



**REPUBLIC OF NAMIBIA**

**Ministry of Finance**

**Tabling of the FY2019/21 Annual Report  
of the Development Bank of Namibia**

**Ipumbu Shiimi, MP  
MINISTER OF FINANCE**

**13 APRIL 2021**

*Honourable Speaker,*

1. I rise to lay upon the table, the Annual Report of the Development Bank of Namibia for the year ending March 2020 and the accompanying audited Financial Statements.
2. *Honourable Speaker*, appended to the Annual Report is the Development Impact Report, providing the socio-economic impact of the Bank developmental and lending operations over the reporting period.
3. The Approvals and Development Impact Report underscores the role of DBN as a development finance institution, whose mandate is to promote private sector and SME development.
4. Over the reporting period, in spite of the subdued macroeconomic environment:-
  - The total value of DBN loans declined marginally by 1 percent relative to the previous financial year, due to the National Energy Fund (NEF) fuel storage and the Neckartal Dam loan repayments.
  - Adjusting for the NEF fuel storage and the Neckartal Dam loan repayments the loan book actually grew by N\$391 million.
  - The total loan approvals for the year stood at 1,137.8 billion (N\$678.2 million in 2018/19), of which the largest share of N\$442.9 million or some 38.9 percent was disbursed for land servicing, followed by manufacturing (N\$130.9 million) and construction (N\$127 million).
  - A total amount of 228.8 hectares was serviced in the //Kharas, Khomas, and Zambezi regions, releasing 5,028 single residential, 6 general residential, 4 non-residential and 2 institutional erven. Finance was approved for 416 houses.
  - Of the total loan approvals, N\$279.3 million benefited SMEs (increasing from N\$156.4 million in 2018/19).

- Allocations of N\$959.3 million benefited previously disadvantaged Namibians (increasing from N\$483.5 million in 2018/19); N\$121.7 million approvals supported women-owned businesses (increasing from N\$104.2 million in 2018/19) and N\$149.5 million of the approvals was for youth-owned enterprises (increasing from N\$94.6 million in 2018/19).
  - The approvals are distributed across all regions of the country, and take into consideration the geographical concentration of business activities and the developmental needs in new areas. Khomas region takes up 41.9 percent, followed by Oshana (12.2%), Erongo (9.7%), //Karas (7.0%), Zambezi (4.5%), Otjozondjupa (1.7%), , Kavango West (1.5%), Ohangwena (1.1%), Hardap (1.0%), Kavango East (0.9%), Oshikoto (0.7%), Kunene and Omusati (0.6% each) and Omaheke (0.3%). Projects spanning more than one region accounted for 16.3 percent.
  - Notably, these approvals had the effect of developing new enterprises and expanding existing ones. The Bank approved finance for 36 start-ups in 2019/20 (21 start-ups in 2018/19).
  - Bank finance is projected to create 8,130 new permanent jobs lasting more than three years, and 1,693 temporary jobs. Of these, about 645 permanent jobs are projected in the SME space, underscoring the potential for SMEs to create incomes and reduce poverty.
5. *Honourable Speaker*, reduction of collateral requirements is now provided for under the collateral guarantee scheme for SMEs through the SME Financing Strategy now under implementation, and the skills-based lending facility for youth entrepreneurs has been launched.
6. With these remarks, Honourable Speaker, I so submit.

I thank you.