

## INTERVIEW

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Numerous multinationals operating in Namibia are registered in Mauritius.

Lynda Kok Shun, Honorary Consul of Namibia in Mauritius reinstates the necessity of reinforcing the investment ties between Namibia and Mauritius, encouraging a more closer collaboration with the investors of the two countries. As members of the Southern African Development Community, Namibia and Mauritius benefit from privileged access to their respective markets. This helps to reduce trade barriers and creates an environment conducive to the growth of bilateral trade. There is significant potential to expand trade, particularly in sectors, such as sugar, diamonds, clothing, canned fish and medical equipment.

#### **QUESTION NO 1**

**Can you tell us about the Diplomatic Relations between Mauritius and Namibia? What is the history and fundamental of the Diplomatic ties between the two countries?**

Namibia, also called the *shining diamond of Africa*, is a developing country of a population of over 2 Millions. Situated on the west coast of Africa, it is rich in natural resources, namely in the energy sector (wood pellets, wood chips, new oil reserves). Diplomatic Relations between Namibia and Mauritius were established soon after Namibia gained independence in March 1990. Bilateral Relations between the two countries are warm and cordial based on mutual respect. The inception of the Honorary Consulate in the Republic of Mauritius on 17 February 2017 has further strengthened ties between the two countries. A few weeks after, Namibia's 27<sup>th</sup> Independence Anniversary was celebrated on 22 March 2017 at the Mauritius Gymkhana Club in presence of the Right Honourable Dr Saara Kuukongelwa-Amadhila, Prime Minister of the

Republic of Namibia and her delegation including some Ministers who were also attending the Africa Economic Platform 20-22 March 2017. Prime Minister Dr Saara Kuukongelwa Amadhila has visited Mauritius twice as well as several Ministers and the Speaker of the National Assembly of the Parliament of Namibia in December 2023.

Namibia has gifted Mauritius five Oryxes, its national animal symbol of courage, elegance and pride on the occasion of its 50<sup>th</sup> Independence anniversary in 2018.

Namibia voted in favour of UNGA Chagos Resolutions in 2017 and in 2019 and also voted in favour of Mauritius in 2021 UPU Chagos Resolution.

On another side, during Covid 19 Pandemic, Mauritius provided support to Namibia by donating 150,000 Sinopharm vaccines in March 2022.

## **QUESTION NO 2**

### **What are the Bilateral Agreements and other MOUs between Mauritius and Namibia? How are beneficial to both countries and how do they contribute to their mutual development?**

Several Agreements are in place between the two countries. The *Double Taxation Avoidance Agreement*, signed on 4 March 1995 and in place since 25 July 1996 is actually being reviewed.

A bilateral agreement covering the cooperation in various sectors such as agriculture, fishing, manufacturing, treatment of minerals, tourism, infrastructure, information system and financial services has been signed on 23 May 2000.

The MOU for electronic trade has been signed on 25 May 2000. The Agreement on Cooperation between the Financial Service Commission (FSC) and the Namibia Financial Institutions Supervisory Authority signed on 1st April 2004.

The MOU on the Mutual Exemption of Visa Requirements has been signed on 14 March 2007, while the MOU for Information Technology and Communication (TIC) has been established on 6 October 2011.

With regard to education, an MOU between the Namibian College of Open Learning and the Open University of Mauritius has been signed on

12 October 2017. The Bilateral Air Service Agreement (BASA) has been concluded on 10 September 2019.

Furthermore, several Agreements and MOUs are under consideration, namely those concerning encouragement and reciprocal protection of investments, MOUs on employment of Mauritian professionals, industrial development and cooperation, as well as in field of fisheries and aquaculture.

### **QUESTION NO 3**

#### **How has Namibia attracted potential investors through its Double Taxation Tax Avoidance Agreement?**

Mauritius is an important partner country to Namibia. For this reason, a Double Taxation Agreement (DTA) is in place. As mentioned above, Namibia is currently reviewing all her DTAs to make them mutually

beneficial). As such, it lowers the tax burden, ensuring that investors or companies are not subject to double taxation for the same income in two separate countries. A lower tax burden should therefore encourage companies to build reserves and stimulate employment through reinvestments. Unfortunately, there are no readily available financial statistics to gauge how the DTA between Namibia and Mauritius has affected the flow of investments as well as employment creation in Namibia.

### **QUESTION NO 4**

#### **Namibia is an African country where political risk is at its lowest. Is it an asset to attract potential investors?**

The investment climate in Namibia remains very positive with **33 years of stable democracy and peace**. Despite global economic disruptions caused by the Covid-19 pandemic, Namibia has maintained its political stability, avoiding any form of violence and terrorism, and continues to offer key advantages for inward Foreign Direct Investment (FDI). The Global Economy has ranked Namibia number 6 in the African Political Stability ranking for 2022. The index is an average of several other indexes from the Economist Intelligence Unit, the World Economic Forum and the Political Risk Services, among other relevant sources. As such, Namibia's low political risk is definitely a major asset in attracting potential investors. Political stability is a crucial criteria for investors when evaluating the security of their investments. The reputation of a stable

political environment inspire confidence to investors, assuring them that their investments will be protected and that Government policies will remain consistent over time. Namibia's reputation for political stability enhances its attractiveness as an investment destination.

Besides, Namibia is upgrading its transportation infrastructure to facilitate investment and position itself as a regional logistics hub. An expansion at Walvis Bay Port concluded in 2019. Renovations at Hosea Kutako International Airport are ongoing and there are plans to extend and rehabilitate the national rail line, including to neighbouring countries from the Port. Namibia has the best roads on the African Continent, according to World Economic Forum. It is to be noted that Namibia's strategic location and world class logistics infrastructure position the country as the Gateway to the African Market. Namibia is among those countries that have already ratified the Tripartite Free Trade Agreement (TFTA) and the African Continental Free Trade Area (AFCFTA). It also offers DUTY FREE access to the SADC & SACU markets, to the European Union for a wide range of manufactured and agricultural products (as part of the Cotonou Agreement), duty free and quota free access to the United States (under the Africa Growth and Opportunity Act (AGOA)). With its strategical location, Namibia serves as a quintessential trade conduit with the rest of the world for landlocked neighbouring countries such as Botswana, Zambia, Zimbabwe and the Democratic Republic of Congo through the Port of Walvis Bay. Compared to other ports in the region, the congestion-freeport, offers shipping lines time savings of up to five days to Europe and the Americas. It also serves as a springboard in the Southern African Development Community (SADC) trade block, with a market access of 330 million people.

## **QUESTION NO 5**

**How do you describe the economic collaboration between Namibia and Mauritius? Are there specific areas in which the two countries actively collaborate in economic partnership?**

Although a number of Multinationals operating in Namibia are registered in Mauritius, it is imperative to further reinforce bilateral ties from investors in Mauritius to consider Namibia as a potential destination for investment and vice versa. For example, Mauritius's expertise in financial services and Namibia's natural resources could create opportunities for joint ventures or partnerships in areas such as mining and financial investments. Last year, senior officials from the Investment Promotion Agencies of both countries have visited their counterparts respective countries and are in the process of signing a Memorandum of

Understanding (MOU) to explore areas of collaboration. The report from the Economic Development Board is under preparation. Meanwhile, two significant potential areas of collaboration – Energy and Services have been identified by the Consulate ENERGY AND SERVICES. Namibia is a country endowed with significant resources including biomass. 45 million hectares of land is bush encroached translating to 450 million of available biomass for use at a sustainable harvesting rates of 10 tons per hectare. Mauritius is in the process of transitioning from coal to other sources of energy such as wood chips, which opens up opportunities for collaboration between the two countries. Additionally, as Namibia aspires to strengthen her service industry, we are looking to benchmark and learn from Mauritius in this area. This proposed strategic partnership aimed at leveraging the respective strengths of both countries to address amongst others, energy challenges and promote sustainable development. By harnessing Namibia's invader bush biomass resources, Mauritius can diversify its energy sources, reduce reliance on traditional fuels, and enhance energy security. On the other hand, by growing her service industry in areas such as call centres, Namibia will be able to create employment opportunities for the high number of unemployed school leavers and graduates. Two other avenues of Cooperation are the Fish Processing Sector and the Diamond Processing Sector. Namibia is blessed with one of the most productive fishing waters across the globe, along with the thriving fish processing industry that contributes around 20% of its export earnings.

Mauritius has also been involved in fish transformation activities for quite a long time. In this regard, Mauritius could learn from the Namibian experience in terms of fish refrigeration, clean production techniques, product conditioning, preservation methods, product development, enhanced packaging and sustainable processing practices. Namibia is endowed with substantial reserves of rough diamonds that are extracted by mining companies. Over the years, Mauritius has built intrinsic capabilities in diamond cutting and processing, which account for almost 75% of the Jewellery and Precious Stones Sector. Discussions could therefore be initiated to obtain more sub-contracting works from Namibia to expand Mauritius's diamond cutting and processing business. Namibia is also the fourth largest exporter of non fuel minerals in Africa and the fourth largest producer of uranium oxide. Namibia is also one of the first five countries able to produce green hydrogen at the competitive price of 1.5USD/kg with the potential to become a producer and exporter of green hydrogen, reckoned to catalyse the decarbonisation of the planet.

## **QUESTION 6**

**An indepth analysis of the export trend to African countries, show that on the 54 African countries, exports from Mauritius has been highly concentrated on preferential tariff SADC and COMESA countries, mainly South Africa, Madagascar, Kenya, Seychelles and Tanzania. Is Namibia a great export potential market?**

Mauritius' exports to Namibia have been on the increasing trend over the last six years, except for the year 2020 due to the Covid 19 pandemic. However, exports have picked up since 2022. Mauritius's main exports are sugar, articles of apparel, jewellery, paint. On the import side, a rising trend over the years has also been noted except for the period 2020/2021 due to the pandemic. Imports have increased to MRs 56 millions in 2022. The main imports from Namibia are frozen and canned fish, frozen cuttle fish, salt (Namibia is a leading solar sea salt producer in Africa), beer, jewellery, precious/semi-precious stones, wood charcoal

It is to be noted that there is potential to expand trade between the two countries namely in sugar, raw diamonds, articles of apparel, preserved fish and medical device. Furthermore, the establishment of the Pan African Payment and settlement System presents other advantages for traders, by allowing instant payments in local currency across local borders. Once Namibia and Mauritius join the system, transaction costs for private operators will be reduced, creating a favorable commercial environment between the two countries.

## **QUESTION 7**

### **How many Mauritian companies are established in Namibia?**

A lack of data would not allow me to quantify the Mauritius business community in Namibia and in what sectors. However, TAYLOR SMITH – Under the name of OCEANIS BUNKERING LTD operating since the last three years, was the first bunker barge to work in the Walvis Bay Port Area. The secured, efficient and world class Walvis Bay Port is Namibia's largest commercial port, receiving approximately 3,000 vessel calls annually and handling about 5 million tons of cargo. INFORMATION MANAGEMENT SERVICES LTD was the first IT company to be commissioned by the Namibian Ministry of Trade and Industry to develop an electronic single window for International Trade. NABMILLS is one of the main shareholders of Moulins de la Concorde.

## **Are there opportunities in Namibia for private health operators?**

The private health sector in Namibia is relatively well developed. There are 844 private health facilities, 557 medical practitioners, 75 pharmacies as well as speciality and general private hospitals, and private clinics. The private health services provide between 15 – 17% of the population, which is the middle to high-income group. This includes all those with medical insurance as well as those who can afford to pay out of pocket. Therefore, access to the private health service is limited by financial constraints experienced by a vast majority of the Namibian population.

Moreover, although relatively robust, private health care in Namibia is skewed towards urban areas. Therefore, opportunities exist in rural areas where medical facilities and services are in acute shortage. With a growing middle-class population in rural areas, opportunities exist for high-end medical facilities.

Further opportunities exist for e-health services. The Namibian market for e-health services is still relatively underdeveloped in both the public and private sector. A strategic plan has been developed, but there is inadequate expertise in the country to develop a comprehensive system and software solutions for services such as patient records, laboratory and pharmacy systems, telemedicine, etc. Opportunities also exist in the production of medical goods and equipments, construction of new hospitals and staff accommodation facilities, production and/or supply of pharmaceuticals, provision of laboratory services and other specialised health services.

## **QUESTION NO 9**

**Agriculture is one of the most important sectors of the economy of Namibia. About 70% of its population depend directly or indirectly on the Agricultural Sector, which is the biggest employer in the country. How can Namibia and Mauritius collaborate in this sector which is also crucial for Mauritius**

Agriculture is the main source of revenue for the majority of Namibians. This sector employs approximately a quarter of the country's labour force and around 70% of the country's population depends directly or indirectly on it for their income and livelihood, mostly in the subsistence sector. Nevertheless, the sector's contribution to the country's gross domestic product (GDP) (excluding fishing) over the last five years has been just



over four per cent. This is indicative of low productivity levels in the sector and hence the scope for improvement. Livestock farming comprises approximately two-thirds of agricultural production, the rest is made up of crop farming, forestry, fishing and fish processing.

Opportunities to collaborate with Mauritius therefore exist across the value chains of the sector. In the livestock sub sector, opportunities exist in the setting up of feedlots and fodder production facilities as well as at primary production of nearly all types of meat. The shortage is particularly more pronounced in pork production as there are only two large-scale piggeries serving only the domestic market. More opportunities exist in meat processing and related industries such as canning, tannery and leather products. Veterinary services provision, animal vaccine and medicine production could also be viable areas of collaboration between the two countries.

In the crop farming sub sector, opportunities exist through the government-backed irrigation projects known as the Green Schemes. The Government has 11 “Green Scheme” irrigation projects aimed at increasing local agricultural production on 9,000 hectares along the perennial rivers bordering Namibia. Further opportunities exist to build storage or cold rooms for fruits and vegetables as well as bigger tanks to support grain storage in the areas of production.

Taking into consideration, Namibia’s arid climate and the resultant water scarcity, opportunities also exist to invest in desalination plants and bulk water infrastructure through Public Private Partnerships.

Beyond the required investments, the two countries can collaborate through exchanging of technical expertise in the areas of mutual interest.

### **QUESTION NO 10**

**Namibia has launched the Digital Nomad Visa which invite foreign professionals who do not depend on their work place and are autonomous to live, work and travel without any problem to Namibia for a period up to six months. Has any Mauritian taken advantage of this programme?**

In an endeavour to increase economic activities in the country, Namibia has launched a new Visa for remote workers, commonly referred to as digital nomads. The Namibia Digital Nomad Visa (DNV), an initiative of the Government of the Republic of Namibia, inviting foreign professionals, who are location independent and self-sufficient, to live, work and travel

hassle-free in Namibia for a period of up to six (6) months. The Visa can be applied for with immediate effect and Namibia is ready to welcome applications by digital nomads to the country. As of 9 February 2024, there have not been any application from Mauritians except one enquiry in August 2023.

### **QUESTION NO 11**

**Recently, ten Mauritian Travel Agencies went on a discovery trip to Namibia. Are Mauritian tourists interested to visit Namibia and vice versa?**

In fact, from 25<sup>th</sup> October until 01<sup>st</sup> November 2023, 13 product managers from reputable travel agencies based in Mauritius were invited by both South African Airways and the Namibian Tourism Board to experience the Wonders of Namibia. The 7 nights – 8 days “TRULY NAMIBIA TOUR” took them from the famous dunes to the Atlantic with stops along the way to interact with local tribes that have kept their traditions and customs, indulging in local food.

Feedback from local trade partners indicate that this successful educational tour to the land of the brave was an eye opener that will enable the setting up of travel packages for Mauritians for a safe leisure destination that combine breath taking views of the dunes, a rugged coastline, boat trips in Walvis Bay, sleeping in the wild surrounded by calm and serene mountains and to get close to wildlife at the well known Etosha Park.

### **QUESTION NO 12**

**Two women, namely Hon Netumbo Nandi-Ndaitwah and Dr Saara Kuungongelwa are respectively Vice President and Prime Minister in Namibia. Would you say that in Gender equality, Mauritius has a lot to learn from Namibia**

It is a matter to be proud for Namibia to have two women holding the highest positions in the country. The Namibian Parliament is made up of the National Assembly and the National Council which has 47% and 14% women representation respectively.

With regard to Mauritius, its constitution guarantees the equality of all citizens and ensures that women have the same legal rights as men. Till now, women participation in politics have been slow. However, there have been some improvements since its Independence. Women's

representation in the Mauritian Parliament was 5.7% in 1983 and 1987, 17% in 2005 and 11.6% in 2014. In the latest elections, the figure rose to 20%. Mauritius still has a long way to go to reach over 61% women in politics, however having the participation of many young women candidates in the most recent election indicates an emerging interest of young women in political careers, which is very encouraging. Nevertheless, for the first time since its Independence, a woman became President of the Republic Mauritius in 2015. And actually, Mauritius's Cabinet comprise of a Woman Vice Prime Minister / Minister of Education and four other Women as Ministers.