

NIPDB RIP or NIPDB II?

[RobinSherbourne](#) 6 September 2025



Robin Sherbourne

The government is on the verge of making a strategic mistake which will cost investment, growth and jobs.

A better way forward is available.

Recent media reports have focused public attention on the pending demise of the Namibia Investment Promotion and Development Board (NIPDB).

The Namibian recently carried an article stating that the NIPDB would no longer report to the president but be downgraded to a department within the newly restructured Ministry of International Relations and Trade.

This forms part of the dismembering of the old Ministry of

Industrialisation, and Trade: trade functions will go to international relations and industry functions to mines and energy.

The writing was on the wall when specific mention of the NIPDB in the Swapo Manifesto, the Swapo Manifesto Implementation Plan, and more recently NDP6 was conspicuous by its absence.

IT'S NOT ABOUT THE MONEY

What has gone wrong with the NIPDB?

Many of us cheered when president Hage Geingob announced the creation of NIPDB in March 2020 mandated "to promote a conducive business environment and market Namibia as a favourable investment destination".

At last, here was government taking investment promotion seriously after years during which the sleepy Namibian Investment Centre (NIC) in the Ministry of Industrialisation and Trade had done a half-hearted job of promoting Namibia abroad.

Since then the NIPDB has certainly been given more resources to do the job than the NIC ever had, and has been led by a dynamic and energetic individual in the person of Nangula Uaandja, someone with years of private sector experience.

Budget documents reveal that over six financial years the NIPDB was allocated over N\$700 million through the national budget as shown in the table accompanying this article. That is big money.

What does the NIPDB have to show for this? That is a harder question to answer.

Admirably, the NIPDB has published three reports on its activities (for the years 2022, 2023 and 2024).

The latest highlights a project pipeline of N\$174.86 billion of which N\$117.91 billion were leads, N\$32.27 billion had reached a final investment decision, N\$24.68 billion had seen capital deployed, and N\$2.89 billion had reached operationalisation.

These numbers, the NIPDB states, exclude oil and gas exploration and green hydrogen.

On the face of it then, if these investments have come about as a result of the efforts of the NIPDB, the benefit-cost ratio looks impressive: spending N\$700 million to generate N\$174 billion of investment for the country.

Foreign investors report the NIPDB was one of the few places in government where they were at least assured of a friendly welcome. It is hard for outsiders to assess what went wrong. Swapo politics is murky.

Perhaps the feeling was that the NIPDB under-delivered and the investments would have come anyway. Who knows?

REVERSING THE DECLINE

What is clear is that private investment in the economy has been on a long downward decline since the time of the global financial crisis.

If the economy is to grow and create jobs, our private sector needs to invest far more than it has been investing.

Remember that the private sector accounts for the lion's share of investment in the economy.

So, no investment today, no growth or jobs tomorrow. It's that simple.

Since the discovery of oil and gas offshore in early 2022, policy

attention seems to have moved to the glamorous oil and gas sector where everything is in tens of billions of United States (US) dollars.

If the president taking upstream oil and gas into her office signals the importance she attaches to this sector, the moving of investment promotion into international relations signals a lower priority.

The problem is that the potential exploitation of oil and gas means that Namibia runs the risk of becoming little more than an oil and gas economy.

If a handful of the offshore projects reach production – and a single field may involve investment in the order of US\$15 billion – larger than Namibia's entire gross domestic product – they will dominate the entire economy.

But there are few jobs in offshore oil and gas. It is precisely for this reason that priority needs to be given to investment outside of extractive industries. The country needs a proper NIPDB II.

NIPDB II

What would NIPDB II look like?

The first thing to understand is that investment promotion only works if what is being promoted withstands scrutiny.

Any marketing person will tell you that no amount of marketing can sell a product that is fundamentally deficient.

Many of us hoped that, being located in the president's office and with the full backing of the president, the NIPDB would have the authority to improve Namibia's investment climate which has long been undermined by political interference, policy uncertainty, a growing number of regulatory hurdles, and increasing and often

arbitrary bureaucratic red tape.

Investors are reluctant to tell government the truth about our shortcomings because they are understandably reluctant to offend.

A Section 21 company – the NIPDB's existing structure – could still work provided it is independent of political whims and has a strong board consisting of credible public and private sector individuals.

And the politicians have to decide whether they really want foreign direct investment as set out in the Constitution.

Namibia's private sector is mostly weak, insular and risk averse.

I keep close track of investment in the country and most of the exciting developments involve foreign investors who bring new ideas, technology, markets and expertise as well as money with them.

Beautiful as Namibia is, investors come to make money.

They will not come if they have to put up all the money but receive only a fraction of the profits.

FIVE KEY ELEMENTS

Investors cannot be forced to invest and told what to do but must be incentivised.

So NIPDB II should embrace the following five elements:

It must be headed by a strong boss with ministerial status who has the authority to oversee ongoing improvements in the investment climate including, crucially, the protection of property rights, a stable and competitive tax regime, robust dispute resolution mechanisms, and the ability to repatriate profits.

A strong board with a clear mandate able to resist political pressure.

Reliable government funding but also the ability to charge investors for services including visa services.

The development of internal expertise so that it becomes more proactive in seeking out the best investors for the country rather than passively processing investors who happen to show an interest. The body needs to be anchored in a proper investment act that seeks to encourage genuine investors and not try and tell them what to do.

Oil and gas can almost look after itself but the rest of the economy must not be left to wither.

If we go back to the future by turning the NIPDB into the old sleepy NIC, the chances are that Namibia will turn into little more than a giant petrol station with a country attached.

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