

U.S. Country Commercial Guides



Namibia Year 2020

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Doing Business in Namibia

Market Overview

Namibia has a population of 2.4 million, but with the recently completed expansion of the port at Walvis Bay, the country is positioning itself as a gateway to the more than 240 million people in the broader Southern Africa market. Namibia enjoys one of the most stable, peaceful political environments in Africa. Primary infrastructure (roads, rail, air, energy, and telecommunications) is relatively well developed and modern. The economy is mostly export driven. Mining, tourism, fishing, and agriculture are Namibia's key industries. While the United States is among Namibia's top ten trading partners, imports into Namibia are dominated by South Africa, which is the source of 45 percent of Namibia's total imports. The Namibian dollar (N\$) is pegged one to one (1:1) to the South African Rand (ZAR). The World Bank ranked Namibia 104 among 190 countries in its 2019 Doing Business Report.

Market Challenges

Namibia is a small market and is heavily dependent on international trade. It is among the countries with the largest income disparities in the world (a Gini coefficient index of 59.1 in 2015, according to the World Bank). Despite high unemployment, there is a critical shortage of skilled labor. The latest Labor Force Survey (2018 data) estimates the unemployment rate at 33.4 percent. Although there is no local participation requirement for foreign investments except in the natural resource sectors (primarily mining and fishing), the government actively encourages partnerships with historically disadvantaged Namibians. Employers should consider the impact of HIV/AIDS on their workforce. In 2019, the adult prevalence rate was estimated to be 11.5 percent according to UNAIDS. Due to ongoing government land reform efforts, foreigners are generally prohibited from purchasing agricultural land. Employers often cite productivity as one of their major challenges. The process for obtaining work permits for foreign employees is bureaucratically burdensome and time consuming. Repercussions from the global COVID-19 pandemic include rising unemployment, stresses to supply chains, and significant disruptions to the tourism and hospitality industries.

Of 190 countries ranked in the World Bank's *Doing Business 2019* report, Namibia ranked number 104. Namibia ranked lowest in the following three areas: Registering Property (174); Starting a Business (172); and Trading Across Borders (136).

The law prohibits corruption, and the government has shown some willingness to address it. Nevertheless, the World Bank's Worldwide Governance Indicators reflected that corruption is a problem. Transparency International ranked Namibia 56 out of 180 countries in its 2019 Corruption Perceptions Index, which measures the perceptions of businesses and country analysts about the degree of corruption in a country. Namibia scored 52 on the index (a score of 100 reflects a "highly clean" and 0 reflects a "highly corrupt" nation). In November 2019, Namibian police arrested the now former Minister of Fisheries and Marine Resources, now former Minister of Justice, and additional prominent businessmen following media reports of their alleged involvement in the massive fishing license corruption scandal known as "Fishrot." The accused remain in prison as of August 2020 and face charges of corruption, fraud, tax evasion, and money laundering.

Namibia's standard (non-mining) corporate tax on earnings is 32 percent, in line with tax rates charged by other countries in the region. Special provisions in some sectors may reduce this tax rate. For mining, the corporate tax rate remains 37.5 percent for all but diamonds, for which the rate is 55 percent.

As in much of southern Africa, the demand for electricity outstrips domestic supply. To date, Namibia has escaped any large-scale power outages or load shedding, but it remains heavily reliant on buying electricity from South Africa.

Market Opportunities

Namibia imports almost all of its consumer goods and most of its primary resources are exported, largely unprocessed. Opportunities exist to introduce new consumer goods and to expand manufacturing for both local and international markets.

Namibia is an eligible country under the African Growth and Opportunities Act (AGOA). AGOA allows for duty-free access to U.S. markets for more than 6,400 products. For information on AGOA, please consult: www.agoa.gov.

In 2016, the U.S. Department of Agriculture's Food Safety Inspection Service (FSIS) added Namibia to the list of countries eligible to export meat and meat products to the United States. FSIS determined that Namibia's laws, regulations, and inspection system are equivalent to the U.S. laws, regulations, and food safety system with regard to meat and meat products. In March 2020, Namibia became the first African country to export beef to the United States. State-owned Meatco is approved to export 860 tons of high-quality chilled and frozen various beef cuts to the United States in 2020, rising to 5,000 tons by 2025. Namibia's beef exports benefit from AGOA.

Tourism is one of the country's dominant industries and provides significant employment opportunities. Namibia is a nature-based tourism destination with spectacular scenery, including a wide variety of wildlife, the world's oldest desert, the world's tallest sand dunes, and community-based nature conservancies. The global COVID-19 pandemic and resulting travel restrictions have significantly disrupted Namibia's tourism and hospitality sectors.

Namibia has historically imported more than half of its electricity from South Africa and other neighboring countries. As demand continues to outstrip supply in the region, Namibia is investing in new power generation and transmission capabilities. The national electricity regulator, the Electricity Control Board (ECB), has developed an independent power producer framework (IPP) and is keen to attract foreign investors that can service the domestic and/or regional market. A Modified Single Buyer policy was introduced in 2019, and it allows large electricity customers to buy up to 30 percent of their demand directly from an IPP rather than from the state-owned electricity utility, Nampower.

Namibia has great potential for renewable power generation, including from solar, wind, and biomass sources. The government has stated it is committed to promoting the use of renewable energy to complement conventional electricity supplies, and has been adding renewable energy generation sources to its grid.

Namibia has a wealth of natural resources including uranium, diamonds, gold, zinc, lithium, cobalt, and copper, which are the primary sources of foreign exchange earnings. According to the World Nuclear Association, Namibia is the world's fourth-largest producer of uranium oxide. There are opportunities for companies that provide equipment and services to mining operators.

Namibia's principal port, Walvis Bay, is well positioned to service the entire southern African region. In 2019, an expansion was completed that increased the port's capacity to 750,000 TEUs (twenty foot equivalent units) per year, up from 350,000 TEU. In addition to benefits from increased accessibility and efficiency, the port at Walvis Bay is closer to North America and Europe and less congested than rival South African ports at Durban and Cape Town. The port at Walvis Bay is similarly closer to markets in Zambia, Zimbabwe, Botswana, and Angola via rail and well-maintained hard-surface highways.

Namibia's main commercial agriculture activities include fish and fish processing, livestock farming, and production of high value crops such as dates and table grapes. The Namibian government actively encourages processing of agricultural products in Namibia.

The government is seeking to attract foreign investors to participate in public-private partnerships (PPPs), particularly in the health, transportation, and housing sectors. A law to facilitate PPPs was passed in 2017 and implementation is ongoing.

Market Entry Strategy

The Namibian Investment Center (NIC) housed under the Ministry of Industrialization and Trade (MIT) serves as the first port of call for potential investors in Namibia and offers investor services required for establishing a business in Namibia. In 2020, Namibia announced the creation of the Namibian Investment Promotion and Development Board (NIPDB) to raise the profile on foreign investment promotion, but the NIPDB has not yet commenced operations.

In order to do business in Namibia, it is helpful (though not required) to have a local presence or a local partner. It may be worthwhile to establish business relationships before tender opportunities are announced. U.S. firms should seek local partners with a good reputation in their line of business or a complementary business. The World Bank's *Doing Business 2019* report notes that it takes ten procedures and an average of 66 days to start a business. Some accounting and law firms provide business registration services.

In 2014, the Namibian government created the Business and Intellectual Property Authority (BIPA) – a one-stop-center for all business and IPR registrations and related matters. In 2017, the Ministry of Industrialization and Trade (MIT) launched NamBizOne, a single-window information portal to guide domestic and foreign investors on the administrative and legal requirements to invest, start, and run a business in Namibia.

Leading Sectors for U.S. Exports and Investment

Agricultural Sector

Overview

Agriculture is one of Namibia's most important sectors. The majority of Namibia's population is dependent directly or indirectly on the agricultural sector for their livelihoods. Agriculture's contribution to GDP (excluding fishing) over the last five years has been just over four percent. Livestock farming contributes to approximately two-thirds of agricultural production, with crop farming and forestry making up the remaining third of production. Meat processing (which the Namibian government accounts for under manufacturing) contributes to another 0.2 - 0.4 percent of GDP.

The export of live animals (mostly cattle and sheep) has historically contributed to about two-thirds of agricultural exports by value. In 2019, Namibia exported about 12,400 metric tons of meat. Most meat is exported to the United States, Europe, South Africa, and China. In March, Namibia became the first and only African country to export beef to the United States. Livestock farming remains an important foreign exchange earner for Namibia.

In recent years, the export of crops, vegetables, fruits, and forestry products have grown by value. The Ministry of Agriculture, Water, and Land Reform (MAWLR) has two initiatives, the Green Scheme and the National Horticulture Development Initiative (NHDI), aimed at increasing local agricultural production. The Green Scheme encourages the development of irrigated agronomic production with a target of reaching approximately 27,000 hectares along the perennial rivers bordering Namibia. The Green Scheme has not met many of its initial goals: less than 9,000 hectares are under irrigation and several of the Green Scheme projects struggle financially.

Under the NHDI, the government aims to increase local production and facilitate the marketing of fruit, vegetables, livestock fodder, and other horticultural products. One element of the NHDI is an import substitution program dubbed the Namibian Market Share Promotion (NMSP). In terms of the NMSP, importers of fresh horticulture produce are

required to source a minimum percentage of their products from Namibian producers, prior to qualifying for an import permit. The initial NMSP threshold was set at 5 percent in 2005, which increased and currently stands at 47 percent. According to the Namibian Agronomic Board, as a result of the NHDI (and other initiatives), local horticulture production has grown by 52 percent since 2005. In further support of the NHDI, the government set up the Fresh Produce Hub in the northern regions with the aim to increase food production while preserving the freshness of food.

To protect local farmers, encourage greater production of grain products, and meet Namibia's food security goals, the government (via the Agronomic Board) has established policies to control the trade of white maize, wheat, mahangu (pearl millet), and products derived from these three grains. Controlled grain crops can only be imported or exported with permits issued by the Agronomic Board and the Ministry of Agriculture, Water and Land Reform. For each controlled grain there are specific restrictions, but restrictions do not include price controls. Consult the Agronomic Board website (see below) to understand the restrictions in greater detail.

Namibia is a signatory of the Cartagena Protocol. The Biosafety Act of 2006 governs the use/importation of bio-engineered (genetically modified) crops.

Leading Sub-Sectors

- Marketing and distribution of indigenous plants
- Highly efficient irrigation systems including solar/wind powered systems
- Farming equipment and machinery

Opportunities

Government

Projects

In March 2020, the African Development Bank (AfDB) approved a loan of US\$ 121.7 million and an additional grant of €3 million from the AfDB's Rural Water Supply Sanitation Initiative Trust Fund to support Namibia's water sector. The program aims to facilitate sustainable production and improve access to potable water for both agricultural and industrial use; enhance sanitation in rural areas (where many people still practice open defecation); and enrich institutional capacity for sustainable management and utilization of Namibia's water resources. The program, to be implemented over the next five years, entails the construction and rehabilitation of bulk water infrastructure (including a muted desalination plant) and construction of climate resilient sanitation and hygiene facilities. At completion in 2024, the interventions aim to directly benefit an estimated one million people.

Web Resources

Ministry of Agriculture, Water and Land Reform <http://www.mawf.gov.na/>

Namibia Agronomic Board <http://www.nab.com.na>

Meat Board of Namibia <http://www.nammic.com.na/>

Meatco <http://www.meatco.com.na/>

Namibia Agricultural Union <http://www.agrinamibia.com.na/>

Agra <http://www.agra.com.na/home.htm>

Mining and Minerals

Overview

Mining, Namibia's leading economic sector, accounts for roughly 10 percent of Namibia's gross domestic product (GDP) every year. Historically, diamond mining has been the leading sub-sector of Namibia's mining industry. NamDeb, a 50:50 joint venture between the Namibian government and De Beers, is the primary land-based diamond mining company. Debmarine Namibia handles off-shore diamond mining, and is also a 50:50 joint venture between the Namibian government and De Beers.

Namibia is the world's fourth largest producer of uranium oxide. The nuclear industry continues to fuel the demand for uranium. In 2018, the Husab open-pit uranium mine produced 3,028 tonnes of uranium oxide, making it the third largest uranium mine in the world. Husab is owned by a subsidiary of China General Nuclear Power Company. The mine represents one of China's single largest investments in Africa. It was discovered in 2008, and produced its first drum of uranium oxide for export in December 2016. As of 2018, the operation accounted for 6 percent of global uranium production.

The Rossing Uranium mine, also situated in the Namibian desert, is the fifth largest producer of uranium oxide in the world. The mine contains the largest uranium deposit in the world associated with an igneous rock, and in 2019 it produced 2,102 tons (or 4 percent) of the world's uranium. It is one of the longest running uranium mines globally, having begun operations in 1976. The mine is majority owned by China National Uranium Corporation (CNUC).

Namibia is also a leading producer of zinc. There are two operational mines: Skorpion Zinc (operated by Vedanta Resources) and Rosh Pinah (owned by various shareholders, with Exxaro Base Metals owning the largest interest at 46 percent).

Lodestone, a mining company with U.S. shareholding, has begun operations to extract and develop iron ore deposits in eastern Namibia. The Lodestone Dordabis mine commenced production in 2015, the first operational iron mine in Namibia. The magnetite and hematite products are being sold to local niche consumers, such as Ohorongo Cement. Local sulphuric acid and iron ore production are being consumed as inputs by Namibian operations, exemplifying how mining sector growth leads to the expansion of up-stream and services sectors.

The outlook for lithium and cobalt is also good, with deposits under development with new investments. Desert Lion began shipping lithium ore in 2018, with a first shipment of 30,000 tons. Gecko Opuwo Cobalt is developing a cobalt deposit in Kunene Region.

Other large mining operations include:

Mining Company	Ownership	Product
Weatherly Mining Namibia	Weatherly International*	Copper mining
Okorusu Fluorspar	Solvay Fluor	Fluorspar (CaF ₂)
Otjosundu Manganese mine	Shaw River Manganese	Manganese
Navachab	AngloGold Ashanti	Gold
B2Gold	Otjikoto Mine	Gold

Desert Lion Energy	Desert Lion Energy, Inc.	Lithium
Gecko Opuwo Cobalt	Gecko Namibia, Pty.	Cobalt

Leading Sub-Sectors

The Namibian mining industry is well-developed and sophisticated. Many local equipment and service providers exist to facilitate the distribution of foreign goods or services. U.S. goods and services in the following fields are well represented in Namibia (although South Africa and Europe are the largest sources of foreign mining equipment):

- Hauling vehicles and excavation equipment
- Software
- Furnaces
- Drill Rigs
- Automated Controls
- Mining Processing
- GPS Mapping
- Communications Systems
- Materials Handling Technology

Namibian mining companies frequently seek used mining vehicles and excavation equipment in good working order. U.S. companies have sold used equipment to Namibian firms in the past. Namibian customers will require warranties on the purchases of used equipment.

Opportunities

There are opportunities for U.S. companies to supply mining equipment to Namibian mines. Many mining operations are also interested in attracting international investment to support increased exploration activities. There are many companies engaged in exploration and mining activities for various metals/minerals. Desert Lion Energy began shipping lithium concentrate from Namibia's first large-scale lithium mine in the Erongo region of Namibia in April 2018. Cobalt has been discovered near Opuwo in the Kunene Region of Namibia, and Gecko Opuwo Cobalt with

For a complete listing of companies and the types of mining licenses they have been awarded, check the Ministry of Mines and Energy website (see resources section below). The Ministry typically publishes an up-to-date list of different mining license types monthly.

The U.S. Export-Import Bank and the U.S. Trade Development Agency have added considerable value to numerous African mining operations and enhanced opportunities for U.S. businesses. (See Chapter 7: Trade and Project **Financing for additional information on these agencies.**)

Web Resources

- Chamber of Mines of Namibia: <http://www.chamberofmines.org.na/>
 Ministry of Mines and Energy: <http://www.mme.gov.na/>
 United States Geological Survey: <https://minerals.usgs.gov/minerals/pubs/mcs/>

Namibia's Mining Policy is governed by several laws, including the following:

- Minerals Act 1992: www.lac.org.na/laws/2008/4189.pdf
- Diamonds Act 1999: http://www.mme.gov.na/pdf/diamond_act_of_1999.pdf
- Minerals Policy to ensure the continued sustainability of the industry and its contribution to Namibia's socioeconomic development: www.mme.gov.na/files/pdf/minerals_policy_draft_final.pdf

Port Equipment

Overview

Namibia's principal port, Walvis Bay, is strategically located and supported by a network of well-maintained tarred roads that extends across Namibia into Angola, Botswana, South Africa, Zambia, Zimbabwe, and DRC. In addition to accessibility and efficiency, Walvis Bay is closer to North America and Europe than any of South Africa's ports. Botswana, Zambia, and Zimbabwe have developed "dry port" facilities in Walvis Bay.

From 2003 to 2008, Namport, the state-owned port authority, saw the volume of bulk cargo processed through Walvis Bay grow by 87%, while the number of containers (as measured by Twenty-foot Equivalent Units) grew three and half times. Currently, Walvis Bay's container facility can handle 750,000 TEUs following the completion of a container port expansion project in 2019.

The Walvis Bay Corridor Group is a public private partnership (PPP) that pools the resources and authorities of both transport regulators and transport operators, effectively serving as a facilitation center and one-stop shop coordinating trade along the corridors linking Namibia to the rest of the southern African region. The Walvis Bay Corridor Group promotes a multi-modal transport system from Walvis Bay to Gaborone and the South African border post of Gauteng, to further develop Namibia as a western gateway to SADC and transport goods in two days to South Africa. Companies interested in the spin-off effects (including road and rail system upgrades) resulting from the growth of Walvis Bay should consider contacting the WBCG.

Leading Sub-Sectors

Increased port activity offers opportunities for U.S. port equipment exporters. The following product categories may enjoy good demand: quay cranes, container cranes, forklifts, top loaders, rubber tire gantry (RTG) cranes, power packs, and flatbeds. Additionally, as the port of Walvis Bay expands, it will offer opportunities for purveyors of material handling equipment such as small forklifts, small trucks, and similar equipment. Port information systems and logistics systems may also be in demand. Companies with expertise in ship and oil rig repair may also find opportunities.

Spin-offs effects resulting from the growth of Walvis Bay may provide opportunities for companies in the following sectors: railroad equipment; and trucks, trailers/buses.

Opportunities

NamPort completed a new container port facility, which now handles 750,000 TEUs per annum. The new port is on reclaimed land, and the harbor was deepened from 12.8 meters to 15 meters. NamPort is considering enlisting a private company through a PPP to manage some port operations, but has not released a tender as of August 2020.

Walvis Bay is also positioning itself to become a world class ship and oil rig repair facility. RBG Ltd. and Elgin Brown & Hamer, the oldest ship repair company in South Africa, have established a joint venture (Elgin RBG PTY Limited) to provide support services to the African drilling rig and ship repair and upgrade market. Walvis Bay is ideally suited to service oil rigs situated on the Angolan coast, as well as rigs that previously would have been serviced in South African ports (Cape Town and Durban) or further afield.

Construction and rehabilitation of the rail infrastructure (which is maintained by the government) is essential for the Port of Walvis Bay (NamPort) to meet its growth objectives. The state-owned rail company (TransNamib) is also in need of additional locomotives and rolling stock; however, it lacks the capital to acquire new equipment. The government is reviewing how private investment (including FDI) might be applied to the rail sector. There may be opportunities for firms to invest and/or provide equipment once the government has determined how it will open up the rail sector.

Web Resources

NamPort: <http://www.namport.com>

Walvis Bay Corridor Group: <http://www.wbcg.com.na>

Ministry of Works and Transport: <http://www.mwtc.gov.na>

Roads Authority: <http://www.ra.org.na>

Travel and Tourism

Overview

Namibia has a unique mix of wildlife, spectacular scenery, and diverse cultures. Natural attractions include the Namib Desert, which is the oldest desert in the world; the Fish River Canyon, which is the second largest canyon after the Grand Canyon; the world-famous sand dunes at Sossusvlei; the Skeleton Coast with its extraordinary landscapes; and the popular Etosha National Park, one of the largest game reserves in Africa. Coupled with its natural beauty, Namibia's good road infrastructure and lower levels of crime than most of its neighboring countries makes it an ideal destination for tourists.

According to the World Travel and Tourism Council (WTTC), travel and tourism contributed approximately 14.7 percent of GDP in Namibia, and 15.4 percent to total employment in 2019. Excluding neighboring African countries, the United States represents Namibia's third largest tourist market; only Germany and the UK were larger. Many American tourists visit as part of package tours. American game hunters are a growing and important segment for Namibian tourism operators.

Despite steady growth in the Namibian tourism sector since independence in 1990, it has underperformed relative to regional competitors and it remains especially susceptible to seasonal fluctuations and the vagaries of the South African Rand. Diversification of source markets for tourists is a key element to increasing tourist arrivals and reducing seasonal fluctuations. The sector is one of the most affected by the COVID-19 pandemic and resulting global travel slowdown

Leading Sub-Sectors

- Hospitality, restaurant, hotel management and training
- Tour packaging services especially in niche segments
- Information technology solutions for the hospitality industry
- Specialized equipment for remote (off-grid) lodging

Opportunities

Firms interested in sending tourists to Namibia should seek partnering opportunities with local operators. Firms may wish to focus on specific niches. Niche tourism opportunities include:

- Wildlife safaris – Etosha National Park and other parks offer world class safaris with upscale lodging both inside and near the parks.
- Hunting tours – Namibia has a well-developed game and trophy hunting sector.
- Cultural / Educational tours – Namibia is an excellent location for tourists interested in learning about the cultural anthropology of Southern Africa. Tours are available for people interested in learning more about the San, Herero, Himba, Oshiwambo, Nama, Damara, and other Namibian ethnic groups. Some tourists look for educational experiences and want to learn about Namibia's unique climate and geography (including its two world famous deserts, the Kalahari and Namib).
- Adventure tours – Many travelers enjoy the unique adventure opportunities (sand boarding, kite surfing, sky diving, quad biking, mountain biking, hiking, camping, etc.) which Namibia offers. There are a number of endurance race events (running, biking, and mixed sports) hosted in Namibia.
- Ecotourism – Increasingly, tourists want to stay at destinations that have minimum impact on (or blend in with) the environment. Lodging and tour companies are increasingly catering to this market.

Firms interested in developing partnerships should consider attending the annual Namibia Tourism Expo, held in 2020 from November 4-7.

Operators (tour/transport companies, hotels and restaurants) will increasingly need information technology solutions that will allow them to better control costs and understand their customers' demands. While there are some larger tour operators and lodging companies providing state of the art information technology solutions, the Namibian tourism market is still highly fragmented with many small operators. Most small operators only have a limited Internet presence. Companies that can provide cost effective internet-based marketing and booking solutions could find willing customers in Namibia.

Growth in the tourism sector is also fueling construction and the development of new lodging in both urban and remote areas. Partnering for construction jobs might be a possibility for U.S. firms, but it will likely be difficult for U.S. firms to win construction contracts as there are many qualified local and South African firms. Chinese construction firms have also penetrated the Namibian construction market in recent years. There are opportunities for firms that can provide specialized eco-friendly equipment and supplies – water and sanitation, energy, hygiene, etc. – for new lodges in remote areas. Existing lodges that are expanding or rehabilitating may also be looking for these types of equipment.

Web Resources

- Namibia Tourism Board <http://www.namibiatourism.com.na/>
- Namibia Tourism Expo <http://nte.nmh.com.na/>
- Hospitality Association of Namibia <http://www.hannamibia.com/>
- Federation of Namibia Tourism Associations (FENATA) <http://www.fenata.org>
- Ministry of Environment, Forestry, and Tourism <http://www.met.gov.na>

Commercial Fishing

Overview

Fishing is one of Namibia's top industries, contributing about three percent of GDP since 2007 and about 20 percent of export earnings. The Namibian government (GRN) has been largely successful in sustainably managing its fisheries. The GRN has had mixed results with its program to "Namibianize" the fishing industry which has been dominated by foreign (mostly Spanish) companies. Government incentives to increase Namibian participation have resulted in a proliferation of fishing companies and an overcapacity in onshore processing but they have also created jobs for previously disadvantaged Namibians. The "Fishrot" scandal – in which two former ministers and their accomplices were arrested in November 2019 for accepting bribes in return for directing valuable fishing quotas to an Icelandic fishing company – had significant distortionary effects on Namibia's entire fishing sector and could lead to major reforms. In August 2020 the government announced that it will auction off certain fishing quotas to foreign fishing companies due to the government's pressing need to raise revenue to respond to the COVID-19 pandemic.

Mariculture – primarily oysters – is another market ripe for expansion. Namibian oysters reach market size in half the time of oysters in some other parts of the world and according to experts are very high quality. There may be opportunities for abalone production. While oyster and abalone farmers seek high-value markets like the United States, the Namibian Standards Institute has not moved forward on developing a qualified food lab because they feel that existing markets are sufficient for the limited quantities Namibia can produce.

Ministry of Fisheries and Marine Resources officials have also expressed interest in expanding freshwater aquaculture capacity, which may result in new opportunities in coming years.

Leading Sub-Sectors

- Engines/systems that make existing vessels more efficient
- Water desalination systems
- Industrial ice-making systems
- Marketing services for assisting companies penetrate the U.S. market
- Freshwater aquaculture equipment

Opportunities

Although there are incentives against significantly automating onshore fish processing (companies that employ more Namibians are generally afforded larger fishing quotas), there might also be export opportunities for U.S. equipment manufacturers. As fishing is a capital intensive industry, Namibian companies are looking to acquire equipment/vessels that will reduce overall operating costs.

Namibian companies interested in expanding their fleets often seek used vessels to avoid large capital outlays. However, before entering into an agreement to sell a used fishing vessel firms are recommended to conduct proper due diligence, as the import of used fishing vessels to Namibia is technically prohibited for safety and environmental reasons. Nevertheless, Namibian firms have successfully purchased used vessels in recent years.

Namibian firms are trying to diversify both their markets and their product lines. U.S. firms that can provide assistance with penetrating new seafood markets for both fin fish and shellfish (primarily oysters) or that can provide services (know-how) and equipment for developing value-added products may find willing buyers/partners in Namibia.

Fishing licenses for certain species, such as pilchard and orange roughy, have been suspended to allow fish stocks to recover.

Web Resources

INFOSA: <http://www.globefish.org/dynamisk.php4?id=2238>

Ministry of Fisheries and Marine Resources: <http://www.mfmr.gov.na/>

Namibian Fishing Industry Online: <http://www.nfi.com.na/> and www.afriline.net/namibian-fishing-industry-online-info-3280.asp

Energy

Overview

Power Africa is a market-driven, U.S. Government-led public-private partnership that aims to double access to electricity in Africa. It offers private sector entities tools and resources to facilitate doing business in Africa's power sector. In 2016, the Electrify Africa Act institutionalized Power Africa. Learn more about the full [Power Africa toolbox](#) or other [opportunities offered by Power Africa](#).

Namibia's domestic electricity supply has failed to keep pace with rising demand, and Namibia generates less than half of the energy it consumes. NamPower, the government-owned power utility, operates generation facilities including the Ruacana Hydroelectric Power Station (330MW capacity), the Van Eck Power Station (coal; 120 MW capacity), the Paratus Power Station (diesel; 24 MW capacity), and the ANIXAS Power Station (diesel; 22.5 MW capacity). The generation facilities rarely if ever produce at full capacity. Peak demand is over 600 MW.

Namibia has long relied on imported power from South Africa (Eskom), but South Africa's own economy has put strains on its domestic electricity generation capability and thus its ability to export. Namibia has a five-year agreement with Eskom, however NamPower has also diversified its sources of imported power over the short term by signing power purchase agreements with utilities in Botswana, Zambia, Zimbabwe, the Democratic Republic of Congo (DRC), and Mozambique.

Over the long-term, the government and NamPower have committed to making Namibia energy self-sufficient (and eventually a net exporter of power) by building new domestic generation capacity. NamPower has made some progress in efforts to increase its generation capacity. NamPower commissioned a fourth turbine at the Ruacana hydro plant in 2012 which now generates an extra 90 MW of power. A U.S. Trade and Development Agency (USTDA)-financed study of the Van Eck Power plant provided the GRN with several options for extending the life of this plant. NamPower is considering proposals for a number of other new power stations, including renewables (solar and wind).

NamPower also completed the N\$ 3.2 billion TransCaprivi Interconnector which connects central Namibia directly with Zambia and Zimbabwe's power grids, thereby making Namibia less reliant on South Africa's transmission network.

The Electricity Control Board (ECB), Namibia's electricity regulator, accepts unsolicited power generation projects through its IPP framework. The Minister of Mines and Energy has final authority to approve or refuse IPP licenses, but the ECB makes recommendations on license applications, which the Minister has historically followed. To date a number of IPPs have received licenses, and some power purchasing agreements (PPAs) have been concluded with electricity producers.

Parties interested in developing small power generation facilities may also look to some of Namibia's Regional Energy Distributors (REDs). Some REDs are looking to develop their own - albeit limited - generation capacity. Partnering with a RED familiar with the ECB's IPP framework might result in faster project implementation. The ECB's rules for net-metering went into effect on May 15, 2017, allowing non-generators with solar arrays to receive electricity tariff credits or discounts for excess power fed back into the grid.

Wholesale and consumer energy rates have slowly risen as the ECB approved measures that were intended to permit NamPower to reach "cost reflectivity" on its tariffs. Historically, energy tariffs were capped, limiting NamPower's income and preventing adequate investment in new infrastructure. To date, tariffs have not yet reached cost reflectivity, but Namibia is closer to reaching cost-reflective tariffs than the rest of the southern African region.

In September 2019, Namibia adopted the “Modified Single Buyer Framework,” which allows independent power producers to directly sell electricity to large power users locally and internationally across the national transmission grid. Namibia is evolving from a centralized model dominated by one large utility, NamPower, to a hybrid decentralized model with multiple actors generating and supplying electricity. This represents a significant shift in the generating mix. Transmission customers are now able to buy a portion (up to 30 percent) of their energy requirements directly from a private power generator. The new framework provides for the deployment of new generation technologies such as battery storage, and has the potential to attract significant national and foreign direct investments.

With ample sunshine and wind resources (on the coast), Namibia has the capability to generate significant energy from renewable sources. The government, the ECB, and NamPower have all expressed interest in grid-connected solar and eolith renewable solutions, and in May 2015, Namibia inaugurated its first-ever solar power plant – a 4.5 MW plant – which represents one percent of the country’s current production of energy. The plant was built by InnoSun, a French-Namibian company which specializes in renewable energy. It was also the first local IPP with which NamPower signed a power purchasing agreement.

Efforts to establish larger renewable capability remain a challenge and are ongoing, with perceptions by some that they could undermine the profitability of other large planned generation projects. While there has been foreign interest in the renewable energy sector, the rigidity of the government’s pricing policies makes many projects unprofitable in the short term. NamPower and the ECB continue to explore a number of options to resolve this issue, such as feed-in tariffs, or use of the tender process to obtain additional capacity.

Estimates are that fewer than 10 percent of rural households have access to electricity (either from the electrical grid) or through local power generation; in addition, up to 60 percent of Namibians are “off grid.” As a result, the government launched its Off-grid Energization Master Plan (OGEMP), an initiative that promotes the use of renewable energy for households not connected to the grid. The OGEMP recognizes that connecting remote rural communities to the electrical grid is expensive (in some cases prohibitively so), thus it was logical to promote off-grid (frequently renewable) solutions. Donors and government have worked with financial institutions to create low cost financing options so that rural communities and households can afford to purchase and maintain photovoltaic (solar) energy.

Power Africa Support: The U.S. Government worked with the ECB to establish the Renewable Energy Feed-In Tariff (REFIT) program along with accompanying regulations in order to create an environment beneficial to organizing IPPs into Namibia’s electricity sector. As a result of the REFIT, ECB granted 14 licenses to IPP developers for 5 MW projects for a total of 70 MWs of renewable energy. Power Africa is currently working to provide technical assistance support to various public and private stakeholders, including ECB, the Ministry of Mines and Energy (MME), and the Regional Electricity Regulators Association (RERA) through the Southern Africa Energy Program (SAEP). In addition, in 2017 NamPower completed the rehabilitation of the 120 MW Van Eck coal-fired power plant located in Windhoek, resulting in reduced air emissions and extending the plant’s life by ten years. The rehabilitation was the result of NamPower’s partnership with the USTDA, which provided a US\$ 400,000 grant for a feasibility study to determine the technical, economic, financial, and environmental benefits of the rehabilitation. The project also resulted in over US\$ 3.6 million in U.S. exports related to the purchase of equipment from various U.S. equipment suppliers.

Leading Sub-Sectors

Products and services with immediate need or potential in Namibia include:

- Construction of new power stations
- Electricity network upgrades
- Refurbishment of turbines and related equipment
- Transmission and distribution equipment
- New plant equipment and related systems
- Demand-side management solutions
- Systems control equipment

- Renewable (primarily wind, photovoltaic, concentrated solar, biomass) energy products

Opportunities

NamPower has conducted feasibility studies on a number of new power generation and transmission projects indicated below. The lack of investors, concerns over exchange rates and pricing, and cross-border disputes are hampering implementation in some cases:

- Zizabona Connector Project – Additional transmission links to Zambia and Zimbabwe
- Orange River Hydro – 10 mini hydro stations to be implemented in phases
- Slop (Bunker fuel) Project – Slop fuel from ships for a 80 MW thermal power station
- Baynes Hydroelectric plant

NamPower plans to bring additional power projects online in the coming few years to generate 150 MW of new energy. NamPower's strategy includes a 20 MW PV solar power project; a 40 MW wind power project; a 40 MW biomass power project; and a 50 MW firm power project.

Companies interested in projects independent of NamPower may submit proposals directly to the ECB under its IPP framework.

Companies interested in large-scale renewable energy projects can engage NamPower and/or the ECB. There is specific interest in the following grid-connected renewable energy solutions:

- Wind farms – primarily around Luderitz.
- Concentrated Solar Power (CSP) – primarily in the southern (desert) regions of Namibia.

Web Resources

- NamPower <http://www.nampower.com.na>
- Electricity Control Board <http://www.ecb.org.na/>
- Ministry of Mines and Energy <http://www.mme.gov.na/energy/electricity.htm>
- Renewable Energy & Energy Efficiency Institute <http://www.reeei.org.na/index.php>
- Erongo RED <http://erongored.com/>
- Cenored <http://www.cenored.com.na/>

Customs, Regulations and Standards

Trade Barriers

According to the World Bank's 2019 Doing Business Report, Namibia ranked 118 out of 189 countries for Trading Across Borders. The report notes that nine documents are required to export a product from Namibia, and seven documents to import a product into the country. The average time to export is 25 days, while 20 days on average are required for imports.

Beyond customs delays, the government has imposed a number of import and export restrictions, mostly on agricultural products. White maize, wheat, mahangu (pearl millet), and products derived from these three grains are controlled. Controlled grain crops can only be imported or exported with permits issued by the Agronomic Board and the Ministry of Agriculture, Water and Land Reform (MAWLR). For each controlled grain there are specific restrictions, but restrictions do not include price controls.

The government has also instituted an import substitution program for horticultural products requiring importers to source a designated percentage of produce from within Namibia before acquiring horticultural products from foreign markets. Farmers of livestock must demonstrate that they have complied with export restrictions before they are entitled to export. For example, for every live sheep exported, a farmer must have six sheep slaughtered within Namibia.

As a member of SACU, Namibia is bound by certain tariff quotas that affect the import of food products, namely butter, cheese, milk powder, and wheat.

Namibia - Web Resources

- [Ministry of Industrialization and Trade](#)
- [Ministry of Agriculture, Water, and Forestry](#)
- [Ministry of Fisheries and Marine Resources](#)
- [Ministry of Health and Social Services](#)
- [Ministry of Finance](#)
- [Namibian Standards Institute](#)
- [Southern Africa Customs Union \(SACU\)](#)
- [World Trade Organization Trade Policy Review \(TPR\) of SACU](#)

Import Tariffs

Namibia is a member of the Southern African Customs Union (SACU), which serves to harmonize customs regimes of Namibia, Lesotho, Botswana, South Africa, and eSwatini. There are no tariff barriers among SACU members. South Africa sets the common tariff schedule for SACU with consultation from SACU members.

Most intra-SACU trade in goods is also free of non-tariff barriers. Imports from the rest of the world are charged a common external tariff and a common excise tax.

For more information on SACU's tariff regime see the [World Trade Organization \(WTO\) document](#). Information on SACU's Common External Tariffs (CETs) is available at: <http://www.sacu.int/show.php?id=420>.

SACU Member States use similar customs and excise legislation. Please also reference the [Namibia Customs and Excise Act](#).

For more information on Namibia trade policies, see the [World Trade Organization \(WTO\) document](#).

Import Requirements and Documentation

The Directorate of International Trade of the Ministry of Industrialization and Trade (MIT) is responsible for coordinating the country's trade policies and overseeing Namibia's participation in international trade bodies. The Directorate is responsible for managing import/export procedures. Namibia is a party to the WTO Agreement on Import Licensing.

All imports are subject to licensing, but most licenses are automatically granted. A limited number of products are subject to non-automatic licenses, including: medicines; chemicals; frozen and chilled fish and meat; live animals and genetic materials; controlled petroleum products; firearms and explosives; diamonds, gold and other minerals; and seemingly all second-hand goods such as clothing and motor vehicles. In practice, however, MIT does not issue licenses for imported used clothing.

Most agricultural imports require a permit issued by MIT. The Namibian Agronomic Board issues permits for the import, export, and transit of controlled agronomic crops such as wheat and wheat products as well as corn and corn products. Imports of agronomic crops and derivatives, as well as all plants and plant products, also require the issuance of phytosanitary certificates by the MAWLF. The Namibian Meat Board regulates the import and export of live animals (cattle, sheep, goats and pigs) and derivative meat products. Importers of live animals and meat products must demonstrate compliance with the country's animal health standards by obtaining a veterinary import permit from the Directorate of Veterinary Services.

For inquiries regarding import and export requirements, you may contact:

Mr. Petrus Haufiku
Trade Policy Analyst
Ministry of Industrialization and Trade
Tel. +264-61-283 7322
E-mail: haufiku@mti.gfov.na

Labeling and Marking Requirements

Product labeling and marking requirements are governed by the Trade Metrology Act No. 77 of 1973, as amended, and are administered by MIT.

U.S. Export Controls

The United States imposes export controls to protect national security interests and promote foreign policy objectives related to dual-use goods through implementation of the Export Administration Regulations (EAR). The Bureau of Industry and Security (BIS) is comprised of two elements: Export Administration (EA), which is responsible for processing license applications, counselling exporters, and drafting and publishing changes to the [Export Administration Regulations](#); and Export Enforcement (EE), which is responsible for the enforcement of the EAR. BIS works closely with U.S. embassies, foreign governments, industry, and trade associations to ensure that exports from the United States are secure and comply with the EAR. BIS officials conduct site visits, known as End-Use Checks (EUCs), globally with end-users, consignees, and/or other parties to transactions involving items subject to the EAR to verify compliance.

An EUC is an on-site verification of a non-U.S. party to a transaction to determine whether the party is a reliable recipient of U.S. items. EUCs are conducted as part of BIS's licensing process, as well as its compliance program, to determine if items were exported in accordance with a valid BIS authorization or otherwise consistent with the EAR. Specifically, an EUC verifies the *bona fides* of transactions subject to the EAR, to include: confirming the legitimacy and reliability of the end use and end user; monitoring compliance with license conditions; and ensuring items are used, re-exported or transferred (in-country) in accordance with the EAR. These checks might be completed prior to the export of items pursuant to a BIS export license in the form of a Pre-License Check (PLC), or following an export from the U.S. during a Post-Shipment Verification (PSV).

BIS officials rely on EUCs to safeguard items subject to the EAR from diversion to unauthorized end uses/users. The verification of a foreign party's reliability facilitates future trade, including pursuant to BIS license reviews. If BIS is unable to verify the reliability of the company or is prevented from accomplishing an EUC, the company may receive, for example, more regulatory scrutiny during license application reviews or be designated on BIS's Unverified List or Entity List, as applicable.

BIS has developed a list of "red flags", or warning signs, and compiled "Know Your Customer" guidance intended to aid exporters in identifying possible violations of the EAR. Both of these resources are publicly available, and their dissemination to industry members is highly encouraged to help promote EAR compliance.

BIS also provides a variety of training sessions to U.S. exporters throughout the year. These sessions range from one to two-day seminars that focus on the basics of exporting to coverage of more advanced, industry specific topics. Interested parties can check a [list of upcoming seminars and webinars](#) or reference BIS provided [online training](#).

BIS and the EAR regulate transactions involving the export of "dual-use" U.S. goods, services, and technologies. For advice and regulatory requirements, exporters should consult the other U.S. Government agencies which regulate more specialized items. For example, the U.S. Department of State's Directorate of Defense Trade Controls has authority over defense articles and services, or munitions. A list of other agencies involved in export control can be found on the [BIS website](#) or in Supplement No. 3 to Part 730 of the EAR.

The EAR is available on the [BIS website](#) and on the [e-CFR](#) (Electronic Code of Federal Regulations) and is updated as needed.

The [Consolidated Screening List](#) (CSL) is a list of parties for which the United States Government maintains restrictions on certain exports, reexports or transfers of items. The CSL consolidates eleven export screening lists of the Departments of Commerce, State and the Treasury into a single data feed as an aid to industry in conducting electronic screens of parties to regulated transactions. Exporters are encouraged to classify their items prior to export, as well as consult the CSL to determine if any parties to the transaction may be subject to specific license requirements.

Temporary Entry

The Customs and Excise Act and the VAT Amendment Act allow for goods to be temporarily admitted under certain circumstances. There are customs procedures/regulations that allow certain goods and products to be brought into Namibia without import duties and taxes. Warranty or non-warranty items may enter for repair provided that supporting documents from the consignor provide sufficient details.

For more information, click on the following link: <http://www.mof.gov.na/>

Prohibited and Restricted Imports

These are some of the goods that are listed in the Consolidated List of Prohibited and Restricted Imports/Exports:

Description / goods	Prohibition/ Restriction	Authority/Body	Action Required
Firearms & Ammunition	Restricted	Namibian Police	Imp/Exp Permit
Explosive/Fireworks	Restricted	Namibian Police	Imp/Exp Permit
Honey	Restricted	MAWF	Imp/Exp Permit
Live Plants/products	Restricted	State Veterinary	Imp/Exp Permit
All live animals	Restricted	State Veterinary	Imp/Exp Permit
Meat/Meat offal	Restricted	Meatco	Imp/Exp Permit
Wheat, maize, cereal	Restricted	Agronomic Board	Imp/Exp Permit
Used Pneumatic tires	Restricted	MIT	Import Permit
Raw hide & skins	Restricted	MAWLF/State Vet.	Imp/Exp Permit
Diamonds/Gold	Restricted	Mines & Energy	License

To view the complete document, please click on the following link:

<http://www.sars.gov.za/ClientSegments/Customs-Excise/Pages/Prohibited-and-Restricted-goods.aspx>

The list is a South African document, but all SACU member states use the same list for enforcement purposes. For further information, you can contact the Namibian Customs and Excise Office (see contact details under *Customs Regulations*).

For more information on Namibian import restrictions and prohibitions see pp 225-227 of WTO document:

https://www.wto.org/english/tratop_e/tpr_e/s324-02_e.pdf

Customs Regulations

Namibia is a member of the Southern Africa Customs Union (SACU). Customs regulations are documented in the Customs and Excise Act (Act no. 20 of 1998) and conform to most international conventions relating to recommended practices regarding the import and export of goods. For more information on Namibian Customs and

Excise, please click on the following link: <http://www.mof.gov.na/customs-and-excise>.

Contact Information Centre of the Namibian Customs Office:

Customs and Excise Information Centre
Private Bag 13185, Windhoek, Namibia
Moltke Street, Windhoek
Tel. +264-61-209 2047/2636/2005/2006
Fax +264-61-254 510

Standards for Trade

Overview

The Namibia Standards Institution (NSI) administers standards in Namibia. The NSI is responsible for promoting standardization of products for the safety of consumers and protection of the environment for improved access to global markets. Namibia has acceded to the World Trade Organization (WTO) Code of Good Practice for the Preparation, Adoption and Publication of Standards. For more information on the services of NSI click on the following link: <http://www.nsi.com.na/index.php>.

Standards

The Namibia Standards Institution (NSI) conducts testing, inspection and certification services in respect of Namibian products and services.

For more details about the NSI, click on: <http://www.nsi.com.na/index.php>

Testing, Inspection and Certification

Agricultural products are certified by the Ministry of Agriculture, Water and Forestry. There are no mutual recognition agreements with U.S. organizations. In 2016, Namibia successfully completed the U.S. Department of Agriculture equivalence process for meat and became eligible to export beef to the United States. There is no accreditation body in Namibia. The South African National Accreditation body (SANAS: <http://www.sanas.co.za>) currently provides for Namibia's accreditation needs. Laboratories need to get formal recognition that they are competent to perform specific tasks.

Publication of Technical Regulations

The Namibian Standards Institution (NSI) is a Correspondent Member of the International Organization for Standardization (ISO) and subscribes to the World Trade Organization/Technical Barriers to Trade/TBT Annex 3 Code of Good Practice for the Preparation, Adoption and Application of Standards. The NSI has developed standards and regulations, in accordance with the provisions of the Code, based on the WTO principle of transparency. These standards and regulations are pending until implementation of the Standards Act No. 18 of 2005.

Members of the WTO are required under the Agreement on Technical Barriers to Trade (TBT Agreement) to notify to the WTO proposed technical regulations and conformity assessment procedures that could affect trade. Notify U.S. (www.nist.gov/notifyus) is a free, web-based e-mail registration service that captures and makes available for review and comment key information on draft regulations and conformity assessment procedures. Users receive customized e-mail alerts when new notifications are added by selected country(ies) and industry sector(s) of interest, and can also request full texts of regulations. This service and its associated web site are managed and operated by the USA WTO TBT Inquiry Point housed within the National Institute of Standards and Technology, part of the U.S. Department of Commerce.

Contact Information

Namibian Standards Institution (NSI)

Physical Address:

The Forum (Old Sanlam Building)

First Floor Suite 115

11-17 Dr Frans Indongo Street

Windhoek

Namibia

<http://www.nsi.com.na/index.php>

Mailing Address:

P.O.Box 26364

Windhoek

Tel: +264 61 386400

Fax: +264 61 386454

E-mail: query@nsi.com.na

Standards point of contact at Embassy Windhoek:

Economic and Commercial Office

14 Lossen Street, Windhoek, Namibia

Tel. +264-61-295 8500

Fax +264-61-295 8603

Email: econ_comm_Windhoek@state.gov

Trade Agreements

Namibia is one of the 31 African Union member states which have ratified the African Continental Free Trade Area (AfCFTA). The agreement aims to accelerate intra-African trade, and to boost Africa's trading position in the global market. The agreement initially requires members to remove tariffs from 90 percent of goods, allowing free access to commodities, goods, and services across the continent. The United Nations Economic Commission for Africa estimates that the agreement will boost intra-African trade by 52 percent by 2022.

SACU - Namibia is a member of the Southern African Customs Union (SACU). SACU ensures the free movement of goods among member states, Namibia, Botswana, Lesotho, ESwatini and South Africa. SACU website: www.sacu.int.

SACU-EFTA Free Trade Agreement – This agreement was concluded in 2004.

SADC Protocol on Trade – Namibia is a member of the Southern African Development Community (SADC). This agreement was concluded in 1999.

SACU-Mercosur Preferential Trade Agreement - This agreement was signed in December 2004. Namibia ratified the agreement in 2012 and the agreement entered into force in 2016. The Mercosur members are Argentina, Brazil, Paraguay and Uruguay. SACU website: www.sacu.int.

SACU-USA Trade, Investment and Development Cooperation Agreement - This agreement was concluded in 2008. SACU website: www.sacu.int.

AGOA - Namibia qualifies for benefits under the African Growth and Opportunity Act (AGOA), a unilateral and non-reciprocal program that provides African countries with duty-free access to the U.S. market for more than 6,400 products. For more information on AGOA, visit: www.agoa.gov.

SADC - The Southern African Development Community (SADC) aspires to create an integrated regional economic bloc among member states Namibia, Angola, Botswana, the Democratic Republic of Congo, Lesotho, Malawi, Mauritius, Mozambique, South Africa, ESwatini, Tanzania, Zambia, and Zimbabwe. SADC has a population of over 190 million people. The SADC FTA was launched by 12 countries out of 14 SADC members (excluding Angola and DRC) in 2008. For more information about SADC, visit: www.sadc.int.

SADC EPA Group – In June 2016, six SADC member countries – Botswana, Lesotho, Mozambique, Namibia, South Africa, and ESwatini – signed an Economic Partnership Agreement (EPA) with the European Union. <http://ec.europa.eu/trade/policy/countries-and-regions/regions/sadc/>.

Namibia also has bilateral agreements with Angola, Tunisia, Zimbabwe, Cuba, Ghana, India, Malaysia, and Russia.

For more information on trade agreements, contact:

The Ministry of Industrialization and Trade

Mailing Address:
Directorate of International Trade
Private Bag 13340
Windhoek, Namibia

Office Address:
Block B, Brendan Simbwaye Square
Goethe Street
Windhoek, Namibia

E-mail: dit@mti.gov.na
<http://www.mti.gov.na>

Tel: +264-61-283-7331
Fax: +264-61-253865

Selling U.S. Products & Services

Distribution & Sales Channels

Overview

South African firms tend to dominate the retail and wholesale space for commercial and industrial products. There are a small number of Namibian-owned firms.

Namibia has a well-established road infrastructure. According to the Namibia Roads Authority, the national road network consists of more than 45,000 kilometers, 14 percent of which is surfaced. The roadways link Namibia with neighboring countries South Africa, Botswana, Angola, Zambia and Zimbabwe. The TransKalahari and TransCaprivi highways provide fast and convenient road links between Namibia's port of Walvis Bay on the Atlantic Coast and landlocked neighboring countries. For more information on the road network, visit the Walvis Bay Corridor Group: <http://www.wbcg.com.na/>.

Namibia's rail network runs from the South African border via Windhoek to the port of Walvis Bay and to the northern town of Ondangwa. The northern railway line from Ondangwa to Oshakati and Oshikango has been extended to the border with Angola, but has not yet been met with rail from the Angolan side. Passenger and freight services are slow and often delayed. Namibia's rail network is old and will need considerable investment to upgrade it.

Namibia normally has direct air links to Cape Town and Johannesburg in South Africa, as well as to Luanda, Angola; Lusaka, Zambia; Harare, Zimbabwe; Gaborone and Maun, Botswana; Lagos, Nigeria; Addis Ababa, Ethiopia; and Accra, Ghana. There are also normally regular intercontinental flights from Namibia to Frankfurt, Germany; Doha, Qatar; and Amsterdam, the Netherlands. The global COVID-19 pandemic has disrupted air travel to Namibia, and airlines may not be operating in accordance with their regular schedules. Hosea Kutako International Airport is situated 48 km from Windhoek's city center. Small aircraft can land at Eros Airport, located within Windhoek city limits. Walvis Bay Airport also has capability to support international flights. Charter planes are readily available. There are numerous private landing strips throughout the country. The Namibia Airports Company (NAC) is responsible for overseeing airport operations. For more information on NAC, please visit their website at: www.airports.com.na.

Namibia's national airline, Air Namibia, has domestic, regional, and international service to Frankfurt airport. For more information on Air Namibia: <http://www.airnamibia.com.na/>. Qatar Airways, Ethiopian Airlines, and KLM began service to Windhoek in 2016, expanding the number of international connections. There are no direct flights between Namibia and the United States.

The Namibian Ports Authority (Namport) operates the ports of Walvis Bay and Luderitz as commercial entities and ensures customer-oriented port services. The Namibian ports provide a relatively safe and economical alternative for cargo to the country and to its southern African neighbors through the Walvis Bay corridor. Over the last few years, an increasing number of American shippers have shifted from other ports to Walvis Bay as a port of choice, citing supplies and workmanship as a factor. Some of the major international lines calling at Walvis Bay include Unicom Lines, Maersk Line, Conti Lines and Secil Sul Lines. For more information on Namibia's ports visit: <https://www.namport.com.na/>.

eCommerce

Assessment of Current Buyer Behavior in Market

Electronic commerce is still relatively unknown to Namibian consumers. A growing number (51 percent according to the International Telecommunication Union, 2017 figure) of Namibians enjoy access to the Internet.

Local eCommerce Sales Rules & Regulations

On November 7, 2019 President Geingob signed into law the Electronic Transactions Act, which enhances the conduct of business online, and opens up a variety of online payment solutions such as PayPal. The law also allows for electronic commerce and communications with public and private bodies, institutions and citizens; and provides the framework for a safe, secure and effective environment for the consumer, business and public agencies or bodies to conduct and use electronic transactions.

Local eCommerce Business Service Provider Ecosystem

There is very little information available on eCommerce services in Namibia, and there has not been any in-country events focused on ecommerce, in the past few years.

Selling Factors & Techniques

Selling US Products and Services

The Investment Promotion Act reserves the right of the government to impose certain restrictions on foreign investors. Restrictions can relate to land, natural resource rights, government contracts (tenders), transfer of ownership of investments above a certain size, and sectors reserved for Namibian businesses, as defined by the Minister of Industrialization and Trade. For example, the government requires local participation before issuing licenses to exploit natural resources and has additional restrictions in the case of certain “strategic minerals.”

The Land Reform Act regulates the acquisition of agricultural land by foreign nationals. No foreign national is allowed to acquire agricultural land without the prior consent of the Minister of Agriculture, Water, and Land Reform.

The government actively encourages partnerships with historically disadvantaged Namibians. The Ministry of Labor, Industrial Relations, and Employment’s Equity Commission requires all firms to develop an affirmative action plan for management positions and to report annually on its implementation. The Prime Minister continues to work to finalize a revised draft “New Equitable Economic Empowerment Framework” law which aims to create conditions in which the distribution of income becomes far more equitable than it is at present. After some debate, a previous iteration of the draft bill was withdrawn for possible revision and has not been re-introduced to Parliament. Namibia’s Affirmative Action Act strives to create equal employment opportunities, improve conditions for the historically disadvantaged, and eliminate discrimination. The commission facilitates training programs, provides technical and other assistance, and offers expert advice, information, and guidance on implementing affirmative action in the work place.

In certain industries the government has employed techniques to increase Namibian participation. In the fishing sector, companies pay lower quota fees if they operate Namibian-flagged vessels that are based in Namibia, with crews that are predominantly Namibian. The Minister of Mines and Energy has made clear that mining companies must “indicate and show commitment to empower previously disadvantaged Namibians” in their applications for exploration and mining licenses.

Trade Promotion and Advertising

The following trade shows usually take place in Namibia, and they provide a good opportunity to showcase one’s products. As a result of the COVID-19 pandemic, some trade shows may be cancelled or delayed.

APRIL

Luderitz Crayfish Festival

MAY

Windhoek Mining Expo & Conference

JUNE

Windhoek Namibia Tourism Expo (rescheduled in 2020 for November 4-7)

Bank Windhoek & Republikein Motor Show

AUGUST

Ongwediva Annual Trade Fair

SEPTEMBER

Windhoek Agricultural Show

OCTOBER

Tsumeb Copper Festival

Walvis Bay Nampont Erongo Business & Tourism Expo

Trade Promotion and Advertising

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OCTOBER

Tsumeb Copper Festival

Walvis Bay Nampont Erongo Business & Tourism Expo

Trade Financing

Namibia's banking system is modern and closely tied to the South African system. At least three of the eight licensed local commercial banks are subsidiaries of South African banks. All local commercial banks handle international transactions and trade financing.

Methods of Payment:

“For more information about the methods of payment or other trade finance options, please read the Trade Finance Guide available at www.Export.gov/TradeFinanceGuide.”

Payments can be made in the following ways:

- Direct Bank Transfers
- Credit Cards
- Checks
- Debit Cards
- Cash

There are limits on certain payment instruments within the regional payment system. Effective June 2010, Electronic Fund Transfer (EFT) credits may not exceed N\$ 5 million and EFT debits may not exceed N\$ 500,000. These limits mainly aim to reduce exposure to risk and fraud. The use of paper checks has been completely phased out as of June 2019.

Credit grantors use information from a credit bureau (Trans Union ITC) to assist in making a decision whether or not to grant credit. A credit bureau details the credit history of a consumer or business's repayment performance.

The Bank of Namibia (BoN) oversees and regulates payment systems in Namibia. The 2003 Payment System Management Act provides details on how the BoN manages the payment system.

Protecting Intellectual Property

Several general principles are important for effective management of intellectual property (IP) rights in Namibia. First, it is important to have an overall strategy to protect your IP. Second, IP may be protected differently in Namibia than in the United States. Third, rights must be registered and enforced in Namibia, under local laws. For example, your U.S. trademark and patent registrations will not protect you in Namibia. There is no such thing as an “international copyright” that will automatically protect an author's writings throughout the entire world. Protection against unauthorized use in a particular country depends, basically, on the national laws of that country. However, most countries do offer copyright protection to foreign works in accordance with international agreements.

Granting patents registrations are generally is based on a first-to-file (or first-to-invent, depending on the country) basis. Similarly, registering trademarks is based on a first-to-file (or first-to-use, depending on the country), so you should consider how to obtain patent and trademark protection before introducing your products or services to the Namibian market. It is vital that companies understand that intellectual property is primarily a private right and that the U.S. government cannot enforce rights for private individuals in Namibia. It is the responsibility of the rights' holders to register, protect, and enforce their rights where relevant, retaining their own counsel and advisors. Companies may wish to seek advice from local attorneys or IP consultants who are experts in Namibian law. The U.S. Commercial Service can provide a list of local lawyers upon request.

While the U.S. Government stands ready to assist, there is little we can do if the rights holders have not taken these fundamental steps necessary to securing and enforcing their IP in a timely fashion. Moreover, in many countries, rights holders who delay enforcing their rights on a mistaken belief that the USG can provide a political resolution to a legal problem may find that their rights have been eroded or abrogated due to legal doctrines such as statutes of

limitations, laches, estoppel, or unreasonable delay in prosecuting a law suit. In no instance should U.S. Government advice be seen as a substitute for the responsibility of a rights holder to promptly pursue its case.

It is always advisable to conduct due diligence on potential partners. A good partner is an important ally in protecting IP rights. Consider carefully, however, whether to permit your partner to register your IP rights on your behalf. Doing so may create a risk that your partner will list itself as the IP owner and fail to transfer the rights should the partnership end. Keep an eye on your cost structure and reduce the margins (and the incentive) of would-be bad actors. Projects and sales in Namibia require constant attention. Work with legal counsel familiar with Namibian laws to create a solid contract that includes non-compete clauses, and confidentiality/non-disclosure provisions.

It is also recommended that small and medium-size companies understand the importance of working together with trade associations and organizations to support efforts to protect IP and stop counterfeiting.

There are a number of these organizations, both Namibian and U.S.-based. These include:

The U.S. Chamber and local Chambers of Commerce
National Association of Manufacturers (NAM)
International Intellectual Property Alliance (IIPA)
International Trademark Association (INTA)
The Coalition Against Counterfeiting and Piracy
International Anti-Counterfeiting Coalition (IACC)
Pharmaceutical Research and Manufacturers of America (PhRMA)
Biotechnology Industry Organization (BIO)

[For more information, contact ITA's Office of Intellectual Property Rights Director, Stevan Mitchell at Stevan.Mitchell@trade.gov.](mailto:Stevan.Mitchell@trade.gov)

Selling to the Public Sector

U.S. companies bidding on Government tenders may also qualify for U.S. Government advocacy. A unit of the U.S. Commerce Department's International Trade Administration, the Advocacy Center coordinates U.S. Government interagency advocacy efforts on behalf of U.S. exporters bidding on public sector contracts with international governments and government agencies. The Advocacy Center works closely with our network of the U.S. Commercial Service worldwide and inter-agency partners to ensure that exporters of U.S. products and services have the best possible chance of winning government contracts. Advocacy assistance can take many forms but often involves the U.S. Embassy or other U.S. Government agencies expressing support for the U.S. bidders directly to the foreign government. Consult [Advocacy for Foreign Government Contracts](#) for additional information.

In 2015, the Namibian government introduced a new procurement act which is more in line with international standards, and aims to ensure more transparency. The act outlines public tender procedures in Namibia. The Central Procurement Board invites prospective candidates to tender. Each call for a tender must be published in the Namibia Government Gazette and in at least one local newspaper.

Requirements to submit a bid:

- A valid original Good Standing Certificate from Social Security.
- A valid Good Standing Certificate from Inland Revenue for tax purposes.
- Registration of company from Ministry of Industrialization and Trade.
- Any other relevant document certificate required by the individual tender document.

For additional information on tender policies in Namibia, please click on this link:
<https://mof.gov.na/procurement-policy-unit> or <http://www.cpb.org.na/>.

Key areas of opportunities for tenders include:

- Infrastructure Development
- Energy sector
- Mining sector
- Environment and Resources Management
- Education
- Health

Financing of Projects

The Development Bank of Namibia (DBN) provides finance for capital projects, such as infrastructure development, and for projects in sectors like fishing, manufacturing, mining, services, and tourism. Projects financed by DBN include a N\$ 120 million cement factory built by German-owned Ohorongo Cement (Pty) Ltd, a subsidiary of Schwenk Namibia (Pty) Ltd; and Camelthorn Breweries (N\$ 10,170,575), a micro brewing company which produces “craft” beer. For additional information on the DBN see: <http://www.dbn.com.na/>.

Most commercial banks also offer project finance and offshore lending solutions for clients wishing to make cross border investments.

Namibia is a member and recipient of development assistance from the African Development Bank (AfDB). The AfDB has partnered with the DBN on occasion to assist with project finance. The AfDB’s Country Strategy Paper (CSP) for Namibia, 2014-2018, outlines the bank’s priorities for Namibia. The bank is in the process of creating an updated CSP for Namibia. For more information on the CSP and projects the AfDB has financed in Namibia see: <http://www.afdb.org/en/countries/southern-africa/namibia/>.

Namibia is also a member of the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), and the Multilateral Investment Guarantee Agency (MIGA). The IFC has been involved in small investments such as support for construction of a 110-room hotel in northern Namibia.

Power Africa: Power Africa is a market-driven, U.S. Government-led public-private partnership to double access to electricity in sub-Saharan Africa. It also serves as a one-stop shop for private sector entities seeking tools and resources to facilitate doing business in Africa’s power sector. In 2016, the Electrify Africa Act unanimously passed both houses of Congress and was signed into law, institutionalizing Power Africa and establishing two goals; to add 20,000 MW of generation capacity and expand electricity access to 50 million people in sub-Saharan Africa by 2020. In bringing together more than 140 of the world’s top companies, development institutions, and financial entities, Power Africa employs a transaction-centered approach to directly address key constraints to project development and investment in the power sector. These interventions aim to de-risk investments and accelerate financial close -- from facilitating project bankability with financing and risk mitigation, to providing technical and transaction support, to engaging with host-government counterparts. Learn more about the full Power Africa toolbox at <https://www.usaid.gov/powerafrica/toolbox> or other opportunities offered by Power Africa at <https://www.usaid.gov/powerafrica>.

Multilateral Development Banks and Financing Government Sales. Price, payment terms, and financing can be a significant factor in winning a government contract. Many governments finance public works projects through borrowing from the Multilateral Development Banks (MDB). A helpful guide for working with the MDBs is the [**Guide to Doing Business with the Multilateral Development Banks**](#). The U.S. Department of

Commerce's (USDOC) International Trade Administration (ITA) has a Foreign Commercial Service Officer stationed at each of the five different Multilateral Development Banks (MDBs): the African Development Bank; the Asian Development Bank; the European Bank for Reconstruction and Development; the Inter-American Development Bank; and the World Bank.

Learn more by contacting the:

Commercial Liaison Office to the [African Development Bank](#)

Commercial Liaison Office to the [Asian Development Bank](#)

Commercial Liaison Office to the [European Bank for Reconstruction and Development](#)

Commercial Liaison Office to the [Inter-American Development Bank](#)

Commercial Liaison Office to the [World Bank](#)

Business Travel

Business Customs:

For meetings with senior level managers, it is expected that you make an appointment well in advance. It is difficult to schedule meetings from mid-December to mid-January due to the holiday season. Men generally wear suits and ties for business meetings. Women can wear business suits or dresses. English is the official language and is widely spoken. Business cards are useful and widely used. Greetings should be in the form of a normal handshake. Greetings are an integral part of Namibian culture. It is important to first exchange greetings and pleasantries with business counterparts before launching into substantive discussions. Personal relationships are important.

Travel Advisory: Please see: [State Department consular information sheet](#)

Visa requirements:

Namibia does not require visas for U.S. citizens traveling to Namibia for tourist purposes for stays up to 90 days. Obtaining a business visa prior to travel is advised, even though according to the Namibian government regulations, U.S. citizens traveling on business are not required to obtain a visa prior to travel if the visit will not exceed 90 days. In practice, some business travelers have been stopped at port of entry when stating their purpose of entry as work.

The Ministry of Home Affairs, Immigration, Safety, and Security (MHAISS) grants renewable and non-renewable temporary employment permits for a period of up to 12 months for skills not locally or readily available. However, work permits and long-term residence permits are subject to bureaucratic hurdles. Complaints about delays in renewing visas and work permits are not uncommon.

For the most up-to-date information regarding visa requirements, please contact the Namibian Embassy in the United States, MHAISS, or the Namibian Investment Center at the following addresses:

Embassy of the Republic of Namibia
1605 New Hampshire Ave., NW
Washington, D.C. 20009
Telephone: (202) 986-0540
Fax: (202) 986-0443
<http://www.namibianembassyusa.org/>

Ministry of Home Affairs, Immigration, Safety, and Security
Cohen Building
Kasino Street
Private Bag 13200
Windhoek, Namibia
Tel. +264-61-292 2111
Fax +262-61-292 2185
<http://www.mha.gov.na/>

Namibia Investment Center (NIC) and Namibia Investment Promotion and Development Board (NIPDB)
Brendan Simbwaye Square, Goethe Street
Private Bag 13340
Windhoek, Namibia
Tel: +264-61-283-7335
Fax: +264-61-220278
E-mail: nic@mti.gov.na

<http://www.mti.gov.na/>

“U.S. Companies that require travel of foreign businesspersons to the United States are advised that security evaluations are handled via an interagency process. Visa applicants should go to the following link(s): [State Department Visa Website](#)”

Currency:

The Bank of Namibia (BoN) is the regulatory body that oversees the exchange of currency. To learn more about foreign exchange regulations see:

<https://www.bon.com.na/Regulations/Currencies-and-Exchanges-Act,-1933/Exchange-Control-Regulations,-1966.aspx>

All eight commercial banks (identified above) are authorized to act as foreign exchange dealers. The Namibia Bureau de Change (Pty) Limited is also an authorized dealer, but has limited authority.

All eight commercial banks are subscribers to the Society for Worldwide Inter-bank Financial Telecommunications (S.W.I.F.T).

Telecommunications/Electronics:

The telecommunications infrastructure is well developed in Namibia. Telecom Namibia, the government-owned fixed line telecommunications operator, provides basic telephone services, multimedia services such as data connections for Internet access, broadband services and digital lease lines.

There are several operators of mobile data and telephone services:

Company	Ownership	Services and Technology
Telecom Namibia	100 percent government	GSM/W-CDMA/LTE/4G Wireless voice and data
MTC	65 percent government, 35 percent private	GSM/GPRS/3G/4G mobile voice and data

There are other players in the market that provide Internet and IT services.

Transportation:

There are no direct flights between the United States and Namibia. Major airlines flying to Namibia include Air Namibia, South African Airways, British Airways-Comair, KLM, Ethiopian Airlines, and Qatar Airways. Air Namibia offers regular domestic and regional service, as well as international service to Frankfurt. The global COVID-19 pandemic has disrupted air travel to Namibia, and airlines may not be operating in accordance with their regular schedules. For more information on Air Namibia, click on: <http://www.airnamibia.com.na/>. Smaller charter flight operators are also available in Windhoek and Walvis Bay.

There are numerous car rental companies in the country, with most based in Windhoek. The majority of car rental companies are members of the Car Rental Association of Namibia (CARAN). While several common American and

European firms are members of CARAN, there are exceptions such as Hertz. The national rail operator, TransNamib, offers train service from Windhoek to most major towns. However, train travel is slow and not a popular choice. Private companies offer bus and taxi services on domestic and regional routes.

Language:

English is the official language, although it is rarely the first language of most Namibians. Oshiwambo is the main language spoken at home by nearly half the population. At least a dozen other local languages are spoken. Afrikaans is often the medium of communication when a group of people do not share the same ethnicity (and first language). German is spoken by a small minority.

Health:

Windhoek's dry, windy climate can cause dry skin and chapped lips. Because of fine dust and desert pollen in the air, visitors who suffer from allergies or respiratory ailments should bring appropriate medication. Visitors who anticipate spending time outdoors should use sun block, hats, and skin-covering clothing.

The national prevalence rate of HIV/AIDS among adults is estimated at 11.5 percent in Namibia. Windhoek does not have malaria, and visitors remaining in the capital do not need to take anti-malarial medication, but malaria does exist in some northern and eastern areas of Namibia. Visitors to those areas should begin taking anti-malaria medication before arrival as prescribed by medical professionals. Tap water is potable throughout Namibia; bottled water is widely available as well. Modern health care facilities are available in most urban areas, particularly in Windhoek. Note that doctors and hospitals often expect immediate cash payment for health care services. Supplemental medical insurance with specific overseas and medical evacuation coverage is inexpensive locally and well advised.

Local time, business hours, and holidays:

Namibia is GMT+ 2 hours.

Typical Business Hours:

Offices: Mon-Fri 8:00- 17:00

Banks: Mon-Fri 9:00- 15:30 Sat 8:30-12:00

Temporary Entry of Materials and Personal Belongings:

Goods entering the country on a temporary basis may be exempted from import duties and taxes in accordance with customs procedures for each item.

Investment Climate Statement (ICS)

Note: The CCGs on trade.gov will link directly to the State Department's Investment Climate Statement website. The U.S. Department of State's Investment Climate Statements provide information on the business climates of more than 170 economies and are prepared by economic officers stationed in embassies and posts around the world. They analyze a variety of economies that are or could be markets for U.S. businesses.

Topics include Openness to Investment, Legal and Regulatory systems, Dispute Resolution, Intellectual Property Rights, Transparency, Performance Requirements, State-Owned Enterprises, Responsible Business Conduct, and Corruption.

These statements highlight persistent barriers to further U.S. investment. Addressing these barriers would expand high-quality, private sector-led investment in infrastructure, further women's economic empowerment, and facilitate a healthy business environment for the digital economy. To access the ICS, visit the U.S. Department of State's [Investment Climate Statement](#) website.

Political Environment

The CCGs on trade.gov will link to the State Department's [Countries & Areas](#) website.