

STRATEGIC PLAN 2023 - 2028

Namibia Investment Promotion and Development Board



NIPDB

Namibia Investment Promotion & Development Board
Office of the President



“ Namibia is committed to bold and innovative actions in order to harness the potential of all citizens for an inclusive, united and prosperous Namibian house. ”

– Dr Hage G. Geingob, President of the Republic of Namibia



TABLE OF CONTENTS

Abbreviations	05
Executive Summary	06
Assessing the Current Realities: Namibia, Our Product	09
The Macroeconomic Climate	09
The Public Treasury	12
Performance on the Sustainable Development Goals (SDGs)	13
Daily Life for the Ordinary Namibian	14
Policy Environment	15
Stakeholder Perceptions of Namibia's Investment Attractiveness	16
Where Namibia Needs to Go – Turning the Tide	17
Competitive Positioning – Namibia as an Investment Destination	19
Opportunities – Namibia, a Nation Poised for Growth	20
The Role of NIPDB in Namibia's Economic Development Agenda	24
Establishment and Governance	24
Operationalisation Strategy	26
High-level Strategic Review	27
Benchmarking NIPDB to Other IPAs	34
Lessons Learned Over the Last Two Years	36
SWOT Analysis	39
The Strategy – Planning for Our Next Five Years	41
The Fundamentals – Our Identity	42
Desired Future State – What Success Looks Like	43
Strategic Goals and Objectives	45
Nurturing Stakeholder Relationships for Success	51
Measuring Success Along the Way – Key Performance Indicators	52
Critical Success Factors	53
Monitoring and Evaluation	54
References	64
Annexes	65

ABBREVIATIONS

TERM	DEFINITION
AfCFTA	Africa Continental Free Trade Area Agreement
BON	Bank of Namibia
BSO	Business Support Organisations
CAGR	Compound Annual Growth Rate
CEO	Chief Executive Officer
ECB	Electricity Control Board
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GTCI	Global Talent Competitiveness Index
HGL	Harvard Growth Lab
HPP	High Potential Pool
IMF	International Monetary Fund
IPA	Investment Promotion Agency
IPS	Investment Promotion Strategy
K2G	Know2Grow
KPI	Key Performance Indicator
MFPE	Ministry of Finance and Public Enterprises
MHAISS	Ministry of Home Affairs, Immigration, Safety and Security
MIT	Ministry of Industrialisation and Trade
MNC	Multi-national Corporation
MPI	Multidimensional Poverty Index
MSB	Modified Single Buyer
MSME	Micro, Small and Medium-sized Enterprises
NAMRA	Namibia Revenue Authority
NDP-6	Sixth National Development Plan
NEEEB	National Equitable Economic Empowerment Bill
NIPDB	Namibia Investment Promotion and Development Board
NIPFB	Namibia Investment Promotion and Facilitation Bill
NIRP	National Integrated Resources Plan
NPC	National Planning Commission
NSA	Namibia Statistics Agency
OMAs	Offices, Agencies and Ministries
PPP	Public-Private-Partnership
RMB	Rand Merchant Bank
SDG	Sustainable Development Goal
SEZ	Special Economic Zone
UNCTAD	United Nations Conference on Trade and Development
USD	United States Dollar
WAIPA	World Association of Investment Promotion Agencies
WEF	World Economic Forum

EXECUTIVE SUMMARY

Having come to the end of its 24-month operationalisation strategy, the NIPDB embarks on its first five-year strategy starting on 01 April 2023 and ending on 31 March 2028. At its establishment, NIPDB developed an initial two-year strategy to reflect the uncertainties that the new organisation was facing at its establishment. Two years on, NIPDB is more sure-footed as we enter the future.

Although uncertainties abound as we look forward, our learnings during the initial two years are invaluable and have allowed us to plan better. Our strategy was developed in a collaborative process with the consultation of key stakeholder groups and is still underpinned by a need to be as effective and efficient as possible, delivering immediate results whilst simultaneously building for the future. It is clear that Namibia's profile as an attractive investment destination has risen, but there is more to do to place Namibia amongst the best of the best. The environment remains dynamic, demanding that we respond with agility and consistently scan the environment to become a leading and competitive investment promotion agency.

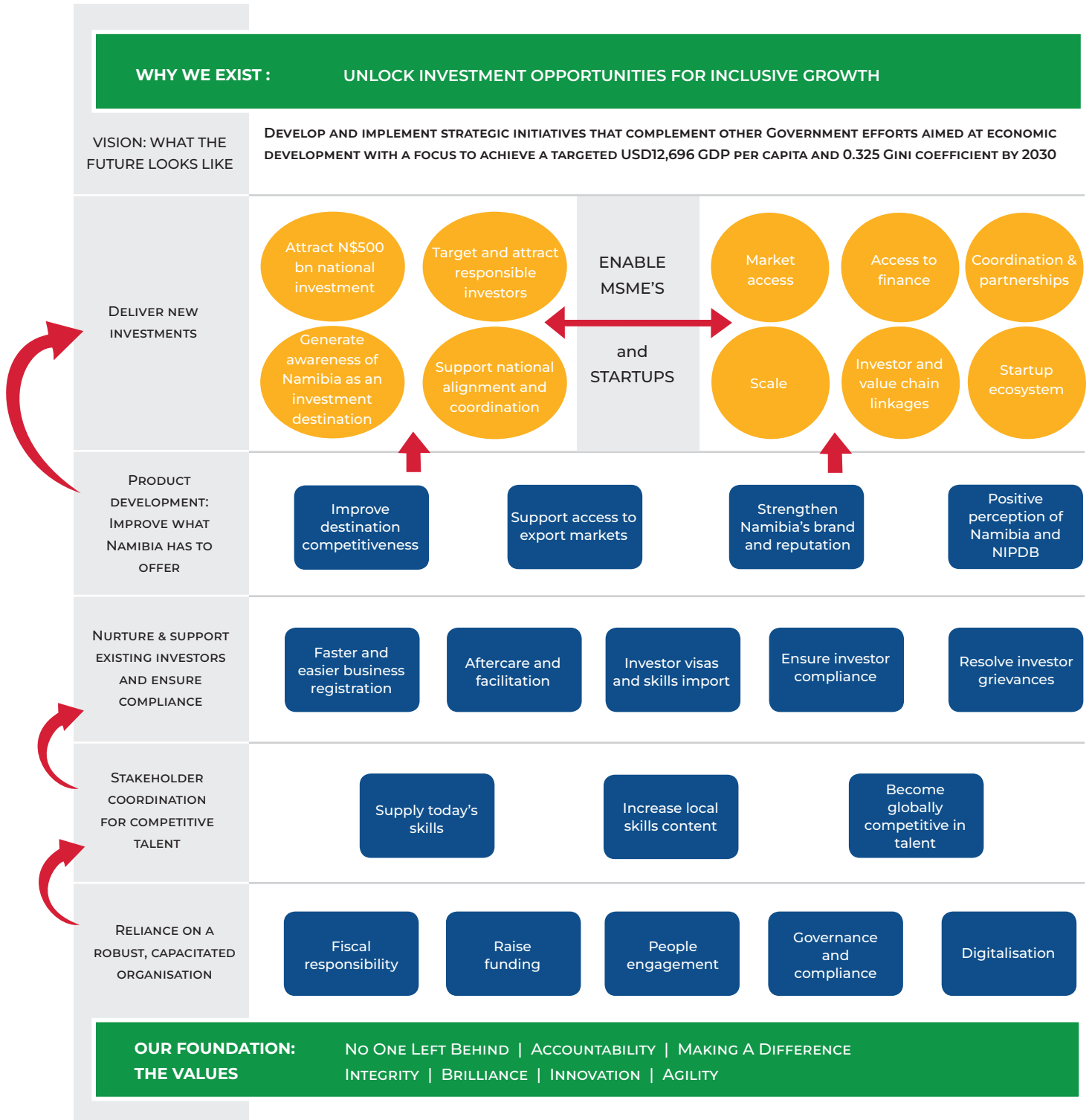
Over the last two years, we have noted an improved investment climate and increased investor confidence in Namibia, with many economic indicators returning to the levels reported before the economic downturn in 2016. However, the resource-dependent Namibian economy remains a structural risk that is highly susceptible to external shocks. The positive indicators have yet to translate into the creation of new, quality jobs, and Namibia continues to face the triple threat of high unemployment, inequality and poverty. Our challenges are formidable, with a significant portion of the population grappling to get by, particularly those located away from the nation's economic hubs.

Many opportunities are available that can enable us to realise our aspirations. However, they must be harnessed to deliver the results that we ultimately need to achieve. We must always maintain sight of the eventual goal to improve the living standard of every Namibian compared to their counterpart in the developed world. NIPDB is but one agent for change, and we believe that Vision 2030 is still possible with coordination, collaboration and partnerships among stakeholders.

With less than eight years remaining to 2030, we were challenged to craft a strategy that describes the intensity required to achieve Vision 2030 and deliver inclusive economic growth by complementing other government efforts to realise our collective aspiration.

We believe that the strategy is ambitious but that it is achievable.

NIPDB STRATEGY MAP





ASSESSING THE CURRENT REALITIES: NAMIBIA, OUR PRODUCT

As part of the strategic planning process, we conducted a situational analysis to consider Namibia’s current state and the anticipated relevant changes in the operating environment.

THE MACROECONOMIC CLIMATE

The Global Economy

The global economy faces uncertainty amidst geopolitical tensions, high inflation and interest rates, continued recovery from COVID and financial sector turmoil. The world witnessed the collapse of three major banks in the USA over seven days, raising questions about the stability of the global financial sector.

In its 2023 global risks report, the World Economic Forum (WEF) reported that survey participants ranked societal and economic risks as the highest risks in the immediate term, whilst environmental risks are set to dominate over the next ten years (World Economic Forum, 2023).



Figure 1: Global risks 2023 report outcome by WEF, as mapped by Visual Capitalist

Much of the world is facing a cost-of-living and employment and livelihood crisis due in part to the after-effects of the COVID-19 pandemic, rising inflation and the high-interest rate environment. These are strong indicators of increasing poverty levels as people everywhere fight to stay afloat.

The Regional Market

In their regional economic outlook for Sub-Saharan Africa published in April 2023, the International Monetary Fund (IMF) predicts a slowdown in growth to the region, mainly due to funding pressures.

Higher global inflation has led to stricter monetary policies and higher borrowing costs. Furthermore, the IMF reports that no country in the region has been able to issue a Eurobond since May 2022. The rising inflation level erodes household purchasing power, most impacting vulnerable people.

Closer to home South Africa is not faring much better. The electricity supply crisis has a large-scale impact and is slowing the country's economic activity, particularly in the primary and secondary sectors of the economy. The country is also undergoing exchange rate pressures as the Rand has weakened against the dollar. Namibia is not immune to these events as South Africa is our biggest trading partner, and we face additional risks as the Namibia Dollar is pegged to the Rand.



The Namibian Context

Namibia has faced a protracted recession since 2016, with negative Gross Domestic Product (GDP) rates and slight increases of 2.7% and 3.9% reported for 2021 and 2022, respectively. Although the trend is turning positive, GDP needs to increase by much more for economic recovery and sustainable growth and for the economy to return to pre-2016 levels. The Bank of Namibia (BoN) forecasts a nominal GDP growth rate of 3% in 2023 and 2.9% in 2024 (Bank of Namibia, 2023). However, the forecasted growth rate is at risk due to several external factors, such as the impact of the Russia-Ukraine war, increasing global interest rates and a slow recovery in China's demand. It is predicted that Namibia's growth will continue to lag behind that of her counterparts in the short term amidst these uncertainties.

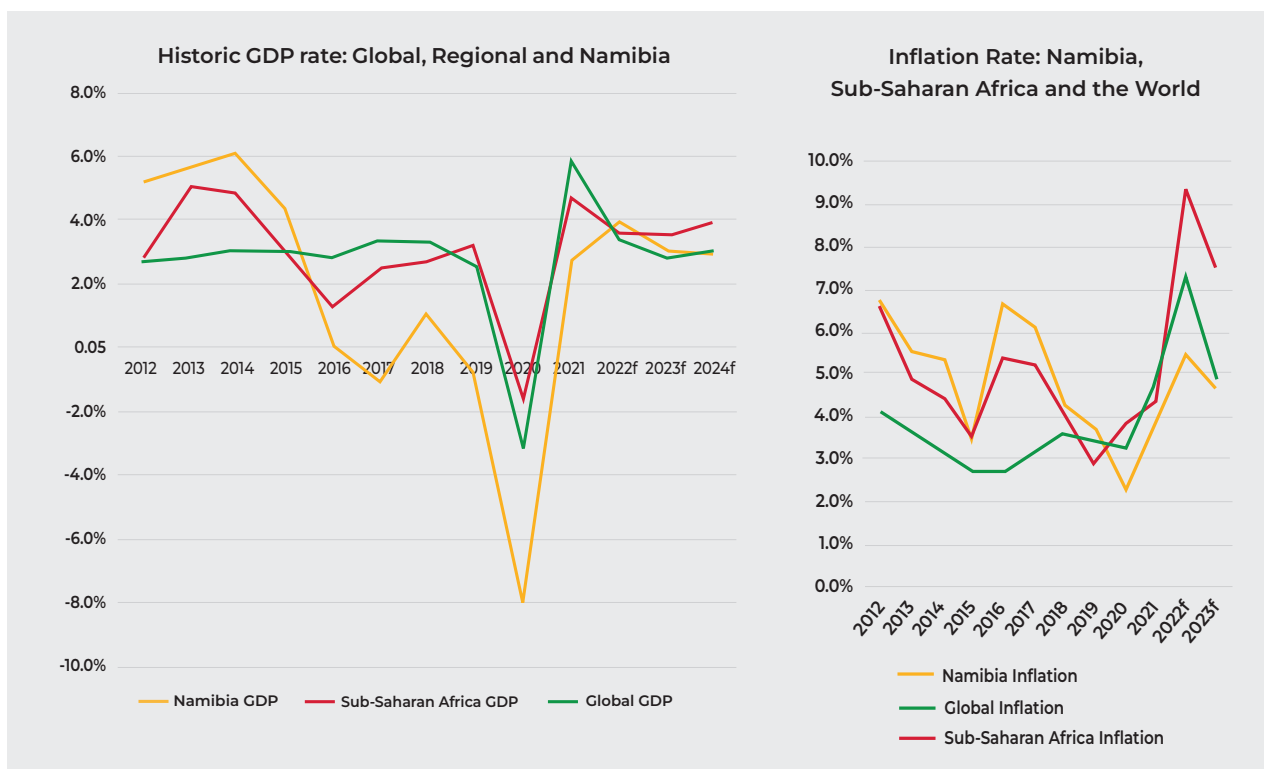


Figure 2: Namibia's GDP and inflation rates relative to the Region and the World

In line with global trends, inflation has been sharply increasing, driven by increases in transportation, housing and food costs. Namibia's inflation is primarily driven by high import costs owing to a weakening currency and increased prices of essential goods and services. In this sense, inflation mainly affects the poorest amongst us and can be considered a tax on the poor.

The prime lending rate has increased from 7.5% in November 2021 to 11.5% in June 2023, with increases in the repo rate as BoN utilises monetary policy to slow down inflation. This policy appears effective, as Namibia's inflation trails the global and regional averages.

The global cost of living crisis is expected to extend well into 2023, reducing household disposable income, with more people going into poverty. Consumer spending is likely to continue slowing down as more people adopt a "wait and see" approach and choose to build up their savings.

THE PUBLIC TREASURY

The Namibian Government has not fared much better than the consumer, with a debt-to-GDP ratio that is 71% (International Monetary Fund, 2023), well above the target of 35%. Furthermore, 33% of the national debt is due to mature in the short term and interest as a percentage of GDP is at 4.2%. It is reported that public debt has more than doubled in the last five years, whereas GDP has contracted by 1.7% over the same period. The rising debt levels have led to Fitch and Moody's further downgrading of Namibia in 2022, with a stable outlook.

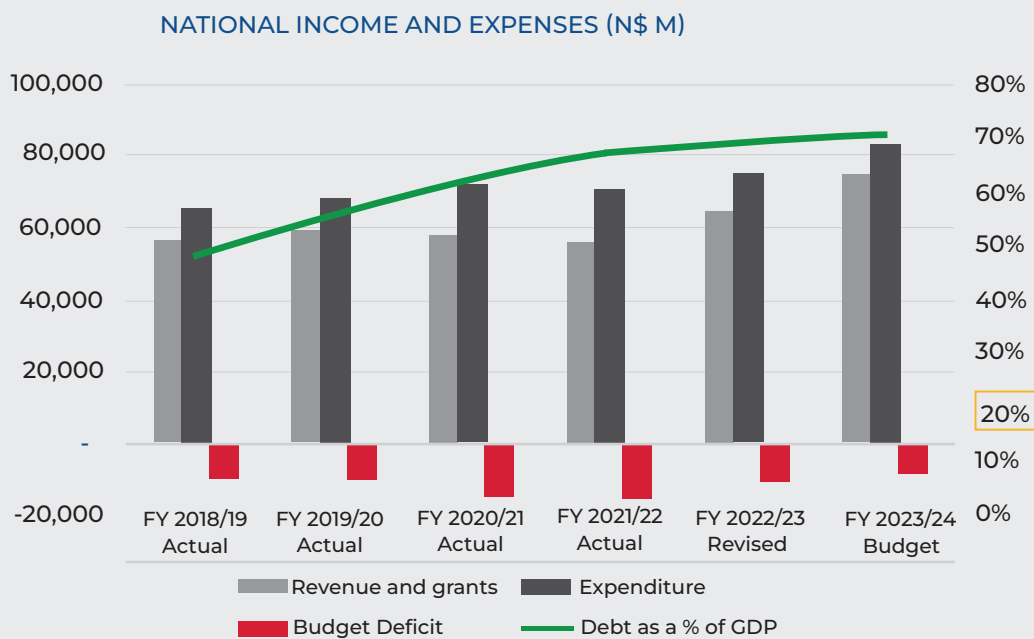


Figure 3: Namibia's public accounts

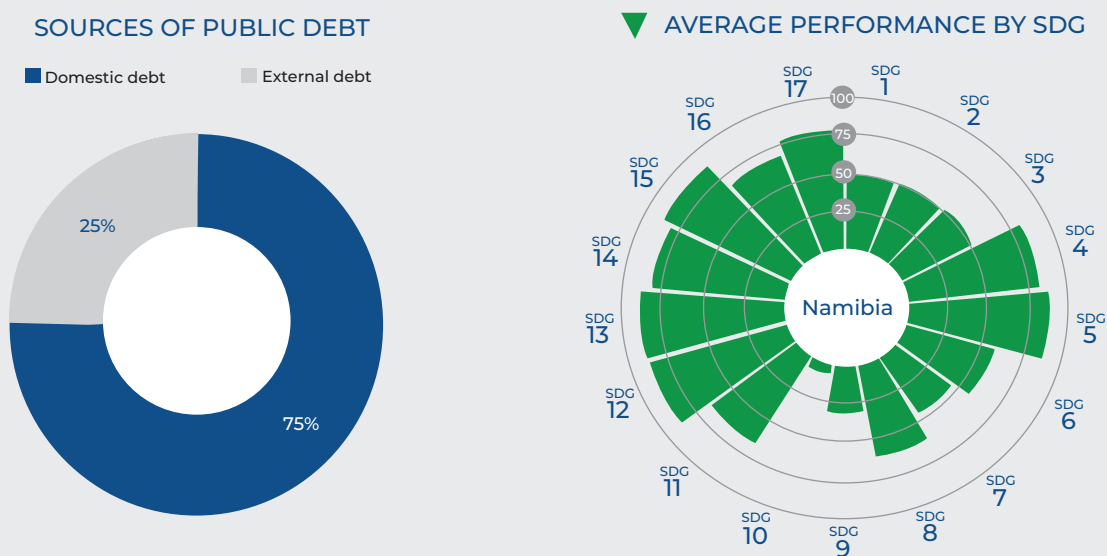


Figure 4: Namibia's performance per SDG

The Namibian Government is internationally considered to have a high risk of non-payment and will be required to borrow at a higher cost; however, local analysts believe the country to have a low risk of default as only 25% of public debt is foreign, which means external factors such as currency fluctuations will not jeopardise the stability of the fiscus. Although local analysts consider the default risk low, the local economy is still affected as an increased share of revenue will be utilised to service debt, which reduces the Government's ability to cushion the economy against shocks and invest in capital and developmental expenditure.

The private sector's role is to drive economic growth, allowing the treasury to collect more taxes, spend less on social grants and build and maintain the infrastructure required for trade and investment facilitation. The Minister of Finance and Public Enterprises aims to reduce the national budget deficit, and the Namibia Revenue Agency (NamRA) has been established to improve tax collection as part of the plan to reduce public debt. Tax collection rates have seen significant improvements since the establishment of NamRA.

PERFORMANCE ON THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

Regarding the SDGs, Namibia was ranked 114th out of 163 countries in 2022 in the Sustainable Development Report 2022 that was published by Cambridge University (Sachs JD, Lafortune G, Kroll C, Fuller G, and Woelm F, 2022). Our overall score of 62.7 is nine points ahead of the regional average of 53.6. Although we are ranked above the regional average, our overall ranking has decreased, and there is room for improvement in many of the 17 SDGs.

The 2022 ranking shows that Namibia has excelled on one SDG as the 8th most gender-equal country in the world (World Economic Forum, 2022). Besides gender equality, Namibia was also on track with quality education and climate action. Worryingly, the goals of no poverty and sustainable cities and communities indicate a decline. Namibia was reported to stagnate on zero hunger, clean water and sanitation, affordable and clean energy, and peace, just and strong institutions. The reported stagnation on SDG 16 (peace, just and strong institutions) is especially concerning as it may indicate reduced trust and fairness in our processes and institutions. This rating might hurt the perception/trust investors, and visitors have in Namibia's practice of fair justice and indiscriminate enforcement of the rule of law. However, introducing tools such as e-justice and the Namibia Legal Information Institute's website, on which all legislation and recent judgements are published, increases the transparency of Namibia's judicial system. Furthermore, we consider Namibia's legal system a comparative advantage as some rights such as property ownership rights are protected under the Constitution.

DAILY LIFE FOR THE ORDINARY NAMIBIAN

The Namibia Statistics Agency (NSA) published Namibia's Multidimensional Poverty Index (MPI) in 2021.

"The MPI assesses the simultaneous deprivations experienced by people in a society based on several identified dimensions of poverty in a particular setting.

Monetary poverty considers income or consumption-expenditure poverty, whilst the MPI considers the many overlapping deprivations that poor people experience at various levels of society. MPI measures both the incidence of poverty (proportion of people classified as poor) and the intensity of poverty (how poor they are)" (Namibia Statistics Agency, 2021).

The MPI measured 11 metrics in three categories: education, living standards and health. The analysis found that 12.5% (one in eight) of Namibia's population is both monetarily and multidimensionally poor. Close to half (47.5%) of the population is either monetarily or multidimensionally poor, or both.

The highest poverty levels are in access to transportation assets, sanitation and cooking and lighting energy. Access to housing, food security and child nutrition are also at concerning levels. More than 10% of the population needs access to safe drinking water, as per SDG6.

Regional analysis of this data indicates that the highest poverty levels are found in the Kavango West and Kavango East regions, followed by the Kunene, Zambezi and Ohangwena regions.

Significant challenges were noted in SDG 1 (No Poverty), SDG 2 (Zero Hunger), SDG 6 (Clean Water and Sanitation), SDG 7 (Affordable and Clean Energy) and SDG 10 (Reduced Inequalities). However, performance on these SDGs will enable Namibia to reduce all types of poverty for a better quality of life.

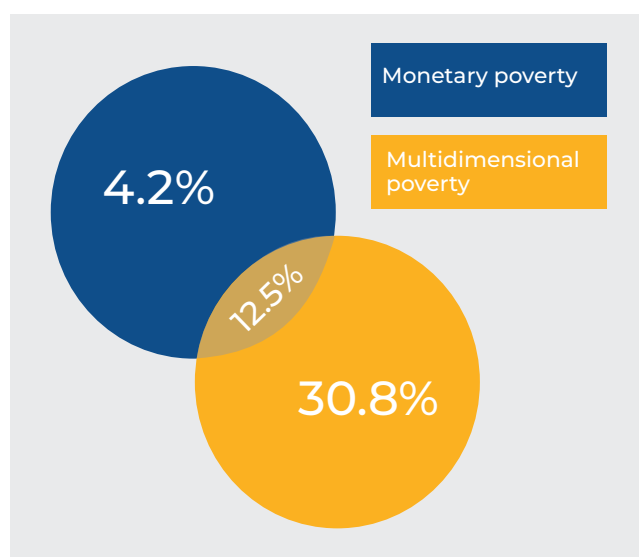


Figure 5: Poverty rates in Namibia

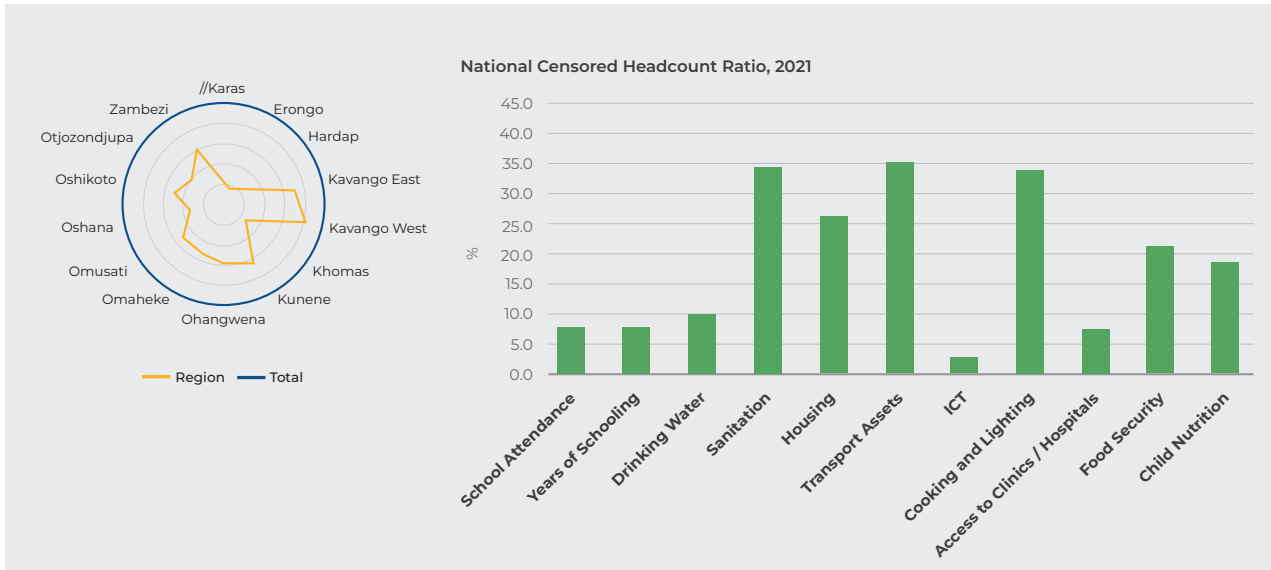


Figure 6: Multidimensional poverty rates per metric and region

POLICY ENVIRONMENT

In the MPI, the Director-General of the National Planning Commission (NPC) rightly indicated that the outcome of the MPI report should create a platform for national dialogue and be considered in national policy formulation to reduce poverty in Namibia.

The UN Conference on Trade and Development (UNCTAD) notes that “Policy advocacy by investment promotion agencies (IPAs) serves three major functions for overall national development: (1) it helps shape the investment climate to attract greater inflows of foreign direct investment (FDI); (2) it promotes policies that allow greater benefits to be extracted from that FDI; and (3) it builds national competitiveness in a global economy. When done well, policy advocacy enhances dialogue and policy review with stakeholders, including the investor community, thereby contributing to good governance in investment promotion.”

A good investment policy and the law ensure an attractive investment climate for local and foreign investors. Currently, the Foreign Investment Act of 1992 is the overarching investment law. However, it does not consider local investment. In 2016, the Namibia Investment Promotion Act was passed in Parliament but has yet to be enacted due to many concerns by the business community. The Act has been under review since then and is currently undergoing stakeholder consultations.

Impacting the policy environment to facilitate investment is part and parcel of the NIPDB’s organisational strategy. It is embedded in our activities related to enhancing Namibia’s competitiveness and improving the Ease of Doing Business. An essential part of the NIPDB mandate includes reviewing and proposing policy reforms and measures to support trade and investment attraction, promotion and facilitation.

Finally, it is worth noting that effectively impacting the policy environment must be done from an informed perspective. This is vital to ensuring that the country’s policy position is based on applicable benchmarking, an understanding of the constraints the country’s business community faces, and global and local insights that allow the country to scale in its investment aspirations. In this regard, the NIPDB recently received Cabinet approval and secured funding support from FirstRand Namibia to subscribe to the IMD World Competitiveness Yearbook. This report’s quantitative and qualitative insights will allow the NIPDB to better position the country for investments through policy reform.

STAKEHOLDER PERCEPTIONS OF NAMIBIA'S INVESTMENT ATTRACTIVENESS

The Namibia Investment Promotion and Development Board (NIPDB, “the Company”, “the Agency”) was created to support Government Offices, Agencies and Ministries (OMAs) to create an investment-friendly climate that will stimulate private-sector-led economic growth and enable business activities to reduce unemployment and inequality.

A crucial part of delivering on this mandate includes proposing and providing input into existing and new policies and regulations for a business-friendly environment.

NIPDB conducted interviews with a sample of key stakeholders at its establishment. The stakeholders provided feedback on their experience of Namibia as an investment destination as follows:

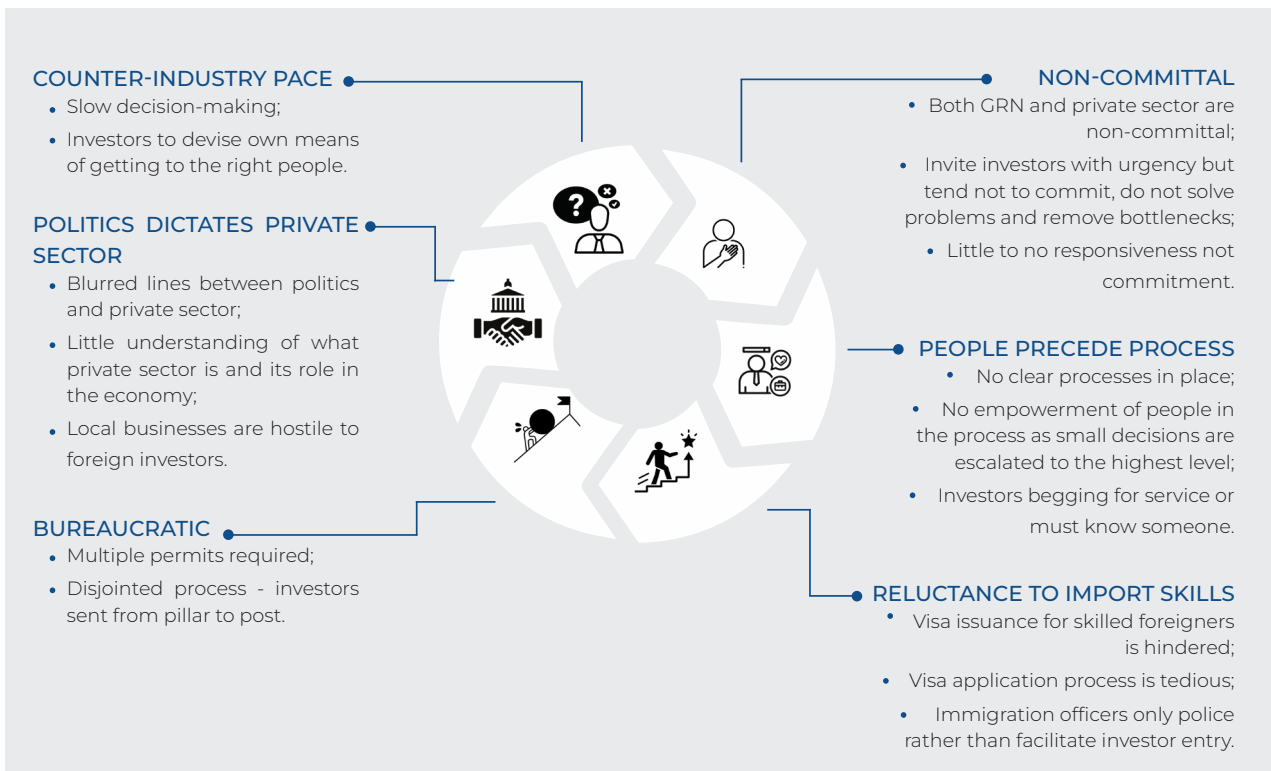


Figure 7: Stakeholder perceptions of Namibia's investment climate at NIPDB's establishment, source: surveys and interviews



“Reluctance to import skills”

NIPDB has built a strong relationship with MHAISS and participates in engagements to enhance the immigration law

“Politics dictate private sector”

NIPDB has assembled various working committees on which private sector and OMA representatives serve and provide input to policies and processes

“Country-Industry pace”; “bureaucratic”; “non-committal”; and “people precede processes”

The Investor Experience. Retention and Aftercare Department serves investors to assist in timeously solving their queries

Over the past two years, NIPDB has engaged stakeholders on policies and processes to address their concerns.

NIPDB must continue engaging and supporting OMAs to create a competitive investment climate.

Finalising investment legislation such as the Namibia Investment Promotion and Facilitation Bill (NIPFB), the National Equitable Economic Empowerment Bill (NEEEB), the Special Economic Zones (SEZs) and Incentives will provide investors with certainty.

Apart from our work on policies, NIPDB must continue to engage and support other OMAs to streamline and entrench processes and procedures across Government to provide fast, quality services to investors and residents.

WHERE NAMIBIA NEEDS TO GO TO TURN THE TIDE

The Namibian Government appointed Harvard Growth Lab (HGL) in 2020 to analyse Namibia's economy and identify the factors that will promote sustainable and inclusive prosperity in Namibia.

HGL conducted in-depth research over three years, including understanding the drivers of macroeconomic activity and constraints to growth. HGL has found that present economic complexity best predicts future economic growth. HGL determines a nation's economic complexity by assessing Comtrade data and considering the complexity of a nation's export basket.

HGL ranked Namibia as the 97th most complex economy out of the 133 countries measured. Namibia's economic complexity has only improved by two places over the past decade, and GDP per capita has declined over the last five years, which is not ideal. Most of Namibia's exported products have low complexity; the nation's average complexity is -0.77 (Harvard Growth Lab, 2021).

Namibia is encouraged to commence the process of structural transformation in which economic activity is allocated from low to high-productivity sectors. Targeted diversification into new and viable sectors with high economic complexity is further required to attain sustainable and inclusive economic growth. Increasing Namibia's economic complexity will also make her more resilient and better able to withstand global economic shocks. Hence economic diversification is essential for Namibia's future recovery and sustainable growth.

The environmental analysis has highlighted the **key challenges** that can impede Namibia's inclusive economic growth if not overcome. The high-level strategic responses to overcome the challenges have been identified as follows:

KEY CHALLENGES	STRATEGIC RESPONSES
The increasing cost of living and high national poverty and inequality rates	Support stakeholders with the identification and creation of future skills needs, support initiatives to reskill school leavers and graduates for the industry's skills requirements, create linkages for qualifying MSMEs in the value chains of investment projects to support the creation of quality jobs, reducing unemployment and inequality.
Regional and global electricity supply crises	Namibia is blessed with significant renewable energy resources that can be leveraged to enable significant electricity generation capacity for local use and exports.
Exchange rate fluctuations devalue the currency and contribute to inflation, creating unexpected financial pressures with rising costs	Identify and support activities that create import substitution and increase exports to improve the trade balance and reduce the impact of currency fluctuations on the population.
High national debt levels	Facilitate investments and re-investments to increase economic activities driven by the private sector, increasing tax revenues available and reducing the portion of the population reliant on social services and protection from the State.
High rates of poverty related to the availability of essential goods and services	Reduce the volume of imported essential goods and services by increasing local production capacity.
Poverty levels that are more pronounced in certain regions and causing rapid urbanisation	Package investment opportunities in the impoverished regions with fewer economic activities and facilitate support for enterprises that can gainfully employ a large portion of the unemployed population in those regions and provide a high quality of life.
Policy climate that is considered to be uncertain	Leverage the private sector Policy Working Committee to timeously identify policies that are constraints to business and continue to engage policy owners.
Stakeholder perceptions of Namibia's investment climate as non-conducive to business	Enhance nation branding activities to raise awareness about Namibia's attractiveness as an investment destination, provide investor services to improve the ease of doing business, and engage stakeholders to improve investor processes.
HGL outcomes and recommendation to diversify the economy	Support the Government with the implementation of the HGL recommendations, including the identification and development of new sectors to diversify the economy

Table 1: Key challenges and strategic responses for inclusive economic growth

COMPETITIVE POSITIONING OF NAMIBIA AS AN INVESTMENT DESTINATION

Namibia is our product and effectively marketing her means we must understand her competitive position. Namibia's strengths lie in its resources, geographic location, beautiful landscapes, political stability and the rule of law. Our weaknesses largely stem from the small market size with long distances between communities, leading to increased transportation costs and an unskilled workforce that needs to be reskilled. Several external events present both an opportunity and a threat, and Namibia needs to position herself to leverage opportunities whilst mitigating the threats.



Figure 8: Namibia's SWOT analysis

OPPORTUNITIES – NAMIBIA, A NATION POISED FOR GROWTH

Although faced with many challenges, new opportunities could enable sustainable and inclusive growth for Namibia.

Namibia becoming the sustainable energy capital of Africa

The global top ten sectors in terms of capital investment attracted in 2022 bring hopeful news for Namibia.

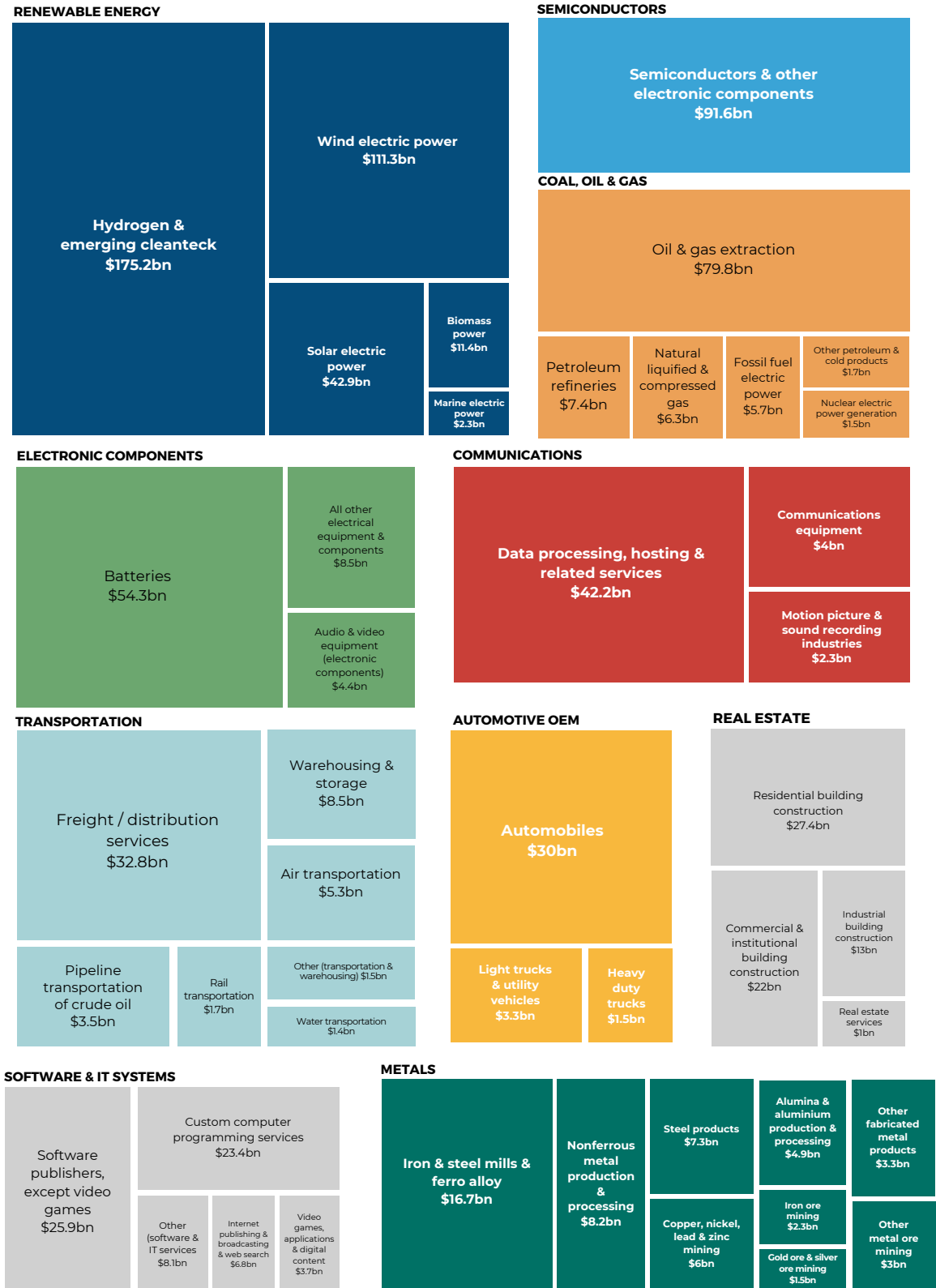


Figure 9: Top ten sectors in 2022 by capital investment (USD Bn)

The renewable energy and oil and gas sectors constituted a significant share of investments made in the world in 2022, two industries in which Namibia has globally comparative advantages.

Namibia has significant energy resources in wind, solar and biomass, creating investment appetite. From a sector regulation perspective, the Electricity Control Board (ECB) has developed a Modified Single Buyer (MSB) model that seeks to deregulate the sector to allow for increased private sector participation. The MSB enables private entities to generate electricity, reducing the reliance on NamPower to meet most the country's electricity demands.

Namibia updated its National Integrated Resources Plan (NIRP) in 2016, spanning 2016 to 2035. The NIRP is the development plan for the country's electricity supply industry and includes the country's preferred and desired electricity generation mix. As a party to the Paris Agreement, Namibia's COP21 submission indicated that the country aims to increase its share of electricity generated from renewable resources from 33% recorded in 2010 to 70% in 2030. This policy encourages investments in the renewable energy sector, evident from NIPDB's pipeline of investment projects in which the sector consistently has the largest share of investment projects by value.

Apart from the interest in investing in the renewable energies sector, Namibia's oil and gas discoveries have resulted in significant greenfield investments in 2022. Large Multi-national Corporations (MNCs) in the oil and gas sector have started investing substantial portions of their exploration budgets in Namibia, including TotalEnergies, Shell and Galp, due to large oil finds off the coast of Namibia. Although considerable oil deposits have been detected, further appraisal wells need to be drilled to assess the commercial viability of the stakes. The advent of the oil and gas sector would be entirely new for Namibia and require the country to train and develop specialist skills for citizens to work in the industry at the required standard. Apart from the activities related to extraction, other aspects of the oil and gas value chain present opportunities for investment, local participation and quality jobs in Namibia.

Despite its discovery in 1974, the Kudu Gas field off the southern coast of Namibia has remained undeveloped due to demand-side challenges that would have resulted in the gas production being at unaffordable rates. However, the Namibian Government has since commenced Government-to-Government discussions to assist in securing access to off-takers through export markets for the Kudu Gas project. All these energy resources have the potential to position Namibia as "the sustainable energy capital of Africa" if adequately harnessed.

Namibia's large landmass, long coastline and high PV potential are ideal conditions for the production of green hydrogen at globally competitive rates. Re-enforcing its intent to pioneer the development of this new sector worldwide, the Namibian Government concluded its agreement with Hyphen Hydrogen Energy to develop the biggest green hydrogen project in Sub-Saharan Africa in May 2023. Apart from generating and exporting green hydrogen, the nation must capitalise and invest in the various aspects of the green hydrogen value chain to maximise the value derived from this sector. Notable by-products include desalinated water and the production of green ammonia, which can potentially strengthen the agricultural sector's output.

Furthermore, critical raw minerals required in the energy transition present new opportunities for exploration and manufacturing as Namibia remains under explored.

Increasing the agricultural sector's productivity

With 92% of the country classified as hyper-arid and semi-arid, Namibia has historically been considered an unfavourable location for agricultural production. However, technological advancements create new possibilities for this sector. Namibia successfully commenced the production of table grapes, Medjool dates and Barhi dates at the quality required by export markets. Further investments have been made in producing blueberries and fresh asparagus in Northern Namibia. Aquaculture and horizontal agriculture are farming methods that more investors are exploring to improve local production and food security.

Besides direct production, Namibia is exploring its potential to participate in agro-processing by packaging projects for investment.

Investments to manage risks – away from high resource dependence

As part of the HGL outcomes, Namibia is committed to diversifying the economy and developing new, more complex sectors that are not dependent on resources. The NPC has indicated that the outcomes of the HGL study will be critical inputs in developing the Sixth National Development Plan (NDP-6) to change the economy's structure towards one that is more resilient and less vulnerable to external shocks. A key objective of NDP-6 will be for the Government's OMAs to improve their coordination to attain Vision 2030. At NIPDB, we have started seeing enhanced coordination with other OMAs, allowing for the development and promotion of impactful investments across the nation, with the Government committing to support import substitution through its budget.

Leveraging our infrastructure to facilitate regional integration

The Africa Continental Free Trade Area Agreement (AfCFTA) is a flagship project of Africa Agenda 2063, creating the Africa we want. This trade agreement is a game-changer for Namibia, a nation historically offering a small market size due to a small population of 2.5 million people. The AfCFTA provides Namibian producers access to about 1.2 bn people on the continent, enabling economies of scale.

Africa has maintained high fertility rates amidst a drop in fertility worldwide. The continent will provide most of the world's workforce of the future, providing much needed human capital.

The agreement is an instrument that enables countries on the continent to trade with each other more effortlessly by eliminating trade barriers. With an efficient port, the best roads in Africa, and the recently landed Google-Equiano sub-sea cable, Namibia is well-placed to be a gateway into South and Central Africa, supporting regional integration.



Figure 10: Advanced regionally connected logistical infrastructure

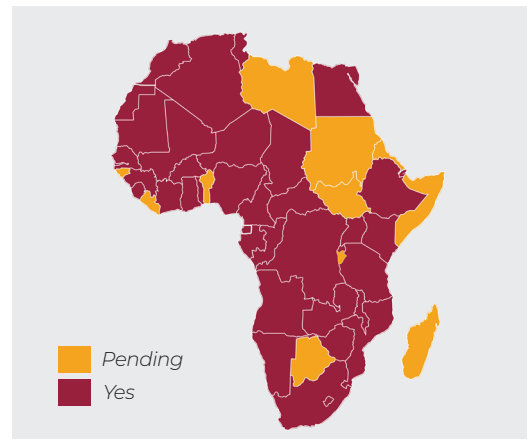


Figure 11: Parties to the Africa Continental Free Trade Area Agreement

Africa – a continent gearing up for industrialisation

The AfCFTA reflects Africa's desire to create “one African market” and aims to harness each nation’s strength for the collective benefit of all Africans. The practical implementation of the agreement is expected to boost inter-Africa trade by 52.3%, grow African income by USD 450bn (7%) and lift 30m people out of extreme poverty. A key opportunity in AfCFTA is the creation of regional manufacturing and processing hubs, with each nation deploying its strengths to derive more value from African raw materials on the continent.

Having recently entered into it, the second decade of the Africa Agenda 2063 has been termed the “decade of acceleration”. African leaders continue to demonstrate their commitment to the objectives of the AfCFTA and, ultimately, the ambitions of Africa Agenda 2063. For instance, both Zimbabwe and Namibia recently announced that certain critical raw minerals, including lithium, will no longer be allowed to be exported in their raw form and must undergo some form of value addition locally. This position creates extensive opportunities for investments in the secondary and tertiary sectors of the economy.





THE ROLE OF NIPDB IN NAMIBIA'S ECONOMIC DEVELOPMENT AGENDA

With less than seven years left to the end of Vision 2030, Namibia needed an agency to spearhead its economic development by facilitating linkages, purposefully attracting and retaining local and foreign investment and engaging both the public and private sectors to ensure a business-conducive climate. Nations in similar positions in the past, including Singapore, Mauritius and Rwanda, have credited their success to establishing effective Investment Promotion Agencies with similar mandates, resulting in positive economic growth and improved livelihoods for their citizens.

ESTABLISHMENT AND GOVERNANCE

NIPDB was registered as a non-profit association per Section 21 of the Companies Act no. 28 of 2004 on 27 November 2020. The Agency started its operations on 01 April 2021 and will have been operational for two years at the commencement of this strategy.

The Namibia Investment Promotion and Facilitation Bill will mandate NIPDB's activities once it is enacted as law. The Ministry of Industrialisation and Trade (MIT) is the custodian of the Bill, which is currently undergoing stakeholder consultations.

Governance structures

The Members of the Company, per the articles of association, are the Advisory Board members appointed in an advisory capacity for a three-year term by the President of the Republic of Namibia. However, the Agency must appoint a Board of Directors per the Companies Act of Namibia requirements. As such, the Company's Executive Officers are appointed as the Executive Board, who report to the Advisory Board.

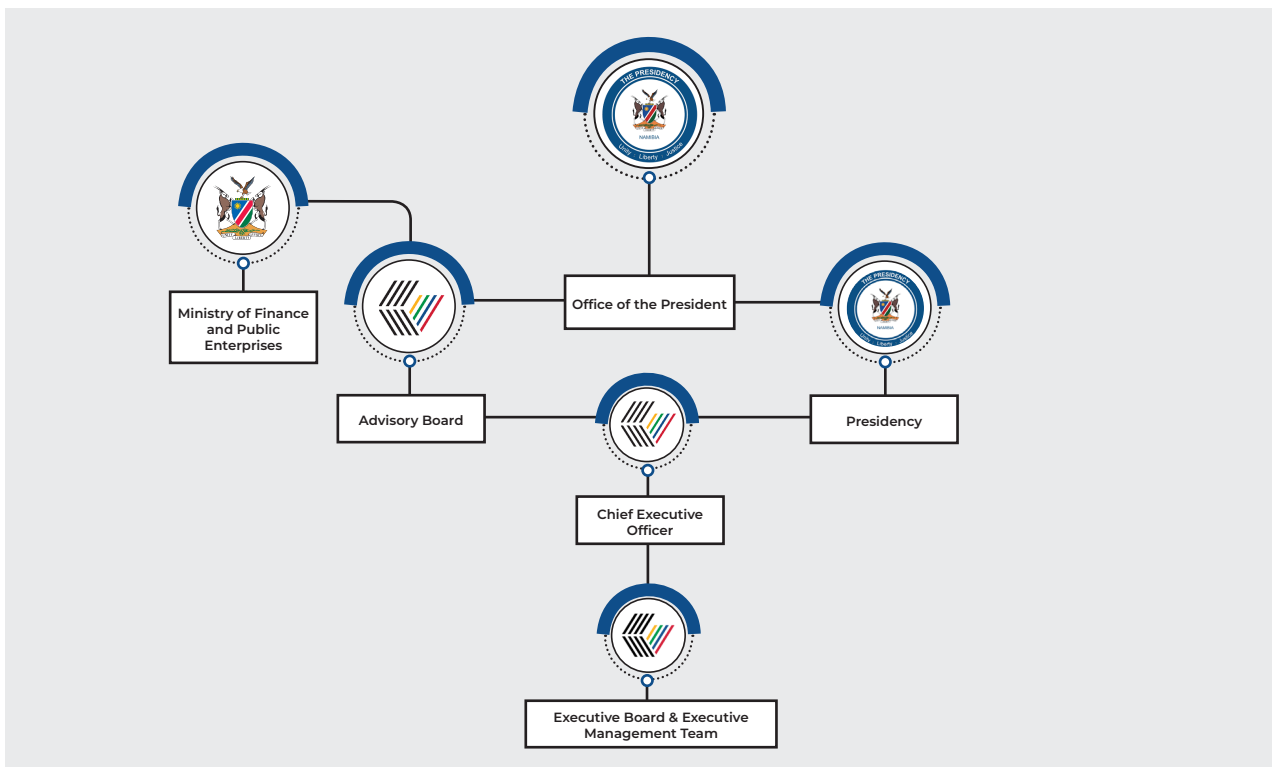


Figure 12: NIPDB's governance structure

The Chief Executive Officer (CEO) is the chairperson of both the Executive and Advisory Boards. The Advisory Board has a dual reporting line to the Office of the President and the Ministry of Finance and Public Enterprises (MFPE).

The Advisory Board shall, in addition to any legislative and contractual duties in terms of the Articles of Association, provide advice to the President on matters relating to the performance of the Company, including but not limited to:

- a) The suitability of a candidate to be appointed as Chief Executive Officer of the Company;
- b) Measures that are necessary to safeguard the performance of the Company and achievement of its objectives;
- c) Measures that will foster the growth of Namibia's economy by recommending the development of appropriate infrastructure, formulating and implementing investment promotion policies and plans, incentives and strategies to support enterprises in Namibia;
- d) Any other matters aimed at promoting the achievement of the objectives of the Company; and
- e) Other related matters as the Presidency may determine from time to time.

NIPDB is classified as a Tier Three Public Enterprise as defined by the Public Enterprises Governance Act. The Advisory Board and Executive Management are remunerated per the Ministry of Finance and Public Enterprises' published guidelines.

OPERATIONALISATION STRATEGY

NIPDB developed its initial two-year strategy to establish itself as a trusted investment promotion and facilitation agency for Namibia while suitably responding to its internal and external environmental factors.

The organisation was established at a dire time for Namibia, just when the country faced uncertainty caused by falling commodity prices and the COVID-19 outbreak in 2020. The following year of 2021 was not much better as the outbreak of the Russia-Ukraine conflict had far-reaching impacts on every Namibian by contributing to the cost-of-living crisis.

Consequently, the two-year strategy was underpinned by driving NIPDB to be effective and efficient as soon as possible after commencing operations and much needed to be done during the initial years, including establishing NIPDB as an Investment Promotion Agency (IPA), raising awareness about Namibia and NIPDB, studying and understanding the dynamic environment, moving agilely and building relationships with stakeholders.

A crucial part of our mandate is increasing the private and public sector dialogue to foster trust and cooperation for the benefit of all Namibians. It will take all hands on deck to truly realise Namibia's potential.

Our core corporate identity continues to resonate; however, our operating environment has significantly changed over the last two years. At the establishment of NIPDB, the COVID-19 pandemic was raging, and many lives were lost, with rising protectionism and supply chain shortages. We were uncertain about how the world and Namibia would emerge after the pandemic as nations faced a global recession. At the crafting of this strategy, the pandemic was mostly under control. However, new uncertainties arose with increased geo-political tensions, most notably the Russia-Ukraine conflict. We are learning that uncertainty is the new normal, and our values of agility and innovation remain critical. Hence we must consistently stop and assess our environment during the strategic period.

A key component of developing our strategy is to take stock of what we planned to achieve and how we have fared so far and we conducted an environmental scanning at the commencement of the strategy.

HIGH-LEVEL STRATEGIC REVIEW

Over the last two years, the investment environment has undergone notable changes. FDI was the highest it has been since 2016, showing investor confidence as more investors are willing to invest their money in Namibia. This also indicates increasing awareness of Namibia as a preferred investment destination.

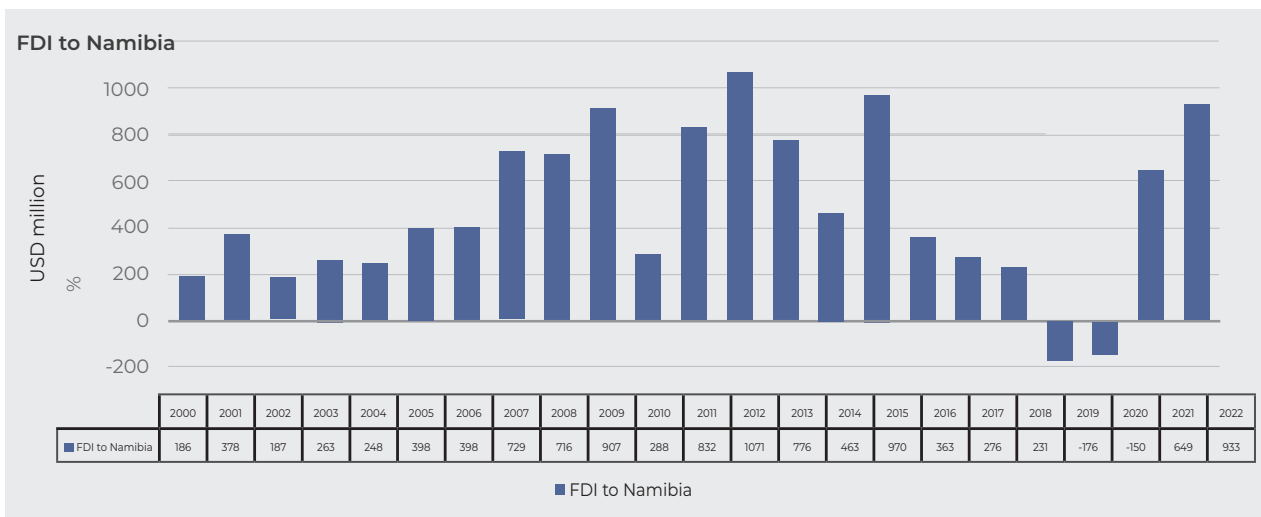


Figure 13: Historic FDI to Namibia

Large-scale construction projects drove the boom in FDI between 2005 and 2009, and the opening of the B2Gold mine and Husab Uranium mine were the main contributors to FDI from 2013 to 2015. FDI declined from 2016 to 2020, with negative FDI observed in 2019 and 2020. This means that, on average, investors repatriated their money out of Namibia instead of increasing new investments or re-investing the profits earned on their ventures. Mining activities and oil and gas explorations primarily drove the exponential growth in FDI in 2021 and 2022.

The average annual FDI to Namibia over a three-year average was negative USD 32m from 2018 to 2020 and turned positive to USD 477m from 2020 to 2022. A similar trend can be seen in the re-investment of earnings.

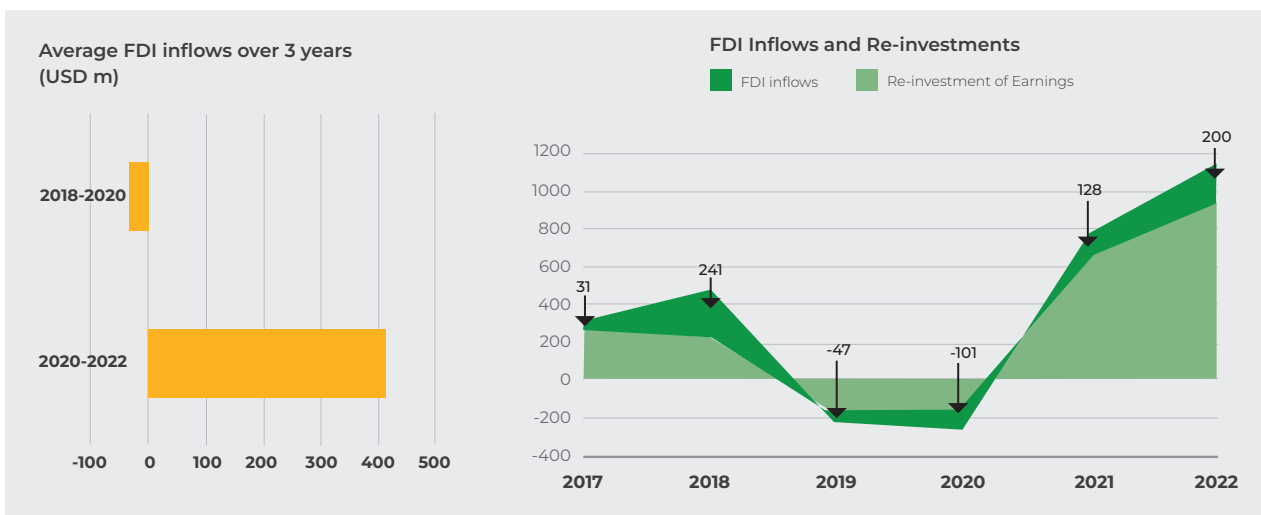


Figure 14: Average FDI inflows and re-investments of earnings

The changes in the investment environment are a result of combined Government efforts to market Namibia and facilitate investments by improving the ease of doing business, thereby making Namibia more conducive for business.

Delivering value for Namibia – our successes

Our most notable successes are in the areas of FDI and NIPDB’s private investment pipeline. The investment pipeline excludes the green hydrogen and oil and gas exploration sectors, as we believe that those metrics will inflate the reported figures. At the end of the two-year strategy, NIPDB had a potential private investment pipeline of N\$ 161bn and 39% of the value of the pipeline was in the renewable energy sector.

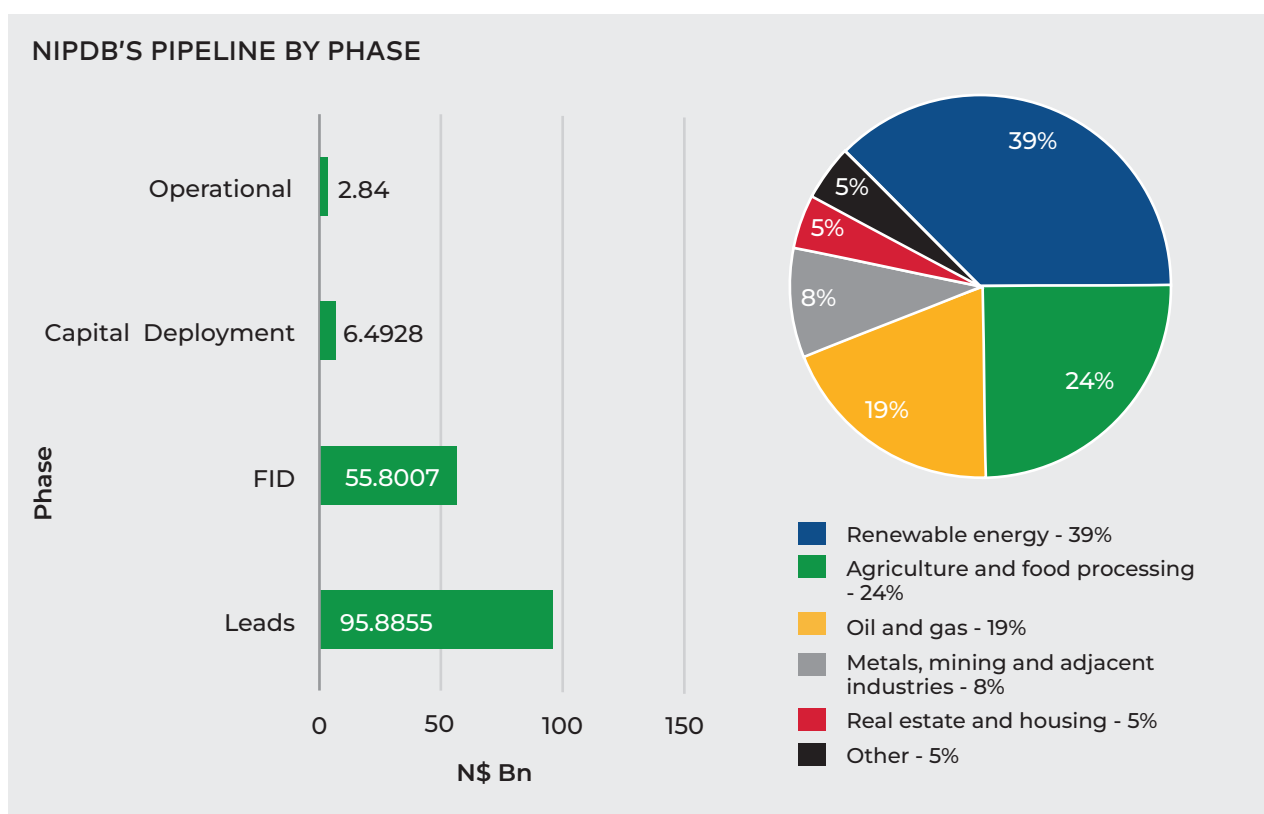


Figure 15: NIPDB's private investment pipeline¹

Furthermore, we commenced the establishment of three new sectors to diversify the economy, namely the film, component manufacturing and digital services sectors.

The ease of doing business in Namibia has started showing improvements and continues to garner support from other OMAs by establishing the Ease of Doing Business working committee. The Namibia Investment Promotion and Development Board (NIPDB) launched the physical one-stop centre in October 2022 and it is offering services to qualifying and registered investors, although it has yet to be fully occupied.

¹Projects included in the oil and gas sector relate to the production of gas and exclude oil exploration.

The Ministry of Home Affairs, Immigration, Safety and Security (MHAISS) has embraced the NIPDB and implemented several initiatives to improve the Ease of Doing Business. With the support of NIPDB, MHAISS has reduced the visa turnaround time from 120 days to 21 days for investors serviced in the One Stop Centre. The World Bank reported that it took 66 days to register a business in Namibia in 2019 in its Ease of Doing Business Report. This metric improved to 7 days per our tracking. However, we are aware that there is room for improvement. MHAISS launched the digital nomad visa to increase tourism in the country, which is tied to our mandate as data shows many investors consider locations they previously visited when determining the site for new investment projects. Namibia received her first two digital nomads in February 2023. With the work done by MHAISS, Namibia is addressing the report upon NIPDB's establishment by investors that Namibia is reluctant to import skills.

Of course, a vital component of the visa process is to hold investors accountable for the commitments made during the visa application process by supporting MHAISS in assessing investor compliance through business evaluations and ensuring that we attract responsible investors who comply with the laws and regulations of the country.

Unfortunately, the World Economic Forum (WEF) has not published the Global Competitiveness Rankings since the operational strategy was set. Therefore, we referred to an alternative ranking to assess changes in competitiveness. Rand Merchant Bank (RMB) ranked Namibia as the 19th most attractive investment destination in 2021 in its Where to Invest in Africa Report.

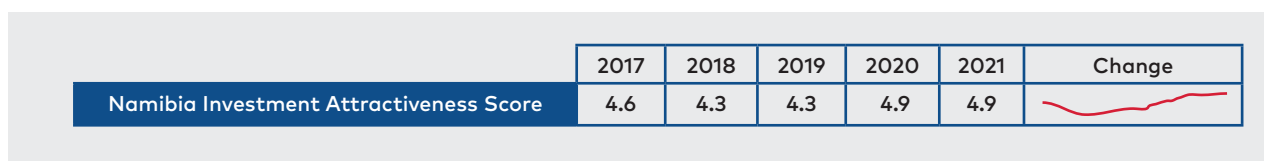


Figure 16: Namibia's scores in RMB Where to Invest in Africa Report

Namibia's score is stagnating in 2021 but has significantly increased since 2019. As Africa's 19th most competitive nation, Namibia ranks in the 36th percentile (ranked out of 54 economies), which is lower than we would like it to be. During the initial two years, we actively engaged the policy owners of five key policies that impact the investment climate, namely:

- Migration Bill (currently called the Immigration Control Act)
- Namibia Investment Promotion and Facilitation Bill
- Special Economic Zones and Incentives
- National Equitable Economic Empowerment Bill
- Data Protection Bill

Our objective was to engage on policy reforms as two years were too short to inform policy owners of our mandate regarding policy advocacy, commence the engagement process, participate in consultations, and table the policies to Cabinet.

Both Namibia and NIPDB have generated positive stakeholder perceptions, with only 6% negative sentiment reported on social media for the quarter ending March 2023, measured by Meltwater. We continue to monitor sentiment and devise strategies to respond as perception becomes reality.

Over the past two years, we discovered that investors hold many negative misconceptions and know little about Namibia. Consequently, a key component of increasing competitiveness is generating awareness and accurately portraying Namibia as an investment destination. Namibia's participation at Dubai Expo 2020 effectively told the world that Namibia is "open for investment". NIPDB generated 90 investment leads from Dubai against a targeted 50 leads, of which one remains in our pipeline today and has an investment value of N\$ 11bn and the potential to create 600 permanent jobs. The potential investor has decided to invest and is engaging stakeholders to ensure the project delivers results for its various stakeholders.

From an MSME perspective, we learned that one size does not fit all. Not all MSMEs are interested in scaling up, and MSMEs trading in the informal economy require different types of support compared to formally registered MSMEs. Our approach to delivering targeted support to MSMEs changed significantly during the two years. At the end of the strategic period, 791 out of a targeted 1,000 MSMEs were registered with us.

To understand the challenges MSMEs face in obtaining market access, NIPDB visited 30 local authorities in Namibia, collaborating with stakeholders from both the public and private sectors to launch the first Know2Grow (K2G) national information dissemination campaign, where the focus was on access to new markets and access to financial instruments.



The national K2G information exercise reached 3,123 entrepreneurs and small business owners in 2022, where these MSMEs showcased that their products have the potential to be stocked on retail shelves, both locally and internationally, with focused and targeted interventions.

After market access, most MSMEs require access to finance to scale and grow their business. Although NIPDB does not provide funding, we observed that financiers are eager to partner with NIPDB and create shared value for MSMEs through information dissemination by funding and participating in initiatives that will support the sector. The banking sector, in particular, has shown interest in educating entrepreneurs on how to better access financing for their businesses.

We commenced with identifying organisations that we can engage and support to provide coordinated support to MSMEs and had our first engagement with Business Support Organisations (BSOs) in March 2023. In the next strategic period, we will better leverage partnerships to improve how we serve MSMEs.

Building the organisation whilst studying the landscape and delivering on the mandate was a taxing exercise that we are fortunate to have completed effectively. Prioritised positions were recruited by the end of 2022, and crucial human resource policies were implemented. This reflects the need to care for our employees, capacitate the organisation and simultaneously execute our strategy. Building a healthy culture and effecting change management was part of the work we started to improve our employees' well-being. The performance management system was implemented to inculcate a culture of accountability and facilitate employee development.

The financial management function is well established with timely financial planning and reporting processes, including cashflow management, budgeting, financial reporting and closing the external findings timeously. The procurement process is implemented per the Procurement Act, with supporting systems in place.

Critical aspects of the governance framework are established. Performance agreements are in place for the Advisory Board members, the CEO and all Executives. The delegation of authority policy, conflict of interest, gift disclosure, and declaration of interest policies were developed and implemented. These measures address the risk of governance abuse by NIPDB employees due to our access to privileged information, as noted in the former SWOT analysis. Furthermore, the contract management process and the system have been implemented, which was a priority as contracts that NIPDB enters into have a high risk of committing the nation at large. Critical organisational policies and procedures, such as the recruitment and selection policy, were developed and implemented.

Digitalisation is critical to our operations as we rely on technology to perform everyday tasks. Consequently, the IT governance processes, including the IT risk register, have been developed and implemented. A separate automation strategy was developed, of which 65% of initiatives were implemented, above the targeted 55%.

Per the internal peer rating and review, the operations department received an average rating of 4 out of 5 across the organisation, which indicates that the internal customers, our people, are satisfied with the support received from the Operations team.

The challenges we face and must improve on

In terms of investment, our main challenges stem from a low pipeline conversion of leads to operational investment. It takes too long for investments to move into the subsequent phases of the pipeline. Therefore, it takes longer for investment to occur and for impact to be felt at the grassroots level. This indicates that we must improve our ability to attract quality leads into the pipeline and enable the realisation of investments more deliberately.

In terms of competitiveness, the main challenge we currently face is the slow-moving speed of policy reforms and the policy uncertainty that investors face. Additionally, we need to accelerate the Brand Namibia project to develop and promote a comprehensive brand image for Namibia.

Unfortunately, we fell short of meeting the objective of promoting startups that will solve national problems. We recognise the strong foundation that was laid by Startup Namibia, which contributed to Namibia joining the global startup ecosystem index by StartupBlink for the first time in 2021. The closure of Startup Namibia creates a vacuum that must be filled to continue this momentum. Startups are uniquely positioned to champion innovation and fundamentally change a nation's economy, investment attractiveness and ability to attract talent and funding. During the next strategic period, we will intentionally channel resources and collaborate with others to boost Namibia's startup ecosystem.

We faced the most challenges in delivering the skills required by investors. The biggest hurdle faced is data availability, data completeness and accuracy. We do not have an accurate view of the skills available in Namibia, of the Namibians in the diaspora that we can engage to attract back to the country and of the education and skills required versus those offered by the education sector. It should be noted that the employee of the future requires vastly different skills than those currently on offer, starting from basic education.

Skills remain a critical constraint to attracting investment, and creating jobs that expatriates will permanently perform will exacerbate the triple challenges of unemployment, poverty and inequality. We are running against the clock as the labour force grows with new graduates that the market cannot absorb. Furthermore, unemployed graduates are only one part of the challenges, as most of Namibia's unemployed people comprise school leavers with no tertiary education.

That is to say that creating competitive talent and skills remains salient for Namibia. However, we underestimated the work required and acknowledge that a multifaceted approach is required. Whilst the education sector needs to become more responsive to industry needs, Namibia also needs to retrain and reskill graduates and create opportunities for quality employment for school leavers.

Whilst planning for the next five years, we were more aware of the magnitude of this challenge and believe that we are better equipped to deliver on this objective, particularly as it relates to the new sectors we are developing.

Concerning fundraising activities, we raised 1.4% of the mandate implementation budget against a target of 15%. However, we have noted higher uptake from the private sector and development partners to support certain mandate-related activities with funding. This may be due to NIPDB becoming more established and more trusted to execute well, coupled with a better understanding of our mandate.

Regarding governance, the risk policy and organisational risk register are shortfalls we will address during the 2024 financial year. A Legal and Compliance Officer was recently appointed to the Division, and an Internal Auditor will be appointed soon to support the Compliance function.

Unfortunately, the procurement of adequate cyber security and other tools has been delayed due to budgetary constraints, causing a slowdown in our digitalisation efforts.

Despite the challenges, we are comfortable that the company is well-capacitated and able to deliver on the five-year strategy ending in the 2028 financial year.



BENCHMARKING NIPDB TO OTHER IPAS

NIPDB became a member of the World Association of Investment Promotion Agencies (WAIPA), which connects IPAs worldwide and enables them to share their experience and expertise.

The association has 127 members. WAIPA measures success by the development of their members' FDI, which is aligned with our Key Performance Indicators (KPIs).

Membership allows us access to up-to-date information, investment promotion training and access to other IPAs. Furthermore, our membership enables us to share accurate information on Namibia's performance and benchmark our performance to that of other IPAs while observing investment promotion trends. The State of Investment Promotion Agencies Report (WAIPA, WBG, 2020) summarises outcomes from a survey conducted in 2019 against which we have benchmarked ourselves as follows:

Assessment area	IPA respondents	NIPDB
Corporate planning and sector prioritisation for investment promotion	<p>70% of IPAs have a multi-year strategy, including an investment promotion strategy. SDGs are used in sector targeting.</p> <p>On average, an IPA has 11 priority sectors.</p> <p>Renewable energy is a priority for 68% of IPAs.</p>	<p>✓ NIPDB has a five-year strategy supported by the Investment Promotion Strategy ("the playbook").</p> <p>NIPDB has ten priority sectors, of which renewable energy is central because of Namibia's resources.</p>
Institutional framework for FDI – improving governance, resources, tools, capacities and institutional coordination amongst key stakeholders	<p>"IPAs with a business-like structure are more successful in bringing investors to a location, as are those with institutional and financial autonomy, accountability, operational independence, and the flexibility to adjust their internal structure and resources. Support from the highest levels of Government is critical to IPA's performance.</p> <p>Only 9% of IPAs are a sub-unit of the President's Office.</p>	<p>✓ NIPDB is a unit in the Office of the President and is set up to run like a business. We have operational autonomy, which is supported by accountability measures as a public enterprise.</p> <p>While our resources might not be significant, we are receiving considerable support from the treasury, Namibian private sector, and development partners.</p>
Investor-focused services, supported by a comprehensive investor services framework	<p>IPAs offer various services across the investment phase, as indicated in Table 3.</p>	<p>✓ NIPDB provides a wide range of services to potential and existing investors and is supported by systems to record investor information and a relationship management system.</p> <p>We have a division focused on investor experience, which includes aftercare services.</p> <p>The pending full implementation of the One Stop Centre is somewhat of an obstacle, but the support of assigned focal persons in the interim provides some compensation.</p>
Advocacy to improve the investment climate	<p>65% of IPAs' mandates include policy advocacy, and the study found that IPAs often neglect policy advocacy despite its importance.</p>	<p>✓ NIPDB is mandated to influence policy, and the Agency's structure includes a policy unit which supports policy owners by proposing, reviewing and providing input into legal instruments to improve the investment climate and enable Namibian companies to utilise trade agreements and access international markets effectively.</p>

Table 2: NIPDB's offerings vs other IPAs

TYPE OF SERVICE / STAGE	ATTRACTION	ENTRY & ESTABLISHMENT*	RETENTION & EXPANSION	LINKAGES & SPILLOVERS
Marketing	69%	-	52%	52%
Information	61%	68%	52%	50%
Assistance	65%	62%	57%	54%
Advocacy	59%	57%	53%	47%

Table 3: IPA services provided per survey respondents

The benchmarking indicates that NIPDB’s structure, services and activities align well with most IPA respondents and that the Organisation is empowered for success. External factors such as technological advances, the rise of protectionism and changes in markets were some of the top challenges mentioned, which aligns with NIPDB’s experience. Mitigating the challenges will require consistent and timeous environmental monitoring performed by NIPDB’s internal Market Intelligence Committee and employees engaged in research and development activities.

NIPDB has further developed an Investment Promotion Strategy (IPS), which guides how priority sectors and target FDI markets will be identified. The IPS further guides how the organisation must act cohesively to attract quality FDI to Namibia.



LESSONS LEARNED OVER THE LAST TWO YEARS

We have an improved understanding of the IPA environment and what is required to create, retain and amplify impactful investments.

The learning curve during our initial two years was rather steep. However, we built an institution that is better able to deliver sustainable and impactful results. Over the next five years, we will no longer be a “newly established entity” and will channel more of our limited resources to deliver quick wins and, at the same time, lay the foundation for the impact that will be felt later. Over the next strategic period, we aim to leverage partnerships and collaborations better to deliver wins for Namibia whilst further strengthening the institution.

Although GDP growth and FDI are necessary measures, there are other indicators that we will focus on. Increasing GDP without creating new, quality jobs will maintain a similar position of being an upper-middle-class country with high levels of inequality. Beyond our core mandates relating to investments and MSMEs, we support other Government-led initiatives such as participating in bilateral negotiations, supporting some Cabinet Committees to ensure that directives are implemented and feedback granted to Cabinet and identifying possible SMART partnerships for the Government such as philanthropic organisations.

GIZ reports that it takes the average investor three years to decide to invest after the first point of contact. After the decision, the investor actively makes investment considerations such as identifying and acquiring land, sourcing funds, applying for licenses and completing the construction process. Thus, we must actively undertake initiatives to a) persuade investors to invest in Namibia faster and b) eliminate constraints in the investment cycle.

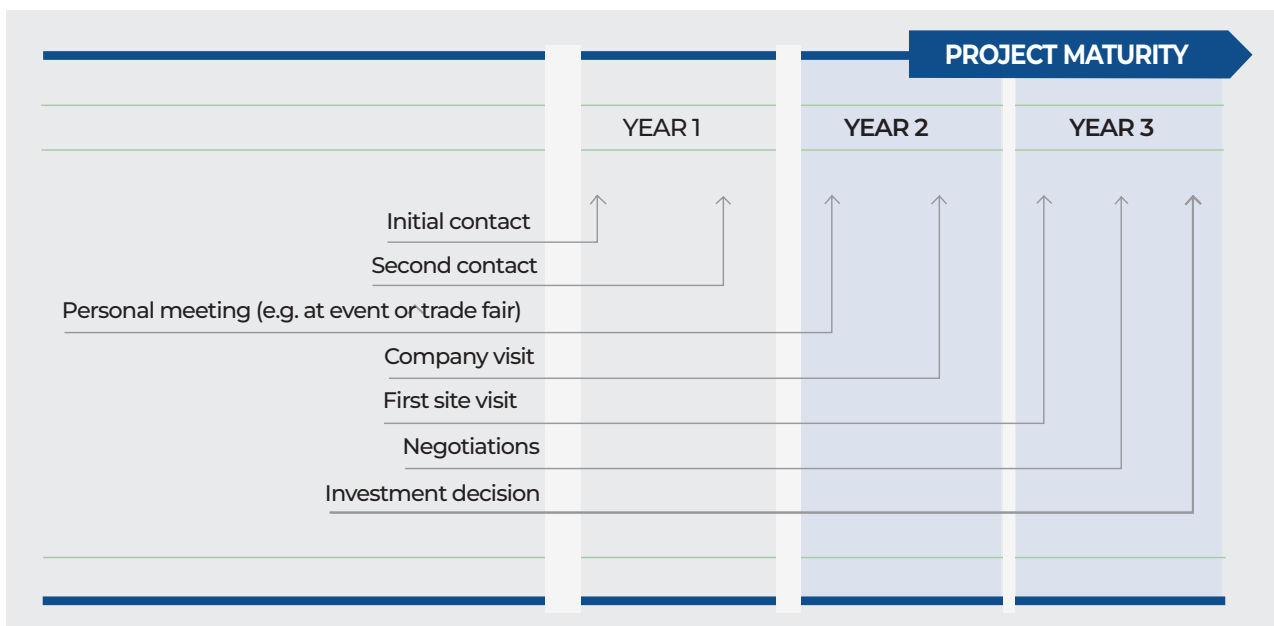


Figure 17: Typical timeline of an investor's decision-making process, source: GIZ

This indicates that we must channel resources and improve processes to reduce the investment cycle as far as possible. From a competitiveness standpoint, the World Bank has shared the survey results indicating the most important factors investors consider when determining where to invest.

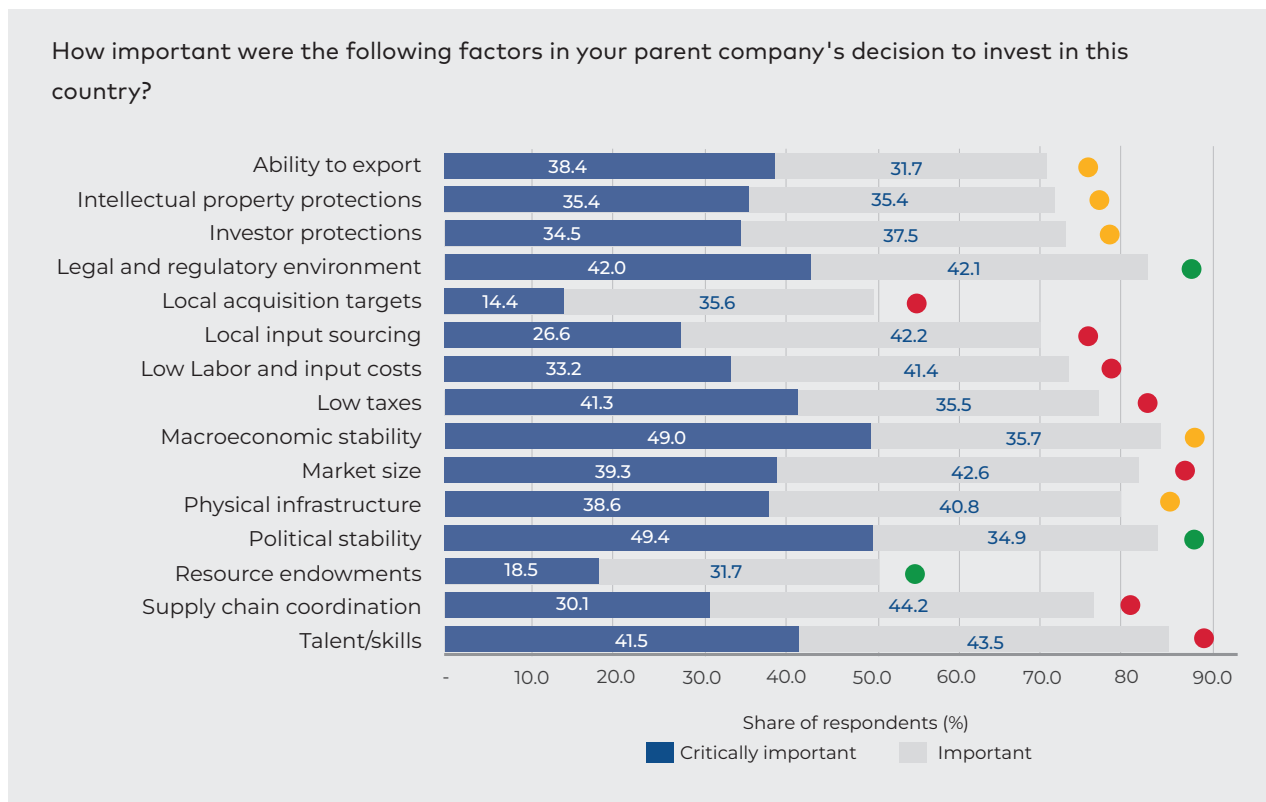


Figure 18: What investors are looking for vs Namibia, World Bank





The four most significant requirements for investors deciding where to invest are a) the availability of talent and skills, b) the legal and regulatory environment, c) macroeconomic stability and d) political stability. Our assessment indicates that Namibia performs well in two of the top metrics and has good macroeconomic stability but is severely challenged in skills and talent availability. Furthermore, Namibia's offering is inadequate in seven of the 15 metrics, including market size. However, we believe many of these obstacles can be overcome during the next five years and will be addressed by implementing this strategy as a supplement to other Government initiatives aimed at addressing these and similar challenges.

Much research has been done, and we are now aware of the types of investment required and associated costs to create quality jobs in Namibia. Apart from FDI, local investment, including re-investment, is a critical indicator that effectively shows "client retention". It is less costly and takes less time to support an existing investor to re-invest than to target, approach and persuade a new investor to invest. In the future, we will intensify our support to existing investors and assist them to expand their offerings, locally and internationally, and assist with business rescue to retain investment and jobs where possible.

From an MSME standpoint, we learned that one size does not always fit all. We have had countless engagements and initiatives where we equipped MSMEs with information to improve their offerings and provided platforms where MSMEs can showcase their goods. The outcomes from the regional fact-finding mission that we conducted will enable us to better offer responsive solutions to MSMEs' challenges. Apart from coordinating MSME activities and creating an enabling ecosystem, we have started offering targeted solutions, mainly to enable scalable MSMEs to grow from micro to small to medium and eventually into corporates.

We cannot increase the output in the MSME sector without a vibrant start-up ecosystem. We understand that Africa attracted USD 3.2bn in start-up funding up to 2022, of which Namibia's share only amounted to USD 18.2m (0.5%). A flourishing start-up ecosystem will improve Namibia's competitiveness by empowering local talent and attracting funding, technology and know-how.

SWOT ANALYSIS

The SWOT analysis provides a birds-eye view of the internal and external factors in the operating environment that will impact the achievement of our strategy. Strengths and weaknesses are internal factors over which we exert some influence and control. Opportunities and threats are external events and circumstances beyond our control that impact our operations and the execution of the strategy.

NIPDB's strengths are rooted in our people and the organisation's structure. Our workforce comprises highly talented and purpose-driven individuals with diverse skill sets, enabling us to harness each individual's strengths and realise the real power of teams. Our people are driven by a deep sense of purpose, rise to the challenge when required and are adaptive. We take pride in being solutions-orientated and have cultivated strong relationships with investors who continue to show themselves as determined to play a significant role in changing Namibia's trajectory for the better. Our strategic position within the President's Office further supports us in effectively delivering our mandate, both locally and on the global stage.

Our weaknesses lie in ineffectively deploying our limited resources. We continue to work on developing a robust governance framework. However, we have been challenged to document all our processes, effectively implement systems and align our people to the vision across NIPDB. The unfortunate result has been inadequate communication. This was mainly due to our being under-resourced during the first two years as we worked to deliver results whilst simultaneously building the organisation.

In terms of opportunities, the future will be driven by building and leveraging the right partnerships to deliver value. Namibia is a beautiful product to market, and we are fortunate to be afforded a role in improving what she offers. Other OMAs are increasingly open to our participation in improving Namibia's policy environment and are beginning to understand our role in coordinating public-private sector dialogue. We are noting renewed optimism in the investment climate from existing and potential investors, as evidenced by the recent FDI figures. Namibia's emerging oil and gas and green hydrogen sectors assist in marketing Namibia as a place to invest, and our effective implementation of the strategy will allow further diversification away from the traditional resource-dependent sectors that are vulnerable to external shocks.

The threats to our success are rooted in uncertainty in a globally connected world. Although more OMAs are beginning to recognise and understand our role as an agency established to complement them for a more successful Namibia, we continually need to build relationships of trust. As our product, Namibia needs urgent and continuous improvement, most notably in policies for a business-friendly climate, including incentives.



Figure 19: NIPDB SWOT analysis

Over the next five years, we will review the SWOT analysis each year and monitor progress on each quadrant of the SWOT. We will work to minimise or eliminate the weaknesses and leverage and maintain our strengths. The SWOT analysis will shift and change as the world, Namibia and NIPDB change. Our five-year strategy reflects our learnings and the internal and external environments, and we believe that it will enable us to deliver tangible and measurable results that change Namibia's path for the better and support the attainment of Vision 2030.

THE STRATEGY: PLANNING FOR OUR NEXT FIVE YEARS

Our employees, Executive Directors and the Advisory Board worked together to develop the strategy for 01 April 2023 to 31 March 2028. Looking ahead to the next five years, we are more sure-footed about the investment promotion environment and our journey to persuade investors to choose Namibia and create opportunities for MSMEs to develop and grow. The global investment climate will continue to change, and we must monitor and recognise the trends to pivot and continue to position Namibia as a place to invest and do business in.

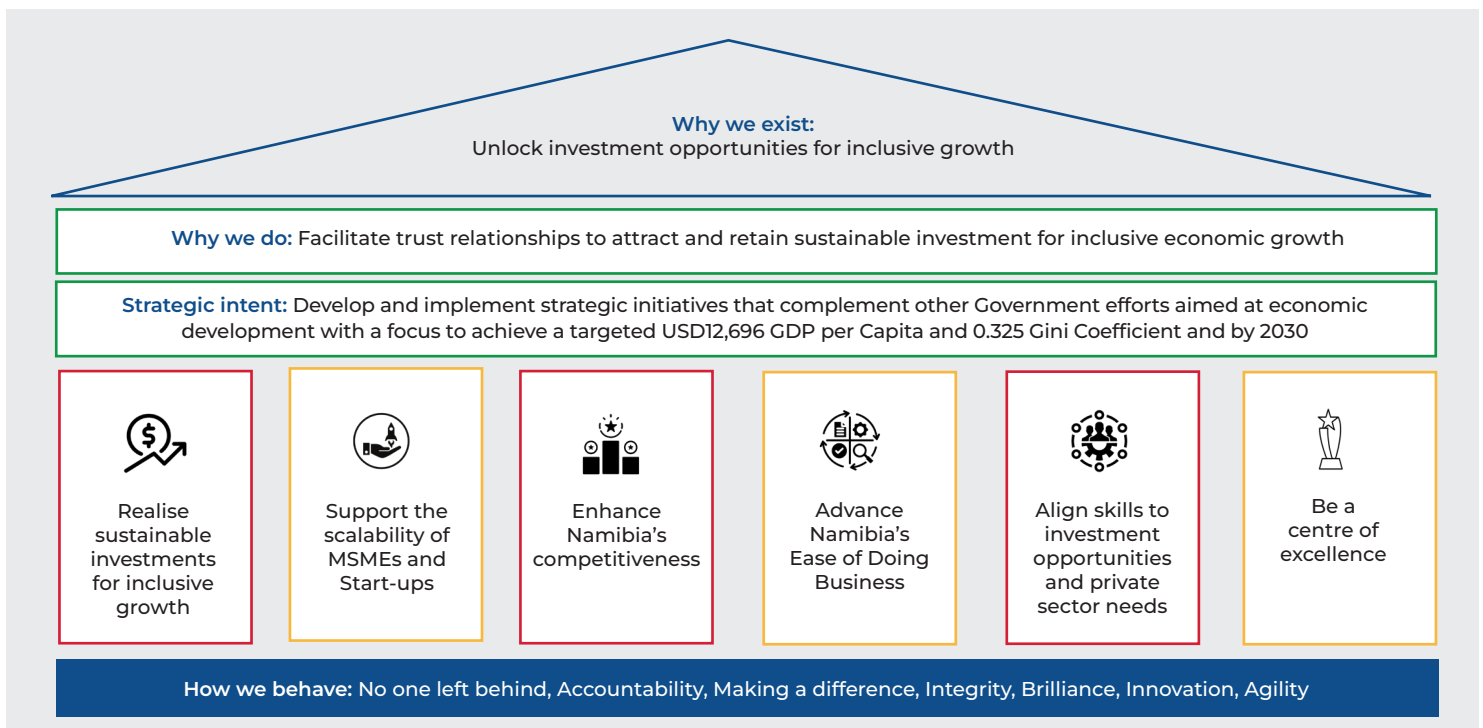


Figure 20: NIPDB Strategy Map

THE FUNDAMENTALS – OUR IDENTITY

We lead with our purpose and reason for being, which is to “unlock investment opportunities for inclusive growth”. Every Namibian is our ultimate client as we work to serve them by facilitating investments that will create opportunities for quality jobs across the local value chain and enable Namibians to seize the opportunities and improve their standards of living compared to those of their counterparts in the developed world. This is the ultimate aspiration of Vision 2030.

NIPDB has been established as the government’s agency tasked with spearheading initiatives and coordinating stakeholders to drive Namibia’s sustainable economic development and contribute to the achievement of Vision 2030.

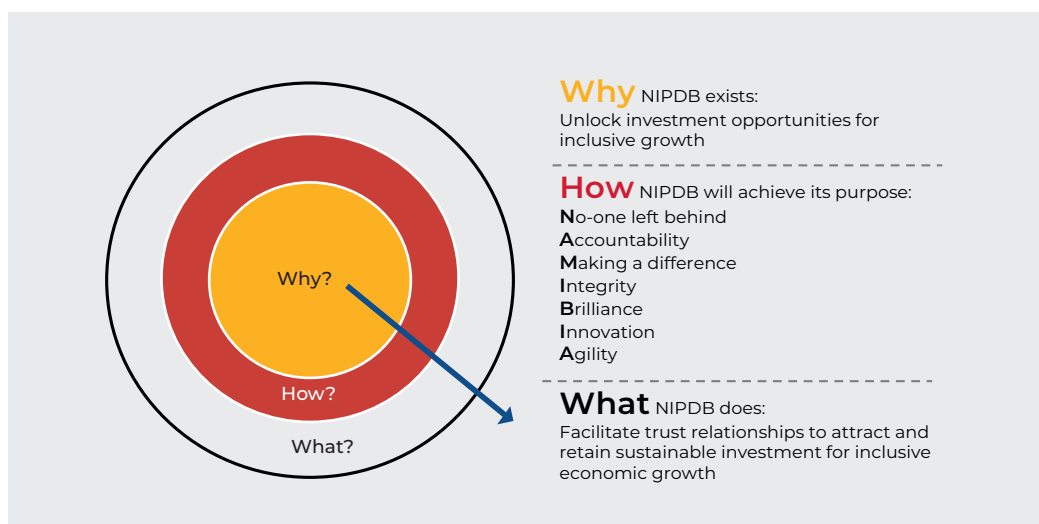


Figure 21: NIPDB’s identify and high-level statements

Our values reflect our standards of behaviour and are unwavering. They reflect what we and stakeholders can demand from each other. The values spell out NAMIBIA, are a constant reminder of why we are here and who we work for and are embedded in our culture.

DESIRED FUTURE STATE – WHAT SUCCESS LOOKS LIKE

Our strategic intent for 2028 is to “develop and implement strategic initiatives that complement other government efforts aimed at economic development with a focus to achieve a targeted **USD12,696 GDP per Capita** and **0.325 Gini Coefficient by 2030**”.

Our vision reflects that we do not operate in a vacuum and acknowledges Namibia’s overarching strategy of Vision 2030. Vision 2030 requires that Namibia be classified as a high-income nation by 2030, which is currently defined as a per capita income of

USD 12,696. The historic Compound Annual Growth Rate (CAGR) in Namibia’s GDP per capita was 3.5% between 2012 and 2015 and plummeted to negative 3% between 2016 and 2021.

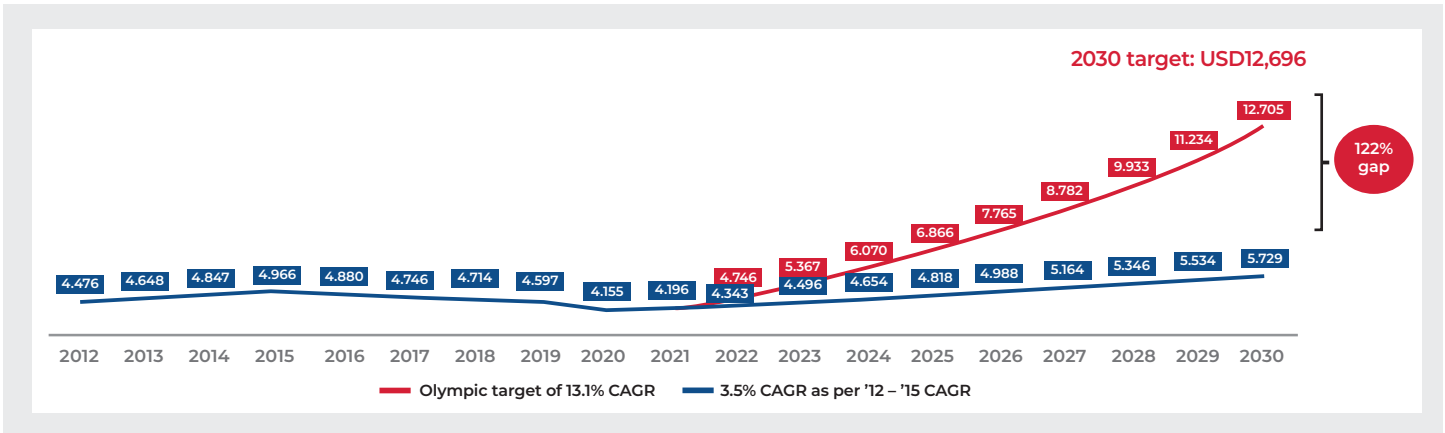


Figure 22: Actual and projected GDP per capita (2012 – 2030)

The projections show that even if Namibia returns to a CAGR of 3.5%, we will not achieve the targeted USD 12,696 by 2030. Hence, an intense and aggressive strategy is required to stimulate the levels of growth (a CAGR of 13.1%) needed to create wealth and quality jobs.

Apart from wealth creation, we must ensure that the desired growth is inclusive to address the high level of inequality and poverty. We must secure a future where prosperity is shared and available to all Namibians. Consequently, we also aim to drive initiatives to reduce Namibia's Gini coefficient to 0.325 from the current 0.642.



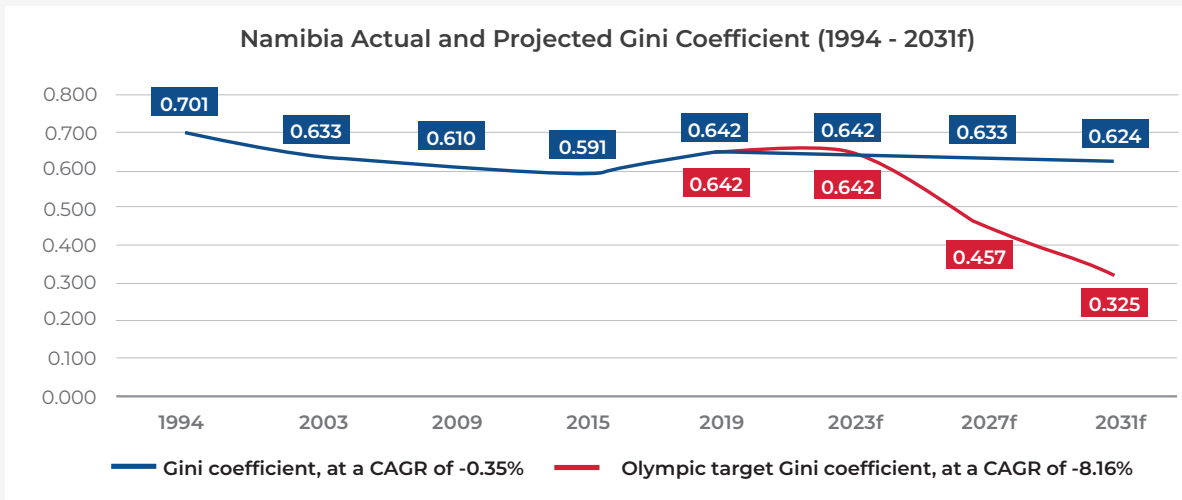


Figure 23: Actual and projected Gini coefficient (1994 to 2031)

The target Gini Coefficient of 0.325 is the (latest) average Gini figure for high-income countries, as reported by the World Bank. Namibia's Gini coefficient in 2019 has been determined by using the Labour Force Survey Report of 2018. This data will be a crucial component of monitoring the Gini Coefficient for improvements as we implement strategies that address inequality. Purposefully reducing our Gini Coefficient is a mammoth task requiring massive collective efforts by the public and private sectors for annual reduction with a CAGR of -8.16%.

We recognise that the goal is ambitious. However, we do not consider it to be impossible. Namibia's triple threats of unemployment, poverty and inequality are a crisis that needs immediate intervention, and all stakeholders, from the citizens to the Government and private sector, can still work together for Namibia to realise her potential and take care of her people.

Changing the economic structure for sustainable growth, increasing local content and deriving more value from investments made will be critical to changing Namibia's trajectory as we enter the last mile towards achieving Vision 2030.

Yes, our vision is daunting, but we should still try. We must take up the baton for today's and tomorrow's Namibians, charge ahead and re-embrace our creed of "one Namibia, one nation".

STRATEGIC GOALS AND OBJECTIVES

Our strategic goals will enable the attainment of the vision. Each goal is supported by SMART objectives which will be monitored throughout the strategic period. As we embark on the next five years, we are better equipped to navigate the landscape and deliver results.

GOAL 1: REALISE SUSTAINABLE INVESTMENTS FOR INCLUSIVE GROWTH

In just two years, our investment pipeline grew to N\$ 161bn by the end of March 2023, with most of the pipeline being in the lead phase. During the next five years, we aim to grow our pipeline exponentially, but most importantly, to reduce the time to realise investment from the pipeline to grow the active investment portfolio. Our approach needs to be dynamic and aligned with the latest trends in investment promotion.

For instance, to reduce the time it takes for investors to decide on Namibia, we may offer virtual tours and submit investment opportunities to investors who have already decided on investing in Namibia but are indeed seeking opportunities. In reducing the time an investor spends in the investment cycle, we must eliminate constraints by, for instance, improving the ease and speed at which licenses are issued and increasing visibility to land, particularly private land, that is available for acquisition.

This goal comprises four objectives, culminating in attracting cumulative national investments of N\$ 500 bn over the next five years.

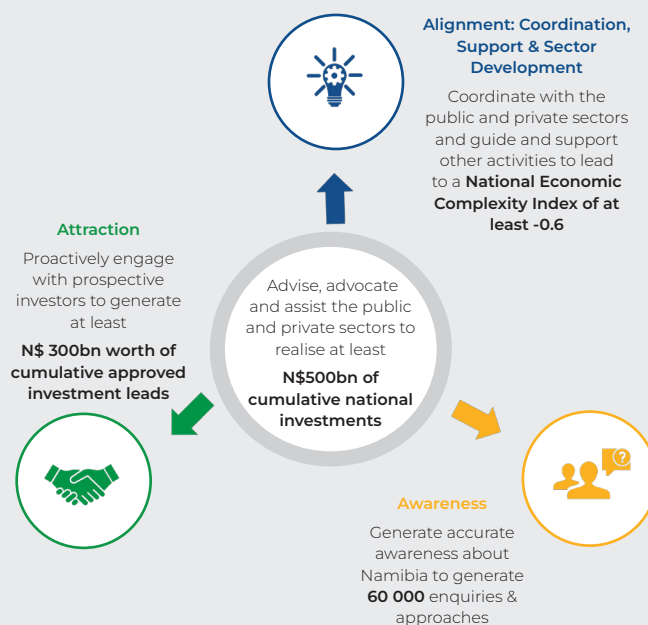


Figure 24: Goal 1 objectives

GOAL 2: SUPPORT THE SCALABILITY OF MSMEs AND START-UPS

MSMEs require constant and targeted support. Given our finite resources, we have been building strong partnerships with the private sector, development partners and other institutions to enhance value offering to MSMEs. Most MSMEs identify funding as their primary constraint, but equally important is access to markets. To this point, we have developed a High Potential Pool (HPP), which requires MSMEs to have a product or service that can easily be scaled to access local and international markets. MSMEs who qualify to join the pool are then incubated by NIPDB and assisted in accessing markets, improving their enterprise development skills and, as such, build sustainable businesses. As part of this drive, we intend to support the growth of MSMEs who can eventually contribute to increasing Namibia's export revenue by 2028.

As we advance, we will better collaborate as an organisation by developing value chains and cataloguing opportunities for Namibian businesses, particularly MSMEs, to participate in new sectors and investments in our pipeline. Noting the investment realisation timeline, we will work to timeously identify the goods and services required by investors in our pipeline and prepare MSMEs to provide those services once the investment is made. Our ultimate goal is to assist as many MSMEs as possible to scale and eventually become sustainable enterprises that create more local economic activity and absorb the growing labour force.

Our mandate does not cater to funding MSMEs; therefore, we focus on working with parties to ensure improved access to finance.

All startups begin as MSMEs, but not all MSMEs are startups. Startups face different risks from MSMEs and have enormous potential to scale quickly. Thus, startups require different support from MSMEs and are agents of change for innovation. The African startup space is fast gaining traction and attracting global attention. However, Namibia is currently lagging behind the continent. In the next five years, we will build on the solid foundation laid by Startup Namibia and join hands with partners to create a thriving ecosystem for startups. Establishing processes in which MSMEs across Namibia can easily access the support they require will be critical to our success and assist us in overcoming the challenges posed by resource constraints.

MARKET ACCESS

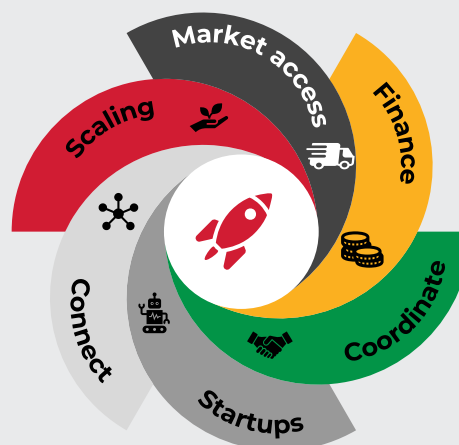
Actively support the sustainable participation of Namibian MSMEs in both the domestic and international markets that will contribute N\$ 100m of total export revenue by 2028

SCALING

Graduate 20% of MSMEs in the database from their initial size at first contact to the next phase(s) by 2028

CONNECT

Channel at least 1% of capital deployed to MSMEs by plugging them into large-scale investment opportunities



FINANCE

Unlock N\$100m worth of domestic and international funding for the MSME sector by 2028 (direct and indirect financing)

COORDINATE

Achieve national MSME coordination by 2028 through the creation of an MSME database of 10,000 and business support organisations database of 3,000 entries and annual stakeholder engagements

START-UPS

Attract N\$100m in start-up funding and rank in the 3rd quartile in global start-up ecosystem rankings by 2028

Figure 25: Goal 2 objectives

GOAL 3: ENHANCE NAMIBIA'S COMPETITIVENESS

We are in a global race to attract investments, with Africa attracting only 3.5% of global FDI in 2022. Namibia must be able to square up and hold its own under the scrutiny of investors by being a competitive destination for investors. Over the next five years, we will deliberately coordinate efforts to improve what Namibia offers to investors, improving the investment climate and enhancing competitiveness.

In tandem with enhancing actual competitiveness, we constantly need to tell Namibia's story to correct misconceptions as we learned that perceptions drive investment. Our small market size has been identified as a significant hurdle to attracting investors. However, Namibia is a member of several regional trade blocks and has several trade agreements. Over the next five years, we aim to equip investors and MSMEs with accurate information to assist them in accessing export markets. Consequently, we aim to double the value of exports in 2028 (excluding the green hydrogen and oil and gas sectors). This metric will ensure that we support the growth of other sectors of the economy and enable Namibia to be more resilient by avoiding the dreaded "Dutch disease".

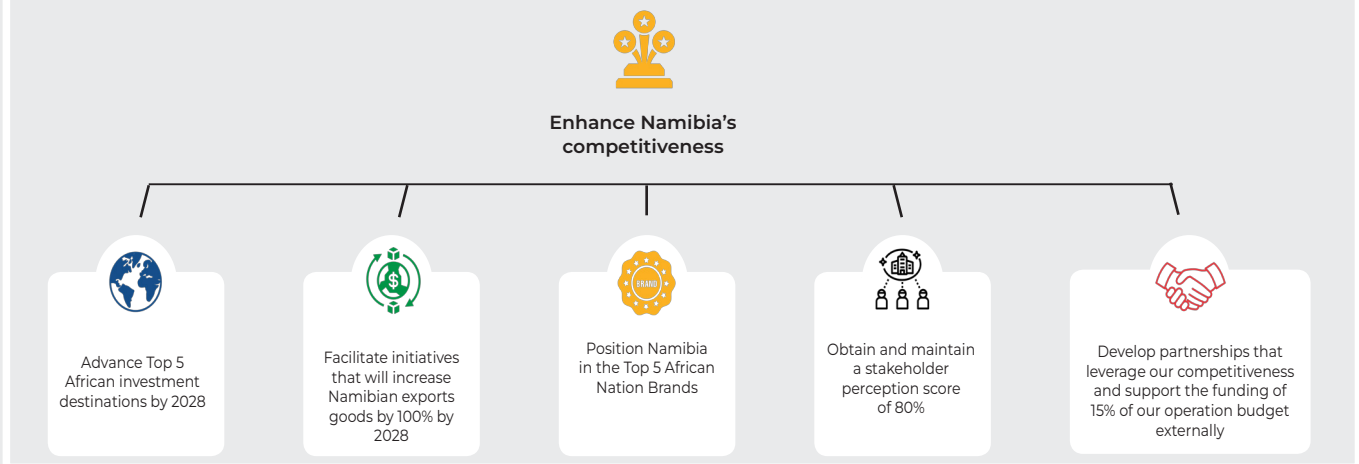


Figure 26: Goal 3 objectives

GOAL 4: ADVANCE NAMIBIA'S EASE OF DOING BUSINESS

The ease of doing business is a critical component of competitiveness. In business, time is money, and the Government and its agencies must move at the industry's pace in providing services and avoid sending investors from pillar to post. We have had a good start to improving the ease of doing business, mainly through our services in the investor one-stop centre. In the next five years, we must continue collaborating with other OMAs to improve our processes and provide quality services to the entire business community, apart from the one-stop centre. This will be achieved by OMAs continuing their digitalisation journeys and integrating their various platforms.

In addition to improving the ease of doing business, we will refocus and intensify our efforts to engage existing businesses and support them in expanding their operations and intervening to rescue large enterprises at risk of going out of business to protect and retain investment and jobs when possible. UNCTAD reported that the majority of FDI in 2020 was reinvestment of earnings, indicating the importance of conducting investor aftercare services and creating a climate encouraging reinvestment.

An integral part of providing services to investors is compliance monitoring to ensure they hold up their end of the bargain when licenses or permits are granted with conditions attached. On the flip side, NIPDB also acts to resolve investor grievances and similarly supports the Government in upholding its commitments to investors. This is a crucial part of executing our role as a facilitator and as the body coordinating public-private sector dialogue.

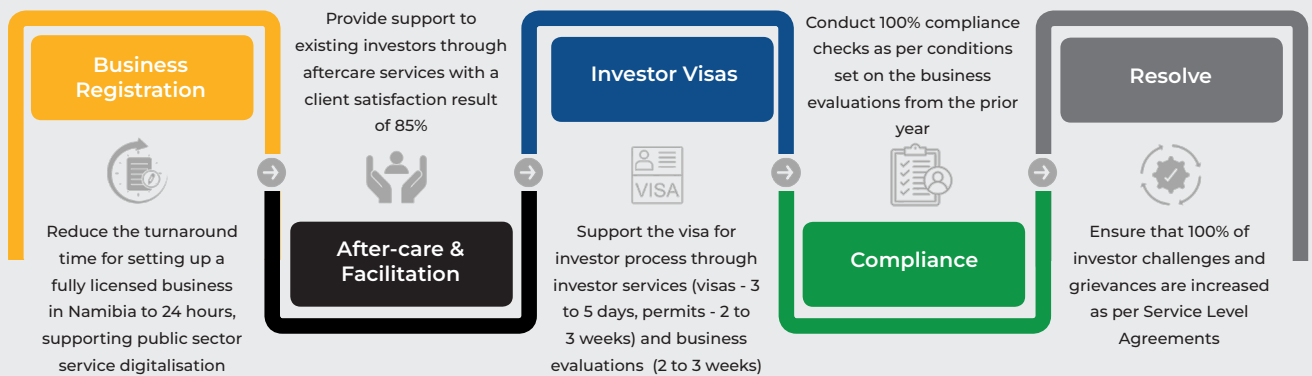


Figure 27: Goal 4 objectives

GOAL 5: ALIGN SKILLS TO INVESTMENT OPPORTUNITIES AND PRIVATE SECTOR NEEDS

The availability of skills is often touted as a critical constraint to investment, not just by foreign investors but also by the domestic business sector. Although Namibia has a young workforce, there is a significant gap in the availability of critical skills. Namibia is not alone as Africa suffers from significant levels of brain drain, which are only projected to get worse as it is expected that the world will look to the continent to supply its workforce due to its high fertility rates. The global battle to acquire the best skills is fierce and will continue, and Namibia must join the fight for talent acquisition.

In the next five years, we will implement initiatives to identify how new graduates and the existing labour force, particularly the unemployed, can be upskilled and reskilled to supply the needs of the industry. Like the approach regarding MSMEs, we will better collaborate as an organisation and with key stakeholders to prepare the Namibian workforce to take up jobs that investors in our pipeline and emerging sectors will require. This will require massive effort as a country as the unemployment crisis grows annually with new graduates and school leavers joining a contracting labour market. We must pull together and improve each pillar of the Global Talent Competitiveness Index (GTCI), including encouraging targeted vocational training programmes to bridge the skills gap. Namibia is ranked in 90th place out of 133 economies (68th percentile) in the 2022 GTCI, which leaves room for improvement. A key initiative to attain this goal will be supporting stakeholder undertakings to collaborate, collate and maintain accurate and timeous data on the labour market.

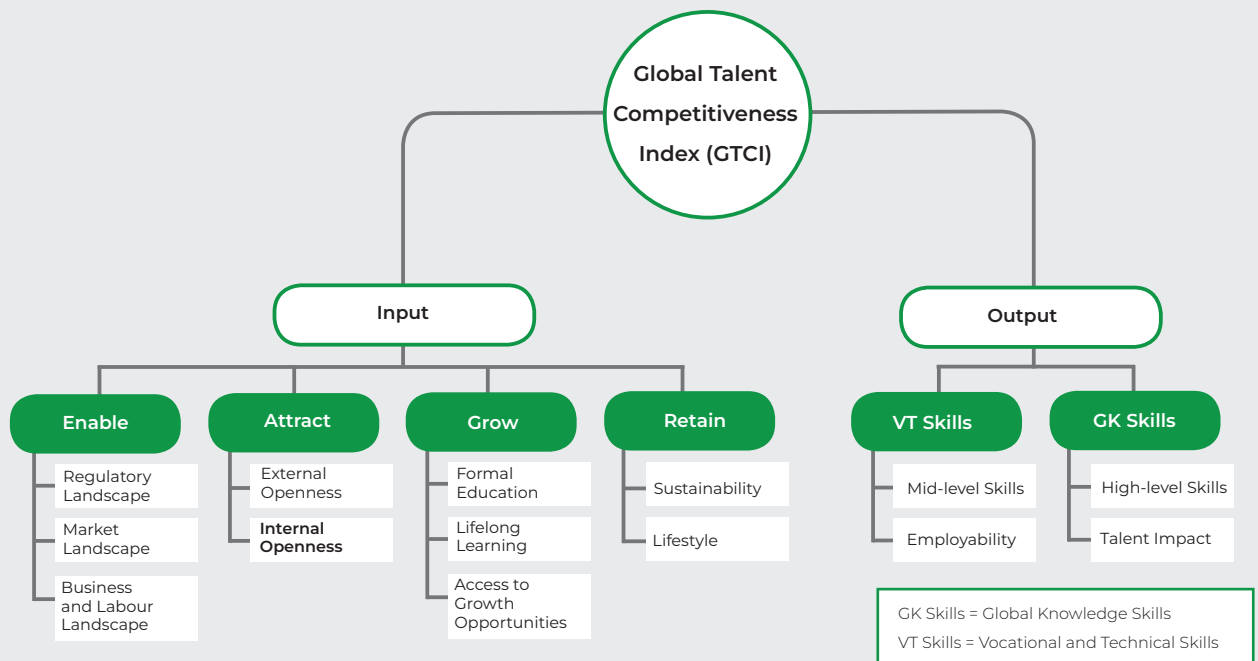


Figure 28: GTCI 2022 components

We have identified three objectives that are needed for the attainment of this goal:



Initiate and manage the collaborative development of a responsive skills ecosystem that supplies 100% skills and talent for investment



Facilitate and support national initiatives to ensure that at least 50% of skills in the priority sectors are local by 2028



Coordinate and support policy review, research and communication to rank Namibia in the top 50% in the Global Talent Competitiveness Ranking

Figure 29: Goal 5 objectives

GOAL 6: BE A CENTRE OF EXCELLENCE

As we forge ahead to chart a new path for Namibia, we must take care of NIPDB, the organisation. We will continue to build on what we've started to maintain fiscal responsibility, strengthen governance, ensure compliance and embark on digitalisation in line with best practices.

As an IPA, NIPDB mainly relies on attracting and retaining top talent to fulfil our mandate. Our SWOT indicates that we have a great team on board. However, the work requires that they constantly respond to high expectations. Due to the above, taking care of our people and maintaining a high engagement index remains an organisational priority.

Fiscal responsibility



Maintain effective financial management, limiting budget overruns and securing unqualified audit opinions

Fund-raising



Raise 15% of the mandate implementation budget from sources other than the state

People



Enable a high-performance culture with 85% people engagement index



Compliance

Institutionalise a 100% corporate governance, risk and compliance culture



Governance

Implement and maintain effective governance with risk scores that are 90% and higher



Digitalisation

Efficient and effective ICT architecture providing a 100% stable operating environment, with 100% digital operating environment

Figure 30: Goal 6 objectives

NURTURING STAKEHOLDER RELATIONSHIPS FOR SUCCESS

“Coming together is a beginning, keeping together is progress and working together is success.”

– Henry Ford

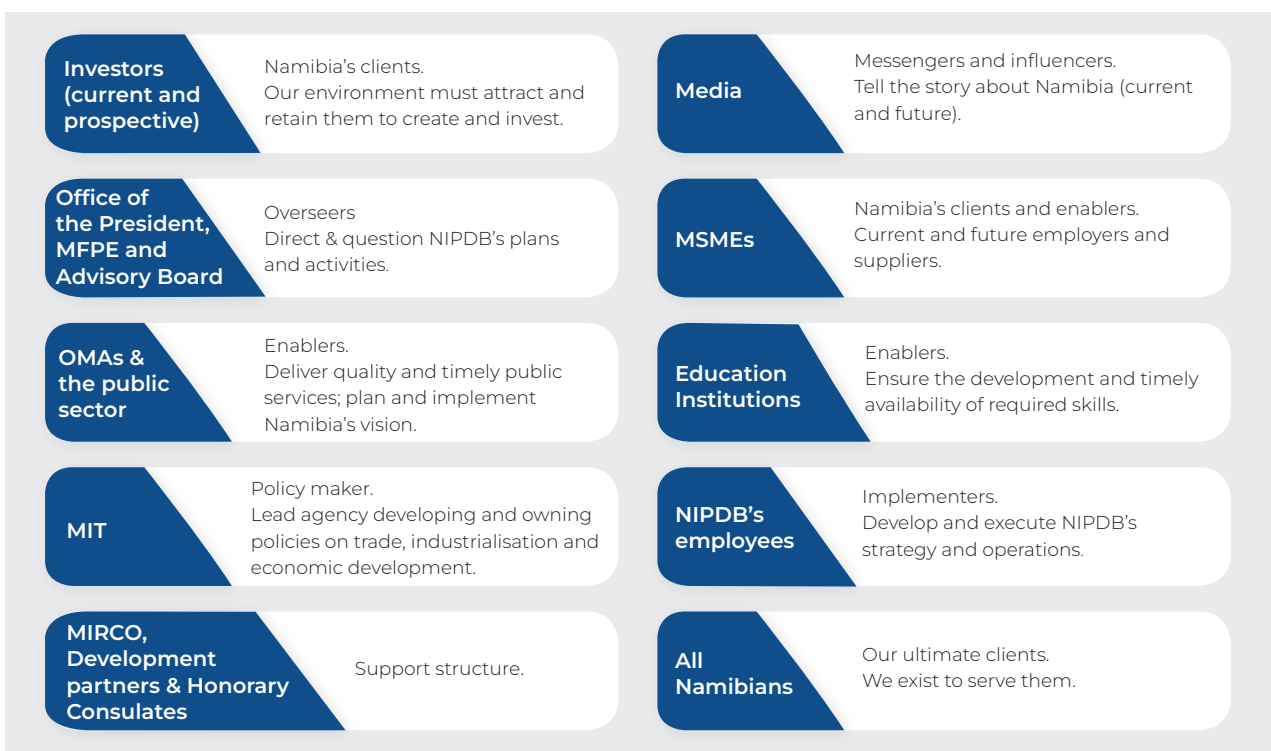
Over the last two years, we have indeed come together. During our short existence, we have been privileged to observe Namibians’ interest, participation and support across all walks of life to contribute to the realisation of Vision 2030.

Henry Ford, the inventor of the assembly line, noted that success comes from working together. His invention reduced the time to build a car from over 12 hours to just one hour and 33 minutes. Hence he is a worthy teacher.

Vision 2030 is the collective aspiration of every Namibian. Everyone has a role to play, and we must work together as a unified team for the betterment of all Namibians. We believe that Vision 2030 is still possible and that it is everyone’s business and responsibility. The strength of a team is in harnessing the strengths of its individual members.

In Sections 2.8 and 4.6, we conducted a SWOT analysis for Namibia and NIPDB, respectively, summarising the weaknesses. Namibia’s weaknesses can only be overcome by our collective efforts, and NIPDB’s entire team is responsible for eliminating and minimising our internal weaknesses. Over the next five years, we must keep together and continue working together. Success will not be achieved through silos; hence we must continue cultivating and building relationships of trust and mutual interest and coordinate our efforts to realise Namibia’s Vision.

Our key stakeholder groups follow:



The IPA survey conducted by WAIPA lists the top three reforms required to attract and retain investments:

- Better institutional coordination;
- Better strategic alignment; and
- More streamlined regulations.

These reforms will only be achieved when we are united. Poverty, inequality and unemployment in Namibia are our common enemies.

MEASURING SUCCESS ALONG THE WAY – KEY PERFORMANCE INDICATORS

The following key metrics will be measured during the next five years as part of the strategic objectives. We will monitor the following six KPIs at national level:







MEASURE	BASELINE	TARGET
 GDP growth rate	CAGR of 3.5%	CAGR of 13.1%
 GDP per capita	USD 4,196	USD 12,705
 Gini index	0.642	0.325
 Unemployment rate	33.4%	Less than 10%
 Economic complexity	-0.77	-0.60
 Trade balance, particularly the value of exports. Excluding green hydrogen and its derivatives and oil and gas.	USD 6.22bn (2020 figure)	USD 12.44 bn

Table 4: Key KPIs for success - Namibia

Five key metrics will be measured at NIPDB level:






MEASURE	BASELINE	TARGET
 FDI and re-investment	N\$ 69bn from 2018 to 2022, estimated	Cumulative national private investments of N\$ 500bn over five years
 Private accounts activity/ gross fixed capital formation		
 Regional investment. Outside of the economic hubs of Windhoek, Walvis Bay, Swakopmund and Lüderitz	Unknown	50% of new jobs should be created outside of economic hubs
 Perception of Namibia as an investment destination	19th most competitive African nation per RMB	Place in the top 5 most competitive African countries
 Skills – local content	Unknown	50% of skills are locally sourced in priority sectors

Table 5: Key KPIs for success - NIPDB

CRITICAL SUCCESS FACTORS

The key factors that are required for success and must be in place for the achievement of the strategy are:

For Namibia:

- Enhanced nation competitiveness;
- Responsive and agile policy environment;
- Access to land for investment;
- Affordable and accessible energy;
- Competitive cost of doing business;
- Building, attracting and retaining skills and talent;
- Digitalisation and e-services;
- Effective Government coordination; and
- Successful awareness creation.

For NIPDB:

- Streamlined processes;
- Accurate and timely data;
- Data analysis;
- Market intelligence;
- Agile strategy and processes;
- Digitalisation and e-services;
- Effective communications;
- Sufficient budgetary allocation;
- Attracting and retaining talent; and
- Effective monitoring and evaluation.

MONITORING AND EVALUATION

The strategy will be implemented through annual business plans that will outline the key initiatives for the year and the target objectives for each year after considering the results of the previous year.

This annual process will also ensure that we re-perform an environmental scanning and adjust our strategy accordingly. Over the strategic period, the strategy will be cascaded to each Department and further down to every NIPDB employee.

Before the beginning of each financial year, employees will enter into performance agreements outlining the initiatives and objectives they are required to prioritise in the next financial year. Employee performance will then be evaluated twice, at the end of the year and mid-year, as “what gets measured gets done”.

The following activities are included in the monitoring and evaluation process and will be scheduled and performed annually:

Activity	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Submit business plan and budget to The Office of the President and MFPE			Year-end									MOFPE due date	
Impact report											Q2 report		
Annual report										Due date			
Strategy and KPI monitoring and reporting		Q3 performance report			Annual performance review				Q1 performance report			Q2 performance report	

Table 6: Monitoring and evaluation schedule

We anticipate the following key initiatives will be performed over the next five years. However, they are subject to change with the annual review cycles with changes in events, trends and the environment. The initiatives are envisioned actions that we will undertake to achieve our objectives and, eventually, the goals and the strategic intent.

KEY INITIATIVES

Develop and implement strategic initiatives that complement other government efforts aimed at economic development with a focus to achieve a targeted USD12,696 GDP per Capita and 0.325 Gini Coefficient by 2030

#	GOAL	#	SMART OBJECTIVE	#	INITIATIVES	RESPONSIBLE DIVISION
1	I: Realise sustainable investments for inclusive growth	11	Alignment: Coordination, Support & Sector Development Coordinate with the Public and Private sectors and Guide and support other activities to lead to a National Economic Complexity Index of at least -0.6.	11.1	Digital Library Administration - Coordinate the internal and outsourced creation, maintenance and utilisation of a library of investment related information and publications (such as profiles, catalogues & guides).	R&D
				11.2	Content Research & Development - Collect the required information and produce content for Digital Library Publications and articles.	R&D
				11.3	Investment Advisory - Provide technical assistance to impactful projects that require more than just facilitation services	Analysis
				11.4	Escalated Assistance - Provide specialised support to other initiatives as required.	Analysis
				11.5	Apprentice Programme - Administer a multi-year apprentice programme (create internal research capacity and provide targeted training)	R&D
				11.6	Sector Prioritisation - Coordinate and support the periodic selection of specific sectors for all activities to be focused (by investigating potential new sectors, providing suggestions and through data analysis)	R&D
				11.7	Sector Development Coordination - coordinate internal strategies & efforts towards the development of prioritised sectors	Analysis
				11.8	Targeted Propositions - Collect and analyse the required data and produce the content for packaged propositions, as well as hit-lists and attack packages for targeted companies to promote these to	R&D
				11.9	Sectoral Task Forces - Establish and coordinate Productivity, New Sector & other Sectoral Task Forces (which are sector specific, temporary, public-private working groups that identify, prioritise and solve key constraints in specific existing or potential new sectors or industries or subsegments thereof)	R&D
				11.10	Export Promotion - Unlock extensive export to new markets	Attraction Attachés
				11.11	GRN support - Assist GRN on large national projects, initiatives and programmes that will diversify the economy, as well as taking projects on their pipeline to market	Public Investments
				11.12	Planning & Development/Public Investment Advocacy - advise, lobby and assist the public sector to develop and implement public investments that will eliminate key constraints	Public Investments
				11.13	Regional Investment - Coordinate with regional stakeholders to promote investment	Public Investments

KEY INITIATIVES continued

Develop and implement strategic initiatives that complement other government efforts aimed at economic development with a focus to achieve a targeted USD12,696 GDP per Capita and 0.325 Gini Coefficient by 2030

#	GOAL	#	SMART OBJECTIVE	#	INITIATIVES	RESPONSIBLE DIVISION
1	I: Realise sustainable investments for inclusive growth	12	Awareness: Generate accurate awareness about Namibia to generate 60 000 enquiries & approaches	12.1	Inbound Marketing - Publishing and distributing articles, white papers, case studies and other useful material regularly on reputable platforms, to generate interest in investing in Namibia	Attraction Office
				12.2	Partner Support - Provide investment promotion content and strategic guidance to investment promotion partners, which include Multilateral Organisations, Namibian diplomatic missions, honorary consulates and brand ambassadors abroad, as well as foreign missions to Namibia	Attraction Office
				12.3	Events - Coordinate local and foreign event selection, administration, attendance, publication and/or hosting	Attraction Office & S&B
				13.1	Enquiries - Attend to all enquiries and, where required, relay them to the appropriate work streams. Ensure that all enquiries and logged and accurate details are maintained in the pre-lead pipeline	Attraction IOs
				13.2	Delegations - Facilitate the entry into Namibia and the programmes of (and, where required, accompany) commercial/business delegations to Namibia	Attraction IOs
				13.3	Targeted approach - Directly approach and establish interest with Targeted Prospective Investors on the Hit List by making use of, amongst others, the opportunity catalogue	Attraction Attachés
		13	Attraction: Proactively engage with prospective investors to generate at least N\$ 300bn worth of cumulative approved investment leads	13.4	Local Scouting - Unlock new investments from domestic investors	Analysis
				13.5	Investor nurturing - Convert Pre-leads into Approved Investment Leads through continued engagement and keep proper records	Attraction IOs
		14	Assistance Advise, advocate and assist the public and private sector to realise at least N\$ 500bn of cumulative national investments	13.6	Develop and implement regional attraction strategies	Attraction Office
				14.1	Investment Approval - Screen pre-leads to ensure that the Investment Pipeline is made up of impactful investments leads	Analysis
		14		14.2	Investment Facilitation - Convert Approved Investment Leads into Operational Investments by assisting investors with information and by facilitating the acquisition of deeds, visas, licences, permits, goods, services, providers and partners, and keep adequate records	IERA
				S2.1	Monthly aftercare visits	IERA
				14.3	Policy Advocacy - Advocacy focussed on improving policy/regulation/legislation	S&B
				14.4	Trade & Market Access Advocacy - Advocacy focussed on removing technical & tariff barriers to trade	S&B
		14.5	Process Advocacy - Advocacy focussed on automating and improving the processes through which the public sector delivers public goods and services	IERA		
		14.6	Talent, Innovation & People Advocacy - Advocacy focussed on improving the skills available in the country	TIP		

KEY INITIATIVES continued

Develop and implement strategic initiatives that complement other government efforts aimed at economic development with a focus to achieve a targeted USD12,696 GDP per Capita and 0.325 Gini Coefficient by 2030

#	GOAL	#	SMART OBJECTIVE	#	INITIATIVES	RESPONSIBLE DIVISION
2	M: Support the scalability of MSMEs and Start-ups	M1	Actively support the sustainable participation of Namibian MSMEs in both the domestic and international markets that will contribute N\$ 100m of total export revenue by 2028	M1.1	Co-facilitate the establishment a full-fledged departmental store for locally manufactured products	MSME
				M1.2	Fully operational K2G High Potential Pool to enable MSMEs to trade and compete in domestic, regional and international markets	MSME
				M1.3	Coordinate the scouting of scalable MSMEs for further ecosystem support	MSME
				M1.4	Coordinating and enabling MSMEs to meet trade policy requirements using market intelligence tools and toolkits	MSME & S&B
				M1.5	Review, propose and advocate for policy reforms that support MSMEs	MSME & S&B
				M1.6	Participate in local, regional and foreign platforms to facilitate market access	MSME
		M2	Graduate 20% of MSMEs in the database from their initial size at first contact to the next phase(s) by 2028	M2.1	Development & enhancement of digital MSME platforms	MSME
				M2.2	Coordinating platforms aligned to enterprise development	MSME
				M2.3	MSME measurement tool and tracker to coordinate ecosystem support	MSME
				M2.4	MSME consultations to identify & address business constraints and scalability	MSME
				M2.5	Coordinate smart partnerships to support targeted initiatives under the NIPDB priority sectors	MSME
		M3	Channel at least 1% of Capital Deployed to MSMEs by plugging them into large scale investment opportunities	M3.1	Collaborate with the INV Department to identify, support and position MSMEs & Startups to participate in the value chain for investment leads	MSME & INV
				M4.1	Coordinate the scouting of scalable MSMEs for further ecosystem support	MSME
				M4.2	Development & enhancement of digital MSME platforms	MSME
		M4	Unlock N\$100m worth of domestic and international funding for the MSME sector by 2028 (direct and indirect financing)	M4.1	Coordinate stakeholders and activities around de-risking MSME finance	MSME
M4.2	BSO resource mobilization towards MSME initiatives			MSME		
M5	Achieve National MSME Coordination by 2028 through the creation of an MSME database of 10,000 and BSO database of 3,000 entries and annual stakeholder engagements	M5.1	Development & enhancement of digital MSME platforms	MSME		
		M5.2	Maintain and enhance an online database of BSOs	MSME		
		M5.3	Convene an annual meeting of BSOs to identify partners to implement initiatives	MSME		
					Convene an annual meeting & survey of MSMEs to map agents and needs for the year	MSME

KEY INITIATIVES continued

Develop and implement strategic initiatives that complement other government efforts aimed at economic development with a focus to achieve a targeted USD12,696 GDP per Capita and 0.325 Gini Coefficient by 2030

#	GOAL	#	SMART OBJECTIVE	#	INITIATIVES	RESPONSIBLE DIVISION
2	M: Support the scalability of MSMEs and Start-ups	M6	Attract N\$ 100m in start-up funding and rank in the 3rd quartile in global startup ecosystem rankings by 2028	M6.1	Study global policies and benchmark startup activities & ranking agencies against internationally recognised startup ecosystems	MSME
				M6.2	Establish PTF for start-up activities to position Namibia as a start-up hub	MSME and INV
				M6.3	Partner with academia, OMA's and private sector to convert viable projects into startups	MSME
				M6.4	Identify and co-design targeted support initiatives for the startup ecosystem	MSME & TIP
				M6.5	Identify and collaborate with global startup financiers	MSME
				M6.6	Create investor incentives to unlock startup funding	MSME
3	B: Enhance Namibia's Competitiveness	B1	Advance to Top 5 African Investment Destinations by 2028	B1.1	Develop and implement a strategy to improve Namibia's competitiveness, including her score across global competitiveness indices	Policy Reforms
				B1.2	Engage Government OMAs in creating a conducive and competitive environment for business growth	Policy Reforms
				B1.3	Ensure the establishment of the High Level Public Private Forum (PPF) and lead initiatives to improve Namibia's competitiveness	Policy Reforms
				B1.4	Liaise with relevant stakeholders to provide a centralised database with accurate and timely information on Namibia's economy and socio-political environment	Policy Reforms; R&D
				B1.5	Attract investment for the creation of new, quality and sustainable jobs	Investment Attraction
				B1.6	Develop an investment promotion framework that targets investments to diversify the economy	Investment Attraction
				B2.1	Deliver timely and material information to Investors on market access requirement as provided for in the domestic trade law and policy as well through trade agreements such SACU, SADC, AfCFTA, EPAs, etc.	Incentives and Export Promotions
				B2.2	Identify, participate and provide input complementing the Government effort in formulating favourable trade and investment policy position to enhance the private sector's competitiveness.	Incentives and Export Promotions; Policy Reforms
				B2.3	Research, and benchmark with other SACU Member States to increase uptake of industrial rebates, and other incentives benefits provided for under the SACU agreement such as Infant Industry Protection by domestic firms.	Incentives and Export Promotions
3	B: Enhance Namibia's Competitiveness	B2	Facilitate initiatives that will increase Namibian exports of goods by 100% by 2028 (2020 baseline of USD 6.22bn), excluding green hydrogen and its derivatives and oil and gas	B2.4	Develop an Export Readiness Programme to assist domestic firms to explore export market opportunities.	Incentives and Export Promotions
				B2.5	Initiate, contribute and participate in trade missions promoting made in Namibia products abroad to broaden the export base, increasing market share in targeted high growth markets, and sustain market share in traditional markets.	Investment Attraction

KEY INITIATIVES continued

Develop and implement strategic initiatives that complement other government efforts aimed at economic development with a focus to achieve a targeted USD12,696 GDP per Capita and 0.325 Gini Coefficient by 2030

#	GOAL	#	SMART OBJECTIVE	#	INITIATIVES	RESPONSIBLE DIVISION
3	B: Enhance Namibia's Competitiveness	B3	Position Namibia in the Top 5 African Nation Brands	B3.1	Develop & implement the Namibia Nation Brand and Communications Strategy	Marketing, Branding & Communications
				B3.2	Develop a Nation Brand Toolkit	Marketing, Branding & Communications
				B3.3	Collaborate with stakeholders and partners to accurately report Namibia's economic performance	Strategy and PMO; Stakeholder management
				B3.4	Enhance NIPDB's website and social media presence to increase awareness about Namibia as an investment destination	Marketing, Branding & Communications; ICT; Strategy and PMO
				B3.5	Support the development of the MICE industry	Marketing, Branding & Communications; IEERA
	B4	Obtain and maintain a stakeholder perception score of 80%	B4.1	Develop and maintain a stakeholder management tool	Stakeholder Management	
			B4.2	Develop a stakeholder engagement strategy and implementation plan	Stakeholder Management	
			B4.3	Improve social media engagement rates	Marketing, Branding and Communication	
			B4.4	Enhance the communication with internal and external stakeholders and ensure their understanding of the NIPDB mandate and impact (and O.1.4)	Marketing, Branding and Communication	
			B4.5	Conduct and monitor a brand audit on NIPDB and Namibia	Marketing, Branding and Communication	
	B5	Develop Partnerships that leverage our competitiveness objectives and support NIPDB's objective to have 15% of our operation budget funded externally	B5.1	Regular Ease of Doing Business engagements with Public and Private Sectors	Policy Reforms & Strategic Partnerships	
			B5.2	Develop and implement a partnership strategy that, beyond funding, ensures NIPDB's active collaboration with stakeholders with whom we can advance our institutional mandate.	Policy Reforms & Strategic Partnerships	

KEY INITIATIVES continued

Develop and implement strategic initiatives that complement other government efforts aimed at economic development with a focus to achieve a targeted USD12,696 GDP per Capita and 0.325 Gini Coefficient by 2030

#	GOAL	#	SMART OBJECTIVE	#	INITIATIVES	RESPONSIBLE DIVISION
4	S: Advance Namibia's Ease of Doing Business, monitoring investor commitments	S1	Reduce the turnaround time for setting up a fully licensed business in Namibia to 24 hours (registered with BIPA, NamRA, SSC), supporting public sector service digitalisation.	S1.1	Regular Ease of Doing Business engagements with Public and Private Sectors.	IERA
				S1.2	Benchmarking with other IPAs to align to Global Best Practices.	Strategy and PMO
				S1.3	Monitor and improve turnaround times on licenses, permits and other services rendered through the OSC.	IERA
				S1.4	Support the Government with initiatives on digitalisation.	IERA & OPS
				S2.1	Continual interaction with investors through post-investment visits.	IERA
		S2	Provide support to new and existing investors through facilitation and aftercare services with a client satisfaction result of 85%	S2.2	Promote Investor and Service Providers Registration.	IERA & ICT
				S2.3	Periodic Review and execute the Investor Engagement Plan.	IERA & Stakeholder Management
		S3	Support the visa for investor process through IERA (Visas - 3 to 5 days, permits - 2 to 3 weeks) and IERA (2-3 weeks)	S2.4	Conduct Surveys to gauge investor satisfaction.	IERA & INV
				S2.5	Facilitating Investments: Transform approved investment opportunities into operational projects.	IERA & Attraction
				S3.1	Tracking services provided to investors	IERA
		S4	Conduct 100% compliance checks as per conditions set on the business evaluations from the prior year.	S3.2	Sustain a rate of 75% on all services rendered through the One Stop Centre	IERA & ICT
				S3.3	Automation of all of business processes	IERA & ICT
				S4.1	Review compliance on Investor Agreement	IERA & Internal Audit
		S5	Ensure that 100% of Investor Challenges and Grievances are addressed as per Service Level Agreements	S4.2	Review compliance with Business Evaluations Conditions	IERA & Internal Audit
				S4.3	Sustain a rate of 75% on services rendered to MHAISS	IERA & ICT
S5.1	Keep track, and escalate investor inquiries and complaints			IERA & ICT		
S5.2	Follow up on challenges escalated and ensuring resolution thereof			IERA		
S5.3	Timely resolution of day-to-day non-complex queries			IERA		

KEY INITIATIVES continued

Develop and implement strategic initiatives that complement other government efforts aimed at economic development with a focus to achieve a targeted USD12,696 GDP per Capita and 0.325 Gini Coefficient by 2030

#	GOAL	#	SMART OBJECTIVE	#	INITIATIVES	RESPONSIBLE DIVISION
		T1	Initiate and manage the collaborative development of a responsive skills ecosystem that supplies 100% skills and talent for investment	T1.1	Support the Ministry of Labour, Industrial Relations and Employment Creation to develop, implement and maintain a national skills database	Talent, Innovation and Productivity
				T1.2	Develop, implement and maintain a system of identifying and documenting investor skills needs in priority sectors	TIP and INV
				T1.3	Develop a strategy on engaging educational institutes to provide the skills required by investors	TIP
				T1.4	Develop and implement a cross governmental planning to develop the skills required for Trade & Economic Diversification (STED)	TIP
				T1.5	Develop and implement a multi-functional committee to respond to STED needs (PPP)	TIP
				T1.6	Develop, implement and maintain a student information sharing platform	TIP
5	T: Align skills to investment opportunities and private sector needs	T2	Facilitate and support national initiatives to ensure that at least 50% of skills in the priority sectors are local by 2028	T2.1	Collaborate to expand private sector involvement in work integrated learning programmes (apprenticeships and internships)	TIP and S&B
				T2.2	Support the Ministry of International Relations and Cooperation to develop and maintain a database of Namibians in the diaspora and programmes to attract them back to Namibia	TIP
				T2.3	Develop and implement initiatives to reskill/ train and retrain school leavers without tertiary education	TIP
				T2.4	Develop and Implement annual initiatives to provide pathways for students and graduates into the world of work, first job and work integrated programme	TIP
		T3	Coordinate and support policy review, research and communication to rank Namibia in the top 50% in the Global Talent Competitiveness Ranking	T3.1	Provide ongoing input into legislative and policy reviews to develop skills required by the market	TIP & Policy Reforms
				T3.2	Develop and implement research efforts to identify future skills needs that informs skills development	TIP
				T3.3	Prepare an annual report on skills in the country	TIP
				T3.4	Prepare regular reports on the status of scarce skills and how they may be attracted back to the country	TIP
				T3.5	Support communication campaigns to the private sector and other stakeholder in the skills development ecosystem	TIP and S&B
				T3.6	Support the Government in its efforts to prepare Namibia for the Fourth Industrial Revolution	TIP

KEY INITIATIVES continued

Develop and implement strategic initiatives that complement other government efforts aimed at economic development with a focus to achieve a targeted USD12,696 GDP per Capita and 0.325 Gini Coefficient by 2030

#	GOAL	#	SMART OBJECTIVE	#	INITIATIVES	RESPONSIBLE DIVISION
6	O1	Maintain effective financial management, limiting budget overruns and ensuring unqualified audit opinions	O1.1	Timely budget preparation, approval and monitoring	Finance, NIPDB All	
			O1.2	Timely external audits and reporting & closure of audit findings	Finance	
			O1.3	100% Compliance with the requirements of the Public Procurement Act	Finance	
			O1.4	Maintain cashflow management and cost containment	Finance	
			O1.5	Strengthen finance governance controls	Finance, Internal Audit	
			O1.6	Prudent asset management	Finance	
	O2	Raise 15% of the mandate implementation budget from sources other than the State	O2.1	Diversification into new revenue streams.	NIPDB All	
			O2.2	Maintain scheduled impact reporting to relevant stakeholders	Strategy and PMO, Stakeholders & Communications	
			O2.3	Develop and implement a fundraising strategy that positions the NIPDB to raise the required level of funding in order to achieve the stated objective.	Policy Reforms & Strategic Partnerships	
	O2.4	Develop and implement a partnership strategy that, beyond funding, ensures NIPDB's active collaboration with stakeholders with whom we can advance our institutional mandate.	Policy Reforms & Strategic Partnerships			
	O3	Institutionalise a 100% corporate governance, risk & compliance culture	O3.1	Implement governance framework and processes in line with PEGA including a Board charter and Committee Terms of Reference	Legal and compliance	
			O3.2	Review, draft and negotiate targeted MOUs & Contracts for NIPDB	Legal and compliance	
			O3.3	Facilitate the governance process for identified organisational policies.	Legal and compliance	
			O3.4	Provide timely and quality legal advice and services (beyond contracts & MOUs)	Legal and compliance	
			O3.5	Review, update and document processes	Strategy and PMO	

KEY INITIATIVES continued

Develop and implement strategic initiatives that complement other government efforts aimed at economic development with a focus to achieve a targeted USD12,696 GDP per Capita and 0.325 Gini Coefficient by 2030

#	GOAL	#	SMART OBJECTIVE	#	INITIATIVES	RESPONSIBLE DIVISION
6	O: Be a centre of excellence	O4	Implement and maintain effective governance with risk scores that are 90% and higher	O4.1	Develop & implement Risk Management Framework	Legal and compliance; Internal Audit
				O4.2	Develop, Implement and Maintain Compliance Register, with 100% adherence	Legal and compliance; Internal Audit; NIPDB All
				O4.3	Create and implement an effective Business Continuity Plan (BCP)	Internal Audit;
				O4.4	Develop and implement annual internal audit plans	Internal Audit;
		O5	Enable a high performance culture with a 85% people engagement index	O5.1	Implement the performance management system	Human Capital
				O5.2	Implement and Maintain the Reward and Recognition Policy	Human Capital
				O5.3	Develop and implement an "Inclusive Framework for HC, taking into account all 3 measurements"	Human Capital
				O5.4	Develop and implement the succession planning policy	Human Capital
				O5.5	Implement an Organisational Learning & Development Culture	Human Capital
				O5.6	Build and embed Organisational Values and Code of Conduct	Human Capital
O6	Efficient and effective ICT Architecture providing a 100% stable operating environment, with a 100% digital operating environment	O6	Efficient and effective ICT Architecture providing a 100% stable operating environment, with a 100% digital operating environment	O5.7	Drive occupational health, wellness and safety policy for conducive work environment	Human Capital
				O5.8	Review and optimise the organisational structure	Human Capital
				O5.9	Develop and implement an effective talent acquisition and retention plan	Human Capital
				O5.10	Monitor and evaluate the implementation of the strategy	Strategy and PMO
				O6.1	Develop and implement an ICT risk register	ICT
				O6.2	Review, update and implement the automation strategy	ICT
				O6.3	Strengthen ICT governance controls	ICT
				O6.4	Development and implementation of the disaster recovery systems	ICT
				O6.5	Implement & Document Cyber and Data security	ICT
O6.6	Develop and Implement ICT Compliance Framework.			ICT		
O6.7	Maintain system uptime of 99.9% calculated on a 12/5 basis on all internal systems	ICT				
O6.8	Report on utilisation of ICT Services	ICT				
O6.9	Develop, Approve and Implement ICT Replacement Policy.	ICT				

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ANNEXES



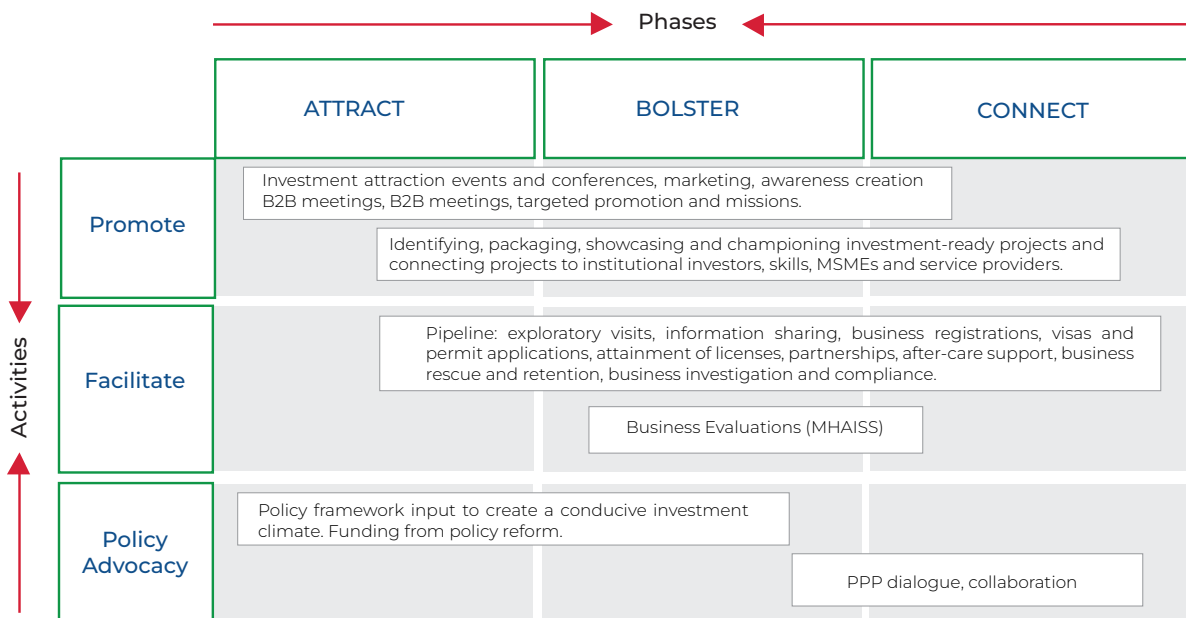
NIPDB'S STRUCTURE

Mandate and Activities

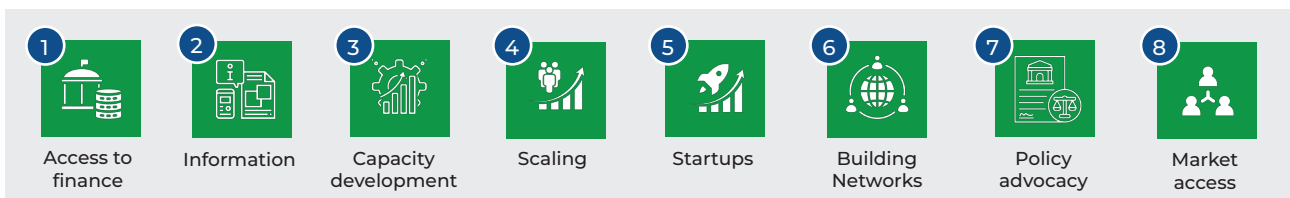
The Agency was entrusted with a wide mandate, including the following:

1. Promote and facilitate investment by foreign and Namibian investors and new ventures that contribute to economic development and job creation;
2. Implement Namibia's investment policy and associated strategy;
3. Review and propose policy reforms and measures to support trade and investment promotion, conducive labour market policies, and improve the country's competitiveness and the ease of doing business;
4. Develop and implement branding interventions that promote Namibia as an attractive investment destination;
5. Develop appropriate institutional mechanisms and assume a lead coordinating role across all levers for Micro, Small and Medium-sized Enterprises (MSME) development nationally;
6. Implement the National MSME Policy of 2016;
7. Promote regional Special Economic Zones that leverage the comparative geographic advantages of each region; and
8. Facilitate collaborative roles between the Namibian Government and the private sector to stimulate growth and expansion and develop the Namibian economy in collaboration with relevant stakeholders.

What we do, in line with our dual mandate is illustrated as follows:

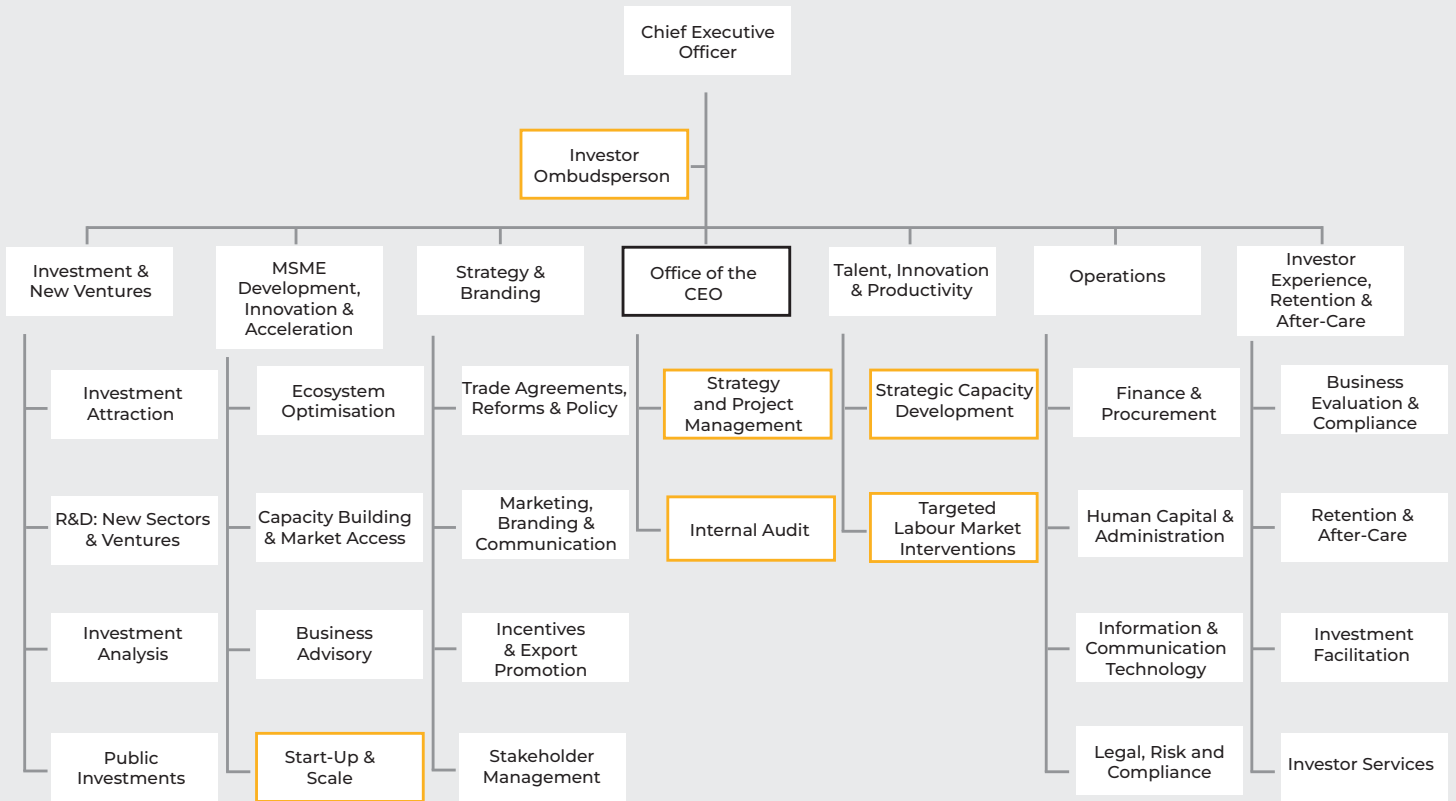


How we capacitate MSMEs:



ORGANISATIONAL STRUCTURE

NIPDB has six departments whose Heads are appointed as the Executive Board of Directors.



New, starting in this strategy

Each Department's **KEY RESPONSIBILITIES** in the execution of the mandate is summarised:

INVESTMENT AND NEW VENTURES

Responsible for attracting investments (both local and foreign) to Namibia, developing and packaging investment opportunities and matching sustainable and identified investment opportunities to investors. Furthermore, this Department is responsible for evaluating and driving sector productivity, researching investment and sector trends, identifying Namibia's priority sectors and developing new sectors for economic complexity and diversification.

Apart from private investment, the Department supports the public sector with its investments, particularly where Public-Private-Partnerships (PPPs) are envisioned.

TALENT, INNOVATION AND PRODUCTIVITY

Promote and coordinate sector skills and capacity development strategies to respond to private sector needs and attract Namibians in the diaspora.

Conduct Labour Market Analysis and work with investors and institutions of higher learning to identify current and future skills in priority sectors.

Responsible for productivity assessment to ensure that productivity levels are improved.

The Department in collaboration with various other institutions is responsible for ensuring Namibia has accessible skills database with all the relevant data points necessary for investors and regulators to make informed decisions regarding skills policy and related investments.

STRATEGY AND BRANDING

Responsible for ensuring that Namibia has competitive policies and legislation to offer potential and current investors, and for branding and promoting Namibia as an Investment Destination

Furthermore, this Department is responsible for ensuring the reduction of the cost of doing business in Namibia by addressing systemic constraints that hinder business growth.

The Department must ensure that there is effective collaboration between the public and private sectors.

The Department further undertakes all communication and stakeholder management functions, is the marketing support for the other departments and is responsible for branding NIPDB, the organisation.

MSME DEVELOPMENT INNOVATION AND ACCELERATION

Responsible for the national coordination and targeted support for the development and scalability of the MSME sector in line with Namibia's MSME policy. Developing enabling ecosystems for both MSMEs and startups. Investor Experience, Retention and Aftercare

Responsible for the Ease of Doing Business and for investor retention including managing the physical and online one-stop centre, aftercare, facilitation services, reinvestment and compliance reviews. The Department, in collaboration with others, also assists investors convert their investment opportunities from project concept to realised investments by proactively managing the investment pipeline, grow and expand their businesses and occasionally offers business rescue services to retain investment and economic activity.

OPERATIONS

Responsible for providing internal services to NIPDB and ensuring that NIPDB's talent is capacitated and developed and that the internal processes are optimal.

INVESTOR EXPERIENCE, RETENTION AND AFTERCARE

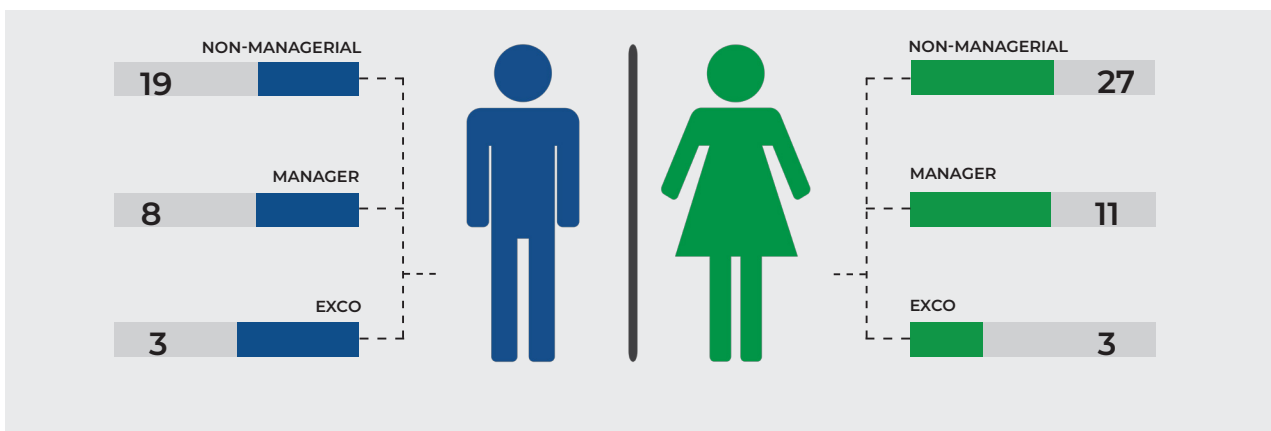
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The CEO closely collaborates with other OMAs to develop and implement national strategies that aid in the Government's wider economic development objectives and that require more collaboration between agencies for effective implementation.

The Ombudsperson will aim to ensure that any grievances between investors and the Government are resolved amicably and that legal routes that might result in processes and/or outcomes that taint Namibia's image as a reputable and preferred investment destination are minimised. This role will strengthen our country's transparency and governance and will allow G-2-B negotiations and arbitration before grievances escalate to involve the court system. It will help ensure that we address grievances by and against investors before they escalate to dispute levels. The position remains on hold at the moment due to financial and regulatory limitations. NIPDB's CEO currently attends to this duty. We will reassess this decision and position during the annual strategy review process throughout the five-year strategy.

NIPDB is blessed with passionate and capable employees who go above and beyond to deliver value for Namibia. Our people are united by our why and are committed to acting for a brighter future for Namibia.

EMPLOYEE GENDER REPRESENTATION (as at 31 March 2023)

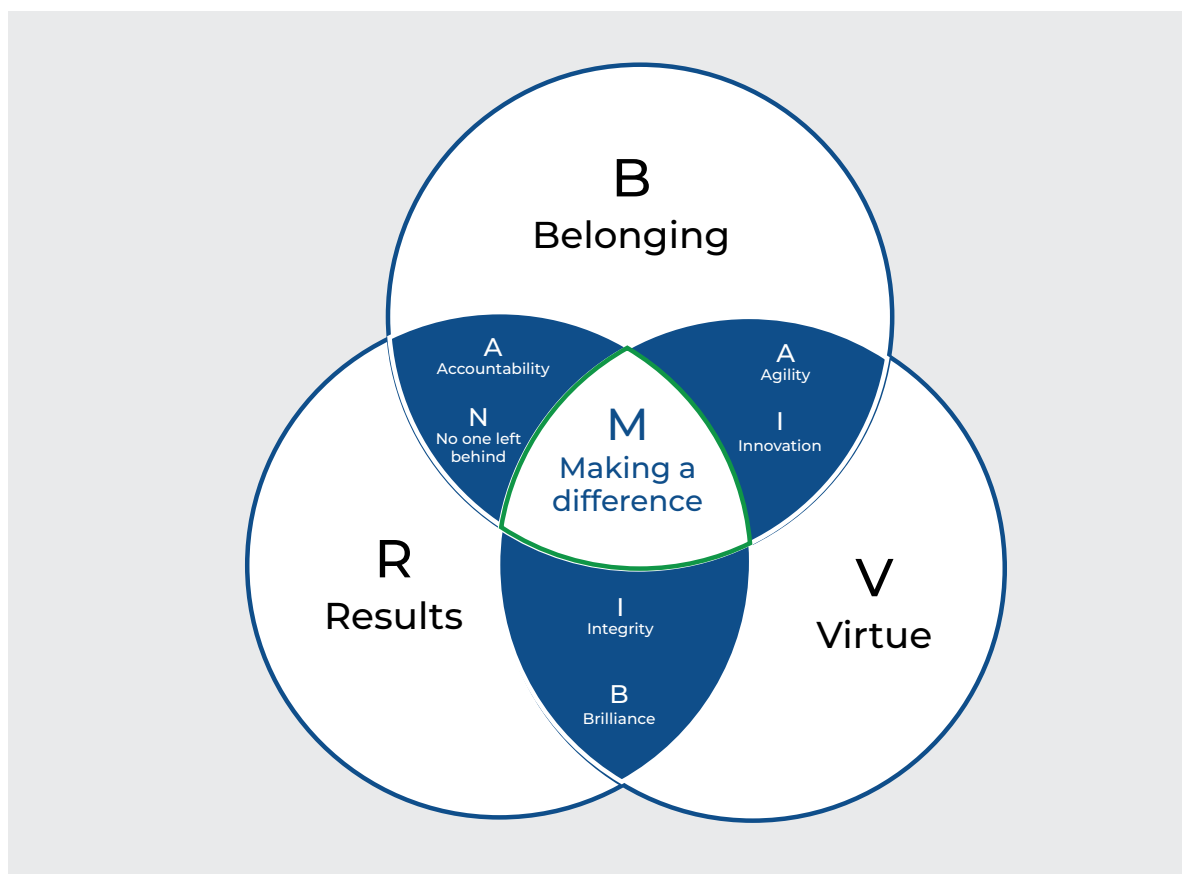


We believe that we have recruited the right people in the right positions and are privileged to have a diverse skill set from both the public and private sectors and have good representation across age, race and gender. We are stronger together and are learning to draw on each other's experience and skills. In taking care of our employees, we developed our culture keystones that encompass our values.

By defining and launching of our culture, we invited all our employees to be **#Brave4NAMIBIA** with *three culture keystones (BRV)*:

BELONGING	There's no place I would rather build and be.
RESULTS	We have an uncommon commitment to getting things done.
VIRTUE	We hold ourselves to a higher standard.

Our *core values* with the acronym of **NAMIBIA** further expound on the culture keystones.







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