

Namibia Trade Statistics Bulletin

May 2021



Namibia Statistics
Agency



Mission Statement

“Leveraging on partnerships and innovative technologies, to produce and disseminate relevant, quality, timely statistics and spatial data that are fit-for-purpose in accordance with international standards and best practice”



Vision Statement

“Be a high performance institution in quality statistics delivery”



Core Values

- Integrity
- Excellent Performance
- Accuracy
- Team Work
- Accountability
- Transparency

Preface



International merchandise trade plays a crucial role in economic development as it links 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 merchandise trade with the rest of the world during the period of May 2021. The dataset analysed in this publication can be downloaded at www.nsa.org.na

The month of May 2021, Namibia's total merchandise trade slowed to N\$14.1 billion, a decline of 37.8 percent and 12.2 percent compared to N\$22.6 billion and N\$16 billion recorded in April 2021 and May 2020, respectively. However, the country's trade balance remained in a deficit amounting to N\$3.2 billion from deficits of N\$143 million recorded in April 2021 and N\$1.2 billion in May 2020.

Namibia's trade composition by partner illustrated that China emerged as Namibia's largest export market, while South Africa was the main import market. The composition of the export basket mainly comprised of minerals such as copper, uranium, precious stones (diamonds) and fish. As usual, fish remained the only non-mineral product among the top five exports. On the other hand, the import basket comprised mainly of copper; petroleum oils; copper ores; motor vehicles, and ships, boats and other floating structures.

The May 2021 trade figures indicated that re-exports fell by 60.3 percent month-on-month and by 20.3 percent year-on-year. Copper had the largest share of all goods re-exported, accounting for 57.8 percent of total re-exports mainly destined to China, Netherlands, France, Hong Kong and Belgium. Most of the copper re-exported originated from Zambia and D.R.C. Important to note is that copper appears to dominate both trade flows which is an indication of the important role the country plays as a major logistics hub for SADC.

A handwritten signature in black ink, appearing to read 'Alex Shimuafeni'.

ALEX SHIMUAFENI
STATISTICIAN GENERAL & CEO

Table of Contents

List of acronyms	vi
List of Charts	v
List of acronyms	vi
SECTION 1: KEY DEVELOPMENTS	1
1.1 Revisions for April 2021	1
1.2 Total Exports and Total Imports.....	1
1.3 Trade Balance.....	2
SECTION 2: DIRECTION OF TRADE (DOT)	3
2.1 Top Five (5) Export Markets	3
2.2 Top Five (5) Import Markets	4
SECTION 3: TRADE BY PRODUCTS	5
3.1 Top Five (5) Export Products	5
3.2 Top Five (5) Re-export Products	6
3.3 Top Five (5) Import Products	7
SECTION 4: TRADE BY ECONOMIC REGIONS	8
4.1 Exports by Economic Regions.....	8
4.2 Imports by Economic Regions	9
SECTION 5: TRADE BY MODE OF TRANSPORT	10
5.1 Export by mode of transport	10
5.2 Import by mode of transport.....	11
6. Commodity of the Month	12
Conclusion	13

List of Charts

Chart 1: Total exports and imports May 2020 to May 2021	1
Chart 2: Trade balance, May 2020 to May 2021.....	2
Chart 3: Percentage share of export by country	3
Chart 4: Percentage share of imports by country	4
Chart 5: Percentage share of the top five export products	5
Chart 6: Percentage share of the top five re-export products.....	6
Chart 7: Percentage share of the top five import products.....	7
Chart 8: Top five export by Economic Regions (percentage share)	8
Chart 9: Top five import by economic regions (percentage share)	9
Chart 10: Export by mode of transport (percentage share).....	10
CHART 11: Import by mode of transport (percentage share).....	11
CHART 12: Imports of products of the beverages industry since May-20 to May-21	12

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 Revisions for April 2021

International Merchandise Trade Statistics (IMTS), like many published statistics, are subject for revisions as new information becomes available. Thus the trade statistics is revised on a monthly basis as additional information becomes available.

Chart 1: Total exports and imports April 2020 to April 2021

Flow	Value (N\$ Millions)		
	Revised April-2021	As reported in April-2021 Bulletin	Difference
Total Export	11,241	8,345	2,895
Total Imports	11,384	10,389	995
Trade balance	-143	-2,044	1,901

Table 1 above shows that both trade flows were revised upwards from N\$8.3 billion to the current level of N\$11.2 billion for exports and from the level of N\$10.4 billion to N\$11.4 billion for imports. The revisions decreased the trade deficit by N\$1.9 billion (93%) to N\$143 million compared to its earlier level of N\$2 billion. The current revisions on exports were mainly attributed to revised export value for vessels and other floating structure while revisions on imports stemmed from copper.

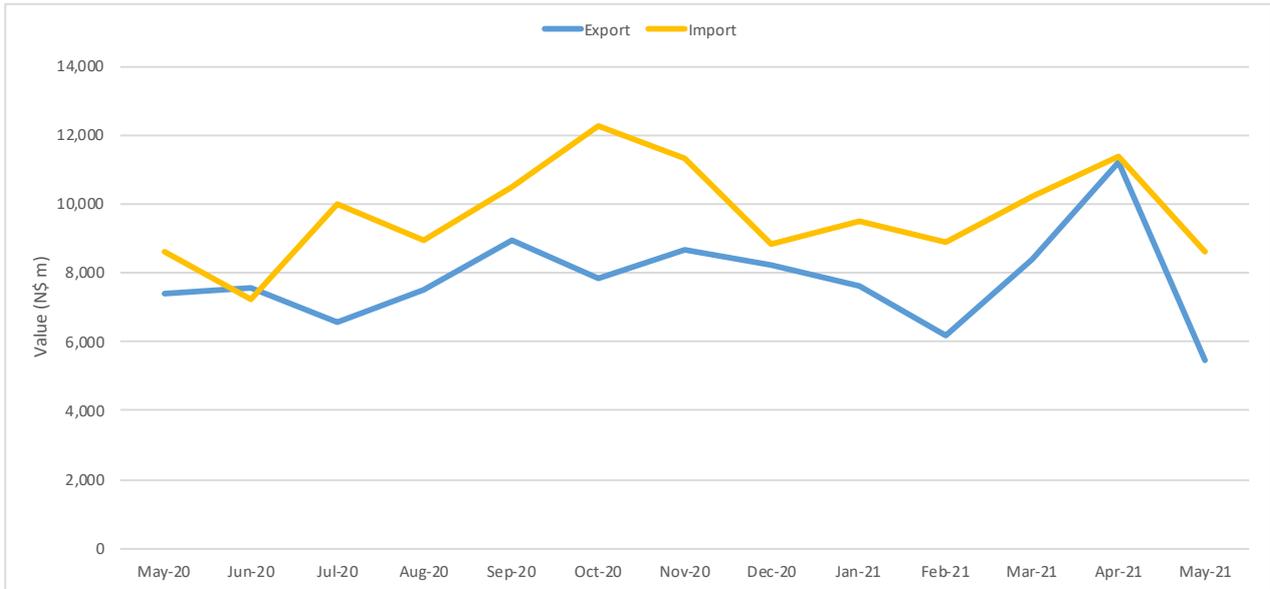
1.2 Total Exports and Total Imports

The value of exports¹ in May 2021 declined by 51.6 percent to N\$5.4 billion from its level of N\$11.2 billion recorded in April 2021. Similarly, when compared to N\$7.4 billion recorded in May 2020, exports declined by 26.5 percent (Chart 1). Imports stood at N\$8.6 billion, declining by 24.2 percent on monthly basis and slightly increasing by 0.2 percent on annual basis. Following the developments in exports and imports, Namibia's total merchandise trade (exports plus imports) with the ROW decreased by 37.8 percent from N\$22.6 billion obtained in April 2021 to N\$14.1 billion recorded in May 2021. A further decline of 12.2 percent was observed in the country's total trade when compared to its level of N\$16 billion registered in May 2020.

¹ Exports represents total exports derived from the sum of domestic exports and re-exports.

² Rest of the world (ROW).

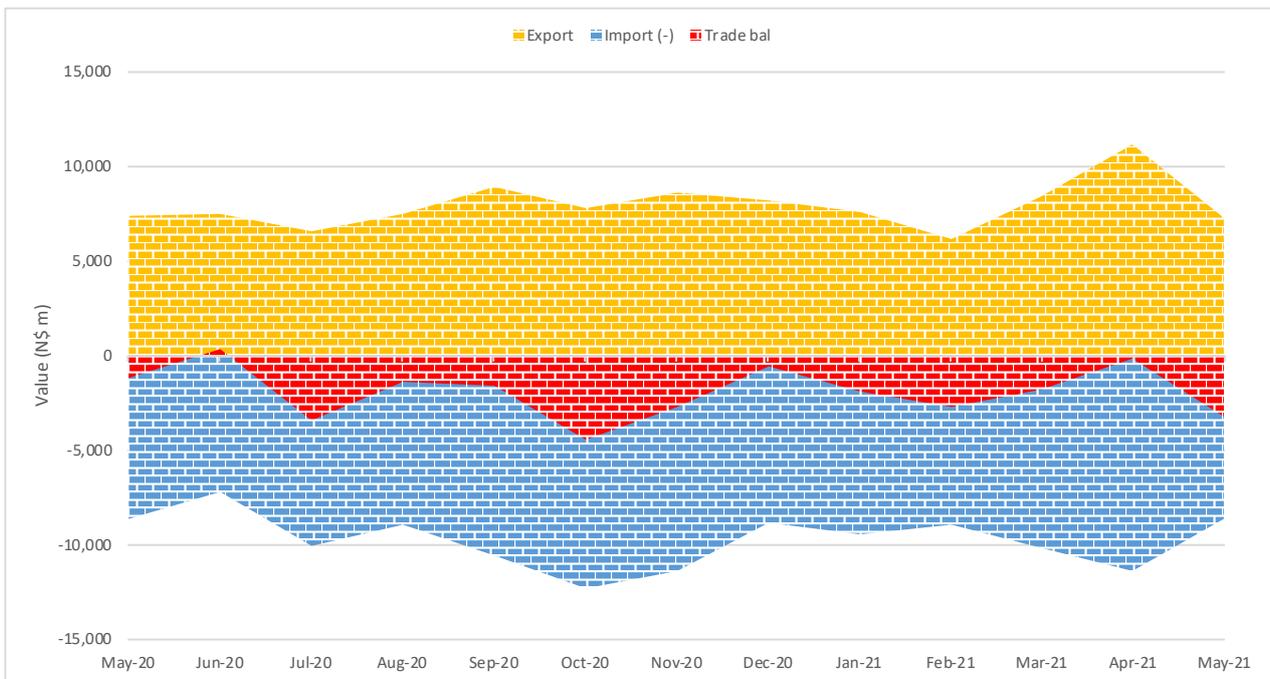
Chart 1: Total exports and imports May 2020 to May 2021



1.3 Trade balance

The trade balance³ compares the country's trade flow with the ROW in terms of export earnings and expenditure on imports⁴. During the month under review, Namibia recorded a trade deficit to the tune of N\$3.2 billion compared to the deficit levels of N\$143 million and N\$1.2 billion recorded in April 2021 and May 2020 (Chart 2). Over the period (May-20 to May-21), Namibia recorded a positive trade balance only in June 2020 amounting to N\$338 million.

Chart 2: Trade balance, May 2020 to May 2021



³ Trade balance here is measured as the difference between the country's total exports and total imports. A positive balance is referred to as a surplus while a negative balance is referred to as a deficit.

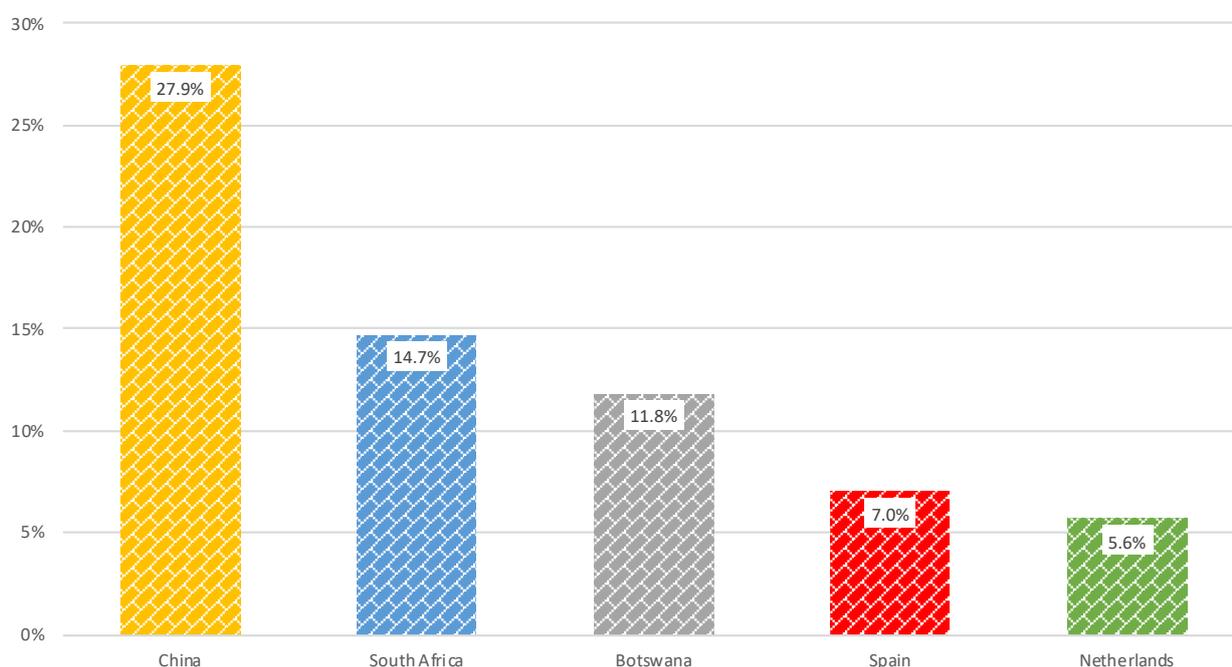
² The value of imports here is denoted as negative to show an out flow.

SECTION 2: DIRECTION OF TRADE (DOT)

2.1 Top Five Export Markets

During the month of May 2021, Namibia's top five trading partners in terms of exports largely remained the same as in the previous month with Spain making it to the list as a new entrant (Chart 3). These top five markets accounted for 67.1 percent of Namibia's total exports, up from the 57.1 percent in April 2021 but down from 69 percent recorded May 2020, respectively.

Chart 3: Percentage share of export by country

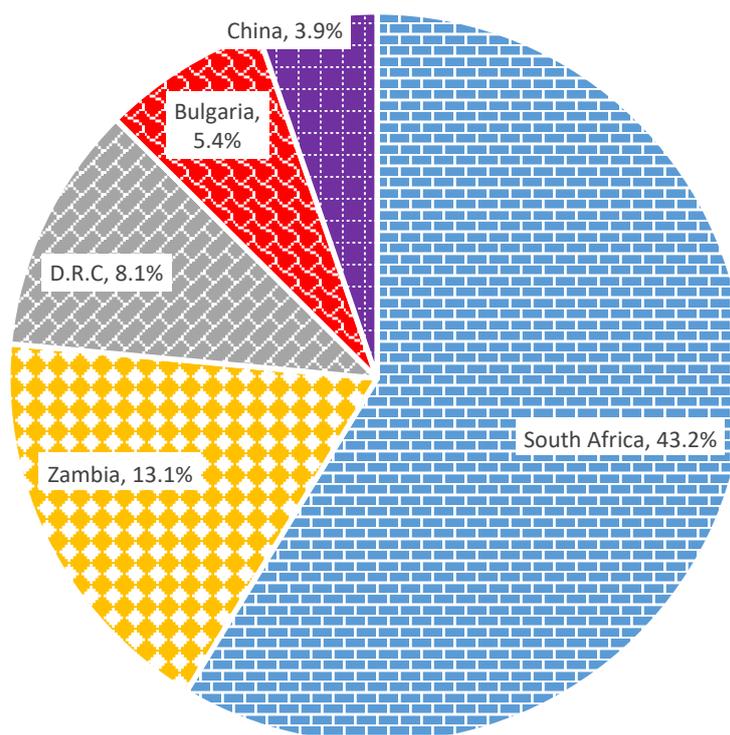


China emerged as the main export market for the country, absorbing 27.9 percent of all goods exported, ahead of South Africa in the second place whose market share of Namibia's exports stood at 14.7 percent of total exports. Botswana claimed the third position to account for 11.8 percent while Spain and Netherlands occupied the fourth and fifth positions with respective shares of 7 percent and 5.6 percent.

2.2 Top Five Import Markets

The month of May 2021 saw Namibia sourcing majority of her imports mainly from South Africa, Zambia, D.R.C, Bulgaria and China. The top five import markets supplied Namibia with 73.6 percent of all import requirements needed by the country, up from its April 2021 level of 58.5 percent and 72.3 percent in May 2020. The individual contribution of each of these countries to Namibia's total imports is shown in Chart 4.

Chart 4: Percentage share of imports by country



South Africa remained Namibia's largest import market with a share of 43.2 percent of the value of all goods received into the country during the month under review. Following in the second place was Zambia with a contribution of 13.1 percent of total imports. Furthermore, D.R.C came in the third place accounting for 8.1 percent of Namibia's total imports followed by Bulgaria and China contributing 5.4 percent and 3.9 percent respectively.

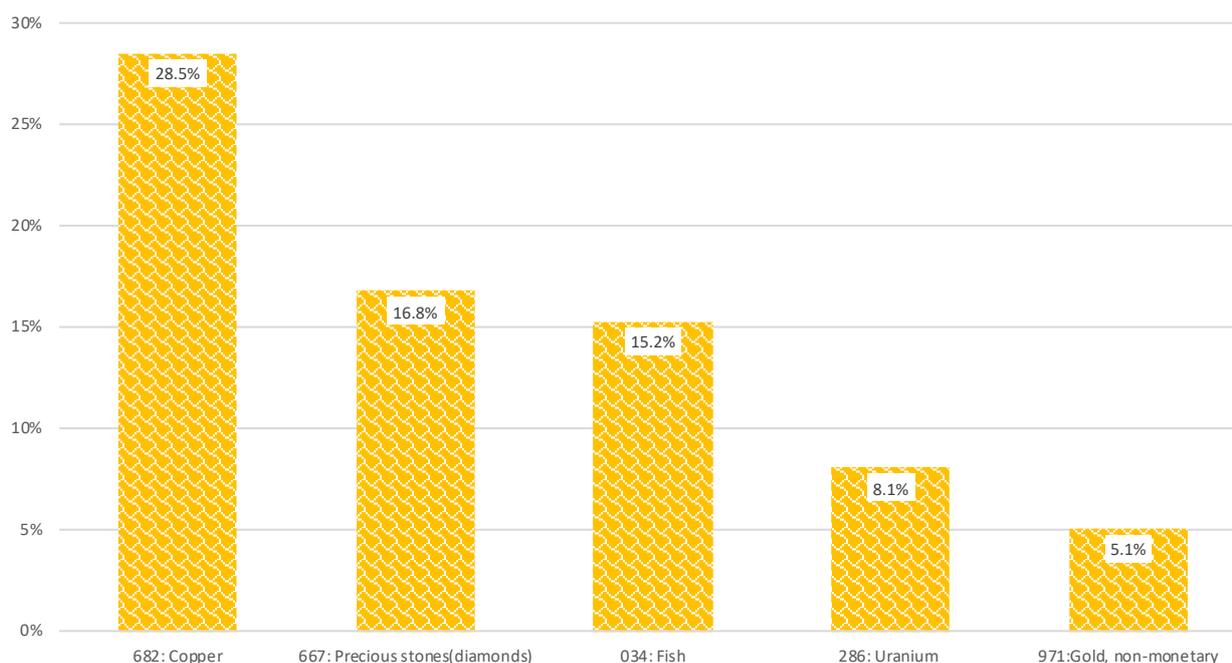
SECTION 3: TRADE BY PRODUCTS

This section 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 3-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 Export Products

Copper was Namibia's largest export commodity during the month under review, accounting for 28.5 percent of total exports mainly destined to China, Netherlands and France. This was followed by precious stones (mainly diamonds) which accounted for 16.8 percent of total exports destined mostly to Botswana, Belgium and the USA. Fish which accounted for 15.2 percent of total exports mainly due to the demand of that product by Spain, DRC, Zambia and South Africa claimed the third position.

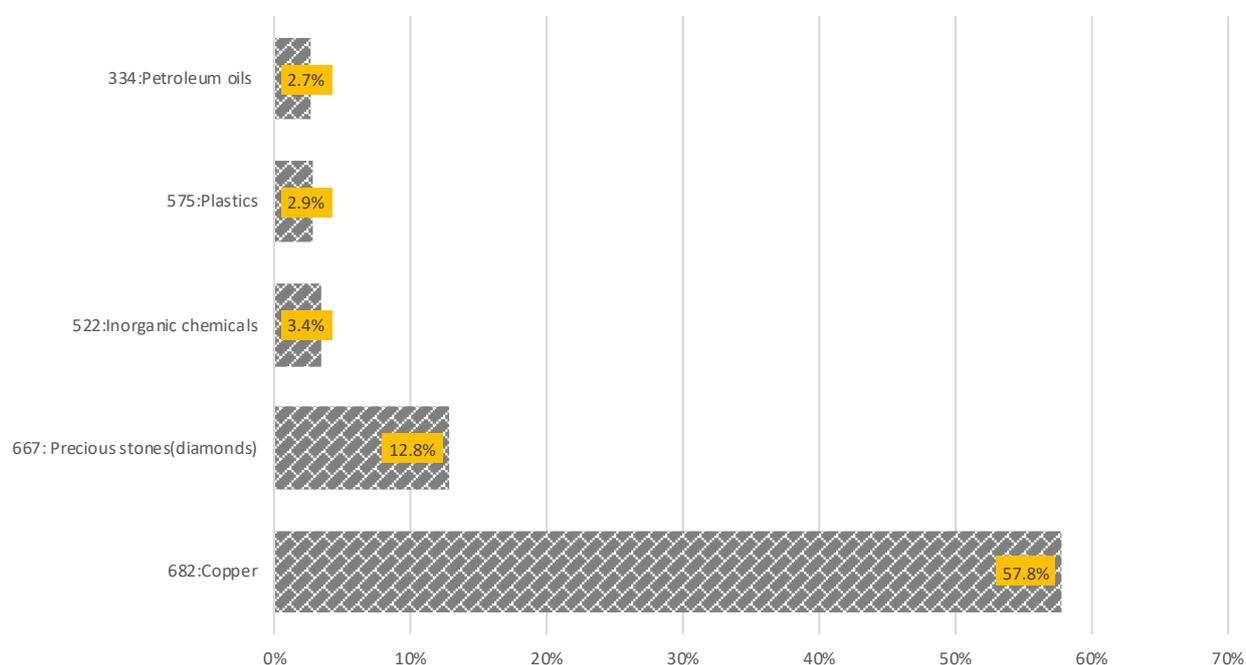
Chart 5: Percentage share of the top five export products



3.2 Top Five Re-Export Products

Re-exports are commodities imported by residents who assume short-term ownership of the commodities. The commodities are subsequently exported without undergoing any significant industrial transformation. Even though no substantial transformation is done, re-exports have the potential to benefit the intermediate country by rendering services such as 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 corporate tax in the intermediate country⁵.

Chart 6: Percentage share of the top five re-export products



In May 2021, total re-exports stood at N\$2.6 billion after recording N\$6.7 billion in the previous month and N\$3.3 billion during the same month of last year. This translates to a decline of 60.3 percent month-on-month and 20.3 percent year-on-year, respectively.

As indicated earlier, re-exports are foreign goods and hence imported from other countries. Looking at the origin of the main products which were re-exported, copper was mainly sourced from Zambia and the DRC. Precious stones (diamonds) were mostly imported from Botswana after consolidation whereas inorganic chemicals were imported from DRC and South Africa.

The top five commodities that utilized the logistical services offered by Namibia in May 2021 were copper with a share of 57.8 percent of total re-exports mostly destined to China, Netherlands and

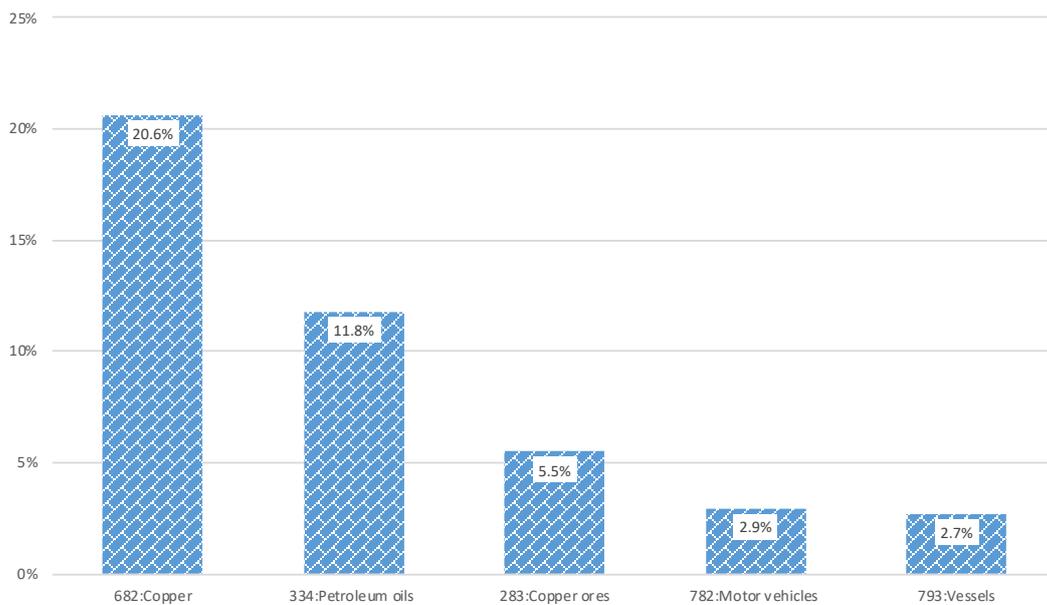
⁵ Lankhuizen, M. & Thessen, M., 2019. The Implication of re-export for Gravity Equation Estimation, NAFTA and BREXIT. Spatial Economic Analysis, 14(4), pp.384-403

France (Chart 6). Following in the second place was precious stones (diamonds) with a share of 12.8 percent of total re-exports which was mostly destined to Belgium, USA and United Arab Emirates (UAE). Inorganic chemicals accounted for 3.4 percent of all commodities re-exported and was mostly destined to China. Plastics and petroleum oils accounted for 2.9 percent and 2.7 percent, respectively. Plastics were re-exported to Zambia and DRC while Botswana absorbed most of the petroleum oils.

3.3 Top Five Import Products

During the period under review, the value of imports into the country amounted to N\$8.6 billion up from N\$11.4 billion obtained in April 2021. The top five commodities imported into Namibia jointly accounted for 43.5 percent of total imports with copper leading with the largest share of 20.6 percent. Following in the second position is petroleum oils with a share of 11.8 percent of all commodities imported. Copper ores was ranked third after contributing 5.5 percent to total imports while motor vehicles and vessels followed in the fourth and fifth position with contributions of 2.9 percent and 2.7 percent, respectively (Chart 7).

Chart 7: Percentage share of the top five import products



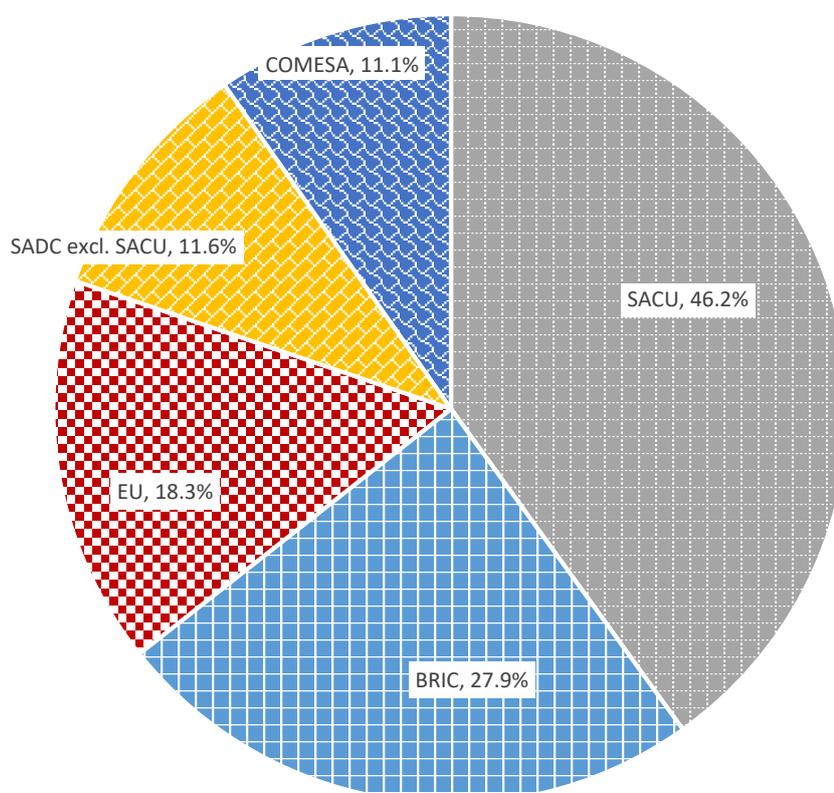
The copper that was imported in May 2021 was mostly sourced from Zambia and DRC while most of the petroleum oils imported into the country mainly originated from Malaysia, Oman and United Arab Emirates. Copper ores were sourced from Bulgaria and DRC where as domestic demand for motor vehicles were mainly met by South Africa, Sweden and United Kingdom. Vessels were mostly sourced from South Africa.

SECTION 4: TRADE BY ECONOMIC REGIONS

4.1 Exports by Economic Regions

The Southern African Customs Union (SACU) was the largest export destination for Namibia's goods (mostly diamond) during the month of review with a market share of 46.2 percent of total exports. Brazil, Russia, India and China (BRIC) and the European Union (EU) followed in the second and third positions, accounting for a market share of 27.9 percent and 18.3 percent, respectively (Chart 8).

Chart 8: Top five export by Economic Regions (percentage share)⁶



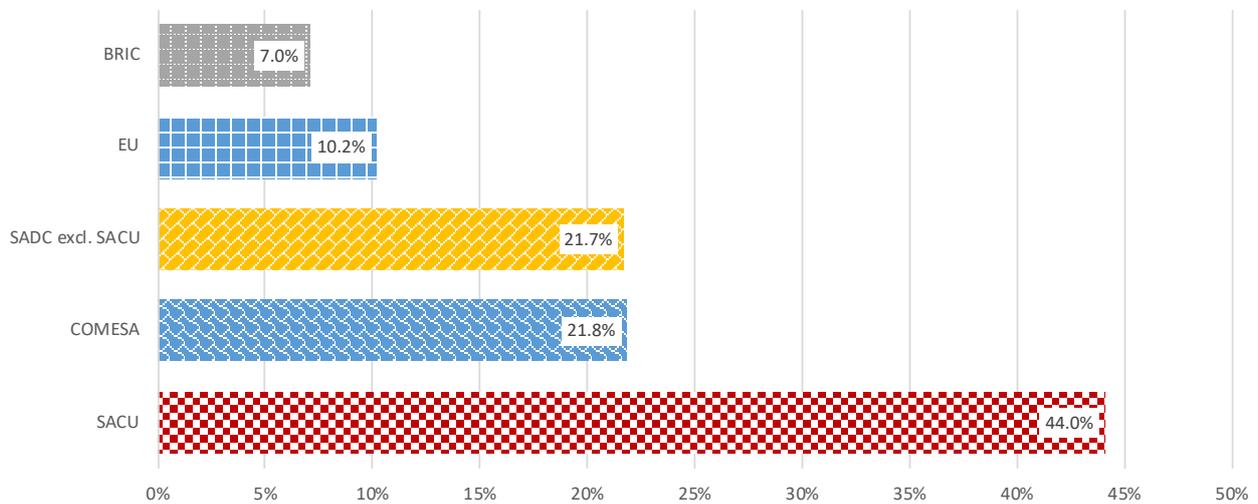
Exports to BRIC comprised mainly of copper and uranium whereas fish, diamond and copper were the main exports destined to the EU. SADC-excluding-SACU followed in fourth place with a share of 11.6 percent due to high exports of fish. Finally, the Common Market for Eastern and Southern Africa (COMESA) came in fifth position with a market share of 11.1 percent. Fish was again the largest export commodity to the COMESA region.

⁶ 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 May 2021, the SACU region remained the largest source of imports for Namibia, accounting for 44.0 percent of all goods imported (mainly motor vehicles, machinery and vessels) followed by COMESA with a share of 21.8 percent and copper was the main import product from this region. SADC excluding SACU and EU contributed 21.7 percent and 10.2 percent, respectively; hence making these regions the third and fourth largest source of imports into the country. Copper was responsible for the high value of imports from SADC excluding SACU and copper ores had the largest share of imports from EU. These were followed by the BRIC in the fifth position with contributions of 7 percent (Chart 9)

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



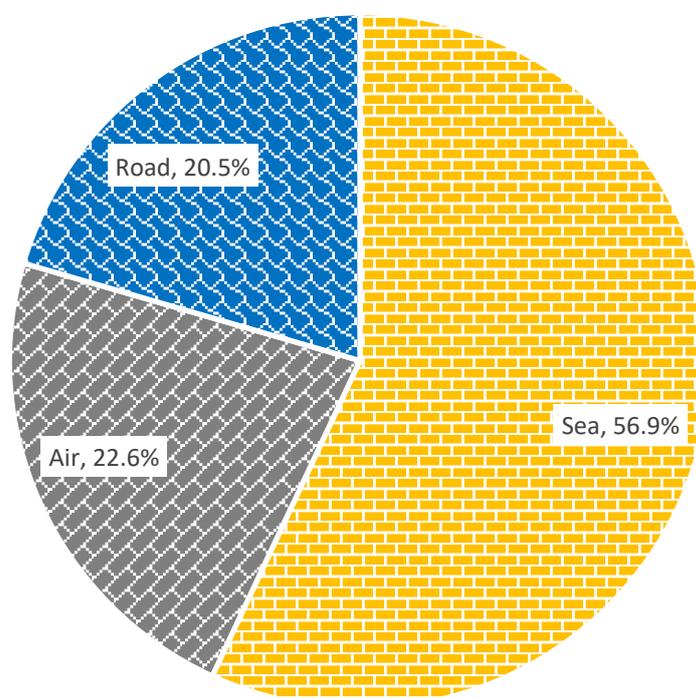
Petroleum oils, medicaments and machinery were responsible for the high import value from the BRIC.

SECTION 5: TRADE BY MODE OF TRANSPORT

5.1 Export by mode of transport

During the month of May 2021, exports amounting to N\$3.1 billion, representing 56.9 percent of total exports left the country by sea. This translated into a decrease of 63 percent when compared to the value (N\$8.4 billion) of goods exported in April 2021. However, an increase of 20.3 percent was noted when compared to its level of N\$3.9 billion recorded in May 2020. Air and road transportation accounted for 22.6 percent and 20.5 percent of total exports, respectively (Chart 10).

Chart 10: Export by mode of transport (percentage share)

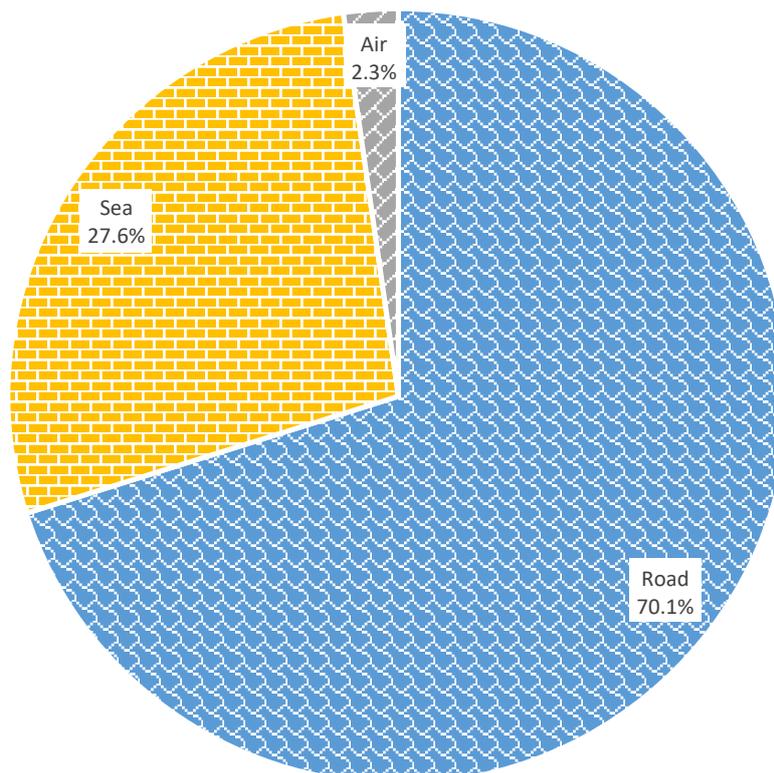


In terms of tonnage, the month under review saw about 147,413 tons of goods leaving Namibia by sea. This is an improvement from its April 2021 level of 103,976 tons and from the level of 99,492 tons registered in May 2020. About 97,899 tons of goods left the country by road compared to 109,518 tons registered in the previous month and from 78,030 tons recorded in the same month last year. Whereas only 362 tons left the country by air after registering 359 tons in April 2021 and 300 tons in May 2020.

5.2 Import by mode of transport

Transport by road was the most frequent mode of transport used for imports during the period of review. Imports by road amounted to N\$6 billion, representing 70.0 percent of all goods imported into the country. Following in the second place was sea transport which accounted for 27.6 percent of all the goods that reached the country while 2.3 percent arrived by air (Chart 11).

Chart 11: Import by mode of transport (percentage share)

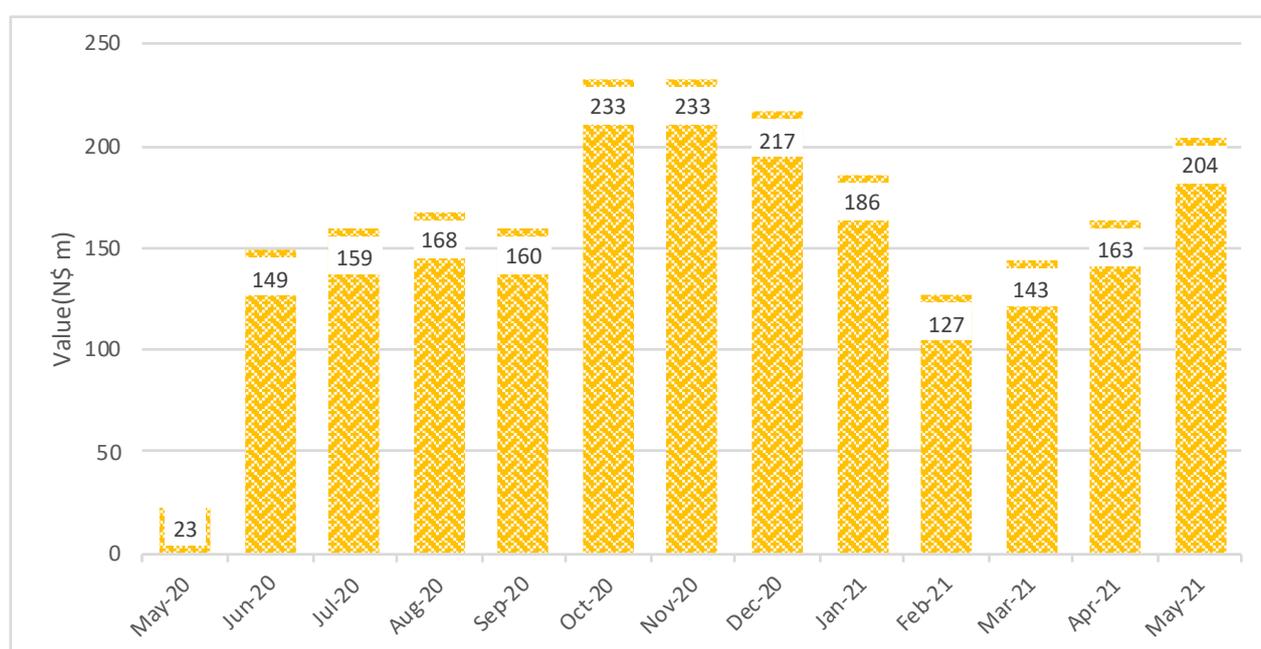


In terms of tonnage, about 187,539 tons of goods reached the country by sea. This is less than its level of 503,310 tons observed in April 2021 and 199,117 tons recorded in May 2020. Whereas 182,065 tons of goods reached the country by road compared to its level of 295,238 in April 2021 and 148,354 tons in May 2020.

6. Comodity of the Month

The category beverages, spirits and vinegar was selected for analysis in the current report. During the period of review, the import value of this category of products amounted to N\$204 million rising by 25.1 percent from its level of N\$163 million recorded in April 2021. Similarly, it rose significantly by 803.2 percent when compared to the level of N\$23 million recorded in May 2020. Overall, Namibia has accumulatively imported products of this category worth category N\$2.2 billion since May 2020 (Chart 12) with an average of N\$167 million a month. The highest figure of N\$233 million-above average was recorded in October and November 2020, while the lowest figure of N\$23 million-below average was registered in May 2020.

Chart 12: Imports of products of the beverages industry since May-20 to May-21



The import bill of this category of products amounted to N\$204 million in May 2021 mainly comprised of water accounting for 19.5 percent of the total import of the entire category, followed by wine (15.4%); and other water (including mineral water), accounting (10.9%). These products were mainly sourced from South Africa accounting for 92.2% of the total imports followed by United Kingdom (2.4%) and Ireland (1.4%).

Conclusion

In May 2021, Namibia's exports stood at N\$5.4 billion and imports at N\$8.6 billion, subsequently the country's trade balance resulted in a deficit of N\$3.2 billion. Overall, the country's total trade for May 2021 stood at N\$14.1 billion.

In May 2021, exports declined by 51.6 percent and 26.5 percent from its revised level of N\$11.2 billion and N\$7.4 billion recorded in April 2021 and May 2020, respectively. On the other hand, imports decreased by 24.2 percent when compared to its levels of N\$11.4 billion in April 2021. Year-on-year imports slightly increased by a rounding off difference of 0.2 percent from its level of N\$8.6 billion in May 2020.

China emerged as the country's largest export destination, with a share of 27.9 percent of all goods exported followed by South Africa with a share of 14.7 percent. Furthermore, Botswana, Spain and Netherlands formed part of Namibia's top five export markets. The demand side saw South Africa maintaining her first position as the country's largest source of imports, accounting for 43.2 percent of total imports into Namibia followed by Zambia in the second position with a 13.1 percent of the market share. DRC, Bulgaria and China also formed part of Namibia's top five sources of imports.

The analysis of exports by commodities revealed that Copper had the largest share (28.5%) in Namibia's total exports ahead of precious stones (diamonds) (21.2%), Fish (15.2%), uranium (11.4%) followed by gold, non-monetary (5.1%). In terms of imports, copper was the most imported commodity with a relative share of 20.6 percent of total imports, followed by petroleum oils with a share of 11.8 percent and copper ores with a share of 5.5 percent. Moreover, motor vehicles and vessels contributed 2.9 percent and 2.7 percent to Namibia's total imports, respectively.

In terms of regional composition, SACU was the largest export market during the month of May 2021, with a market share of 46.2 percent of total exports followed by the BRIC region with relative market shares of 27.9 percent while the EU, SADC-excl-SACU, and COMESA had respective shares of 18.3 percent, 11.6 percent and 11.1 percent. On the imports side, SACU remained the largest source of Namibia's imports with a share of 44 percent of total import bill followed by COMESA and SADC excl SACU with contributions of 21.8 percent and 21.7 percent, respectively. The EU and BRIC had a share of 10.2 percent and 7.0 percent, respectively.

Namibia's trade by mode of transport shows that in May 2021, the majority of goods exported left the country by sea, accounting for 56.9 percent of total exports, followed by air transport with 22.6 percent and road transport with 20.5 percent. On the demand side, most goods that entered the country came in by road, accounting for 70 percent of total imports followed by sea (27.6%) and air (2.3%).

Finally, the category of beverages, spirits and vinegar was the selected for analysis for the current report (May 2021). The import value of this category of products stood at N\$204 million in May 2021, mainly distributed among commodity such as water, mineral water and aerated water, unfortified wine and other water. These commodities were mainly sourced from South Africa, United Kingdom and Ireland.

Namibia Trade Statistics Bulletin

May 2021



Namibia Statistics Agency
P.O. Box 2133,
FGI House, Post Street Mall,
Windhoek, Namibia

Tel: +264 61 431 3200
Fax: +264 61 431 3253
Email: info@nsa.org.na
www.nsa.org.na