

Foreign Direct Investment (FDI) Report Launch

Unlocking Investments for Inclusive Growth

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BANK OF NAMIBIA AND NIPDB LAUNCH NAMIBIA'S INAUGURAL FOREIGN DIRECT INVESTMENT (FDI) REPORT

1. The Bank of Namibia and Namibia Investment Promotion and Development Board (NIPDB) jointly launched the country's inaugural Foreign Direct Investment (FDI) Report under the theme, "Policy, Progress and Potential: Strengthening Namibia's Investment Ecosystem" this week. This publication is a step towards enhancing economic transparency and strengthening Namibia's investment landscape through sound data-driven insights.
2. Namibia has witnessed a resurgence in net FDI inflows since 2021, totalling N\$114.9 billion. This growth has been primarily driven by major hydrocarbon discoveries in the Orange Basin. This growth is further supported by the Government's strategic focus on promoting, attracting and facilitating quality investments, solidified through the establishment of the NIPDB. The Board's streamlined framework for engagement has bolstered investor confidence, positioning Namibia as a prime destination for sustainable investment.
3. The FDI Report provides a comprehensive analysis of foreign investment flows into Namibia, offering an in-depth account of the origins, sectoral distributions and economic contributions of FDI. This edition seeks to bridge long-standing gaps in economic data availability, granting policymakers, investors and stakeholders a transparent and holistic view of Namibia's investment climate.
4. According to the data collected, foreign direct investment enterprises (FDIEs) were responsible for employing approximately 62,817 people in 2023, up from 55,982 in 2019. This translates to 6,835 new jobs created over five (5) years, with the majority stemming from the wholesale and retail, mining and financial sectors. The mining sector, in particular, showed strong employment growth as previously dormant mines resumed operations.

5. In her keynote address, Honourable Jenelly Matundu, Deputy Minister of International Relations and Trade, emphasised the importance of the Report as a powerful instrument of economic diplomacy and a testament to Namibia's commitment to evidence-based policymaking. "Over the past four years, Namibia has attracted over N\$114.9 billion in net FDI inflows, reflecting growing investor confidence and our strengthening economic fundamentals," she noted. She further highlighted the need to channel future investments into labour-intensive and innovation-driven sectors to foster inclusive and sustainable economic development.
6. Speaking at the launch, Deputy Governor of the Bank of Namibia, Mr. Ebson Uanguta, highlighted the imperative of the Report in addressing economic data gaps. "High-quality data, when made accessible and timely, enables policymakers across the Government and industry to act with greater clarity, confidence and coordination to support the relevance of their interventions," he stated.
7. The Deputy Governor further underscored the role of FDI in supporting exchange rate stability, strengthening reserve management and enhancing the resilience of Namibia's external sector. He added that consistent FDI inflows inject foreign currency into the economy, stabilise the value of the Namibian Dollar and contribute to foreign reserves, all of which are pillars critical for economic stability and investor confidence.
8. The Report also contextualises Namibia's FDI performance within global trends. According to the United Nations Conference on Trade and Development (UNCTAD), global FDI flows declined by 8 percent in 2024, reflecting a challenging global economic environment. Despite these headwinds, Namibia's resurgence in FDI can be attributed to its stable investment climate and strategic policy initiatives aimed at economic diversification.
9. On her part, Dr Nangula Nelulu Uaandja, Chief Executive Officer of the NIPDB noted, "This Report is a turning point in how we understand, measure and mobilise investment in Namibia. It provides a clear picture of investor sentiment and behaviour, but more importantly, it empowers us to align our national investment efforts with real opportunities for economic transformation, especially in sectors that drive productivity and employment,"
10. She further added that another important finding is the notable recovery in the reinvestment of earnings by foreign companies already operating in Namibia. In 2020, the country recorded a net reinvestment loss of N\$1.6 billion. By 2024, this had shifted to a net reinvestment profit of N\$4.3 billion, indicating a rising confidence among investors and a growing trend of capital retention and reinvestment in the local economy.

11. The primary sources of FDI were found to be China, France, the United Kingdom and the Arab Gulf States. In 2024 alone, the majority of inflows were directed toward mining, particularly oil and gas exploration, with major contributions from Portugal, the Gulf States, France and the UK.
12. While the Report recognises the strong performance of the mining sector, it also calls attention to the need for greater investment in labour-intensive and value-adding sectors such as tourism, digital services, light manufacturing and the creative economy. These sectors are essential for inclusive growth and large-scale employment. It further issues a call to action for both the Government and the private sector to enhance policy coordination, streamline investment procedures, align infrastructure and skills development with investor needs, and improve the investment incentives framework to attract high-quality, sustainable FDI.
13. The FDI Report is structured to provide a detailed analysis of investment flows, including:
- Sector-specific contributions, highlighting priority areas for investment.
 - Five-year trend analysis (2020–2024), illustrating shifts in foreign investor sentiment.
 - Job creation metrics, measuring the broader economic impact on employment.
 - Regional comparisons, showcasing Namibia's competitive position within the Southern African Development Community (SADC).

The Bank of Namibia and NIPDB believe that this FDI Report will not only enhance transparency but also serve as a strategic tool to attract quality investments and drive sustainable economic growth in Namibia.

14. Through this collaborative initiative, the Bank of Namibia and the Namibia Investment Promotion and Development Board endeavour to set a new standard for economic transparency and investor engagement in Namibia. As Namibia continues to position itself as a preferred investment destination, this Report will serve as a valuable resource for informed decision-making, attracting high-quality investments and driving long-term economic resilience.
15. The FDI Report is publicly available on the websites of the Bank of Namibia and the NIPDB. It will be updated annually to track investment trends, monitor the impact of reforms and provide valuable data in the country's long-term investment strategy.

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A handwritten signature in black ink, appearing to read 'Catherine Shipushu', with a stylized flourish at the end.

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