Blending impressive transparency with enviable political and social stability, Namibia is often described as ‘Africa’s Optimist’, with the ambitious republic’s geo-strategic position offering international investors intelligent access to many markets in southern Africa and beyond.

Since independence almost 30 years ago, Namibia has enjoyed impressive socioeconomic growth compared to some of its larger peers on the continent, and is a proud and forward-looking nation that deeply values a partnership approach to economic cooperation.

President Dr. Hage G. Geingob is the vastly experienced and pro-business politician guiding this remarkable journey to economic prosperity. With the help of foreign investors and enterprises active in various sectors, his administration is striving to achieve a comprehensive development strategy that sees the private sector as the key catalyst for growth.

“On the southern tip of the continent, with a well-developed harbor at Walvis Bay, and a long coastline, we serve as a connection for landlocked countries, availing a route to the coast to facilitate their exports and imports,” President Geingob states.

The highly-respected statesman describes Namibia as a springboard and service centre for neighbors Zimbabwe, Botswana, Zambia, along with Angola. As a member of SADC—of which President Geingob is Chairman—and SACU (Southern African Customs Union), his country is certainly ideally placed to become the destination of choice for leading investors.

Guiding the ambitious socioeconomic development strategy is the Harambee Prosperity Plan (HPP): a comprehensive blueprint for change designed by President Geingob himself. The HPP supports vital national initiatives like Vision 2030 and NDP5 (National Development Plan 5).

Ambitious economic development plans given green light to growth

With foreign investors and enterprises offered a range of incentives to establish operations in Namibia, it was no surprise to see automobile giant Peugeot Opel launch a modern assembly plant at Walvis Bay late last year.

During the official opening ceremony, President Geingob said the $14 million facility boosted Namibia’s national development aspirations and signified to the international community the country’s intent to become a premier destinations for foreign direct investment (FDI) in Africa.

Spearheading efforts to increase industrialization and boost prosperity is the manufacturing sector, with the industry identified as pivotal for sustained growth, employment, income inequality, and poverty reduction.

Vast mineral wealth offers investors access to buried treasures

Traditionally, Namibia has been heavily dependent on the extraction and processing of rare minerals for export. The recent slowdown in the global mining sector has prompted the government to target increased FDI in other key sectors, such as the tourism and hospitality industry.

Officials are particularly eager to focus on industrial and manufacturing activities that add value to raw materials domestically, rather than falling into the trap of exporting precious minerals and natural resources and then having to buy them back at a higher price in finished form.

“Value addition is the key,” continues President Geingob. “Africa’s problem is things go out in their raw form. If you go to the port, you will see big stones such as marble heading to Italy. They cut and polish it there and then...
Namibia is a country that offers both beauty and abundance. We have opened the doors to investors, and whoever comes in, appreciates and abundance. We have opened the doors to investors, and whoever comes in, appreciates and safety where you have facilities, and ready you can drive yourself. If you come from a big city, you want peace and open spaces,” President Geingob says.

Turning his attention to Namibia's fortunate strategic position and the development of fast and efficient logistics networks and operations for various transport modes, the country’s leader adds: “Our harbor is being extended and we will commission this year, as well as a new container terminal. It’s a world-class harbor connecting landlocked countries, but making them sea-linked by offering them a dry port. Zambia, Botswana and Zimbabwe have dry ports, and these countries are connected with our excellent road infrastructures.

“The phase we are focusing on now is rail connectivity, linking the coast to the near northern region of the country. Meanwhile, our banking system is one of the best and we rank about 40th in the world. So our banking system is foolproof. How more does an investor need to succeed? We have laws that protect you, and we provide peace and stability.”

Clearly, FDI is extremely welcome in Namibia, as are major new infrastructural projects, although President Geingob emphasizes such significant investments must be on Namibian terms.

With countries from several continents already reliant on their goods and services, officials confirm they are in a strong position to cherry pick the best partners. “Since China became so active on the continent, many countries say Africa is being re-colonized and that China is using loans to capture Africa. But when they come to Namibia, Chinese investors as well as investors from elsewhere, must come on our terms,” President Geingob underlines.

“If China offers us $60 billion of FDI, why doesn’t someone else come and offer $70 billion so we can choose? Namibia is a credit-worthy country. We have access to cheaper loans and rates that suit our purposes.”

Like many countries, Namibia has been buffeted by economic headwinds in recent years due to the slowdown in the global economy, but is still punching well above its weight. Indeed, its solid fiscal performance has been recognised by leading international financial institutions. Late last year, a team of experts from the International Monetary Fund (IMF) gave a relatively upbeat report of Namibia’s long-term economic outlook, noting although annual Gross Domestic Product (GDP) growth has slowed like in many countries, it should rebound shortly and return to the long-term average of three percent per annum.

“Key challenges [for the government] are to continue implementing fiscal consolidation plans to contain public debt dynamics and preserve macro-economic stability, and pushing reforms to raise long-term growth and job creation,” the report said.

Officials welcomed the report. “Namibia is peaceful and politically and economically stable and has a level of predictability, which is really important,” says Leon Jooste. “We’re on the verge of a massive breakthrough thanks to the leadership of our president, the message he has been sending out, walking the talk, really addressing key issues. The next 5-10 years will be incredibly exciting.”

Colleague Calle Schlettwein agrees: “Namibia is a gateway to southern Africa through its stability, through its infrastructure base, through its reputation internationally as a reliable partner. It provides a very, very good opportunity for investments to be placed here, and to grow from here.”

Acting as a conduit for such domestic and foreign investment is the country’s banking sector and financial systems, regarded by major players like Standard Bank as among the best on the continent.

With extensive operations in nearly two dozen African nations, Standard Bank blends valuable regional experience with a strong physical presence supported by an impression reach that extends far beyond the continent’s many borders. This allows for its clients and customers—especially those with operations in more than one country on the continent—to trade more conveniently across countries with their subsidiaries, wherever they are in Africa.

“Namibia has one of the most advanced financial and banking systems on the entire continent, almost on a par with some of the most advanced economies in Europe and in the US in terms of the sophistication, but also in terms of the standards to which the financial and banking systems adhere,” states Vetumbuavi Mungunda, CEO of Standard Bank Namibia.

“Our customers that have operations in other countries—they see us as an African bank. We are in 22 African countries, so we are an African bank firstly. Secondly, as an African bank we are really, really committed to the African continent and its growth.”

“In Namibia, we are driving a number of initiatives to contribute to growth and deal with the challenges facing Namibia as a country. For example, our Buy-a-Brick initiative helps with the construction and provisioning of houses for the low-, or no-income groups. As a developing country, financial inclusion is a critical goal we need to aspire to, so as to introduce more Namibians into the financial system.

“We need to look into ways that are cheaper for them to participate and get convenience from them. The participation and inclusion of Namibians, especially those currently outside the banking system, will require innovation and digitisation by the banks, which should allow for customers to participate without being physically part of the financial system.”

The senior executive believes the critical success factor for businesses and entrepreneurs is clarity, particularly in relation to policies, property rights, and key policy and legislative developments.

“When you combine all of these factors, the clarity around policies, laws and regulations, as well as how secure they are protected by your courts, it creates a safe environment for investors,” he concludes.
Wild Namibia—An ocean of contrasts

Breathtaking Namibia is a place to experience and live your soulful dreams. When you experience the serenity, you may feel like you are the only person on the planet.

“Soulfulness, ruggedness, and solitude. The three key pillars of breathtaking Namibia. Our beautiful country is the place for you, no matter what you seek.”

Digu Naobeb, CEO, Namibia Tourism Board

Mining and energy power forward

The ambitious national oil company is a key example of how Namibia is fueling its economy downstream, and they are going well in parallel. But we are more active downstream,” he adds. Early 2019 will see the launch of country-wide NAMCOR-branded stations that will be rolled out continuously to build market share. “The government has also decided to make a $400-million investment in strategic fuel storage facilities,” notes Mulunga. “The National Oil Storage Facilities will be completed by mid-2019.” NAMCOR will operate these facilities as part of its strategy toward meeting its ambitious 2021 revenue target of $350 million.

Fishing plays a very important role in terms of Namibia’s employment relations, exports, and market positioning. Our role in international markets in Europe and Japan is under appreciated. We should take pride in our exports to Europe as we meet European standards. The government is very strict about ensuring the industry goes back to the country. Every company must regularly show the social responsibility activities it has undertaken.”

Immanuel Mulunga, managing director, NAMCOR

Mining and energy are two of the most dynamic sectors in the Namibian economy, says Tom K. Alweendo, Minister of Mines and Energy: “In energy, we are encouraging private sector investment into generation, especially renewables.”

In mining, the country is rich in resources—including diamonds, uranium and gold—and there are high expectations for its offshore oil and gas. Leading international mining companies already operating in Namibia, supported by an exploration licensing system that is “open and transparent,” notes Alweendo. “To help investors get started, we already have the mapping in place showing the probability of minerals.”

Helping investors in hydrocarbons is NAMCOR, the national oil company of Namibia. “It was initially set up to cater for upstream oil and gas exploration and production, to regulate and to provide regulatory advice to the government,” explains Immanuel Mulunga, its managing director. NAMCOR’s institutional role is to participate in hydrocarbon exploration on behalf of the Namibian Government and to ensure the optimum exploitation of the country’s petroleum resources. Other main upstream activities include actively promoting the Namibian acreage at local and international platforms to attract hydrocarbon investments.

NAMCOR is also the custodian of Namibia’s hydrocarbon exploration data, which includes 2D and 3D seismic data, as well as digital well logs, core and rock cuttings from exploration wells.

The company moved downstream around 2003. “We were awarded a mandate to import 50 percent of the country’s fuel requirements, and we also started supplying fuel to commercial and industrial customers,” says Mulunga. “At the moment, we are working both upstream and...”
Brilliant future for Namibian diamonds

Two things make Namibian diamonds among the world’s most desirable, says Kennedy Hamutenya, CEO of Namib Desert Diamonds (Namdia), the marketing and sales company that is creating a sustainable market for these unique stones.

“Firstly, almost 98 percent of them are gem quality and, secondly, their natural polished and round shapes make them easier to cut to accentuate the high-quality brilliance that shines out of them. They are the Lamborghinis of the diamond world,” he states. A further attraction is their out of them. They are the Lamborghinis of the diamond world,” he states. A further attraction is their access to these precious gems conveniently and, for nearly 25 years. The strategy has worked. “For the past two years, we have made handsome profits for the government, and have paid tens of millions of dollars in taxes and dividends for the benefit of all Namibia’s people,” he states. Part of the reason for this accomplishment, Hamutenya believes, is Namdia’s highly skilled staff who are, “as technically competent and advanced as any you would find in Antwerp or Tel Aviv.”

In addition, the company uses the latest technology at its state-of-the-art headquarters, he says: “This enables us to take our understanding of our product to another level and to price our product competitively.” International clients agree that Namdia pricing is competitive, with a call for bids from prospective new clients in October 2018 attracting 74 applications from all over the world.

“To add even more value to Namibia’s diamonds, the company is in the process of acquiring its own diamond cutting and polishing factory. It is also considering entering the jewelry business soon, by forging partnerships with established brands as a way of quickly developing the Namibian brand.

“Namdia is aiming to be the leading supplier of ethically sourced high-quality gem diamonds to discerning consumers,” explains Hamutenya. “We will be a brand of choice for diamond lovers worldwide sooner rather than later—watch this space!”

Mr. Gys Joubert, Managing Director of The Gondwana Collection, leads a treasured, eco-friendly and highly responsible Namibian brand

Please tell us about the company’s journey and key achievements along the way, and how you manage to combine hospitality, conservation and your social commitment as well?

We passionately believe we can change the future of Namibia by always doing the right thing. We’ve never been a bottom-line driven company — it was born from something quite different.

I read the first business plan, which was drafted in 1996 by Manni Goldbeck and Chris Gouws, the MD and founding Chairman, and it screams and shouts about conservation and quality job opportunities. It talks about the Gondwana culture.

By far our biggest asset is our people. We’ve got an amazing culture at Gondwana, which is why I use words like “family”. We are proud to use words like “love”.

This company is different. What is also very inspiring is Gondwana was built on a foundation of the “triple bottom line”, which is profit, planet, and people. That has not changed.

What are your most excited about at Gondwana right now and what projects are in the development pipeline?

We’ve just launched a product range that is absolutely “on top” – the first product is up and running and is called the Namushasha River Villa.

“We’ve got an amazing culture here, Gondwana was built on a foundation of the ‘triple bottom line’, which is profit, planet, and people. That has not changed.”

Mr. Gys Joubert, MD of Gondwana Collection Company

It’s actually on the Kwando River and only caters for two people, is highly luxurious, and you leave people there – you show them everything and then you leave and they are left alone in the wilderness. Literally, elephants, hippos, crocodiles, buffaloes around them. And for some people it’s daunting and people have used words like life changing.

We are building one now on the same concept. One in the desert called the Desert Park, where again we take you there, into the dunes, we leave you there, you don’t see any humans and you don’t hear or feel any human beings, but you’re on your own. This is usually for 24 hours.

We are dreamers and idealists, but firmly know that sustainability starts with profitability, so if you’re not properly profitable, financially disciplined, then you are not sustainable.

Our new Lodge Desert Grace, which we opened last December, is beautiful. It goes without saying that we are passionate about, and very strict on, recycling. Glass is a problem because of the weight, so we have glass crushers at our lodges where we crush the glass into a sand.

The walkways of the new lodge are bulked with crushed glass from other lodges and about two months ago what happened was that we were not done with the walkways but we’d run out of crushed glass.

Is Gondwana open to working with international investors in a partnership kind of approach?

Gondwana is open to everything offered, we never say no upfront — we always explore. You always have to manage expectations, but we are always willing to sit down and have a coffee or a cold beer. The one thing that is very important in terms of our world view is Gondwana is not about us.

It’s not about me, it’s not about the current management, it’s not about the current employees, and it’s not about the current shareholders. We’ve set ourselves a 1,000-year strategy to see what we need to do today to ensure this force for good will be here in 3020. We are merely custodians who want to plant trees wherever we go.

What is your second message to our readers?

I like to think there are two kinds of people in the world — those touched by Namibia and those yet to be touched by Namibia.

Make sure you don’t leave this planet until you’ve given yourself this opportunity. It’s as simple as that.