

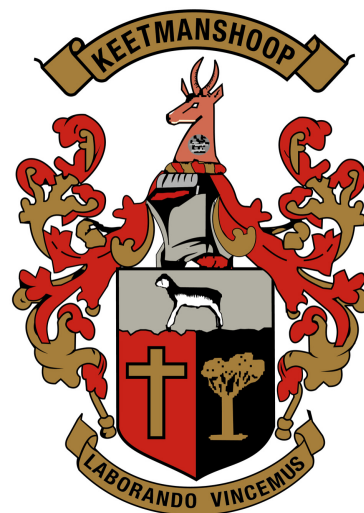


# Keetmanshoop

## ECONOMIC PROFILE

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// PREPARED BY KEETMANSHOOP MUNICIPALITY



## FOREWORD:

On behalf of the Keetmanshoop Municipal Council, it gives us great pleasure to present the economic profile of the town of Keetmanshoop: Some challenges that the Keetmanshoop Municipal Council is faced with currently, include:-

- Attracting businesses to invest in Keetmanshoop;-
- Providing serviced land for residential and business use;-
- Keeping municipal rates and taxes affordable for the residents of Keetmanshoop.

Our vision is that Keetmanshoop will be an affluent town, with no informal settlements and poverty. The main objectives for this council is to provide, housing and, affordable, basic services to all the residents of Keetmanshoop; developing the infrastructure; attracting new businesses and investors and establishing Keetmanshoop as a tourist destination, and finally providing public education and creating awareness on issues like vandalism and illegal dumping.

The Municipality is faced with a high demand for housing both in the informal areas as well as in the middle and upper middle income categories. Over the next 5 years council will identify residential growth areas and build sewer and water installations to cater for these demands. The municipality plans to spend 5 million per annum on such infrastructure.



*Mr. Desmond Basson*

**CEO**

The development of Keetmanshoop as a commercial, tourism and logistical hub and as preferred transport link for rail, air and road for Namibia is our main focus.

Namibia is endowed with vast open spaces and Keetmanshoop in particular has vast town land which is not serviced. Keetmanshoop due to some reason was not developed as it should have been and is now faced with a critical shortage of serviced land while demand overshoots supply. Financing as well as visionary leadership and financial expertise would be required to bridge this gap.

Our vision is to provide basic services like water and sanitation to every household. We also need to provide conventional housing to every inhabitant of this town and gradually break the bondage of poverty associated with informal settlements and structures.

There is a huge demand for industrial even for factories, warehouses, fuel depots and other businesses in town. These even need to be serviced with railway sidings, electricity, paved roads and water and sewerage lines. While creating such infrastructure will be a welcome boost for the employment situation in Keetmanshoop, the initial cost of creating and developing the area is massive. We are currently looking at various options of financing this venture.



Keetmanshoop is the largest urban centre in the //Kharas Region (the furthest southern part of Namibia). The town is home to about 30 000 residents which is a significant increase from the 18 000 residents recorded during the 2011 National Census. There are approximately 6000 households of which 62% is of productive age, and around 27% of these residents are unemployed.

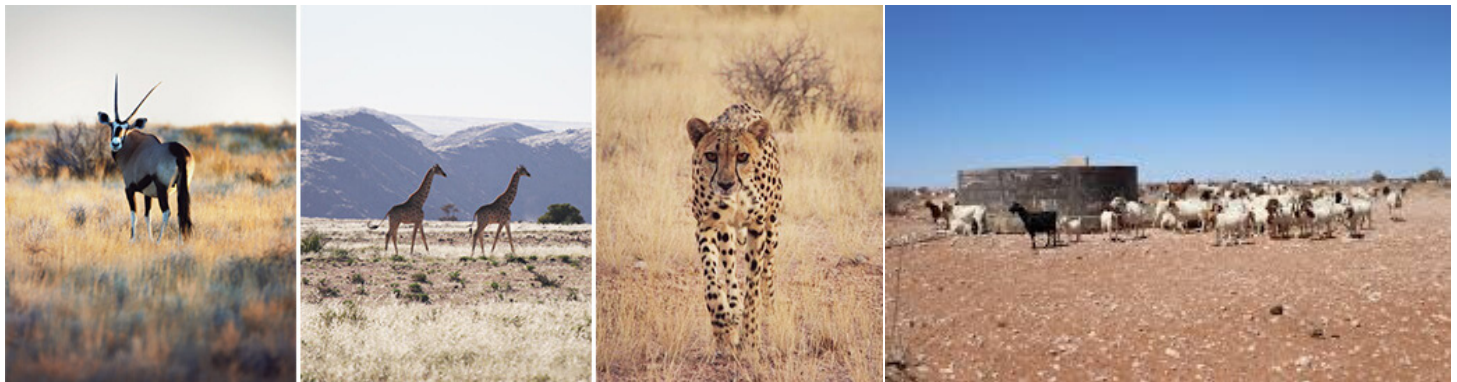
The growth in population can be attributed to natural internal population growth as well as urbanization from nearby rural communities and job seekers from other parts of the country. The pull factors to Keetmanshoop included real and perceived job and business opportunities linked to several public works projects such as the Neckertal Dam, University of Namibia Southern Campus, Mass Housing Development Project.

Noteworthy private sector investments in recent years were made in the following sectors:-

- Retail (Keetmanshoop Shopping Centre),
- Agriculture (Livestock Trading/Feedlots and Animal Feed Production facilities)-
- Real Estate (new residential developments)-
- Services (education, healthcare, logistics and legal services).

Along with hospitality/tourism and manufacturing, the above economic sectors are seen as the backbone of the Keetmanshoop local economy.



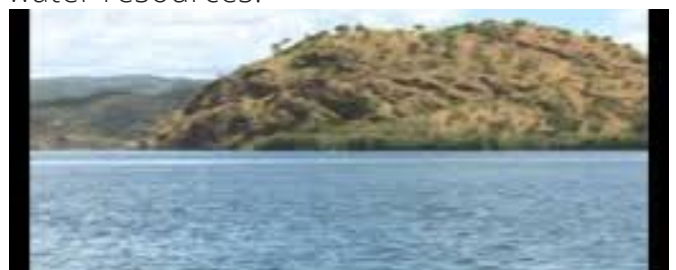


**Small Stock Farming:** Historically southern Namibia is renowned for its livestock farming; goats, sheep and to a lesser extent cattle. On average about 2000 units of goats and sheep (on-the-hoof) are sold monthly in Keetmanshoop. This represents a turnover of around N\$24 Million annually at a primary level.

**Game Farming:** Is often coupled with the tourism and hospitality product mix and mainly targeted at the non-Namibian visitor. Many farmers (generally across the country) have converted their (domesticated) livestock farming enterprises into game farms by investing in additional infrastructure such as visitor accommodation, hiking trails, game drives and hunting excursions. While such conversions have led to a decline in the livestock trading sector, the new product mix has offered additional opportunities in terms of skills and economic diversification. This is a (new) growing sector which is still loaded with enormous potential.-

**Nearby economic activities:**

**Irrigation farming (Orange River, Naute Dam & Neckertal Dam):** Dryland irrigation presents huge opportunities for the Keetmanshoop locality. The Naute Dam with its capacity to supply water for up to 2000Ha of arable land is currently being used to irrigate less than 1000Ha. Moreover, not a single inch of the envisaged 5000Ha of land around the new Neckertal Dam is under production. The Neckertal Dam has a capacity to hold around 857 Million cubic metres of water and presents excellent opportunities for the future agricultural and industrial development. Further south from Keetmanshoop along the Namibia - South Africa border we have the Orange River irrigation schemes that are operated by both private and public sector investors. All of the above projects present excellent opportunities for future investment as they are characterized by adequate land and water resources.





**Port of Luderitz:** Located along Namibia's south western coastline is the port of Luderitz used mainly for the import/export of fishing and mining products. The excellent rail and road network from central and northern Namibia as well as from major commercial centres of neighboring South Africa makes Luderitz an ideal logistics hub for bulk cargo. Keetmanshoop is ideally located as a logistical gateway to the port of Luderitz. At present the port handles zinc and manganese exports from within Namibia and South Africa as well as the fishing vessels.-

**Mining (Rosh Pinah & Oranjemund):** These two towns located in the far southwestern corner of Namibia have grown mainly on the back of mining operations over many decades. In recent years the local economy of Rosh Pinah and Oranjemund have undergone some diversification with the growth in the retail and tourism and services sectors. While the diamond mining in Oranjemund and the Zinc mining activities are set to continue for the foreseeable future, both towns are promoting other economic activities that will guarantee their sustainability long after the mining operations come to an end. Additional economic activities along Namibia's south-western coast relate to the envisaged 800MW Kudu Gas Power station located around 25km offshore from Oranjemund.

**Tourism (Ai-Ais & Fish River Canyon):** Numerous eco-tourism and cultural tourism opportunities exist throughout the //Kharas Region. The Fish River Canyon (largest in Africa) is the second most popular tourism attraction in Namibia. Several Lodges have been established along the Fish River (Namibia longest in-land river) which focus on out-door adventures such as hiking, hunting and rowing. Most tours along the Fish River culminate in a restful retreat at the Ai-Ais Hotsprings also located (further south) on the banks of the Fish River. Keetmanshoop serves as stopover for many tourists visiting tourist attractions accros Southern Namibia



**Railway:** Southern Namibia boasts with a reliable railway network both for cargo and passenger travel. Rail transport has now emerged as the preferred mode for moving bulk cargo particularly within Namibia and South Africa due to lower cost (compared) to Road and competitive turnaround times.

**Ports of Entry:** The //Kharas region has five official ports of entry by road (Oranjemund, Noordoewer, Ariamsvlei, Klein-Manasse and Mata-Mata), one port of entry by rail (Ariamsvlei), one seaport (Luderitz) and one official port of entry by air (Keetmanshoop). All of these ports of entry are well-connected to South Africa which is Africa's economic powerhouse and can adequately facilitate the movement of products and people from across the world. Other local airports which are serviced either with scheduled or chartered flights in Oranjemund, Rosh Pinah, and Luderitz

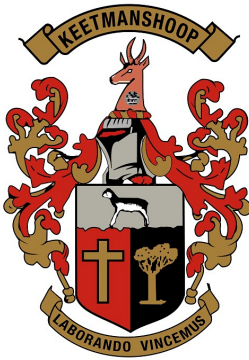


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The //Kharas region is the most sparsely populated of Namibia's 13 regions. It is a vast arid landscape characterized by several mountain ranges and plains in the interior. Towards the eastern and western edges of the region you find the Kalahari Desert (east) and the Namib Desert and Atlantic Ocean on the west. The region covers 161 215 square kilometers. It was estimated to have a population of around 70 000 people in 2001, and based on a predicted population growth of just over 1% per annum is now estimated to be home to around 90 000 people in 2019.





# Keetmanshoop Municipality

Keetmanshoop present excellent growth prospects in agriculture, retail, real estate, manufacturing and the services sectors. The local workforce is progressively becoming more skilled and literate since the establishment and expansion of the University of Namibia Southern Campus and the provision of job market oriented vocational training by the Namibia Institute of Mining & Technology (NIMT).

In terms of surety of supply for both land and water, Keetmanshoop is arguably one of the best locations in Namibia. Two of Namibia's largest dams (Naute Dam and Neckertal Dam) are located near Keetmanshoop and can continue to supply water for both residents and industry on a sustainable basis. Urban land prices are also competitive and are offered at a rate of about N\$200/sqm for fully serviced portions of land. Keetmanshoop is surround by around 30 000Ha of virgin land that can be serviced for all land uses.

