



SECTOR PROFILE

GLOBAL BUSINESS SERVICES

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.

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.

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.

The country 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 is a middle-income country whose considerable successes rest on a stable multiparty parliamentary democracy that delivers sound economic management, good governance, fundamental civic freedoms and respect for human rights.

Namibia values long-term relationships with foreign investors, and provides numerous opportunities for international investors seeking a foothold and growth on the African continent. The Government has put in place an enabling environment to assist with identification of opportunities, syndicate financing, operating and tax incentives in certain sectors, particularly manufacturing, and one-stop bureau services for establishment of local operations of international companies.

The Namibia Investment Promotion and Development Board (NIPDB) serves as a one-stop shop for all companies aspiring to do business in Namibia. As a public entity in the Office of the President, the NIPDB exists to facilitate investments into Namibia.

This brochure presents the Namibian sectors which are abundantly filled with development opportunities awaiting investment. The areas of green hydrogen, renewable energy, oil and gas, chemical industry, sustainable tourism, transport and logistics and value addition opportunities in the mining sector.



Sector Profile

Global Business Services

Overview of sector and significance in Namibian economy

The Global Business Services (GBS) sector incorporates the provision of business services to international clients over digital channels using local Namibian labour. Namibia boasts a strong local business services sector, fuelled by the country's sophisticated banking and financial systems. Furthermore, the local Business Process Outsourcing (BPO) sub-sector (worth about US\$ 24,241,800 or 0.2% of total GDP in 2020) is expected to grow. This is due to deliberate efforts by the Namibian Government to rapidly expand the sector, with particular focus on human resource and payroll outsourcing services.

Opportunities in the Global Business Services sector and presence in Namibia

The three most promising enterprises within the GBS industry are call centres, training centres and full BPO centres. Given that it is a knowledge- and technology-intensive industry, a developed business environment is key to its success. These business services use advanced information and communication technologies that require sound and reliable ICT infrastructure. Additionally, a stable macro environment, with strong quality assurance systems are imperative to the success of such ventures. Companies in these industries further rely on spacious and cost efficient workspaces, safe environments and an overall quality of life to enhance the efficiency of their workforce. Namibia is able to meet all of these needs.

In terms of financial systems, the country has a well-established banking system, which is controlled by legislation and by state agencies working through the Bank of Namibia. Namibia has over 26 licensed telecommunication service providers, over 100% mobile telephone penetration with about 70% of users accessing the internet through various technology platforms and services. Due to extensive public and private sector investment into digital networks, digital connectivity is not only stable, fast and extensive, but rapidly expanding as well. The Government aims to implement an 'Open Access Network' infrastructure sharing regime in a bid to champion Universal Broadband Access by 2025.

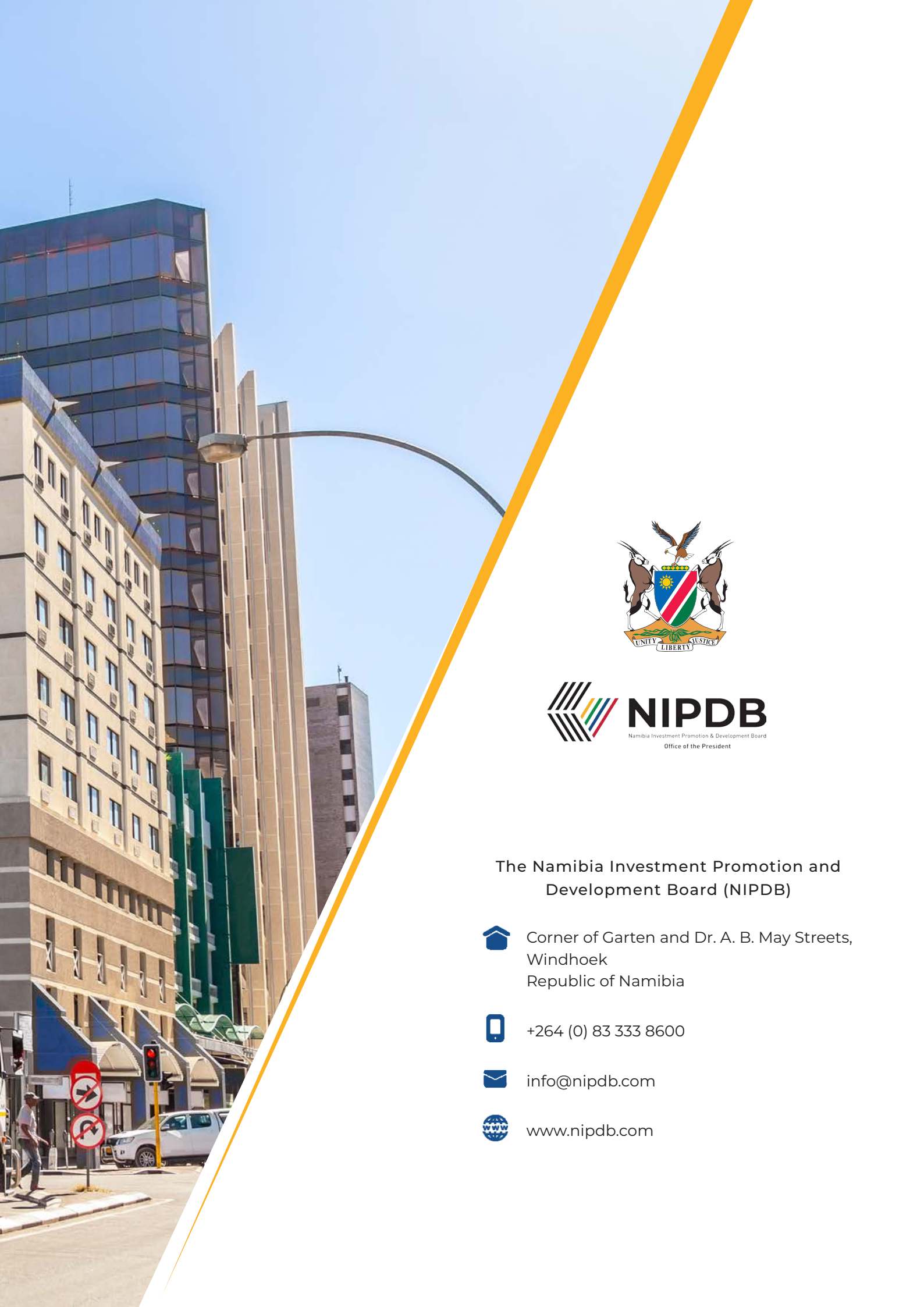


Key to the GBS industry, Namibians are adept linguistically, speaking English as well as various local and international languages. The nation generally has a highly literate and educated population, with an especially vibrant and hardworking young generation. This ensures that a skilled workforce is available to engage in exactly the kinds of jobs offered by the BPO industry.


Furthermore, this educated and available workforce can be up-skilled as required by employers, by making use of the National Training Fund. And, where key foreign employees are required, especially while Namibian employees are being adequately trained, these foreign nationals can be assured of a high quality of living afforded by the legendary Namibian hospitality which makes for stable and secure living conditions.


Especially in light of labour shortages in this space in many parts of Europe, Namibia is poised to potentially become a preferred destination for offshore and / or near-shore service centres in both the telecommunications and digital segments of the GBS/BPS space. Namibia is ideally positioned to host a training and certification centre with an aim of educating GBS/BPS partner-company workforces.

As a case in point, South Africa has the largest BPO industry in Africa. South Africa's booming BPO industry is largely a result of their robust broadband infrastructure, native English speakers, favourable time zone, and a large youth labour pool; all features that are likewise present in Namibia. It therefore stands to reason that Namibia's BPO industry is poised to take off.



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