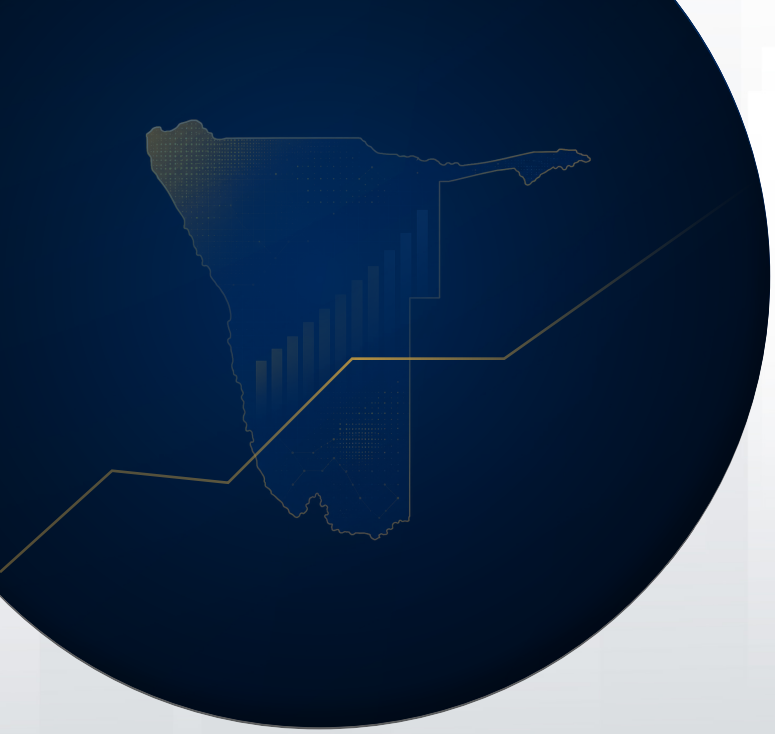
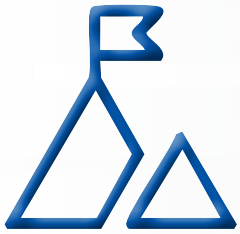
Namibia Financial Inclusion Survey

Namibia Statistics Agency



2025

Namibia Financial Inclusion Survey (NFIS)



Mission Statement

"In a coordinated manner we produce and disseminate relevant, quality and timely statistics that are fit-for-purpose in accordance with international standards and best practice"

Vision Statement

"Be a high-performance institution in statistics delivery"

Core Values

Performance
Integrity
Service focus
Transparency
Accuracy
Partnership

Foreword

Financial inclusion remains a cornerstone for achieving inclusive economic growth, poverty reduction, and improved livelihoods in Namibia. It ensures that individuals and households have access to appropriate, affordable, reliable financial products and services that enable them to manage their financial lives effectively. As articulated in national development frameworks, including the Namibia Financial Sector Strategy (2025–2035), financial inclusion continues to be a key driver of sustainable development and economic resilience.

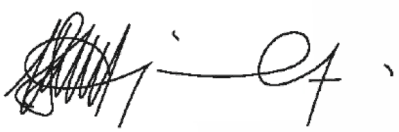
The 2025 Namibia Financial Inclusion Survey (NFIS) represents a continuation of the country's commitment to generating high-quality, demand-side data on financial inclusion. Building on previous survey rounds conducted in 2004, 2007, 2011, and 2017, this 5thsurvey provides updated insights into the levels of access to and utilisation of financial services among Namibia's adult population. It also highlights emerging trends, opportunities, and challenges within the financial sector.

This report presents key indicators of financial inclusion, including access to financial services, use of financial products, financial capability, and risk management practices. It further identifies the drivers and barriers influencing financial inclusion, thereby providing critical evidence to inform policy formulation, strategic planning, and targeted interventions to expand financial access and deepen usage.

The 2025 NFIS was conducted by the Namibia Statistics Agency (NSA) in accordance with the Statistics Act, 2011 (Act No. 9 of 2011), with valuable support from the Bank of Namibia, the Financial Literacy Initiative, and technical assistance from FinMark Trust. The successful implementation of the survey was made possible through the collaboration of key stakeholders, field staff, and, above all, the households and individuals who participated.

The NSA extends its sincere gratitude to all partners and stakeholders whose contributions supported successful execution of this survey. Special appreciation is also extended to regional and community leaders for their support in facilitating fieldwork and promoting community cooperation.

The anonymised microdata generated from this survey will be made available to the public to encourage further research and analysis. It is our expectation that this report will serve as a valuable resource for policymakers, regulators, financial institutions, researchers, and development partners in advancing Namibia's financial inclusion agenda.



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List of Acronyms

ATM	Automatic Teller Machine
BBA	Basic Bank Account
BON	Bank of Namibia
CAPI	Computer Aided Personal Interview
FMT	FinMark Trust
GDP	Gross Domestic Product
GIPF	Government Institution Pension Fund
MMF	Money Market Funds
NamPost	Namibia Post
NBFI	Non-Banking Financial Institutions
NFIS	Namibia Financial Inclusion Survey
NFSTS	Namibia Financial Sector Transformation Strategy
NQAFS	Namibia Quality Assurance Framework for Statistics
NHE	National Housing Enterprise
NPSB	NamPost Savings Bank
NSA	Namibia Statistics Agency
PSU	Primary Sampling Unit
SACCOs	Savings and Credit Cooperative Organisations
SG	Statistician General
SSC	Social Security Commission

Executive Summary

The 2025 Namibia Financial Inclusion Survey (NFIS) provides the most comprehensive and up-to-date status of financial inclusion in Namibia, building on previous surveys to track progress over time. This report presents the main findings of the survey conducted across all 14 regions of Namibia in selected areas. The survey provides nationally representative estimates of financial inclusion indicators for individuals aged 15 years and above, offering the latest evidence on access to, and usage of, financial services. The results highlight notable progress in expanding access to formal financial services, while also identifying persistent gaps related to usage and digital adoption.

Financial Inclusion: The 2025 NFIS findings indicate that 86.0 percent (1 563 688) of Namibian adults are financially included, reflecting the proportion of the population that uses either formal and/or informal financial products and services. This marks an increase from 78.0 percent in 2017, bringing approximately 425 785 more adults into the financial inclusion fold. Of those financially included, 81.5 percent are formally served, comprising 75.6 percent served by commercial banks and 71.3 percent served by other non-bank formal institutions, whilst 27.7 percent make use of informal financial mechanisms.

In the urban/rural comparison, financial inclusion is higher among the urban population, at 91.7 percent, compared to 79.3 percent in rural areas. Similarly, by gender, females (87.6%) exhibit higher levels of financial inclusion than males (84.2%). Gender and urban/rural gap decreased by 3.4 percent and 12.4 percent respectively, reflecting progress in reducing disparities, though rural and male populations remain relatively more excluded.

Drivers of financial inclusion: Banking in Namibia is primarily driven by savings products and services, as well as transactional activities and remittances. About 75.6 percent of the adult population holds bank accounts, while 18.3 percent reported having a smart card account. The main advantages cited for owning accounts include the safety of money from theft (63.6%), ease of sending money (52.3%), and security of remittances (47.3%). Among those without bank accounts, the most common reason given was insufficient funds to maintain savings, reported by 43.2 percent of respondents.

One in three adults (35.1%) travel between 30 and 60 minutes to reach a bank, while 13.9 percent travels for more than 3 hours to reach a bank. For urban and rural areas comparison, about 40.1 percent of urban population reach a bank within 30 minutes, compared to only 5.7 percent in rural areas. In contrast, more than one-quarter (28.3%) of rural population travel over three hours to access a bank, compared to just 1.6 percent of their urban counterparts.

Digital banking and mobile financial services are helping to reduce the need for long bank visits, bridging access gaps, particularly for rural populations who face the greatest travel burdens. At the same time, ownership of identification documents such as ID/passports, a key requirement for accessing formal banking products/services, is high at 90.5 percent.

Savings: Savings remain a key component of financial inclusion in Namibia. Approximately 72.5 percent (1 317 147) of the eligible population engage in savings across all forms. However, saving through formal mechanisms declined from 60.0 percent in 2017 to 53.2 percent in 2025, while informal savings increased slightly from 2.9 percent to 3.5 percent over the same period. In terms of gender, a marginal difference is observed, with 72.7 percent of females reporting that they save compared to males (72.2%).

Credit and Borrowing: The 2025 NFIS results indicate that 49.0 percent of adults borrow money across all forms, reflecting an increase from 42.1 percent in 2017. Nevertheless, 51.0 percent of the eligible population reported not borrowing, with the majority (67.5%) citing fear of debt as the main reason. Among those who borrow, the primary purposes include food (51.3%), education (22.1%), and transport (16.4%), among others, highlighting the role of credit in meeting essential household needs. When selecting credit or loan products,

Namibians mainly consider recommendations from family, friends, and community members (48.4%), as well as low fees or charges (37.7%).

The use of debt counsellors in Namibia remains almost non-existent, reported at only 1.0 percent, reflecting a similar trend observed in 2017. However, among those who did seek assistance from debt counsellors, all reported that the services provided were useful.

Insurance: Overall, insurance uptake in Namibia remains relatively low, with 32.7 percent (593 842) of adults covered across all forms. Of this, 30.9 percent (562 309) are covered through formal insurance, while 1.7 percent (31 533) relied on informal insurance mechanisms. Most adults (67.3%) did not have any insurance products or services, with most citing affordability as the main reason. This leaves most of households vulnerable to financial shocks.

Remittances: A substantial proportion of both males (36.7%) and females (43.3%) reported not using any remittance products in the six months preceding the survey; however, among those who do remit, the most used channels were formal remittance products, reported at 58.5 percent. Out of all adults remitting, 94.1 percent are remitting local and only 5.9 percent are remitting across borders.

Financial exclusion: Despite notable progress observed in expanding financial inclusion, the 2025 NFIS results show that 14.0 percent of Namibian adults remain financially excluded, a decline from 22.0 percent in 2017. However Financial exclusion continues to disproportionally affect low-income and rural populations largely due to persistent access and affordability constraints. In the urban–rural comparison, financial exclusion is higher in rural areas, at 20.7 percent, compared to 8.3 percent in urban areas. By gender, males (15.8%) are more financially excluded than females (12.4%). These findings highlight that while overall exclusion has declined, structural disparities remain.

The survey also examined the demographic characteristics of the eligible population. The results indicate that the estimated eligible population increased from 1 457 919 in 2017 to 1 818 168 in 2025. Most of the population remains female, accounting for 52.4 percent, compared to 47.6 percent males. In terms of education, secondary education is the most reported highest level of attainment at 56.0 percent, while 8.3 percent have completed tertiary education.

Most eligible Namibians mainly earn income through salaries/wages from private companies (15.5%), followed by government old age pension (14.6%) and salary/wages from government/parastatals (14.1%). Further analysis shows that about half (48.9%) of income earners receive their income in cash, while 43.5 percent receive income through bank accounts and only 6.4 percent through bank wallets, highlighting the continued reliance on cash transactions despite growing access to formal financial service. In addition, most of the eligible population (54.1 %) earn up to N$ 2 000 per month.

The proportion of the adult population who find it difficult to keep up with financial commitments has decreased from 68.5 percent in 2017 to 63.0 percent in 2025, while only 25.4 percent reported that they are often able to make their income last until their next income, underscoring ongoing challenges in household financial management and stability.


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Chapter 1: Introduction

1.1 Introduction and background information

Financial inclusion is widely recognized by key stakeholders in the financial service sector as a critical enabler of inclusive economic growth, poverty reduction, and improved livelihoods. In Namibia, ensuring access to appropriate, affordable, and reliable financial services remains a key policy priority, particularly for underserved and vulnerable populations. The government's commitment is reflected in national visions and frameworks, including the Namibia Financial Sector Strategy (2025–2035), which prioritizes expanding access to financial services, enhancing financial capability, and promoting inclusive economic participation.

To assess progress, Bank of Namibia commissioned the implementation of the 5th 2025 Namibia Financial Inclusion Survey, which builds on previous survey rounds, including the 2011 and 2017 surveys. Financial inclusion, in this context, refers to a process of ensuring equal access to financial services and products by all members of society, including vulnerable members such as women, youth and low-income households at an affordable cost. The survey provides comprehensive insights into how individuals manage their finances, interact with financial institutions, and cope with financial risks. It also captures attitudes and perceptions regarding money management, financial products and services, as well as information regarding demographic and lifestyle characteristics.

Aligned with national policy frameworks, the 2025 NFIS provides important evidence base for policymakers, regulators, and other stakeholders to monitor progress, identify gaps, and inform targeted interventions that support national development planning and financial inclusion objectives.

1.2 NFIS Objectives

The key objective of the 2025 NFIS was to measure and profile levels of access to and use of financial services by all adults, across different income groups and demographic characteristics, and to make this information available to key stakeholders such as policymakers, regulators, and financial service providers. Building on previous surveys conducted in 2004, 2007, 2011, and 2017, the current survey updates baseline indicators, assesses changes, and generates additional evidence to inform and strengthen the financial inclusion agenda in Namibia. The specific survey objectives were to:

- Measure the levels of financial inclusion (including formal and informal usage).
- Describe the landscape of access (type of products and services used by financially included individuals).
- Identify the drivers of, and barriers to, the usage of financial products and services.
- Track and compare results and provide an assessment of changes and reasons thereof (including possible impacts of interventions to enhance access).
- Stimulate evidence-based dialogue that will ultimately lead to effective public/private sector interventions that will increase and deepen financial inclusion strategies.
- Provide information on new opportunities for increased financial inclusion and usage.

1.3 Users and use

The 2025 NFIS serves as an important statistical instrument for generating official data on financial inclusion in Namibia. The results are intended to support evidence-based policymaking, planning, and monitoring of financial sector development initiatives.

The 2025 NFIS assists in establishing credible benchmarks and indicators of financial inclusion, while at the same time providing insights into market obstacles to growth and highlighting opportunities for policy reform

and innovation in product development and delivery. The survey findings can therefore be of value to the following users:

- Policy makers who wish to develop policies aimed at improving the functioning of financial markets;
- Private service providers who can design product strategies around the segmentation and trends highlighted by the data; and
- Donors and non-governmental agencies who wish to support increased financial inclusion for specific population groups.

Together, these users form a critical ecosystem that can translate the evidence generated by the NFIS into practical interventions that strengthen financial inclusion and economic resilience in Namibia.

1.4 Legal Basis

The 2025 Namibia Financial Inclusion Survey (NFIS) was conducted by the Namibia Statistics Agency (NSA), with support from the Bank of Namibia (BoN), the Financial Literacy Initiative (FLI), and with technical assistance from FinMark Trust of South Africa. The survey was conducted in accordance with the provisions of the Statistics Act, 2011 (Act No. 9 of 2011). In line with this Act, all information collected that may be linked to individuals or households is treated with strict confidentiality and used solely for statistical purposes.

1.5 Methodological note on target population

Unlike the previous rounds of the survey, the 2025 NFIS included persons aged 15 years and above as part of the target population, in line with technical guidance provided at the time of implementation. The inclusion of persons aged 15 years reflects their increasing participation in financial activities, particularly through mobile money, savings practices, and other informal financial tools, making their inclusion important for capturing early financial behaviors. This approach also aligns with the legal framework, as the minimum age to open a bank account in Namibia is 16 years, thereby ensuring that the survey captures individuals who are approaching entry into formal financial inclusion. This age group constitutes approximately 3 per cent of the population aged 15 years and above.

Furthermore, unlike in the previous rounds of the NFIS, in this report, the analysis retains individuals aged 15 years and above. Therefore, the 2025 NFIS results should be compared to the 2004, 2007, 2022 and 2017 with caution, considering this difference in the target population. .

1.6 Survey Design and Implementation overview

The 2025 NFIS sample was designed to produce representative estimates of key financial inclusion indicators at national and urban/rural areas only. The survey covered individuals residing in selected private households across all regions of Namibia.

Data was collected using a structured questionnaire covering key thematic areas such as access to financial services, usage patterns, financial capability, and risk management practices. The survey was implemented through face-to-face interviews using electronic data collection methods, which enhanced data quality through built-in validation rules and real-time monitoring of fieldwork.

Field operations were carried out by trained interviewers under close supervision, following standardised procedures to ensure consistency and reliability in data collection.

A scientifically designed sampling approach was employed to ensure representativeness of the results at national level. Detailed information on the sampling design and estimation procedures is provided in the technical report attached to this report.

Prior to the main data collection, a pilot survey was conducted in Khomas region from 21 July to 3rd August 2025, covering a total of 2 Primary Sampling Units (PSUs), one in urban (Auasblick) and another in rural (Dordabis), to test the questionnaire, data collection systems, and field procedures. The pilot results informed refinements to the survey instruments and operational approach, thereby improving the overall quality and reliability of the data collected. The main fieldwork was conducted in all 14 regions from 06 October to 4th November 2025, with the first 2 weeks of listing and another 2 weeks for interviews.

1.7 Data processing and quality assurance

A structured data processing and quality assurance approach was applied throughout the survey to ensure the integrity, consistency, and reliability of the data. The use of an electronic data collection system, i.e Computer Assisted Personal Interviews (CAPI) facilitated real-time validation during fieldwork through automated checks, skipping patterns, and built-in consistency controls. In addition, data was securely transmitted and centrally managed, enabling continuous monitoring of data quality throughout the data collection period.

Following data collection, a series of systematic processing procedures was undertaken. These included data cleaning and editing to address inconsistencies and incomplete responses, validation and verification through supervisory reviews and back-checks, and assessment of data completeness and logical consistency. The calibrated survey weights were also applied to ensure the representativeness of the results.

1.8 Questionnaire content

Household Roster: This first section was meant to introduce the interviewer and the survey to the household. This section furthermore collected the household members' information to enable the identification of the eligible household members and consequently selection of the individual to be interviewed.

Household Information and Demographics (Section A): The purpose of this section was to collect demographic information of the members that reside in the selected households, including information on the structure and ownership of their dwelling unit, ownership of household assets, as well as their main sources of drinking water and cooking energy.

Farming (Section B): This section collected information on farming or agricultural activities that Namibians are involved in. Farming plays a big role in the economy of the country. The section was particularly aimed at understanding the extent to which there is a correlation or not between livestock and financial security.

Income and Expenditure (Section C): This section collected information on households' expenditures and sources of households' personal income.

Access to Infrastructure (Section D): This section measured physical access to financial institutions, to understand whether the distance and time may or may not be barriers to access and use of financial services and products.

Financial Capability (Section E): This section evaluated the behaviors of the respondent when it comes to finances, including the discipline of the respondent in managing their finances. The section further assessed the respondents' level of knowledge of the financial sector, to establish the extent to which lack of this knowledge/ literacy may or may not be a barrier to their access to financial services and products. The data collected also measured the degree of access and use of formal financial products and services.

Savings (Section F): The objective of this section was to understand people's perceptions on saving money. The section evaluated if Namibians have habits of saving or investing, how these savings and/or investments are done and with which providers and why.

Borrowing (Section G): This section was meant to give an understanding of Namibians' performance when it

comes to financial debts. It collected information on individual borrowing, why people opt to borrow money and take loans, their performance in paying back the debts incurred as well as their perceptions and attitudes regarding credits/loans.

Risk and Risk Mitigation (Section H): Data collected in this section was used to evaluate the perception of Namibians in relation to unforeseen financial risks and possible strategies and/or behaviour/financial attitudes that they use to cope. The section therefore gave a view of how insurance products and services are being used by Namibians.

Remittances (Section I): This section was meant to find out whether households send or receive money from their relatives, if they do, what channels they use it and how often Namibians remit, and also to measure the usage of various channels of sending or receiving money.

Bank Penetration (Section J): This section provided information about Namibians preferences and motives to use products and services which banks and other financial institutions in the country provide. The information should be used by service providers to identify the population's needs when it comes to products being offered and consequently lead to improvement of existing products and services, or creation of new satisfactory ones.

Informal Products (Section K): This section focused on informal financial services and products available to Namibians, which ones are used and the population's general views on the use of these products.

General (Section L): The last section collected data about the respondent's overview on general matters relating to finances. It also provided information on what assets Namibians have in their household, to give an indication of standards of living for Namibians and how this could be linked to their financial behaviors and preferences.

1.9 Concepts and definitions

Broker/Agent: A broker is an individual person who arranges transactions between a buyer and a seller for a commission when the deal is executed. A broker who also acts as a seller or as a buyer becomes a principal party to the deal.

Dwelling unit: A building/structure where households live. It's a place of residence occupied by one or more households. Sometimes a household can occupy more than one building/ structure.

Eligible adult population: For the 2025 NFIS, this refers to household members who at the time of data collection, were at least 15 years old, available for the duration of the survey, and mentally/physically capable of being interviewed. These persons should have been part of the household for at least six months prior to the survey.

Financial capability: Is an internal ability to possess the necessary skills to understand, take-up and use a financial product/service effectively. For example, if an adult has a bank account but does not understand how to use electronic payments, swipe and/or take full advantage of the product they possess, they lack the financial capability to use it.

Financial commitment: Is the ability for an individual to make timely obligatory payments (for instance rental and service fees), debt repayment and without skipping and/or falling short of the required amounts. The emphasis is on time, the correct amount and without a struggle.

Financially included: This refers to adults who have/ use formal and/or informal financial products and/or services

Financially excluded: These are adults who do not have/ use any financial products and/or services – if borrowing, they rely only on friends/family; and if saving, they save at home.

Formally served: Adults who have/use financial products and/or services provided by a financial institution (bank and/or non-bank).

Informally served: This refers to adults who have/ use financial products and/or services which are not regulated, e.g. cooperatives, farmers associations, savings clubs/groups, private money lenders.

Banked: Adults who have/use financial products and/ or services provided by a commercial bank regulated by the central bank.

Served by other formal financial institutions: Adults who have/use financial products and/or services provided by regulated non-bank formal financial institutions e.g. regulated microfinance institutions, insurance companies, retail credit providers, remittance service providers.

Financial institutions: An entity either regulated or unregulated that offers services including monetary aid, insurance or facilitate transactions.

Financial product/service: A good/offering/commodity delivered or performed by a service provider (regulated or unregulated) to a consumer.

Financial Product: Financial products refer to instruments that help you save, invest, get insurance or get a mortgage. These are issued by various banks, financial institutions, stock brokerages, insurance providers, credit card agencies and government sponsored entities.

Household: A household is a person or group of persons, related or unrelated, who live together in the same homestead/ compound, but not necessarily in the same dwelling unit. They have a common catering arrangement and are answerable to the same head.

Income: The means of survival of an individual or household which could be in the form of cash or in kind.

Insurance: A financial risk management tool in which the insured transfers a risk of potential financial loss to the insurance company that mitigates it in exchange for monetary compensation known as the premium.

Micro lenders: A person or entity providing small loans to the public based on specific requirements.

Mobile money: Mobile money means electronic money that is accessed via a mobile phone. Examples of mobile money would then be E-Wallet, Easy Wallet, Blue Wallet, MobiPay Wallet etc.

Provident funds: A retirement fund where a member can draw his/her entire benefit at retirement for a cash lump sum. One third of the benefits are tax-free.

Remittances: Remittances are cross-border or domestic person-to-person transfers of relatively low value. Western Union, Money Gram are examples of cross-border remittance facilitators. Shoprite in Namibia facilitates domestic remittances.

Savings: This is the portion of the income that individuals do not spend in the period in which it is received and therefore is kept away for future use.

The Head of household: Any person of either sex who is looked upon by the other members of the household as their leader or main decision maker.

Unit trust: This refers to a fund composed of investors' money, which is invested in a variety of financial assets. When you invest in a unit trust, your money is pooled with that of other investors to form a fund, it is then invested into various assets to meet the unit trust's objectives by a fund manager.

Chapter 2: Country context: The financial services in Namibia

2.1 Sector Overview

Namibia's financial services sector is composed of three main pillars: the commercial banking industry, specialised state-owned institutions, and a large non-bank financial institutions (NBFI) sector. Oversight is shared between the Bank of Namibia (BoN) and Namibia Financial Institutions Supervisory Authority (NAMFISA). The sector is undergoing a structural transition marked by rapid digital innovation, regulatory modernization, and a strong mandate to close the gap between formal financial infrastructure and the informal economy. This transformation is aligned with Vision 2030 and the Sixth National Development Plan, aiming to build a more inclusive and resilient system.

2.2 The Banking Industry

The banking industry in Namibia is highly concentrated, with four major banks controlling more than 97 percent of assets, loans, and deposits . According to the Bank of Namibia's 2025 annual report2025, total assets stood at N$188 billion, with loans and advances accounting for two-thirds of this value. Other allocations included negotiable instruments, cash balances, trading portfolios, and fixed assets. Despite this concentration, the sector is evolving through digitalisation. Mobile and internet banking have become the primary service channels, supported by fintech partnerships and electronic payment systems. The number of e-money agents rose dramatically from 1 172 in 2017 to 5 143 in 2026, expanding access to rural and underserved communities. While physical branches and agencies remain, their importance has declined as digital channels increasingly drive inclusion1.

2.3 Specialised Financial Institutions

Namibia relies on specialised financial institutions to serve targeted populations and complement commercial banks. Agricultural Bank of Namibia (Agribank) plays a central role in agricultural development, financing livestock, crops, renewable energy, and land acquisition, with programmes such as the Affirmative Action Loan Scheme and the North-South Incentive Scheme supporting emerging farmers. The Development Bank of Namibia complements this by financing infrastructure, SMEs, and sectors like manufacturing, tourism, mining, and transport, while also promoting inclusive development through initiatives for women and youth entrepreneurs. NamPost, with 136 service points, many in rural areas, provides savings, payments, insurance, and digital services such as the VISA SmartCard, which has over 280 000 active users1. The National Housing Enterprise addresses housing needs for low- and middle-income groups, while the Environmental Investment Fund promotes sustainability through climate finance and green investments. Together, these institutions enhance inclusion, sustainability, and access to finance.

2.4 Non-Banking Financial Institutions (NBFIs)

The non-banking financial institutions sector is structurally dominant, with assets of N$552.8 billion nearly three times Namibia's GDP. Pension funds account for more than half of this, led by the Government Institutions Pension Fund, which covers over 100 000 public sector workers1. Unit trust companies manage N$123.4 billion, with allocations across money market instruments, listed debt, and equities. Insurance companies hold N$107.3 billion, microlenders N$7.5 billion, medical aid funds N$293.6 million, and Linked Investment Service Providers N$23.8 billion1. Between 2024 and 2025, microlenders grew from 796 to 958, reflecting diversification1. This sector mobilises domestic capital, supports savings, and strengthens financial intermediation beyond traditional banking.

1 Bank of Namibia

2.5 Savings and Credit Co-operatives

Savings and credit co-operatives (SACCOs) remain underdeveloped, with only 12 registered and 2 074 members in 2026. Overall, there are 266 co-operatives with about 17 800 members, most engaged in agriculture1. Policy recommendations stress strengthening co-operatives, tailoring financial products, simplifying regulation, and expanding financial literacy to integrate informal workers into the formal system.

2.6 Financial Sector Transformation Strategy

The Namibia Financial Sector Transformation Strategy (NFSTS) 2025–2035 represents a major milestone in the country's financial development. It sets ambitious targets of 95 percent financial inclusion, 85 percent financial literacy, and a 70 percent MSME financing success rate . Its five pillars are financial sector development, digital innovation, inclusion and consumer protection, localisation, and capacity building. Challenges remain, including limited MSME finance, shallow capital markets, and literacy gaps, but the strategy signals a shift from basic access to structural transformation and deeper integration of digital technologies.

2.7 Consumer Protection

Consumer protection has advanced significantly since the NFSS 2011–2021. Key reforms include the Code of Banking Practice in 2013, revised in 2022, the Credit Bureau Regulations of 2014, and the Regulations on Unfair Terms in 2020. The Determination on the Disclosure of Bank Charges in 2020 improved transparency, while updated complaints-handling guidelines in 2023 enhanced dispute resolution. Despite these gains, challenges persist, such as the absence of a comprehensive consumer law, complex pricing structures, and risks from digitalisation including fraud and cybersecurity. NAMFISA has created a Consumer Complaints Department and is considering Treating Customers Fairly principles under the forthcoming Financial Institutions and Markets Act. Recommendations include standardising fees, introducing point-of-transaction disclosures, and creating a public price comparison platform.

2.8 Financial Literacy

Financial literacy has improved through the Financial Literacy Initiative, which runs nationwide campaigns targeting MSMEs, youth, employees, and the general population. Literacy rates rose from 42.75 percent in 2013 to 52.94 percent in 2017, with notable improvements in financial behaviour. Gaps remain in budgeting, debt management, and digital tools . In 2025, the Bank of Namibia launched a Digital Financial Literacy Booklet to help users understand digital services, manage finances, and protect against fraud, supporting broader digital inclusion goals. This reflects the growing importance of digital literacy alongside financial literacy.

2.9 Improved Access to Financial Services and Products

Access to financial services has expanded through digital infrastructure and inclusive products. The Instant Payment Programme, launched in 2024, enables immediate 24/7 transfers across accounts and wallets, beginning with government-to-person payments such as social grants. This reduces reliance on cash and helps build digital financial histories. During the COVID-19 pandemic, the N$500 million SME Economic Recovery Loan Scheme provided concessional financing to businesses affected by the crisis, helping to preserve jobs, sustain business operations, and promote economic stability. This initiative strengthened resilience, enhanced productivity, and advanced financial inclusion, contributing to the development of a more digitally integrated and inclusive financial system in Namibia.

[2] Namibia Financial Sector Transformation Strategy (NFSTS) 2025–2035
[3] 2027 Namibia Financial Capability Survey

Chapter 3: Findings

3.1 Demographic and Household Characteristics

3.1.1 Demographic Characteristics

Demographic profile provides an important foundation for understanding how population distribution influences access to financial services and overall financial inclusion. Table 3.1.1 below presents the distribution of households and the eligible population , by urban and rural areas in Namibia. Namibia's eligible population was estimated at 1 818 168 people, living in 755 292 households.

Table 3.1. 1: Total Number of households and eligible population (Namibian aged 15 or older) by Urban/Rural and sex

	Households		
Urban	413 672		
Rural	341 620		
Total	**755 292**		
	Male	Female	Total
Urban	452 449	529 039	981 488
Rural	412 508	424 172	836 680
Total	**864 956**	**953 212**	**1 818 168**

Of the total eligible population (1 818 168), 47.6 percent were male and 52.4 percent were female, as presented in Figure 3.1.1.

Figure 3.1. 1: Percent distribution of the eligible population by sex

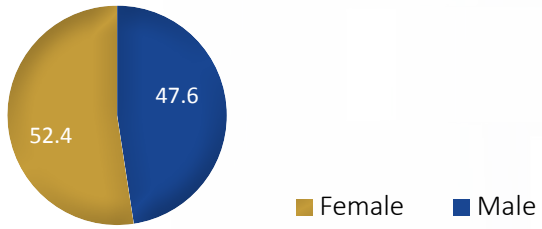


Figure 3.1.2 shows that the population remains predominantly urban, with 54.0 percent of eligible individuals residing in urban areas compared with 46.0 percent in rural areas. This reflects a steady increase in urbanisation since 2017, when the urban population was recorded at 52.9 percent.

Figure 3.1. 2: Percent distribution of the eligible population by area, 2017 and 2025

[4] Individuals who at the time of data collection, were at least 15 years old, available for the duration of the survey, and mentally/ physically capable of being interviewed. These persons should've been part of the household for at least six months prior to the survey.

Looking at marital status, Figure 3.1.3 presents a significant majority of the eligible population (62.1%) who have never been married. In comparison, 18.1 percent are married with a certificate, while 6.9 percent are married traditionally.

Figure 3.1. 3: Percent distribution of the eligible population by marital status

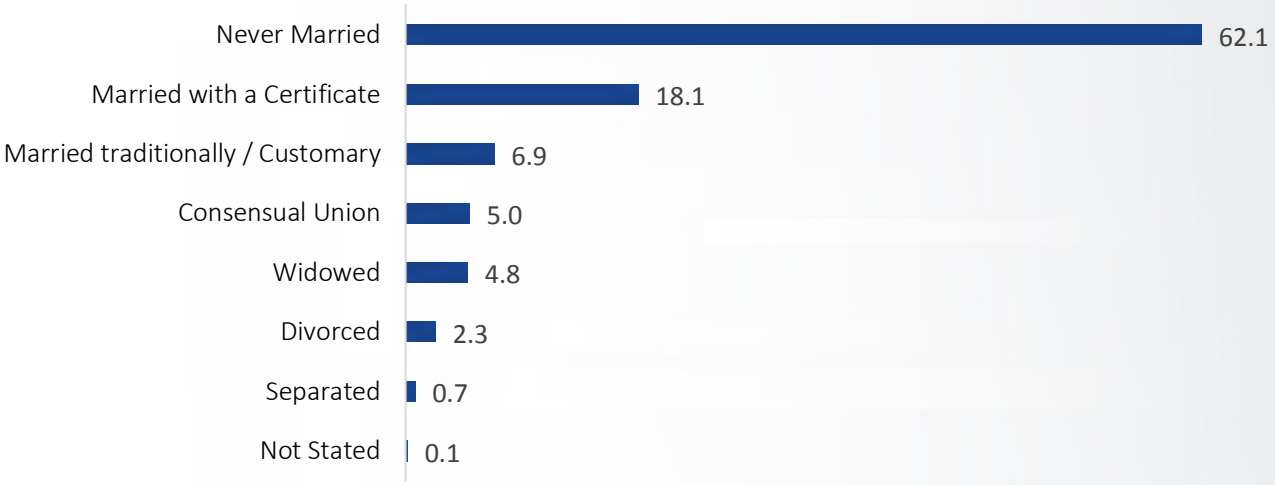
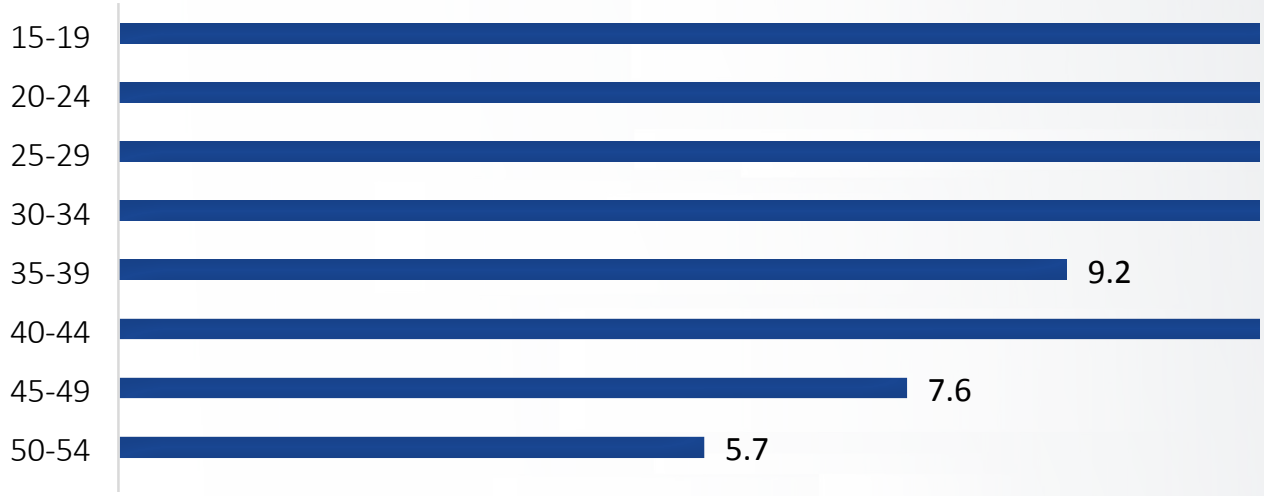


Figure 3.1.4 presents the distribution of the eligible population in Namibia by five-year age group. Results show that Namibia has a young demographic profile with 49.5 percent (899 304) of the eligible population in Namibia aged below 35 years.

Figure 3.1. 4: Percent distribution of the eligible population by five years age group

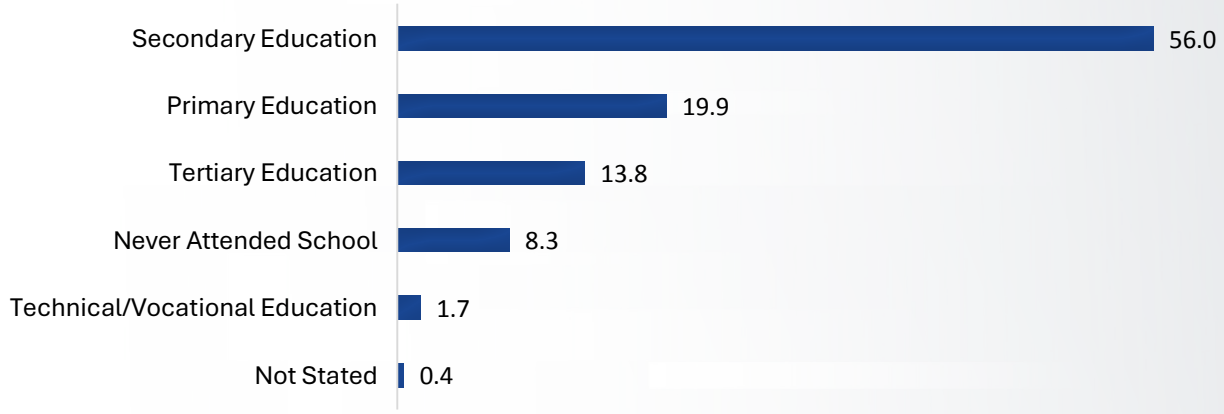


3.1.2 Educational Attainment

The percent distribution of the eligible population by the highest level of educational attainment is illustrated in Figure 3.1.5. Respondents were asked to indicate their individual highest level of educational attainment. Those who have never been to school are reported in the category “Never attended school”, while “Primary education” includes those who ended their schooling from pre-primary anywhere up to Grade seven (7). “Tertiary education”, on the other hand, includes those whose highest level of education is Year one (1) at any tertiary education institution, up to those who have obtained a PhD.

More than half of the eligible population had completed secondary education (56.0%), while 19.9 percent have completed primary education. The percentage of those who completed tertiary education was 13.8.

Figure 3.1. 5: Percent distribution of the eligible population by highest level of educational attainment

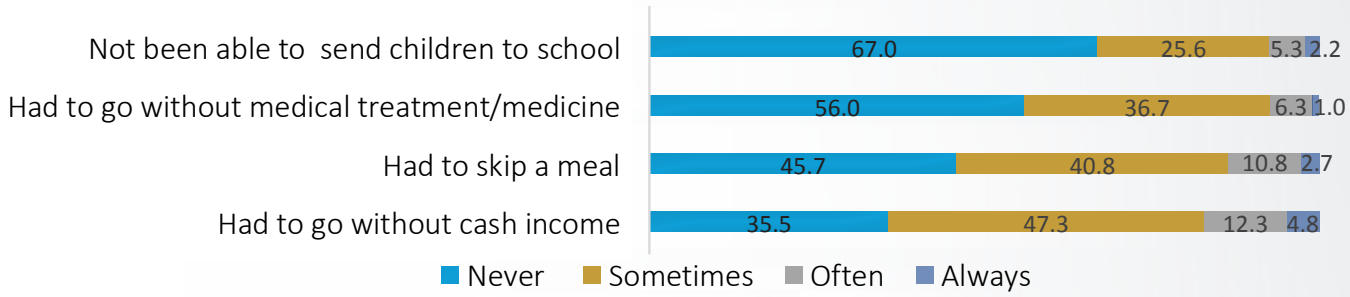


3.1.3 Lived Poverty Index

Lived Poverty Index is an experimental measure developed by the Afro-barometer and explores how frequently people go without necessities during the year due to lack of funds. The index is presented in Figure 3.1.6 below.

Results show that financial security was strongest with respect to education, with 67.0 percent of households reporting that they had never been unable to send children to school because of a lack of money for transport, uniforms or other school-related costs. This was followed by 56.0 percent of households indicating that they had never lacked medical treatment or medicine due to insufficient funds. Furthermore, 45.7 percent of households reported that they had never had to skip a meal because of a lack of money during the twelve months preceding the survey. In contrast, liquidity constraints were more prevalent, with only 35.5 percent of households reporting that they had never gone without a cash income during the same period.

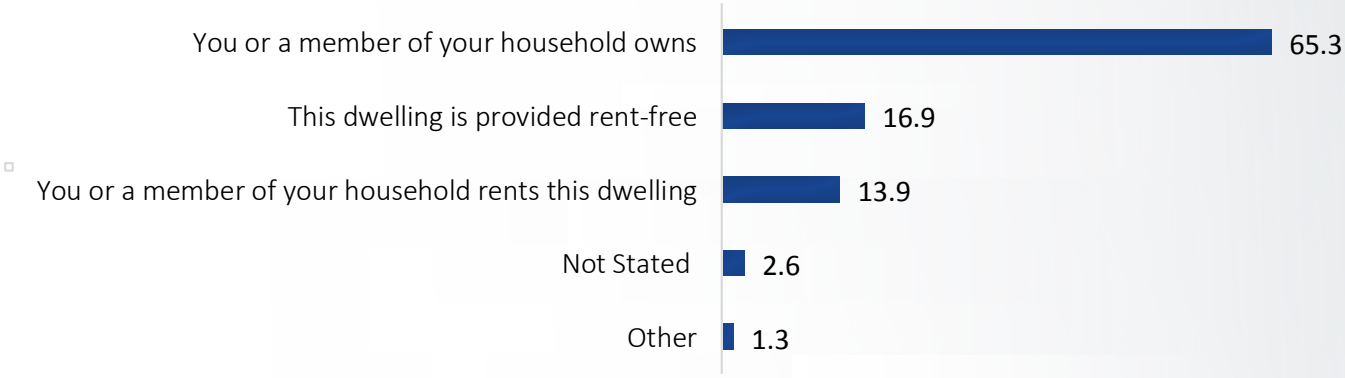
Figure 3.1. 6: Percent distribution of households by lived Poverty Indicators and frequency of deprivation



3.1.4 Housing and Dwelling Ownership

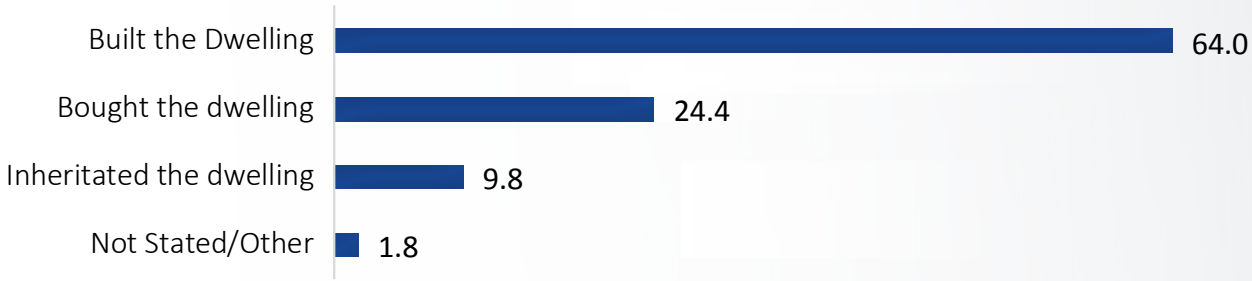
The survey also collected information regarding ownership of dwelling unit. The results are shown in Figure 3.1.7. Most of the households in Namibia occupied dwelling units that they owned (65.3%) followed by occupied rent-free (16.9), while 13.9 percent reported renting.

Figure 3.1. 7: Percent distribution of households by dwelling ownership status



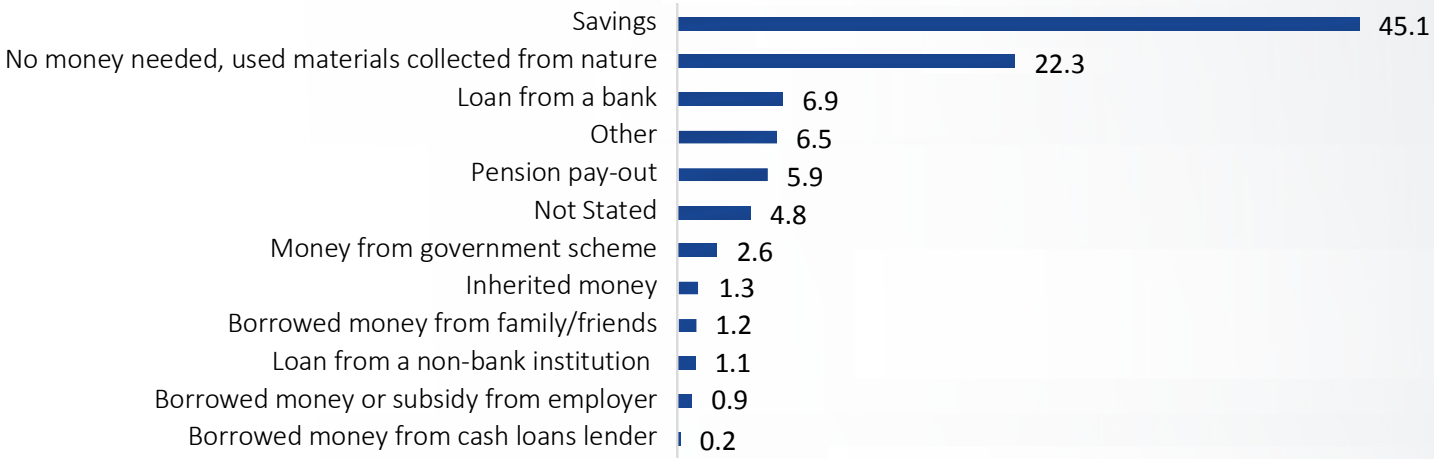
As seen from Figure 3.1.8, among households that own the dwellings, the majority (64.0%) built the dwelling units themselves, while 24.4 percent reported purchasing them. A further 9.8 percent indicated that they inherited their dwelling units.

Figure 3.1. 8: Percent distribution of households by mode of acquisition of dwelling unit



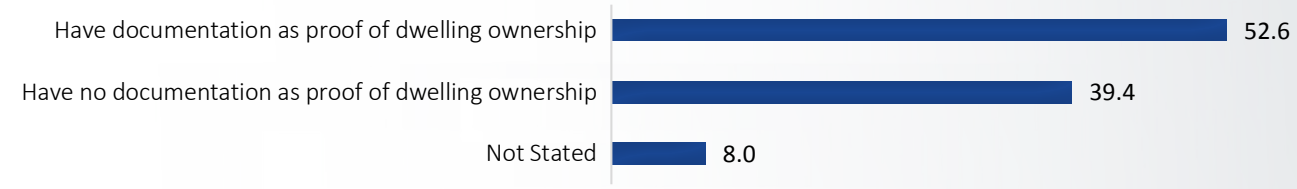
Households that reported buying or building their dwelling units were asked to indicate the main source of funds used in purchasing or constructing their dwelling units. The results are presented in Figure 3.1.9 below. Savings were most reported by 45.1 percent households. A further 6.9 percent reported using money borrowed from banks, while 5.9 percent mainly used their pension payouts.

Figure 3.1. 9: Percent distribution of households by main source financing for building or purchasing dwellings



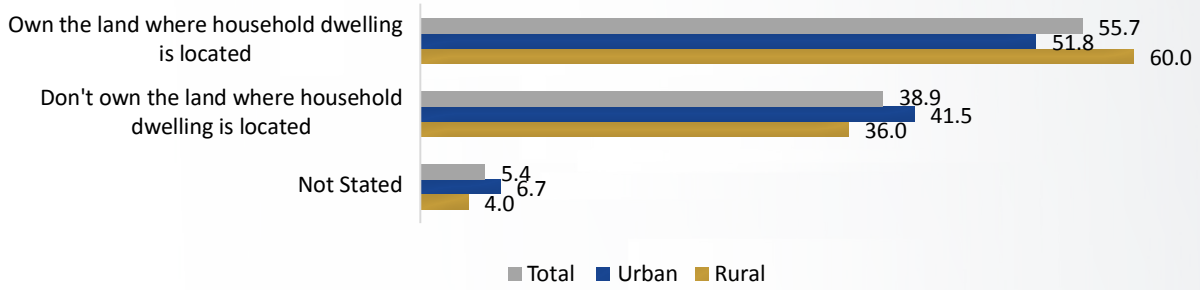
As shown in Figure 3.1.10, 52.6 percent of households that own their dwellings have official ownership documents, while 39.4 percent do not have such documentation.

Figure 3.1. 10: Percentage distribution of households by documentation of dwellings



The survey also examined land ownership as an indicator of living standards. Figure 3.1.11 below indicates that 60.0 percent of households that own the land on which their dwellings are located reside in rural areas, compared to 51.8 percent in urban areas.

Figure 3.1. 11: Percentage distribution of households by ownership of land on which the dwelling is located by area



As shown in Figure 3.1.12, the most common form of proof of land ownership among households is customary ownership/traditional letter from a chief at 35.5 percent of households. This is followed by title deed (31.2%). A further 14.2 percent of households reported holding a land rights certificate.

Figure 3.1. 12: Percentage distribution of households by documentation of land ownership

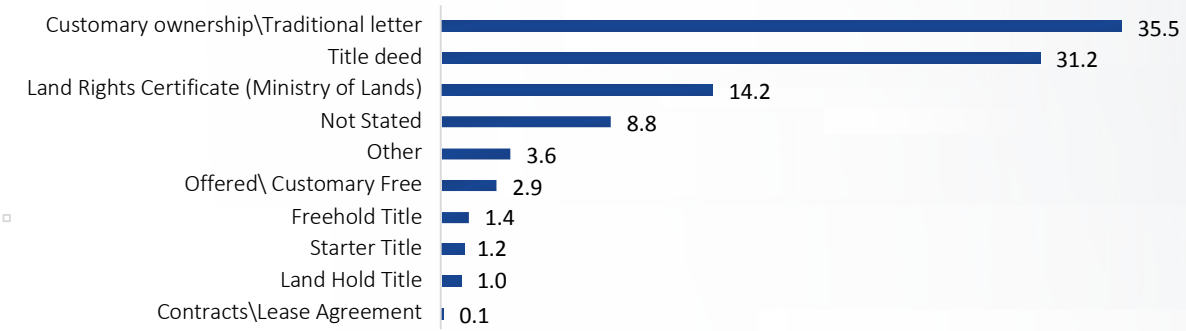
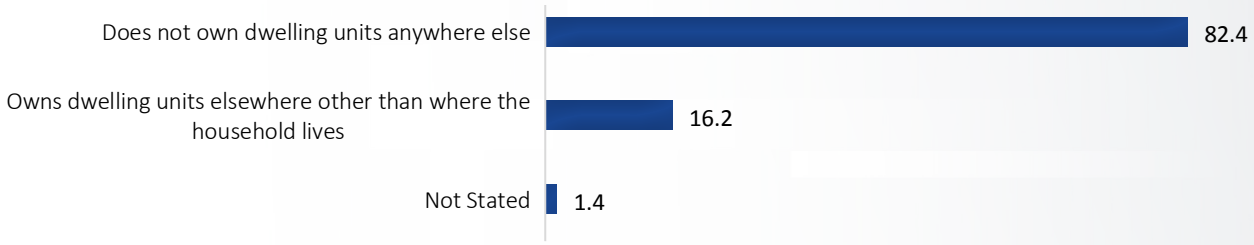


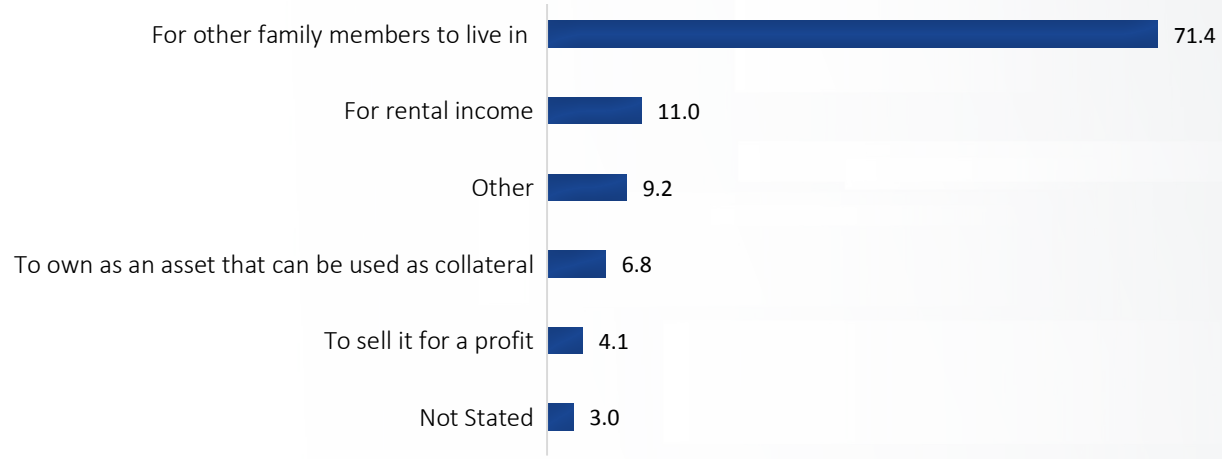
Figure 3.1.13 shows the percentage distribution of ownership of additional dwellings. Dwelling structures are generally considered as assets, and therefore a gateway to financial inclusion. The results show that most households (82.4%) do not own dwelling units elsewhere besides where they live. However, 16.2 percent of the households reported owning dwelling units other than the dwelling that they reside in.

Figure 3.1. 13: Percentage distribution of households by ownership of additional dwelling units



The main reason for owning additional dwelling units is to accommodate family members, reported by 71.4 percent of the households as shown in Figure 3.1.14 below. This is followed by rental income (11.0%) while 9.2 stated other reasons. A smaller proportion (6.8%) of households reported owning additional dwellings as assets for use as collateral while 4.1 percent reported owning them for sale at a profit.

Figure 3.1. 14: Percentage distribution of the households by of reasons for owning additional dwelling units



The survey further sought to find out attitudes and perceptions on ownership of dwelling units, and this are presented in figure 3.1.15 below. The results reveal that most households (61.3%) consider their dwellings as something to keep and not to sell, while 52.4 percent have extended or plan to extend their dwellings. In addition, 41.9 percent view their dwellings as an investment that will increase in value over time, while 42.3 percent indicated that they would likely spend their lifetime in their current dwelling.

Figure 3.1. 15: Percentage distribution of household attitudes and perceptions dwelling ownership

3.1.5 Household Access to Basic Services

Access to drinking water varies across households, reflecting differences in infrastructure and service provision. Figure 3.1.16 indicates that 54.6 percent of households had access to piped water, (either inside or outside from local water scheme (operated by service providers)). In addition, 26.8 percent of households rely on public pipe local water scheme (operated by service providers) and 2.9 percent of the households mainly drink water from flowing surfaces including rivers, dams and streams.

Figure 3.1. 16: Percent distribution of households by main source of water for drinking

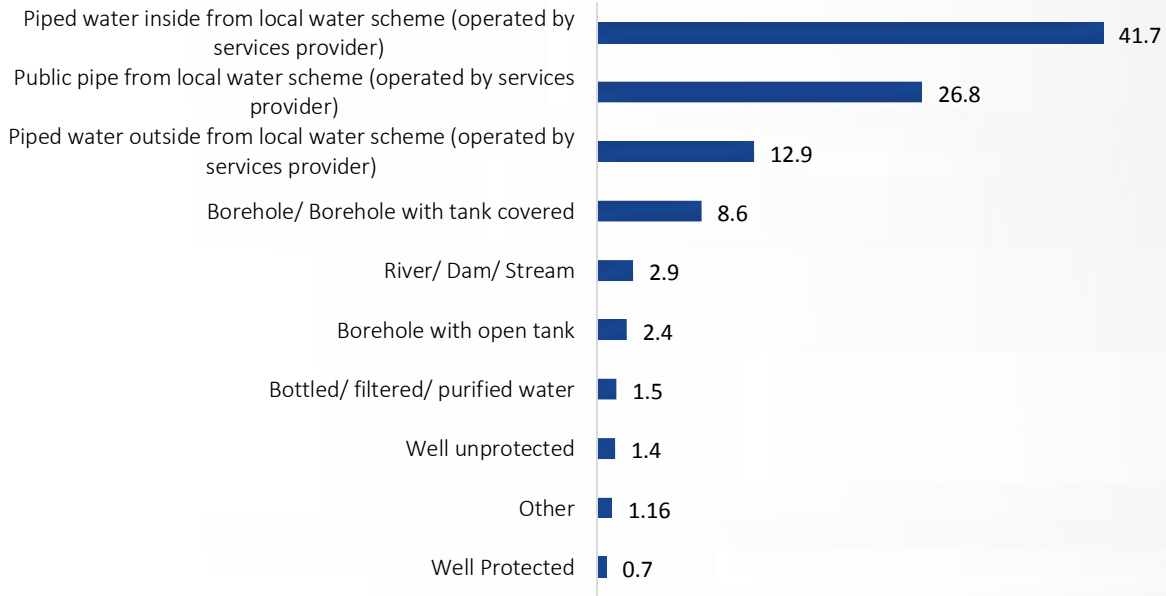
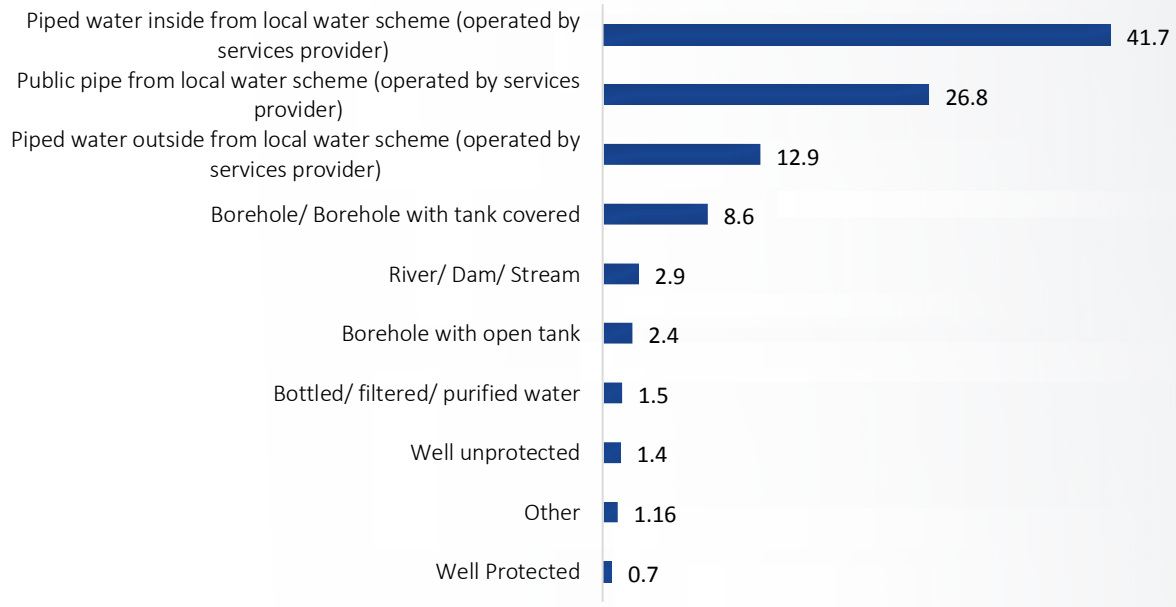


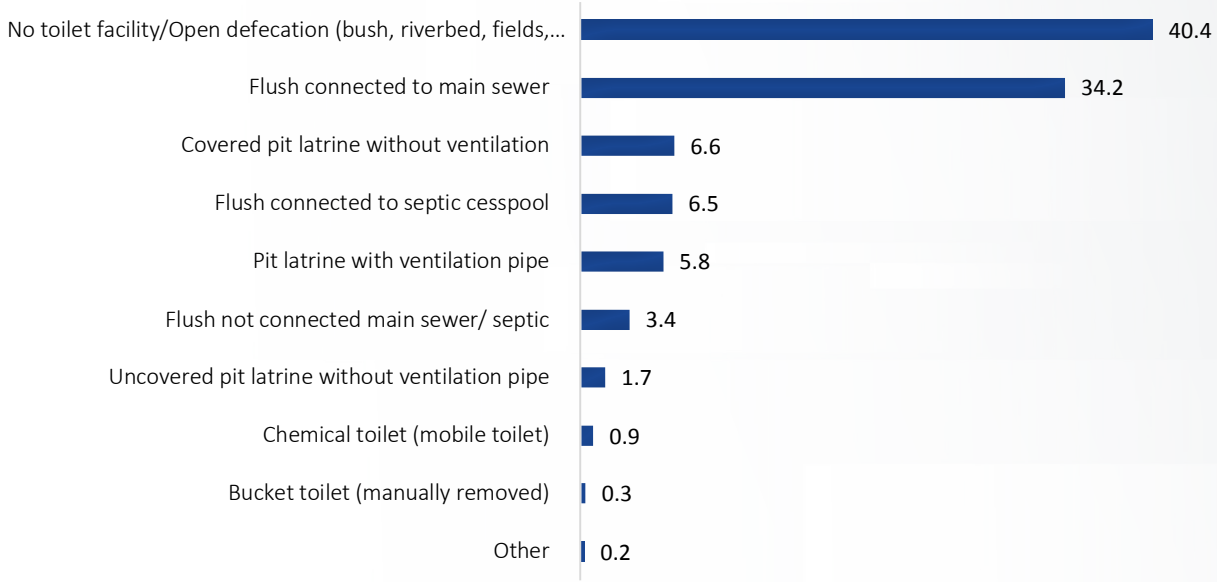
Figure 3.1.17 shows the disparity between urban and rural households in access to piped water within dwelling units. Access to piped water in dwelling units is higher among urban households, with 67.0 percent of households in urban areas having piped water compared to 33.1 percent in rural areas.

Figure 3.1. 17: Percent distribution of households with piped water into dwelling unit by area



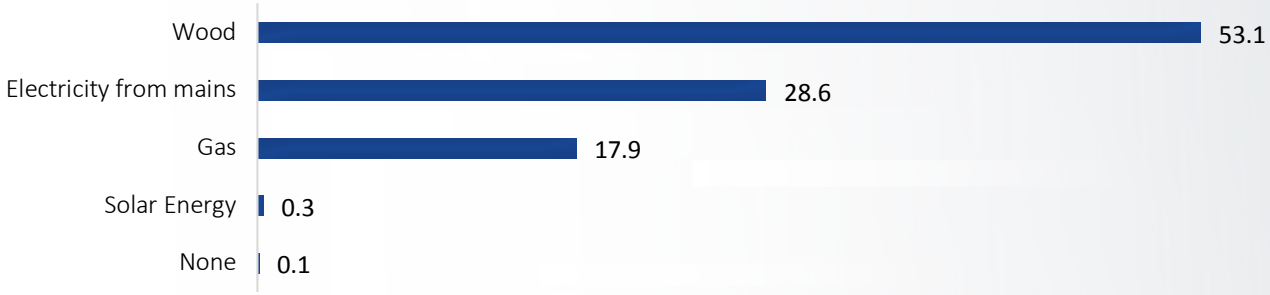
Sanitation access remains a concern among households in Namibia, with a significant proportion lacking proper facilities. Figure 3.1.18 shows that 40.4 percent of households in Namibia had no toilet facilities. About 44.1 percent of households reported having access to a flush sanitation facility, with 34.2 percent connected to main sewer, 6.5 percent connected to septic cesspool and 3.4 percent not connected to main sewer/septic cesspool.

Figure 3.1. 18: Percent distribution of households by type of main toilet facilities



Access to energy is also one of the good indicators of the socio-economic status of a household. Figure 3.1.19 illustrates that 53.1 percent of households in Namibia depend on wood/firewood as their primary source of energy for cooking, while 28.6 percent of households use electricity from the mains followed by gas with 17.9 percent.

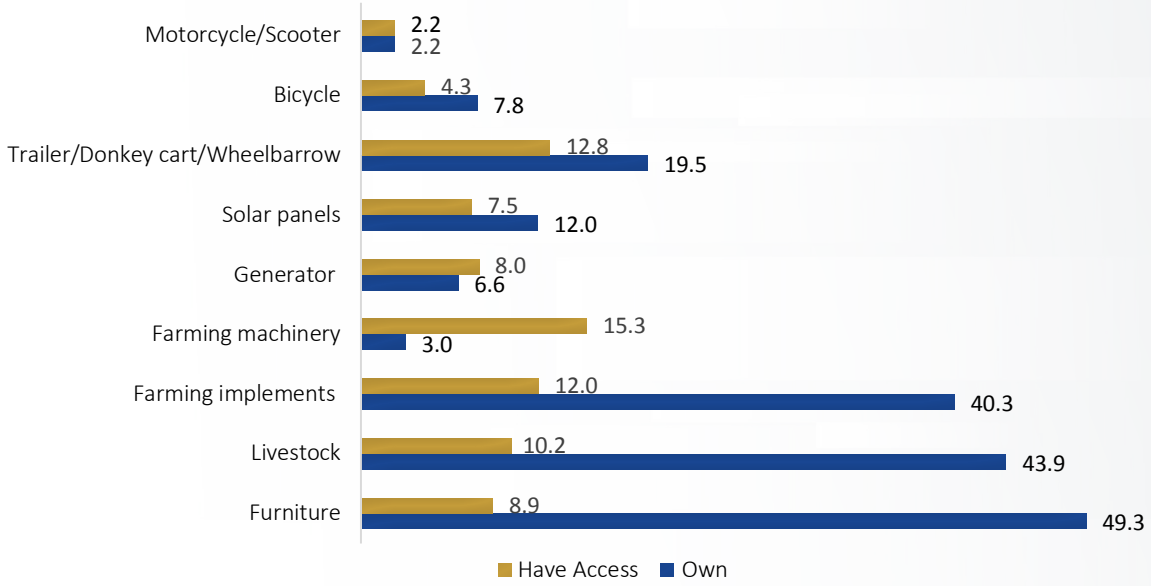
Figure 3.1. 19: Percent distribution of households by main source of energy for cooking



3.1.6 Household Assets

Household ownership and access to assets provide important insight into economic capacity and livelihood opportunities. Figure 3.1.20 below provides information on ownership and access of/to assets. Regarding asset ownership, 49.3 percent household's own furniture, followed by 43.9 percent owning livestock. Although only 3.0 percent reported owning farming machinery such as tractors and harvesters, a larger proportion (15.3%) indicated having access to such equipment. This pattern is broadly consistent with findings from 2017.

Figure 3.1. 20: Percentage distribution of household by ownership and access to selected assets



3.1.7 Access to Communication Technology

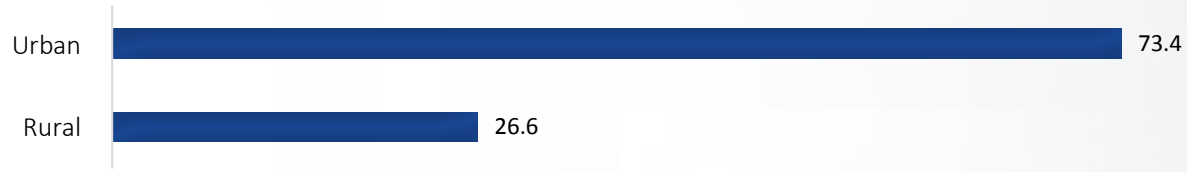
Access to communication assets in Namibia reflects growing connectivity alongside persistent gaps in certain technologies. The results in Figure 3.1.21 show that 75.0 percent of households have access to feature phones and basic cellphones, while 68.2 percent have access to smartphones, indicating a strong penetration of mobile technology across households.

In addition, about 43.9 percent of households reported having access to the internet, highlighting moderate digital connectivity. However, access to landline telephones remains very limited, with only 2.8 percent of households reporting availability, suggesting a shift away from fixed-line communication toward mobile and digital alternatives.

Figure 3.1. 21: Percent distribution of households with access to communication assets

Of the 43.9 percent of households with access to the internet, usage predominantly concentrated in urban areas, which account for 73.4 percent of all internet users in the country compared to 26.6 percent in rural areas, highlighting a significant urban–rural digital divide (as indicated in figure 3.1.22).

Figure 3.1. 22: Percentage distribution of households by Internet access by area



3.1.8 Access to Infrastructure

Figure 3.1.23 shows how long on average it takes Namibians to reach various selected infrastructure and service points. This question was asked with no reference to a specific mode of transport, but rather the usual means of transport that the respondents mostly use to get to the infrastructures.

The largest share of the adult population takes between 30 minutes to 1 hour to reach key infrastructures and services. This is particularly evident for post office (37.0%), medical services (36.0%), and banks (35.1%). A notable proportion of households were able to access some services within less than 30 minutes, especially retail outlets (35.1%) and ATMs (31.3 %). However, a smaller share of the population still travels between 1 to 3 hours or more to access these services.

Figure 3.1. 23: Percentage distribution of the population by travel time to access selected infrastructure and services by duration

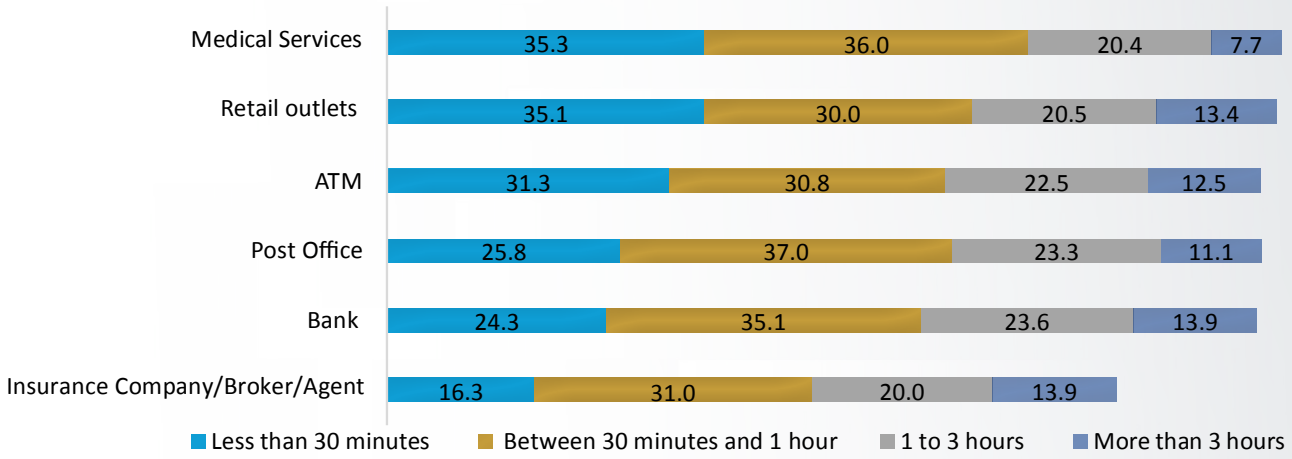


Figure 2.1.24 and Figure 2.1.25 shows the difference between urban and rural areas in terms of time travelled by households' members to access selected infrastructure and services. Overall, when looking specifically at medical services, banks, post offices and ATM, the urban population enjoys significantly better access to formal services while rural population face greater time barriers in accessing essential infrastructures and services.

- **Access to services is significantly better in urban areas**, where a larger share of the population reaches services within shorter travel times 47.4 percent of the urban population access medical services within less than 30 minutes.
- **Rural population experience longer travels times**, with the majority taking between **one to three hours** to reach key services such as banks (36.3%), ATMs (36.6), and post offices (36.2%).
- **For medical services**, 31.9 percent of the rural population travels between one to three hours compared to a much smaller share in urban areas.
- Very few rural residents access services within 30 minutes, particularly for banks (5.7%) and ATM (6.2%), highlighting limited proximity for financial services.

Figure 3.1. 24: Percentage distribution of the population by travel time to access selected infrastructure and services in urban areas

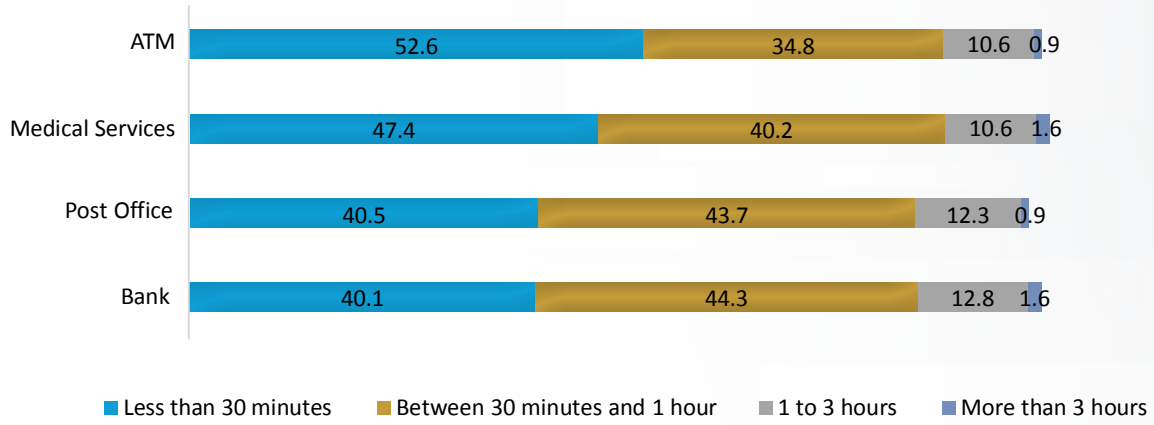
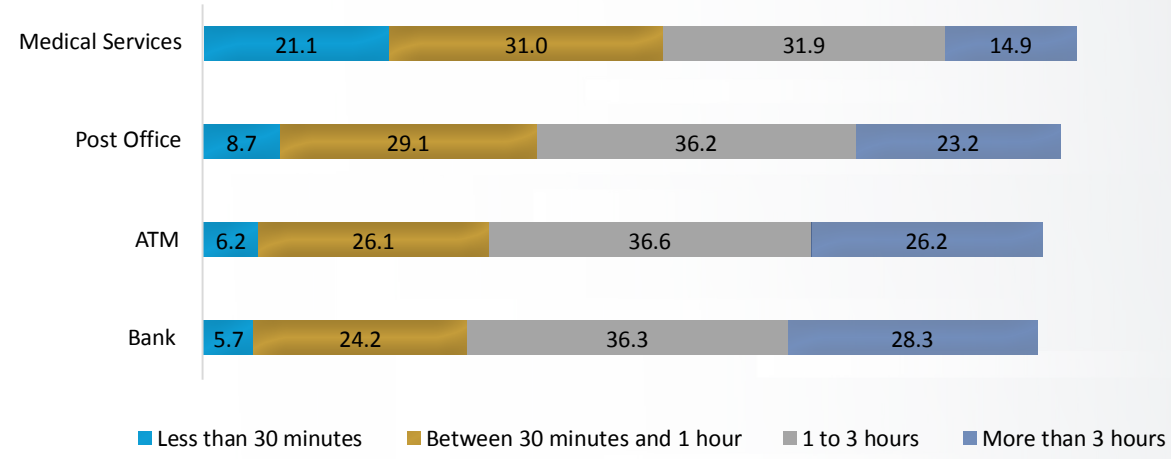
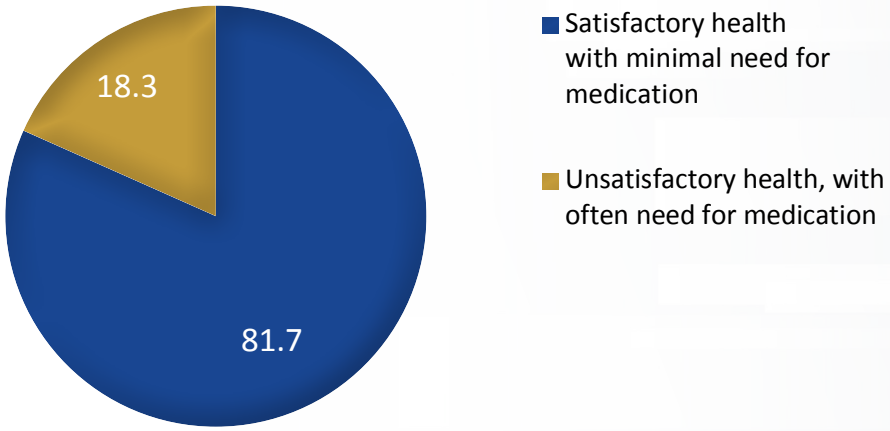


Figure 3.1. 25: Percentage distribution of the population by travel time to access selected infrastructure and services in rural areas



Good health is essential for individual wellbeing productivity. As presented in Figure 3.1.26 below, most of the population (81.7%) reported being in satisfactory health with minimal need for medication. In contrast, 18.3 percent reported unsatisfactory health, indicating a more frequent need for medical attention or treatment.

Figure 3.1. 26: Percentage distribution of the population by health status



The majority of the eligible population (82.3%) reported that they primarily seek treatment at public hospitals or clinics when they became ill. In contrast, only 10.1 percent access treatment through private doctors. Utilisation of private healthcare services is notably higher in urban areas compared to rural areas. Detailed responses are presented in Figure 3.1.27.

Figure 3.1. 27: Percentage distribution of the population by main source of medical services and area

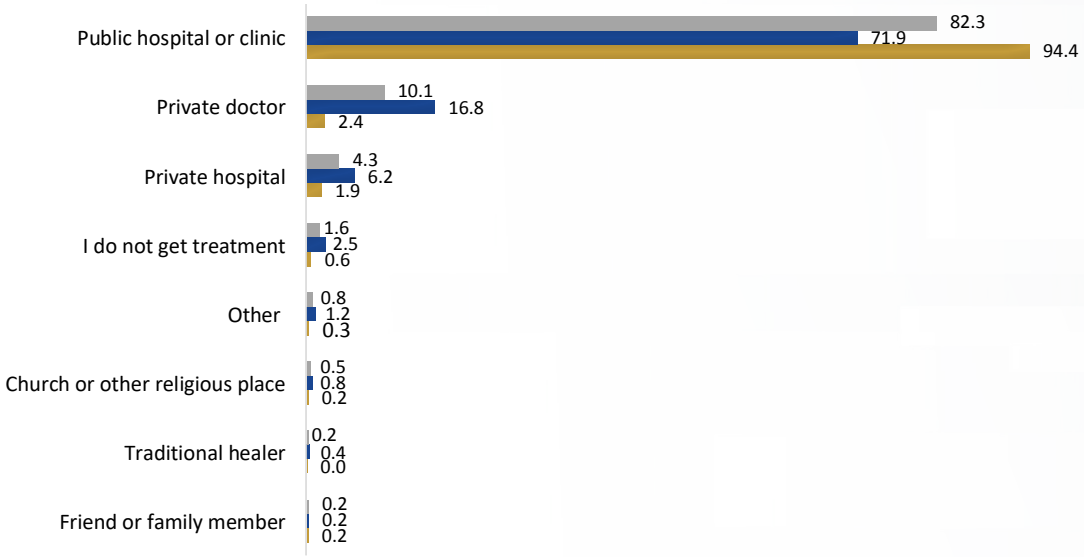
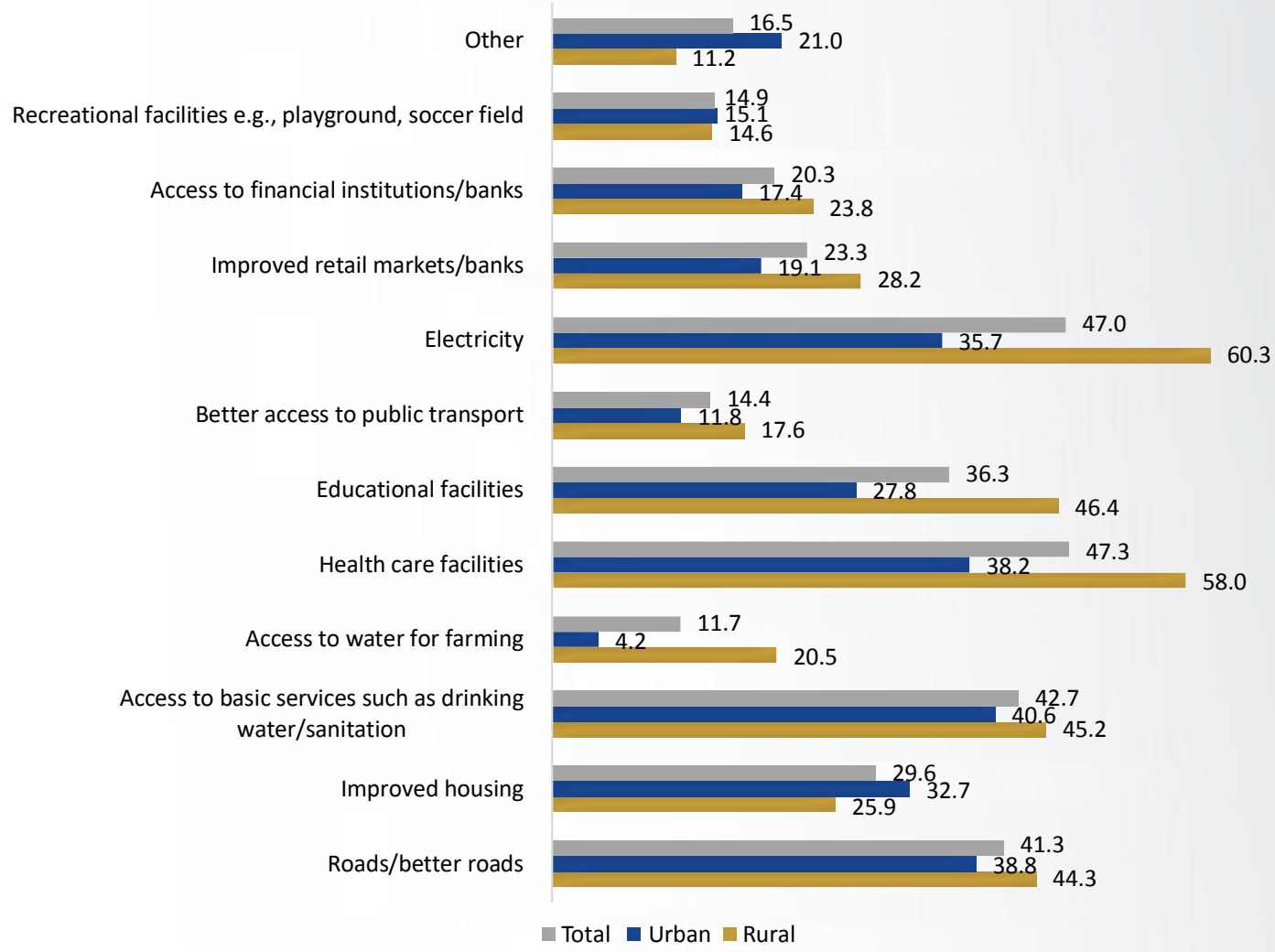


Figure 3.1.28 shows perceptions of the eligible population on what would help to improve the lives of people in communities. The most identified priorities are healthcare facilities, electricity, access to basic services such as drinking water and sanitation, and improved roads. These needs are more pronounced in rural areas compared to urban areas. Similar to the 2017 results, these aspects remain key areas of concern.

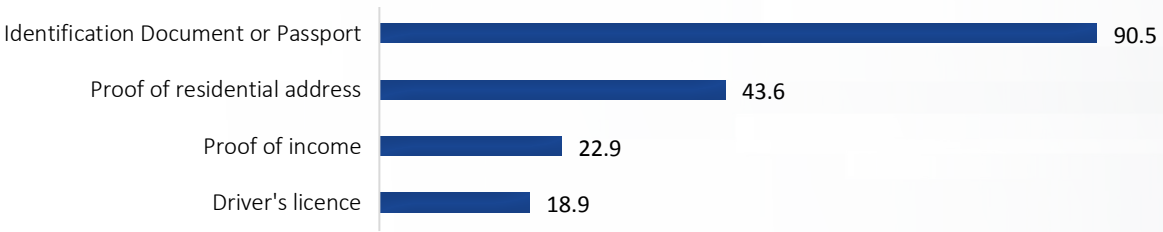
Figure 3.1. 28: Percentage distribution of the population by perceived factors that would improve their lives by area



3.1.9 Ownership of documentation required for financial services

Respondents were also asked about possession of documents that are mainly required at formal financial institutions. About 90.5 percent have an identification document or passport with less than half having proof of residential address (43.6%), while 22.9 percent have proof of income. A smaller proportion (18.9%) reported having a driver's license.

Figure 3.1. 29: Percentage distribution of the population by Possession of documentation required by formal financial institutions

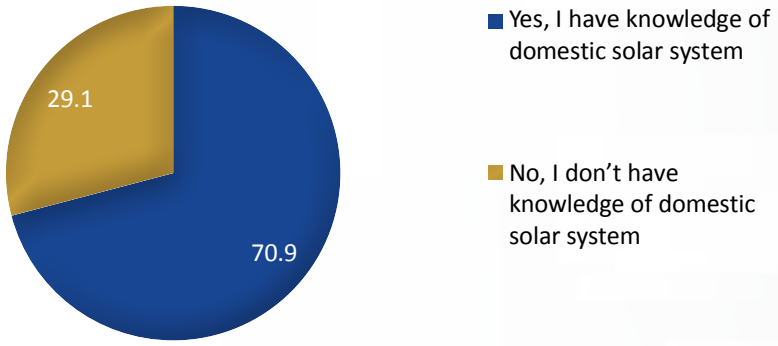


3.1.10 Domestic Solar Energy Perceptions and Usage

Access to reliable and affordable energy is increasingly recognised as an important driver of household resilience and financial inclusion across Africa. In many countries in Southern Africa, domestic solar systems are emerging as an alternative energy source, with financing mechanisms such as instalment payments and pay-as-you-go models supporting wider adoption. Against this background, the 2025 NFIS explored public awareness, ownership, interest, and barriers relating to domestic solar energy systems to better understand consumer demand and the potential role of financial services in supporting household energy access.

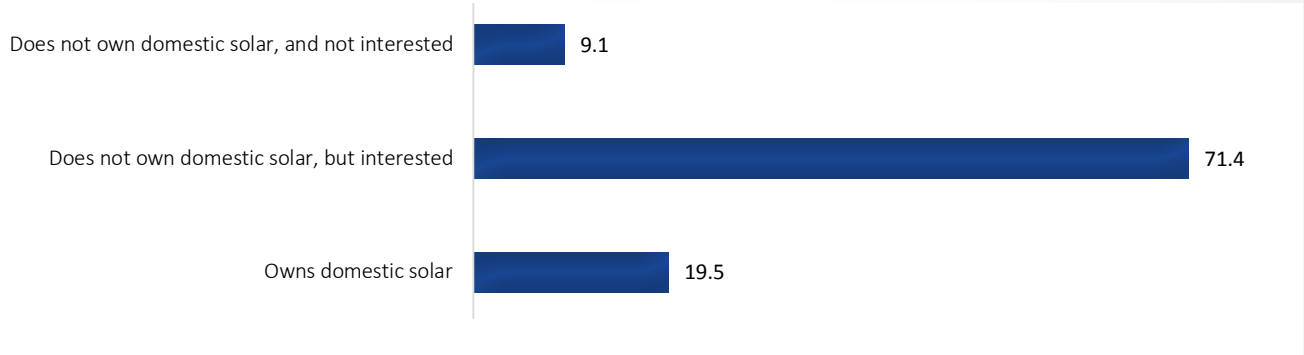
Figure 3.1.30 illustrates the level of awareness regarding domestic solar systems among the eligible population, revealing that a significant majority (70.9%) possess knowledge of solar systems. In contrast, a smaller segment representing 29.1 percent of respondents indicated that they do not have knowledge of domestic solar systems.

Figure 3.1. 30: Percentage distribution of population by knowledge on domestic solar energy



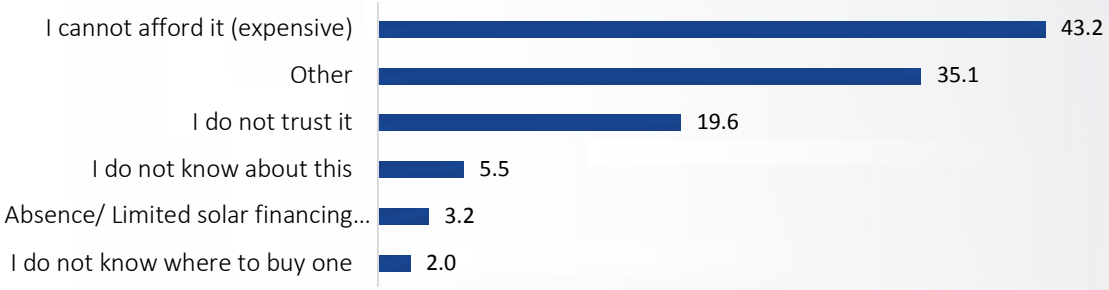
The status and interest levels of respondents regarding domestic solar system ownership highlight a massive appetite for the technology. A dominant 71.4 percent of the eligible population expressed that they would like to own a system. Meanwhile, 19.5 percent of respondents are already owners, bringing the total percentage of those who either own or desire a solar system to nearly 91.0 percent. Only a small minority of 9.1 percent indicated they are not interested in ownership.

Figure 3.1. 31: Percentage distribution of population by interest in owning domestic solar



As shown in Figure 3.1.32, the primary barrier preventing respondents from adopting domestic solar systems is financial constraints, with 43.2 percent of the eligible population stating they cannot afford it. Furthermore, Trust remains a notable issue for 19.6 percent of the group, whereas the absence or limitation of solar financing schemes and not knowing where to buy the technology was specifically noted by 3.2 percent and 2.0 percent of respondents respectively.

Figure 3.1. 32: Percent distribution of the population by factors limiting interest in domestic solar systems

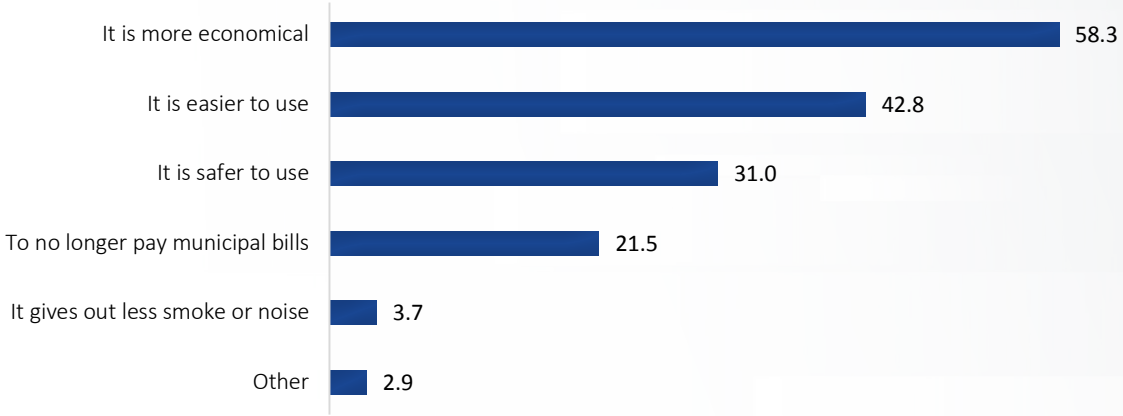


Note: Other includes those that have electricity, those that did not receive sufficient sun

Note: Other includes those that have electricity, those that did not receive sufficient sun

Figure 3.1.33 outlines the primary motivations for adopting domestic solar systems, with financial and practical benefits clearly driving public interest. The leading incentive is the economic advantage, cited by 58.3 percent of respondents, followed closely by the system's ease of use at 42.8 percent. Safety is also a major consideration for 31.0 percent of the group, while 21.5 percent are specifically motivated by the desire to eliminate municipal utility bills. Environmental and lifestyle factors, such as the reduction of smoke or noise, account for only3.7 percent of the responses. Taken together, these data points suggest that while users value the user-friendly and safe nature of solar technology, the overarching driver for solar adoption is the long-term cost-effectiveness and personal energy independence it provides.

Figure 3.1. 33: Percent distribution of the population by factors driving interest in domestic solar systems



3.2 Livelihoods

3.2.1 Income

As shown in Figure 3.2.1, the largest proportion of the income earners (15.5%) mainly earn income from salaries and wages in private companies. Similarly, 14.6 percent of income earners also primarily rely on government old age pensions, and 14.1 percent receive salaries and wages from government or parastatals. Other reported sources of income include piece work (10.6%), informal self-employment (9.7%), and salaries or wages from individuals, such as domestic or farm workers (8.3%).

Figure 3.2. 1: Percentage distribution of households by main source of income

Figure 3.2.2 illustrates differences in the main sources of income between urban and rural areas. Rural populations are more reliant on social transfers and informal income sources including government old age pensions, child grants, and wages from individuals (domestic or farm work). They also show relatively higher engagement in piece work and small-scale economic activities. In contrast, urban population is more likely to earn income from formal employment, particularly salaries/wages from government or parastatal institutions and from private companies. This highlights a clear divide, with rural areas depending more on informal and support based income sources, while urban areas are driven by formal wage employment.

Figure 3.2. 2: Percentage distribution of income earners by main source of income and area

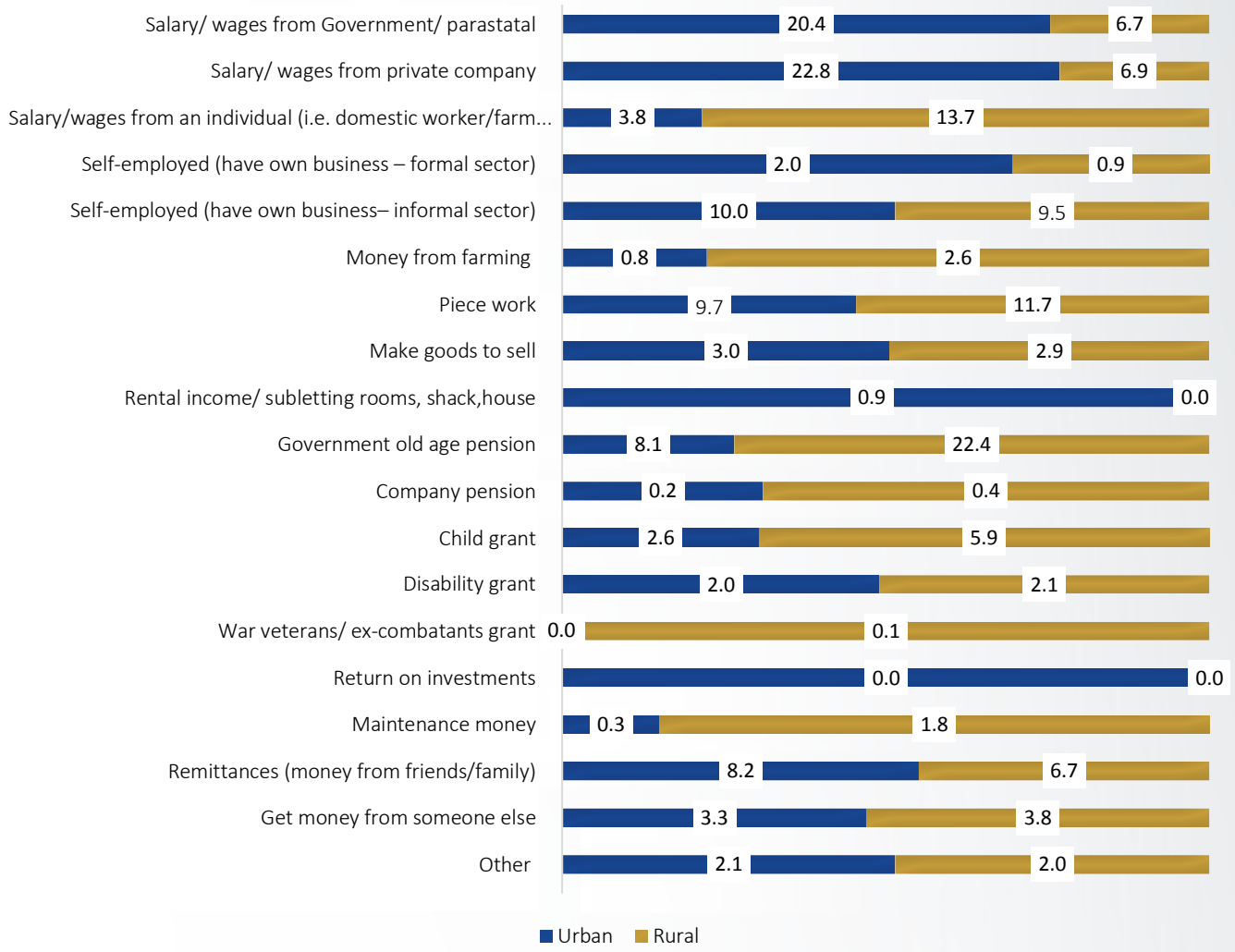
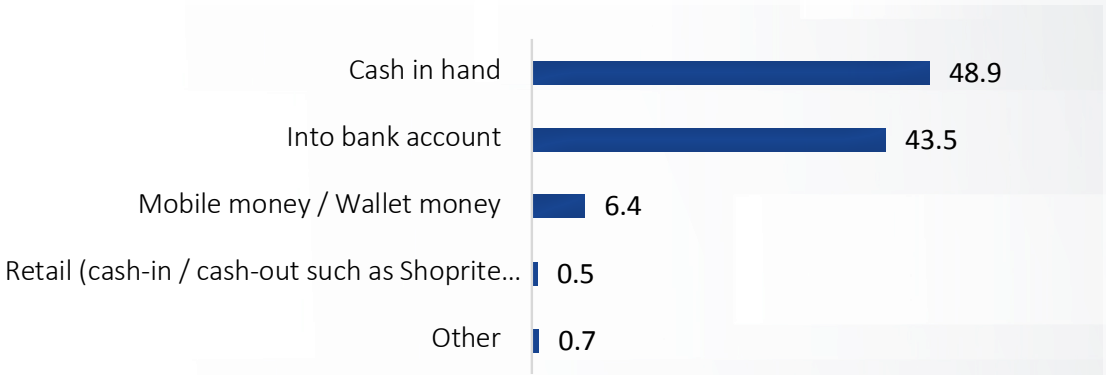


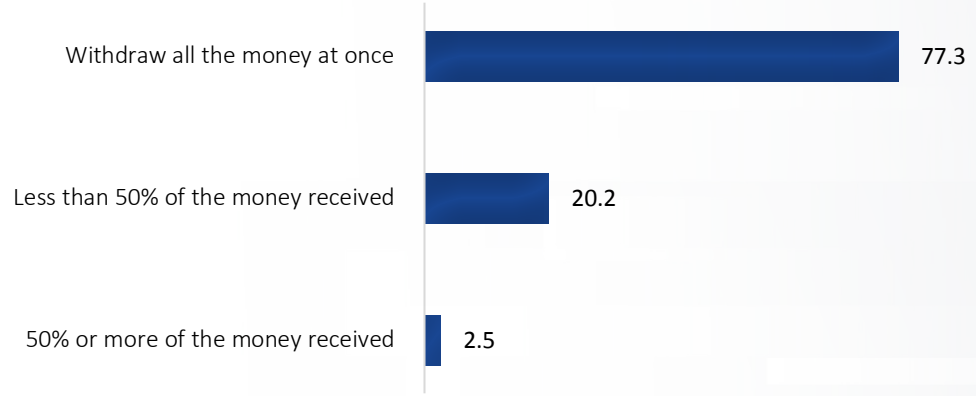
Figure 3.2.3 shows that almost half (48.9%) of income earners receive their income as cash, while 43.5 percent receive income through bank accounts. A further 6.4 percent receive income through mobile money or bank wallet, and only 0.5 percent through retail cash-in/cash-out channels such as Shoprite and Model. These results indicate that cash remains the dominant channel for receiving income, although formal banking channels are also widely used.

Figure 3.2. 3: Percentage distribution of income earners by channels for receiving main income



Of the 6.4 percent (108 494) of adults who receive their main income through bank wallets, majority (77.3%) withdrew all the money at once during the first withdrawal. In contrast, 20.2 percent withdrew less than half of the money, while only 2.5 percent retain half or more in their accounts after the initial withdrawal. This suggests a strong reliance on immediate cash usage rather than continued digital storage of funds. This is shown in Figure 3.2.4.

Figure 3.2. 4: Percentage distribution of withdrawal behaviour for bank wallet users on first withdrawal



Individuals who receive their main income through bank wallets were further asked about additional services used beyond cash withdrawals. As shown in figure 3.2.5 the majority (59.6%) use bank wallet services to purchase airtime, while a smaller proportion (34.2%) use them to buy electricity. This suggests that bank wallets are primarily utilized for basic, frequent transactions rather than a wider range of financial services.

Figure 3.2. 5: Percentage distribution of bank wallets users by type of additional services utilised

Figure 3.2.6 shows the frequency at which income earners receive their main income. The majority (71.0%) of the population received their income on a monthly basis. This is followed by those who received income occasionally (12.3%) and daily (7.1%), suggesting the presence of informal or irregular income activities. A smaller proportion (5.3%) receive income upon completion of jobs, while very few report weekly (3.3%), annually (0.7%) or fortnightly (0.4%) income patterns. This distribution highlights the dominance of monthly income flows but also underscores the presence of diverse and less predictable income patterns within the economy.

Figure 3.2. 6: Percentage distribution of income earners by frequency of receiving main income

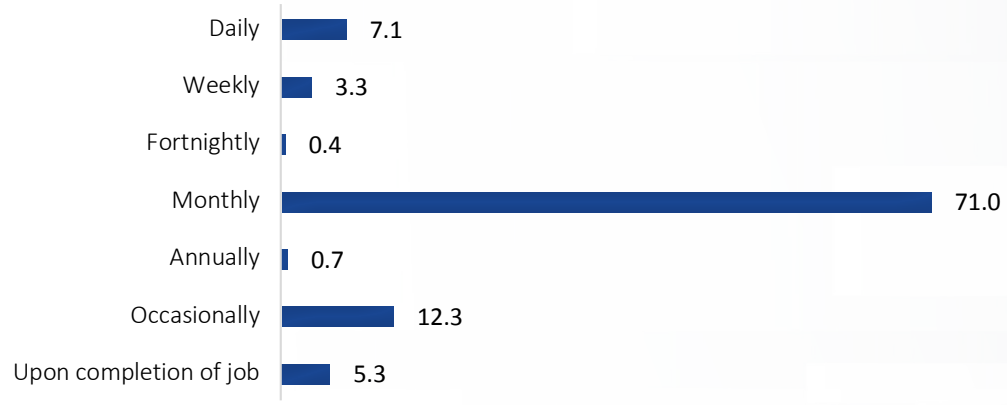
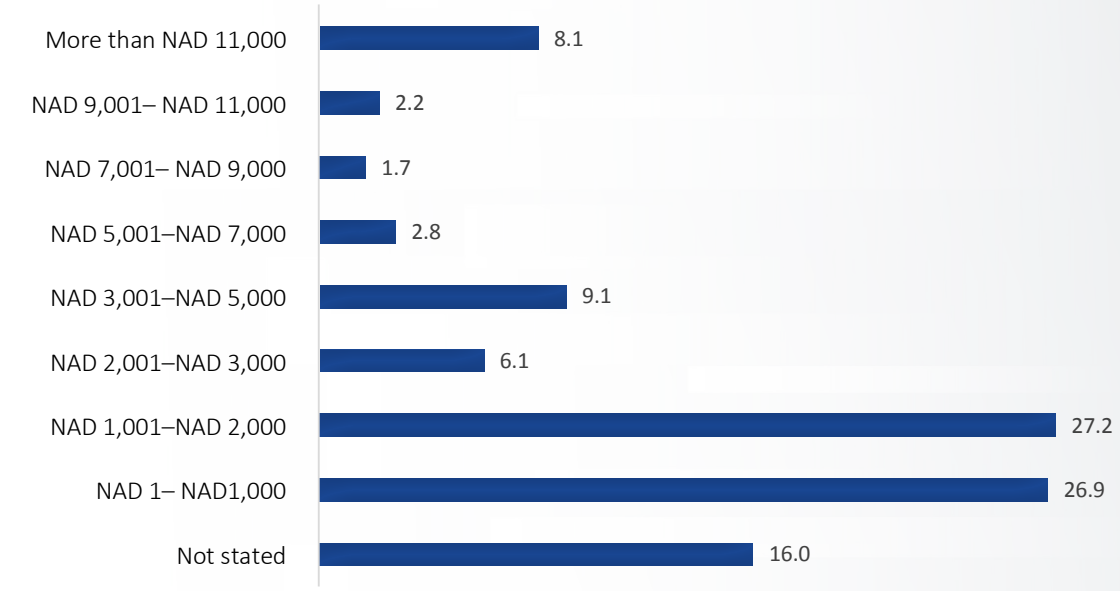


Figure 3.2.7 below presents the distribution of monthly personal income among the eligible population. The largest share (27.2%) earns between N$ 1 001 and N$ 2 000, closely followed by 26.9 percent earning up to N$ 1 000 per month, indicating that a substantial proportion of individuals fall within the lower income brackets. Only 8.1 percent earn more than N$ 11 000 per month.

Figure 3.2. 7: Percentage distribution of the population by personal monthly income

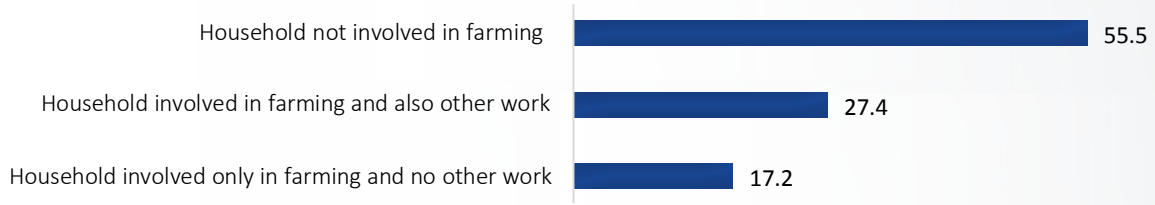


3.2.2 Farming

The survey collected information on farming, which is generally considered as a driver of financial inclusion, not only as a source of labour, but also as a business for selling agricultural products.

Figure 3.2.8 shows household involvement in farming with slightly more than half of households (55.5%) reporting no involvement in farming. About 27.4 percent indicated combined farming with other forms of work. Only 17.2 percent rely solely on farming, highlighting the relatively small proportion of households fully dependent on agriculture.

Figure 3.2. 8: Percentage distribution of households by involvement in farming



Mahangu remains the dominant crop, reported by 77.2 percent of farming households (as shown in Figure 3.2.9), consistent with the 76.7 percent reported in 2017. This is followed by maize (53.8%), while vegetables (36.3%) are grown by smaller proportions of households. Fruit (8.8%) and wheat (4.0%) are the least commonly cultivated crops.

Figure 3.2. 9: Percentage distribution of households by type of crop farming grown

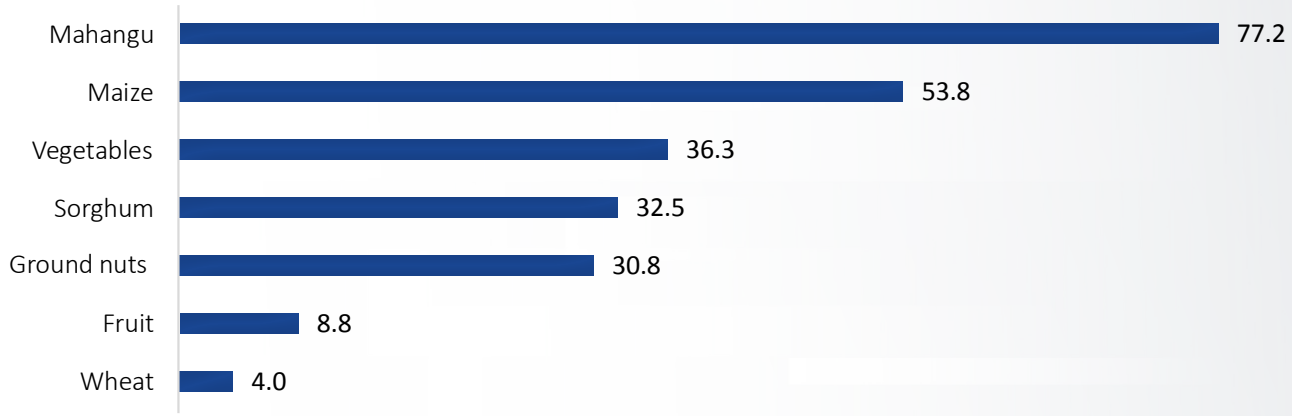
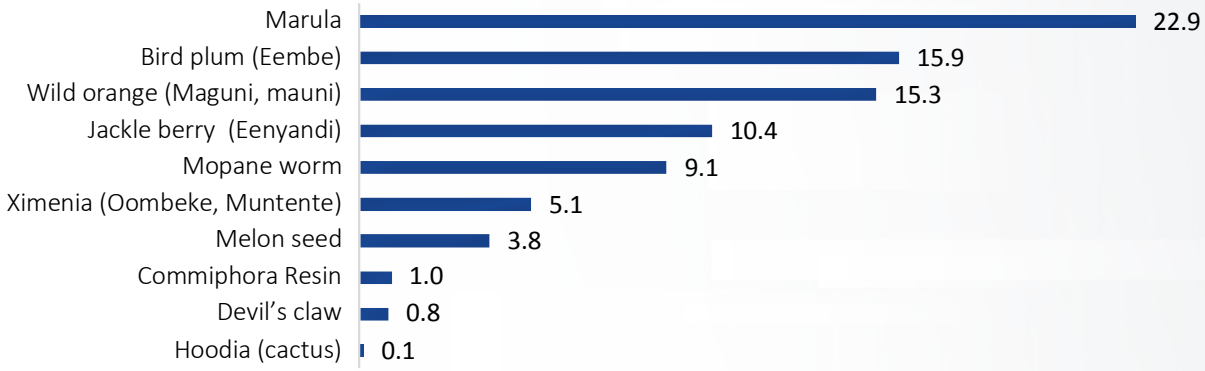


Figure 3.2.10 shows the indigenous natural products collected by farming households. Marula is the most collected (22.9%), indicating a shift from 2017 when Bird plum (Eembe) was dominant. Bird plum now follows at 15.9 percent, closely followed by wild orange (Maguni/Mauni) at 15.3 percent. Other products such as Jackal berry (10.4%) and mopane worms (9.1%) are collected by smaller proportions, while the remaining products are reported by relatively few households.

Figure 3.2. 10: percentage distribution of households by type indigenous natural product collected



Looking at livestock farming activities among farming households shown in Figure 3.2.11, goats (64.5%) and poultry (64.2%) were the most kept livestock, both showing notable increases of 8.3 percentage points and 12.0 percentage points, respectively since 2017. Cattle farming is less prevalent, with 35.8 percent of households keeping cattle for beef production and 25.6 percent for dairy. Other livestock such as donkeys (18.5%), pigs (18.3%) and sheep (16.2%) are kept by smaller proportions, while horses and other activities remain minimal.

Figure 3.2. 11: Percentage distribution of households by type of livestock farming activity

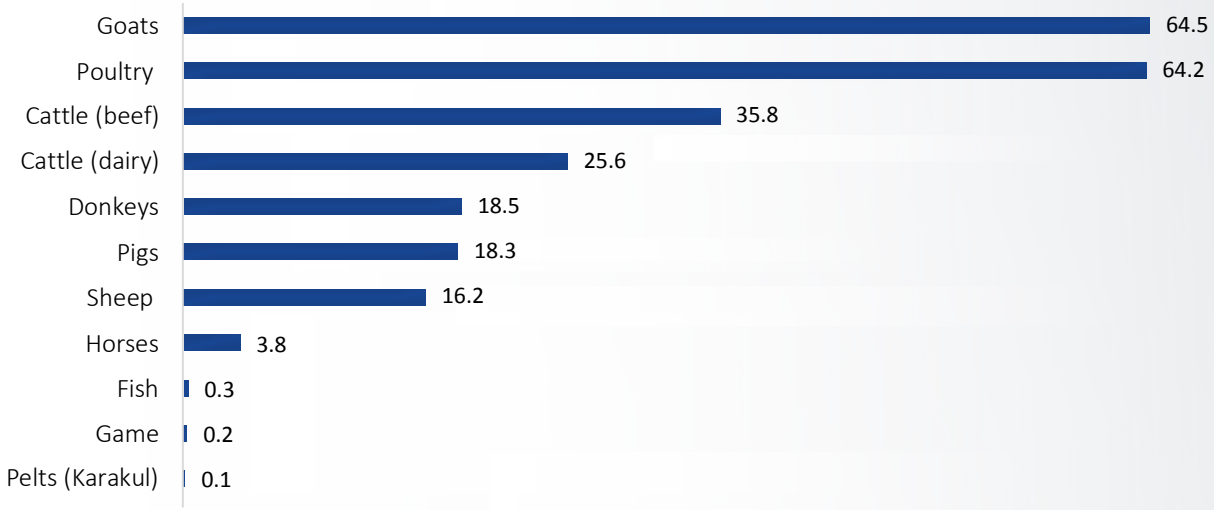
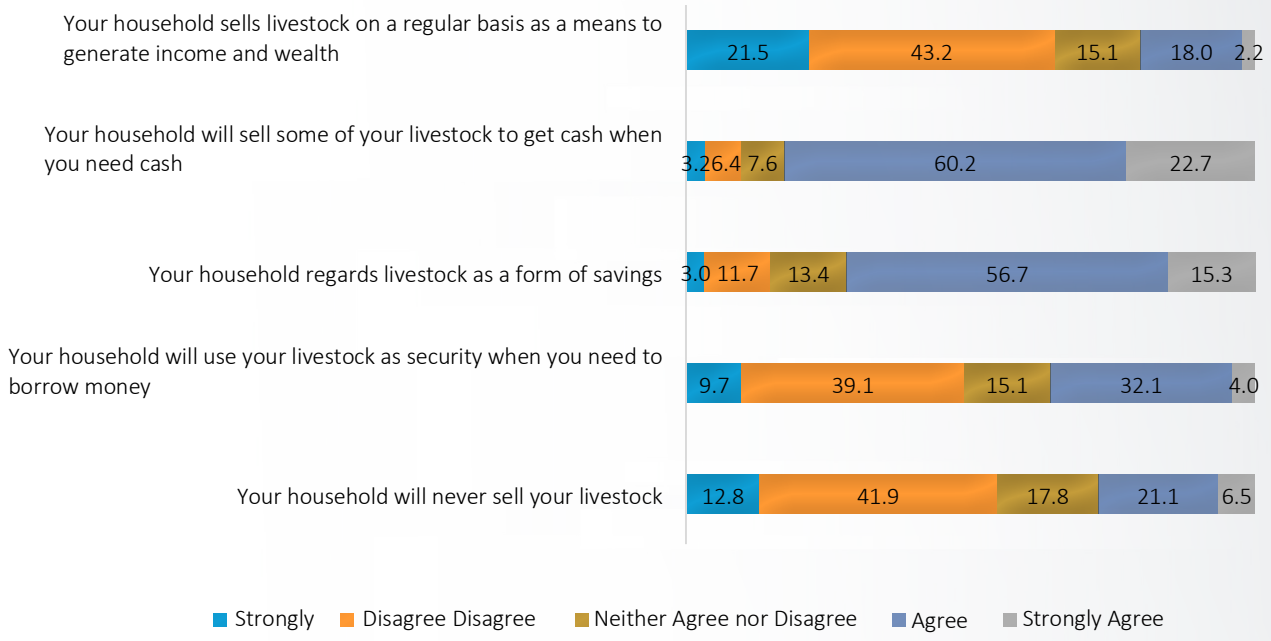


Figure 3.2.12 presents households' attitudes and perceptions towards livestock. Most households (64.7%) do not view regular livestock sales as a primary means of generating income. However, most households (82.9%) reported that they sell livestock when cash is needed. Additionally, 72.0 percent regards livestock as a form of saving.

Overall, the results indicate that livestock is primarily perceived as a financial safety net rather than a consistent income generating activity.

Figure 3.2. 12: Percentage distribution of households by attitudes towards livestock



Nearly half of farming households (47.8%) reported that they do not use or need to purchase inputs for farming; instead, they manage well with what they already have (as shown in Figure 3.2.13). Among those who finance inputs, 24.4 percent use their savings, while 19.7 percent rely on income from selling livestock. A smaller proportion depends on non-farming income sources (11.5%) or crop sales (5.7%), with very limited use of borrowing or formal credit.

Figure 3.2. 13: Percentage distribution of households by sources of financing for farming activities

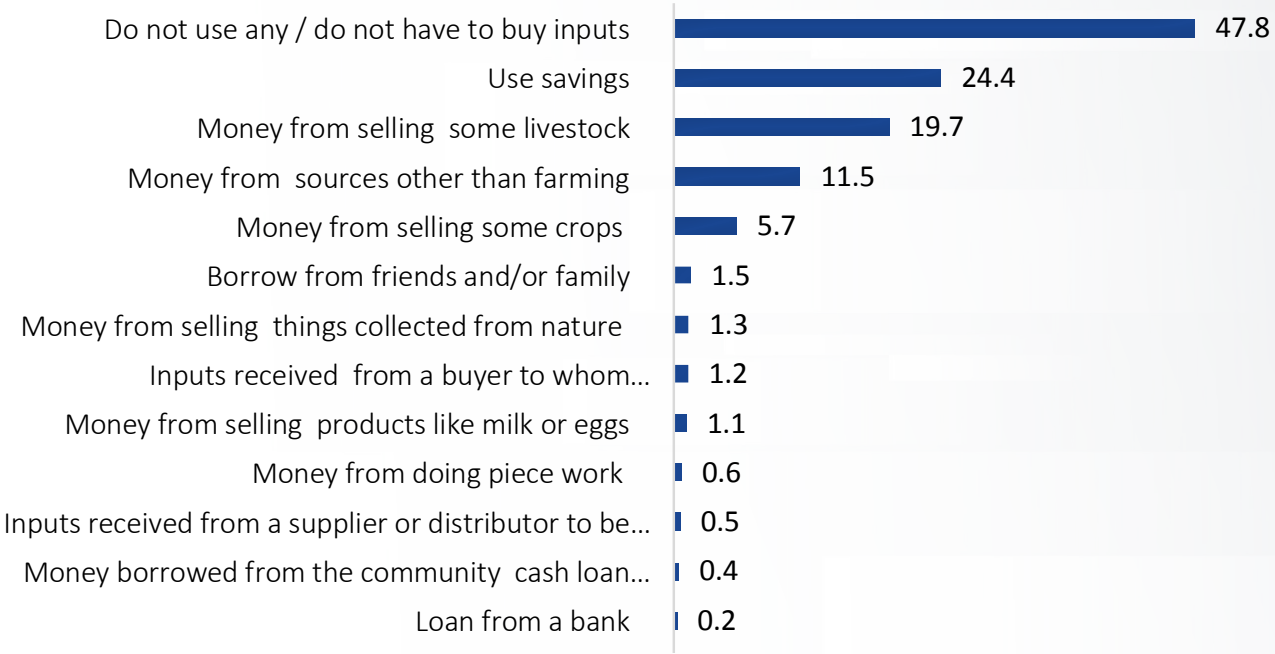
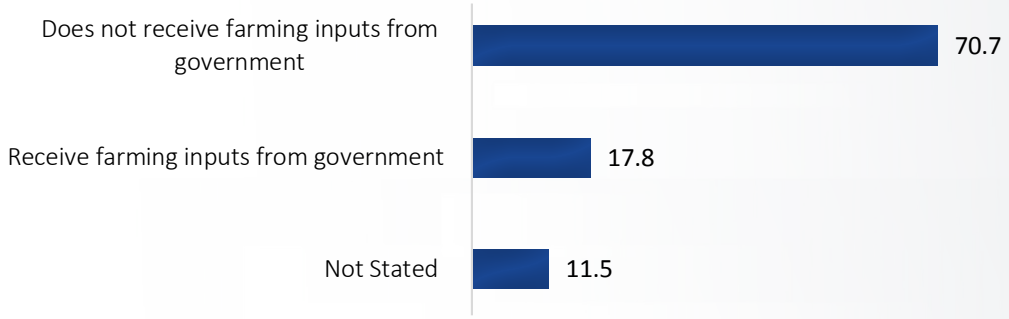


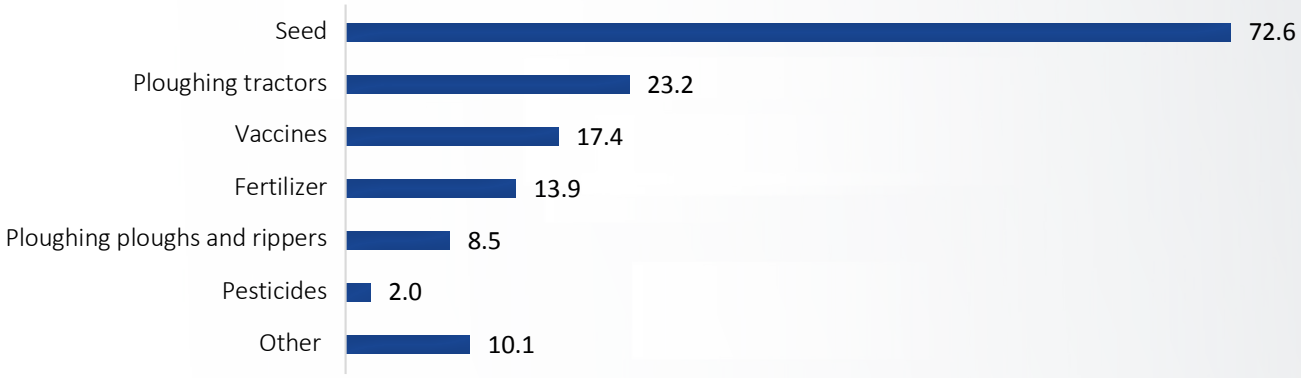
Figure 3.2.14 shows the extent to which farming households receive inputs from the government at a lower cost. Most households (70.7%) reported not receiving any government support inputs. Only 17.8 percent reported access to subsidised inputs.

Figure 3.2. 14: Percentage distribution of households by receipt of government subsidised farming inputs



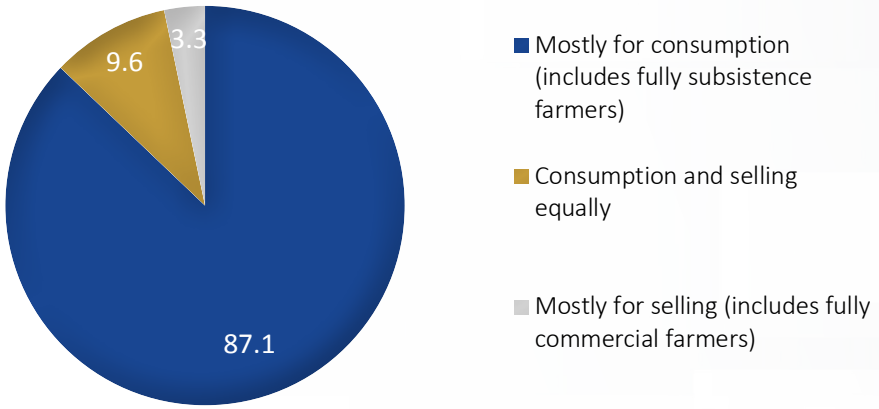
As shown in Figure 3.2.15, the majority of those who received farming inputs from the government (72.6%) received seeds, followed by 23.2 percent who accessed ploughing tractors and 17.4 percent who received vaccines.

Figure 3.2. 15: Percentage distribution of households by types of farming inputs received from government



Farming households were also asked to indicate their main motive for farming, whether for consumption, selling, or both. Figure 3.2.16 shows that most farming households (87.1%) engage in farming mainly for consumption purposes. A smaller proportion (9.6%) farms for both consumption and selling, while only 3.3 percent reported farming primarily for commercial (selling) purposes. This indicates that farming in Namibia remains largely subsistence oriented, with limited participation in market driven production.

Figure 3.2. 16: Percentage distribution of households by main purpose of farming



Non-commercial farmers, who farm mainly for consumption, were asked if they had considered transforming their farming activities into a business, as presented in figure 3.2.17. The results show that most non-commercial farmers (73.1%) have never considered transforming their farming activities into a business. Meanwhile, 17.8 percent have considered becoming commercial farmers.

Figure 3.2. 17: Percentage distribution of non-commercial farmers by consideration to becoming commercial farmers

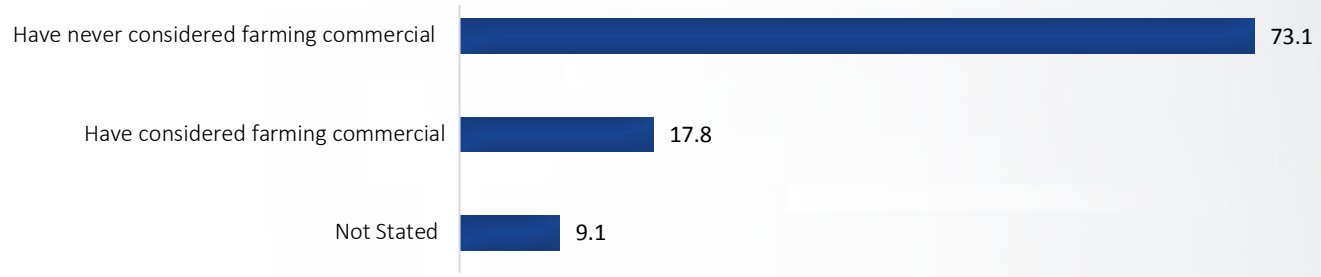


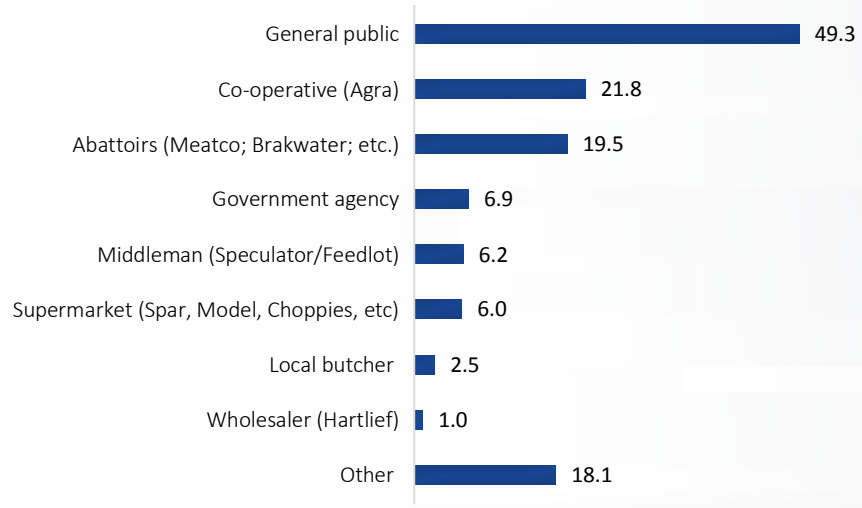
Table 3.2.1 shows that the main reason for not considering farming as a business is that it is viewed as a family activity (39.3%). This is followed by a lack of sufficient land (36.5%), inadequate funds to support commercial farming (17.6%) and having alternative sources of income (15.9%). Overall, the findings point to both resource constraints and attitudinal factors as key barriers to commercialisation.

Table 3.2. 1: Percentage distribution of households by reasons for not considering farming as a business

	%
Farming is a family activity	39.3
We do not have enough land to farm commercially	36.5
We do not have sufficient funds to stock or work the farm properly	17.6
Have another source of income	15.9
The quality of the land does not allow for this	12.8
We just love to farm	7.7
Farming is a hobby	4.9
The profit we can make is not sufficient (market price too low)	4.4
We bought this land as an investment and will sell it later	3.1
Full-time farming is too risky	2.3
The income from full-time farming is too low	2.2
The future of farming in this country is too uncertain	0.3
Other	3.5

The survey further collected information on to whom commercial farming households in Namibia sell their products. The results in Figure 3.2.18 show that the main market for farm products is the public (49.3%). This is followed by 21.8 percent that sell their products and services mostly to co-operatives (e.g. Agra) and 19.5 percent that sell to abattoirs like MEATCO. Very few commercial farming households (6.9%) sell directly to government agencies.

Figure 3.2. 18: Percentage distribution of commercial farming households by target markets for farm products



The commercially farming households were further asked to identify the challenges they face in selling their products and services.

Table 3.2.2 below shows that the main challenge faced by commercial farming households in selling their products is low market price with 62.8 percent. This was followed by distance to markets (42.8%) and lack of transportation as well as the cost of transportation with 38.7 percent and 36.8 percent respectively. Fewer households reported a lack of refrigeration facilities (5.0%) and unreliable middlemen, with 2.2 percent.

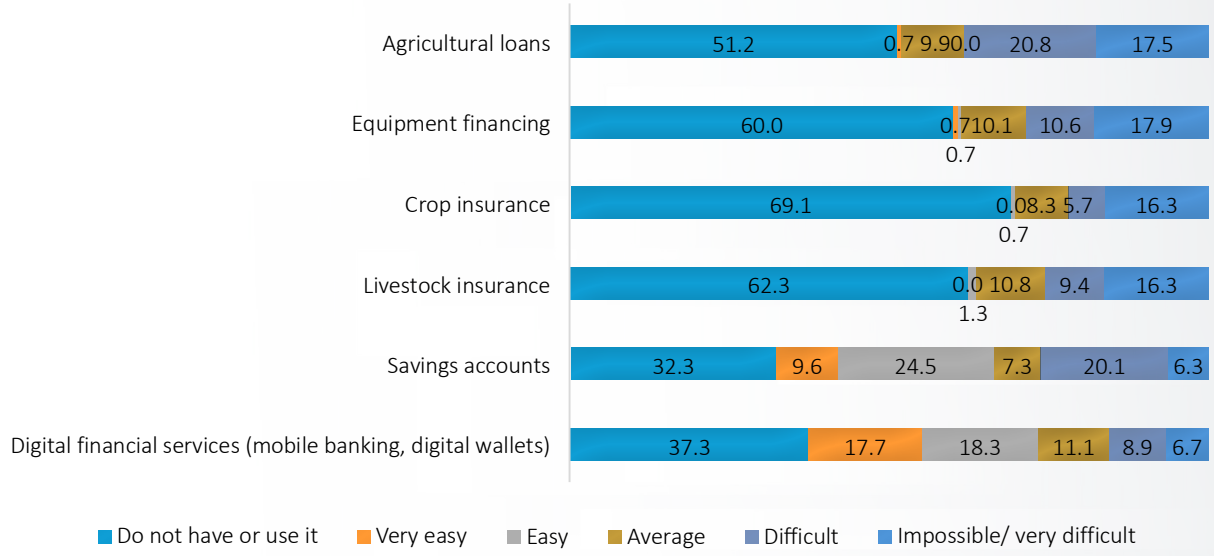
The findings highlight that market access and logistics related constraints are key barriers to effective participation in agricultural markets.

Table 3.2. 2: Percentage distribution of commercial farming households by challenges faced when selling farm products and services

Challenges faced	%
Low market price	62.8
Distance to the market/the place I sell	42.8
Lack of transportation	38.7
Cost of transportation	36.8
Lack of storage facilities	17.8
Reliability of transport	8.6
Goods/products get damaged in transport	7.6
Lack of refrigeration facilities	5.0
Unreliable middleman	2.2
Other	24.1

Figure 3.2.19 shows that most commercial farming households do not use or have access to agricultural financial services, with non-usage exceeding 50 percent for most services including agricultural loans, equipment financing, crop and livestock insurance. Among these services, agricultural loans are perceived as the most difficult to access (38.3%). In contrast, digital financial services are reported as the easiest to obtain (36.0%), followed by savings accounts (34.1%).

Figure 3.2. 19: Accessibility of financial products and services for farming activities among commercial farming households



The main barrier to accessing financial services among commercial farming households is the lack of collateral with 37.7 percent (as shown in Figure 3.2.20). This is followed by poor infrastructure such as limited access to roads and internet with 29.2 percent, and inconsistent income with 26.6 percent. Other notable constraints include high transaction costs (25.9%), limited financial literacy (25.0%), and high interest rates with 21.0 percent.

Figure 3.2. 20: Barriers to accessing financial services for farming activities among commercial farming households

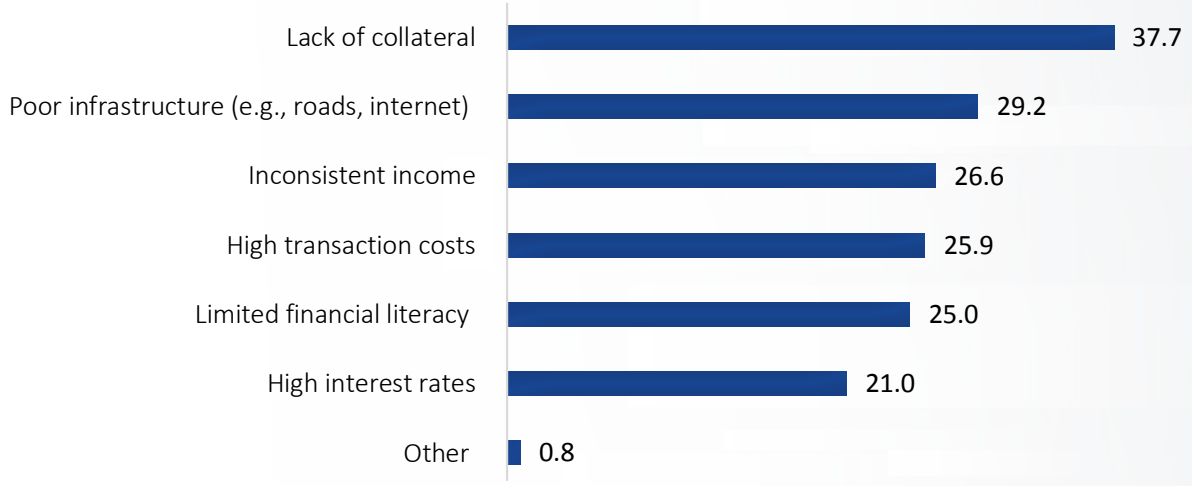
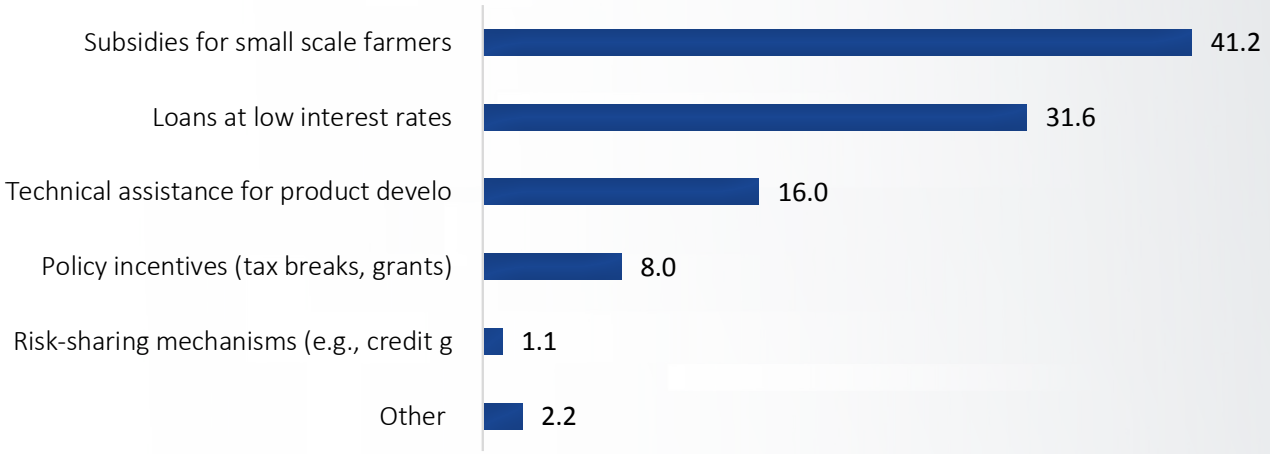


Figure 3.2.21 shows the main forms of support that commercial farmers believe are necessary to enable small-scale farmers to adopt green finance practices in agriculture. The findings indicate that financial support in the form of subsidies (41.2%) and low-interest loans at 31.6 percent are prioritised over non-financial interventions such as technical assistance with 16.0 percent. In contrast, policy incentives such as tax breaks and grants are less frequently cited (8.0%), while risk-sharing mechanisms are the least preferred (1.1%).

Figure 3.2. 21: Recommended forms of support for promoting green finance in agriculture



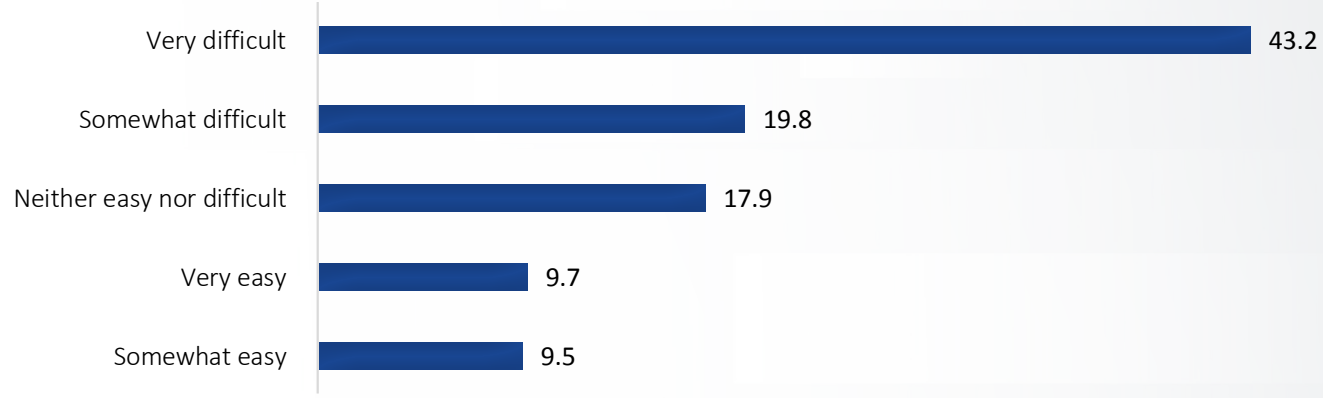
3.3 Financial Capability

Financial capability is defined as the personal ability and possession of the necessary skills to understand, take-up and use a financial product/service effectively. Financial capability is largely dependent on financial literacy, as the knowledge and understanding of financial concepts directly influence individuals' ability to make informed financial decisions. Financial Literacy includes management of money in day-to-day transactions, planning for long-term investments and responsibilities in such a way as to maximize personal financial welfare and being aware of the range of financial products available as well as knowing which products to choose. Four indicators or components can measure the financial literacy of an individual, namely: money management, financial planning, choosing products and financial knowledge.

3.3.1 Day-to-day money management

The largest percentage of the eligible population (43.2%) finds it very difficult to keep up with financial commitments as shown in Figure 3.3.1. This is followed by 19.8 percent who report it as somewhat difficult and 17.9 percent who find it neither easy nor difficult. In contrast, smaller percentage reported ease, with 9.7 percent indicating it is very easy and 9.5 percent somewhat easy to manage their financial obligations. The findings indicate that a significant proportion of the eligible population faces challenges in meeting their financial obligations.

Figure 3.3. 1: Percentage distribution of the eligible population by level of ease of keeping up with financial commitments



The results as shown in Figure 3.3.2 indicate that majority of the population struggle to make the income last, with the largest percentage (75%) of the eligible population reporting that they seldom/rarely (39.2%) or never (35.4%) make their income last until the next income. In contrast, only 25.4 percent indicated that they often make their income last until the next income.

Figure 3.3. 2: Percentage distribution of the eligible population by frequency of making income last until the next income

Table 3.3.1 presents perceptions of how the adult population in Namibia rates their ability to make ends meet or survive generally. The results indicate that more than half of the adult population (50.7%) experience challenges in making ends meet, as reflected by those who agree (38.9%) or strongly agree (11.8%). In contrast, about one quarter (26.5%) reported not experiencing such difficulties.

Table 3.3. 1: Percentage distribution of the adult population by frequency of having difficulties making ends meet

	Frequency	%
Strongly Disagree	81 257	4.5
Disagree	400 696	22.0
Neither Agree nor Disagree	415 912	22.9
Agree	706 667	38.9
Strongly Agree	213 636	11.8

Furthermore, Table 3.3.2 indicates that informal support networks dominate coping mechanisms, with over half (53.0%) relying on family or friends for financial assistance. In contrast, formal financial options remain marginal, with less than 2 percent accessing banks or other financial institutions. The rural population depends on community-based coping strategies, whereas the urban population shows relatively higher engagement with formal and semi-formal financial sources.

Table 3.3. 2: Percentage distribution of the adult population by actions taken when running out of money and area

Actions taken	Frequency	Total	Urban	Rural
		%		
Will get the money from family and friends	964 074	53.0	54.6	51.2
Will get the money from someone in the community	228 089	12.6	9.8	15.8
Will sell something to cover the costs	193 753	10.7	5.9	16.2
Will borrow the money from family and friends	231 485	12.7	13.7	11.6
Will borrow the money from someone in the community	53 326	2.9	3.3	2.5
Will borrow the money from the bank	30 488	1.7	2.5	0.8
Will borrow the money from another registered financial institution	23 882	1.3	2.0	0.5
Will borrow the money from a cash loan lender in the community	114 496	6.3	8.7	3.5
Will borrow the money from a savings group or Savings associations	2 158	0.1	0.2	0.0
Will get money from my savings	158 993	8.7	7.0	10.8
Will cut down on expenses	230 936	9.4	9.0	9.8

The findings in Table 3.3.3 indicate that access to informal financial support is widely perceived, with 66.8 percent reporting that they can rely on people in their community. Conversely, reliance on strangers is minimal, as 63.0 percent expressed reluctance to seek financial help from unknown individuals, underscoring the importance of trust-based networks.

Table 3.3. 3: Proportion of the adult population by perceptions of access to financial help within the community

	You have people in the community that you can turn to for help if you need to	You would rather turn to strangers than people in the community if you need financial help
	%	
Strongly Disagree	4.3	18.0
Disagree	18.9	45.0
Neither Agree nor Disagree	10.1	16.1
Agree	55.4	18.0
Strongly Agree	11.4	3.0

Respondents were asked to indicate how easy or difficult it is for them to keep up with paying accounts and meeting other financial commitments on a monthly basis. This was measured on a 10-point scale ranging from 1 (not difficult at all) to 10 (very difficult). A score of five (5) represents a neutral level of difficulty.

Table 3.3.4 indicates that financial strain is widespread, with the highest percentage of the population (23.2%) reporting extreme difficulty in meeting monthly commitments. Lower difficulty levels are less common, highlighting a distribution concentrated towards moderate to high levels of financial pressure.

Table 3.3. 4: Percentage distribution of the adult population by level of difficulty in keeping up with monthly financial commitments (10-point scale)

Score number	Frequency	%
1(Not difficult at all)	163 034	9.0
2	79 926	4.4
3	95 949	5.3
4	153 536	8.4
5	379 665	20.9
6	185 612	10.2
7	103 770	5.7
8	108 013	5.9
9	126 280	7.0
10 (Very difficult)	422 382	23.2
Total	1 818 168	100

3.3.2 Financial planning

Respondents were asked to identify three things that they buy or pay for when they receive their income. Table 3.3.5 indicates that spending is heavily concentrated on essential consumption, particularly on food (90.1%), with utilities and basic household needs following at significantly lower levels. Financial resilience behaviors, such as savings (13.5%) and insurance (4.1%), are less common, suggesting limited capacity to allocate income beyond immediate needs.

Table 3.3. 5: Percentage distribution of the population by main expenditure when income is received

Main expenditure	Frequency	%
Buy food and other groceries	1 407 151	90.1
Pay water bill	531 993	34.1
Set aside money to pay for general household expenses	514 235	32.9
Pay for clothing and other personal items	440 518	28.2
Buy electricity	400 996	25.7
Buy airtime or credit for my cell phone	243 271	15.6
Set aside money for saving or investment	210 826	13.5
Set aside money to pay for fuel and transportation (taxi, and bus fare)	190 202	12.2
Set aside money to pay for accommodation	161 542	10.3
Buy medication	119 605	7.7
Pay store accounts	96 988	6.2
Pay loan	86 676	5.6
Pay for insurance	63 661	4.1
Pay for internet	54 302	3.5
Pay my landline telephone or internet account	2 186	0.1
Other	160 167	10.3

The survey further established the level of respondents' involvement in financial decision making in their households. Figure 3.3.3 shows that financial decision making within households is relatively distributed, with a slight dominance of individual decision making with 29.0 percent. However, the considerable percentage of adults (21.0%) not involved in their households' financial decisions highlights potential gaps in financial inclusion at the household level.

Figure 3.3. 3: Percentage distribution of the adult population by level of involvement in household financial decision making

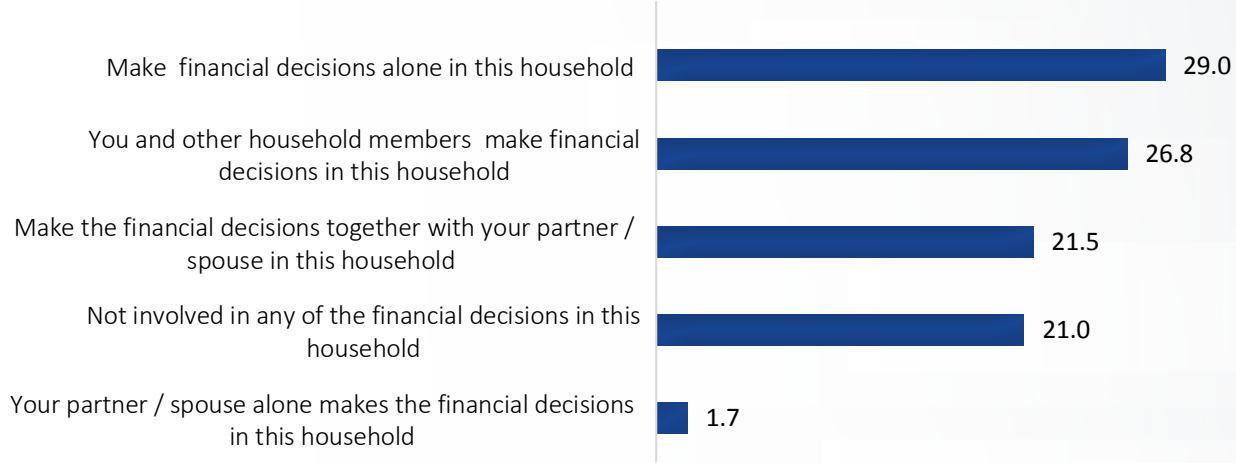


Table 3.3.6 shows attitudes, perception and behaviors regarding financial planning. Results indicate a gap between positive financial attitudes and actual behaviors, as many individuals (85.9%) reported being in control of their finances and money matters despite a notable percent of the population engaging in overspending (36.5%) and impulsive spending (28.6%).

Table 3.3. 6: Percentage distribution of the adult population by financial planning attitudes, perceptions and behaviours

Planning attitudes	Agree/Strongly agree (%)
Poor Financial planning	
You would rather buy something on credit than wait to save enough money to buy the item you want	26.3
You tend to spend money quickly without thinking much	28.6
You often have to spend more money than what you have available	36.5
Good Financial planning	
You consider yourself a saver rather than a spender	54.7
You like to be in control of your finances and money matters	85.9

Budgeting is used as a monitoring and evaluation tool in people's financial encounters. Table 3.3.7 shows low levels of financial record keeping overall among the adult population, with the largest percentage of the population never keeping records of their income (43.1%) or spending (44.2%). Monthly record keeping is the most common among those who do track finances, reported by 38.3 percent for income and 33.9 percent for spending, while daily and weekly tracking remain relatively low.

Table 3.3. 7: Percentage distribution of the adult population by frequency of keeping financial records

Frequency of record keeping	Percentage of keeping record of the money received	Percentage of keeping record of spending
Never	43.1	44.2
Daily	7.7	8.9
Weekly	8.4	11.4
Monthly	38.3	33.9
Annually	2.5	1.6
Total	100	100

The survey also asked respondents whether they plan their spending for money they receive, to make it last until they receive money again. Table 3.3.8 shows that the majority (76.1%) plan how to spend their money, and most of them (75.8%) adjust their plans when faced with unexpected expenses. In terms of the frequency of drawing up financial plans, a larger percentage of adults (64.1%) make a new plan based on their income, while 35.9 percent stick to a general plan. Moreover, 85.9 percent of adults indicated that they prioritise certain expenses when they receive money.

Table 3.3. 8: Financial Capability Assessment

	%
Whether individuals plan their spending to ensure their money lasts until they receive their next income or salary	
Yes	76.1
No	23.9
Whether individuals change their financial plans when faced with unexpected expenses, such as medical or funeral costs.	
Yes	75.8
No, I do not change my plan because I make provision for unexpected events	11.0
No, I stick to my plan and find other sources of money to cover unexpected expenses	13.3
Whether individuals follow a general financial plan consistently or create a new plan each time they receive income or a salary	
General plan	35.9
Plan according to my income	64.1
Whether individuals prioritize paying certain expenses or obligations before spending on other things when they receive money	
Yes	85.9
No	14.1

3.3.3 Awareness of financial products

To test the general literacy of the population on various financial products, respondents were asked to spontaneously mention the financial products that they are aware of. Table 3.3.9 shows that financial awareness is largely limited to basic products such as bank accounts (67.6%), followed by mobile money (41.8%). Awareness of other products such as medical aid (31.7%) and life insurance (29.0%) and pension funds (28.7%), comparatively lower. In contrast, awareness of investment-related products, including unit trusts (6.4%) and bonds or other investment products (5.6%), was very low. Additionally, 24.0 percent of respondents could not spontaneously mention any financial products, suggesting limited overall financial awareness among a significant portion of the population.

Table 3.3. 9: Percentage distribution of adult population by awareness of financial products (unprompted)

Financial products	%
Bank accounts	67.6
Mobile money/Bank wallet money	41.8
Medical Aid products	31.7
Life insurance	29.0
Pension Fund products	28.7
Short term insurance	12.2
Friendly societies	10.8
Unit trusts	6.4
Investment products (e.g. Bonds, unit trust)	5.6
Other loan products	0.4
No spontaneous mention of financial products	24.0

Respondents were asked about the financial institutions they were aware of. Table 3.3.10 results show that awareness of financial institutions was highest for savings banks (NamPost) with 77.1 percent, and Commercial banks with 73.1 percent, Pension Funds (53.7%), Medical Aid Funds (48.2%) and life insurance companies (44.9%). Significantly, lower awareness was observed of specialised and investment related institutions such as microlenders (26.2%), provident funds (13.4%) and investment management companies (10.6%). About 10.1 percent reported no awareness, indicating the existence of knowledge gaps beyond traditional banking services.

Table 3.3. 10: Percentage distribution of adult population by awareness of financial institutions (prompted)

Financial institutions	%
Savings bank (NamPost)	77.1
Commercial Banks	73.1
Pension Funds	53.7
Medical Aid Funds	48.2
Life insurance companies	44.9
Short term insurance companies	26.6
Microlenders (MFI)	26.2
Friendly societies	21.9
Provident Fund companies	13.4
Unit trust Management Companies	10.8
Investment Management Companies (e.g. Unit Trusts and Bonds)	10.6
None	10.1

The survey also looked at knowledge of respondents in terms of financial products. The respondents were asked to indicate their levels of knowledge on a scale of one to ten, where one is very poor and ten is very good.

Table 3.3.11 indicates that knowledge of financial products was moderate and uneven across listed categories. Mobile money recorded the highest mean score of 5.8, followed by Savings bank products at 5.2, and general banking products at 5.1.

Knowledge for longer term and more complex products such as Pension fund products, medical aid and life insurance were reported at a mean score of 4.2, 4.1 and 3.9 respectively. The lowest mean score was reported for investment related products Unit trust management (2.5) and provident funds (2.6). Overall, this pattern suggests that while basic and frequently used financial services are relatively well understood, there are significant knowledge gaps in more sophisticated financial products.

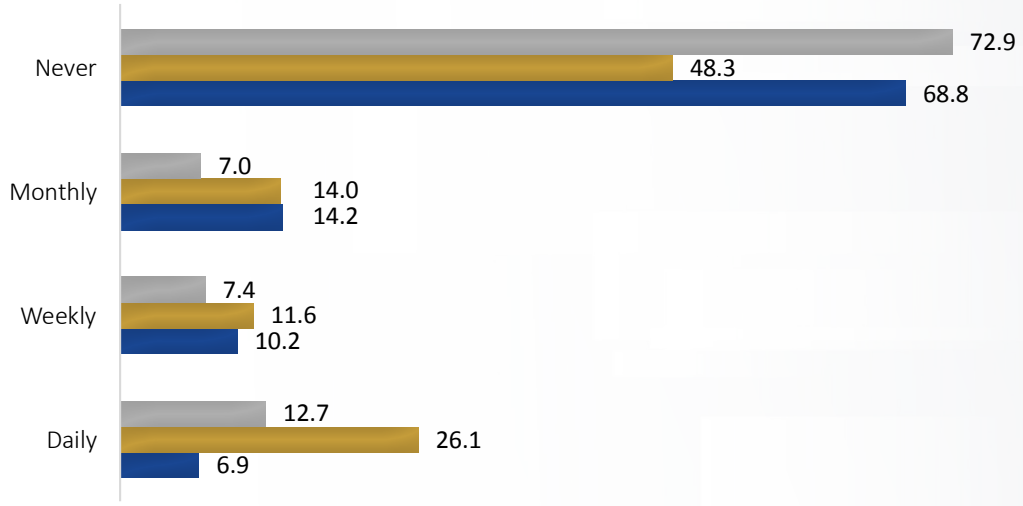
Table 3.3. 11: Average level of knowledge of financial products among the adult population

Financial products	Average Score
Mobile money	5.8
Savings bank products	5.2
Banking products	5.1
Pension fund products	4.2
Medical aid fund products	4.1
Life insurance products	3.9
Short term insurance products	3.3
Micro lender products	3.2
Friendly society products	3.1
Investment products	3.0
Provident fund products	2.6
Unit trust management products	2.5

Obtaining information about economic matters informs financial knowledge. Respondents were asked to report on the frequency with which they read about or listen to economic matters via various media platforms like newspapers, radio and television.

The results shown in Figure 3.3.4 indicate that access to economic and financial information through traditional media was low, with most respondents reported that they never access such information via television, newspapers or radio with, 72.9 percent, 68.8 percent and 48.3 percent respectively. Radio stands out as the most regularly accessed medium, with 26.1 percent reported daily access, compared to 12.7 percent for television and 6.9 percent for newspapers. The above suggests limited and irregular use of traditional media as a source of financial information, with radio being the most used.

Figure 3.3. 4: Percentage distribution of adult population by frequency of accessing economic and financial information via selected media sources



3.3.4 Choosing financial products

For this dimension of financial capability, respondents were asked specifically about contracts received when obtaining a formal financial product. Table 3.2.12 below shows that a relatively small proportion of 20.6 percent of the adult population reported having previously obtained a formal financial product. Among those who have done so, the majority (79.0 %) indicated that they had requested a copy of the contract for the formal financial product obtained. However, access to documentation is not universal, with 15.7 percent not receiving any contract or terms and conditions upon obtaining such a product, with only 35.9 percent receiving contracts for all products obtained.

Furthermore, most respondents who received contracts read them themselves (67.7%), while 26.3 percent reported relying on someone else to read the contracts for them. Respondents were also asked to report on their understanding of the contracts they read or that had been read to them. Based on a Likert scale of 1 to 10, where 1 is “very poor understanding” and 10 is “very good understanding,” a mean score of 8.4 was reported, indicating a high sense of understanding of contracts or terms and conditions relating to formal financial products obtained.

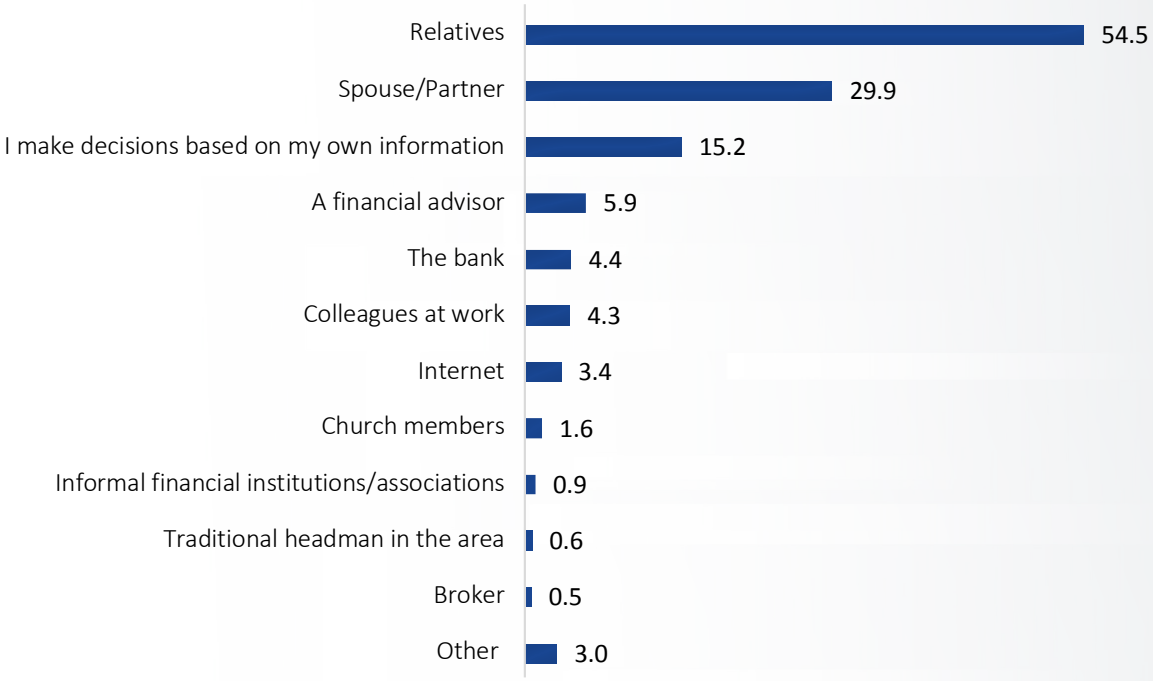
Table 3.3. 12: Obtaining formal financial products and contracts understanding

	%
Whether individuals have obtained formal financial products such as a loan from a bank, savings account, an insurance policy or mortgage	
Yes	20.6
No	79.4
Whether individuals requested a copy of the contract when obtaining a formal financial product	
Yes	79.0
No	21.0
Whether the contract was received within the past six months and whether it was read by the respondents themselves or by someone else.	
No contract received	15.7
Yes, for some of them	15.2
Yes, for all of them	35.9
No product was received in the past 6 month	33.2
Whether the contract was received within the past six months and whether it was read by the respondents themselves or by someone else.	
I read it myself	67.7
Someone read it to me	26.3
I did not read it, neither did someone read it to me	5.9
Mean score of understanding the contract(s) obtained and read in the past 6 months	8.4

The survey also looked at where Namibians seek advice in making important financial decisions in their lives. Figure 3.3.5 indicates that financial advice is predominantly sourced from informal networks, with much of the eligible population relying mainly on relatives (54.5%) and spouses/partner (29.9%) for financial advice. A smaller proportion (15.19%) reported making financial decisions on information independently without consulting others.

Formal sources of advice are used less frequently, with only 5.9 percent consulting financial advisors and 4.4 percent seeking advice from banks. This suggests limited utilisation of professional financial services for decision-making, which may have implications for financial outcomes and highlights the need to strengthen financial literacy and trust in formal financial institutions.

Figure 3.3. 5: Percentage distribution of the adult population by main of source of financial advice

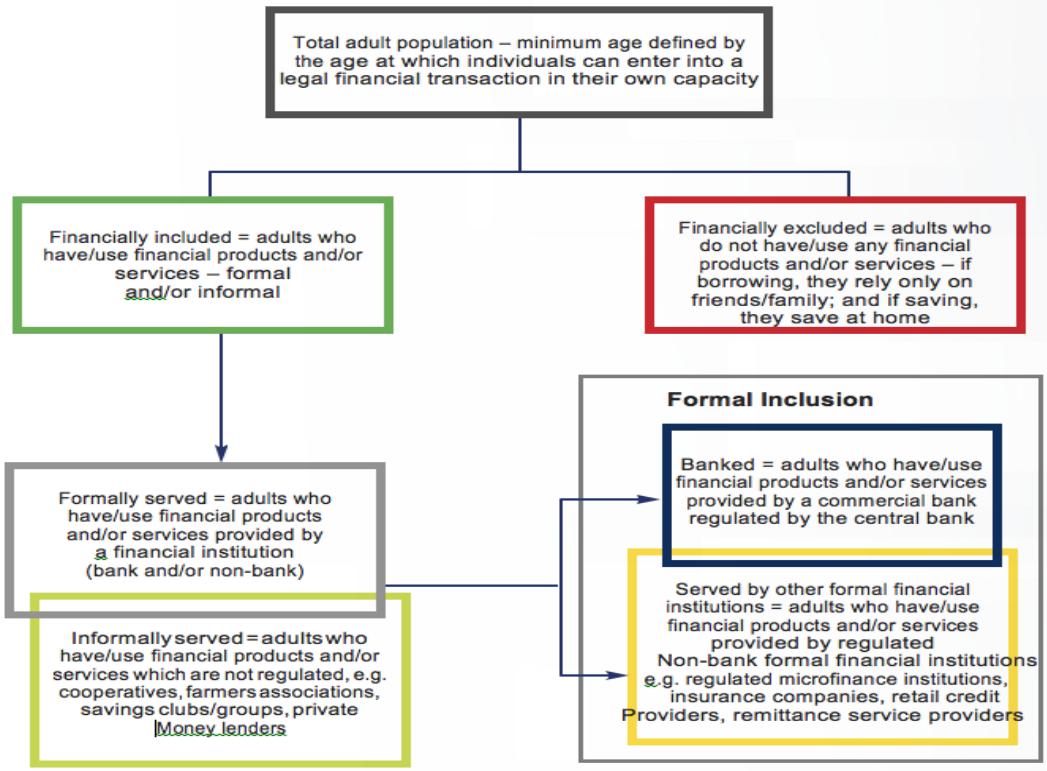


3.4 Financial Inclusion

Financial Inclusion surveys apply a standard analytical framework to assess financial inclusion that has been developed over years. Figure 3.4.1 outlines the definitions used in assessing financial inclusion. The legal age at which an individual in Namibia can open a formal bank account is 16 years. However, an exception has been made to consider those aged 15 years to reflect their increasing participation in financial activities, particularly through mobile money, savings practices, and other informal financial tools making their inclusion important for capturing early financial behaviors.

3.4.1 Analytical framework

Figure 3.4. 1: Financial inclusion definitions



3.4.2 Defining financial inclusion

Defining financial inclusion requires considering the evolving nature of markets and consumer's needs. Thus, the analytical framework assesses both formal product usage such as services through commercially recognised banks and other financial institutions such as insurance companies and retail providers and informal usage such as savings clubs, and burial societies, etc. as depicted in Figure 3.4.2. The term financially included (served) refers to the percentage of adults who have or use financial products (both formal financial and informal mechanisms) to manage their financial lives.

The framework also seeks to assess the usage and overlap of services of both the formally served and the informally served.

Figure 3.4. 2: Dimensions of financial inclusion

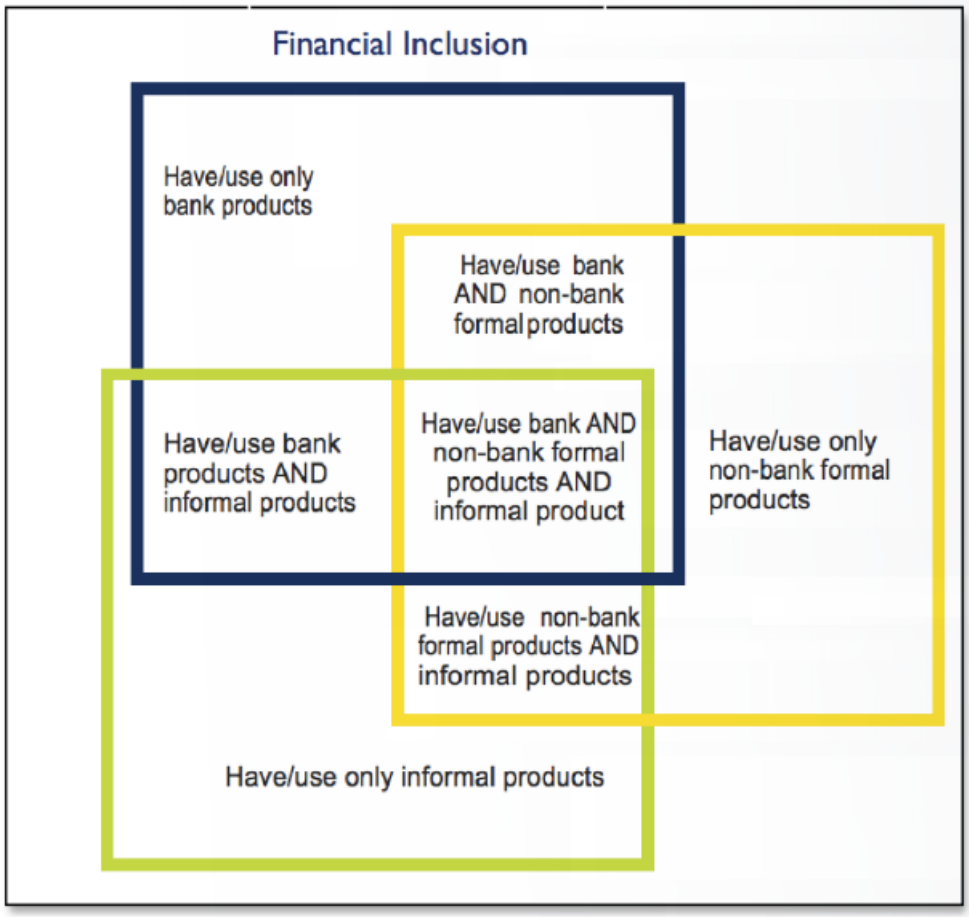


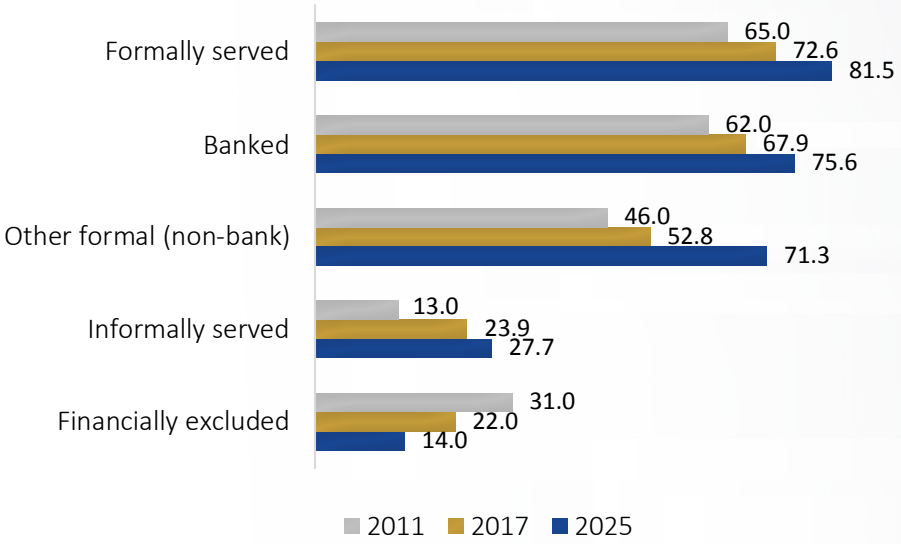
Figure 3.4.3 highlights the overall financial products and services that adults in Namibia use in meeting their financial needs without eliminating product overlaps. Access to formal financial services has expanded, with more individuals opening bank accounts and using regulated financial products. The findings show a steady decline in financial exclusion, decreasing from 22.0 percent in 2017 to 14.0 percent in 2025. Further observation shows that:

- Overall, 81.5 percent (1 481 998) of Namibia's eligible population is formally served meaning they use at least one formal financial product or service from banks or formal non-bank institutions (e.g. Old Mutual, Sanlam, Entrepo etc), even if informal services are also used.
- Banking penetration was high, with 75.6 percent of adults being classified as banked, meaning they used at least one product or service offered by a bank. In addition, they may have also non-bank or informal financial products and services.
- Similarly, the use of other formal non-bank financial products has increased significantly, rising from 52.8 percent in 2017 to 71.3 percent in 2025. This expansion highlights the rising role of institutions outside the traditional banking sector in advancing financial inclusion. These individuals could also be having/ using

informal or banking products and services.

- About 1 in four adults, 27.7 percent of the population are informally served, up from 23.9 percent in 2017. These individuals may also be having/using formal (bank and non-bank) financial products and services, reflecting the continued relevance of informal financial practices alongside the expansion of formal financial inclusion.

Figure 3.4. 3: Percentage distribution of the adult population by level of financial inclusion



Financial exclusion: Table 3.4.1 presents the financial exclusion rates across different demographic groups in Namibia, revealing clear disparities. The data show that exclusion is disproportionately higher among rural populations, younger age groups, and individuals with lower levels of education. These findings emphasise the persistent structural and socio-economic barriers that limit access to financial services for certain segments of the population, underscoring the need for targeted interventions to bridge these gaps.

- Financial exclusion is higher in rural areas (20.7%) than in urban areas (8.3%).
- Males (15.8%) are more financially excluded than females (12.4%)
- Youth aged 15–20 shows highest exclusion rate (37.3%), with rates declining across older age groups
- Adults in consensual unions (25.5%), and those married traditionally (21.3%), have higher exclusion levels than those formally married (4.3%).
- Education strongly influences exclusion, with the highest rate among those who never attended school (39.6%) and those with only a primary education (27.0%). Financial exclusion is lowest among adults with tertiary education (0.3%).

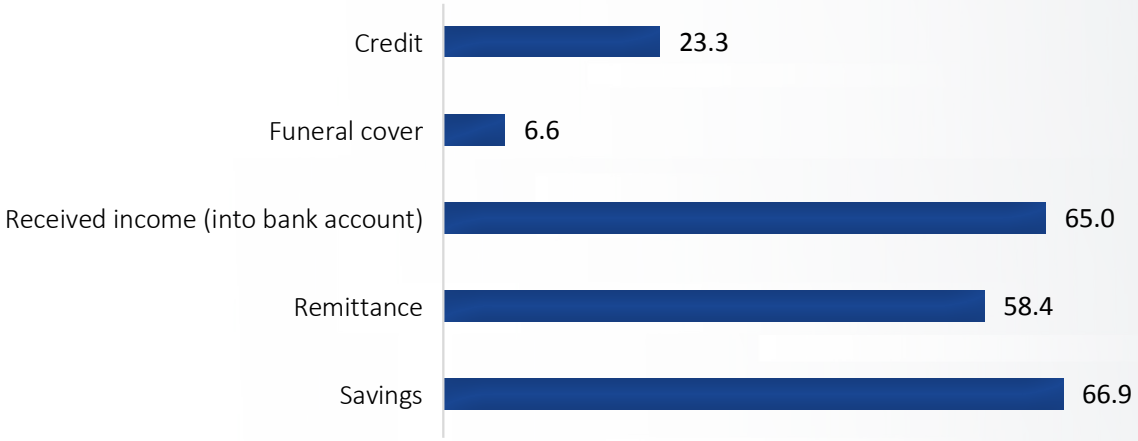
Table 3.4. 1: Financially excluded population rate across demographic groups in Namibia

	Financially excluded	Total eligible population	Financial exclusion rate (%)
Area			
Urban	81 013	981 488	8.3
Rural	173 467	836 680	20.7
Sex			
Male	136 469	864 956	15.8
Female	118 011	953 212	12.4
Age			
15-20	100 313	268 658	37.3
21-26	28 379	269 488	10.5
27-31	15 939	221 281	7.2
32-39	42 807	306 689	14.0
40-50	37 759	398 162	9.5
51+	29 284	353 889	8.3
Marital Status			
Never married	175 195	1 129 178	15.5
Married with a certificate	14 009	329 586	4.3
Married traditionally	26 671	125 280	21.3
In consensual union	23 028	90 233	25.5
Separated	2 780	12 838	21.7
Divorced	3 384	41 869	8.1
Widowed	9 225	87 252	10.6
Highest level of education			
Primary education	97 487	361 434	27.0
Secondary education	96 312	1 017 571	9.5
Tertiary education	734	281 486	0.3
Not stated	600	7 648	7.9
Never attended school	59 347	150 029	39.6

Financial inclusion drivers: Further analysis was done to obtain a better understanding of exactly which types of financial products/services (savings, credits etc.) increased in the banking, formal non-bank or informal financial institutions respectively. Among the 86.0 percent of the adult population who are financially included, the survey established the specific drivers behind the growth in inclusion since 2017.

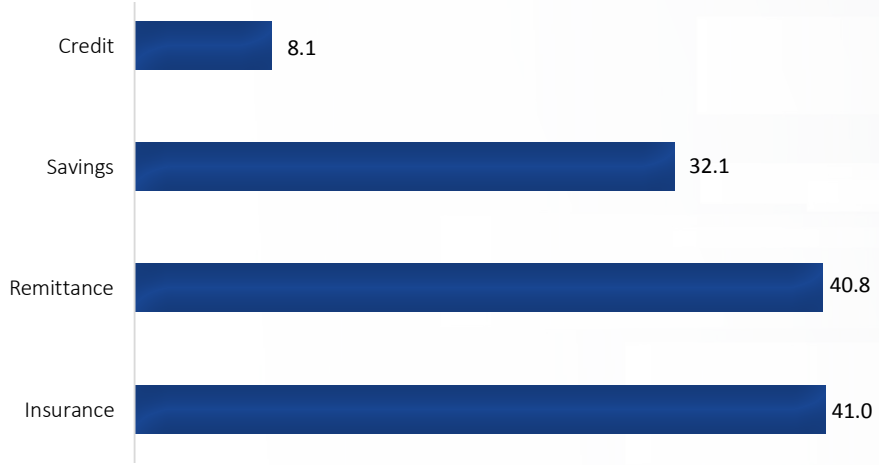
Banking: The survey results indicate that banking in Namibia is largely driven by basic banking services, particularly savings products, and income deposits. Most banked adults (66.9%) use savings products, while 65.0 percent receive their income directly into their bank accounts underscoring the importance of transactional banking. Remittances services are also widely utilised (58.4%), reflecting the role of banks in facilitating money transfers. However, the uptake of more advanced financial products remains limited, with only 23.3 percent accessing credit products and 6.6 percent using funeral cover. These findings are shown in Figure 3.4.4.

Figure 3.4. 4: Drivers of Banking products and services usage in Namibia



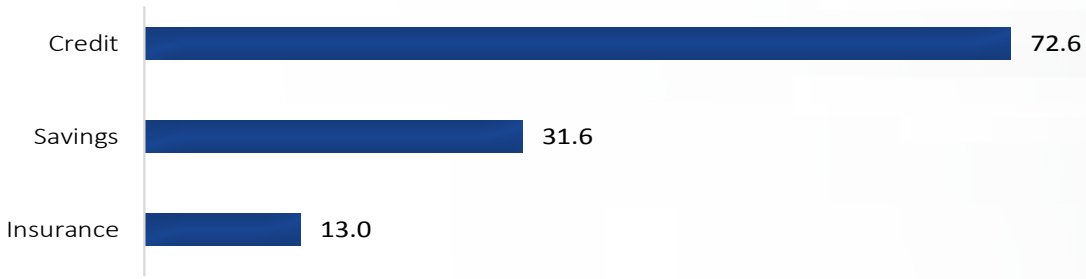
Other formal non-bank: Table 3.4.5 indicates that the use of non-bank formal financial products and services in Namibia is primarily driven by insurance and remittance services. Among adults using these products, 38.7 percent reported using insurance products, including both short- and long-term cover, while 38.5 percent use remittance services. Savings products are moderately used (30.2%), whereas the uptake of credit products was relatively low at 7.6 percent.

Figure 3.4. 5: Drivers of non-bank formal financial products and services



Informal: The findings indicate the use of informal financial products in Namibia is predominantly driven by credit, with a substantial majority (72.6 %) of users borrowing money through informal channels. Savings mechanisms, such as participation in informal savings groups or clubs, are also notable, accounting for 31.6 percent of users. In contrast, the use of informal insurance remains relatively limited with 13.0 percent of those who use informal financial services and products. This is shown in Figure 3.4.6 below.

Figure 3.4. 6: Drivers of informal financial products and services



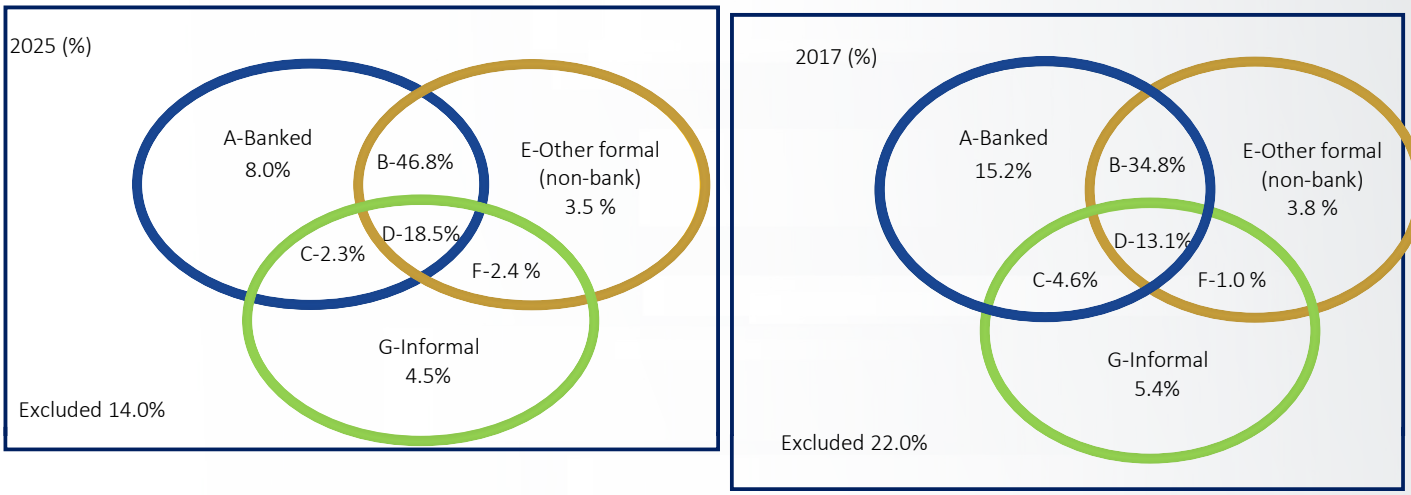
Overlaps: Consumers generally use a combination of financial products and services to meet their financial needs. Someone could, for example, be banked and use mobile money to remit money whilst also belonging to a savings group to enable them to access money quickly in times of an emergency, such as unforeseen medical expenses, to pay school fees. Together, Figure 3.4.5 and Table 3.4.2 present these overlaps:

- 8.0 percent of the adult population rely exclusively on banking products and services.
- 18.5 percent use a combination of both formal (bank and non-bank) and informal financial products.
- 4.5 percent rely solely on informal financial products and services.

Table 3.4. 2: Overlaps in product usage by the financially included

	2017	2025	Product usage of the financially included
A	15.2	8.0	Bank products/services only
B	34.8	46.8	Bank products and non-bank formal
C	4.6	2.3	Bank products and informal mechanism
D	13.1	18.5	Use both formal and informal mechanism
E	3.8	3.5	Non-bank formal only
F	1.0	2.4	Non-bank formal and informal mechanism
G	5.4	4.5	Informal mechanism only

Figure 3.4. 7: Overlaps in product usage by the financially included



The Access Strand

A financial access strand (FAS) is a key indicator used in financial inclusion surveys to classify the adult population into distinct categories of financial service usage: banked, formally served (non-bank), informally served only, and excluded. It eliminates overlaps by applying a hierarchy, with bank accounts ranked as the highest priority, resulting in the following segments:

- Financially excluded individuals
- Individuals who only had/used informal products/services and no formal products services
- Individuals who only had/used formal non-bank products/services and no bank products/services
- Individuals who only had/used bank products

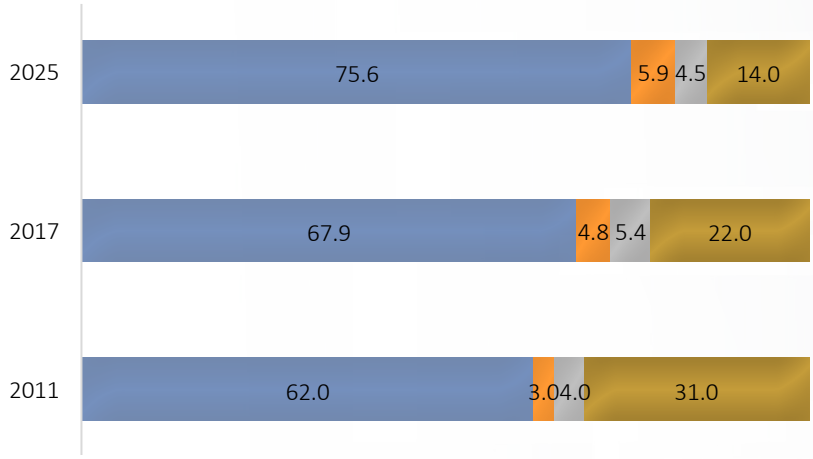
Figure 3.4.7 illustrates a clear progression in financial access in Namibia, highlighting a steady shift towards greater formal financial inclusion over time.

- In 2025 findings,75.6 percent of adults have or use financial products or services from banks, up from 67.9 percent in 2017 and 62.0 Percent in 2011. It is important to note that these adults could also have other formal non-bank and informal financial products.
- Among the formally served, only 5.9 percent of adults in Namibia utilise financial products or services from

other formal non-banking institutions. They could also be using informal products, but do not use bank products or services.

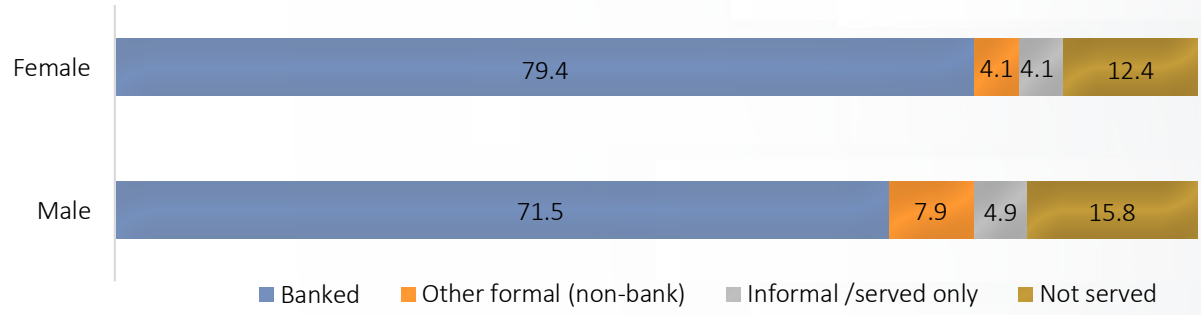
- Only 4.5 percent of the population use only informal financial products or services and did not have or used any products or service from formal banks or non-bank financial services institutions.
- The remaining 14.0 percent of the population is considered financially excluded, as they did not use any formal or informal financial products but may be borrowing from friends & family or saving at home.

Figure 3.4. 8: The Access Strand in Namibia



Financial Access Strand by demographics: Figure 3.4.9 presents the financial access strand by sex. Among males, 71.5 percent are banked, compared to a higher 79.4 percent among females. Financial exclusion remains higher among males (15.8%) than females' population (12.4%), indicating relatively better financial inclusion outcomes for women.

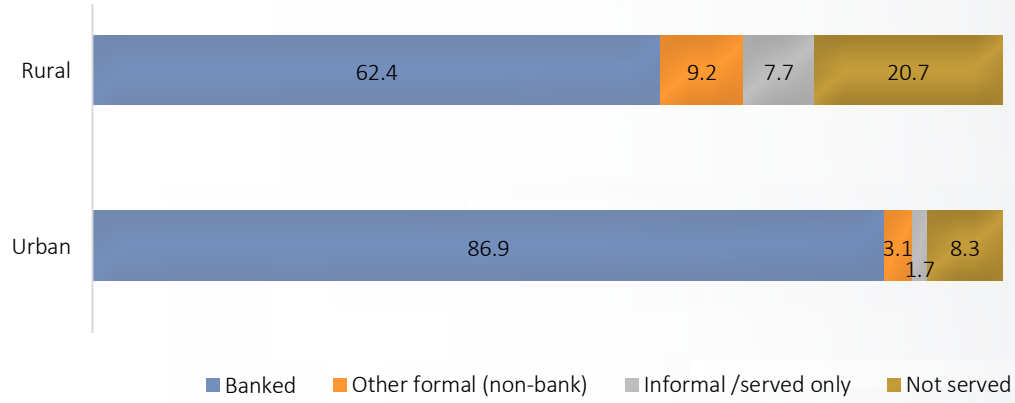
Figure 3.4. 9: Financial Access Strand by Sex



Financial Access Strand by area: There are notable disparities in financial access levels between adults living in urban and rural areas, as illustrated in Figure 3.4.10. Overall financial inclusion comprising the banked, formal non-bank, and informal segments is significantly higher in urban areas at 91.7 percent, compared to 79.3 percent in rural areas.

The higher level of financial inclusion in urban areas was largely driven using banking products and services, with 86.9 percent of adults being banked. In contrast, rural areas, have lower proportion of banked individuals at 62.4 percent, with greater reliance on other formal non-bank products and services (9.2%) which reflects a notable increase from 6.4 percent in 2017. The use of only informal financial products and services in rural areas stands at 7.7 percent, showing a slight increase from 7.2 percent recorded in 2017.

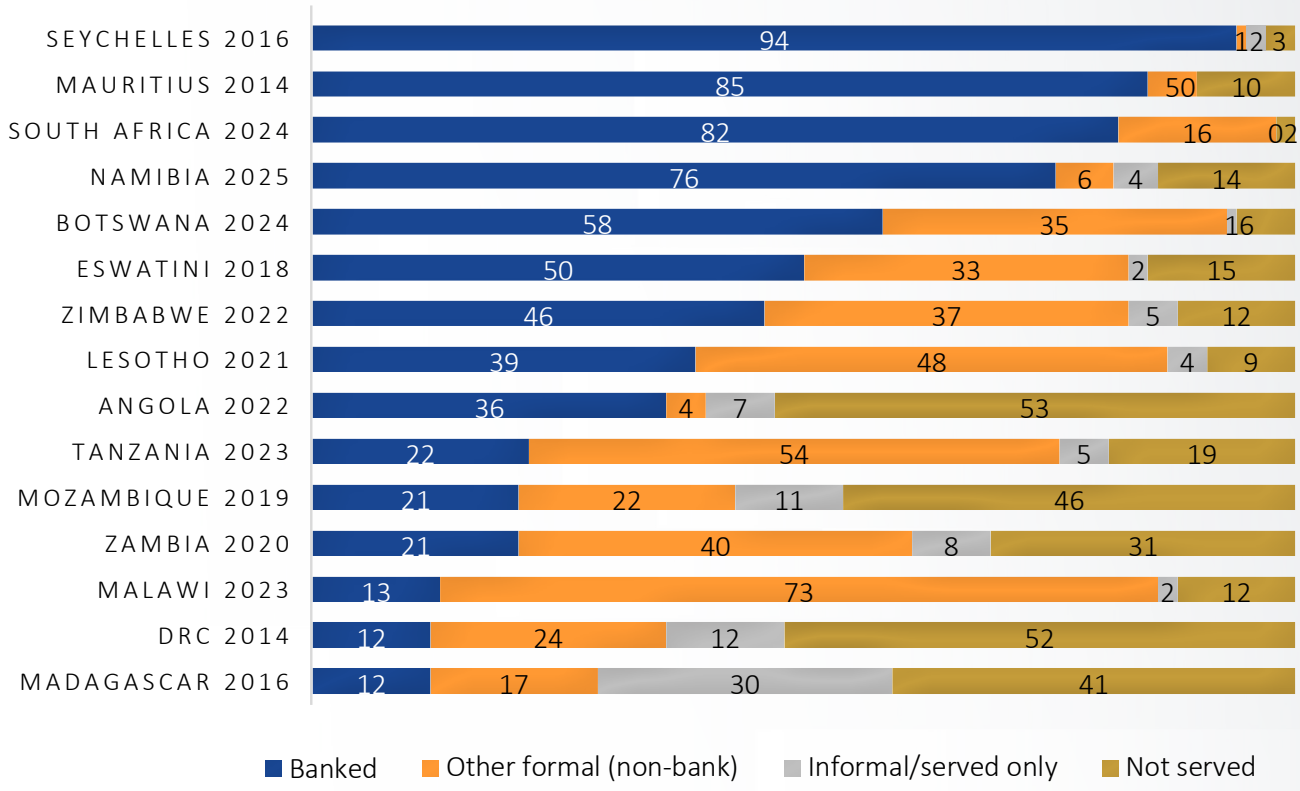
Figure 3.4. 10: Percentage distribution of adults by financial access Strand and area



When comparing Namibia to other countries in the SADC region where Financial Inclusion surveys have been implemented, Namibia is ranked fourth in terms of banked population, following Seychelles, Mauritius, and South Africa. A detailed comparison is presented in Figure 3.4.11. For each country, the figure shows results from its most recent Financial Inclusion survey at the time of compilation of this report (2026).

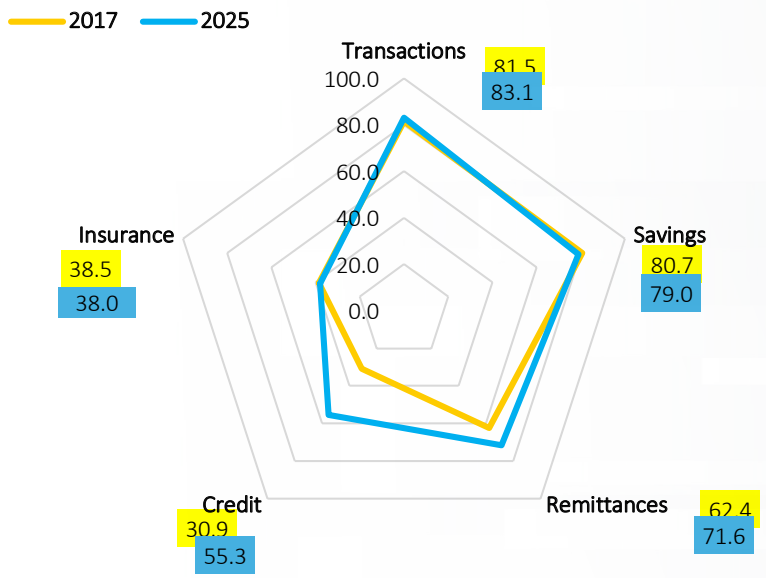
The regional comparison shows that Namibia remains a top performer in the SADC region, significantly outperforming several neighbouring countries where exclusion rates remain above 30 percent, such as Angola, Mozambique, Zambia, Madagascar and the DRC.

Figure 3.4. 11: Comparing the Access Strand in the SADC Region



Landscape of access: The survey also aimed to establish the degree to which the financially included population have or used financial products and services. The landscape of access is used to gain insight into the purposes for which people use financial products (both formal and informal). Financial products may be used for transactional, savings, credit, remittance or insurance purposes. Figure 3.4.12 illustrates, across five axes, the percentage of the financially included population who have or use transactions, savings, credit and loan as well as insurance products. The majority had used financial products mainly for transactions and savings purposes while insurance recorded the lowest in 2025.

Figure 3.4. 12: The Landscape Access in Namibia



3.5 Usage of Financial Products

3.5.1 Banking

Surveys often assess perceptions of banking because banks play a central role in people's financial lives, and understanding public attitudes helps gauge trust, satisfaction, and areas for improvement. In this study, perceptions were measured on a 5-point Likert scale, where 1 is strongly disagree, 2 is disagree, 3 is neither agree nor disagree, 4 is agree, and 5 is strongly agree. The average (mean) and mode scores are presented in Table 3.5.1.

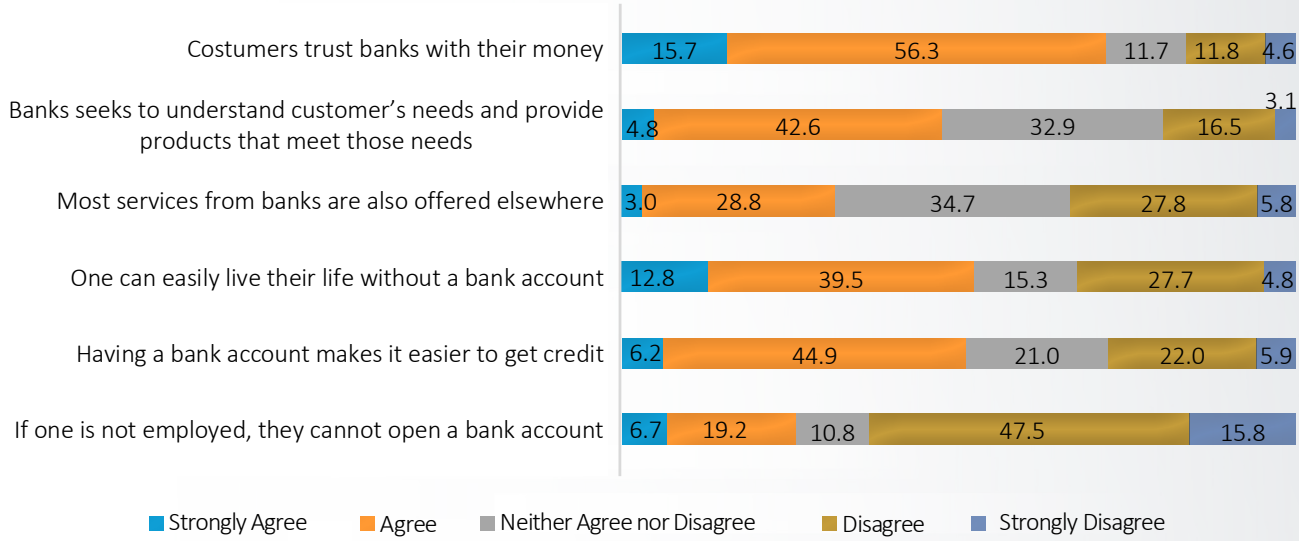
Table 3.5.1 displays generally positive perceptions of banking. Respondents expressed moderate trust in the banks (mean 3.7), and most agreed that banks understand customer needs and facilitate access to credit (mean above 3.0). Views on whether banking services are available elsewhere were neutral (mean 3.0), while respondents generally disagreed that employment is required to open a bank account (mean 2.5). Overall, perceptions indicate moderate trust and perceived usefulness of banking services.

Table 3.5. 1: Perceptions of banking among adult in Namibia (Mean and Mode)

Perceptions of banking	Mean	Mode
If one is not employed, they cannot open a bank account	2.5	2
Having a bank account makes it easier to get credit	3.2	4
One can easily live their life without a bank account	3.3	4
Most services from banks are also offered elsewhere	3.0	3
Banks seeks to understand customer's needs and provide products that meet those needs	3.3	4
Costumers trust banks with their money	3.7	4

Figure 3.5.1 illustrates adult perceptions of banking. The results suggest generally positive perceptions of banking, with a large majority expressing trust in banks, and only a small proportion reporting distrust. Nearly half of respondents (47.4%) believe banks understood customer needs and offered suitable products, while just over half (51.1%) agree that having a bank account makes it easier to access credit. However, mixed views existed: 52.3 percent believed it was possible to live without a bank account, while 31.8 percent felt that banking services can be accessed elsewhere. Additionally, 25.9 percent believed that if being unemployed prevented them from opening a bank account.

Figure 3.5. 1: Percentage distribution of adults by perceptions of banking

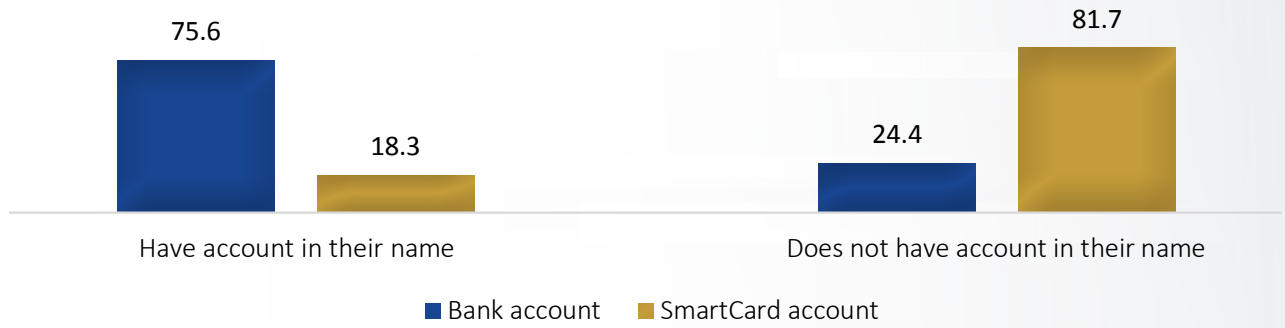


Type of bank products: Figure 3.5.2 illustrates the distribution of bank products currently held by adults. The results show that usage is concentrated in basic and digital financial products, with wallet accounts (49.6%) and cell phone banking (43.2%) being the most prevalent, followed by savings accounts (41.3%) and transactional accounts (37.8%). In contrast, uptake of more specialized financial products were very low, particularly foreign investment accounts (0.5%) and bank accounts outside Namibia (0.4%), indicating limited engagement with advanced or cross border banking services.

Figure 3.5. 2: Types of bank products currently held by adults

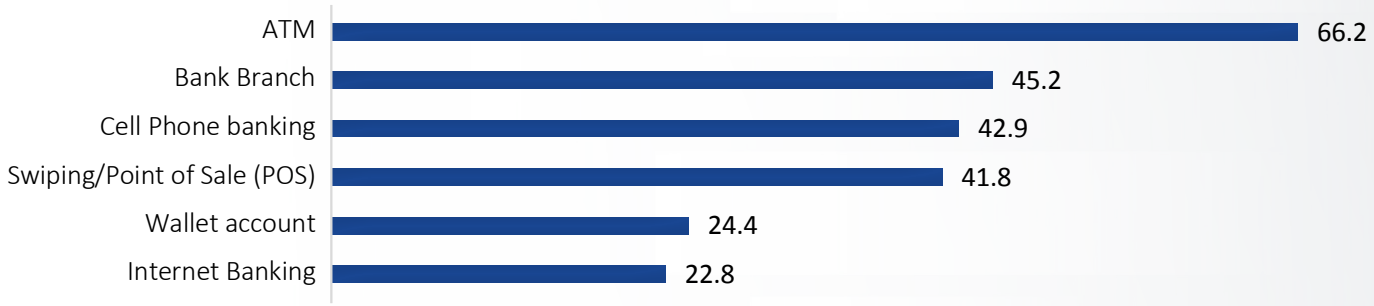
Account ownership is a key indicator of financial inclusion, reflecting the population of adults who hold accounts with formal financial institutions. Respondents were asked whether they own bank and smart card accounts in their names, with results presented in Figure 3.5.3. The results indicate that bank account ownership is significantly higher than smart card account ownership in Namibia. However, a substantial share of the eligible population remains unbanked, with 24.4 percent not holding a bank account in their name, highlighting a persistent gap in formal financial access.

Figure 3.5. 3: Percentage distribution of adult population with bank and smartcard accounts



Banking channels: Figure 3.5.4 shows the banking channels that account holders were most comfortable using in accessing funds and conducting daily transactions. The results indicates that, of those who own bank accounts, Automatic Teller Machine (ATM) were the most preferred banking channel, with 66.2 percent. This was followed by bank branches with 45.2 percent, cell phone banking reported at 42.9 percent and Point of Sale (POS) transactions (41.8%). In contrast, lower levels of comfort were reported for wallet accounts and internet banking at 24.4 and 22.8 percent, respectively. These findings suggest that traditional and widely accessible channels remain more trusted and preferred over digital alternatives.

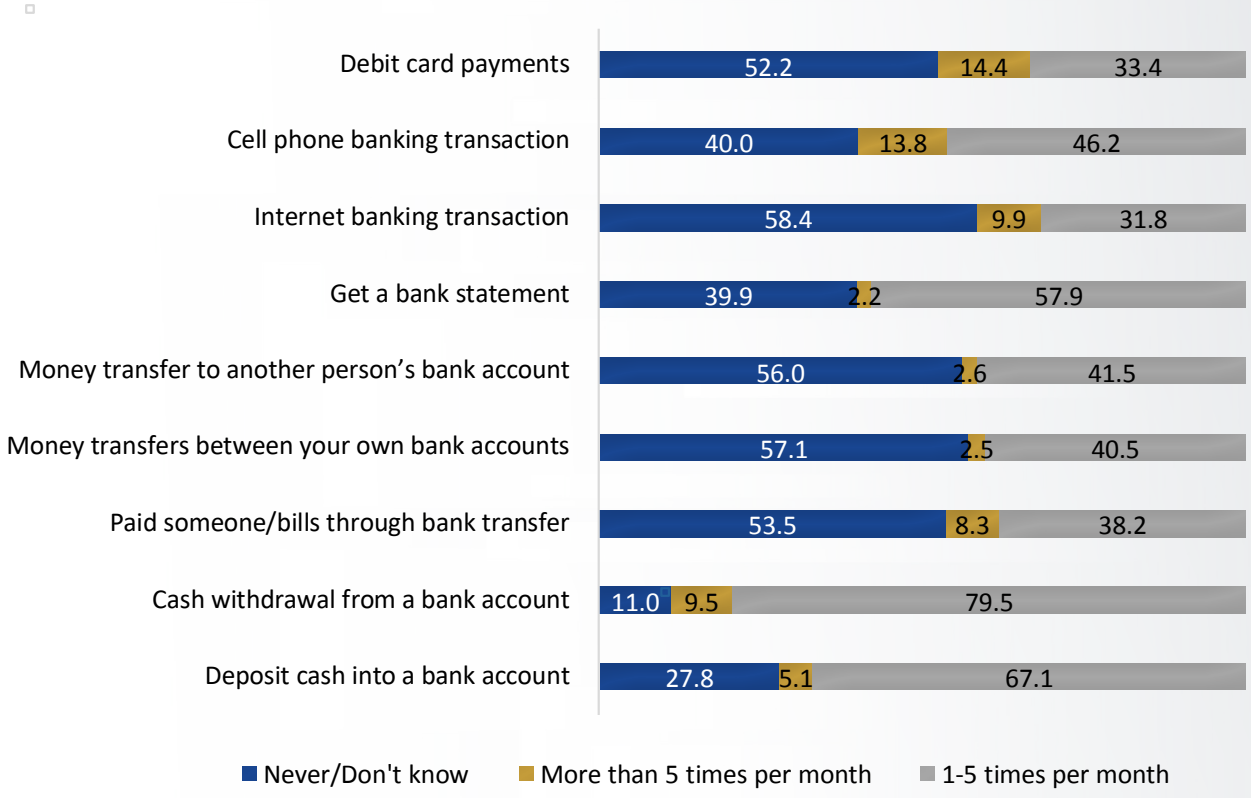
Figure 3.5. 4: Percentage distribution of banked adults by preferred banking channels



Banking activities: The survey further examined the types of transactions undertaken by account holders and the frequency with which these transactions were performed. While access to financial services is important in enabling people to enjoy its benefits, the extent of usage of such services provides a more robust indicator of financial inclusion. This is because account holders utilise financial services for a variety of purposes, including transferring money, managing liquidity, savings and accessing credit. The distribution of transaction types conducted, and their frequency is presented in Figure 3.5.5.

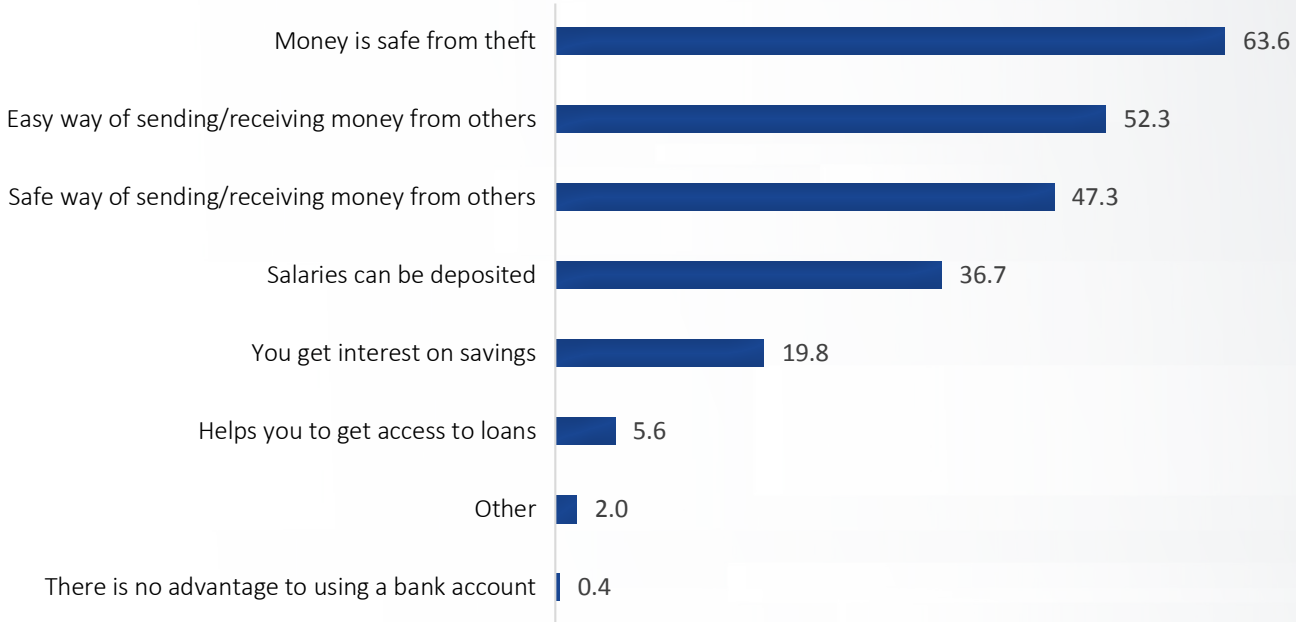
The findings indicate that the most frequently performed monthly transactions (1–5 times) include cash withdrawals from bank accounts (79.5%), cash deposits into bank accounts (67.1%) and requesting bank statements (57.9%). Additionally, 46.2 percent of account holders reported conducting cell phone banking transactions within the same frequency range, highlighting the growing role of digital channels alongside traditional banking activities.

Figure 3.5. 5: Type of financial transactions and the frequency of use by account holders



Respondents who are banked were asked to give reasons why they thought it is an advantage to have a bank account. Figure 3.5.6 indicates that the primary perceived advantage of having a bank account is the safety of money from theft, reported by 63.6 percent of respondents. This is followed by the ease of sending and receiving money (52.3 %) and security associated with these transactions (47.3%). Additionally, 36.7 percent of respondents highlighted the convenience of having salaries deposited directly into their bank accounts. Notably, very few respondents (0.4 %) indicated that there are no advantages to using a bank account.

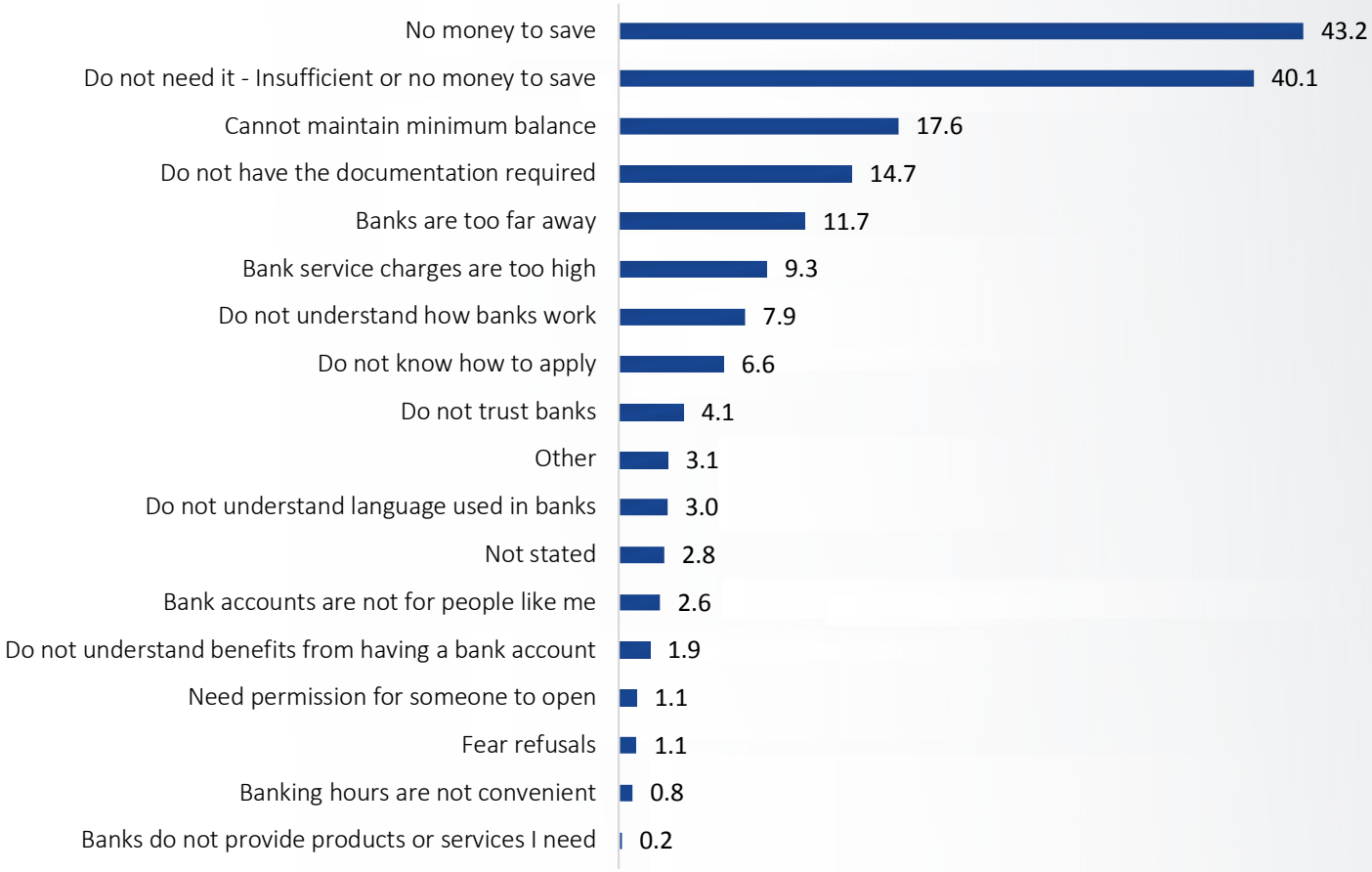
Figure 3.5. 6: Percentage of the banked population by main drivers of bank account usage



Banking barriers: The survey further explored the reasons why some adults do not own bank accounts in their names, despite being of eligible age. This information will help with the identification of banking barriers and enable the financial sector to address the matter.

Findings presented in Figure 3.5.7 indicate that financial constraints are the primary barrier to banking in Namibia. A significant proportion of the adult population without bank accounts indicated that they do not have money to save (43.2%) or feel that they do not need an account due to insufficient or no income (40.1%). Knowledge and perception-related barriers were also noted, including the lack of required documentation (14.7%) and the distance to banking facilities (11.7%). In addition, cost related factors, such as high bank service charges (9.3%), further limit account ownership.

Figure 3.5. 7: Percentage distribution of adults facing barriers to bank account ownership



Banked by demographics: Table 3.5.2 presents trends in the proportion of the banked population across selected demographic characteristics between 2011 and 2025. Overall, the proportion of banked adults in Namibia increased steadily from 62.0% (767 152) in 2011 to 67.9% (989 288) in 2017, before reaching 75.6% (1 374 833) in 2025. Between 2017 and 2025, the banked population increased by 385,545 adults, representing a 7.7 percentage-point increase in banking penetration. Notably, females in Namibia are becoming banked at a faster rate compared to their male counterparts, although both improved slowly between 2011-2017, as compared to between 2017-2025.

With respect to age, all age-groups show an increase in the banked population, with the 27-31 age cohort showing the greatest increase in the proportion of the banked between 2017 and 2025.

Geographically, the proportion of the banked population in rural areas has increased by 3.1 percentage points in 2025, while in urban areas the increase was by 11.6 percent, highlighting a persistent urban–rural divide. Regarding monthly income, the table indicates small changes among those without regular monthly income, the banked population grew slightly by 1.9 percent between 2017 and 2025suggesting better progress in financial inclusion among higher income categories.

Table 3.5. 2: Percentage distribution of the banked population by demographic characteristics (2011 – 2025)

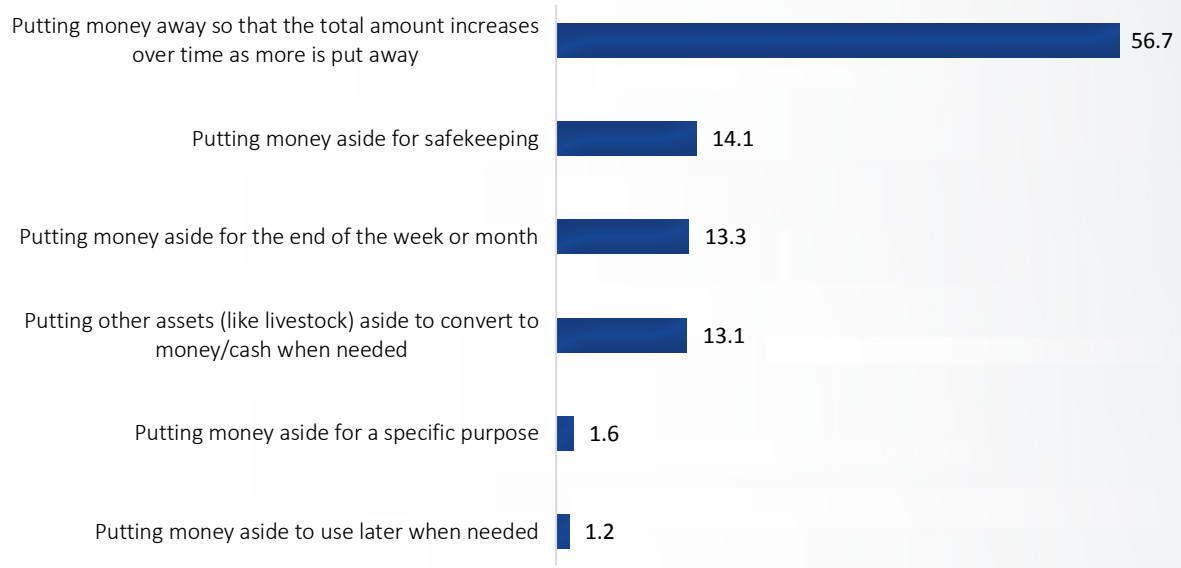
Demographic characteristics	2011	2017	2025
	%		
Total banked population	767 152	989 288	1 374 833
Banked population	62.0	67.9	75.6
Sex			
Male	62.0	65.4	71.5
Female	63.0	70.0	79.4
Age			
15-20	32.0	47.9	50.0
21-26	58.0	66.9	77.5
27-31	70.0	64.7	82.3
32-39	96.0	73.1	78.1
40-50	66.0	77.2	79.6
51+	74.0	71.8	82.8
Area			
Urban	77.0	75.3	86.9
Rural	51.0	59.3	62.4
Personal monthly income			
No regular income	29.0	65.1	67.0
Less than or equal to N$ 1,000	57.0	61.7	55.6
N$ 1,001 to N$ 3,000	94.0	64.1	79.6
N$ 3,001 to N$ 5,000	95.0	66.0	91.9
N$ 5,001 to N$ 13,000	99.0	84.4	98.8
N$ 13,001 and more	100	87.7	100

Understanding the levels of financial inclusion is only the first step. While insightful, this understanding is enhanced by exploring products and services that low-income populations are most likely to have or use under each category of inclusion. These include savings, credits, insurances and remittances, which together provide a more comprehensive picture of how financial inclusion translates into practical benefits for the poor.

3.5.2 Savings

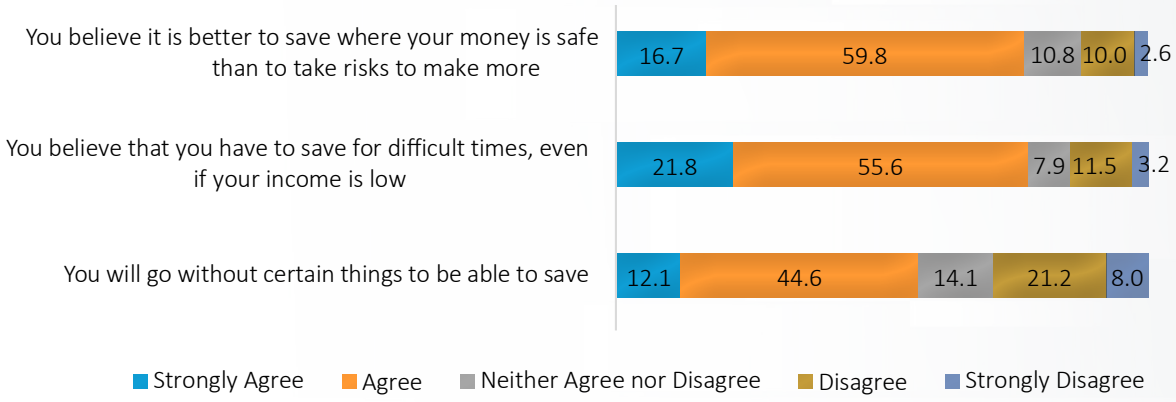
This section examines demand for access and usage of saving products, both formal and informal. The analysis explores on how different segments of the adult population save and invest by comparing their use of various products and services. The section also considers key drivers and barriers influencing saving behaviours. Figure 3.5.8 presents respondents' understanding of the concept "saving" in a financial context. Most respondents (56.7 percent) defined saving as setting money aside to allow it to grow over time. Other interpretations include putting money aside for safekeeping (14.1 %) and reserving funds for short-term needs (13.3 %).

Figure 3.5. 8: Percentage distribution of adults' understanding of the concept saving (What it means to save)



Perceptions: The survey examined adults' perceptions of selected saving related beliefs, as illustrated in Figure 3.5.9. Overall, findings indicate a strong positive orientation towards savings. Approximately 76.5 percent prefer saving in secure environments rather than taking risks for potentially higher risks. Similarly, 77.4 percent indicated the importance of saving for difficult times, even when their income levels are low. In addition, 56.7 percent reported a willingness to forego certain expenditures to be able to save, underscoring a broad commitment to prioritising financial resilience over immediate consumption.

Figure 3.5. 9: Percentage distribution of the adult population by saving related beliefs among adults



As shown in Table 3.5.3, respondents were asked where they would keep a large sum of money that they did not need to use immediately. The majority (77.0%) indicated that they would deposit the money in the bank. Alternatively, preferences included keeping the money in a secure place at home (15.5%) and entrusting it to someone else for safekeeping (8.2%). Only a small proportion (1.0 %) reported that they would always carry the money with them.

Table 3.5. 3: Preferred safekeep options for large sum of money

Safekeep options	Frequency	%
Put it in the bank	1 399 902	77.0
Put it into a savings club/Savings association	74 838	4.1
Give it to someone for safekeeping	149 147	8.2
Hide it in a safe place at home	280 823	15.5
Always carried it with me all times	17 811	1.0
Other	48 787	2.7

Barriers: Figure 3.5.10 presents the key barriers to saving reported in the survey. The findings indicate that limited disposable income is the primary constraint, with 56.7 percent, citing insufficient funds after meeting living expenses. Additionally, nearly half of the respondents (48.8%) reported that the absence of regular cash income prevents them from saving. In contrast, low return on savings was identified as a relatively insignificant barrier, reported by just 0.9 percent of the adult population.

Figure 3.5. 10: Percentage distribution of the adult population by key barriers to saving among adults who do not save

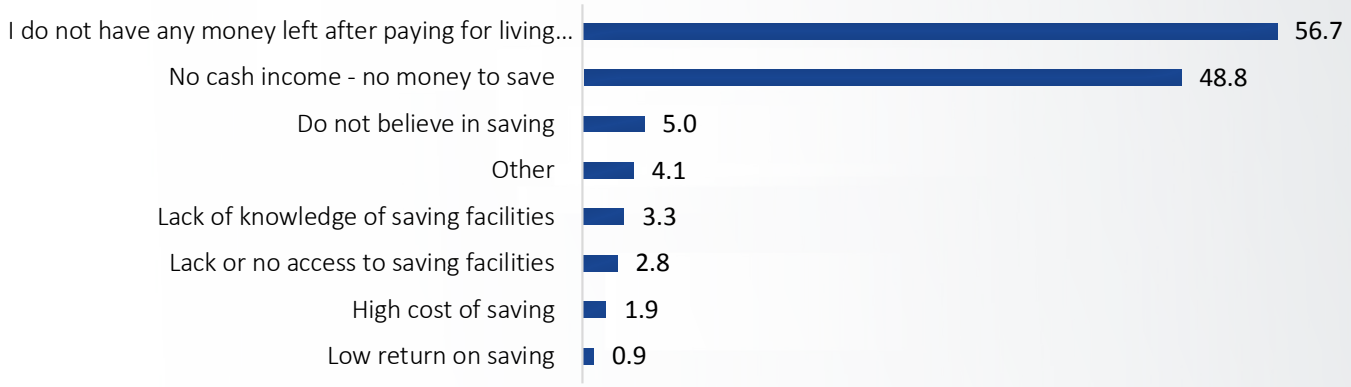
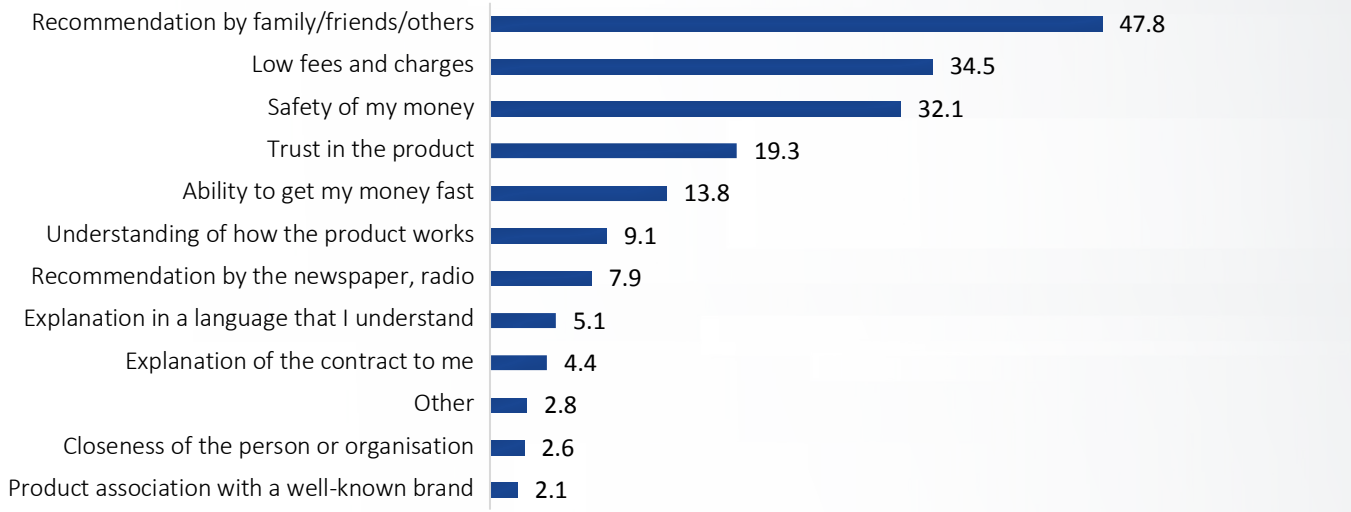


Figure 3.5.11 highlights the key factors influencing the selection of savings products among eligible Namibians. The findings indicate that social influence plays a dominant role, with 47.8 percent of the adult population relying on recommendations from family and friends. Cost considerations also feature prominently, as 34.5 percent cited low fees, while 32.1 percent prioritised the safety of their funds. A smaller proportion indicated that they considered trust in the product (19.3%) and the ability to access their money quickly (13.8%). Very few respondents considered factors such as explanation of the contract to them (4.4 %) or product association with a well-known brand (2.1%).

Figure 3.5. 11: Percentage distribution of the adult population by key determinants influencing choice of savings products



Savings strand: The NFIS applied the savings strand framework to assess the utilisation patterns of savings products across the population. The section was based on a reference period of six (6) months preceding the survey. As illustrated in Figure 3.5.12, the framework categorises individuals based on their primary mode of savings and investment:

- About 72.5 percent of adults in Namibia used either formal or informal mechanisms save a decrease from 80.5 percent recorded in 2017.
- Approximately 50.6 percent of adults utilised bank-based savings products but may also be saving via non-bank or informal mechanisms.
- In contrast, only 2.6 percent of adults rely only on other formal, non-bank institutions, indicating a limited but notable role of alternative formal providers in the saving landscape.
- A further 3.5 percent depends exclusively on informal mechanisms such as savings groups, highlighting the continued relevance of informal financial systems.
- Meanwhile, 15.8 percent of adults in Namibia saved only at home and did not have or use formal or informal savings mechanisms, reflecting a segment that remained outside both formal and informal structured systems.
- Notably, 27.6 percent of adults reported that they did not save neither at home nor through an informal or formal financial service provider.

Figure 3.5. 12: Percentage of adult population by savings mechanisms (The savings strand)

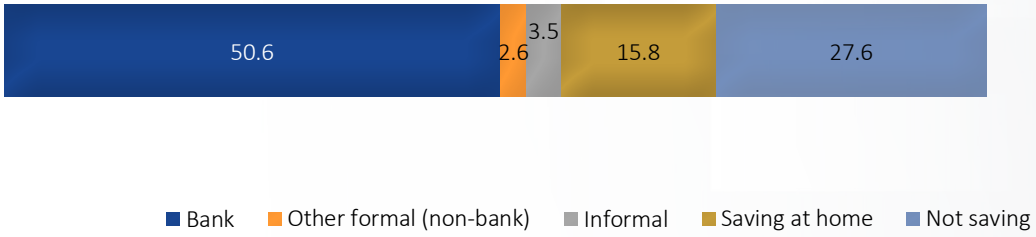
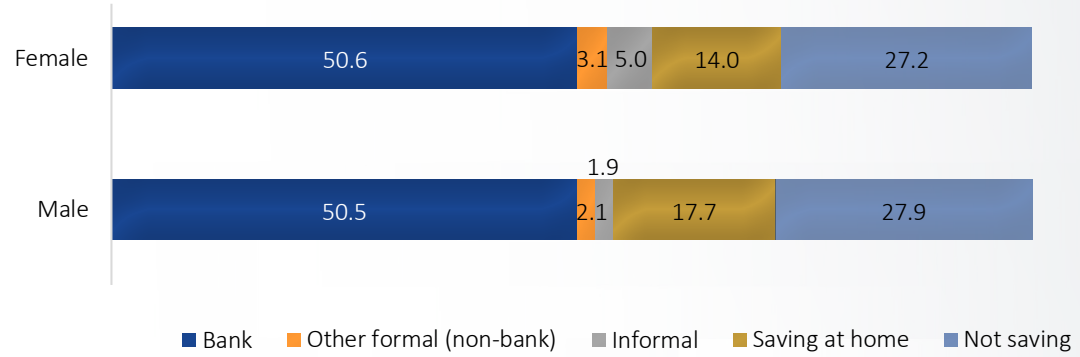


Figure 3.5.13 presents the distribution of the savings strand by sex. The proportions of the female and male population who save their money through formal banking institutions were almost equal, at 50.6 percent and 50.5 percent respectively. This indicates no significant gender disparity in the use of bank-based saving products. It is important to note that these persons of either sex may have also engage in alternative saving mechanisms, including informal or non-bank options and savings at home; however, their classification is based on the use of banks as a primary saving channel.

With respect to those saving at home a slightly higher proportions of males (17.7%) relied exclusively on this method compared to females with 14.0 percent. This suggests a marginal gender difference in preference for non-institutional saving practices.

Figure 3.5. 13: Percentage of adults by savings mechanisms (savings strand) by sex



3.5.3 Credit

Borrowing behaviours and levels of indebtedness provide critical insights into how Namibians engage with credit and manage financial obligations. The 2025 NFIS explored these dynamics, with results presented in figure 3.5.14. The section was based on a reference period of six (6) months preceding the survey. Findings indicate that the informally served segment comprising adults who have or used financial products and/or services which are not regulated, e.g. cooperatives, farmer associations, saving clubs/groups, private money lenders continue to play a significant role in the provision of credit. A more comprehensive understanding of borrowing patterns is enhanced by exploring the type of financial products and services that people use across different levels of financial inclusion.

The credit strand, presented in Figure 3.5.14, categorises adults based on their money borrowing behaviour and the usage of credit products within the six months preceding the survey, resulting in the following segments:

- The overall percentage of adults who used both formal and informal borrowing mechanisms were reported at 49.0 percent with 21.2 percent borrowing formally.
- About 17.6 percent of adults in Namibia accessed credit/loan products through banks. While some individuals within this category may also use informal or non-bank credit sources, they were classified based on their primary reliance on bank-based borrowing.
- Among those who use formal credit, only 3.6 percent had or used credit/loan products from other formal non-bank institutions. They could also be using informal credit/loan products and borrowing from friends and family.
- About 13.7 percent of adults relied exclusively on informal mechanisms such as informal moneylenders. They did not have any formal financial credit/loan products, highlighting the reliance on informal sources of finance. These adults could also, however, be borrowing from friends and family.
- About 14.1 percent only borrow solely from friends and family, without engagement in either formal or informal financial credit/loan products or mechanisms.
- About 51.0 percent reported that they did not borrow at all, neither from formal financial institutions nor through informal sources or personal networks.

Figure 3.5. 14: Percentage distribution of adults by credit access and borrowing mechanism (credit strand)

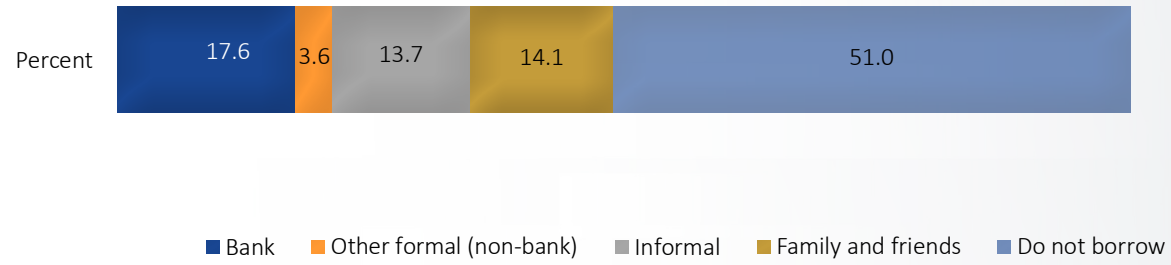


Figure 3.5.15 presents the distribution of the credit strand by sex. The proportion of females borrowing from banks (18.1%) is slightly higher than that of males (17.1%), indicating only a marginal gender difference in the use of bank credit. These individuals could also be using other non-bank and informal credit products or borrowing from family/friends.

Borrowing from family and friends is more common among females (16.0%) compared to males (12.0%), suggesting a relatively stronger dependence on personal networks among women. Conversely, the proportion of individuals who did not borrow was slightly higher among males (52.5%) than females (49.7), indicating minimal differences between males and females.

Figure 3.5. 15: Percentage distribution of adults by credit source and sex (credit strand)

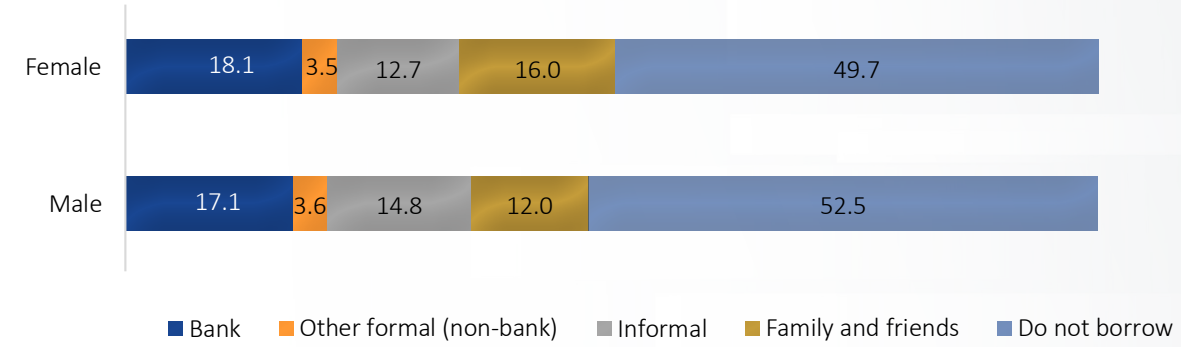


Table 3.5.4 presents the proportions of the eligible population who had borrowed money or goods over the six months preceding the survey. Overall, 22.5 percent of respondents reported borrowing money within this period, while a similar share (21.9%) indicated that they were repaying previously borrowed funds. In addition, 17.9 percent of respondents indicated receiving goods and services on credit, with payment deferred to a later point in time.

Table 3.5. 4: Percentage distribution of adults borrowing money and goods (last 6 months)

	%
In the six months preceding the survey, respondents borrow money from institutions or individuals	
Yes	22.5
No	77.5
In the six months preceding the survey, respondents have been paying back borrowed money	
Yes	21.9
No	78.2
In the six months preceding the survey, respondents had obtained goods and services to pay for later	
Yes	17.9
No	82.1

Barriers: The survey examined barriers to credit among respondents who reported not borrowing, as presented in Figure 3.5.16. The most cited barriers to credit were fear of debt (67.5%), concerns about inability to pay back the money (24.9%), and a perceived lack of need to borrow (13.2%). Overall, these findings suggest that psychological and perception-related factors—particularly fear of debtplay a more significant role in limiting credit uptake than structural or access-related barriers.

Figure 3.5. 16: Key barriers to accessing credit among adults

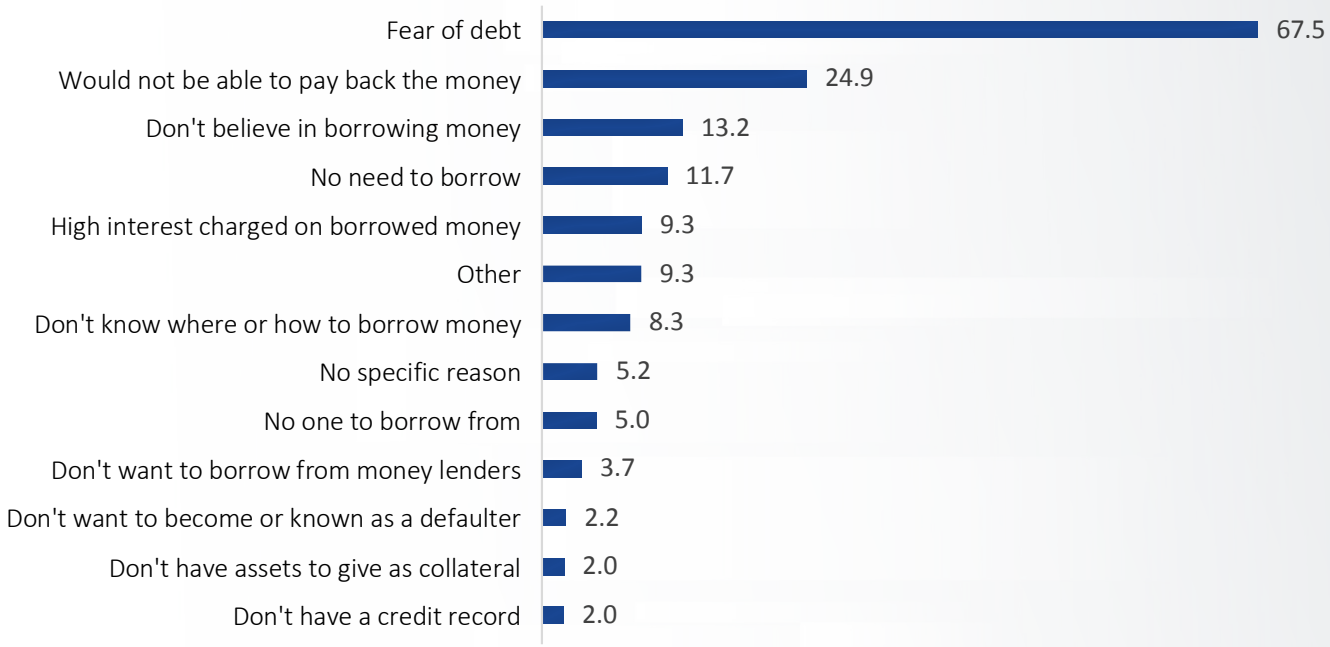


Table 3.5.5 presents the types of credits or borrowing activities undertaken in the six months preceding the survey. Overall, 17.8 percent reported borrowing money from family or friends with an obligation to repay, while 13.4 percent received financial support from family or friends that they did not have to pay back. Borrowing money or goods in advance from a farmer's organization was the least reported activity, at 0.1 percent

Table 3.5. 5: Distribution of credit sources and borrowing channels used (6 months preceding the survey)

Credit sources and borrowing channels	%
Borrowed money from family/friends that you had to pay back	17.8
Obtained money from family/friends that you did not have to pay back	13.4
Received goods in advance/borrowed money from a small shop like a Cuca shop and had to pay back later	7.9
Borrowed money from a money lender in the community or a cash loan lender	5.9
Borrowed money from your employer	4.3
Bought goods with a store card such as Edgars, Truworths card or bought goods on a store account (Excluding Cuca shop)	3.5
Borrowed money from another financial institution	2.3
Borrowed money from a bank	2.1
Borrowed money from savings group/club/association	0.9
Borrowed money from a church or other community-based organization that you belong to	0.3
Borrowed money/got goods in advance from a farmer's organization	0.1

Table 3.5.6 shows that 4.2 percent (76 033) of respondents applied for a loan in the six months preceding the 2025 NFIS. This indicates a 1.1 percent increase from 3.1 percentage points reported in 2017. Of the applicants who applied for loans, 24.7 percent (18 772) were refused the loans. Among the rejected applicants, 15.9 percent indicated that their income was too low, while 0.9 percent reported being denied due to having too many existing debts.

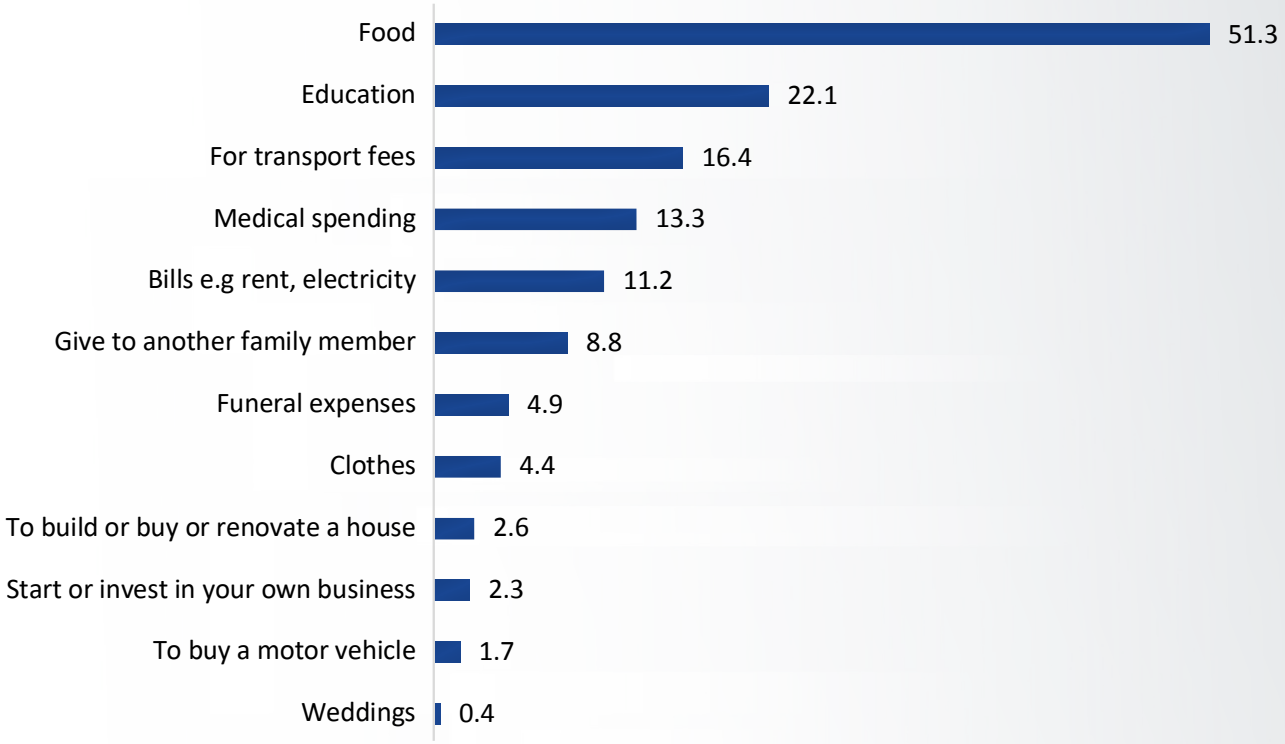
Table 3.5. 6: Loan applications

	%
Applied for a loan in the 6 months preceding the survey	
Yes	4.2
No	95.8
Refused a loan in the 6 months preceding the survey	
Yes	24.7
No	75.3
Reason for being refused a loan	
I did not have a down payment/deposit	2.1
My income was too low	64.4
I had too many other debts	3.4
I could not provide security/collateral	2.1
Other	32.2

Figure 3.5.17 presents the key reasons why individuals borrowed money or took out loans over the six months preceding the survey providing insights into the drivers of credit use in the country. The results indicate that the primary reason for borrowing was to purchase food (51.3%), followed by education (22.1%), transport (16.4%) and 13.3 percent on medical expenses. A very small proportion of 1.7 percent borrowed money to buy a motor vehicle.

Other less frequently cited reasons include housing (2.6%) and starting a business (2.3%), reflecting relatively limited use of credit for investment related purposes.

Figure 3.5. 17: Percentage of adults by reasons for borrowing money or taking loans

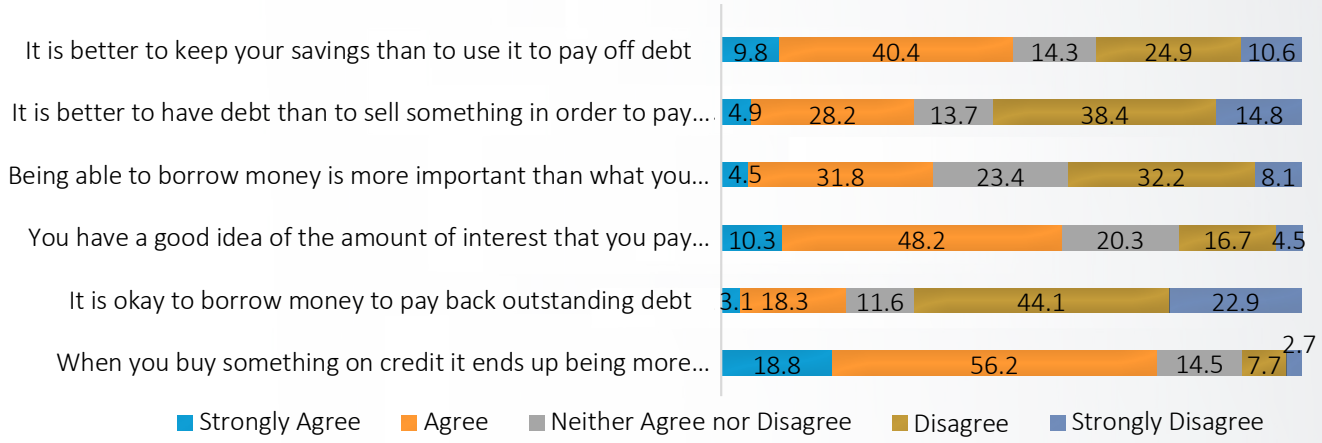


The survey further examined the key considerations influencing adults' choice of credit products as presented in Figure 3.5.18. The findings indicate that social recommendations play a dominant role, with 48.4 percent prioritising products recommended by family and friends and others in the community. Low fees (37.7%), trust in the product (19.7%) and the importance of quick access to credit (17.2) also emerged as notable factors.

Figure 3.5. 18: Distribution of adults by deciding factors for borrowing/loan products

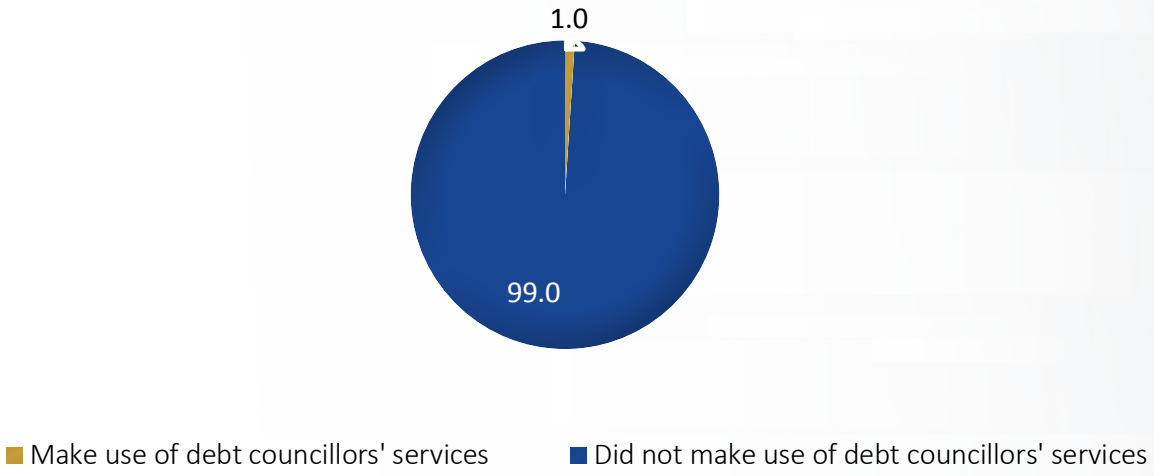
Figure 3.5.19 shows adult population's attitudes toward debt. The results presented ranges from strongly disagree to strongly agree for each statement related to indebtedness. Generally, perceptions of debt are largely negative among the population. Notably, a vast majority of the population (75.0%) believed or agreed that purchasing goods on credit ultimately results in higher costs.

Figure 3.5. 19: Percentage distribution of adult population by perceptions and attitudes towards debt



Furthermore, the survey also looked at usage of debt counselling services in Namibia. As shown in Figure 3.5.20, most of the population (99.0%) indicated that they have not used debt counselling services, while only 1.0 percent (18 557) reported that they have accessed such services.

Figure 3.5. 20: Percentage distribution of the adult population by use of debt counselling services



3.5.4 Insurance

Risk poses a significant amount of strain on individuals and households when it is not adequately covered, with direct implications for overall wellbeing. The survey explored the types of risks and hardships experienced by individuals as well as insurance products they would use in mitigating these risks. This analysis provides valuable insight into how Namibians perceive vulnerability and the role of insurance in strengthening financial resilience. The section was based on a reference period of six (6) months preceding the survey.

The insurance access strand, as presented in Figure 3.5.21, categorises all eligible adults three categories/ groups:

- Approximately 30.9 percent of individuals have or use long-term insurance products or services from formal service provider. While some of these adults may also utilize informal insurance products, the defining characteristic the use of at least one or more insurance products from a formal service provider.
- A small proportion (1.7%) of adults rely solely on informal mechanisms.
- The majority (67.3%) of adults do not have or use any insurance products or services, whether formal or informal.

Figure 3.5. 21: Percentage distribution of adults by Insurance Access type

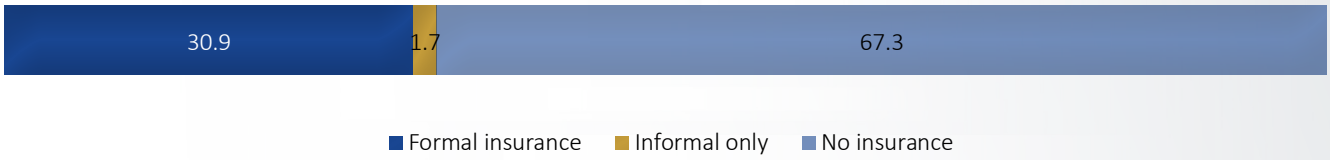
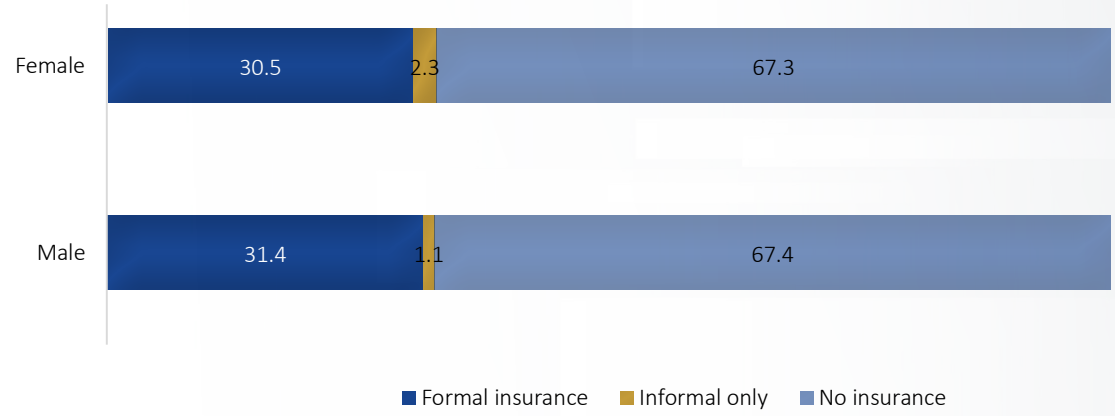


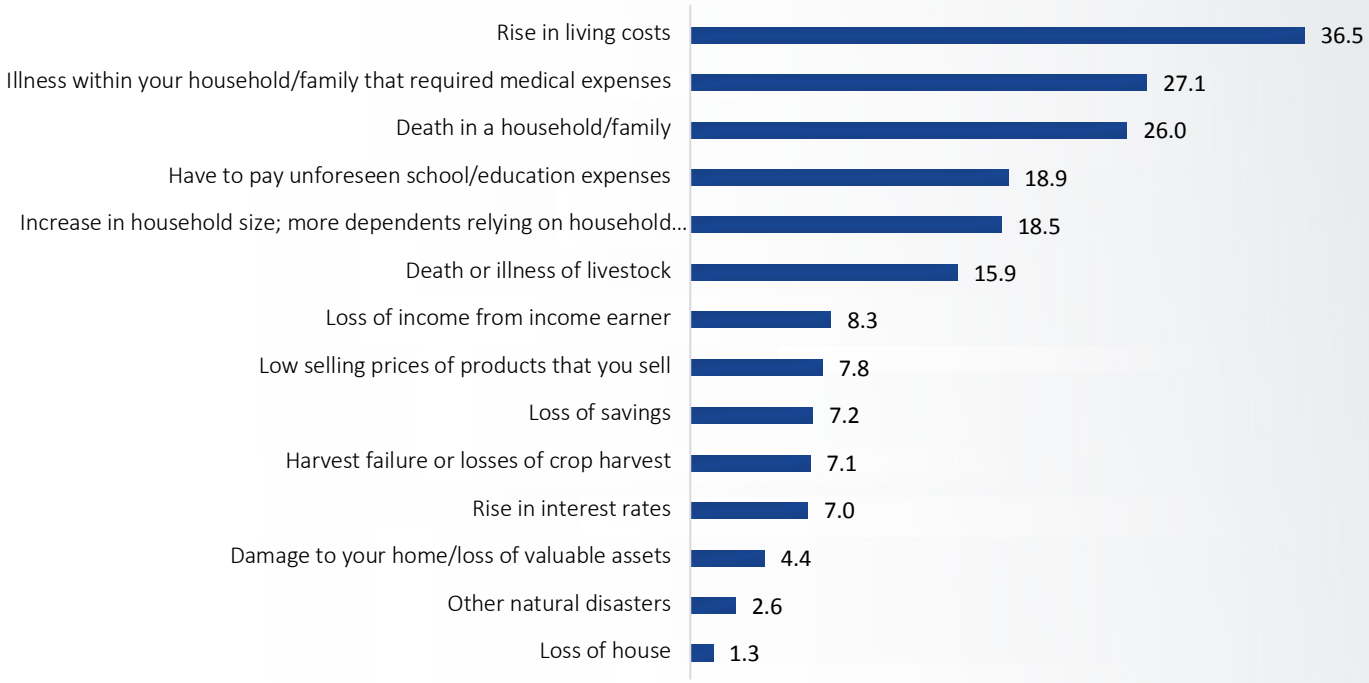
Figure 3.5.22 presents the insurance access by sex. Same proportion males and females are insured. The results indicate that informal usage is minimal among both females and males with 2.3 percent and 1.1 percent, respectively. In contrast, most of both groups remain uninsured, accounting for 67.3 percent of females and 67.4 percent of males.

Figure 3.5. 22: Percentage distribution of adults by insurance access and Sex



Insurance product and service usage is closely linked to people's livelihoods. Respondents were asked to identify risk events that negatively affected their income the six months preceding the survey with results presented in Figure 3.5.23. The findings show that rising living costs were the most reported risk, affecting 36.5 percent of the population, followed by illness (27%) and death (26%) within family. In contrast, loss of housing was the least reported event at 1.3 percent. Overall, these results highlight that everyday financial pressures and health-related shocks are the most significant risks faced by households,

Figure 3.5. 23: Percentage distribution of the adult population by key risk event affecting income (past 6 months)



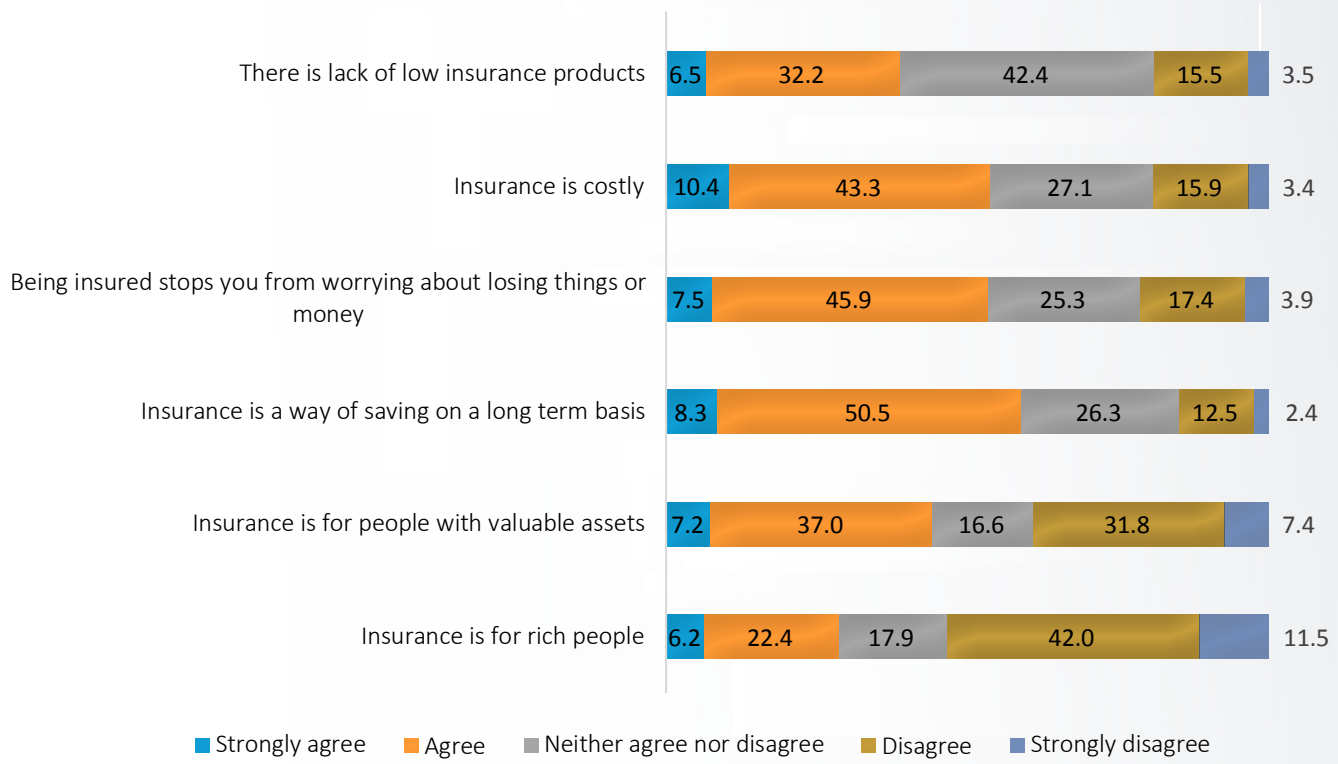
Respondents were also asked whether they currently have or previously have specific insurance products. The results presented in Table 3.5.7, show that only a small share of the adult population in Namibia hold insurance products. Funeral cover, life insurance and medical insurance emerged as the most common types of insurance, while ownership of other insurance products remains low. In general, the percentages of those that "had in the past" are consistently lower than those of "Currently have, indicating a decline in usage across most product categories.

Table 3.5. 7: Percentage distribution of the adult population by current and past ownership of insurance products

	%	%
Funeral cover/Policy	**Currently have**	**Had in the past**
Funeral policy from a shop or store	1.5	1.3
Funeral cover through an undertaker	8.5	3.0
Funeral policy through an insurance company	15.2	4.3
Funeral policy through a broker	7.3	3.2
Funeral policy through a bank	7.0	2.8
Funeral cover/insurance from your employer	4.1	2.6
Belong to a burial society	1.4	0.5
Free funeral policy attached to a savings or other account	2.2	2.2
Short term insurance	**Currently have**	**Had in the past**
Vehicle/car insurance	5.3	1.2
Household content insurance	5.9	1.5
Homeowners insurance	6.4	1.5
Legal insurance	4.6	1.7
Cellphone insurance	5.1	1.6
Life insurance	**Currently have**	**Had in the past**
Life insurance or assurance policy	12.0	1.7
Credit life cover	3.5	0.3
Loss of income insurance	**Currently have**	**Had in the past**
Disability insurance with an institution	5.4	0.9
Disability insurance with your employer	4.2	0.2
Dreaded disease/critical illness insurance	3.0	0.1
Professional insurance	1.6	0.1
Debtors insurance	0.1	0.0
Medical aid/ insurance	Currently have	Had in the past
Medical scheme/aid	13.4	1.8
Hospital plan	4.3	0.9
Medical insurance	9.7	1.1

Respondents were also asked about their views and opinions on different aspects of insurance, with results presented in Figure 3.5.24. More than half (58.8%) consider insurance to be a long-term saving option. However, 28.6 percent of the adult population believe that insurance is mainly for wealthy people and 53.3 percent view insurance as costly. These findings reveal mixed perceptions of insurance, while many recognised its potential as a savings tool, concerns about affordability and lack of low products continue to shape attitudes toward its broader adoption.

Figure 3.5. 24: Percentage distribution of the adult population by perception and attitudes towards insurance



3.5.5 Remittances

The purpose of this section is to provide insights on access and use of money transfer (remittances) as well as the remitting channels through which money transfer transactions are made. Contextually, remittances involve the sending or receiving of money from one person to another via a chosen medium. Remittances can be made within the country or extend beyond the national borders. The section was based on a reference period of six (6) months preceding the survey.

Figure 3.5.25 presents the remittance strand, showing how the population sends money and channels they use, whether through banks, other formal institutions, informal mechanisms, or via family and friends. The Figure also shows those who do not use no remittance products and services.

- The overall percentage of adults who used both formal and informal remitting mechanisms were reported at 61.6 percent with 58.5 percent remitting formally.
- Out of the total adults remitting, 94.1 percent were remitted locally, and 5.9 percent were remitted across borders.
- Overall, 44.1 percent of the eligible population send money though banks but may also use other channels.
- About 14.4 percent do not use banks to remit but use other formal non-bank channels. Although they may also use informal methods of family/friends, their main channel is non-bank institution.
- About 3.0 percent send money through only informal mechanisms but may also use family or friends.
- Only 0.1 percent of the eligible population remits via family and friends only without using any formal or informal financial services.
- About 38.4 percent of the eligible population did not use any remittance products or services.

Figure 3.5. 25: The Remittance Strand

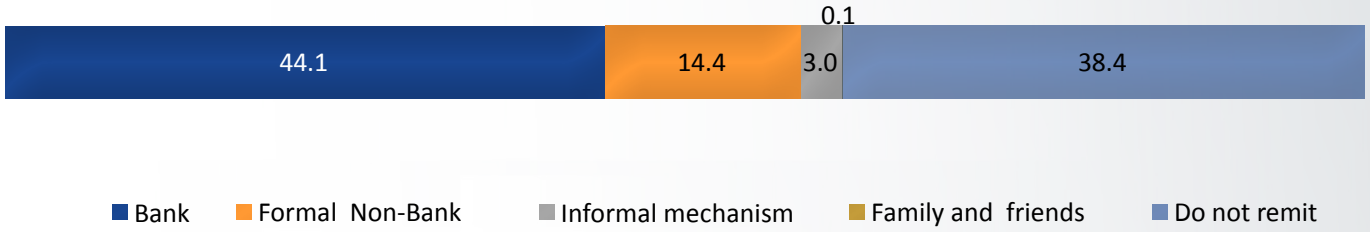
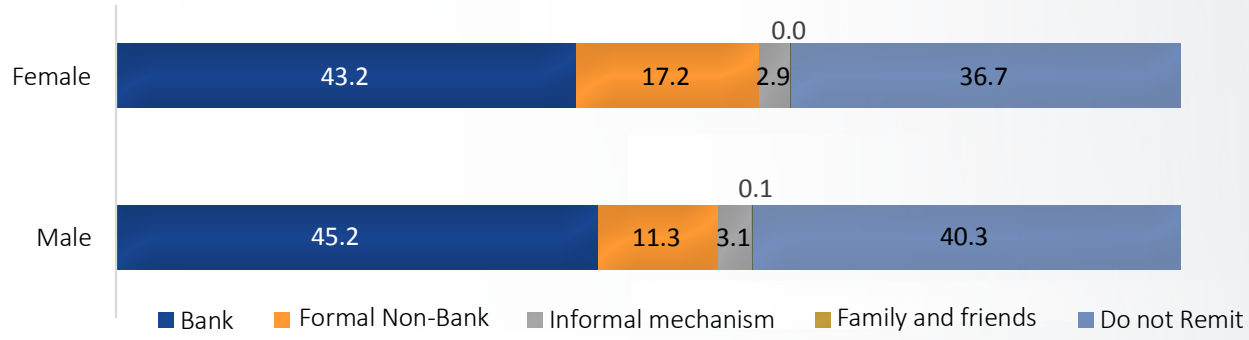


Figure 3.5.26 presents the remittance strand by Sex. A minority of both females (36.7%) and males (40.3%) do not remit. Among those who do remit, banks were the most used channel, accounting for 43.2 percent of females and 45.2 percent of males. A slightly higher proportion of females (17.2%) compared to males (11.3%) of males do not use banks for remitting but other formal channels. Exclusively informal mechanisms were used by smaller proportions, at 2.9 percent for females and 3.1 percent for males, while remitting through family and friends was negligible for both groups.

igure 3.5. 26: Percentage distribution of the adult population by remittance channels and by Sex



Finally, table 3.5.8 and 3.5.9 provides detailed information on remittance patterns among the Namibian adult population. The tables respectively show who sends and receives money, as well as where the money is being sent and received from among the adult population. In addition, the tables highlight how often people remit and method they use.

The data on remittance sending patterns shows that family members are the primary recipients, with 87.2 percent of respondents sending money to children, parents, or other relatives. Smaller proportions remit to friends (10.7%), spouses (8.1%), and a limited share to institutions or businesses. In terms of destinations, most remittances went to urban towns and cities (77.4%), followed by rural villages (48.1%), while 5.9 percent are sent abroad. The frequency of sending money is predominantly monthly (65.9%), with seasonal transfers (33.6%) also common, reflecting both regular support and event-driven needs.

When it comes to channels, bank wallet services (57.5%) and cell phone banking (32.6%) dominate, underscoring the strong reliance on digital platforms. Other methods include payments into bank accounts (17.6%), telegraphic transfers (13.2%), and retail outlets (13.1%), while traditional approaches such as post office (5.7%), runners (10.8%), or delivery via friends and family (5.4%) remain secondary.

Table 3.5. 8: Percentage distribution of adult population by remittance sending patterns: recipients, destinations, and frequency

To whom the money was sent	%
Spouse	8.1
Other family member including children/parents	87.2
Friend	10.7
School, college or university	0.9
Supplier/business	3.5
Someone you borrowed from	0.2
Where money was sent	
Urban town/city	77.4
Rural village	48.1
Outside the country	5.9
How often is money sent?	
Weekly	1.5
Every two weeks	1.6
Monthly	65.9
Seasonally	33.6
Once a year	14.1
Other	12.0
How was money sent	
Pay into bank account	17.6
Post office/Nampost	5.7
Cell phone banking	32.6
Bank wallet money	57.5
Internet banking transfer	5.8
Friends or family	5.4
transfer / telegraphic transfer	13.2
Retail	13.1
Runner	10.8
Cell phone top up	0.5
Other	0.8

The survey results show that remittances in Namibia are largely family-driven, with 72 percent of recipients receiving money from other family members, followed by friends (19%) and spouses or partners (11.1%). Most remittances originate from urban towns and cities (96.1%), with smaller shares coming from rural villages (23%) and only 3.3 percent from outside the country.

In terms of frequency, remittances are most often received monthly (44.9%) or seasonally (39.2%), reflecting both regular support and event-driven transfers. The dominant channels for receiving money are bank wallet services (68.2%) and cell phone banking (24%), while traditional methods such as post offices, runners, or hand delivery remain minimal.

Table 3.5. 9: Percentage distribution of adult population by sources, location and frequency of remittance received

	%
From whom the money was received	
Spouse/Partner	11.1
Other family members including children/parents	72.0
Friend	19.0
School, college or university	1.0
Supplier/business	4.9
Where the money was received from	
Urban town/city	96.1
Rural village	23.0
Outside the country	3.3
How often is money received?	
Weekly	2.2
Every two weeks	0.9
Monthly	44.9
Seasonally	39.2
Once a year	22.2
Other	9.9
How the money was sent	
Pay into bank account	18.9
Post office/Nampost	3.5
Cell phone banking	24.0
Bank wallet money	68.2
Internet banking transfer	1.9
Friends or family	2.7
transfer / telegraphic transfer	9.6
Retail	8.3
Runner	3.2
Cell phone top up	0.3
Other	0.9

Annexure: Sampling technical report

2025 NAMIBIA FINANCIAL INCLUSION SURVEY
SAMPLING TECHNICAL REPORT

SURVEYS AND FIELD OPERATIONS
Sampling Subdivision

Table of Contents

List of Tables

1. Introduction

This technical report entails the methods used in conducting the Namibia Financial Inclusion Survey (NFIS) 2025 focusing on the technical aspects of the survey methodology. The report also provided the quality indicators of the survey data as well as quality indicators of the survey estimates.

2. Survey Scope

2.1. Target Population

The target population for the 2025 NFIS was members of private households in Namibia, aged 15 years or older. The survey does not cover the population in living quarters such as students' hostels, old-age homes, hospitals, prisons and military barracks, and is therefore only representative of non-institutionalised and non-military persons or households in Namibia. However, private households within institutional settings such as teachers' houses or hostel matrons on school premises were covered.

2.2. The Sampling Frame

The National sampling frame is a list of small geographical areas called Primary Sampling Units (PSUs). By the time the study was conducted, there was a total of 12 069 PSUs in Namibia. These PSUs were created using the Enumeration Areas (EA) of the 2023 Population and Housing Census (PHC). The measure of size in the frame is the number of households within the PSU as reflected in the 2023 PHC. The frame units were stratified first by region, and then by urban/rural areas within each region.

2.3. The sample designs

A three-stage sample design was used in this survey, which is based on a stratified design with probability proportional to size selection of Primary Sampling Units (PSUs) at the first stage and sampling of households with systematic sampling at the second stage.

In the second stage, households were chosen from the selected PSUs. After all households in a PSUs were listed using a Tablet, ten (10) households were randomly selected using a systematic sampling algorithm built directly into the Computer Assisted Personal Interviewing (CAPI) application, to enhance the sampling process. The sample was designed to provide accurate national and urban/rural estimates, using 1 960 households across 196 Primary Sampling Units of which ten (10) households were selected in each PSU. To improve the precision of key indicators for the study, the design prioritized increasing the number of Primary Sampling Units (PSUs) while reducing the household count per cluster (from 14 to 10). This shift toward many small clusters rather than a few large ones enhances geographical dispersion and minimizes intra-cluster correlation, resulting in more robust sample coverage and improved estimation efficiency.

The third stage of the sampling process was the selection of an individual who is 15 years or older, to be interviewed by each of the selected households. The individuals were those available during the duration of the survey and were mentally, and physically capable of being interviewed and had resided in the selected household for at least the last six months. This process began with listing all the household members who are 15 years or older in each selected household using the tablet. The Kish Grid sampling algorithm was an integral component of the CAPI application, to eliminate selection bias when choosing a single respondent from a multi-person household for a survey.

2.3.1. The 2025 NFIS Sample distribution

The data is based on a sample of 1 863 unweighted observations, which represents a weighted population of approximately 1 818 168 people. The final sample for the 2025 NFIS was 1 960 households sampled from a sample of 196 PSUs selected throughout the country. The sample distribution by region and national urban/ rural is given below in Table 2.3.1

Table 2.3:1: Sample distribution by area

Region	Households	PSU
Namibia	1 960	196
Urban	1 070	107
Rural	890	89

3. Sample Actualization

After data collection and structural editing process, the household file and person file were made available by the Welfare and Labour Statistics, for the calculation of weights. Prior to weighing it is important to verify the actual number of households and PSUs received against the expected sample. This will allow each sample to be accounted for during the weighting process. The household file received had 1 863 records, which were used for the weights' calculation.

3.1. The response rates

The response rate is defined as the proportion (expressed as a percentage) of households that responded to the survey questionnaires out of the total expected households in the survey. When the household sample was implemented, it was not possible to interview some households due to refusals or non-contacts, etc., and such households were not substituted. The response rate (RR) is calculated using the following equation:

$$RR = \frac{Responding\ Households}{Sampled\ Households} * 100 \qquad (1)$$

After data processing, 1 863 out of 1 960 sampled households were successfully interviewed, resulting in a 95.1 percent response rate, which is highly satisfactory given that the NSA subscribes to a response rate of 80 percent for all data collection in the social statistics domain. Overall, the rural response is higher than the urban response.

Table 3:1 Response rate by area

Region	Sampled Households	Responding Households	Response rate
Namibia	1 960	1 863	95.1
Urban	1 070	1 009	94.3
Rural	890	854	96.0

4. Weighting

Weighting is a process of accounting for the selection probabilities and non-response in a sample survey. The sample weights were constructed to account for the following: the original selection probabilities (design weights), non-response, weight trimming, and benchmarking to known population estimates from the latest 2023 PHC. The sampling weights for the data collected from the sampled households were constructed so that the responses could be properly expanded to represent the entire target population of Namibia. The inverse sampling rate (ISR) of this selection probabilities adjusted for non-response is called the design (base) weights, which are assigned to each of the households.

Given the population figures based on the 2023 PHC, weight adjustment of the design weight was undertaken to ensure that the calculated survey estimates conform to the population totals. However, due to the limitations of post-stratified weight adjustment in controlling a large number of cells at different levels, a complex procedure known as weight calibration was instead applied.

4.1. Design/base weight

Population figures were estimated by raising sample estimates using design weights. Design weights were calculated based on the probabilities of selection at each stage. The first-stage weights were calculated using the sample selection information from the sampling frame, and the second-stage weights were calculated using the sample selection information from the household listing.

The first stage probability of selection p_1 was calculated using the following equation:

$$p_1 = \frac{M_{hi} * n_h}{M_h} \tag{2}$$

where;

M_{hi} = Number of households in PSU (i) in stratum h (PSU size)

M_h =Total number of households in stratum h (stratum size)

n_h = Number of PSUs selected from the stratum h

The second stage probability of selection p_2 was calculated using the following equation:

$$p_2 = \frac{m_{hi}}{M'_{hi}} \tag{3}$$

Where;

m_{hi} =Number of households in the sample from the ith PSU in stratum h

M'_{hi} = Number of households in the ith PSU in stratum h according to survey listing

The third stage probability of selection p_3 was calculated using the following equation:

$$p_3 = \frac{1}{m'_{hij}} \quad (4)$$

Where;

m'_{hij} =Number of eligible household members in the j[th] household of i[th] PSU in stratum h according to survey listing

Therefore, the Inverse Sampling Rate (ISR) which is the design weight was calculated as follows:

$$ISR = \frac{1}{p_1} * \frac{1}{p_2} * \frac{1}{p_3} = \frac{M_h}{M_{hi} * n_h} * \frac{M'_{hi}}{m_{hi}} * m'_{hij} \quad (5)$$

4.2. The design weight adjustment

4.2.1. Adjustment for Household Non-response

The unit non-response can be accounted for in surveys by applying nonresponse adjustment factor to weights. An adjustment is usually made to the design weight, on the assumption that the characteristics of the responding units are similar to those of the non-responding units. The household non-response for the 2025 NFIS was estimated by calculating the selection probability of the households (p_2) using the responding households instead of expected households. Therefore, m_{hi} in Equation 3 was replaced by the number of responding households within each PSU, and hence Equation 3 becomes:

$$p_2^r = \frac{m_{hi}^r}{M'_{hi}} \quad (6)$$

where;

m_{hi}^{r} = Number of responding households in the sample from the ith PSU in stratum h

Therefore, the design weights were calculated by incorporating Equations 5 and 6 to form the following equation:

$$ISR^{adj} = \frac{1}{p_1} * \frac{1}{p_2^r} * \frac{1}{p_3} = \left[\frac{M_h}{M_{hi} * n'_h} * \frac{M'_{hi}}{m_{hi}^r} * m'_{hij}\right] \quad (7)$$

4.3. Data File Preparation and Weight Calibration

Weight calibration is a post survey weight adjustment method that is used when auxiliary information related to the population of interest is available. The weight calibration for 2025 NFIS was done for both household and person level weights as there is an official source for weighting which is the 2023 PHC. Weight calibration was performed using auxiliary information to derive population totals using the 2023 PHC Microdata. The variables considered to derive population totals by defining cross-classification are Enumeration Area type (EA type) which has two levels Urban (1) and Rural (99) and sex which has two levels Male (1) and Female (2) for the individual level weight and EA type for the household level weight. The weight calibration was achieved using "ReGenesees", a statistical package in R. The ReGenesees R package is a comprehensive statistical tool designed for the calibration, estimation, and sampling error assessment of complex surveys, specifically facilitating the calibration of survey weights

There are two sets of control totals that were prepared and used in the calibration of the individual and household level design weights. These population totals were defined by the cross-classification variables EA type, sex and age group. The variable EA type was defined into two group of Urban (01) and Rural (99), while sex was categorized into two groups of male (1) and female (2) resulting in four (4) calibrating cells. The household design weight used classification for ea_type that were used as population total control which resulted in two (2) weight calibration cells. The aggregated survey estimates matched the 2023 PHC population totals by urban/rural variable for both individuals and household weights.

4.4. Final weights

The final weight at the person level W_p is defined as the product of the adjusted design weight ISR^{adj} which incorporates all stages of the sampling process and is adjusted for household-level non-response and the person-level calibration factor (calib_factor), computed during the calibration phase.

Similarly, the final weight at the household level W_h is defined as the product of the adjusted design weight based on the first two stages of sampling and accounting for non-response and the calibration factor obtained during the calibration process.

The variable *calibrated_Wgt_ind* represents the final weights for individual-level analysis in the 2025 NFIS, while calibrated_Wgt_hh represents the final weights for household-level analysis.

Therefore, the final weights applied in the 2025 NFIS analysis are:

$$W_p = \text{calibrated\_Wgt\_ind} = ISR^{adj} * calib\_factor \quad (8)$$

and

$$W_h = \text{calibrated\_Wgt\_hh} = \frac{1}{p_1 * p_2^r} * calib\_factor = \frac{M_h}{M_{hi} * n_h} * \frac{M'_{hi}}{m_{hi} r} * calib\_factor \quad (9)$$

5. Estimation

The most common measure of quality of the survey estimates reported from the sample surveys was the level of precision of the estimates. The quality indicators are meant to ascertain the analysis of the level of precision of the estimates in different domains. The statistical precision of the survey estimates was expressed using different types of statistical measures, such as Standard errors (SE), the coefficient of variation (CV), and confidence intervals (CI). These statistics were used to indicate the level of precision of the survey estimates in estimating the population parameters of interest. There are several factors that can affect the precision of the survey estimates, namely the size of the sample relative to the population size, the sample design and the variability of the characteristics of interest in the population. The data quality indicators were discussed in detail in the following sub-section.

5.1. Data Quality Indicators

The following measures of precision were calculated for 2025 NFIS key indicators.

(a) Confidence Interval

The interval within which a population parameter is likely to be found, determined by sample data and a chosen confidence level ($1 - \alpha$ [α refers to the level of significance]). At standard level, a significance level $\alpha = 0.05$ resulting in a 95% Confidence Interval is used. The 95% Confidence Interval for the sample statistic b is expressed as:

$$CI(b) = b \pm (1.96 \times s\hat{e}(b)) \quad (3)$$

The confidence interval gives a range where the population parameter is expected to lie with a high probability. A wider confidence interval implies that there is too much variability in the statistic to estimate the population parameter while a narrower interval indicates less variability, which is a desirable outcome.

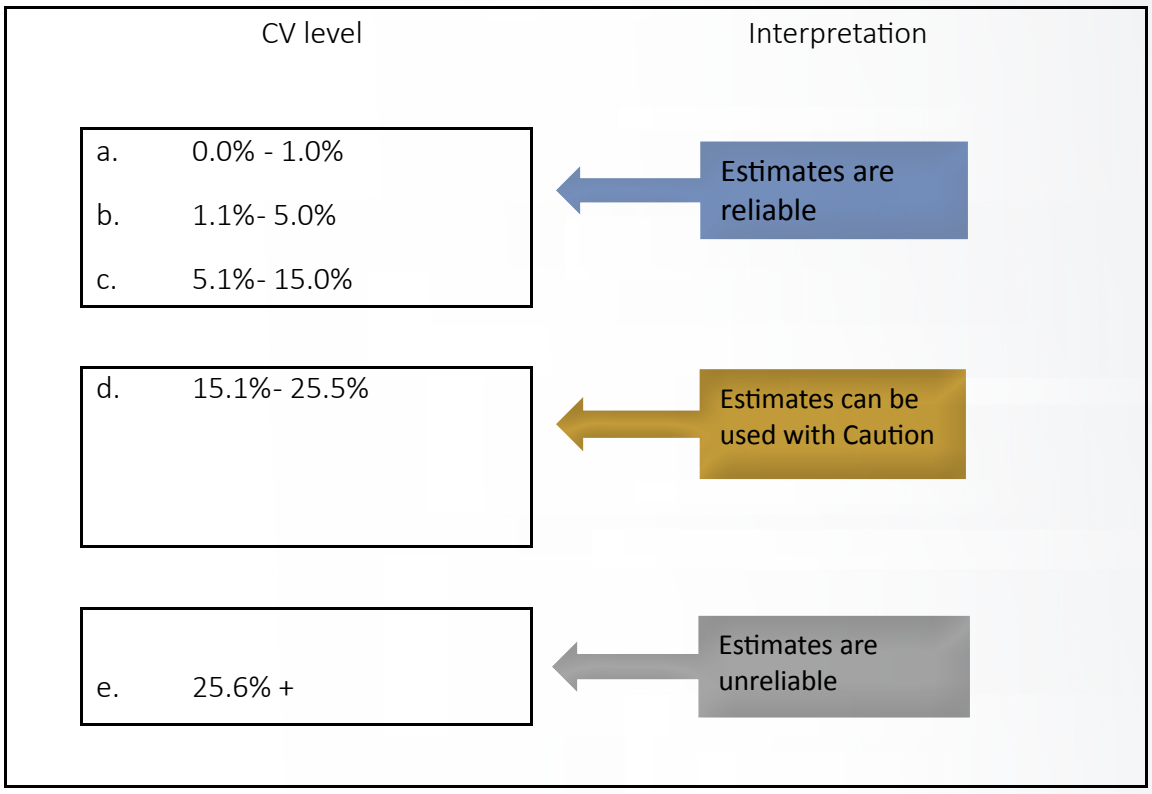
(b) Coefficient of variation

The Coefficients of Variation of the sample statistics, b is given by:

$$CV(b) = \frac{s\hat{e}(b)}{b} \quad (11)$$

The coefficient of variation is based on the Standard Error (SE), which is a function of the sample variation and sample size. The standard error is the standard deviation of the statistics which measures the variability in the estimates around the expected value. The standard errors given in this report were estimated using the Taylor series Linearization method in Stata 16 Software. The Coefficient of variation is the ratio of the standard error of the survey estimates to the value of the estimates itself. The coefficient of variation is a measure of spread that describes the amount of variability relative to the estimates. This measures relative variability. A lower CV indicates a more precise estimate.

Figure 5.1: Level of the Coefficient of Variation for the survey estimates



5.2. Cautionary Note

The analysis given in this Section (5) shows that the survey estimates for the key financial inclusion indicators at the national level are reliable. However, there are categories of each of the variables where caution needs to be exercised when interpreting the parameter estimates, due to the relatively higher Coefficient of Variations (see Tables 5.1.4 and 5.1.5). Please note that in these tables, the rounding off is done at the 4th decimal place for the "estimates" and the "standard errors" because of the small numbers.

Specifically, as detailed in Table 5.1.1 to Table 5.1.5:

a. Financial Access Strand: Informal group has high variability with a CV of 18.90%.
b. Saving Strand: Informal Savings estimate is high with a CV of 29.88%, which exceeds the standard 25.6% reliability threshold.
c. Remittance Strand: The Relative/friend category has a very high CV of 77.2%

In addition, for most of the variables (Table 5.1.1-5.1.5, a high design effect of more than two (2) was observed. These high values indicate a substantial loss of statistical efficiency, usually attributed to clustering effects, high intra-class correlation, or extreme sample weighting.

a) Financial Access Strand (FAS)

Table 5.1.1 below presents the measures of precision achieved at national level for the Financial Access Strand. The Financial Access Strand gives a share of how many individuals are formally included, informally served, and financially excluded. The precision estimates are slightly above the thresholds defined in Figure 5.1 for some categories; therefore, the population parameter estimates for these categories should be used with caution. The Banked group has the most precise estimate with a CV of 3.43%, while the Informal group has the highest variability at 18.90%.

Table 5.1 1: Estimates of Financial Access Strand for Namibia with measures of precisions

Area	Estimates	Standard error	95% Confidence interval		Design Effect	Observation		Coefficient of variation
			Lower Confidence limit	Upper Confidence Limit		Unweighted	Weighted	
	%	%	%	%				%
Namibia								
Banked	75.6164	2.5927	70.1496	80.3623	6.79	1 333	1 374 833	3.4287
Other formal (non-bank)	5.8942	0.9343	4.2997	8.0302	2.93	121	107 166	15.8514
Informal	4.4930	0.8491	3.0860	6.4985	3.13	110	81 690	18.8991
Excluded	13.9965	1.7639	10.8652	17.8495	4.81	299	254 480	12.6024

b) Saving Strand

Table 5.1.2 below presents the b) Saving Strand at national level. The Saving Strand focuses on the usage of savings and investment products. Some precision estimates fall well within the CV reliability thresholds and hence are reliable estimates, while others are to be used with caution. The estimate for Informal Savings (3.5%) shows a high level of sampling variability (CV = 29.88%). While it provides a useful snapshot, the small sample size (n=60) means this specific figure should be interpreted with caution compared to the more robust Banked or Not Saving categories.

Table 5.1 2: Estimates of Saving Strand for Namibia with measures of precision

Area	Estimates	Standard error	95% Confidence interval		Design Effect	Observation		Coefficient of variation
			Lower Confidence Limit	Upper Confidence Limit		Unweighted	Weighted	
	%	%	%	%				%
Namibia								
Banked	50.5650	3.0022	44.6635	56.4508	6.71	867	919 356	5.9374
Other formal (non-bank)	2.6085	0.5651	1.6979	3.9876	2.34	51	47 426	21.6627
Informal	3.5069	1.0480	1.9350	6.2742	6.04	60	63 761	29.8837
Savings at home	15.7633	2.0974	12.0525	20.3522	6.17	331	286 603	13.3053
Not Saving	27.5564	2.3241	23.2153	32.3670	5.04	554	501 021	8.4341

c) Credit Strand

Table 5.1.3 below presents the measures of precision achieved at national level for the Credit Strand. The Credit Strand focuses on borrowing and the usage of savings and investment products. The precision estimates are well within the thresholds and therefore the population parameter estimates are reliable. The exception is the Formal Credit group that has recorded the highest CV in the table (28.02%), indicating that this specific estimate is unreliable.

Table 5.1 3: Estimates of Credit Strand for Namibia with measures of precision

Area	Estimates	Standard error	95% confidence interval		Design Effect	Observation		Coefficient of variation
			Lower Confidence Limit	Upper Confidence Limit		Unweighted	Weighted	
	%	%	%	%				%
Namibia								
Banked	17.6237	2.5957	13.0711	23.3363	8.64	269	320 428	14.7286
Formal (non-bank)	3.5576	0.9969	2.0374	6.1409	5.39	50	64 682	28.0216
Informal	13.6869	1.6678	10.7170	17.3200	4.38	253	248 850	12.1851
Borrow from Friends/family	14.0901	1.4513	11.4631	17.2021	3.24	252	256 181	10.2999
Do not borrow	51.0418	2.6068	45.9077	56.1541	5.06	1 039	928 026	5.1071

d) Insurance Strand

Table 5.1.4 presents the measures of precision achieved at national levels for the Insurance Strand. The Insurance Access Strand presents a share of individuals who either have/use insurance products/services from a formal service provider; who rely on informal mechanisms, and who do not have/use long-term insurance products/services. All precision estimates are well within the thresholds and therefore the parameter estimates are reliable except for the informal category (36.29%) which indicates a very low level of precision and hence is unreliable.

Table 5.1 4: The estimates of Insurance Strand for Namibia with measures of precision

Area	Estimates	Standard error	95% confidence interval		Design Effect	Observation		Coefficient of variation
			Lower Confidence Limit	Upper Confidence Limit		Unweighted	Weighted	
	%	%	%	%				%
Namibia								
Banked_Insurance	8.4279	1.5408	5.8451	12.0066	5.73	189	153 234	18.2825
Formal_Insurance	22.4993	2.9427	17.2267	28.8237	9.25	367	409 075	13.0791
Informal_Insurance	1.7343	0.6295	0.8447	3.5277	4.33	34	31 533	36.2940
No insurance	67.3385	3.3012	60.5277	73.4888	9.23	1 273	1 224 326	4.9024

e) Remittance Strand

Table 5.1.5 presents the measures of precision achieved at national level for the Remittance Strand. The Remittance Strand shows who uses remittance products and whether these products are formal, informal or via family and friends. The precision estimates are within the thresholds and therefore the population parameter estimates are reliable at the national domain of estimation. The CV for the Relative/friend category is high (77.25%) well over the standard threshold which indicates that the sampling error is nearly as large as the estimate itself. Therefore, it should not be used as the estimate is unreliable.

Table 5.1 5: The estimates of Remittance Strand for Namibia with measures of precisions

Area	Estimates	Standard error	95% confidence interval		Design Effect	Observation		Coefficient of variation
			Lower Confidence Limit	Upper Confidence Limit		Unweighted	Weighted	
	%	%	%	%				%
Namibia								
Bank	44.1365	3.5423	37.3092	51.1929	9.48	756	802 475	8.0258
Formal Non-Bank	14.3833	1.7570	11.2524	18.2067	4.67	253	261 513	12.2158
Informal mechanism	3.0092	0.5188	2.1383	4.2195	1.72	92	54 712	17.2417
Relative/friend	0.0560	0.0432	0.0122	0.2565	0.62	3	1 017	77.2528
Do not remit	38.4151	2.8701	32.9326	44.2087	6.48	759	698 451	7.4713

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