

# Invest in Namibia

Project Profiles





“The Projects promoted at the 2016 International Invest in Namibia Conference, with exception of Government promoted projects, have been independently submitted by respective private sector promoters. Government is therefore not directly responsible, other than providing a platform for the private sector.”

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\* Exchange rate at 1 September 2016 (USD1 : NAD 13.5)



#### SADC Market Access

■ SADC +-280 million people

■ SACU +-57 million people

Combined SADC & CMA market: approx +-280 million people

#### Selected Rankings

Transparency International: 1st in Africa for press freedom

Fraser Institute: 2nd most favourable destination for mining and exploration in Africa

World Economic Forum: 2nd best transport infrastructure in Africa

Regional Tourism Organisation of Southern Africa: 4th best tourism destination in Africa

Mo Ibrahim Foundation: 6th for Good Governance

World Economic Forum: 22nd for Banking Institutions



## Reasons to Invest in Namibia

### Sound Democratic Governance Architecture



Namibia, a multi-party democracy, has enjoyed a high degree of political stability since its independence from South Africa in 1990. This is preserved by adherence to its robust constitution.

### Sound Macroeconomic Architecture



The country has a stable economy, which has successfully weathered international financial crises, and which evolves to grow, and meet its challenges.

### Enterprise Opportunity



Namibia offers opportunities for investment in infrastructure through public private partnerships (PPPs) or Foreign Direct Investment. By virtue of its location, Namibia offers access for manufacturers and/or exporters to 15 SADC countries, with a population of +-280 million.

Namibia values long-term relationships with foreign investors. It has put in place an enabling environment to assist with identification of opportunities, syndicate financing, operating and tax incentives in certain sectors, particularly manufacturing, and one-stop bureau services for establishment of local operations of international companies.



## Investment Environment

The Namibian government views foreign direct investment (FDI) as a key component of economic development, so it proactively legislates and nurtures an environment that is equitable and attractive for FDI.

Legislation ensures an enabling environment for foreign investors and Namibian firms, including international arbitration of disputes, the right to remit profits and access to foreign exchange. Investment incentives and special tax incentives are available for certain sectors.

### Establishment and Regulation

The Registrar of Companies manages, regulates and facilitates formation of businesses. It encourages investors to seek assistance from legal practitioners, auditors, accounting officers, or secretarial firms when registering.

The Namibia Investment Centre offers services that range from early inquiries to operational phases. It informs on investment opportunities, incentives, and procedures. It assists investors by streamlining and coordinating with ministries and regulatory bodies.

### Financial Environment and Governance

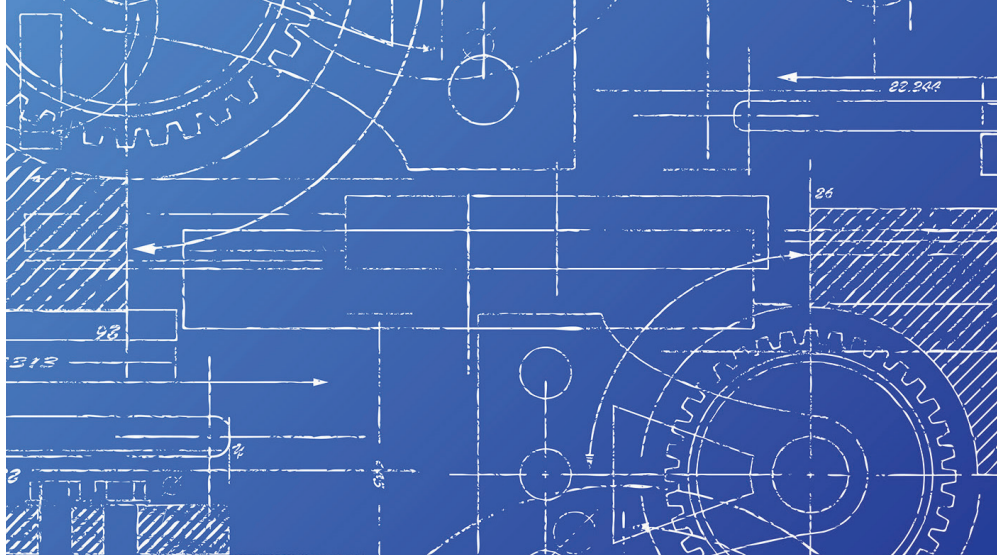
Namibia's financial environment is well developed, and robust. This has ensured that Namibia enjoys a high degree of financial stability and investment grade ratings.

Namibia is part of the Common Monetary Area (CMA) with South Africa, Lesotho and Swaziland. The Namibian dollar is pegged to the SA rand. The financial sector is sophisticated and consists of a number of commercial banks with international ties to facilitate international banking, as well as commercial and governmental sources of finance geared to enterprise finance.

Equity finance, local equity holdings and finance for infrastructure may be provided by various individual and syndicated sources of finance. The Namibian governance code is known as NamCode, and is based on the principles encoded in King III.

### Partnerships and Local Equity

Namibia encourages partnerships with local enterprises or through equity holdings. Local equity finance may be provided by commercial banks and / or other financial institutions.



## A Blueprint for Investment Opportunities - Reasons to Invest in Namibia

**N**amibia provides numerous opportunities for international investors seeking a foothold and growth on the African continent.

### Infrastructure and Logistics

Namibia has embarked on a large-scale programme of renewing and developing its infrastructure. Investment opportunities may take the form of public private partnerships (PPPs) either on a per project basis or with equity holdings. Certain utilities may be wholly owned by investors.

Current focal areas are development of water infrastructure, power generation and transmission infrastructure, as well as transport and logistics infrastructure, notably road, rail and port infrastructure, with emphasis on corridors to SADC states.

### Serviced Land and Housing

Namibia currently has a deficit of affordable serviced land and housing, so has opportunities for investment and operations in this field.

### Manufacturing and Market Access

Namibia provides preferential incentives to manufacturing, particularly those that add value to local commodities.

It provides access to the 15 SADC member states,

with an estimated population of +-280 million. Physical trade is managed by the Walvis Bay Corridor Group, which oversees transport corridors to SADC markets. Namibia also has duty and quota-free access to the Southern Africa Customs Union (SACU).

A wide range of trade agreements has been signed with blocs and nations of the African continent. Chief among these are AGOA with the USA, the EU-EPA, and the Cotonou Agreement between the EU and ACP states.

### Agriculture

To prepare for climate variability and mitigate against drought, climate change adaptive technologies are required for crop production.

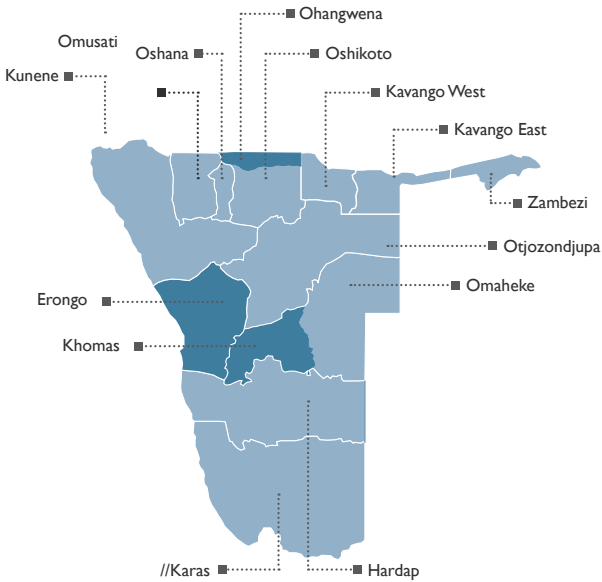
### Social Enterprise

Namibia welcomes private social enterprise, particularly specialist in health and education, to augment public provision of social services.

### Tourism

Namibia is a popular travel destination, and investment in tourism is welcomed, particularly accommodation. Further opportunities exist for PPPs in community conservancies.

## Regional Investment Opportunities



- Lesser economic activity
- Higher economic activity

Namibian development follows a regional strategy aimed at growing economic activity in all its regions. The regions with lesser economic activity hold attractive potential for investors based on their various resources and requirements for infrastructure development. Infrastructure development favours PPPs.

## Economic Snapshot (2015 Est.)

GDP (purchasing power parity)  
\$25.34 billion

GDP  
\$12.83 billion

GDP - real growth rate:  
4.5%

GDP - per capita  
\$11,400

Gross national saving  
19.6% of GDP

GDP - composition, by end use  
Household consumption: 69.2%  
Government consumption: 27.3%  
Investment in fixed capital: 29.9%  
Investment in inventories: -1.2%  
Exports of goods and services: 39.6%  
Imports of goods and services: -64.8%

GDP - by sector of origin  
Agriculture: 6.2%  
Industry: 30%  
Services: 63.8%

Agriculture - products  
Millet, sorghum, maize, peanuts, grapes; livestock; fish

Industries  
Meat packaging, fish processing, dairy products, pasta, beverages; mining (diamonds, lead, zinc, tin, silver, tungsten, uranium, copper)

Industrial production growth rate  
4.3%

Labor force  
1.188 million

Labor force - by occupation  
Agriculture: 31%  
Industry: 14%  
Services: 54%

Inflation rate (consumer prices)  
3.4%

Exports  
\$5.042 billion

Exports - commodities  
Diamonds, copper, gold, zinc, lead, uranium, cattle, goats, sheep, beef, dates, grapes, white fish and mollusks

Imports  
\$7.205 billion

Imports - commodities  
Foodstuffs; petroleum products and fuel, machinery and equipment, chemicals

Source: World Fact book



## Investment Opportunity: Energy

### Concentrated Solar Power (CSP) with Thermal Energy Storage (TES)

Namibia currently imports approximately 200 MW of its 600 MW power requirement from the SADC power pool. Demand for power is also expected to grow at 5% annually.

As a viable option to replace fossil fuel fired power stations, NamPower, Namibia's national power utility, will invest in CSP with thermal storage to combine operational flexibility with high capacity value that provides 'flexible capacity' requirements to the Namibian power system.

An independent power producer framework is in place which supports private ownership of large-scale power plants. NamPower, the main offtaker, is willing to form a public private partnerships (PPP) to develop a CSP plant with thermal storage.

#### Project Overview

The technology considered is Parabolic Trough or Central Receiver. Generation capacity of 100 MW – 150 MW is considered optimum. Feasible thermal energy storage capacity of 15 – 17 hours at solar multiple of 2 to 3. Required equity participation of between 50% and 70%. A fair and transparent solicited process through open and public bidding will be followed.

#### Project Timeline Summary

Tenders will be issued 01.2017, to be submitted 05.2017. A PPP will be appointed 08.2017. Operation is scheduled for 10.2020.

#### Investment Opportunity

Total Project Cost: USD 965 million or NAD 13 billion (NAD : USD = 13.5)

Funding split	USD million	NAD billion
Debt share: 70%	676	9.12
Equity share: 30%	290	3.91
NamPower equity shareholding:	87	1.17
Envisaged 30% - 50%	to 145	to 1.96
IPP equity shareholding:	145	1.96
Envisaged 30% - 50%	to 203	to 2.74

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## Investment Opportunity: Energy

### Electricity Generation through Biomass Harvesting

Invader bush reduces the carrying capacity of agricultural land. By utilising harvested bush, a decentralized independent power producer (IPP) model will assist NamPower to strengthen its domestic power mix and assist in further stabilizing the national power grid, while improving the carrying capacity of agricultural land.

An independent power producer framework is in place, which supports private ownership of large-scale power plants. NamPower, the main offtaker, is willing to form public private partnerships (PPPs) to generate power using harvested invader bush.

#### Project Overview

The construction of three 20 MW - 30 MW biomass power plants with storage and fuel handling infrastructure, and support infrastructure. One plant with required equity participation of between 50% and 70%. Two plants wholly owned by IPPs. A fair and transparent solicited process through open and public bidding will be followed.

#### Project Timeline Summary

An investment decision will be made in 09.2017. Construction commences in 01.2018. Operation is scheduled for 06.2020.

#### Investment Opportunity

Total Project Cost: USD 88.5 million or NAD 1.2 billion (NAD : USD = 13.5)

Funding split	USD million	NAD million
Debt share: 70%	62	837
Equity share: 30%	27	386
NamPower equity shareholding: Envisaged 50% - 100%	13 to 62	179 to 386
IPP equity shareholding: Envisaged 50% - 70%	13	179
IPP wholly owned projects: (Additional 2 X 20 MW plants)	2 X 27	2 X 386

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## Investment Opportunity: Energy

### Kudu Gas and Power Development

The project will develop offshore Kudu gas and deliver the gas through a 170 km pipeline to a new power station connected to the Namibian and South African electricity grids.

The Kudu gas field has estimated reserves of 1 Tcf of dry gas. Daily production is expected to be 100 MMscfd. The two unit power station will have a capacity of 884 MW. The upstream (gas field) and downstream (power station and transmission) elements are owned and promoted separately, upstream by a joint venture of developers put together by the National Petroleum Corporation (Namcor), and downstream by NamPower in a special purpose vehicle, Kudu Power.

#### Project Overview

The EPC agreement and Long-term Service Agreement (LTSA) have been negotiated with Shanghai Electric and Siemens. NamPower has finalised a draft purchase agreement with Kudu Power. A feasibility study has been completed. All procurement has and will be conducted through solicited closed tender processes.

#### Project Timeline Summary

Available from contacts.

#### Investment Opportunity

##### Upstream:

Namcor wishes to divest up to 34% of its 44% interest in the Kudu Gas Field.

##### Downstream:

NamPower will consider interest in the currently uncommitted 19% equity stake in Kudu Power, and will consider divesting some of its 51% equity.

Equity split: (project cost not finalised)	USD million	NAD million
Upstream		Contact Namcor
Downstream: Kudu Power (19% equity est.)	51	689
Downstream: NamPower		Contact NamPower

NAD : USD = 13.5

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## Investment Opportunity: Energy 500 MW WindNam Plant

Namibia has a requirement for additional sources of electricity to reduce its dependency on imports. As one of the feasible methods of generation the country is currently implementing and expanding its use of renewable sources of energy. This also envisages wind energy, along Namibia's coastline. The enterprise model for these ventures is either public private partnerships (PPPs) or privately owned utilities which operate in terms of power purchase agreements with NamPower.

### Project Overview

WindNam is a utility scale wind farm project with a name plate capacity of 500 MW, to be developed within the Sperrgebiet National Park, on a piece of land of approximately 8,700 ha in size. The project aims to supply green and sustainable electricity to the national grid and possibly export into the SADC region under the Southern African Power Pool umbrella.

### Project Timeline Summary

The Land Lease Agreement is currently being finalized by the Attorney General's Office and should be signed by the Ministry of Environment and Tourism by November 2016. The Generation License is also under consideration by the Electricity Control Board. The EIA commenced early in 2016. Discussions are on-going with potential offtakers. Construction is scheduled to start in the course of 2017.

### Investment Opportunity

USD 943.9 million or NAD 13.5 billion

Funding split:	USD million	NAD billion
Namibia Shareholders' Equity	170	2.3
Debt Finance	681	9.2

NAD : USD = 13.5

### Contact:

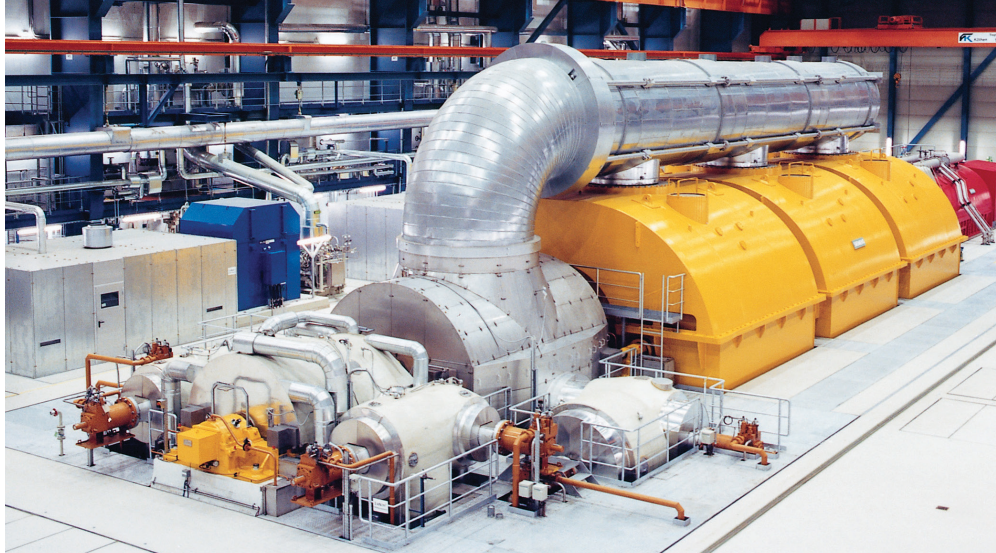
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## Investment Opportunity: Energy

### 5 MW Rosh Pinah Solar Power Plant

In order to address Namibia's electricity shortage, NamPower has concluded agreements with multiple companies to establish smaller solar energy generators in various regions of the country. A number of these have been successfully commissioned and are feeding electricity into the national grid. Namibia's solar generation capacity is excellent, and its predictability is higher than the standard due to stable weather conditions.

#### Project Overview

Aloe Investment 27 is a Special Purpose Vehicle established in 2015 and a holder of a 5 MW Solar PV license as part of the Interim REFiT Programme, with NamPower being the offtaker.

The proposed 5 MW Rosh Pinah power plant will generate electricity using photovoltaic panels in a square array. The DC power generated will be converted to AC power using inverters. The project will be privately owned, and operated under a independent power producer license (IPP) from NamPower.

#### Project Timeline Summary

The project is scheduled to commence by the end of November 2016. Further details can be obtained from the contacts.

**Investment Opportunity**  
 USD 8.9 million or NAD 120 million

Funding split:	USD	NAD
Namibia Shareholders' Equity	800,000	10.8 million
Debt Finance	6.2 million	84 million
Financial Gap	1.8 million	25.2 million
	30 -40% Locally Owned	
Proposed Deal Structure:	60-70% Foreign Investor	

NAD : USD = 13.5

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## Investment Opportunity: Manufacturing Bitumen Manufacturing

The road network in Namibia is one of the best in Africa, and growth of the network is imminent. As part of Namibia's quest to become a regional gateway for the Southern Africa Development Community (SADC), the Roads Authority (RA) has budgeted a total of N\$990 million for the construction of roads for the 2016/17 financial year.

Of the total amount, N\$808 million is earmarked for road construction to bitumen standard. The Roads Authority plans to tar approximately 1,450 km of roads in the next five years.

Road construction and road maintenance account for 80% of bitumen applications. Namibia currently has an estimated 40,000 km of road of which only 6,400 km is tarred with the rest either being gravel or earth graded. The main types of bitumen used in the local market are 80/100 Concentrate, Anionic 60% Stable Grade Emulsion and MC 30.

### Project Overview

Project 7 Trading will establish a bitumen products manufacturing facility in Windhoek, the first in the country. They will also engage in warehouse paving and roofing of buildings.

The shareholders of the company have invested N\$2 million in the development of the business plan, Environmental Impact Assessment (EIA) certificate and securing land and partnership agreement of technology. They are now seeking investors and

financiers to contribute a negotiable amount by way of either share capital of equity or loan funding.

**Project Timeline Summary**  
Available from contacts.

**Investment Opportunity**  
USD 2.5 million or NAD 33.2 million

Funding split:	USD	NAD
30% equity share	738,155	9,965,100
Loan finance	1,722 million	23,251,900

NAD : USD = 13.5

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## Investment Opportunity: Manufacturing Foundry Project

There is currently no foundry industry in Namibia and imports of products relevant to castings are estimated at approximately NAD 740 million per annum. The largest market sector for castings is the mining industry, with an estimated annual consumption of NAD 300 – 350 million. More than sufficient scrap metal is generated in Namibia to support a medium-sized foundry operation.

Although scrap metal originates from several industry sectors, including construction and general engineering, the main source of high-quality scrap for the foundry is the mining industry, which generates an estimated 4,000 – 5,000 tonnes of scrap per annum. This is an order of magnitude higher than the amount of scrap required by a foundry.

### Project Overview

There is sufficient market potential and interest to warrant the establishment of a foundry facility in Namibia. The feasibility analysis and business plan focused on the establishment of a plant with an initial capacity of 60 tonnes of castings per month, which would require a market penetration of only 20% in the mining sector and therefore leave substantial scope for growth in this industry as well as other sectors such as railways. Break-even turnover is at NAD 42 million per annum with the plant expected to be profitable from year 2.

Break-even turnover N\$42 million per annum, plant expected to be profitable from Year 2.

### Project Timeline Summary

Available from contact

### Investment Opportunity

USD 1.56 million or NAD 21 million

Funding split:	USD	NAD
Equity shares negotiable with promoter.		
Loan finance negotiable with promoter.		

NAD : USD = 13.5

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## Investment Opportunity: Manufacturing Kaptau Packaging

Namibia has a number of packaging manufacturers, particularly plastic forms of packaging aimed at wholesale and retail goods, however additional forms of packaging are required to support bulk industries. Durable paper bags for larger volumes of dry and granulated products are currently imported, and there is a gap for local manufacturing to reduce dependency on foreign sources of supply and spread the risk of unexpected gaps in production.

### Project Overview

Kaptau Packaging is an existing business, established in 2014. The company is a manufacturer of paper bags. It plans on expanding through building the first manufacturing facility for multiwall self opening paper bags in Namibia. The primary users of multiwall paper bags are the cement industry, maize and flour mills, sugar mills, potato producers and adhesive manufacturers.

Kaptau will initially target the cement industry as it is already in an advanced stage of a finalised deal with Ohorongo Cement in Otavi, which is the country's only cement manufacturer, and which uses 45,000 bags per day. Ohorongo cement supplies the Namibian market and export markets. Since its inception, Kaptau has trained 4 machine operators and 3 senior technicians. Ohorongo and Kaptau have finalised a supply agreement to deliver an initial order of 150,000 bags.

### Project Timeline Summary

The operation is scheduled to start once funding is secured.

### Investment Opportunity

Total Project Cost: USD 1,55 million or NAD 21 million

Funding split:	USD	NAD
Equity shares	1 million	13,500,000

NAD : USD = 13.5

### Contact:

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Investment Opportunity: Manufacturing  
Otavi Rebar Manufacturing

Namibia is currently engaged in twin drives to construct affordable housing and infrastructure. In order to reduce its dependence on imported construction material, the country is actively encouraging all manufacturing of building supplies, including cement, cement products and other products to meet rapidly rising demand. By developing local manufacturing of building supplies, the country will also buffer itself against unexpected gaps in imported supplies. There is no rebar manufacturing facility in Namibia and all rebar used in the country has to be imported. In 2014 the market for rebar in Namibia was estimated at 155,000 tonnes and the demand is projected to grow more than 9% per annum in line with the projected growth of infrastructure and construction projects.

**Project Overview**

The company, Otavi Rebar Manufacturing (Pty) Ltd (ORM) was founded in 2012 and commenced with the development of a feasibility study to establish a rebar manufacturing plant in Otavi. ORM intends to build a 148,000 tonne per annum rebar manufacturing plant based on Danieli technology. Danieli Morgardshammer is an Italian company and is ranked amongst the top 3 suppliers of steel-making plant and equipment in the world. The projected investment in the rebar manufacturing plant is estimated at just under N\$3,3 billion of which the project promoters have contributed N\$1,0 billion.

**Project Timeline Summary**

Available from contact.

**Investment Opportunity**

USD 244.4 million or NAD 3.3 billion

Funding split:	USD	NAD
Dividend policy:		
50% Equity Share		

NAD : USD = 13.5

**Contact:**

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## Investment Opportunity: Manufacturing Charcoal Production and Processing

Charcoal cooking is an emerging food trend across the world due to the flavour that the smoke imparts, and as it has gained popularity, demand has surged.

The industry has grown rapidly from 50,000 tons per annum in 2014 to 120,000 tons per annum in 2015. Namibia is a large and well established charcoal exporter to South Africa, Europe and the Middle East.

It has an abundance of wood which is suitable for conversion to charcoal, and various enterprises have been established to meet demand. Collection of wood also has the benefit of reducing invader bush and improving land for farming.

### Project Overview

Ozondjeno seeks to expand and develop the existing charcoal manufacturing operations into a modern processing plant to produce charcoal on a larger scale. The company currently exports about 400 tons of bulk charcoal to South Africa. The project plans to increase the output to 6,000 ton per annum. Through expansion of the project, the company wishes to diversify its export market to other international markets. After expansion, Ozondjeno expect to have 5% share of the Namibian charcoal production industry.

### Project Timeline

Available from contacts.

### Investment Opportunity

USD 1.3 million or NAD 18.1 million

Funding split:	USD	NAD
Deal structure to be discussed with promoter.		

NAD : USD = 13.5

### Contact:

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Investment Opportunity: Property Development  
**Sungate City: Mixed-Use Property Development**

Namibia has the potential to be the transport and logistics hub of Southern Africa as it offers access to the entire region. The country's strategic location also means that it is poised to be the new gateway to the rest of the continent. Sungate will be directly connected to the Port of Walvis Bay and hence to the network of overland transport corridors throughout Southern Africa. Moreover, the Trans-Kalahari Highway provides a direct link to key parts of the African continent. This ties in well with the country's plans to develop its transport and logistics sector.

**Project Overview**

The envisaged Sungate City will become the centre point for airport and transport-related sectors, global business and tourism growth. It will cater for various industries such as commercial, retail, residential, leisure and light industrial development which are currently unavailable at Hosea Kutako International Airport.

**Project Timeline**

The preparation of the project started in July 2008. To date, most required steps such as EIA, approval by local authorities and utility service providers are completed. In August 2016, the process for PPP and further government exposure commenced.

**Investment Opportunity**

The land is valued at USD8,6 million (NAD12 billion). Total project Cost: USD 24.5 million (NAD 350 million).

Funding split	USD million	NAD million
Namibia Shareholders Equity	7	10
Debt Finance	3.5	50
Financial Gap	14	200

**Deal Structure:**

Accolade Properties Namibia can offer proclaimed town land as equity in a finance deal.

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## Investment Opportunity: Property Development

### Desert Rose International Convention and Exhibition Center

Namibia has over the years hosted many international, regional and national conferences, workshops, seminars and exhibitions. However, due to a limited number of facilities such as international convention and exhibition centres, hosting these events has always proven to be a challenge.

Therefore, once completed, this centre will add to the already well-developed physical infrastructure setup which includes world-class telecommunication and road networks. Furthermore, the envisaged project will improve the country's attractiveness as a Meetings, Incentives, Conferences and Events (MICE) destination.

#### Project Overview

The project will involve property and infrastructure development using all construction technology related methods. The intention is to develop the Namibia International Convention and Exhibition Center with a mixed-use residential and commercial village. A fair and transparent solicited process through open and public bidding will be followed.

#### Project Timeline Summary

Planning and feasibility study are completed, EIA is finalized and the project is ready to commence once the financing has been secured.

#### Investment Opportunity

Total project cost amounts to (N\$ 8 billion) US\$590 million. This is an opportunity to either invest directly in property or to offer secured financing through smart partnerships, either direct, PPP, equity or any other financial model.

NAD : USD = 13.5

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Investment Opportunity: Tourism  


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**C'est Si Bon Hotel & Conference Centre**

**N**amibian tourism is expected to expand to 1,6 million arrivals. This creates need for additional accommodation on Namibia's main tourism routes, to alleviate accommodation shortages in the peak tourism season.

Otjiwarongo, in central Namibia offers demand for accommodation through onward travel to Etosha National Park, as well as attractions in the vicinity, which include the Waterberg Plateau Park, large predators and endangered species. Otjiwarongo also offers demand for business tourism. The town is at the hub of a growing network of industries, and is in convenient travelling distance for convention guests from Windhoek and smaller central towns.

**Project Overview**

C'est Si Bon Hotel was founded in 2000. The 21-room hotel and conference centre was expanded and currently consists of two hotels, C'est Si Bon Hotel and Casa Forno Hotel, with a combined 79 rooms. Both hotels are located in Otjiwarongo. The C'est Si Bon Hotel Group also operates a gourmet restaurant. The hotel has seven conference venues, and has demand for one larger venue, in addition to demand for accommodation. The owner will expand the hotel to include a new 3-star hotel with 150 rooms and a larger conference centre with seating for 150 people.

**Project Timeline Summary**

See details of phases under Investment Opportunity.

**Investment Opportunity**  
 USD 7.6 million or NAD 103 million

Funding split:	USD	NAD
Deal structure to be discussed with promoter.		

NAD : USD = 13.5

Phase1: N\$ 46 076 560.00 (starting January 2017)

Phase2: N\$ 39 508 960.00 (starting January 2019)

Phase3: N\$ 17 120 000.00 Starting January 2021)

**Contact:**

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## Investment Opportunity: Tourism

### Shipwreck Lodge

Certain areas of Namibia are highly protected due to the sensitivity of the environment, however there is demand for tourism in these areas due to scenic, natural and historic attractions. In order to allow tourism to these areas, the Government provides concessions to environmentally sound operators.

These concessions may consist of access rights and / or permission to establish accommodation facilities that do not damage the environment. The Skeleton Coast is one of the most sought after Namibian destinations. Following the closure of a previous lodge, the only access to the area was a route through the southern area of the park. To improve access and allow for longer trips, a concession has been allowed to permit visitors to stay overnight in the Skeleton Coast National Park.

#### Project Overview

Shipwreck Lodge (Pty) Ltd has been established by Trip Travel after it was awarded a concession in the Skeleton Coast National Park, including the rights to develop a lodge and campsite inside the concession area. The shareholders have already invested NAD 1 million to secure the 20-year concession, carried out an EIA, developed the plan and completed the architectural designs. The shareholders plan to invest a further NAD 7 million. Peak funding for the project is estimated at NAD 48.7 million and the current shareholders will contribute NAD 8 million.

#### Project Timeline

Further details are available from the contact person.

#### Investment Opportunity

USD 3.85 million or NAD 52 million

Funding split:	USD	NAD
Investment requirement		N\$52.0 million
Own equity (current)		N\$7.0 million
Own equity (still to be provided)		N\$9.5 million
New investors injection (for 49%)		N\$15.9 million
Loan finance (already secured)		N\$19.6 million
		N\$52.0 million

NAD : USD = 13.5

#### Contact:

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 Trip Travel  
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Investment Opportunity: Transport and Logistics  
**Otavi Truck Stop, Industrial and Logistic Hub**

Namibia's trade with neighbouring countries is facilitated and marketed by the Walvis Bay Corridor Group, and is dominated by road transport. Although rail connections are planned with various neighbouring countries, the only current rail link is with South Africa. Otavi is located where the Trans-Kunene and Trans-Caprivi Corridors diverge, leading to Angola and Zambia, respectively. The town has a high traffic flow truck stop which could become a transshipment hub for cargo to and from Angola and Zambia.

**Project Overview**

The Otavi Truck Stop, Industrial and Logistic Hub is envisioned to cover approximately 27 hectares. The facility will provide warehouses, fuel station, truck port, cold storage, weighbridge, liquefied petroleum gas (LPG) and refined oil product depots, banking facilities, service workshops, accommodation inclusive of showers and other eatery facilities as well as a dry dock terminal for containers.

**Project Timeline Summary**

Most required steps such feasibility study, land allocation, EIA, approval by local authorities and utility service providers are completed. Drawings and sketch plans, as well as the development cost for the Truck Stop, Industrial and Logistics Hub, are available.

In August 2016, the process for PPP and further government exposure commenced. The project is ready to start once the financing deal is closed.

**Investment Opportunity**  
 USD 51 million or NAD 688.1 million

Funding split:	USD	NAD
Equity percentage to be determined.		

NAD : USD = 13.5

- Total building cost of Truck Stop NAD 1,938,316
- Infrastructure CAPEX of Truck Stop NAD 19,952,060
- Cost for Phase I Industrial and Logistics Hub NAD 666,208,619
- The land is valued at USD 1 million or NAD 13.5 million

**Contact:**

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## Investment Opportunity: Affordable Housing

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### Public Private Partnerships Pilot Project for Affordable Housing

**N**amibia currently has a deficit of affordable serviced land and housing. A limited supply of new property in urban centres has resulted in a sizable shortfall of formal housing.

The supply shortage has led to increases in house prices, especially in urban areas. Constrained supply and high prices of houses mean that many families that would otherwise be willing and able to afford formal housing are unable to do so, and are only able to find shelter in informal settlements.

#### Project Overview

The Ministry of Finance (Public Private Partnership Unit) and the Ministry of Urban and Rural Development have conceptualised a PPP pilot project initiative for development of 2,000 affordable housing units in Walvis Bay and Windhoek. The private developer, on a PPP structure, is expected to design, build and sell the houses to the end users. The Government will select a private developer through a competitive selection process, that will supply affordable housing units at the lowest price. A demand study will determine end user affordability in a particular town. The Government / Local Authority will provide serviced or easily serviceable land.

#### Project Timeline Summary

A Transaction Advisor (TA) is expected to be appointed soon. The feasibility study and procurement process will be finalised before April 2017. The private developer is expected to be appointed before July 2017

#### Investment Opportunity

USD 44.4 million or NAD 600 million

The private sector is expected to provide 100% financing for the whole project.

NAD : USD = 13.5

#### Contact:

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Investment Opportunity: Affordable Housing

**Ongos Monte Christo City Development: Installation of Bulk and Municipal Infrastructure**

Windhoek’s population is expected to reach 645,355 in 2030. As a result, approximately 80,000 houses will need to be developed between now and the year 2030.

A new city development, Ongos Monte Christo, will be constructed in the north-western area of Windhoek, equal in size to the existing city. The city will have 63,015 plots. These will be predominantly allocated for development of low to middle income housing.

Commercial infrastructure will provide jobs, while provision is made for social infrastructure such as schools, health and leisure facilities. It will be modern smart city, with an integrated approach that enables sustainable urban livelihoods in a coordinated manner.

**Project Overview**

Initial installation of bulk infrastructure and key internal developments. A PPP will fund and implement the project. Public sector entities will be the City of Windhoek, NHE, NamPower and Namwater. The private sector entities are the landowners of Ongos, Monte Christo and private investors.

A special purpose vehicle (SPV) will raise funds, execute the development of the new city, and receive the proceeds from the sales of land and

completed houses. A feasibility study and EIA have been completed. Proceeds from the sale of land and houses will self-finance the developments.

**Project Timeline Summary**

Available from contact.

**Investment Opportunity**

Total Project Cost: USD 1 billion or NAD 13.5 billion. Further opportunities may become available in later stages.

NAD : USD = 13.5

Investment requirement	USD billion	NAD billion
Debt finance	1	13.5

**Contact:**

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 National Housing Enterprise  
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## Investment Opportunity: Agri-business Commercial Cattle Feedlot

The agricultural sector is central to the lives of the majority of Namibia's population. Directly or indirectly, it supports over 70% of the population. However, the sector's contribution to the country's GDP is marginal relative to the contribution by sectors such as mining and retail trade. Among many factors contributing to this is the lack of value addition in the sector and the over reliance on external markets.

The business concept for Namibia Feedlots emanated from an untenable and continued exportation of Namibian weaners to South Africa for rearing. The consequent under utilization of the local export abattoirs further necessitated the project. As a result, the country is unable to meet its export potential and obligations.

### Project Overview

This is an agri-business/agricultural technology project where crop farming under the Centre Pivot and other irrigation technologies, cattle mixing and batching technology will be introduced.

The output capacity will be between 27,000 and 44,000 slaughter-ready cattle per annum. The project aims to have 90% occupancy on 5,000 head of cattle, improve the quality of herd and reduce the exportation of Namibian weaners on hoof to South Africa by 50% by the end of year 4 of project implementation.

A fair and transparent solicited process through open and public bidding will be followed.

### Project Timeline Summary

The 99-year lease agreement of 122 ha was approved and the Government in 2012 endorsed the project. The project will commence as soon as financing has been secured.

### Investment Opportunity

The project will increase beef export volumes to the United States and other international markets. The total project cost is USD9.6 million or NAD140 million.

The deal structure is to be discussed.

### Contact:

Mr. Stanley Nick Katzao  
Executive Chairman  
Namibia Feedlots (Pty) Ltd  
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Investment Opportunity: Agriculture  
Wheat and Maize Irrigation Scheme

**M**aize, wheat and mahangu are the main sources of staple food in the country. Maize and wheat are grown on commercial farms, while mahangu is grown in rural communal areas.

Maize is processed as porridge, while wheat is made into flour for baked goods, and used in the manufacturing of pasta. Over the past years, the average annual production for maize and wheat has been lower than the average annual consumption. The difference between the market demand and local production has been imported.

There is an opportunity to expand maize and wheat production, and uptake is assured as a license system is in place to ensure that local crops are used before imports can occur.

**Project Overview**

Rentel Farming Development plans to farm 120ha wheat and maize as main crops. The project will utilise center pivot irrigation, extracting water from the Okavango River. The company will erect four 30 ha center pivots to put 120 ha under irrigation and plant maize in summer and wheat in winter.

Land not covered by the center pivots will, at a later stage, be developed to produce fruit and vegetables. Rentel has invested own capital of NAD 6 million to secure the 25 year lease, engineering designs, project plan, the EIA and clearing of land and erecting a fence.

**Project Timeline Summary**

Operations will commence once finance is secured.

**Investment Opportunity**

USD 1.5 million or NAD 20.8 million

Funding split	USD	NAD
Debt share:	771,000	10.4 million
Equity share: 43%	327,000	4.4 million
Equity share: 43%	444,000	6 million

NAD : USD = 13.5

**Contact:**

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 Rentel Farming Development  
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## Investment Opportunity: Infrastructure

### Commuter Rail Service between Windhoek Central and Suburbs

As Windhoek's population is growing rapidly, a light urban commuter rail system is planned to relieve congestion on the city roads.

Transport in Windhoek currently consists of a mix of private vehicles, taxis, municipal buses, and light and heavy commercial vehicles. The project also considers reduction of road congestion to provide relief for commercial and industrial road transport. The project will focus on the highly populated suburban areas of Katutura and its surrounds, but will also consider the envisaged development of Ongos Monte Christo.

#### Project Overview

Design and construction of earthworks embankment, bridges and other drainage structures, procurement of new rails and rail components, ballast and concrete sleepers, and construction of the permanent way.

The rail options considered were based on tradeoffs between conventional rail and light rail transit. Topography and land availability to construct the rail system rail point to primary feasibility of a light rail system. Joint ventures between specialized foreign firms and local entities are envisaged.

A fair and transparent solicited process through open and public bidding will be followed.

#### Project Timeline Summary

Available from contact.

#### Investment Opportunity

Total Project Cost: USD 207 million or NAD 2.8 billion (NAD : USD = 13.5)

Funding split	USD million	NAD billion
PPP and equity:		
% equity to be determined	207	2.8

#### Contact:

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## SUMMARY OF SPECIAL INCENTIVES FOR MANUFACTURERS AND EXPORTERS (BASED ANYWHERE IN NAMIBIA)

	REGISTERED MANUFACTURERS	EXPORTERS OF MANUFACTURED GOODS	EXPORT PROCESSING ZONE ENTERPRISES
ELIGIBILITY AND REGISTRATION	Enterprises engaged in manufacturing. Application to the Ministry of Industrialisation, Trade and SME Development and approval by the Ministry of Finance.	Enterprises that export Namibian manufactured goods. Application and approval by the Ministry of Finance.	Enterprises engaged in manufacturing, assembly, packaging or break-bulk and exporting mainly to outside of SACU markets.  Application to the EPZ Committee through the ODC or EPZMC.
CORPORATE TAX	18% for 10 years, after which normal corporate tax applies.	Taxable income reduction by an allowance equal to 80% of the amount representing the taxable income derived from export income	0% for 10 years, after which normal corporate tax applies.
VAT	Normal treatment	Normal treatment	Exempt
STAMP & TRANSFER DUTY	Normal treatment	Normal treatment	Exempt

	REGISTERED MANUFACTURERS	EXPORTERS OF MANUFACTURED GOODS	EXPORT PROCESSING ZONE ENTERPRISES
ESTABLISHMENT TAX PACKAGE	Negotiable rates and terms by special tax package.	Not eligible	Not eligible
SPECIAL BUILDING ALLOWANCE	Factory buildings written off at 20% in first year and balance at 8% for 10 years.	Not eligible	Not eligible
TRANSPORTATION ALLOWANCE	Allowance for land-based transportation by road or rail of 25% deduction form total cost.	Not eligible	Not eligible
EXPORT PROMOTION ALLOWANCE	Additional deduction from taxable income of 25%.	Not eligible	Not eligible
INCENTIVE FOR TRAINING	Additional deduction from taxable income of between 25% and 75%.	Not eligible	Substantial, issued by Government on implementation of approved training programme
INDUSTRIAL STUDIES	Available at 50% of cost	Not eligible	Not eligible
CASH GRANTS	50% of direct cost of approved export promotion activities.	Not eligible	Not eligible



### Key Investor Service Agencies



The Namibia Investment Centre provides general information and advice on investment opportunities, incentives, and procedures. It also assists by streamlining and coordinating with ministries and regulatory bodies.

#### Contact Details:

Ms. Bernadette Artivor  
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The Walvis Bay Corridor Group is a facilitation center and one-stop shop coordinating trade along the Walvis Bay Corridors, that link Namibia and its ports to the rest of the SADC trading partners.

#### Contact Details:

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A broad range of financial products, as well as finance for PPPs engaged in developing infrastructure, may be provided by the Development Bank of Namibia for projects that have a high development impact.

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## Namibia For Expats: What To Expect

### Quality of life



Namibia is one of the most sought-after expat destinations on the African continent due to its high quality of life. A walk through many of the supermarkets and malls proves its reputation for high quality goods and services. Health is catered for in excellent medical facilities. The crime rate is low. The environment is unpolluted, and the air is clean.

### Leisure



Namibia caters for an active, outdoor lifestyle. Over weekends many people choose to travel to major tourist destinations for wildlife and scenery. Namibians are welcoming, have very few preconceptions and enjoy making new friends. Excellent restaurants, clubs, bars and other venues for socializing complement a small but lively cultural scene.

### Family



One of the greatest attractions for expats is the fact that Namibia is a happy environment for families. Children can safely explore and play. There are excellent educational facilities, and ample opportunities for outdoor activity and sport. Children will be comforted by the widespread availability of high-speed bandwidth that includes 4G, wireless and ADSL.



**Republic of Namibia**