

Fact Sheet: Namibia



In this fact sheet, we have summarised answers to frequently asked questions about this country in one document for you. This information is not economic data, but rather statements on a wide range of practical topics that influence business activities with and in the country. In this publication you will find basic information on:

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Trade

Contact persons and relevant authorities

Ministry of Industrialisation and Trade - MIT

Role: responsible for the development and management of the Namibian economy.

Goals:

- Promote the growth and development of the Namibian economy through the formulation and implementation of appropriate regulations to increase investment.
- Increase trade
- Drive the industrialisation of the country

Contact details within the Ministry can be found on the MIT website

(<https://mit.gov.na/contact-us>)

- MIT's International Trade and Commerce Department
Role: formulates and is responsible for national trade policy and implementation, international trade activities and developments, and trade and export support services.
- Namibia Investment Promotion and Development Board - [NIPDB](#)
Role:
 - Promote and facilitate investment by foreign and local investors and new businesses that contribute to economic development and job creation;
 - Implement the Namibian Investment Policy and associated strategy;
 - Review and propose policy reforms and measures to support trade and investment promotion, conducive labour market policies, improve the country's competitiveness and ease of doing business;
 - Develop and implement branding measures that promote Namibia as an attractive investment destination;
 - Development of an institutional mechanism and coordination of SME development at the national level;
 - Implementation of the National MSME Policy of 2016;
 - Promotion of regional special economic zones; and
 - Facilitate collaboration between government and the private sector to promote the growth, expansion and development of the Namibian economy.

Contact the NIPDB: info@nipdb.com

Customs airports: Eros Airport (Windhoek), Hosea Kutako International Airport (Windhoek), Walvis Bay Airport (Walvis Bay).
ISO currency code: NAD
Customs tariff: Harmonised System, customs clearance according to FOB value
ISO country code: NA

Preferential trade relations with the EU

An Economic Partnership Agreement with reciprocal preferential treatment exists between the European Union and the SADC Economic Partnership Agreement countries.

Special provision for selected group of goods

The contact for norms and standards is the Namibian Standards Institution ([NSI](#)).

List of existing trade agreements

AfCFTA (2019)	African Continental Free Trade Area	The agreement establishing the African Continental Free Trade Agreement (AfCFTA) entered into force in 2019 and since the beginning of 2021, member states (including Namibia) have been trading on the basis of the AfCFTA.
AGOA (2000)	African Growth and Opportunity Act	A unilateral programme that gives African countries, including Namibia, duty-free access to the US market.
SACU (1910)	Southern African Customs Union	SACU ensures the free movement of goods between the member states Namibia, Botswana, Lesotho, Eswatini and South Africa.
SACU-EFTA Free Trade Agreement (2008)	Free Trade Agreement between SACU and the European Free Trade Association	The Agreement regulates trade in goods and is the basis for the Parties' engagement on intellectual property, investment, services and government procurement.
SACU-Mercosur Preferential Trade Agreement (2016)		The preferential trade agreement was concluded between the member states of the Southern Common Market (Mercosur) and the member states of the Southern African Customs Union (SACU).
SACU-USA Trade, Investment and Development Cooperation Agreement (2008)		The agreement aims to promote investment and the expansion and diversification of trade.
SADC (1992)	Southern African Development Community	A regional economic community of 16 member states (including Namibia) with the aim of strengthening regional integration, promoting poverty reduction in Southern Africa through economic development and ensuring peace and security.

SADC-EU EPA
(2016)

Economic Partnership Agreement

Six of the SADC member states - Botswana, Lesotho, Mozambique, Namibia, South Africa and Eswatini - signed the Economic Partnership Agreement with the European Union. The agreement focuses on: Strengthening trade developments, creating improved opportunities for the movement of goods and the protection of geographical products such as wine and tea.

Bilateral Investment Treaties

In addition, Namibia has bilateral investment agreements with the following countries: Finland, France, Germany (since 1994), Italy, Malaysia, the Netherlands, Spain and Switzerland.

Import Regulations

- Together with South Africa, Botswana, Lesotho and Eswatini, Namibia forms the Southern African Customs Union (SACU) with a common external tariff. Customs regulations are documented in the Customs and Excise Act ([Act No. 20 of 1998](#)) and are in line with most international conventions regarding recommended practices for the import and export of goods. The agreement also stipulates that future free trade agreements with third countries may only be negotiated as a block and no longer bilaterally.
- No import duties are levied on goods traded within the customs union. Namibia levies mainly ad valorem duties on the import of goods from countries outside the customs union. In addition to customs duties, Namibian value-added tax is payable on imports. The Economic Partnership Agreement negotiated between six SADC countries (including Namibia) and the EU has been applied since 10 October 2016. Under the agreement, the EU grants free market access for all Namibian products. Conversely, a large number of EU products receive preferential market access in Namibia. The basis of assessment is the customs value. Specific duties or mixed duties apply to some goods. Many goods are duty-free, otherwise the ad valorem duties range from 3% to 82%. Customs declarations in Namibia can be made via an electronic customs declaration system (<http://www.asycudaworld.mof.na/asyw/>) or in paper form. There is no customs agent obligation.
- The importation of goods into Namibia is generally a liberalised process. Nevertheless, a large number of goods require an import permit and/or certificates for reasons of safety, health and environmental protection, including agricultural products (animals and plants, including products), petroleum products, pharmaceuticals, weapons and ammunition.
- Import bans apply to certain cigarettes, narcotics, reproductions of copyrighted publications and goods produced in prisons or penal institutions.

Contact details of the Namibian Customs Office:

Ministry of Finance - Customs and Excise Information Centre
10 John Meinert Street



Deutsche Industrie- und Handels-
kammer für das südliche Afrika
Southern African-German Chamber
of Commerce and Industry



Private Bag 13185, Windhoek, Namibia
Tel. +264 (0)61-209 2047/2636/2005/2006
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Finding a commercial agent/distributor

The AHK Southern Africa supports the search for potential local business partners, such as representatives and distributors, as part of its service portfolio. The Business Scouts for Development programme of the GIZ provides specific advice on partnerships in the context of development cooperation. For further information, please get in touch with the contact persons in the in the section [Contact Details](#).

Visa Regulations and Immigration

The **relevant authority** for visa regulations and Immigrations is the Ministry of Home Affairs, Immigration, Safety and Security: <http://www.mha.gov.na/>. Information on visa regulations is also available from the Namibian embassies in the foreign markets.

For any type of visa, a processing fee of 80 Namibian dollars (which is in addition to the current visa costs) will be charged and the **following documents** must be submitted:

- Application form
- Certified copies of passport (personal data page)
- Letter of support from the applicant/host/employer

Once approved, the applicant is required to submit the passport along with the original payment receipt.

The following additional documentation is required for a Work Visa:

- Letter of motivation stating, among reasons, why a Namibian employee or Namibian service provider cannot be hired for the job.
- Proof that the job or services have been advertised in local newspapers (attach a list of unsuccessful Namibian candidates or service providers).
- All copies must be certified.

The cost of a work visa is 1,100 Namibian dollars, valid for 0-3 months and 2,200 Namibian dollars, valid for a period of 0-6 months.

Please visit the website of the Department of Immigration Control and Citizenship and Regional Structure of the Ministry of Home Affairs, Immigration, Safety and Security for further visa-related information: <http://www.mha.gov.na/web/mhai/visas-immigration-control-act-act-no-7>

Labour Laws

Namibian labour legislation is governed by the **Labour Act 11 of 2007**, which is regularly amended and supplemented by other regulations, for example regarding occupational health and safety. The most important laws at a glance:

- [Social Security Act \(No: 34 of 1994\)](#)
- [Affirmative Act \(No: 29 of 1998\)](#)
- [Labour Act \(No: 11 of 2007\)](#)
- [Employment Service Act \(No: 8 of 2011\)](#)
- [Labour Amendment Act \(No: 2 of 2012\)](#)

The general legislation contains information on working hours, rest periods, compensation, days of leave, etc. However, there are special decrees for certain sectors, which regulate, for example, the minimum wage.

All documents and information can also be found on the website of the relevant authority:

Ministry of Labour, Industrial Relation and Employment Creation

32 Mercedes Street, Windhoek, Namibia

Tel: +264 (0)61 2061111

<https://mol.gov.na/>

Taxes and Duties

The authority responsible for taxes and duties is the Ministry of Finance ([Ministry of Finance - https://mof.gov.na/about-mof](https://mof.gov.na/about-mof)). The Namibian Revenue Agency (NamRA) is the national tax authority (<https://www.namra.org.na/>).

The most important taxes are:

- Corporate taxes
- Income tax
- Social security contributions
- Value Added Tax

Basis of Calculation

The Namibian tax system is based on origin not residence. Any income generated in Namibia must be taxed in Namibia.

Corporate income tax (2022/23) varies by sector:

- For local companies and Pty Ltd's - 32%
- Branches of foreign companies – 32
- Registered producers - 18%
- Companies in the diamond mining sector and companies providing services to companies in the diamond sector - 55%
- Mining companies and companies providing services to companies in the mining sector - 37.5%
- Long-term insurers - 12.8%
- Fuel income tax - 35%

Other Tax Rates:

The VAT rate is 15%. The wage tax rate is 37%. Social security benefits amounting to 1.8% of the wage are payable per employed person. These are paid in equal portions by the employee (0.9%) and the employer (0.9%). For more information on the income tax system, click here: <https://www.namra.org.na/tax-types/page/income-tax/>.

Double Tax Treaty with Germany

An agreement between the Federal Republic of Germany and the Republic of Namibia on the avoidance of double taxation in the area of income and wealth taxes has been in force since 1995. Further information on this can be found on the website of the Federal Ministry of Finance in the area of international tax law under the following [Link](#).

Business Establishment and Investment Incentives

The **Namibia Investment Promotion and Development Board (NIPDB)** is responsible for marketing the country as an investment location and for providing the necessary framework conditions. It was established at the beginning of 2021 and reports to the president.

Registration / Licensing Requirements

With an investment of at least two million Namibian dollars (NAD) or another specified amount, an investor can apply for a Certificate of Status Investment from the Minister of Industrialisation and Trade through MIT.

- The Certificate of Status Investment is a prerequisite for the acquisition of agricultural land.

Forms of Foreign Investment

- Public Enterprise (listed on the stock exchange)
- Partnership
- Joint venture
- Private company
- A registered branch of a foreign company

Further Support Services

As part of its service portfolio, the AHK Southern Africa provides support in initiating business on the ground. The Business Scouts for Development Programme of the GIZ provides specific advice on partnerships in the context of development cooperation. For further information, please contact the contact persons in the [Contact Details](#) section.

Special Economic Framework Conditions

New Equitable Economic Empowerment Framework, NEEEF

Background Information:

- In November 2011, the then Namibian Prime Minister Nahas Angula presented the New Equitable Economic Empowerment Framework (NEEEF) in Parliament.
- With this, the government aimed to use all legal forms at its disposal to encourage companies to bring on board previously disadvantaged Namibian shareholders, train and promote them to leadership positions, and promote the well-being of the communities in which they operate.

Impact:

1. to create a better starting point for affected employees, SMEs and communities, as well as for shareholders
2. the principle of "once empowered, always empowered" ensures companies retain recognition for an empowerment stake, even if the empowerment shareholders sell their shares over time to non-disadvantaged Namibians.

Planned implementation and current status (January 2021):

The revised NEEEF draft law was approved by the cabinet in February 2020. In the finalisation process, it was decided that foreign companies would no longer be required to have a local share of 25%. A submission to parliament, originally planned for March 2020, has not yet taken place.

- In addition, the government has decided that the NEEEF will only apply to companies seeking to carry out public contracts.
- Companies seeking to undertake public procurement or requiring licences from the government must be assessed against the six pillars of the NEEEF (ownership; corporate governance and employee equity; human resource management and skills development; enterprise development and marketing; corporate social responsibility; value creation, technology and investment).
- Implementation of the NEEEF planned for a period of 25 years.

Main Sectors

- Mining/Industry
- Trade/restaurants/hotels
- Agriculture/Forestry/Fisheries
- Transport/Logistics/Communication
- Construction

Overview of the Sectors

- **Construction industry**
Continuing lull in orders after completion of major projects. Largest project: SADC Gateway Port near Walvis Bay as logistics hub for Southern Africa.
- **Mining and raw materials**
Prospects for uranium mines improved after rise in world market prices. Mining sector benefits from higher metal prices and high demand for battery minerals.
- **Energy sector**
Gradual liberalisation of the electricity market. By 2035, grid-connected capacities of 220 MW wind power, 149 MW photovoltaic and 80 MW biomass are planned to be expanded.
- **Agriculture**
Growth rates of up to five percent are expected for 2022. The prerequisite is that the cooler weather continues. Livestock farming dominates the sector. Herds are being rebuilt after three years of drought. Fruit and vegetable production is gaining importance.
- **Food**
The two main sectors, fish processing and beverages, are doing poorly. Fish processing suffers from a corruption scandal. Fish processing is far behind the target of processing 40% of fish and seafood locally.
- **Water and environment**
High development funding in the water sector. Solar-based seawater desalination plant under discussion.

Banking and FOREX

Banking System

The banking system in Namibia is well developed and controlled by the legislature and by public agencies working for the Bank of Namibia.

Investment System

The Foreign Investments Act (FIA) regulates foreign investments in Namibia. The Investment Promotion Act for Namibia, which although promulgated, has not yet come into force, will overrule the FIA.

General Overview/ Presence of Foreign Banks

- The [banking system](#) in Namibia consists of eight banking institutions: seven commercial banks and one branch of an international bank. These all have close ownership and financial links to South Africa.
 - Bank BIC Namibia Limited
 - Bank Windhoek Namibia Limited
 - First National Bank Namibia Limited
 - Nedbank Namibia Limited
 - Standard Bank Namibia Limited
 - Trustco Bank Namibia Limited
 - Letshego Bank Namibia Limited (microfinance bank)
 - Banco Atlántico
- The Development Bank of Namibia (DBN) was established by Parliament in October 2002. Through the establishment of the DBN, the government aims to strengthen Namibia's economic growth, infrastructure and social development.
Role: The [DBN](#) acts as a catalyser in the Namibian economy by offering favourable financing options.

FOREX

The FOREX is regulated by the Currency and Exchange Act 1993 (Act No. 9 of 1993), the Exchange Control Regulations 1961 and the rules and regulations under these Acts. The laws state that only authorised dealers (ADs) and authorised dealers with limited authority (ADLAs) may operate in the foreign exchange market. Currently, there are four ADs and six ADLAs in Namibia.

See the Bank of Namibia website (www.bon.com.na) for the list of [ADs](#) and [ADLAs](#).

The Financial Intelligence Centre (www.fic.na) of the Republic of Namibia has put together an informational for further [reading](#) on this topic.

Foreign Exchange Transfer Procedure and Availability

Requirements/criteria to open an account

- Basic Account
 - Namibian citizenship or permanent residence permit
 - Valid form of identification
 - Monthly income of at least 2,000 Namibian dollars
 - Further information can be found on the [Bank of Namibia](#) website
- Business Account
 - Persons with a registered company or a registered public company in Namibia
 - Persons who want to establish a business
 - The relevant documents can be found, for example, on the website of Standard Bank or First National Bank in Namibia:
<https://www.standardbank.com.na/namibia/personal/products-and-services/bank-accounts>
<https://www.fnbnamibia.com.na/lifestyle-accounts/index.html>

Contact Details

The information contained in this document was compiled by the AHK Southern Africa and the Business Scouts for Development Programme of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. For further assistance and questions, please contact:

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