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The Namibia-South Africa Binational Commission (BNC) is held in Windhoek on 7 March. An announcement is made at the BNC that South Africa and Namibia have recently signed over 90 trade deals. The BNC sets the foundation for the most important mutual policy areas and highlights the political will of the two countries to begin enhancing bilateral cooperation in other fields again. Qatar Energy announces on 6 March it has made its third oil exploration project in Namibia. Namibia's oil industry is the best prospective industry for investment but returns will only yield after 2030. However, Namibia's economy is anticipated to double by 2040 as a result of the booming oil industry. President Hage Geingob (2015–present) affirms that international relations minister and ruling South West Africa People's Organisation's (SWAPO) vice president, Netumbo Nandi-Ndaitwah, is SWAPO's sole presidential candidate for the 2024 general elections. Nandi-Ndaitwah will contest the 2024 elections amid declining support for SWAPO.

South Africa and Namibia meet at the Binational Commission

Senior government officials from **South Africa** and **Namibia** participated in the third session of the **Namibia-South Africa Binational Commission (BNC)** in **Windhoek** on 7 March to discuss socio-economic, political and security matters. The BNC was held until 9 March and co-chaired by Namibia's executive director of international relations, ambassador **Penda Naanda**, and **Tselane Mokuena**, the acting deputy director general of the Africa-focused branch in South Africa's international relations department.¹

Namibia's international relations and cooperation ministry announced that a wide range of areas will be discussed, including legal, diplomatic, economic, defence and security, as well as laying the foundation for bilateral engagements between the countries' ministers and presidents.² The last BNC took place in 2016, and the one scheduled thereafter was postponed due to **Covid-19**.³ The BNC was established in November 2012 and replaced a **Heads of State Economic Bilateral Forum**, the **Joint Permanent Commission on Cooperation** as well as the **Joint Permanent Commission on Security and Defence** which were each chaired by the two countries' presidents.⁴

Naanda emphasised that sustainable development and economic growth were key themes of the meeting. The social and economic challenges the countries face were also discussed in the context of regional and multilateral sustainable development policies, including the **Southern African Development Community's (SADC)** regional integration agenda, the **African Union's (AU)** Agenda 2063, and the **United Nations (UN)** sustainable development goals.⁵ Mokuena stressed that the countries both face the socio-economic burdens of unemployment, poverty and inequality.

¹ The Namibian, 8 Mar 2023

² Twitter, 8 Mar 2023

³ New Era, 8 Mar 2023

⁴ Economist Namibia, 6 Mar 2023

⁵ The Namibian, 8 Mar 2023

During the session's opening meeting, it was announced that Namibia and South Africa signed over 90 trade deals. It is not clear whether these trade deals were all signed at this recently held BNC in March 2023 but Naanda commended the number of bilateral agreements signed and said that the implementation of these agreements is vital to its success:

*"I, therefore, urge our senior officials to redouble and rededicate joint efforts aimed at implementing legal instruments between our two sister countries."*⁶

Naanda also stressed that the resource potential of the two countries remains untapped and should be transformed into practical and bankable projects to constructively change the living conditions of each country:

*"I want us to make sure our discussions are focused and action-oriented, with measurable goals of making positive changes in the lives of our people while deepening and broadening our bilateral cooperation programme."*⁷

Naanda encouraged officials to prepare the legal instruments to operationalise these trade deals,

*"I, therefore, urge our senior officials to redouble and rededicate joint efforts aimed at implementing legal instruments between our two sister countries."*⁸

The inextricable links between the neighbouring country's economies reflect a deeply interdependent economic relationship. Namibia imported 35.9% of its goods from South Africa in January and there are many South African businesses active in Namibia including **Standard Bank, Sanlam, FirstRand, FNB Namibia Holding, Imperial Logistics Consolidation Solutions, Cerebos Namibia, Atterbury Property Developments, Prescient, Illiso Consulting and Master Power Technologies**. These companies had the largest capital expenditure in Namibia between 2013 and 2019, and Namibia remains a key market for them.⁹

South Africa is also a key market for Namibian business and in January was recorded as Namibia's largest export market, receiving 27.9% of total exports.¹⁰ Namibia is also further dependent on South Africa for its economic stability due to its currency peg to the South African rand (*See ARC Briefing Namibia Feb 2023*). South Africa's main export category to Namibia between 2015 and 2022 was electrical energy which amounted to 44% of South Africa's exports to Namibia. Motor vehicles (3.82%) and petroleum oils (3.57%) were the next dominant export categories from South Africa to Namibia.¹¹ During the same five-year period, South Africa mainly imported gold from Namibia at a cost totalling N\$7.2 billion (US\$398.43m) and live bovine animals (8.73%).¹²

This latest BNC has set the foundation for the most important mutual policy areas and highlighted the political will of the two countries to begin enhancing bilateral cooperation in other fields again. The trade deals are also likely aimed at increasing trade even further between the neighbours, which would only be beneficial.

More offshore oil discovery in Namibia

Qatar's state-owned energy company **Qatar Energy** announced on 6 March that it had found a "light oil discovery", 270km offshore Namibia in the **Jonker-1x** deep water well drilled as part of its PEL-39 exploration licence. Drilling operations of the well began in December and were

⁶ The Namibian, 8 Mar 2023

⁷ The Namibian, 8 Mar 2023

⁸ The Namibian, 8 Mar 2023

⁹ www.wesgro.co.za, May 2021

¹⁰ The Namibian, 8 Mar 2023

¹¹ www.wesgro.co.za, May 2021

¹² www.wesgro.co.za, May 2021

completed in early March.¹³ In addition to the PEL-39 exploration licence, Qatar Energy has interests in the PEL-56 and the PEL-91.¹⁴ The Jonker-1x well drilled a total depth of 6,168m in 2,210m water depth. Data on this recent drilling is being analysed and further appraisal drilling is planned to determine the recoverable resource potential and size of the discovery.¹⁵ This announcement follows Qatar Energy's announcements in 2022 that it found oil in the **Graaf-1** well and the **Venus-1x** prospect, both located offshore in the **Orange Basin**.¹⁶

The CEO of Qatar Energy and energy affairs minister, **Saad Sherida Al-Kaabi**, said that this is the third discovery in Namibia and thanked Qatar Energy's partners in the drilling exploration, **Shell**, headquartered in the **United Kingdom (UK)**, and **National Petroleum Corporation of Namibia (NAMCOR)**, Namibia's national oil company. A consortium sees Qatar Energy hold a 45% working, Shell a 45% working interest and NAMCOR, a 10% working interest.¹⁷ **Victor Sibeya**, NAMCOR's executive for upstream exploration, said that NAMCOR is looking forward to fully assessing the commercial potential of the deal once appraisal drilling is completed.¹⁸

Australian-headquartered **Pancontinental Energy** also announced on 1 March that it signed an agreement with fellow Australian company **Woodside Energy** to fully fund and provide advisory services for the seismic acquisition for future election to own a stake in Petroleum exploration license 87 (PEL87), located in the Orange Basin.¹⁹ The interests in PEL87 are currently divided between **Canada**-headquartered **Sintana** (7.4%), NAMCOR (10%) and Pancontinental Energy's local subsidiary **Pancontinental Orange** (75%).²⁰

The first production of crude oil is only set for 2028 and the economic benefits of oil and gas may only be realised from 20230 onwards as massive oil revenues are set for when exploration and development costs are recovered from the oil companies. Other joint ventures between the government and companies include oil giants such as **French**-headquartered **TotalEnergies**, **UK**-headquartered **Impact Oil and Gas**, and **United States**-headquartered **Chevron**.

Namibia's oil and gas sector remains in the exploration stage; however, it is regarded as an industry with the best prospects.²¹ The government is engaging firms to compete for multi-billion dollar projects in the oil and gas sector, petroleum storage and refinery construction as well as associated infrastructure. Analysts have made bold predictions of the potential revenue from the oil sector, predicting that Namibia's economy will double by 2040 and that the government could make around N\$53.5 billion (US\$3.5m) in annual taxes and royalties during the peak periods from its oil industry.²²

SWAPO to get first female president

President **Hage Geingob** (2015-Present) during ruling **South West Africa People's Organisation's (SWAPO)** central committee meeting on 11 March that international relations minister and SWAPO's vice president, **Netumbo Nandi-Ndaitwah**, is SWAPO's sole presidential candidate for elections in 2024:

*"We have one candidate only and that's comrade Netumbo Nandi-Ndaitwah[...] It's over. We have a candidate elected. When time comes, we will properly campaign for her."*²³

¹³ The Namibian, 7 Mar 2023

¹⁴ The Peninsula, 6 Mar 2023

¹⁵ Economist Namibia, 6 Mar 2023

¹⁶ The Peninsula, 6 Mar 2023

¹⁷ The Peninsula, 6 Mar 2023

¹⁸ The Namibian, 7 Mar 2023

¹⁹ Offshore Energy, 6 March 2022

²⁰ Offshore Energy, 6 March 2022

²¹ International Trade Administration, 3 Oct 2022

²² New Era, 6 Mar 2023

²³ The Namibian, 11 Mar 2023

Nandi-Ndaitwah was re-elected as SWAPO's vice president in November 2022 (*see ARC Briefing Namibia Dec 2022*), beating Prime Minister **Saara Kuugongelwa-Amadhila** and environment, forestry and tourism minister, **Pohamba Shifeta**. The announcement of Nandi-Ndaitwah's success was made on 6 December after she garnered 421 votes from party delegates against Kuugongelwa-Amadhila's 270 votes and Shifeta's 91 votes.

Nandi-Ndaitwah's win sets her up to be the first female president of SWAPO as Geingob is expected to step down in 2024. Furthermore, she could potentially be the first female president of Namibia after the presidential elections anticipated for 2024. Geingob's firm affirmation that she is the only SWAPO presidential candidate is an attempt to deter party disunity and he urged members to avoid factionalism at the central committee meeting.

SWAPO also aims to garner support in the upcoming elections based on Nandi-Ndaitwah's strong anti-corruption stance.²⁴ Nandi-Ndaitwah has been vocal against corruption, particularly against one of Namibia's biggest corruption scandals, **Fishrot**. This corruption scandal was revealed in 2019 and involved the **Icelandic** fishing company, **Samherji**, which used tax havens in the **Marshall Islands** and **Cyprus** to bribe several Namibian government officials.²⁵ Nandi-Ndaitwah has branded Fishrot as a deliberate attempt by "*jealous external forces*" to undermine Namibia's fishing industry.

Nandi-Ndaitwah also visited Iceland in 2022, where she met with Iceland's Prime Minister **Katrin Jakobsdóttir** (2017-Present) to discuss the possible extradition of Samherji executives involved in the scandal.²⁶ Nandi-Ndaitwah has also previously signalled her wish to establish an internal party anti-corruption arm in SWAPO.²⁷

The 2019 presidential election was not an easy win for SWAPO and Geingob, who won 56% of votes, a massive reduction in support from 87% in the 2014 presidential elections (*See ARC Briefing Namibia Sep 2022*). A former SWAPO member, **Panduleni Itula** ran for his first time, but as an independent candidate, bagging 29.4% of the vote in 2019. Pandula's support indicated a significant shift in support for SWAPO, showing that public trust in the ruling party has reduced, especially in the face of corruption scandals such as Fishrot.

A member of the Namibian party, the **Landless People's Movement (LPM)** told **African Risk Consulting Briefing (ARC Briefing)** and said that despite Nandi-Ndaitwah's gender and anti-corruption ticket, she is still not the ideal candidate for the Namibian youth based on her age - 70:

*"Ndaitwah as a presidential candidate for Namibia will be a huge disservice to the youthful population of Namibia. [...] it is better to be led by a younger person, not this lady who is almost 80."*²⁸

SWAPO has come under the spotlight for restricting youth representation in senior positions and after the July 2022 SWAPO policy conference was criticised in the media for not discussing the **Helmut Amendments**.²⁹ The Helmut Amendments, instituted in 2018, are party constitutional amendments which imposed criteria for the top four central committee leadership roles – including the deputy secretary general, the secretary general, the vice president and the president. The criteria state that the top four can only be contested by individuals who have served in the central committee for at least ten years (*See ARC Briefing Namibia Jul 2022*).

²⁴ New Era, 13 Jan 2023

²⁵ www.issafrika.org, 18 Feb 2022

²⁶ The Namibian, 8 Aug 2022

²⁷ New Era, 13 Jan 2023

²⁸ ARC Briefing, 13 Mar 2022

²⁹ New Era, 16 Sep 2022

In addition to SWAPO's reputational damage from corruption scandals, the party has faced further strain on the public administration, particularly due to Covid-19, and economic challenges after the outbreak of **Russia-Ukraine** war in February 2022.³⁰ Although SWAPO has dominated elections since independence in 1990, the significant decline for Geingob in the 2019 elections leaves the possibility open for another candidate to take the presidency.³¹

Planner

16 Mar 2023 **Windhoek (Namibia)** State of the Nation address
2024 **(Namibia)** General elections

Chronology

15 Mar 2023 **Windhoek (Namibia)** *The Namibian*. **Agribank** releases a monthly market watch for 2023, indicating that low to no rainfall, which is below normal rainfall, was recorded in the Namibian regions of **Kunene, Omusait, Oshana, Ohangwena, Oshikoto, Khomas, Omaheke, Erongo, Hardap** and //Kharas, between October 2022 and February 2023;

14 Mar 2023 **Windhoek (Namibia)** *The Namibian*. Public enterprise earnings are anticipated to receive N\$2.6 billion (\$154m) in dividends from five public enterprises, including the **Bank of Namibia, Namibia Post and Telecommunications Holdings Limited, Namdeb Holdings, Namib Desert Diamonds** and the **Namibia Diamond Trading Company**;

14 Mar 2023 **Windhoek (Namibia)** *The Namibian*. Prime Minister **Saara Kuugongelwa-Amadhila** releases a statement distancing her office from a message circulating on social media which claims that Amadhila is promoting an online digital investment bank;

14 Mar 2023 **Windhoek (Namibia)** *The Namibian*. The **Namibia Investment Promotion and Development Board's** chairperson, **Nangula Uaandja**, confirms that a 'golden visa programme' framework, known as a Residency-by-Investment (RIB) framework is being developed, and encourages companies such as **Henley & Partners** and **President Links Estate**, to offer residency for investment into their estates;

8 Mar 2023 **Windhoek (Namibia)**. *ESI Africa*. **Rössing Uranium** announces plans to construct a 15MW AC Solar PV Plant, calling for bids from independent power producers to provide it with 50,864MWh per annum from a renewable energy source;

2 Mar 2023 **Windhoek (Namibia)** *The Namibian*. **China's** ambassador to Namibia, **Zhao Weiping**, expresses enthusiasm about working with Namibia and said he hopes to develop sustainable ties with the country;

1 Mar 2023 **Windhoek (Namibia)** *New Era*. New provisions for basic conditions of employment in the fishing sector come into force from 1 March for the next five years, including a provision which states that fishermen work six or fewer days per week and that ordinary work hours apply;

27 Feb-1 March 2023 **Windhoek (Namibia)** *New Era*. **Namibia** and **Germany** hold the talks on development cooperation, affirming three priority areas for cooperation, including sustainable development, training and employment, as well as private sector and financial sector development;

³⁰ Al Jazeera, 24 Feb 2022

³¹ www.ifri.org, 25 May 2022

27 Feb 2023 **Windhoek (Namibia)** *Aerotime Hub*. Ethiopia's national carrier **Ethiopia Airlines** and **Emirates Airlines**, based in the **United Arab Emirates (UAE)**, are potential suitors being considered to assist the Namibian government in reviving its defunct national carrier, **Air Namibia** after it was liquidated two years ago;

24 Feb 2023 **Windhoek (Namibia)** *Amnesty International*. President **Hage Geingob** and **Botswana's** President **Mokgweetsi Masisi** sign an agreement allowing citizens of each country to travel between the two countries merely by showing their national identity cards;

23 Feb 2023 **Windhoek (Namibia)** *The Namibian*. The construction sector continues to struggle as approved building plans continue a downward trend, declining by 53.5% year on year;

22 Feb 2023 **Windhoek (Namibia)** *Namib Times*. The agriculture, water and land reform ministry issues an early flood warning to communities living within areas prone to annual floods in the country;

22 Feb 2023 **Windhoek (Namibia)** *News24*. **Jill Biden**, the first lady of the **United States**, arrives in Namibia for the first leg of an African tour;

18 Feb 2023 **Windhoek (Namibia)** *Reuters*. Finance minister **Ipumbu Shiimi** says during a budget speech that economic growth for 2023 will amount to 3.2%, down from earlier forecasts of 3.4%, reflective of the declined mining output estimates for 2023.

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