



# INTEGRATED SDG INSIGHTS NAMIBIA

This initiative supports the articulation of national commitments to SDG transformation, towards accelerated SDG action in the second half of the 2030 Agenda.



# HOW TO READ THIS REPORT



Integrated SDG Insights provides an overview of a country's economic growth trajectory, highlighting potential conflicts between growth, environmental concerns, and societal well-being (referred to as the **SDG Moment**).



It builds from the foundation of national SDG progress through the lens of the 5Ps and uses machine learning to analyse national development ambition with an SDG lens (**SDG Trends & Priorities**).



Combined, these insights are mapped against SDG interlinkages to define policy choices that accelerate SDG progress, tailored to national context (**SDG Interlinkages**).



These policy choices are made against fiscal constraints and opportunities for stimulus to ensure choices translate to development impact and leave no one behind (**Finance & Stimulus**).

# SDG MOMENT: NAMIBIA

While economic growth is a key element in achieving the SDGs, many countries are intent on moving beyond growth as a yardstick for progress. In the short run, growth enables the SDGs; but in the long run, the SDGs aim to transform the pattern of growth itself.

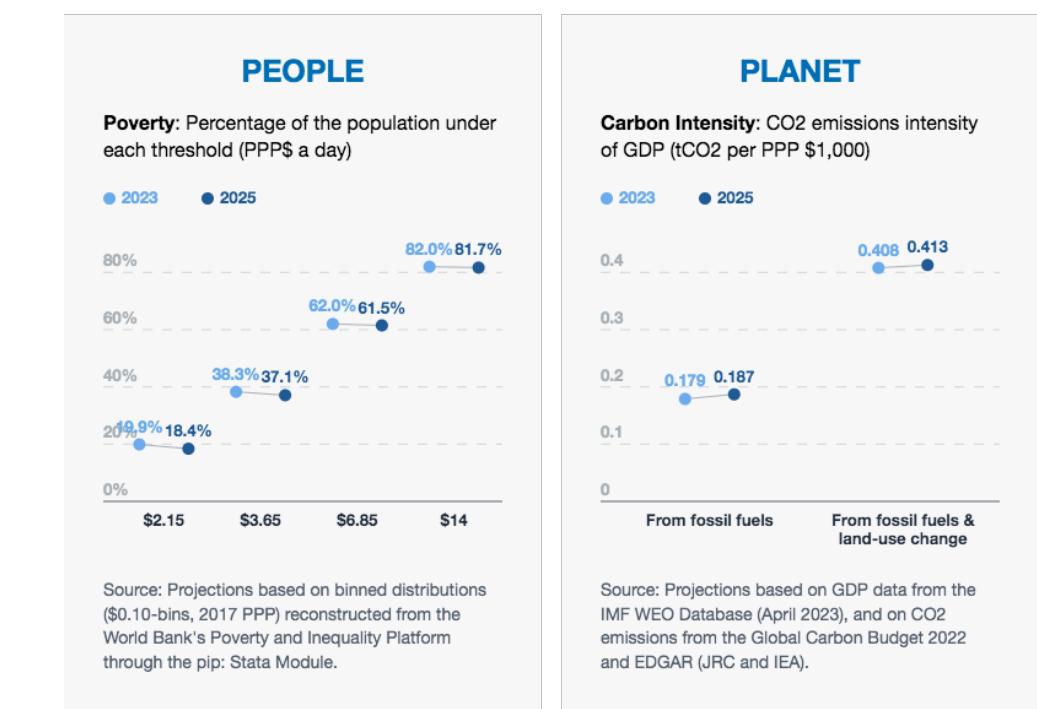
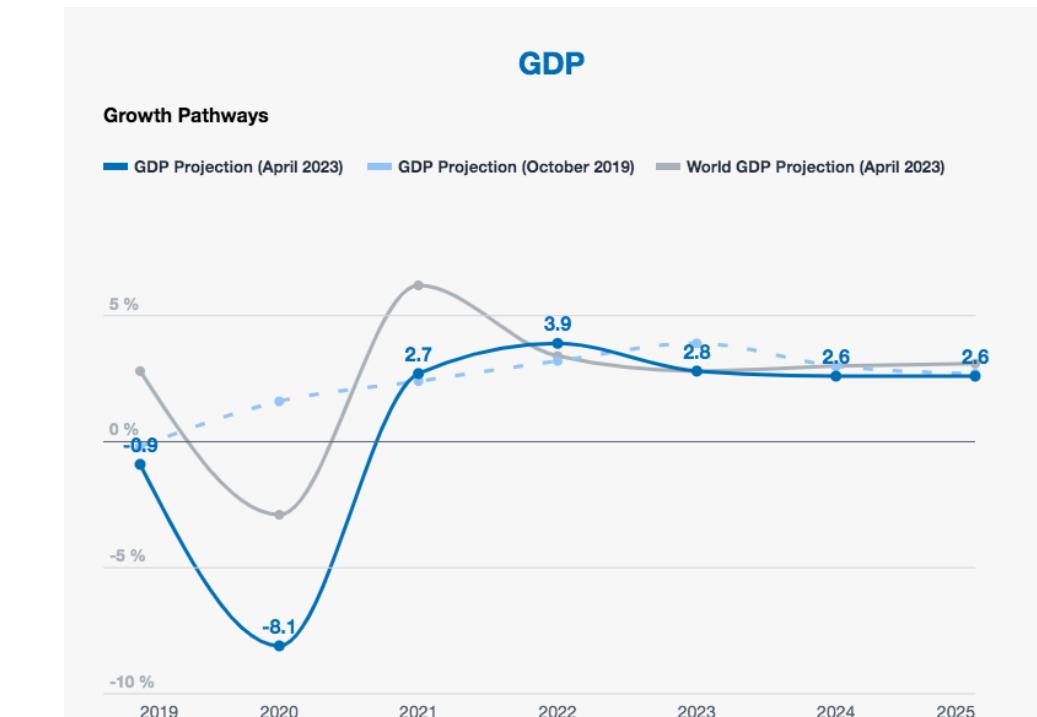
Namibia's economy is in mitigation mode in 2023 and is projected to continue with growth rates under 3% by 2024-2025.<sup>1</sup> This pace of growth is 10% lower on average than the global growth rate (and below the country's pre-pandemic growth trajectory).

Given this context and the moderate pace of growth, the primary focus of SDG policy in Namibia should be to mitigate the adverse effects of the economic downturn, particularly on the most vulnerable households.

Despite a moderate positive impact on poverty reduction at the thresholds of \$2.15 and \$3.65 per day there are still significant distributional challenges that need to be addressed to accelerate progress. Moreover, the current economic growth cycle comes at the expense of the environment with the country's carbon emissions intensity of GDP expected to increase by an annual rate of 2.2% due to fossil fuel usage.<sup>2</sup>

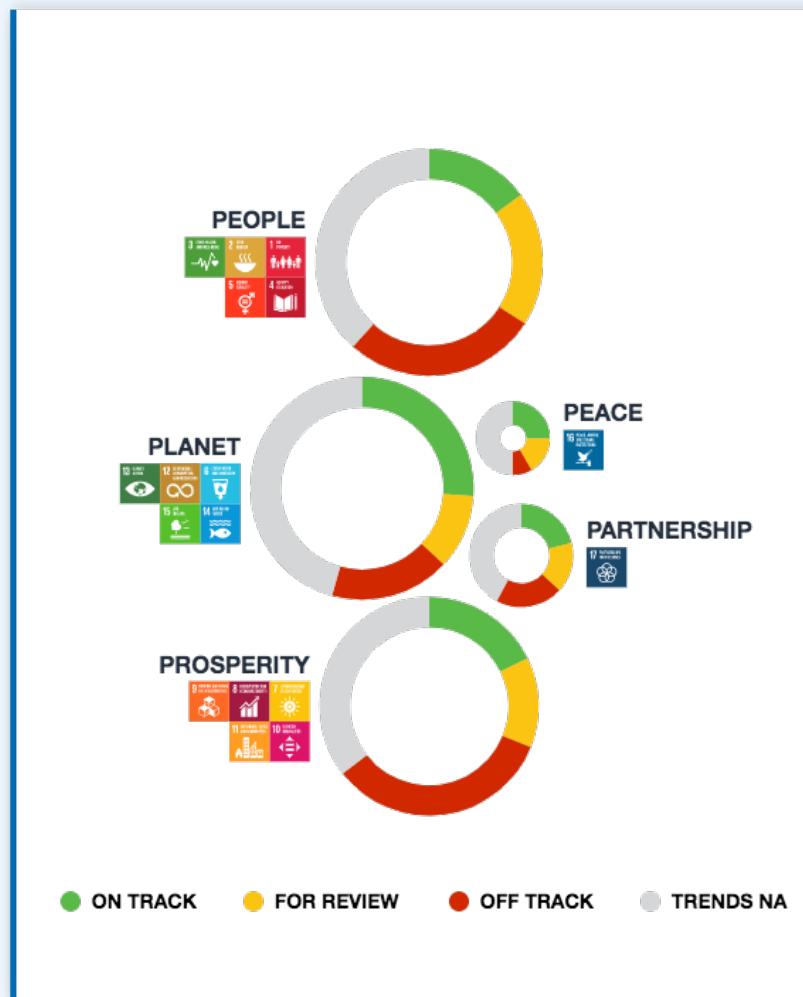
<sup>1</sup> The economic cycle is determined by adjusting the country's current GDP growth forecasts (April 2023) by their gap relative to the forecasts made before the pandemic and subsequent crises (October 2019). If the adjusted rates (not shown) are below 2%, the economy is considered in mitigation; it is coping if the adjusted rates range between 2%-4%, and it is in acceleration if they are above 4%.

<sup>2</sup> CO2 emissions intensity of GDP is computed as tonnes of CO2 per \$1,000 (2017 PPP).



# SDG TRENDS

Understanding how Namibia performs against the SDG targets provides a baseline landscape against which to build integrated SDG pathways. SDG progress tracking follows [UN Stats](#) standards and [methodology](#), and is aligned with country profiles.



*Trends in detail:*

<https://data.undp.org/sdg-push-diagnostic/NAM/sdq-trends>

# SDG PRIORITIES

Namibia's national priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents. This analysis uses a custom-built model for SDG classification. It considers 100k+ terms, including phrases and expressions.



*Key documents analyzed:*

1. Harambe Prosperity Plan
2. Namibia Vision 2030
3. National Development Plan
4. National SDG Indicators Framework 2021 Report
5. Namibia's Second VNR
6. SDG Progress Report

*Priorities in detail:*

<https://data.undp.org/sdg-push-diagnostic/NAM/current-priorities>

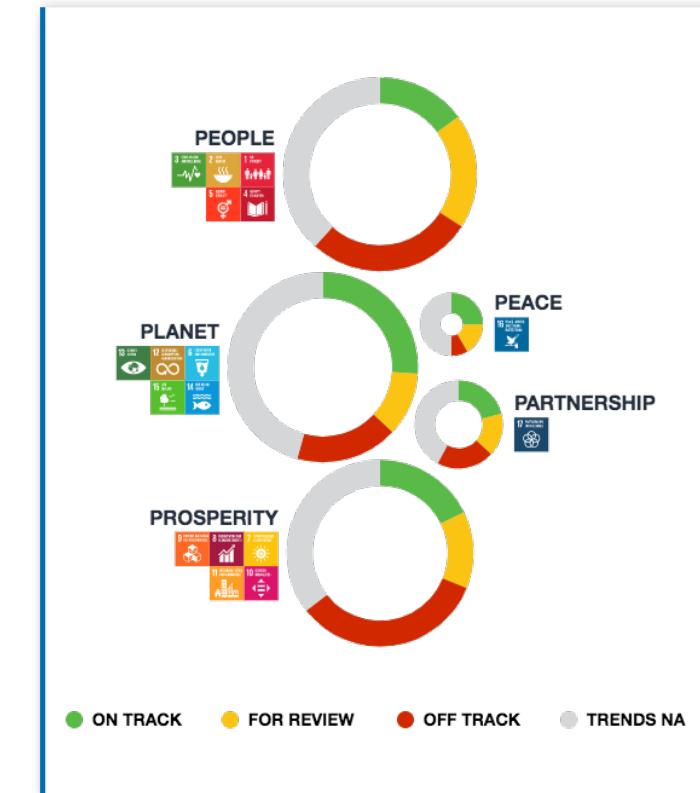
# SDG INTERLINKAGES

SDG interlinkages reveal how actions directed towards one SDG can impact others. Uncovering and understanding these interactions can help Namibia to achieve the 2030 Agenda for Sustainable Development and navigating trade-offs.

Based on a global framework for interlinkages, Namibia's SDG progress is colour-coded at the target level.

Building from national trends and priorities, the following integrated SDG pathways reflect policy choices with the most potential to accelerate the SDGs for Namibia:

- Target 8.5: Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value
- Target 9.1: Develop quality, reliable, sustainable and resilient infrastructures, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all
- Target 10.1: Progressively achieve and sustain the income of the bottom 40 percent of the population at a rate higher than the national average
- Target 11.1: Ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums
- Target 16.6: Develop effective, accountable and transparent institutions at all levels



## ACCELERATION PATHWAYS



# SDG INTERLINKAGES

**8.5: Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value**

With a national unemployment rate in Namibia of approximately 34%, and youth unemployment reaching 46%, it is crucial to give special attention to youth and people with disabilities when addressing the issue of decent work for all.

Investing in SDG 8 (decent work and economic growth) can help Namibia address current employment challenges to move the needle on key priority areas such as poverty eradication, zero hunger, improved health care, and education.

Progress on target 8.5 is an effective driver of progress across the SDGs when investment alongside policies that reduce energy intensity and to increase its efficiency to mitigate the negative impact on the share of renewable energy (Target 7.2) and energy efficiency (Target 7.3).

● ON TRACK

● FOR REVIEW

● OFF TRACK

● TRENDS NA



# SDG INTERLINKAGES

**9.1:** Develop quality, reliable, sustainable and resilient infrastructures, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all

Namibia ranks 104th out of 152 countries in the United Nations Industrial Development Organization's 2020 Competitive Industrial Performance Index, down from 97th in 2019. Namibia's industry faces several challenges, including global diamond price volatility, inadequate access to affordable and reliable infrastructure, such as electricity, transport and water supply, stringent international sanitary regulations and a shortage of labour skills. To spur industrialization, the Government is emphasizing its sustainable Special Economic Zones programme, the Growth at Home Strategy, promoting and facilitating local and foreign investments and new ventures.

By investing in SDG 9.1 (Industry, Infrastructure and Innovation), Namibia can improve on its current employment challenges and shift its key priorities to the eradication of poverty, reducing inequality, improving the business environment and encouraging local entrepreneurship. Such initiatives, complemented with continued state support for new industries, such as green hydrogen, will increase the economy's ability to absorb its ever-increasing youth population into the workforce.



Explore the interlinkages at:

<https://data.undp.org/sdq-push-diagnostic/NAM/synergies-and-tradeoffs>

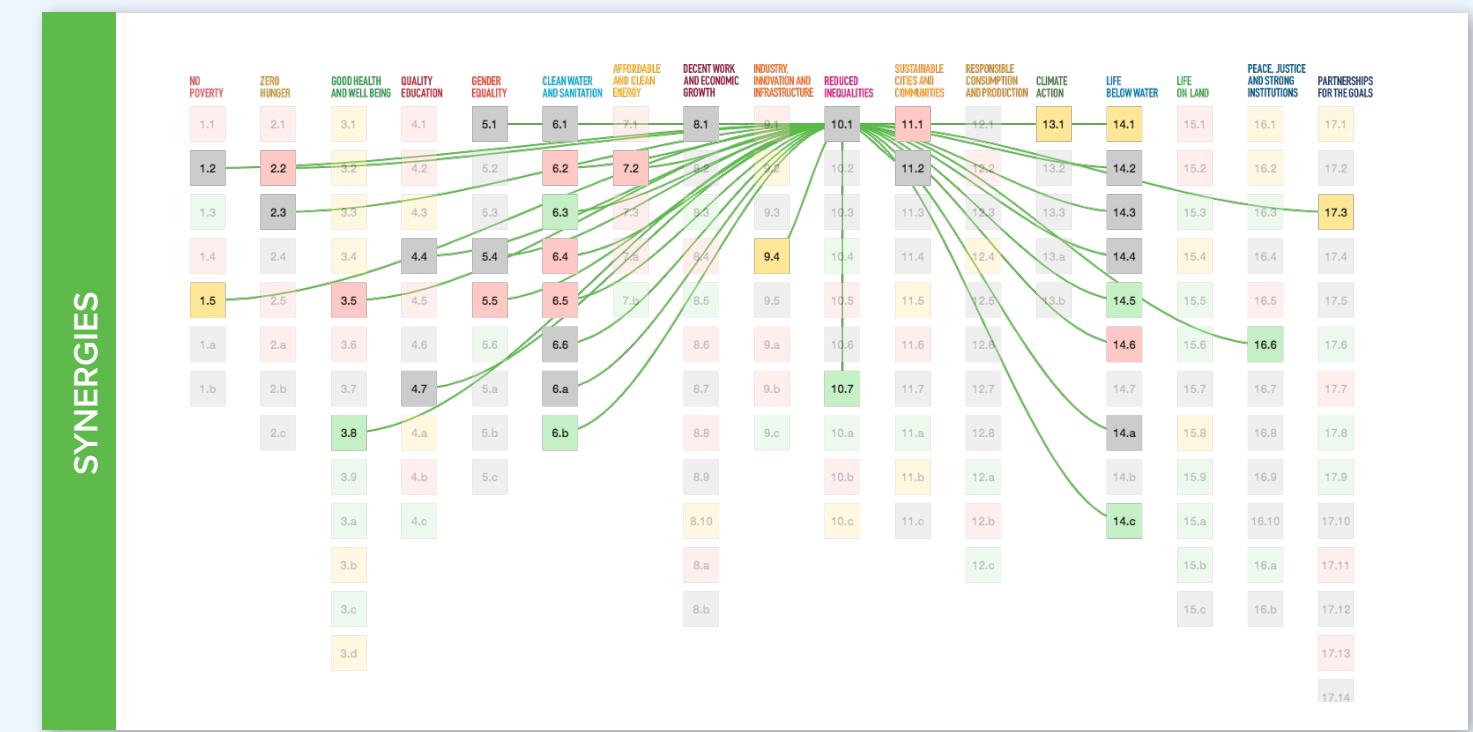
# SDG INTERLINKAGES

**10.1: Progressively achieve and sustain the income of the bottom 40 percent of the population at a rate higher than the national average**

Namibia is ranked as one of the most unequal countries globally, as evidenced by its high Gini coefficient of 57.6 in 2015. This social imbalance is explained by a historical legacy of apartheid, unequal land distribution and inequitable access to resources and opportunities.

To tackle these issues, the Namibian Government has implemented policies, such as the Affirmative Action (Employment) Act and the Land Reform Programme, which aim to address historical injustices and to promote inclusive growth. Furthermore, the National Planning Commission's Vision 2030 and National Development Plans prioritize inclusive and equitable development to bridge gaps and to uplift marginalized communities thereby presenting opportunities for meaningful progress in reducing inequalities.

To address SDG target 10.1 , Namibia should prioritize tackling the underlying issues that contribute to inequities and impede shared prosperity. In that regard, it is crucial to address geographical disparities, both in terms of economic opportunities and access to social services. By reducing poverty and promoting shared prosperity, Namibia can work towards a more just society.



Explore the interlinkages at:

<https://data.undp.org/sdq-push-diagnostic/NAM/synergies-and-tradeoffs>

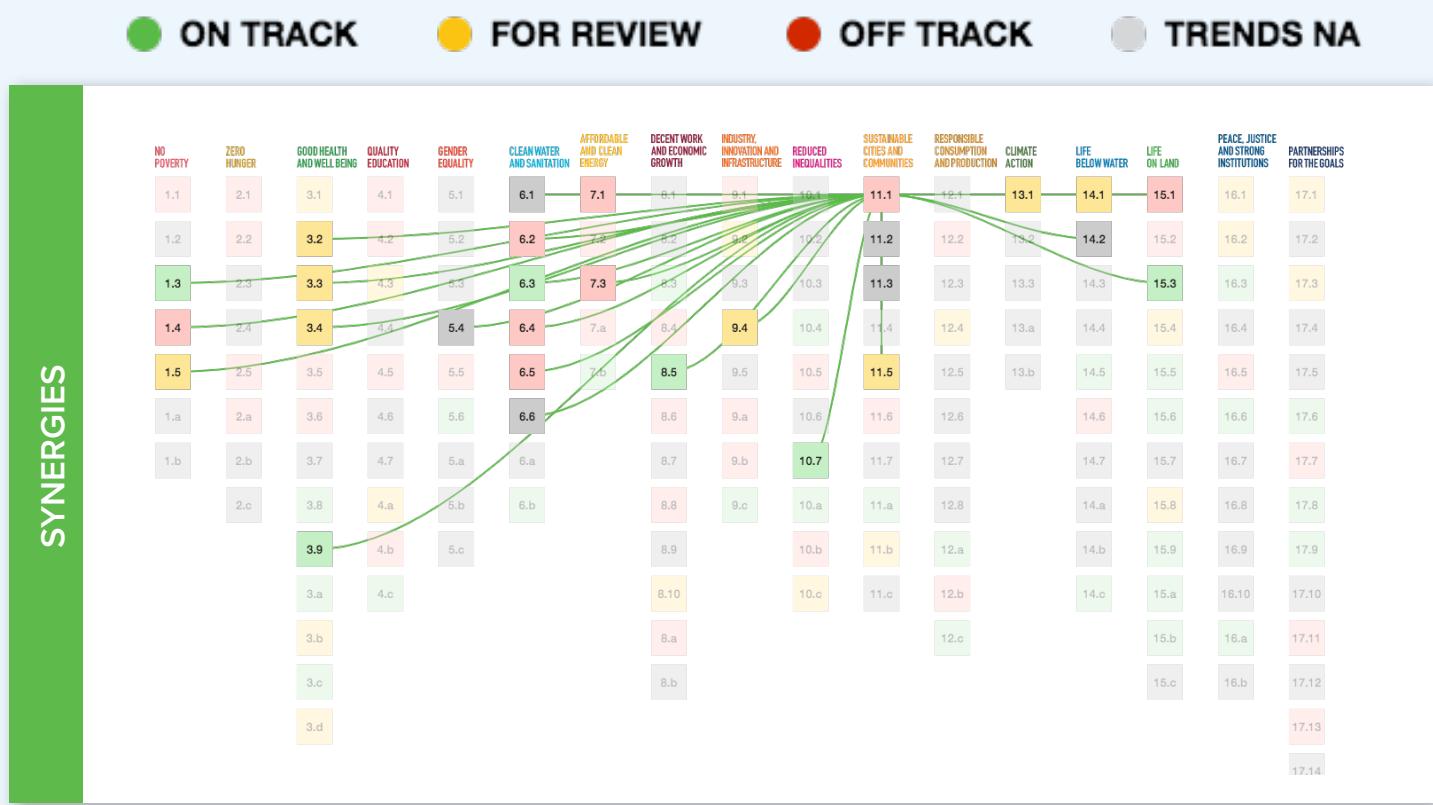
# SDG INTERLINKAGES

## **11.1: Ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums**

Urbanization and rapid population growth present challenges in providing adequate housing, basic services and infrastructure in Namibia's cities. To tackle these issues, the Namibian Government has implemented policies, such as the National Housing Policy and the Slum Upgrading and Prevention Policy, which aim to improve housing conditions and upgrade informal settlements.

Progress in achieving SDG 11 (sustainable cities and communities), aligns with Namibia's national priorities for social progress, as outlined in the Harambee Prosperity Plan II (HPPII). Specifically, it supports the goal of providing urban land, housing and sanitation. However, gaps still exist in the current policy response. Stronger coordination between sectors is needed to address urban challenges comprehensively.

In addition, efforts are called for to integrate sustainable transportation systems and to enhance disaster preparedness to ensure resilient and sustainable urban development. Investing in Target 11.1 can both advance the objectives of HPP II, emphasizing the importance of enhancing the quality of settlements and ensuring access to essential services, such as electricity, water, sanitation, education, health care, roads and internet connectivity and access.



*Explore the interlinkages at:*

<https://data.undp.org/sdg-push-diagnostic/NAM/synergies-and-tradeoffs>

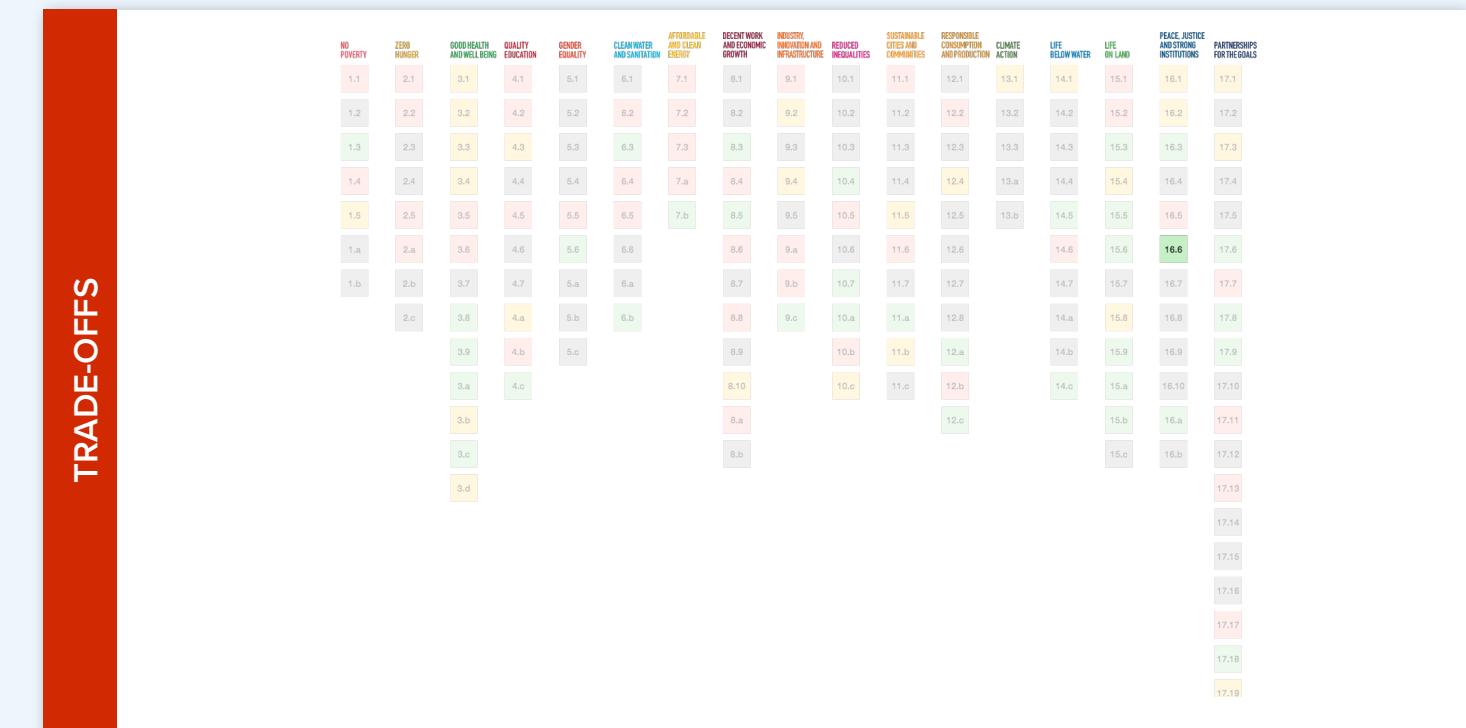
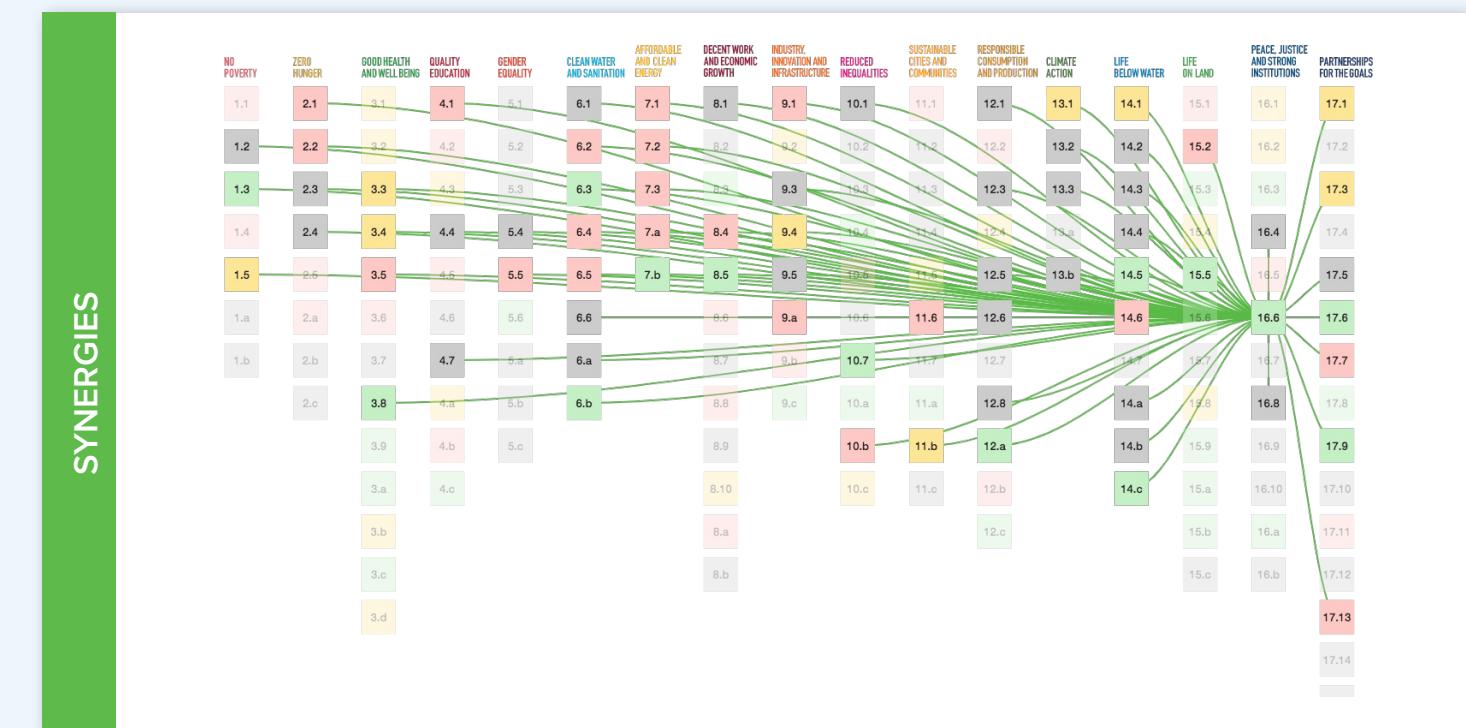
# SDG INTERLINKAGES

## 16.6: Develop effective, accountable and transparent institutions at all levels

In Namibia, approximately 67% of the population are satisfied with the public services they receive. By focusing on SDG 16 (peace, justice and strong institutions) and, in particular target 16.6, measures can be a booster shot needed to promote inclusive economic growth, ensure quality, effective and equitable access to public services to the poor.

Investing in SDG 16 will also inject the necessary momentum toward the focus on human rights, including strengthening national human rights institutions. This means that Namibia could set a higher ambition with strong mechanisms of accountability in strengthening public service performance management systems. When this happens, it will have a renewed urge to collectively deliver on the development aspirations of the country, in the spirit of “Harambee – pulling together in the same direction”. a positive multiplier effect on other SDGs.

● ON TRACK      ● FOR REVIEW      ● OFF TRACK      ● TRENDS NA



# FUTURES SCENARIOS

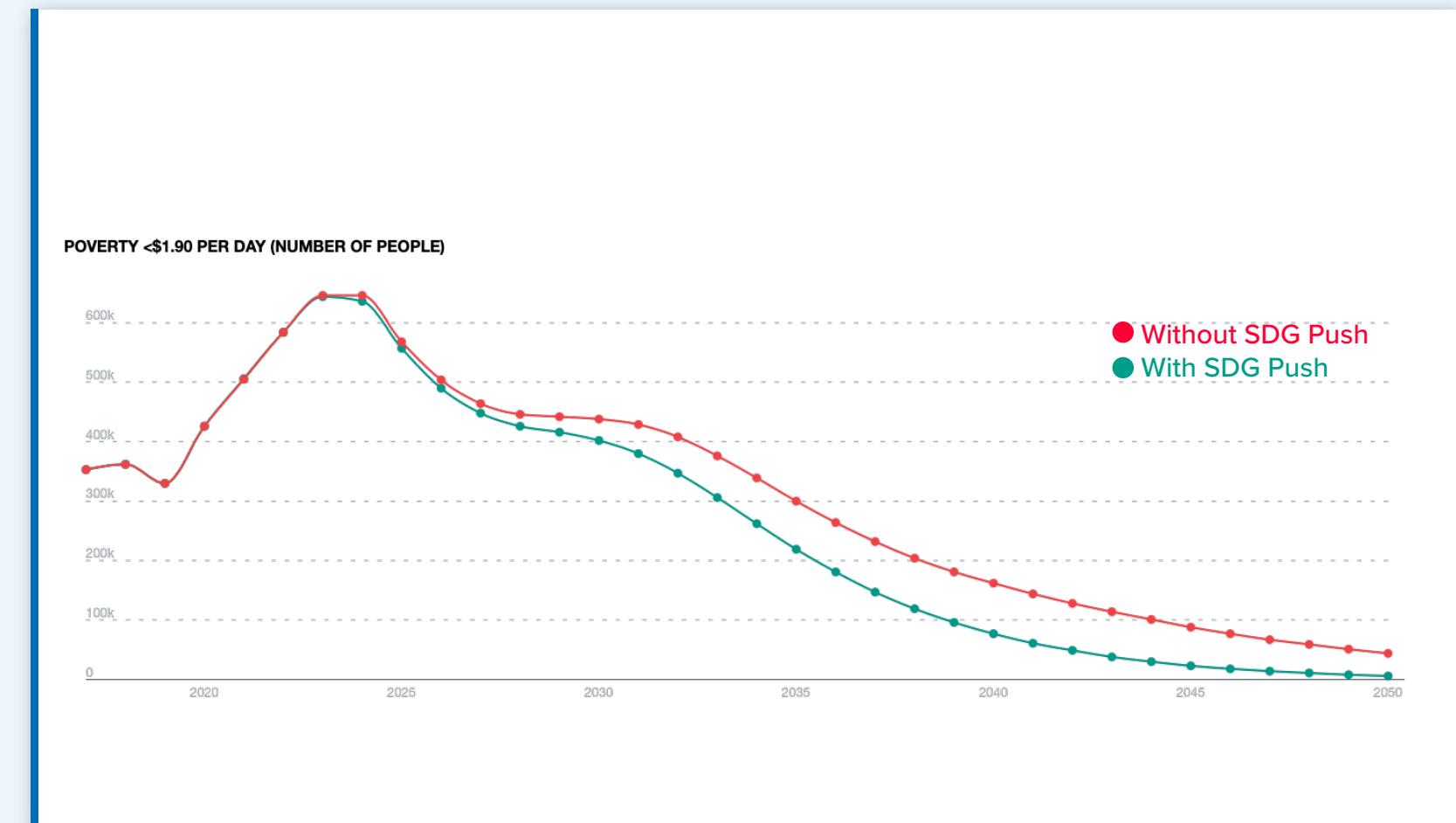
Achieving the SDGs is possible.

The ‘SDG Push’ is a futures scenario based on 48 integrated accelerators in the areas of Governance, Social Protection, Green Economy and Digital Disruption. It uses national data to explore the impact on human development by 2030 and by 2050 across key SDG indicators.

Incorporating ‘SDG Push’ accelerators into development interventions in Namibia can reduce the number of people living in poverty over time.

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People living in poverty	By 2030	By 2050
Without the SDG Push	440,000	44,000
With the SDG Push	400,000	6,000



**Explore SDG Futures Scenarios at:**

<https://data.undp.org/sdg-push-diagnostic/NAM/future-scenarios>

# FINANCE & STIMULUS

Many countries are facing reduced fiscal space, high debt levels, rising interest rates and downgrades on credit ratings. Fiscal and financial constraints tend to slow or even reverse SDG progress.

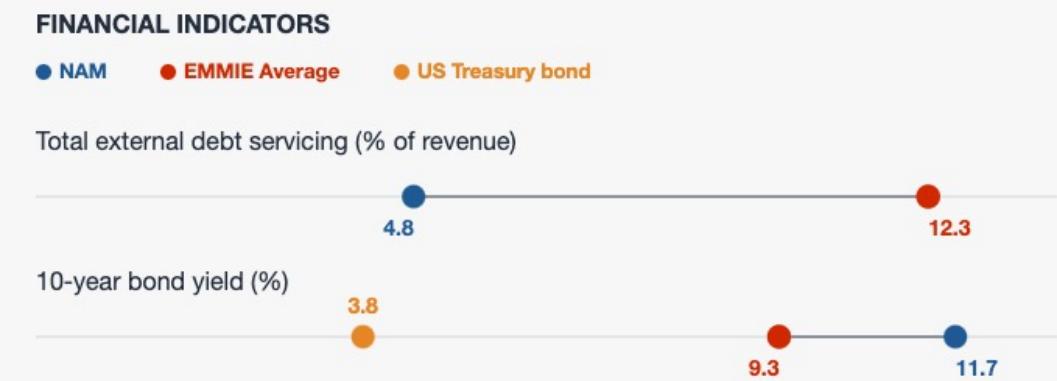
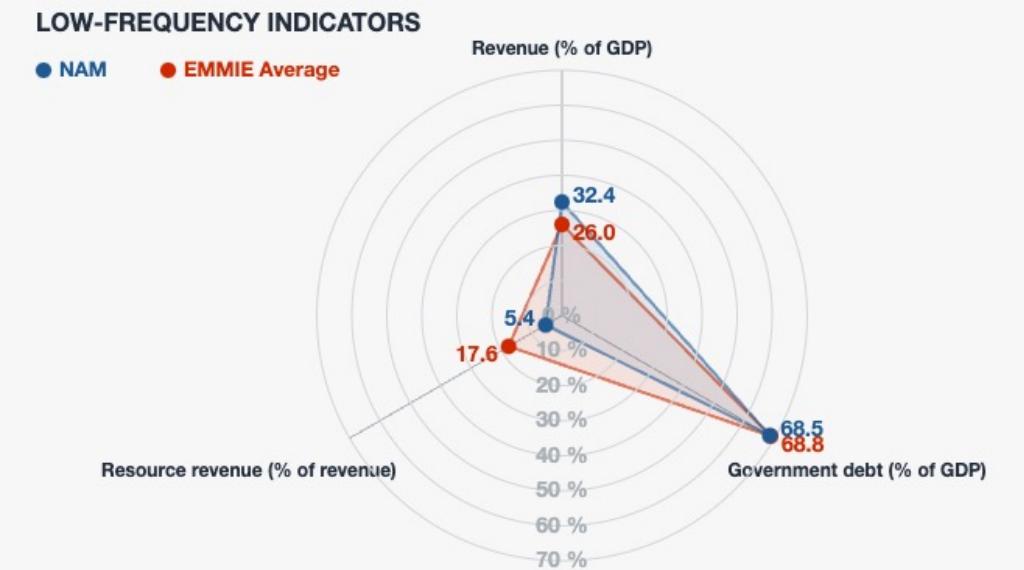
The radar diagram shows low frequency data points linked to government revenue and debt as a proportion of GDP as well as the natural resource share of total revenue. The financial indicator graphs show external debt servicing relative to revenue as well as the 10-year bond yield. Namibia's gross government debt is expected at 68.5% of GDP in 2023 and thus very close to the emerging market and middle-income economies (EMMIE) group average of 68.8%. With an expected revenue/GDP ratio of 32.4% this year, Namibia comparably collects more revenue as a percentage of GDP than its peers with an average of 26%.

Namibia's external debt servicing relative to revenue is comparatively low at an expected 4.8% this year versus an average of 12.3% for the EMMIE group. The country's 10-year bond yield is comparatively high at 11.68%, which is 2.4 percentage points (pp) higher than the EMMIE average and higher by 7.9 pp to a 10Y US Treasury bond. Despite the low level of external debt serving ratio compared to other EMMIE, additional interest rate increases would raise the cost of financing the deficit and servicing government debt, making fiscal consolidation difficult. Furthermore, if downside risks to economic conditions are realized, revenue outturns may be below ambitious targets amid rising pressures on spending given high unemployment rates and other socioeconomic problems.

Namibia is using an Integrated National Financing Framework to address key fiscal and financial constraints and build a more sustainable financial architecture at the national level. Priority areas of action have been identified in the areas of Domestic revenue mobilisation (tax and non-tax), Tax administration, Public expenditure, Budgeting, Public debt, Development cooperation, Business environment/ investment promotion, Financial sector, Access to finance/ MSME financing, Fintech/ digital finance, Philanthropy/ NGOs. E.g., optimizing income tax schedule, VAT, and revenues from natural resources; updating sovereign debt management strategy; improving digital finance infrastructure, policy and regulation, ecosystem innovation; evaluating the introduction of specific Special Economic Zones/cross-border economic zones for high-priority economic industries (including

Green Hydrogen / Green Ammonia and the agricultural sector, etc.).

INTEGRATED SDG INSIGHTS - NAMIBIA



Notes: External debt covers public and publicly guaranteed debt. The EMMIE average of resource revenue (% of revenue) includes the 60 economies that reported data for that indicator, that of 10-year bond yield (%) includes 30.

Sources: UNU-WIDER GRD (resource revenue, data from 2020), IMF WEO April 2023 (debt and revenue, forecasts for 2023), debtjustice.org.uk (external debt, data from 2023), worldgovernmentbonds.com and Haver Analytics (yields as of 8 June 2023).

# SDG STIMULUS

The [UN Secretary General's SDG Stimulus Plan](#) lays out a blueprint for action within the existing financial architecture. It includes:

- Providing liquidity to support recovery in the near term
- Enhancing debt relief for vulnerable countries
- Expanding development financing by MDBs
- Aligning financial flows with the SDGs and the Paris Agreement, according to country-level priorities and needs, for example through the roll-out of the UN Integrated National Financing Framework (INFFs).

An integrated National Financing Strategy for Namibia will strengthen domestic revenue mobilization and diversify sources of finance, unlock the potential of green and blue bonds and boost private sector investment in sustainable projects. Given these factors, the following identified interlinkages are the mechanisms identified in the SDG Stimulus:

- Tax and revenue reform by leveraging digital technology
- Debt for SDGs (SDG bonds, debt sustainability, green and blue bonds, and other instruments)
- Climate finance
- Blended finance and public-private partnerships
- SDG-aligned business environment and investment (SDG Investor Map)
- Accessing financial markets and insurance
- International cooperation-South-South and Triangular Cooperation
- Leveraging the benefits and opportunities of the African Continental Free Trade Area through export development and economic diversification.

## United Nations Secretary-General's SDG Stimulus to Deliver Agenda 2030

FEBRUARY 2023



# METHODOLOGY

Click [here](#) to view the Methodological Note for the Integrated SDG Insights



## SDG MOMENT

### Methodology

Assesses challenges and opportunities in national growth trajectories with insights on environmental sustainability and inclusiveness.

### Data Sources

Future trajectories to 2025 are based on IMF-WEO GDP projections, distributions of per capita income or consumption from the World Bank, and CO<sub>2</sub> emissions from the Global Carbon Budget 2022 and EDGAR (JRC and IEA).



## TRENDS & PRIORITIES

### Methodology

SDG trends tracks progress from 2015 to date for the 231 indicators. National priorities are analysed using machine learning to reveal the most prominent SDGs referenced in national policy documents.

### Data Source

Trends utilizes official [UN statistics](#) to assess [SDG progress](#), supplemented with national data when available. Priorities uses a custom-built model for SDG classification. The policy documents analyses are provided by Governments.



## INTERLINKAGES

### Methodology

Global target-level interlinkages are drawn from the [KnowSDGs Platform by European Commission](#). SDG interlinkages were retrieved through a structured literature review in Scopus and Google Scholar to tap both grey literature and peer-reviewed publications as a source of information.

### Data Source

The exercise globally considered a total of 454 documents published from 2015 to August 2022. ([Miola et al., 2019](#) updated in [2021-2022](#))



## FINANCE & STIMULUS

### Methodology

Provides insight into indicators of fiscal and financial stress with options (INFF) for stimulus and other means to accelerate progress.

### Data Source

Most recent resource data from UNU-WIDER GRD (between 2018 and 2021), debt and revenue from IMF WEO (between 2020 and forecasts for 2023), external debt from IDS (2023), yields from Haver Analytics (8 June 2023), credit ratings from S&P, Moodys and FITCH (2023), and DSA ratings from World Bank/IMF (31 May 2023).