

a gem worth investing in

NIC Namibia Investment Centre (NIC)

The Namibia Investment Centre (NIC) was established in 1990 under the Foreign Investment Act No. 27 of 1990 with the major responsibility of promoting FDI (Foreign Direct Investment). The NIC is the first port of call for local and foreign investors.

Vision

To market Namibia as the preferred investment destination in the region by attracting and retaining both local and foreign investment.

Mission

- Market Namibia as a favourable investment destination.
- Facilitate and create an enabling investment environment and regulatory framework.
- Ensure that Namibia has a fair share of regional and global FDI flows.
- Identify and encourage the attraction and growth of inward and outward domestic investment.

Services offered by NIC

- Act as the first port of call for any potential investors to Namibia.
- Offer investor services as required to establishing business in Namibia, e.g. application for work permits, identification of land/premises, etc.
- Provide satisfactory support and aftercare service for investors.
- Conduct research on investment climate and trends, sector studies, identify profile and market investment projects and avail this information to interested investors.
- Promote and facilitate joint venture arrangements and encourage domestic participation in investment initiatives.

The NIC is continuously striving to improve the business environment as follows:

- Identify administrative obstacles to investment and recommend procedures to minimise these.
- Periodic review and update of investor incentives.
- Review, develop and update the regulatory framework and legislations.

Namibia Investment Centre

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Namibia...

stable, profitable and in touch with the world

Facts about Namibia

Location: South west of Africa bordering Angola, Botswana, South Africa, Zambia and Zimbabwe.

Area: 824,269 square kilometres

Population: (2008) 2.1 Million
population growth rate: 2.6%

System of Government: Multi-party democracy with checks and balances exercised through the state organs of the Executive, Legislatures and the Judiciary. General, presidential, regional and local elections every five years.

Language: English is the official language.

Religion: Secular state but over 90% of population is Christian.

Currency: Namibian Dollar (N\$) pegged 1:1 to the South African Rand

GDP (2008): N\$50.86 Billion (US \$6.34 Billion, where US \$1 = N\$8.014)

GDP Growth rate (2008 est.): 2.4%

GDP per capita (2008): N\$24 633 (US \$3073)

Inflation (2008): 10.3% average

Key Economic Sector/ GDP (2008): 20% Primary, 17% Secondary, 55% Tertiary

Main Export (2004 – 2008): Exports mainly comprise of unprocessed minerals (\pm 70% diamonds); fish and fish products; live animals, meat and animal products

Main Export Destination: United Kingdom, South Africa, Spain, Germany, Italy, France, Japan, Switzerland, United States, Angola and the Netherlands

Main Source of imports: South Africa, India, Japan, China, United Kingdom, Netherlands and Germany

Budget surplus: 0.2% of GDP for the financial year 2008/2009 (forecast)

Namibia is often described as Africa's optimist – and with good reason. Not only does it enjoy one of the continent's most pleasant, peaceful and politically stable environments, but also an infrastructure to rival many developed countries.

The country has an abundance of natural resources. Among these are a wide range of mineral deposits including world-class diamonds and uranium, copper, lead, zinc, gold, semi-precious stones, industrial minerals, salt and fluorspar.

Its rich fishing grounds, with their stock of both demersal and pelagic species, place the country among the top 10 nations in the international fishing industry.

Such valuable resources mean that mining and fishing are two of the most important economic sectors, together with agriculture and tourism.

Major crops include pearl millet, wheat, maize, groundnuts, beans and cotton, and there is a thriving red meat industry.

Tourism is a rapidly growing sector.



Agriculture

Investment opportunities exist in value added local processing of livestock, ostrich farming, crop production and food processing.

Good prospects exist for extensive horticulture, for example, olive oil, jojoba and cut flowers.



Grape and date plantations are a proven success, particularly given the country's seasonal advantage, and is becoming a major earner of foreign exchange and generator of income for the nation. Namibia offers excellent opportunities for investment across all these and other sectors.

Most of the country's primary resources are exported, while almost all of its consumer goods are imported. There is particular scope for investment in manufacturing for both local and international markets.



As one of the 14 member states of the Southern Africa Development Community (SADC), Namibia has preferential trade links to the 190 million inhabitants of the sub-region, thanks to its excellent transport infrastructure.

Namibia also belongs to the Southern Africa Customs Union (SACU), affording duty and quota free access to the market in South Africa and others.

In addition, it is a signatory to the Cotonou Agreement, giving duty free access to the European Union for a wide range of manufactured goods and agricultural products.

Namibia also has duty and quota free access to the lucrative US market under the Africa Growth and Opportunity Act (AGOA).

Namibia has a wealth of attractions and advantages for foreign-owned companies looking for business opportunities, as evidenced by the billions inward investment which has poured in from all over the world since independence.

Major investors include the European Union, South Africa, Australia, the United States and Canada. There is increasing interest from Asia, especially China and Malaysia. Such benefits are complemented by an advantageous legislative and fiscal environment and a government keen to foster the engines of economic growth and prosperity.

Namibia has an infrastructure of a standard which would agreeably surprise all those who are unfamiliar with the country and its advantages.



Fishing

Namibia's marine resources are among the richest in the world. Fishing grounds are unpolluted. The nutrient-rich waters of the Benguela current produce numerous commercially important species of fish and shellfish.



Many opportunities exist in value adding activities and mariculture.

Potential exists in mariculture to develop the following species: kob, blacktail, turbot, cod and halibut as well as crustaceans, molluscs and seaweed. In freshwater there is potential for tilapia, catfish and tiger fish.

There is continuous and growing investment in those facilities which are regarded as the lifeblood of a vibrant, modern and developing economy.

Namibia has a highly competitive incentive and fiscal regime which adds to its attractions for foreign investors, as well as creating an ideal business environment.



Mining

Namibia has extensive mineral deposits. It's diamonds and uranium are world-class, as is its gold, copper, lead, zinc and other base metals, a wide variety of semi – precious stones and many types of dimension stone.



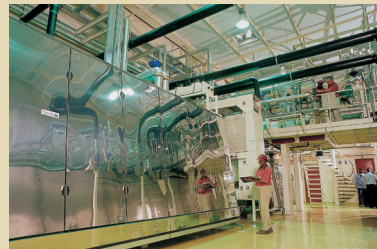
Value addition is encouraged in the refining of base metals and other minerals, such as manganese, processing of marble and granite, cutting and polishing of precious and semi-precious stones. Good prospects exist in development of the jewellery industry.

Geophysical studies also indicate good prospects for oil and gas exploration.

Manufacturing

Exceptional scope for manufacturing investment, producing for export and to add value to natural resources.

Strategically, Namibia is an excellent location for investment in textiles, finished leather goods, electronic assembly, pharmaceuticals and automotive parts for domestics, regional and international markets.



Tourism

Spectacular scenery and wildlife, excellent infrastructure, a warm climate and friendly atmosphere provide all the ingredients for a burgeoning tourism industry.

Export processing zones

no corporate tax, no import duties, no vat, no stamp transfer duties...

Namibia offers among the most attractive fiscal incentives in Africa via its Export Processing Zones (EPZ) regime. This provides a tax haven for manufacturers, importers and exporters, as well as a wide range of concessions and benefits. Companies granted EPZ status can set up operation anywhere in Namibia. In addition, there are specially developed industrial parks where they can enjoy the same advantages. One is at Walvis Bay, where the estate is run by an EPZ management company, another at Oshikango, near the Angolan border, and at Katima Mulilo,

at the eastern end of the Caprivi Strip.

There are no restrictions on the industrial sector. Any form of manufacturing or value-added processes is eligible, provided it is focused on export outside the SACU region (Namibia, Botswana, South Africa, Lesotho and Swaziland). Sales to local markets of up to 30 percent of production may be allowed on request.

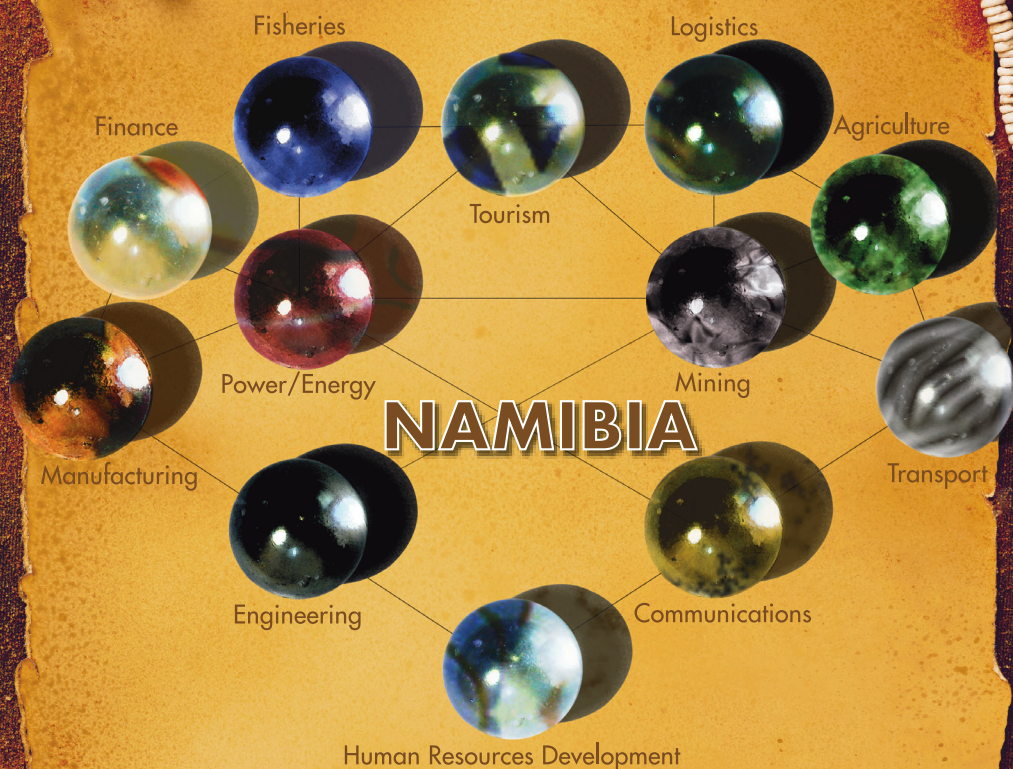
A Company which exports just some of its production can also apply for EPZ status by

separating its export activities into a separate company. Warehousing and packaging companies, other than those involved in fish and meat processing, can also apply for EPZ status. The package of benefits and incentives which apply indefinitely includes:

- No corporate Tax.
- No import duties on imported capital equipment or raw materials.
- No Vat, stamp or transfer duties.
- Permission to hold foreign currency accounts in local banks.

Special incentives for manufacturers, exporters and EPZ enterprises			
	Registered manufacturers	Exporters of manufactured goods	Export Processing Zone Enterprises
Eligibility and Registration	Enterprises engaged in manufacturing. Application to the Ministry of Trade and Industry and approval by the Ministry of Finance.	Enterprises that export manufactured goods whether produced in Namibia or not. Application and approval by the Ministry of Finance.	Enterprises engaged in manufacturing, assembly, packaging or break-bulk and exporting mainly outside of SACU markets. Application to the EPZ Committee through the ODC or EPZMC.
Corporate Tax	Set at a rate of 18% for a period of 10 years, whereafter it will revert to the prevailing general rate.	80% allowance on income derived from exporting manufactured goods.	Exempt
VAT	Exemption on purchase and import of manufacturing machinery and equipment.	Normal treatment	Exempt
Stamp & Transfer Duty	Normal treatment	Normal treatment	Exempt
Establishment Tax Package	Negotiable rates and terms by special tax package.	Not eligible	Not eligible
Special Building Allowance	Factory buildings written off at 20% in first year and balance at 8% for 10 years.	Not eligible	Not eligible
Transport Allowance	Allowance for land-based transportation by road or rail of 25% (deduction from total cost).	Not eligible	Not eligible
Export Promotion Allowance	Additional deduction from taxable income of 25%.	Not eligible	Not eligible
Incentive for Training	Additional deduction from taxable income of between 25% and 75%.	Not eligible	Substantial, issued by government on implementation of approved training programme.
Industrial Studies	Available at 50% of cost.	Not eligible	Not eligible
Cash Grants	50% of direct cost of approved export promotion activities.	Not eligible	Not eligible

A gem worth investing in...



Namibia offers excellent opportunities for investment across sectors such as agriculture, fishing, manufacturing, tourism, services and mining. We invite you to explore and take advantage of the abundant investment opportunities. Contact the Namibia Investment Centre at the Ministry of Trade and Industry at +264 61 283 7335 or the Offshore Development Company at +264 61 283 7360 now.

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