

24 May 2024

MEDIA STATEMENT

# NAMIBIAN CABINET DECISION - 21 MAY 2024 - GRANTING APPROVAL FOR THE MINISTRY OF HOME AFFAIRS, IMMIGRATION, SAFETY AND SECURITY TO IMPOSE A VISA REGIME ON ALL COUNTRIES THAT DO NOT HAVE RECIPROCAL ARRANGEMENTS IN PLACE WITH NAMIBIA

## SACRIFICING NAMIBIAN TOURISM ON THE ALTAR OF RECIPROCITY? A MISGUIDED MOVE WITH SEVERE CONSEQUENCES

On 21 My 2024, the Namibian Cabinet decided to impose visa regimes on countries that do not have reciprocal arrangements with Namibia. This raises serious concerns. According to local reports (The Brief Newsletter, 23 May 2024), Namibia currently has visa exemptions for approximately 55 countries, only 18 of which have reciprocal arrangements with Namibia. This means 37 countries could be directly impacted by this decision. It includes countries who make up the bulk of foreign tourists who regularly visit Namibia and spend their hard-earned cash here.

On 09 February 2024, the Namibian Government, supported by the United Nations, unveiled the 6th edition of its Tourism Satellite Account Report (TSA Report). The TSA Report shows that tourism

- (i) is a significant contributor to Namibia's economy;
- (ii) contributed 6.9% to Namibia's GDP in 2022, equating to N\$14.3 billion;
- (iii) is a significant employer, generating 57,571 direct jobs
- (iv) represents almost 8% of total employment in Namibia.

According to a recent survey, an estimated 42% of Namibians are currently unemployed and actively looking for work. This places Namibia in the unenviable position of being the country with the highest unemployment rate in the world - by a big margin. South Africa is second, with an unemployment rate of 33%. Given these economic realities, it is troubling that

Cabinet decided to introduce restrictions on one of the few sectors that still offers active employment to desperate Namibians. It is short-sighted and fails to consider the consequences for the Namibian economy.

#### Reciprocity

While Cabinet will no doubt claim that this move is aimed at encouraging reciprocity, and perhaps also earn some (albeit fairly insignificant) additional income for Namibia, it fails to acknowledge the underlying reasons behind the lack of visa reciprocity by some other countries.

For example, Namibian nationals used to enjoy visa free travel to Canada and the United Kingdom. On 19 July 2023, the UK Government announced that Namibian nationals will need a visa before visiting the UK. The reason was a significant increase in the number of UK asylum applications by Namibian nationals, especially since 2016.

Much earlier, on 11 September 2012, Canada revoked visa-free travel by Namibian nationals. Some of the reasons cited by the Canadian Government at the time included security risks by using different passports, human trafficking, especially of minors, and fraudulent documents. The most pressing concern however was the unacceptably high number of asylum claims from Namibian nationals, who had the highest immigration violation rate of all African countries, with eighty-one percent in 2011. Seventy-one percent of travellers from Namibia made asylum claims in 2011. A Minister in the Canadian Government is quoted as stating that "These changes are necessary because all the countries concerned have an immigration violation rate of over thirty percent, well above the level we deem acceptable for countries benefiting from a visa exemption."<sup>1</sup>

It is not clear what Namibia has done to alleviate these concerns. Reciprocity is a complicated process that involves many factors. It is not simply a matter of introducing visa restrictions, and other countries in response lifting theirs. It can lead to a negative economic impact, without bring about visa reciprocity.

ERPA issued several reports on government policies which have, since 2016, caused substantial reduction in investment, hampered private sector growth and resulted in increased unemployment.<sup>2</sup> Instead of addressing these obstacles, which contribute to

<sup>&</sup>lt;sup>1</sup> <u>https://www.canada.ca/en/news/archive/2012/09/canada-imposes-visas-st-lucia-st-vincent-namibia-botswana-swaziland.html</u>

<sup>&</sup>lt;sup>2</sup> These reports can be retrieved at <u>www.epra.cc/downloads</u>

Namibia being unattractive for foreigners and Namibians alike, Namibia continue to introduce more obstacles.

The results of a snap survey amongst 500 Namibian business<sup>3</sup> reveal that:

- 91% believe the proposed visa restrictions will harm the tourism industry;
- 87% believe that the proposed visa restrictions will harm the economy in general; and
- 80% believe that the proposed visa requirements will increase unemployment.

### Conclusion

Namibia's economy relies heavily on its (currently) thriving tourism sector, which is a major employer, foreign exchange earner, and contributor to what little economic growth there is. The imposition of tourist visa requirements on many countries can have a severe negative impact on this vital sector, as it may deter potential visitors from the affected countries and could lead to a significant decrease in tourist arrivals. Many of the targeted countries have been key source markets for our tourism sector, and this move will only serve to alienate them and drive them to other (more visa-friendly) destinations. Some of our regional partners, like Botswana and South Africa, will have fewer visa restrictions. By introducing unnecessary obstacles, Namibia makes itself less attractive, not only on global level, but also regionally.

EPRA calls upon the Namibian government to reconsider its decision and engage in constructive dialogue with non-visa reciprocating countries to resolve the underlying issues. By working together to address concerns and fostering a more cooperative approach, Namibia can protect its vital tourism sector and maintain its strong ties with key source markets. EPRA therefore strongly urges Government to adopt a pro-business, best practice, evidence-based approach when it comes to policy formulation and implementation, rather than recycling half-truths and disinformation for political expediency - which can only lead to economic ruin.

Yours faithfully

Eben de Klerk On Behalf of EPRA Management Committee

<sup>&</sup>lt;sup>3</sup> Conducted by EPRA on 24 May 2024 using the Surveymonkey platform.

#### To the editor:

EPRA was established as a voluntary association in 2017. EPRA's objectives are to advocate for pragmatic, sustainable, pro-growth and investment friendly economic policy. By extension, EPRA advocates for pragmatic job creation and reducing inequality of opportunity. EPRA published several reports on proposed legislation which we believe are unconstitutional and toxic to economic growth.

For more on past reports by EPRA visit <u>www.epra.cc/downloads</u>

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