



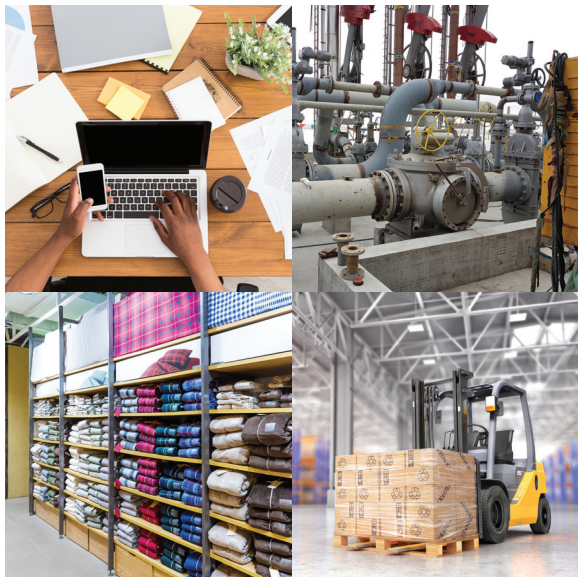
## Product guide

To meet the needs of SMEs, larger enterprises, infrastructure development, PPPs and others, the Development Bank of Namibia has a range of finance products that can be used alone or in combination with other finance products. These products are designed with unique features to satisfy a range of needs.



**Development  
Bank of Namibia**

Expect more.



## Private sector products

Product	Purpose	Key features	Collateral	Duration	Suitability
<b>Contract (Tender) Based Finance</b>	To meet short-term cash flow needs of a business, where there is an underlying contract or off-take agreement to carry out a certain activity	<ul style="list-style-type: none"> <li>Existence of an underlying contract or off-take agreement</li> </ul>	<ul style="list-style-type: none"> <li>Cession of contract income, collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Duration of contract / tender and on issuance of Certificate of Completion</li> </ul>	<ul style="list-style-type: none"> <li>SMEs*</li> </ul>
<b>Guarantees</b>	For a guarantee to a contracting employer to pay a certain amount of money in the event of damages due to under-performance	<ul style="list-style-type: none"> <li>Contract between contractor and employer</li> </ul>	<ul style="list-style-type: none"> <li>Collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>Duration of contract / tender</li> <li>In the event of call-up of guarantee, duration is determined by pre-agreed terms</li> </ul>	<ul style="list-style-type: none"> <li>SMEs</li> </ul>
<b>Asset-Backed Finance (ISA)</b>	To acquire movable asset(s) for a business	<ul style="list-style-type: none"> <li>Sale agreement between the seller and business</li> <li>Serial number of the movable asset</li> </ul>	<ul style="list-style-type: none"> <li>Asset(s) financed as collateral, extra collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>The lesser of 5 years or the life of the asset</li> </ul>	<ul style="list-style-type: none"> <li>SMEs</li> <li>Larger enterprises</li> </ul>
<b>Bridging Finance</b>	To satisfy short-term cash-flow needs of a business to carry out a certain activity	<ul style="list-style-type: none"> <li>Expectation of eminent cash flow</li> <li>No underlying contract or off-take agreement</li> </ul>	<ul style="list-style-type: none"> <li>Collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Normally less than 5 years</li> </ul>	<ul style="list-style-type: none"> <li>SMEs</li> <li>Larger enterprises</li> </ul>
<b>Business Finance</b>	To satisfy medium to long-term enterprise financial needs	<ul style="list-style-type: none"> <li>Repayable within a specific period at specific predetermined intervals</li> </ul>	<ul style="list-style-type: none"> <li>Collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>Long-term</li> <li>Normally less than 10 years</li> </ul>	<ul style="list-style-type: none"> <li>SMEs</li> <li>Larger enterprises</li> </ul>
<b>Invoice Discounting</b>	To provide capital for a borrower (business) against due and payable invoices of other businesses	<ul style="list-style-type: none"> <li>Invoice(s) due for payment, confirmed by the buyer</li> </ul>	<ul style="list-style-type: none"> <li>Invoices, collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>Dependent on terms of invoices</li> </ul>	<ul style="list-style-type: none"> <li>SMEs</li> <li>Larger enterprises</li> </ul>
<b>Business Acquisition Finance</b>	For a buy-in (acquisition of interest by external managers) or buy-out (acquisition of interest by existing internal managers)	<ul style="list-style-type: none"> <li>Business sale agreement</li> <li>Business model and track record (historical financial statements)</li> </ul>	<ul style="list-style-type: none"> <li>Collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>Long-term</li> <li>Normally less than 10 years, dependent on financing requirements for immovable property</li> </ul>	<ul style="list-style-type: none"> <li>SMEs</li> <li>Larger enterprises</li> </ul>
<b>Property Development Finance</b>	For development of low to middle income residential property, and industrial and commercial property	<ul style="list-style-type: none"> <li>Property for resale</li> <li>Excludes residential property for rental</li> </ul>	<ul style="list-style-type: none"> <li>Collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>Short-term</li> <li>Dependent on sale of units</li> </ul>	<ul style="list-style-type: none"> <li>SMEs</li> <li>Larger enterprises</li> </ul>
<b>Commercial Property Finance</b>	For acquisition or construction of immovable commercial property or making improvements to fixed commercial property	<ul style="list-style-type: none"> <li>Property to be used by borrower or rented out</li> <li>Excludes residential property for rental</li> </ul>	<ul style="list-style-type: none"> <li>Collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>Long-term</li> <li>Normally less than 10 years</li> </ul>	<ul style="list-style-type: none"> <li>SMEs</li> <li>Larger enterprises</li> </ul>
<b>Project Finance</b>	For privately owned infrastructure projects	<ul style="list-style-type: none"> <li>Clear projection of cash flow resulting from project</li> </ul>	<ul style="list-style-type: none"> <li>No recourse to shareholder(s)</li> </ul>	<ul style="list-style-type: none"> <li>Long-term</li> <li>Can be greater than 10 years</li> </ul>	<ul style="list-style-type: none"> <li>Larger enterprises</li> </ul>

\* The Bank defines SMEs as enterprises with a turnover of N\$10 million or less per annum.

## Loan application procedures

1. Please complete the application form, and submit all supporting documentation.
2. Upon receipt of the completed application, a letter of acknowledgment will be issued with a reference number.
3. Applicants may be requested to submit additional information during the submission or appraisal phase and a return period will be specified. If information is not provided in the return period the application will be closed.
4. Applicants may be asked to make a formal presentation as part of the appraisal process.
5. DBN will review the application in accordance with stipulated criteria and will inform an applicant of one of the following outcomes:
  - Application approved.
  - Application referred for further development in collaboration with the applicant.
  - Application declined.
6. Approval, decline, or referral is entirely at the discretion of DBN.
7. Please refer to the application form for information on required documentation.
8. In the event of tender based financing, please attach a certified copy of the award letter and/or contract and/or purchase order(s) with clear details of the entity awarding the tender and of contact persons.

## Processing the application

- The application can be delayed if additional documentation required is not provided.
- The application will be assessed by Bank experts, including staff members in Lending, and Credit and Risk departments, after which it will be submitted to the relevant committees for a final decision, depending on the loan amount.

Download the Business Plan Guide and Application Form at [www.dbn.com.na](http://www.dbn.com.na)



## Private sector products (contd.)

Product	Purpose	Key features	Collateral	Duration	Suitability
<b>Franchise Finance</b>	For acquisition of franchise rights and operationalisation of a franchise business	<ul style="list-style-type: none"> <li>• Franchise agreement</li> <li>• Franchise business model and branding already developed</li> </ul>	<ul style="list-style-type: none"> <li>• Collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>• The lesser of 10 years or the duration of the franchise agreement with the franchisor</li> </ul>	<ul style="list-style-type: none"> <li>• SMEs</li> <li>• Larger enterprises</li> </ul>

## Public sector and PPP products

Product	Purpose	Key features	Collateral	Duration	Suitability
<b>Local Authority Finance</b>	For infrastructure projects (i.e. servicing of land, installation of water, electricity, waste management and roads) undertaken by Local Authorities.	<ul style="list-style-type: none"> <li>• Clear projection of cash flow resulting from project</li> </ul>	<ul style="list-style-type: none"> <li>• Collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>• Short or long-term</li> <li>• Normally less than 10 years</li> </ul>	<ul style="list-style-type: none"> <li>• Local Authorities</li> </ul>
<b>Private Public Partnership (PPP) Finance</b>	For legally recognized partnerships between a public and private enterprise, for the development of public infrastructure.	<ul style="list-style-type: none"> <li>• Existence of PPP agreement,</li> <li>• Special purpose vehicle (SPV) constituted as legal entity to develop infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Guarantees issued by and / or on behalf of Local Authority</li> <li>• Collateral and / or guarantees for private sector partner</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term</li> <li>• Can be greater than 10 years</li> </ul>	<ul style="list-style-type: none"> <li>• PPPs</li> </ul>
<b>Public Infrastructure Finance</b>	For development of public infrastructure	<ul style="list-style-type: none"> <li>• Infrastructure carried out by a public entity</li> </ul>	<ul style="list-style-type: none"> <li>• Collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term</li> <li>• Can be greater than 10 years</li> </ul>	<ul style="list-style-type: none"> <li>• Ministries</li> <li>• SOEs</li> </ul>

## On-lending product

Product	Purpose	Key features	Collateral	Duration	Suitability
<b>Micro Lenders' Finance</b>	Finance provided to financial intermediaries for on-lending with a beneficial development impact	<ul style="list-style-type: none"> <li>• Financing agreement with financial intermediaries</li> <li>• Not for purposes other than on-lending</li> </ul>	<ul style="list-style-type: none"> <li>• Collateral and / or guarantees</li> </ul>	<ul style="list-style-type: none"> <li>• Long-term</li> <li>• Normally less than 10 years</li> </ul>	<ul style="list-style-type: none"> <li>• Financial service providers registered with NAMFISA</li> </ul>

## Contact numbers for application assistance

Windhoek Head Office  
061 - 290 8000

Walvis Bay Office  
064 - 220 924 / 221 857

Ongwediva Office  
065 - 230 129 / 230 130

Rundu Office  
066 - 257 735 / 257 736

[www.dbn.com.na](http://www.dbn.com.na)