



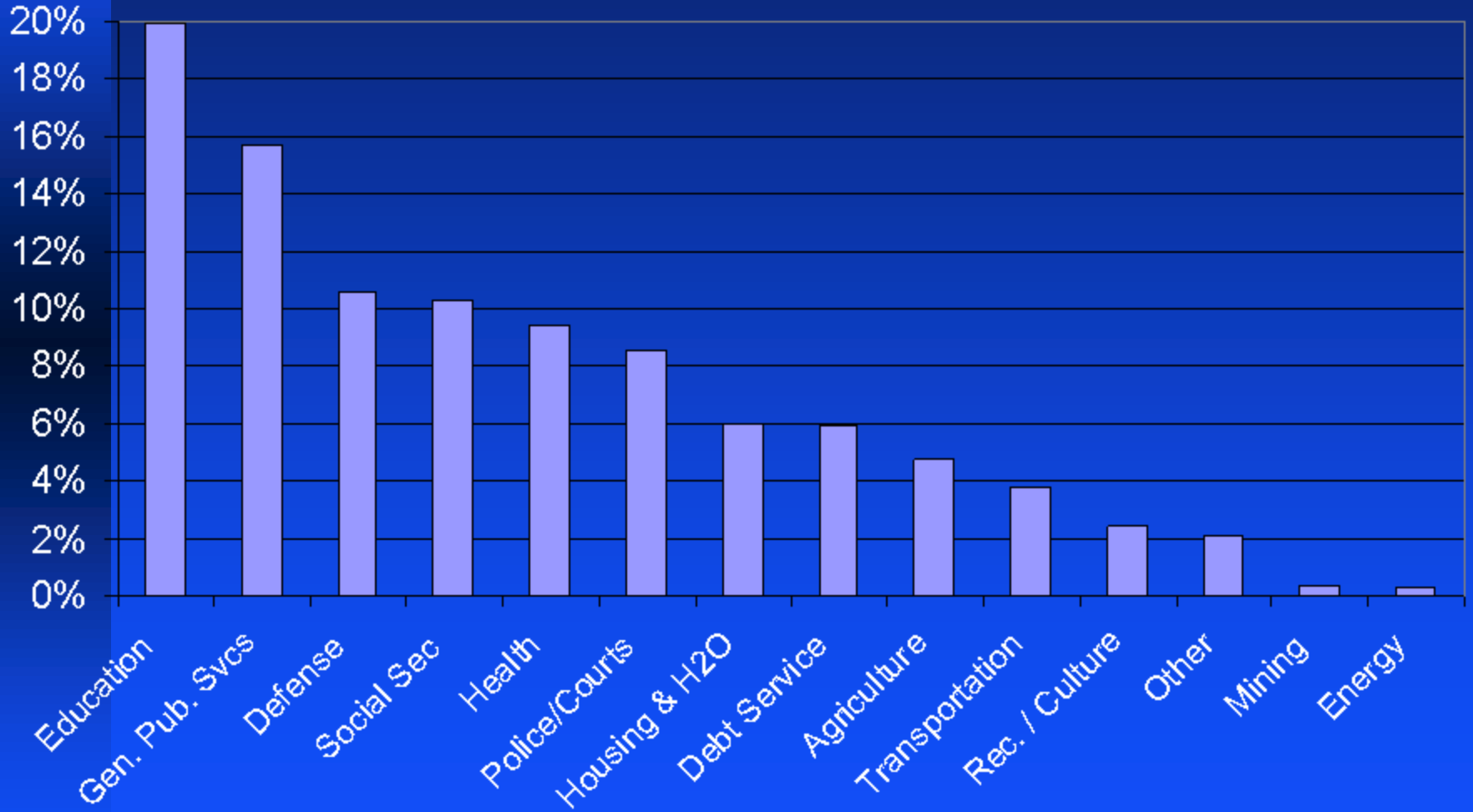
# Republic of Namibia

- Independent Since March 1990
- Population: 2,088,669 (July 2008 est.)
- Capital: Windhoek (Pop. 203,000 -- growing at over 5% per annum)
- Industry: Mining, Fishing, Manufacturing, Agriculture, Tourism
- Political Structure: Multi-party Democracy, dominated by SWAPO.
- Land mass – twice the size of California, very arid – mostly desert.

# Economic Picture

- GDP : \$10.72B, per capita (PPP) \$5,200 (2007 estimates)
- 1995–2005 average GDP growth 4.1%, 1.5% per capita
- Mining most important sector. Drops in mineral commodities prices reduced 2008 GDP growth from 4.6 % to 3%.
- GDP is projected to drop to 2% percent in 2009
- Unemployment rate: 36.7% (20-40%)
- Gini index: 70.7 (2003)
- 34.9% of Namibians live on \$1 per day, 55.8% live on \$2
- Inflation: 10.9% (December 2008)
- 70% of people involved in farming, but farming is just 10% of GDP
- Government & parastatals are the largest formal employers

# 2008 Government of Namibia Budget N\$22.5B



Source: Government of Namibia, Ministry of Finance

# Infrastructure

- Ports: Walvis Bay is expanding to service SADC
- Rail: Deteriorating, cannot handle port expansion.
- Roads: Good, but increasingly crowded with large trucks servicing Walvis.
- Aviation: Lacks resources, 22 of 60 controllers. Many small craft accidents.
- Telecom: Relatively modern, reasonable coverage
- Energy: Shortages, especially in winter months. Dependent on neighbors (SA, Zim).

# Foreign Investment Act

- Foreign investors are guaranteed:
  - ◆ treatment equal to that given to Namibian firms,
  - ◆ fair compensation in the event of expropriation,
  - ◆ international arbitration of disputes,
  - ◆ the right to remit profits and access to forex,
- Incentives and special tax incentives are available for the manufacturing sector.

# Corruption

- Transparency International ranked Namibia 61 out of 180 countries in its 2008 corruption perceptions index
- Namibia scored 4.5 just behind Turkey, Lithuania, and Poland's score of 4.6.
- Only four sub-Saharan African countries (Botswana, South Africa, Mauritius and Seychelles) ranked higher.

# Labor

- General shortage of skilled labor.
- The lengthy and administratively burdensome process of obtaining work permits is among investors' greatest complaints in Namibia.
- 36 percent unemployment rate is GRN's motivation for a strict policy on work permits.
- Unions are relatively strong. Largest federation is connected with the SWAPO party.

# Financing / Banking System

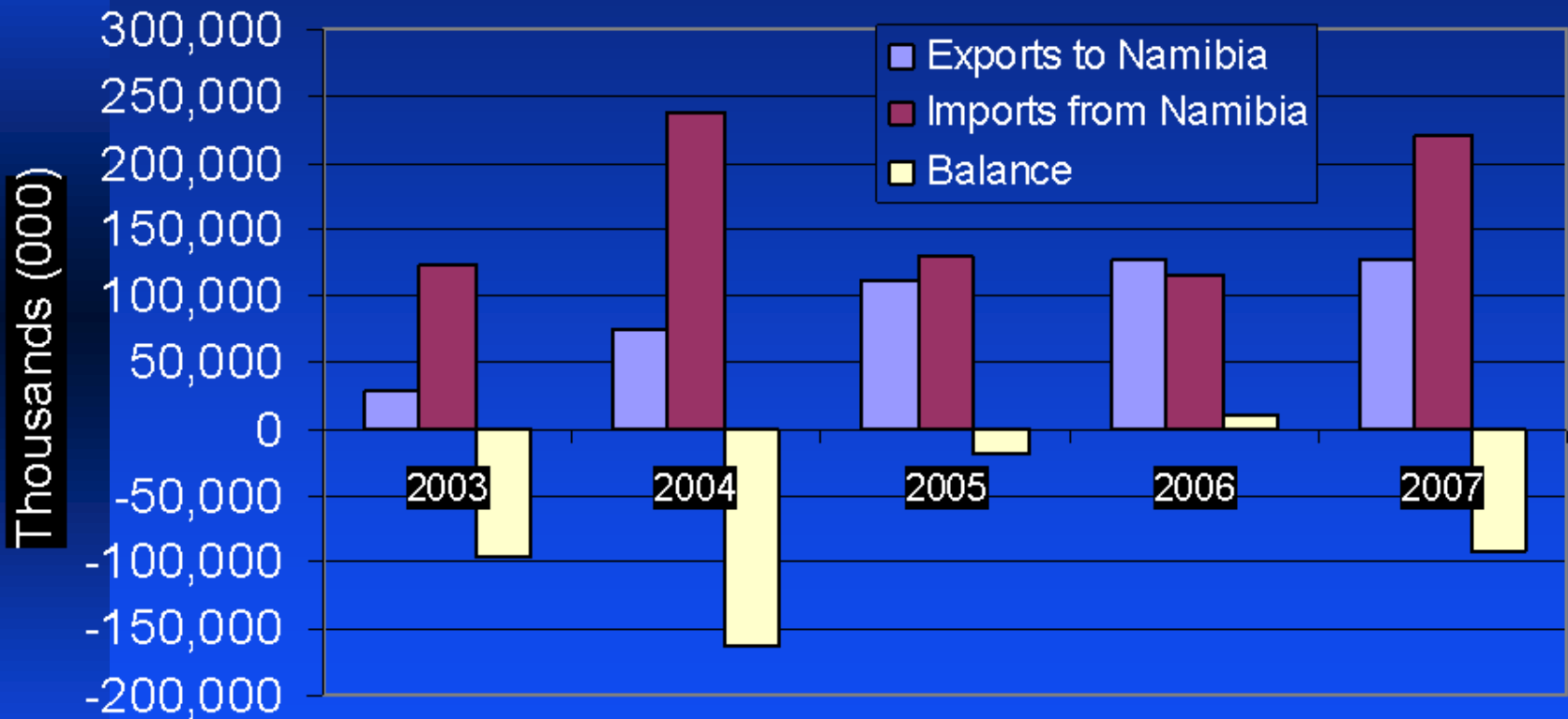
- Non-residents may access local credit up to 200 percent of their total shareholders' investment to finance foreign direct investments in Namibia.
- The banking system is modern and tied to South Africa. 3 of 4 banks are South African.
- Banking fees and charges are among the highest in the world.
- All local commercial banks handle international transactions and trade financing.



# IPR Protection

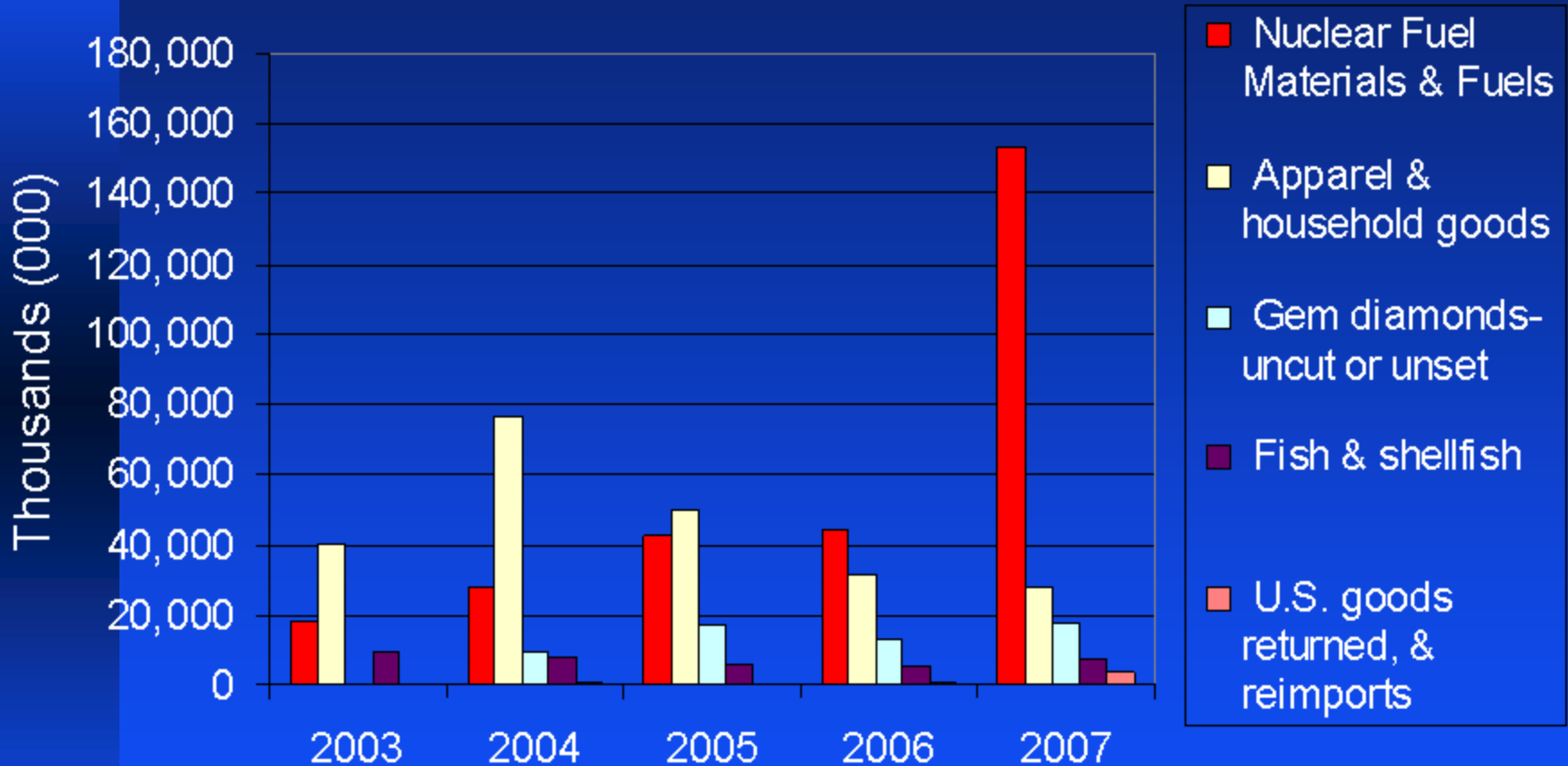
- IPR is relatively well protected.
- Namibia is party to the WIPO Convention and the Berne Convention for the Protection of Literary and Artistic Works, and the Paris Convention for the Protection of Industrial Property, the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks and the Patent Cooperation Treaty.
- 3 ministries handle IPR protection.
- 2 copyright organizations; Namibian Society of Composers and Authors of Music (NASCAM) and the newly established Namibian Reproduction Rights Organization (NAMRRO).

# U.S. - Namibia Trade



Source: Compiled from U.S. Census Foreign Trade Statistics

# Top 5 U.S. Imports From Namibia



# Market Opportunities

- Construction industry
- Energy sector – generation and transmission projects (alternative and conventional)
- Mining
- Oil and natural gas (Kudu and other offshore deposits)
  
- Equipment sales in these industries
- Expertise (consulting and exploration services)