

DESTINATION NAMIBIA: FACT SHEET

INTRODUCING NAMIBIA

Namibia is ranked amongst the world's most politically stable countries. The Namibian Government is committed to stimulating economic growth and employment through the attraction and retention of investments.

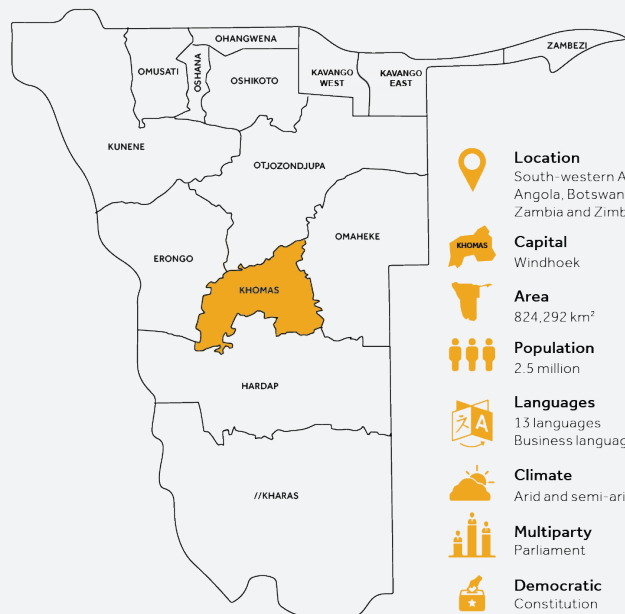
A land of contrasting beauty, Namibia is strategically located on the south-western coast of Africa and serves as a quintessential trade conduit with the rest of the world for landlocked countries including Botswana, Zambia, Zimbabwe and the Democratic Republic of Congo through the port of Walvis Bay. Compared to other ports in the region, the congestion-free port of Walvis Bay offers shipping line time savings of up to five days to Europe and the Americas, and is a springboard into the Southern African Development Community (SADC) trade block, with a market access of 330 million people.

Namibia is endowed with natural wind and sun resources, and is considered to be amongst the most competitive destinations in the world with potential to become a producer and exporter of green hydrogen, reckoned to catalyse the decarbonisation of the planet.

Namibia's primary infrastructure is well-developed and modern, with a good transport system whose road infrastructure quality is ranked the best in Africa, an efficient communication system with global cellular networks and globally competitive broadband, as well as a sophisticated financial sector. The economy is mostly export-driven, with mining, tourism, fishing and agriculture being Namibia's key sectors.

WHY NAMIBIA?

Sound democratic governance	Abundant natural resources	Modern infrastructure
Market access	Established financial systems	Strategic geographic position
High quality of life	Young and trainable labour force	
Conducive investment environment and business friendly regulatory framework		



ECONOMY

GDP (2020)
US\$12.3 billion

GDP per capita (2020)
US\$4,920 billion

Exports (2020)
US\$6.3 billion

Imports (2020)
US\$7.6 billion

RATE

US\$1=N\$17.3862 (12 December 2022, Bank of Namibia)

Trade Agreements

- African Continental Free Trade Area (AfCFTA)
- African Growth and Opportunity Act (AGOA)
- Namibia-Zimbabwe Preferential Trade Agreement
- Southern African Customs Union (SACU)
- Southern African Customs Union (SACU) - European Free Trade Association (EFTA)
- Southern African Customs Union (SACU) Southern Common Market (MERCOSUR)
- Southern African Customs Union (SACU) and Mozambique-United Kingdom (UK) Economic Partnership Agreement
- Southern African Development Community (SACU)
- Southern African Development Community (SACU) - European Union (EU) Economic Partnership Agreement (EPA)
- World Trade Organisation (WTO)

Investment Climate

The Namibia Investment Promotion and Development Board (NIPDB) is the first point of contact for potential investors and provides comprehensive services from the initial consulting stage to the operational stage. The NIPDB also provides general information and advice on investment opportunities, incentives and procedures.

The task of the NIPDB is to help investors reduce red tape by liaising with Government departments and regulatory agencies, including obtaining work visas for foreign investors. The Government of Namibia, therefore, welcomes and encourages foreign investment to help develop the national economy for the benefit of the people.

Rankings

- 2nd in Africa, World Press Freedom Index - Reporters Without Borders (2022)
- 1st in Africa for the past five years, Quality and Connectivity of Road Infrastructure, Global Competitiveness Report - World Economic Forum (2019)
- 1st in Africa (6th globally), Global Gender Gap - World Economic Forum (2021)
- 6th in Africa, Corruption Perception Index – Transparency International (2021)
- 7th in Africa, Good Governance – Mo Ibrahim Foundation (2020)
- Top 10 in Africa, Investment Attractiveness Index, Annual Survey of Mining Companies - Fraser Institute (2021)

Fraser Institute Annual Survey of Mining Companies Ranking, 2021

Category	Africa	World
Policy Perception	2	29
Political Stability	1	20
Security Indices	1	30
Geological Database	1	22

Policy Environment

Namibia's foreign investment policy is governed by the Foreign Investment Act (No. 27 of 1990 - FIA). The aim of the Act is to address and stimulate foreign investment in Namibia. The Namibia Investment Promotion Act (NIPA) is currently under review and will replace the FIA.

DIVERSIFICATION SECTORS

RENEWABLE ENERGY

FOOD INDUSTRY

CHEMICALS & BASIC MATERIALS

TRANSPORT & LOGISTICS

TOURISM

SERVICES (DIGITAL & GLOBAL BUSINESS)

METALS, MINING & ADJACENT INDUSTRIES

MACHINERY & ELECTRONICS

Top 3 Export Markets

- South Africa
- China
- Eurozone

Top 3 Exports

Precious metals including diamonds & gold
Uranium
Fish

Top 3 Import Markets

- South Africa
- China
- India

Top 3 Imports

Mineral fuels
Machinery & mechanical appliances, nuclear reactors
Vehicles, parts & accessories

Diversification Strategy

Since 2016, Namibia has been hit by a series of negative events, including a commodity price downturn, an extended sub-continental drought and, like the rest of the world, the COVID-19 pandemic. The combination of these negative trends has amplified the cyclical nature of Namibia's economy.

As part of a high-level intervention to reduce the impact of these events, the Government of Namibia engaged the Harvard Kennedy School's Growth Lab in 2019 with the aim of creating a roadmap to more sustainable economic development and growth. A joint team of representatives from the Bank of Namibia (the country's central bank), Ministry of Finance, the National Planning Commission, Ministry of Industrialisation and Trade, and Harvard Growth Lab has been shepherding the process alongside other Namibian stakeholders.

The work Namibia has been doing with Harvard Growth Lab predominantly focuses on:

- Diagnosing structural deficiencies in the economy
- Assessing and understanding the country's economic complexity shortcomings
- Identifying particular strategies which could address the lack of economic depth

One of the major objectives that emerged from this research and analysis was the development of the Country Economic Diversification Strategy to address core issues impacting Namibia's economy. The strategy is expected to:

- Reduce exposure to commodity price fluctuations and cycles
- Develop new sectors and products in the economy
- Focus on services and the economic value they create
- Increase economic complexity by facilitating the conversion of primary products from the commodities sector into secondary products
- Create new sectors and industries that will support the country's energy transition ambitions, making Namibia a continental leader in the Green Economy

Economic diversification efforts will be based on several sectors and prioritisation that leverages existing productive capabilities, and that may enable transitions towards more sophisticated economic activities.