

20 March 2013

PRESS STATEMENT

PRELIMINARY NATIONAL ACCOUNTS 2012

1. The Namibia Statistics Agency is pleased to release today the 2012 Preliminary National Accounts. The Preliminary National Accounts shows that the Namibian economy is estimated to have registered a marginal increase in the growth rate to 5.0 percent in 2012 from 4.9 percent recorded in 2011.
2. This expansion in 2012 can be classified at broad-based as all three industry groups namely the primary industries, the secondary industries and the tertiary industries posted positive growth rates. In this connection, the primary industries expanded by 6.5 percent, while the secondary industries and tertiary industries, posted growth rates of 5.9 percent and 6.9 percent, respectively.
3. The primary industries growth was primarily driven by the mining sector that is estimated to have expanded by 11.2 percent following a decline of 7.9 percent in 2011. The buoyant performance of the mining sector in turn was fuelled by other mining, comprising uranium, copper, zinc and quarrying of stones that recorded a growth rate of 18.8 percent following a massive contraction of 22.1 percent in the previous year. Diamond mining too showed a strong rebound in 2012, posting a healthy growth rate of 9.0 percent in 2012 after a contraction 2.6 percent in the preceding year.
4. The other two sub-sectors comprising the primary industries namely Agriculture and Forestry, and Fishing and Fish processing on board could not maintain their good performance of 2011. Although output from the agricultural sector increased by 5.6 percent in 2012, this was just half of its growth of 10.6 percent in 2011. The slower growth was most evident in livestock farming, whose output decelerated to 3.6 percent in 2012 from 13.2 percent a year earlier. The slow growth witnessed in the livestock subsector was caused by the decrease in the number of cattle marketed. The crop farming sector showed a better performance than the livestock sector and grew by 6.5 percent in 2012 albeit slowdown compared to the 9.0 percent in 2011. The increase in this sector can be attributed to the increase in grape harvested during the final quarter of the year.
5. The real value added of fishing and fish processing on board is estimated to have declined by 4.7 percent in 2012 after growing by 6.2 percent in 2011. The decline is attributed to lower landings recorded for Demersal and Midwater fisheries. The sub-sector 'Line fishing' on the other hand recorded an increase of 7.8 percent but the increase was not significant enough to offset the overall decline in the sector.

Board of Directors

Mr Paul Hartmann (Chairperson), Ms Florentia Amuenje, Ms Florette Nakusera,
Mr Sikongo Haihambo, Ms Anna Matebele, Mr Martin Mwinga, Dr John Steytler

6. The secondary industries are estimated to have recorded a growth of 5.9 percent during 2012. This positive performance can be mainly be attributed to the construction sector which has recorded a growth of 12.1 percent in 2012, mainly owed to construction works in the public sector. However, the output of the construction sector grew slower than in 2011 when it expanded by 19.3 percent. The slower growth is mainly due to a decline of construction works carried out in the electricity and water as well as the mining sectors, while construction works carried out by general government recorded an increase in 2012.
7. The electricity and water sector is estimated to have expended by 5.1 percent in 2012 compared to 4.5 percent in 2011. Both sub-sectors showed almost identical growth rates of 5.1 percent and 5.0 percent owing to increased demand.
8. Growth in the manufacturing sector accelerated in 2012 reaching 4.3 percent in real value added compared to a decline of 0.6 percent in 2011. This can mainly be attributed to the other food products & beverages subsector that recorded an increase of 6.5 percent in real value added in 2012 owing to an increase in beverage production. Other manufacturing recorded an increase of 4.8 percent in real value added which was influenced by the growth in output of textiles, plastic products and diamond processing. Output in fish processing on the other hand showed a decline of 4.9 percent, which is in line with the contraction in the fishing sector.
9. The positive performance in the tertiary industry was attributed to stronger growth in wholesale and retail trade and repairs. The sector grew by 12.1 percent in 2012 compared to 3.3 percent in 2011. Real value added for financial intermediation registered a growth of 7.0 percent in 2012 compared to 3.2 percent registered in 2011. This positive performance was owed to the insurance subsector that expanded by 10.4 percent. The banking subsector registered a growth of 3.8 percent in 2012.
10. Real value added in the transport and communication sector, a prioritized sector under NDP4, is estimated to have increased by 5.7 percent in 2012 as compared to 3.5 percent in 2011. This was mainly due to the transport and storage sub-sector which registered an increase of 6.3 compared to 4.4 percent in 2011. The post and telecommunication sub-sector performed much better in 2012 than in 2011 and grew by 5.2 percent up from 2.6 percent a year earlier.
11. The hotels and restaurant sector, a proxy for tourism, and another NDP4 priority sector, is besides fishing and fish processing the only sector that contracted during 2012. The weak performance was mainly due to a decline in the number of bed nights and room nights sold and resulted in a decline of 0.6 percent, while it grew by 3.0 percent in 2011.
12. The health sector performed also better in 2012 than in 2011 and grew by 11.8 percent compared to 3.2 percent in 2011. Public Administration and Defence, which includes central government administrative activities, statutory bodies and local government activities, recorded an increase of 6.5 percent in real value added in 2012 compared to 3.1 percent registered in 2011.
13. During the year under review there has been a significant recovery in the gross savings to GDP ratio when compared to the previous two years when the savings

rate was temporarily lower than the investment rate. In 2012, the savings rate stood at 30.5 percent, while Gross Fixed Capital formation or the investment ratio was 21.1 percent.