

## Development Bank of Namibia





#### About Development Bank of Namibia

- Established 2004 (Development Bank of Namibia Act)
- Government of Namibia is sole shareholder
- Large enterprises, infrastructure & SMEs
- Pioneers new forms of lending
- Develops financial markets
- Transformative lending to address persistent economic issues
  - Youth finance to empower youth
  - Develop next generation of entrepreneurs





#### Loans

- Asset backed finance
- Contract based finance (tenders)
- Performance guarantees
- Project finance
- Property development finance
- Commercial property finance
- Covid-19 Business Relief loans
- Climate adaptation finance
- Skills-based finance (youth)
- Franchise finance
- Management buy ins & buy outs
- PPP finance
- Infrastructure finance





## Development Bank in Kavango East





| Kavango East Sectoral Approvals<br>(Inception to May 2022) |                 |         |
|--|-----------------|---------|
|  | Since Inception |         |
| Sectoral Spread  | N\$ mil         | % Share |
| Business Services  | 17.1            | 7.1     |
| Commercial Property  | 18.1            | 7.5     |
| Construction   | 97.4            | 40.6    |
| Education  | 1.3             | 0.5     |
| Electricity  | 2.4             | 1.0     |
| Financial Intermediation                                   | 0.0             | 0.0     |
| Fishing  | 0.0             | 0.0     |
| Health   | 1.9             | 0.8     |
| Housing  | 28.0            | 11.7    |
| Land Servicing   | 0.0             | 0.0     |
| Manufacturing  | 7.5             | 3.1     |
| Mining & Quarrying   | 0.0             | 0.0     |
| Tourism & Hospitality                                      | 0.0             | 0.0     |
| Transport & Logistics                                      | 56.0            | 23.4    |
| Water  | 0.0             | 0.0     |
| Wholesale & Retail Trade                                   | 10.1            | 4.2     |
| Grand Total  | 239.8           | 100.0   |





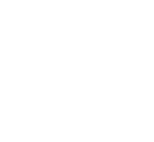
SME finance





#### General

- SME has annual turnover of N\$10 million or less
- SME growth or start-up
- Less complex needs / lower amounts / individual products
- O Lower threshold is N\$150,000







## **Types of finance**

- Asset backed finance (equipment and vehicles)
- O Business finance (term loans)
- $\bigcirc$  Contract based finance
- Performance guarantees
- Management buy-ins and buy-outs







Agri-enterprise





## Types of finance and purpose

○ SME finance

○ Finance for larger enterprises

• Agri-processing

• Processing of agricultural products, e.g. abattoirs, milling, grading, freezing facilities, food manufacturing, etc.

○ Agri-industry

- Industry that supports agriculture, e.g. packaging, transport and logistics, services, feeds, fertilisers etc.
- NOT direct finance for farming (Agribank field)





### Other financing opportunities

- Credit Guarantee Scheme offered by commercial banks
- Financing of agri-value chain
  - Transport & logistics
- Infrastructure
  - Renewable energy
  - Water
  - Climate adaptation finance





**Business Recovery Loans** 





## General

- Recovery for EXISTING businesses affected by Covid-19, the recession and the drought
- Developing sustainable, innovative new products and services
- Diversification and expansion to become more resilient in future
- Working capital, acquisition of plant and equipment and / or other short-term financing





## **Types of finance**

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- Business finance (term loans)
- O Contract based finance
- Performance guarantees
- Management buy-ins and buy-outs







Applications for finance





## **Application elements**

- Application form
- Business plan / description
- Cash flow statement / 6 months' bank statements
- Balance sheet
- O Collateral (case-by-case basis)
- O CV & organogram
- All documentation at <u>www.dbn.com.na/applications</u>
- KYC compliance
- ESM Environmental and social management elements
- Complete documentation enables DBN to make a timely decision





#### Assistance

- Assistance with documentation requirements at all offices / telephonic / email <u>www.dbn.com.na/assistance</u>
- Website is mobile device compatible
- Application information to be developed by borrower



Expect more.



Collateral





#### **Owner's contribution & collateral**

- Owners contribution
  Shared risk creates confidence in application
  Colleteral considered on a case by case basis
- Collateral considered on a case-by-case basis
- Third party guarantees
- Assets financed may qualify as collateral
- <u>www.dbn.com.na/collateral</u>





#### **Credit Guarantee Scheme (CGS)**

- Reduced collateral available through participating banks at discretion of banks
- Offered by
  - O FNB
  - O Standard Bank
- Not offered by DBN as the Bank already offers relaxed collateral requirements





# Questions?

Find frequently asked questions and answers at <u>www.dbn.com.na/faq</u>



Expect more.



Scan with mobile camera to visit website.





Stay healthy!

