

MEDIA RELEASE

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1. As customary, it gives the NSA great pleasure in releasing the economic statistics to the nation.
2. Today, the NSA will be releasing economic statistics that relates:
 - a) **The Government Wage Index** which measures the level of prices that government employees charge in exchange for their labour services.
 - b) **Quarterly Agriculture Statistical Bulletin** which illustrates the short-term performance of the sectors by looking at the sector contribution to GDP, merchandise trade pattern, auction prices and food inflation rate development on a quarterly basis.
 - c) **The Producer Price Index (PPI)** which measures the average change over time in the prices which domestic producers received for their products.
 - d) **Lastly, the Quarterly GDP** which provides an overview of the economic performances of the country.

GOVERNMENT WAGE INDEX FOR Q2:2021

3. During the period under review, the Government Wage Index declined by 0.3 percent. The decline in the index emanated mainly from '**Public Administration and defense**' which declined by 0.7 percent and '**Health**' which fell by 0.3 percent. Contrary, the

'Education' index surged to a slow growth of 0.4 percent during the second quarter of 2021.

NAMIBIA PRODUCER PRICE INDEX Q2: 2021

4. The NSA observes on quarterly basis changes in the Producer Price Indices (PPI) for ten industries namely: *Mining of uranium and thorium ores; Mining of other non-ferrous metal ores; Other mining and quarrying n.e.c.; Processing and preserving of meat; Manufacture of malt liquors and malt; Manufacture of soft drinks; production of mineral water and other bottled water; Manufacture of basic precious and other non-ferrous metals; Manufacture of cement, lime and plaster; Electric power generation, transmission and distribution; and Water collection, treatment and supply*
5. The price changes in the selected ten industries revealed that for the quarter under review, the inflation rate for the industries in the Mining sector registered declines, while the industries in the Manufacturing sector recorded increases in price changes. The price changes in the water sector remained stagnant, while the electricity sector recorded a deflation during the second quarter of 2021.

AGRICULTURE STATISTICAL BULLETIN Q2:2021

6. In real terms, the sector value added declined by 1.5 percent compared to an increase of 32.7 percent recorded in the corresponding quarter of 2020.
7. The decline in the sector emanated from subsectors Livestock and Crop farming that declined by 21.7 percent and 1.6 percent, respectively.
8. The contribution of the Agriculture, Forestry and Fishing sector to GDP in the second quarter of 2021 was 13.5 percent (N\$5.8 billion). The Agriculture subsector recorded the highest contribution of 10.2

percent, followed by the fishing subsector (2.9%) and forestry subsector (0.3%).

9. Namibia's export earnings from commodities of 'Agriculture, Forestry and Fishing' sector for the second quarter of 2021 amounted to N\$3.5 billion, whereas the import bill expanded to N\$0.9 billion, resulting in a trade surplus of N\$2.6 billion.
10. The Fisheries products including manufactured fish, accounted for the highest foreign earnings, recording N\$3.0 billion while in the second place the Agriculture commodities brought income of N\$0.4 billion.
11. During the period under review, Namibia remained as a net importer of agricultural commodities with an import bill of N\$0.6 billion whereas export earnings stood at N\$0.5 billion. The trade deficit was reflected in **Cereal crops** (N\$349 million), **Vegetables** (N\$18 million), **Fruits and nuts** (N\$41.3 million), and **Milk for cattle** (N\$41 million). On the other hand, Namibia recorded a trade surplus in **Live animals and products** (N\$386 million) and **Eggs of hen and other birds** (N\$111 thousand).
12. It is of interest to note that although Namibia is a net exporter of Live animals and products, she is a net importer of meat and meat products with a trade deficit of N\$35 million during the period under review. The meat and meat products are mainly sourced from South Africa, Brazil and USA.
13. Export earnings from forestry commodities were valued at N\$34.9 million while import bill stood at N\$52.9 million during the second quarter of 2021.
14. The inflation rate for the Food items during the period under review remained higher than the 'All Item' inflation posting a 7.1 percent compared to 4.6 percent recorded in the corresponding quarter of 2020. This indicates that food prices continues to increase at a faster

pace than 'other products' prices in the consumer basket for the period under review.

GROSS DOMESTIC PRODUCT Q2: 2021

15. The domestic economy recorded a positive growth of 1.6 percent during the second quarter of 2021 compared to a decline of 11.6 percent recorded in the corresponding quarter of 2020. The last time the economy recorded a positive growth of 4.7 percent was during the fourth quarter of 2019 since then the economy has been recording negative growth rates.
16. In nominal terms, GDP stood at N\$ 43.3 billion in the quarter under review relative to the N\$ 42.8 billion posted in the same quarter of 2020. This shows that the size of the economy increased by N\$ 0.5 billion.
17. In real terms, the improved performance in the economy was driven by the tertiary industries that posted positive growth rates. The positive performances were observed in the 'Hotels and Restaurants' sector due to relaxation of Covid-19 regulations coupled with the roll-out of Covid-19 vaccines. This sector registered solid growth of 34.3 percent in real value added compared to a decline of 50.0 percent registered in the corresponding quarter of 2020.
18. Meanwhile, the 'Wholesale and retail' sector grew by 17.3 percent as economic activities gains momentum. 'Administrative and support services' sector posted positive performance of 15.6 percent in real value added from a negative growth of 25.9 percent registered in the corresponding quarter of 2020. The improved performance in the sector is attributed to car rentals and travel agent activities as a result of increased international and domestic passenger arrivals witnessed during the quarter under review
19. However, poor results were observed in the primary and secondary industries, registering negative growth rates with the exception of the Fishing sectors which bounced back and posted a positive growth of 13.8 percent in real value added relative to a decline of 16.4 percent.

20. The primary sectors remains under pressure as a results of reduced marketing activities for livestock while crops suffered from locust outbreak and poor rainfalls in some parts of the country. Thus the Agriculture and forestry sector recorded a decline of 6.9 percent in real value added during the second quarter of 2021 with the Livestock subsector registered a double digit decline of 21.7 percent and the crop subsector declining by 1.6 percent.
21. Further, it is observed that there was a reduced production in the mining sector resulting from low demand for primary commodities. This spilled over to the manufacturing industries resulting in reduced input for some of the sectors, causing an overall negative performances, albeit, improving. The Mining sector thus registered a decline of 1.5 percent in real value added while the Manufacturing sector posted a decline of 5.0 percent
22. The 'Information and communication' sector continued on a positive trend recording a growth of 7.9 percent in real value added in the second quarter of 2021 compared to a strong growth of 17.9 percent registered in the corresponding quarter of 2020 .
23. Similarly, the Health sector remains in a positive trajectory, registering a growth of 7.4 percent in real value added during the second quarter of 2021 when compared to a growth 2.2 percent registered in the second quarter of 2020. The positive performance is mainly attributed to the increased compensation for employees as the health sector scaled up capacity to fight the pandemic following rapid increase in COVID-19 cases, high deaths numbers, record infection rates, high hospitalization brought by the Delta variant that was confirmed in the economic territory during the quarter under review.
24. It is important to note that the rebound of the economy stems from a very low base which was further battered by the COVID 19 pandemic.

CONCLUSION


25. I would like to emphasize the importance of accurate and timely delivery of data from our stakeholders in private and public sectors to the Namibia Statistics Agency (NSA), on which compilation of statistics depends.
26. Finally, I wish to express my appreciation to all the data providers; both institutions and individuals, without whose assistance the publications would not have been possible. Furthermore, I would like to request all our esteemed stakeholders to continue supporting and providing NSA with the required data so that collectively we can make the production of accurate, reliable and timely statistics a resounding success.
27. To the media, thanks for sharing what the Agency does with the nation, highly appreciated.

I thank you!

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I thank you



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About Us

Namibia Statistics Agency is mandated with collecting, producing, analyzing and disseminating official statistics. Find us at www.nsa.org.na

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