

# Namibia: Intra-Africa trade and tariff profile 2020



## Regional Economic Communities

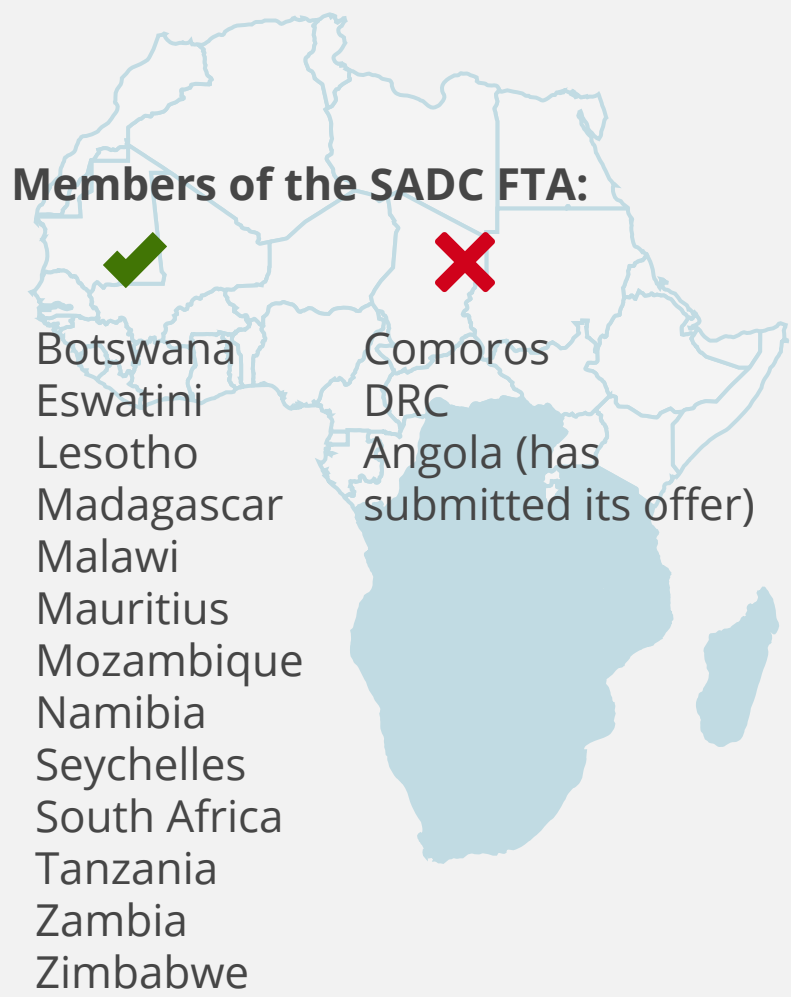
Namibia is a member of the Southern African Customs Union (SACU) and the Southern African Development Community (SADC). The African Continental Free Trade Agreement (AfCFTA) entered into force on 30 May 2019. Namibia deposited its instrument of ratification and schedule of tariff concessions.

### SACU



SACU is a customs union with duty-free intra-SACU trade and a common external tariff (CET) applicable to all goods entering from outside the Union.

### SADC



SADC is a Regional Economic Community with 16 member states - all the SACU countries, Angola, DRC, Seychelles, Comoros, Madagascar, Tanzania, Zimbabwe, Zambia, Mauritius, Mozambique and Malawi. 13 SADC member states are members of the SADC Free Trade Area (FTA). Comoros and DRC are yet to join the FTA. Angola has submitted its tariff offer to join the SADC FTA.

## Intra-Africa exports

For 2020, 33% of Namibia's world exports were to the rest of Africa. The main African destination markets are other SACU and SADC countries. The value of 2020 intra-Africa exports is US\$1.79 billion. The main export products are diamonds, gold, and frozen fish, accounting for 55% of intra-Africa exports.

Intra-Africa exports 2019-2020 ▼ 24%

### MAIN DESTINATIONS

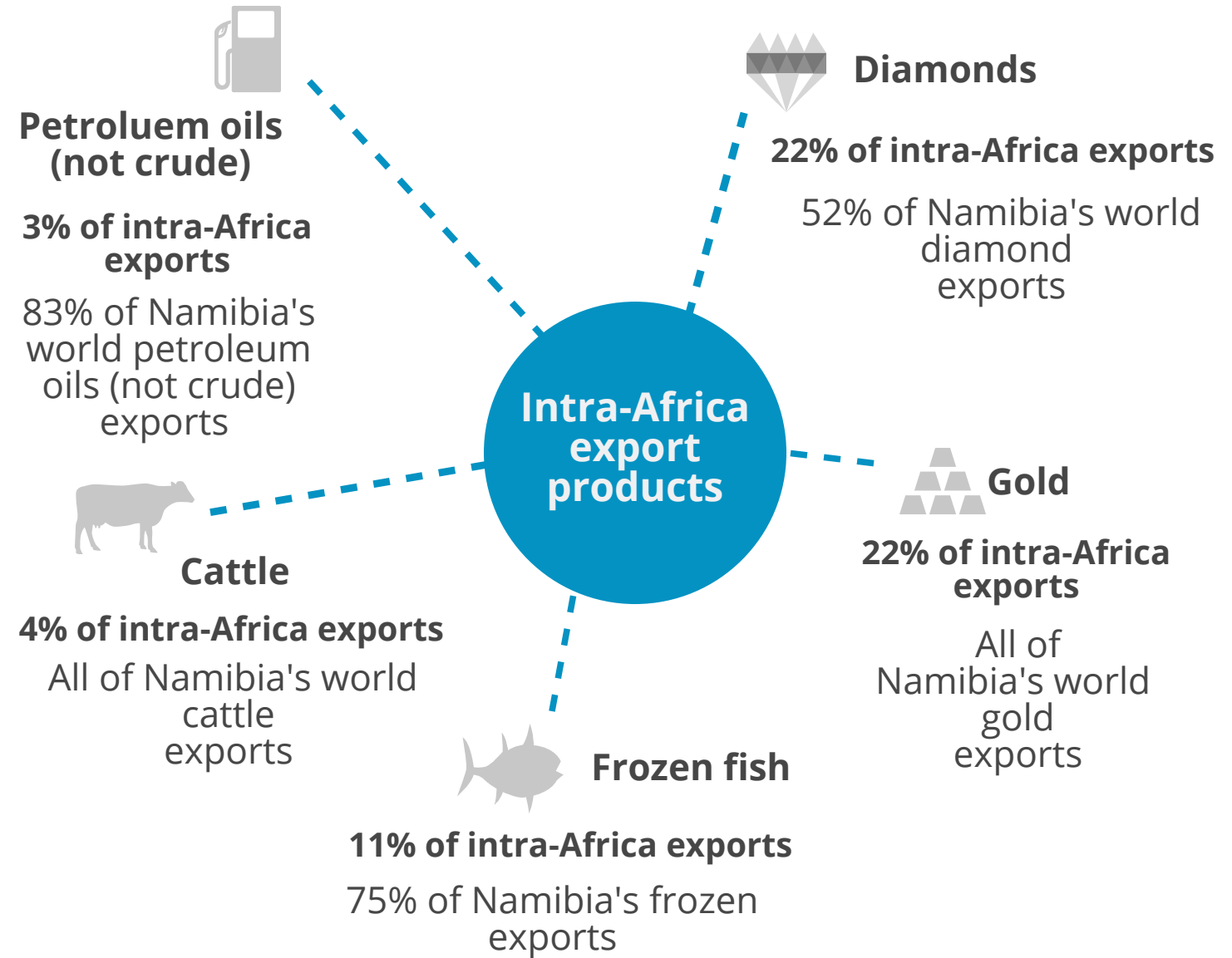
South Africa: 47% of intra-Africa exports

Botswana: 25% of intra-Africa exports

Zambia: 13% of intra-Africa exports

DRC: 8% of intra-Africa exports

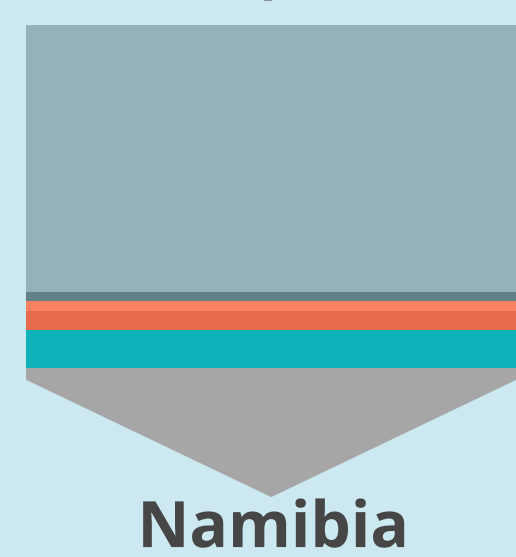
Mozambique: 2% of intra-Africa exports



## Intra-Africa imports

For 2020, 67% of Namibia's world imports were intra-Africa imports. Apart from Tunisia, Togo, and Morocco, Namibia's intra-Africa imports are mainly from the rest of SADC and SACU. Between 2019 and 2020, intra-Africa imports declined by 14%. Unrefined copper is the main import product.

### Intra-Africa imports



- Unrefined copper (27.27%)
- Refined copper (8.08%)
- Petroleum oils (not crude) (4.04%)
- Goods vehicles (2.02%)
- Cobalt oxides and hydroxides (2.02%)
- Other (56.57%)

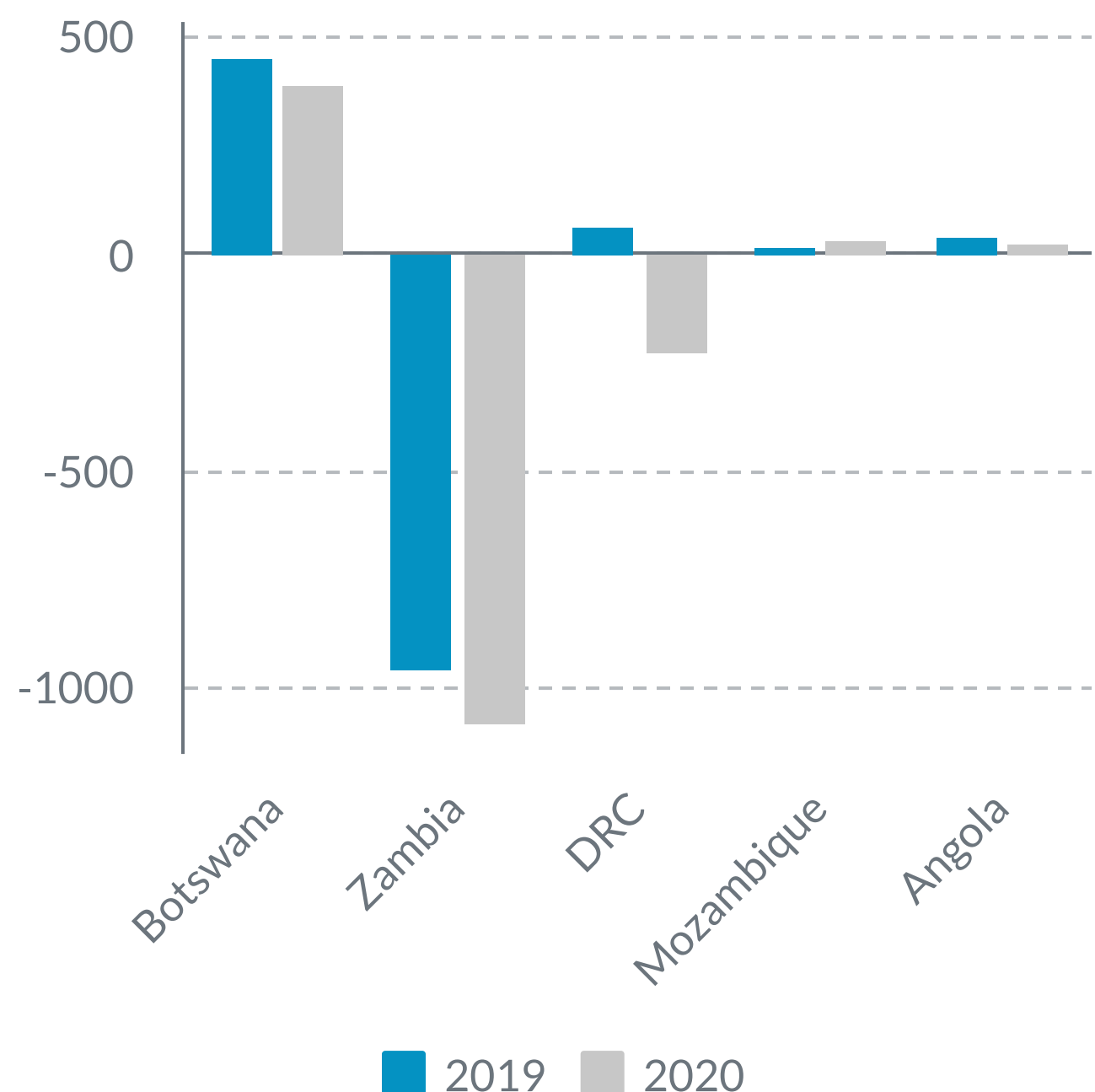
### intra-Africa imports as % of world imports of designated products

- 100%
- 100%
- 32%
- 82%
- 100%

### % change in exports and imports (2019 to 2020)

Country	Exports	Imports
South Africa	Exports: 24% decline	Imports: 27% decline
Zambia	Exports: 3% decline	Imports: 10% increase
DRC	Exports: 21% decline	Imports: 201% increase
Botswana	Exports: 30% decline	Imports: 68% decline
Angola	Exports: 31% decline	Imports: 247% increase
Mozambique	Exports: 31% decline	Imports: 90% decline

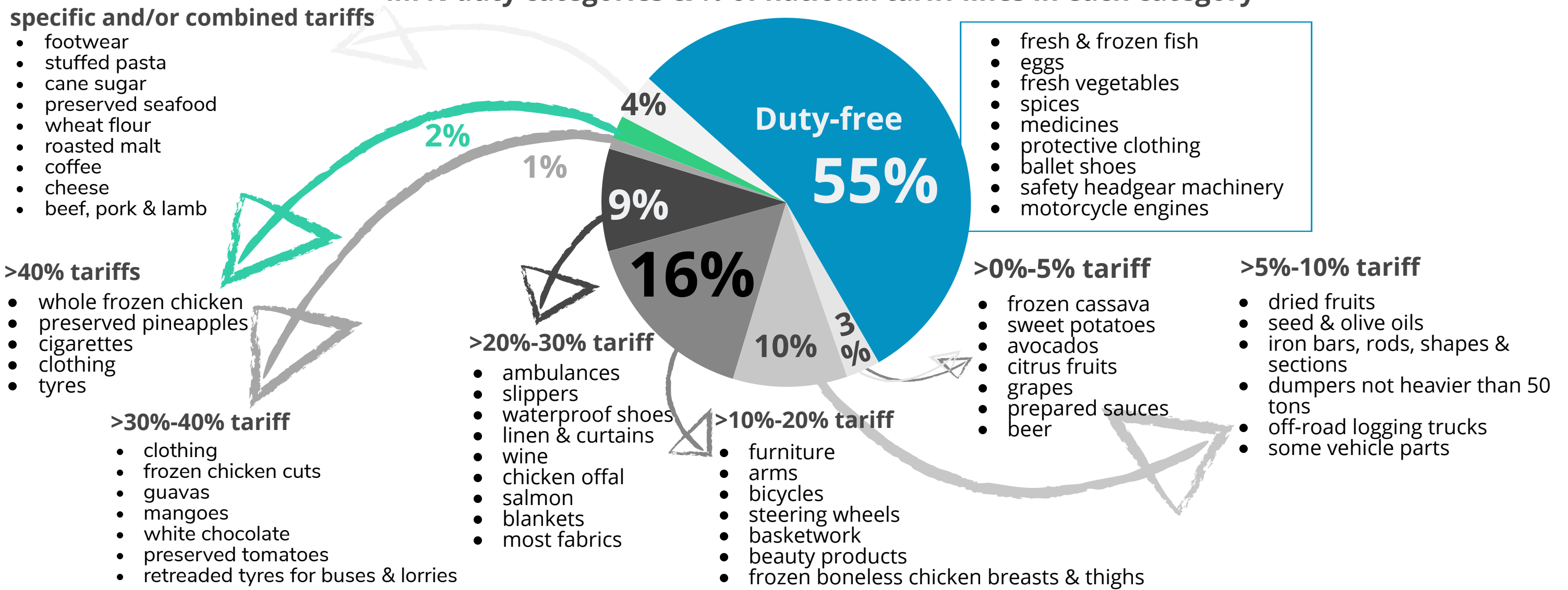
### Trade balance with designated countries (US\$m)



## Intra-Africa tariffs

Imports from SACU and SADC (excl. sugar, second-hand clothes, original vehicle components parts & wheat flour) enter Namibia duty-free. Imports from countries outside SACU and SADC face MFN applied duties which is the SACU CET.

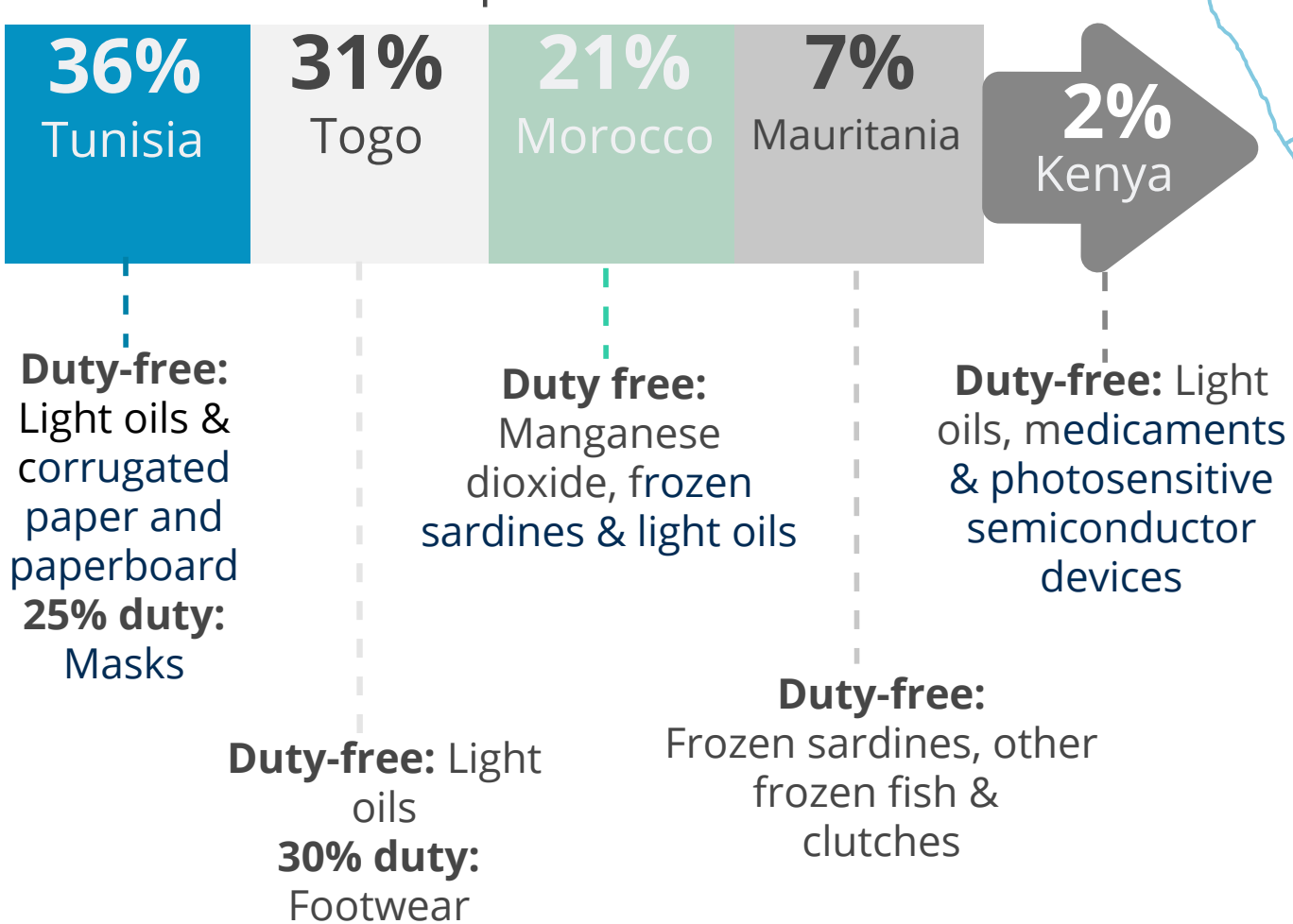
## MFN duty categories & % of national tariff lines in each category



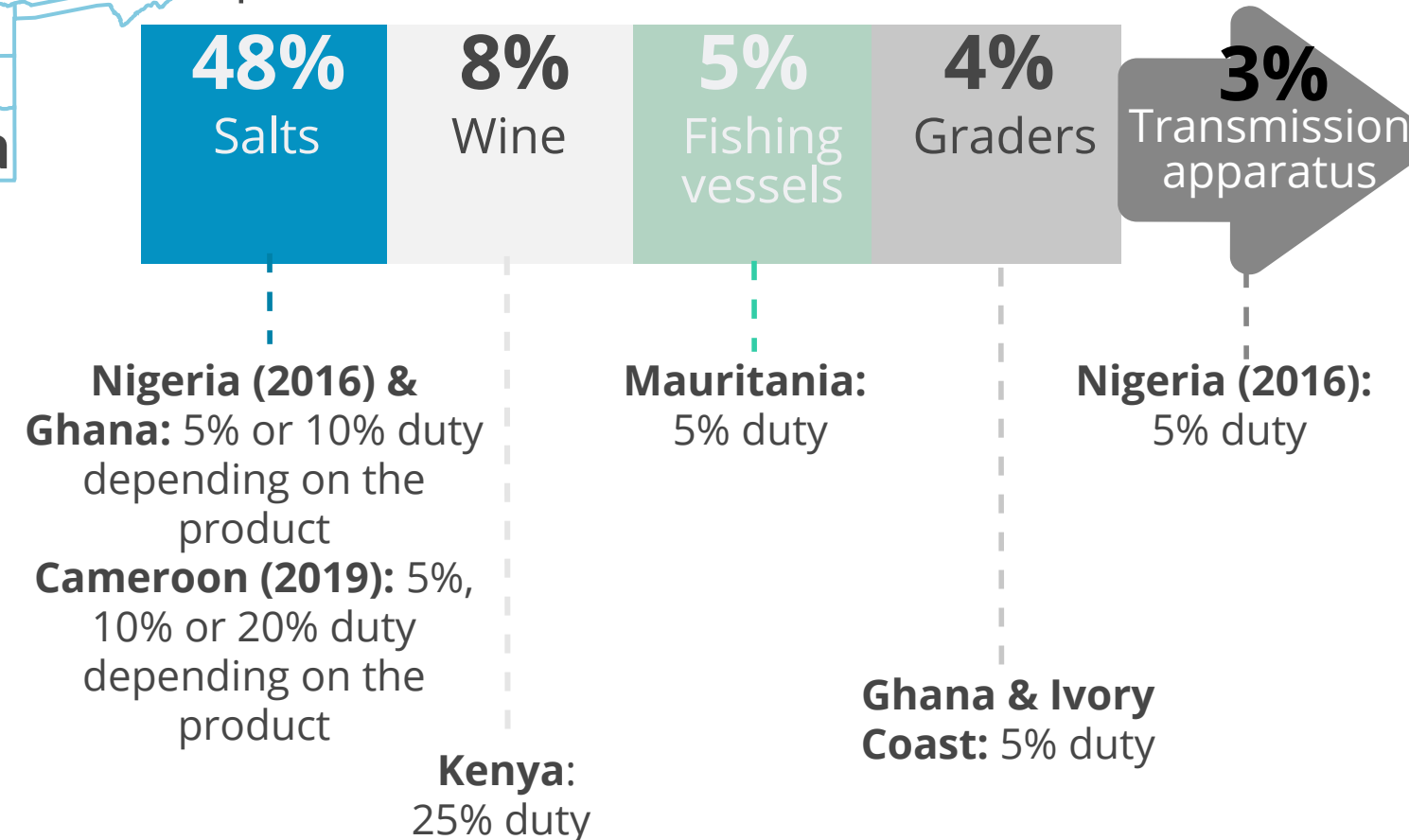
## Trade with African countries outside SADC and SACU

Only 0.04% of world and 1% of intra-Africa exports are to African countries not members of SACU & SADC. 48% of exports to Africa outside SACU and SADC are salts, 8% is wine and 5% fishing vessels. Other exports include graders, transmission apparatus, mobile drilling derricks, electric cells and batteries, flours, photosensitive semiconductor devices, and radio-broadcast receivers. In terms of imports, 1% of world and 2% of intra-Africa imports are sourced from countries outside SADC & SACU. Imports are mainly light oils, manganese dioxide, and frozen sardines, accounting for 96% of Namibia's imports from African countries outside SACU and SADC.

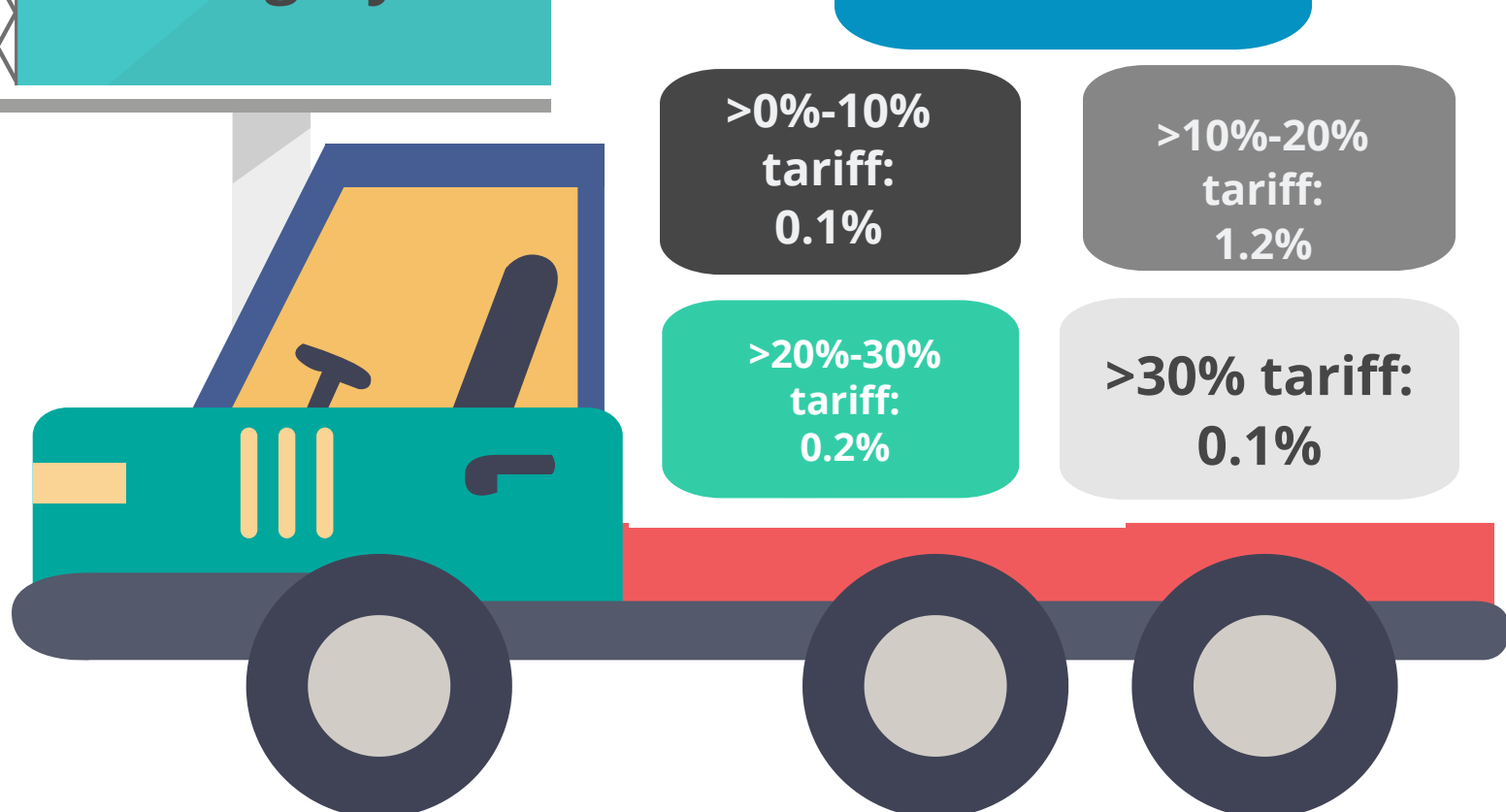
### Imports into Namibia



### Exports from Namibia



## % of 2020 imports by MFN applied tariff category



All of Namibia's world imports of manganese dioxide chloride and ginseng roots are sourced from outside SACU & SADC. Also, 70% of prefabricated buildings, 62% of frozen sardines and 50% of coriander seeds.

Of the top 20 import products, the highest tariff (40% duty) is levied on uncooked pasta. A 25% duty is applied to imports of passenger vehicles. Imports of make-up products, masks, perfumes, soap and parts of passenger vehicles are levied a 20% duty. Imports of whiskies face a duty of 154c/li. Duty-free imports are:

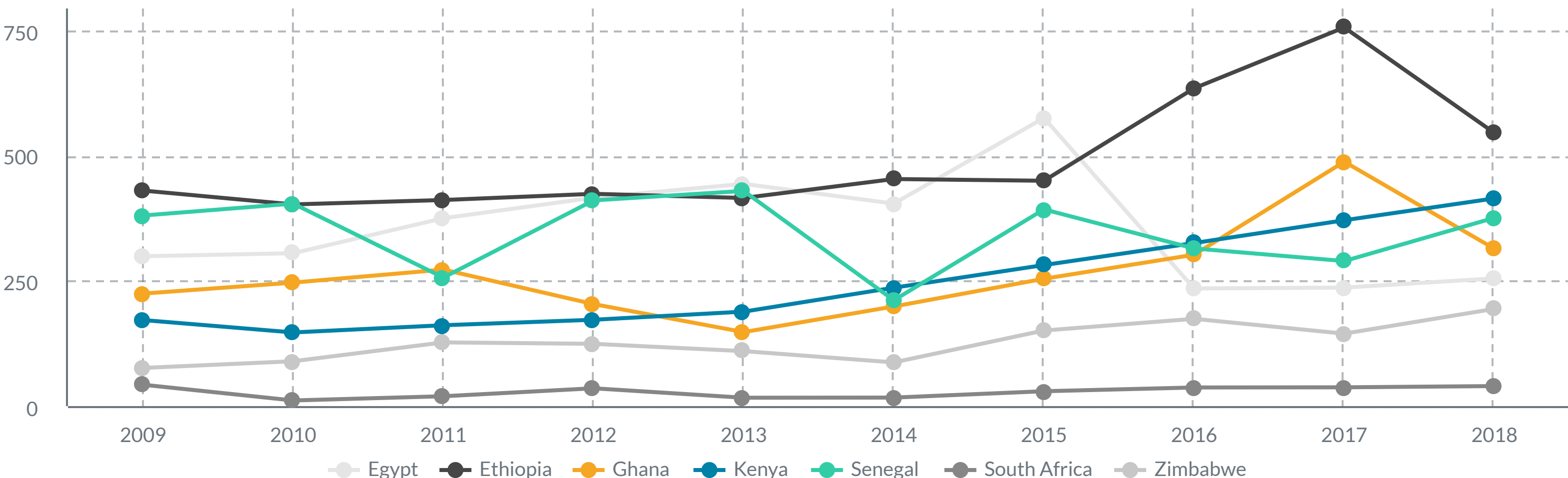
- light oils
- manganese dioxide
- frozen sardines
- medicaments
- prefabricated buildings
- unspecified frozen fish
- frozen sole
- tractors



## Non-tariff trade costs

The ESCAP-World Bank trade cost database includes the cost of transportation and the time to complete import procedures and obtain necessary information as non-tariff costs affecting bilateral trade between trade partners. Namibia's trade with most southern African countries (South Africa, Botswana, Mozambique, Eswatini & Zimbabwe) is less costly than trade with north, east and west African countries (including Kenya, Uganda, Ghana & Egypt). Trade between Namibia and some African countries (including Madagascar, Kenya, Uganda & Ghana) is more costly than trade between Namibia and Russia, France, Germany, China & the UK.

### Cost of bilateral trade between Namibia and designated countries 2011-2018



The most expensive product to export to Angola via road transportation is goods vehicles (US\$8 250.00 per unit).

Per unit cost of transporting light oils:

- Angola (US\$0.24)
- South Africa (US\$0.06)
- Zimbabwe (US\$0.06)

Per unit cost of transporting live cattle:

- Angola (US\$101.68)
- South Africa (US\$0.01)

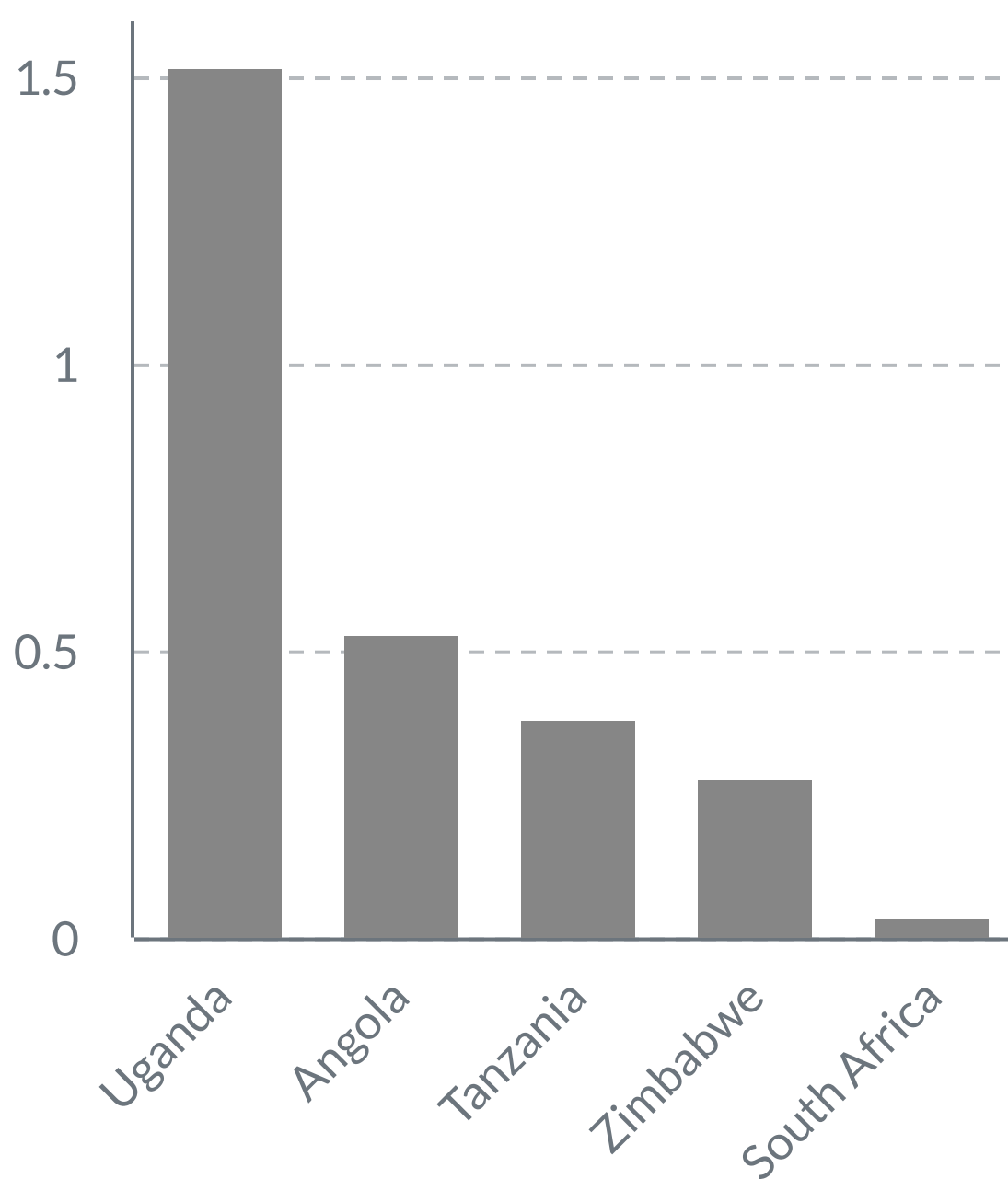
Road transport of frozen jack and horse mackerel:

- Angola (US\$2.71 per unit)
- Ghana (US\$2.64 per unit)

The most expensive products to export to Zimbabwe include beer made from malt, live cattle, salts, non-industrial diamonds, unwrought zinc alloys, and live sheep.

The per unit cost of transporting medium oils (US\$8.70) to Ghana, is higher than the cost of transporting milled rice (US\$8.49).

### US\$ per unit transport costs for beer



### Transportation costs

The UNCTAD transport cost database measures the cost of bilateral transport by product. Transport cost is defined as the difference between the Cost, Insurance and Freight value and Free on Board value of goods.

Transport cost across all modes of transport (road, rail, air, and sea) is included. The initial data is for 2016, but is in the process of being updated.

Road transportation of goods vehicles is the most expensive. Road transport to Angola is the highest due to the high costs of transporting goods vehicles.

### Trade in services

The WTO-OECD Balanced Trade in Services Dataset (BaTiS) is an experimental dataset which contains a complete, consistent and balanced matrix of international trade in services. Statistics cover the period 2005-2019, for over 200 reporters and partners, and 12 EBOPS 2010 categories in addition to total services.

#### Transport

Congo: US\$9 million  
South Africa: US\$3 million  
Mozambique: US\$2 million

#### Commercial services

South Africa: US\$41 million  
Congo: US\$10 million  
Nigeria: US\$9 million  
Angola: US\$7 million

#### Travel

South Africa: US\$29 million  
Nigeria: US\$7 million  
Angola: US\$6 million  
Zambia: US\$5 million

#### Other services

South Africa, Ghana & Mozambique:  
US\$1 million each

Services exports 2019

#### Services imports 2019

Other commercial services

South Africa: US\$40 million

Zambia: US\$3 million

Congo: US\$2 million

Ghana & Nigeria: US\$1 million each

Commercial services

South Africa: US\$76 million

Morocco: US\$5 million

Zambia: US\$4 million

Congo: US\$3 million

Other business services

South Africa: US\$19 million

Zambia: US\$3 million