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FOR IMMEDIATE RELEASE

WINDHOEK, CENTRAL BANK WARNED SIX WEEKS AGO: "DO NOT BORROW IN THE NAME OF OIL." NPC DIRECTOR-GENERAL IS NOW DOING EXACTLY THAT.

1. Yesterday, the National Planning Commission Director-General, Dr Kaire Mbuende publicly proposed that Namibia should start borrowing against future oil and gas revenues to fund development *"because we cannot delay development."*

2. Six weeks earlier, on **9 June 2026**, Bank of Namibia Governor, Ebson Uanguta stood in Windhoek and said the opposite, almost word for word:

   "Even if oil is announced today, let us not borrow in the name of oil."

3. He further warned that public debt already stands at **65.2%** of GDP **(N$174.6 billion)** and could climb to **70%** by the end of this financial year if spending is not controlled.

4. This is not a difference of emphasis. This is an open contradiction at the highest levels of the Namibian state.

5. One arm of government (the central bank charged with protecting financial stability) is warning that we are already in dangerous debt territory and must not mortgage oil that does not yet exist.

6. Another arm (the planning commission) is casually floating the idea of doing precisely that.

Why does this keep happening?

7. Because the political incentive structure rewards the appearance of action more than the hard work of discipline.

8. Talking about *"borrowing against future oil wealth"* sounds bold and developmental. It creates the impression that government is preparing for the boom. It allows officials to claim they are thinking ahead. The actual costs higher interest payments, reduced fiscal space, potential debt distress if production is delayed or volumes disappoint, will fall on a future government and on ordinary Namibians years from now.

9. This is classic short-termism, it is the same pattern we have seen across resource-rich African countries for decades. **Angola, South Sudan, the Republic of Congo** and others all told themselves the same story: "We cannot wait for the oil; we must borrow against it now." Many of those countries are still paying the price in debt service, lost policy autonomy, and elite enrichment.

10. **Shell** has already written down **US$400 million** on its Namibian discoveries because the geology is more difficult than first hoped. **TotalEnergies** has not yet taken a Final Investment Decision on Venus.

11. First oil remains at best 2029, yet senior officials are already speaking as if the money is certain and large enough to underwrite a **"trillion-dollar economy"** in five years.

12. A trillion-dollar economy from a current GDP of roughly **US$17 billion** is not a serious projection. It is political poetry.

13. These contradictions are not accidental. They reveal a system in which different parts of the state pursue different political interests rather than a coherent national strategy. The central bank is trying to protect the currency and long-term stability. The political and planning machinery is trying to manage public expectations and secure narrative control over the coming oil rents.

14. When institutions pull in opposite directions on something as consequential as pre-production oil-backed debt, it is ordinary citizens who will eventually carry the cost.

IPC's position is clear and consistent with the Governor's own warning:

- No borrowing against future oil revenues until at least one major project has taken a Final Investment Decision and Parliament has passed robust petroleum revenue management legislation with clear savings rules.

- The Minister of Finance and the NPC Director-General must explain to Parliament why the central bank's explicit advice is being disregarded only weeks after it was given.

- Government must first demonstrate it can control current spending and stop the continuous rise in debt before it starts pledging future resource revenues.

- Strengthen the Welwitschia Fund into a genuine intergenerational petroleum fund instead of treating future oil as a convenient credit line.

15. Development is not delayed by the absence of oil-backed loans. **Development is delayed by weak project selection, poor expenditure control, lack of transparency, and institutional incoherence.**

16. Namibia still has a narrow window to get this right. That window will close the moment the first oil-backed facility is signed under weak governance.

17. We will not allow this country to sleepwalk into another African resource curse while senior officials contradict each other in public.

Namibia is all we have

Namibia is not for sale

We must and can save it!

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