**MEDIA RELEASE ON:**

**Namibia’s National Accounts 2011**

**Namibia’s Gross Domestic Product: Second quarter 2012**

**Namibia’s Consumer Price Inflation: August 2012**

13 September 2012

**Introduction**

1. The Namibia Statistics Agency would like to announce the release of the following statistical products: the finalised national accounts of 2011; Namibia’s Gross Domestic Product (GDP) for the second quarter of 2012; and Namibia’s Consumer Price Inflation for the month of August 2012. Before elaborating on the content on these products, the Agency would like to underscore the importance of reliable and timely statistics to enable evidence based planning and informed policy making by public and private sector operators. The Agency, therefore, hopes that the timely release of these documents will contribute to improved understanding of social and economic conditions in Namibia and in turn support informed decision making by all our stakeholders.

**Economic performance in 2011**

1. Following a robust growth of 6.6 percent recorded in 2010, the growth of the Namibian economy decelerated to 4.8 percent during 2011. This slow growth was mainly brought about the primary industries that recorded a marginal decline of 0.9 percent. This is a deceleration of 15.2 percentage points from 2010. The secondary industries also slowed registering a growth of 4.1 percent in 2011 compared to 9.4 percent in 2010. The growth of tertiary industries, on the other hand, almost remained constant at 4.3 percent during the period under review.
2. The poor performance of the primary industries can be attributed to mining and quarrying that declined by 8.5 percent during the period under review. Both diamond and other mining and quarrying subsectors recorded declines of 2.6 percent and 24.4 percent, respectively. The performance of other mining and quarrying was mainly influenced by uranium production that fell by 27.3 percent in real value added during 2011.
3. The construction sector recorded a robust growth of 16.2 percent in real value added in 2011. This exceptional performance emanated from increased construction works carried out in the electricity and water sector, as well as the general government sector. Residential and commercial building activities also contributed to the construction boom as reflected in the value of buildings completed that increased by 24.6 percent during the period under review.
4. The ratio of Gross Fixed Capital Formation (GFCF) or investment to Gross Domestic Product (GDP), a vital indicator for future development of a country, declined to 18.2 percent in 2011 from 21.0 percent during the previous year. This can be attributed to the decline in public savings mainly stemming from a decline in SACU receipts during the same period.

**Gross Domestic Product: Second Quarter 2012**

1. The GDP growth seasonally adjusted has picked in the second quarter of 2012 recording a growth of 1.6 following a decline of 0.7 percent recorded in the first quarter of 2012. Year-on-year, the unadjusted GDP for the second quarter of 2012 registered a growth of 8.9 percent compared to a decline of 1.8 percent recorded in the same period of 2011. This growth was mainly due to primary industries and secondary industries that recorded growths of 29.4 percent and 14.7 percent, respectively. Primary industries were led by the mining and quarrying sector while the growth of secondary industries was reflected in all sub-sectors that recorded strong growth during the period under review. The tertiary industries on the other hand, recorded a slow growth of 1.5 percent in real value added.

**Namibia Consumer Price Index: August 2012**

1. On an annual basis, the inflation rate of August 2012 stood at 5.8 percent, as compared to compared to 5.4 percent recorded during the same period last year. Among the 12 groups comprising the Namibia CPI, the component “recreation and culture” registered the highest inflation of 9.4 percent followed by “alcoholic beverage and tobacco” with 8.2 percent. On the other hand, the components “miscellaneous goods and services” and “clothing and footwear” recorded the lowest annual inflation rate estimated at 3.5 and 1.0 percent respectively.

**Conclusion**

1. In conclusion, I would like to emphasize the importance of accurate and timely delivery of data to the NSA on which the compilation of our various statistical sets depends. In this regard, I wish to express my appreciation to all data providers both institutions and individuals without whose assistance these publications would not have been possible. I now invite all members of the public and interested analysts to get copies of the publication and datasets for more value addition.

**JOHN STEYTLER**

**STATISTICIAN-GENERAL**