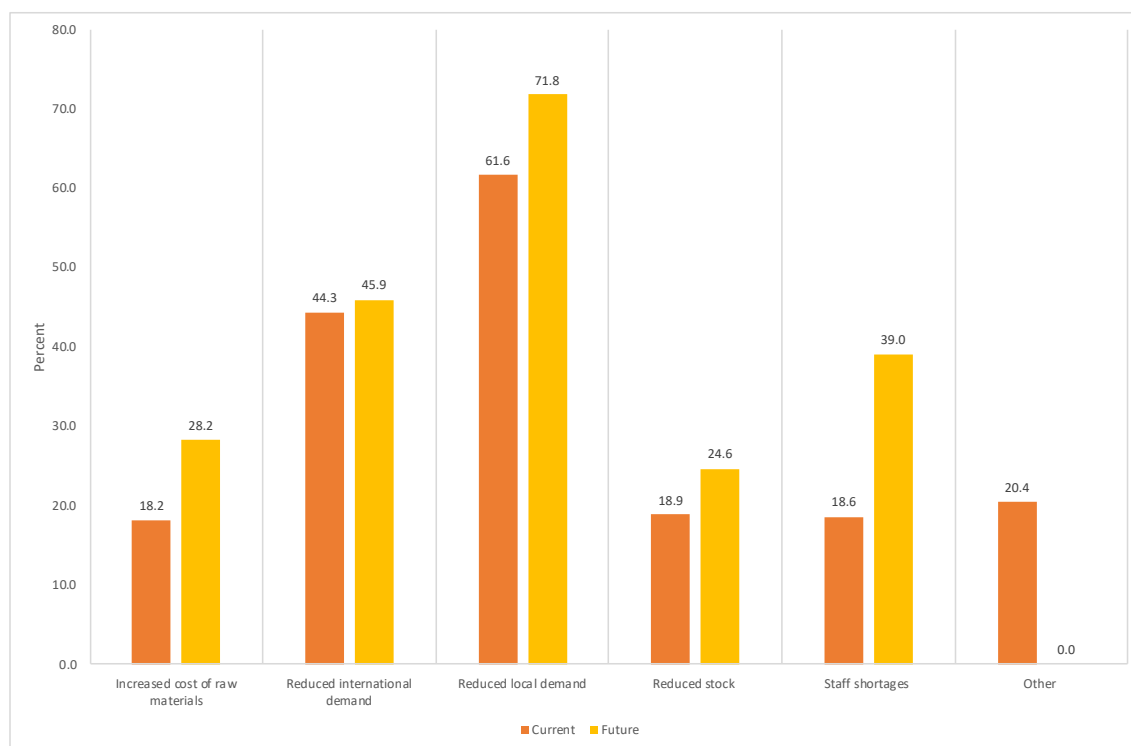

Figure 3: Percent distribution of the effect of COVID-19 on businesses, current and future

4.4 Turnover loss

A total of 308 representing 85.1 percent of responding businesses indicated that they have lost revenue due to the state of emergency measures. Only 10 businesses indicated that they did not lose any revenue due to the state of emergency measures.

It is evident from Figure 4 that most of the businesses (99) reported to have lost turnover in the range of 91-100 percent, followed by those who lost between 31-40 percent of revenues experienced by 32 businesses. Similarly, 29 businesses have indicated losing revenues in the range of 41-50 percentage, while the least number of companies (15) has indicated losing revenues in the range of 61-70 percent.
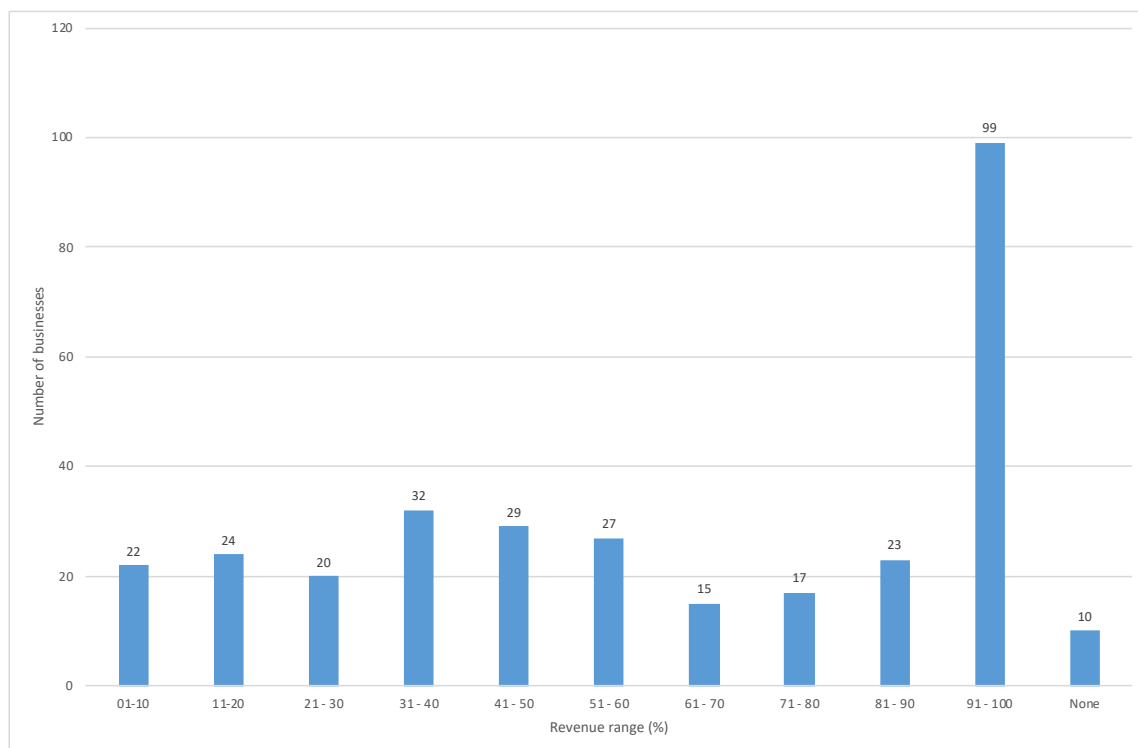
Figure 4: Number of businesses with revenue loss

The distribution of business that indicated to have lost revenues by economic sectors is presented in Table 3. The result shows that for the companies that indicated losing turnover in the range of 91 – 100 percent, the Hotels and Restaurant accounted for 13.6 percent followed by Administrative and support services (11.0%) and Agriculture and forestry (2.9%) mainly from trophy hunting activities.

Table 3: Percentage of companies reporting loss of turnover by sector

Sectors	Turnover range										Total (%)
	01% - 10%	11% - 20%	21% - 30%	31% - 40%	41% - 50%	51% - 60%	61% - 70%	71% - 80%	81% - 90%	91% - 100%	
Agriculture and forestry	-	-	-	-	-	-	0.3	0.6	1.0	2.9	4.9
Fishing and fish processing on board	0.3	0.3	-	1.0	-	-	0.3	0.6	0.3	-	2.9
Mining and quarrying	0.6	-	1.0	-	-	-	-	-	-	-	1.6
Manufacturing	1.6	1.6	2.3	1.6	1.6	1.9	-	0.6	1.0	1.0	13.3
Electricity and water	0.6	0.3	-	-	-	-	-	-	-	-	1.0
Construction	-	0.6	0.3	0.6	1.0	2.3	1.0	-	0.3	0.6	6.8
Wholesale and retail trade, repairs	0.3	0.6	0.3	0.3	0.6	1.0	0.3	0.3	-	0.3	4.2
Hotels and restaurants	-	-	-	0.3	0.6	1.0	1.3	1.3	2.9	13.6	21.1
Transport and storage	0.3	0.3	-	0.6	0.6	-	-	-	0.3	-	2.3
Information and Communication	0.6	-	-	0.3	-	0.3	-	-	-	-	1.3
Financial and insurance service activities	1.0	-	0.3	0.6	0.3	-	-	-	-	-	2.3
Real estate activities	-	1.0	1.0	1.3	1.0	-	0.3	0.3	-	-	4.9
Professional, scientific and technical services	0.3	1.0	0.6	1.3	0.3	0.3	-	0.3	0.3	-	4.5
Administrative and support services	0.3	-	-	-	-	0.3	0.6	1.0	0.6	11.0	14.0
Arts, Entertainment & Other Service activities	-	-	-	0.6	-	0.6	0.3	-	-	1.9	3.6
Education	1.0	1.6	0.6	1.3	2.3	1.0	0.3	0.3	0.6	0.6	9.7
Health	-	0.3	-	0.3	1.0	-	-	-	-	-	1.6
Grand Total	**7.1**	**7.8**	**6.5**	**10.4**	**9.4**	**8.8**	**4.9**	**5.5**	**7.5**	**32.1**	**100.0**

4.5 Government support

Table 4 shows the percentage of business that were able to access government assistance. The survey indicates that only 23.7 percent of businesses received government support while the majority of 76.3 percent did not get any government support. Government assistance was mainly through the 'Vocational Education and Training levy' (12.3%) and 'Subsidy on compensation of employees' (7.5%). The survey further indicated that 67.6 percent of businesses that were affected by the coronavirus did not receive any government assistance.

Table 4: Percentage of businesses affected by coronavirus by type of government assistance

Affected by coronavirus	No Government support	Subsidy on compensation of employees	Tax break	Tax refund	Vocational Education and Training levy
Yes	67.6	7.5	1.1	2.5	10.1
No	8.7			0.3	2.2
Grand Total	76.3	7.5	1.1	2.8	12.3

4.6 Employment

From a total of 358 businesses, 108 businesses (30.2%) reported to have laid off employees due to the state of emergency measures imposed in order to curb the spread of coronavirus. Figure 5 shows that 22.2 percent of businesses laid off workers in the range 01-10 percent of the workforce and 9.3 percent of companies retrenched employees in the range of 91-100 percent of the workforce.
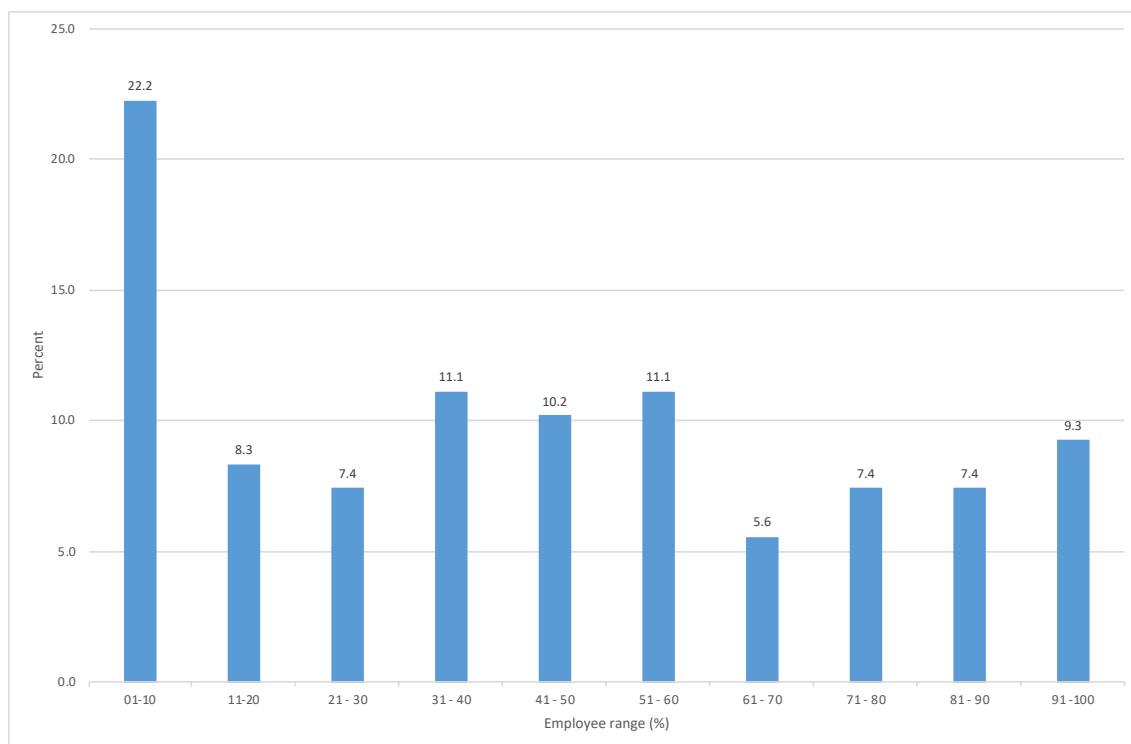
Figure 5: Percent of businesses that laid off workers

5. Conclusion

The objective of the survey is to provide information on economic insight into the impact of the COVID-19 pandemic to businesses. The indicators and analysis presented in this document captured the selected businesses perceptions and views of the effect of COVID-19 pandemic. The survey design is subject to specific strengths and limitations. Some limitations of the survey are that the results are based on perceptions largely due to self-enumeration nature of the survey; and interpretation is based on limited responses. The result of the survey however, provides necessary information towards understanding the dynamic effect of COVID-19 on the businesses and also areas for further research to inform policy makers.

Appendix: Questionnaire

Part A

A1	A2	A3
What is the name of your company?	**Where is your Headquarter situated?**	**Describe in short the main activity of your company?**

A4	
Which industry/sector is your business in?	
Tick the appropriate from the drop down list *Only one selection is allowed*	
Fishing and fish processing on board	01
Mining and quarrying	02
Manufacturing	03
Electricity and water	04
Construction	05
Wholesale and retail trade, repairs	06
Hotels and restaurants	07
Transport and storage	08
Information and Communication	09
Financial and insurance service activities	10
Real estate activities	11
Professional, scientific and technical services	12
Administrative and support services	13
Arts, Entertainment & Other Service activities	14
Education	15
Health	16
Other (Specify)	17
CODE	

A5	A6	A7	A8	A9
What is the name of the respondent?	What is your position at the business?	What is your contact details?	What is your email address?	Date of survey

Part B

B1		B2		B3	
What is the current trading status of your business?		**Since May 2020, was your business adversely affected by Coronavirus (COVID-19)?**		**How has Coronavirus (COVID-19) adversely** affect**ed your business?**	
Select one that apply from the drop down *If '04' is selected, then end the survey*		*If Yes, continue to B3* *If No, go to B5*		*Select all that apply*	
Continuing to trade at full capacity	01	Yes	01	Reduced customer local demand;	01
Continuing to trade partially	02	No	02	Reduced international customer demand (international customers based or visiting international tourists);	02
Has temporarily closed	03			Reduced stock or raw materials (such as material inputs);	03
Has permanently ceased trading	04			Increased cost of stock or raw materials (such as materials inputs);	04
				Staff shortages due to COVID-19 related illness, quarantine measures, school closures or transport interruptions;	05
				Other (Specify)	06
CODE		CODE		CODE	

B4		B5		B6	B7	
How many percent of turnover was lost due to Coronavirus (COVID-19) in the past four weeks?		**Which of the following financial assistance was your company able to access a per government directive?**		**If none. Why?**	**Do you expect Coronavirus (COVID-19) to adversely affect your business in the coming months?**	
Select the appropriate range from the drop down		*Select all appropriate financial assistance from the drop down* *If none, then continue to B6, Otherwise skip to B7*			*If yes continue to B8* *If No, skip to B9*	
None;	01	None;	01		Yes	01
01%-10%	02	Tax break;	02		No	02
11%-20%	03	Tax refund;	03			
21%-30%	04	Subsidy on compensation of employees;	04			
31%-40%	05	Vocational Education and Training levy;	05			
41%-50%	06	Other (Specify)	06			
51%-60%	07					
61%-70%	08					
71%-80%	09					
81%-90%	10					
91%-100%	11					
CODE		CODE			CODE	

B8		B9	B10		B11
How do you think will Coronavirus (COVID-19) adversely affect your business in the coming months?		**How many employees did your company have before COVID-19?**	**What percentage of workers did your business layoff due to COVID-19?**		**How would you suggest government should assist businesses in the state of emergency period?**
Select all that apply			None	01	
Reduced customer local demand;	01		01%-10%	02	
Reduced international customer demand (international customers based or visiting international tourists);	02		11%-20%	03	
Reduced stock or raw materials (such as material inputs);	03		21%-30%	04	
Increased cost of stock or raw materials (such as materials inputs);	04		31%-40%	05	
Staff shortages due to COVID-19 related illness, quarantine measures, schools closure or transport interruptions;	05		41%-50%	06	
Other (Specify)	06		51%-60%	07	
			61%-70%	08	
			71%-80%	09	
			81%-90%	10	
			91%-100%	11	
CODE					