NAMIBIA PUBLIC-PRIVATE FORUM (NAMPPF)

WORKING GROUP STRATEGY PAPERS
(GROUPS 1 - 10)

OCTOBER 2025

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Working Group 1: Agriculture, Water And Fisheries

SECTION 1: WORKING GROUP SCOPE AND FOCUS

The Agriculture, Water and Fisheries working group was established with the facilitation of NIPDB to prepare the sector for the NamPPF. The group was represented by members across all subsectors in the Agriculture, Water and Fisheries sector in the whole value chain from the regulators, input suppliers, primary producers and processors. The group was responsible for understanding the Namibian government's vision and goals for the agriculture, water and fisheries sector, its current and potential contribution to job creation and how the private sector can work together with the government to achieve these goals.

SECTION 2: GOVERNMENT PRIORITIES AND OBJECTIVES FOR THE AGRICULTURE, WATER AND LAND REFORM

The 8th Administration has prioritized Agriculture as one of its seven Priority Areas in the sixth National Development Plan (NDP6), as well as, the SWAPO Party Manifesto Implementation Plan (SMIP), both these plans highlight the importance of the agricultural sector and propose tangible interventions to improve production.

2.1 Sixth National Development Plan (NPD6), Vision 2030 and STAS.

2.1.1 Agriculture

- Increase crop value chains contribution to GDP from the current 2.1% to 4% by 2030
- Increase livestock value chains contribution to GDP from the current 2.5% to 4% by 2030
- Increase food requirement locally produced from the current 60% to 80% by 2030
- Increase the domestic production of key agricultural inputs (e.g., seed, fertilizer, feed, veterinary supplies) from the current 0% to 65% by 2030
- Increase large -scale farms developed for food production from the current 11 200ha to 130 000ha by 2030
- Increase export of strategic crops from the current 1.9 billion to 2.8 billion by 2030.
- Increase average wage in agriculture sector from the current N$3 393 to N$5 440 in 2030
- Increase the share of agriculture to total employment from the current 16.1% to 20% by 2030
- Diversify agricultural produce to support agro-processing industries to stimulate demand for agriculture production and increase farmers’ incomes.
- Promote both local and foreign investment in the agriculture sector by availing land and extension support to farmers.

2.1.2 Water

- Increase capacity (Mm³) of infrastructure for bulk water supply from the current 1 608 to 2 100 by 2030
- Increase the number of large dams constructed from the current 17 to 18 by 2030
- Increase the number of bulk pipelines constructed from the 30 to 41 by 2030
- Increase the number of desalination plants constructed from the current 3 to 4 by 2030

2.1.3 Fisheries

- Increase sector contribution to GDP from the current N$ 10.4 billion to N$10.7 billion by 2030
- Rebuilt the number of Fish Stocks to sustainable levels from the current 0 to 2 by 2030
- Reduction the level of Illegal, unreported and unregulated fishing from the current 15% to 10% by 2030
- Increase the value addition on landed fish from the current 23% to 45% by 2030
- Increase the number of employed persons from the current 18 000 to 20 000 by 2030
- Increase fish per capita consumption from the current 18kg to 20.4kg by 2030
- Increase the number of Marine Spatial Plan for the EEZ developed 1 to 3 by 2030

2.2 SWAPO Party Manifesto Implementation Plan (SMIP) 2025-2030.

- Enhance food security and resilience in Namibia through sustainable agricultural practices, while creating new jobs through value addition.
- Drive value addition in agriculture.
- Strengthen Namibia's meat industry by improving value addition in the livestock sector amongst communal, resettled, and emerging farmers

SECTION 3: PRIVATE SECTOR CURRENT CONTRIBUTION TO EMPLOYMENT AND POTENTIAL IN NAMIBIA'S AGRICULTURE, WATER AND FISHERIES SECTOR

3.1 Current Private Sector contribution to employment

The agriculture, water, forestry and fisheries sector contribute 7.3% to Namibia's GDP and 16.1% to national employment, with the majority of this contribution coming from the private sector. Namibia has a population of 3 million, with a working age (15 + years) of 1,8 million. From the working age population, 546,805 (63.1%) are employed and 320,442 (36.9%) are unemployed. From the employed

16.1% jobs the majority are in the private sector in agricultural sub-sectors such as livestock, crop production, poultry, pork, dairy, input supply, forestry, apiculture and aquaculture, making agriculture the largest employer in the Namibian economy.

3.2 Private Sector potential

3.2.1 Potential to job creation

The largest group of unemployed Namibians possess junior secondary education (153,617), followed by those with primary education (77,302), senior secondary education (71,461), no formal education (34,199), university qualifications (19,705), and vocational secondary education (8,127). The agricultural sector is among those capable of employing a large number of individuals without university qualifications. This means that, if provided with the right environment, the sector could potentially employ people with junior secondary, primary, senior secondary education, as well as those with no formal education, a total of 336,579 individuals

3.2.2 Rural and urban community development

In 1990, approximately 70% of Namibia's population lived in rural areas. By 2023, this figure had declined to 45%, with 55% now residing in urban areas. This trend poses a risk of rapid urbanization, leading to higher crime rates in cities and leaving rural areas underdeveloped and less productive. If empowered and supported by government and policies, the private sector could transform rural areas into primary production centers and urban areas into processing hubs. This would create jobs in both rural and urban areas, while encouraging people to remain in and develop their rural communities.

3.2.3 Increased Productivity, Food Security and Self-Reliance

Namibia has significant potential to expand local production across various agricultural value chains. There is a strong opportunity to increase the domestic production of staple grains such as maize, wheat, pearl millet, rice, and other cereals for local consumption. Similarly, the production of fruits and vegetables including potatoes, leafy greens, apples, citrus, and other varieties can be substantially increased to reduce import dependence. Additionally, enhancing the local production of animal feed inputs such as maize, soybeans, barley, and sorghum would strengthen the country's meat value chains, including aquaculture, piggery, cattle, poultry, and small stock. Further, upskilling and expanding the number of farmers would contribute to higher yields and greater productivity. Increased local raw material production also presents strong value addition potential, creating opportunities to build agribusiness value chains and boost local manufacturing capacity.

SECTION 4: CONSTRAINTS WITHIN THE AGRICULTURE, WATER AND FISHERIES SECTOR

Constraint No. 1	
What is the constraint:	***Lack of new participation of the younger generation into Agriculture and access to sufficient water for agricultural purposes.***
What is the root cause:	***Limited funding and affordable land access, low farming profitability, inadequate water resources, weak disaster management, poor rural infrastructure,***

	high production costs, degraded rangelands, and insufficient disaster management programmes with specific reference to drought. - *Access to funding* - *Farming is not profitable enough to attract new comers and accessibility of water limits production options.* - *Working capital comes under pressure due to prolonged VAT and income tax refunds.* - *Reactive disaster identification and management strategies (vaccination programs (Foot and Mouth, and lumpy skin disease), pest, plague and disease prevention and control, as well as uncontrolled veld fires)* - *Limited infrastructure: Rural Road conditions, poor network and connectivity in rural areas* - *Deterioration of rangeland conditions* - *Excessive cost of utilities and communications* - *Access to affordable agricultural land and land tenure for foreign investment* - *Lack of water saving and harvesting technologies employed in the agriculture sector* - *Inefficient, inadequate, delayed, and exclusionary government drought relief programmes.* - *The phased approach of agricultural minimum wage which does not consider cash and non-cash benefits (housing, water, meat, milk, bonusses etc.) creates high labour costs, discouraging new investment.*
How it Hinders Productivity and Growth	***Growth and productivity are hindered by high production costs, limited availability of agricultural implements and equipment, inadequate natural disasters and disease control and management programmes to prevent/control outbreaks, insufficient water access, especially in communal and***

	resettlement areas, poor road infrastructure, expensive utilities and communications, and deteriorating rangeland conditions create barriers to entry, restricting agricultural productivity and growth, increasing operational costs and negatively impacting financial viability, and limiting market access. - *Reluctance towards the adoption of new farming methods and technologies that support mitigation and adaptation to climate change.* - *There are limited incentives and financing options available at subsidized or reduced interest rates accompanied by cushioned repayment terms for newcomers to acquire agricultural land and or to invest in agriculture.* - *High production cost and availability of agricultural implements/ equipment cause a barrier to entry.* - *Natural disasters and outbreaks of diseases can destroy the agricultural sector and the economy at large* - *Access to sufficient water, especially in communal areas and resettlement farms restricts agricultural productivity and growth.* - *Poor road infrastructure and distance limit access to markets* - *Access to, and excessive cost of utilities and communications limits production potential and increases the already high production cost which negatively impacts the financial viability of production.* - *The deterioration of rangeland conditions is a major concern for the livestock industry, which relies heavily on natural grazing. This includes bush encroachment, soil erosion, loss of rangeland forage, and desertification*
Recommended solutions:	***A range of interventions is needed, including prioritizing investment in water storage facilities and recycling systems, implementing discounted or***

	subsidized diesel prices for farmers, zero VAT on agricultural implements and equipment, and abolishing ring-fencing on farming businesses. Prompt VAT and income tax refunds by NamRA, targeted government incentive schemes for local grain, fruit, vegetable, honey/bees and fodder production, and the revival of agricultural extension services and aquaculture projects are essential. Efforts should also focus on sustainable water access in communal and resettlement farms, improved communications infrastructure, a comprehensive National Drought and Risk Management Plan, enhanced rural road and electricity infrastructure, whilst producing electricity at a reduced cost. Additional measures include introducing water-saving and harvesting technologies, tailored youth funding for agriculture, market expansion, interventions for animal health north of the veterinary cordon fence, addressing bush encroachment as a national disaster, and ensuring fair implementation of the national minimum wage. These measures collectively aim to boost productivity, sustainability, and financial viability in Namibia's agricultural sector. - *A simple method to implement discounted/subsidized diesel prices for farmers.* - *Abolish ring fencing on agricultural enterprises and/or farming businesses.* - *Introducing government incentive schemes to produce grains, fruits, vegetables and animal feeds (fodder production) locally.* - *Revive and appropriate budget allocation for effective agricultural extension service throughout the country.* - *A focused approach is needed to provide access to sustainable water usage in communal areas and resettlement farms where sub-divisions and restricted land allocations per family were made.* - *Allow communications infrastructure such as satellite-based systems to operate in Namibia*

	- *Implement a comprehensive, proactive National Drought and Risk Management Plan that provides timely and accessible support, including simplified application processes* - *Budgetary allocations for improved road infrastructure, provision of electricity to rural communities and agricultural enterprises at a reduced or subsidized cost.* - *Introduce water saving and harvesting technologies to be employed in the agriculture sector (desalination, water holding capacity of soil)* - *Tailor made youth funding to access agriculture* - *Open up new markets (downstream and upstream) and enhance existing markets for both title deed and communal areas* - *Government to come up with interventions and budget to address the animal health status above the veterinary cordon fence.* - *Declare Bush Encroachment as a national disaster and implement a programme to restore the balance between grass and bush on a national scale.* - *Revisit the terms to ensure a fair implementation of the national minimum wage.* - *Establish integrated water resource management (IWRM) frameworks to coordinate water use across agriculture, industry, and urban sectors.* - *Prioritise investment in water storage facilities, dams, pipelines, and recycling systems to ensure supply reliability during drought periods.* - *Introduce a digital market information and early warning system.* - *Introduce a rural development program, promoting investment in industries, processing plants and rural development projects to* transform rural areas

	into primary production centers and processing hubs.
Who Will Drive this Reform:	***Ministry of Agriculture, Fisheries, Water and Land Reform, Ministry of Finance, Bank of Namibia, Agricultural Bank of Namibia, National Planning Commission and Development Bank of Namibia***
What success look like:	***Enhanced food security, increased employment and GDP contribution in agriculture, expanded access to export markets, farming more accessible to new entrants, and improved rangeland resilience to reduce drought impacts.*** - *Achieved food security by producing enough food locally to be less dependent on imports* - *Achieve higher employment uptake by the agricultural sector* - *Increase agriculture's contribution to GDP* - *Access to export markets* - *Making agriculture more accessible and affordable to new entrants* - *Better rangeland resilient to lessen the impact of droughts* - *Improved livestock production* - *Improved stocking rates and farm productivity*
Proposed durations:	***Immediately to 1 year.***

Constraint No. 2	
What is the constraint:	***Lack of well-developed agricultural value chains addressing unproductive land with access to water accompanied by Agro-processing, value addition and land tenure.***
What is the root cause:	***Poor operational management and productivity of state-owned Green Schemes, the absence of other high-potential irrigation areas, inadequate infrastructure***

	and financing, weak market and regulatory support, and limited value chain development with almost no incentives for direct foreign and/or local investment. - *State-owned Green Schemes and other high-potential irrigation areas are operating significantly below their productive capacity due to operational management deficiencies and lack of timely maintenance* - *Neckertal dam and lack of downstream land allocation, and development with unclear land tenure and investment scenarios.* - *Lack of well-organized marketing schemes and incentive structures to support agricultural production and value addition* - *Lack of sufficient financing and incentives for processing plants and feedlots to operate profitably* - *International trade requirements and restrictions which are not conducive for economic growth* - *High input and operational cost* - *Regulations/requirements are not always conducive for small scale production and processing*
How it Hinders Productivity and Growth	***Underutilized land, high capital and operational costs, limited availability of locally produced raw materials, inadequate incentive programmes to promote agro-processing and value addition and inadequate market options limits the contribution of the sector to job creation and contribution to economic growth*** - *If productive land is not developed and utilized it cannot contribute to economic activity, entrepreneurship and job creation.* - *Sustainable production and throughput is needed for well-established markets and processing plants* - *The establishment of lucrative markets and processing plants is capital intensive* - *The availability of locally produced fodder and other raw materials for production/manufacturing is very*

	limited, hence increasing production cost and reliance on additional working capital - *High input and operational cost threaten viability, profitability and sustainability of production.* - *Increasing business transaction costs (cost of doing business) and zero to little incentives for investment in the sector, creating uncertainty for investors, inhibiting growth at home, and contribution to national economic development*
Recommended solutions:	***Implement transparent Public-Private Partnerships for Green Schemes and high-potential land with water access, provide tax incentives and subsidized startup capital, incentivize feedlot and fodder infrastructure, attracting foreign and local investment, promoting Namibian produce in local markets, build government capacity for trade negotiations, support green energy projects, and streamline legislation to reduce overlap, compliance costs, and investor uncertainty.*** - *A concerted effort by government to fully develop and allocate high potential land with access to water* - *Implement an urgent, transparent Public-Private Partnership (PPP) model for the management and operation of existing Green Scheme infrastructure.* - *Ministry of Finance to award infancy status to newly developed land and processing plants (Agriculture and Fisheries) with a zero-tax obligation for a period of 8 years, retrospectively for 5 years with respect to existing processing plants, facilities and development of idle agricultural land* - *Availing startup capital at subsidized interest rates and soft loans through institutions such as the Development of Namibia and Agribank with government guarantees.* - *Targeted financial support is immediately needed for feedlot infrastructure and start-up fodder/feeds to scale up successful farmer-led models*

	- *To develop conducive legislation for foreign direct investment* - *Promote and fully implement the code of good practice and related policies to increase the consumption of Namibian produce by introducing Namibian produced foods and by-products by government hostels, NWR, prisons, hospitals, police force, military, Navy, etc, as well as developing local markets for general consumption (agricultural produce, marine products and value-added products from these industries).* - *To establish and build capacity within the government to understand challenges facing Namibian production and exports/imports to negotiate on behalf of Namibia on international trade agreements and treaties, with respect to all different sectors and industries.* - *Re-engineering incentives for solar, biomass and other green projects by establishing amongst others green funds*
Who Will Drive this Reform:	***Ministry of Agriculture, Fisheries, Water and Land Reform, Ministry of Finance, Agribank, Development bank of Namibia, Ministry of Mines, Energy and Industrialization, Ministry of International Relations and Trade, National Planning Commission and the NIPDB, to act as a one-stop shop for foreign investment***
What success look like:	***A profitable, well developed and operating value addition and processing chain supported by sustainable and continuous production.***
Proposed durations:	***Immediately to 1 year***

Constraint No. 3	
What is the constraint:	***Resource conflict and Management: Uranium Mining in the Stampriet Aquifer and Human wildlife conflict across Namibia.***

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What is the root cause:	***Weak coordination between MME, MAFWLR, and MEFT allows mining licenses in water-control areas and poor management of human wild life conflicts.*** - *Uranium Mining in the Stampriet Aquifer is causing destabilization and devastating implications for human, plant and animal health, the agriculture industry and the Namibian Economy at large, threatening Water Security, Agricultural Productivity and human life. The Stampriet Transboundary Aquifer System (STAS) is a shared drinking and irrigation water source for southern Namibia and neighbouring states (South Africa and Botswana). Acid-based uranium extraction risks irreversible contamination from toxic metals and radioactive particles.* - *Weak coordination between MME, MAFWLR, and MEFT allows mining licenses in water-control areas without agricultural or environmental alignment, as shown when MAFWLR revoked drilling permits while MIMME retained exploration rights.* - *Weak coordination between MAFWLR and MEFT to resolve human wildlife conflict.*
How it Hinders Productivity and Growth	***Water contamination in these areas can lead to transboundary conflicts and negatively impact human life, agriculture, tourism, marine resources, and investment, as conflicting decisions undermine investor confidence and regulatory credibility. As for human wildlife conflict, people are losing their lives, livestock and crops, with inadequate compensation.*** - *Agriculture: It has the potential to destroy the agriculture and tourism sectors. Policy contradictions create uncertainty for producers and exporters, negatively impacting farmer and investor confidence and productivity.* - *Tourism: Contamination could harm lodges, conservancies, and Namibia's green destination image.* - *Investment: Conflicting decisions undermine investor confidence and regulatory credibility.*

	- *Marine Resources: It has the potential to destroy marine resources through contamination.* - *Lack of investor confidence and reduced farming operations will result in negatively impacting job creation, leading to unemployment.* - *Regional Relations: Poor transboundary coordination risks breaching SADC and UNESCO-IHP frameworks.*
Recommended solutions:	***Establish an Inter-Ministerial Resource Coordination Desk (MME, MAFWLR, MEFT, NAB, NamRA) to consider licensing based on independent, transboundary environmental and agricultural impact assessments, and conduct risk assessments in key water, tourism, and farming zones, and implement strategies to manage populations of destructive wild animals, ensuring that compensation is based on market values.*** - *Conduct a Transboundary Environmental and Agricultural Impact Study under the SADC Water Protocol.* - *Retract and put on hold all licenses issued until the outcome of the impact study is finalized and considered by all stakeholders* - *Require Parliamentary oversight for mining in shared or strategic aquifers.* - *The population of destructive wild animals need to be managed (buffer zones, conservancy planning and water management within parks). The compensation needs to be market related and available to title deed and communal farmers. Stronger budget allocation to mitigation measures (electric fencing)*
Who Will Drive this Reform:	***Ministry of Mines, Energy and Industrialization, Ministry of Agriculture, Fisheries, Water and Land Reform, Ministry of Environment, Forestry and Tourism, Namibian Agronomic Board and NamRa*.**
What success look like:	***Guaranteeing Sustainable and environmentally safe water retraction and usage for agricultural production***

	and human consumption and a harmonized human wild life co-existence.
Proposed durations:	***Immediately***

Constraint No. 4	
What is the constraint:	***Regulatory Burden and Rising Cost of Compliance***
What is the root cause:	***Frequent, reactive and inconsistently applied regulatory changes and poor coordination between regulators create uncertainty and delays across the value chain.*** - *The frequent, reactive, and inconsistently applied regulatory changes (e.g. import and export permits, product registrations, and confiscation procedures) and poor coordination between regulators create uncertainty and delays across the value chain, hindering local farmers' access to affordable inputs, markets and reduce Namibia's attractiveness for product imports, export and or local access.* - *Namibia is a signatory to the Malabo Declaration (10% national budget), but MAWLR receives only a fraction of this benchmark, severely impacting critical public services (i.e. veterinary, research, VCF maintenance).* - *Restrictions to acquire locally produced fish meal*
How it Hinders Productivity and Growth	***Poor stakeholder engagement and communication, which create uncertainty and weaken collaboration between regulators and the industry. Outdated, contradictory, and incohesive legislation increases compliance risks, disrupts business operations, and limits market expansion. Weak institutional capacity, understaffing, and inadequate oversight result in delays, inconsistent enforcement, and loss of local and export markets. Additionally, restrictions on sourcing essential inputs, such as fish meal for feed, raise production costs. High business transaction costs, duplicative regulatory requirements, and disincentives for investment create uncertainty for investors, further inhibiting sector growth and reducing the industry's***

	contribution to national economic development objectives. - *Poor Stakeholder Engagement and Communication: Limited dialogue and delayed feedback from ministries create uncertainty and strain collaboration between regulators and the industry.* - *Outdated and Contradictory Legislation: Outdated and incohesive legislation regulating agricultural and related products hampers effective enforcement and policy alignment, leading to inconsistent regulatory interpretation, increased compliance risks, and uncertainty that disrupts business operations and market growth within the industry.* - *Institutional Capacity and Oversight Gaps: Understaffing, inadequate information systems, and weak monitoring and evaluation structures lead to inconsistent enforcement and long delays in approvals or feedback.* - *Total loss of local and export markets* - *Fish meal is a great source of protein supplement used in feed formulation. The restrictions on sourcing it locally makes the production of feed costly as it has to be imported.* - *Increasing business transaction costs (cost of doing business) and disincentives investment in the sector, creates uncertainty for investors, and inhibiting growth at home, and contribution to national economic development objectives (the case of double export levies on hides and skins, and double import requirements for poultry products under the LLP Act and Import and Export Control Act, potentially double approval of abattoir establishment under the LLP Act and the Abattoir Industry Act).*
Recommended solutions:	***Streamline agricultural regulation and oversight by establishing integrated coordination mechanisms, digitized platforms, and risk-based processes; strengthen public–private engagement and regional regulatory liaison; harmonize and modernize legislation with expert input; enhance staffing, training, and digital***

	tracking for inspectors and permit officers; fast-track border post coordination; improve licensing efficiency for local products; implement accountability systems with adequate budgets; review and update policies to address current challenges; and repeal or consolidate conflicting regulations to reduce duplication, lower business costs, and promote investment and value addition in the sector. - *Establish an integrated regulatory coordination mechanism across relevant ministries and oversight bodies to streamline decision-making and permit processing, supported by a central online platform for uniform applications.* - *Introduce mandatory impact assessments before policy changes and adopt risk-based inspection systems to reduce red tape for compliant importers while focusing oversight on higher-risk activities.* - *Establish structured public–private engagements and introduce a formal communication protocol with written follow-ups after meetings. Appoint Regulatory Liaison Officers at regional level to improve responsiveness.* - *Set up a multi-stakeholder task team to harmonise and modernise agricultural legislation. Include industry experts and legal drafters in review processes.* - *Strengthen staffing, training, and digital tracking systems for inspectors and permit officers. Develop an integrated oversight dashboard to monitor performance and turnaround times.* - *Fast-track a One-Stop Border Post model for joint inspections and improved coordination.* - *Improved efficiency of licensing on locally produced products and extracts to be sold locally (Seaweed extract).*

	- *Strengthen the implementation of accountability and productivity score cards and ensure adequate budgetary allocation* - *Review current policies and laws to accommodate and address the country's current challenges.* - *Repeal the following laws to allow full control by one institution, i.e. the LLPBN:* o ***Government Notice 54 of 28** February 2025 under Import and Export Control Act, to eliminate the double permits requirements to which the importers are currently subjected, and hence to reduce the cost of doing business, and to allow poultry import restrictions to be managed one legislation, namely the LLP Act.* o ***Government Notice 99 of 30 April 2025** under Export Levy Act, 2006, to remove export levies on hides and skins and allow first right of refusal scheme to be implemented under the LL Act given that hides and skins are now controlled products under the LLP Act, and to reduce waste of skins, and encourage availability of raw skins for processing as well as investments into value addition to contribute to growth at home.* o ***Abattoir Industry Act, 1976** to avoid duplication of abattoir approval and compliance, and investor uncertainty, given that the LLP Act sufficiently provides for abattoir approval, and all existing and future abattoirs are legally provided for and approved under the LLP Act.* - *Remove legislative overlap to reduce compliance duplication and cost of doing business and investor uncertainty.*

Who Will Drive this Reform:	***Ministry of Agriculture, Fisheries, Water and Land Reform, Ministry of International Relations and Trade, Livestock and Livestock Products Board of Namibia, Namibia Agronomic Board, Swakara Board of Namibia and the Attorney General's office.***
What success look like:	***A harmonized regulatory framework and policies that effectively address the country's current challenges.*** - Harmonized regulatory framework across ministries and industries - Policies and laws that accommodate and address the country's current challenges.
Proposed durations:	**Immediate and continuously.**

Constraint No. 5	
What is the constraint:	***Fisheries Resources Recovery and an undeveloped aquacultural sector as an alternative.***
What is the root cause:	***The fisheries sector is under pressure from an exponentially growing seal population, overfishing, illegal fishing, and a neglected aquaculture industry lacking supportive regulations and investment, all of which threaten resource sustainability and sector development.*** - *Seal population is growing exponentially, consuming close to 4kg fish daily which is depleting resources.* - *The Fisheries sector has an alarming increasing seal population that grew from 180,000 in 1990 to 3,000,000 in 2025. This exponential increase threatens all sectors and recovery of fisheries in general, consuming over N$2,160 billion.* - *Lack an enabling environment for aquaculture (licensing, import/export regulations, quality control, sales registration)* - *Overfishing and illegal fishing* - *Aquaculture is generally neglected and not viewed as a viable option for skills development and therefore,*

	minimal investment is recorded in specific programs relating to knowledge and holistic development
How it Hinders Productivity and Growth	***Fisheries resources in general are unable to recover quickly over time (e.g. subsectors: pilchard, horsemackerel, hake, crayfish)***
Recommended solutions:	***Implement sustainable seal harvesting and increase their Total Allowable Catch (TAC) for economic viability, enhance patrolling to prevent illegal fishing, collaborate with the industry on seasonal closures, and boost government support and investment in aquaculture programs.*** - *Start a process of harvesting seals with backend local consumption preventing international backlash resulting in restricted markets.* - *Increase the seals Total Allowable Catch (TAC) to right holders, so that it can make economic viability.* - *Patrolling needs to be conducted at all times to avoid illegal fishing by the Angolans and any other illegal players.* - *Collaborate with the fishing industry to develop strategies for implementing fishing moratoriums or seasonal closures for various species, taking into account their migration patterns and seasonal behaviors.* - *Increase government support/input and investment in aquaculture programs*
Who Will Drive this Reform:	- Ministry of Agriculture, Fisheries, Water and Land Reform - Ministry of Finance
What success look like:	***A sustainable seal population and fisheries resources which are fully recovered, local consumption and processing of seal products for employment and market growth, and thriving, complementary aquaculture sector.*** - Sustainable seal population numbers, sustainable fisheries recovery

	- Local consumption of seal marine products, sustainable employment and establishment of processing facilities and new markets. - A thriving aquaculture sector that is complementing the fisheries.
Proposed durations:	**1 to 10 years**

Constraint No. 6	
What is the constraint:	***Insufficient Quota for fisheries sector and little to no incentives for economic Growth & Investment for fishing sector***
What is the root cause:	***The fisheries sector faces growth constraints due to unpredictable levies, outdated scientific methods for Total Allowable Catch (TAC) determination, restrictive fishing zones, and an excessive number of rights holders.*** - *Fisheries pay levies, fees and taxes to the government with no incentives geared towards growth and investments. In addition, new levies are introduced without consultation resulting in unpredictable levies in future* - *Scientists at the Ministry of Fisheries currently utilise statistical analysis methods that may be outdated or lack sufficient scientific support in determining the Total Allowable Catch (TAC).* - *Designated fishing-restricted areas; statistical analysis methods that are outdated and lack sufficient empirical support.* - *An excessive number of participants within the fishing industry have been granted rights.* - *The implementation of the Auctioning off of quota system leaves less quota available for commercial activities and creates a lopsided approach towards maximizing the economic value to be derived from the marine resources.*

How it Hinders Productivity and Growth	***High and unpredictable levies, outdated quota allocation methods, arbitrary fishing restriction zones, and insufficient quotas for rights holders limit operational efficiency, threaten business viability, and risk job losses in the capital-intensive fisheries sector.*** - *Quota levies, research levies, by-catch levies, Observer levies, NSI payments for verification, amongst others, export levy for unprocessed products.* - *If the fisheries ministry continues to rely on unsubstantiated and obsolete statistical methods, it may face challenges in allocating adequate quotas for the industry.* - *The current fishing restriction zones lack a scientific basis and appear to have been designated arbitrarily.* - *Rights holders employing a substantial workforce often receive inadequate quotas, which are insufficient to sustain company operations, particularly given the capital-intensive nature of the industry. This challenge is especially pronounced for wet operators with land-based factories. As a result, employees may face job losses.* - *Insufficient quota leaves less resources available for continued and maintained investment, economic growth and sustainable employment creation.*
Recommended solutions:	***Regularly review levies with industry input, conduct scientific research to accurately assess fisheries resources, and allocate additional quotas to operators supporting larger workforces to boost employment.*** - *Continuous review of levies with industry input with agreement prior to implementation.* - *The Ministry of Fisheries to collaborate with private sector entities to undertake comprehensive scientific research aimed at accurately assessing biomass levels and analysing migration patterns.* - *Allocate additional fishing quotas to operators employing a larger workforce, with particular consideration given to those with land-based factories*

	primarily established to enhance employment opportunities within the fishing industry. - *Ministry of Agriculture, Water and Fisheries together with Ministry of Finance to halt quota auctioning and rather apportion that quota to SOE's and Private Sector*
Who Will Drive this Reform:	***Ministry of Agriculture, Water Fisheries and Land Reform***
What success look like:	***A conducive policy environment that attracts investment into the agricultural sector and increased employment, increased investment***
Proposed durations:	**1 to 10 years**

Constraint No. 7	
What is the constraint:	***Industry (Agricultural, Water and Fisheries) related education is lacking and School leavers are not employable due to a lack of capacity and entrepreneurial and industry related skills.***
What is the root cause:	***Lack of focus on entrepreneurial skills development and industry related training and education from lower primary, secondary and tertiary institutions and people with disabilities.***
How it Hinders Productivity and Growth	***Inadequate skills and business readiness among school leavers and dropouts leads to unemployment, socio-economic challenges, and limited contribution to productivity and growth, highlighting the need for targeted in-service training in the agricultural sector.*** - *School leavers are not prepared for life beyond school and are thus unabsorbable by the industry and also unable to start viable and sustainable businesses because they lack the necessary skills and business acumen.* - *Rising unemployment creates socio-economic challenges with zero contribution to productivity and growth.*

	- *School dropouts have nowhere to go and need in-service training and the agricultural sector*
Recommended solutions:	***Enhance agricultural skills and entrepreneurship by increasing budgets for training, leveraging on already existing research farms/stations, engaging local industry trainers, updating curricula to accommodate current industry needs, providing bursaries and scholarships for short courses, certificates and diploma training, reskilling farmers, mobilizing extension services, and implementing wage schemes for youth employed in agriculture.*** - *Bigger budget allocation for entrepreneurship training and making current research farms/stations available for practical and on the job training.* - *Identify local trainers with industry related skills to train unemployed youth.* - *Curriculum review to introduce entrepreneurial skills development and vocational and agricultural training and enhance indigenous knowledge.* - *Fast tracking curriculum development and approval/accreditation for specific needs of the agricultural sector.* - *Provide additional training to educators and build industry specific capacities.* - *Government to avail skills development bursaries and scholarships for short courses, certificates and diploma training.* - *Re-skilling and upskilling farmers through subsidized short courses and practical training* - *Mobilize the agricultural extension services to assist and train communal, emerging and resettlement farmers.* - *Special wage order/scheme for school leaving students who are employed directly in agriculture*

Who Will Drive this Reform:	***Ministry of Education, Innovation, Youth, Sport, Arts, and Culture, Ministry of Agriculture, Fisheries, Water and Land Reform, Ministry of Labour, and Accredited training providers.***
What success look like:	***Developed an industry specific skilled and entrepreneurial youth workforce and empowered communal, emerging, and resettled farmers with the knowledge to run successful agricultural enterprises.*** - *Employable youth with the necessary skills and capacity who are also equipped with entrepreneurial skills to be absorbed in the agricultural industry* - *Communal, emerging and resettled farmers equipped with the necessary knowledge and skills to operate a farming enterprise successfully.*
Proposed durations:	***Immediate implementation and Continuous monitoring.***

Constraint No. 8	
What is the constraint:	***Limited operational abattoirs, reliable marketing infrastructure and market access in the North of the VCF (NVCF)***
What is the root cause:	***The health status and subsequent quarantine requirements and lack of market access discourage farmers from selling cattle to abattoirs.*** - *Quarantine requirements discourage farmers from selling to abattoirs.* - *Lack of different marketing options* - *Insufficient processing plants for value addition*
How it Hinders Productivity and Growth	***Limited market access through operational abattoirs and processing plants, and the lack of an active livestock auction system inhibits the trade and marketing of livestock in the NCA's.*** - *Limited market access and operational abattoirs hinder continued investment to improve herds and*

	slows down economic growth and employment creation. - *With the NCA's holding about 51% of Namibia's cattle herd, current low prices and poor market access disincentivize commercialized farming practices and investment in animal health, leaving over half the national herd disconnected from the primary economic benefit of the meat sector.*
Recommended solutions:	***Introduce incentives for the establishment of fully operational abattoirs and processing plants for market expansion to support communal farmers to access local and international markets.*** - *Secure access to international markets (Qatar Market)* - *Implementation of measures to ensure fair market prices (Equalisation Fund)* - *Adress the animal health status in the NCA's by introducing well managed vaccination programs and restricting free movement of livestock across borders* - *Implement proper quarantine mechanisms which allow easier access to markets.* - *Implement a robust strategy to move the VCF northward over time.* - *In* the *short term, aggressively pursue FMD-risk-tolerant regional African markets (AfCFTA).*
Who Will Drive this Reform:	- Ministry of Agriculture, Water Fisheries and Land Reform - Livestock and Livestock Products Board of Namibia (LLPBN).
What success look like:	***A secured animal health status for livestock in the NCA's, and a well-established and vibrant livestock marketing environment, supported by efficient abattoirs and processing plants, offering market related prices for communal farmers, with local and international market access.*** - *Market Integration and Producer Price Equity: A demonstrable increase in the average price paid to NCA producers for their cattle (narrowing the gap with*

	SVCF prices) and a significant increase in NCA-sourced cattle processed by Meatco (e.g., reaching the target of 10,000 cattle annually).
Proposed durations:	**1 to 10 years**

SECTION 5: RECOMMENDATION FOR IMPLEMENTATION TRACKING

Establish a committee with in-depth knowledge and experience of the agriculture, water and fisheries sectors to facilitate, navigate and assist government with the implementation of the proposed solutions, who should also be tasked with the monitoring of the success and impact thereof. These committee members should be remunerated and held accountable for their role in this challenging task.

Working Group 2: Culture & Creative Industries, Tourism, Sport

EXECUTIVE SUMMARY

Namibia's Culture and Creative Industries, Tourism and Sport sectors are integral to the country's aspirations for economic diversification, youth empowerment and social development. These sectors not only preserve national identity and cultural heritage but also represent key sources of innovation, entrepreneurship and international engagement. The Culture and Creative Industries (CCI), Tourism and Sport reinforce one another through cultural tourism, sports tourism and creative storytelling for national branding.

The group's focus was to identify policy, regulatory, institutional and investment measures that can unlock economic growth and create sustainable jobs in these interlinked sectors.

To address systemic barriers across Culture and Creative Industries, Tourism and Sport, the recommendations below responded to the key constraints and gaps in the sectors.
These include:

The **Culture and Creative Industries (CCI)** sector requires stricter enforcement of local content quotas across media platforms to promote Namibian content. Incentives such as tax rebates, particularly for the film industry and importation of production equipment, should be introduced. To address chronic underfunding, sustainable financial mechanisms involving government, private sector and international partnerships are essential to support CCI growth.

In **Tourism**, Namibia should strengthen its international marketing through a unified "Brand Namibia" initiative, benchmarking successful models like Rwanda's. Expanding air connectivity is vital by attracting more airlines, developing regional hubs (Walvis Bay, Katima Mulilo) and supporting the Air Connect Committee's initiatives. Poor road conditions remain a major obstacle and require urgent maintenance. Visa reforms are crucial, streamlining processes for tourists, business (MICE) travelers and improving the e-visa system to enhance visitor experience. Regional visa cooperation within KAZA and consideration of a SADC Uni-Visa could greatly improve mobility and boost cross-border tourism.

In **Sport**, the Sports Act must be updated to reduce fragmentation and ensure fair labour practices. Increased funding for education, training and professional development is necessary to professionalize the sector. Streamlining visas and work permits for foreign sports professionals can enhance skills transfer. Investment in human capital development should align with infrastructure upgrades, ensuring accessibility and inclusion for persons with disabilities.

Cross-cutting recommendations emphasize establishing a national research and data management system for informed policymaking, enhancing digitalization to improve efficiency, and creating a public-private think tank to address land tenure and access issues critical for tourism, creative, and rural development.

SECTION 0: WORKING GROUP SCOPE AND FOCUS

The group's focus was to identify policy, regulatory, institutional and investment measures that can unlock economic growth and create sustainable jobs in these interlinked sectors.

The scope of this engagement included comprehensive consultations with stakeholders from the public and private sectors, industry associations and community organisations across all three sectors. These consultations aimed to consolidate practical insights and evidence on existing constraints and opportunities, to inform government decision-making and strengthen collaboration between the public and private sectors in achieving NDP6 objectives.

Section 1: Overview and Context

Namibia's Culture and Creative Industries, Tourism and Sport sectors are integral to the country's aspirations for economic diversification, youth empowerment and social development. These sectors not only preserve national identity and cultural heritage but also represent key sources of innovation, entrepreneurship and international engagement.

The creative economy is emerging globally as a driver of inclusive growth, yet in Namibia, it remains underdeveloped and informal despite abundant talent. Similarly, tourism remains a major contributor to the Gross Domestic Product (GDP) and foreign exchange, but its recovery from the COVID-19 pandemic has been slow, and its product range remains overly dependent on wildlife and nature-based tourism. Sport, while a vital social and cultural institution, has yet to be fully recognised and developed as an economic sector capable of generating employment and national pride.

These sectors collectively align with NDP6's objectives of promoting economic transformation, creating jobs and enhancing social well-being. However, their potential is constrained by systemic weaknesses that require coordinated reforms across policy, finance and institutional frameworks.

Section 2: Demonstrate Understanding of Government Priorities and Objectives

Government priorities under NDP6 and the SWAPO Manifesto Implementation Plan underscore the need to accelerate economic transformation through high-potential sectors such as tourism, the creative industries and sport. Both policy frameworks emphasise youth empowerment, skills development, job creation, and the promotion of cultural identity and national cohesion.

For the culture and creative industries, the government aims to strengthen arts education, formalise the creative sector and improve access to finance and markets. NDP6 specifically recognises the creative economy as a new frontier for job creation and export growth. In tourism, national priorities include increasing international arrivals, improving competitiveness through streamlined visa policies, diversifying products and ensuring community-based tourism benefits rural populations. The sports sector is targeted as a tool for youth development and nation-building, with a focus on infrastructure improvement, professionalisation and inclusion.

The Working Group's recommendations respond directly to these priorities by proposing reforms that align private investment and innovation with the government's social and economic goals.

Section 3: Outline what the Private Sector is already doing - including current job creation and potential to create more jobs

3.1 CULTURE AND CREATIVE INDUSTRIES

The private sector plays an essential role in sustaining Namibia's creative ecosystem. Various subsectors within the CCI have been driving the growth of the creative economy despite the limited support. This includes, but not limited to Museums and Galleries, Libraries and Archives, Performing Arts, Visual Arts, Publishing, Film and Video, Television and Radio, Photography, Advertising and Marketing, Architecture, Design, Software and Gaming, Fashion, Crafts and Culinary Arts. The Namibia Film Commission, creative studios and event organisers have spearheaded international collaborations that promote Namibia's cultural identity abroad. Independent production houses, art galleries and fashion designers have created employment opportunities for youth and women while contributing to export diversification. The private sector has also begun investing in creative spaces, festivals and online platforms that generate both social and economic value.

South Africa's cultural and creative industries (CCI) are valued at approximately R161 billion, contributing around 3% to the nation's GDP. The sector provides employment to over 1 million people, representing about 6% of the workforce, with an estimated 43% working on a freelance basis. On average, employees in this sector earn about R15,000 per month, reflecting its significant role in driving both economic activity and creative employment opportunities. Notably, the Cape Town Film Studio alone employed 98,000 people during its first year of operations and is estimated to have generated an economic impact of N$21 billion, highlighting the industry's potential for large-scale economic contribution.

3.2 TOURISM

Private operators dominate Namibia's tourism value chain. Hotels, lodges, tour companies and airlines collectively employ thousands of Namibians and have continued to invest in infrastructure and marketing to support the country's recovery from the pandemic. Moreover, private partnerships and strong social impact programs with communal conservancies have demonstrated how tourism can drive rural development and environmental conservation simultaneously. Additionally, outbound travel agencies play an important role in moving Namibians and international travellers that come in the form of investors and business people. They come to do business with Namibia but also allocate leisure time to travel around the country. There is great employment potential in this regard. Travel Agencies/Travel Management companies drive the sales and bookings of the tour operators, accommodation, car rentals, transfers and MICE businesses.

3.2.1 NIPDB Investment Pipeline Projects

There are currently four (4) investment projects underway in the Khomas and Hardap regions respectively, with three (3) of them being in the pre-lead stage. They jointly have the potential to create 20,000 jobs - including permanent, seasonal and temporary employment.

Tourism diversification strategies are driving growth in various regions. Rwanda has rapidly developed a successful MICE (Meetings, Incentives, Conferences, and Exhibitions) sector centered around the Kigali Convention Centre, becoming one of Africa's leading business tourism hubs within a decade and fueling its hospitality industry's expansion. Additionally, digital nomad visas are emerging as an innovative tool to attract remote workers during off-peak seasons, as seen in countries like Portugal and Mexico, boosting local spending and tourism revenue. In Thailand, youth participation in tourism has led to increased self-employment and the growth of MSMEs catering to visiting tourists.

3.3 SPORT

The sports industry relies heavily on private sponsorship and partnerships. Corporates provide financial and logistical support for leagues, clubs and events that nurture local talent. Private gyms, fitness academies and training centres are growing employers, while sports marketing and event management companies are beginning to emerge. These private initiatives sustain community-level engagement and supplement limited public resources, demonstrating the untapped potential of sport as an economic driver.

South Africa's sports sector is valued at approximately R50 billion, driven by key factors such as sports tourism, equipment retail, and related employment. The industry contributes between 1% and 2% to the country's GDP and supports an estimated 500,000 jobs, including athletes and support staff. Its impact extends beyond direct economic gains, boosting related industries like hospitality and retail through investment, job creation, and increased consumer activity. South Africa also hosts professional leagues for several major sports, including basketball, cricket, rugby, soccer, and swimming, reflecting its diverse and vibrant sporting landscape.

Namibia has shown strong potential in several sports, particularly netball, rugby, soccer and track and field, highlighting its growing talent and development in both team and individual athletic disciplines.

Section 4: Identify Key Constraints and Barriers

4.1 CULTURE AND CREATIVE INDUSTRIES

4.1.1 Market Access

Local Content - Low airtime (through radio and television) is given to local music and film/tv productions although local content quotas are in place instructing media platforms to do so. The implementation and monitoring of compliance is lacking.

4.1.2 Incentives

Incentives - Stems from limited funding and investment in the creative industries, where projects rely heavily on small grants and lack access to financing.

4.1.3 Funding Gap

Lack of Funding in CCI - There is limited funding and investment, where many creative projects rely on small grants or personal resources, government support is insufficient and access to international co-production funds is scarce. It also responds to the lack of financial products tailored for CCI entrepreneurs who wish to scale and create employment opportunities.

4.2 TOURISM

4.2.1 International Marketing and Airlift

Brand Namibia: There is a need to have more focused promotion activities under Brand Namibia to position the country as a destination for Tourism Sport CCI and others to the world.

Airlift: The main constraint facing the Tourism sector is the availability and the prices of international flight tickets to Namibia. Other local airports in Walvis Bay and Katima Mulilo under-utilised and have potential for upgrades.

4.2.2 Infrastructure

Road Conditions - Namibia’s tourism infrastructure is severely constrained by poor road conditions and inadequate maintenance, particularly on critical routes to tourism destinations.

4.2.3 Visas

Short stays in KAZA Area - There is uncertainty and lack of coordination regarding visa facilitation within the Kavango-Zambezi Transfrontier Conservation Area (KAZA), limiting ease of movement for tourists. The absence of a harmonized visa regime, such as the SADC Uni-Visa, constrains cross-border tourism and reduces the attractiveness of multi-destination travel in the region.

MICE Visa - The recent introduction of new approaches to business and MICE (Meetings, Incentives, Conferences, and Exhibitions) visas for SADC travellers has raised concerns due to unclear requirements and slow processing, creating barriers for business tourism and event participation.

E-Visa Challenges - The e-visa system has posed technological challenges due to ongoing system failures thus causing delays with visa applications and processings/approvals.

4.3 SPORT

4.3.1 Policy

- **Sports Acts** - Absence of an updated legal framework has caused fragmentation in the sports sector, unclear roles and unfair labour practices.

4.3.2 Funding

Sports Funding - Arises from the constraint of inadequate funding in the sports sector, which hampers access to qualifications, professional training and the development of a skilled workforce. The sector also suffers from a lack of standardized training for coaches and administrators, which weakens its professional base and limits overall growth and competitiveness.

4.3.3 Visas

Sport Visa/Working Permits - There is no clear or streamlined visa and work permit process for foreign sports professionals such as coaches and trainers, which limits skills transfer, collaboration and the development of Namibia's sports sector.

4.4 CROSS-CUTTING CONSTRAINTS

4.4.1. **Lack of Data** - There is an absence of reliable data needed for effective policy-making and planning across the Culture, Creative Industries, Tourism, and Sport sectors.

4.4.2. **Digitalization** - Persistent bureaucratic inefficiencies and a lack of digital systems constrain service delivery as manual processes cause delays.

4.4.3. **Land** - Unresolved issues around tourism concessions, leaseholds and communal land legislation that create uncertainty for stakeholders. Additionally, acquiring permits to film on protected lands is a cumbersome process.

Section 5: Present Recommendations and Specific Asks (Policy, Regulatory, Institutional or Investment-related)

5.1 CULTURE AND CREATIVE INDUSTRIES

5.1.1 Market Access

Local Content - Enforce local content quota compliance more strictly in various media platforms i.e. radio, television etc.

5.1.2 Incentives

Incentives - Introduce incentives for creative projects such as tax rebates for the film sector, especially on the importation of filming equipment.

5.1.3 Funding

Lack of Funding in CCI - Sustainable Funding Mechanisms in the CCI - Encourage government, private sector and international co-production funds.

5.2 TOURISM

5.2.1 International Marketing and Airlift

Brand Namibia: Brand Namibia to promote the country as a premier destination for tourism, sport, and the creative industries. Possibly benchmark with Rwanda who is doing it successfully.

Airlift: Enhance air connectivity by incentivizing more international and regional airlines to operate direct routes to Namibia. Support the Air Connect Committee's efforts to expand routes and reduce costs, while developing secondary hubs such as Walvis Bay and Katima Mulilo to improve regional access and boost tourism.

5.2.2. Infrastructure

Road Conditions - Namibia's tourism infrastructure is severely constrained by poor road conditions and inadequate maintenance, particularly on critical routes to tourism destinations.

5.2.3 Visas

Short stays in KAZA Area - Streamline entry of international visitors, including visa constraints, to foster cross-border collaboration and tourism growth. Strengthen collaboration with neighbouring countries on visa facilitation within the KAZA region and reconsider the implementation of the SADC Uni-Visa to support trans-frontier tourism and improve regional mobility.

MICE Visa - Simplify and streamline visa procedures for international business and MICE travellers to encourage investment, conferences and events in Namibia. Ease of Access for international visitors should be prioritized, reducing bureaucracy and promoting international cooperation.
E-Visa Challenges - Address e-visa system challenges to ensure consistent

functionality and avoid offline disruptions that cause inconvenience to travellers.

5.3 SPORT

5.3.1 Policy

Sports Acts - Update the Sports Act to curb fragmentation in the sector. Review labour practices within the sports sector as it relates to fair compensation.

5.3.2 Funding

Sports Funding - Increase funding for sports education and development which will assist in the professionalization of the sector by having qualified facilitators, trainers and coaches.

5.3.3 Visas

Sport Visa with working permits for Sports Professionals - The import of skills should be made easier to facilitate knowledge exchange and professional development. Streamline visa and work permit processes for foreign sports professionals to promote sports development.

5.3.4 Skills

Capacity Building - Integrate human capital development with sports infrastructure upgrades and development i.e. deploy experienced local coaches, sports scientists, facility managers and event operators as trainers and mentors for new staff hired during the construction and operational phases of new venues.

5.3.5 Infrastructure

Existing Infrastructure Upgrades - Upgrade existing sports infrastructure at schools. Prioritize participation and accessibility for differently abled persons and overall sports development.

6. CROSS-CUTTING RECOMMENDATIONS

6.1 National Research and Data Management System - Establish effective systems to collect reliable data/statistics that will inform decision-making and policy.

6.2 Digitalization - Streamline bureaucratic matters through digitalization for ease of access and efficiency.

6.3 Land - A public-private thinktank should be established to guide land use and land tenure issues in view of long-term sustainability of livelihood and income generative activities in rural areas. Outstanding issues related to tourism concessions, permits for creative projects to access restricted land, leaseholds and communal land legislation require resolution to provide clarity for all stakeholders.

Working Group 3: Quality Health, Housing, Land & Sanitation

Executive Summary

This paper outlines the private sector's unified commitment to co-deliver with the Government on Namibia's national priorities under **Working Group 3: Quality Health, Housing, Land, and Sanitation**. These four pillars are the foundation of dignity, equity, and productivity; together shaping the country's vision of inclusive development and shared prosperity.

The private sector stands ready to partner with the Government to strengthen Quality Health systems, accelerate the delivery of affordable housing, expand access to serviced land, and ensure adequate sanitation for all. Each of these priorities presents a dual opportunity: to close access gaps while creating sustainable employment across industries.

Key Priorities and Commitments

Quality Health: Support workforce diversification by funding training, internships, and scholarships for healthcare professionals; partner with universities for specialist development; and accelerate the rollout of eHealth, telemedicine, and digital management systems. The private sector will co-develop specialist hospitals and smart logistics centres to enhance service quality and decentralise advanced care.

Housing, Land, and Sanitation: Lead the formalisation of informal settlements into vibrant, serviced communities through PPPs and blended financing. Introduce digitalised property systems, unlock capital through serviced nodes, and drive large-scale housing developments that integrate schools, recreation facilities, and healthcare access.

Job Creation: Mobilise the full industry value chain; from developers and financiers to contractors and material suppliers; ensuring that every investment translates into measurable employment and enterprise opportunities.

Constraints Limiting Private Sector Commitment

While the private sector is ready to invest, several barriers hinder full participation and delivery at scale:

In Quality Health: lack of coordination frameworks with MoHSS; slow implementation of the National eHealth Strategy; fragmented digital systems with no interoperability standards; lengthy procurement and licensing processes; and restrictive work visa requirements for foreign specialists.

In Housing, Land, and Sanitation: high cost of land and bulk infrastructure; limited fiscal incentives; unbalanced competition with municipalities; leasehold land that cannot be used as collateral; overregulation by banks and insurers on alternative building methods; and lengthy rezoning and approval processes that raise project costs.

These challenges, if unresolved, constrain the private sector's ability to mobilise investment, technology, and innovation in support of national priorities.

Proposed Solutions and Joint Actions

The private sector proposes targeted interventions to unlock delivery and accelerate results:

- Establish a National Health Task Force (public–private) to implement digital health integration, re-engineer processes, and deliver a 180-day pilot for eHealth and hospital management systems.
- Create priority investment zones and fiscal incentives for private investment in hospital and specialist infrastructure, supported by streamlined work permits for critical skills.
- Operationalise the National Housing Fund (NHF) and introduce blended finance and equity models to attract developers and enable first-time home ownership.
- Fast-track formalisation of informal settlements through private-sector-led delivery nodes, backed by expedited approvals and flexible land tenure.
- Digitalise the property ownership and land-servicing processes, enabling traceability, transparency, and securitisation of title deeds.
- Establish a Private Sector–Led Task Force to coordinate land allocation, funding, procurement, and programme management with monthly reporting to the Presidency.

Conclusion

By aligning public policy with private capacity, Namibia can transform these priorities into visible outcomes; modern hospitals, connected clinics, dignified homes, serviced land, and clean communities. Each will drive inclusive growth, job creation, and improved quality of life.

This paper represents the private sector's unified commitment to co-deliver with the Government, guided by shared accountability and mutual trust. Through coordinated execution, Namibia can achieve not just development, but Quality Development; through health, housing, land, and sanitation that deliver work, wellness, and dignity for every Namibian.

Section 0: Working Group Scope and Focus

Improving the quality of life for all Namibians through access to Quality Health, Housing, Land, and Sanitation is at the heart of this Working Group's mandate. These four pillars are deeply interconnected; quality health services depend on adequate sanitation and stable living conditions, while access to serviced land and affordable housing fosters healthier, more productive communities.

The private sector is committed to partnering with the Government to co-deliver on these priorities by mobilising capital, technology, and expertise to enhance service delivery. This partnership aims to accelerate mass housing delivery, expand access to serviced land, improve sanitation infrastructure, and strengthen health systems; ensuring that each intervention translates into job creation and improved living standards.

The Group's work is aligned to national frameworks, including the SWAPO Manifesto Implementation Plan (SMIP) 2025–2030, National Development Plan 6 (NDP6), and Vision 2030, all of which place inclusive, quality service delivery and sustainable livelihoods at the centre of Namibia's development agenda.

Section 1: Overview and Context

Access to Quality Health, adequate Housing, Land, and Sanitation remains central to achieving Namibia's socio-economic transformation. Together, these pillars form the foundation of human development; ensuring that Namibians not only live longer but live better.

In health, the focus has shifted from access alone to Quality Health, defined by safe, effective, patient-centred, and equitable care. Improving the quality of healthcare through modern infrastructure, digital systems, and skilled professionals is essential to building a resilient, productive population. Healthier citizens strengthen the workforce, reduce poverty, and sustain long-term growth.

At the same time, housing, land, and sanitation continue to be catalysts for dignity and inclusion. Every serviced plot, constructed home, and improved sanitation facility creates jobs and business opportunities across the construction, logistics, and maintenance value chains. When coupled with robust healthcare systems, these sectors collectively uplift communities and promote social cohesion.

A coordinated public–private partnership approach is therefore vital. The private sector's capacity to innovate, finance, and execute large-scale projects complements Government's policy direction and developmental reach. Through joint planning and targeted reforms, Namibia can achieve universal access to Quality Health, adequate housing, and essential services; translating national priorities into tangible improvements in the quality of life for all.

Section 2: Government Priorities and Objectives

Government's priorities under SMIP and NDP6 outline clear, measurable targets:

- **Land**: Accelerate access to tenure and serviced plots, centralise land servicing, and ensure redistribution to previously disadvantaged Namibians, increasing redistributed land from 3.5 to 3.9 million hectares.

- **Housing**: Deliver 50,000 affordable housing units by 2029, with an emphasis on low-and middle-income households, and formalise 50% of informal settlements.

- **Sanitation**: Construct 1,000 sanitation facilities (each with 20 units, totalling 20,000 units) by 2029, prioritising peri-urban and rural communities.

- **Health**: Expand primary healthcare coverage, operationalise 11 regional intermediate hospitals, strengthen local medical training, and implement a national e-Health system across all public facilities.

    - Ensure equitable access to quality health and social services without financial hardship.
    - Strengthen governance and leadership for health system resilience.
    - Expand service coverage across preventive, promotive, curative, rehabilitative, and palliative care.
    - Strengthen financial protection through pooled funding and efficient resource allocation.

- **Jobs**: Create 500,000 jobs by 2030 - SMIP

These targets aim to reduce inequality, stimulate local enterprise, and create large-scale employment through domestic value chains, aligning with Vision 2030's call for shared prosperity and dignity for all Namibians.

Section 3: Private Sector Commitment to Government Priorities and Current Job Creation Levels

The private sector recognises that these priorities cannot be achieved by the public sector alone. Namibia's businesses, developers, investors, and professionals are ready to co-deliver through targeted investment, innovation, and execution capacity, to advance employment creation in line with the Sixth National Development Plan (NDP6). Within this commitment, projects currently in the NIPDB Investment Pipeline across the focus sectors of this Working Group hold the potential to generate over 11,000 jobs, directly contributing to inclusive growth and improved livelihoods.

Quality Health

Private healthcare partners are prepared to:

People

- Support workforce diversification by funding training programmes, internships, and scholarships for General Practitioners, nurses, specialists, and Allied healthcare professionals.
- Partner with universities for internships and CPD programs in digital health and logistics.

Efficiency

- Partner in the rollout of the national e-Health and e-licensing systems, creating digital jobs and supporting a modernised health administration ecosystem.
- Deploy interoperable eHealth and patient management systems integrated with MoHSS databases.
- Provide cloud hosting, cybersecurity and analytics dashboards for real-time decision-making.
- Develop digital health passports and unified medical records.
- Operate digitally enabled national warehouses with traceability and cold chain integrity.
- Expand local manufacturing partnerships to reduce import dependency.
- Integrate AI-based demand forecasting for transparency and stock-out prevention.

Infrastructure

- Accelerate healthcare infrastructure development using private sector efficiency and technology integration by means of Smart logistics centres, digital integration, efficient supply chain, warehousing and distribution and PPP hospital supply chains.
- Co-develop PPPs-managed specialist centres in identified regions to decentralise advanced healthcare services and create high-quality employment.

Housing, Land & Sanitation

The private sector commits to:

Invest in the formalisation of Informal Settlements

- Invest in informal settlements to formalise nodes and unlock value on the basis of security of tenure.
- Lead the formalisation of informal settlements into vibrant, well-planned, self-sustaining communities with housing, schools, recreation facilities, improved sanitation with an emphasis on quality of life and employment creation, while prioritising Densification and sectional titles to deal with scarcity of land and decongestion.
- Introduce blended financing mechanisms (for both equity and debt) that enable first-time property ownership, especially among low- and middle-income households.
- Partnerships and co-financing models where Government equity can be paired with private investment to expand delivery capacity and reduce project risk.

Efficient delivery

- Mobilising the entire industry, developers, financiers, consultants, construction firms, and materials suppliers, to align their efforts with national housing, land, and sanitation targets through a National Real Estate Industry Body (NPA).
- Localising supply chains and prioritising Namibian contractors in construction, land

servicing, and sanitation projects to maximise domestic job creation.
- Partnering with municipalities for land servicing and urban infrastructure development to speed up approvals and scale affordable housing rollout.
- Implementing community-based sanitation models that empower local cooperatives and small enterprises to construct and maintain facilities.
- Assuming project management roles in large-scale developments to streamline timelines, ensure accountability, and deliver cost-effective results.
- Developing large-scale real estate developments that attract tourists, attract foreign investment, contribute to community development and create jobs.

Together, these commitments will directly contribute to the Government's goals while stimulating broad-based employment, reducing inequality, and strengthening domestic enterprise. The above would enable 50,000 houses to be delivered over a period of 5 years, as well as large-scale real estate developments, together estimated to create 50,000 jobs.

Section 4: Key Constraints and Barriers

To deliver at scale, several constraints must be jointly addressed by the Government and the private sector:

Health Sector

- Lack of coordination between MoHSS and training institutions, resulting in a lack of placement opportunities for trained professionals.
- Lack of a central coordinating forum for health investment and PPP development.
- Slow integration of digital systems.
- Fragmented digital systems hinder coordination between public and private facilities.
- The slow implementation of the National eHealth Strategy (2021–2025) and absence of a dedicated eHealth leadership and governance structure.
- Lengthy procurement processes delay implementation despite local capacity.
- Lack of interoperability standards and data-sharing mechanisms.
- Limited collaboration frameworks with the private sector and underutilization of local expertise.
- Regulatory bottlenecks and insufficient digital literacy within the health workforce.
- Slow procurement processes that deter innovation.

Housing, Land & Sanitation

Incentives/ financial

- High cost of land and bulk infrastructure, making affordable projects financially unviable.
- Absence of targeted incentives (tax breaks, interest subsidies, or concessions) to attract large-scale private developers into low-income housing markets.
- Unbalanced competition between municipalities and private developers; public

entities service land at lower subsidised rates, raising costs for private-sector developments.
- Leasehold land in informal settlements cannot be used as collateral, preventing households from accessing finance.
- Approval process between banks and lawyers during construction of houses to access end user funding. Developers need to price the risk of additional financing cost due to delays, which the end user carries.
- Investment visa process is not transparent to efficiently attract foreign direct investment to large real estate developments.

Efficient delivery

- Lengthy rezoning and approval processes, slowing down project delivery and discouraging participation.
- Fragmented land information systems that limit transparency and effective allocation.
- Inadequate coordination among ministries and municipalities, leading to duplication and execution delays.

Regulations

- Scarcity of serviced land and outdated planning regulations; notably the 300m² minimum erf limit; which restrict higher-density, lower-cost development.
- Over-regulation and adoption of banks and insurers on alternative building methods, restricting finance for housing using sustainable and more cost-effective materials.

These barriers directly impact the pace of delivery and, by extension, the country's potential for large-scale job creation.

Section 5: Recommendations and Specific Asks

To overcome these constraints and enable the private sector to deliver on its commitments, the Working Group proposes the following joint actions:

Health

1. Improve primary healthcare accessibility through digitalisation, (connectivity, patient information, hospital management systems, pharmacy management systems, telemedication, centralised database).

2. Facilitate the development of a Medical Tourism Framework by streamlining visa and licensing processes for foreign specialists and super-specialists, while ensuring skills transfer and safeguarding local employment; positioning Namibia as a regional hub for advanced medical care and contributing to GDP growth.

3. Establish and clearly identify priority investment zones and incentives for local companies to build and upgrade infrastructure, especially in underserved regions.

4. Establish a public-private partnership to identify efficiency constraints and ways to unblock them with a big focus on digitisation, supply chain and product approvals.

The above can be done by the following:

a. Forming a National Health Remunerated Task Force that includes the Private Sector to provide formal recommendations within 2 months for each of the above mentioned components. Focus on business processes Reengineering, training, and quality improvement.
b. Mandate the task force to produce a 60-day e health roadmap and initiate an 180-day pilot in selected facilities.

Quick Wins for Accelerated Impact:

1. Streamline work visa and permit processes for foreign medical specialists to fill immediate skill gaps and support training programs, while building local capacity.

2. Give offtake agreements for a number of years to local manufacturers so that they can increase local capacity with economies of scale.

3. Strengthen regulatory support for local medical manufacturers by introducing fast-track certification and compliance assistance programmes, enabling them to meet national and international standards and participate competitively in health sector supply chains.

4. Fast-track the approval of pharmaceutical dossiers to accelerate market entry for essential medicines and locally produced products, improving access, reducing costs, and strengthening Namibia's pharmaceutical self-sufficiency.

Housing, Land & Sanitation

Digitalisation of Property Ownership Systems and Processes:

1. Digitalisation of the sector (to be maintained by the private sector)

    a. Digitalise the process of storing title deeds (title deed depository)

    b. Digitalise the process for servicing of land, plan approvals, compliance and others for the life cycle of title deed ownership

    c. Digitalise GIS or land information to create accurate settlement areas and avail them to the public

2. Create a task force that includes the private sector focusing on the digitalisation of the entire end-to-end process that will include business process engineering, quality of information, and securitisation of title deeds.

3. This will allow for a Namibian standardised approach to property development and

ownership.

Enable formalisation of Informal Settlements:

- Allocate and Fast Track Affordable serviced land, zoning and processes to be able to build.
- Provide funding solutions for land servicing which includes mandating municipalities, government funding and partnerships with the private sector.
- Form a private sector led task force to design, procure and execute on the delivery of formalised nodes to eradicate informal settlements
- Fast-track implementation of the Flexible Land Tenure Act 4 of 2012, Urban and Regional Planning Act, 5 (Act No. 5 of 2018) with a specific focus on townships establishments and title deed allocation within the formal settlements or townships.

Introduce a Residence by Investment Permit (targeting real estate):

- To attract high-net-worth individuals investing in Namibian real estate and mixed-use developments.
- The permit should include a fast-track approval process, a clear investment threshold, and social impact conditions (e.g. one social housing unit for every private unit built), ensuring that foreign investment stimulates construction jobs, housing delivery, and long-term GDP growth.

Regulations:

4. Fast-track home building and attract investment into the sector

    a. Limit municipality plan approvals for housing projects to 2 weeks.

    b. Reduce the minimum size of single residential erven to 150 m^2

    c. Make land available at the minimum cost to reduce overall costs

    d. Availing funding from infrastructure funds (Pensions, DBN, others) to contribute towards land servicing

    e. Mobilise capital raising opportunities through the private sector in the form of selling land portions within formalised settlements to create communities (retail, education, healthcare services) and in the process allocate capital for servicing of the land.

    f. Provide tax incentives for individuals, companies, developers, and others. Examples may include:

        i. Set off investment in housing or a private sector housing managed housing fund from the annual tax

ii. Abolish the limitation period for using assessed losses, or significantly increase the period over which tax losses can be deducted for long-term investments

Private Sector-led, government-consulted delivery:

5. Create a Private Sector Led, Government-consulted Task Force to:

    a. Mobilise the industry

    b. Coordination and allocation of land

    c. Coordination of funding in pre-approved structures

    d. Create the most cost-effective commercial model to lower costs

    e. Home design and roll-out coordination with the private sector

    f. Centralised procurement of materials

    g. Centralised program management and decentralised project-based management

    h. Monthly Reporting directly to the president to remove bottlenecks

Working Group 4: Energy, Oil and Gas

Executive Summary

Namibia stands at a pivotal juncture in its economic transformation. With world-class renewable resources, major offshore oil discoveries, uranium reserves, and first-mover advantage in green hydrogen, the country is positioned to become a leading energy hub in Southern Africa. This Strategy Paper outlines a coordinated national and private sector roadmap to unlock transformative investment, job creation, and industrialisation aligned with **Vision 2030**, **NDP6**, and the **Swapo Manifesto Implementation Plan (SMIP)**.

The Namibian government has made significant strides across the energy, oil & gas, green hydrogen, and nuclear sectors. In oil & gas, competitive legal and fiscal frameworks have attracted substantial investment,

US$2.5 billion deployed and 26 wells drilled since 2022, establishment of the Petrofund to upskill Namibians as well as the sovereign wealth fund to manage natural resource revenues. In electricity and renewables, the implementation of the National Integrated Resource Plan, the IPP framework, and Modified Single Buyer rules has led to 1,987 MW of licensed projects, expanding domestic generation capacity. The green hydrogen sector has progressed rapidly, with the National Green Hydrogen Strategy launched in 2022, the formation of the Green Hydrogen Council, €115 million secured in concessional funding, US$1.5 billion committed to pilot projects, and six large-scale projects in the pipeline exceeding US$20 billion in value (refer to annexure 1). In nuclear energy, the Cabinet has approved a strategy to establish a national regulator and pursue membership in the Nuclear Suppliers Group.

The private sector has been a key driver of growth, mobilising billions in exploration, feasibility studies, and pilot projects, fostering technological innovation, skills development, and local value chains. In oil & gas, the development of a single FPSO could increase GDP by 6.8% and create 12,000 jobs, while four FPSOs could contribute up to 25% of GDP and 45,000 jobs. Green hydrogen projects aim to produce 2.2 million tonnes of green ammonia annually by 2030, attract US$20 billion in investment, add US$2 billion to annual GDP, and generate 30,000 direct jobs and more in indirect employment. Despite these achievements, several constraints persist across the sectors.

Cross-sector challenges include slow visa and work permit processing, incomplete investment protection frameworks, and fragmented coordination. In oil & gas, a licensing backlog, a local content policy that does not explicitly make reference to industry phases, and the absence of an infrastructure masterplan limit sector potential. Green hydrogen faces slow demand creation, an uncompetitive fiscal regime, and a lack of sector-specific legislation. Electricity is constrained by grid bottlenecks, Modified Single Buyer rules that deter IPPs, and unclear regulatory roles. Nuclear development requires a clear policy, legal framework, and the establishment of a dedicated nuclear regulatory authority while addressing critical skills gaps.

1. WORKING GROUP SCOPE

Together, the oil & gas, green hydrogen, renewable energy and green industrialisation sectors account for an oversized majority of the economic growth and job creation targets of Namibia as outlined in the Swapo Manifesto Implementation Plan (“SMIP”), 6th National Development Plan (“NDP6”) and Vision 2030, whilst nuclear remains in an exploratory phase in these policy documents. The successful delivery of the oil & gas and green hydrogen industries by 2030 is critical to Namibia achieving its social and economic developmental goals as set out in these policy documents. The private sector has already demonstrated its commitment, pouring billions into upstream oil and gas exploration and the investment in green hydrogen pilot projects and feasibility studies on large-scale green hydrogen and ammonia production, creating thousands of preliminary jobs. This is a strong start, but it is just the beginning. Despite these investments to date, the oil & gas and green hydrogen sectors in particular face critical constraints to enable the pending large scale projects in both these sectors to enable them to achieve project bankability and enable them to take the Final Investment Decisions (“FID”) necessary to unlock the multi billion US Dollar investments which in turn will unlock the path to mass employment and large scale increases in Namibia’s GDP.

2. KEY GOVERNMENT ACHIEVEMENT TO DATE

In **Oil & Gas**, the country has established robust and competitive laws, contracts, and regulations, attracting all major O&G companies since the first discovery in 2022, with 26 offshore wells drilled and approximately US$2.5 billion invested. Key initiatives include the Petrofund to enhance upstream capacity, the Upstream Petroleum Unit under the Office of the President, the National Upstream Local Content Policy to maximise local benefits, endorsing the Industry Baseline Study (IBS), and the Welwitschia Sovereign Wealth Fund to ensure socio-economic stability and intergenerational prosperity. In **Electricity and Renewables**, the implementation of the National Integrated Resource Plan (NIRP) and the IPP framework has opened the sector to private investment, while the Modified Single Buyer (MSB) rules have enabled the licensing of 1,987 MW of renewable projects.

The Solar Revolving Fund continues to support rural electrification with subsidised loans, contributing over N$176 million to date. For **Green Hydrogen**, Namibia launched its Green Hydrogen Strategy in 2022, expanded into a broader Green Industrialisation Strategy in 2024, established the Green Hydrogen Council, secured over €40 million for pilot projects, operationalised the Namibia Green Hydrogen Programme, and set up the SDG Namibia One Fund with €75 million to support investment. To date, three pilot projects have attracted USD 1.5 billion, with six large-scale projects in the pipeline worth over USD 20 billion. In **Nuclear**, Namibia has applied to join the Nuclear Supplier Group (NSG) and authorised the establishment of a national independent regulator, while the Cabinet has approved a Nuclear Industry Strategy to develop a fully-fledged nuclear industrial sector, laying the foundation for safe, secure, and sustainable nuclear energy development.

3. SECTOR CONTRIBUTION AND GROWTH OPPORTUNITIES

3.1 PRIVATE SECTOR COMMITMENT

Private investors have expanded Namibia’s power generation capacity by adding 235 MW of renewable energy and licensing nearly 2,000 MW more, spearheading advancements in solar, wind, and biomass technologies that enhance energy access and job creation.

In oil and gas, private companies have mobilised billions in exploration and infrastructure investment, with discoveries positioning the sector to potentially contribute up to 25% of GDP and create over 45,000 jobs.

The green hydrogen sector has attracted USD 1.5 billion in commitments and a USD 20 billion project pipeline, projected to add 30,000 jobs and 7.39% to GDP by 2030. In the nuclear field, though government-led, future frameworks will increasingly enable private participation in uranium beneficiation, technology transfer, and high-value industrial applications. With a supportive policy environment and infrastructure investment, the private sector will remain central to Namibia’s goal of becoming a competitive, diversified, and sustainable regional energy hub.

3.2 NIPDB INVESTMENT PIPELINE JOB POTENTIAL

A total of 22 projects across seven Namibian regions, namely Erongo, ǁKaras, Otjozondjupa, Hardap, Oshikoto, Kunene, and Khomas, have been identified for support, including three stalled and three pre-lead projects. Together, they are expected to create around **39,000** jobs nationwide, comprising **10,000** permanent, **1,000** seasonal, and **39,000** temporary construction and development positions. The private sector’s sectoral goals include expanding renewable electricity generation (235 MW added, 1,987 MW licensed) through IPPs and new grid technologies; accelerating oil and gas development from discoveries like Venus and Graff to potentially add 25% to GDP and create up to 7,000 jobs; advancing the green hydrogen industry with USD 1.5 billion committed and a USD 20 billion pipeline that could yield 30,000 jobs and USD 2 billion in GDP impact; and positioning Namibia's nuclear sector for high-tech investment and job creation through uranium beneficiation, regulatory reform, and potential NSG membership.

4. Key Constraints and Barriers

4.1 Oil and Gas Sub-Sector Constraints

4.1.1 Robust Legislative Framework (Rebalancing Mechanism & Ratification of Arbitration Conventions)

The sector faces delays in Final Investment Decisions (FIDs) due to investor uncertainty stemming from the absence of rebalancing mechanisms and incomplete ratification of international arbitration conventions. Namibian laws and contracts currently lack structured processes for renegotiation in response to material changes, and the non-ratification of ICSID and New York Conventions limits confidence in dispute resolution. This uncertainty has led to multi-billion-dollar FIDs being delayed or withheld, stalled projects, increased costs, and reduced competitiveness in the oil and gas sector.

4.1.2 Investment Acceleration (awarding new licenses and facilitating data trade)

Namibia's oil and gas exploration is slowed by the suspension of new license awards since 2023 and limited data-sharing mechanisms among operators. Administrative delays, the absence of a structured annual licensing schedule, and inefficient data-sharing frameworks have constrained investment and collaboration. As a result, prospective blocks remain idle, exploration momentum beyond the Orange Basin is reduced, duplicated costs increase, and the transition from discovery to development is delayed, threatening investor interest and sector productivity.

4.1.3 Tacit and implied provisions of Phased and Flexible approach to the National Upstream Local Content Policy

If the Local Content Policy (LCP) is not implemented in a phased approach that distinguishes Exploration/Appraisal from Development/Production, it could constrain investment. The current draft lacks explicit flexibility for the regulator, risking delays in early-phase projects. A rigid LCP may slow exploration, deter investors, and limit Namibia's ability to build a sustainable oil and gas industry, reducing long-term economic and employment benefits.

4.2 Green Hydrogen Sub-Sector Constraints

4.2.1 Slow market demand development and permitting and approval processes (Land, Servitudes, EPLs, Permits, Licences, Access to export infrastructure etc)

The development of Namibia's green hydrogen sector is progressing slower than expected, increasing global competition to be first to market. Early entrants gain a competitive advantage and capture socio-economic benefits from large-scale projects. To accelerate demand, Namibia must engage in international diplomacy with key markets like Europe, Japan, and Korea to secure support and establish green hydrogen trade relationships. Instruments like contracts for difference, highlighted in NDP6, can bridge the pricing gap between grey and green hydrogen, enabling investment and early sector growth.

4.2.2 Fiscal and foreign exchange regime is not competitive when compared to competitor countries.

A key success factor for Namibia's green hydrogen sector is producing competitively priced hydrogen to secure long-term off-take agreements and project financing. Financial modeling shows that a favorable fiscal and legislative regime, combined with protection from local currency fluctuations, significantly reduces costs and enhances global competitiveness. While progress has been made with the Special Economic Zone framework, further measures such as reduced corporate taxes, exemptions on withholding taxes, VAT, customs duties, royalties, and the ability to transact in foreign currencies are still a burden. Accelerated depreciation, indefinite tax loss carry-forwards, and extending these benefits to EPC contractors would further strengthen Namibia's position compared to competitor jurisdictions like Morocco, Mauritania, Egypt, Oman, and Saudi Arabia.

4.2.3 Conflict of Rights with EPL holders

A major challenge for Namibia's green hydrogen sector is the conflict between project land requirements and existing Exclusive Prospecting Licences (EPLs) under the Minerals (Prospecting and Mining) Act. EPL holders can secure large tracts of land at minimal cost for up to seven years, often speculatively, creating barriers for developers who need unencumbered land to secure project financing. Most land in key areas, like the Southern and Central Valleys, is already under EPLs or mining licenses, making coexistence with hydrogen projects impractical due to safety, environmental, and operational conflicts. This issue extends to potential new EPLs, and collectively affects green hydrogen projects worth over USD 20 billion in the next five years, highlighting a critical obstacle to sector growth.

4.3 Electricity and Renewable Sub-Sector Constraints

4.3.1 Limited Export Transmission Capacity

The key constraints are the insufficient investment in Namibia , which has resulted in export grid capacity being inadequate and misaligned with Namibia's ambitions to be a major electricity exporter. This limitation has forced a reduction of licensed capacity for private developers from 740 MW to 100 MW, making most projects financially unviable and effectively halting development.

4.3.2 Market uptake of Modified Single Buyer (MSB) Rules restricting investment

The Modified Single Buyer model rules significantly constrain investment in Namibia's power sector by imposing punitive balancing requirements on both embedded generation and export projects, creating operational complexity, forcing large volumes of energy to be 'dumped,' and levying heavy charges. This discourages investments by mines, industrial facilities, and IPPs compared to other countries, while the lack of clarity and potentially high balancing costs for export projects leaves many developments on hold. These rules are compounded by limited customer participation in the MSB market, particularly from Regional Electricity Distributors (REDs) and Local Councils (LCs), who account for over half of the 640 MW eligible capacity but are restricted by procurement legislation. Even though short-term merchant contracts can provide immediate power, reduce imports, and lower costs, REDs and LCs are hesitant to engage. Together, these factors keep the market too small to sustain the IPP sector, slow sector growth, and reduce the potential for cost-effective, locally generated electricity.

4.3.3 Electricity tariff cross subsidy

The electricity tariff cross-subsidy presents a constraint by reducing the cost-reflective nature of NamPower's energy rates. The government's decision to cover NamPower's fuel costs effectively lowers its energy tariffs, making independent power producers (IPPs) less competitive. As a result, large customers face higher fixed costs without meaningful overall savings and are less motivated to contract with renewable energy IPPs, slowing sector investment and limiting the uptake of cost-effective, clean energy solutions.

4.3.4 Limited bankable regulatory and commercial frameworks that allow private ownership/operation of high-voltage transmission assets.

Namibia's electricity transmission sector remains a state-controlled monopoly, with NamPower holding the sole mandate. The limited transmission infrastructure has led to heavy reliance on imports from the South African Power Pool (SAPP), delayed grid expansion, stalled projects in permitting and licensing, and no new transmission licenses issued in the past two years, hindering the integration of IPPs and renewable energy. To address this, a clear legal framework should be established to allow private ownership or PPP concessions through models such as Build-to-Transfer or regulated asset bases, alongside a Power Tariff Framework to ensure affordable electricity access. Additionally, independent technical reviews of transmission modeling should be conducted and published, and Battery Energy Storage Systems (BESS) should be incorporated into future projects to stabilize the grid, improve power quality, and leverage declining global battery costs.

5. KEY RECOMMENDATIONS AND PRIORITY ACTIONS

5.1 Oil and Gas Recommendations

5.1.1 Action: ***Introduce Rebalancing Mechanisms*** to allow for restoring financial equilibrium when material changes, such as new taxes, regulatory shifts, or force majeure events, affect the original contract assumptions. They provide a structured process for renegotiation and dispute avoidance, aligned with international best practices. Position paper available to start discussions with relevant government stakeholders.

Ratify the ICSID and New York Conventions: These international arbitration frameworks offer investors confidence in fair and enforceable dispute resolution. Ratification will strengthen Namibia's reputation as a secure and predictable investment destination. Position paper available to start discussions with relevant stakeholders.

Implementing body: Upstream Petroleum Unit (UPU), Ministry of Mines and Energy (MIME), PETROFUND, Parliament, Private sector NAMPOA, COGANAM, and other registered associations, Academia, Finance sector

5.1.2 Action: Award New Licenses Regularly and transparently: No new exploration licenses issued since 2022. All blocks that received offers in previous bid rounds should be awarded in accordance with established terms of reference. Once awards are finalised, remaining blocks should be offered through at least one annual licensing round. This will boost investor confidence, expand exploration beyond the Orange Basin, and enhancing prospects for a broader and more resilient oil and gas industry in Namibia.

Facilitate Data Trades Among Operators: Encourage and enable data sharing (both seismic and wells) between operators to accelerate prospect de-risking. This will shorten exploration timelines, reduce uncertainty, and help Namibia attract faster and more targeted investment.

Implementing body: Upstream Petroleum Unit (UPU), Ministry of Mines and Energy (MIME), PETROFUND, Parliament, Private sector NAMPOA, COGANAM, NAOGSP and other registered associations, Academia, Finance sector

5.1.3 Action: Implement the National Upstream Local Content Policy in a **phased and flexible approach.** Explicitly make provision for differentiated requirements between the exploration and appraisal phase versus the development and production phase .

Avoid rigid prescriptions that could slow investment and instead allow the policy to evolve with the sector's pace and needs, as well as with the development of the country.

Use the **Industry Baseline Study (IBS)** as the implementation benchmark and the common reference for planning, monitoring, and aligning expectations across government, academia, Petrofund, service providers, communities, and financiers, ensuring everyone is moving in the same direction.

Implementing body: MIME , UPU , NAMCOR , NAMPOA , Industry operators

5.1.4 Action: Namibia should initiate a **National Oil and Gas Infrastructure Masterplan** by commissioning an independent consultant to consolidate industry requirements, forecasts, and investment needs into a unified national strategy. This plan should be supported by a **Dedicated Infrastructure Working Group** comprising key stakeholders such as the Urban and Planning Unit (UPU), National Planning Commission (NPC), NAMPORT, Namibia Airports Company (NAC), and private industry representatives to coordinate planning, align timelines, and ensure effective implementation and regular updates. Aligning infrastructure development across sectors with industry growth forecasts will enhance national readiness, prevent logistical and capacity bottlenecks, and ensure that Namibia's oil and gas expansion is supported by efficient, future-proof infrastructure.

Implementing body: NPC , UPU , NAMPORT , NAC , MIME , NAMPOA/COGANAM

5.2 Green Hydrogen Recommendations

5.2.1 Action : Governance: Establish an interministerial coordination and governance structure to oversee the development and implementation of the strategic projects listed in NDP6.

Demand creation mechanisms & diplomacy: Continue to expand green hydrogen international diplomacy in support of the establishment of demand creation mechanisms to enable the implementation of projects in Namibia as a strategic partner country, including the motivation for the establishment of contract for difference mechanisms to bridge the pricing gap as set out in NDP6.

Strategic projects: Consider designating the projects listed in NDP6 as nationally strategic and assigning a responsible entity or governance structure (with designated powers) within Government to support project developers to expedite approvals for these strategic projects.

Implementing body: NamGHA, NIPDB, MIME

5.2.2 Action: Benchmarking involves comparing Namibia's green hydrogen policies, fiscal terms, and foreign exchange regulations with those of leading global producers to identify best practices and competitiveness gaps. By establishing a globally competitive fiscal and foreign exchange regime, Namibia can attract investment and ensure its projects remain viable in international markets, while still securing fair revenue and economic benefits for the country. This balance is essential to position Namibia as an attractive destination for energy investment, enabling sustainable industry growth and maximising long-term national value.

Implementing body: NamGHA, NIPDB, MIME

5.2.3 Action: The Government should establish an interministerial coordination and governance structure, similar to the Green Hydrogen Council, to oversee the implementation of strategic projects under NDP6. It should formally recognise credible green hydrogen projects and allocate land and servitudes for their development. A temporary moratorium should be placed on Exclusive Prospecting Licenses (EPLs) within these designated areas, as allowed under Section 122 of the Minerals (Prospecting and Mining) Act of 1992, to enable project developers to complete feasibility studies. If feasibility is achieved within the set period, extensions should be granted to allow detailed engineering and construction. Additionally, the Government should review existing EPLs in these areas to identify non-compliant or invalid licenses and create a mechanism for developers to resolve and settle rights with current EPL holders.

5.2.4 Action: For the Government to consider a fiscal and foreign exchange regime, plus fiscal stability commitments that not only ensure Namibia's international competitiveness in a globally competitive market but also provide the comfort that is required by international investors. This request is also based on the limited track record of large projects in Namibia, taking cognisance that Namibia will need to provide the required assurances. The earlier that this fiscal and foreign exchange regime certainty can be achieved, the more competitive Namibian green hydrogen projects will be and will help to accelerate in the time in which projects can reach Financial Close and ultimately unlock the realisation of benefits for the National Interest.

5.2.5 Action: For the Government to continue expanding its **international diplomatic** lobby efforts with Europe, Japan and Korea to build green hydrogen supply chain relationships with these countries, motivating for the establishment of contracts for different mechanisms to bridge the pricing gap between grey and green hydrogen for Namibian projects as outlined in NDP6.

5.3 Electricity and Renewables Recommendations

5.3.1 Action: Namibia should urgently engage with South Africa, Zambia, and Botswana to identify opportunities for regional grid strengthening and expansion, as enhanced interconnections are essential for improving power reliability, reducing import dependence, and enabling cross-border electricity trade. Strengthening these partnerships would also support the integration of renewable energy projects by improving grid flexibility and transmission capacity across the Southern African Power Pool (SAPP). A practical short-term measure—or "quick win" would be to increase the use of the Zambezi interconnector, optimising existing infrastructure to improve power flow between Namibia and Zambia. Additionally, allowing renewable energy generators access to the High Voltage Direct Current (HVDC) line would enhance system flexibility, support renewable integration, and improve energy security while advancing regional energy cooperation.

Implementing body: ECB, NamPower

5.3.2 Action: To support embedded generation projects, Namibia should allow take-or-pay agreements to operate independently of the complex MSB scheduling and balancing rules. Since reliability charges already ensure that NamPower provides a secure supply, removing these regulatory barriers would simplify contracting and encourage investment. For electricity exporters, the balancing source should be clearly identified, and appropriate balancing charges applied to accurately reflect the costs of NamPower providing the service. NamPower and the Electricity Control Board (ECB) would be responsible for driving these solutions. Success would be measured by the ability of embedded generation projects to contract in line with international standards, unlocking at least US$70 million worth of projects currently threatened by existing rules, and ensuring that balancing rules for exporters fairly represent the actual costs incurred by NamPower, promoting transparency and efficiency in cross-border electricity trade.

Implementing body: NamPower, MIME & ECB

5.3.3 Action: Regional Electricity Distributors (REDs) and Licensed Companies (LCs) should be authorised to enter into short-term, bilateral purchase commitments of up to three years, provided that such agreements result in electricity costs lower than NamPower's standard rates. This approach would introduce flexibility in the market, allowing developers to secure off-take agreements quickly, stimulate investment in renewable generation, and potentially reduce overall electricity costs for Namibia. A practical short-term measure to complement this is to increase the utilisation of the Zambezi interconnector, which would enhance cross-border power flows, while allowing renewable energy generators access to the High Voltage Direct Current (HVDC) line to integrate their generation efficiently into the grid. Together, these steps would enable faster deployment of renewable projects, improve system flexibility, and strengthen regional electricity cooperation.

Implementing body: Ministry of Finance, RED Executive, LC Executives.

5.3.5 Action: To address delays caused by conflicting guidance from the Electricity Control Board (ECB) and NamPower, it is recommended that both entities establish clear role definitions and ensure consistent communication to the market. Alignment between ECB and NamPower should be formalised through joint protocols and regular coordination meetings, so developers receive unambiguous guidance on rules, grid connections, and contract processes. Additionally, both institutions should implement fast-track procedures for project approvals, grid connection quotations, and contract finalisation to significantly reduce development timelines. By providing clarity and streamlined processes, investor confidence will improve, projects can progress more efficiently from concept to commercial operations, and Namibia's electricity sector productivity can be enhanced to better match regional benchmarks, such as Zambia's 11-month project timelines.

Implicating body: Electricity regulator, design tariff frameworks, licensing, and enforcement. State utility (transmission incumbent), enable asset transfer, technical cooperation, data sharing. ECB Multilateral development banks & donors, provide technical assistance, blended finance, and risk guarantees.

5.3.6 Action: Namibia should establish a clear legal framework to allow private ownership or public-private partnership (PPP) concessions for electricity transmission through models such as concessions, leases, Build-to-Transfer, or regulated asset bases. A Power Tariff Framework (PTF) should be implemented to ensure affordable electricity access, recognising that revised investment models in generation and transmission may reduce retail tariffs over the long term. Independent technical reviews of modelling methods and assumptions by local and international experts should be commissioned, with findings fully published for transparency. Additionally, Battery Energy Storage Systems (BESS) should be included in upcoming projects to stabilise the grid, improve power quality, and leverage the 60% reduction in global battery costs.

Implementing body: Electricity regulator, design tariff frameworks, licensing, and enforcement. State utility (transmission incumbent), enable asset transfer, technical cooperation, and data sharing. ECB Multilateral development banks & donors, provide technical assistance, blended finance, and risk guarantees.

5.4 Nuclear Sub sector recommendations

5.4.1 Action: To address the **capacity-building challenges** in Namibia's nuclear sector, it is recommended that the government and industry adopt a comprehensive, multi-pronged strategy. First, targeted skills development programs should be established, covering all levels from entry-level technicians to senior management, with curricula aligned to current and emerging nuclear technologies. Second, modernised training and certification programs should be developed in partnership with international nuclear institutions to ensure best practices and innovation are incorporated. Third, efforts should be made to expand access to quality education in energy-related fields, including scholarships, vocational programs, and outreach to underserved regions and marginalised communities, to strengthen the local talent pipeline. Fourth, strategies to retain skilled professionals, such as competitive remuneration, career progression opportunities, and continuous professional development, should be implemented to mitigate brain drain. Finally, significant investment in research and development should be prioritised, fostering innovation, local expertise, and the ability to adapt to evolving nuclear technologies, ensuring the sector is both sustainable and globally competitive.

Implementing body: National Planning Commission: This body will spearhead the legislative amendments required due to the cross-functional and inter-ministerial collaboration needed to drive these changes.

Atomic Energy Board of Namibia: This board has already submitted the nuclear industry strategy to cabinet.

Ministry of Industries, Mines and Energy: This ministry will be responsible for drafting the white paper for this industry.

Summary Table of the priority ask from government

Strategy Levers	Priority ask from Government
Complex, slow work permit and visa processes that do not match the pace of industry operations.	- Perform immigration procedures for entering rigs at rig location to reduce mobilization costs. - Establish a standing Joint Public - Private Working Group to regularly review and optimize permit systems, ensuring alignment with operational realities and industry timelines.
Awarding new licenses and facilitating data trade	- Establish regular, predictable licensing rounds to maintain investor confidence and ensure prospective blocks are actively explored. - Implement an open data access policy to provide timely and transparent geological and geophysical information to all interested parties. Allow explorers to openly share data to lower costs for investors through shared data. - Accelerate prospect de-risking, enabling faster transition

	from discovery to development.
High import duties: Import tariffs on solar panels	- Reduce or waive import duties on solar panels and related equipment to make solar energy more affordable. - Provide fiscal incentives such as tax credits, rebates, or accelerated depreciation for solar investments. - Reduce the 10% duties imposed on solar panel imports

Conclusion / A call for Action

Namibia's energy, oil & gas, and green hydrogen sectors hold transformative potential to drive sustainable economic growth, create tens of thousands of jobs, and establish the country as a regional energy hub. Government achievements and private sector investment have laid a strong foundation, but regulatory delays, skills gaps, infrastructure constraints, and governance challenges must be urgently addressed. To unlock this potential, Namibia must implement clear local content policies, fast-track legislation, strengthen skills development, and ensure transparent, accountable governance. Immediate, coordinated action from government, the private sector, and international partners is essential to convert investment into sustainable jobs, industrial growth, and inclusive prosperity for all Namibians.

Annexure

Table 1: Overview of Green Hydrogen projects in Namibia and key metrics*

Project	Expected CAPEX	Capital Invested to date	Number of Jobs	Completion Date	Location
Completed and under construction pilot & demonstration projects					
Cleanergy / CMB.TECH Phase 1	**USD 60 mil**	**USD 30 mil**	**150 Construction 50 Induced 25 Direct**	**2025**	**Walvis Bay**
Daures Green Hydrogen Village Pilot	**USD 22 mil**	**USD 17 mil**	**400 Construction 23 Operations**	**2025**	**Mile 100, Daures Constituency**
Total	**USD 82 mil**	**USD 47mil**	**± 550Direct Construction**		
Projects under development					

CMB.TECH Ammonia Bunkering Facility	USD 230 mil	Not available	700 Construction 200 Induced 100 Direct	2028	Walvis Bay & North Port
CMB.TECH Large scale	> USD 2 bn	Not available	3,000 Construction 2,000 Induced 1,000 Direct	2030	Arandis & Walvis Bay
Daures Green Hydrogen Village Fertilizer Facility (Phase 2)	USD 267 mil	Not available	800 Construction 100 Operations	2029	Mile 100, Daures Constituency
HopHydro (previously Elof Hansson)	USD 3.0 bn	USD 13 mil	5,000 Direct Construction 1,000 Direct operations	2030	Walvis Bay & Karibib District & North Port
HDF	USD 4.5 bn	NAD 40 mil	2,000 (Direct, indirect , induced) Construction	2028	Swakopmund
Hyphen (phase 1 only)	USD 7 bn * * Target of 30% local procureme nt	> USD 40 mil	15,000 * (Construction) 1,500 * (Operations) * 90% local target	2028	SCDI
zhero	USD 3bn	USD 7 mil	6,000 Direct Construction 500 Operations	2030	North Port, Walvis Bay and Karibib District
Total	± USD 20 bn	>62 mil	± 30,000 Direct Construction		

Working Group 5: Mining and Adjacent Sector

EXECUTIVE SUMMARY

Mining remains the backbone of Namibia's economy, contributing 13.3% of GDP and generating over N$7.3 billion in fiscal revenue in 2024. The sector supports about 20,800 direct and 145,900 indirect jobs, driving over half of Namibia's foreign-exchange earnings and anchoring fiscal stability and industrialisation. However, its potential for job creation, inclusivity, and value addition remains under-realised. Namibia's mining landscape spans large-scale operations, a vibrant but informal artisanal and small-scale mining (ASM) segment, and a growing MSME base, the sector offers major opportunities for local participation and green industrialisation. With predictable regulation, focused ASM and Dimension-Stone (DMS) policies, and coordinated public–private investment and revitalisation of the Minerals Development Fund to finance exploration, ASM formalisation, and local beneficiation, Namibia could double mining employment within five years, powered by beneficiation, SME growth, and women- and youth-led enterprise development.

Strategic Context and Vision

Mining directly advances the objectives of **Namibia Vision 2030, SMIP** and the forthcoming **NDP6**, which prioritise industrialisation, energy transition, job creation, and inclusive participation. The sector's contribution can grow through decisive leadership, timely reform, and stronger public–private collaboration particularly by investing in exploration, mine expansion, and new project development. However, key constraints limit its full potential, with targeted reforms proposed:

Main Binding Constraints:

1) **Policy and Regulatory/Licensing Approval Uncertainty**– Delayed licence and permit approvals, ownership decisions, and unresolved ownership decisions, and pending policy frameworks (*Minerals Bill, NIPFB, NEEEB/B, and* SEZ regulations) deter investment. The absence of ASM/DMS frameworks weakens confidence and inclusivity.

2) **Infrastructure Deficits (Water / Power / Rail / Logistics)** Inadequate and ageing infrastructure, particularly in **Erongo**, **Kunene**, and **Central regions**, raises input costs and limits exploration and expansion of mines and export competitiveness.

3) **Limited Manufacturing and Mineral Beneficiation** – Namibia continues to export semi-process raw minerals with low domestic processing, missing high-value industrial and export opportunities.

4) **Land Access, ESG Compliance, and Weak Community Frameworks** – Overlapping land uses, limited coexistence mechanisms, and inconsistent community development and gender frameworks delay projects and erode social trust.

5) **Informality and Fragmentation in ASM and DMS Sub-Sectors** – Thousands of livelihoods depend on ASM (gemstones) and Dimension-Stone quarrying (marble, granite), yet both remain largely informal, under-regulated, and poorly integrated into value chains. Lack of finance, equipment, and market access suppresses their potential for inclusive growth

The Main Priority Recommendations (Directly Linked to Each Opportunity):

- **R1: Restore Policy Certainty and Resolve Licensing Approval Delays —** Finalise the Minerals Bill, NIPFB, SEZ regulations and NEEEB/B; develop and adopt a National ASM and DMS Policy with simplified, gender-responsive licensing and traceability standards; and operationalise a digital e-licensing and cadastre system with clear service standards. Empower MIME, MEFT, MAWLR, and the Attorney General to jointly fast-track legal clearances, environmental approvals, and land-access decisions through delegated authority and coordinated case clinics. All pending approval including the Marine Phosphate ECC and Husab Desalination Plant JV—should be resolved within six months.

- **R2: Develop mining and energy infrastructure corridors —** Upgrade rail, ports, and utilities, and expand renewable and desalination capacity through PPPs and blended finance, prioritising the Northern Mining and Energy Growth Corridor (Kunene) as a clean-energy and critical-minerals hub.

- **R3: Launch the Mining Skills, Women & Youth Inclusion Compact —** Establish training pipelines, mentorships, and SME incubation for women and youth-led enterprises, expand access to SME finance and supplier guarantees, and strengthen institutional capacity within MIME and MEFT and facilitate the targeted import of specialised expertise through managed migration to accelerate local skills transfer and capacity development.

- **R4: Accelerate mineral beneficiation and manufacturing —** Develop domestic processing hubs and introduce SEZ-style incentives and PPP projects for lithium, copper, gemstone, and dimension-stone beneficiation to create higher-value jobs.

- **R5: Strengthen ESG, Land Access, and Community Governance —** develop and adopt a National Mining–Land Interface Framework to coordinate land use; institutionalise ESG and gender-responsive CDAs; and standardise resettlement, compensation, and coexistence practices.

- **R6: Formalise ASM & DMS plus Finance and Exploration Support** — Reactivate and recapitalise the Minerals Development Fund with an initial N$100 million to support the ASM, and DMS and Geological Survey of Namibia (GSN) development through exploration mapping, laboratories equipments, mining equipment leasing, training, and market access. Establish gemstone and marble hubs, promote mercury-free technologies, and integrate ASM and DMS into value chains through cooperative models.

Summary Outlook (2025–2029): Based on data from the Namibia Investment Promotion and Development Board (NIPDB) and inputs from the business community during the sector working groups, Namibia's registered mining investment pipeline—comprising 26 projects across five key regions (Erongo, //Karas, Otjozondjupa, Kunene, and Khomas) and valued at about N$61 billion—is projected to create roughly 17,000 new jobs (9,000 permanent, 1,000 seasonal, and 7,000 temporary). These figures, however, exclude the Artisanal and Small-Scale Mining (ASM) and Dimension-Stone (DMS) sectors, which are not yet fully captured in the NIPDB pipeline but are estimated to sustain an additional 27,000 livelihoods nationwide. Overall, the ASM & DMS sub-sector's growth will be anchored by an initial investment seed N$100 million ASM Formalisation Fund (scalable to N$250 million for full rollout), streamlined regulatory processes, and PPP-led beneficiation and infrastructure initiatives to deepen local value addition and strengthen Namibia's regional competitiveness. Overall, total job creation potential across the mining sector approaches 44,000 positions nationwide.

1. SCOPE AND STRATEGIC FOCUS: MINING AND ADJACENT SECTORS (NAMPPF)

The Mining and Adjacent Sectors Working Group under the Namibia Public–Private Forum (NamPPF) serves as a structured platform for evidence-based dialogue, coordinated policy reform, and public-private partnership. Its goal is to unlock Namibia's mineral potential to drive sustainable job creation, local value addition, and global competitiveness. Its scope spans the entire mineral value chain and its enabling ecosystem, aligned with the SWAPO Manifesto Implementation Plan (SMIP) 2025–2030, NDP6, and the NamPPF dialogue framework. The Working Group promotes a balanced approach between large-scale investment and inclusive domestic participation, fostering linkages across upstream, midstream, and downstream activities and consistent with Namibia Vision 2030, SADC Vision (2050) and the SADC Regional Mining Vision (RMV) and the African Mining Vision. It encompasses: Large-Scale Mining (LSM), Artisanal and Small-Scale Mining (ASM), Adjacent and Supportive Sectors (Upstream and downstream linkages), Knowledge-based Services, Institutions and Communities.

The Working Group leverages Namibia's mineral strengths to drive value-based, inclusive growth by expanding local supply chains, empowering MSMEs, and promoting responsible, green mining. These efforts support sustainable industrialisation and the energy transition, positioning Namibia for a diversified and competitive mineral economy that bridges large-scale operations with small-scale entrepreneurship.

2. ALIGNMENT WITH NATIONAL PRIORITIES AND DEVELOPMENT FRAMEWORKS

This Mining and adjacent sector builds on Namibia's national development agenda, positioning mining as a central driver of inclusive growth, job creation, and competitiveness. It aligns with the SWAPO Manifesto Implementation Plan (SMIP) 2025–2030, NDP6, and the Namibia Policy Priorities Framework (NamPPF), which collectively emphasise industrialisation, diversification, and citizen empowerment. Mining is recognised as a critical economic enabler that underpins fiscal stability, stimulates local enterprise development, and supports broad-based employment through linkages with manufacturing, energy, and services. Below is a summary of the alignment with national and regional frameworks and key targets (NDP6 & SMIP). Detailed information is provided in Annex 1:

- NDP6 (2025–2030) – Positions mining as a cornerstone of GDP, FDI, and exports; prioritises beneficiation, citizen participation, and economic diversification.
    - Targets: Processed mineral exports 46.6% (2024) → 57% (2030)
    - Local equity in mining ventures 51% → 60% by 2030 (matter is being revisited with MIME & NPC).
    - Attract N$30 billion in new mining investments (2025–2030)
- SWAPO Manifesto Implementation Plan (SMIP) 2025–2030 – Identifies mining as a Critical Economic Enabler, focusing on local content, beneficiation, and value addition.
    - Targets: Increase mineral beneficiation from <10% → 25% by 2030, supported under the N$85.7 billion SMIP allocation.
- Namibia Vision 2030, African Mining Vision, and SADC Vision 2050– Emphasise responsible, green, and inclusive mining, aligned with sustainable industrialisation and energy transition.
- NamPPF Dialogue Framework – Theme on Job Creation & Competitiveness, positioning mining as a driver of inclusive growth, job creation, and industrial linkages.

3. CURRENT ACHIEVEMENTS AND FUTURE POTENTIAL OF THE MINING SECTOR: A JOB CREATION AND COMPETITIVENESS PERSPECTIVE

3.1. Mining Sector Current Contribution as by 2024

Mining remains a cornerstone of Namibia's economic development and competitiveness, underpinning fiscal stability, export earnings, and industrial linkages. In 2024, the mining sector contributed approximately 13.3 percent of GDP and generated more than N$ 7.3 billion in fiscal revenue through corporate taxes, royalties, and PAYE. The sector accounted for over half of Namibia's foreign exchange earnings and supported a wide network of industries ranging from energy to manufacturing. Formal employment among Chamber of Mines members (Mining & Exploration) reached approximately 20,800 workers in 2024. Applying the mining employment multiplier of seven (7) translates to 145,900 indirect jobs, a 14.6 percent increase from 2023, reflecting renewed growth in uranium, gold, and base-metal operations.

Beyond large-scale mining, the Dimension-Stone industry (marble, granite, etc.) is increasingly driving SME growth, regional industrialisation, and export diversification, creating jobs in quarrying, processing, and logistics with strong potential for downstream value addition. Similarly, the largely informal Artisanal and Small-Scale Mining (ASM) sector sustains thousands of rural livelihoods notably in Kunene, Erongo and //Karas, and with better access to finance, equipment, and markets, could unlock major opportunities for inclusive growth, youth employment, and women's participation. In 2024, local procurement by Chamber of Mines members exceeded N$24 billion (47% of member revenue), while CSR investments topped N$200 million, supporting education, health, and skills development across Namibia.

Building on these achievements as presented in detail in Annex 2, Namibia's mining sector holds substantial potential to expand beneficiation, local procurement, and employment creation over the next four years, supported by predictable regulation, efficient permitting, and strengthened public–private coordination.

3.2. Mining Sector Potential and Conditions for Delivery (Next 4 Years and Beyond)

To strengthen the mining sector's contribution to national development and job creation over the next four years, the private sector commits to undertaking new investments, exploration projects, and expansion of existing operations while deepening local beneficiation and value addition across the mineral value chain. This includes establishing and scaling processing facilities for critical minerals, gemstones, and dimension stones to enhance domestic value capture, competitiveness, and fiscal resilience. The sector also commits to increasing local procurement and supplier development, with clear targets for Namibian- and women-owned enterprises; implementing internship and apprenticeship programmes to address technical-skills shortages and promote youth employment; and advancing technology transfer through local skills academies in partnership with TVET and tertiary institutions.

A key priority for inclusive growth is the formalisation and empowerment of the Artisanal and Small-Scale Mining (ASM) subsector, requiring an estimated N$100 million investment to establish an ASM Formalisation and Development Fund. This initiative will enable access to finance, equipment, and training, empowering small-scale miners—particularly women and youth—to transition into formal, productive enterprises and participate in beneficiation value chains. These commitments are supported by public-sector enablers, including timely and transparent permit approvals, predictable regulatory frameworks, reliable infrastructure and serviced land, and improved data access and digital systems (e.g., e-cadastre and mineral registry) to enhance governance and efficiency. Coordination platforms between government, industry, and regional stakeholders will be essential to align investment priorities and accelerate project delivery.

Summary: According to the Namibia Investment Promotion and Development Board (NIPDB), there are currently 26 projects in the national investment pipeline, including five stalled projects and one in the pre-lead stage. Collectively, these initiatives represent an estimated potential capital investment of approximately N$61 billion and the creation of around 17,000 new jobs — comprising 9,000 permanent, 1,000 seasonal, and 7,000 temporary (construction and development) employment opportunities. The projects are distributed across five key regions — Erongo, //Karas, Otjozondjupa, Kunene, and Khomas — reflecting the geographically diverse nature of Namibia's emerging industrial and mining development landscape. However, these figures remain conservative, as they exclude the significant employment and livelihood potential from the Artisanal and Small-Scale Mining (ASM) and Dimension-Stone (DMS) sectors.

While these community-based industries contribute a relatively modest N$380–475 million (US$20–US$25 million) in additional capital investment — less than 1% of the N$61 billion national pipeline — they sustain an estimated 27,000 livelihoods, including over 9,000 direct jobs and 18,000 indirect opportunities across gemstone, marble, and small-mineral value chains. When these sectors are factored in, the overall job creation potential approaches 44,000 positions nationwide, underscoring their outsized socio-economic impact relative to capital intensity. This highlights the strategic importance of integrating ASM and DMS into formal investment frameworks, while accelerating beneficiation, value addition, and local enterprise participation to drive inclusive, regionally balanced industrial growth across Namibia.

While these opportunities highlight the sector's transformative potential, the pace and scale of implementation remain constrained by a range of regulatory, infrastructural, and institutional challenges that shape Namibia's mining and resource development environment.

4. KEY CONSTRAINTS AND BARRIERS

Namibia's mining sector is vital to economic growth and industrialisation but remains constrained by six (6) key group challenges and one Strategic lever / spatial growth opportunity: policy uncertainty, infrastructure deficits, limited beneficiation and market access, skills and SME readiness gaps, and land and community interface issues. Addressing these through coordinated and gender-responsive reforms will be essential to unlock investment, drive job creation, and ensure inclusive growth, expand job creation, enhance local value addition, and build a more inclusive, innovative, and globally competitive mining sector.

Challenge Category	Description of Challenge / Constraint	Impact on Job Creation / Competitiveness	Suggested Reform or Action Area
C1: Policy and Regulatory/ Licencing Approval Uncertainty	Pending/outstanding policy clarification: ● 51% local ownership/ free carry ● 51% local ownership benchmark in NDP6 and the 60% target by 2030 ● New Equitable Economic Empowerment Framework (NEEEF/B) ● NIPFB (Namibia Investment Promotion and Facilitation Bill) ● Amendments to the Minerals Act (Minerals Bill) ● Draft Minerals Agreement ● Marine Phosphate sector ● Lack of unified ASM /DMS policy and coordination platform. ● Namibia's Minerals (Prospecting and Mining) Act 33 of 1992 does not adequately address women's participation and protection in mining, lacking gender-specific provisions and supportive mechanisms for equitable access, licensing, and decision-making.	Immediate Impact ● Policy uncertainty is causing a decline in the share value of Namibia-listed mining companies on foreign stock exchanges. ● Investor confidence is weakening, threatening mining's role as the backbone of the national economy. Long-term Impact ● Damage to Namibia's attractiveness for investments in exploration and mining. ● Namibia risks losing its strong standing in the Fraser Institute Rankings (2nd in Africa for Policy Perception and 4th for Investment Attractiveness in 2024). ● Exploration activity may halt, as investors are unlikely to risk capital without clear pathways from discovery to production. ● In 2024, exploration spending by Chamber members reached N$1.23 billion, reflecting strong investor	● The government should act swiftly to address the policy uncertainty. ● Finalisation of the Environmental Clearance Certificate for Namibia Marine Phosphate (NMP) to usher in a unique and integrated value addition sector with potential to create over 50,000 jobs. ● Adopt gender-responsive reforms that mandate quotas, simplify licensing, ensure representation, promote pay equity, and eliminate discriminatory practices to enhance women's participation and leadership in the mining sector. ● Establish an integrated e-licensing and cadastre system with published service standards to improve transparency and accessibility, especially for women-led enterprises

		confidence that could quickly deteriorate. • Unresolved policy instability endangers future job creation and the development of new industries such as the marine phosphate sector. • The absence of gender-responsive policies in Namibia's mining sector limits women's access to stable, high-value opportunities, confines them to lower-tier roles, and hinders innovation, while inadequate workplace support and exclusion from policy processes further constrain their participation and leadership advancement.	
C2: Infrastructure Deficits (Water/Power/Rail). / Logistics	• Security of water supply, particularly to the Erongo and Central Regions. • Rail infrastructure remains a major challenge to move high volumes and tonnages of mining products and inputs. • Remote mining locations and inadequate infrastructure limit women's access to safe transport, housing, childcare, and gender-appropriate	• Disruptions to production water supply—particularly in the Erongo and Central Regions and uncertainty for new mining projects undermine investor confidence and delay sector growth. • High power cost delay project investment (Skorpion Zinc). • Diverting bulk transport from national roads enhances public safety, reduces traffic	**NamWater:** Upgrade aging infrastructure, expand desalination capacity, and streamline conclusion of water supply agreements. **Government:** Increase investment in railway infrastructure to improve transport efficiency and support mining logistics. Infrastructure reforms should prioritise gender-inclusive standards ensuring proper PPE, sanitation, transport, childcare, and support for

	facilities, hindering their effective participation in the sector.	congestion, and lowers road maintenance costs. ● Infrastructure gaps in mining restrict women's participation by creating unsafe, inaccessible workplaces, raising costs for women entrepreneurs, and limiting market access, ultimately reducing productivity, innovation, and workforce diversity across the sector.	women-led enterprises while improving access to shared tools and technology to enhance safety, productivity, and participation in mining.
C3: Skills / Workforce Readiness and Skills Gaps and SME Readiness.	● The quality and capacity of most Vocational Training Centres (VTCs), aside from NIMT, remain below the required standard to meet industry needs. ● Despite higher educational attainment, women remain underrepresented in mining-related technical, vocational, and leadership roles. Persistent STEM and leadership skill gaps, limited training access, weak maternity protections, and gender-biased workplace cultures hinder career progression. The inconsistent inclusion of women-led training and consulting firms in skills programs further reinforces inequality and	● Skills Development Impact: Strengthen and expansion of NIMT campuses in Arandis, Keetmanshoop, and Tsumeb have enhanced the availability of industry-ready technical skills, driving employment in mining and related sectors. ● Higher Education Partnerships: Collaboration between Chamber members, NUST, and UNAM strengthens degree-level training and professional development for Namibians. ● Training Levy Support: The industry's continued contribution to the training levy underscores its commitment to vocational	● Improve the quality and standards of education at Vocational Training Centres (VTCs) to better align with industry needs. ● Strengthen women's participation in mining through gender-disaggregated reporting, expanded mentorship and STEM programmes, inclusion of women-led enterprises, and gender-sensitive health, safety, and technical training. ● Implement a National Understudy Programme to promote structured skills transfer, localisation, and gender equity in technical and leadership roles.

	limits sector competitiveness. ● Lack of internationally certified mining laboratories	training and sustainable job creation. ● Skills Gap Challenge: Persistent gaps limit women's access to technical and leadership roles, confining them to low-paying positions and reducing sector innovation and diversity. Enterprise Barriers: Women-led businesses in consulting and gemstone value addition face difficulties securing contracts due to limited recognition and institutional support.	● Establish certified mining laboratories at the educational institution (eg estimated cost N$38 million at Unam)
C4: Limited Mineral Beneficiation, Value Addition and Linkages plus lack of market access.	● Namibia's mining exports are still dominated by raw and semi-processed minerals, showing limited beneficiation and weak industrial linkages. ● Despite the Mineral Beneficiation Strategy (MBS), progress is slowed by high energy costs, few local processing facilities, and dependence on offshore value chains, which hinder diversification and local manufacturing.	Immediate Impact: ● Dominance of raw exports limits value retention and job creation. ● High logistics and energy costs discourage investment in processing industries. Long-term Impact: ● Persistent dependence on commodity exports leaves Namibia vulnerable to price shocks. ● Missed fiscal revenue and slow MSME participation weaken	● Accelerate implementation of the Mineral Beneficiation Strategy (MBS) through targeted fiscal incentives, concessional energy tariffs, and streamlined approvals. ● Finalise and implement the SEZ regulations ● Establish flagship processing hubs (e.g., lithium, REE, Cobalt, and dimension stone). ● Strengthen supplier and SME development programmes to expand linkages across the mining value chain. ● Enhance regional and global market access

		competitiveness and inclusivity. • Underutilised mineral potential delays industrialisation and economic diversification.	through SADC and AfCFTA trade facilitation and export partnerships
C5: Land Access and ESG — Social Licence, Coexistence, and Community Relations	• Mining activities often overlap with farms, communal, and conservation areas, leading to delays, disputes, and social tension. These challenges stem from unclear coexistence protocols, multiple land-tenure systems, and limited mediation mechanisms. The absence of cross-sector spatial planning and standardised Community Development Agreements (CDAs) further complicates engagement and equitable benefit-sharing. • Gender Gaps in ESG: Limited focus on gender inclusion in ESG practices. • Enterprise Barriers: Women-led firms struggle with compliance and procurement access. • Health & Safety Risks: Inadequate protections and exposure to unsafe conditions.	• Excluding women from ESG processes limits job creation, weakens community trust and innovation, reduces investor confidence, and slows Namibia's progress on sustainability and competitiveness goals. Immediate Impact: • Land-access disputes delay exploration and project development, increasing holding costs and investor risk. • Conflicts undermine community trust and weaken mining companies' social licence to operate. Long-term Impact: • Prolonged disputes stall productive land use and job creation in affected regions. • Reduced attractiveness for investment in exploration and sustainable mining operations	• Strengthen women's participation in mining through gender-responsive ESG and workforce reforms. • Develop a formal coexistence policy and model Community Development Agreements (CDAs) with gender and youth clauses. • Promote green-mining standards and support mercury-free technologies to enhance sustainability. • Formalise and support Artisanal and Small-Scale Mining (ASM) through access to finance, training, and simplified licensing to improve livelihoods and environmental compliance.

	• Social Issues: Persistent gender-based violence, harassment, and exclusion from consultations. • Data Gap: Lack of gender-disaggregated ESG data limits effective monitoring and policy action.		
C6: Finance and Investment — Capital Access, Geological Survey Funding, and Laboratory Capacity	• **Financial Barriers:** Limited access to credit and absence of gender-responsive finance products constrain business expansion, exploration, and innovation. • Absence of an operational Minerals Development Fund (MDF) despite its establishment under Act No. 19 of 1996 has limited exploration finance, Geological Survey mapping, and laboratory development. • **Geoscience Funding Gaps:** Inadequate budget allocation for the Geological Survey of Namibia and the absence of a dedicated exploration fund restrict new mapping, data generation, and laboratory development — undermining investor	**Immediate Impact:** • Undercapitalisation limits mine expansion, SME growth, and exploration activity. • Weak funding for the Geological Survey and laboratory facilities slows mineral discovery and local testing capacity, deterring investors and delaying new projects. • Restricted access to finance confines women and youth to informal or lower-value activities such as consulting and gemstone trading. **Long-term Impact:** • Persistent liquidity shortages and lack of geoscience investment weaken supply chains and reduce exploration readiness. • Fiscal and financial constraints slow ASM formalisation,	• Establish a **Mineral Development Fund** to finance exploration, geoscience mapping, and laboratory development while supporting concessional loans and guarantees for women- and youth-led mining enterprises and SMEs. • Create **ASM & DMS Equipment Leasing Banks and Guarantee Schemes** to support mechanisation and formalisation. • **Fast-track VAT refund processing** by NamRA to release funds owed to taxpayers, enabling reinvestment and expansion. • Develop **gender-responsive finance products** in partnership with DBN and commercial banks, aligned with the WSME Programme.

	confidence and mineral discovery potential. • **Laboratory Constraints:** Lack of accredited national laboratories limits mineral testing, certification, and value chain development, forcing reliance on costly overseas services. • **Licensing & Regulation:** Inflexible fees and complex application processes hinder participation, particularly for women and small-scale miners. • **Fiscal Constraints:** Delayed VAT refunds for valid input claims reduce liquidity and delay reinvestment. • **Limited Access to Equipment & Technology for ASM:** High equipment costs, lack of leasing models, and absence of ASM-specific financing and procurement schemes restrict productivity and formalisation	beneficiation investment, and national mineral intelligence development. • Future Readiness: The supply chain remains unprepared to seize opportunities in emerging oil, gas, and green hydrogen sectors.	• Strengthen financial literacy, incubation, and mentorship programmes for women and rural entrepreneurs. • Support the **establishment of accredited national mineral testing laboratories** (estimated cost N$38 million at UNAM) to enhance local beneficiation, certification, and export competitiveness.
C7: Regional Development and Resource Frontier Expansion-	• The Kunene Region remains an under-explored but highly prospective mineral and energy frontier, constrained by limited exploration infrastructure,	Immediate Impact: • Untapped mineral resources result in lost investment and employment opportunities.	• Designate Kunene as a Strategic Mineral Frontier Zone and establish a Northern Mining & Energy Growth Corridor (NMEGC) linking

Kunene Frontier Mining and Energy Corridor Expansion	low investment, and poor logistical connectivity. Despite confirmed deposits in the Kaoko Belt (Okohongo Cu–Ag, Opuwo Co–Cu–Zn, Kameelburg REE–Nb, and Steilrand Barite), the area suffers from inadequate roads, power, and data coverage, slow licensing and ECC approvals, and limited community readiness for large-scale mining. Cross-border synergies with Angola remain largely untapped.	● Infrastructure bottlenecks restrict access for exploration and service providers. Long-term Impact: ● Failure to unlock Kunene delays diversification into clean-energy minerals and regional economic growth. ● Weak linkages prevent SME and local enterprise participation in logistics, quarrying, and processing. • Reduced competitiveness in attracting global green-mineral investment.	Kaoko Basin deposits to national infrastructure and export routes. ● Integrate Kunene into national geoscience mapping, infrastructure, and regional planning frameworks. ● Fast-track exploration licensing and ECC processes with strong community participation and environmental safeguards. ● Invest in enabling infrastructure—upgrade the C33 road, 220 kV power line, and broadband connectivity to support investment and local industry. Promote benefit-sharing and local partnership models (e.g., Aloe 238, Kaoko Mining) to ensure inclusive growth. • Leverage cross-border cooperation with Angola for shared logistics, power, and trade linkages.

Summary: Addressing Namibia's mining constraints—ranging from policy uncertainty and infrastructure deficits to limited beneficiation, skills gaps, land conflicts, and regional underdevelopment—requires integrated and gender-responsive reforms. Clear policies, improved infrastructure, beneficiation incentives, stronger skills pipelines, and inclusive community frameworks, especially in regions like Kunene, will unlock investment, enhance competitiveness, and promote sustainable, job-rich growth.

5. RECOMMENDATIONS AND TARGETED INTERVENTIONS

Namibia's mining sector can unlock greater investment, job creation, and diversification through six integrated constraints reform packages that address policy clarity, beneficiation, inclusion, infrastructure, exploration, and regional development. Collectively, these actions aim to modernise governance, accelerate investment approvals, strengthen local capacity (including women and youth), and position Namibia as a sustainable, globally competitive mining destination.

Reform No. & Focus Area	Key Actions	Lead / Key Partners	Expected Outcomes	Timeline
R1. Policy Clarity, Regulatory Efficiency & Transparency	Resolve pending or outstanding policy matters — finalise decisions on 51% local ownership/free carry, align with NDP6 (51%) and Vision 2030 (60%) targets, and harmonise frameworks under the NEEEF/B, NIPFB, Minerals Bill, Draft Minerals Agreement, and Marine Phosphate framework; Enact and operationalise the Minerals Bill — establish clear regulations for investment, environmental safeguards, and community benefit-sharing; Strengthen gender inclusion and ASM development — adopt a gender-responsive ASM strategy that formalises small-scale operations, supports women-led enterprises, and provides access to finance, training, and markets; Digitalise governance — launch an integrated e-cadastre and e-licensing system with published service standards to ensure efficiency and transparency; Improve coordination and accountability — convene monthly inter-ministerial case clinics (MIME, MEFT, MAWLR, BIPA, Heritage Council) to fast-track approvals and align with EITI-style transparency in reporting and disclosure.	MIME, MEFT, MAWLR, AG/Parliament, OPM e-Gov, NamPPF	Investor confidence restored; 50% faster approvals; licensing backlog cleared; 50,000+ jobs from phosphate value chain.	Immediate–Long Term (0–24+ months)
R2. Infrastructure Development (Rail,	Prioritise rail rehabilitation, port bulk-handling upgrades, and expansion of 200+ MW of renewable/gas IPP generation for mining hubs. Develop coastal desalination and water pipelines	MoWT, NamPort, TransNamib, NamPow	Lower energy/logistics costs; reliable water/power;	Short–Medium Term (3–36

Port, Power, Water)	to support growth corridors. Enable blended finance and PPP execution.	er, NamWater, MIME	improved connectivity for mining hubs.	months)
R3. Mining Skills, Inclusion & Local Content Compact	Strengthen VTCs, NIMT and IHE for accredited training, research and innovation. Coordinate apprenticeships and STEM mentorships, Mandate firm-level local procurement plans with gender reporting; expand SME finance and supplier guarantees; create a mentorship and inclusion pipeline for women and youth.	MEIYSAC, NTA, MIME, CoM, WiMAN, NIPDB, DBN, NCCI, UNAM, NUST	Increased skilled Namibian employment; higher women/youth participation; stronger SME supply chain integration.	Immediate–Long Term (0–36+ months)
R4. Mineral Beneficiation & Value Addition	Implement the Mineral Beneficiation Strategy through SEZ-style incentives, land allocation, and PPP investments in three flagship projects (lithium refining, gemstone cutting/polishing, /jewelry design, base-metal processing). Expand workforce and SME participation, ensuring 40% women/youth inclusion in beneficiation industries.	MIME, MoF, NIPDB, Epangelo Mining, Namdia, Private Investors	Processed exports >57% by 2030; new plants and downstream jobs; expanded women-led value addition enterprises.	Short–Medium Term (6–36 months)
R5. Land Access, ESG & Social Licence	Develop a Land Coexistence Framework to manage overlaps between mining, farming, communal, and conservation areas, supported by cross-sector spatial planning and mediation mechanisms; Adopt model CDAs with gender and youth clauses for equitable benefit-sharing and participation; Integrate gender-responsive ESG standards — set gender targets in ESG reporting, promote women's participation, and address GBV, safety, and inclusion in consultations; Formalise and support ASM with access to finance, training, simplified licensing, and mercury-free technologies; Establish a gender-disaggregated ESG data system to strengthen monitoring and accountability.	MIME, MEFT, MAWLR, MICT, MGECW, Regional Councils, Chamber of Mines, NAMRA	Reduced land-access disputes; strengthened social licence and investor confidence; increased women's participation in ESG and ASM; improved community benefits and evidence-based reporting.	Immediate–Medium Term (0–18 months)

R6. National Exploration Drive & Support the ASM Formalisation.	**Revitalise and recapitalise the existing Minerals Development Fund of Namibia (established under Act No. 19 of 1996)** to support exploration, geoscience mapping, and accredited mineral testing laboratories. Introduce targeted exploration incentives and tax credits to attract new investment. Operationalise the Fund to provide concessional financing, equipment leasing, and guarantee schemes for ASM, SMEs, and women- and youth-led mining enterprises. Establish a Digital ASM Registry and Trading Platform to enhance transparency and market access. Simplify ASM licensing and compliance procedures, and develop regional gemstone and dimension-stone beneficiation hubs. Integrate HSE, coexistence, and gender-responsive protocols across all ASM operations. Fast-track VAT refund processes and expand gender-responsive finance products under the revitalised Fund to strengthen liquidity, stimulate ASM growth, and drive SME expansion.	MIME, NPC, MoF, NIPDB, ASM Associations	Increased exploration spends; formalised ASM operations; rural job creation; safer, greener small-scale mining.	Immediate–Medium Term (0–36 months)
R7. Kunene Frontier Mining & Energy Corridor	Position Kunene as Namibia's next strategic mineral and energy frontier by integrating geoscience mapping, road upgrades, power expansion, and broadband connectivity. Designate a Northern Mining & Energy Growth Zone (NMEGZ) and implement a regional investment promotion campaign (led by NIPDB) to attract exploration and beneficiation investors.; promote local partnerships (Aloe 238, Kaoko Mining) and benefit-sharing models; strengthen cross-border logistics and power cooperation with Angola.	MIME, NPC, MoWT, NamPower, NamWater, Kunene RC, Private Partners, NIPDB and Leadership of Kunene Office	New licences and discoveries; Regional infrastructure upgraded; Jobs and SMEs in logistics, quarrying, and services; Expanded exports of critical minerals (Cu, Co, REE)	Immediate–Long Term (0–36+ months)

Mining remains a central driver of inclusive, green, and competitive growth under Vision 2030, NDP6, and the SWAPO Manifesto Implementation Plan (SMIP) 2025–2030. Implementing these reforms through the SMIP framework will fast-track industrialisation, enhance value addition, and secure sustainable prosperity for all Namibians.

ANNEX

A1: Summary of the alignment with national and regional frameworks

Strategic Link	Objective / Justification	Goals	Targets / Desired Outcomes (NDP6)	Initiatives / Budget & Timelines (SMIP)	Reference Point
NamPPF Theme on Job Creation & Competitiveness	*Mining is a critical enabler for inclusive growth, employment, and competitiveness. Expanding beneficiation and local linkages will reduce reliance on unprocessed exports.*	*Job Creation*	*NDP6 does set a numerical jobs target for mining, specifically the Foreign direct investment employment enterprises 19,024 (2024) to 20,000 (2030). This figure does not include non-CoM members, and completely ignores the entire SSM sector*	*Employment growth tracked via labour surveys; reforms.*	*NamPPF theme on job creation and competitiveness (aligned through SMIP critical enablers and NDP6 Policy Document, pp. 85–88)*
Alignment with SMIP Priorities	*SMIP (2025–2030) identifies Mining as a Critical Economic Enabler, focusing on local content, beneficiation, and mineral value addition.*	*Local Value Addition Beneficiation & Ownership*	*Increase mineral beneficiation from <10% today to 25% by 2030 and*	*Part of SMIP total project allocation (N$85.7 billion).). competitiveness improved via beneficiation and value-addition reforms.*	*SMIP Implementation Plan, pp. 13–14, 40–41*
Alignment with NDP6	*NDP6 positions mining as a cornerstone of GDP, FDI, and exports, with explicit beneficiation and ownership targets. By maximising*	*Investment Growth & Equity*	*D00119: Processed mineral exports: 46.6% (2024) → 57% by 2030. - Local equity in mining ventures: 51% → 60% by 2030.*	*Monitor through export data, FDI inflows, and ownership share registers and approved projects.* *Attract N$30 billion in new*	*NDP6 Policy Document, pp. 85–88*

Strategic Link	Objective / Justification	Goals	Targets / Desired Outcomes (NDP6)	Initiatives / Budget & Timelines (SMIP)	Reference Point
	national returns from the mining sector.			*mining investments (2025–2030)*	
Alignment with Other National Strategies	*Supports Vision 2030 (industrialisation), Mineral Beneficiation Strategy, Energy Transition Plans (critical minerals), and SADC Vision 2050.*	*Skills & ESG*	*NDP6 does not quantify ESG/skills, but emphasises youth employment and sustainable mining.*	*# of trained technicians, # of apprenticeships, # of EIAs approved, % of projects with grievance mechanisms*	*NDP6 Policy Document, p. 86 (Mineral Beneficiation policy, SME integration, ESG targets)*

A2: Mining Sector Current Status and Contribution as by 2024

Sub-Sector / Theme	Economic Role	Employment Impact	Key Constraints	Policy Priorities / Strategic Actions
Large-Scale Mining (LSM)	*Anchors Namibia's formal mining economy through diamond, uranium, gold, lithium, and rare-earth projects; provides fiscal stability and over half of export earnings.*	*20 843 direct jobs (+14.6 % YoY); 97 % Namibian workforce; ≈145 900 indirect jobs; N$ 245 million invested in training.*	*Policy and regulatory uncertainty and permit delays.* *Skills shortages in technical and professional fields.* *Limited beneficiation and downstream processing capacity.* *Low female (18 %) and youth participation.*	*Accelerate mineral beneficiation and local value addition through fiscal and industrial incentives.* *Provide predictable licensing timelines.* *Strengthen TVET–industry alignment.* *Institutionalise gender and youth inclusion through mentorship, STEM, and internship pipelines.*
Artisanal and	*Provides livelihoods for ≈*	*No official data but*	*Lack of unified ASM policy and*	*Establish a dedicated N$ 100 million ASM*

Small-Scale Mining (ASM)	*5 000–10 000 miners and 25 000 dependents; diversifying from gemstones into lithium, graphite, and rare earths; supports rural income and community resilience.*	*high informal employment potential, especially for women and youth; major rural job source in Kunene, Erongo and //Karas Regions.*	*coordination platform.* *Complex and costly licensing and ECC procedures.* *Limited finance, equipment and market access.*	*Formalisation Fund to support working capital, equipment leasing, and training.* *Develop a national ASM policy and coordination platform.* *Create regional lapidary and beneficiation hubs for gemstones and small minerals.* *Promote inclusive participation (≥ 40 % women, 30 % youth).*
Dimension-Stone Industry	*Drives SME development and regional industrialisation through marble, granite and other-stone production for domestic and export markets.*	*≈ 1 500 direct and indirect jobs in quarrying, processing and design; strong potential for value-added employment.*	*Licensing delays and high compliance costs.* *Inconsistent quality standards.* *Limited processing capacity and access to serviced land.*	*Streamline licensing and ECC approvals.* *Introduce quality-assurance and value-addition incentives.* *Promote regional cutting and polishing facilities to expand beneficiation.*
Mining-Related MSMEs	*Supply goods and services to the mining sector; in 2024 local supplier spending exceeded N$ 24 billion (≈ 47 % of mining revenue), supporting domestic industries and supply chains.*	*Thousands of indirect and induced jobs across construction, logistics and engineering.*	*Limited access to finance and credit guarantees* *Technical and managerial capacity gaps.* *Barriers to procurement eligibility for small suppliers.*	*Implement inclusive-procurement quotas with gender and youth targets.* *Expand soft-loan and grant facilities for local enterprises.* *Establish regional business-incubation hubs for mentorship and market access.*

Gender Equity Across the Mining Value Chain	*Enhances innovation and productivity; positions women as drivers of inclusive industrial transformation.*	*Expands women's participation in technical, leadership and entrepreneurial roles across LSM, ASM and MSMEs.*	*LSM: Gendered recruitment and leadership exclusion.* *ASM: Limited protection, finance and safety.* *MSME: Capital and market-access barriers.*	*Enforce gender targets in licensing, hiring and procurement.* *Proposed Integrate gender metrics in ESG reporting.* *Establish mentorship, incubation and STEM programmes for women.*
Youth Inclusion Across the Mining Value Chain	*Harnesses the demographic dividend by integrating youth into technical and entrepreneurial roles.*	*Expands youth employment and enterprise creation across subsectors.*	*LSM: Skills mismatch and limited career mobility.* *ASM: Complex licensing and financial exclusion.* *MSME: Limited finance and networks; high start-up failure rates.*	*Modernise VET and apprenticeship systems.* *Embed youth quotas in mining licences.* *Create regional hubs for youth-led enterprises.* *Ring-fence financing and risk-sharing mechanisms for youth-owned MSMEs.*
Regional Frontier – Kunene Region	*Emerging mining and energy growth zone within the Kaoko Belt (copper, cobalt, rare earths, barite); a key node in the Northern Mining and Energy Growth Corridor.*	*Early-stage exploration generating jobs and supply-chain opportunities; high medium-term potential in critical-mineral projects.*	*Infrastructure and service deficits.* *Need for coordinated regional planning.*	*Develop transport and energy corridors.* *Promote clean-energy minerals and green-industrialisation initiatives.* *Facilitate SME and community participation in regional value chains.*

A3: Mining Sector Potential and Conditions for Delivery (Next 4 Years and Beyond)

Project / Category	Job Creation / Potential	Estimated Capital Expenditure	Key Challenges	Recommended Action	Timeline / Status
New Mining Projects					
Fully Integrated Marine Phosphate Industry	*≈ 5,288 jobs - operations*	—	*Pending approval of ECC*	*Expedite finalisation and approval of ECC*	*Immediate*
Osino Resources (Twin Hill)	*≈ 1,000 (construction); 800 (operation)*	*US$480 million*	*Obtaining work visas and permits for contractors (skills and resources not available in Namibia); delays in obtaining power and water infrastructure*	*Streamline work permit and visa processes to attract skilled labour; improved cooperation with Namwater and NamPower*	*Ongoing*
Bannerman Mining Resources	*≈ 1,000 (construction); 760 (operation)*	*US$353 million*	*Finalisation of water supply agreement with NamWater and lease agreement from NamPort*	*Overall policy certainty required and finalisation of agreements with NamWater and Namport*	*Ongoing*
Reptile Mineral Resources and Exploration	*1,000 (construction); 600 (operation)*	*US$474 million*	*No significant constraints, water infrastructure*	—	*Ongoing*
Headspring Investments	*150 (exploration), 600 (construction and mining operation), 4000 indirect*	*US$50 million invested for exploration, 500 million estimated for construction and mining operation*	*Pending approval of drilling permits and Pilot Testing ECC*	*Expedite finalisation and approval of drilling permits and IAEA experts' evaluation of the Pilot Testing ECC*	*Immediate*

Expansion of Existing Mines & Infrastructure Investments					
*Rössing Uranium Mine (**pending board approval)*	*1300 jobs - construction 350 jobs - operation*	*US$156 million*	*Insufficient local workforce*	*Remove additional requirements for work permits and visas s to attract skilled labour*	*Possible construction starts: 2027; Commissioning: 2029*
Skorpion Zinc Mine	*Construction: 2200 and Operations: 1800*	*US$669 million*	*Long term electricity supply at affordable rates and tax incentives (Beneficiation/Refinery)*	*NamPower to expedite electricity supply solution and include Vedanta in negotiations with Eskom*	*Immediate*
Husab Desalination Plant (JV with NamWater)	*≈ 1,000 (construction); 100 (operation)*	*US$170 million*	*Pending approvals of agreement*	*Attorney General to sign letter/approval*	*Project start: Q2 2026Commissioning : Q1 2028*
Husab Heap Leach Project	*≈ 100 jobs*	*US$300 million*	*—*	*—*	*Project start: Q2 2026Commissioning : Q1 2028*
Sinomine Tsumeb Smelter (conversion)	*≈ 400 jobs - construction*	*US$223 million*	*Regulators not keeping to timelines prescribed by the ACT results in delayed investment; Lack of specialist skills in the new industry and cumbersome immigration process*	*Streamline work permit and visa processes to attract specialized skilled workers & investors; Adhere to timelines as prescribed by the Law*	*Project start: Q1 2025; Commissioning: Q1 2028*
Artisanal and small- scale mining (ASM) & Dimension Stones (DMS)					
Gemstones, semi-precious stones, industrial minerals, and	*≈ 1,800 direct jobs*	*USD5 million – US$10 million*	*Informality, Limited access to finance limited equipment*	*Formalise ASM operations; establish equipment*	*Ongoing – scale-up planned*

small mineral deposits	*livelihoods (est.)*		*access, and market linkages. Fragmented informal trade; limited cutting and polishing capacity; export of raw stones ↑ 35 % vs processed value.*	*leasing and training support; Establish regional Lapidary Centres (Erongo & //Karas) under PPP with NAMDIA & TVET institutions; tax rebate for domestic value addition; gemstone marketing co-op model*	
Dimension-Stone Mining (Marble and Granite)	*≈ 1,500 jobs (formal & informal)*	*US$8 million*	*Licensing delays and inconsistent quality control*	*Streamline permit issuance; promote value addition and local processing*	*Ongoing*
Artisanal & Small-Scale Mining (ASM Formalisation & Cooperatives)	*≈ 6 000 direct / 18 000 indirect*	*US$6.7 million*	*Informality, finance exclusion, ECC delays, equipment cost ↑ 30 % vs region*	*Activate Minerals Development Fund; lease pools for shared equipment; regional training Centres via PPP (NIMT/NTA + DBN + CoM)*	*2025–2028 (formalisation roll-out)*
Rare Earth Minerals (REE) Value Chain – Kunene & Otjozondjupa	*≈ 2 200 direct / 6 600 indirect*	*US$12 million*	*Infrastructure deficits; processing plants cost ↑ 25 %; skills shortage*	*PPP beneficiation hub (rare earth separation & magnet production); tax holiday + SME*	*2025 feasibility; 2027 commissioning*

				equity participation	
Copper Value Chain (Exploration → Fabrication)	*≈ 3 500 direct / 10 000 indirect*	*US$14.9 million*	*High energy tariffs (+ 35 % vs Zambia); imported inputs; skills gap in fabrication.*	*SEZ-style incentives for smelter & wire-fabrication clusters; PPP with NamPower for renewable supply*	*2026–2029 corridor build-out*
Support Services & Equipment Leasing / Maintenance PPP Model	*≈ 1 800 direct / 4 000 indirect*	*US$4.9 million*	*No local manufacturing base; imported spares (+ 25 % cost); weak after-sales support*	*Establish 3 regional PPP depots (Erongo, Otjozondjupa, Kunene); co-owned by State & local suppliers*	*Pilot 2025–2026; Scale 2027 →*
vRehabilitation & Community Development (Post-Mining & Green Enterprises)	*≈ 1 200 direct / 3 600 indirect*	*US$3.5 million*	*Limited post-mine planning; no funding mechanism; skills gap in eco-rehab.*	*Establish Mine-Rehab PPP Fund (N$ 50 m) using CSR + ESG credits; youth & women co-ops for land restoration / solar reuse.*	*2025–2028 roll-out*

Working Group 6: Mining and Value Addition

Executive Summary

The Manufacturing and Value Addition sectors anchor Namibia's industrialisation drive within the framework of Vision 2030 and the Sixth National Development Plan (NDP6). Manufacturing, defined as the physical or chemical transformation of raw materials into new products, serves as the engine for economic diversification, job creation, and export competitiveness. For the purpose of this paper, its scope extends across agro-processing, food and beverages, textiles, leather, chemicals, pharmaceuticals, fabricated metals, machinery, electrical and electronic components, and renewable energy technologies. It further excludes the construction industry.

Between 2015 and 2024, manufacturing contributed an average of 10.6% to GDP and employed around 53,491 people (around 9.8% of total employment). However, Namibia's industrial base remains narrow and underperforming relative to its potential. Under NDP6, the Government aims to raise manufacturing's GDP contribution to 18%, expand manufactured exports to 60% of total exports, and create 80,000 jobs by 2030. Currently, 13 pipeline projects across Erongo, //Karas, Otjozondjupa, and Khomas regions could generate around 9,000 new jobs if current constraints were resolved.

Namibia's competitive position is constrained by high production and utility costs, an uncompetitive tax regime, and an absent incentives framework. Industrial Electricity tariffs average N$2.03 per kWh, roughly 35–40% above the regional average, while transport and water costs are also higher than in peer economies. The 30% corporate tax rate, one of the highest in Southern Africa, contrasts sharply with Botswana (22%), Mauritius (15%), and South Africa (27%), which pair lower tax rates with structured industrial incentives. The termination of the EPZ regime in 2020 and the delay in operationalising the Special Economic Zone (SEZ) and Investment Incentives Regulations have created an "incentive vacuum," discouraging new and reinvestment. Additionally, indirect taxes such as the 5% agronomic levy on wheat undermine export competitiveness for processed foods like pasta.

Policy uncertainty, weak inter-agency coordination, and delayed reforms further exacerbate the challenge. Namibia's Modified Single Buyer (MSB) model limits industries to sourcing only 30% of their energy from Independent Power Producers (IPPs), locking manufacturers into high-cost electricity costs and further eroding competitiveness. Moreover, skills shortages and outdated training systems continue to hinder industrial upgrading, while poor quality-assurance infrastructure forces firms to rely on costly foreign certification, adding up to 40% to production costs. To correct these systemic barriers, WG6 identifies three urgent reform priorities for Cabinet action within the next 12 months:

1. Reduce Input Costs and Modernise Utilities Pricing – Align electricity, water, and logistics tariffs with regional peers, including introducing tiered industrial tariffs and efficiency rebates.
2. Operationalise SEZ and Incentive Frameworks – Fast-track the promulgation of SEZ and Investment Incentive Regulations to restore investor confidence and lower establishment costs by up to 25%.
3. Lower the Effective Tax Rate for Qualifying Manufacturing Investment – Introduce a tiered corporate tax regime (15–20%) and reinstate investment allowances to attract scale investment.

Complementary measures should include a Performance-Based Skills Visa System, a National Industrial Technology and Upskilling programme, local-procurement reforms, and a National Quality Infrastructure Programme (NQP) to empower NSI and other relevant regulators for domestic certification.

In conclusion, Namibia’s manufacturing transformation depends on making production cheaper, faster, and smarter. Lowering production costs (electricity& water), operationalising SEZs and incentives, and reforming fiscal policies are the decisive levers to unlock industrial growth, attract private investment, and position Namibia as a competitive, export-ready manufacturing hub under the AfCFTA.

1. The Scope

Working Group Six (NamPPF WG6: Manufacturing) focuses on *manufacturing*, defined as the physical or chemical transformation of materials, substances, or components into new products. For the purpose of this Forum, manufacturing encompasses all sectors and industries engaged in value addition (product transformation) that are not covered by other Working Groups. Transformation remains the central concept, distinguishing manufacturing clearly from waste processing and publishing activities, in line with the United Nations Statistics Division (UNSD) definition, which makes a clear distinction between these activities.

Within this context, the scope of manufacturing includes, among others, food and beverages, agro-processing (horticulture, fisheries, meat and poultry processing, milling, beverages, and preserved or processed foods), textiles and apparel, leather tanning and footwear, rubber and plastics, chemicals, pharmaceuticals development, fabricated metal products and light engineering, electronics and electrical equipment, machineries and renewable energy components (such as solar system sub-assemblies).

For the purposes of NamPPF WG6, the mandate excludes mineral beneficiation (e.g., primary smelting or refining of ores and metals), which falls under the Value addition platform, as well as construction and cement, which are addressed under the Infrastructure working group. (WG10) These exclusions are designed to prevent overlap, while still allowing the inclusion of downstream fabricated products within the manufacturing value chain.

Accordingly, this paper examines the economic significance and growth prospects of the manufacturing sector, drawing on both operational realities and policy aspirations. It further outlines the key challenges and structural bottlenecks constraining sectoral growth and new investment. Finally, it advances a set of strategic recommendations and game-changing interventions aimed at unlocking unrealised potential, attracting reinvestment, and positioning the manufacturing sector as a central driver of Namibia's industrial transformation.

2. Sector Contribution and Growth Opportunities

2.1 Policy Aspiration on Job Creation in the Sector

Between 2015 and 2024, Namibia's manufacturing sector contributed an average of 10.6% to GDP and accounted for roughly 42% of non-mineral exports. The sector employed about 53,491 people, 9.8% of total employment, but its growth has stagnated due to rising costs and limited value addition. Under NDP6, manufacturing is targeted to reach 18% of GDP and 80,000 jobs by 2030.

Future growth will be driven by SEZ-based investment, export diversification under AfCFTA, and value-chain deepening in key subsectors. These include agro-processing (food, fisheries, beverages), light engineering, pharmaceuticals, automotive components, textiles, and green technologies such as solar equipment and electric mobility systems. The African Continental Free Trade Area presents Namibia with access to a combined market of 1.4 billion consumers, offering immediate potential to scale exports of processed foods, industrial materials, and manufactured inputs.

If effectively implemented, these measures could raise manufacturing exports to 60% of total exports, double fixed-capital investment in industry, and lift non-mineral GDP by 2–3 % points by 2030 positioning Namibia as a competitive value-addition hub in Southern Africa.

2.2 NIPB Investment Pipeline Job Potential

The manufacturing and value addition sector remains firmly committed to driving employment creation in alignment with the Sixth National Development Plan (NDP6) and Vision 2030. In support of this objective, the NIPDB investment pipeline has identified thirteen (13) active projects that require targeted facilitation and support to progress toward full implementation. Collectively, these projects have the potential to generate approximately 9,000 new jobs, including about 5,000 permanent positions and 4,000 temporary jobs during construction and development phases. Geographically, the projects are spread across four key regions, Erongo, //Karas, Otjozondjupa, and Khomas, and cover strategic subsectors such as Chemicals and Basic Materials, as well as Machinery, Electronics, and Other Manufacturing. These pipeline investments demonstrate the sector's immediate capacity to catalyse industrial growth, promote regional diversification, and accelerate progress toward Namibia's national employment and industrialisation goals.

3. Challenges

Namibia's manufacturing sector operates below its productive frontier due to a combination of high factor costs (electricity affordability and accessibility, secure water supply, relatively higher labour costs, high transport costs), restricted transport and logistics corridors limiting cost-effective market access routes, cumbersome land tenure processes, uncompetitive taxation, policy uncertainty (no incentives regime), and incomplete industrial-ecosystem support. These structural weaknesses have reduced competitiveness, discouraged reinvestment, and weakened the manufacturing investment pipeline.

3.1 High Production and Utility Costs

Namibia's cost base remains among the highest in the region. Industrial electricity tariffs average N$2.03 per kWh, roughly 35–40% higher than South Africa and Botswana, while industrial water tariffs are up to 25% above SADC peers. High logistics costs, driven by imported inputs, low cargo volumes, and distance to markets, further compress margins. The cumulative effect is a 15–20% cost disadvantage compared to neighbouring manufacturing locations. These costs discourage scale investment and erode export competitiveness.

3.2 Uncompetitive Tax and Incentive Regime

Namibia's fiscal regime remains a major constraint to manufacturing competitiveness. The corporate income tax rate of 30% is among the highest in Southern Africa and well above the regional average of 20–25% generally offered to manufacturing investors. Competing destinations such as Botswana (22%), Mauritius (15%), and South Africa (27%) pair their lower corporate tax rates with comprehensive incentive regimes, including investment allowances, export-rebate schemes, and SEZ-based tax holidays, that significantly lower effective tax burdens and improve overall competitiveness.

In contrast, Namibia has no operational or transparent incentive framework. The Export Processing Zone (EPZ) regime was repealed in 2020, and the Special Economic Zone (SEZ) Regulations and Investment Promotion and Facilitation Act (NIPFA)-based incentives have not yet been promulgated. This prolonged policy gap has created an "incentive vacuum", weakening Namibia's investment proposition and causing both pipeline projects and reinvestments to stall.

Although the Government has proposed a 20% corporate tax rate for SEZ-based firms, this remains relatively uncompetitive. For comparison, Botswana applies a 5% rate for the first 10 years, rising to 10% thereafter, while South Africa grants a 15% SEZ rate. Globally, successful SEZs often employ tiered or temporary zero-rate regimes in the early investment years to accelerate industrial take-off. Against that benchmark, Namibia's 20% rate risks being perceived as only marginally better than the standard regime, especially when compounded by elevated costs of energy, logistics, finance, and compliance.

A further drag on competitiveness comes from indirect taxes and levies that increase production costs for export manufacturers. For example, the agronomic levy of 5% on wheat imports, which directly affects local pasta production, renders Namibian exports such as *Pasta Polana* less competitive in regional and local markets. Such levies on raw materials or intermediate inputs intended for local production create distortions that discourage value addition and should be abolished or rebated for export-oriented manufacturers.

In essence, while the 20% SEZ proposal represents progress, it remains insufficient for transformative tax competitiveness. Vision 2030 envisages an industrial Namibia where manufacturing contributes up to 20% of GDP and 70% of exports by 2030, a goal that cannot be realised without a modern, performance-based incentive regime. To achieve this, Namibia must complement its SEZ framework with aggressive tax deductions, investment allowances, and export rebates, or consider a tiered corporate tax structure starting at 5–10% for the first five to ten years, increasing thereafter to regional parity. Without these reforms, Namibia risks falling behind regional peers that have already operationalised competitive, investor-friendly industrial frameworks.

3.3 Policy and Regulatory Inconsistencies

Manufacturers consistently report uncertainty in the industrial incentive regime and delays in the finalisation of the SEZ Regulations and Investment Promotion framework. Frequent policy reversals such as complex permit renewals, and uncoordinated sectoral approvals, create a perception of regulatory risk. The absence of a clear industrial-policy implementation calendar has also slowed investment commitments, as projects struggle to secure predictable operating conditions.

The cases below are symptomatic of macro-policy failures, delayed reforms, and an under-resourced industrial facilitation function rather than isolated business challenges. High-profile cases illustrate the trend: Example 1: The Peugeot (PSA) Walvis Bay assembly plant has remained on *care and maintenance* for over five years, undermined by the absence of scale, market access incentives, and SEZ operational clarity.

Example 2: Namibia Press & Tools (Walvis Bay), an EPZ-era firm, has faced repeated closure and insolvency cycles, reflecting outdated incentive regimes and a lack of targeted productivity support.

Another key policy priority with direct competitive impact on the country's manufacturing includes the Migration Bill, which is essential for facilitating investor mobility and attracting critical skills. In addition, Namibia’s bilateral investment treaties require review to strengthen the country’s framework for responsible and sustainable investment.

3.4 Industry Protection, Local Procurement and Tariff Reform

Namibia lacks an effective industry-protection framework to support domestic producers against cheap imports and high input costs. The absence of local-procurement preference policies, together with high import duties on non-available raw materials (e.g. customs duties 22% on fabrics, 16.5 % import VAT), penalises manufacturers rather than enabling them. SACU trade instruments such as Infant Industry Protection and rebate schedules remain underutilised, leaving local firms exposed to regional dumping and eroding competitiveness under AfCFTA.

3.5 Ineffective Use of SACU Rebate Instruments.

Another critical area of challenge lies in the limited and inconsistent utilisation of SACU rebate mechanisms to support industrialisation. Namibia has yet to fully leverage rebates for the duty-free importation of production inputs and industrial equipment, which could significantly reduce upfront capital and operating costs for manufacturers.

At the same time, there is insufficient alignment of rebate policies with local enterprise development objectives, preventing Namibian-owned firms from building the scale and competitiveness needed to supply regional and global markets, particularly under the AfCFTA framework. Strengthening the domestic application of SACU rebate instruments, both for input facilitation and targeted support to homegrown enterprises, will be essential to enhance Namibia's manufacturing cost structure, deepen value chains, and expand export readiness.

3.6 Weak Industry Protection and Trade Defence Mechanisms

Namibia lacks active trade-remedy instruments and a functional dumping-response mechanism to protect domestic manufacturers from unfair import competition. The Competition Commission's limited enforcement capacity and absence of a safeguard framework undermine local industry retention. A national procurement preference policy, mandating government and parastatals to prioritise Namibian products, would protect domestic jobs and stimulate local industrial capacity.

3.7 Limited Skills and Technological Upgrading

Namibia's manufacturing sector remains constrained by slow technology adoption, weak innovation ecosystems, and limited skills alignment with modern industrial requirements. While initiatives such as the National Training Authority (NTA), COSDECs, and tertiary institutions have expanded vocational and technical training, most programmes remain outdated and insufficiently linked to real industrial demand. The absence of structured partnerships between industry and research institutions has also weakened innovation and R&D capacity, leaving manufacturers reliant on imported technologies. As a result, productivity growth in manufacturing has remained below 2% annually, well short of the 5–6% threshold required to achieve NDP6 and Vision 2030's industrialisation targets. Namibia's innovation infrastructure, including technology hubs, incubators, and green industry initiatives, remains fragmented, underfunded, and without a coordinated national policy to drive industrial modernisation or attract investment in advanced manufacturing.

Namibia should operationalise a Performance-Based Industrial Skills Visa System, managed under a quota structure (25–30% of workforce depending on sector). Skills permits should be time-bound and tied to measurable knowledge-transfer plans, monitored annually. A Retired Industry Experts Programme should be introduced to provide technical mentorship and training in specialised subsectors such as pharmaceuticals, machinery, and renewable energy.

3.8 National Quality Infrastructure

Weak quality-assurance infrastructure and slow certification timelines through NSI and NAB hinder product competitiveness, especially in export markets requiring SABS-equivalent standards. Upgrading these systems is critical for AfCFTA compliance.

Manufacturers face high testing and certification costs due to inadequate domestic quality-assurance capacity. The National Standards Institute (NSI) and Namibia Accreditation Board (NAB) lack sufficient legal authority and financial resources to offer internationally recognised testing services. As a result, firms are forced to send products to South Africa for certification, increasing costs and turnaround times by up to 40 %. Weak quality infrastructure undermines Namibia's export readiness, especially in agro-processing, pharmaceuticals, and light manufacturing.

3.9 Energy Cost Entrapment and Market Reform

Namibia's Modified Single Buyer (MSB) Policy restricts large industrial users to sourcing only 30% of their electricity directly from Independent Power Producers (IPPs), forcing the remaining 70% to be purchased from NamPower or regional distributors at tariffs 20–40% higher. This constraint has entrenched uncompetitive production costs, especially for energy-intensive industries such as cement, steel, and food processing, where electricity accounts for 20–45% of total production costs. The 30% cap prevents manufacturers from fully accessing cheaper renewable energy, deters new investment in SEZs and industrial zones, and limits Namibia's ability to position its manufacturing exports as green and low-carbon, a key condition for ESG-linked and AfCFTA markets.

3.10 Enterprise Development and Manufacturer Recognition

Namibia's enterprise development ecosystem remains fragmented and under-resourced, offering little structured support for scaling domestic manufacturers. Firms face complex licensing procedures, lengthy turnaround times for permits and incentives. The absence of a recognised Manufacturing Status Certification or dedicated facilitation mechanism means local producers receive no differentiated treatment. This weak institutional environment undermines competitiveness and limits firm growth, especially for SMEs transitioning into export-ready enterprises.

3.11 Institutional Coordination

Institutional coordination across Namibia's industry ecosystem is weak and fragmented. Overlaps and silos between trade, finance, labour, utilities, and standards agencies result in slow decision-making, inconsistent policy enforcement, and duplication of effort. These inefficiencies delay implementation of SEZs, skills and financing reforms, and trade-facilitation measures, ultimately weakening the country's investment attractiveness and ability to meet NDP6 industrialisation targets.

4. Key Recommendations and Priority Actions

Namibia's manufacturing competitiveness challenge is not a lack of ambition; it's the cost, policy, and fiscal disconnect between vision and execution. To meet NDP6's 2030 targets, the following three high-priority Cabinet actions are proposed for implementation within the next 5–12 months.

4.1 Reduce Input Costs and Modernise Utilities Pricing

Action: Undertake a targeted review and adjustment of industrial electricity, water, and logistics tariffs to align Namibia's input costs with regional peers, while ensuring cost recovery and infrastructure sustainability.

Rationale: Namibia's industrial electricity tariffs are 35–40% above regional averages, while logistics and water tariffs further raise production costs. This undermines competitiveness, deters manufacturing scale-up, and inflates export prices under AfCFTA.

Implementation Measures:

- Mandate the Ministry of Industry, Mines, and Energy (MIME), NamPower, and NamWater to develop a tiered industrial tariff structure for large-scale and export-oriented manufacturers.
- Introduce infrastructure cost-sharing and energy-efficiency rebates for firms in industrial parks and SEZs.

Expected Impact: Lowering input costs by even 15% can enhance Namibia's cost-competitiveness, attract new anchor investors, and potentially raise manufacturing GDP contribution by 1.2–1.5 percentage points over the medium term.

4.2 Operationalise SEZ and Incentive Frameworks

Action: Fast-track the promulgation and implementation of Special Economic Zones (SEZ) Regulations and Investment Incentives Regulations under the NIPFA to establish Namibia's first operational SEZs and restore investor confidence.

Rationale: Manufacturers cite the absence of operational SEZ and incentive frameworks as the single biggest barrier to long-term investment. SEZs are critical for lowering establishment costs, clustering suppliers, and facilitating technology transfer.

Implementation Measures:

- Approve and implement SEZ Regulations by Q1 2026, prioritising Walvis Bay and Oshikango (i.e. light manufacturing and agro-processing).

- Approve and publish Investment Incentives Regulations.

Expected Impact: Operational SEZs can reduce investment start-up costs by up to 25%, accelerate FDI inflows, and generate 5,000–8,000 new industrial jobs within the first three years of implementation.

The rationale of Minimum wage is to alleviate hunger and poverty however the manufacturing status certification and performance base quota visa system implementation is a low hanging fruit to unlock job creation and factory upscale output and creating an ability to surpass the minimum wage by the manufacturers.

The National procurement policy should adopt a local manufacturer catalogue as part of their policy to enforce local consumption.

Policy uncertainty

- 5th industrial revolution in the Namibia industry policies need alignment, equally the review completion of the affirmative action, labour act, social security act and the workmen compensation act (minimum wage) needs structural alignment
- Performance base quota Visa System
- Manufacturing status certification
- Local consumption of Namibian manufactured goods

4.3 Lower the Effective Tax Rate for Qualifying Manufacturing Investment

Action: Introduce a tiered manufacturing tax framework under MoF to reduce the effective tax burden on priority manufacturing investments, aligning Namibia's rates with regional competitiveness benchmarks.

Rationale: Namibia's 30% corporate income tax rate is among the highest in the region, discouraging new entrants and reinvestment. Peer economies such as Botswana (22%) and Mauritius (15%) pair lower rates with structured incentives, while Namibia offers none.

Implementation Measures

- Introduce a reduced corporate tax band (15–20%) for qualifying manufacturing investors within SEZs and value-added export industries.
- Reinstate investment allowance for capital expenditure in priority subsectors.
- Integrate fiscal incentives into a single annual industrial tax policy statement to provide predictability and transparency.

Expected Impact: Lowering the effective tax rate and enabling reinvestment incentives could raise manufacturing investment's share of total investment from 6.1% to 10–12% by 2027, and boost sector employment toward the 80,000-job target by 2030.

4.4 Accelerate Skills and Technological Upgrading

Action: Establish a National Industrial Technology and Skills Compact to align government, industry, and academia in driving technology transfer, R&D investment, and industrial skills development. The Compact should focus on improving innovation-led manufacturing, supporting advanced production systems, and building human capital for high-value industries.

Rationale: Namibia's manufacturing sector remains constrained by low technology adoption, weak R&D capacity, and a skills mismatch between industrial demand and training output. Productivity growth has averaged below 2% annually—well short of the 5–6% needed to reach Vision 2030 industrialisation targets. Without stronger technological upgrading and a coordinated skills ecosystem, Namibia risks losing competitiveness within the AfCFTA and regional value chains.

The academia together with the Ministry of labour should have a clear database of skills sets and certification of the unemployed, this will assist the industry with regards to employment processes which ease the monitoring and evaluation towards the industry employment consumption.

Implementation Measures:

- Establish sector-specific innovation and technology hubs within SEZs and industrial parks to facilitate R&D collaboration and industrial innovation.
- Upgrade TVET and tertiary curricula in partnership with industry to align training with emerging industrial technologies.
- Introduce targeted fiscal incentives (tax credits or accelerated deductions) for firms investing in automation, digitalisation, and green manufacturing technologies.
- Roll out a Skills-for-Industry Programme under NDP6, targeting at least 10,000 apprenticeships and re-skilling placements in priority manufacturing subsectors by 2030.
- Operationalise a Performance-Based Skills Visa System, governed by a sectoral quota (25–30% of the workforce, depending on industry), with time-bound permits linked to measurable knowledge-transfer outcomes, reviewed annually.
- Additionally, launch a Retired Industry Experts Programme to harness seasoned technical professionals for mentorship and hands-on training in specialised subsectors such as pharmaceuticals, machinery, and renewable energy.

Expected Impact: Accelerated technology adoption and skills alignment will raise manufacturing productivity, strengthen industrial competitiveness, and enable Namibia to diversify into higher-value manufacturing segments. This could increase sectoral value-added by 2–3 percentage points of GDP and create a stronger skills base to support innovation-driven export growth under the AfCFTA framework.

4.5 Enterprise Development and Manufacturer Recognition

Action: Establish a National Manufacturing Status Certification Scheme under the MIME to formally recognise qualifying manufacturers and grant them expedited access to incentives, permits, import approvals, and land allocation for industrial expansion. This should be supported by a One-Stop Service Centre for Manufacturers that consolidates trade, labour, and investment facilitation services.

Rationale: Namibia's manufacturing base lacks structured enterprise recognition and institutional support. Manufacturers face bureaucratic delays in securing permits, incentives, and approvals, which discourage investment and increase transaction costs. A coordinated certification and facilitation mechanism will enhance policy predictability and signal a pro-industry regulatory environment that rewards production, compliance, and local value addition.

Implementation Measures

- Establish a National Manufacturing Registry and Certification System with transparent eligibility criteria and periodic review.
- Set up a dedicated one-stop facilitation centre to fast-track incentive applications, skills visas, and import approvals for certified manufacturers.
- Link Manufacturing Status to access priority programmes (e.g. SEZ licences, concessional financing, skills quota, and land allocation).
- Develop performance benchmarks to ensure accountability and encourage continuous upgrading by registered firms.

Expected Impact: Formal recognition and streamlined facilitation will reduce regulatory bottlenecks, improve investor confidence, and increase the number of certified manufacturers by at least 30% by 2030, supporting industrial diversification and job creation.

Socio-economic

With regards to Mass employment creation in manufacturing factories, the industry has noted with concern that Mass employment has a potential of creating informal settlement in the areas where the factories reside, thus we urge the Government to formulate a framework/policy that directs local authorities to provide land to meet the employee's needs.

4.6 Energy Cost Entrapment and Market Reform

Action: Implement a Phased Energy Market Liberalisation Plan to the current 30% limit to 100% on power sourcing from Independent Power Producers (IPPs), while introducing flexible tariffs for manufacturers.

Rationale: The Modified Single Buyer (MSB) model currently restricts direct access to affordable renewable energy, increasing production costs and discouraging manufacturing investment. Reforming the electricity market to allow phased liberalisation will reduce energy costs, enhance industrial competitiveness, and attract energy-intensive manufacturing.

Implementation Measures

- Increase IPP access from 30% to 50% by 2026, 70% by 2028, and 100% by 2030 for industrial users over 1 MW.
- Establish Industrial Energy Wheeling Corridors connecting renewable generation zones to manufacturing clusters.
- Introduce bulk industrial tariff reforms with time-of-use pricing (target: N$1.00–1.20/kWh).
- Ring-fence NamPower's transmission business to ensure financial stability during liberalisation.
- Enable SEZ-based manufacturers to co-invest in hybrid IPPs (solar + storage + gas) under ECB-regulated frameworks.

Expected Impact: These reforms could lower industrial power costs by 15–25%, enhance Namibia's green manufacturing competitiveness, and position the country as a renewable-powered export hub by 2030.

4.7 Industry Protection, Local Procurement and Tariff Reform

Action: Adopt a Local Procurement and Industry Protection Framework to prioritise Namibian-manufactured goods in public procurement, provide targeted tariff relief for critical inputs, and activate SACU's Infant Industry and rebate mechanisms to strengthen domestic production.

Rationale: Namibian manufacturers face high input costs and unfair competition from low-cost imports. Without effective trade defence or local preference policies, local firms struggle to scale. Leveraging existing SACU and AfCFTA provisions can protect strategic industries, reduce production costs, and promote industrial deepening while remaining WTO-compliant.

Implementation Measures

- Introduce a Local Procurement Regulation mandating a minimum 40–60% domestic preference for qualifying products.
- Invoke SACU Infant Industry Protection and rebate schedules to exempt non-available raw materials and equipment from import duties.
- Establish a Domestic Content and Value-Addition Policy for key sectors (food processing, textiles, pharmaceuticals).
- Integrate local preference into the public procurement system through digital vendor registration and certification.

Expected Impact: Reducing input costs and strengthening domestic demand will increase local manufacturing output, stimulate reinvestment, and raise manufacturing's share of GDP from 10.6% to 15% by 2028, while creating sustainable industrial employment.

4.8 Standards, Certification and Quality Infrastructure

Action: Implement a National Quality Programme (NQP) under NSI to strengthen and decentralise testing, metrology, and certification services across manufacturing subsectors. Empower the Namibia Standards Institution (NSI) both through legislative and financial resources to deliver internationally recognised testing locally.

Rationale: Testing and certification costs remain high as firms rely on South African laboratories for compliance, raising costs by up to 40% and delaying market entry. Enhancing Namibia's quality infrastructure will improve product competitiveness, reduce compliance costs, and unlock regional export potential.

Implementation Measures:

- Upgrade NSI facilities and equip regional testing centres in SEZs and industrial parks.
- Provide dedicated funding for sector-specific testing hubs (e.g. food safety, pharmaceuticals, chemicals).
- Align NQP with AfCFTA and SADC quality frameworks to ensure mutual recognition of standards.
- Establish a Quality Infrastructure Coordination Unit to link industry with testing and certification agencies.

Expected Impact: Reduced certification turnaround time and costs will enhance export competitiveness and quality assurance. By 2030, at least 70% of local products could be certified domestically, strengthening Namibia's position in regional value chains.

Summary Table of the Ask

Strategic Lever	Linked Recommendations	Expected Impact
1. Lower Production Costs (Electricity & Water)	4.1, 4.6, 4.7, 4.8	Reduce production costs by 15–25%, improve competitiveness, and enhance export pricing.
2. Operationalise SEZ and Incentive Ecosystem	4.2, 4.4*, 4.5	Establish functioning SEZs, attract new anchor investors, and create 5,000–8,000 industrial jobs.
3. Correct Fiscal Distortions and Build Competitiveness	4.3, 4.4, 4.5	Align tax rates with region (15–20%), boost reinvestment, and increase sectoral value-add by 2–3% of GDP.

(* = Recommendation straddles two levers due to cross-cutting nature, i.e. skills and technology reforms enhance both SEZ functionality and competitiveness.*)

A Call to Action

Namibia's industrialisation agenda will succeed only if it becomes cheaper to produce, faster to invest, and smarter to scale. The Cabinet must urgently lower production costs (electricity & water), operationalise the SEZ and incentive ecosystem, and correct fiscal distortions that keep the country uncompetitive. These are the three decisive levers to unlock manufacturing growth and position Namibia as an AfCFTA-ready industrial hub.

Working Group 7: Skills Development, Workforce Readiness & Industry Alignment

EXECUTIVE SUMMARY

Skills Development, Workforce Readiness, and Industry Alignment underpin Namibia's ability to realise the national aspirations of Vision 2030 and the Sixth National Development Plan (NDP6). Human capital is the foundation of productivity, competitiveness, and inclusive growth yet Namibia's skills ecosystem remains structurally misaligned with labour-market realities. The objective of this paper is to outline strategic interventions to strengthen workforce readiness, improve training-industry linkages, and accelerate job creation across all productive sectors, including manufacturing, tourism, the creative industries, and sport.

Namibia's skills base has not kept pace with the evolving demands of an industrial and digital economy. Despite steady expansion in TVET and tertiary enrolment, the relevance and quality of training remain inadequate. Curricula are outdated, apprenticeship opportunities limited, and graduate employability low. The result is a persistent skills mismatch, reflected in a youth unemployment rate exceeding 40% and chronic shortages in technical, digital, and management skills. Meanwhile, employers report difficulty recruiting specialised talent in high-growth industries such as renewable energy, logistics, ICT, advanced manufacturing, and creative sectors.

The current training ecosystem is fragmented across multiple agencies with overlapping mandates. Qualification development and accreditation processes remain slow and disconnected from real-time labour-market data. Namibia's occupational classification system (NASCO-96) and labour-market intelligence mechanisms are outdated, limiting the country's ability to anticipate future skills needs, particularly under the African Continental Free Trade Area (AfCFTA) and the emerging green and digital transitions. These structural weaknesses constrain industrial competitiveness, inhibit investment, and reduce the adaptive capacity of the workforce.

To close this gap, the Working Group (WG7) proposes an integrated skills-development reform anchored in three key areas:

1. Industry-Aligned Education Reform – Co-develop curricula with industry through structured partnerships between training institutions, employers, and sector councils. Establish sector-based Centres of Excellence focused on renewable energy, manufacturing, logistics, tourism, ICT, and creative industries.
2. Work-Based Learning and Apprenticeship Expansion – Fully operationalise the Work-Integrated Learning (WIL) Policy, incentivising employers through tax rebates and wage subsidies to offer structured apprenticeships, internships, and on-the-job learning.
3. Digital and Technical Skills Acceleration – Launch a National Digital Skills Programme to equip 20,000 youth, MSMEs, and entrepreneurs by 2026 through

modular micro-credential training, digital literacy bootcamps, and e-learning partnerships with the private sector.

Complementary interventions include streamlining qualification-approval timelines, modernising the National Labour Market Information System (LMIS), and establishing a National Critical Skills List to guide immigration, industrial development, and investment attraction. A Performance-Based Skills Visa System should be introduced—allowing companies to import specialised skills on a time-bound, monitored basis-alongside a Retired Experts Programme to facilitate mentorship and technology transfer in priority industries.

These reforms are expected to reduce youth unemployment by 10–12 percentage points by 2030, align 80% of national qualifications with industry needs, and embed work-based learning across all training institutions. Beyond direct employment gains, the reforms will enhance Namibia's capacity to attract industrial investment and expand value-added exports under the AfCFTA, while strengthening linkages with sport, culture, and tourism—sectors that share overlapping creative, digital, and service-oriented skills ecosystems.

In conclusion, Namibia's human-capital transformation depends on producing a workforce that is industry-ready, digitally capable, and globally competitive. Accelerating skills reform through industry alignment, work-based learning, and digital inclusion will enable Namibia to move from education to employability—unlocking productivity, innovation, and decent jobs across all sectors of the economy.

1. THE SCOPE

Working Group Seven (NamPPF WG7: Skills Development, Workforce Readiness & Industry Alignment) focuses on developing Namibia's human capital base to support an inclusive, competitive, and industrialised economy. For the purpose of this Forum, "skills development" refers to the coordinated acquisition of technical, vocational, and digital competencies necessary to drive value addition, productivity, and innovation across all sectors of the economy. "Workforce readiness" encompasses the employability, adaptability, and entrepreneurial capacity of Namibians to meet labour market demands, while "industry alignment" refers to the systemic integration of training, education, and enterprise needs through public–private collaboration.

Within this context, the scope of WG7 covers interventions spanning the full skills value chain — from foundational education and technical training to higher learning, apprenticeships, and continuous professional development. It includes the reform and modernisation of Technical and Vocational Education and Training (TVET), higher education, and work-integrated learning systems to ensure that Namibia's workforce is future-ready and responsive to the Fourth and Fifth Industrial Revolution.

The group's mandate extends to developing mechanisms for curriculum co-design with industry, promoting short-term and modular qualifications, accelerating digital and advanced technology skills, and scaling national apprenticeship and internship programmes. It also focuses on enabling international skills mobility through bilateral cooperation, recognition of prior learning, and sector-based talent exchange.

For the purposes of NamPPF WG7, the mandate excludes general labour policy reforms and collective bargaining frameworks, which fall under the domain of the Employment, Labour and Productivity Working Group. However, WG7's work remains closely interlinked with Manufacturing, Tourism, and the Culture & Creative Industries (CCI) Working Groups — given that skills development is a cross-cutting enabler of competitiveness across all productive sectors.

Accordingly, this paper examines the strategic importance of skills development and workforce alignment as the foundation of Namibia's economic transformation. It identifies key constraints, institutional coordination gaps, and systemic challenges that hinder employment creation and industrial competitiveness. Finally, it proposes actionable, collaborative interventions between government, industry, and academia to establish a skills ecosystem that is agile, demand-driven, and inclusive capable of powering Namibia's growth trajectory toward Vision 2030 and the AfCFTA era.

The work of WG7 is inherently cross-cutting and directly supports other priority sectors under the NamPPF, particularly Manufacturing (WG6), Tourism (WG8), and Sport, Culture & Creative Industries (WG9). The development of sector-specific skills frameworks—such as hospitality excellence, sports management, cultural entrepreneurship, digital media production, and design technology—will be integrated into the National Skills Compact. These linkages will ensure that creative, service, and industrial value chains grow in parallel, supported by a unified skills pipeline that feeds directly into Namibia's economic transformation agenda.

2. Sector Contribution and Growth Opportunities

2.1 Policy Aspiration on Job Creation in the Skills Development Ecosystem

Namibia's human capital development agenda under Vision 2030 and the Sixth National Development Plan (NDP6) positions skills development as a cornerstone for inclusive industrialisation and employment growth. The national objective is to build a skilled, adaptable, and future-ready workforce capable of driving value addition across manufacturing, green energy, digital services, tourism, and the creative economy. The Government aims to reduce youth unemployment from the current 41% to below 25% by 2030 through targeted Technical and Vocational Education and Training (TVET) reforms, public–private partnerships in industrial training, and work-integrated learning schemes.

Between 2015 and 2024, employment in formal training institutions and associated industries expanded modestly by 8%, but this growth remains below continental averages. The majority of new entrants to the labour market remain semi-skilled or unemployed due to misalignment between training supply and industry demand. NDP6 therefore sets a strategic objective to equip at least 120,000 Namibians with market-relevant skills by 2030, prioritising science, technology, engineering, and applied vocational fields that support the Fourth and emerging Fifth Industrial Revolution.

Future opportunities for job creation will arise from skills integration within high-growth sectors such as renewable energy systems, advanced manufacturing, logistics and mobility services, agro-industrial processing, tourism, and the cultural and creative industries. These sectors have the potential to absorb large numbers of youth and women, while generating indirect employment through microenterprises, supplier networks, and innovation-driven entrepreneurship.

Namibia's skills strategy is also designed to position the country as an AfCFTA-ready and green-growth economy. The focus on industrial skills, digital literacy, and renewable-energy engineering directly supports participation in continental value chains—particularly in electric mobility, agro-processing, creative services, and green manufacturing. By aligning training programmes with Africa's green transition agenda, Namibia can strengthen its role as both a source and destination of sustainable, future-oriented human capital.

3. Challenges

Namibia's skills development ecosystem faces systemic and structural challenges that limit its ability to meet current and future labour market needs. These include outdated curricula, weak coordination between training institutions and industry, inadequate funding models, and limited digital infrastructure for modern learning delivery.

3.1 Persistent Skills–Industry Mismatch

Despite growing demand for technical and digital skills, most TVET and tertiary curricula remain outdated and overly theoretical. Industry input into curriculum design is minimal, resulting in graduates who are often unprepared for industrial, creative, or service-based work environments. This mismatch contributes to high unemployment rates among young people, even in sectors with labour shortages such as manufacturing, logistics, tourism, and ICT.

3.2 Institutional Fragmentation - Bureaucratic and Rigid Regulatory Frameworks

Multiple ministries and agencies, including Education, Universities, Labour, and NTA, operate in silos with overlapping mandates. This weak coordination delays reforms, causes duplication, and reduces accountability for skills outcomes. There is no unified national mechanism for tracking skills supply and demand across sectors, leading to inefficiencies in workforce planning.

3.3 Ineffective Training Incentives and Regulatory Barriers

Private-sector participation in training remains limited due to insufficient incentives and significant regulatory hurdles that discourage employer-led skills development.

i. *Challenge: Ineffective VET Levy System*

The current Vocational Education and Training (VET) levy system fails to adequately incentivise in-company training. The fact that only 25% of all levy-paying companies submit claims signals that the current 50% refund is an insufficient incentive. Furthermore, reimbursements are often processed only at the end of the financial year, creating cash-flow challenges for businesses.

ii. *Challenge: Lack of Recognition for Private Sector Training*

The formal regulatory system often does not recognise specialised courses or apprenticeship programmes developed and delivered by the private sector. This creates duplication and prevents companies from efficiently upskilling their workforce using their own internal expertise.

iii. *Challenge: Barriers to Importing Expertise*

Private sector training often requires bringing in short-term international experts for specialized technical training. However, businesses face lengthy and difficult processes to secure work permits for these experts, hindering critical knowledge transfer.

3.4 Digital and Technological Lag

Namibia's education and training ecosystem lacks robust digital-learning infrastructure and widespread broadband access. Most institutions are under-equipped to deliver digital literacy, coding, robotics, and renewable energy engineering—skills essential for competitiveness in emerging global industries.

3.5 Limited Access to Affordable Training

Access to quality and affordable training opportunities remains highly uneven across Namibia. Training opportunities are heavily concentrated in urban centres, while rural and disadvantaged youth continue to face barriers such as distance, cost, and inadequate digital infrastructure. Many young people must travel long distances to reach training facilities, incurring accommodation and transport expenses that make participation financially unsustainable.

Public TVET institutions are underfunded and oversubscribed, while private providers remain unaffordable for most low- and middle-income households. Public financing for TVET remains below 2% of the national education budget, compared to 5–7% among regional peers, constraining the expansion of modern, well-equipped training facilities and limiting the reach of skills programmes in high-demand fields such as engineering, ICT, and renewable energy.

As a result, thousands of potential trainees—especially women, persons with disabilities, and school leavers without formal qualifications—are excluded from skills development pathways. This limited access to affordable training has widened Namibia's skills divide, reduced social mobility, and constrained the country's ability to build the human capital base required for an inclusive, industrial, and knowledge-driven economy.

4. Key Recommendations and Priority Actions

4.1 Establish a National Skills Compact

Action: Create a National Industrial Skills and Workforce Compact that aligns government, academia, and industry in designing and financing Namibia's future skills agenda.

Rationale: Coordinated national oversight will eliminate duplication and ensure that training investments respond directly to sectoral labour demand.

Implementation Measures:

- Establish a Skills Intelligence Unit within NTA/NIPDB to forecast workforce needs across industrial, tourism, and creative sectors.
- Develop sectoral training accords with industry councils (e.g., manufacturing, tourism, culture).
- Institutionalise regular labour-market observatories and feedback loops.

Expected Impact: Improved alignment between training outputs and industry demand, reducing youth unemployment and boosting productivity.

Performance Targets:

- Establish the National Skills Compact by Q2 2026 and operationalise at least three sectoral training accords (Manufacturing, Tourism, and CCI) by 2027.
- Develop a Skills Intelligence Dashboard by 2026 to track labour market demand and placement rates quarterly.

4.2 Modernise TVET and Apprenticeship Systems

Action: Upgrade and expand Namibia's TVET system to meet industrial standards and integrate work-based learning across all technical fields.

Rationale: A robust TVET and apprenticeship ecosystem is essential for industrial competitiveness and export readiness.

Implementation Measures:

- Establish at least five regional Centres of Excellence linked to SEZs, tourism clusters, and creative industries.
- Introduce industry-led curriculum committees and competency-based certification frameworks.
- Provide tax credits or wage subsidies for firms hosting apprentices.
- Develop a framework to formally recognise and accredit private sector-led apprenticeship programmes under the NTA.

Expected Impact: Enhanced employability for youth and women, and the creation of a modern skills base for high-value sectors.

Performance Targets:

- Increase TVET enrollment from 35,000 (2023 baseline) to 60,000 by 2030.
- Expand registered apprenticeship placements from 3,000 to at least 10,000 by 2027.

4.3 Implement a Performance-Based Skills Visa System

Action: Operationalise a Performance-Based Skills Visa allowing industries to import critical expertise under time-bound, monitored transfer programmes.

Rationale: Skills importation, including for short-term expert trainers, remains vital for technology transfer in advanced and niche industries.

Implementation Measures:

- Introduce a sectoral quota system (25–30% of workforce depending on sector).
- Require mandatory knowledge-transfer plans and annual reporting.
- Introduce a Retired Experts Scheme for mentorship in specialised fields.
- Create a fast-track work permit facility for short-term (under 6 months) technical experts engaged in accredited or company recognised in-house training.

Expected Impact: Increased knowledge transfer, reduced operational downtime, and accelerated domestic skills development.

Performance Targets:

- Operationalise the Performance-Based Skills Visa system by Q1 2026 with a 25–30% sectoral quota cap.
- Facilitate at least 200 mentorships under the Retired Experts Programme by 2030.

4.4 Incentivise Private-Sector Participation in Training

Action: Provide targeted tax incentives and co-financing mechanisms for firms offering industry-recognised training, accredited training, internships, and R&D linkages.

Rationale: Industry co-investment is essential for scaling Namibia's training and innovation ecosystem. This measure will, in addition, ease the state's burden in its commitment to provide free tertiary training commencing 2026.

Implementation Measures:

- Reform the VET Levy system to provide 100% rebates for all accredited in-house training, scholarships, and apprenticeships, with claims processed quarterly.
- Allow tax deductions of up to 150% for firms investing in certified training.
- Introduce Skills Development Bonds to fund priority TVET expansions.

Expected Impact: Expanded training opportunities, improved productivity, and stronger linkages between education and enterprise development.

Performance Targets:

- Introduce fiscal co-financing mechanisms by 2026, reaching at least 100 firms benefiting from training-related deductions by 2028.
- Increase private-sector investment in skills development by 40% by 2030.

4.5 Establish Digital Skills and Innovation Hubs

Action: Establish Digital Skills and Innovation Hubs across key growth regions, focusing on coding, AI, robotics, creative design, and renewable energy technologies.

Rationale: Namibia must build a tech-enabled workforce to compete in AfCFTA's knowledge economy.

Implementation Measures:

- Integrate ICT literacy into all training curricula.
- Partner with private firms to co-fund innovation labs.

Expected Impact: Increased digital inclusion and new high-value employment streams for youth.

Performance Targets:

- Establish five Digital Skills Hubs by 2027 (Windhoek, Walvis Bay, Oshakati, Rundu, and Keetmanshoop).
- Train 10,000 youth and women in digital and green-tech skills by 2030.

4.6 Enhance Equitable Access to Training Infrastructure

Action: Launch a national programme to decentralise training and reduce financial barriers for rural and disadvantaged youth.

Rationale: The current concentration of training in urban centres and the underfunding of public TVET exclude thousands of potential trainees, particularly from rural areas, widening the skills divide. Addressing the direct and indirect costs of training is critical for inclusive human capital development.

Implementation Measures:

- **Establish Mobile Training Units:** Deploy mobile training workshops (equipped for fields like welding, solar installation, and digital literacy) to serve remote and rural communities directly, eliminating transport and accommodation barriers.

- **Introduce a National Skills Bursary Fund:** Create a targeted bursary scheme, ring-fenced for disadvantaged youth, to cover tuition, transport, and accommodation costs, thereby making both public and private training financially accessible.

- **Increase Public TVET Funding:** Advocate for a phased increase in public financing for TVET from the current 2% to the 5-7% regional benchmark. This funding must be earmarked for upgrading rural campuses, acquiring modern equipment for high-demand fields (ICT, renewable energy), and subsidising trainee costs

Expected Impact: Increased participation rates for rural youth, women, and persons with disabilities. This will expand the national skills pipeline and ensure inclusive growth by building human capital in previously underserved regions.

Performance Targets:

- Launch at least five regional Mobile Training Units by 2027.
- Operationalise the National Skills Bursary Fund by 2026, supporting at least 5,000 disadvantaged trainees by 2028.
- Increase public TVET financing to at least 4% of the education budget by 2030.

5. A Call to Action

Namibia's economic transformation will depend not only on infrastructure and capital investment, but on its ability to produce a skilled, adaptable, and innovative workforce. To unlock this potential, three strategic imperatives stand out:

1. Align Skills with Industry Demand – Establish an integrated skills ecosystem that links education, innovation, and employment creation across manufacturing, tourism, and creative industries.

2. Modernise Training Systems and Incentives – Expand and digitalise TVET, introduce performance-based visas, and reward firms that train and employ Namibians.

3. Invest in Digital and Inclusive Learning Infrastructure – Build a 21st-century skills architecture that empowers youth, women, and rural communities to participate fully in Namibia's growth story.

If implemented decisively, these reforms will transform Namibia's human capital into its most valuable competitive asset—fueling industrialisation, reducing unemployment, and positioning the nation as a skills-driven hub for innovation and value addition within the AfCFTA.

ANNEX 1: National Skills Compact Implementation Roadmap

Strategic Action	Lead Institutions	Timeframe	Key Deliverables / KPIs
1. Establish National Skills Compact	MEIYSAC, NIPDB, NTA	2025–2026	Skills Compact MoU signed; 3 sectoral accords
2. TVET and Apprenticeship Modernisation	MEIYSAC, NTA, Industry	2025–2030	+25 new accredited programmes; 10,000 apprenti
3. Digital Skills & Innovation Hubs	MEIYSAC, NCRST, Telecom Sector	2026–2029	5 Hubs operational; 10,000 trained
4. Skills Visa & Retired Experts Programme	MLIREC, MoHAI, NIPDB	2025–2028	Quota policy enacted; 200 mentors engaged
5. Private-Sector Incentives	MoF, NIPDB, MEIYSAC	2026–2030	Tax incentive scheme operational; 100 firms enrolled

Working Group 8: Entrepreneurship, MSME Growth, and Youth Development

Executive Summary

Entrepreneurship, MSME growth, and youth development are central to Namibia's socioeconomic development. MSMEs and startups make up over 90% of Namibian businesses, generating most private sector jobs and contributing significantly to tax revenue. With 71% of the population under the age of 35 and youth unemployment above 44% (strict), empowering young entrepreneurs is vital for inclusive growth.

However, excessive regulation, bureaucracy and poor service delivery continue to hinder enterprise competitiveness and job creation. MSMEs also face challenges of limited access to finance, high taxes, and restricted market access, reducing their ability to grow and compete.

Aligned with Government priorities under the SWAPO Manifesto, NDP6, and the National Youth Development Fund, this strategy outlines targeted, practical solutions to unlock MSME and youth potential through improved coordination and structural reforms.

Key Priorities and Solutions

1. **Cut Red Tape:** Establish a private sector–led red-tape reform committee to address bureaucratic inefficiencies, improve licensing and permitting, and enhance accountability and service delivery.
2. **Improve Access to Finance:** Strengthen the National Youth Development Fund and reform the Development Bank of Namibia to provide early-stage capital, project preparation support, and post-investment mentorship.
3. **Introduce a progressive corporate tax rate:** Implement a progressive corporate tax system to avoid depleting MSMEs of capital needed for reinvestment and growth, particularly in their infancy.
4. **Enable Public–Private Delivery Platforms:** Co-design platforms, i.e. an MSME One-Stop Portal for streamlined processes, mentorship and market access.
5. **Enhance the competitiveness of youth and differently-abled entrepreneurs:** Expand skills training, digital tools, innovation programmes, preferential procurement and new-business-incentives to support youth, women, and differently-abled entrepreneurs.

This strategy calls for bold structural reforms, strategic collaboration, and investment in human capital to unlock Namibia's entrepreneurial potential. By cutting red tape, reforming funding systems, introducing fair taxation, and empowering youth-led enterprises, Namibia can transform MSMEs into engines of inclusive growth, drive job creation, and achieve the 2030 national employment targets.

Section 1. Overview and Context

Entrepreneurship sits at the heart of private sector growth and enterprise development. It drives innovation, stimulates productivity, and creates employment opportunities that support sustainable economic growth.

In Namibia, Micro, Small and Medium Enterprises (MSMEs) and startups make up over 90% of all businesses. They generate the majority of private sector jobs, produce goods and services for local consumption, intermediate use, and export, and contribute significantly to government revenue through direct and indirect taxes. Strengthening the MSME and startup ecosystem is therefore essential for broad-based economic development.

Namibia's population is young, with a median age of 22, and approximately 71% of citizens are under the age of 35. However, youth unemployment remains a pressing concern, 44.4% (strict) and 61.4% (broad), compared to national unemployment levels of 36.9% (strict) and 54.8% (broad). Supporting youth entrepreneurship and employment is thus crucial to achieving inclusive growth and ensuring that Namibia's young population becomes an active driver of innovation, productivity, and prosperity.

This strategy focuses on fostering entrepreneurship, strengthening MSMEs and startups, and creating meaningful opportunities for youth within a dynamic and resilient private sector.

The ease of doing business in Namibia is hindered by a combination of factors, some of which are within our control, while others (such as domestic market size) are not. As detailed in the 2025 IMD competitiveness report, supported by NIPDB and consultation with Namibian enterprises, Namibia ranks poorly in ease of doing business. Entrepreneurs and MSMEs face an overregulated and bureaucratic environment with excessive red tape, poor service delivery, and institutional cultures focused on control rather than facilitation. These challenges are compounded by weak monitoring, lack of systems and structures for reporting system and individual shortcomings, and limited accountability across government institutions tasked with supporting enterprise growth, permitting and licensing and oversight. Policy makers and public servants tend to act as gatekeepers of bureaucracy rather than enablers.

Excessive red-tape has extensive negative implications for MSMEs, adding substantial time and cost to doing business, often contributing to, or resulting in, a lack of competitiveness of local enterprises. This, in turn, means jobs are not created, MSMEs do not survive or grow, and unemployment increases. Young persons are most hard hit by this phenomenon, as they are not able to be entrepreneurial, to start competitive businesses, nor find employment.

Financial institutions have begun to treat MSMEs as partners, recognising that trust, responsiveness, and shared value drive growth. However, the inability of many entrepreneurs and MSMEs to be competitive has a significant negative impact on their ability to source early-phase funding. In this regard, the regulatory environment presents significant headwinds and challenges for these same MSMEs, as further detailed in this document.

To reiterate, the private sector is strongly in support of the Government's effort to drive job creation, entrepreneurship and youth development. MSMEs have high job creation potential and large numbers of small enterprises have the potential to create significant numbers of much-needed jobs in the country. To be established, these MSMEs rely on entrepreneurs, including youth and differently abled individuals, who in turn require a business climate that is conducive to investment and job creation. MSMEs tend to be more labour (personnel) and less capital intensive than large enterprises, meaning investment in this space yields a large number of jobs per dollar invested. In simple terms, 10,000 MSMEs employing 25 people on average would contribute half of the jobs targeted in the SWAPO Manifesto.

Binding Constraints: The greatest binding constraints for entrepreneurs and MSMEs, especially youth, are factors that impact competitiveness, specifically:

- Excessive regulation, bureaucracy and red tape
- Slow and intransparent licensing and permitting
- Poor service delivery and accountability gaps
- Access to finance and pre- and post-investment support
- Uncompetitive tax regime
- Access to markets
- Lack of competitiveness with foreign companies and large companies
- Lack of incentives and support for entrepreneurs, MSMEs
- Limited access to digital infrastructure and e-commerce platforms
- Lack of inclusive training, mentorship, and capacity-building infrastructure

Opportunities: simple reforms requiring limited public sector resources and inclusive infrastructure can unlock significant investment, entrepreneurship and MSME development. Specific suggestions are made in section four of this document.

Section 2. Support for Government priorities and objectives

The private sector, including MSMEs and the youth are strongly in support of the Government's effort to create jobs, and by extension, there is support for the **NamPPF theme of job creation and competitiveness**, with a specific focus on inclusive entrepreneurship and MSME development. It responds to the urgent need for economic diversification, local value chain participation, and dignified livelihoods, including for youth, differently abled individuals and informal sector entrepreneurs.

Alignment with National Frameworks

- **SWAPO Manifesto Implementation Plan (SMIP)**: Targets 500,000 jobs by 2030. WG8 activates Priority Area P3: *Youth Empowerment through MSME scaling*, with the potential to provide upward of 250,000 jobs by 2030.
- **National Youth Development Fund (National Youth Development Fund)**: Allocates N$257 million for youth-led MSMEs, offering no-collateral loans and sector-specific grants. WG8 supports National Youth Development Fund delivery.
- **NDP6 (2025–2030)**: Prioritises youth entrepreneurship, MSME formalisation, and innovation. WG8 activates Programme 1: *Youth Entrepreneurship Development*, targeting 950 informal transitions and a GDP uplift from 16% to 19.4%.

Section 3. Private sector existing activities

Namibia's private sector plays a significant role in entrepreneurship, MSME development and youth development, and in so doing is advancing government objectives to unlock MSME growth and youth entrepreneurship, not merely in principle, but through tangible programs, infrastructure investment, and strategic co-financing. These initiatives align with national frameworks as detailed above.

- The private sector supports MSME growth and competitiveness through enterprise development and capacity-building initiatives that strengthen operations, enhance market reach, and equip entrepreneurs to effectively manage and scale their businesses.
- Supplier development programmes are being implemented to address emerging sectoral needs in industries such as oil and gas, renewable energy, and mining. These initiatives are complemented by vocational training aimed at empowering individuals to become entrepreneurs and actively participate in sector value chains.
- Entrepreneurs have access to a variety of private sector funding opportunities designed to support business growth without relying on traditional loans. These include seed funding, grant funding, start-up capital opportunities, procurement-based financing, and angel investment readiness programmes, all aimed at enabling entrepreneurs to launch, scale, and sustain their ventures.

ScaleUp Namibia (SUN) brings together business hubs and incubation centres to support MSMEs, enhance impact, and strengthen the national entrepreneurship network. However, many incubation centres remain inaccessible to entrepreneurs from different demographics such as various languages, gender or disabilities, highlighting the need for more inclusive infrastructure and programme design to ensure equal participation in entrepreneurship.

Collectively, these initiatives boost GDP, foster technological advancement, and help bridge infrastructure and service delivery gaps

Commitments:

To scale its contribution, the private sector commits to:

- **Co-designing delivery infrastructure**: Partnering with the government to build platforms like MSME One Stop Platform that reduce duplication and improve service delivery.
- **Mentoring & Coaching MSMEs into procurement systems**: Supporting onboarding, compliance coaching, and bid readiness.
- **Investing in industrial participation**: Co-developing MSME pathways into SEZs and local value chains e.g Supplier development programmes.
- **Advocating for enabling reforms**: Championing digitisation, access to information, and regulatory sandbox simplification.

These commitments will help translate policy into practice and position MSMEs as engines of growth under NDP6.

Coordination Platforms Needed:

- Public-private working groups
- Public-private monitoring and evaluation
- Intersectoral and sectoral working groups and engagement platforms.

Section 4: Key constraints and recommendations

Challenge 1: Excessive regulation, bureaucracy and red tape

Entrepreneurs face pre-revenue and on-going delays and excessive red tape when it comes to starting, running and growing enterprises. These regulatory hurdles are broad in nature, and a material impediment to entrepreneurial and enterprise activities. They are particularly harmful to small enterprises and entrepreneurs who do not have capital, income or reserves to sustain long delays and administrative costs. Furthermore, many of the hurdles and regulations serve little or no purpose, often being outdated or adding large cost and delay for little or no benefit.

Challenge 2: Slow and intransparent licensing and permitting

Most processes of licensing and permitting are slow, paper-based and intransparent. Whether it is applying for water abstraction permits, environmental clearance certificates, exploration permits or work permits, processes take an excessive amount of time, are usually not possible to track, and material delay and increase costs of doing business. These costs and constraints are most harshly felt by small businesses (often youth and differently abled owned) and entrepreneurs who have limited or no income while applying for such licenses and permits, but continue to incur costs.

Challenge 3: Poor service delivery and accountability gap

Service delivery failures are common and costly for entrepreneurs and small businesses. These individuals and entities often struggle to get information from regulators and OMAs, struggle to get through via phone and email to OMAs, struggle to get updates and information on applications, licences, taxes (e.g. VAT) and invoices owed and similar. At the same time, accountability gaps mean that there are no functional entities to which entrepreneurs and business owners can report these failings to, and no functional process exists to hold trespassers accountable and to ensure improvement in service provision.

Challenge 4: Access to finance and pre-and-post investment support

Access to finance is highly problematic for entrepreneurs and MSMEs. The financing landscape in the country is dominated by commercial banks, with few equity (especially early-phase) providers, and a dysfunctional development bank. Private capital is limited and reluctant to fund entrepreneurs because of high failure rates, due to general business climate constraints. Early phase capital is particularly hard to attain for young entrepreneurs without a track record, as there are few specialist financiers and without access to wealthy family members and friends, material portions of the population are not able to access funding.

Similarly, access to pre-and-post fund-flow support is limited, meaning financing recipients are often left without the support, training and expertise needed for sustainability, record keeping, reporting and other mentorship, highlighting the need for behavioural capacity building programmes across the country.

Challenge 5: Uncompetitive tax regime

The corporate tax regime in the country is highly damaging to entrepreneurs and MSMEs. Small businesses are subject to high corporate tax rates from their infancy, with tax payments often depleting companies of all capital needed for reinvestment and growth (due to capitalising of initial costs, cashflow mismatches and similar). When companies make small initial profits, significant portions of these are paid to NAMRA in tax, leaving little capital for reinvestment and growth. Recent tax changes that limit the period that assessed tax losses can be carried forward are particularly detrimental to small businesses making investments that do not yield fast returns.

Challenge 6: Access to markets

The Namibian market is small and many portions are well served by large and foreign businesses. Large businesses with nation-wide footprints have scale that can be used against smaller enterprises, while large enterprise procurement often excludes MSMEs and entrepreneurs. MSMEs are offered few, if any, advantages and do not receive incubation, preferential procurement or incentives to help them to compete with large and established enterprises. Similarly, public procurement rules and requirements mean that many entrepreneurs and MSMEs are not able to provide goods and services to the public sector.

Challenge 7: Lack of competitiveness with foreign companies and large companies

General bureaucracy and lack of access to finance puts entrepreneurs and MSMEs at a significant competitive disadvantage to large and foreign enterprises. Because these entrepreneurs and MSMEs are subject to the same excessive bureaucracy and are considered higher risk, the cost of doing business in Namibia is disproportionately high for these entities. This makes it impossible for many MSMEs to compete with large and established local and foreign entities.

Challenge 8: Lack of incentives and support for entrepreneurs, MSMEs

Entrepreneurs and MSMEs are forced to compete with large businesses and established businesses, without any incentives or support. Simple support at local authority, regional or national level, such as lower (/subsidised) energy prices, lower (/subsidized) rates and taxes, and lower administrative and regulatory burdens are not available.

Key recommendations:

To unlock the full potential of Namibia's MSMEs and deliver on the President's 500,000 jobs targeted by 2030, we propose three priority recommendations that directly address the binding constraints outlined above. These asks are designed to activate national frameworks, reduce the cost, and ease the process of doing business in Namibia, making Namibian entrepreneurs, MSMEs and youth enterprises more competitive. Further, it is imperative that there is trust rebuilt in public-private delivery systems.

Ask 1: Collaborative red-tape committee

Every entrepreneur and MSME engaged by WG8 expressed concern and frustration with excessive regulation, bureaucracy and red tape, slow and intransparent licensing and permitting and poor service delivery and accountability gaps. These issues ranged from challenges with outdated transport service legislation, to water abstraction permit attainment to VAT repayments to company registrations. Some of these issues were sector specific, while many were overarching. However, the scope and breadth of these issues mean that a specific recommendation as to solutions would not be adequately all-encompassing. As a result, we recommend a comprehensive red-tape committee is formed to identify, and provide solutions to (including service delivery, accountability and digitisation suggestions), specific regulatory and legislative issues, sector specific and cross cutting in nature, as well as administrative, implementation and accountability shortcomings.

The entrepreneurs and MSMEs felt strongly that the committee needs to be private sector led, with collaboration and buy-in from public sector, regulators and licensing agencies, including agencies required for reform and implementation. This was due to the fact that entrepreneurs felt that should the committee be run by the public sector or quasi-public sector, the real issues faced by entrepreneurs and MSMEs may be overlooked, misunderstood or dismissed. Further, given that a lack of urgency, transparency and timeliness was a primary concern when engaging with the public sector, it was felt that only a private-sector led initiative could address these issues, however strong interlinkages with public sector and quasi-public sector will be needed and embraced, including with regards to implementation, monitoring and evaluation.

Ask 1: Government collaborates with a private sector led, coss-sectoral red-tape identification and solution origination committee.

Ask 2: Access to finance and pre-and-post investment support

The government has made significant policy strides to support MSMEs and youth enterprises with the launch of the National Youth Development Fund, the EMPRETEC Namibia Programme, National Mentoring and Coaching Programme and embedded MSME formalisation and innovation into NDP6. These frameworks reflect a clear intent: to position MSMEs as engines of growth and youth entrepreneurship as a national priority. However, while these initiatives are a significant positive step, WG8 raised concerns as to the sustainability and success of the National Youth Development Fund without a proper structure and significant capital allocation and investment experience in the process**.**

Furthermore, while the fund is supported in full, it is insufficient to materially increase access to capital for entrepreneurs and MSMEs. As a result, other vehicles are needed. Specifically, most countries have successful development finance institutions such as the Industrial Development Corporation and Development Bank of South Africa in South Africa, and Kreditanstalt für Wiederaufbau (KfW) in Germany. However the equivalent in Namibia, the Development Bank of Namibia, is failing to deliver on its mandate and is not supportive or conducive for development projects, entrepreneurship or MSMEs. A significant and urgent reform of the Development Bank of Namibia, ensuring it is adequately capitalised, is able to provide debt and equity capital, project preparation funding and pre-and-post investment support; further, that it is adequately and competently staffed.

Ask 2: Government suggested to add additional expertise in capital allocation to the National Youth Development Fund team; Government radically reforms the Development Bank of Namibia and ensures that it fulfills its mandate.

Ask 3: Establish a progressive (bracketed) corporate tax rate

The current corporate tax system in Namibia sees small and new businesses being taxed the same percent as large and established businesses. This means that an entrepreneur that has just started a business and needs capital for growth, pays the same tax percentage as a large and established business without the same capital needs or capital constraints. This is highly detrimental to smaller and growing businesses such as MSMEs, as well as entrepreneurs. Many countries around the world have a progressive corporate tax rate, thus ensuring that small businesses are not forced to pay their much-needed growth capital away in taxes. For example, South Africa has four applicable general corporate tax rates on profits of 0% (first R95,750), 7% (R97,500 - 365,000), 21% (R365,000 - R550,000) and 27% above R555,000. All Namibian non-mining companies, however small, pay 30% of profit in tax. In order to nurture and cultivate entrepreneurs and MSMEs, and for these enterprises to be competitive, a progressive tax system is needed.

Ask 3: Government is suggested to explore suitable progressive corporate tax rates similar to those seen elsewhere in the world.

ASK 4: Establish a Hybrid Public–Private MSME One-Stop Hub

MSME support in Namibia is fragmented, forcing entrepreneurs to travel, queue, and pay just to register or comply. Even basic tasks like ID validation require printing and in-person visits. A hybrid One-Stop Hub would centralize services, registration, compliance, mentorship, and market access, in one physical and online platform, letting entrepreneurs choose whether to walk in or log in.

ASK 4: Government is encouraged to co-develop this hub with private sector partners to reduce duplication and restore dignity.

Implementation Roadmap and suggested timelines

Challenge	Ask	Implementation Process	Timeline
1. Excessive Regulation, Bureaucracy, and Red Tape	The government collaborates with a private sector–led, cross-sectoral red-tape identification and solution origination committee.	➔ Form committee with private sector leadership and public sector participation ➔ Map regulatory hurdles and identify outdated or redundant legislation ➔ Propose digitization, service-delivery, and accountability solutions	➔ 0–6 months: Committee formation and diagnostic review ➔ 6–12 months: Implement quick-win reforms ➔ Ongoing: Monitoring and evaluation
2. Access to Finance and Pre-/Post-Investment Support	The government adds capital allocation expertise to the National Youth Development Fund.	➔ Audit National Youth Development Fund (NYDF) ➔ Recruit investment and fund management experts ➔ Introduce debt, equity, project preparation funding, and post-investment mentorship	➔ 0–3 months: Audit and planning ➔ 3–9 months: Recruitment and restructuring ➔ 9–18 months: Rollout of new funding products
3. Uncompetitive Tax Regime	The government explores implementing a progressive corporate tax rate.	➔ Benchmark progressive tax rates internationally ➔ Model impact of multiple tax brackets for small enterprises ➔ Draft legislation and secure parliamentary approval	➔ 0–6 months: Benchmarking and policy design ➔ 6–12 months: Legislative process ➔ 12–18 months: Implementation

4. Fragmented MSME Support Services	Establish a hybrid public–private MSME One-Stop Hub for registration, compliance, mentorship, and market access..	➔ Develop framework and identify land ➔ Design master plan and prepare for procurement ➔ Construct physical structure and integrate digital platform ➔ Coordinate with government agencies and private partners for service delivery	➔ 0–6 months: Design and stakeholder engagement ➔ 6–12 months: Development and integration ➔ 12–18 months: Launch pilot ➔ 18–24Rollout to other regions

Working Group 9: Financing of Priority Projects

EXECUTIVE SUMMARY

The Working Group on Financing of Priority Projects identified key barriers hindering capital mobilisation for Namibia's industrialisation and job creation agenda under the SWAPO Manifesto Implementation Plan and NDP6. The analysis revealed structural inefficiencies in project preparation, governance and access to risk-tolerant and blended capital. Additionally, Namibia's high cost per job (estimated at approximately NAD 4,612,996) signals weak capital efficiency compared to peers. To address these, the Group proposes three reform levers: *expanding domestic and blended finance through tax*, *pension and regulatory reforms; strengthening development finance and PPP capabilities to deliver bankable projects*; and *modernising investment structures via an International Fund Vehicle and a Financial Services SEZ to attract institutional investors*. Complementary measures include a governance compliance framework for MSMEs and SPVs and mechanisms to channel idle capital into productive use. More broadly, ensuring policy certainty and predictability, through consistent and transparent articulation, will be vital to improving investor confidence, enhancing capital efficiency and generating quality jobs in alignment with Namibia's Vision 2030 goals.

The table below highlights the key constraints and recommendations that the working group considers as low-hanging fruit. The detailed list of issues is expounded on in Section 4 of this report.

Summary of Low-Hanging Fruit	
Constraint	**Recommended Solutions**
Lack of Risk and Blended Capital	Establish a National Blended Finance Facility and policy framework to mobilise concessional and private capital; create thematic public–private impact funds; streamline PPP and project approval processes.
Restrictive Pension Fund Regulations	Amend Regulation 13 to define a Venture Capital sub-class; mandate pension funds to allocate a small percentage to venture capital managed by NAMFISA-licensed fund managers.
Idle Domestic Capital (Unclaimed Deposits)	Create a National Unclaimed Deposits Framework under the Ministry of Finance and Bank of Namibia to channel dormant funds into productive sectors via NAMFISA-licensed funds and the National Youth Development Fund.
Weak Development Finance & PPP Skills	Launch national training programmes for public and private sectors in project preparation, financial modelling, PPP design and risk management; establish and capitalise a National

	Project Preparation Facility and a PPP Dashboard for transparency.
Limited Investment Structures for Institutional Investors	Establish a Special Economic Zone for Financial Services and an International Fund Vehicle (IFV) under FIMA to enable flexible, investor-friendly fund structures and capital mobility.

SECTION 1: COMMITTEE SCOPE AND FOCUS

The Working Group on Financing of Priority Projects focused on identifying and addressing systemic barriers to mobilising capital for Namibia's key development and industrialisation priorities under the SWAPO Manifesto Implementation Plan (SMIP) and the 6th National Development Plan (NDP6). The group conducted a qualitative assessment on a broad spectrum of factors which influence the sourcing and allocation of capital in Namibia and identified the most relevant issues limiting the financing of priority projects. To this end, the group proposed practical measures to improve project preparation and risk mitigation, including promoting innovative financing mechanisms such as public-private partnerships, blended finance and impact investment instruments to diversify capital sources for strategic infrastructure and productive sector investments. Through evidence-based dialogue and collaboration between government, financiers and the private sector, the Working Group sought to identify and define strategic levers to unlock sustainable, inclusive and scalable financing models to accelerate Namibia's transformation and job creation agenda.

SECTION 2: STRATEGIC ALIGNMENT WITH NATIONAL DEVELOPMENT STRATEGIES

The 2024 EY Africa Attractiveness Report confirms that Africa's foreign direct investment (FDI) trend remains remarkably resilient, resulting in new jobs with capital investment of roughly USD 162 billion in 2023. This scale of investment highlights both opportunity and challenge; to maximise the job dividend of FDI, Namibia must ensure that each dollar of capital translates into as many productive and formal jobs as possible. In that context, the concept of capital efficiency i.e. minimising the cost of creating a formal job; is no longer merely academic, but central to national development strategy. The EY report also signals that some African economies are achieving a relatively better balance in this regard: Egypt, Ghana and Morocco stand out among the leading destinations, not only for attracting large absolute inflows but also for generating significant employment from those inflows. By benchmarking against these peers, Namibia can design reforms to ensure that future FDI yields stronger job outcomes per unit of capital invested.

According to the 2023 rankings from the Greenfield FDI Index Namibia generated NAD ~20.8 billion (USD 1.2 billion) in FDI, which went on to create 62,817 new jobs (including temporary employees and contractors), which means that it costs on average NAD 331,056 (USD 19,103.11) to create a single job. In India, UNIDO data shows that formal-sector industrial jobs cost between NAD 111,000–185,000 to generate, while in Kenya and Rwanda, AfDB-supported studies report ranges of NAD 130,000–203,500 for comparable roles in energy, logistics and light manufacturing. Namibia's higher per-job cost reflects structural inefficiencies, including smaller market size, higher logistics and input costs and prolonged project approval cycles. This comparison highlights the need to improve capital efficiency by streamlining project preparation, accelerating permitting and approvals, leveraging blended finance and ensuring that every dollar invested in productive sectors yields higher employment and value-added outcomes. Enhancing capital efficiency will be essential for achieving NDP6's ambition of creating approximately 150,000 new jobs by 2030 while maintaining fiscal sustainability and competitiveness.

SECTION 3: PRIVATE SECTOR EXISTING ACTIVITIES

Namibia's private sector is playing an increasingly strategic role in mobilising finance for national development priorities through innovative, market-based and partnership-driven mechanisms. Bank Windhoek's pioneering Green Bond, launched on the Namibia Stock Exchange (NSX) in 2018, set the foundation for sustainable finance by channeling private capital into renewable energy and climate-resilient infrastructure. This milestone inspired further corporate participation in responsible financing and positioned Namibia as a regional frontrunner in green capital markets. Building on this momentum, the Bank of Namibia (BoN) established its Innovation Hub and Regulatory Sandbox, providing a controlled testing environment for new financial technologies and investment models. BoN's partnerships with Konsentus (UK) on open-banking API standards and fintech innovators such as Verime and ReferredBy are enabling the development of inclusive, tech-driven financial solutions that enhance access to finance for underserved groups, including MSMEs and youth entrepreneurs.

Complementing these market innovations, Namibia launched the SDG Namibia One Fund, a EUR 1 billion blended finance facility managed by Nam-H2 Fund Managers, a joint venture between the Environmental Investment Fund of Namibia (EIF), Climate Fund Managers (CFM) and Invest International (Netherlands). This structure blends concessional and commercial capital to de-risk and accelerate investments in green hydrogen, renewable energies and enabling infrastructure. The Fund has already attracted international attention and donor support, including approximately N$258 million (€12.9 million) in recent commitments from the European Union and the Government of the Netherlands, reinforcing Namibia's credibility as a frontier market for sustainable and blended finance.

Together, these initiatives reflect a dynamic and maturing financial ecosystem where the public and private sectors co-create solutions to close investment gaps in priority sectors such as housing, energy, logistics and creative industries. The convergence of green bonds, fintech innovation and blended finance platforms is not only diversifying sources of capital but also building institutional capacity, lowering transaction costs and strengthening Namibia's position as a regional hub for sustainable investment.

SECTION 4: DIAGNOSTIC OF CONSTRAINTS AND RECOMMENDATIONS

Strategic Priorities For Improving Capital Efficiency		
Access to Risk and Blended Capital	**Development Finance Skills**	**Investment Structures and Incentives**
Financing priority projects often requires risk-tolerant capital that can absorb uncertainties in new or strategic sectors. Blended finance; which combines concessional public/development finance with private investment, helps de-risk projects and mobilise larger pools of funding. Expanding access to such financing is crucial for job-rich industries.	Namibia faces a shortage of specialised skills in mergers & acquisitions (M&A), project finance, investment management and project preparation. Strengthening capacity in these areas ensures that local institutions and professionals can structure bankable projects, negotiate fair deals and manage investments effectively.	Namibia lacks incentives for labor intensive industries and Innovative investment structures needed to optimise transaction costs and maximising socio-economic value locally. Such structures can attract foreign institutional investors, ensure transparency and align financing with Namibia's development goals.

4.1 Access to Risk and Blended Capital

Constraint: Lack of Namibian Risk Capital Flowing Into Its Own Economy	
What is the Constraint	Namibia is capital-rich yet little investment is made in job-intensive or labour-focused sectors, especially in SME businesses due to a high perceived investment risk. Massive savings, pension funds and unclaimed deposits remain idle while entrepreneurs and youth-led businesses lack funding. The tax system offers no incentive for private or institutional investors to back startups, while pension fund rules fail to recognise venture capital as a defined asset class category.

What is the Root Cause	**1. Low Risk Appetite in the Financial System** Financial institutions favour collateralised, low-risk lending over innovation finance, limiting capital access for startups, youth-led enterprises and high-growth sectors that drive diversification and job creation. **2. No Tax and Incentive Framework** Namibia's tax system does not reward investors for taking developmental risks or supporting youth entrepreneurship, leaving venture and impact investment largely unattractive and underutilised. **3. Restrictive Pension Fund Regulations** Pension funds collectively manage over N$270 billion, yet the regulatory environment groups all unlisted investments under one category, without distinguishing between venture capital and mature private equity. This lack of a "venture capital sub-class" discourages risk averse pension funds from investing in early-stage, high-growth businesses. The result is a cautious approach that prioritises low risk assets over innovation, even when small allocations could drive significant job creation. **4. Absence of a Framework for Idle Domestic Capital** Significant amounts in unclaimed bank deposits and dormant assets remain locked within the financial system. Unclaimed deposits and dormant assets remain unproductive without a national mechanism to reinvest their earnings in support of SMEs, youth enterprises and national development priorities. **5. Lack of Governance Compliance for Namibian MSMEs and Project SPVs** A lack of compliance with governance structures undermines investor confidence by increasing perceptions of risk, mismanagement and potential corruption within MSMEs and Project SPVs. Weak governance erodes transparency and accountability, leading to poor decision-making and financial irregularities. As a result, ultimately reducing access to capital, increasing borrowing costs and limiting long-term growth and competitiveness. **6. A Lack of Blended Capital in the Market to invest in capital intensive Social Infrastructure, Housing, Agriculture, Youth-Led Enterprises and Creative and Cultural Industries etc.** A lack of blended capital in the market limits investment in

	capital-intensive, low-yield investments with high social impact by leaving projects without the risk-sharing mechanisms needed to attract private investors. Without concessional or catalytic funding to improve the rate of return, many high-impact projects remain unbankable, as returns may be long-term or uncertain. This slows project delivery and hinders inclusive economic growth; particularly in sectors that generate social value and jobs but struggle to meet traditional commercial lending criteria.
How it Hinders Productivity and Growth	● Startups and SMEs remain undercapitalised and unable to scale, limiting job creation, innovation and exports. ● Pension funds miss opportunities to earn higher long-term returns and support inclusive economic growth. ● Unclaimed and idle capital sits in banks instead of being recycled into the economy, while youth unemployment and regional inequality rise. ● Financial intermediation remains shallow, with Namibia's own money benefiting foreign markets rather than its citizens. ● Investment in social infrastructure like hospitals, convention centers and sport stadiums are unattractive for traditional investors leaving the government as the only potential investor.

Recommended Solutions	**A. Venture Capital & Youth Development Tax Incentive** ● Introduce a dual tax incentive allowing up to 100 % deduction for investments into licensed venture capital funds or donations to the National Youth Development Fund (NYDF). ● Distinguish between investment-linked (profit-generating) and donation-linked (philanthropic) incentives. **B. Pension Fund Participation in Venture Capital** ● Amend Regulation 13 to create a defined Venture Capital sub-class under unlisted investments. ● Mandate that pension funds allocate a percentage of total assets to venture capital through NAMFISA-licensed fund managers. ● Prioritise partnerships with DFIs, private funds and development banks to share risk and co-finance national priorities. **C. Unclaimed Bank Deposits Framework** ● Establish a National Unclaimed Deposits Framework under the Ministry of Finance and Bank of Namibia. ● Transfer funds dormant for five years to the Guardian's Fund, keeping principal amounts repayable but investing their earnings in productive sectors. ● Channel investment income through NAMFISA-licensed funds, the NYDF and the National Project Preparation Facility for impactful projects. ● Enforce accountability through mandatory audits and annual transparency reports by the Auditor-General. **D. Tiered Governance Compliance and Certification Framework:** ● Establish a proportional governance code for MSMEs and SPVs with lighter requirements for small entities but mandatory compliance for larger or state-partnered projects to balance accountability and administrative burden. ● Introduce a national "Good Governance Certification" administered by BIPA, granting certified firms preferential

	access to government tenders, financing schemes and PPP opportunities. **E. Establish National Blended Finance Framework** ● The government should establish a national blended finance facility and policy framework to mobilize concessional and private funds for strategic national priority projects. ● This includes creating thematic public–private impact funds, offering tax and regulatory incentives for investors and streamlining PPP and project approval processes. **F. National Project Preparation Facility** ● Establish and capitalise a National Project Preparation Facility for priority and impactful projects across sectors and ensure sector agnostic access; fast-track pilot PPPs; launch a PPP Pipeline Dashboard for real-time transparency.
Who Will Drive this Reform	**Ministry of Finance (MoF)** – lead policy reform, fiscal design and coordination. To identify and raise funding from DFI to capitalise public venture capital funds. **NamRA** – implement tax deductions and ensure compliance. **NAMFISA** – regulate venture capital funds and pension-fund allocations. **Bank of Namibia (BoN)** – supervise bank compliance, monitor and manage unclaimed deposits. **Guardian's Fund** – custodianship and investment oversight. **National Youth Development Fund (NYDF)** – allocate developmental funding. **Private Sector & Pension Funds** – deploy capital and manage investments responsibly.
What Success Looks Like	● Namibia establishes a sustainable domestic capital ecosystem that channels savings and idle funds into youth enterprises and national development priority areas. ● Pension funds, private investors and government align to create new funding opportunities for SMEs and startups.

	● Youth unemployment falls as thousands of new ventures gain access to early-stage finance. ● Namibia transitions from being a capital exporter to a regional investment hub.
Proposed Durations	**Short Term (0–12 months):** Draft and adopt tax incentive laws; amend Regulation 13; design unclaimed deposits framework; stakeholder consultations. **Medium Term (1–3 years):** Launch tax and pension-fund reforms; establish unclaimed-deposit mechanism; channel funding to youth enterprises. **Long Term (3–5 years):** Consolidate frameworks, measure impact and expand participation to insurers, corporates and international investors.
Private Sector Commitment and Impact	The private sector will co-invest, manage funds and mentor young entrepreneurs. Banks and pension funds will provide long-term capital, while venture managers ensure accountability and impact. This collaboration will unleash Namibia's savings into productive use, strengthen financial markets and grow new industries led by Namibians. These initiatives have the potential to attract up to N$ 850 million in annual investments, supporting an estimated 8 500 jobs each year and creating over 34 000 employment opportunities over the next four years.

4.2 Lever 2: Development Finance Skills

Constraint: Weak Investment, Project-Development & PPP Structuring Skills	
What is the Constraint	Namibia's weak investment, project-development and public-private partnership (PPP) skills significantly constrain capital mobilisation. Most national and regional projects remain at the concept stage, lacking the financial, technical and feasibility preparation skills needed to become bankable investments. At the same time, the PPP Act (2017) has not delivered projects to financial close due to limited institutional capacity, unclear processes and slow decision-making. This combination of under-developed project preparation skills in the private sector and ineffective PPP implementation in the public sector prevents Namibia from converting available capital; both domestic and international; into tangible infrastructure, enterprise and employment outcomes.

What is the root cause	1. **Private sector (project development)** Lack of investment skills; limited capability to structure bankable deals, model risk/returns, run feasibility studies and manage permitting. High operating costs and regulatory friction. 2. **Public sector (PPP)** Capacity gaps in PPP origination, appraisal, procurement, risk allocation, fiscal risk management and contract management; multi-layered approvals with no binding timelines. 3. **Under-utilisation of local private sector expertise** Limited integration and utilisation of local expertise in structuring and feasibility work; few opportunities for domestic firms to participate in complex deal preparation alongside external experts.
How does it hinder productivity (evidence-based)	Poor project preparation stretches timelines and inflates costs; low-quality proposals fail to attract investors; ministries/local authorities lack the skills/tools to structure PPPs, so no projects reach financial close; private capital from local firms and pension funds stays untapped; regions with potential remain under-developed, constraining SME growth and jobs.
What are your Recommended solutions	**A. Private sector Project Development Training** Develop national programmes (with certified modules) on investment-grade feasibility, financial modelling, ESG, procurement and capital-raising; serving SMEs through, venture capital, private equity, to large infrastructure sponsors and create visibility of the available skills through a centralised national database hosted in PPP units. **B. Public sector PPP Capability Training** Leverage DFI technical assistance support to upskill PPP Directorate, line ministries and local authorities in pipeline design, value for money tests, fiscal risk rules, standard contracts and performance-based payments.

	C. Process reforms Introduce time-bound approvals ("decision clocks") with "deemed-approved" provisions; tiered pathways for small/medium/strategic projects; standard risk-allocation matrices and template contracts; transparent Unique Selling Point framework.
Who will be responsible to drive this solution	**Ministry of Finance (MoF) / PPP Directorate & PPP Committee** – policy leadership, approvals, fiscal-risk governance. **Line Ministries & Local Authorities** – origination and delivery. NIPDB – pipeline curation and PDA delivery for private sponsors. **local development finance institutions as managers (DBN, Agribank, NHE etc.)** – Project Preparation Facility manager. **Private sector** – developers/sponsors, advisors, financiers (pension funds, investment managers, commercial banks).
What will success look like	A staffed, skilling-up PPP Unit running time-bound processes; a published, bankable PPP/project pipeline; multiple projects reaching financial close annually; visible crowd-in of pension funds and DFIs; reduced approval times and transaction costs; higher quality private proposals; increased regional investment and SME participation.
Proposed durations	**Short term (0–12 months):** Initial training programmes launched; adopt decision clocks; publish standard contracts/risk matrices; seed Project Preparation Facility; launch PPP Dashboard. **Medium term (1–3 years):** Execute pilot PPPs; scale training cohorts nationwide; institutionalise cost-recovery at close; expand pipeline across water, housing, energy, transport agriculture etc.. **Long term (3–5 years):** Regular annual PPP closes; sustained private capital mobilisation; measurable reductions in cycle times and unit costs.

Private sector commitments to jobs & growth	Developers commit to bring investment-grade projects (SMEs → large infrastructure), co-fund preparation and use local content; financiers commit to allocate capital into well-structured PPPs and SME projects once bankable. This skills-led reform lowers risk and expands investable deal flow—unlocking employment and inclusive growth. The initiative has the potential to mobilize up to N$ 3 billion in investments each year, creating an estimated 15 000 jobs annually and generating over 60 000 employment opportunities within the next four years.

4.3 Lever 3: Investment Structures

Constraint: Limited Options for Easy and Safe Investment Structures for Foreign Institutional and Corporate Investors	
What is the Constraint	Namibia's key constraint is the lack of a modern legal framework that allows flexible investment structures. This makes it difficult for investors to pool funds, invest across sectors and move capital efficiently. Consequently, many choose jurisdictions like Mauritius, Luxemburg or Singapore, where regulations are more investor-friendly. This limits Namibia's ability to attract and retain investment capital and to position itself as a regional financial hub.
What is the root cause	**1. Legislative Frameworks** The current legal framework was designed for simple local investment schemes, not institutional or international investors. **2. Lack of Incentives** Lack of incentives for private entities financed by public institutional funds exiting through Initial Public Offerings. **3. Over-regulation** Over-regulation of mergers and acquisition related compliance fees undermines transaction efficiencies. **4. Lack of Investment Visa** No special investor visas for high-networth individuals or companies to incentivise investment in pre-approved strategic industries and investments.

How it hinders productivity (evidence-based)	• Namibia loses billions in potential assets that are registered and taxed elsewhere. • High-value financial and legal jobs that could exist in Namibia are instead based offshore. • Local investors have limited products to invest in, which keeps most pension and corporate capital parked in low-yield assets. • The result is a smaller local financial industry, higher cost of capital for Namibian companies and lost government revenue.
Recommended solutions – Making Namibia Africa's easiest place to invest and move funds	**A. Establish Special Economic Zone for Financial Services** • Create a dedicated, investor-friendly zone that anchors Namibia's financial sector competitiveness and serves as the platform for fund registration, management and related services. • Build a Financial-Services Cluster: Develop supporting industries; fund administration, legal, audit, technology and compliance in the SEZ, replicating successful models from Ireland, Luxembourg and Singapore. **B. Establish an International Fund Vehicle (IFV) under FIMA:** • Introduce a single, modern fund framework that allows: Umbrella funds with multiple sub-funds for private equity, venture capital, infrastructure and green projects. • One-stop NAMFISA process with digital filings and guaranteed approval timelines. • Free capital mobility supported by competitive tax and exchange-control rules. **C. Deepen local capital markets** • Streamline policy interventions to make it easier and more rewarding to list, invest and raise funds locally. • Diversify instruments: Introduce new products such as REITs, private equity funds and green bonds to broaden investment options. • Enable restructures: Allow corporate restructures; e.g., converting property portfolios into REITs without heavy transfer duties. • Incentivize fund domicile: Offer tax incentives and efficient registration processes for new funds established in Namibia.

	D. Strengthen investor attractiveness and protection ● Update and expand Bilateral TaxTreaties and create fast-track arbitration panels. ● Include investor-protection clauses in all regulated funds (REITs, IFVs, SPVs). ● Review Namibia competition commission regulatory thresholds, to consider increasing the outdated NAD 15M threshold. ● Review transfer and stamp duty fees to encourage investment ● Streamline policy environment to allow for pre-defined exits from unlisted equity positions to allow for IPO as a final consideration
Who will be responsible to drive this solution	**Ministry of Finance (MoF)** – amend FIMA, set tax and policy framework. **NAMFISA** – regulate and license IFVs, ensure efficiency and compliance. **Bank of Namibia (BoN)** – oversee foreign-exchange and repatriation processes. **NamRA** – implement tax incentives and issue guidance. **BIPA** – streamline company and fund registration. **Namibia Securities Exchange (NSX**) – modernise listing rules and attract new funds. **Private sector** – establish fund-management, custody, legal, audit and advisory services in Namibia.
What will success look like	● Namibia introduces the International Fund Vehicle (IFV) framework and simplified listing rules. ● At least 10 new international funds or listings (REITs, private equity, green funds) are domiciled in Namibia. ● Namibia becomes a recognised African hub for fund domiciliation and investment, with strong inflows and an active financial-services ecosystem comparable to global small economies like Ireland, Luxembourg and Singapore.

Proposed durations	**Short term (0–12 months):** Finalise FIMA amendments, tax incentives and investor-protection reforms. **Medium term (1–3 years):** Register pilot funds, modernise NSX and FX systems and attract the first regional investors. **Long term (3–5 years):** Achieve regional leadership in fund domiciliation and expand financial-services exports across Africa.
Private sector commitment to job creation and growth	Namibia could position itself as a leading African investment hub; a gateway for billions in regional and international funds to be registered, managed and invested through Namibia. This would not only increase direct investment into Namibian projects but also generate significant tax revenue from fund operations and management activities. As these funds choose Namibia as their base, the private sector will naturally build a world-class financial services ecosystem; including fund management, administration, auditing, custody, legal and technology services. This will create high-skill, high-income jobs for Namibians, attract global financial professionals and raise Namibia's standing on the international investment landscape as a trusted and competitive destination. These initiatives have the potential to attract up to N$ 50 billion in investments annually, supporting an estimated 5 000 jobs each year and creating over 20 000 employment opportunities within four years.

SECTION 5: CONCLUDING REMARKS

To unlock sustainable, inclusive and job-rich growth, Namibia must implement decisive reforms that enhance capital efficiency and strengthen investor confidence. This requires expanding access to blended and venture capital through tax, pension and regulatory reforms; professionalising project preparation and PPP capabilities to bring projects to financial close; and modernising investment structures to attract institutional capital through vehicles like the International Fund Vehicle and a Financial Services SEZ. Equally critical is promoting governance compliance among MSMEs and SPVs and ensuring policy certainty, predictability and clear articulation to lower investor risk perceptions. By leveraging capital in the most productive and transparent manner, Namibia can accelerate private investment, crowd in domestic savings and deliver the jobs essential to achieving NDP6 and Vision 2030 goals.

Working Group 10: Infrastructure and Connectivity

1. Executive Summary

This strategic framework outlines a comprehensive plan to position Namibia as a leading logistics and digital infrastructure hub in Southern Africa. Building on the country's strategic geographic location and guided by key policy instruments such as NDP6, Vision 2030, and the African Union's Agenda 2063, the framework promotes sustainable infrastructure development, digital transformation, and inclusive economic growth to strengthen regional trade and connectivity.

Namibia's location, offering access to major maritime routes and proximity to landlocked Southern African Development Community (SADC) countries including Botswana, Zambia, and Zimbabwe, makes it a natural gateway for regional and global trade. Namibian ports such as Walvis Bay have emerged as preferred trade entry and exit points, particularly in the mining and resource sectors. This progress, driven by strong public–private partnerships, has boosted trade volumes and port throughput over the past decade. However, persistent challenges such as aging transport infrastructure, high logistics costs, and regulatory inefficiencies continue to constrain growth and scalability.

To address these constraints, the strategy proposes the following key interventions:

- Infrastructure Modernisation: Upgrade road, rail, and port networks, including the Trans-Kalahari and Walvis Bay–Ndola–Lubumbashi corridors, to accommodate growing trade volumes.
- Policy and Regulatory Reforms: Streamline customs procedures and align regulations with SADC protocols to reduce transit delays and trade costs.
- Private Sector Engagement: Incentivise investments in logistics hubs, warehousing, and intermodal transport systems to enhance efficiency and competitiveness.

These measures aim to lower logistics costs, increase regional trade flows, and firmly establish Namibia as a regional trade gateway by 2030.

On the digital front, the strategy underscores the integration of Information and Communication Technology (ICT) and smart infrastructure solutions as key enablers of transformation. While Namibia's digital foundation, supported by fibre-optic networks and expanding 4G/5G coverage, is strong, gaps in rural connectivity and high data costs remain significant barriers.

To accelerate digital integration, the framework focuses on:

- Smart Logistics Systems: Adoption of IoT, blockchain, and AI-driven supply chain management to improve transparency, real-time tracking, and operational efficiency.
- Capacity Development: Implementation of targeted training programmes to build digital skills and enhance workforce readiness for the evolving logistics landscape.

Together, these interventions provide a roadmap for transforming Namibia into a digitally empowered logistics hub, enabling sustainable growth, regional competitiveness, and improved service delivery across sectors.

2. Strategic Relevance and Objectives

The Transport, Logistics, and Digital Infrastructure Working Group is tasked with strengthening Namibia's transport and logistics networks while advancing digital infrastructure, positioning the country as a strategic gateway for regional trade, investment, and connectivity. Its mandate extends beyond physical infrastructure to include ICT and technology modernisation, which are critical for improving efficiency, competitiveness, and resilience across all economic sectors.

The working group's focus encompasses governance reforms, capacity building, infrastructure modernisation, and technology adoption, with a strong emphasis on leveraging digital solutions to enhance logistics operations, data sharing, and service delivery. Key initiatives include port automation, cargo tracking, customs digitalisation, and integrated data platforms, all aimed at boosting Namibia's competitiveness within regional and global value chains.

This strategy aligns with national and continental development frameworks:

2.1 NDP6

2.1.1 Transport and Logistics: Driving economic growth through infrastructure expansion, digital transformation, and public-private partnerships, while establishing Namibia as a world-class logistics hub connecting SADC to international markets.

2.1.2 Digital Infrastructure, Emerging Technologies, and Cybersecurity: Enhancing digital connectivity, broadband access, e-governance, digital literacy, and cybersecurity to empower Namibia with universal digital access as a key economic growth driver.

2.3 SWAPO Manifesto (2025–2030): Promoting youth employment, advancing transport and logistics development, and strengthening institutional capacities to deliver high-quality public services.

2.4 Vision 2030: Supporting industrialisation, human capital development, and environmental sustainability.

2.5 AU Agenda 2063: Facilitating regional integration, infrastructure connectivity, and inclusive economic growth.

3. Opportunities and Priorities

To drive economic growth, generate employment, reduce inequality, and create wealth, the government must create an enabling environment that addresses key structural, human, and infrastructure challenges. This document highlights the following priorities:

i. **Regulatory reform**: Review of Government structure, legislation, policies and processes within all of Government, starting with key legislation.

   a. Civil servants are challenged to deliver quality service due to the outdated and cumbersome legislative and administrative environment within government.
   b. Reform of relevant legislation, policies and processes to simplify and streamline processes will enhance service delivery.

ii. **Capacity building and training**: Enhance capacity across government through recruitment of skills, training and development.

   a. Civil servants are unable to work as they are not adequately trained in their respective jobs.
   b. Insufficient staffing at borders and ports causes significant delays. Adequate staffing will improve service delivery.

iii. **Infrastructure development**: Investment in seaports, airports, rail, road, borders and technology infrastructure. Allow the private sector to invest and provide the funding.

   a. **Rail –** Connecting rail with neighbouring countries will unlock a substantial cargo volume**.**

   b. **Seaports** – Expansion of ports of Walvis Bay and Luderitz will unlock capacity and increase activity and, in turn, create jobs.

   c. **Airports**

      i. Construction of a new fit-for-purpose airport in Windhoek and additional international airports to improve connectivity
      ii. Katima Mulilo airport as an international airport to unlock regional connectivity (Kasane, Vic Falls, Livingstone).

d. **Digital Infrastructure**
    i. Create an engagement platform for telecoms companies to align with the National Digital Strategy. The current silo structure is not conducive.

iv. **Digital transformation**: Investment and upgrade in systems, automation of processes, implementation of one-stop border posts, and the single window projects.

a. Fast-track the single window project – Namport. This will establish connectivity among all state agencies on one platform (Police, Customs, Home Affairs, etc.). It will reduce inefficiencies and strengthen the internal control environment within the government.

b. Fast-track implementation of one-stop border posts at all main borders. Also, upgrade and capacity building of the ASYCUDA system. This project is currently ongoing. Successful implementation will improve efficiencies at borders.

4. Private Sector Commitment

4.1 Regulatory reform:

4.1.1 Existing contribution: The private sector, specifically logistics, was part of the Time Release Studies done at the Ports of Walvis Bay, Trans-Kalahari Border Post and the study on Coordinated Border Management (CBM).

4.1.2 Potential contribution: The private sector is willing to avail its subject matter experts to form part of technical working groups to work on the review of policies and processes and the drafting of Standard Operating Procedures.

4.2 Capacity Building and Training:

4.2.1 Existing contribution: Offering accredited programs (e.g., FIATA, CATS and other capacity building programs-soft skills) through partnerships with Namibian Universities.

4.2.2 Potential contribution: The private sector is open to providing training to public sector staff through availing its resources (subject matter experts) to design, develop and provide training at no cost.

4.3 Infrastructure Development:

4.3.1 Existing contribution: Private sector is investing in storage facilities (inside and outside Namport area), cargo handling and vessel discharging equipment, logistics parks, and transport capacity to support increasing capacity on the corridors. This is specifically evident in the town of Walvis Bay.

4.3.2 Potential contribution: The private sector is willing to invest in various infrastructure projects, including funding initiatives. These projects include the construction of a new airport in Windhoek, seaports at Northport in Walvis Bay, and a new seaport in Luderitz, as well as the expansion of existing seaports. Investment is also planned in rail infrastructure, such as suitable locomotives and wagons (rolling stock).

4.4 Digital transformation:

4.4.1 Existing contribution: The private sector is participating in technical working groups for projects like the Single Window Systems and Coordinated Border Management Systems.

4.4.2 Potential contribution: The private sector is willing to invest in IT infrastructure and technology systems solutions, including automation. This includes providing subject matter experts to the Government to assist in automation projects, system upgrades, and system implementations at no cost.

5. Diagnostic of Constraints and Root Causes

5.1 Regulatory Bottlenecks: Outdated laws (e.g., Customs & Excise Act 20 of 1998, Agricultural Remedies Act 36 of 1947, Road Traffic and Transport Act 22 of 1999) hinder transit trade.

5.1.1 Customs & Excise Act 20 of 1998 - NamRA Customs Bond Policy – The draft policy advocates for Bond Guarantees of up to 50% of the value transacted on a Bond Guarantee for a period of 12 months, resulting in excessive Bond Guarantee requirements that are costly and impede cost competitiveness. The policy lacks adequate risk assessment to evaluate the risks associated with the type of goods, their desirability, or the threat of theft in the local market. The sections of the Customs & Excise Act related to transit goods have limitations and need amendments to encourage higher cargo volumes. The potential consequences include negative impacts on infrastructure investment. Decisions such as constructing new warehouses to handle transit cargo and realising new volumes through the port of Walvis Bay are necessary.

5.1.2 Fertilisers, Farm Feeds, Agricultural Remedies and Stock Remedies Act 36 of 1947 – The Act does not directly regulate goods such as fertilisers and poultry in transit through Namibia, and all measures imposed on these goods conflict with trade facilitation and the free movement of in-transit cargo. Fertiliser volumes began passing through Walvis Bay in January 2024, and by the end of March 2025, a total of 286,000 metric tonnes had been moved. On 22 November 2024, the then Ministry of Agriculture, Water & Land Reform issued an urgent notice banning all in-transit fertilisers, including handling, packaging, and distribution to other countries. This was done without consultation. The Zambian consulate became involved, which reflected poorly on Namibia. It caused market instability, negatively impacted port volumes, and hampered competitiveness and investor confidence. Potential corridor customers remain sceptical about using the port of Walvis Bay until the Ministry provides clearer policy guidance.

5.2 Infrastructure Gaps: Inadequate border facilities (border offices and accommodation for employees), port infrastructure and rail (e.g., Grootfontein – Katima Mulilo, and Gobabis – Botswana) connecting Namibia to its SADC neighbours.

5.2.1 Policy Uncertainty: Directives like NamRA's vehicle transit rule created market instability and loss of cargo to competing ports (Beira, Mozambique). This action resulted in job losses (e.g., Namibians driving these cars to the borders) and needs to be reinstated or re-examined with a risk-based approach.

5.2.2 Veterinary Restrictions: Overregulation of transit goods (e.g., frozen chicken) not destined for Namibia leads to loss of cargo (e.g., other meat products) to competing ports. A review of the internal control environment within the Ministry is the solution, and not imposing more rules and regulations on the private sector. Once again, there was no consultation with industry prior to the implementation of these changes.

5.3 Lack of Coordination: Limited stakeholder engagement prior to policy changes and a lack of coordination among regulators and government offices. Within the ICT sector, there is a lack of coordination between various Telecoms institutions. These institutions operate in silos, leading to disproportionate expenditure that is not aligned with the National Digital Strategy. An industry association is needed to help ensure alignment with the National Digital Strategy.

5.4 Visas (Immigration Control Act, No 7 of 1993) – The visa application process and the implementation of the law are contrary to the national strategy. Namibia lacks the skills and capacity to develop industries such as oil & gas and ship repairs. The rejection of visa applications results in ships bypassing Namibia. The policy and process need to be reviewed to align with the national strategy.

5.5 Support local aviation – State employees travel by road. Adopting a culture of air travel will increase air travel volumes and reduce road accidents. This will grow the local airline industry and, in turn, create jobs and opportunities.

6. Priority Recommendations

6.1 Policy & Regulatory

Amend outdated laws to support in-transit cargo handling and storage (enabling an environment for fertilisers to be handled, stored and packaged, implement risk-based bond guarantee requirements and accelerate the issuance of Work Visas.

Customs & Excise Act 20 of 1998

6.1.1.1 Amend Section 17 (1) of the Customs & Excise Act to provide for Inbound and Outbound goods (into/from) land, sea or air freight connected countries to be transited through Namibia.

6.1.1.2 Amend Section 19 (1) of the Customs & Excise Act to provide for the licensing of warehouses to receive, store, and handle cargo In-Transit as this market offers economic benefits for Namibia with limited risks

6.1.1.3 The drafted Bond policy needs to **conduct a Risk Assessment** looking at the type of goods being transited through the port of Walvis Bay and the potentials for such goods to end-up in the local market, which assessment should consider local industries that can utilise such goods for example, products such as Copper Metals, Copper Concentrates, Copper Anodes, Cobalt Concentrates, Nickel Concentrates, Fertilizers (e.g., MAP, DAP, Urea), Sulphur etc are products of high value but are of low risk in terms of theft or deviation.

6.1.1.4 Implement recommendations from the *Time Release Studies at WB port and Trans-Kalahari border posts and the Coordinated Border Management* programs.
Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies Act 36 of 1947

6.1.1.5 Amend Section 13 Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies in transit

6.1.1.6 Add Section 13A to provide for the Handling and Packaging of Fertilizers, Farm Feeds, Agricultural Remedies and Stock Remedies in transit

6.1.1.7 Add Section 13B to provide for the Storage of fertilizers, farm feeds, agricultural remedies and stock remedies in transit

6.1.1.8 Harmonize regional transport and customs regulations with SADC and AfCFTA protocols.

6.1.1.9Review NamRA, Ministry of Agriculture (DVS & Plant Health) directives to ensure competitiveness and stakeholder confidence.

6.1.1.8 Draft a Stakeholder Engagement Procedure/Policy which must be followed prior to changes that may negatively influence trade and economic opportunities.

6.1.1.9 Review and provide exemption or reduced waiting periods for Visa requirements of expatriates working in the Oil & Gas sector to accelerate skills transfer by amending the Visas (Immigration Control Act, Act No 7 of 1993).

6.1.1.10 Establish Accountability within the government to enhance service delivery.

6.2 Institutional

6.2.1 Establish a Border Management Authority for oversight, monitoring, and dispute resolution among regulators. Solutions are available on the Coordinated Border Management study, which should include a Regulatory Framework.

6.2.2 Institutionalise public-private dialogue platforms for continuous engagement. For example, the Walvis Bay Corridor Group (WBCG) includes all state agencies present at borders and private sector associations (Port Users Association and Namibia Logistics Association), which serve on the board that meets quarterly to address industry matters. The WBCG was one of the critical factors in the significant increase of corridor cargo volumes recently. Years.

6.3 Infrastructure Investment

6.3.1 Construction of a new international airport in Windhoek.

6.3.2 Prioritise funding for dry ports in Katima Mulilo, Gobabis, and Grootfontein.

6.3.3 Support PPPs for infrastructure upgrades (rail network, new airport, new seaports, border offices and accommodation for employees) and technology infrastructure deployment.

6.4 Technology

6.4.1 Implement a Single Window System integrating customs, immigration, and trade documentation.

6.4.2 Modernise border posts with digital systems and one-stop facilities.

6.4.3 Upgrade Asycuda (customs) system.

6.4.4 Deploy RFID, ANPR, and biometric systems for real-time cargo tracking.

6.5 Other recommendations

6.5.1 Local content:

6.5.1.1 Shareholding: Staff benefit Trusts – Allow companies to issue shareholdings to all staff through staff benefit trusts. Funds in these trusts should be used for the benefit of staff via cash dividend payouts or spent as agreed with them. This approach reaches a broader Namibian base, reduces inequality, and helps create wealth.

6.5.1.2 Shareholding: Community benefit Trusts – Allow companies to issue shareholding to Community Trusts for the benefit of Namibian communities. Funds in the trust will be used for the advantage of communities. These funds can help address the main challenges facing communities across Namibia, especially those in rural areas.

6.5.2 Capacitate NamRA

6.5.2.1 NamRA can increase revenue collection significantly, but is hampered by a lack of resources. Should the Government provide the necessary resources (funds) to NamRA, it can recruit more specialists, implement technology solutions faster and build capacity. This process was applied successfully in South Africa through SARS.

6.5.2.2 International accreditation of Katima Mulilo airport – Obtaining international airport status for the Katima Mulilo airport will connect tourism to Botswana (Kasane), Livingstone, and Victoria Falls. This will increase traveller numbers.

6.6 Digital Infrastructure Recommendations. Namibia's long-term development plan, as outlined in Vision 2030 and reaffirmed through NDP6 and the SMIP, stresses the importance of innovation, youth empowerment, and inclusive economic growth. The Information and Communication Technology (ICT) sector remains a vital enabler of these national goals. When effectively utilised, ICT can modernise public services, attract investment, promote entrepreneurship, and generate meaningful employment.

6.6.1 Digital Infrastructure Expansion and Connectivity for All. Equitable access to broadband and internet services remains uneven, especially in rural communities. Affordable, reliable connectivity is the cornerstone of digital inclusion and employment creation.

Recommendations:

- Expedite the deployment of broadband (minimum 25Mbps as emphasised by Minis of ICT) and 5G, with an emphasis on rural and underserved areas.
- Establish community ICT access centres to promote education, support small businesses, and provide e-services.
- Strengthen collaboration with telecom operators and regulators to lower connectivity costs

This supports NDP6's infrastructure development pillar and SMIP's emphasis on improving service accessibility for all Namibians, aiming to increase the percentage of the population using the internet to 90% by the year 2030.

6.6.2 E-Government and Smart Public Services. Digitisation of public services enhances efficiency, transparency, and accessibility, while creating local employment through ICT system design, support, and maintenance.

Recommendations:

- Expand e-Government systems across ministries to enhance service delivery.
- Implement digital identity and e-signature frameworks to facilitate secure online transactions.

- Prioritise local software development to build and sustain e-Government platforms, ensuring skills and value stay within Namibia.

This supports SMIP's aim to modernise public institutions and aligns with Vision 2030's call for efficient, citizen-centred governance, targeting an E-Government Development Index of 0.80 by 2030.

6.6.3 ICT Industry Growth and Local Content Development. The local ICT market heavily depends on imported technologies, which restricts domestic innovation and job creation. Enhancing local capacity will promote economic diversification.

Recommendations:

- Implement a "Buy Namibian Tech" policy to encourage government adoption of locally developed solutions.
- Provide tax reliefs and grants for local ICT entrepreneurs.
- Promote the fintech, agritech, and edtech sectors as emerging sources of employment.

This reflects NDP6's goal of economic diversification and Vision 2030's aim for a self-reliant industrial economy.

6.6.4 National Data Centre, Data Protection, and Digital Sovereignty. In today's economy, data is a strategic national asset. Strengthening Namibia's National Data Centre (NDC) and implementing robust data protection laws are essential to maintain data sovereignty, attract investment, and create skilled employment.

Recommendations:

- Enhance and expedite the setup of the National Data Centre to host government and private sector data locally.
- Enforce data localisation policies to protect economic interests and uphold national security.
- Accelerate the Data Protection Act to align Namibia with POPIA, GDPR, and the AU Convention on Cyber Security and Data Protection standards.

6.6.5 Cybersecurity and National Security Resilience. Under NDP6, Namibia aims to reach a national cybersecurity score of 65 by 2030, reflecting preparedness, protection, and response capability. Achieving this target is vital for safeguarding citizens, digital infrastructure, and economic stability.

Recommendations:

- Establish a National Cybersecurity Operations Centre (CSOC) to coordinate threat monitoring and response. This CSOC will coordinate with CRAN's team, which is the Namibia Cyber Security Incident Response Team (NAM-CSIRT), operating under the Communications Regulatory Authority of Namibia (CRAN).
- Enhance cyber awareness and education across schools, SMEs, government, and private institutions. Private institutions can assist in this.
- Encourage collaboration with SADC and AU cybersecurity frameworks to share best practices and expertise.

6.6.6 Green ICT and Smart Economy Enablement. ICT can play a transformative role in Namibia's shift towards a green and sustainable economy while generating new employment opportunities.

Recommendations:

- Champion green and energy-efficient ICT by investing in solar-powered systems and environmentally friendly data centres that reduce costs and support Namibia's clean energy transition.
- Transform waste into opportunity by establishing national e-waste recycling and management programmes that generate new green jobs, particularly for young people and small businesses.
- Modernise government operations by digitising paper-based systems to enhance efficiency, lower costs, and support Namibia's digital transformation agenda.

6.6.7 Public-Private Partnerships (PPPs) in Digital Transformation. Public-private collaboration is essential for expanding digital transformation and developing a sustainable ICT ecosystem.

Recommendations:

- Establish PPP frameworks for broadband rollout, data hosting, and digital education platforms and encourage private investment in digital infrastructure with clear local participation requirements.

- Foster collaboration among government, academia, and the private sector in research, innovation, and digital inclusion.

This reflects the SMIP's call for shared responsibility between sectors to drive inclusive growth.

7. Final Remarks

- Logistics and digital infrastructure are critical enablers for the performance of other economic sectors.
- Globally competitive digital infrastructure supports the growth of sectors such as Business Process Outsourcing (BPOs) and Service Centres.
- The services sector has the potential to generate quality jobs for literate youth, regardless of their educational level.
- The service sector is South Africa's largest employer (over 5.5 million employees).
- Namibia has a significant potential to develop this sector and serve Europe because of the time zones, language, and cultural compatibility.
- This sector would boost export earnings and does not need large initial financial investments.
- Building a strong logistics infrastructure will support development and economic activity in underserved regions and communities, enhancing living standards. Logistical infrastructure will also enable Namibia to better achieve regional integration and leverage the Africa Continental Free Trade Area Agreement, thereby increasing Namibia's market size.

Number of existing projects needing support	**15**	*3 stalled, 10 in pre-lead*
Permanent job potential	19,000	
Seasonal jobs	0	
Temporary (construction and development jobs)	1,000	
Total anticipated jobs	**20,000**	
Projects in 3 regions (Erongo, Karas, Khomas)		