



The information reflected in this paper has been gathered by [Jaume Portell](#), a reporter specialised in economics and international relationships, in an activity cofounded at an 85% by FEDER funds in the framework of the [AfricanTech](#) (1/MAC/1.3/0088) project, within the INTERREG VI D MAC 2021-2027 initiative.

NAMIBIA

Macroeconomic framework:

The growth of the Namibian economy reduced itself slightly in 2023 (4.2%) in relation with the growth seen the previous year (5.3%) due to the conditions of the international market. The shrinkage of its agriculture and a “weak” global demand, according to the African Economic outlook from 2024, were the main reasons for this economic slowdown. The report points out some of the paradoxes in the economy of this country situated in Southern Africa: a country with a medium-high income but with low-income country problems. Not in vain, just as South Africa, Namibia underwent through a system of racial segregation similar of that of the apartheid until attaining its independence in 1990. Gini’s index, which measures income inequality, is of a 0.61, one of the highest in the world. Despite the growing foreign investment in the mining sector (as the country counts with uranium, diamond and gold reserves), Namibian economy is devoted to the service sector (26% of the GDP), followed by the manufacturing sector (11% of the GDP) and the agricultural sector (9% of the GDP). The potential of green hydrogen production has sparked interest among different European partners, headed by Germany. Namibian GDP totalled 12350 million dollars in 2023.

Debt and currency:

Namibia had a debt stock of 9193 millions of dollars in 2023, according to the International Monetary Fund. The report from the IMF on the country, published that same year, warned about one fact: the salaries of the public workers, added to debt payments, represented “the better part of the resources budgeted despite the

measures of contention from the 2021-2022 exercise". Unlike other African countries, the debt to which the FMI refers is mainly internal and in local currency: in 2025 it will represent a 21.6% of the GDP in comparison to the strong currency debt, which will represent a 7.5% of the GDP. Namibia has its own coin, the Namibian dollar, tied to the evolution of the South African rand. With a devalued rand against dollars, euros and pounds, Namibia stays in the same path; with a weaker coin, Namibian exports are cheaper in the international market; in the other hand, all that is bought in the foreign market -like food- is more expensive.

Imports and exports:

Namibia's commercial balance depends on the price of three raw materials that the country exports to the international market: gold, diamonds and uranium. In 2023, the country's exportations added up to 6280 million dollars, and these three materials represented almost a half of the incomes. Fish is another great generator of currency. Exports are headed specially to the South African market, followed by China, Botswana, Belgium and France.

The mining sector needs a regular supply of electrical power, reason why energy holds a prominent role in the section of importations. Gasoline, copper, electrical power and trucks reflect the growing importance of the mining sector in Namibian economy. Food represented over a 10% in the receipt of imports. Once again, the main commercial partner is South Africa, followed by China, India, United Arab Emirates and the USA. Imports totalled 7420 million dollars in 2023.

Electrical power:

The production of electrical power in Namibia has increased within 31% during the first two decades of the XXI century. In 2023, it amounted to 1.84 TWh, with a remarkable prominence of the renewable energy sources: hydroelectric power monopolises the majority of the electrical mix (70%), followed by solar power (27%).

Defence:

The annual expense in defence materials added up to 359 million dollars in 2023, according to the SIPRI, a Sweden institute specialised in the trade of this kind of products. This number represents a 7.48% of the government expense. Since the year 2000, China has been the main provider for Namibia.

Demography:

In 1990, 7 in every 10 inhabitants of Namibia lived in rural areas, a number that had decreased until reaching a 34% in 2023, indicating a growing process of urbanisation. This comes accompanied by a notable increase of the population. Between 1990 and 2022, Namibia's population has gone from 1.3 millions of people to drawing near the 3 millions of people in 2023. During that same period, life expectancy has decreased from 62 years old in 1990 to 58 years old in 2023; at the end of the 90's, in the worst moment of the HVI epidemic in the country, this indicator dropped to only 51 years old. In 2023 half of the population was less than 23 years old.

Technological innovation:

Near to an 80% of the Namibian have a mobile phone according to the ICT Development Index from 2023. The decade between 2010 and 2020 represents this particular leap forward in the usage of Internet in Namibia. In a decade, the country went from an Internet usage of the 12% of the population to over a 50% in 2020. In 2022 a 62% of the Namibian made use of the Internet.