NamPPF
Namibia Public-Private Forum

NAMIBIA PUBLIC-PRIVATE FORUM ACCOUNTABILITY REPORT

Working Group 8: Entrepreneurship, MSME Growth and Youth Empowerment

23 November 2026

1. Overview of the Working Group

Entrepreneurship is central to private sector growth and enterprise development. It drives innovation, raises productivity and creates employment opportunities that support sustainable economic growth.

Micro, Small and Medium Enterprises (MSMEs) and startups account for more than 90 percent of all businesses in Namibia [source, year]. They generate most private sector jobs, produce goods and services for local consumption, intermediate use and export, and contribute significantly to government revenue through direct and indirect taxes. Strengthening the MSME and startup ecosystem is therefore essential for broad-based economic development.

Namibia has a young population, with a median age of 22 years and approximately 71 percent of citizens below the age of 35 *[source, year]*. Youth unemployment nevertheless remains high, at 44.4 percent (strict definition) and 61.4 percent (broad definition), compared with national rates of 36.9 percent (strict) and 54.8 percent (broad) *[source, year]*. Supporting youth entrepreneurship and employment is therefore critical to achieving inclusive growth and enabling young Namibians to contribute meaningfully to innovation, productivity and national prosperity.

2. Ideal Situation of the Sector

MSMEs have high potential for job creation, and their large numbers mean that they can generate significant employment opportunities in Namibia.

3. Summary of Challenges and Root Causes

3.1 Challenge 1: Excessive regulation, bureaucracy and red tape

Root causes and contributing factors

- Regulatory and administrative requirements that are broad in scope and create delays and costs before enterprises generate revenue and throughout their operations.
- Outdated regulations and procedures that impose high costs and delays without commensurate benefit.
- Limited capital, income and reserves among small enterprises and entrepreneurs, reducing their ability to absorb prolonged delays and administrative costs.

Implications:

Regulatory barriers constitute a significant impediment to entrepreneurship and enterprise development. They disproportionately affect small enterprises

and entrepreneurs, and increase the cost of starting, operating and growing a business in Namibia.

3.2 Challenge 2: Slow and in transparent licensing and permitting

Root causes and contributing factors

- Paper-based licensing and permitting processes, including those for water abstraction permits, environmental clearance certificates, exploration permits and work permits.
- Excessive processing times, with applications that applicants are generally unable to track.
- Limited transparency in the status and handling of applications.
- Continued operating costs incurred by applicants with limited or no income while awaiting licenses and permits, particularly small businesses, including those owned by youth and people with disabilities.

Implications:

Delays and a lack of transparency in licensing and permitting materially increase the cost of doing business. They fall most heavily on small businesses and entrepreneurs, who have limited financial buffers to sustain prolonged approval periods.

3.2 Challenge 3: Poor service delivery and accountability gap

Root causes and contributing factors

- Limited access to information from regulators and Offices, Ministries and Agencies (OMAs).
- Poor responsiveness of OMAs to telephone and email enquiries.
- Difficulty in obtaining updates on applications, licenses, taxes (e.g. VAT) and outstanding invoices.
- Absence of a functional institution to which entrepreneurs and business owners can report service failures.
- Absence of a functional process to hold responsible officials and institutions accountable and to ensure improved service provision.

Implications:

Service delivery failures are common and costly for entrepreneurs and small businesses. In the absence of accountability, these failures persist, undermining confidence in public institutions and further raising the cost of doing business.

3.4 Challenge 4: Access to finance and pre-and-post investment support

Root causes and contributing factors

- A financing landscape dominated by commercial banks, with few equity providers, particularly at the early stage, and a development bank that is not functioning effectively.
- Limited private capital and reluctance to fund entrepreneurs because of high failure rates linked to general business climate constraints.
- Few specialist financiers of early-stage enterprises, making early-phase capital difficult to obtain for young entrepreneurs without a track record.
- Dependence on personal networks, such as wealthy families and friends, leaving significant portions of the population without access to funding.
- Limited pre- and post-investment support, leaving financing recipients without the training, expertise and mentorship needed for sustainability, record keeping and reporting.

Implications:

Limited access to finance and business support constrains enterprise start-up, survival and growth, and excludes a significant portion of the population, particularly young entrepreneurs, from funding. The absence of post-investment support also reduces the sustainability of financed enterprises and points to the need for capacity-building programmes across the country.

3.5 Challenge 5: Uncompetitive tax regime

Root causes and contributing factors

- High corporate tax rates applied to small businesses from the early stages of their operations.
- Tax payments that deplete the capital needed for reinvestment and growth, owing to the capitalisation of initial costs, cash flow mismatches and similar factors.
- A significant share of small initial profits paid to the Namibia Revenue Agency (NamRA) in tax.
- Recent changes to limit the period for which assessed tax losses may be carried forward.

Implications:

The tax regime reduces the capital available to small businesses for reinvestment and growth. The limit on carrying forward assessed losses particularly affects small businesses making investments that do not yield fast returns.

3.6 Challenge 6: Access to markets

Root causes and contributing factors

- A small domestic market, with many segments already served by large and foreign businesses.
- Scale advantages are enjoyed by large businesses with nationwide footprints.
- Procurement practices of large enterprises that often exclude MSMEs and entrepreneurs.
- Limited advantages for MSMEs, with little or no incubation, preferential procurement or incentives to support competition with large and established enterprises.
- Public procurement rules and requirements that prevent many entrepreneurs and MSMEs from supplying goods and services to the public sector.

Implications:

Limited market access restricts the ability of MSMEs to grow, reach scale and participate in both private and public sector value chains.

3.7 Challenge 7: Lack of competitiveness with foreign companies and large companies

Root causes and contributing factors

- Excessive bureaucracy that applies equally to MSMEs and entrepreneurs as to large enterprises.
- Limited access to finance, and the perception of MSMEs and entrepreneurs as higher-risk borrowers.
- A disproportionately high cost of doing business for MSMEs and entrepreneurs.

Implications:

MSMEs and entrepreneurs are placed at a significant competitive disadvantage, making it difficult for many of them to compete with large and established local and foreign enterprises.

3.8 Challenge 8: Lack of incentives and support for entrepreneurs, MSMEs

Root causes and contributing factors

- MSMEs and entrepreneurs compete with large and established businesses without targeted incentives or support.
- Absence of simple support measures at local authority, regional and national level, such as lower or subsidised energy prices, lower or subsidised rates and taxes, and reduced administrative and regulatory burdens.

Implications:

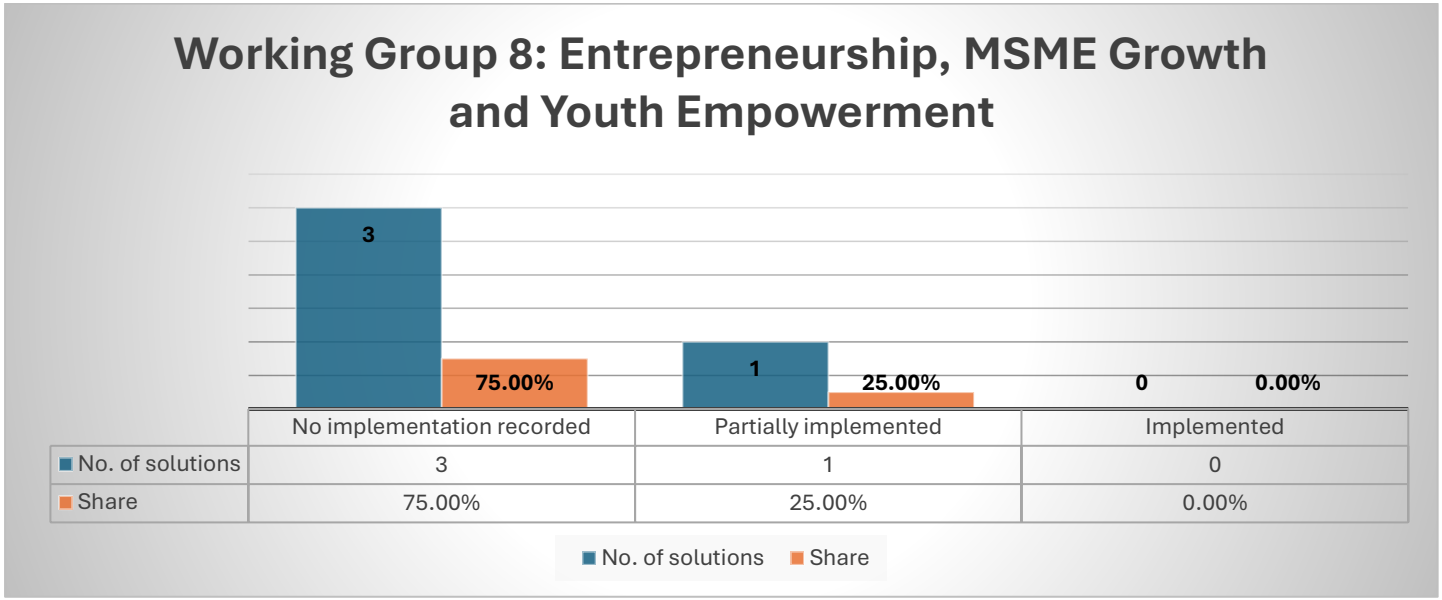
Without incentives and support, MSMEs and entrepreneurs bear the same costs as established enterprises, which limits their ability to survive and grow.

4. Progress on the implementation of Presidential Directives

RED — No implementation recorded	AMBER — Partially implemented	GREEN — Implemented

No.	Aligned Presidential Directive	Presidential Directive Progress Update	Reporting / responsible institution(s)	RAG STATUS
1	3.2.1 The Namibia Investment Promotion and Development Board (NIPDB), in collaboration with BIPA and relevant licensing and permitting authorities, to establish and operationalise a unified digital one-stop licensing and permitting system.	BIPA operationalised One Stop Service Centre on 29 November 2025 - 13 institutions in the OSC by March 2026. Clients served to date 13,000+	**NIPDB BIPA**	**No implementation recorded**
2	3.2.2 Immediate integration of agriculture, tourism, mining, ICT, and construction licensing under a single digital platform with binding turnaround times of 24 to 72 hours for basic approvals.	Wish to resolve pending matter and streamline licencing. OPM e-Gov/ IT related policies are in draft, reviewed and submitted to cabinet for approval. Yet to confirm progress on legislation.	**OPM**	**Partially implemented**
3	3.2.3 Take immediate action for the digitisation and capacity building of key permitting offices, specifically the Environmental Commissioner, Plant Health Commissioner, Attorney General's Office and the Petroleum Commissioner, Mining Commissioner, to operate to the standard of existing high performing agencies (e.g. NamRA, CRAN, LLPBN or ECB).	PROGRESS No progress report from MEFT. The Presentation mentions the National Spatial Tourism Master Plan: The Plan provides a strategic spatial framework for aligning tourism infrastructure, accessibility, investment opportunities, and destination development to enhance Namibia's competitiveness as a preferred tourism destination.	**MEFT and named permitting offices**	**No implementation recorded**
4	3.4.2: Take immediate steps to approve the introduction of mandatory performance audits and enforcement measures across Ministries, Agencies, and SOEs, including clear accountability consequences for unjustified delays, non-performance, and failure to execute approved projects and contracts on time.	No update	**MoF/OPM**	**No implementation recorded**

5. IMPLEMENTATION SCORECARD FOR PRESIDENTIAL DIRECTIVES



6. Scorecard Summary for Presidential Directives

RAG status		Share	Interpretation

RED	3	75.00%	No implementation progress update recorded
AMBER	1	25.00%	Implementation activity / partial progress reported
GREEN	0	0.00%	Marked complete in the report
Total	**4**	**100.00%**	

7. Progress on the implementation of proposed solutions

RED — No implementation recorded	AMBER — Partially implemented	GREEN — Implemented

No.	Challenge / problem area	Proposed solution	Reporting / responsible institution(s)	Progress update	RAG STATUS
1	**Excessive regulation, bureaucracy and red tape** Entrepreneurs face excessive red tape and delays that hinder the start, operation, and growth of their enterprises, especially for those lacking capital or reserves. Many of these	**The government collaborates with the private sector-led, cross-sectoral red tape, identification and solution origination committee.** • Form committee with private sector leadership and	**Lead**: BIPA, **Oversight**: OPM **Supporting institutions**: NAMRA, NIPDB, SSC, MHAISS, City of Windhoek, NaCC, MIRT, MEFT,	**One Stop Center** The One Stop Centre Opened doors on 28 Nov 2025. The idea is to have a central place for all necessary registration services, including foreign businesses. 13 institutions were housed at the Center by March 2026 (BIPA, NAMRA, NIPDB, SSC, MHAISS, City of Windhoek, NaCC, MIT, MEFT, MAWLR, MIME and NAMPOL). Future plans include: OSC expansion to accommodate more institutions, Interoperability with all Institutions in the Centre and extension to the regions.	**Partially implemented**

No.	Challenge / problem area	Proposed solution	Reporting / responsible institution(s)	Progress update	RAG STATUS
	regulations are outdated, adding significant costs and delays with little or no real benefit.	public sector participation • Map regulatory hurdles and identify outdated or redundant legislation • Propose digitization, service-delivery, and accountability solutions.	MAWLR, MIME, MICT.	**Digitization**: To champion the National Digital Strategy launched in 2025, MICT with funding and support from industry stakeholders, successfully hosted the National Mega Hackathon 2025. This landmark event provided a platform for young ICT innovators to design digital solutions addressing key government challenges such as mental health services and online government portals. Building on the outcomes of the hackathon, the Office of the Prime Minister and the Ministry of Health and Social Services (MoHSS) are currently engaging processes to implement and onboard these solutions, ensuring that youth-driven innovations are integrated into Namibia's broader digital transformation agenda. This initiative highlights Namibia's commitment to digital innovation, youth empowerment, and public sector modernization through collaborative partnerships (consult MICT on specific).	
2	**Slow and nebulous licensing and permitting processes** Licensing and permitting processes are slow, paper-based, and opaque, making applications for permits and certificates excessively time-consuming and costly. These inefficiencies	Identify and solve regulatory, service delivery, and accountability gaps	Ministry of Home Affairs, Ministry of Environment, Forestry and Tourism, Ministry of Finance, Ministry of Industries, Mines and Energy, BIPA	Ministry of Home affairs amended the Immigration Regulations on 26 July 2026 to simplify requirements for employment permits (Government Gazette Notice No. 8981). A 5-year investor visa – employment permit to conduct business (for investors) was gazette on 18 August 2026 and launched 01 September 2026 MEFT is strengthening the licensing framework for individual tour guides to ensure that they possess the appropriate certification and professional training required to deliver quality tourism services. Regulations were submitted to legal drafters in the Ministry of Justice. (March 2027)-The regulations will solve the slow processing time which is being dealt with by NTB.	**Partially implemented**

No.	Challenge / problem area	Proposed solution	Reporting / responsible institution(s)	Progress update	RAG STATUS
	disproportionately burden small, youth-, and differently abled–owned businesses that lack income during long waiting periods yet continue to incur costs.			NamRA continues to improve tax administration and compliance awareness creation. MHAISS update – visa regime review: •Immigration Regulations were amended on 26 July 2026 to simplify the requirements for employment permits (Government Gazette Notice No. 8981). Administrative Directives also gazette simplifying and streamlining requirements for investors and other applicants for general employment permits. Employment Permit to conduct business (for investors) was introduced •The employment permit for investors to conduct business was gazetted on 18 August 2026 and launched on 1 September 2026. The permit can be issued for 5 years •Short term employment permits (work visa) applications, up to 6 months) can be lodged online while long term employment permits will be available online by end of the current financial year.	
3	**Poor service delivery and accountability gap**: Service delivery failures are widespread and costly, with entrepreneurs often unable to access	Enhance digitization and modernization of regulatory, registration, licensing and permitting systems	MICT	To champion the National Digital Strategy launched in 2025, MICT with funding and support from industry stakeholders, successfully hosted the National Mega Hackathon 2025. This landmark event provided a platform for young ICT innovators to design digital solutions addressing key government challenges such as mental health services and online government portals.	**Partially implemented**

No.	Challenge / problem area	Proposed solution	Reporting / responsible institution(s)	Progress update	RAG STATUS
	information or updates from regulators and OMAs on applications, taxes, or payments. Weak accountability mechanisms mean there are no effective channels to report these issues or hold officials responsible for improving service quality.			Building on the outcomes of the hackathon, the Office of the Prime Minister and the Ministry of Health and Social Services (MoHSS) are currently engaging processes to implement and onboard these solutions, ensuring that youth-driven innovations are integrated into Namibia's broader digital transformation agenda. This initiative highlights Namibia's commitment to digital innovation, youth empowerment, and public sector modernization through collaborative partnerships (consult MICT on specific).	
4	**Access to finance and pre-and-post investment support** Access to finance remains a major challenge for entrepreneurs and MSMEs, as the landscape is dominated by risk-averse commercial banks, limited equity providers, and an under-resourced development bank. Early-stage entrepreneurs, especially those without networks or	Add capital allocation expertise to Youth Empowerment Fund. Consider using the Fund to finance owner contribution so that MSMEs can leverage it to seek additional debt funding from institutions. • Scale up funding for pre- and post-investment enterprise developmen	DBN, MOF, Emerging Minerals Energies & Science Association of Namibia (EMAN)	DBN Products support start-ups, expansions, equipment, working capital, contracts and Women & Youth-Owned Enterprises. SME Proper and NYDF show active pipelines, approvals and disbursements. DBN was mandated to operationalize the SME Financing Strategy through the implementation of three key interventions: the Credit Guarantee Scheme (CGS) (operational since August 2020), the Mentoring and Coaching Programme (operational since April 2022) and the Venture Capital Fund. DBN is in the process of establishing the Omukwa Capital Fund, a national venture capital initiative to provide equity financing to high-potential MSMEs, complementing existing debt-financing products and promoting enterprise growth, innovation and job creation. DBN offers a range of tailored MSME financing products, comprising the Skills-Based Finance, DBN for Her, the National Youth Development Fund (NYDF), standard SME finance, Guarantees and access to the Credit Guarantee Scheme.	**Partially implemented**

No.	Challenge / problem area	Proposed solution	Reporting / responsible institution(s)	Progress update	RAG STATUS
	track records, struggle to secure funding or access post-financing support and mentorship needed for sustainable growth.	t, including mentorship, bookkeeping, financial management and investment readiness. • Strengthening linkages between enterprise development programmes, the Credit Guarantee Scheme, DBN and commercial banks. • Introduce measurable turnaround times for funding applications and transparent feedback mechanisms.		DBN has committed 70% of SME departmental staff & N$ 18 million towards NYDF. 8 fixed-term employees and 15 interns Recruited at four regional offices. Established 14 additional access points to support MSME service delivery. MoF: The National Youth Fund has been established and is funded annually through the budget, including entrepreneurship training through the DFIs	

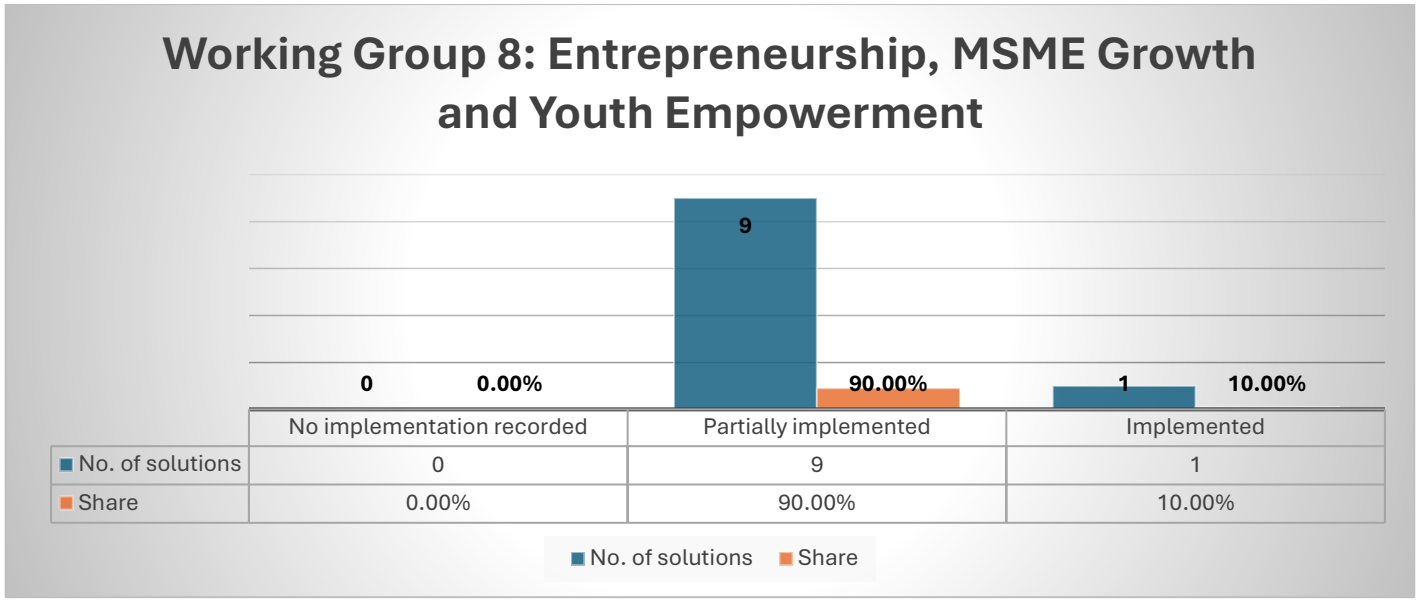
No.	Challenge / problem area	Proposed solution	Reporting / responsible institution(s)	Progress update	RAG STATUS
5		Embed clear timelines, escalation pathways, and public reporting across all		DBN has introduced Digital Solutions/online applications, email and SMS feedback, published application requirements, streamlined decision-making and an intervention committee.	**Implemented**
6	**Uncompetitive tax regime** The current corporate tax regime severely constrains entrepreneurs and MSMEs, as high tax rates from inception deplete capital needed for reinvestment and growth. Recent limits on carrying forward tax losses further disadvantage small businesses with slower returns on investment.	Implement a progressive corporate tax rate	Ministry of Finance, NAMRA	MoF: The Income Tax Amendment Bill, 2026 was tabled at CCL in March 2026. Layman's draft Bill consultations were held in August 2026. The Bill is back with the legal drafters, who are incorporating the second round of consultations. Namibia's tax regime is competitive in the sub-region following the recent tax changes. All economic activity in the country should contribute to the fiscus in proportion to its success. All tax incentives must be consider in terms of their social costs, incentives come with a net public revenue loss.	**Partially implemented**
7	**Limited access to markets** Namibia's small market is dominated by large multinational firms whose scale and procurement practices often exclude MSMEs and	Strengthen preferential local procurement across Government, SOEs and large corporates, with measurable MSME	MIRT & MIME, MOF, DBN	A Retail Charter, housed under the Namibia Trade Forum, provides a platform for retailers to voluntarily commit to stocking locally produced products. However, participation is not mandatory. Local producers, particularly SMEs, face challenges in accessing retail shelves, especially in foreign-owned and franchise retailers. These challenges include shelf listing fees and the high costs of travelling to present product proposals to parent companies for approval.	**Partially implemented**

No.	Challenge / problem area	Proposed solution	Reporting / responsible institution(s)	Progress update	RAG STATUS
	new entrepreneurs. With limited incubation, preferential procurement, or incentives, small businesses struggle to compete or access public sector opportunities.	participation targets. Link procurement contracts and confirmed purchase orders to appropriate working capital financing.		To address product quality and compliance requirements, the Ministry of Industrialisation, Mines and Energy (MIME), in collaboration with the Namibia Standards Institution (NSI), is training to SMEs to ensure that their products meet the required standards for entry into formal retail markets. In 2025/26FY, the Ministry trained 15 and 197 MSMEs in the Cosmetics and Agro-Food Processing sectors, respectively. In 2026/27 FY the Ministry plans to train 76 MSMEs in Quater 4. The Minsitry is in the planning phase to identify sectors to be capacitated which will be informed by the national development aspirations. MIRT: The investment bill proposes to reserve sectors and business activities to local Namibians and MSMEs. Furthermore, the incentives regime being proposed also uses participation of local companies and MSMEs as the criteria for foreign investors to benefit from incentives **MoF**: Issued procurement regulations and directives to strengthen preferential local procurement across public entities. This is further supported by the Code of Good Practice.	
8	**Lack of competitiveness with foreign companies and large companies** Excessive bureaucracy and limited access to finance place entrepreneurs and	Ease tax burden on startups and MSMEs	MOF, NAMRA	MoF: Part of the 2026 Income Tax Amendment Bill is the new MSME reduced tax rate of 20%. All entrepreneurs have a tax compliance obligation like all other taxpayers and not more onerous.	**Partially implemented**
9		Enable reinvestment and growth for MSME's	DBN & MOF	DBN is in the process of establishing the Omukwa Capital Fund, as a government-backed investment fund and to provide equity financing to high-potential MSMEs, complementing existing debt-financing products and promoting enterprise growth, innovation and job creation.	**Partially implemented**

No.	Challenge / problem area	Proposed solution	Reporting / responsible institution(s)	Progress update	RAG STATUS
	MSMEs at a major competitive disadvantage compared to large and foreign firms. Facing the same regulatory burdens but higher perceived risks, their cost of doing business is disproportionately high, making competition nearly impossible.			MoF: Various products have been launched by DBN, such as DBN for Her.	
10	**Lack of incentives and support for entrepreneurs, MSMEs** Entrepreneurs and MSMEs are forced to compete with large businesses and established businesses, without any incentives or support. Simple support at local authority, regional or national level, such as lower (/subsidized) energy prices, lower (subsidized) rates and taxes, and lower administrative and	Centralize MSME support through a hybrid platform (MSME One Stop Hub) for registration, compliance, mentorship, and market access.	BIPA, DBN, MoF	DBN was mandated to operationalize the SME Financing Strategy through the implementation of three key interventions: the Credit Guarantee Scheme (CGS) (operational since August 2020), the Mentoring and Coaching Programme (operational since April 2022) and the Venture Capital Fund. The Bank is in the process of establishing the Omukwa Capital Fund, a national venture capital initiative to provide equity financing to high-potential MSMEs, complementing existing debt-financing products and promoting enterprise growth Mentoring and Coaching and regional Business Development Workshops have been implemented, reaching 453 participants in Four regions.	**Partially implemented**

No.	Challenge / problem area	Proposed solution	Reporting / responsible institution(s)	Progress update	RAG STATUS
	regulatory burdens are not available.				

8. IMPLEMENTATION SCORECARD FOR NAMPPF WORKING PROPOSED SOLUTIONS



9. Scorecard Summary for NAMPPF Working proposed solutions

RAG status		Share	Interpretation
RED	0	0.00%	No implementation progress update recorded
AMBER	9	90.00%	Implementation activity / partial progress reported
GREEN	1	10.00%	Marked complete in the report
Total	**10**	**100.00%**	