

als such as jojoba. The ground is suitably gravelly and shows good drainage. Below 1,000 the land is also free from frost, irrespective of the fact that jojoba is able to withstand overnight frost of up to -8°C. The young plants and buds have to be protected. **Water:** The necessary water will have to be pumped up from underground. As this water will be moderately saline or brackish, its extraction will not impinge on the water requirements for animals and humans. For the establishment of the jojoba plantation on a commercial basis, the Khan River, a tributary of the Swakop River lends itself well. The Khan River is not dammed and has commercial farms adjacent to it. **Feasibility study / ISO 14000:** The feasibility study for the project is presently being undertaken. Included will be an environmental impact assessment, so as to obtain ISO 14000 qualification from the onset.

**Financial elements:** The first harvest will be collected at the fourth season of growth with output roughly doubling at each harvest, to reach a maximum production after year eight. At current (extremely conservative) calculations the annual output, at maturity, will bring in a revenue as high as the initial investment. While the relatively long lead period to full production may be a deterrent to potential investors, the upside of an investment in the jojoba industry is the fact that the investment is practically 'maintenance free'. The plants continue producing at full rates *ad infinitum*.

**Project requirements:** An invitation is hereby extended to a person or a group of persons to join the project leader on this venture. A capital contribution of US\$1,000,000 is sought. Subject to negotiation and contractual validation, participation may take any form proposed.

**For further information, contact:**

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**For further information on investment opportunities in Namibia, please contact:**

**Namibia Investment Centre**  
Private Bag 13340  
Windhoek, Namibia  
Tel: +264-61-2837335  
Fax: +264-61-220278  
E-mail: nuyoma@mti.gov.na  
Website: www.grnnet.gov.na

or

**Offshore Development Company**  
Private Bag 13397  
Windhoek, Namibia  
Tel: +264-61-2837360  
Fax: +264-61-231001  
E-mail: odc@mti.gov.na  
Website: www.grnnet.gov.na



# NAMIBIA INVESTMENT OPPORTUNITIES AND PROJECTS

**JANUARY 2003**

a publication of the  
**NAMIBIA INVESTMENT CENTRE**  
**MINISTRY OF TRADE AND INDUSTRY**

## INTRODUCTION

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Namibia has a wide range of investment opportunities. This booklet introduces you to some of the most attractive of these opportunities which promise good returns on capital. Besides their attraction as profit generators, investors in these projects stand to gain from operating in one of Africa's most stable and competitive environments.

Namibia's short, but impressive record includes, among others, a Country Risk rating in the B category of 40 points awarded by the London-based Economic Intelligence Unit. This is the top score achieved in sub-Saharan Africa. Furthermore, the Africa Competitiveness Report of the World Economic Forum, produced by the Harvard University Institute for International Development, has recently awarded Namibia a fourth place ranking in the Competitiveness Index for the whole of Africa. Political stability, a low crime rate and workable labour relations round off the attractiveness of Namibia's enabling environment.

The projects and opportunities listed in this publication reinforce Namibia's status as a growing economy. Major capital projects like the northern railway extension programme and the intended upgrading of the country's main ports are set to substantially contribute to economic growth. Of particular significance is the number of infrastructure development projects listed.

Namibia's Foreign Investment Act of 1990 provides investors with guarantees in respect of investment security, non-discriminatory access to all sectors, repatriation of capital, access to foreign currency and international arbitration in case of dispute.

A range of highly competitive incentives are in place for investors. Foremost there is the Export Processing Zones (EPZ) regime, which offers a totally tax and duty-free environment to export oriented enterprises. To complement and diversify the EPZ regime, Namibia is currently drafting legislation for the establishment of an International Financial Service Industry.

Besides fiscal incentives, Namibia also offers manufacturers and exporters excellent market access. It is a WTO member and has duty and quota free access to the US and European markets through the Africa Growth and Opportunity Act and the Cotonou Agreement, respectively. Namibia is strategically located as an ideal springboard into the regional markets of the Southern African Customs Union (SACU), the Southern Africa Development Community (SADC) and the Common Market of Eastern and Southern Africa (COMESA).

The quick and efficient deep water harbour of Walvis Bay, a growth point and link to the major road transport corridors into neighbouring countries, including the Trans-Caprivi and Trans-Kalahari Highways, complete Namibia's appeal as an investment and gateway location.

## CROP FARMING

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### JOJOBA ENTERPRISES

**Description:** The jojoba plant (*simmondsia chinensis*) is a shrub of the Sonoran Desert in Mexico, Arizona and California. Much of the popular attention this unassuming plant has received is due to the possibility that its oil can be used as a substitute for sperm whale oil. The sperm whale has been hunted for centuries, but modern commercial exploitation has led to a severe reduction of its numbers and an international ban on its killing.

Being a desert plant the jojoba is hardy, heat resistant and accepts moderately saline water. The jojoba plant grows in sandy soil with a wide pH range of 5-8 in a temperature range of -6°C to 50°C and requires only 125 mm annual rainfall. It is not known to have any insect pest enemies or major diseases. It thus lends itself to a serious investigation into the agricultural propagation and commercial exploitation in Namibia.

The jojoba seed's oil is not a triglyceride fat (oil) but a liquid wax of high molecular mass with an extraction yield of 40%. (The term jojoba 'oil', as used in this presentation, shall mean such liquid wax.) The extracted oil occurs naturally in a very pure form, needing little refining. The oil has a nutty odour, a high flashpoint, is unaffected by repeated heating and its viscosity does not change with temperature. It has an extended shelflife (does not turn rancid). The oil can be used as a lubricant, a cutting oil, in cosmetics, pharmaceuticals, varnishes, polishes and candles. Being low in cholesterol, it can also be used in domestic cooking.

**Objective:** The objective of this proposal is to introduce the concept of the propagation of jojoba in the Namib Desert of Namibia. The growing of jojoba on a commercial basis is an agricultural industry suitable for Namibia in general and for the Namib Desert in particular. Jojoba's by-products - leaves and oil cake - will blend into the existing economy of the rearing of livestock. The intention is to establish a jojoba plantation of up to 75 hectares under irrigation, on a commercial basis.

**Market research:** The oil will be sold into the wholesale market in Germany, where a keen interest has been observed. Not only is the jojoba industry an ecology-friendly industry, it is also perceived as such worldwide. Sales of jojoba products comply well with the current consciousness of all things 'natural'. Possible demand thus exceeds supply. Because of jojoba's relatively long lead times to production, no short term oversupply situations are foreseen.

**Availability of resources: Land:** The land for the production of jojoba needs to be well-drained with a gentle slope. Below the western escarpment of Namibia and up an altitude of about 1,000 metres land is readily available for the propagation of perenni-

## MANUFACTURING PROJECTS

### OMEGA CEMENT COMPANY (PTY) LTD

**Description:** The principles of Omega Cement recognised the niche of manufacturing cement in Namibia as all cement products used by the country are imported from South Africa and thus due to transport costs these commodities are expensive. Omega intends to penetrate the Namibian cement market with a product that will be competitive in price and superior in quality to present supplies. Local cement production will annually save Namibia nearly N\$100 million in foreign exchange. In addition the forthcoming completion of the railway line to the Angolan border additional markets will open up, at least in southern part of Angola.

The company seeks finances up to an amount of US\$25 million for the acquisition of land, erection of a complete 200,000 tonnes per annum cement plant and for working capital.

**Location:** Between Karibib and Usakos.

**Cost:** US\$25 million.

**Status:** The project can be considered in feasibility stage.

**Project requirements:** The company requires finances up to an amount of US\$25 million for the acquisition of land, erection of a complete 200,000 tonnes per annum cement plant and for working capital. Omega Cement is seeking a joint venture agreement with experienced operators.

**For further information, contact:**

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## SPECIAL INCENTIVES FOR MANUFACTURERS & EXPORTERS

	Registered Manufacturers	Exporters of manufactured goods (excluding meat and fish products)
<b>Eligibility and registration</b>	Enterprises engaged in manufacturing. Application to the Ministry of Trade and Industry and approval by the Ministry of Finance.	Enterprises that export manufactured goods whether produced in Namibia or not Application and approval by the Ministry of Finance.
<b>Corporate tax</b>	Set at a rate of 18% for a period of 10 years, whereafter it will revert to the general rate of 35%	80% allowance on income derived from exporting manufactured goods.
<b>VAT</b>	Exemption on purchase and import of manufacturing machinery and equipment.	Normal treatment
<b>Stamp and Transfer Duty Establishment Tax Package</b>	Normal treatment. Negotiable rates and terms by special tax packages.	Normal treatment Not eligible
<b>Special Building Allowance</b>	Factory buildings written off at 20% in first year and balance at 8% for 10 years.	Not eligible
<b>Export Promotion Allowance</b>	Additional deductions from taxable income of between 25% and 75%.	Not eligible
<b>Cash Grants</b>	50% of direct cost of approved export promotion activities.	Not eligible

## EXPORT PROCESSING ZONE (EPZ) INCENTIVES

<b>Eligibility</b>	Enterprises must engage mainly in manufacturing for export market outside SACU (South Africa, Botswana, Namibia, Lesotho, Swaziland). Sales of up to 30% of production on the local market (SACU) may be allowed upon request. Other re-export operations allowed include re-packaging and break-bulk.
<b>Local incorporation</b>	Not a necessity. Foreign incorporation acceptable, but EPZ status must be acquired before start of operation. Applications must be submitted to the EPZ Committee chaired by the Minister of Trade and Industry.
<b>Corporate Tax</b>	None
<b>VAT</b>	None
<b>Stamp Duty</b>	None
<b>Transfer Duty</b>	None
<b>Geographic Limitation</b>	None
<b>Foreign Exchange Controls</b>	None, EPZ companies are authorised to hold foreign currency accounts in local banks.
<b>Industrial relations situation</b>	Calm. No strikes or lock-outs allowed in the Namibia EPZ
<b>Industrial facilities</b>	Provided by the Ministry of Trade and Industry as well as the Offshore Development Company at economical, rather than commercial prices

## SECTORAL INVESTMENT OPPORTUNITIES

### INVESTMENT OPPORTUNITIES IN INFRASTRUCTURE

Namibia's infrastructure is of a high quality, by any standard. Nevertheless, to support a growing economy and in order to provide a trade and service platform for business in the region, substantial investment is still needed in a number of areas.

The road transportation network has been expanded since independence in 1990 and two major road links into the Southern African region, the Trans-Kalahari and the Trans-Caprivi Highways have been completed. A transportation master plan is being finalised to assess the future needs of all transportation modes. Additionally, a feasibility study on the extension of the Namibian rail network into Angola is currently being conducted.

Major port upgrading at Walvis Bay and Lüderitz which involves the construction of grain and maize silos, is planned. Airport upgrading is taking place and the initiative to commercialise all airports was recently finalised.

Major infrastructure projects in power generation and water supply currently being assessed or implemented, include the Epupa hydro-electrical project and the localised generation of power by wind, solar or hydrocarbon resources.

### MAJOR INVESTMENT OPPORTUNITIES

#### AIRPORT INFRASTRUCTURE

- upgrading
- expansion

#### PORT INFRASTRUCTURE

- upgrading of existing ports
- expansion

#### ROAD AND RAIL INFRASTRUCTURE

- highway linkages
- upgrading of rural roads country wide
- upgrading of rail tracks
- investigation of tram ways
- development of new industries and services along new highways.

## MANUFACTURING PROJECTS

cantly reduced.

Mining for tin at the Uis location was started in 1924 after the deposit was discovered in 1911. In November 1958 the mine acquired by IMCOR, a wholly owned subsidiary of ISCOR, (A then South African state owned company). The mine closed in September 1990. Until just prior to the mine's closure and for several years prior, Uis was the worlds largest hard rock tin mining operation, mining a low-grade tin ore. The mine was closed because of the low tin price and very low tin concentration in the ore. The mining operation was open cast, with the blasted material transported with dump trucks. The ore was crushed and two different size fractions of ore reported to the recovery plant: a so-called over and under-sized product (+1mm and -1mm). As a result of this practice, two tailings were produced, a so-called sand and slime tailings.

At the moment, the area surrounding the mine at Uis is mined on a micro scale, due to a joint initiative of the Ministry of Mines and Energy and the Raw Minerals Group of Stockholm (Sweden). This project was initiated in 1994.

The tailing dump consists of two distinctly different mine waste products. It is estimated that the slime dumps is approximately 5,000,000 tonnes and the sand dump 75,000,000 tonnes (*British Geological Survey 1996*).

**Location:** The Uis mine is located at the northeastern extremity of the Cape Cross Mineral Complex. The mine is accessible by road from a number of locations, with rail facilities being located at Omaruru (120 km) and port facilities available at Walvis Bay (220 km).

**Cost:** US\$4 million, based on calculations for a plant utilising the "pressing" technique, a further US\$2,5 million for the exploitation of the slime dams. A further feasibility and viability study has to be undertaken, which will result in additional costs.

**Project requirements:** The promoters are looking for investors for a joint venture in this business. Interested parties are invited to submit proposals for the utilization of the raw material at Uis for the manufacturing of ceramics or glass products.

**For further information, contact:**

Mr. J.H. van der Westhuizen (PrEng)

Uis Project Supervision cc, PO Box 02, Uis

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## MANUFACTURING PROJECTS

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### MOSSI NETS MANUFACTURING

**Description:** Mossi Nets manufactures a wide range of mosquito nets since 1990 and is well established in this rapidly emerging market - it is estimated that by 2004, close to 55 million Africans will acquire mosquito nets. The company holds the state tender for mosquito nets for the last five years, employs 15 women and uses modern industrial sewing machines in its operations.

**Marketing:** Exports will mainly be distributed among three countries: Germany, South Africa and Angola. Tax benefits are to be registered as a small manufacturer in under-developed areas. An Angolan joint venture could be possible.

**Location:** Otavi, 400 km north of Windhoek.

**Capital requirement:** For stocks, equipment, goodwill and contracts US\$50,000 will be needed.

**Project requirement:** Take-over of the company, as proprietor wants to retire.

**For further information contact:**

Mr Uwe Rathmann, PO Box 15, Grootfontein

Fax: +264-67-242899, E-mail: koll@mweb.com.na

### MANUFACTURING OF CERAMIC AND MICA PRODUCTS

**Description:** The project promoters have identified the possibility of exploiting the mine dump in Uis in northwestern Namibia. They have thus designed an experimental programme to ascertain the possible financial rewards of such an undertaking. Uis is situated close to famous tourist attractions and historic landmarks like the Brandberg, Petrified Forest and Twyfelfontein. Exploitation of the tailing dumps at Uis will, in the long run, also result in the rehabilitation of this area.

An alternative to both surface and deep level mining, the exploitation of re-concentrated mine tailings has become popular in recent years. These tailings often contain sufficient head grades, thus making the exploitation of the tailing dumps economically viable. Increase in mineral extraction technology have led to the increase in both grades and recovery of various minerals making operations of this kind highly lucrative.

Several benefits exist: the mining of the ore has already been carried out, thus feed preparation is minimal, allowing for a vast cost reduction. The cost of the energy required for the communication of an ore body is significant. Also, the disposal cost of an existing tailings dump and the possible environmental implications are signifi-

## SECTORAL INVESTMENT OPPORTUNITIES

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### INVESTMENT OPPORTUNITIES IN AGRICULTURE

Agriculture is an important economic activity in Namibia, mainly in terms of export earnings and employment. While the sector's contribution to the Gross Domestic Product is limited, it employs an estimated 147,000 or 36.6 percent of the total work force (*1997 Namibia Labour Force Survey*). Exports of agricultural commodities, mainly beef to the European Union and live animals to South Africa, contributes some 8.9% to total earnings from merchandise exports. The mainstay of agriculture in the country is beef production. Small stock farming is widely practised while game farming, as an industry, is fast growing and already a significant earner of foreign currency, in particular through tourism and hunting.

The fastest developing agricultural industry in Namibia is ostrich farming and processing operations based on ostrich products. Other agricultural activities such as pig and poultry farming are currently of a limited nature and there is room for improvement. Agronomy contributes only about 2% to the gross agricultural income, but is a sub-sector with great potential for expansion even with the low annual rainfall limiting crop production. Rain-fed crop production in the commercial farming area consists of maize, sorghum, groundnuts, sunflowers and fruit and vegetables.

### MAJOR INVESTMENT OPPORTUNITIES

#### LIVESTOCK-BASED

- Breeding of cattle, sheep and goats for the production of meat, horns, skins and hides, bones, fat and milk.
- Breeding of Angora (goat, rabbit) for mohair.
- Breeding of ostrich for skins, meat and feathers.

#### POULTRY FARMING

Opportunities exist in poultry farming (hatchery, poultry feed) for the commercial production of meat and eggs.

#### TALLOW PRODUCTS

Processing of cattle, sheep and goat meat, bones and horn into glue, gelatine, soap and cosmetics.

## SECTORAL INVESTMENT OPPORTUNITIES

### FRUIT, VEGETABLES AND HERBS

Herbs	production and processing, drying, medicinal use, beer
Fruit and vegetables	production, processing, drying, canning, blanching and freezing, juices, concentrates, jams, baby foods

### CASH CROPS

Sunflowers	production and processing
Peanuts	production and processing
Cotton	production, ginning, spinning, and weaving
Maize	whole grain production, milling
Pearl millet	whole grain production, milling
Sorghum	whole grain production, milling, beer
Other grains (rice)	whole grain production, milling, beer, foods, and baby foods, breakfast cereals and starch, glue
Jojoba	cosmetics, medicines, oil
Table grapes	whole grapes for export to Europe and other markets.

## INVESTMENT OPPORTUNITIES IN FISHERIES

Namibia's 1,500 km coastline is recognised as one of the world's richest fishing grounds. The commercial biomass consists primarily of small pelagic species (pilchard, anchovy and juvenile mackerel) and lobster along the shallower inshore waters on the continental shelf, as well as large pelagic species including adult mackerel, demersal hake and other deep-sea species (monkfish, sole, and crab) in the waters further offshore.

Mid, and deep-water trawling for hake, horse mackerel, monk and sole account for over three-quarters of the country's weighted fish output. This is followed by purse seining for pilchard, anchovy and juvenile horse mackerel, ring and bow net harvesting of inshore lobster and deep-sea crab, and line fishing for tuna, cob and snoek.

Namibia's estimated national fish reserves are the biggest in Southern Africa and it increased the regional body's fisheries output from 600,000 tons to 1.3 million tons when it joined the grouping after independence in 1990. It is the top African fisheries country by production value and exports.

In terms of its 400 kg per capita annual production (which is set to double in ten years), Namibia ranks second in the world. Over 90% of this national output is marketed for export. Mariculture is a growing sub-sector in Namibia's fisheries, with three oyster farms and one seaweed harvesting enterprise already well established.

## MANUFACTURING PROJECTS

### TOMATO PASTE/PUREE MANUFACTURING

**Description:** The objective is to establish a tomato paste processing plant for the local market, which will create job opportunities, encourage skills transfer and promote economic diversification through tomato production, by expanding the baseline of income generating activities.

**Location:** The plant will be located in Tsumeb, 400 km north of Windhoek due to the proximity of both the communal and commercial farmers engaged in tomato production to this town.

**Marketing:** The market for tomato puree lies predominantly in the Namibian pelagic fishing industry which currently imports ±5,000 tons/annum from South Africa. The project has a high rate of success and will boost the production of tomatoes on a large scale. A feasibility study conducted in 1993 found the project to be viable and to have great potential for success.

#### Financial information:

##### Capital Requirements

The processing plant should have a capacity of 10 tonnes/hour.

Year 1	US\$
Processing Plant	4,000,000
Working Capital	750,000
<b>Total</b>	<b>4,750,000</b>

#### Employment structure:

Number	
Management	8
Clerical	6
Labourers	16
<b>Total</b>	<b>30</b>

The cultivation of tomatoes is labour-intensive, and could thus provide employment for ±3,000 people on ±600 ha, in addition to the 30 plant employers indicated above.

**Status and requirements:** The Namibia Development Corporation is looking for a joint venture partner to set up the project in Tsumeb. The investor should commit 60% and the Government 40% (subject to budget provision) of the total amount required.

#### For further information, contact:

Ms Anna Shiweda, General Manager: Special Projects Division

Namibia Development Corporation, Windhoek

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## TOURISM PROJECTS

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### ANDONI RESORT – ETOSHANA LODGE (CONTINUED)

rate artesian bore holes form a shallow pan and an area of marshy grassland, attracting a variety of wetland bird species. Conservancy for 22,000 km<sup>2</sup> squares is in progress.

**Location and access:** Etoshana is located 5 km south of the Oshivelo-Ondangwa tar road (B6) and 15 km north of the newly opened Nehale Ipinge Gate. Access from the tar road and the gate is good.

**Infrastructure:** The basic road, water, electricity and telecommunications infrastructure at the nearby Okashana Training Centre could be extended to service the site development.

**Status:** Existing Permission to Occupy (PTO) and lease agreement with traditional leaders for the required communal land as well as cooperation agreement with the Namibian Community Based Tourism Association (NACOFTA).

**Project requirements:** Cooperation agreement

**Capital requirement:**

Phase 1: US\$500,000

Phase 2: US\$500,000

Phase 3: US\$1,000,000

**For further information contact:**

Mr Uwe Rathmann, PO Box 15, Grootfontein

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## MAJOR INVESTMENT OPPORTUNITIES

### HORSE MACKEREL

Investment potential exists in the processing and export of horse mackerel. The resource has a potential annual yield of over half a million tons, which is presently under-utilised.

### VALUE ADDING

Further investment opportunities exist in the further processing of fish, particularly hake, caught in or outside Namibian waters into frozen fish cuts, fish cakes, fish fingers and ready made fish meals.

### ANCILLARY AND SUPPORT INDUSTRIES

Other investment opportunities exist in activities such as net making, vessel maintenance, supply of processing equipment, the production of packaging material and the provision of professional services to the industry.

## INVESTMENT OPPORTUNITIES IN MANUFACTURING

Namibia's manufacturing sector is relatively small and contributes approximately 13% to GDP. Recent progress made in manufacturing has been due to the expansion of fish processing and the constant output of the meat processing industry. Considering the open nature of the Namibian economy, with almost all consumer goods being imported and most primary resources being exported largely unprocessed, there is clearly tremendous scope for import-substitution manufacturing as well as value-addition to Namibia's rich natural resources.

To stimulate the expansion and diversification of the manufacturing sector for economic growth, the Government has put attractive packages of incentives for manufacturers and exporters of manufactured goods in place.

## MAJOR INVESTMENT OPPORTUNITIES

### FOOD PROCESSING

Food processing industries are almost entirely oriented at the domestic market. Most of the raw material for maize, wheat, sorghum flour, animal feed, bakery and margarine products, except dairy products, are imported from South Africa. There is no canning or preserving of fruit and vegetables. Namibia has an annual quota of 12,000 tonnes for the export of beef to the European Union. Most of this is covered by the

## SECTORAL INVESTMENT OPPORTUNITIES

export of chilled beef. Further value addition to beef is an attractive investment opportunity. The production and export of speciality venison cuts is another attractive area of investment.

### TEXTILES AND GARMENTS

Opportunities exist in the processing of cotton within the textile and clothing arena. The EPZ regime is an attractive way of exploiting this opportunity.

### TANNING OF HIDES AND SKINS

The tanning industry has existed for quite some time, but on a very limited scale. A few enterprises are involved in the tanning and manufacturing of leather products. Annually, about 200,000 cattle hides are processed locally up to the wet blue-stage. There is, therefore, enough raw material available to further develop the tanning industry up to the crust-, and finished leather-stage. Potential exists for the establishment of tanneries for cattle-, sheep-, goat-, game-, ostrich-, crocodile-, and seal-hides as well as the development of a fully-fledged leather-based industry for shoes, garments and accessories in Namibia.

### OSTRICH HATCHERY, ABATTOIR AND PROCESSING

Namibia's fledging industry, involving the export of live chickens, eggs, as well as feathers and skins, took off after independence. The export of meat and skins (tanned and raw) is expected to increase significantly. Benefaction of ostrich products in the country, such as leather tanning and the production of meat for export, is widely encouraged. Companies engaged in ostrich-based manufacturing operations have easy access to EPZ status as long as their products target export markets.

## INVESTMENT OPPORTUNITIES IN MINING/MINERAL PROCESSING

Namibia's mining sector is the fifth largest in Africa. A number of minerals are mined in the country, including arsenic tri-oxide, diamonds, cadmium, copper, gold, lead, silver, pyrite, zinc, tin, quartz, lithium, fluorspar, uranium, semi-precious stones, natural gas and industrial minerals. The mining sector is the main contributor to Namibia's GDP. Mining, in particular diamond mining, is by far the biggest earner of export income. Besides investment in the exploration for and exploitation of resources, investment opportunities also exist in mineral processing and manufacturing operations.

## TOURISM PROJECTS

### LAKE OANOB RESORT (CONTINUED)

be made available to the public by way of a Public Placement Document available from the auditors.

**Location:** The lake is situated 80 km south of Windhoek.

**Cost:** US\$5 million.

**Status:** Phase 1 has been completed. Ready to commence with phase 2 if necessary funds can be secured. Joint venture partners or equity investors are welcome. The project promoters are prepared to hand over management to experienced joint venture partner or find resort management group in case of equity investor.

**For more information, contact:**

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Tel: +264-62-522370, Fax: +264-62-524112, Cell: +264-(0)81-124-0874

Email: oanob@namib.com, Website: natron.net/tour/oanob/oanobd.htm

### ANDONI RESORT – ETOSHANA LODGE

**Description:** The content salt water spring 8 km north from the newly opened Etosha Northgate in the Andonie area is the main impetus for a planned Ecotourism Project that will serve as a gateway to the surrounding communal areas and the four northern regions. The Etoshana lodge will be constructed as part of the project and will cater for visitors staying for two to three days, offering suitable facilities and a range of activities for this period. In addition, the lodge will have various natural and cultural attractions like the Etosha National Park, the Andoni plain, access to traditional homesteads as well as a unique building- and interior decoration-style. The lodge will also offer:

- 20+ en suite rooms
- Swimming pool and spa (Artesian water with healing quality)
- Bird watching
- Ballooning or Zeppelin flights
- Horse-riding
- Traditional homestead visits
- Game drives in Etosha National Park

**Site:** The Andoni area is located in the centre of the Oshikoto Region, on the north-eastern boundary of the Etosha National Park. The Okashana site is situated on the northern fringe of the Andoni Plain. There are large amounts of water from two sepa-



## TOURISM PROJECTS

### BUFFALO LODGE (CONTINUED)

**Cost:** The concessionaire shall pay the Ministry a fixed amount to be negotiated on a yearly basis, plus a percentage of the gross turnover.

**Satus and Requirements:** The Management Plan of the Okavango National Park, the Tourism Development Strategy and a draft Memorandum of Agreement are available. No tourism facilities or infrastructure currently exist in the Okavango National Park and the accommodation, and other facilities are totally inadequate. It is likely that the concessionaire would be required to enter into a joint venture with the Namibia Wildlife Resorts Company for this development project.

**For further information, contact:**

The Permanent Secretary

Ministry of Environment and Tourism, Private Bag 13346, Windhoek

Tel: +264-61-2842111, Fax: +264-61-229936, E-mail: agawachas@met.gov.na

### LAKE OANOB RESORT

**Description:** Lake Oanob Resort comprises 6 200 ha of land which is contracted on a lease-hold between the Ministry of Agriculture, Water and Rural Development and the company 50 years with an option for another 50 years. The resort is situated on the eastern bank of the Oanob dam. This man-made lake, meandering through the arid Namibian landscape for 12 kms, offers unspoilt beauty and an unrivalled natural experience. The location of the resort (one hours' drive from the capital) makes it an ideal staying place from which daily excursions can be undertaken in all directions. The lake offers spectacular scenery in a quiet, tranquil atmosphere and offers excellent conditions for the development of various recreation, aquatic, and terrestrial activities like angling, fishing, swimming, sailing, water skiing, tennis, hiking, horse riding, golfing and camping. The project will be undertaken in three phases.

**Phase 1:** Construction of recreational complex, necessary infrastructure and chalets.

**Phase 2:** Will only commence once the necessary funds have been raised. This will involve the construction of 40 bungalows, fencing and stocking of the game park, an entertainment centre, water park, adult pool, recreation complex and infrastructure.

**Phase 3:** Will only be considered once phase 2 has been completed.

There are 47 shareholders who hold 7,000 ordinary shares of 100 cents on behalf of the shareholders of Acasia Resorts. Acasia Oanob Limited has been incorporated as a wholly owned subsidiary of Acasia Resorts and is the operating company. Shares will

## SECTORAL INVESTMENT OPPORTUNITIES

### PROCESSING OPPORTUNITIES

Various possibilities exist for the significant broadening of activities and value added processing, including:

- refining of copper, gold and silver, zinc and arsenic and further processing of local concentrates
- reclaiming of base and precious metals from mine tailings
- extraction of rare earth, lime mica, feldspar, germanium and gallium from slag and refining
- mining, cutting and polishing of gemstone and semi-precious stones
- value-added processing of industrial minerals, niobium and tantalum tantalite, wollastonite, ceramic/pottery (clay)
- dimension stone: marble and granite production (e.g. tiles)
- manufacturing of secondary products, such as metal alloys, chemicals, glassware and ceramics, cement
- expansion of the small mines sector and gemstone mining.

### EXPLORATION OPPORTUNITIES

- **Gold:** Karibib-Windhoek-Rehoboth, Kaokoland districts
- **Diamonds:** Diamond area No.1, Orange River north bank terraces
- **Copper, Lead, Zinc:** Otavi mountains, north Kunene, Okahandja, Windhoek, Rehoboth, Gobabis district, Matchless Belt (Swakopmund to Otjihase)
- **Porphyry copper:** Orange River (Haib)
- **Tin, Niobium/Tantalum, Lithium-bearing pegmatites:** north-western, west-central (Karibib) and southern districts
- **Rare earth:** North-western and west-central districts
- **Iron:** Kaokoland, Otjiwarongo district
- **Manganese:** east-central area (Otjisondo)
- **Vanadium:** Otavi mountains
- **Graphite:** Otjiwarongo district
- **Fluorspar:** west central Otjiwarongo in the Omaruru district
- **Wollastonite:** Karibib-Usakos area.

## SECTORAL INVESTMENT OPPORTUNITIES

### INVESTMENT OPPORTUNITIES IN TOURISM

Tourism is the fastest growing economic sector in Namibia. It is expected that this sector will be the largest contributor to GDP in the next ten years. Namibia, which is as large as France and Germany combined, is blessed with extensive tracts of wilderness and a rich diversity of scenery. The country's wildlife heritage is one of its richest assets. Varieties of game include more than 20 antelope species, and large mammals such as elephant, rhino, giraffe and lion abound. Namibia has the largest cheetah population in the world. In contrast to many other countries on the continent, Namibia is increasingly becoming an attractive destination to tourists and investors alike because of its peaceful and politically stable character and its sophisticated physical and telecommunications infrastructure. Namibia is also strategically placed for easy access to the entire Southern African region and is increasingly becoming a destination for package tours, which include Botswana and South Africa. Regional tours represent a fast-growing component of the tourist industry. In February 1999, a commercial entity, the Namibia Wildlife Resorts Company (NWR) was launched. The NWR is responsible for the functions previously undertaken by the Ministry of Environment and Tourism, including the administration and control of 22 resorts throughout the country. The projected growth in Namibia's tourism industry provides ideal opportunities for investment.

### MAJOR INVESTMENT OPPORTUNITIES

- New upmarket accommodation facilities in the three star category are needed, particularly in rural areas and country towns.
- The upgrading and renovation of existing one- and two-star facilities.
- Additional tourist transport is also urgently needed; in particular scheduled coach transport between tourism centres.

### WALVIS BAY SPATIAL DEVELOPMENT PROJECTS

The Namibian Government approved the introduction and implementation of the Spatial Development Initiative concept in 1998. The objective of the Walvis Bay Spatial Development Initiative (WBSDI) is to identify, formulate and market projects along the TransKalahari Highway. The WBSDI covers a geographical area of 785 km in length from the TransKalahari Highway border post to Walvis Bay harbour, 200 km in width, north and south of the highway. It constitutes an integral part of the greater Trans-Africa Coast-to-Coast project that connects the port of Walvis Bay with that of Maputo via Gaborone and South Africa's industrial heartland of Gauteng.

## TOURISM PROJECTS

### BUFFALO LODGE

**Description:** The aim of establishing a lodge at Buffalo in the Caprivi Game Park as well as other tourist facilities in the Buffalo area and the Mahango Game Park, is to develop tourism infrastructure in the area to be proclaimed as the Okavango National Park.

**Location:** The Ministry of Environment and Tourism will enter into an agreement with the successful concessionaire for the development of tourist facilities in the Okavango National Park. The concessionaire shall be granted the sole right to:

- conduct the business of operating a lodge in the Buffalo area with facilities for a maximum of 100 guests, and camping facilities for a maximum of 50 campers in an area to be described and demarcated by the Ministry
- erect and utilise game-viewing hides / platforms at predetermined and marked sites along the Kavango River and in the Mahango Game Park
- conduct guided hiking trails in the Okavango National Park.

The Okavango National Park will consist of two sections:

- the Mahango component of 244 km<sup>2</sup>, and
- the Buffalo area, situated on the opposite side of the river, of approximately 928 km<sup>2</sup>.

**Market:** Namibia's fast-growing tourism sector contributes significantly to the national economy. The development of economical tourism facilities in the Okavango National Park will assist the expansion of tourism in north-east Namibia. The Buffalo area is essentially undeveloped and not open to the general public. Situated as it is on the Kavango River, given the variety of habitats and wildlife in the park, and being world-renowned for its delta to the south, the Okavango National Park is one of the most sought-after tourism development sites in Namibia. Also, its location on route to the Caprivi region, Victoria Falls, Zimbabwe, Botswana, Zambia and Angola – all serviced by tarred roads – further enhances the market potential of this area for popular multi-country itineraries.

**Quality and Standard:** The tourism facilities should be of a high standard and be competitive with those offered in adjacent Botswana, Zimbabwe and Zambia. Tourism facilities should be constructed in a manner sensitive to the objective of the park, which involves the protection of the unique habitats, species, aquatic systems and ecological processes associated with the Kavango River.

Detailed guidelines have been identified in the Management Plan for the park, which will be made available to interested investors. The concessionaire will enter into a Performance Agreement with the Ministry of Environment and Tourism.

## RAIL AND AIRPORT INFRASTRUCTURE

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### WALVIS BAY AIRPORT UPGRADING (CONTINUED)

**Duration:** The estimated duration of the construction phase is 18 months.

**Cost:** The cost of upgrading the aerodrome is as follows:

Construction cost	US\$8.8 million
Contract administration	US\$0.7 million
Total	US\$9.5 million

**Project requirements:** Supply of technologies, financial package structuring and BOT options will be considered.

**For more information, contact:**

Mr G Lukowski, Namibia Airports Company, PO Box 23061, Windhoek  
Tel: +264-61-2955005/6, Fax: +264-61-295022, E-mail: lukow@nac.namib.com

## TOURISM PROJECTS

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### DEVELOPMENT OF TOURISM FACILITIES IN WEST CAPRIVI

**Description:** The aim of the project is to exploit the opportunities created by the construction of the Trans-Caprivi Highway, which passes close to, and in places through, two undeveloped reserves situated on the Kavango River. This particular area is unspoilt and is a sanctuary for up to 2,000 elephant and other rare species of game.

**Location:** Western Caprivi.

**Financial information:** Capital Requirements Year 1 total US\$2 million

**Status:** A tourism management plan is being compiled at the moment.

**Project requirements:** Hotel and resort developers are welcome to enter into a very favourable long term lease with Government.

**For further information, contact:**

The Permanent Secretary  
Ministry of Environment and Tourism, Private Bag 13346, Windhoek  
Tel: +264-61-2842111, Fax: +264-61-229936, E-mail: agawachas@met.gov.na

## AGRICULTURE PROJECTS

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### KOLLMITZ VEGETABLE FARMING

**Description:** Kollmitz Vegetable Farming is presently one of the largest vegetable producers in Namibia. Organic fertilizer in the form of chicken manure is used, with little use of chemical fertilizers. The production process could be changed to full organic production without major adjustments. All produce is sold in Windhoek, at the wholesale companies Freshmark and City Produce.

Kollmitz Vegetable Farming intends to expand the area under drip irrigation by 12 hectares, from two hectares to 14 hectares. This will bring the total area under production at Farm Oka-Okasjoti to 24 hectares. Seven winter crops are produced: broccoli, carrots, red cabbage, iceberg lettuce, onions, cauliflower and white cabbage.

**Location:** Omaruru, along Omaruru River.

**Cost:** Planned expansion, estimates N\$ 2.5 million.

**Status:** No feasibility study for the planned expansion has as yet been prepared. Some documentation was compiled in support of the bank loan to finance the irrigation equipment, including the pipes for the drip irrigation. This information will form the basis of the feasibility study.

**Project requirements:** In order to realise the expansion of Kollmitz Vegetable Farming, the promoter is looking for a soft loan as a first option of preference. A financial partner may be considered. However, such a partnership will require a fundamental change in the set up of the business, transforming the existing family business in a more formalized closed corporation or company with limited liabilities.

**For further information, contact:**

Mr. Lothar Kollmitz, Kollmitz Vegetable Farming, PO Box 114, Omaruru  
Tel: +264-64-570822, Fax: +264-64-570822, E-mail: kollmitz@africaonline.com.na

## AGRICULTURE PROJECTS

### HORTICULTURAL PRODUCTION IN USAKOS

**Description:** The Municipality of Usakos has close to 3,000 hectares of so-called townlands available for commercial exploitation. The Municipality is keen to lease out the townlands for labour-intensive horticultural production. To this extent it is inviting private sector business proposals that should provide for community involvement. Possible crops for commercial development at the Usakos Townlands include jojoba, date palms, asparagus, olives, prickly pears, citrus fruits, mangoes, guavas, onions, potatoes, tomatoes, carrots, beans and spinach.

**Location:** Usakos.

**Duration:** Long-term lease.

**Status:** Projected proposals.

**Project requirements:** Any prospective investor should contact the Usakos Town Council. A visit to the townlands can be arranged upon request. The investor will have to develop a feasibility study and business plan for the proposed horticultural production

**For further information, contact:**

Sebastian I. !Gobs, Municipality of Usakos, PO Box 67, Usakos

Tel: +264-64-530023, Fax: +264-64-530231, E-mail: seibepp@iway.na

### EAHERO FARMING DEVIL'S CLAW PROPAGATION

**Description:** Eahero Farming is an initiative of Wolfi and Irmelda Horsthemke. They started with the experimental propagation of Devil's Claw on the Horsthemke Farm in 1998. The objective is to propagate Devil's Claw for sale to interested commercial and communal farmers in Namibia. In doing so, the Devil's Claw population will grow and be protected from over-exploitation by creating a more controlled environment.

**Location:** Eahero Farm is located in the Hochfeld.

**Cost:** To date, some N\$150,000 has been invested in the irrigation system.

**Status:** The project is still in an experimental phase of development.

**Project requirements:** In order to realise the commercial propagation of Devil's Claw, the promoter is looking for a technical/scientific partnership, backed by some financial support mainly to strengthen the research efforts. In medium term, a financial partner may be considered.

**For further information, contact:**

Ms. Irmelda Horsthemke, Eahero Farming, Box 701, Okahandja

Tel: +264-62-549021, Fax: +264-62-549007, E-mail: hai@iway.na

## RAIL AND AIRPORT INFRASTRUCTURE

### WALVIS BAY AIRPORT UPGRADING & REHABILITATION

**Description:** The existing aerodrome is to be upgraded to accommodate wide-bodied trans-continental aircraft such as the Boeing 747. The project includes the following:

- rehabilitation of the existing runway
- lengthening and widening of the runway
- provision of turning circles at both thresholds
- provision of an apron with freight handling facilities
- deviation of the airport road
- relocation of small aircraft hangars
- security fencing
- lighting
- provision of new taxiway.

**Objective:** The Walvis Bay Aerodrome is situated 11 km east of Walvis Bay and serves the two major coastal towns, Walvis Bay and Swakopmund, and a number of towns along the coast and inland. The aerodrome is used by scheduled flights, non-scheduled flights and by general civil aviation but is limited to medium sized aircraft. Once upgraded the airport will allow fresh fish, which presently averages 15,000 tonnes annually, to be exported directly to overseas markets. This will reduce transport costs and preserve the fish quality. Presently, the fish is being transported by road to the Windhoek or Johannesburg airports from where it is flown to markets in Europe. A limited quantity is exported directly to European markets from the airport using medium-sized chartered aircraft.

The industrial development at Walvis Bay and the continued growth of the Export Processing Zone regime (EPZ) will increase the number of passengers and freight tonnage through the aerodrome. In order to determine the technical feasibility of upgrading the aerodrome, the Government commissioned local consultants to prepare a limited master plan for the Walvis Bay Aerodrome. The study recommended widening and lengthening of the runway to 3,440 m, to accommodate the landing requirements of a Boeing 747 aircraft. Based on the positive outcome of the study, the consultants were instructed to prepare a detailed design and documentation, which was completed in October 1997. The upgrading of the aerodrome has been delayed due to a shortage of funds.

## RAIL AND AIRPORT INFRASTRUCTURE

### NORTHERN RAILWAY EXTENSION (CONTINUED)

ered economically viable at this stage, but they may become viable due to increased development in their catchment areas and a stabilisation of the political situation in Angola. A revision of the present feasibility study focusing on these two sections will thus have to be contemplated in about two years from now. Cabinet decided at its meeting on 29 June 1999 that special priority should be given to the line to Oshikango.

**Financing:** The total project cost is estimated at US\$66 million. The following table reflects the cost per section:

Tsumeb-Ondangwa	Ondangwa-Oshakati	Ondangwa-Oshikango	Total
US\$66 million	US\$10 million	US\$17 million	US\$92 million

**Project requirements:** The financing plan for the section Tsumeb-Ondangwa is complete with four different financiers contributing to the project as follows:

ADB	Kuwait Fund	BADEA	GRN
31%	29%	11%	29%

Negotiations on the financing of the remaining two sections have not commenced yet, but proposals from interested parties will definitely be considered.

**Implementation schedule:** The design of the first section from Tsumeb to Ondangwa was carried out by KCIC-WCE joint venture and is complete. The first civil works contracts have been awarded and construction has commenced. Tendering from the remaining civil works contracts is ongoing. The sleeper and rail procurement process is expected to start in August 2002, while tendering for the track laying is scheduled to start in October 2002. The completion date for the section Tsumeb-Ondangwa is March 2005.

The timing of the implementation of the remaining two sections depends largely on the availability of the necessary funds. No concrete dates have so far been set.

**For further information, contact:**

Mr F K Zapke / Mr Lowe

Ministry of Works, Transport and Communication

Director: Infrastructural Management, Private Bag 13348, Windhoek

Tel: +264-61-2088032, Fax: +264-61-245004, E-mail: ehlowe@mwtc.gov.na

## AGRICULTURE PROJECTS

### GARTEN FLORIPANT CC

**Description:** Gartenbau Floriplant cc. Produces Zantedeschia (Calla) cut flowers mainly for export to Europe. This company is a joint venture partnership between Namibia and Germany. The plan is not only to expand the production to some 20,000 – 30,000 m<sup>2</sup> depending on the availability of funds but also to place the flowers under glass hothouses.

**Location:** Farm Ongombo-West is located along gravel road D2102, some 50 kilometres east of Windhoek.

**Cost:** Total investment of N\$5-10 million is foreseen.

**Status:** The promoters will require assistance with the completion of the feasibility study and the business plan.

**Project requirements:** In order to realise the expansion of the Gartenbau Floriplant, the promoter is looking for a soft loan as a first option of preference. A financial partner may be considered. Such partnership will require a transformation of the closed corporation into a company with limited liabilities.

**For further information, contact:**

Mr. Andreas Wiese, Gartenbau Floriplant cc, Box 380, Windhoek

Tel: +264-62-540405, Fax: +264-61-224219, E-mail: seibebp@iway.na

### HEISER'S OLIVEN

**Description:** The company produces and process olives into olive oil and packaged table olives. The processing facility needs to be expanded and upgraded for overseas export. The olive oil has been tested in Italy and is of export quality. Heiser's Oliven is promoting production on other farms in Namibia in order to secure efficient supply to the factory.

**Location:** Farm Hartbeessteich-Süd is located in Hochfeld District, 180 kilometres northeast of Windhoek.

**Cost:** Total estimated investment N\$1.1 million.

**Status:** The viability of the proposed expansion has still to be investigated. A feasibility study will need to be commissioned to identify the market potential.

**Project requirements:** Financial and marketing partners and technical expertise.

**For further information, contact:**

Mr. Rolf Heiser, Hochfeld Oliven cc, PO Box 24162, Windhoek

Tel: +264-62-549073, Fax: +264-62-549073 or +264-61-239994, E-mail: heiser@namibnet.com

## AGRICULTURE PROJECTS

### JUMBO BRIQUETTING

**Description:** The project intends to diversify its existing charcoal production to include the manufacturing of charcoal briquetting. To this extent, it plans to establish a briquetting plant at the existing charcoal factory site in Okahandja. The charcoal briquettes will be exported using mainly the existing marketing channels.

**Location:** Outside Okahandja.

**Cost:** Estimated annual turnover N\$12.5 million.

**Status:** A business plan was developed in-house by Mr. Galloway in 2001.

**Project requirements:** The promoter is seeking a soft loan as a first option of preference. A financial partner may be considered.

**For further information, contact:**

Mr. Ian Galloway, Jumbo Charcoal (Pty) Ltd., PO Box 234, Windhoek

Tel: +264-61-37427, Fax: +264-61-226632, E-mail: jumbo@africaonline.com.na

### NAMIBIA ECO LOG

**Description:** Given the giant size of the envisaged operations once Namibia Eco Log goes into full production, a pilot production site will be established first. The production process involves two stages, namely:

- identification of invader bush species (acacia, hardwood) and clearing of these bushes on the farm, collection of all the plant materials (roots, thin & thick sticks and leaves) and transport to the processing plant,
- factory process, which is a 24 hours operation during which the plant material is ground to “press board” consistency using hydraulic pressure.

**Location:** Around Otjiwarongo.

**Cost:** Estimated annual turnover N\$2,000,000

**Status:** Project proposal. A feasibility study developed in-house by S.S. Consult in 1998.

**Project requirements:** Financial and marketing partners required.

**For further information, contact:**

Stan Webster, Namibia Eco Log, PO Box 1423, Windhoek

Tel: +264-61-237366/241947, Fax: +264-61-241947, E-mail: ssweb@mweb.com.na

## RAIL AND AIRPORT INFRASTRUCTURE

### NORTHERN RAILWAY EXTENSION

**Objective:** The objective is to extend the Namibian Railway Network from Tsumeb to Ondangwa and on to Oshakati / Oshikango in order to stimulate economic growth in the north-central regions and enhance the traffic links with Angola.

**Background:** The proposed new railway line from Tsumeb to Ondangwa and on to Oshakati and Oshikango at the Angolan border forms an extension of the existing Namibian railway system. The new line is planned to be eventually linked to the Angolan railway system at a point near Cassinga / Chamutete. Such a connection will promote trade between all the countries within the region but especially between Angola, Namibia and South Africa. It will also enable Angola to export iron ore mined in the vicinity of Cassinga to Namibia, South Africa and, via Walvis Bay, to countries beyond.

The railway line forms a vital link to the new ‘Namibe-Lubango-Oshikango-Walvis Bay Development Corridor’ which has to be regarded as a development chain to promote development, economic growth, eradication of poverty and the creation of employment possibilities in southern Angola and north-central Namibia. The creation of this important development corridor was formally agreed to by the Republic of Angola and the Republic of Namibia in May 1997 in terms of the Protocol on Transport, Communication and Meteorology in the Southern African Development Community. With regards to Namibia, the main objective of the project is to stimulate economic growth in the northern regions.

**Description:** A comprehensive feasibility study on the project was carried out and submitted to the Ministry of Works, Transport and Communication, in May 1999. Copies of the Executive Summary of the study can be made available on request.

The new railway line runs parallel to the existing road for 248 km from Tsumeb to Ondangwa. It then proceeds a further 40 km to the town of Oshakati and another section of 62 km will link Ondangwa to Oshikango at the Angolan border. Main commodities which will be transported on the new line include fuel, cement, glass bottles and packaging, maize meal, bricks, kerbs, interlocks and sugar. Passenger traffic will be limited to the three day per week mixed train operation as now offered to and from Tsumeb and week-end round trips between Windhoek / Walvis Bay and Ondangwa. Passenger traffic will at best break even, while the revenue from goods traffic will be sufficient to cover operating expenses as well as part of the capital amortisation. The social benefits will be far reaching.

The feasibility study concluded that the railway extension to Ondangwa should be built. The two sections from Ondangwa to Oshakati and to Oshikango are not consid-

## PORT INFRASTRUCTURE PROJECTS

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### SHIPPING SERVICES

**Description:** The aim of the project is to extend the Trans-Caprivi and Trans-Kalahari Highways-based road transportation network via the harbour of Walvis Bay by establishing a regular (1-2 x weekly) passenger/cargo ferry service between Walvis Bay, Cape Town (SA) and Luanda (Angola). The regular shipping service along the south west African coast between Luanda, Walvis Bay and Cape Town which is to be brought into existence on principles used by ferry lines in Europe, could considerably reduce transport costs of cargo transported by road between these three harbours as well as transport costs of cargo transported from other Southern African countries using the Trans-Caprivi and Trans-Kalahari Highways. A much-needed extension of the Maputo Corridor will be opened up via the Trans-Kalahari Highway and Walvis Bay to the west African harbours. It could also give a boost to the three harbours in question and attract travellers, including tourists, to use this very cheap and attractive transportation option. The transportation time estimation indicates that there will be a significant difference between transportation time by a sea-going ferry, and road haulage between Walvis Bay/Windhoek and Luanda/Cape Town. Furthermore, an added benefit involves the reduction of road traffic of passenger and heavy vehicles (safety and pollution aspects) between Angola, Namibia and the Western Provinces of South Africa. This, among others, implies the establishment of a Namibia Ferry Lines company, acquiring at least two ocean-going passenger / ro-ro ferries and the construction of ferry terminals at the Walvis Bay, Cape Town, and Luanda harbours.

**Cost:** With the increase of traffic through the Euro-tunnel and via the road connection between Sweden and Denmark, some of the ferry line companies operating between the UK / Sweden and continental Europe, could be willing to explore African coastal traffic opportunities. The cost of the adaptation work at these three harbours and acquiring of ferries is difficult to establish at this juncture.

**Long-term impact:** This project could further integrate, in a very cost-effective way, transportation networks of the SADC countries, extend communication links to the Republic of Congo and other West African countries and connect, by regular ferry service, EPZs established along the African Atlantic Coast.

**Project requirements:** Shipping lines are invited to make proposals on the establishment of these services.

**For further information, contact:**

The Permanent Secretary  
Ministry of Works, Transport & Communication, Private Bag 13348, Windhoek  
Tel: +264-61-2088111, Fax: +264-61-224402, E-mail: sthiveluah@mwtc.gov.na

## AGRICULTURE PROJECTS

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### ORGANIC VEGETABLE CANNERS (PTY) LTD.

**Description:** The promoters of Organic Vegetable Canners (Pty) Ltd. have been involved in the canning of vegetables and jams on a small scale for a number of years and now wish to formalise, expand and diversify the operations. It will be established as a full scale canning operation, covering the full range of canned vegetables, bottled juices, fruits and jams for the commercial, retail market while maintaining production capacity for Government tenders.

**Location:** Tsumeb.

**Cost:** For 410 gram cans and A10 cans annual turnover N\$23.1 million.

**Status:** Financial assistance needed for business plan and feasibility study.

**Project requirements:** Marketing partner with a strong export orientation, a soft loan or a financial partner.

**For further information, contact:**

Herman van Zyl, Organic Vegetable Canners (Pty) Ltd., PO Box 2184, Windhoek  
Tel: +264-61-227359, Fax: +264-61-227359, E-mail: Vanzyl@iway.na

### SWAKOPMUND ASPARAGUS

**Description:** Swakopmund Asparagus is a successful venture, producing top quality asparagus, mainly for Namibian and to a lesser extent the South African markets. The company intends to expand the area under production, gradually gearing the company for overseas exports. Another planned activity is the planting of date palms in between the rows of asparagus, to ensure that by the time the current asparagus plants are out of production, the date palms will be ready for production.

**Location:** Plot 184, 15km inland Swakopmund.

**Duration:** 3-4 years

**Cost:** Total investment required for expansion N\$500,000

**Project requirements:** Soft loan as a first option of preference. A financial partner may be considered. At a later stage marketing partner as well as technical expertise will be needed.

**For further information, contact:**

Fanie & Naomi van Niekerk, Swakopmund Asparagus cc, PO Box 1903, Swakopmund  
Tel: +264-64-405641/405134, Fax: +264-64-405641, E-mail: sparagus@iway.na

## ENERGY PROJECTS

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### WIND ENERGY POWER PLANT

**Description:** In an effort to promote new and renewable sources of energy in Namibia, the Ministry of Mines and Energy in conjunction with the national power utility, NamPower, have investigated the possibility of constructing a Wind Power Plant. The suitable location for these types of industrial installation would be along the country's coast line.

A feasibility study was commissioned in 1999 and the findings were submitted to the Ministry of Mines and Energy for approval. The study shows that between 5MW to 10MW wind power generation can be supported and constructed given the wind potentiality in the area. The project was advertised for bidding and a Spanish company, Ellecnor Energy, was awarded the tender to construct the wind power plant.

The Spanish company has teamed up with NamPower to construct the plant. While there are delays on the issuing of a licence from Electricity Control Board (ECB) to generate electricity, the Ministry of Mines and Energy still rates this project a priority. The project will benefit financially from the Spanish Government and will start immediately after the licensing issue is finalised with the ECB.

**Location:** Lüderitz and other southern coastal areas of Namibia.

**Benefits:** The planned wind farm at Lüderitz could provide electricity at competitive cost to the southern region as well as to the public grid, and the same technology could be widely used all over southern Namibia - the measurement devices could be transferred from one site to another and the technology, once adapted to the specific site conditions, can be applied all over the region, thus reducing the cost of future installations considerably.

**Financial information:** The project cost will be around US\$10 million and it requires more than 50 % grant finance to make it economically viable.

**For further information, contact:**

Mr Martin Heita, Ministry of Mines and Energy, Private Bag 13297, Windhoek  
Tel: +264-61-2848111/2848297, Fax: +264-61-238 643, E-mail: mheita@mme.gov.na  
Website: www.mme.gov.na

## ENERGY PROJECTS

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### EPUPA HYDROPOWER SCHEME

**Description:** The project is expected to generate 360MW. Although there are social and environmental impacts which need to be taken into consideration, this project will provide a reliable supply of energy. A feasibility study was completed in 1998 to assess the most suitable site. Two sites were recommended namely, the Epupa and Baynes sites. This initiative is in line with NamPower's objective to be self-sufficient in terms of power generation, if financially sound. This is a long-term strategic decision to ensure future energy supply to Namibia and energy exports to neighboring countries.

**Location:** The proposed site is northwestern Namibia - halfway between Ruacana and the coast on the Kunene river.

**Cost:** US\$730 million.

**Project requirements:** Dam and tunnel construction. Suppliers of technological equipment in the following areas: electro-mechanical and hydraulics. Joint ownership or equity participation will be considered.

**For further information, contact:**

Mr PI Hoogenhout, NamPower, PO Box 2864, Windhoek  
Tel: +264-61-2054111, Fax: +264-61-232805, E-mail: pih@nampower.com.na