

AFRICA RISK CONSULTING

Namibia Monthly Briefing May 2026

Namibia Summary 13 May 2026

Policy uncertainty in the mining industry persists as the Chamber of Mines of Namibia's 2025 annual review states that the 51% local ownership requirement is not a formal government policy even though it remains listed in Namibia's Sixth National Development Plan (NDP6). Australia-headquartered oil and gas company, Energy 88 reduces its exploration investments in Namibia, cancelling stages two and three of its exploration. Australia-headquartered Aldoro Resources announces the discovery of high-grade deposits of niobium and strontium, expanding what the company claims could become the world's largest strontium resource. While the discovery of these rare earth elements bolster Namibia's mineral wealth, the industry development of these minerals to benefit the economy hinges on policy certainty and government cooperation.

Policy uncertainty in the mining sector persists

The **Chamber of Mines of Namibia's** 2025 annual review [released](#) on 8 May confirmed that President **Netumbo Nandi-Ndaitwah** (2024-present) told mining industry leaders that the proposed 51% local ownership requirement for future mining licences is not a formal government policy. The disclosure comes after months of uncertainty triggered by former mining minister and deputy prime minister, **Natangue Ithete's** announcement of the ownership threshold at the August **2025 Mining Expo** in **Windhoek**.

Although the president's comment is aimed at providing policy certainty and putting investors at ease, it has rather created further confusion as it is now unclear about who speaks for the government on critical policy matters in the mining sector and whether ministerial statements carry weight or can be disavowed retroactively by the State House. In addition, while Ndaitwah stated its not government policy, the license requirements are still listed in Namibia's **Sixth National Development Plan (NDP6)**, launched on 22 July 2025. The NDP explicitly sets a 51% local ownership baseline for mining licences and a target of 60% by 2030.

Finally, the confusion persists because as Chamber of Mines CEO, **Veston Malango**, noted, the chamber had participated in drafting the mining chapter for the NDP6 but after the document's publication [found](#) that several submissions were diluted or omitted. Additionally, the ownership benchmarks were not introduced during initial consultations. The National Planning Commission (NPD) has since acknowledged the need to recalibrate both targets to better reflect industry realities, but no revised figures have been published.

The policy uncertainty is creating severe consequences for the private sector. Ithete's original announcement immediately heightened investor concern over policy predictability and investment security. This is supported by Malango's comments that global exploration capital is flowing [toward](#) jurisdictions that offer speed, certainty, and competitiveness. Namibia risks losing the exploration inflows needed to sustain the next generation of mines if pending policy and legislative issues are not resolved. The broader economic repercussions are substantial; the chamber reported that N\$50 billion (\$3 billion) in investment and over 18,000 jobs are now at risk.

The chamber stressed that mining projects in the pipeline could attract \$2.86 billion over the next five years, but these investments are already being constrained by the current operating

environment. Concerns also emerged that similar ownership requirements could extend to the oil and gas sector, compounding uncertainty across extractive industries at precisely the moment Namibia seeks multibillion-dollar commitments for offshore petroleum development.

Namibia's global standing as a mining destination has declined sharply, with its **Canada-headquartered Fraser Institute's Investment Attractiveness Index** score dropping from 66 in 2024 to 56 in 2025, and its global ranking falling from 30th out of 82 jurisdictions to 51st out of 68. Policy uncertainty was cited as a key driver of the decline.

The cost of continued policy confusion would be lost projects, fewer jobs, and slower economic growth at a time when unemployment stands at 36.9% and youth unemployment at 44.4%. If the government cannot clarify whether a minister's public statement constitutes policy or merely opinion, investor confidence will continue eroding regardless of subsequent presidential clarifications.

Oil and gas company scales down investment in Namibia

Policy uncertainty is further manifesting tangibly in the oil and gas industry, with **Australian-listed 88 Energy** [announcing](#) on 11 May a strategic restructuring of its Namibian commitments that reduces minimum forward financial exposure by approximately \$15m while preserving optionality.

The company [amended](#) its farm-in agreement for **Petroleum Exploration Licence 93** in the onshore **Owambo Basin**, securing its 20% working interest as fully vested and unconditional while cancelling stage two and stage three obligations that would have required significant capital deployment. Stage two and three of such projects typically includes drilling exploration wells, conducting seismic surveys and conducting environmental studies. The cancellation of these stages reflects how the company is reducing its short to medium term investment in the country.

The move allows 88 Energy to maintain exposure to what it describes as a potentially basin-opening play, because it has already completed stage one of mining exploration (this includes initial geological surveys and soil sampling). While it maintains a foothold in the country it has redirected capital toward its priority **Alaska (United States)** assets, where regulatory frameworks are settled and investment timelines are predictable.

This license restructuring follows the Chamber of Mines warning that global capital flows toward jurisdictions that offer speed, certainty and competitiveness, while investors in Namibia are adopting a 'wait-and-see' position as uncertainty around local ownership and other policy issues persist (see above).

The 88 Energy announcement provides evidence that international extractive companies are becoming increasingly uncertain. The company has not exited Namibia but has eliminated binding capital commitments, retaining the option to participate in future work or introduce third-party funding if and when the regulatory environment clarifies.

This caution compounds broader regulatory unpredictability demonstrated by the government's rejection of US-headquartered **Starlink's** telecommunications license application in March (*see ARC Briefing Namibia Mar 2026*). The **Communications Regulatory Authority of Namibia (CRAN)** rejected Starlink's telecommunications license because it did not meet all six of the statutory licensing criteria. Prime minister **Elijah Ngurare** explicitly linked that decision to resource sector management, [stating](#) Namibia will not bend its laws to suit any individual regardless of influence or profile, and drawing parallels to oil and gas by emphasizing that resources must be managed in ways that allow Namibians to take control and benefit.

While the Starlink rejection demonstrated regulatory enforcement, it also reinforced perceptions of an unclear and potentially inconsistent regulatory environment. When combined

with the mining ownership confusion, international investors face a landscape where policy pronouncements carry uncertain weight and capital deployment risks being trapped by shifting regulatory goalposts.

The 88 Energy restructuring suggests oil and gas investors are drawing similar conclusions, hedging their bets rather than committing capital until Namibia resolves fundamental questions about who speaks for the government and whether announced policies will be implemented, amended, or abandoned.

New minerals discovered between Otjiwarongo and Omaruru

Australia-headquartered **Aldoro Resources** [announced](#) on 5 May that recent drilling at its **Kameelburg** project between **Otjiwarongo** and **Omaruru** uncovered high-grade deposits of niobium and strontium, expanding what the company claims could become the world's largest strontium resource. Niobium is a [valued](#) mineral used for enhancing strength, durability and heat resistance of steel products used in aerospace, defence and industrial applications. Strontium is a mineral [used](#) in high-performance magnets for advanced technologies including electric vehicles and wind turbines.

This discovery further bolsters Namibia's mineral wealth, positioning the country as a potential major supplier of critical minerals essential to the global energy transition and advanced manufacturing. So far Aldoro has secured N\$39m (\$2.3m) to fund continued drilling until September, demonstrating investor appetite for Namibia's critical minerals potential. The company aims to test the economic viability of full-scale mining operations, with drilling confirming that rare earth mineral deposits are larger and more commercially valuable than initially expected.

The discovery is likely to attract international investment attention, particularly from nations seeking to diversify rare earth elements supply chains away from **Chinese** dominance. For example, the **Japan Organisation for Metals and Energy Security (JOGMEC)** [announced](#) on 18 March that it has entered a joint venture partnership with **Toyota Tsusho Corporation** to fund the **Lofdal Heavy Rare Earth** project in northwestern Namibia. The joint venture has committed to fund an [additional](#) N\$37m (\$2.25m) for a definitive feasibility study to determine the long term heavy rare earth supply for Japanese industrial demand.

However, these minerals are not as immediately as significant as oil and gas in terms of potential economic contribution. Oil and gas projects in Namibia's **Orange Basin** could attract billions in foreign direct investment with production timelines of three to five years from final investment decision. Critical minerals face substantially longer development horizons and more complex value chains. Rare earth elements and associated critical minerals are notoriously difficult to mine and process. For example, JOGMEC partnered with Toyota on the project as Toyota brings global supply chain capabilities and downstream market access, reflecting the value chain necessary to first process the raw mineral before it becomes a financially viable product.

Furthermore, mining rare earth elements is difficult because it may be moderately abundant in the earth's crust, distributed diffusely, and found in low concentrations intermingled with other minerals. This makes extraction technically challenging and capital-intensive. Processing rare earth elements creates significant environmental footprints, requiring sophisticated metallurgical facilities that Namibia currently lacks. Establishing domestic processing capacity would require additional billions in infrastructure investment and years of construction before production begins.

The critical minerals opportunity cannot serve as a bridge while awaiting oil and gas development. Kameelburg remains in the exploration phase with no mineral resource estimate yet published, meaning the project is likely five to ten years from potential production even

under optimistic scenarios. Contrastingly, oil and gas [projects](#) like **France**-headquartered **TotalEnergies' Venus** field targets first oil by 2029, making them faster paths to economic contribution despite their own development challenges.

Nevertheless, the Kameelburg discovery strengthens Namibia's long-term economic diversification strategy, potentially creating a sustainable minerals sector that outlasts finite hydrocarbon reserves if policy uncertainty can be resolved and processing infrastructure developed.

However, as discussed, the successful development and potential economic contribution of this sector depend not only on international investment but also on policy certainty and government cooperation with the private sector. Furthermore, for rare earth elements to substantially support the economy in the longer term is it critical that processing be conducted in Namibia, and for the raw minerals not to be sold and processed in a different country.

Planner

11-13 May 2026 **(Namibia) European Union (EU)-Namibia Business Forum**

Chronology

11 May 2026 **Windhoek (Namibia)** *Namibian Sun*. The government announces that it will absorb increased fuel costs through the **National Energy Fund (NEF)** after fuel prices increased again at the beginning of May, with petrol increasing from N\$22.06 (\$1.34) to N\$23.48 (\$1.42), diesel 50ppm from N\$23.63 (\$1.43) to N\$28.26 (\$1.71), and diesel 10ppm from N\$23.73 (\$1.44) to N\$28.36 (\$1.72);

11 May 2026 **Nairobi (Kenya)** *Ministry of International Relations and Cooperation*. International relations minister, **Selma Ashipala-Musavyi**, attends the **Africa Forward Summit**, co-chaired by Kenya and **France** to re-shape Africa-France relations through economic partnerships;

8 May 2026 **Windhoek (Namibia)** *Namibian Sun*. Works and transport minister, **Veikko Nekundi**, announces that there will be a 15% nation-wide increase in taxi and bus fares following a **Namibia Public Passenger Transport Association (NPPTA)** request;

8 May 2026 **Windhoek (Namibia)** *Ministry of International Relations and Cooperation*. International relations minister, **Selma Ashipala-Musavyi**, holds discussions with **Austria's** secretary general for foreign affairs, **Nikolaus Marschik**, to focus on strengthening bilateral relations and finding different ways of cooperation;

7 May 2026 **Windhoek (Namibia)** *Namibian Sun*. According to an opinion piece by the **United States (US)** ambassador to Namibia, **John Giordano**, Namibia is shaping up to be the next strategic battleground in the global race for Artificial Intelligence (AI) because of the country's mineral wealth and infrastructure;

5 May 2026 **Windhoek (Namibia)** *Namibian Sun*. President **Netumbo Nandi-Ndaitwah** tells mining industry leaders that the 51% local ownership requirements for future mining licences is not a formal government policy;

5 May 2026 **Windhoek (Namibia)** *Ministry of International Relations and Cooperation*. **Portugal's** state and foreign affairs minister, **Paulo Rangel**, meets with the international relations minister, **Selma Ashipala-Musavyi**, to deepen bilateral relations;

5 May 2026 **Windhoek (Namibia)** *Windhoek Observer*. The **Retirement Funds Institute of Namibia (RFIN)** and the **Batseta Council of Retirement Funds for South Africa** sign an agreement to strengthen governance skills in Namibia's retirement fund sector;

29 Apr 2026 **Windhoek (Namibia)** *Namibian Sun*. Namibia is seeking \$32.2m in concessional climate funding from the **Climate Investment Funds (CIF)** to unlock a broader climate investment programme.

28 Apr 2026 **Windhoek (Namibia)** *Ministry of International Relations and Cooperation*. International relations minister, **Selma Ashipala-Musavyi**, opens the 13th annual **Ondangwa Trade and Industrial Exhibition (OTIE)**;

28 Apr 2026 **Windhoek (Namibia)** *Ministry of International Relations and Cooperation*. Deputy international relations minister, **Jenelly Matundu**, meets with the advisor to **Canada**-headquartered oil and gas company **Cerilon**'s CEO, **Gustav Gous**;

27 Apr 2026 **Windhoek (Namibia)** *Namibian Sun*. **Telecom Namibia** CEO, **Stanley Shanapinda**, and **Angola Telecom** CEO, **Adilson Miguel dos Santos**, sign a memorandum of understanding (MoU) to link the two country's subsea cable system to strengthen the continent's west coast's digital connectivity;

About Africa Risk Consulting:

Africa Risk Consulting (ARC) is a pan-African consulting company that provides timely, relevant information and advice that enables its clients to take informed investment decisions and to safeguard their reputations.

ARC's core consulting services include integrity due diligence and corporate investigations, political advisory and country assessments, opportunity monitoring and reputation risk management. Most relevant to private equity firms is ARC's integrity due diligence and corporate investigations capability. Specifically, ARC offers pre-deal integrity checks to highlight red flags before negotiations start; full detailed multi-jurisdictional reputation due diligence; and supplier and senior hire vetting and repeat due diligence for compliance programmes. ARC is unique in that it offers a 10-day delivery for a routine integrity due diligence. ARC also offers a suite of corporate investigations services from immediate investigation, evidence gathering, e-discovery, forensic accounting and whistle-blower support on one end to crisis media management and regular monitoring on the other.

www.africariskconsulting.com

About ARC Briefing:

ARC Briefing is ARC's essential business information service.

Companies at any stage in their Africa expansion, whether building or communicating an Africa strategy, investing directly, expanding current operations, financing other investors, doing the legal leg-work or researching the Africa growth trend, need ARC Briefing.

ARC Briefing is an information service keeping you:

- Up to date with Country Chronologies of business-critical events
- In the know via Country Briefings on political, economic, business and operating trends. Written in-country, ARC experts analyse and comment
- Ahead with Country Planner which details future elections, budgets, regulatory changes etc.

www.africariskconsulting.com

Getting in touch

Please contact us by email info@africariskconsulting.com



Africa Risk Consulting (ARC) Pty Ltd expressly forbids the collection of information and content from ARC Briefing as data to train generative artificial intelligence models.

© Africa Risk Consulting (ARC)