



NIPDB

Namibia Investment Promotion & Development Board

Office of the President



OUR FIRST

ANNUAL REPORT / 2022



“

At **NIPBD** we believe
that bravery is the key to
unlocking our potential.

”

**Honourable Christine //Hoebes
Minister in the Presidency**

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List of Abbreviations

| | |
|---------------------------|--|
| 4IR | Fourth Industrial Revolution |
| B, BN | Billion |
| CEO | Chief Executive Officer |
| DVP | Desert Visa Programme |
| EV | Electric Vehicle |
| FDI | Foreign Direct Investment |
| GDP | Gross Domestic Product |
| GIZ NAMIBIA | German Agency for International Cooperation (Namibia) |
| H.E. | His Excellency |
| HPLNE | High Level Panel on the Namibian Economy |
| HPP II | Harambee Prosperity Plan II |
| IATF | Intra-African Trade Fair |
| IPA | Investment Promotion Agency |
| MEFT | Ministry of Environment, Forestry and Tourism |
| MHAISS | Ministry of Home Affairs, Immigration, Safety and Security |
| MICT | Ministry of Information, Communication and Technology |
| MIT | Ministry of Industrialisation and Trade |
| MOU | Memorandum of Understanding |
| MPE | Ministry of Public Enterprises |
| MSMES | Micro, Small and Medium Enterprises |
| NEEEB | Namibia Equitable Economic Empowerment Bill |
| NIC | Namibia Investment Centre |
| NIPDB, THE COMPANY | Namibia Investment Promotion and Development Board |
| NSA | Namibia Statistics Agency |
| N\$, NAD | Namibia Dollar |
| OMAS | Offices, Ministries and Agencies |
| OPM | Office of the Prime Minister |
| PEGA | Public Enterprises Governance Act No. 1 of 2019 |
| SADC | Southern African Development Corporation |
| SCDI | Southern Corridor Development Initiative |
| SDGS | Sustainable Development Goals |
| TOR | Terms of Reference |
| UAE | United Arab Emirates |
| UN | United Nations |



FOREWORD

by Honourable Christine //Hoebes
Minister in the Presidency

31 January 2023



In Namibia, the Gross Domestic Product (GDP) contracted heavily in 2020 with a slow rebound due to the decline in economic activities such as retail, trade and investments. Revenues from the tourism sector came to a complete standstill due to border restrictions and the cancellation of regional and international flights.


The impact of the downturn and protracted contraction was significant and devastating in many cases. Our people were hit hard with job losses and communities plunged deeper into poverty. This required the government to implement innovative measures to mitigate the effects of the economic downturn and catalyse recovery and growth.

With the constrained fiscal space and business climate, the government had to place a greater emphasis on attracting Foreign Direct Investment (FDI) and facilitating collaborative partnerships between the government and private sector for inclusive growth.

Therefore, the President of the Republic of Namibia, His Excellency, Dr. Hage G. Geingob elevated the role of investment promotion and Micro, Small and Medium Enterprise (MSME) development to the Office of the President through the creation of a new Agency, the Namibia Investment Promotion and Development Board (NIPDB) on 16 March 2020 on the occasion of announcing his second government. NIPDB was created to serve as the country's Investment Promotion Agency (IPA), with the distinct mandate of promoting and facilitating foreign and domestic investments as well as coordinating MSME activities across all levers of the economy. Increasing FDI that flows into Namibia will result in improved productivity in priority sectors, the development of new sectors, increased economic activity and job creation, which will lead to better livelihoods for our people.

Effective IPAs have proven to change the economic trajectory of countries all over the world. In Africa, the case of the Rwanda Development Board provides a credible benchmark for the potential impact that IPAs can have.

With NIPDB in full operation, the country is better poised to address legacy challenges concerning issues such as the ease of doing business, the country's comparative competitiveness and the general business climate that is required to attract and retain investments.



NIPDB (the Company) achieved several milestones in its first year of operation. These include hosting and representing Namibia at various global investment promotion events, including the Renewable Energy Conference and the Namibia Investment Summit hosted in the United Arab Emirates as part of our country's participation at the Expo 2020 Dubai. Similar events were also hosted in New York on the margins of the United Nations General Assembly where the government engaged with potential investors and presented investment opportunities in Namibia. Domestically, several initiatives were implemented including a regional fact-finding mission undertaken to enhance NIPDB's understanding of the current challenges facing MSMEs in the country, a pivotal step that will enable the Company to implement evidence-based solutions to real-life bottlenecks that impede economic growth in this sector.

All these efforts have resulted in a private investment pipeline of over N\$ 94bn, potentially. The positive GDP growth rate and positive FDI attest to NIPDB's success as an agency tasked with facilitating investment, particularly by partnering with other governmental agencies to create an investment-friendly climate.

The actualisation of the Africa Continental Free Trade Area provides a renewed optimistic economic outlook in terms of opportunities to attract investment and increase market access for MSMEs.

Collaborative relationships, including strong public-private partnerships, are essential to the success of NIPDB. The enduring objective of NIPDB is to unlock opportunities that enable a better quality of life for all Namibians. As long as we remain united for this common cause, Namibia will be able to attain its goal of becoming an industrialised nation, defined by peace, stability and economic prosperity for all.

The creation and subsequent operationalisation of NIPDB would not have been possible without the support of key individuals and organisations. The Presidency, therefore, wish to express our appreciation to all stakeholders representing public and private entities for their contribution and the role they played in establishing the country's Investment Promotion Agency.

It is against this background that I am pleased to announce this first annual report of NIPDB, which provides a detailed account of the Company's work during the 2021/2022 financial year in contributing to Namibia's economic development.



Christine //Hoebes
Minister in the Presidency
Office of the President

WHO ARE WE

His Excellency announced the establishment of NIPDB when inaugurating his new government in 2020. In essence, NIPDB was created to support Namibia's economic revival by promoting and facilitating investment by foreign and Namibian investors in a way that leads to inclusive economic development and job creation. In line with its strategic vision, NIPDB exists "to unlock opportunities and enable a better quality of life for all Namibians."




Registered as a non-profit association per Section 21 of the Companies Act 28 of 2004 on 27 November 2020, NIPDB was declared a Public Enterprise under the Public Enterprises Governance Act No. 1 of 2019 (PEGA).

On 13 July 2020, the President appointed Nangula Uaandja as the Chief Executive Officer (CEO) of NIPDB, effective on 1 January 2021. Ms Uaandja was also appointed as the Chairperson of the Advisory Board of the Company.

NIPDB's mandate is centred on ensuring Namibia reaches its economic development potential. In this regard, the Company assumed the functions and staff of the Namibia Investment Centre (NIC) and the SME Development Unit from the then Ministry of Industrialisation, Trade and SME Development resulting in the renaming of the Ministry to the Ministry of Industrialisation and Trade (MIT). To ensure operational readiness, NIPDB formed a temporary task force to operate and support the CEO with the preparation of operationalising the Agency by 01 January 2021.

Due to the magnitude of work required to operationalise the Company, the task force's term was later extended to 31 March 2021, on which date it was disbanded and the NIPDB commenced operations on 01 April 2022.

A two-year strategy was developed to guide NIPDB's operational activities after considering the dynamics surrounding the country's economic, political, and social climate, as well as the uncertainties caused by the COVID-19 pandemic.



With effect from 1 April 2021, an Advisory Board which in addition to the CEO is composed of 8 independent and non-executive individuals, was appointed to oversee NIPDB's operations. The term of the current Advisory Board will end on 31 March 2024.

The overarching task of NIPDB is to simplify investing in Namibia for local and foreign investors by engaging in policy advocacy, reducing administrative burdens and government bureaucracy and helping investors navigate the country's investment landscape. In this regard, NIPDB continuously reviews and provides input on relevant policies and legislation affecting Namibia's competitiveness and ease of doing business.

Furthermore, NIPDB facilitates quality, sustainable investment which includes increasing the inward flow of FDI into Namibia. Increased FDI will produce direct and indirect local economic benefits through employment creation and enhancing the productivity of domestic firms, including MSMEs.

As a facilitation agent, we are tasked with collaborating with the public and private sectors to create a conducive business climate that will attract and retain investment. It is our job to build trust relationships both locally and internationally to stimulate private sector-led and inclusive economic growth. As such, we aim to provide tangible real-time assistance and support to investors and MSMEs to ensure that any sub-optimal investment and business ecosystem gaps are closed, enabling laws are implemented, and investors and MSMEs receive the support and assistance they need to scale up and create further employment opportunities.

Cultivating a favourable investment environment will benefit Namibia in the long term by creating a skilled workforce and local downstream supply chains. NIPDB aims to enable positive change in the Namibian economy such that the private sector, including MSMEs, increases productivity and contributes significantly to the country's employment and national poverty eradication initiatives.

NIPDB does not replace other Offices, Ministries, or Agencies (OMAs) or their respective mandates, but instead, as the country's IPA, we interact with existing OMAs to provide enhanced, targeted, relevant, and measurable investment services, along with engaging in nation-branding-activities.

It is our desire to work with all pertinent stakeholders to make Namibia a preferred investment destination, promoting Namibia as a place to develop, live, invest and work.

At the heart of our vision is the knowledge that all Namibians at every level will benefit, and our mandate aligns with our national objectives and the continent's Agenda 2063, creating the Africa we want.

WHERE IT ALL BEGAN

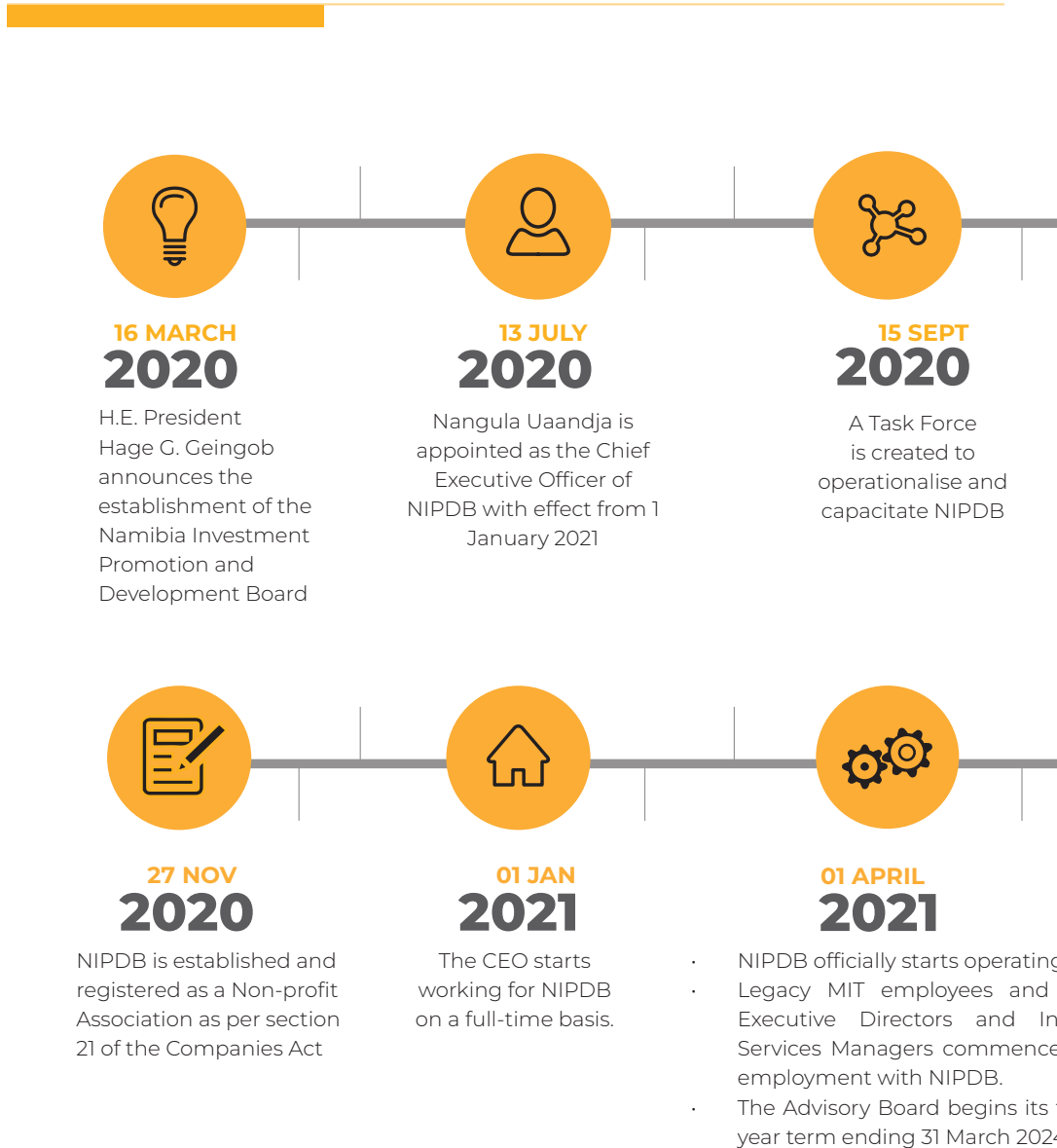


Figure 1: NIPDB Operationalisation Timeline

Operationalisation Strategy

“By failing to plan, you are planning to fail” – Benjamin Franklin

NIPDB developed its initial two-year strategy to establish itself as a trusted investment promotion and facilitation agency for Namibia while suitably responding to its internal and external environmental factors.



Figure 2: NIPDB Strategic Pillars

At the time of NIPDB’s establishment, Namibia faced dire economic and socio-economic conditions with a protracted recession, increasing levels of unemployment and high levels of poverty and inequality. The COVID-19 pandemic was an external and unpredictable shock that destabilised the tourism sector, Namibia’s only growing sector at the time.

Consequently, the strategy development was underpinned by driving NIPDB to be effective and efficient, which will be proven by delivering tangible results for Namibia, as soon as possible. The short strategic period is because we, as NIPDB, needed to create awareness about ourselves as an IPA, clarify our role and mandate, build relationships with local and international stakeholders, understand the dynamic environment and move with agility.

The brief strategic period compels us to scout and understand the environment within which we operate, monitor our impact shortly after establishment and make sure we deliver tangible results swiftly.

The pandemic created uncertainty and exposed previously unknown risks in a globally connected world. It is now three years on; however, the pandemic's impact can still be felt, with nations working on recovery, adapting to the "new normal" and building resilient economies that are less susceptible to global shocks.

Namibia is no different and must drive economic growth comprised of a complex economy and become less dependent on her mineral resources. Moreover, the country must create jobs that require a highly-skilled workforce, build a knowledge-based economy and increase the middle class in a nation with a massive gap between low income and high income citizens.

As an agent of the State and in line with our mandate, we must create an enabling and competitive business environment while simultaneously ensuring that public institutions build and maintain the infrastructure required to enable the desired growth to make Namibia an attractive investment destination. Both the public and private sectors have important roles to play in planning for and realising growth for improved quality of life for all our countrymen.

Realising this vision will allow all Namibians to have an opportunity and hope for a better future.

NIPDB exists for a thriving, prosperous and peaceful Namibia

We will achieve this by executing our mandate as detailed below.

1. Promote and facilitate investment by foreign and Namibian investors and new ventures that contribute to economic development and job creation;
2. Implement Namibia's investment policy and associated strategy;
3. Review and propose policy reforms and measures to support trade and investment promotion, conducive labour market policies, and improve the country's competitiveness and the ease of doing business;
4. Develop and implement branding interventions that promote Namibia as an attractive investment destination;
5. Develop appropriate institutional mechanisms and assume a lead coordinating role across all levers for MSME development nationally;
6. Implement the National MSME Policy of 2016;
7. Promote regional Special Economic Zones that leverage the comparative geographic advantages of each region;
8. Facilitate collaborative roles between the Namibian Government and the private sector to stimulate growth, expansion, and
9. Develop the Namibian economy in collaboration with relevant stakeholders.

To our passionate employees, NIPDB is more than an employer, it is a vehicle that provides an opportunity to make a difference and improve the lives of every Namibian.



“I GET to do this for a living... AND get paid to do it?!” – a NIPDB employee in an anonymous survey.

Our purpose translates into our values and with that, how we behave.

This corporate identity reflects our actions in everything we do, be it strategic or operational; and towards each other and/or external parties.

**“We are what we repeatedly do. Excellence, then, is not an act, but a habit”
– Will Durant**

It will not be easy to realise this ambitious vision for our nation, however, Namibia lives up to its reputation as the “land of the brave” and has taken up the United Nations’ (UN) call to develop the world sustainably with peace and prosperity for all its people.

















Namibia has been ranked 114th of 163 countries in the Sustainable Development Report 2022 that was published by Cambridge University. Our overall score of 62.7 is nine points ahead of the regional average of 53.6. Although we are ranked above the regional average, our overall ranking has decreased and there is room for improvement in many of the 17 Sustainable Development Goals (SDGs).

The latest ranking show that Namibia is has excelled on one SDG as the 6th most gender-equal country in the world. Apart from gender equality, Namibia is also on track with quality education and climate action. Worryingly, the goals of no poverty and sustainable cities and communities indicate a decline.

Namibia is reportedly stagnating on zero hunger, clean water and sanitation, affordable and clean energy; and peace, just and strong institutions. The reported stagnation on SDG 16 (Peace, just and strong institutions) is especially concerning as it may be indicative of reduced trust and fairness in our processes and institutions. Investors and visitors must believe that the rule of law is enforced indiscriminately in Namibia.

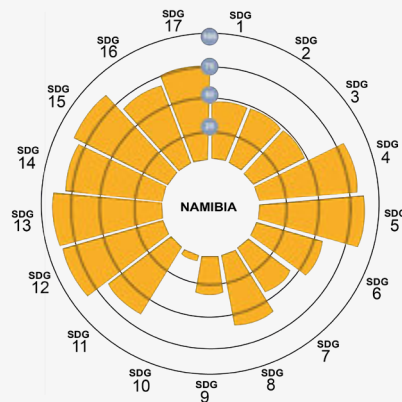
Although it is reported that there is no available data to determine the changes in inequalities, the achievement of this goal is of crucial importance to Namibia as the previously recorded figures are at an unacceptable level. Moderate increases are reported on seven SDGs, however, as a nation, we must show significant and deliberate increases if we are to realise the goals by 2030. As an agency of the Government of the Republic of Namibia, NIPDB and all other OMA's are tasked with implementing strategies that contribute to the achievement of the SDGs.

The achievement of these goals will create a brighter future for Namibia...

| | | | |
|---|--|---|--|
|  | No Poverty |  | Our growth is inclusive and benefits Namibians at every level and in each region. Diligent citizens no longer etch out their living. |
|  | Zero Hunger |  | No Namibian goes to bed hungry or is reliant on charity to meet their basic needs. |
|  | Good health and well being |  | Namibians are healthy and have access to affordable and quality healthcare |
|  | Quality education |  | The nation's youth has access to quality and innovative education and can develop the skills required to drive economic development |
|  | Gender equality |  | Women and men have equal opportunities for growth and development and gender does not determine opportunities |
|  | Clean water and sanitation |  | Namibians everywhere have consistent access to clean, sustainable water and sanitation facilities |
|  | Affordable and clean energy |  | We generate sustainable energy and provide affordable access across Namibia |
|  | Decent work and economic growth |  | Decent and respectable employment conditions with quality jobs are available |

| | | | |
|--|--|--|--|
| | Industry, innovation and infrastructure | | Our growth is inclusive and benefits Namibians at every level and in each region. Diligent citizens no longer etch out their living. |
| | Reduced inequalities | | A small and acceptable gap between the rich and poor with a thriving middle class |
| | Sustainable cities and communities | | Build modern and sustainable communities that cater for growth and development |
| | Responsible consumption and production | | Consumption and production that ensures resources maximisation and availability for future generations |
| | Climate action | | Minimise our vulnerability to climate change by adapting innovative solutions |
| | Life below water | | Protect the blue economy and its value chain by harvesting marine resources responsibly |
| | Life on land | | Sustainably manage the natural environment, reduce deforestation and improve biodiversity |
| | Peace, just and strong institutions | | Maintain our reputation as a peaceful nation and strengthen our judicial processes and systems |
| | Partnerships for the goals | | We cannot do it alone! Build, maintain and leverage relationships with the right partners for Namibia's growth |

▼ AVERAGE PERFORMANCE BY SDG



- SDG achievement
- Challenges remain
- Significant challenges remain
- Major challenges remain
- On track
- Moderately increasing
- Stagnating
- Decreasing
- Data not available

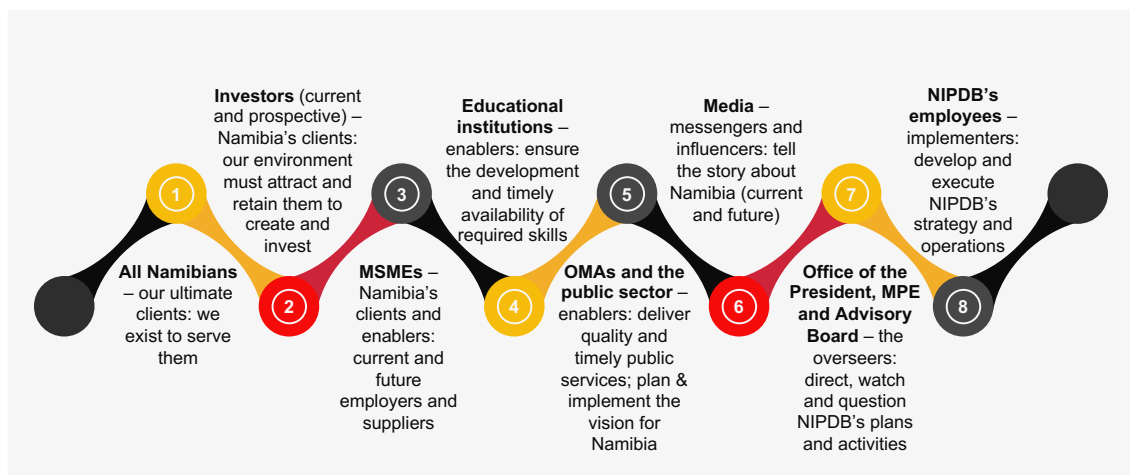
Building Constructive Stakeholder Relationships

“If you want to go fast, go alone. If you want to go far, go together” – An African Proverb

We do not operate in a vacuum so nurturing stakeholder relationships is crucial for success. The delivery of our mandate and our mission hinges on the support and participation of various stakeholders, we cannot do it alone.

Great effort was made not only to inform stakeholders of what we can do but more specifically, what we can do for them. As enablers, we are invested in capacitating stakeholders with relevant and timely knowledge, partnerships and resources to better enable them to deliver on their mandates.

We must work together and in partnership to realise value for Namibia. We aim to connect dreamers and builders to enablers. Our main stakeholder groups follow.



We are cognisant that different stakeholders have varying needs, thus we have developed plans to respond appropriately. The goal is not only to inform but also to consult and support.

Apart from the stakeholder groups indicated above, we have taken strides to engage other IPAs to jointly strengthen investment and trade promotion and facilitation, and to explore and leverage existing synergies.

In this regard, Memorandum of Agreements (MOUs) with various IPAs on the continent and beyond have been finalised, with the signing of most of them slated for the coming financial year.

Spotlight:

One Stop Centre

To achieve our aspirations in terms of improving the ease of doing business in Namibia, establishing a one-stop shop both online and physically is critical. As a nation, Namibia needs to increase its e-service offering. During the financial year under review, significant progress was made in this regard.

The Integrated Client Service Facility system is already in place, and NIPDB intends to improve the system's capacity. NIPDB will need the commitment from OMAs to increase e-services and enhance their technical and customer service support capacity.

A one-stop shop's physical presence has been identified as a best practice across development and investment promotion agencies. NIPDB has made provisions to accommodate the identified OMAs on its premises and is presently engaging these institutions. Budgetary constraints are the primary concern, and we are relying on Government support to resolve such issues.



NIPDB has set aside office space for nine essential OMAs to provide services to investors through its One Stop Centre, and MOUs with the relevant entities were developed during the year under review. The service centre will be launched in the next financial year.



Figure 27: Services offered in the NIPDB One-Stop Shop

STATEMENT OF THE CHAIRPERSON AND CEO

31 January 2023




Nangula Uandja: Chairperson & Chief Executive Officer

The formation of NIPDB along with its mandate were announced about 500 days ago. Although it feels like we have been at it for a long time, the Company is still relatively young. This annual report, the first for NIPDB, allows us to acknowledge the progress already made, take stock of what lies behind us and prepare ourselves for the road ahead.

Our country is full of passionate individuals and groups who recognise the need to do things differently to grow the nation's economy and improve the lives of Namibian citizens. It is true, of course, that we may not always agree with each other on the way forward or the methods we should use. However, at the core is an agreement that we need to make a difference for Namibia, and I am optimistic that we are on the right path to accomplish this.

It is no secret that NIPDB has faced various challenges since its inception. As with all organisations, we faced gaps in the expectation of what was already in place and what needed to be rapidly established to hit the ground running. In certain situations, misjudgements inevitably occurred, and it became apparent that we struggled to carry all stakeholders with us on our journey. I am pleased that we are in the process of (re)building those crucial relationships, and engaging our key stakeholders in a meaningful way will help us gain meaningful ground.

Resourcing is another challenge that all fledging organisations face. The need to do more with less leads us to manage our teams effectively and create the impact our mandate demands of us while developing their skills as they strive to fulfil their



potential. We recognise that people are our greatest strength thus we endeavour to harness the power of our people as we tackle NIPDB's mammoth task.

There are also external challenges that we need assistance in navigating. Gaps in policy make it more difficult to fulfil our mandate. As such, we are working with various ministries to get the right policies in place. If these are implemented within the next 12 months, then many of the challenges within the investment space can be successfully addressed.

We may be a young organisation, but we have achieved much in our short life.

It is worth noting that we have established an entire institution, capacitated it, and set up structures to ensure it works. We have recruited the right people and put the right policies in place to help achieve our overarching aims. We have engaged on policies to improve the business climate and developed a Commercial Counsellor Framework to develop a unified approach on attracting investment through foreign missions. In addition, we have hosted significant events, such as Namibia's participation in the Dubai Expo 2020, and have accompanied His Excellency, President Hage G. Geingob, on successful and fruitful international trips.

Everyone at NIPDB should celebrate the volume of investments already in the pipeline. This is an achievement for an organisation that has only been in operation for 500 days! Our daily conversations with interested investors are a testament to our efforts, and they will pay dividends in time.

In the beginning, we received countless questions about NIPDB's mandate and what we were expected to achieve. Now, however, projects are helping to put us on the map, and we no longer need to justify our mandate or explain who we are. For a new organisation like ours, this is a tremendous achievement and something I hope every member of the NIPDB team is rightly proud of.

The forthcoming financial year will have more challenges but undoubtedly numerous successes to sit alongside them. When I joined NIPDB, I pledged to give myself 1,000 days to make a difference in Namibia and to see the fruits of our efforts begin to take shape across the country. We are at the halfway mark, and I am more determined than ever to reach this goal and deliver on our objectives. The next 12 months will be a crucial time for NIPDB and personally, for me.

For the next period, there must be ground-breaking ceremonies that demonstrate tangible movement towards our country's development. We have a pipeline of projects that could potentially employ thousands of people and change millions of lives. I do not doubt that we can continue to fill the pipeline while helping to bring existing projects to fruition and developing the momentum that will take Namibia into a bright future.

Let me conclude this statement with words of appreciation to His Excellency, Dr. Hage G. Geingob, the President of the Republic of Namibia, for his foresight in establishing NIPDB in his office, entrusting me with the role of leading as its first CEO and ensuring we have the support we need to implement the task at hand.

In addition, appreciation must go to the Vice President, Prime Minister, Deputy Prime Minister, Minister in the Presidency, Secretary to Cabinet and the Presidential Senior Advisor and Private Sector Liaison for their continued guidance and words of wisdom.

Furthermore, we (NIPDB) would not be where we are today without the continued availability, platform and support provided by the Chairs and Members of the Joint Cabinet Committees on Trade and Development and Treasury as well as the members of our Advisory Board and Operationalisation Task Force. So many individuals and organisations from the public and private sectors have played a role in our development over the past year, and I express my sincere thanks to all of them.

Finally, a standing ovation and salute to all NIPDB's staff and our families.

Thank you!



Nangula Uaandja
Chairperson &
Chief Executive Officer



Embedding Robust Governance

“The best cars are those with good brakes”

Sound governance practices transcend systems and processes and must be elevated to how we behave and hold each other accountable for our behaviour.

Governance must be a key component of our culture. Having a dream and chasing it is important, however, we must never lose sight of the importance of doing the right thing, right. It is how we act and not what we say that builds our reputation and earns stakeholders’ trust.

In compliance with the requirements of the Companies Act, articles of association and as a Public Enterprise, the Company has established governance structures and frameworks.

As part of the Governance process and articles of association, the Members of the Company are the Advisory Board members, appointed in an advisory capacity. However, to comply with the requirements of the Companies Act registration, the Company’s executives are appointed and registered as the Board of Directors and herein referred to as the Executive Board. Our governance structure follows.

NIPDB GOVERNANCE STRUCTURE

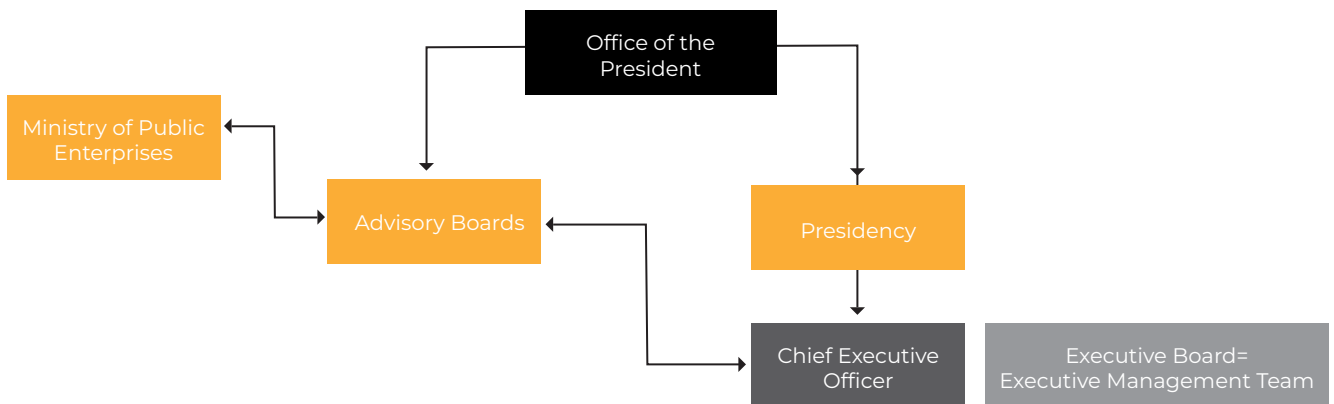


Figure 15: NIPDB GOVERNANCE STRUCTURE

The Role and Powers of the Advisory Board

Appointed by the President, the Advisory Board shall in addition to any legislative, contractual and/or duties in terms of the Articles of Association, provide advice to the President on matters relating to performance of the Company including but not limited to:

- a. The suitability of a candidate to be appointed as Chief Executive Officer of the Company;
- b. Measures that are necessary to safeguard the performance of the Company and achievement of its objectives;
- c. Measures that will foster the growth of the Namibia economy by recommending the development of appropriate infrastructure and formulating and implementing investment promotion policies and plans, incentives and strategies to support enterprises in Namibia;
- d. Any other matters aimed at promoting the achievement of the objectives of the Board; and
- e. Other related matters as the Presidency may determine from time to time.

The Chairperson of the Advisory Board reports to the President and submits a quarterly performance report and when deemed necessary, a copy to the Minister in the Presidency.

NIPDB's leadership is passionate about setting the right tone at the top which is reinforced by their commitment to integrity and ethics. We have shaped an environment in which we hold each other accountable to do the right thing by continuously asking the right questions.

Apart from structure and compliance, good governance is underpinned by an effective control environment that is supported by processes, procedures and systems. Over the next 700 days, we will invest in strengthening our governance functions. This includes the development of NIPDB's risk management framework, including defining our risk appetite and developing and maintaining a risk register.

Establishing and maintaining robust governance is a continual process that is never completed. We will soon articulate, document and embody our Environmental, Social and Governance (ESG) approach. Although this is encompassed in our operationalisation strategy to some extent, we will refine, clarify and enforce the ESG standards across NIPDB.

Along with building robust governance processes and systems comes improving ICT governance, data protection and cybersecurity as we anticipate an increasing reliance on digital tools.

Advisory Board

Terms of service

The Advisory Board consists of 9 members and is chaired by the CEO who has a dual role of Executive Chairperson of the Board. The independent non-executive members were appointed for a three-year term that will end on 31 March 2024. The Advisory Board members have been appointed to assist His Excellency with executing his duties as NIPDB's shareholder representative. Our ultimate shareholder is the Government of the Republic of Namibia, therefore oversight of our strategy and activities is important.

Fees

The Advisory Board members are compensated per MPE's guidelines as a Tier 3 organisation.

Executive Directors

Composition

The Executive Board of Directors consists of seven directors. As the company only has six executives, Mr James Mnyupe who served as a member of the operationalisation task force was appointed as the seventh Executive Board member.

Committees

No Board Committees have been constituted as 85% of Board members are executives and oversee the daily operations of the organisation. Mr Mnyupe has a standing invitation to all Executive Board meetings. The Executives have weekly committee meetings to touch base on operational activities. The Executive Committee is supported by various management committees that report their activities at Executive Committee meetings.

Fees

The Executives do not receive additional remuneration for Executive Board meetings. They are remunerated on a Total Cost to Company basis as employees, in accordance with PEGA Tier 3.

Advisory Board



Nangula Uaandja
Chairperson,
Executive member (CEO)

Qualifications

B. Com (Cum Laude);
B. Compt Honours;
CA (Nam);
CA (SA);
MBL (Cum Laude)

Experience

Nangula led a local Big 4 audit firm for 10 years and was a partner for 18 years. She has extensive audit experience across various sectors. She is passionate about investing in the youth and developing tomorrow's leaders, today.



Hans-Bruno Gerdes
Independent,
non-executive member

Qualifications

B.Proc(UCT); ACIS

Experience

An admitted legal practitioner, Habo has extensive experience in commercial law including competition law and licensing and registration of investment funds.



Elizabeth V Hilger
Independent,
non-executive member

Qualifications

Diploma (Office Administration) and Diploma (Computer Literacy)

Experience

Elizabeth has over 20 years' experience as a successful business owner and has effectively managed sponsored funds. She has trained welfare organisations on income generation activities and assists micro enterprises to foster business skills.

Advisory Board



Dagmar Honsbein
Independent,
non-executive member

Qualifications

Master of Arts (Leadership of Sustainable Finance); Master of Philosophy (Chemical Engineering and Applied Science); and B.Sci (Wood Science)

Experience

Dagmar has over 25 years' experience in scientific service consultations, climate resilience infrastructure and natural resource industry growth. She has worked across Africa, in the Americas and Europe.



Stefan Hugo
Independent,
non-executive member

Qualifications

Advanced Diploma in Taxation; CA(Nam); Certificate in Theory of Accounting and B.Acc (Commerce)

Experience

Stefan's purpose is to grow teams and make plans to enable positive collective change in the world. He has wide ranging experience as a managing director of media companies and as the leading tax partner and partner in charge of operations for a local Big 4 audit firm.



James Mnyupe
Independent,
non-executive member
(has a standing invitation to Executive Board meetings)

Qualifications

CFA; CA (SA); CA (Nam); Honours (Bachelor of Accounting) and Bachelor of Accounting

Experience

James is an experienced investment professional with an interest in driving national economic and developmental agendas through capital and savings markets. He currently advises the President on events and emerging risks that may cause economic instability in Namibia and advises on possible corrective measures.

Advisory Board



Vetumbuavi Mungunda
Independent,
non-executive member

Qualifications

AMP (Harvard),
CA (Nam & RSA), HdipAcc
(Rhodes),
B.Com (UNAM)

Experience

Vetumbuavi is the founder of Ombu Capital, an investment management and business advisory firm. He was a Practising Chartered accountant for 18-years, who was the managing partner of Deloitte Namibia and the regional managing partner for Deloitte Southern Corridor (Malawi, Botswana, Namibia, Zambia, and Zimbabwe). Until April 2021, he was the Chief Executive of Standard Bank Namibia for 7 seven years. He served on the Presidential Advisory Panel on the Economy (2019 – 2020) and currently serves on the Board of the Namibia Chamber of Commerce and Industry (NCCI). He is a director on the boards of Schoemans Group, and the following public companies: Namibia Breweries Limited, Oryx Properties Limited and Bank Windhoek Limited.



Kauna Ndilula
Independent,
non-executive member

Qualifications

Master of Development
Finance and MBA.

Experience

With nearly 30 years of executive experience, Kauna has pioneered a number of development interventions in the SME sector. She has put her wealth of management knowledge to work by founding BFS, which has injected over N\$ 1.7bn into SMEs across numerous sectors private and public alike. She has served on various boards across the public and private sector; and equally so in the development field. She holds a Master of Development Finance and an MBA.



Martin Kaali Shipanga
Independent,
non-executive member

Qualifications

MSc (Public Policy
Administration); Leadership
and Management
Programme; Executive
Development Programme
and B.com (Information
Technology & Finance)

Experience

Martin is an entrepreneur whose notable achievements include employing over 200 people and establishing well-known brands. He formerly served as the CEO of the City of Windhoek and Nedbank Namibia, during which time he directed and managed the operations of 2000+ employees.

Executive Board of Directors



Ms R.N. Uandja
Chairperson &
Chief Executive Officer



Mr F. van Schalkwyk
Executive Director:
Investments & New Ventures



Mr R.N. Lukonga
Chief Operating Officer



Ms M.C. Gustavo
Executive Director:
Strategy & Branding



Ms J.J. Hauuanga
Head of Department:
Investor Experience,
Retention & Aftercare



Mr D. Ballotti
Executive Director:
MSME Development,
Innovation & Acceleration

“It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you’ll do things differently” – **Warren Buffet**

| ATTENDANCE (1 APRIL 2021 – 31 MARCH 2022) | | | | | | | |
|---|-------------------------|----------|-----------|-----------|----------|-----------|-----------------|
| MEETING | ADVISORY BOARD MEETINGS | | | | | | GENERAL MEETING |
| DATE | 26-May-21 | 1-Jul-21 | 15-Jul-21 | 21-Oct-21 | 9-Mar-22 | 10-Mar-22 | 2-Dec-21 |
| MEMBERS | | | | | | | |
| Nangula Uaandja (Chairperson) | x | x | x | x | x | x | x |
| Hans Gerdes | x | x | x | ○ | x | x | x |
| Elizabeth V Hilger | x | x | x | x | x | x | x |
| Dagmar Honsbein | x | ○ | x | x | ○ | x | ○ |
| Stefan Hugo | x | x | x | x | x | x | x |
| James Mnyupe | x | x | x | x | ○ | x | ○ |
| Vetumbuavi Mungunda | x | x | x | x | x | x | x |
| Kauna Ndilula | x | x | x | ○ | x | x | ○ |
| Martin Shipanga | x | x | x | x | ○ | ○ | ○ |

* The Executive Management Team are standing invitees of the Advisory Board Meetings. X = attended; ○ = not attended

Table 1: Advisory Board Meetings attendance

The General Meeting was scheduled to discuss the Company's articles of association and was compulsory for all Advisory Board Members. All Executive Board members received a voluntary invitation to the General Meeting and attended.

The Advisory Board members (excluding the CEO) earned a total remuneration of N\$ 1.27m during the year under review.

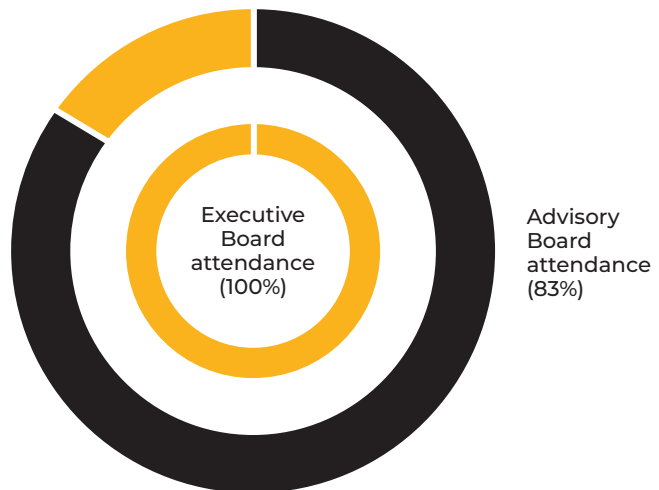
| ATTENDANCE (1 APRIL 2021 – 31 MARCH 2022) | | | |
|---|-----------------------------|-----------|----------|
| MEETING | BOARD OF DIRECTORS MEETINGS | | |
| DATE | 18-Jun-21 | 15-Oct-21 | 3-Mar-22 |
| DIRECTORS | | | |
| Nangula Uaandja (Chairperson) | x | x | x |
| Dino Ballotti | x | x | x |
| Margareth Gustavo | x | x | x |
| Jessica Hauuanga | x | x | x |
| Richwell Lukonga | x | x | x |
| James Mnyupe | * | * | * |
| Francois van Schalkwyk | x | x | x |

Table 3: Board of Directors Meetings Attendance

* Mr. James Mnyupe, as a Director of the Board of Directors attends the Board Of Directors Meeting only upon direct request by the Board of Directors. Mr. Mnyupe's contribution is recorded pre and post meetings. Meeting subsequent to the Board of Directors Meetings

James Mnyupe, an Advisory Board member, has a standing invitation to Executive Board meetings, however, he did not attend any meetings during the period due to the similarity of the Executive and Advisory Board meeting agendas.

Mr Mnyupe does not receive additional compensation for his attendance at Executive Board meetings



Delivering Sustainable Value for Namibia

“We are not out of the woods, but we must take time to celebrate success when progress has been made.”

According to the World Bank, “Political stability and sound economic management have helped anchor poverty reduction and allowed Namibia to become an upper-middle income country. However, socio-economic inequalities inherited from the past apartheid system remain extremely high, and structural constraints to growth have hampered job creation.”

Namibia has been in a recession since 2016, with negative GDP growth owing to a slowdown in construction, falling commodity prices and a severe drought. This situation was exacerbated by the COVID-19 pandemic, with the tourism sector being the most affected.

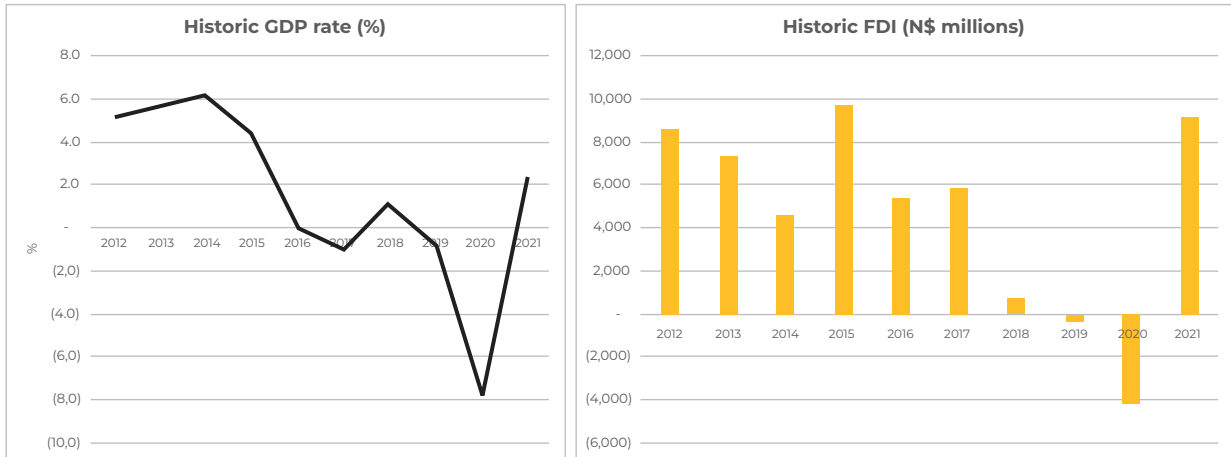
Unemployment remains incredibly high at 33.4%, with young Namibians being particularly affected (46%), socio-economic inequality remains high with a Gini coefficient of 0.576 (NSA, 2021), and although much has been done to reduce it, poverty remains a reality for 17.4% of Namibian households (NSA, 2021).

Efforts to address these socio-economic challenges remain a priority for the Namibian Government and are urgent if we are to achieve Vision 2030. As an agent of the State and as highlighted in our mission, these conditions are not acceptable. We must play our part to revive and build a complex and diversified economy.

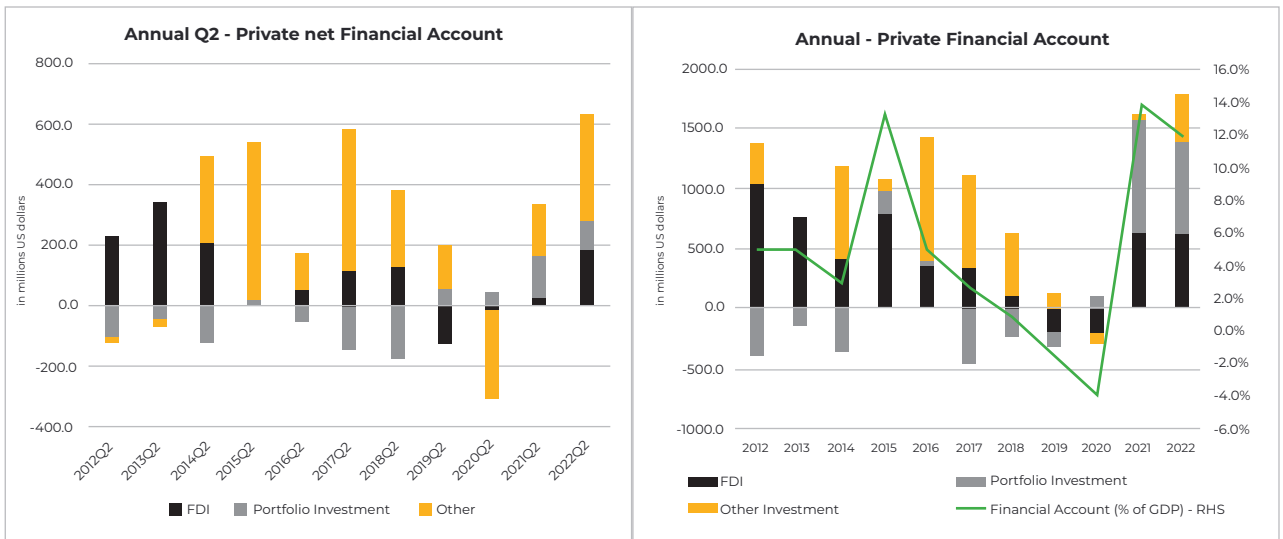
This ultimate goal is reflected in our strategic objectives. We must deliver tangible and sustainable results to make a meaningful impact.

Due to their proven non-linear effect, consumption by households and government spending cannot be relied on for economic growth. Additionally, the country has continued to record consistent trade account deficits since 2013, with an annual import bill currently standing at N\$ 80.5 billion. On the other hand, exports declined from N\$53.7 billion to N\$ 53.1 billion in the past year. The slight decline resulted from a drop in export sales of metal ores, including uranium. That leaves investment attraction as the only viable lever that can be used to grow the country's economy.

It has been a concern to see Namibia's steadily declining FDI from 2016 and net outflows in 2019 and 2020, however, 2021, fortunately, showed notable growth and GDP was positive at 2.4%.



Economically, 2021 was a much better year than the last five years and GDP increased by 2.4%. These improvements have continued after year-end, with Q2 of 2022 having the highest private accounts activity of the same quarter in the past 10 years.



We believe these positive trends that evidence an increase in investor confidence are the results of various efforts by His Excellency, with the support of various OMAs and partners. The prosperity vision of our President which resulted in the creation of NIPDB with a focus on driving private sector-led growth has been the catalyst to seeing the change in the economic situation of Namibia.

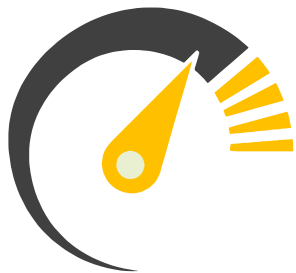
In addition to the creation of NIPDB, other decisive actions taken by His Excellency including the concerted focus on investment promotion internationally and domestically, the proactive organisation of a Green Hydrogen industry, and strong economic engagement between the public and private sector for national development (e.g., HPLNE, 4IR), coupled with the work of various stakeholders in and beyond Government, have all been contributing factors to the recent improvement in the economy.

External factors including increases in commodity prices, the recent oil and gas discoveries in Namibia and the global interest in the country's green hydrogen potential are also contributing factors to the slight economic improvement. This is indeed Namibia's time.

Although a young organisation, we did not let that fact hold us back as we endeavoured to deliver value in six key areas.

Establishing a purpose-driven organisation

During the first year, we successfully registered a Section 21 Company per the Companies Act of Namibia (Act 28 of 2004). Accordingly, all governance structures and processes were constituted, including drafting an approved strategy for the first 24 months. We created an organisation that leads with its purpose, which is to **“unlock opportunities to enable a better quality of life for all Namibians”**.



61% of permanent jobs recruited



5 out of 6 Executives recruited

We recruited 61% of the envisaged permanent jobs before the end of our first year. This includes hiring five of the six Executives and key managerial positions. This was a deliberate decision by the Task Force and Advisory Board to ensure that NIPDB has the resources required to carry out its mandate as soon as possible.

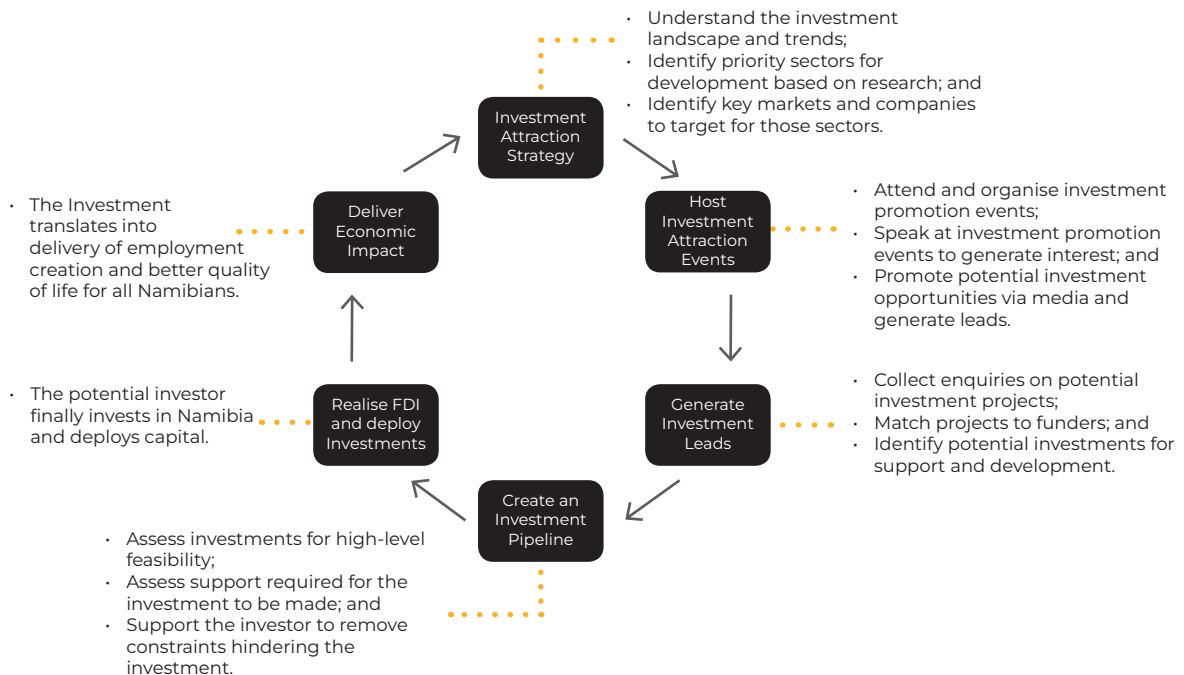
Key positions recruited include the Managers of ICT, Finance, Legal and Compliance and Human Resources to ensure that the internal environment could function as the Company grew.

We have a competent and diverse team with the right blend of skills and both public and private sector experience. In this sense, NIPDB has a truly Namibian team, driven to perform for our fellow citizens.

In addition to recruitment, we developed and approved 12 significant policies and implemented various processes to ensure effectiveness. These included the Code of Conduct and Ethics and the Recruitment Policies. We also developed an operations system for accounting and reporting.

Attracting sustainable investments for Namibia

We analysed the investment climate, assessed trends and engaged other market participants as planned in the operationalisation strategy. Per this analysis, we engaged in numerous activities as per the investment lifecycle depicted below.



During our first year, we determined five priority sectors in addition to the five proposed by Harvard Growth Lab for a total of ten priority sectors for Namibia.



We developed a Foreign Representation Framework in which we reconsidered the cost/benefit of work performed by Commercial Counsellors and restructured the division to improve efficiency and effectiveness. The new structure was implemented after year-end.

We attended several global investment promotion events to create awareness of Namibia's investment readiness and generate awareness.

“It takes roughly 2,000 conversations to generate leads for 200 projects in the pipeline and hopefully implement 10 projects.” – an Experienced Investment Promotion Senior Executive

In the first year, we have had many conversations, generated many leads and refined and developed a pipeline worth N\$ 94.7bn of private projects with the potential to create an impact for Namibia.

The pipeline only represents the value of private projects that are facilitated by NIPDB. All our efforts are contributing to improving the general economic environment; therefore, many other investments are taking place without the support of NIPDB and are not included in our pipeline.

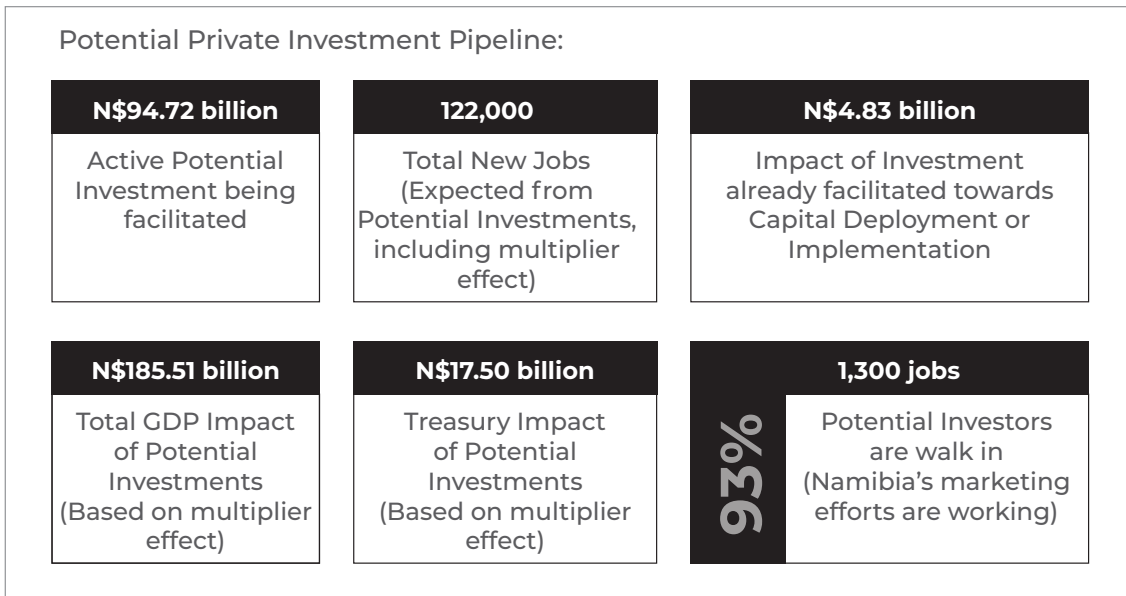


Figure 15: NIPDB Potential Private Investment Pipeline

Investors are particularly interested in energy, as 73% of the pipeline is energy-related. Although Namibia is well-placed to capitalise on this sector, which offers an opportunity for diversification, we must remain cautious against driving investment in only one sector.

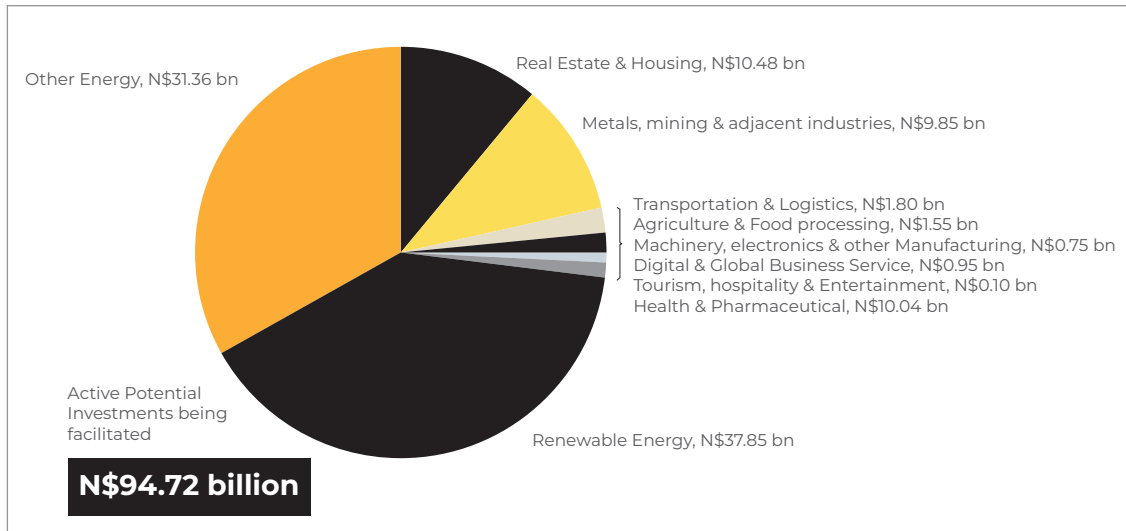


Figure 16: NIPDB Potential Public Investment Pipeline

Approximately N\$4.83bn (1,300 total jobs, of which 400 are direct) has already been delivered up to the Capital Deployed stage by the end of the financial year.

In due course, the average investment including FDI will be realised without NIPDB's involvement as the climate will be conducive to business and will be such that the average investor would not require our assistance.

Serving existing and new investors

Investors told our leaders that they have been sent from pillar to post in Namibia and it is counter-productive to doing business. In this first year, we established an Ease of Doing Business Committee on which other OMAs have joined us in committing resources to enhance operational efficiency across government entities.

Success in this area was building a strong working relationship with the Ministry of Home Affairs, Immigration, Safety and Security (MHAISS) as we support them by evaluating applications by investors. We have streamlined our processes to better assist MHAISS in evaluating whether businesses are legitimate and whether it is relatively safe for those businesses to operate in Namibia.

We completed 371 business evaluations for the year under review.

MHAISS has achieved the 15-day target for visa application turnaround and visa applications exceeding 15 days are usually a result of outstanding information required from the applicant. Where relevant, NIPDB has also recommended modifications to visa and permit conditions to MHAISS, which defines visa and permit approval conditions, to ensure that clarity is provided for unsuccessful applications.

Furthermore, we aimed to establish a One Stop Centre that will serve investors, in line with global best practices. At year-end, six Public Entities had committed to sign MOUs and three were still in discussion with NIPDB. The Centre was launched after year-end and we aim to onboard the various OMAs within the next 700 days. Our ultimate goal is to provide centralised E-services to investors and the physical Centre is a great start to this objective.

Apart from our partnerships with other OMAs, NIPDB supports investors to improve our conversion of leads in the pipeline into investments realised and improve the overall business climate.

NIPDB completed 204 business facilitations during the year.

Coordinating an Ecosystem that is ripe for MSMEs

Apart from large-scale investments and the overall business climate, our mandate includes coordinating an ecosystem that can support MSMEs as they have the potential to be the biggest creators of jobs for Namibians. NIPDB conducted assessments of the MSME eco-system in each region to better understand the landscape including the challenges facing MSMEs in starting, scaling up and accessing funding.

We have found that the largest challenge facing MSMEs is currently market access which is compounded by a lack of access to information for MSMEs and a lack of access to reliable MSMEs for sourcing goods and services.

With the support of MTC and NUST during the year, we have started the development of the “Info4MSME” application as a means for the market to better access MSMEs in their areas.

In addition, the **“Know2Grow”** and **“TechNovation Social”** were our flagship projects to provide market access and knowledge to MSMEs.

1000+ MSMEs were engaged and received information concerning access to financing and new markets through the national Know2Grow campaign.



The TechNovation event showcased 50 MSMEs in the Cultural & Creative Sector.

Furthermore, MSMEs meeting certain criteria were invited to apply to participate in international investment events as part of our efforts to provide greater market access and networking opportunities. Six start-ups attended Expo Dubai in person and an MSME catalogue of over 400 MSMEs was created.

Three MSMEs attended the Intra-Africa Trade Fair in Durban, with a virtual exhibition of over 100 MSMEs.

Our Expo 2020 Dubai delegation included Mr Kalipi Aluvilu, the co-founder of Lefa Transportation Services (Pty) Ltd (“Lefa”). He made valuable connections that will assist Lefa in developing a business case for Electric Vehicle (EV) adoption.

Another success story is that of Ms Prisca Anyolo whose attendance was fully sponsored by GIZ Namibia as a sales consultant who was based at the Namibian Pavilion to promote and market Namibian products during the Expo. She met several influential people and was eventually approached by the CEO of WeTel TV, the only English television station in the UAE. She subsequently received a job offer as a television presenter and marketing manager before the Expo closed and has since been promoted to the Assistant Vice President of WeTel TV.



Spotlight:

Jossob Investment CC

Cornell Jossob is a great Namibian MSME success story. His company, Jossob Investment, deals in the supply of firewood and charcoal to various markets in the SADC region and internationally.

NIPDB learnt about this scalable business when he approached the Company to share his strategy to supply his proudly Namibian product to new markets in Europe and the Middle East. He applied as one of the scalable MSMEs to showcase his company at the Intra-African Trade Fair (IATF) in Durban, South Africa and was subsequently selected.

NIPDB covered all costs to provide a market access platform to him where Africa could learn of his offering, and where he could supply outside the borders of Namibia.

Notable dates:

- November 2021 attended the IATF in Durban;
- December 2021, an international order was placed;
- March 2022, he was able to scale his supply from an initial truckload a month to eight truckloads per month to Cape Town, South Africa;
- In 2022, he started supplying various wholesalers in Pretoria, South Africa; and
- In the latter part of 2022 he plans to open a wholesale retail outlet in Cape Town, South Africa.

This is one of the many Namibian MSMEs that have scaled their operations, employs many fellow Namibians, mainly youth, and is a great success story. NIPDB was happy to play a small part in supporting Cornell, and we look forward to his organisation reaching greater heights.



Addressing policy uncertainty and improving the business climate

The private sector has been vocal that Namibia's policy environment is anti-investment, particularly when compared to the regional policy climate. Furthermore, there is often a policy gap between the policy development and implementation thereof.

It is noted that more than half of the pipeline at year-end required active facilitation to eliminate constraints and about N\$ 44.6bn (47%) of potential private investments were specifically dependent on policy and regulations.

Accordingly, engagement on relevant laws and regulations is part of our mandate, considering the impact of the policy environment on investment and the need to provide policy certainty to current and potential investors.

In our first year, we undertook to identify those policies which investors considered to be most urgent and important to coordinate. A detailed overview of NIPDB's engagement in policies during the year under review follows.


| Policy | NIPDB Engagement 2021/2022 |
|--|--|
| <p>Namibia Investment Promotion and Facilitation Bill</p> | <p>Following the withdrawal of the Namibia Investment Promotion and Facilitation Bill at the end of November 2021, the Right Honourable Prime Minister directed MIT to establish a technical committee comprised of representatives from MIT, NIPDB, the Ministry of Justice, the Office of the Attorney General, the Ministry of Finance and the Bank of Namibia.</p> <p>The committee's task is to address the key issues raised by various stakeholders when the Bill was tabled and to expediently develop a new bill for tabling.</p> <p>We have two representatives on the Committee whose focus is centred on ensuring a friendly investment climate that provides local and foreign investors certainty, the protection of local investors, the recognition of NIPDB as an independent body, and a clear definition of roles and responsibilities</p> |
| <p>Migration Bill</p> | <p>During the year under review, NIPDB actively supported MHAISS in its efforts to amend the Immigration Control Act. In this regard, NIPDB provided specific input from the Harvard Growth Lab on the immigration of skilled expertise into the country, raised funding for the services of a legal drafter to finalise the first draft of the Migration Bill, and participated on the Working Committee tasked with reviewing the Migration law.</p> <p>By the end of the year under review, much progress had been made on informing the drafting process, with a first comprehensive draft due during the first quarter of the new financial year. NIPDB's inputs in this process were centred on improving the investor landscape, particularly in the migration of skilled professionals in areas where Namibia has a shortage, as well as providing for investor residence permits like comparable countries. It is anticipated that the new Migration Bill will be tabled in Parliament before the end of the next financial year.</p> |

| Policy | NIPDB Engagement 2021/2022 |
|--|---|
| Desert Visa Programme | <p>In addition to its active engagement on the Migration Bill, NIPDB has developed a concept called the Desert Visa Programme (DVP), a "residence by investment" programme that allows foreign nationals to acquire residency in a country by investment. It caters to a variety of investor categories, including capital investors, skilled professionals, digital nomads, retirees, and more.</p> <p>During the year under review, this concept was finalised and consultations were held to consider the DVP as regulations under the Migration Bill, in line with the provisions made in the (revised) law for an Investor Permanent Residence Permits (PRP), are set for early in the next financial year.</p> |
| Namibia Equitable Economic Empowerment Bill | <p>During March and April 2021, NIPDB led a series of stakeholder consultations with the private sector to constructively engage on the Draft NEEEB and how it can be improved. A comprehensive report with the insights and recommendations from these consultations was shared with the Office of the Prime Minister (OPM) to help inform changes to the Bill.</p> <p>Additionally, NIPDB participated in several meetings organised by the OPM to improve the current version of the Bill, taking into consideration best practices shared by the Broad-Based Black Economic Empowerment (BBBEE) unit in South Africa's Department of Trade, Industry and Competition. NIPDB has been actively engaged in the process, providing perspective based on the broad consultations held in early 2021, and making specific inputs on the scorecard.</p> |

Table 7: Overview of NIPDB Policy Engagements

In addition to its active engagement on the above policies, NIPDB also provided input on various other policies, including the Land Bill by the Ministry of Agriculture, Water and Land Reform, the Diamond Bill by the Ministry of Mines and Energy, and the Bank of Namibia's Draft Capital Flows Management Regulations.

It is worth noting that in its effort to impact policy reform, NIPDB's role is mainly as an influencer. In this regard, the Agency has worked with the various institutions that own the laws it wishes to influence to not only provide its insights but also to address the challenges and administrative bottlenecks that exist in the legal reform process.



NIPDB remains actively engaged in regional/continental investment promotion policies (SACU, SADC, AU (AfCFTA), etc), with the strategic objective of promoting investment and facilitating inclusive growth in the Namibian economy.

A key strategic initiative under this objective is to conduct a study with the local business community on current policy uncertainty and perform a Needs Analysis among local and international communities, via stakeholder engagement by the end of the year under review. The Terms of Reference (TOR) for the strategic initiative to conduct such a study have been drawn up. It is anticipated that the study will be issued in the next financial year, pending the approval of the TOR and the availability of funds to conduct the study.

During the year under review, progress was also made towards setting up a standing Policy Reform Working Committee, consisting of public and private sector representatives, who will assist in conducting research and provide insight and direction on different policy reforms. At the end of the year under review, the TOR for a standing Policy Working Committee had been completed.

The Committee will be tasked with facilitating the implementation of investment-friendly policies that improve Namibia's competitiveness as an investment destination and ease of doing business. In this regard, key deliverables of the Committee include providing input on relevant laws/ policies for heightened investment-friendliness; developing a framework for NIPDB Policy Advocacy & Lobbying; and defining NIPDB's process for developing policies, and/or providing input into new or amended policies that impact investment. The Policy Working Committee will begin its work during the coming financial year.

Furthermore, NIPDB's activities under this strategic mandate also compel the Company to seek funding for Policy Reform. In this regard, NIPDB was able to secure funding to support the costs of the legal drafting of some of the first drafts of a number of the laws from development partners and private sector industry bodies.

Fundraising proposals to secure EU-EPA funding were also successful, with NIPDB tentatively being approved for technical assistance in various policy initiatives. The specific funding allocations for these initiatives are yet to be ascertained, and NIPDB is currently working on the TORs for the areas requiring technical assistance.

When operations started, one of the first things that NIPDB was tasked to do was to ensure that Namibia ran a successful campaign at the Expo 2020 Dubai.

We managed Namibia's pavilion at the Expo Dubai 2020 for six months of our first year and used the opportunity to inform investors that Namibia is **“open for investment”**.

Spotlight:

Expo 2020 Dubai

Namibia was among 192 countries that participated in the Expo 2020 Dubai - a World Expo organised by the Bureau International des Expositions, formally known as the International Registered Exhibition. The Expo attracted over 24 million visitors from 1 October 2021 to 31 March 2022 at the Dubai Exhibition Centre in the United Arab Emirates.

Held under the theme, 'Connecting Minds, Creating the Future,' the expo had three sub-themes: opportunity, mobility, and sustainability, calling attention to the importance sustainable solutions have in addressing global problems through collaboration across cultures, nations, and regions.

The Expo 2020 Dubai was Namibia's fifth time participating in the World Expos. Previously, it had a pavilion at:

- Lisbon Expo, Portugal (1998);
- Hannover Expo, Germany (2000);
- Zaragoza Expo, Spain (2008); and
- Shanghai Expo, China (2010).

Expo Objectives and Targets

Namibia participated in the Expo 2020 Dubai to promote the country as an attractive investment and tourist destination, market Namibian products, and increase trade between Namibia and countries represented at the Expo.

The primary focus areas were to:

- Showcase renewable energy investment opportunities;
- Promote environmental conservation and sustainable tourism;
- Promote Namibian art and culture;
- Promote value-addition opportunities in the mining sector;
- Attract FDI for infrastructure development, manufacturing, and other priority sectors; and
- Position Namibia as a logistics hub and a gateway to the African market through the African Continental Free Trade Area Agreement.

NAMIBIA DUBAI EXPO 2020



Planning, Logistics and Team

The planning team embarked upon extensive stakeholder engagement during the planning phase before venturing off to the Expo. The meetings allowed the Namibia Expo team to gather information on the most suitable approaches to managing Namibia's participation at the Expo while enhancing the country's reputation.

The Ministry of Industrialisation and Trade conducted regional visits to create awareness about the country's involvement as well as invite the general public to visit the Namibia Pavilion at the Expo before transferring the facilitation of Namibia's participation to NIPDB.

Logistical arrangements commenced in August 2021 upon the arrival of the first Namibian delegates in Dubai. The country assembled a team of technical sector specialists to coordinate the event and promote Namibia's priority sectors at the Expo, consisting of permanent and temporary staff for the duration of the event.

Although the Expo ended on 31 March 2022, five staff members remained in Dubai until the end of April 2022 to finalise logistics regarding Namibia's decommissioning process.

Pavilion Activities

Namibia integrated commercial activities into the national pavilion exhibition space, selling leather, textile, cosmetics, natural organic foods and oils, artefacts, and crafts acquired with support from GIZ, with the rest loaned or received as consignment stock from various Namibian enterprises.

Pavilion Visitors and Leads

Over Namibia's six months of presence in Dubai, the Namibian pavilion attracted about 384,432 visitors. Furthermore, in a nod to the team's investment promotion efforts, over 200 investment enquiries were recorded during the Expo.

Marketing, Media and Promotion

NIPDB's Memorandum of Understanding with the Namibia Broadcasting Corporation and engagements with the Namibia Press Agency to serve as a media partner for the Expo created visibility for the country across all Namibian social, broadcast, and print media platforms, reaching over 2.1 million impressions and close to 75,000 engagements on these platforms.

As the Expo progressed, the communications team leveraged the presence of Namibian dignitaries at the Expo, utilising them as newsmakers to attract attention to Namibia and what the country has to offer the world, with a particular focus on the priority sectors identified for investment promotion.

Utilising this strategy, the Namibia pavilion successfully secured media interviews from UAE and international media, including the BBC, CNBC, Newzroom Afrika, and the

Spotlight:

Expo 2020 Dubai

Emirates News Agency, amongst others. Going to the Expo, NIPDB had set a target to achieve coverage in at least one international media publication/channel.

This target was achieved on the day of the Namibian Pavilion's official opening when BBC Europe interviewed the Minister of Mines and Energy, Hon. Tom Alweendo, on Namibia's Green Hydrogen potential and ambitions, to contribute to decarbonising the planet.

At the end of the Expo, the Namibian Pavilion attracted the attention of over seven international media houses that served as platforms to market and tell the Namibian story to a global audience.

Appreciation

Namibia was well represented in Dubai and created awareness about its arts, cuisine, music, culture, nature conservation efforts, people, and investment opportunities in the sectors mentioned above. T

The positive outcomes emanating from Expo 2020 would not have been possible without the support of all our stakeholders. NIPDB would like to thank all stakeholders, individuals, development partners, and public and private sector entities for contributing to the country's participation at the Expo 2020 Dubai.

Expo 2020 Dubai closed its doors on **31 March 2022**.

The slight turnaround in the economy is not solely a product of NIPDB's work, but rather a testament to all OMAs who worked to improve the business climate and reduce policy uncertainty.

Despite the short-term wins, we still have a long way to go. The 2021 growth is tenuous and not sufficient to enable economic recovery to pre-2016 levels. We must continue what we have started, not just for recovery but for sustainable growth.

Branding Namibia

Namibia's brand must endure, not only as a country that makes promises but as one that delivers.

To effectively compete on the global stage, Namibia requires a strong coherent brand and an innovative marketing strategy to support its investment promotion interventions. To this effect, during the year under review, a Nation Branding Committee was constituted with facilitation from the Ministers of Environment, Forestry and Tourism, and Information and Communication Technology and by the CEO of NIPDB, and approved by the Cabinet.

The working committee is chaired by the Deputy Minister of Information and Communication Technology, Hon. Emma Teofelus and comprises the following member organisations:

- Office of the President, National Planning Commission (focus on HPP II Team);
- Office of the President, NIPDB;
- Ministry of International Relations and Cooperation;
- Ministry of Environment, Forestry and Tourism (MEFT);
- Ministry of Information, Communication and Technology (MICT);
- Ministry of Industrialisation and Trade;
- Namibia Tourism Board;
- Namibia Trade Forum;
- Team Namibia;
- Namibia Chamber of Commerce and Industry;
- 2 x Namibian Private Sector Goods manufacturers with well known-brands (Namibia Breweries Limited and Namib Mills);
- 1 x Namibian Private Sector Services provider well known-brand (Bank Windhoek); and
- President of the Namibia Brand Ambassador Club (to be appointed by the Ministers of MEFT, MICT and CEO of NIPDB).

Branding Namibia will be a strategic tool to build and manage the country's image and reputation at home and abroad, to communicate its unique value proposition, and to strategically position the country and all its initiatives in the international arena. This will give the country a platform to showcase its offering and at the same time provide an opportunity to bring about reforms and build credibility.

Essentially, building Namibia's brand is about casting a united vision for the country based on shared goals and aspirations.

In addition to establishing the Committee, meetings and training on nation branding were conducted. These efforts are rooted in the overall objective of positioning Namibia as a lucrative investment destination to attract FDI and thereby increase economic prosperity for all Namibians.

Financial Performance

NIPDB is funded by the taxpayers, therefore we champion fiscal responsibility and stewardship by implementing financial planning, financial oversight and controls, and financial reporting and monitoring.

Unfortunately, we received a qualified external audit report which is based on the following:

- Accounting treatment, occurrence and completeness of Commercial Officers' expenditures. These expenditures were recorded based on the cash disbursed and not on the actual expenditures. There was a gap noted in the reconciliations between funds disbursed.
- The completeness of donations received – the external auditor was unable to obtain sufficient proof that all donations received from third parties were recorded, as is common for not-for-profit associations.

We are designing and implementing controls around these two processes to respond to the audit findings and mitigate the risk of incomplete financial statements.



We are Nothing Without Our People

Building a fit-for-purpose structure

Human capital is critical in defining and fostering vital organisational factors, enabling and ensuring sustainable value creation, and underpinning the working environment.

Following the appointment of the CEO in July 2020, the second NIPDB employee was recruited in December 2020 and the two commenced service on 1 January 2021. Since then, we have continued to recruit critical positions in line with the approved transitional organisational structure. As at 31 March 2022, the total headcount was 58 employees including those who were migrated from the NIC, representing 52% of the total envisaged employee structure.

NIPDB has six departments, excluding the office of the CEO. Four of the departments are fully dedicated to executing the Company's mandate and serving external stakeholders. The Operations Department is dedicated to enabling NIPDB to operate effectively and efficiently. This department houses all internal functions such as Human Capital, Finance, Legal and Compliance.

The Strategy & Branding Department has the dual role of branding and marketing Namibia as a competitive destination and attending to NIPDB's marketing needs. Strategy development, implementation and monitoring are also housed in this department.

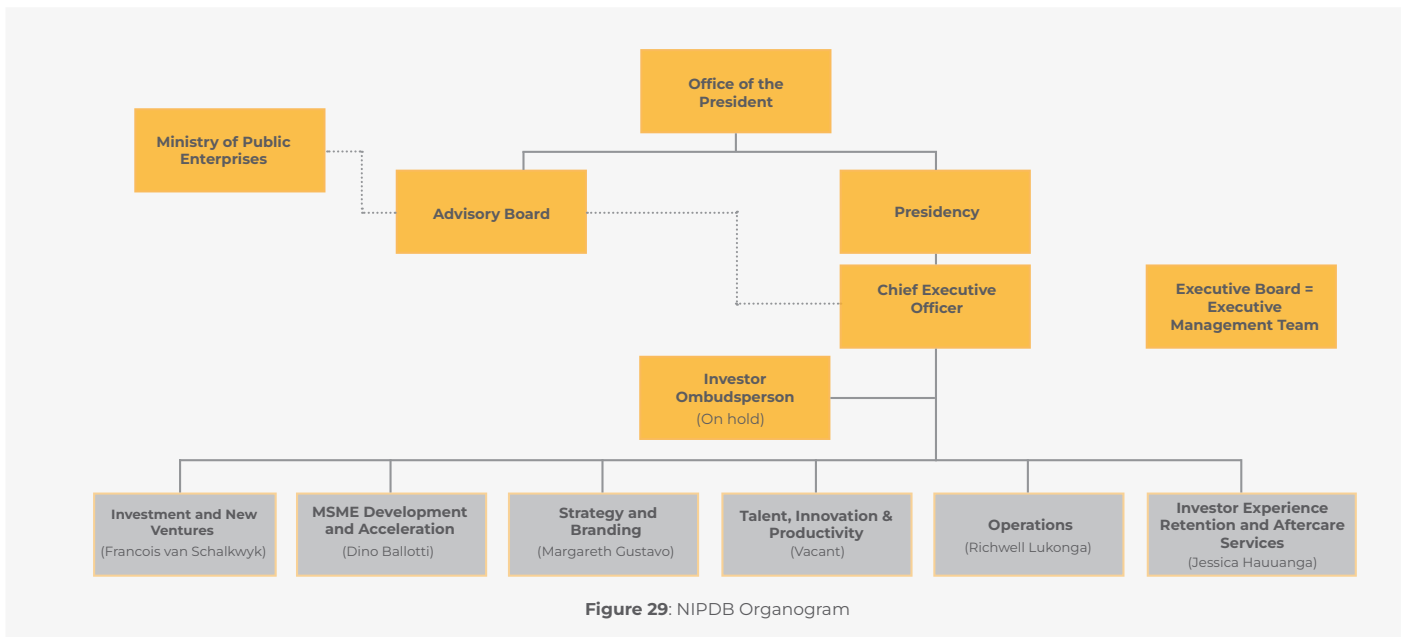


Figure 29: NIPDB Organogram

It is envisaged that the ombudsperson will cater to possible mediations and disputes between investors and the Government. This role will further strengthen our country's transparency and governance as it will act as a whistleblowing process. The position remains on hold at the moment as there is currently little demand for it. It will help ensure that we address grievances by and against investors before they escalate to dispute levels.

Apart from structural design, every effort has been made to employ the right people, in the right positions. Application shortlisting was subjected to vigorous reviews and questions were asked to ensure that the best candidates were interviewed. Our interview panellists were supplemented and led by appropriately skilled external parties who have knowledge of the relevant subject matters and have demonstrated excellent leadership and accomplishments in their careers.

We are extremely grateful to all the external interview panellists who gave their time to ensure that we could recruit only the best! It would not have been possible without you. Your selfless support is a testament that Namibians across all walks of life are willing to put their interests aside and build a better future in which no Namibian is left behind.

All Executives and Managers who performed well during the interviews were requested to complete psychometric tests and rigid background checks were performed before offers were made.

NIPDB is an equal opportunity employer and we are well diversified across race, gender and age.

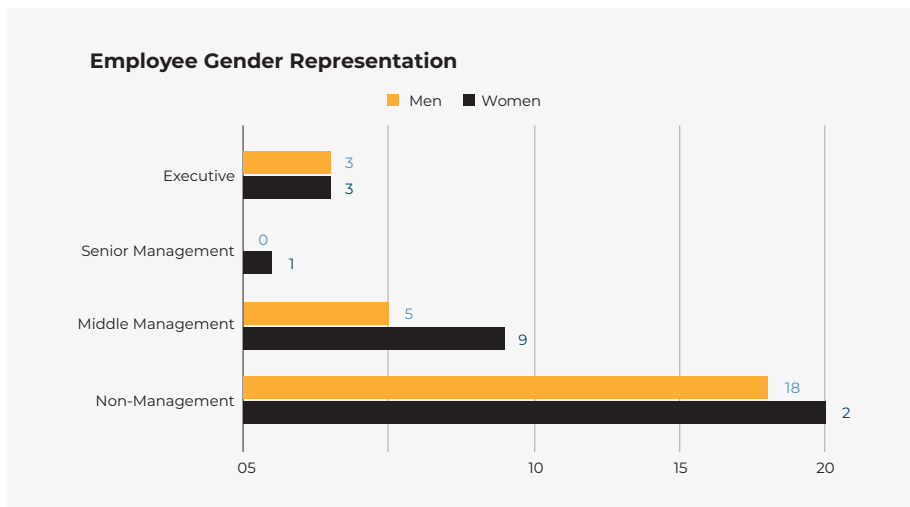
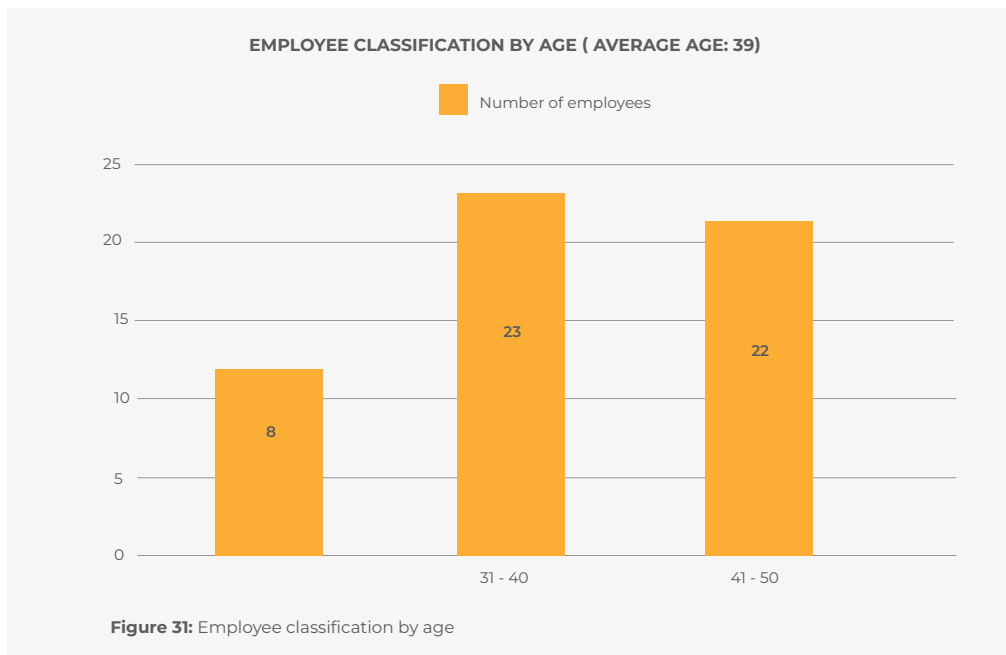


Figure 30: NIPDB Employee Gender Representation



Defining our organisational culture

Maintaining a positive employee experience and achieving a high degree of engagement means continuously developing, capacitating, and empowering employees. In this regard, six employees have been supported to pursue their studies at various institutions of higher learning in line with NIPDB’s approved Learning and Development Policy.

Competence is one criterion; however, integrity remains the most important. Integrity is a function of trust and we can only be as effective as far as we are trusted. We rely on our employees to always do the right thing, especially when no one is looking.

“In looking for people to hire, look for three qualities: integrity, intelligence and energy. If they don’t have the first, the other two will kill you.”
– Warren Buffet

Our people are living representatives of NIPDB’s brand and they represent Namibia when out in the world. As such, we must foster a culture in which our values are embedded in each employee and we can challenge one another to do the right thing.

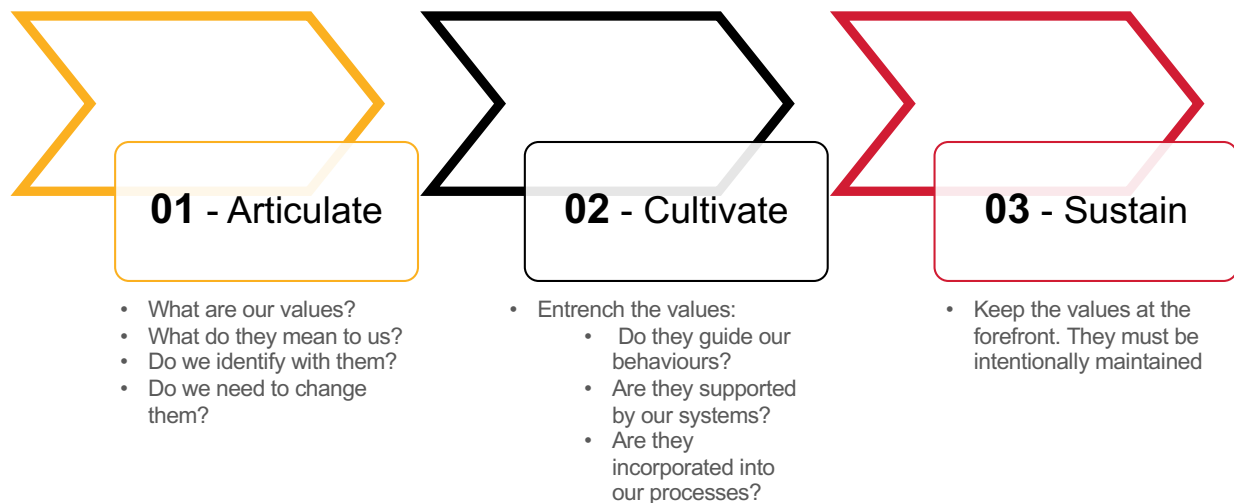
Beyond that, we know that our employees are ultimately our greatest resource and we are committed to creating a company that is one of the best to work for. Attracting and retaining quality employees is key to our success.

It is against this backdrop that we started to intentionally craft our organisational culture. A consultant was appointed to facilitate the process with the expectation that NIPDB will fully take ownership of the implementation thereof. During FY 21/22, four organisational culture sessions were conducted at different employee levels.

These sessions were aimed at ensuring the creation of a new corporate culture. The Organisational Culture dubbed the “NIPDB Way” will be implemented in the next financial year but will remain an ongoing activity to ensure that it is fully embedded in the organisation.

“Culture eats strategy for breakfast” – Peter Drucker

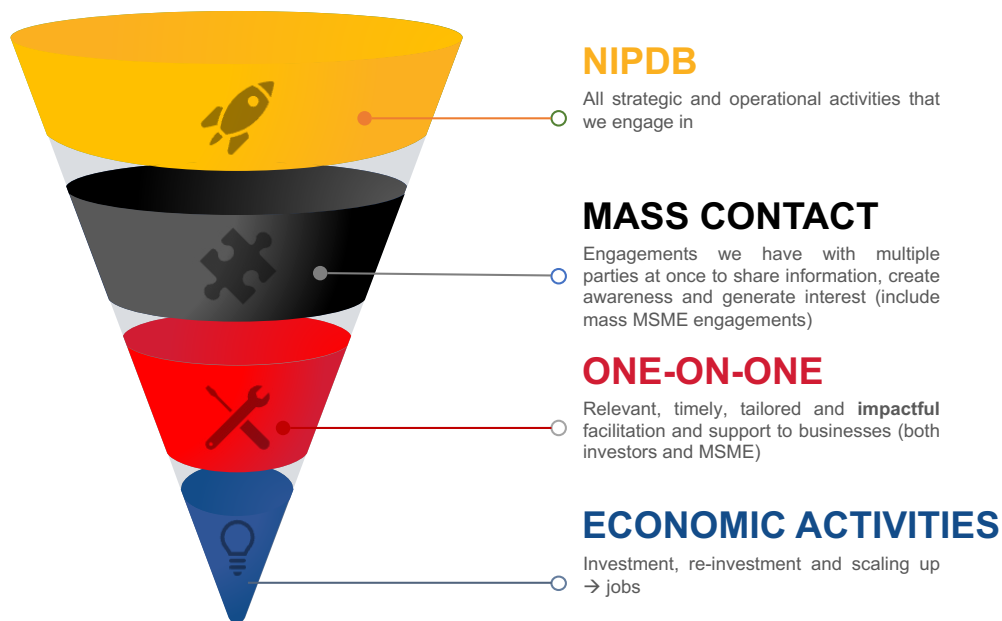
Crafting and fostering the desired culture is much simpler than fixing one and implementing change management. The development of our culture will encompass the following:



Looking ahead: The Next 700 Days

In the next year, we will measure the impact of our various engagements. We must ensure that we are using our time, effort and resources on activities that deliver the desired outcome for Namibia, our client.

As part of this process, we will begin to measure our “customer acquisition cost” to ensure that our limited resources are used as efficiently as possible by evaluating how much it costs us to secure N\$1 of investment or 1 job. The customer acquisition cost is expected to be higher in the beginning as we engage in more research and development activities upfront.



We, of course, remain cognisant that we will not immediately reap the rewards from all the activities which we undertake today. The extensive work done on the development of the Green Hydrogen sector is an illustration of that.

Spotlight:

Namibia Green Hydrogen

The introduction of Green Hydrogen as a viable energy solution for Namibia is part of the Namibian Government's commitment to energy efficiency and reducing the country's carbon footprint. This initiative will enable Namibia to produce clean fuel that allows renewable energy to be generated using electrolysis of water, wind energy, or solar energy.

In August 2021, a Request for Proposals for the planned Southern Corridor Development Initiative (SCDI) Green Hydrogen project was issued, and nine proposals were received. The Evaluation Committee assessed and made a recommendation from the submissions to the Green Hydrogen Council. On 2 November 2021, the Namibian Government announced HY-PHEN Hydrogen Energy as the preferred bidder at COP26 hosted in Glasgow, Scotland. HY-PHEN Hydrogen Energy will develop the country's first green hydrogen project in the Tsau//Khaeb National Park for US\$ 9.4 Billion. An estimated 15 000 direct jobs will be created, with an additional 3 000 jobs during operational phases.

Following the announcement of the selected preferred bidder to develop the country's first large-scale vertically integrated green hydrogen project in the SCDI, NIPDB launched a task force to ensure effective coordination and involvement from all relevant parties.

The Namibia Private Sector Green Hydrogen Task Force

The Task Force was launched by NIPDB on 13 December 2021 to drive private sector involvement and ensure beneficiation from this significant national industry.

Launch partners include the following:

- Green Hydrogen Commissioner,
- Namibia Green Hydrogen Association,
- Namibia Green Hydrogen Research Institute,
- HYPHEN Hydrogen Energies (the preferred bidder), and
- Invited private sector associations in attendance.

NIPDB Green Hydrogen Task Force

NIPDB accordingly launched an internal Task Force to formulate the Company's response to this new industry in line with our mandate. NIPDB has also been forming valuable partnerships with international bodies to develop an effective Green Hydrogen industry.

Since the announcement, Green Hydrogen has positively positioned Namibia in the international market as a hub for Green Hydrogen and other renewable energies.

Spotlight:

Namibia Green Hydrogen

NIPDB has leveraged this piqued interest in Namibia, and successfully connected business and academic professionals who met during Green Hydrogen international events to the relevant Namibian entities for collaboration and skills sharing in the Green Hydrogen industry.

These collaborations include the signing of MOUs with:

- The Task Force Hydrogène established by the Mouvement des Entreprises de France Inter-national “MEDEF International,” a privately funded non-profit business association, and France Hydrogène, a French association bringing together French players in the hydrogen sector across the entire value chain. The MOUs’ scope is around the collaboration of NIPDB and Task Force Hydrogène on bringing the private sector to benefit the whole value chain.

Managing Perceptions

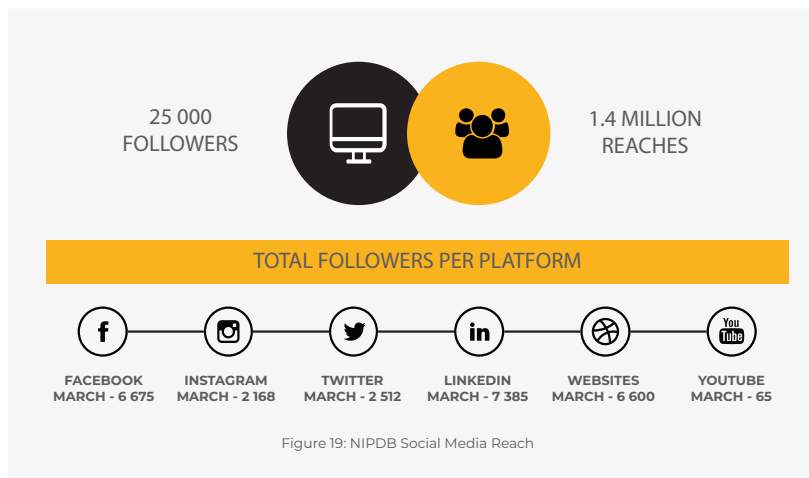
What we can deliver for Namibia is also affected by how the world perceives us and how we compare to other nations.

Monitoring global rankings allows us not only to track our performance against the best countries but also to evaluate whether we are improving or declining in certain indicators. These rankings guide what we should focus on in the short, medium and long terms. Furthermore, they highlight the areas in which there may be uncertainty and in which clearer or more frequent communication may be required. Two key metrics that we continue to work on are the inputs to the ease of doing business and the competitiveness index.

Other measures such as the countries with the most developed financial markets, the energy trilemma index and the human development index will also be monitored. We aim to transform Namibia from a passive country that reacts to the rankings into one that is proactive and provides inputs into the various rankings by ensuring that accurate data and information are provided to determine our performance. Additionally, we aim to share and highlight the various relevant rankings with the custodians in Namibia and support them by escalating and coordinating the diverse activities required to improve the country’s performance, as needed.

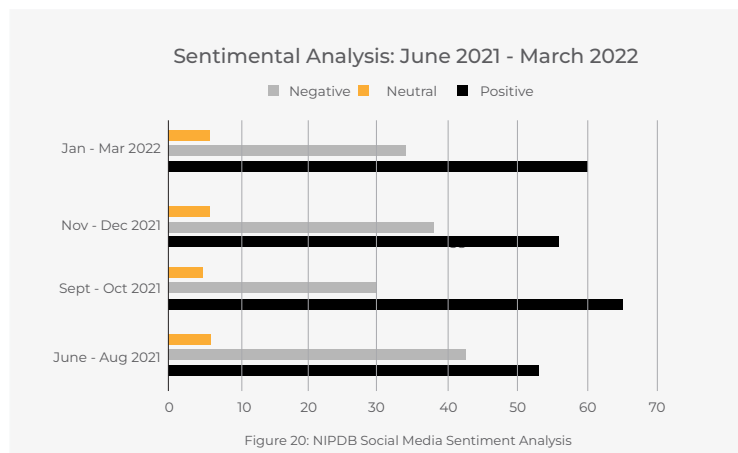
Namibia is our client and our product and we need to maintain two-way communication with the public. Social media is an important enabler in this regard. Gone are the days when organisations only shared information, as stakeholders now expect real-time feedback and are better able to have their voices and concerns heard.

In terms of reach and sentiment, NIPDB currently has a total following of 25,000 across five social media channels, with LinkedIn currently the fastest-growing platform. The page gains on average 500 followers per month and is key for investment promotion.



The initial assessment of the social media environment showed that the public sentiment towards NIPDB was generally positive or neutral, but the few pessimists that were outspoken, spoke with a raised voice. The negative sentiments remained below 7% throughout the year, while positive sentiments steadily increased to peak at 60% across all platforms in Quarter 4.

“Perception is reality. If you are perceived to be something, you might as well be it because that’s the truth in people’s minds” – Steve Young



NIPDB, the organisation, also requires the strengthening of our systems, processes and controls to enhance governance. We will continue to develop and implement the desired organisational culture that fosters creativity, responsibility, integrity and care amongst our people.

Our operationalisation strategy ends on 31 March 2023; therefore, we will execute many activities to ensure that the new strategy for 2024 to 2028 is approved before its start date of 01 April 2023.



NIPDB

Namibia Investment Promotion & Development Board

Office of the President



A photograph of several elephants at a watering hole, partially enclosed in a circular frame. The elephants are gathered around the water, with one in the foreground having its trunk in the water. The scene is lit with warm, golden light, suggesting sunset or sunrise. The text 'FINANCIAL REPORT' is overlaid in white, bold, sans-serif font. In the bottom left corner of the circular frame, there are several overlapping, semi-transparent grey geometric shapes that resemble a stylized bar chart or data visualization.

FINANCIAL REPORT

Namibia Investment Promotion and Development Board (Non-Profit Association Incorporated Under Section 21)

(Registration number: 21/2020/0929)

Financial Statements for the period ended 31 March 2022

General Information

| | |
|--|---|
| Country of incorporated and domicile | Namibia |
| Nature of business principal activities | National Investment Promotion and Development |
| Directors | Nangula Uaandja Dino Ballotti Margreth Gustavo Jessica Hauuanga Richwell Lukonga James Mnyupe Francois Van Schalkwyk |
| Registered Office | C/O Garten Street & Dr. AB May Street Windhoek Namibia |
| Bankers | Bank Windhoek Limited |
| Auditors | Grand Namibia Chartered Accountants (Namibia) Registered Accountants and Auditors 9 Axali Doeseb Street Windhoek Namibia |
| Secretary | Kisting Consult - Mariba Secretarial Services CC |

Index

The reports and statements set out below comprise the financial statements presented to the Advisory Board:

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|--|-------------|
| Directors' Responsibilities and Approval | 62 |
| Directors' Report | 63-66 |
| Independent Auditor's Report | 67-69 |
| Statement of Financial Position | 70 |
| Statement of Comprehensive Income | 71 |
| Statement of Changes in Equity | 72 |
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Directors' Responsibilities and Approval

The directors are required by the Companies Act 28 of 2004, to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the company as at the end of the financial period and the results of its operations and cash flows for the period then ended, in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed with predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the company's cash flow forecast for the period to 31 March 2023 and, in the light of this review and the current financial position, they are satisfied that the company has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the company's financial statements. The financial statements have been examined by the company's external auditors and their report is presented on page 9-10.

The financial statements set out on pages 70 to 83, which have been prepared on the going concern basis, were approved by the board of directors on 21 July 2022 and were signed on its behalf by:



Nangula Uaandja



James Mnyupe

Director's Report

The directors have pleasure in submitting their report on the financial statements of Namibia Investment Promotion and Development Board (Non-Profit Association Incorporated Under Section 21) for the period ended 31 March 2022.

1. Incorporation

The company is domiciled in Namibia where it is incorporated as a Section 21 non-profit company under the Companies Act 28 of 2004. The company was established as an autonomous entity and will be pronounced as a Public Enterprise in accordance with Section 2 of the Public Enterprise Governance Act, Act No. 1 of 2019.

2. Nature of business

The main functions of the Namibia Investment Promotion and Development Board (NIPD) are as follows:

- a) Promote and facilitate investment by foreign and Namibian investors and new ventures that contribute to economic development and job creation;
- b) Implement the Namibia Investment Policy and Attendant Strategy;
- c) Review and propose policy reforms and measures to support trade and investment promotion, conducive labour market policies, improve the country's competitiveness and ease of doing business;
- d) Develop institutional mechanism and assume the lead coordinating role across all levels for SME development nationally;
- e) Develop and implement branding interventions that promote Namibia as an attractive investment destination;
- f) Implement the National MSME policy;
- g) Promote regional Special Economic Zones that leverage the geographic comparative advantages of each region; and
- h) In collaboration with relevant stakeholders facilitate collaborative roles between Government and private sector to stimulate the growth, expansion and development of the Namibian economy.

3. Review of financial results and activities

The financial statements have been prepared in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Companies Act 28 of 2004. The accounting policies have been applied consistently.

Full details of the financial position, results of operations and cash flows of the company are set out in these financial statements.

Namibia Investment Promotion and Development Board (Non-Profit Association Incorporated Under Section 21)

(Registration number: 21/2020/0929)

Financial Statements for the period ended 31 March 2022

Director's Report

4. Directors

The directors in office at the date of this report are as follows:

| Directors | Nationality | Changes |
|--------------------------|-------------|------------------------------------|
| Nangula Uaandja | Namibian | Appointed Friday, 27 November 2020 |
| Dino Ballotti | Namibian | Appointed Saturday, 1 May 2021 |
| Margareth Gustavo | Namibian | Appointed Thursday, 17 June 2021 |
| Jessica Hauuanga | Namibian | Appointed Thursday, 17 June 2021 |
| Richwell Lukonga | Namibian | Appointed Thursday, 1 April 2021 |
| James Mnyupe | Namibian | Appointed Friday, 27 November 2020 |
| Francois van Schalkwyk | Namibian | Appointed Thursday, 1 April 2021 |
| Roswitha Gomachas | Namibian | Resigned Monday, 14 June 2021 |
| Michael Humavindu | Namibian | Resigned Monday, 19 April 2021 |
| Inga Ndaningina | Namibian | Resigned Monday, 14 June 2021 |
| Ndelitungapo Nghipondoka | Namibian | Resigned Friday, 11 June 2021 |
| Rebekka Shixwameni | Namibian | Resigned Monday, 14 June 2021 |

The board of directors expressed their sincere appreciation to the outgoing directors for their contributions during their respective periods of office.

Advisory Board Members

| Member | Nationality | Changes |
|---------------------|-------------|----------------------------------|
| Hans-Bruno Gerdes | Namibian | Appointed Thursday, 1 April 2021 |
| Elizabeth Hilger | Namibian | Appointed Thursday, 1 April 2021 |
| Dagmar Honsbein | Namibian | Appointed Thursday, 1 April 2021 |
| Stefan Hugo | Namibian | Appointed Thursday, 1 April 2021 |
| Vetumbuavi Mungunda | Namibian | Appointed Thursday, 1 April 2021 |
| Kaunapuaua Ndilula | Namibian | Appointed Thursday, 1 April 2021 |
| Martin Shipanga | Namibian | Appointed Thursday, 1 April 2021 |

5. Secretary

The company secretary is Kisting Consult – Mariba Secretarial Services CC.

Business address: Axali Doeseb Street,
Windhoek
Khomas
Namibia
9000

Director's Report

6. Commercial Office disbursements

On 16 March 2020, His Excellency, the President of the Republic of Namibia announced the establishment of the Namibia Investment Promotion and Development Board (NIPDB) whose mandate is to take over the activities of the Namibia Investment Center (NIC) and SME Programs from the Ministry of Industrialization and Trade (MIT). Following the pronouncement by His Excellency, the Board commenced with its operations from 1 April 2022. Among other mandates / activities of NIC which the Board took over, was the management and supervision of commercial offices which are in various countries around the world.

The commercial offices are tasked with, among others, the responsibility of promoting, facilitating and marketing Namibia as an investment destination. Given the role these commercial offices play in fulfilling the mandate of investment promotion and facilitation, the offices are charged with managing allocated financial resources, provided to them through previously by the MIT budget provision and later by the NIPDB.

At the commencement of the NIPDB, there were challenges identified in relation to the lack of financial accountability, an inability to efficiently and effectively oversee the operations of these offices and monitor their performance and the lack of documentation supporting the rationale and providing audit evidence in support of payments to these offices.

Historically, the MIT provided cash disbursements to these offices and accounted for these disbursements through cash basis accounting. In order to avoid operational disruptions, when the NIPDB took over the activities of these offices, it continued operating with the already established accounting processes and arrangements. As directors we acknowledge that the continuation of the legacy accounting treatment over the 6 months up to 30 September 2021, was not in line with International Financial Reporting Standards (IFRS) and thus from the 1st of October 2021, NIPDB adopted the accrual basis of accounting for cash disbursements which is in line with IFRS for SMEs. Additionally, in line with its Foreign Representation Framework for Direct Investment Promotion, NIPDB took a decision to close and recall all commercial offices and no further funds were disbursed from 31 March 2022.

The NIPDB strategy and Foreign Representation Framework on FDI Promotion provides clear guidance on the modalities of foreign representation in target markets, recruitment processes, posting criteria, performance agreements, assessment criteria and operational matters. The Framework further outlines details related to financial accountability and reporting, to which all commercial officers to be posted during the course of the 2022-23 financial year will be required to adhere to.

It is therefore mandatory that all commercial officers to be posted receive extensive training in the implementation of financial controls and protocols. Management will also ensure that the following controls are implemented:

- Monthly reconciliations
- Mandatory record keeping of all supporting documents in relation to any disbursements

In addition, all disbursements to commercial offices will be accounted for as deferred expenses and will only be transferred to expenditure under profit or loss once the relevant supporting documents have been received and verified.

Director's Report

7. Donations Received

The NIPDB is mandated to promote and facilitate investment by foreign and Namibian investors, and to coordinate MSMEs activities across all levels of the economy. In fulfilling this mandate, supported by its strategic imperatives, NIPDB strives to provide an effective financial management and a budget which is 15% self-funded through private sector contributions in the form of donations. The resources received, both monetary and in kind, were meant to support or contribute towards NIPDB's participation at events such as Dubai Expo 2020, various trade fairs/expo or forums and support to the MSME mandate.

Due to the voluntary nature of these donations, the precise amount of contribution received from the donor entities or organisations could only be confirmed when it was transferred into the NIPDB's bank account. Due to the nature of donations and the inability of external auditors to ascertain its completeness, there is often a standing audit qualification on donations received particularly with companies registered as Section 21. To mitigate the above-mentioned audit qualification for the 2022-23 financial year, the following measures will be implemented:

A legal practitioner/firm will be approached and requested to take on the role of a fiduciary. In this role, the legal practitioner will receive donations on behalf of the NIPDB via a trust account so that only donations received via the legal practitioner will be authorized/approved.

This proposed donation procedure and the identification of the legal practitioner/firm will be done in line with the public procurement process.

8. Acknowledgements

Thanks and appreciation are extended to all of our stakeholders, staff suppliers and consumers for their continued support of the company.

To the Shareholder of Namibia Investment Promotion and Development Board

Qualified Opinion

We have audited the annual financial statements of Namibia Investment Promotion and Development Board set out on pages 70 to 83, which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the annual financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the annual financial statements, present fairly in all material respects, the financial position of Namibia Investment and Promotion Board as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards for Small and Medium Enterprises (IFRS for SME) and the requirements of the Companies Act of Namibia.

Basis for Qualified Opinion

Accounting treatment, Occurrence, and completeness of Commercial Officers expenses

During our audit of Commercial Officer expenses, we noted that Commercial officers submit budgets of the amounts which they will require to carry out their function which are expensed immediately upon making the. An expense is not “actually incurred” when an obligation to make this payment arises, rather only when the funds are used by the commercial officers for carrying out their functions, thus these payments are incorrectly accounted for.

Furthermore, management does not prepare reconciliations of the quarterly payments to the supporting documents returned from the respective commercial offices, detailing how the disbursed funds were utilized. There were no satisfactory alternative procedures that we could have performed to obtain reasonable assurance that the funds disbursed to the commercial offices were incurred for the purpose of the entity’s functions, and that these expenses occurred and that they were completely recorded. As a result, we were unable to determine whether any adjustments would be required in respect of recorded or unrecorded items of commercial office expenses, and the related elements making up the statement of financial position, statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows.

Donations Received

As is common for not-for-profit organisations, it is not practicable for the association to maintain an effective system of internal control over income including donations and fundraising activities until their initial entry into its financial records. Accordingly, our audit on the association’s income was limited to the amounts recorded in the financial records. We are therefore unable to express an opinion whether the income including donations and fundraising activities is complete.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the entity in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the directors' responsibility and approval of the financial statements, which we obtained prior to the date of this auditor's report. The other information does not include the annual financial statements and our auditor's report thereon.

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion above, we were unable to obtain sufficient and appropriate audit evidence about the occurrence of the commercial officers' expense and Donations received as at 31 March 2022, and the related elements in the statement of comprehensive income and statement of changes in equity and statement of cash flows for the year then ended. Accordingly, we were unable to conclude whether the other information is materially misstated with respect to these matters.

Responsibilities of the directors for the Annual Financial Statements

The directors are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards for Small and Medium enterprises (IFRS for SME) and the requirements of the Companies Act of Namibia, and for such internal control as the directors determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

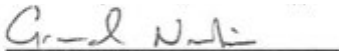
As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Scheme to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



Grand Namibia
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: R Theron - Partner
Windhoek
09 August 2022

Namibia Investment Promotion and Development Board (Non-Profit Association Incorporated Under Section 21)

(Registration number: 21/2020/0929)

Financial Statements for the period ended 31 March 2022

Statement of Financial Position as at 31 March 2022

| Figures in Namibia Dollar | Note(s) | 31 March 2022 |
|-------------------------------------|---------|-------------------|
| Assets | | |
| Non-Current Assets | | |
| Property, plant and equipment | 2 | 8,343,971 |
| Intangible assets | 3 | 236,193 |
| | | <u>8,580,164</u> |
| Current Assets | | |
| Trade and other receivables | 5 | 1,513,903 |
| Prepayments | 4 | 6,909 |
| Cash and cash equivalents | 6 | 22,971,730 |
| | | <u>24,492,542</u> |
| Total Assets | | <u>33,072,706</u> |
| Equity and Liabilities | | |
| Equity | | |
| Retained income | | <u>2,565,166</u> |
| Liabilities | | |
| Current Liabilities | | |
| Trade and other payables | 9 | 10,017,593 |
| Other financial liabilities | 7 | 187,317 |
| Operating lease liabilities | | 372,449 |
| Deferred income | 8 | 19,930,181 |
| | | <u>30,507,540</u> |
| Total Equity and Liabilities | | <u>33,072,706</u> |

Namibia Investment Promotion and Development Board (Non-Profit Association Incorporated Under Section 21)

(Registration number: 21/2020/0929)

Financial Statements for the period ended 31 March 2022

Statement of Comprehensive Income

| Figures in Namibia Dollar | Note(s) | 15 months ended 31 March 2022 |
|--|---------|--|
| Revenue | 10 | 107,213,744 |
| Other income | 11 | 2,509,231 |
| Operating expenses | 12 | (107,157,807) |
| Operating profit | | 2,565,168 |
| Finance costs | | (2) |
| Surplus for the period | | 2,565,166 |
| Other comprehensive income | | - |
| Total comprehensive income for the period | | 2,565,166 |

Namibia Investment Promotion and Development Board (Non-Profit Association Incorporated Under Section 21)

(Registration number: 21/2020/0929)

Financial Statements for the period ended 31 March 2022

Statement of Changes in Equity

| Figures in Namibia Dollar | Retained Income | Total equity |
|--|--------------------|------------------|
| Opening balance as previously reported | - | - |
| Profit for the period | 2,565,166 | 2,565,166 |
| Other comprehensive income | - | - |
| Total comprehensive income for the period | 2,565,166 | 2,565,166 |
| Balance at 31 March 2022 | 2,565,166 | 2,565,166 |

Namibia Investment Promotion and Development Board (Non-Profit Association Incorporated Under Section 21)

(Registration number: 21/2020/0929)

Financial Statements for the period ended 31 March 2022

Statement of Cash Flows

| Figures in Namibia Dollar | Note(s) | 15 months ended 31 March 2022 |
|---|---------|--|
| Cash flows from operating activities | | |
| Cash receipts from customers | | 117,291,347 |
| Cash paid to suppliers and employees | | (85,271,387) |
| Cash generated from operations | 17 | 32,019,960 |
| Finance costs | | (2) |
| Net cash from operating activities | | 32,019,958 |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | 2 | (9,001,323) |
| Sale of property, plant and equipment | 2 | 4,400 |
| Purchase of intangible assets | 3 | (238,622) |
| Net Cash from investing activities | | (9,235,545) |
| Cash flows from financing activities | | |
| Repayment of other financial liabilities | | 187,317 |
| Net cash from financing activities | | 187,317 |
| Total cash movement for the period | | 22,971,730 |
| Total cash at end of the period | 6 | 22,971,730 |

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Companies Act 28 of 2004. The financial statements have been prepared on the historical cost basis, and incorporate the principal accounting policies set out below. They are presented in Namibia Dollar.

1.1 Property, plant and equipment

Property, plant and equipment are tangible assets which the company holds for its own use or for rental to others and which are expected to be used for more than one period.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognized.

Expenditure incurred subsequently for major services, additions to, or replacements of parts of property, plant and equipment are capitalized if it is probable that future economic benefits associated with the expenditure will flow to the company and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the assets carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the assets economic benefits are consumed by the company.

The useful lives of items of property, plant and equipment have been assessed as follows:

| Item | Depreciation method | Average useful life |
|------------------------|---------------------|---------------------|
| Furniture and fixtures | Straight line | 10 years |
| Motor vehicles | Straight line | 10 years |
| Office equipment | Straight line | 5 years |
| IT equipment | Straight line | 5 years |
| Leasehold improvements | Straight line | 5 years |

Accounting Policies

Property, plant and equipment (continued)

When the indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognized immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item is included in profit or loss when the item is derecognized.

1.2 Intangible assets

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortization and accumulated impairment losses.

Research and development costs are recognised as an expense in the period incurred.

Amortisation is provided to write down the intangible assets, on a straight-line basis, as follows:

| Item | Depreciation method | Average useful life |
|-------------------|---------------------|---------------------|
| Computer Software | Straight line | 10 years |
| Website | Straight line | 10 years |

In cases where management is unable to make a reliable estimate of the useful life of an intangible asset, its best estimate is applied, limited to 10 years.

The residual value, amortization period and amortization method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

Accounting Policies

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of the financial assets and liabilities that are measured at fair value through profit or loss) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial instruments at amortised cost

These include loans, trade receivables and trade payables. They are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

1.4 Tax

Tax Exemption

As per Section 16(1)(a) of the Income Tax Act, revenues earned by the Government of Namibia or any other state entity shall be exempt from tax. The Namibia Investment Promotion and Development Board is a state-owned enterprise as such this exemption applies.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- Another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- The payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases

Accounting Policies

1.6 Impairment of assets

The company assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets or goodwill or investment property on the cost model may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (or group of assets) in prior periods. A reversal of impairment is recognized immediately in profit or loss.

1.7 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognized in the period in which the service is rendered and are not discounted.

1.8 Government grants

Government grants are recognized when there is reasonable assurance that:

- The company will comply with the conditions attaching to them; and
- The grants will be received

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate. A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable. All grants received are recorded as deferred income and are subsequently recognised under profit and loss in different relation to the expenditure incurred.

Accounting Policies

1.9 Other Income

Other Income comprises of Donations received, Interest earned on bank accounts, Advertising income, and Foreign exchange gains.

Interest earned on bank accounts

Interest earned on bank accounts is recognised in profit or loss, as it accrues.

Donations received

Donations whether of cash or assets (e.g. property, plant and equipment), shall be recognised as income in the period it is received or receivable when and only when all of the following conditions have been satisfied:

- a) The company obtains control of the donation or the right to receive the donation;
- b) It is probable that the economic benefits comprising the donation will flow to the entity;
- c) And the amount of the donation can be measured reliably.

Advertising income

Advertising income is recognised in profit or loss, in the period it was received and at fair value.

1.10 Foreign Exchange

Foreign currency transactions

Exchange differences arising on monetary items are recognized in profit or loss in the period in which they arise.

All transaction in foreign currencies are initially recorded in Namibia Dollar, using the spot rate at the date of transaction. Foreign currency monetary items at the reporting date are translated using the closing rate. All exchange differences arising on settlement or translation are recognized in profit or loss. Only the net value of the foreign exchange gains and losses is presented.

Foreign currency risk

Foreign currency risk is created due to the influence of exchange rate fluctuations. The company has a policy not to take out cover on outstanding foreign currency transactions due to the fact that these transactions take place on an ad-hoc basis.

Notes to the Financial Statements

Figures in Namibia Dollar

15 months
ended
31 March 2022

2. Property, plant and equipment

| | 2022 | | |
|-------------------------------------|------------------|--------------------------|------------------|
| | Cost | Accumulated depreciation | Carrying value |
| Furniture and fixtures | 1,898,510 | (147,528) | 1,750,982 |
| Motor vehicles | 1,702,046 | (14,184) | 1,687,862 |
| Office equipment | 1,002,681 | (124,876) | 877,805 |
| IT equipment | 2,367,602 | (298,817) | 2,068,785 |
| Leasehold improvements | 1,725,000 | - | 1,725,000 |
| Other property, plant and equipment | 263,253 | (29,716) | 233,537 |
| Total | 8,959,092 | (615,121) | 8,343,971 |

Reconciliation of property, plant and equipment - 2022

| | Opening balance | Additions | Disposals | Depreciation | Closing balance |
|-------------------------------------|-----------------|------------------|-----------------|------------------|------------------|
| Furniture and fixtures | - | 1,898,510 | - | (147,528) | 1,750,982 |
| Motor vehicles | - | 1,702,046 | - | (14,184) | 1,687,862 |
| Office equipment | - | 1,002,681 | - | (124,876) | 877,805 |
| IT equipment | - | 2,409,833 | (37,831) | (303,217) | 2,068,785 |
| Leasehold improvements | - | 1,725,000 | - | - | 1,725,000 |
| Other property, plant and equipment | - | 263,253 | - | (29,716) | 233,537 |
| | - | 9,001,323 | (37,831) | (619,521) | 8,343,971 |

3. Intangible assets

| | 2022 | | |
|-------------------|----------------|---|----------------|
| | Cost | Accumulated amortisation and impairment | Carrying value |
| Computer software | 81,704 | (2,429) | 79,275 |
| Website | 156,918 | - | 156,918 |
| Total | 238,622 | (2,429) | 236,193 |

Notes to the Financial Statements

Figures in Namibia Dollar

15 months
ended
31 March 2022

3. Intangible assets (continued)

Reconciliation of intangible assets - 2022

| | Opening balance | Additions | Amortisation | Closing balance |
|-------------------|--------------------|----------------|----------------|--------------------|
| Computer software | - | 81,704 | (2,429) | 79,275 |
| Website | - | 156,918 | - | 156,918 |
| | - | 238,622 | (2,429) | 236,193 |

4. Prepayments

Subscriptions to Newspapers 6,909

5. Trade and other Receivables

Trade receivables 110,000

Deposits 1,208,176

Other receivables 195,727

1,513,903

6. Cash and cash equivalents

Cash and cash equivalents consists of:

Bank balances 22,971,730

Cash and cash equivalents held by the entity that are not available for use by the company. 187,317

This is the remaining balance pertaining to monies received from various bidders who submitted their bidding documents for the Green Hydrogen Tender. Each bidder was required to disburse an amount of N\$50,000 when submitting their bidding documents. The bulk of the funds with the authorisation of the Office of the President were used to pay for various expenses related to the Green Hydrogen Tender.

7. Other financial liabilities

At amortised cost

Green hydrogen tender funds 187,317

This is the corresponding liability in relation to the cash and cash equivalent balance mentioned in note 6 above. Since the company has no right over the funds a corresponding liability was created.

Current liabilities

At amortised cost 187,317

Notes to the Financial Statements

Figures in Namibia Dollar

15 months
ended
31 March 2022

8. Deferred income

Government grants 19,930,181

9. Trade and other payables

| | |
|-----------------------------------|--------------------------|
| Trade payables | 4,728,580 |
| PAYE payable | 1,690,700 |
| Accrued leave pay | 1,827,233 |
| Social club contributions payable | 10,020 |
| Accrued audit fees | 143,781 |
| Other accrued expenses | <u>1,617,279</u> |
| | <u>10,017,593</u> |

10. Revenue

Government grants 107,213,744

11. Other income

| | |
|------------------------------------|-------------------------|
| Interest received on bank accounts | 18,213 |
| Donations received | 2,150,000 |
| Advertising income | <u>341,018</u> |
| | <u>2,509,231</u> |

Donations received

So as to supplement the funds received from the Office of the President and to ensure that the company is able to fulfil its mandate a number of private sector and public sector organisations were approached for funding. The funds were used to ensure that a number of trade fairs, exhibitions and Expo's were successfully attended or organised. One such expo was the Dubai Expo 2020.

Below is a list of donors that disbursed funds to the NIPDB during the period ended:

- Bank Windhoek
- Capricorn Group
- Dundee Precious Metals
- Environmental Investment Fund
- First National Bank Namibia
- Namibia Diamond Trading Company
- Namibia Financial Institutions Supervisory Authority
- Roads Fund Administration
- Walvis Bay Corridor Group

Notes to the Financial Statements

| | |
|---------------------------|-------------------------------------|
| | 15 months ended 31 March 2022 |
| Figures in Namibia Dollar | |

12. Operating expenses

Operating expenses include the following expenses:

Operating lease charges

Premises

| | |
|---|------------------|
| • Contractual amounts | 3,800,242 |
| Motor vehicles | |
| • Contractual amounts | 480,290 |
| Lease rentals on operating lease - Temporary Employee Accommodation | |
| • Contractual amounts | 2,564 |
| Lease rentals on operating lease - Printers | |
| • Contractual amounts | 221,439 |
| | <u>4,504,535</u> |

| | |
|--|-------------------|
| Loss due to the theft of asset - Laptops | 33,431 |
| Loss on exchange differences | 572,089 |
| Depreciation and amortisation | 621,950 |
| Employee costs | <u>39,878,651</u> |

13. Auditor's remuneration

| | |
|------|----------------|
| Fees | <u>143,781</u> |
|------|----------------|

14. Employee cost

Employee costs

| | |
|---|-------------------|
| Salaries and other employee benefits | 37,990,277 |
| Social security contributions by employer | 61,141 |
| Leave pay provision charge | 1,827,233 |
| | <u>39,878,651</u> |

Notes to the Financial Statements

Figures in Namibia Dollar

15 months
ended
31 March 2022

15. Depreciation, amortisation and impairments

The following items are included within depreciation, amortisation and impairments

Depreciation

| | |
|-------------------------------|---------|
| Property, plant and equipment | 619,521 |
|-------------------------------|---------|

Amortisation

| | |
|-------------------|-------|
| Intangible assets | 2,429 |
|-------------------|-------|

Total depreciation, amortisation and impairments

| | |
|--------------|----------------|
| Depreciation | 619,521 |
| Amortisation | 2,429 |
| | 621,950 |

16. Finance costs

| | |
|-------------------------------------|---|
| Interest paid on over-drawn account | 2 |
|-------------------------------------|---|

17. Cash generated from operations

| | |
|------------------------|-----------|
| Profit before taxation | 2,565,166 |
|------------------------|-----------|

Adjustments for:

| | |
|-------------------------------|---------|
| Depreciation and amortisation | 621,950 |
|-------------------------------|---------|

| | |
|------------------------|--------|
| Loss on sale of assets | 33,431 |
|------------------------|--------|

| | |
|--------------------------|---------|
| Loss on foreign exchange | 572,089 |
|--------------------------|---------|

| | |
|---------------|---|
| Finance costs | 2 |
|---------------|---|

| | |
|--|---------|
| Movements in operating lease assets and accruals | 372,449 |
|--|---------|

Changes in working capital:

| | |
|-----------------------------|-------------|
| Trade and other receivables | (1,513,903) |
|-----------------------------|-------------|

| | |
|-------------|---------|
| Prepayments | (6,909) |
|-------------|---------|

| | |
|--------------------------|-----------|
| Trade and other payables | 9,445,504 |
|--------------------------|-----------|

| | |
|-----------------|------------|
| Deferred income | 19,930,181 |
|-----------------|------------|

| | |
|--|-------------------|
| | 32,019,960 |
|--|-------------------|





OUR FIRST
ANNUAL REPORT / **2022**

