

Transportation Costs

Air Cargo Rates: Parcel Express

Walvis Bay to:	Weight (kg)	Rate (NS)
Angola	0.5	279.00
	15	1,391.00
	25	1,771.00
	50	2,721.00
China, Japan, Korea, Spain	0.5	602.00
	15	3,653.00
	25	4,813.00
France, Italy, Netherlands	0.5	498.00
	15	2,650.00
	25	3,430.00
Germany, United Kingdom	0.5	411.00
	15	2,330.00
	25	2,990.00
South Africa	0.5	175.00
	15	688.00
	25	988.00
USA	0.5	520.00
	15	3,048.00
	25	3,988.00
	50	6,338.00

Courier Services: Documents

	Weight (kg)	Rate (NS)
Angola	0.5	170.00
	5	902.00
	10	1,092.00
China, Japan, Korea, Spain	0.5	312.00
	5	2,203.00
France, Italy, Netherlands	0.5	219.00
	5	1,591.00
	10	1,981.00
Germany, United Kingdom	0.5	192.00
	5	1,451.00
	10	1,781.00
USA	0.5	241.00
	5	1,829.00
	10	2,299.00

Domestic Air Cargo: Air Namibia

Windhoek to:	Rate (NS)
Swakopmund	NS\$3.75 per kg
Walvis Bay	NS\$4.10 per kg
Luderitz	NS\$12.08 per kg
Oranjemund	NS\$12.90 per kg
Ondangwa	NS\$6.45 per kg
Katima Mulilo	NS\$14.31 per kg
Okaukuejo	NS\$5.51 per kg

Rented Accommodation

Apartments	Swakopmund (NS)	Windhoek (NS)
1-bedroom	1,500.00–1,800.00	1,500.00–2,000.00
2-bedroom	1,800.00–3,500.00	2,000.00–2,500.00
3-bedroom	2,500.00–4,000.00	3,000.00–5,000.00

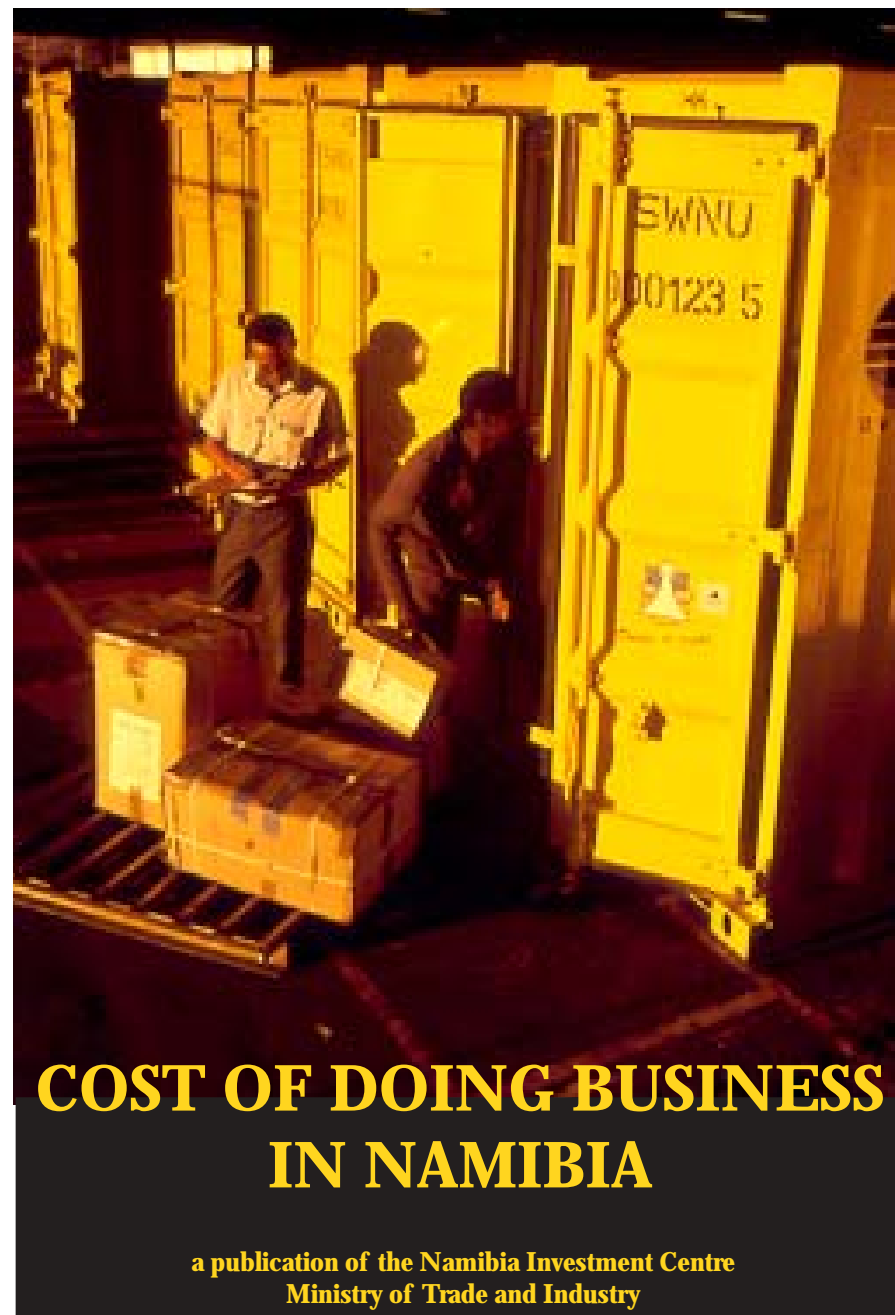
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COST OF DOING BUSINESS IN NAMIBIA

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Ministry of Trade and Industry

Cost of Industrial Land and Factory Buildings

	Cost of industrial land (m ²)	Factory building costs (m ²)
Arandis	N\$5.00	negotiable
Gobabis	N\$25.00	negotiable
Grootfontein	N\$1800.00	N\$1800.00
Karibib	N/A	N/A
Mariental	N\$1.50	2,000,000 (rental)
Okahandja	N\$74.00	N\$74.00
Omaruru	N\$1.00–N\$10.00	N\$1.00–N\$10.00
Ondangwa	N\$37.00	negotiable
Oshakati	N\$38.00–44.00	
	Land: N\$70.00–N\$80.00	
	Building: N\$3,500–N\$4,000	
Otjiwarongo	N\$775.00	negotiable
Outjo	N\$2.50	N\$1800.00
Rundu	N\$12.00	as per tender
Tsumeb	N\$80.00	N\$850.00
Walvis Bay	N\$35.00–N\$59.00	N\$15.00
Windhoek	N\$15.00–N\$25.00	N\$15.00–N\$25

Rental Rates for Prime Office Space

Location	N\$ (per month)	N\$ (per m ²)
Arandis	–	7.00–10.00
Gobabis	–	25.00
Grootfontein	–	18.00–24.00
Karibib	800.00–1,500.00	–
Mariental	900.00–1,500.00	–
Okahandja	1,200.00	–
Omaruru	250.00–500.00	–
Ondangwa	–	45.00
Oshakati	–	32.00–60.00
Otjiwarongo	–	15.00–35.00
Outjo	1,000.00	–
Rundu	350.00–500.00	–
Swakopmund	–	25.00–60.00
Tsumeb	–	12.00–30.00
Walvis Bay	–	25.00–35.00
Windhoek	–	85.00–more

Exchange rate
December 2002
1 US\$ = 9 N\$

Taxation

Namibia has no capital gains tax, estate duty, inheritance tax or donation tax. All income received from a source (and a source deemed to be) in Namibia, is taxable in Namibia, whether the recipient is resident in Namibia or not. Dividend income received and interest from stock or securities including treasury bills issued by the Government of Namibia is exempted from tax except dividend income from building societies, of which only one-third is exempt.

Double Taxation Agreements: Namibia has concluded double taxation agreements with the following countries: France, Germany, India, Mauritius, Romania, Russian Federation, South Africa, Sweden and the United Kingdom

Company Tax: This includes both corporations registered in Namibia and branches of foreign corporations deriving income from Namibia. As from January 2003 the corporate tax for registered manufacturers under the Special Incentives for Manufacturers and Exporters, will be at a rate of 18% for a period of 10 years, where after it will revert back to the general rate of 35%.

Diamond Mining Companies: On each N\$ of taxable income derived from the mining of diamonds, 50% will be levied plus a surcharge of 10% of the amount of tax so determined.

Other Mining Companies: On each N\$ of taxable income derived from mining of a mineral or substance other than diamonds, 37.5% will be levied.

Oil and Gas Extraction: The tax rate is 42% plus Additional Profit Tax.

Personal Income Tax: Payments to non-residents for services delivered in Namibia are taxable in Namibia. Income received from a Namibian employer by an individual for services delivered outside of Namibia is taxable in Namibia only if the individual is ordinarily resident in Namibia. Individuals are taxed on progressive marginal rates over a series of income brackets.

Withholding Tax: No withholding tax is levied on interest paid to non-resident creditors. Generally, Non-Residents Shareholders Tax (NRST) of 10% must be deducted from any dividend distributed by a company to a shareholder, who is a non-resident and not conducting business in Namibia.

Royalty Tax: On royalty payments to non-residents for the use of patents, trademarks, designs, copyright, intellectual property, etc., royalty tax is levied. Calculated at the company tax rate on 30% of the gross royalty payable. Effective rate of royalty is 10.5%.

Value Added Tax (VAT): Levied at a standard rate is 15%.

Stamp Duty: Stamp duty is imposed on legal instruments and payable in the form of an adhesive stamp that is to be fixed to certain legal documents and marketable securities.

Transfer Duty: For improved or unimproved land, transfer duty must be paid upon registration of the land in the new owner's name.

Customs and Excise: Payable on the importation of goods into Namibia, except if goods are imported from within the Southern African Customs Union (SACU). Companies that were granted manufacturing status under the Special Incentives for Manufacturers and Exporters are exempted from paying duties on capital goods (i.e. machinery, equipment) and certain raw materials imported under these incentives.

Rates of Capital Allowances: Expenditure on moveable goods and machinery is allowed to be deducted equally over three tax years (i.e. 33.33% annually) in respect of the acquisition cost of moveable, machinery, utensils and articles used by the taxpayer for purposes of his/her trade.

Expenditure on buildings: An allowance of 20% is granted on the cost of erection of buildings used for the purposes of trade in the first year of use, and 4% in each of the following 20 years.

Telecommunications

	Mobile to Mobile		Mobile to Fixed	
	Peak	Off-peak	Peak	Off-peak
Call charges per minute	7:00-19:00 Mon-Fri	19:00-7:00 Mon-Fri weekends public holidays	7:00-19:00 Mon-Fri	19:00-7:00 Mon-Fri weekends public holidays
Local	N\$2.58	N\$1.13	N\$3.43	N\$2.28
South Africa	N\$6.90	N\$6.90	N\$5.75	N\$5.75
Botswana, Lesotho, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe	N\$5.75	N\$5.75	N\$5.75	N\$5.75
International and Angola	N\$17.25	N\$17.25	N\$17.25	N\$17.25
SMS	N\$0.86	N\$0.86	N\$0.86	N\$0.86

SIM Starter Pack: N\$185

Connection Fee (contract): N\$250.00

Monthly subscription fee

6-month contract: N\$105.00

3-month contract: N\$150.00

Roaming Charges

Calls made while roaming: Foreign network charge + 15%

Calls received while roaming: MTC international call charges + 15%

Internet service subscription

	N\$ per month
Unlimited Internet and e-mail access	127
E-mail only	66
Domain name registration, administration of domain name, 2 rewrites to domain name, one dial-up account	235
Multiple simultaneous LAN users with a single dial-up connection.	127
High-speed dial-up ISDN service	227

Electricity Rates

	Per/Unit (N\$)		Per/Unit (N\$)
Arandis		Omaruru	
Charge	0.32	Domestic	0.36
Gobabis		Small and medium	0.56
15 Amps	23.80	Bulk	25.85
3 phase 30 Amps	70.70	Oshakati	
Pre-paid	0.73	Domestic conventional meter	0.4345
Grootfontein		Pre-paid Domestic	0.5245
15 Amps	33.65	Otjiwarongo	
45 Amps	96.19	Charge	0.36
Unit charges per KWh	0.6266	Outjo	
Karibib		Basic-single phase	1.90
Households	0.30	Per ampere-three phase	2.20
Businesses	0.46	Rundu	
K.V.A	70.00	Charge	1.00
Mariental		Tsumeb	
Residential	0.3212	Monthly basic charge	0.512
Industrial (½ phases)	0.2592	40 Amps	74.57
K.V.A	68.79	Walvis Bay	
Okahandja		Unit charge	0.3554
Residential		Single phase	53.56
-single phase 25 Amps	37.05	3 phase 40 amps	287.50
-three phase 45 Amps	170.00	Windhoek	
Businesses		Domestic charge	0.21
-single phase 25 Amps	94.50	25 Amps	109.95
-three phase 45 Amps	170.10	40 Amps	172.80
		Pre-paid meters	0.47

Industrial Electrical Rates

Primary customers		Secondary customers	
Service charge	N\$145.00 p.m.	Re-distributors	
Demand charge		Service charge	N\$150.00 p.m.
-kVA	N\$62.00	Demand charge: -kVA	N\$62.87
-kW	N\$68.30	-kW	N\$69.30
Unit charge	10.69c/kWh	Unit charge	10.84c/kWh
		End customers:	
		Service charge	N\$150.00 p.m.
		Demand charge: -kVA	N\$62.23
		-kW	N\$70.80
		Unit charge	11.08c/kWh

Water Rates

	N\$		N\$
Arandis		Ondangwa	
Pre-paid (m ³)	4.50	Domestic (per m ³)	5.95
Gobabis		Oshakati	
0 – 25mm	13.30	0 – 6 kl	3.50
Over 150mm	112.00	40.1kl – above	10.00
Pre-paid (per m ³)	6.74	Otjiwarongo	
Grootfontein		Per unit	0.36
Monthly charge (per 5 kl)	19.45	Outjo	
In excess of 5kl p.m. (per kl)	2.493	Per kl	2.20
Bulk supply (per kl)	2.23	Basic charge	16.00
Karibib		Rundu	
Per m ³	5.20	Per m ³	4.75
Mariental		Swakopmund	
Residential (per m ³)	4.14	0 – 9 mm	4.25
Industrial 50 – 100m ³ per day	4.04	60mm – above	10.60
100m ³ – more per day	3.94	Tsumeb	
Semi purified water (m ³)	0.80	Per kl	3.14
Okahandja		Monthly basic charge	N\$18.98
Businesses and offices (per kl)	4.85	Walvis Bay	
Bulk consumers (per kl)	5.50	Per kl	N\$9.75
Omaruru		20mm pump	N\$2.90
Domestic (per unit)	2.06	Windhoek	
Industrial (per unit)	2.14	Basic charge – 15mm	N\$11.07
Non-domestic (per kl)	7.02	– 80 mm	N\$136.29

Gas and Fuel

Fuel (per litre)		Gas	
Diesel	N\$3.80	9 kg	N\$83.80
Petrol (lead)	N\$3.90	19 kg	N\$173.70
Petrol (unleaded)	N\$3.96	48 kg	N\$430.60

Telecommunications

Local and National Fixed line – Call Charges

Unit cost per metering period = N\$0.35 VAT incl. (residential and business)

Direct Dialed Calls

Distance up to (km)	Metering period in seconds	
	Peak	Off-peak
Local	60	120
Internet Dial-up	60	120
100	30	45
200	18	26
200+	17	24
Fixed to cell	11	17
Fixed to mobile RSA	5.66	7.2
RSA	10	12

Neighbouring countries – Call Charges

	Metering period/sec.	Rate/min. VAT exc.	Rate/min. VAT incl.
Direct dialled calls			
Rate 1 Botswana, Zambia, Zimbabwe, Lesotho, Malawi, Mozambique and Swaziland	10	2.32	2.67
Rate 2 Botswana, Zambia, Zimbabwe, Lesotho, Malawi, Mozambique, and Swaziland	12	1.64	1.89

International – Call Charges

Destination	Metering period/sec.	Rate/min. VAT exc.	Rate/min. VAT incl.
Germany	3	6.70	7.71
Netherlands	2	7.50	8.63
Sweden, Switzerland	2	8.50	9.78
UK, USA	2	8.60	9.89
Rest of the world	2	9.70	11.16
Angola	2	7.50	8.63