

# Doing Business in Namibia:

# 2017 Country Commercial Guide for U.S. Companies

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# Doing Business in Namibia

#### **Market Overview**

- Namibia has a population of 2.4 million, but with the port of Walvis Bay under expansion, 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, with 70% of the total. In 2015, the U.S. ranked tenth among Namibia's export destinations. South Africa and the United Kingdom are ranked number one and number two as export destinations respectively, followed by Belgium, Botswana, Spain, Canada and the Netherlands.
- U.S. foreign direct investment in Namibia is minimal.
- The Namibian dollar (N\$) is pegged one to one (1:1) to the South African Rand.
- The World Bank ranked Namibia 108 among 190 countries in its 2017 Doing Business Report.

# **Market Challenges**

- Namibia is a small market and is heavily dependent on international trade.
- Namibia is among the countries with the worst income disparities in the world (a Gini coefficient index of 61 in 2015, according to the World Bank).
- Employers should consider the impact of HIV/AIDS on their workforce. In 2015, the adult prevalence rate was estimated to be 13.3 percent, according to UNAIDS.
- Despite high unemployment, there is a critical shortage of skilled labor. The latest Labor Force Survey (2016 data) estimates the unemployment rate at 34 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.

- 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.
- Of 190 countries ranked in the World Bank's *Doing Business 2017* report, Namibia scored lowest in the following three areas:
  - Registering Property 174
  - Starting a Business 170
  - Trading Across Borders 127
- The law prohibits corruption, and the government has shown improvement in addressing it. Nevertheless, the World Bank's Worldwide Governance Indicators reflected that corruption was a problem. Transparency International ranked Namibia 53 out of 168 countries in its 2016 corruption perceptions index, which measures the perceptions of businesses and country analysts about the degree of corruption in a country. A score of 100 reflects a "highly clean" and 0 reflects a "highly corrupt" nation. Namibia scored 52.
- Namibia reduced its (non-mining) corporate tax on earnings from 33 percent in 2015 to 32 percent in 2016, to bring it closer to 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 at 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 manufacturing investment for both local and international markets.
- On July 13, 2016, the U.S. Department of Agriculture's Food Safety Inspection Service (FSIS) added Namibia to the list of countries eligible to export beef and beef 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 beef and beef products.

- 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
- Tourism is one of the country's fastest growing 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.
- 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 will invest 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.
- 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, but it has been slow to implement policies that favor renewables development.
- Namibia has a wealth of natural resources including uranium, diamonds, gold, zinc, and copper, which are the primary sources of foreign exchange earnings. According to the World Nuclear Association, Namibia is the world's fifth-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 addition to accessibility, efficiency and low crime, it is closer to North America and Europe and less congested than rival South African ports. The port of Walvis Bay is similarly closer to markets in Zambia, Zimbabwe, and Angola via rail and well-maintained hard-surface highways.
- The main commercial agriculture activities include fish and fish processing, livestock farming, and production of table grapes. The Namibian government actively encourages processing of agricultural products in Namibia.
- The government is seeking to attract foreign investors to participate in publicprivate partnerships (PPPs), particularly in the health, transportation and housing sectors. A law to facilitate PPPs was passed and will begin to be implemented in 2017.

# **Market Entry Strategy**

The Namibian Investment Center (NIC) advises investors on procedures for entering the Namibian market and establishing a business. NIC's services include assisting investing companies with registering and facilitating applications for work permits.

In order to do business in Namibia, it is helpful (though not required) to have a local presence or a local partner. It is 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 2017* report notes that it takes 10 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.

# **Political Environment**

## Political Environment

[Find the State Department link to your country and insert it into the text by clicking on this link <a href="http://www.State.gov/r/pa/ei/bgn/">http://www.State.gov/r/pa/ei/bgn/</a>]

For background information on the political and economic environment of the country, please click on the link below to the U.S. Department of State Background Notes.

https://www.state.gov/r/pa/ei/bgn/5472.htm

# **Selling US Products & Services**

# Using an Agent to Sell US Products and Services

The Namibia Investment Center (NIC), together with the Namibia Chamber of Commerce and Industry (NCCI) and its affiliated chambers, offers services to foreign investors in need of agents, distributors and joint-venture partners.

#### Contact details for NCCI:

## Mailing address:

# Namibian Chamber of Commerce and Industry

PO Box 9355 Windhoek, Namibia Office address: 2 Jenner Street Windhoek

Phone: +264 61 228 809 Fax: +264 61 228 009 Email: info@ncci.org.na Website: www.ncci.org.na

#### Contact details for NIC:

#### Mailing address:

Ministry of Trade and Industry Namibia Investment Centre Private Bag 13340 Windhoek, Namibia

#### Office address:

Block B Brendan Simbwaye Square **Goethe Street** Windhoek, Namibia Tel. +264-61-283 7335 Fax. +264-61-220 278

# Establishing an Office

Business in Namibia may be conducted in the form of a public or private company, branch of a foreign company, closed corporation, partnership, joint venture or sole trader. Companies are currently regulated under the 2004 Companies Act.

For more information on incorporation procedures and registration requirements, contact:

Mrs. Maria Pogisho

Acting Director - Registrar of Companies and Close Corporations

Ministry of Trade and Industry

Tel: +264-61- 283 7293

Fax: +264-61- 222 576

Email: pogisho@mti.gov.na

In addition, businesses must also register with the following:

- Relevant local authorities
- Social Security Commission

## **Franchising**

Franchising is still a relatively untapped concept in Namibia, but is becoming more and more popular. A number of South African supermarkets and fast food franchises, such as Nando's, Pick and Pay, Shoprite, Woolworths, Game, Click's, DisChem, Sportsmans Warehouse, Wimpy, and Steers, operate in Namibia, as do a few U.S. franchises, such as Kentucky Fried Chicken, Curves, Hertz, Avis and Budget Rent A Car. There is potential for U.S. companies, both retail and service-oriented (i.e. restaurants), to expand through franchising. Currently there is no franchise-specific legislation in Namibia.

# **Direct Marketing**

Advertising support is readily available (i.e. print, radio, television and Internet services) in Namibia and is of good quality.

Namibian newspapers include the following:

- The Namibian -daily (<a href="http://www.namibian.com.na/">http://www.namibian.com.na/</a>)
- New Era -daily (http://www.newera.com.na/)
- The Sun daily (http://www.sun.com.na/)
- Die Republikein -daily Afrikaans language newspaper (http://www.republikein.com.na)
- The Patriot bi-weekly (http://thepatriot.com.na/)
- The Namibian Economist weekly (http://www.economist.com.na/)
- The Windhoek Observer weekly (http://www.observer.com.na/)
- Confidente weekly (http://www.confidente.com.na/)
- The Villager weekly (http://www.thevillager.com.na/)
- Allgemeine Zeitung weekly German language newspaper (http://www.az.com.na/)

Advertisers interested in wide, local-language coverage and television advertising may wish to contact the Radio Service at the Namibian Broadcasting Corporation http://www.nbc.na/

A few reputable companies also offer various marketing and advertising services. These include:

Ogilvy & Mather Namibia

Tel. +264-61-247 371

Email: production@ogilvy.com.na

http://www.ogilvy.com.na/contactInfo/index.html

Vision Africa Research Services

Tel. +264-61- 244 660

http://www.vision-africa.com/contact.php

Advantage Y & R

Tel. +264-61- 289 1600

E-mail: advantage@mac.com.na

http://www.advantageyr.com/index.htm

# Corporate Gifts and Promotions CC

Tel. +264-61- 259 916

INTV Productions (PTY) Ltd

Tel. +264-61- 225 665

E-mail: intv@mac.com.na

One Africa Television

Telephone: +264 (61) 2891500

Facsimile: +264 (61) 259450

http://www.oneafrica.tv/

Adforce DDB

Telephone: +264 (61) 237300

Facsimile: +264 (61) 245027

http://www.adforceddb.com

# Joint Ventures/Licensing

When entering into joint ventures, it is advisable to consult an expert on legal documents. All businesses are required to obtain appropriate trading licenses from the local municipality. In addition, businesses are required to register with the Ministry of Finance for tax purposes.

For more information about joint ventures, contact:

Mrs. Maria Pogisho

Acting Director - Registrar of Companies and Close Corporations

Ministry of Trade and Industry

Tel: +264-61-283 7293

Fax: +264-61- 222 576

Email: pogisho@mti.gov.na

Ms. Bernadette Artivor

Deputy Permanent Secretary

Namibia Investment Center (NIC)

Ministry of Trade and Industry

Tel. +264-61-283 7335

E-mail: <u>artivor@mti.gov.na</u>

Mr. Tarah Shaanika

Chief Executive Officer

Namibia Chamber of Commerce and Industry (NCCI)

Tel. +264-61-228 809

E-mail: info@ncci.org.na

# Selling to the Government

In December 2015, the Namibian government introduced a new procurement act (<a href="http://parliament.na/index.php?option=com\_phocadownload&view=category&download=7956:5922&id=160:government-gazettes-of-2016&Itemid=1269">http://parliament.na/index.php?option=com\_phocadownload&view=category&download=7956:5922&id=160:government-gazettes-of-2016&Itemid=1269</a>, PDF) which is more in line with international standards, and aims to ensure more transparency. The act, currently in the implementation phase, outlines public tender procedures in Namibia. The Tender Board usually 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. The Namibia Tender Bulletin is a useful weekly publication that publishes tender advertisements.

If you would like to subscribe to or advertise in the Tender Bulletin, you can contact them at: Tel. +264-61-209-2136.

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 Trade and Industry.
- · Any other relevant document certificate required by the individual tender document

For additional information on tender policies in Namibia, please click on this link:

http://global.tendernews.com/procurement\_nambia.asp

Key areas of opportunities for tenders include:

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

## Distribution & Sales Channels

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 km, 14% 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 has direct air links to Cape Town and Johannesburg in South Africa, as well as to Luanda, Angola; Lusaka, Zambia; Harare, Zimbabwe; and Gaborone and Maun, Botswana. There are also regular intercontinental flights from Namibia to Frankfurt, Amsterdam, and Doha. Hosea Kutako International Airport is situated 48km 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: <a href="https://www.airports.com.na">www.airports.com.na</a>.

Namibia's national airline, Air Namibia, has domestic, regional, and international service to Frankfurt airport. For more information on Air Namibia: <a href="http://www.airnamibia.com.na/">http://www.airnamibia.com.na/</a>

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 U.S.

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 Unicorn Lines, Maersk Line, Conti Lines and Secil Sul Lines. For more information on Namibia's ports visit: <a href="http://www.namport.com/">http://www.namport.com/</a>

# **Express Delivery**

International express mail delivery services are available in Namibia including FedEx and DHL.

# Selling Factors & Techniques

Although English is Namibia's official language, it is rarely the first language of most Namibians. Oshiwambo is the main language spoken at home by nearly half the population. There are at least a dozen other local languages 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.

To reach the majority of Namibians, marketing materials, product labeling and packaging is frequently carried in English, Afrikaans and Oshiwambo. To reach rural communities some firms invest in translating materials into local languages.

#### **eCommerce**

#### Overview

Electronic commerce is still relatively unknown to Namibian consumers. Though the number is growing, a minority (22 percent according to the International Telecommunication Union, 2015 figures) of Namibians enjoy access to the Internet. The government is formulating policies to regulate electronic commerce. Internet banking and mobile (cell phone) banking are also available.

The Namibian government is still crafting an electronic transaction and cybercrime bill to provide a framework for the promotion of electronic transactions in government services and private contracts. The bill aims at promoting e-government services, electronic commerce and communications with public, private institutions and citizens. According to the government, "...the bill will further aim to develop a safe, secure and effective environment for the consumer, business and public agencies or bodies to conduct and use electronic transfers."

#### **Current Market Trends**

Namibia has not yet recorded much progress in e-commerce. The main reason is that most of the available online payment systems require users to have credit cards. Only a very small percentage of the Namibian population qualifies for credit cards and the few who have them are unwilling to do online transactions using their credit card information due to perceived security reasons. Furthermore, Namibia does not have an open online payment system that any merchant can readily integrate on their site to accept payments online. The ideal online payment system for the Namibian market must be inclusive enough to allow anyone with access to the internet either through the PC or mobile phone to do online payments, but this is not yet the case.

#### Domestic eCommerce (B2C)

Local payment systems are Mobi-Pay, First National Bank's e-wallet, mobile operators' premium SMS's, and E-bank. All these are, however, not readily available through an API for any online merchant to integrate on their app or website as a payment system. Namibia recently experienced innovation in mobile payment systems, but these are still prone to security breaches. The Bank of Namibia's governor supports an online

payment system - "...as long as it does not compromise the stability of the country's overall banking system, and especially that an online payment system would contribute toward having a cashless economy where businesses and individuals do not have to carry big amounts of cash."

#### Cross-Border eCommerce

In light of the massive growth prospects of e-commerce in Southern Africa, DHL Express in February 2017 released a report, 'The 21st Century Spice Trade: A Guide to the Cross-Border E-Commerce Opportunity'. The report indicates that cross-border online retail volumes are predicted to increase at an annual average rate of 25 percent between 2015 and 2020 (from US\$300 billion to US\$900 billion), twice the pace of domestic e-commerce growth. Cross-border e-commerce is considered a growth mechanism for sub-Saharan Africa retailers and the report reveals that cross-border e-commerce offers aggregate growth rates not available in most other retail markets. For Namibia, as on the rest of the African continent, the main challenges highlighted by consumers to crossborder purchases relate to logistics, trust, price and customer experience. At the same time, online retailers can take a number of relatively easy steps to identify, cultivate and service demand from abroad. The report noted that the e-commerce trend has given birth to a new eco-system of facilitators and offthe-shelf solutions (such as payment providers and programs that localize a website's check-out experience for the visitor), helping retailers to adapt their offering to the digital world and to transact with customers in foreign markets.

#### eCommerce Intellectual Property Rights

Since Namibia is still developing the legislation around eCommerce, intellectual property rights have not yet been locally established.

# **Online Payment**

All six commercial banks allow for online payments.

#### Mobile eCommerce

The most popular modes for mobile eCommerce include Mobi-Pay, First National Bank's e-wallet services, and E-bank. These methods of payment are becoming increasingly popular.

## **Digital Marketing**

Digital marketing is still gaining traction in Namibia,. Tthe leading company operating in this sphere is IMDM Namibia. Website: http://imdm.mobi/Namibia/

#### Social Media

The use of social media in Namibia has become increasingly popular over the past few years. Be that as it may, radio still remains the most popular form through which people receive communication, followed by television, newspapers, and then social networks. Facebook remains the social media network of choice in Namibia by 90%, with few people indicating a liking for Twitter, Instagram, WhatsApp or Google +. The majority of Namibians regard social media as more useful for communication among themselves, with friends or relatives. Only a minority used it for researching information or for study purposes.

# Trade Promotion & Advertising

The following trade shows usually take place in Namibia, and they provide a good opportunity to showcase one's products:

#### APRIL

Luderitz Crayfish Festival

#### MAY

• Windhoek Mining Expo & Conference

#### **JUNE**

- Windhoek Namibia Tourism Expo
- Bank Windhoek & Republikein Motor Show

#### **AUGUST**

Ongwediva Annual Trade Fair

#### **SEPTEMBER**

Windhoek Agricultural Show

#### **OCTOBER**

- Tsumeb Copper Festival
- Walvis Bay Namport Erongo Business & Tourism Expo

#### Below are links to the major local newspapers:

- The Namibian -daily (<a href="http://www.namibian.com.na/">http://www.namibian.com.na/</a>)
- New Era -daily (<a href="http://www.newera.com.na/">http://www.newera.com.na/</a>)

- The Sun daily (http://www.sun.com.na/)
- Die Republikein -daily Afrikaans language newspaper (http://www.republikein.com.na)
- The Patriot bi-weekly (http://thepatriot.com.na/)
- The Namibian Economist weekly (<a href="http://www.economist.com.na/">http://www.economist.com.na/</a>)
- The Windhoek Observer weekly (<a href="http://www.observer.com.na/">http://www.observer.com.na/</a>)
- Confidente weekly (http://www.confidente.com.na/)
- The Villager weekly (http://www.thevillager.com.na/)
- Allgemeine Zeitung weekly German language newspaper (<a href="http://www.az.com.na/">http://www.az.com.na/</a>)

To access the Namibia Trade Directory, please click on: <a href="https://www.namibiatradedirectory.com">www.namibiatradedirectory.com</a>.

For television and radio services, please visit the national broadcaster at: (<a href="https://www.nbc.na">https://www.nbc.na</a>)

## **Pricing**

Because the majority of products are imported from South Africa, most industry prices are derived from South African prices. The Namibia dollar (N\$) is pegged 1:1 to the South African Rand. Goods and services are priced in Namibia dollars, though South African Rand are accepted as legal tender in Namibia.

A registered company or person is required to pay Value Added Tax (VAT) on the supply of most goods and services. VAT is also payable on the purchase and import of most goods and some services. Most goods are taxable at the standard rate of 15% although some supplies and imports are subject to the higher rate of 30%. Local prices of goods and services normally include VAT.

# Sales Service/Customer Support

Most major companies and shops provide satisfactory customer support and offer after sales service. Firms wishing to penetrate the Namibian market will need to consider how to provide after-sales service (either directly or via a partner company).

# **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. <a href="https://na.usembassy.gov/u-s-citizen-services/local-resources-of-u-s-citizens/attorneys/">https://na.usembassy.gov/u-s-citizen-services/local-resources-of-u-s-citizens/attorneys/</a>

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)

#### **IP Resources**

A wealth of information on protecting IP is freely available to U.S. rights holders. Some excellent resources for companies regarding intellectual property include the following:

- For information about patent, trademark, or copyright issues -- including enforcement issues in the US and other countries -- call the STOP! Hotline: 1-866-999-HALT or visit www.STOPfakes.gov.
- For more information about registering trademarks and patents (both in the U.S. as well as in foreign countries), contact the U.S. Patent and Trademark Office (USPTO) at: 1-800-786-9199, or visit <a href="http://www.uspto.gov/">http://www.uspto.gov/</a>.
- For more information about registering for copyright protection in the United States, contact the U.S. Copyright Office at: 1-202-707-5959, or visit http://www.copyright.gov/.
- For more information about how to evaluate, protect, and enforce intellectual
  property rights and how these rights may be important for businesses, please visit the
  "Resources" section of the STOPfakes website at
  http://www.stopfakes.gov/resources.
- For information on obtaining and enforcing intellectual property rights and market-specific IP Toolkits visit: www.stopfakes.gov/businesss-tools/country-ipr-toolkits. The toolkits contain detailed information on protecting and enforcing IP in specific markets and also contain contact information for local IPR offices abroad and U.S. government officials available to assist SMEs.

The U.S. Department of Commerce has positioned IP attachés in key markets around the world. You can get contact information below for the IP attaché who covers the following countries:

In any foreign market companies should consider several general principles for effective management of their intellectual property. For background on these principles please link to our article on Protecting Intellectual Property and also Corruption.

# Due Diligence

Please consult legal counsel for advice on necessary due diligence. The U.S. Embassy in Windhoek maintains a list of local attorneys (<a href="https://na.usembassy.gov/u-s-citizen-services/local-resources-of-u-s-citizens/attorneys/">https://na.usembassy.gov/u-s-citizen-services/local-resources-of-u-s-citizens/attorneys/</a>). The list is provided solely as a resource and is not as an endorsement of any of the firms listed.

The Law Society of Namibia is a membership organization for lawyers. The Law Society of Namibia keeps a list of its members at: <a href="http://lawsocietynamibia.org/content/find-members/find-a-practitioner">http://lawsocietynamibia.org/content/find-members/find-a-practitioner</a>

#### **Local Professional Services**

The following Namibia Trade Directory link contains contact information for local authorities, parastatal bodies, advertising and news media, business and professional organizations, chamber of commerce, diplomatic missions and non-governmental organizations:

http://www.namibiatradedirectory.com/home/classified-directory/

# **Principle Business Associations**

The largest business association in Namibia is the Namibia Chamber of Commerce and Industry (<a href="http://www.ncci.org.na/">http://www.ncci.org.na/</a>). Namibia has a many other business and professional associations as well, and a list can be found on the Namibia Trade Directory's website at <a href="http://www.namibiatradedirectory.com/home/classified-directory/professonal-associations/business-and-professional-organisations/">http://www.namibiatradedirectory.com/home/classified-directory/professonal-associations/business-and-professional-organisations/</a>

# **Limitations on 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 Trade, Industrialization, and SME Development. 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".

In 2011, the Namibian government declared uranium, diamonds, gold, copper and rare earth metals to be strategic minerals. The declaration aimed to make the government and people of Namibia meaningful participants in the mining sector by granting state-owned companies the right to own all new licenses issued for the exploration and mining of strategic minerals. Such companies are authorized to enter into joint ventures with other parties for exploration and/or development. Currently, Epangelo is the only such company. Renewal of existing licenses was not affected.

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 Land Reform.

New Equitable Economic Empowerment Framework and Affirmative Action

The government actively encourages partnerships with historically disadvantaged Namibians. The Ministry of Labor and Social Welfare'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 draft the "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, 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 Mining 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.

#### Web Resources

•	Ministry of	Trade and	Industry	www.mti.gov.na
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Namibia Chamber of Commerce & <a href="www.ncci.org.na">www.ncci.org.na</a>
Industry

Namibia Trade Directory www.namibiatradedirectory.com

• The Namibian Newspaper <u>www.namibian.com.na</u>

The Republikein Newspaper <u>www.republikein.com.na</u>

The New Era Newspaper
 www.newera.com.na

The Economist Newspaper www.economist.com.na

Allgemeine Zeitung <u>www.az.com.na</u>

•	Walvis Bay Corridor Group	www.wbcg.com.na
•	TransNamib	www.transnamib.com.na
•	Namibia Airports Company	www.airports.com.na
•	Air Namibia	www.airnamibia.com.na
•	Namport	www.namport.com.na
•	Law Society of Namibia	www.lawsocietynamibia.org
•	Who's who Namibia	www.whonamibia.com

# **Leading Sectors for US Exports & Investments**

There are several sectors in Namibia with potential for US exports and investments. In the commercial sectors, there are opportunities in electrical power systems, especially renewable energy; supplying of mining industry equipment; port/ship-building equipment; commercial fishing equipment; and travel/tourism services.

Within the agricultural sectors, opportunities lie in marketing and distributing indigenous plants; creating a highly efficient irrigation systems including solar/wind powered systems; and selling farming equipment and machinery.

# **Energy**

#### Overview

Namibia's rapid economic growth in recent years has resulted in electricity demand rising faster than energy planners had anticipated. NamPower, the government-owned power utility, operates generation facilities that were constructed in the 1970s. NamPower has three generation plants (Ruacana Hydro plant 330MW, Van Eck thermal plant 120 MW, and Paratus thermal plant 24 MW) which generally never produce at full capacity. In addition, a 21.5 MW plant in Walvis Bay began operating in late 2011. Peak demand is over 500 MW.

Namibia generates less than half the energy it consumes. Namibia has long relied on imported power from South Africa (Eskom), but South Africa's rapid economic growth has put strains on its domestic electricity generation capability and thus its ability to export. Namibia recently signed a new 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 May 2012 which now generates an extra 92 MW of power. A USTDA-financed study of the Van Eck Power plant was completed in March 2012 and provided the GRN with several options for extending the life of this plant. Nampower has reportedly elected to extend the life of the plant by ten

years and is currently looking at financing options. 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 Zimbabawe'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/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, but with very limited exceptions, no 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 by early 2012. 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.

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 1% 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% 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, in 2007, the government launched its Off-grid Energisation 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.

# **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, and
- 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
- Kudu Power Project -- 800 MW gas plant in Oranjemund
- 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
- Refurbishment of the Van Eck Power Station
- Baynes Hydroelectric plant

NamPower is already seeking investors for the Zizabona project and is expected to seek a partner for the refurbishment of Van Eck soon. Nampower is also in talks with partners for the development of the Kudu Power Station. However, not all of the projects noted will be approved for final construction and commissioning.

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 Boar	d <u>htt</u>	tp:/	/ / <b>y</b>	www.	<u>ecb.o</u>	rg.ı	<u>na/</u>	

Ministry of Mines and Energy <a href="http://www.mme.gov.na/energy/electricity.htm">http://www.mme.gov.na/energy/electricity.htm</a>

Renewable Energy & Energy
 <a href="http://www.reeei.org.na/index.php">http://www.reeei.org.na/index.php</a>

Efficiency InstituteErongo RED <a href="http://erongored.com/">http://erongored.com/</a>

http://www.cenored.com.na/

# **Agricultural Sector**

Cenored

#### 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. However, the export of meat and meat products (which are counted under manufacturing and not agriculture) were essentially equivalent to the total value of agricultural exports. Most meat is exported to Europe and to South Africa, though China may become a new market. Livestock farming remains a foreign exchange earner for Namibia. In 2016, Namibia became the first and only African country eligible for beef export to the United States.

In recent years, the export of crops, vegetables, fruits, and forestry products has grown by value, of which table grapes has been the largest contributor.

The Ministry of Agriculture, Water and Forestry (MAWF) 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 Namibia's perennial rivers bordering Namibia within five years of its inception in 2004. Five years later, the government acknowledged that Green Scheme had not met many of its initial goals, less than 9000 hectares were under irrigation and several of the Green Scheme projects struggled financially. Although the time frame has been extended to 15 years, the amount of irrigated land under the scheme remains virtually unchanged. Nevertheless, government has decided to continue pursuing its Green Scheme initiative, which is perceived as a possible solution to poverty.

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). Under the NMSP importers must purchase a designated percentage of their turnover within Namibia. As a result of the NHDI (and other initiatives) local horticulture production grew by 52 percent from 2004 to 2010 (from 37,823 tons to 57,809 tons) and by 2010 reached an import substitution level of over 22 percent, up from 7 percent before the

initiative started. In further support of the NHDI, 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, to encourage greater production of grain products, and to meet its food security goals the government (via the Agronomic Board) has established policies to control certain grains. White maize, wheat, and 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 Forestry (MWAF). 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**

The MAWF has announced two projects during the 2016 "Invest in Namibia" conference, including an irrigation project and a cattle feedlot project. Details can be found at the following link: http://www.investnamibia.com.na/projects

## Web Resources

Ministry of Agriculture, Water and Forestry

http://www.mawf.gov.na/

Namibia Agronomic Board <a href="http://www.nab.com.na">http://www.nab.com.na</a>

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

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

Namibia Agricultural Union <a href="http://www.agrinamibia.com.na/">http://www.agrinamibia.com.na/</a>

Agra <a href="http://www.agra.com.na/home.htm">http://www.agra.com.na/home.htm</a>

# Port Ship-building 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. Zambia has developed a "dry port" in Walvis Bay, and Botswana and Zimbabwe have signed agreements to do so. The port participates in the International Ship and Port Facility Security (ISPS) code with assessments under the code completed in 2015 and 2017.

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 250,000 TEUs. Anticipating further demand, the Port Authority solicited proposals in 2012 to double the container port's capacity. The container port expansion project is underway and expected to be completed in 2018.

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 and 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, although NamPort awarded a tender for a new port management system in 2015. Companies with expertise in ship and oil rig repair may also find opportunities.

Spin-offs effects resulting from the growth of Walvis Bay provide opportunities for companies in the following sectors:

RRE Railroad Equipment

TRK Trucks, Trailers/Buses

#### **Opportunities**

Due to the high level of growth, NamPort is constructing a new container port facility (once expansion is complete, the container port is expected to be able to handle 1,000,000 TEUs per year) on reclaimed land inside current port limits. It is also in the process of deepening the harbor from 12.8 meters to 15 meters.

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, 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

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

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

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

# 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, the 50:50 joint venture between the Namibian government and Debeers, is the primary land-based diamond mining company. Debeers Marine handles off-shore diamond mining.

Namibia is now the fourth largest producer of uranium oxide. The nuclear industry continues to fuel the demand for uranium, due mainly to China's expansion. Further strong non-OECD growth is fuelled by Russia and India. Nuclear energy still remains a key source of clean, base load power, and this has seen a solid growth profile in the OECD during 2016.

Rio Tinto's Rossing Uranium mine, in production since the mid 1970's, is the world's third-largest uranium mine. In 2006, Paladin Energy's Langer Heinrich mine came on line. Langer Heinrich is currently undergoing its third phase of, which is expected to result in another significant increase in production. Areva, the French-owned vertically integrated nuclear power company completed construction of its Trekkopje uranium mine and reached full production in 2013. Finally, the Husab mine, adjacent to Rossing and believed to be the world's 4th largest uranium deposit, was acquired by a Chinese company, and development of the mine started in early 2013. The mine achieved its first production of uranium ore concentrates in December 2016, and is expected become fully operational during 2017, which in turn will push Namibia from being the world's 4th largest uranium producer, to number two.

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%).

In 2012, Namibia East China Non-Ferrous Investment announced that it had discovered large deposits of iron ore in the Kunene Region, in the north-western corner of Namibia. The company's general manager, Ming Li, said they had discovered a deposit of 2.37 billion tons of iron ore, which has a lifespan of about 100 years. Over the past four years, the company has invested US\$37.5 million in further mineral exploration, and it expects to start mining iron ore by late 2018.

Lodestone, a mining company with U.S. shareholding has begun operations to extract and develop iron ore deposits in eastern Namibia. The Lodestone Dordabis iron ore mine commenced production in 2015, signifying another first for 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 sector mining sector growth leads to the expansion of up-stream and services sectors.

## Other large mining operations include:

Mining Company	Ownership	Product
Weatherly Mining Namibia	Weatherly International*	Copper mining
Okorusu Fluorspar	Solvay Fluor	Fluorspar (CaF <sub>2</sub> )
Otjosondu Manganese mine	Shaw River Manganese	Manganese
Navachab	AngloGold Ashanti	Gold

	Exports of current pri	ores and mineral ces)	s (N\$ m in
	2014	2015	2016
Metals ore including uranium ore	6,746	7,779	No info yet
Other Minerals	829	625	No info yet
Diamonds	13,784	15,409	No info yet
TOTAL	21,359	23,813	No info yet

Source: Namibia Chamber of Mines Annual Report, 2016

## **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, and
- 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 at least six uranium projects in exploration, tone of which moved beyond exploration to production in 2013. Bannerman Resources applied for a full mining license for its Etango Project in December 2009, which has yet to be approved. Extract Resources, which received a mining license for its Rossing South Project (now known as Husab) in late 2011, was acquired by the China General Nuclear Power Group (CGNPG) in 2012. CGNPG partnered with Windhoek-based Swakop Uranium and began developing Husab in early 2013 Of the six projects in exploration, the following three have the highest likelihood of reaching full production:

Company	Location	Deposit Type	Measured & Indicated Resources	Inferred Resources
CGNPC / Swakop Uranium	Rossing South ("Husab")	Hard rock	9,250 tU in 0.038% ore	93,660 tU in 0.0415% ore
Forsys Metals Corp	Valencia	Hard rock	21,500 tU in 0.016% ore	4,200 tU in 0.012% ore
Bannerman Resources	Etango	Hard rock	41,500 tU in 0.021% ore	20,000 tU in 0.0197% ore

Source: <a href="http://www.world-nuclear.org/info/inf111.html">http://www.world-nuclear.org/info/inf111.html</a>

There are many other companies engaged in exploration and mining activities for various other metals/minerals. 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 <a href="http://www.chamberofmines.org.na/">http://www.chamberofmines.org.na/</a>
- Ministry of Mines and Energy <a href="http://www.mme.gov.na/">http://www.mme.gov.na/</a>
- 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

# **Commercial Fishing Equipment**

#### Overview

Fishing is one of Namibia's top industries, contributing between three and seven percent of GDP since 1990, 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.

Mariculture - primarily oysters - is another market ripe for expansion. Namibian oysters reach market size in half the time of oysters in other parts of the world and according to experts taste significantly better than oysters grown elsewhere as well. Great taste and faster time to market should result in a mariculture boom. But while oyster and abalone farmers seek high-value markets like the U.S., 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 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 US 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.

#### Web Resources

<ul> <li>INFOSA</li> </ul>	http://www.globefish.o	rg/dynamisk.php4?id=2238
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- Ministry of Fisheries and Marine http://www.mfmr.gov.na/ Resources
- http://www.afriline.net/namibian-fishing-Namibian Fishing Industry On line industry-online-info-3280.asp

#### **Travel and Tourism**

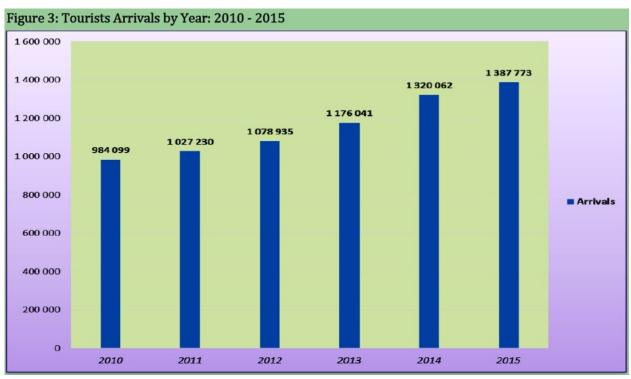
#### Overview

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 landscape, 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.

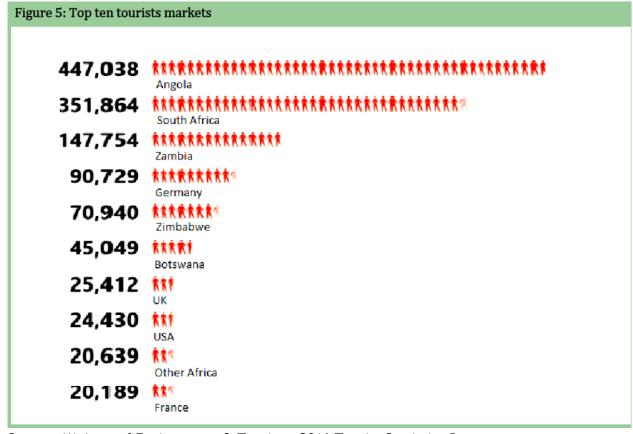
In a report, the World Travel and Tourism Council (WTTC) estimated that tourism contributed approximately 14.9% of GDP. The Namibia Statistical Agency (NSA) does not break out tourism as a separate category, so the WTTC GDP estimate is inferred from the compilation of data from related industries - hospitality, transportation, etc. The WTTC report forecasted growth of 7.9% per annum until 2023.

Excluding neighboring African countries, the United States represents Namibia's third largest tourist market; only Germany and the UK were larger, followed by France and Netherlands. 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.



Source: Ministry of Environment & Tourism, 2016 Tourist Statistics Report



Source: Ministry of Environment & Tourism, 2016 Tourist Statistics Report

#### **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. Also, increasingly there are endurance race events (running, biking, and mixed sports) hosted in Namibia.
- Ecotourism Increasingly tourist want to stay at destinations that have minimum impact on (or blend in with the) 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 May/June of each year.

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 already equipped with state of the art information technology solutions, the Namibian tourism 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/	
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•	Namibia	Tourism Expo	http://nte.nmh.com.na/
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•	Hospitality Association of	http://www.hannamibia.com/
	Namibia	

•	Federation of Namibia Tourism	http://www.fenata.org/
	Associations (FENATA)	

 Ministry of Environment and http://www.met.gov.na Tourism

# Customs, Regulations & Standards

#### **Trade Barriers**

Namibia uses Infant Industry Protection (IIP) to protect the cement, chicken processing, and dairy (specifically pasteurized and UHT milk) industries. These industries have the highest customs duties and quantity restrictions including within the Southern African Customs Union (SACU), of which Namibia is a member.

Namibia is not party to the WTO plurilateral Agreement on Government Procurement; government procurement legislation provides for price preferences to local suppliers/products.

# **Import Tariff**

Namibia is a member of the Southern African Customs Union (SACU) which serves to harmonize customs regimes of Namibia, Lesotho, Botswana, South Africa, and Swaziland. There are no tariff barriers among SACU members. South Africa sets the common tariff schedule for SACU with consultation from SACU members. SACU has highly harmonized customs tariffs; excise duties; duty and tax concessions (i.e. rebates, refunds and drawbacks); customs valuation; rules of origin;, and contingency trade remedies. The International Trade Administration Commission (ITAC) of South Africa is responsible for managing the SACU common external tariff (CET); it is also mandated to recommend all rebates, refunds, and drawbacks in SACU.

The simple average applied Most Favored Nation (MFN) tariff rate is 8.3%. The SACU tariff is highly complex, and still comprises ad valorem; specific; mixed; formula (variable) duties; and their combination. Tariff rates in SACU are highly dispersed from 0% to 624% (an ad valorem equivalent). The most frequently applied is 0%, and it is applies to about 57.5% of all tariff lines on, inter alia, live animals, products of animal origin, ores, fertilizers, cork, pulp of wood, silk, some minerals (e.g. nickel, lead, and zinc), and other base metals. The highest ad valorem rate (96%) applies to 14 tariff lines, including mainly dairy products; and the highest ad valorem equivalent (624%) applies to worn clothing and worn textile articles. Agriculture is the most tariff-protected sector (9.9% on average), while tariff protection for non-agricultural goods is 8% on average. Manufacturing is the second-most tariff-protected sector (8.7%), followed by mining and quarrying.

For more information on SACU's tariff regime see the World Trade Organization (WTO) document: https://www.wto.org/english/tratop\_e/tpr\_e/tp424\_e.htm

The SACU secretariat is based in Namibia. To access SACU's Common External Tariffs (CET), refer to this link: http://www.sacu.int/show.php?id=420

SACU Member States use similar Customs and Excise Legislation. To access the Namibia Customs and Excise Act, click on: <a href="https://namibiatradeinformationportal.gov.na/trade-library/document.php?docID=22">https://namibiatradeinformationportal.gov.na/trade-library/document.php?docID=22</a>

For more information on Namibia trade policies, see the World Trade Organization (WTO) document: https://www.wto.org/english/tratop\_e/tpr\_e/s324-02\_e.pdf

# Import Requirements & Documentation

The Directorate of International Trade of the Ministry of Industrialization, Trade and SME Development (MITSMED) 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, MITSMED does not issue licenses for imported used clothing.

Most agricultural imports require a permit issued by MITSMED. 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 MWAF. 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:

Ms. Renette Smuts

Chief Trade Promotion Officer

Ministry of Trade and Industry

Tel. +264-61-283 7293

E-mail: smuts@mti.gov.na

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

## Labeling/Marking Requirements

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

# **U.S. Export Controls**

The Arms Export Control Act (AECA) is implemented by the International Traffic in Arms Regulations (ITAR). All persons or entities that engage in the manufacture, export, or brokering of defense articles and services must be registered with the U.S. government. The ITAR sets out the requirements for licenses or other authorizations for specific exports of defense related articles and services. U.S. companies requiring information on exporting ITAR items to Namibia should contact the Department of State's Directorate for Defense Trade Controls (DDTC) Helpdesk at 202-663-1282, Response Team E-mail: <a href="mailto:DDTCResponseTeam@state.gov">DDTCResponseTeam@state.gov</a> or visit: <a href="http://www.pmddtc.state.gov">http://www.pmddtc.state.gov/</a>. The Export Administration Act of 1979, as amended, authorizes the Department of Commerce, in consultation with other appropriate agencies, to regulate the export or re-export of U.S.-origin dual-use goods, software, and technology. The Department of Commerce's Bureau of Industry Security (BIS) implements this authority through the Export Administration Regulations (EAR) (<a href="https://www.bis.doc.gov/">http://www.bis.doc.gov/</a>).

# **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 & Restricted Imports**

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

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

To view the complete document, please click on the following link: <a href="http://www.sars.gov.za/ClientSegments/Customs-Excise/Travellers/Pages/Prohibited-and-Restricted-goods.aspx">http://www.sars.gov.za/ClientSegments/Customs-Excise/Travellers/Pages/Prohibited-and-Restricted-goods.aspx</a>

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: <a href="http://www.mof.gov.na/customs-and-excise">http://www.mof.gov.na/customs-and-excise</a>.

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: <a href="http://www.nsi.com.na/index.php">http://www.nsi.com.na/index.php</a>.

#### 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 September 2016, Namibia successfully completed the U.S. Department of Agriculture equivalence process for beef 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 (WTO)/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.

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: <a href="mailto:query@nsi.com.na">query@nsi.com.na</a>

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: <a href="mailto:econ\_comm\_Windhoek@state.gov">econ\_comm\_Windhoek@state.gov</a>

# **Trade Agreements**

**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, Swaziland and South Africa. SACU website: <a href="https://www.sacu.int">www.sacu.int</a>.

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 and renewed/revised in 2008 but has not yet been ratified by all the member states.

Botswana has ratified, and the PTA has been introduced in Namibian Parliament in late 2011. The Mercusor 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: <a href="https://www.sacu.int">www.sacu.int</a>.

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 US 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, Swaziland, 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 Swaziland - signed an Economic Partnership Agreement (EPA) with the European Union. <a href="http://ec.europa.eu/trade/policy/countries-and-regions/regions/sadc/">http://ec.europa.eu/trade/policy/countries-and-regions/regions/sadc/</a>

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 Trade and Industry

Office Address: Mailing Address:

Directorate of International Trade Block B, Brendan Simbwaye Square

Private Bag 13340 Goethe Street

Windhoek, Namibia Windhoek, Namibia

Tel: +264-61-283-7331 E-mail: dit@mti.gov.na

Fax: +264-61-253865 http://www.mti.gov.na

## Web Resources

Ministry of Trade and www.mti.gov.na Industry

 Ministry of Agriculture, www.mawf.gov.na/ Water and Forestry

www.mfmr.gov.na Ministry of Fisheries and Marine Resources

Ministry of Health and www.mhss.gov.na/ Social Services

Ministry of Finance www.mof.gov.na

Namibian Standards www.nsi.com.na/index.php Institute

Southern Africa Customs www.sacu.int Union (SACU)

2017

World Trade Organization
 Trade Policy Review
 (TPR) of SACU
 https://www.wto.org/english/tratop\_e/tpr\_e/tp424\_e.htm

## Investment Climate Statement

(link to be added when 2017 report published)

# Trade & Project Financing

## **Methods of Payment**

Namibia's banking system is modern and closely tied to the South African system. At least three of the 10 licensed local commercial banks are subsidiaries of South African banks. All local commercial banks handle international transactions and trade financing. 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, domestic checks may not exceed N\$500,000. 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.

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: http://www.lac.org.na/laws/2010/4479.pdf

## **Banking Systems**

The Bank of Namibia (http://www.bon.com.na) regulates commercial banks and the government regulates publicly owned banks. Commercial banks are part of the Common Monetary Area (CMA) governed by monetary policy set by the South African Reserve Bank.

There are several commercial banks in Namibia:

•	Bank Windhoek	http://www.bankwindhoek.com.na
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https://www.fnbnamibia.com.na • First National Bank Namibia

• Nedbank Namibia http://www.nedbanknamibia.com

 Standard Bank Namibia http://www.standardbank.com.na

• Letshego Bank Namibia https://www.letshego.com/

 EBank Limited https://ebank.na/

• Trustco Bank Limited http://www.tbn.na/

Bank BIC Namibia Limited http://www.bankbic.na/

https://www.atlantico.na Banco Atlantico

There are four publicly owned banks:

## Agricultural Bank of Namibia:

Mailing Address:

Private Bag 13208

Windhoek, Namibia.

Office Address:

10 Post Street Mall, Windhoek

Phone: +264 61 207 4111

E-mail: <a href="mailto:agribank@iway.na">agribank@iway.na</a>

# Development Bank of Namibia:

Mailing Address:

PO Box 235

Windhoek, Namibia

Office Address:

142 Robert Mugabe Avenue

2<sup>nd</sup> Floor Trustco House North

Phone: +264-61-290 8000

Fax +264-61-290 8071

E-mail: info@dbn.com.na

www.dbn.com.na

## **SME Bank**

Mailing Address:

PO Box

Windhoek, Namibia

Office Address:

172 Jan Jonker Road, Ausspannplatz

SME Bank Headquarters

Phone: +264-61-430 1000

Fax: +264-61-430 1040

Email:

www.smebank.com.na

NamPost Savings Bank run by the postal system.

Mailing Address:

PO Box 287

Windhoek, Namibia

Office Address:

Independence Avenue

Phone: +264-61-201 3115

Fax +264-61- 235 526

www.nampost.com.na

Automated Teller Machines (ATMs) and Internet banking are readily available in Windhoek and throughout major towns in Namibia. Cell phone banking is becoming more widespread and popular.

# Foreign Exchange Controls

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/getattachment/f543cd43-6f63-4736-bc50-5222ba4f6586/.aspx

Four of the nine commercial banks identified above are authorized to act as foreign exchange dealers. These are Bank Windhoek, NedBank, First National Bank (FNB), and Standard Bank. The Namibia Bureau de Change (Pty) Limited is also an authorized dealer, but has limited authority.

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

# **US Banks & Local Correspondent Banks**

There are currently no U.S. banks operating in Namibia.

# **Project Financing**

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 (ADB). 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. For more information on the CSP and projects the ADB has financed in Namibia see: <a href="http://www.afdb.org/en/countries/southern-africa/namibia/">http://www.afdb.org/en/countries/southern-africa/namibia/</a>

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.

## **Financing Web Resources**

Trade Finance Guide: A Quick Reference for U.S. Exporters, published by the International Trade Administration's Industry & Analysis team:

http://www.export.gov/tradefinanceguide/index.asp

Export-Import Bank of the United States: <a href="http://www.exim.gov">http://www.exim.gov</a>

Country Limitation Schedule: http://www.exim.gov/tools/country/country\_limits.html

OPIC: <a href="http://www.opic.gov">http://www.opic.gov</a>

Trade and Development Agency: <a href="http://www.tda.gov/">http://www.tda.gov/</a>

SBA's Office of International Trade: <a href="http://www.sba.gov/oit/">http://www.sba.gov/oit/</a>

USDA Commodity Credit Corporation: <a href="https://www.fsa.usda.gov/about-fsa/structure-and-organization/commodity-credit-corporation/index">https://www.fsa.usda.gov/about-fsa/structure-and-organization/commodity-credit-corporation/index</a>

U.S. Agency for International Development: <a href="http://www.usaid.gov">http://www.usaid.gov</a>

African Development Bank http://www.afdb.org/en/countries/southern-

africa/namibia/

Development Bank of Namibia <a href="http://www.dbn.com.na/">http://www.dbn.com.na/</a>.

# **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. Shirts and ties are acceptable business wear for men in hot weather but suits and ties should be worn for more formal occasions. 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

For travel advisory information on Namibia, please click on the link below to the State Department's consular information sheet for Namibia:

https://travel.state.gov/content/passports/en/country/namibia.html

### 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 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, Ministry of Home Affairs, or the Namibian Investment Center at the following addresses:

Embassy of the Republic of Namibia

1605 New Hampshire Ave., NW

Washington DC 20009

Telephone: (202) 986-0540

Fax: (202) 986-0443

http://www.namibianembassyusa.org/

Ministry of Home Affairs & Immigration

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 Centre

Ministry of Trade and Industry

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 should be advised that security evaluations are handled via an interagency process. Visa applicants should go to the following links.

State Department Visa Website: https://travel.state.gov/content/visas/en.html

U.S. Embassy Windhoek: https://na.usembassy.gov/

## Currency

Namibian unit of currency is the dollar. The Namibian dollar is pegged 1:1 to the South African Rand.

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/getattachment/f543cd43-6f63-4736-bc50-5222ba4f6586/.aspx

Four of the nine commercial banks identified above are authorized to act as foreign exchange dealers. These are Bank Windhoek, NedBank, First National Bank (FNB), and Standard Bank. The Namibia Bureau de Change (Pty) Limited is also an authorized dealer, but has limited authority.

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

#### Telecommunications/Electric

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% government	GSM/W-CDMA/LTE Wireless voice and data

<u>MTC</u>	65% government, 35%	GSM/GPRS/3G mobile voice and
	private	data
TN Mobile	100% government,	GSM/GPRS/3G mobile voice and
(formerly Cell One)		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, Air Berlin, KLM, Ethiopian Airlines, and Qatar Airways. Air Namibia offers regular domestic and regional service, as well as international service to Frankfurt. For more information on Air Namibia, click on: <a href="http://www.airnamibia.com.na/">http://www.airnamibia.com.na/</a>. 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). You can find a list and links to car rental companies operating in Namibia at: <a href="http://www.natron.net/caran/homepage\_E.htm">http://www.natron.net/caran/homepage\_E.htm</a> 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

can cause fatigue and light-headedness. 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 13.3%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+ 1 hour in the winter months, April to September, and GMT + 2 hours from October to March.

**Typical Business Hours** 

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

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

Namibian Public Holidays for 2017

January 01 New Year's Day

January 02 New Year's Day (in lieu)

2017

March 21 Independence Day

April 14 Good Friday

April 17 Easter Monday

May 25 Ascension Day/Africa Day

August 26 Heroes' Day

December 10 Human Rights Day

December 11 Human Rights Day (in lieu)

December 25 Christmas Day

December 26 Family Day

Note: Many Namibian businesses are closed from mid-December to mid-January for summer holidays. The U.S. Embassy in Windhoek is closed for both Namibian and U.S public holidays.

# Temporary Entry of Materials or 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.

#### **Travel Related Web Resources**

Namibia Trade Directory
 <a href="http://www.tradedirectory.com.na">http://www.tradedirectory.com.na</a>

Ministry of Trade and Industry <a href="http://www.mti.gov.na">http://www.mti.gov.na</a>

Namibian Embassy to the United <a href="http://www.namibianembassyusa.org/">http://www.namibianembassyusa.org/</a>
 States of America

• State Department Visa Website <a href="https://travel.state.gov/content/visas/en.html">https://travel.state.gov/content/visas/en.html</a>

• U.S. Embassy Windhoek Website <a href="https://na.usembassy.gov/">https://na.usembassy.gov/</a>

http://www.airnamibia.com.na/ • Air Namibia

http://www.telecom.na/ • Telecom Namibia

http://www.mtc.com.na/ MTC