



SECTOR PROFILE

TRANSPORT AND LOGISTICS

Introducing **Namibia**

Namibia is ranked amongst the world's most politically stable countries. The Namibian Government is committed to stimulating economic growth and employment through the attraction and retention of investments.

Namibia's primary infrastructure is well-developed and modern, with a good transport system whose road infrastructure quality is ranked the best in Africa, an efficient communication system with global cellular networks and globally competitive broadband, as well as a sophisticated financial sector.

A land of contrasting beauty, Namibia is strategically located on the south-western coast of Africa and serves as a quintessential trade conduit with the rest of the world for landlocked countries including Botswana, Zambia, Zimbabwe and the Democratic Republic of Congo through the port of Walvis Bay. Compared to other ports in the region, the congestion-free port of Walvis Bay offers shipping line time savings of up to five days to Europe and the Americas, and is a springboard into the Southern African Development Community (SADC) trade block, with a market access of 330 million people.

The country is endowed with natural wind and sun resources, and is considered to be amongst the most competitive destinations in the world with potential to become a producer and exporter of green hydrogen, reckoned to catalyse the decarbonisation of the planet.

Namibia is a middle-income country whose considerable successes rest on a stable multiparty parliamentary democracy that delivers sound economic management, good governance, fundamental civic freedoms and respect for human rights.

Namibia values long-term relationships with foreign investors, and provides numerous opportunities for international investors seeking a foothold and growth on the African continent. The Government has put in place an enabling environment to assist with identification of opportunities, syndicate financing, operating and tax incentives in certain sectors, particularly manufacturing, and one-stop bureau services for establishment of local operations of international companies.

The Namibia Investment Promotion and Development Board (NIPDB) serves as a one-stop shop for all companies aspiring to do business in Namibia. As a public entity in the Office of the President, the NIPDB exists to facilitate investments into Namibia.

This brochure presents the Namibian sectors which are abundantly filled with development opportunities awaiting investment. The areas of green hydrogen, renewable energy, oil and gas, chemical industry, sustainable tourism, transport and logistics and value addition opportunities in the mining sector.



Sector Profile

Transport and Logistics

Sector overview and significance to the Namibian economy

Following significant public investments over the years, Namibia boasts well-developed road, sea and air infrastructure to support economic growth and development.

Strategically located along the south-western coast of Africa, Namibia's well-developed infrastructure augments its ambition of becoming a logistics hub in Southern Africa. Namibia's road network was ranked 1st in Africa for quality road infrastructure by the World Economic Forum Competitiveness Report of 2019. The road network connects Namibia with neighbouring Angola, Botswana, Zambia, Zimbabwe and South Africa, and is further complemented by strategic trade corridors that link to landlocked countries within the broader region.

Namibia has two congestion-free ports strategically located along its coastline: the Port of Walvis Bay and Port of Lüderitz. The Port of Walvis Bay is the country's primary port and gateway into southern Africa. It serves as a transit hub to the Americas, Asia and Europe. The Port of Lüderitz is located in southern Namibia and serves the north-western market in South Africa. Both ports service an array of industries from mining, fishing, salt, meat and petroleum amongst others. Key regional markets are connected to the Port of Walvis Bay through four strategic trade corridors. These trade corridors facilitate trade between the Port of Walvis Bay, the southern African region and beyond. The Trans Kalahari Corridor connects Namibia with Botswana, South Africa and Zimbabwe, whereas the Walvis Bay-Ndola Lubumbashi Development Corridor connects Namibia to Zambia and the southern Democratic Republic of Congo (DRC). The Trans-Cunene Corridor connects Namibia to southern Angola and the Trans-Oranje Corridor connects Namibia to north-western South Africa.

Following the expansion of the Port of Walvis Bay, the port's capacity has been increased to handle 750,000 TEUs and 10 million tonnes of cargo annually. Hence, shipping lines docking at the Port of Walvis benefit from efficiency, competitive turnaround times, safety, minimal delays and a congestion-free port, as well as superb logistical services. Additional facilities include dry docs for repairs to ships as well as oil and gas rig repairs.

Both ports are linked to the country's rail network that consists of 2,687 km of rail and the potential therefore exists to increase the volume of cargo by rail, hence the Government plans to upgrade the railway infrastructure and extend its network to support the expanding transport infrastructure.

Namibia has expanded its airport infrastructure to enhance capacity for international and regional airlines landing in the country. While Namibia has eight airports, the Hosea Kutako International Airport situated in the capital is the country's main airport. Other airports include the Eros Airport, Katima Mulilo Airport, Keetmanshoop Airport, Lüderitz Airport, Ondangwa Airport, Rundu Airport and Walvis Bay Airport that can provide additional access to major towns.



Opportunities in the Transport and Logistics sector and presence in Namibia

The Port of Walvis Bay has facilitated the development of offshore berths for the import and export of dry bulk cargo consisting primarily of mineral ores and coal. The berths will have capacity to handle 10 million tons of dry bulk cargo annually. Others such as the Botswana coal terminal will have the capacity to handle 100 tons of coal annually. The berths will be linked to the shore via access trestles.

The upgrading and expansion of the Hosea Kutako International Airport is being contemplated through a Public Private Partnership (PPP) arrangement to facilitate an increase in the forecasted tourist and cargo demand, and provide international standard non aeronautical services.

Various other initiatives are planned to enhance the country's logistics and intermodal capabilities, projects such as constructing and upgrading railway network between Tsumeb to Katima Mulilo (to an axle load of 18.5 tonnes) further linking the Zambian and Zimbabwean market.

How to invest in the Transport and Logistics industry

Infrastructure projects for airports, rail, roads and ports, as well as supporting goods and/or services are deployed to the market through a procurement process in accordance with the Public Procurement Act, 2015 or the Public Private Partnership Act, 2017. Entities interested in projects or the provision of goods and/or services are welcome to participate in a competitive bidding process.

Additionally, the existing infrastructure allows for effective operation of private logistics companies serving the Southern African market. Investment into transport management involves warehousing and distribution, freight forwarding, customs brokerage, transportation and supply-chain management services. All of which present great opportunities for private sector companies.

Shared experience of Domestic & Foreign Investments in Namibia

International companies who are successfully operating within the transport and logistics sector include Kuehne & Nagel, Maersk Namibia, DB Schenker, Manica Group, Sturrock Grindrod and Transworld Cargo.



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