

# Keetmanshoop

## Economic Profile

May 2022



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NAMIBIA

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## ACRONYMS

<b>AMTA</b>	: Agro Marketing and Trade Agency
<b>ATM</b>	: Auto Teller Machine
<b>FC</b>	: First Capital
<b>GIPF</b>	: Government Institutions Pension Fund
<b>GRN</b>	: Government of the Republic of Namibia
<b>Kg</b>	: Kilogram
<b>KM</b>	: Kilometers
<b>KWh</b>	: Kilowatt Hours
<b>LFPR</b>	: Labour Force Participation Rate
<b>mm</b>	: Millimeters
<b>MoE</b>	: Ministry of Education
<b>MoF</b>	: Ministry of Finance
<b>MoHSS</b>	: Ministry of Health and Social Services
<b>MTC</b>	: Mobile Telecommunications
<b>MTEF</b>	: Medium Term Expenditure Framework
<b>MWh</b>	: Megawatt Hours
<b>NBC</b>	: Namibia Broadcasting Corporation
<b>NHIES</b>	: National Household Income & Expenditure Survey
<b>NORED</b>	: Northern Regional Electricity Distributor Company
<b>NSA</b>	: Namibia Statistics Agency
<b>N\$</b>	: Namibian Dollar
<b>KM</b>	: Keetmanshoop Municipality
<b>Sq. KM:</b>	: Square Kilometers
<b>TN</b>	: Telecom Namibia
<b>UNAM</b>	: University of Namibia

## **NOTE TO THE READER**

We welcome you to this research publication of the Keetmanshoop economy profile which is part of a series (Omaruru, Outapi, Rundu and Mariental Economic Profiles) of our research publications on local and regional economic analysis. This research focuses on the geographical area of Keetmanshoop and covers the town's population, economic activities as well as the potentials of the town's economy. We recognize that the country's economy is made up of a combination of what every town and region provide, and, in these reports, we take stock of what each town and region contribute to the national economy as well as potentials that can be utilized to enhance economic activities. This report extensively uses amongst others primary data obtained through First Capital surveys, secondary data from national document sources and information from respective stakeholders. Using our research capacity, we extensively analyze and present scenarios to every conclusion we reach. Using current information and other leading indicators, we also present our view on the likely scenarios for the short to medium term outlook.

## **ACKNOWLEDGEMENT**

We thank the Local and Regional Authority (Municipality & Regional Council respectively) for their support in providing information which was useful in compiling this report. We equally thank all local private sector companies (Keetmanshoop Southern Abattoir, Super Sand Keetmanshoop, Keetmanshoop District Hospital, Karas Regional Police Headquarter, Naute Irrigation Farm, !Karas Green Scheme, Keetmanshoop abattoir & Farmers Meat Market Keetmanshoop abattoir and Fonteitjie Fish Farm ) that took time to provide us with information of how they contribute to the economy of the town. Our gratitude is equally extended to all residents of Keetmanshoop and !Karas region in general for taking time to share their experiences. We also thank all offices that were consulted at the national level to provide us with information.

**KEETMANSHOOP LOCAL ECONOMY AT GLANCE**

<b>KEETMANSHOOP STATISTICS</b>	
Population (2021 est.)	23,939
Annual Population Growth	2.1%
Median Age of Population	25
Area	586.9 Square Kilometres
Population Density	135 persons per sq. KM
Proportion of Population using public Health Services	80%
Admission capacity for Public & Private Hospitals	250 Beds for Public Hospital & No Private Hospital Admissions
Number of Doctors	7 Doctors and 2 Dentist in Public Hospitals & 4 Private Consulting Doctors and 2 Dentist
Ratio of Public Medical Doctors per Population	2,367
Ratio of Private Medical doctors per Population	1,101
School Going Population in !Karas region	22,400 or 26% of Total Population
Number of Public Schools	5 Primary & 3 Secondary
Number of Private Schools	1 Secondary School
Number of Schools with Hostel Accommodation	4 Primary Government Schools,
Learner to Teacher Ratio	25
Grade 11 & 12 Pass Rate	54% and 39% respectively
Literacy Rate	97%
Unemployment Rate	37%
Proportion of Households farming Livestock	12.20%
Proportion of Households farming Crops	2.40%
Number of Sheep in !Karas region	348,756
Number of Goats in !Karas region	97,086
Average Annual Rainfall	110mm
Average Day Temperature Range	15 to 28 degree celcius
Estimated Annual Grape output	70Kg
Estimated Annual Dates output	60Kg
Average Cost of Electricity (Pre-Paid Residential)	N\$3.04 per KWH
Average Cost of Water (Residential Customers)	N\$ 22.35( per cubic metre)
Average Cost of Water (Businesses)	N\$22.35 Basic Charge plus N\$26.69 per cubic metre of Monthly Water Usage

Source: Various statistics and First Capital Research

## **SECTION ONE: DEMOGRAPHIC, SOCIAL AND GEOGRAPHIC SITUATION**

### **1. INTRODUCTION**

The town of Keetmanshoop which is located approximately 499 kilometers away from Windhoek the capital city of Namibia, was named after Johann Keetman, a German industrialist and benefactor of the town. Keetmanshoop measuring 587 square kilometers was proclaimed a town in 1866 and a municipality in 1946 and is an administrative capital for !Karas region. According to the 2011 National Census, Keetmanshoop had a population of 19,447. The last labour force survey of 2018 estimated unemployment rate in !Karas region to be at 32.2 percent which is slightly lower than the 33.5 percent national unemployment rate. Keetmanshoop lies 40 kilometers northwest of the newly constructed Neckartal Dam, the largest reservoir in Namibia. The town is surrounded by thriving commercial farms which, due to the low annual rainfall in the area focus mostly on goat, sheep, and ostrich farming, along with cattle farming. Farms around Keetmanshoop are known for the production and export of grapes and dates products. The !Karas region in which keetmanshoop is located borders the shores of the Atlantic Ocean on the west, while it shares borders with Northern Cape Province of South Africa in the Southern part and borders Hardap region locally in the northeast.

The report is divided into five sections. The first section provides a situational analysis of its geography, demographic trends and labour market, human development situation and poverty incidence. The second section details the economic potentials of the town in terms of primary sector activities (Agricultural and Mining activities), Industry sector (Construction and Manufacturing activities), and Services sector activities (Education, Health Care, Water provisions and sanitation services, Financial, Tourism, Real estate, Transport network systems and services). The third section presents a summary of major investments by government budgeted under the current MTEF period (2022/23- 2024/25) which outlines government expenditure by region on both operational and capital budget. Additionally, the fourth section highlights the impact of covid-19 on !Karas region and while fifth looks at investment opportunity in the town. Lastly, conclusion on the research is summarized.

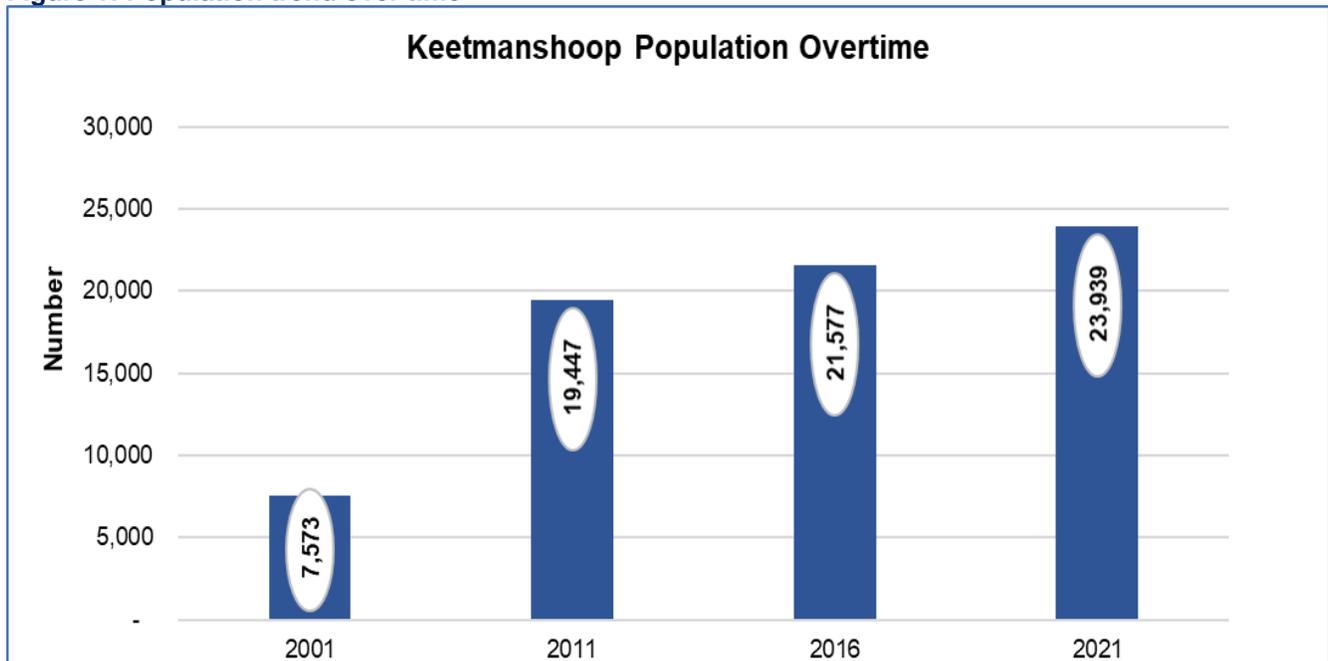
## 2. POPULATION DEMOGRAPHICS

### 2.1. Population Trends

#### 2.1.1. Keetmanshoop Population Trend

The last census conducted in Namibia revealed that Keetmanshoop had a population of 19,447. This number of residents excludes those living in nearby villages that are not part of the proclaimed town. Using the population growth of 2.1 percent per annum, we estimate the population of Keetmanshoop to have reached 21,577 and 23,939 in 2016 and 2021 respectively. Figure 1 shows that while there was an increase in the growth of town’s population of more than 12 000 between 2001 and 2011 (10-year period), the town’s population only increased by 4000 over a 10-year period between 2011 and 2021.

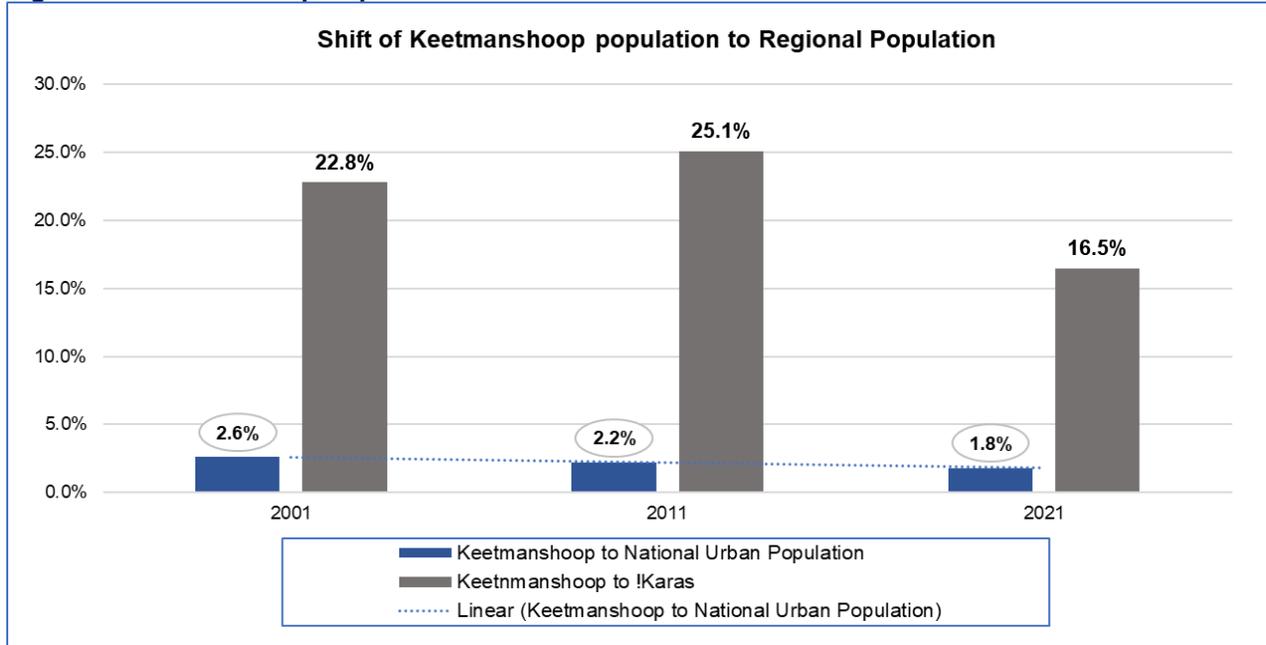
**Figure 1: Population trend over time**



Source: 2011 National Census, 2015/16NHIES & First Capital Calculations

At 2.1 percent population growth of 2011 (National Census), Keetmanshoop’s population is increasing at a rate lower than both the national urban population mean growth (4.2 percent) and median growth (3.3 percent). As shown in figure 2 below, Keetmanshoop’s population share to that of the region has decreased from 25.1 percent in 2011 to 16.5 percent in 2021. Moreover, the Keetmanshoop town population share to the total urban population of all towns in the country has decreased from 2.2 percent in 2011 to 1.8 percent in 2021, indicating that Keetmanshoop’s population growth is lower than the average national urban population growth. A notable trend is that Keetmanshoop population to the National Urban Population has been decreasing which depicts a decrease in national rural population and an increase in urban population. The decrease in Keetmanshoop urban population could be attributed to lack of job opportunities, lack of affordable housing, high cost of living and scarce economic activities in the town. Most residents have moved to other towns such as Lüderitz and Oranjemund or nearby farms in search of Job opportunities.

**Figure 2: Keetmanshoop Population share trend**

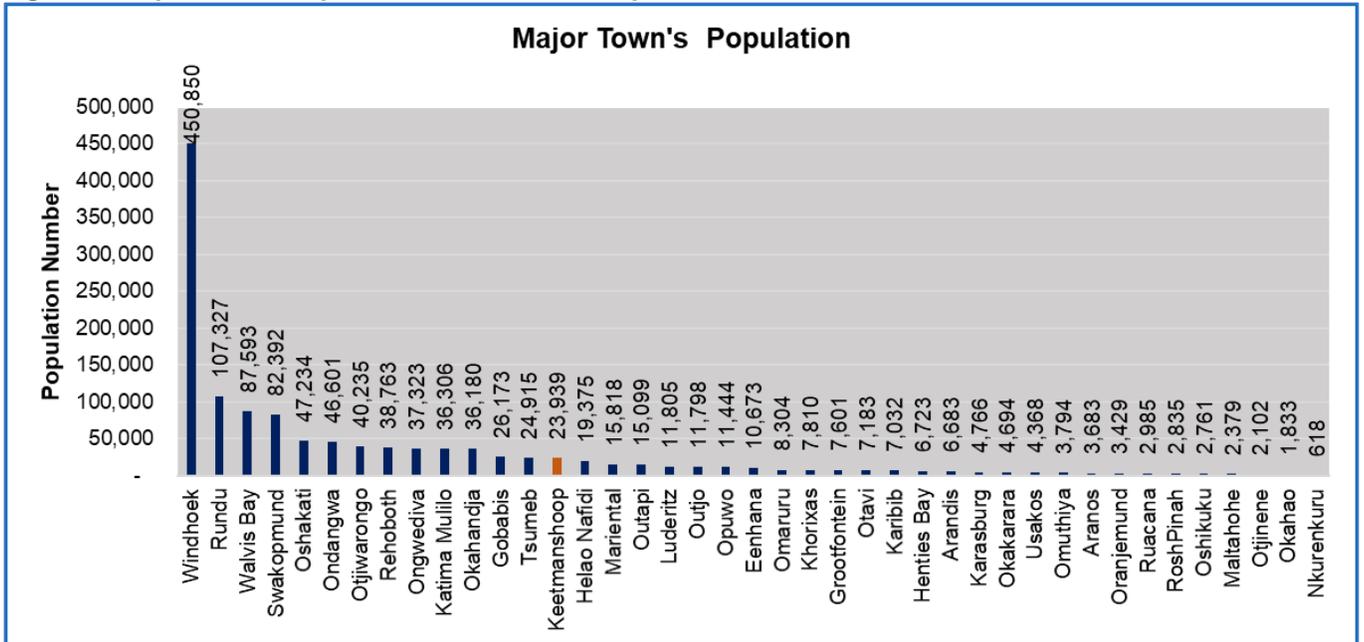


Source: 2011 National Census & First Capital Calculations

**2.1.2. Population Comparisons by town**

As shown in figure 3 below, Keetmanshoop has the fourteenth highest population among all urban towns in Namibia. The figure also shows that Windhoek leads in terms of population size followed by Rundu and then Walvis Bay while Nkurenkuru is the least populated town. The town’s estimated population of 23,939 is reflective of only those residing within the demarcated proclaimed boundaries of the town, this excludes those living in nearby villages that are not part of the jurisdiction of the town.

**Figure 3: Population comparison of Keetmanshoop**

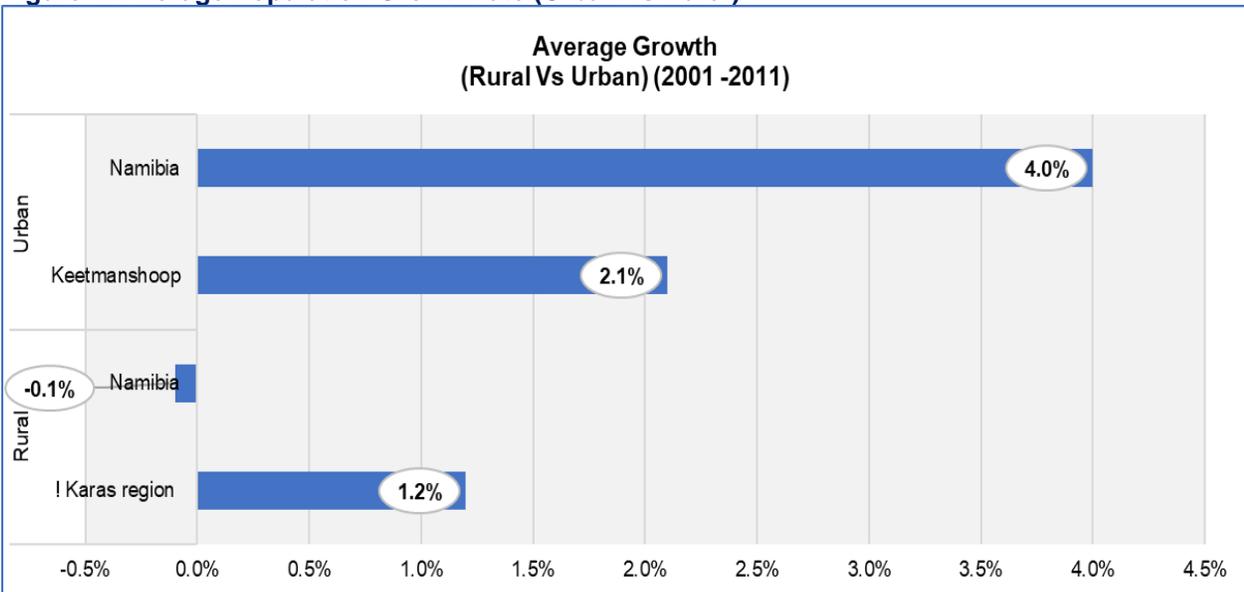


Source: 2011 National Census Projections & FC Research

**2.2. Trend of Population Growth**

Figure 4 compares the average population growth for Keetmanshoop and surrounding villages in the region with the national urban and rural population growth. The national urban population has been growing at an average growth of 4.0 percent which is higher than the 2.1 percent population growth for Keetmanshoop. On the contrary, the national rural population has been decreasing with 0.1 percent, as opposed to !Karas region population which has been increasing by 1.2 percent per annum.

**Figure 4: Average Population Growth rate (Urban vs Rural)**

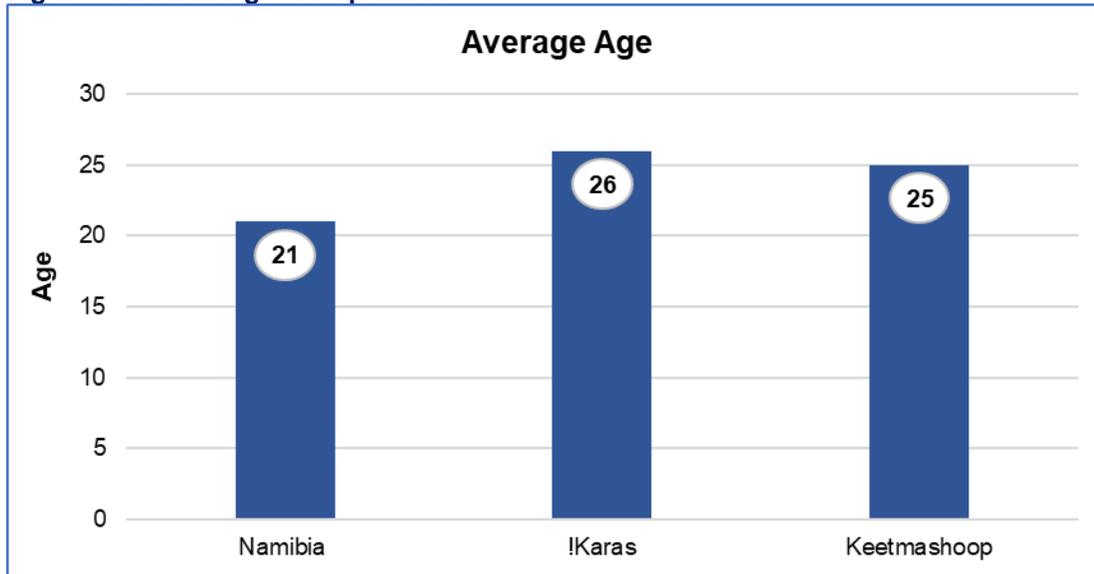


Source: 2011 National Census

### 2.3. Population Age Distribution

Keetmanshoop has an average population age of 25 years, which is above the National average age of 21 years. The average age of Keetmanshoop of 25 years is below the region’s average age of 26 years (figure 5).

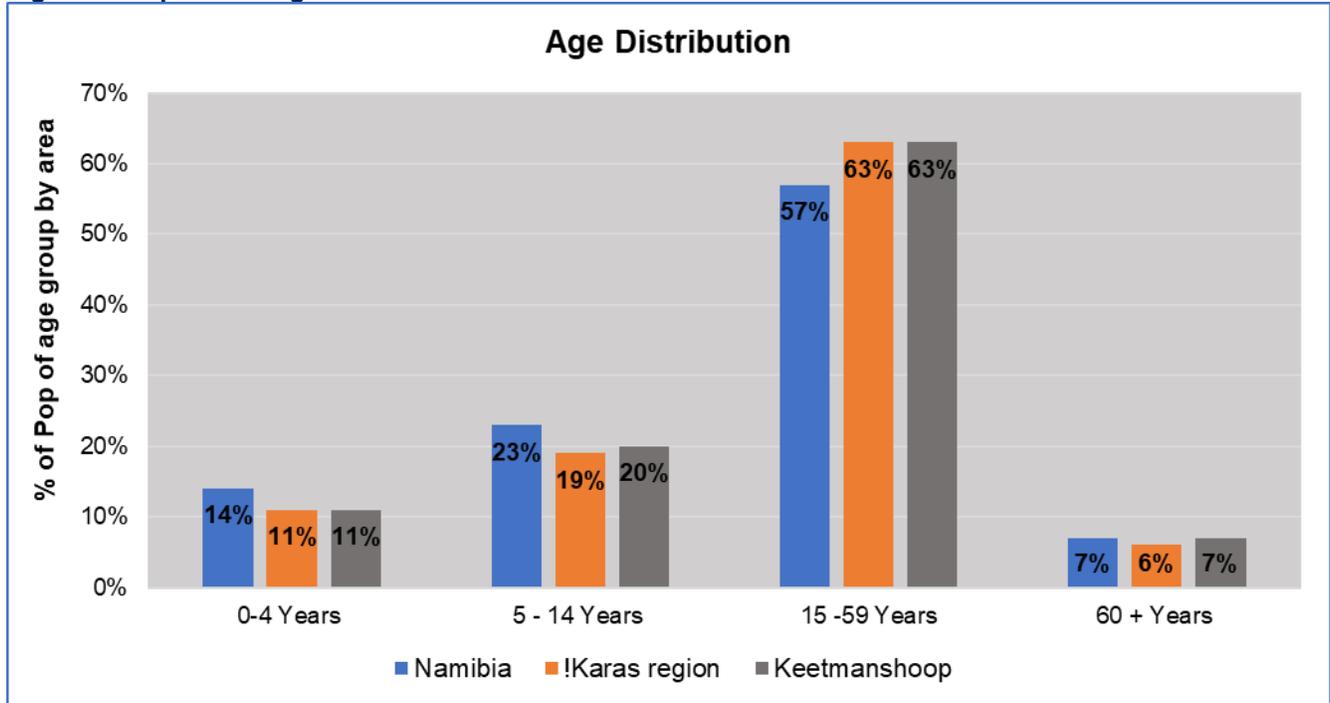
**Figure 5: Median Age of Population**



Source: 2015/16 NHIES & 2011 National Census

Figure 6 below shows a breakdown of the age distribution for Keetmanshoop in comparison to that for !Karas region as well as the national distribution. Keetmanshoop’s population has a share of children aged below 4 years accounting for 11 percent of the total population as opposed to the 14 percent national share of this age group in the country. Furthermore, the population aged between 5- and 14-years accounts for 20 percent of Keetmanshoop’s population, while at the national level this age group accounts for 23 percent of total population. However, Keetmanshoop’s population remains much concentrated on the working age population which accounts for 63 percent of the total population.

**Figure 6: Population Age Distribution**



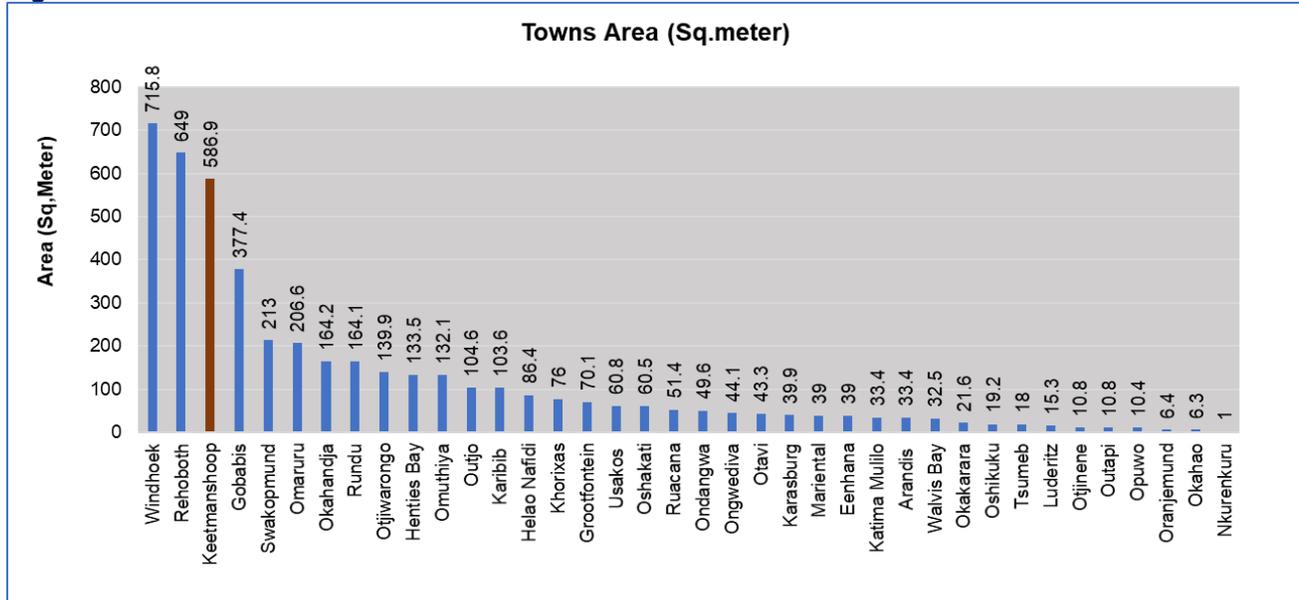
Source: 2015/16 NHIES, 2011 National Census & First Capital Research

### 3. GEOGRAPHIC AREA

#### 3.1. Land Size

Figure 7 below shows the geographical sizes of all urban areas in the country. Windhoek remains the largest of all urban areas in the country by geographical size. It has an area of 716 square kilometers and is the most industrialized town in the country. Keetmanshoop has an area measuring 587 square kilometers making it the 3<sup>rd</sup> largest town in Namibia (See figure 7).

**Figure 7: Land Area Size**

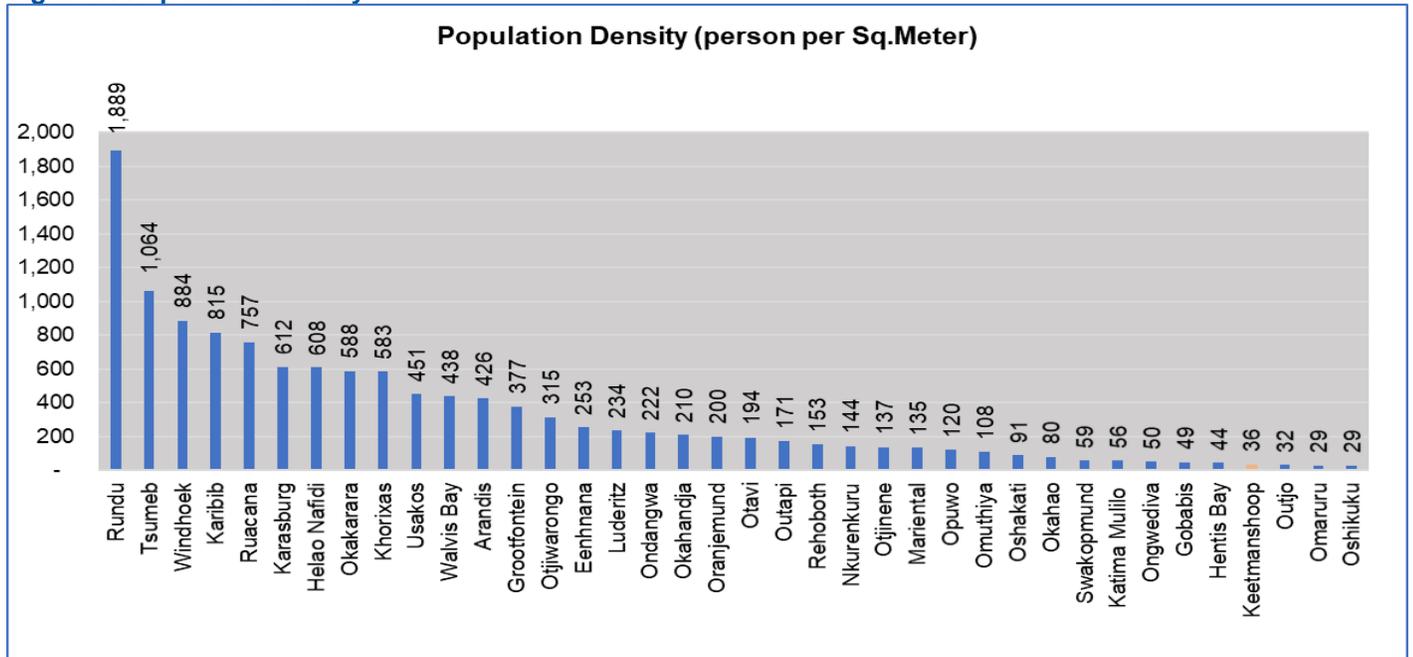


Source: 2011 National Census

### 3.2. Population Density

The population density of a country, town or any other place shows how crowded that place is, by dividing the population by the area gives an indication of the number of people per square kilometer'. Keetmanshoop has a population density of 36 persons per square kilometer (See figure 8 below). Rundu has the highest number of 1,889 persons per square meter, followed by Tsumeb (1,064) and then Windhoek (884). Keetmanshoop is one of the sparsely populated towns in the country. The national population density stands at 193 persons per square kilometer. The population density is likely to decline as the municipality continue to invest in acquiring land from surrounding villages.

**Figure 8: Population Density**



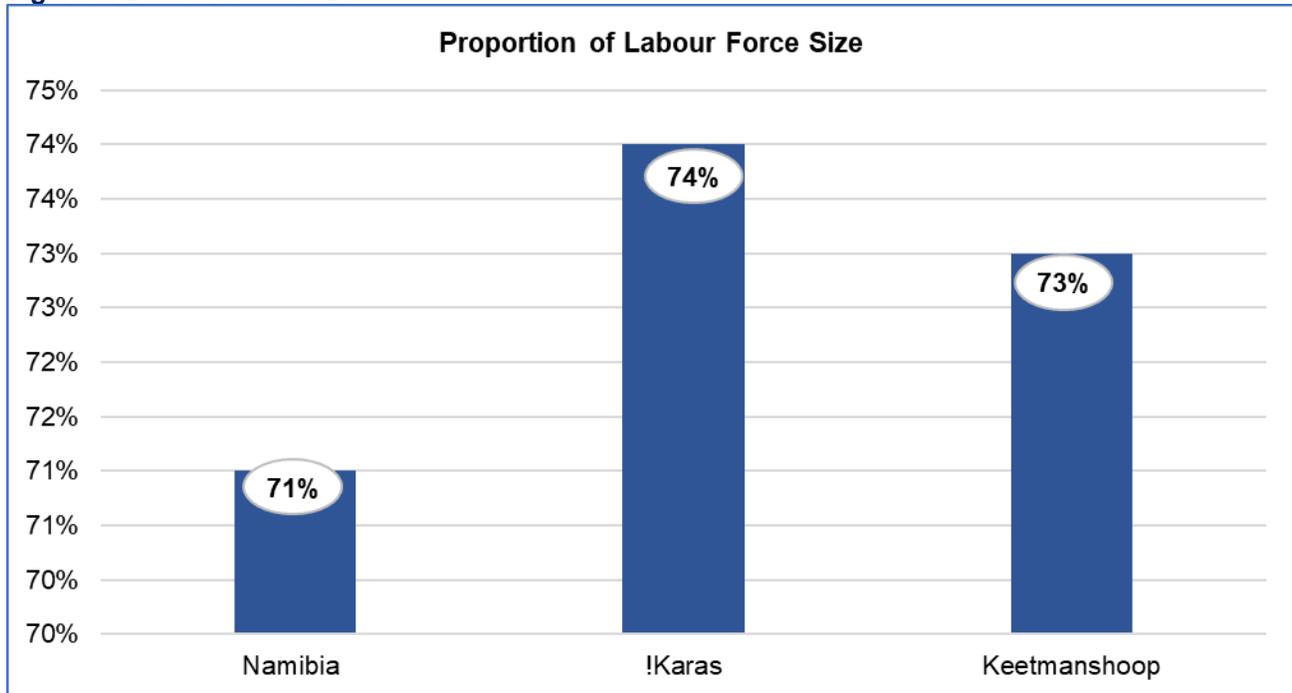
Source: 2011 National Census, FC Research & NHIES 2015/16

## 4. UNEMPLOYMENT LEVELS

### 4.1. Labour Force Population in Keetmanshoop

This research estimates the labour force size for Keetmanshoop at 8,322 which translates to a labour force participation rate (LFPR) of 73 percent (See figure 9 below). Higher LFPR indicates lower dependency rate of the working class; hence this is one of the ideal demographic situations for a developing country grappling with higher levels of poverty and inequalities in the distribution of income like Namibia. In the case of LFPR, Keetmanshoop is slightly above national level, an indication that more individuals in Keetmanshoop are part of the economy’s active workforce. Figure 9 shows the percentage of LFPR of Namibia, !Karas and Keetmanshoop respectively. Keetmanshoop LFPR is slightly higher than the National LFPR, but it is still falls short of the regional level of 74 percent.

**Figure 9: Labour Force Size**

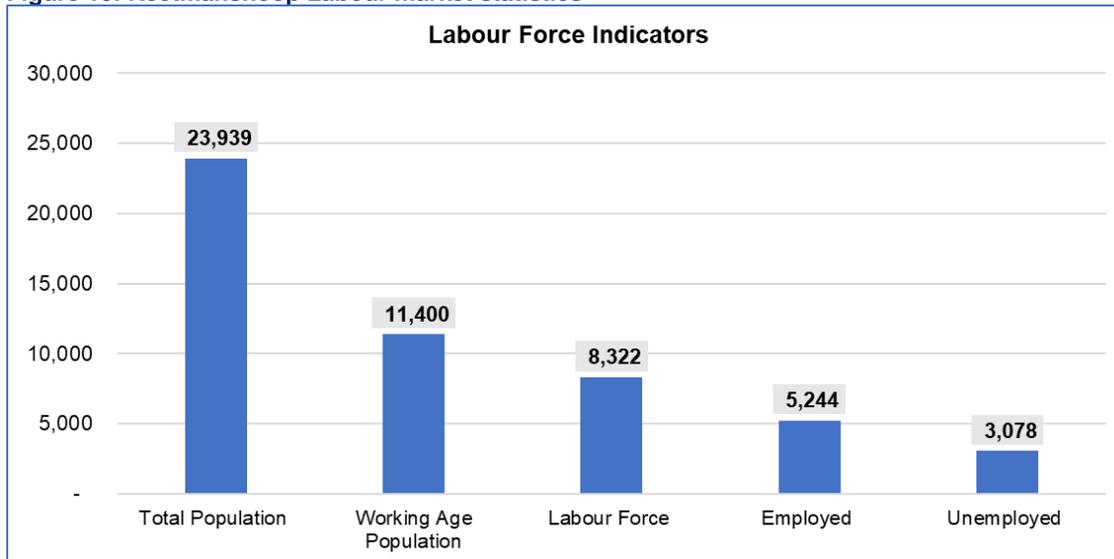


Source: LFS (2018), 2011 National Census & First Capital Research

**4.2. Employment level**

A total of 5,224 individuals are employed out of the labour force population of 8,322 (See figure 10 below). At this level 63 percent of the labour force in Keetmanshoop are employed. Only Erongo, Khomas and Otjozondjupa region have a higher LFPR than !Karas with 80.9, 76.8 and 76.1 respectively. Although, the employment level is slightly above 63 percent, the employed segment of the Keetmanshoop’s population is still high in relation to the working age population.

**Figure 10: Keetmanshoop Labour market statistics**

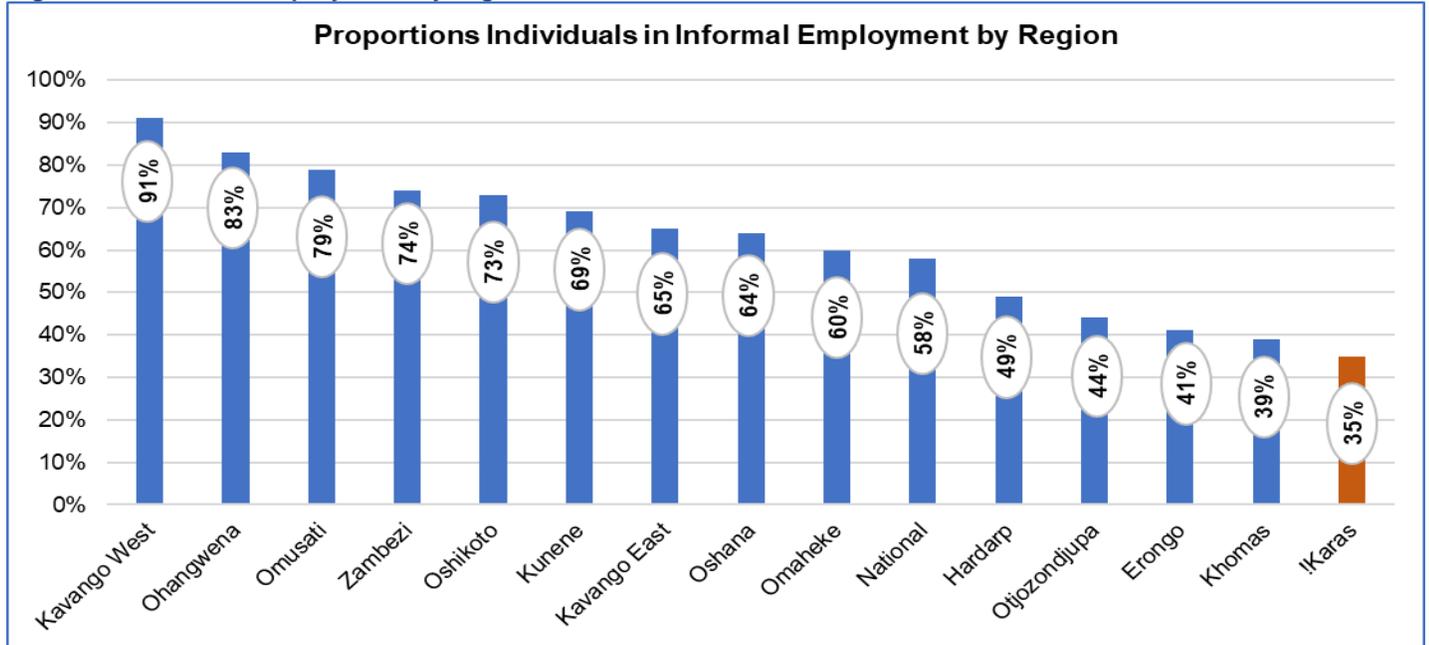


Source: First Capital Research findings triangulated with NSA data

### 4.3. Formal and Informal Employment Situation

The 2018 National Labour Force (NLFS) Survey classifies formal or informal employment based on whether the employee is provided with some form of social protection like pension scheme, medical aid and/or social security. Informal employment in !Karas region equates to 35 percent which is lower than the national informal employment level of 58 percent (see figure 11).

**Figure 11: Informal employment by region**



Source: NLFS 2018

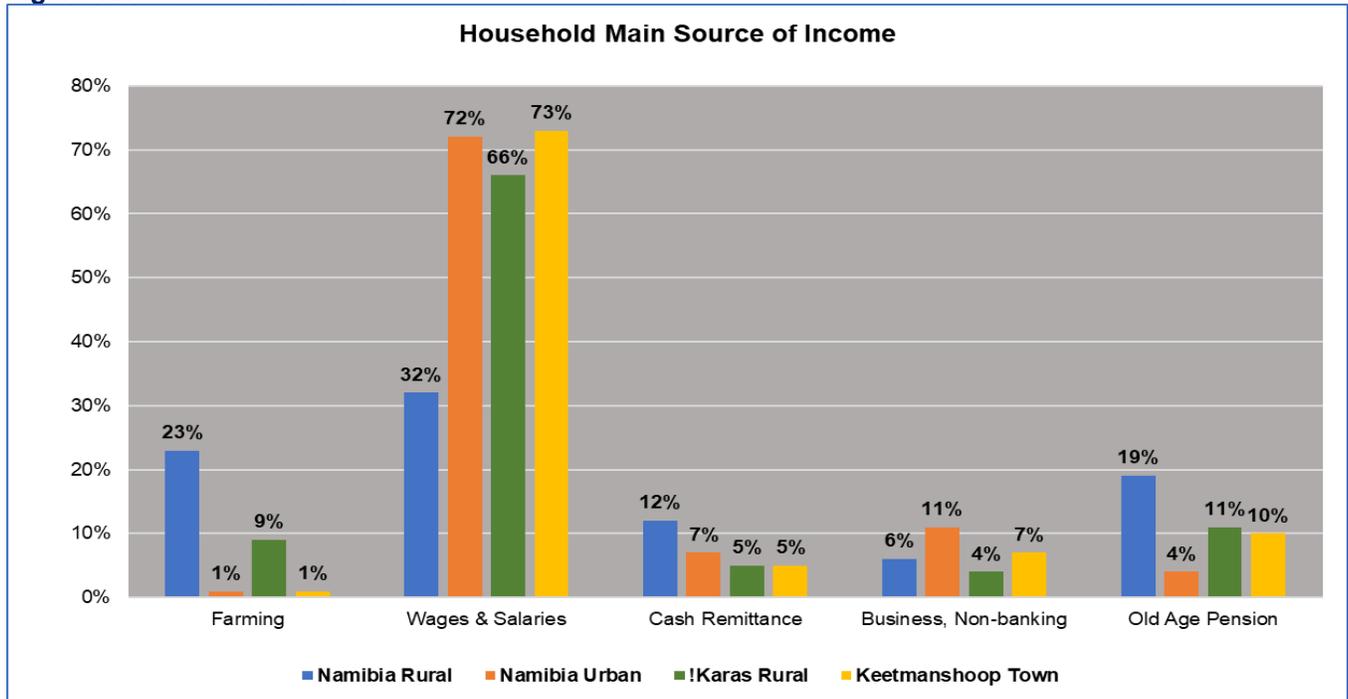
### 4.4. Unemployment Situation

Out of the total labour force composition of 8,322 in Keetmanshoop, we estimate about 3,078 individuals are unemployed. This translates to an unemployment rate of 37 percent. The 37 percent unemployment rate for Keetmanshoop is above the 34 percent national unemployment rate.

## 5. SOURCES OF INCOME

The source of income for individuals show how they make a living. Figure 12 below presents the sources of income for most households. The main source of income for Keetmanshoop and Namibian households in general remain wages and salaries. About 73 percent of families rely primarily on wages and salaries. This is slightly above the national urban population average of 72 percent. Other sources of income in the town include business, non-farming activities and old age pension accounting for 10 percent. However, in the rural areas of !Karas region the most source of income is wages and salaries accounting for 32 percent of households. More so, on a national level, majority of households in urban areas depend on wages and salaries, which is in line with that of Keetmanshoop.

**Figure 12: Sources of Income**



Source: 2015/16 NHIES, 2011 National Census & First Capital Research

## 6. POVERTY INCIDENCE

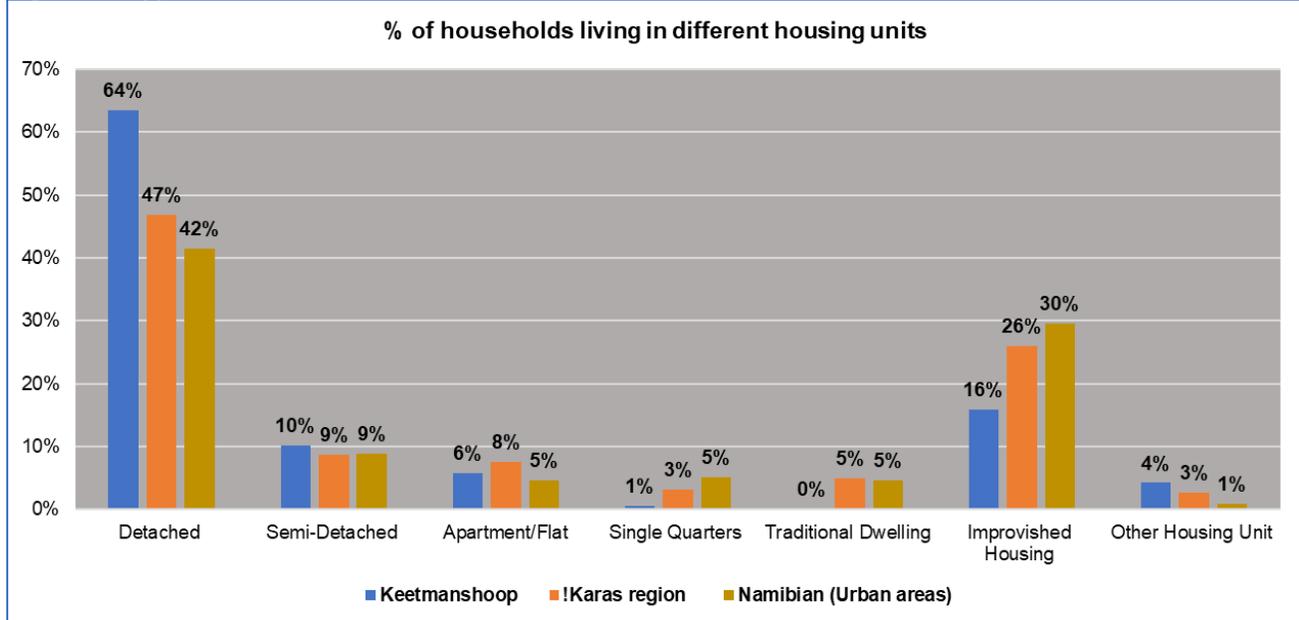
According to 2015/16 NHIES, 17.4 percent of the population in Namibia were considered poor using the upper bound poverty line (N\$520.8). While 10.7 percent of the population are unable to spend at least N\$389.30 per month on necessities and are regarded as being severely poor. These estimates suggest that poverty has declined in the previous five years according to 2015/16 NHIES. Figure 13 below shows the households poverty levels distribution by region according to the 2015/16 NHIES. The dark colours represent regions with higher poverty levels and the light colours shows regions with lower poverty levels. Poverty level are very high in Kavango east, Kunene, Omaheke and Zambezi regions. These regions have a poverty level above the national average poverty levels of 17.4 percent. Lower levels of poor households are found in !Karas, Khomas and Erongo regions.

Similarly, the distribution of severely poor households across the country is highly concentrated in Kunene, Kavango East, Zambezi and Omaheke regions. These regions have severely poverty rates above the national average of 10.7%. Lower levels of severely poor households are found in Khomas and Erongo regions. However, !Karas region poverty levels of severely poor is average-to-below average of national poverty levels of severely poor households.



## 7.1. Housing Delivery

Figure 14: Types of Households

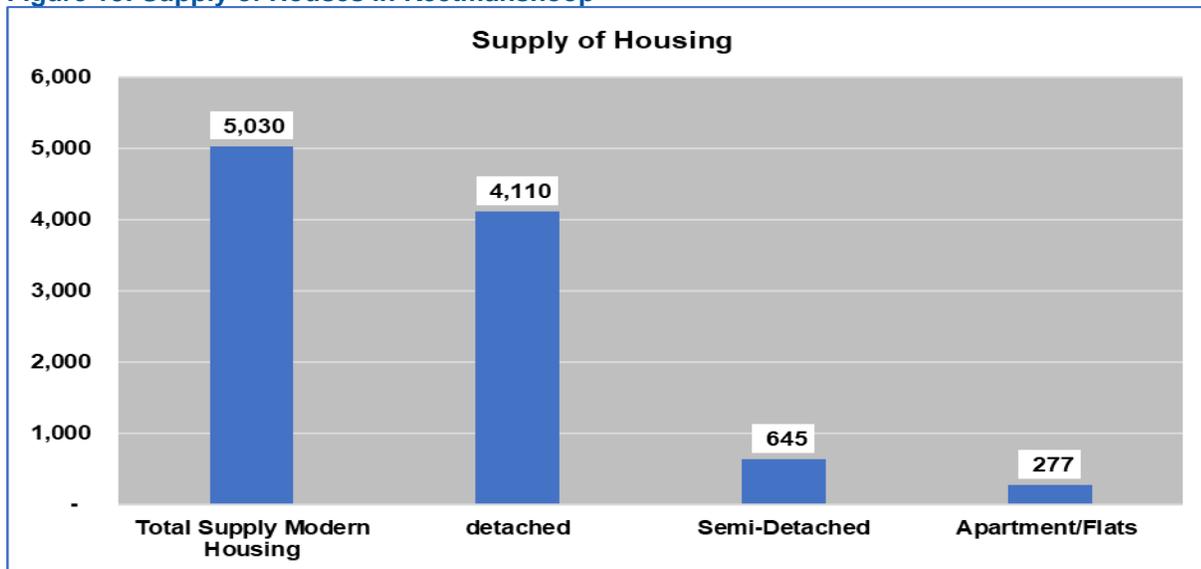


Source: 2015/16 NHIES, 2011 National Census & First Capital Research

### 7.1.1. Supply of Houses in Keetmanshoop

We have estimated the number of households by the type of housing units in Keetmanshoop. Figure 15 below shows that there are 5,030 modern houses in Keetmanshoop of which 4,100 or 82 percent are standalone houses while 18 percent are semi-detached houses (see figure 15 below).

Figure 15: Supply of Houses in Keetmanshoop

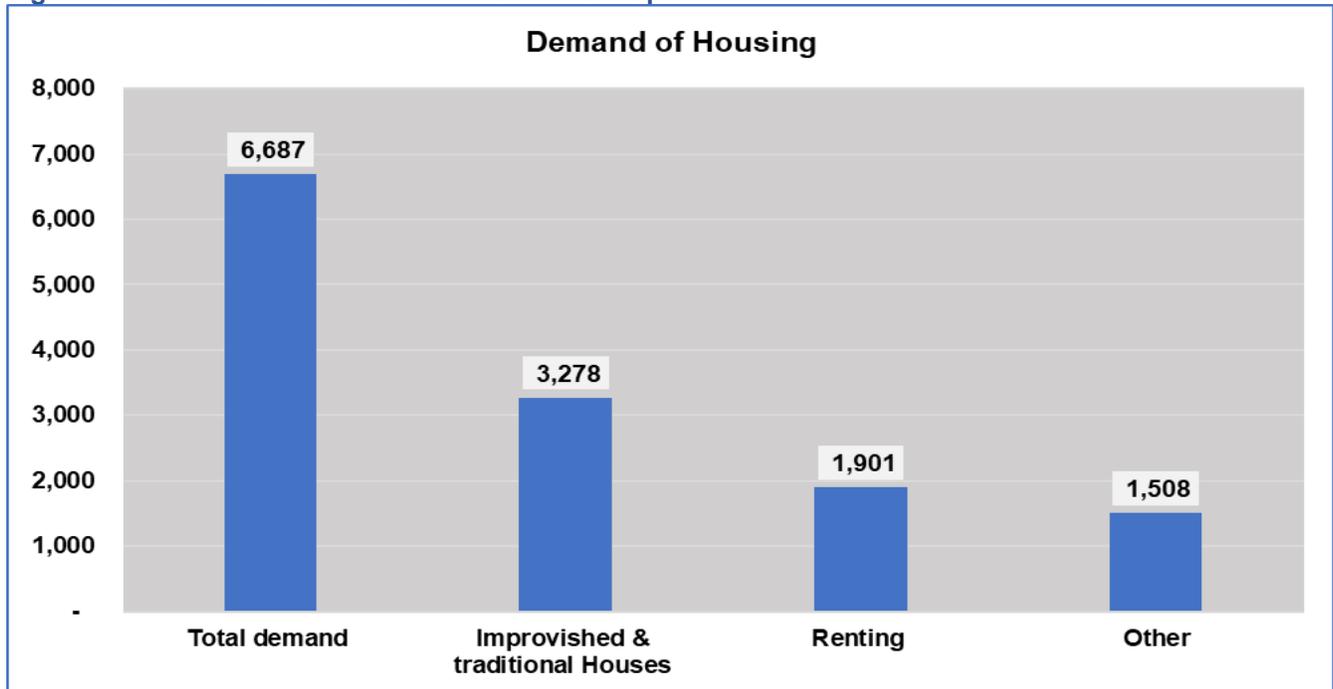


Source: First Capital Survey & Keetmanshoop Municipality

### 7.1.2. Demand for Houses

Our estimated total demand of households that need houses is 6,687. This is comprised of a total of 3,278 people that live in impoverished houses. Also included are 1,901 families that are renting either from private landlords or employers. Furthermore, we also estimated that about 1,508 families living outside the town of Keetmanshoop who needs houses. These includes individuals from Keetmanshoop who work in rural areas or happen to work in other parts of the country.

**Figure 16: Demand for Household in Keetmanshoop**



Source: First Capital Survey

## SECTION TWO: ECONOMIC ANALYSIS BY SECTORS

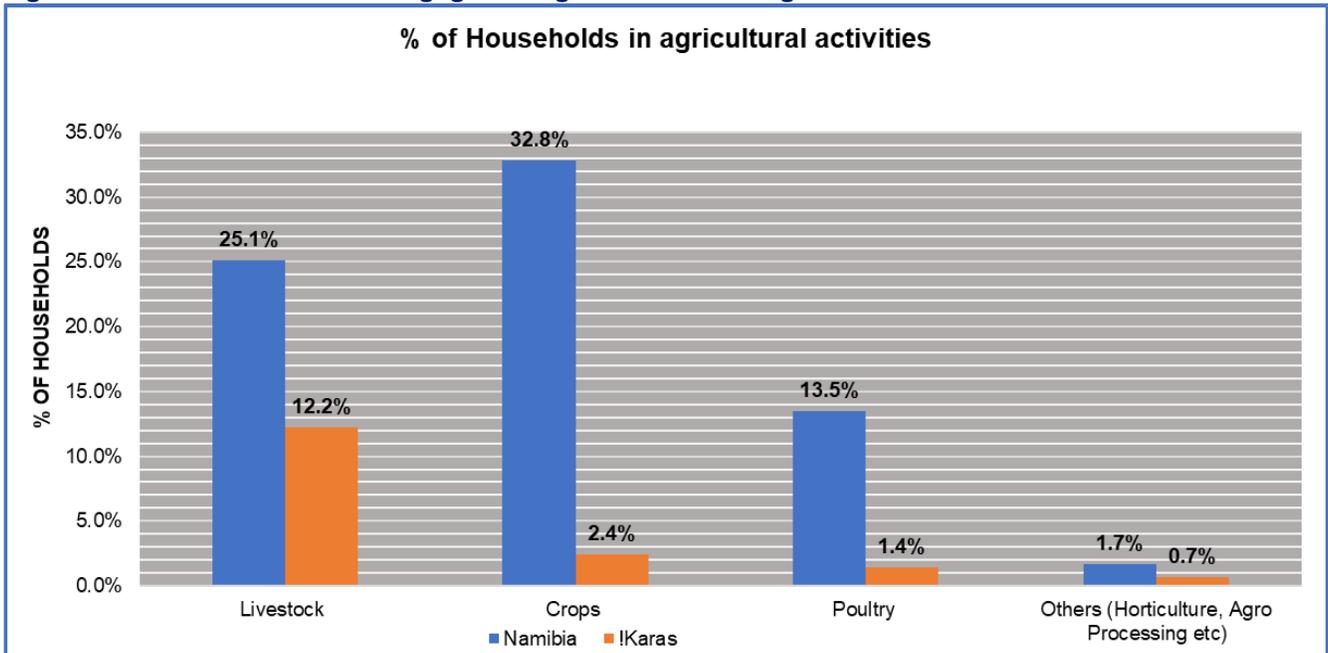
### 8. PRIMARY SECTOR ACTIVITIES

This section summarizes economic activities in the agricultural and mining sectors in !Karas region and predominantly Keetmanshoop and summary of the impact of covid-19 on the sector.

#### 8.1. Agricultural Activities

Agricultural activities that are common in !Karas region are: small stock farming, crops, poultry, and horticulture. A significant number of residents interviewed indicated to be involved in either one or most of the common agricultural activities mentioned above. This was in line with the findings of the Household Income and Expenditure survey done in 2015/16 which found that most households or families living in the region were engaged in agricultural activities. According to the 2015/16 NHIES, 12.2 and 2.4 percent of households living in !Karas region were engaged in livestock and crop farming activities respectively (See figure 17). Furthermore, only 1.4 percent of the households were engaged in poultry farming activities.

Figure 17: Size of Households engaged in Agricultural Farming



Source: 2015/16 NHIES, 2011 National Census, Regional Reports and FC Research

#### 8.1.1. Crop Farming Activities

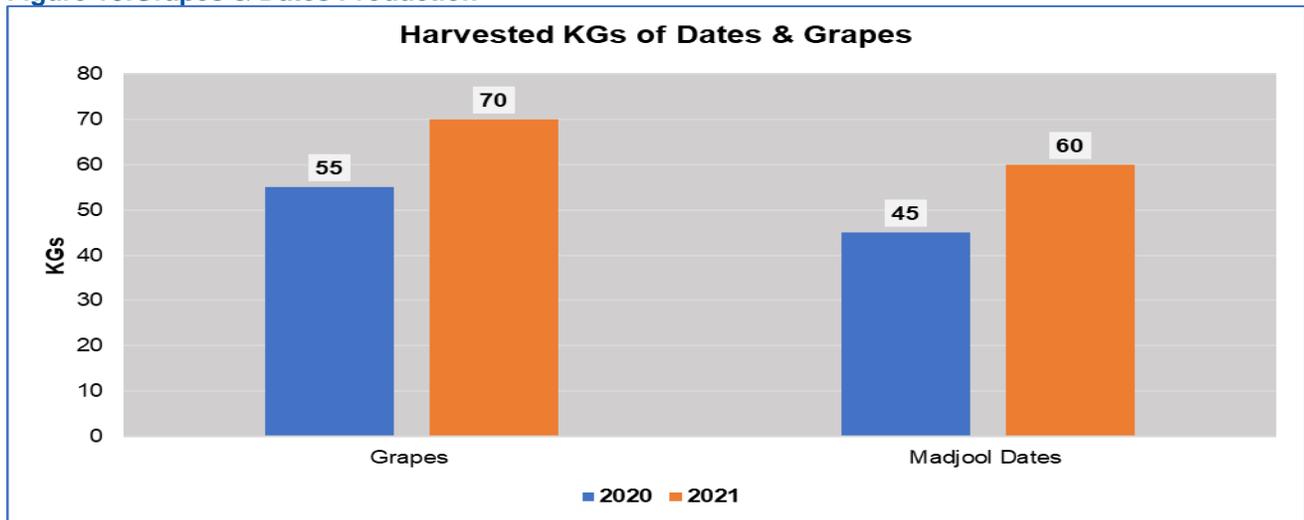
Crop production in Namibia is dominated by the production of three controlled crops namely: Maize, Mahangu and Wheat. Crop and vegetable production require a good soil fertility, temperature and enough rain or water supply. However, Keetmanshoop and its surrounding rural areas is not conducive for crop production due to its unsuitable soil type for crops (stony, shallow and contains little organic matter) and low rainfall. However, due to its rich water resources from the Neckartal and Naute dam with the support

of manure and fertilizers, horticulture such as grapes and dates are grown, and more products could be produced.

*Naute Farm Irrigation Scheme*

The farm was established in 1990 and first dates plants were planted in 1991. However, no records of production prior to 2020 could be located. The Naute dam irrigation farmers produce a high number of high value crops notably grapes and dates. There is potential to expand the irrigation along the orange river. The farm has been irrigated through the Naute dam. Additionally, dates production is done at both communal and private tenure who have access to small and irrigated plots. Figure 18 below shows that grapes production was higher than dates produced over the past two years, about 55 KG and 70 KG of grapes were produced in 2020 and 2021 respectively. In addition, 45 and 60 kilograms of the madjool dates were produced in 2020 and 2021 (see figure 18).

**Figure 18:Grapes & Dates Production**



Sources: Naute Irrigation Farm & NIDA

**8.1.2. Livestock Farming Activities**

*Small stock farming*

The most common livestock in !Karas region includes sheep and goats. There are also some farmers who own cattle. The total stock of sheep and goats’ livestock in !Karas region is 348 756 and 97,086 respectively. The 348,756 stock of sheep in !Karas region accounts to a share of 27 percent to the total national stock of 1,307,355 sheep country-wide while the 97,086 stock of goats’ accounts to a share of 32 percent to the total national stock of 307,559. Additionally, the most farmed sheep breed in !Karas region is the Dorper while the goat breed is the Boerbok.

**Table 1: Small Stock Farming**

!Karas region	Cattle		Sheep			Goats			
	Total	Karakul	Dorper	Others	Total	Angora	Boerbok	Other	Total
Keemanshoop	10,752	7,462	93,261	48,205	159,680	750	11,915	2,751	22,526
Luderitz	1,299	1,219	260	647	3,425		701	255	752
Namaland Soromaas		9,851	10,535	24,869	45,255		37,797	3,851	64,648
Karasburg	5,688	2,320	86,158	46,230	140,396		8,885	258	9,160
<b>Total</b>	<b>17,739</b>	<b>20,852</b>	<b>190,214</b>	<b>119,951</b>	<b>348,756</b>	<b>750</b>	<b>59,298</b>	<b>7,115</b>	<b>97,086</b>

Sources: Meat Board of Namibia & Ministry of Agriculture

### 8.1.3. Livestock Abattoirs

#### (i) The Keetmanshoop Southern Abattoir

The Keetmanshoop Southern Abattoir was established in 2016 and is situated within Keetmanshoop. The abattoir employs 25 workers and serves mostly the !Karas region communities. The abattoir slaughters on average 500 cattle, 250 sheep, 10 goats and 15 pigs per month. The cost of slaughtering a Cow, Sheep, Goat and Pig is N\$450, N\$ 80, N\$ 80 and N\$150 respectively.

#### (ii) Ostrich Production Abattoir

The Ostrich Production Abattoir is situated 20 kilometres outside Keetmanshoop, employs 156 workers and is currently exporting ostrich products to the European markets. The abattoir anticipates a slaughtering of 30,000 ostriches, 270,000 small livestock per annum and 25,000 game during the haunting season. The company currently slaughters 30,000 ostriches which is well below its full capacity of 90 000 ostriches. Therefore, it was not economically viable for ostrich slaughtering alone but to incorporate small livestock to meet operational expenses. The cost of slaughtering Ostrich, Sheep and game is N\$250, N\$ 90 and N\$ 280 per livestock respectively.

### 8.1.4. Keetmanshoop Farmers Challenge

Outbreak of covid-19: The outbreak of covid-19 has affected the marketing and sale of agricultural outputs. This is mainly because of supply chain disruptions which are caused by government to combat the virus. This led to financial difficulties, which further negatively affected the market. Consequently, producers were forced to lower prices of their products to avoid incurred significant losses.

High electricity costs: Most agricultural farms face similar challenges such as high cost of electricity.

Other factors: Lack of storage facilities at the crop farms and cost of storage, army worms, lack of access to markets specific to vegetables, wheat price competition with international markets, wheat attacks by quelea birds and high sunk costs.

Transport and Fuel Costs: The farms use their own transport to move products to their desired destinations. Thus, the cost of transporting products increases with increases of the price of fuel. Equally so, some equipment on farms use fuel and the recent fuel price hikes raised their cost of production.

High inputs cost: Most of the farm's inputs are imported, this is due to the high cost of buying local inputs and in most cases, this is due to unavailable inputs on local markets. Livestock farms (Piggery and dairy

farm) in Keetmanshoop import feeds such as soya beans, premix and hay from South Africa and Zambia. Similarly, the inputs used for crop farming, specifically, to produce Lucerne and maize are also imported. The reliance of imported inputs is generally attributed as a major push factor for high costs of production which is in cases transferred as higher retail prices to consumers.

*Insufficient funds to develop extra available land:* The lack of capacity to expand production mainly due to insufficient funds to develop extra available land has not made it easier for farmers to expand their production. This means most of the land has not been fully utilized to increase production. Lack of collateral deter farmers from accessing government subsidies.

#### 8.1.5. *Wildlife animals' farming*

Besides small stock farming, there are quite a number of wildlife conservancies in !Karas region namely: the Ai-Ais Hot springs, Grand Canyon, Soussvlei, Tsau Khaeb, !Han /Awab, //Gamaseb and Gawachab Conservancies which have both direct and indirect benefits to the local economy of the region's administrative capital city. Our research finds that hospitality facilities in Keetmanshoop, retail shops, transport services, and banking institutions derive both direct and indirect benefits from economic and social benefits accruing from the conservancy tourism services. Most common wildlife species on these conservancies include Wild horses, Ostrich, Springbok, Dikdik, Kudu, Oryx, Klipspringer, aardvark, Aardwolf and Mountain Zebra.

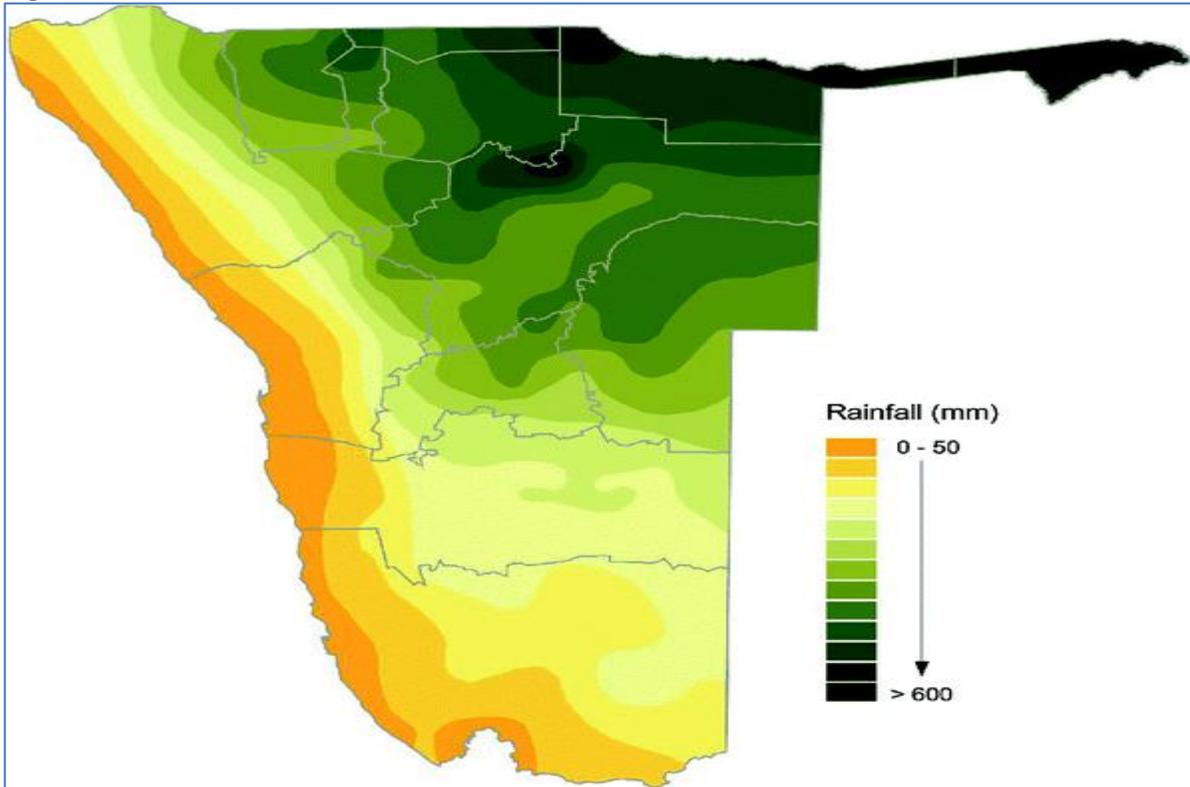
#### 8.1.6. *Fonteintjie Fish Farm*

The Fonteintjie community fish farm started operations in 2006 situated 60 km southeast Keetmanshoop, and a major project in the region. The Centre serves the following purposes: Fingerling and fish production and poverty alleviation in Keetmanshoop community through job creation. The farm only breeds the Mozambique Tilapia with a production capacity of approximately 100,000 fingerlings and 40 tons of tilapia per annum. Additionally, harvesting takes place twice a year to boost the farms sustainability.

#### 8.1.7. *Rainfall Patterns*

!Karas region is the driest region in the country. The average annual rainfall varies from less than 50 mm up to 250 mm on average. Not only is the average rainfall low, but rainfall is also very unpredictable and at times referred to as a desert climate which receives almost no rainfall during the year. Keetmanshoop is no different from the region, the town has an average annual rainfall of 231 mm. The map presented below under figure 19 shows the geographic patterns of rainfall in Namibia. Higher rainfall patterns are much more concentrated in the northern parts of the country, while the coastal and southern parts of the country are classified as low rainfall pattern areas (*see figure 19 below*).

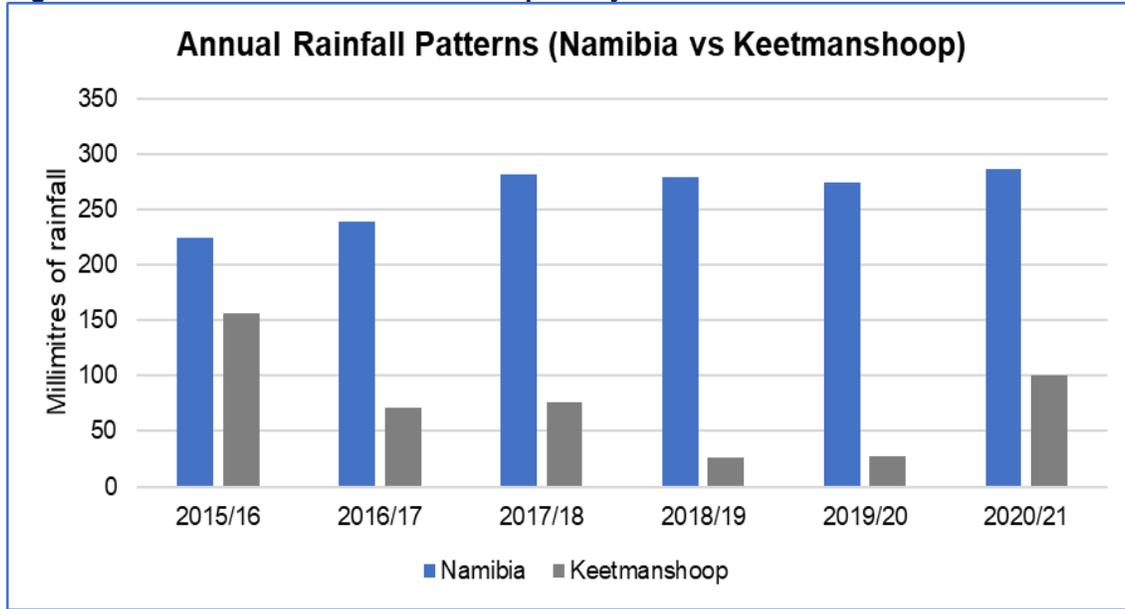
**Figure 19: Namibia Rainfall Pattern**



Source: Meteorological Service of Namibia

Figure 20 below, shows the national versus Keetmanshoop annual rainfall measured in millimeter over the past 7 years. Over the past 7 years the in the period of 2018/19 have received the lowest rainfall at 26.5 mm compared to other years. Furthermore, in 2020/21 the national annual rainfall was 290 mm which was its highest in the last 7 years while Keetmanshoop annual rainfall was 100 mm.

**Figure 20: Annual Rainfall trend over the past 7 years**

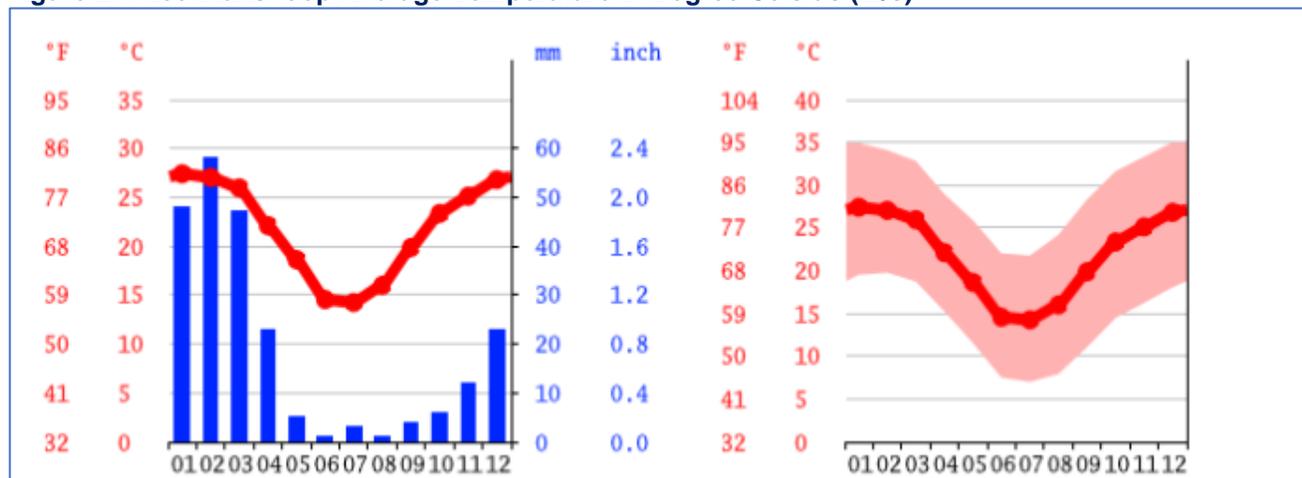


Source: Meteorological Office of Namibia, climate change.org & calculation done by First Capital Research

**8.1.9. Temperature Patterns**

The climate in Keetmanshoop is called a desert climate. In Keetmanshoop, the average annual temperature is 21.8 °C | 71.2 °F. Most crops require temperature range of 15-28 degree Celsius during the day to ensure optimum growth and final yields. Temperatures above and below that can have a negative effect on crops at different stages of growth. Furthermore, the temperature in !Karas region during hot seasons or summer, averages between 14-27 degree Celsius with some exceptionally very hot days reaching up to 35 degrees Celsius and some coldest days that get up to 8 degrees Celsius (Figure 21).

**Figure 21: Keetmanshoop Average Temperature in Degree Celsius (m/s)**

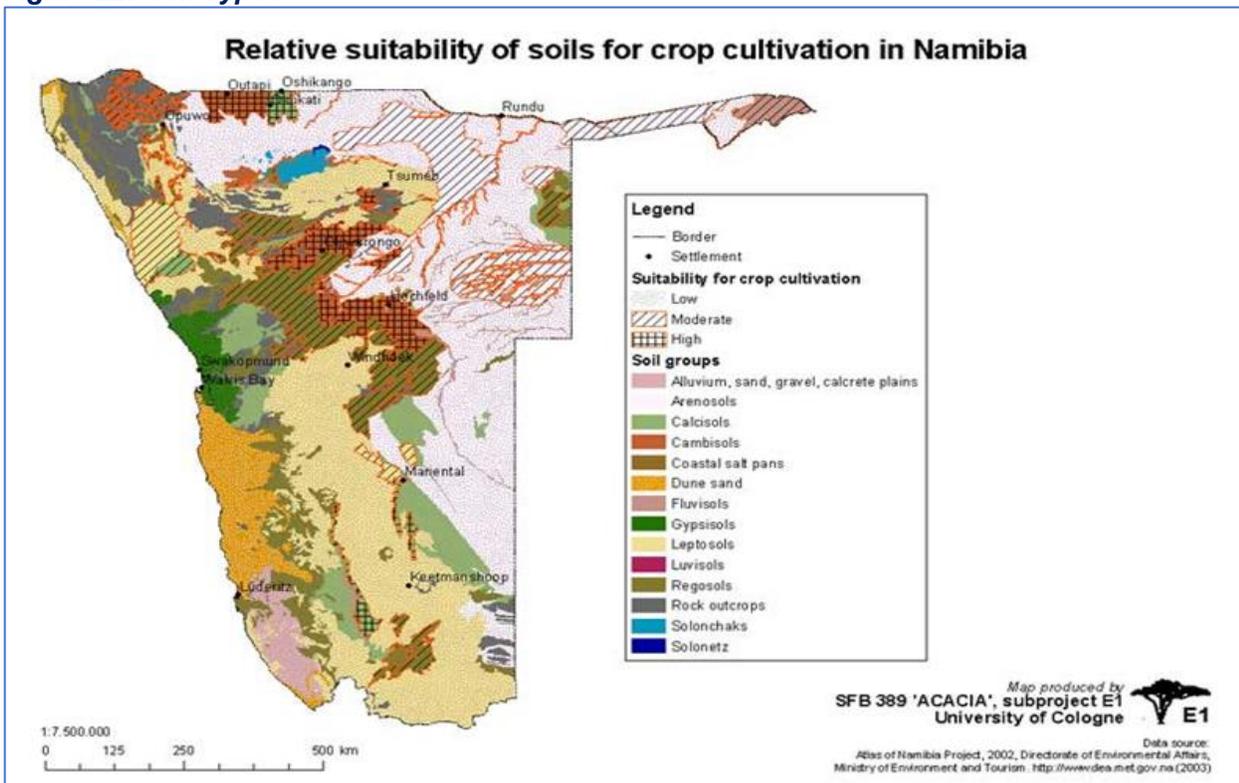


Source: Weather Sparks & Climate\_Data.org

### 8.1.10. Soil Types

The soil in the !Karas region originates from the ancient Karoo and Nama sediments, which underlie the whole southern area of Namibia. For the most parts these soils are shallow, stony, and contain little organic matter and Keetmanshoop is no exception. Furthermore, they are low in fertility and do not support much vegetation. They have a clay content of less than 5 percent and thus have a very low water holding capacity. However, crop production in the !Karas area is aided by the abundance availability of open water from the !Karas dam and application of both organic and inorganic fertilizers (Figure 22).

**Figure 22: Soil Types**



Source: University of Cologne

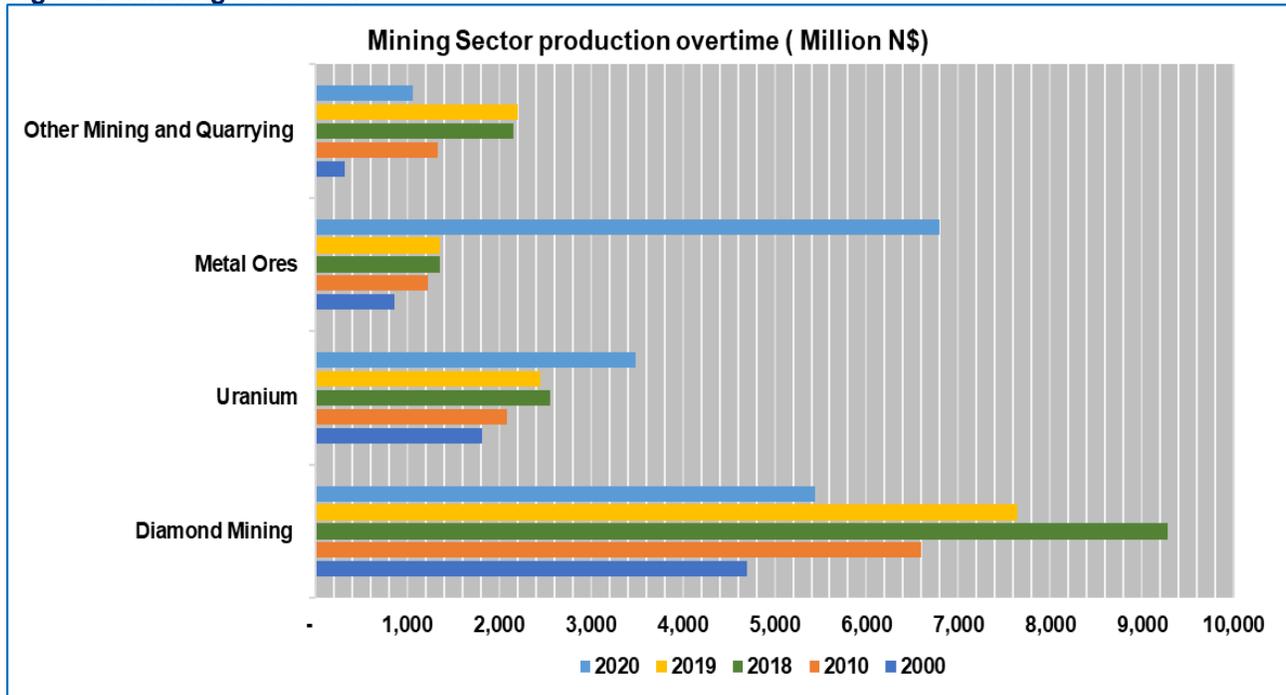
## 8.2. Mining and Quarrying Activities

### 8.2.1. Mineral Mining Activities

!Karas is the second most dominant region in Namibia with mining activities after Erongo region. Currently there are no mining operations in the municipal jurisdiction of Keetmanshoop, this is in line with geological maps that shows low potential of mineral deposits in the town (See figure 23 below). However, there are mineral activities in !Karas region in towns such as Roshpinah, Oranjemund and Lüderitz where some of the largest mines in the country are found namely Namdeb, De beers Marine and Roshpinah Zinc to mention a few.

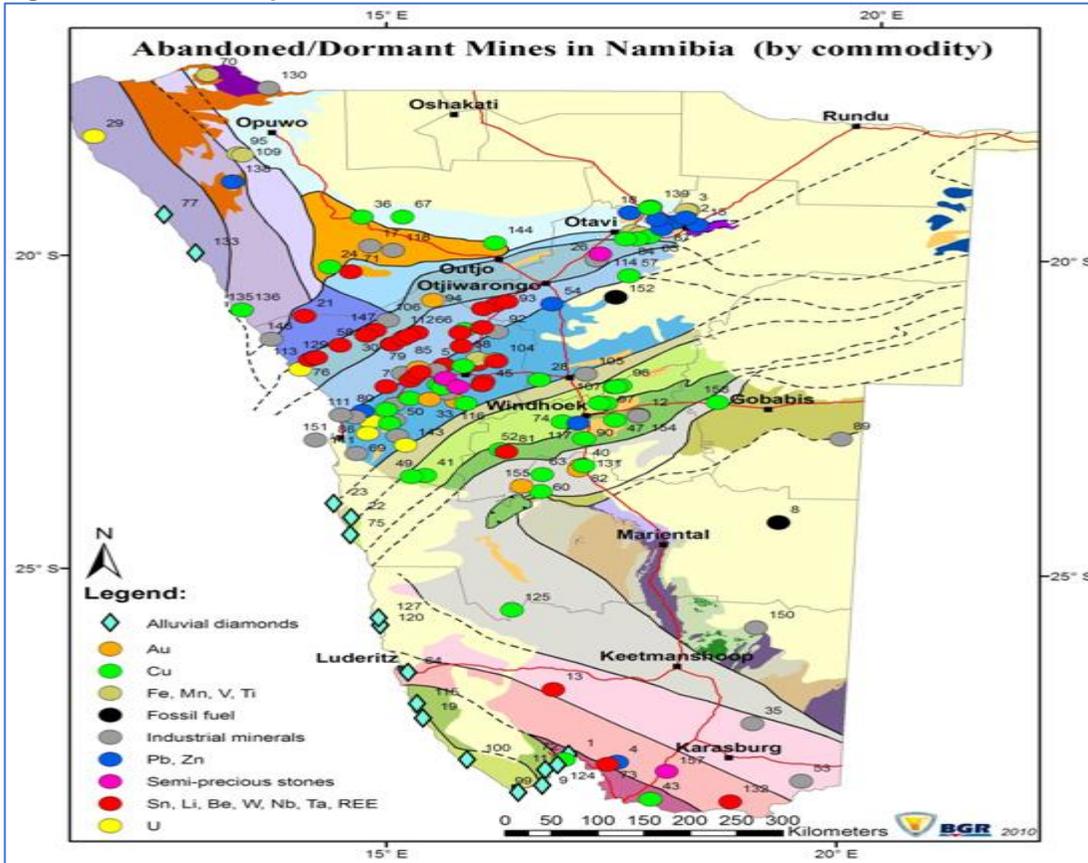
Diamond mining is the most prominent in !Karas region the biggest subsector in the mining sector followed by uranium in Namibia as per figure 18 below. Additionally, a small amount of industrial minerals deposits such as limestone, clays, sand, gravel, diatomite, kaolin, bentonite, silica, barite, gypsum, and talc are found around the town.

**Figure 23: Mining Subsector**



Source: Ministry of Mines and Energy & Chamber of mines

**Figure 24: Mineral Deposits**



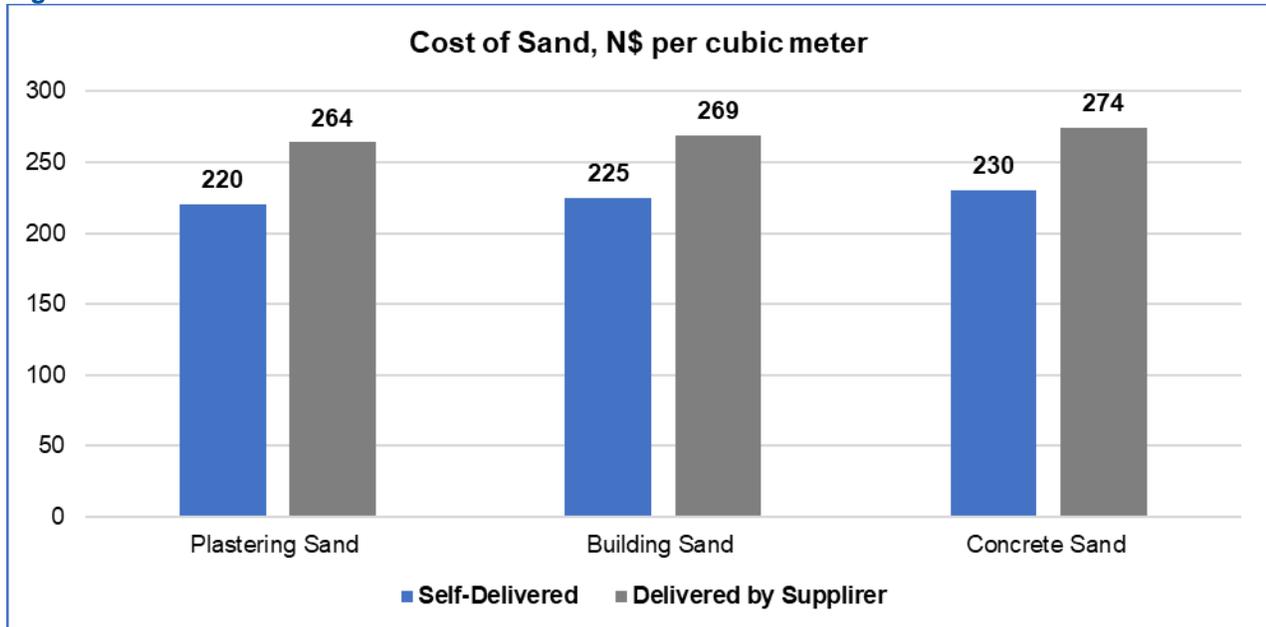
Source: Ministry of Mines and Energy

### 8.2.2. Quarrying Activities

Quarrying of sand is common in Keetmanshoop and !Karas region. Due to the increase of construction activities in Keetmanshoop which includes the construction of residential houses, business buildings as well as government infrastructure buildings, the demand for sand have also increased. The main supplier of sand in the town is Super Sand Keetmanshoop which was established in 2008 and mines their sand from the Fish River, they also have branches in Mariental, Windhoek and Okahandja. Super Sand supplies building, plastering and concrete sand at an average price charge of N\$220 per cubic meters with own transport and N\$250 when delivered by the suppliers while that price is increased when the deliveries are made in areas outside the town of Keetmanshoop to cover for the transportation cost. Other than Super Sand Keetmanshoop, build it Keetmanshoop sells sand to the community which they buy from Super Sand, at a cost of N\$ 228 when self-delivered and N\$ 235 when delivered by them. Given the government’s commitments to enforce regulation of sand mining activities in the country for environmental management purposes. Super Sand Keetmanshoop it has a mining certificate making it easy to operate. We, however, expect that competition will lessen as some suppliers would be required to close on falling short to meet requirements, and the lengthy process to apply for fitness certificates would be another factor that would see less competition in the medium.

Figure 25 below, shows the prices of sand depending on the type and purpose of sand. Overall, the price of sand is cheaper when self-delivered in comparison to when it is delivered by a supplier, because of transportation costs incurred.

**Figure 25: Sand Prices**



Source: Keetmanshoop Municipality & Super Sand Keetmanshoop

## 9. SECONDARY SECTOR

This section summarizes economic activities involving processing and manufacturing of products for final consumption. It also involves construction activities taking place in the area.

### 9.1. Manufacturing and Processing Activities

The town's value addition in terms of manufacturing activities is moderate since most commodities produced in the town are processed in other towns. Livestock products are sent to other towns for processing such as Windhoek city. Some manufacturing activities that are happening in Keetmanshoop includes brick making at Super Sand Keetmanshoop, such as super bricks, interlocks, and haul bricks. With the outbreak of covid-19 virus, many industries operations where constraints due to the lock down and regulations put in place to curb it. According to NSA (2020), construction sector was the third most affected after fishing and manufacturing sectors with 35 percent of businesses affected. Thus, for the past two years the brick making industry in the town reduced production in response to a slowdown in construction activities. On average, the total demand for bricks in Keetmanshoop was estimated at 500,000 bricks per month at Super Sand in 2019 slowing down to 120,000 in 2021 which is a decline of 0.8 percent of demand.

### 9.2. Electricity Supply

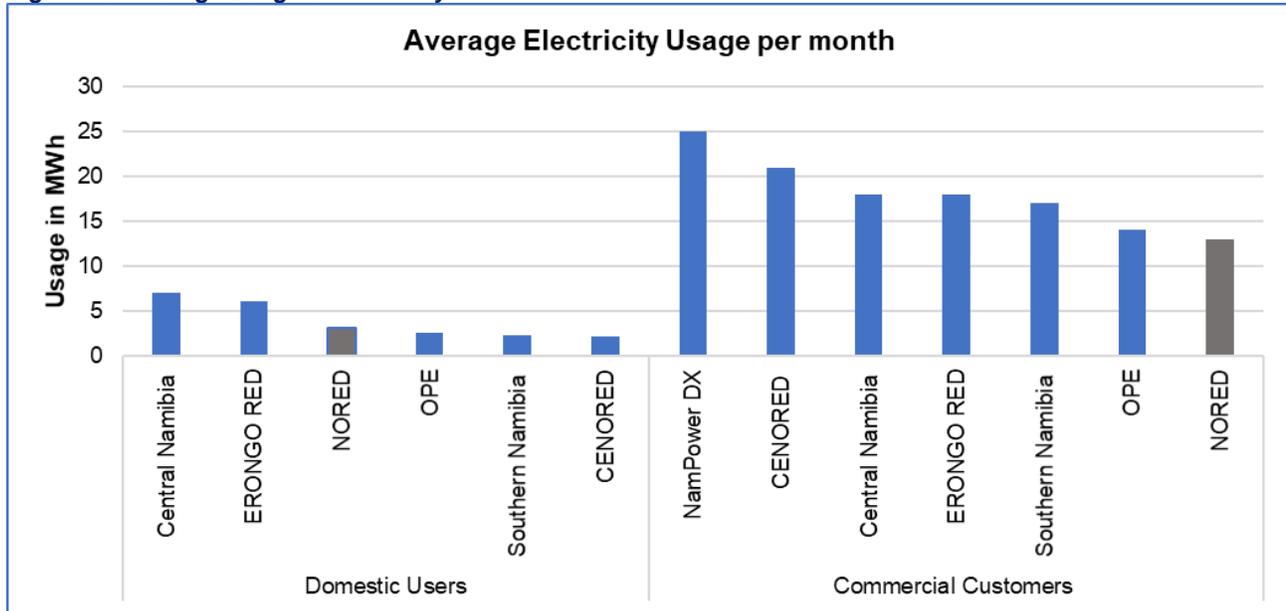
#### 9.2.1. Access to Electricity

NamPower is the main distributor of electricity to !Karas region. Electricity is distributed through lines from Kokerboom station which is about 25km north-east of Keetmanshoop. It is then taken from the substation via the municipal network and managed by the municipality which charges tariffs to end users. About 6,620 households in the town have access to electricity. Connecting to the local authority electricity requires a deposit of either N\$750 or N\$2990 for prepaid or conventional electricity respectively. Furthermore, the electricity meter will cost N\$1,762.90. Using the data on access to electricity in the country it is estimated that, 61 percent of households have access to electricity in the town of Keetmanshoop. Overall, residential consumers are the largest consumers of electricity in the town followed by businesses and institutional users respectively with an average usage of 13,353 MWh, 5,932MWh and 5,617MWh power respectively. Additionally, due to the Kokerboom station near the town hardly has challenges with electricity supply and power cuts.

#### 9.2.2. Electricity Usage

Individuals in Namibia use an average of 4-megawatt per hour annually of electricity. This translates into 333-kilomwatt monthly nationally. However, in Keetmanshoop an average of 13,353MWh, 4,714 MWh, 5,617MWh, 5,932MWh and 28MWh was used by residents, businesses, institutions, large power users and places of worship respectively in 2021. On monthly basis, in households an average of 170 KWh of electricity is utilized and cost about N\$ 400.00 (*Figure 26*).

**Figure 26: Average Usage of electricity**

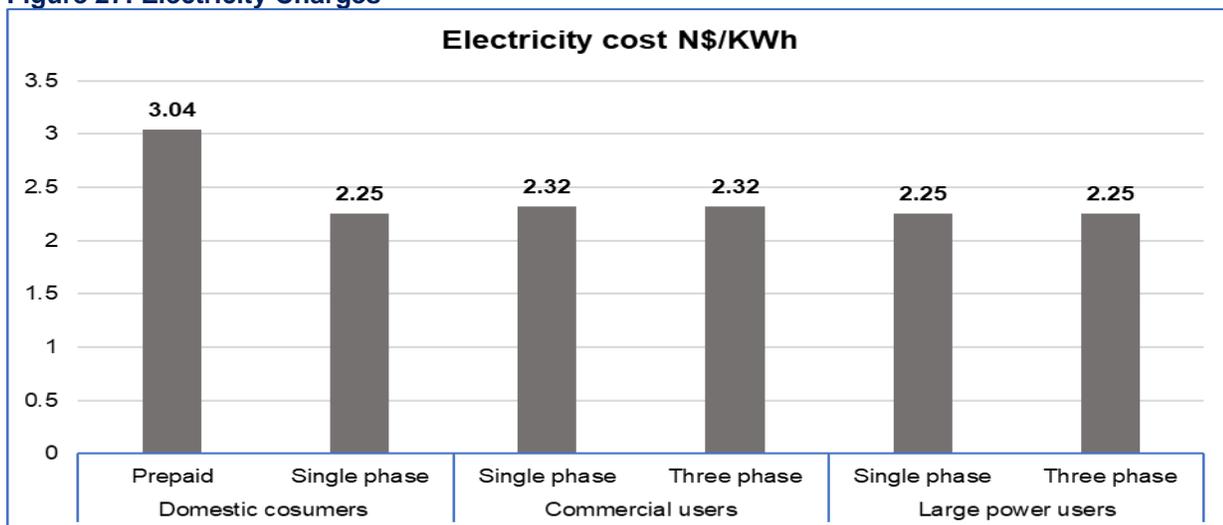


Source: ECB

**9.2.3. The cost of electricity**

Electricity distribution in Keetmanshoop is managed by the Keetmanshoop Municipality. The Municipality uses three classifications for electricity charges namely: single phase, three phase and prepaid. Single phase distribution is mostly used by units with small power requirement such as households and office blocks while three phases is used by units with large power requirements such as factories, schools with hostels, big hospitals, and banks. Figure 27 below highlights the standard rates (low season) charged on electricity usage expressed in N\$/KWh. Commercial operators using prepaid meters are charged N\$ 2.32 KWh, which is the highest compared to single phases of domestic and large power users who are charged both at N\$ 2.25 KWh. Domestic consumers have a prepaid cost of N\$3.04.

**Figure 27: Electricity Charges**



*Source: Keetmanshoop Municipality*

#### **9.2.4. Simulation of electricity cost burden on households**

This scenario presents a model of the average monthly electricity burden of a household in Keetmanshoop. Taking into consideration the annual usage of 3-megawatt hour of electricity equivalent to 250-kilowatt hour per month for an average family in Keetmanshoop at a cost of N\$ 3.04 per kilowatt hour for prepaid domestic users, we estimate the average bill for residents in Keetmanshoop at N\$ 700 per month.

### **9.3. Water Supply**

Clean water supply to the town is managed by Namwater and distributed by the municipality. The town is fortunate to have two dams. The Naute Dam Scheme and Neckartal dam. Naute dam is linked to Keetmanshoop through a pipeline which transports treated water to the water storage and reticulation facilities of the town. The storage capacity of each of the three circular concrete ground reservoirs situated on the Ox-pass Hill in Keetmanshoop is 3,250 cubic meters. The two dams are discussed in greater detail below.

#### *Naute Dam*

Naute dam is situated about 45 km southwest of Keetmanshoop. The dam is linked to Keetmanshoop via a pipeline which transports treated water to the water storage and reticulation facilities of the Town. It provides for most of Keetmanshoop water needs. At full capacity, the dam can cater for Keetmanshoop's water demand for about 4.5 years (taking evaporation in account) without any inflow. The 95 percent assured yield is 12 cubic millimeter per annum. The dam supplies potable water to Keetmanshoop and some surrounding farms but is predominantly used for irrigation. It has been consistently underutilized and is one of the few dams in Namibia that are often filled with water all year. The dam is also a tourism attraction spot due to various activities taking place namely: Swimming, fishing, and gazing at different species of birds (Great white pelican, Cormorant, Darter, and Spoonbill). The surrounding area is home to mostly wild horses, oryx and antelopes.

#### *Neckartal dam*

Neckartal dam is 80 m high and 520 m long and it has a storage volume of 850 million cubic meters of water over a 40 square kilometres area. The dam provides water to the southern part of Namibia. Neckartal infrastructure is part of the first phase of the Neckartal Irrigation Scheme (NIS) to ensure sustainable water supply for the region's agricultural development including cultivation of lucerne, grapes, dates, and citrus plants. In addition, it contributes positively to tourism in the region. The dam is 80 meters high and 520 meters long. It has a storage volume of 850 million cubic meters of water over a 40 square kilometres area.

### **9.4. Water Consumption**

The town of Keetmanshoop consumes on average 1.6 million cubic meters of water and in 2021 their consumption fell to 1.4 million cubic meters.

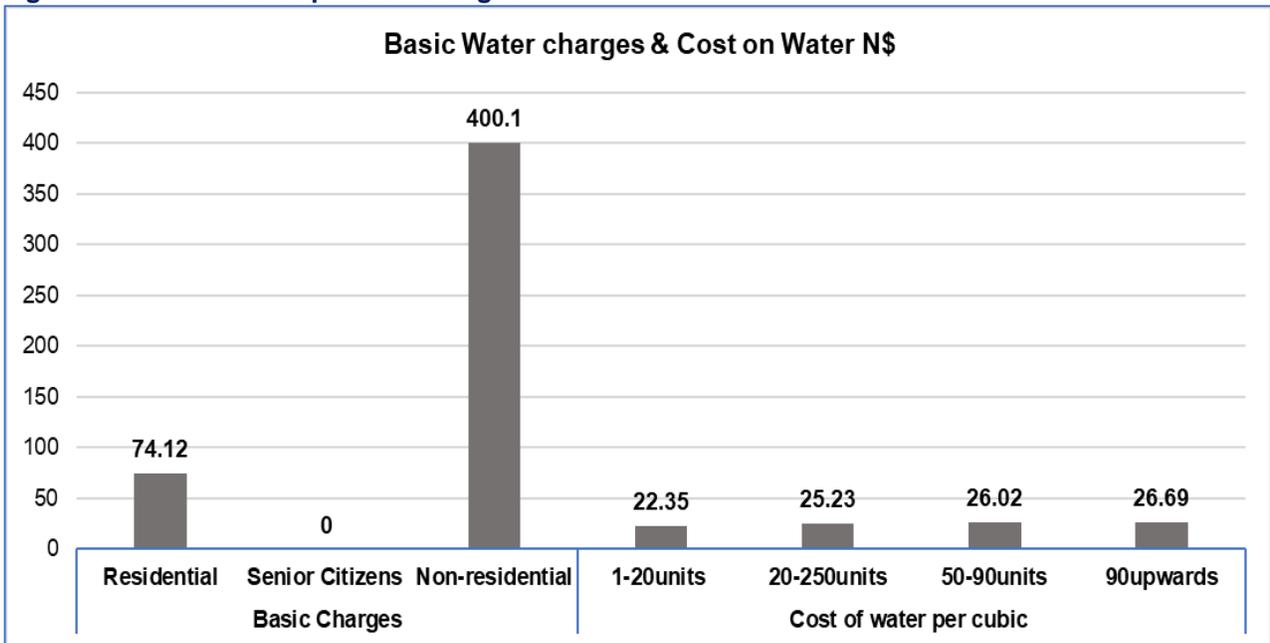
### 9.4.1. Access to Tap Water

Using various data sources our research estimate that 81 percent of households are connected to the municipality’s water services in the town. Connections to the town’s water services are done by the Municipality. When connecting to the water supply, the municipality charges N\$1,350.25 for the water meter to be installed. Furthermore, the municipality buys purified water from Nam water, maintains, and then distributes the water to the residents. There are no prepaid water meters yet in the town.

### 9.4.2. Price of Water

Water supplied by the Municipality to end users is charged at different rates to different clients. The measurement of water consumption is expressed in cubic meters where 1 cubic meter is equivalent to 1,000 Liters. On every transaction, a customer is subject to a basic charge depending on the type of customer namely: domestic, business, etc. On average basic charges of water for both residential and non-residential clients N\$ 74.12 and N\$ 400.1 respectively. Senior citizens do not pay basic charges for water. In addition to the basic charge, customers pay water based on individual usage as shown in *figure 28* below. The more the consumption of water, the more they pay. The lowest rate charged per cubic meter is N\$ 22.35 for the usage between 1-20 units per cubic meters per month, and peaks at N\$ 26.69 per cubic meters for water usage for more than 90 units per cubic meters.

**Figure 28: Keetmanshoop Water Charges**



Source: Keetmanshoop Municipality

## 9.5. Construction Activities

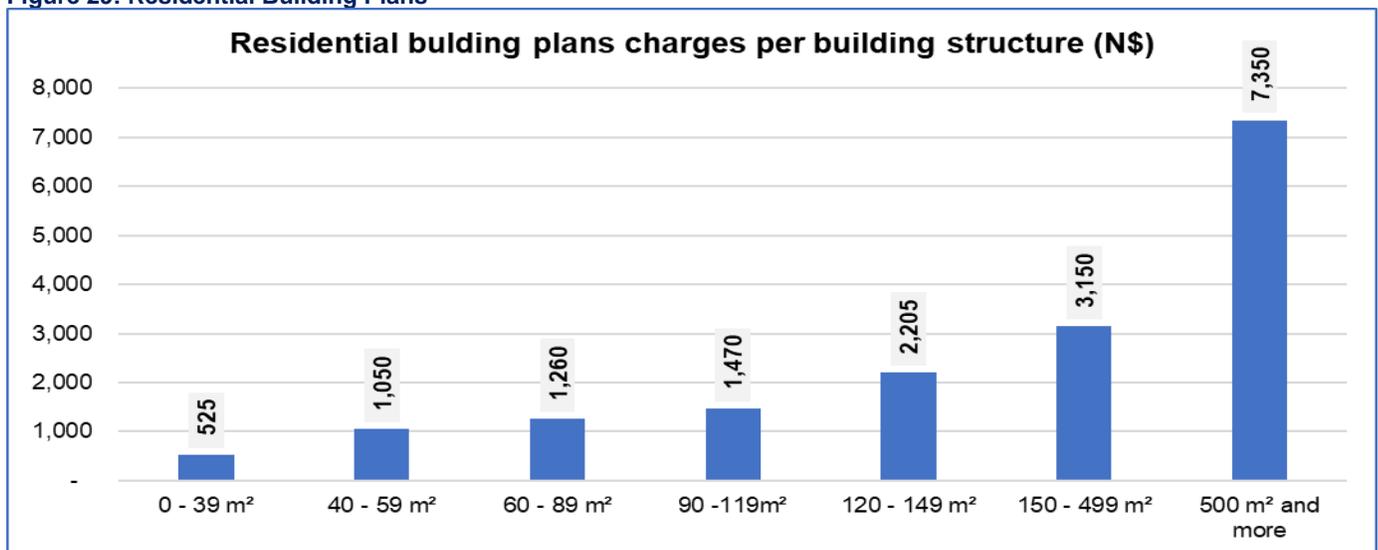
The town of Keetmanshoop has experienced an increase in physical infrastructure developments which includes the construction of residential and commercial buildings such as the Naute and Neckartal dams. Equally, the Keetmanshoop Municipality has since 2016 serviced at least 447 erven with water, electricity,

and sewer systems. Of the 447 serviced plots, 260 are in the Extension 6 residential area, 23 in the Extension 4 area, 110 in Westdene and 24 and 30 plots in Extension 3 and Extension 1 respectively. Additionally, The Keetmanshoop municipality delivered 89 houses under the mass housing programme, serviced 77 erven for the National Housing Enterprise and another 110 erven for private developers at a cost of N\$22 million, during 2020/2021 financial year.

**9.5.1. Residential Building Plans**

The Municipality of Keetmanshoop reviews and approves building plans at a fee charged based on the size and the building structure of the plan. A building plan of a dwelling less than 39 m<sup>2</sup>. meter is charged N\$ 525 while a structure of the size ranging between 90 m<sup>2</sup> and 119 m<sup>2</sup> is charged N\$ 1470 and N\$ 1,149. The larger the size of the dwelling on the building plan the higher the cost for approval (*Figure 29*). The figure below shows the costs of building plans according to the different sizes.

**Figure 29: Residential Building Plans**

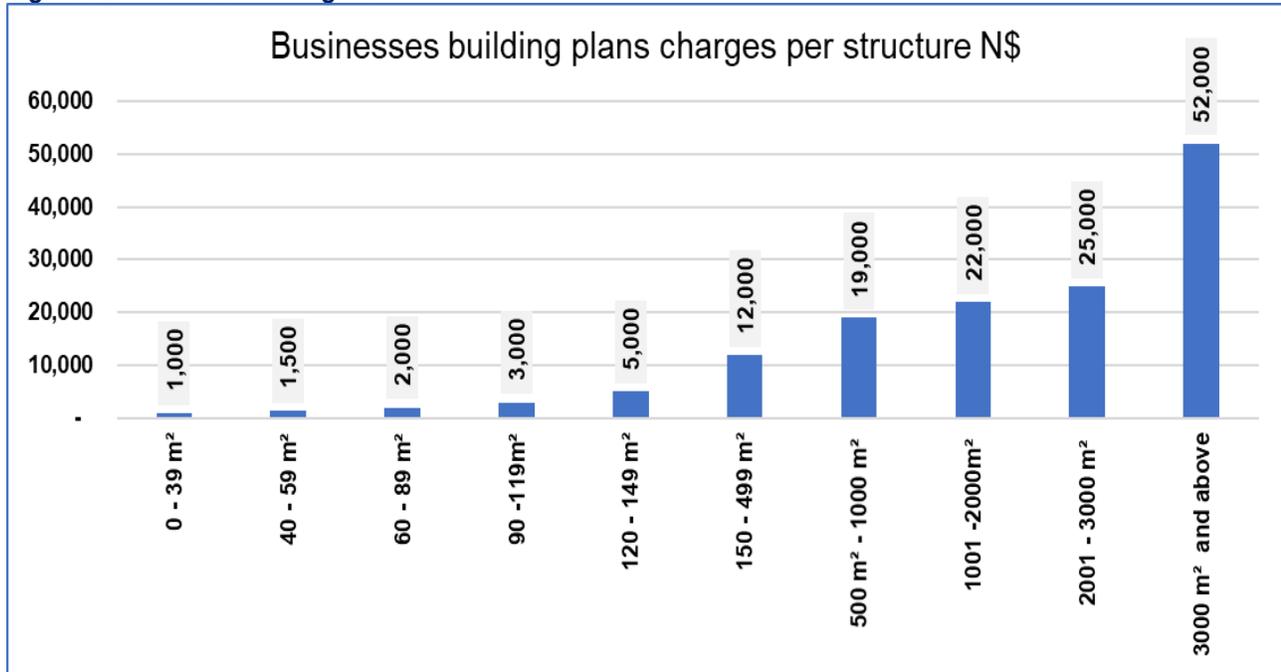


Source: Keetmanshoop Municipality

**9.5.2. Businesses building plan**

Non-residential (*Business Plans*) building plans are charged different from residential building plans. These are building plans for businesses and other establishments. The figure below presents the charges. Like the above, we can see on the figure that the amount charged is positively associated with the size of the building. Building plans for structures between 0 and 39 square meters are charged N\$ 1000 and those for structure more than 3000 square meter are charged N\$ 52,000 see *Figure 30*.

**Figure 30: Business Building Plans**

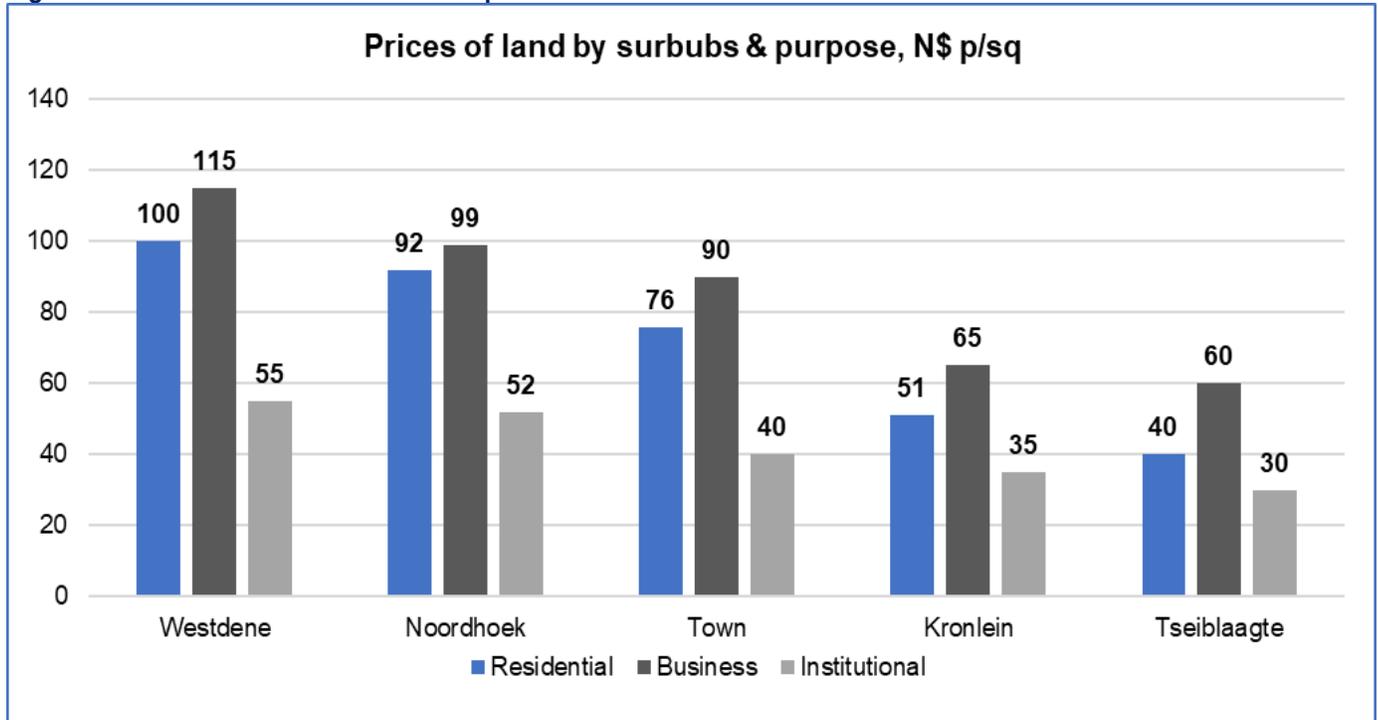


Source: Keetmanshoop Municipality

### 9.5.3. Price of Land by Location

Land prices differ by location and area. In Keetmanshoop prices are classified depending on whether land is used for residential, business or institutional purposes. According to *Figure 31* Residential land price is cheaper in Tseiblaagte costing N\$40 per square meter. Land for residential costs higher in Town costing N\$ 76 per square meter, comparing it to Kronlien, Westdene and Noordhoek suburbs.

**Figure 31: Prices of Land in Keetmanshoop**

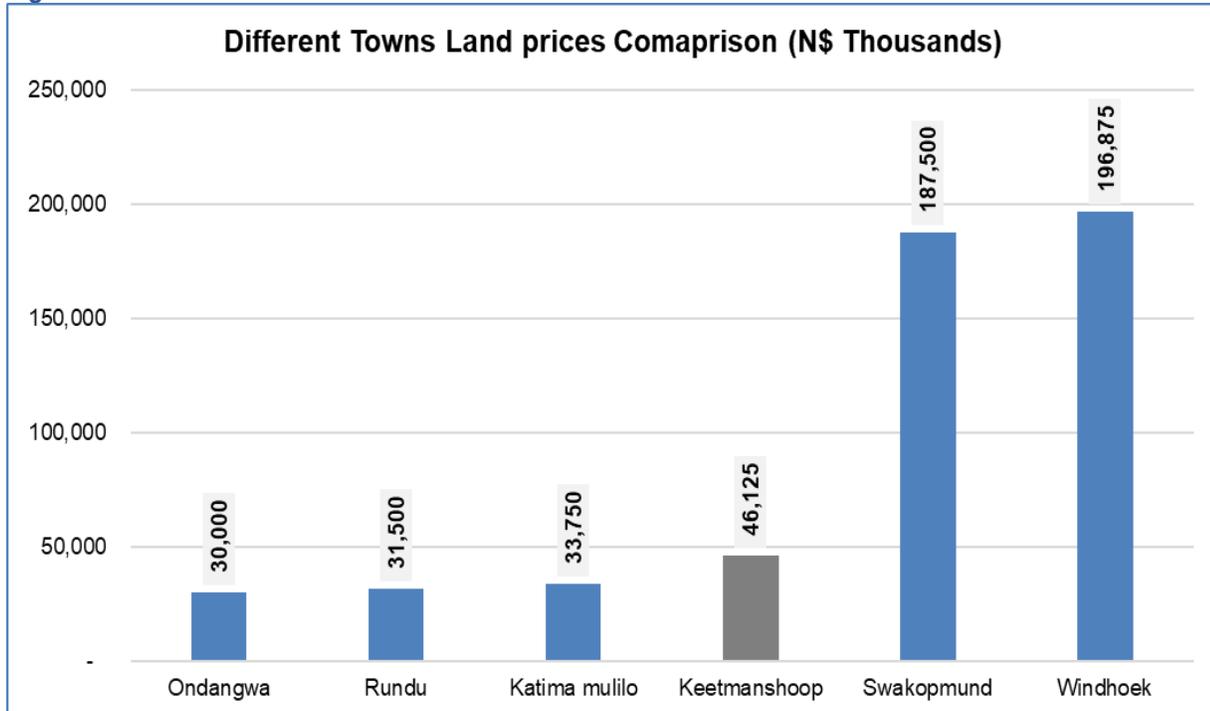


Source: Keetmanshoop Municipality

#### 9.5.4. Price of Land by Location

Figure 32 below indicates, the average prices of serviced land collected from recent (April 2022) transactions of local authorities from middle income suburb locations in each of the 6 major towns in Namibia. For comparison, the price per square meter of serviced land for each town is multiplied by the standard erven size of 375 square meters which this research finds an ideal area for a standard urban residential erf. Amongst the towns presented below, the cost of serviced land of an erf measuring 375 square meters is highest in Windhoek and cheapest in Ondangwa costing N\$30,000 followed by Rundu costing N\$31,500. The same size of land would cost N\$196,875 in a middle-class location of Khomasdal in Windhoek making it the most expensive, followed by Swakopmund costing N\$187,500. Additionally, the same land in Keetmanshoop is costing N\$ 46,125.

**Figure 32: Towns land Prices**



Sources: Local Authorities

**9.5.4. List of major Government expenditure projects in Keetmanshoop**

Table 2 below summarizes major government projects budgeted for Keetmanshoop & !Karas region. In the year 2022/23 the government budgeted to spend N\$ 40 million on the maintenance and repair of health infrastructure in !Karas region. Furthermore, the construction of Keetmanshoop Vocational Centre was allocated a budget of N\$2 million for 2022/23. There is also a budget of N\$ 13 million meant for Lecture halls for the UNAM Southern Campus.

**Table 2: Major Capital Expenditures in Keetmanshoop**

	Project Name	Implementing Agency	2022/23 Budget (N\$ Million)	2023/24Budget (N\$ Million)	2023/24Budget (N\$ 'Million)	Start date	Completion date
1	Establishment of hostels nation wide	Education, Arts and Culture	48	44	50	01-Apr-13	31-Mar-25
2	Upgrading and renovation of health primary care centers nation wide	Education, Arts and Culture	12	0	15	01-Apr-95	31-Mar-25
3	Renovation and upgrading of Keetmanshoop Fonteintjie Fish Farm Community Project	Fisheries and Marine Resources	2	6	6	01-Apr-15	30-Mar-25
4	Construction of Keetmanshoop community empowerment center	Gender Equality, Poverty Eradication and Social	6	6		01-Apr-18	31-Mar-25
5	Implementation of community-based management water infrastructure (drilling and installation of boreholes, rehabilitation of waterpoints)	Agriculture, Water, and land reform	10	0	0	01-Apr-00	31-Mar-25
7	Upgrading and renovation of Keetmanshoop Hospital	13 Health and Social Services	40	2	2	01-Apr-08	31-Aug-25
8	Construction of Keetmanshoop Vocational Training Cent	Higher Education, Training, and Innovation	2	12	12	01-Apr-10	31-Mar-25
9	Construction of Large Dams, Desalination and Provision of Water to larger Settlements	Agriculture, Water, and land reform	43	100	100	04-Jan-08	31-Mar-25
11	Construction of Lecture Halls Phase 1 at Southern Campus	Higher Education, Training, and Innovation	13	25	27	01-Apr-16	31-Mar-25
12	Rehabilitation of the Southern Railway Line Section Sandverhaar-Buchholzbrunn	Works and transport	76	81	85	01-Apr-14	31-Mar-30

Source: MoF

### 9.5.5 Regional allocations over the medium term

Khomas region received the highest allocation over the MTEF period, which is 30% of the total Budget. This is attributed to major construction projects such as Windhoek-Hosea Kutako Road, Windhoek-Okahandja Road, Construction of services (sanitation) and the on-going office blocks and other services in the region. The second highest allocated region is the Erongo region, mainly due to some key on-going Rail, road construction and other projects that are being implemented in the region such as; Upgrading of Walvis Bay - Kranzberg Railway line, Construction of Swakopmund - Henties Bay - Kamanjab Link road and the Upgrading of the MR 44: Swakopmund -Walvis Bay Road. !Karas region got the third largest share of the budget. The allocation to !Karas region is mainly focusing on capital projects such the Neckartal dam, rehabilitation of the southern railway line and establishing hostels in schools among others (*Table 3*).

**Table 3: Regional Allocation**

Region Name	Inside State Revenue Fund (N\$ 'millions')			Outside State Revenue Fund (N\$ 'millions')			MTEF Total	MTEF % Share
	2022/2023	2023/2024	2024/2025	2022/2023	2023/2024	2024/2025		
//Karas	358,430	448,480	576,982	5,769	4,432	5,628	1,399,721	7
Erongo	1,294,253	532,423	304,414	822,397	370,357	678,329	4,002,173	19
Hardap	186,948	264,282	303,795	6,387	4,439	5,628	771,479	4
Kavango East	107,124	122,206	107,576	106,657	170,293	133,532	747,388	3
Kavango West	146,925	173,274	198,608	5,931	4,439	11,588	540,765	3
Khomas	1,268,708	1,151,272	1,002,181	1,383,639	546,753	967,649	6,320,202	30
Kunene	196,986	188,747	217,929	21,219	19,997	52,276	697,154	3
Ohangwena	162,547	168,847	193,468	20,571	20,995	23,422	589,850	3
Omaheke	173,798	283,839	300,135	34,591	32,982	49,226	874,571	4
Omusati	134,663	135,764	134,082	134,490	375,787	128,695	1,043,481	5
Oshana	160,141	250,111	322,906	79,832	132,484	105,931	1,051,405	5
Oshikoto	137,058	131,588	137,197	34,771	31,453	45,429	517,496	2
Otjozondjupa	516,401	477,755	417,986	18,407	64,574	22,178	1,517,301	7
Zambezi	99,426	120,102	231,431	44,353	326,845	351,794	1,173,951	5
Abroad	54,320	51,310	51,310	0	0	0	156,940	1
<b>Total</b>	<b>4,997,728</b>	<b>4,500,000</b>	<b>4,500,000</b>	<b>2,719,014</b>	<b>2,105,830</b>	<b>2,581,305</b>	<b>21,403,877</b>	<b>100</b>

Sources: MoF

## 10. SERVICES SECTOR ACTIVITIES

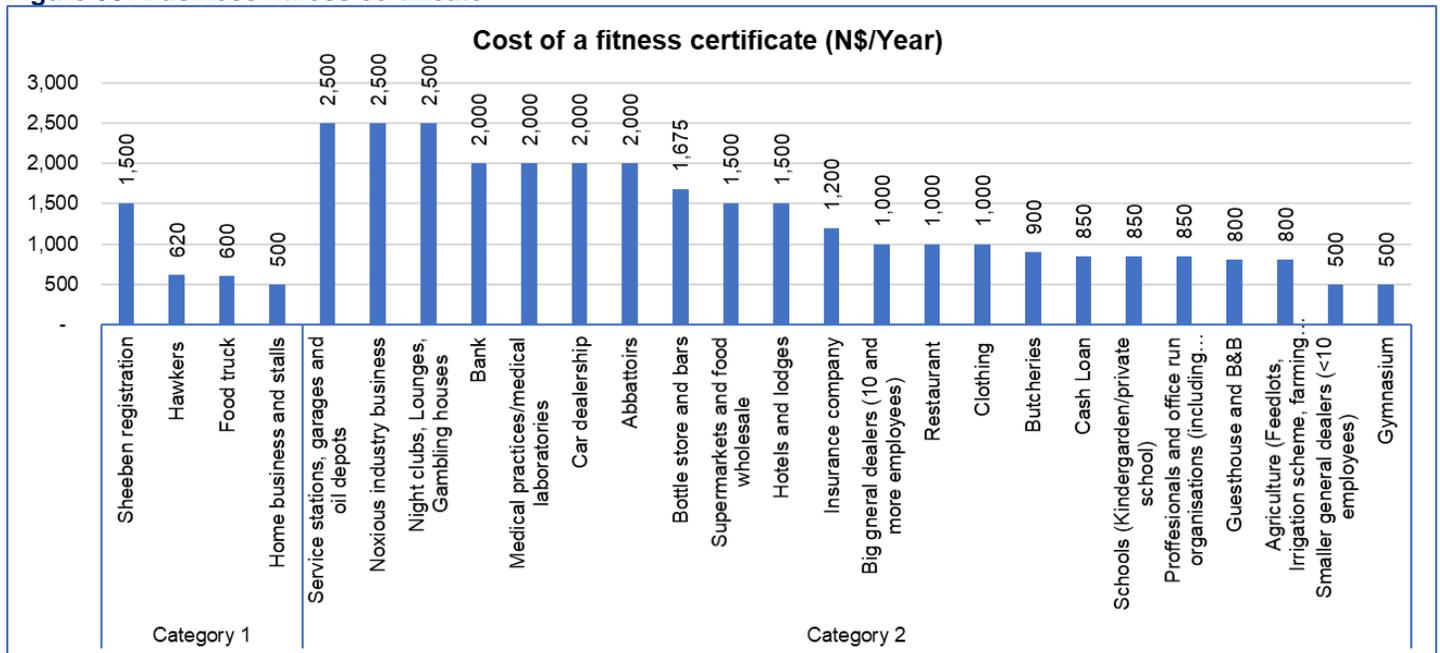
This section summarizes the services activities provided in the town of Keetmanshoop. These services range from educational, health, financial, Tourism, Transport and other administrative services provided by government and related offices.

### 10.1. Business activities

#### 10.1.1. Cost of business fitness certificate

A fitness certificate is a prerequisite for any business set ups to conduct business activities sustainably in Namibia. These certificates depend on the type of business or project. The highest charged forms of businesses are service station, garages, and noxious industry businesses. These are charged a fee of N\$ 2,500 for a fitness certificate annually. It is of great importance to note that, the municipality charges the same fee for new registrations and business renewals each year. Home businesses and stalls, small general dealers and gymnasium are each charged the lowest fee for a fitness certificate (N\$ 500 per year) (Figure 33).

Figure 33: Business fitness certificate



Source: Keetmanshoop Municipality

#### 10.1.2. Cost of doing business in Keetmanshoop

It takes a maximum of two weeks to complete all the processes that have to do with registering and starting a business in Keetmanshoop. Recently, the municipality introduced a system where all parties involved in the process of registering businesses meet twice a week to review and process applications for fitness certificates as well as address challenges hindering the registration process. This has considerably reduced the cost of doing business in the town. Furthermore, Agra, rents out properties to investors for N\$ 5900 a

month. In addition to these costs, both new and existing businesses pay fees in the table above for fitness certificates on an annual basis.

## 10.2. Educational Services

### 10.2.1. Access to Education

#### Primary and Secondary education

There are 5 primary schools and 3 secondary schools. All the primary schools are government schools of which two of the five primary schools have hostels and all the secondary schools have hostels. There is only one government Junior secondary school which only caters for grade 8 to 10 learners. Additionally, the town has one private school Keetmanshoop Private School which have grade 1 through 12 and has a hostel to accommodate all grades.

#### Tertiary Education

The tertiary Institutions that are in Keetmanshoop are namely The University of Namibia Southern campus, Namibia College of Open Learning (NAMCOL), and NIMT. Table below shows all the courses offered at the UNAM southern campus see *table 4*. The NAMCOL center has a total enrollment of 210 for grade 11 as per the new curriculum presented by ministry of education in 2016. The courses offered at NAMCOL presents potential to address the developmental challenges in the town and !Karas region in general

**Table 4: Courses offered at UNAM Southern Campus**

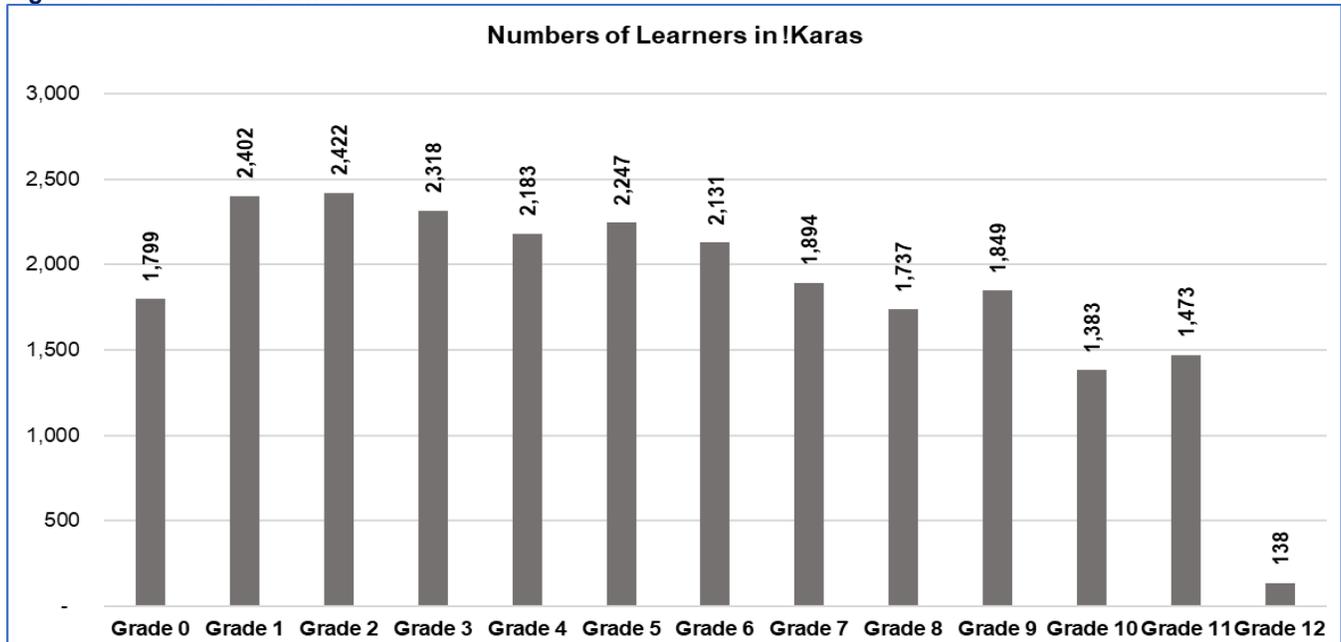
<b>UNDERGRADUATE PROGRAMS</b>
Diploma in Business Administration
Diploma in Entrepreneurship & New Venture Management
Bachelor of Business Administration (Hons)
Bachelor of Education (Pre and Lower Primary Education (Hons))
Bachelor of Science in Geology (Hons)
Bachelor of Nursing Science Clinical (Hons)
<b>POSTGRADUATE PROGRAMS</b>
Advanced Midwifery and Neonatal Nursing Care
Clinical Instructions
Critical Care
Emergency Nursing
Health Promotion, Clinical Diagnosis & Treatment
Health Service Management (Partime)
Mental Health in Nursing
Nursing Education (partime)
Operating Room
Masters of Nursing Science (Thesis Only)
Master of Science in Geology (by Thesis)
Masters of Public Health
Masters of Science in Applied Field Epidemiology & Laboratory Management

Source: University of Namibia (Southern campus)

### 10.2.2. Number of Learners in the Region

According to Ministry of Education, during the academic year of 2021 there were a total number of 24,014 learners in !Karas region excluding 1,799 Grade 0 learners. Overall, the number of learners decreases with higher grades. Grade 2 has most enrollments than all the grades with 2,422 and lowest enrollment are in Grade 12 with 138. It is notable that the number of learners in grade 12 makes a small proportion of the total number of learners in the region. Only a percentage of the learners are in grade 12 (about 138 learners), this is a causes for concern of high number of school dropouts in the region (Figure 34).

**Figure 34: Number of Learners**

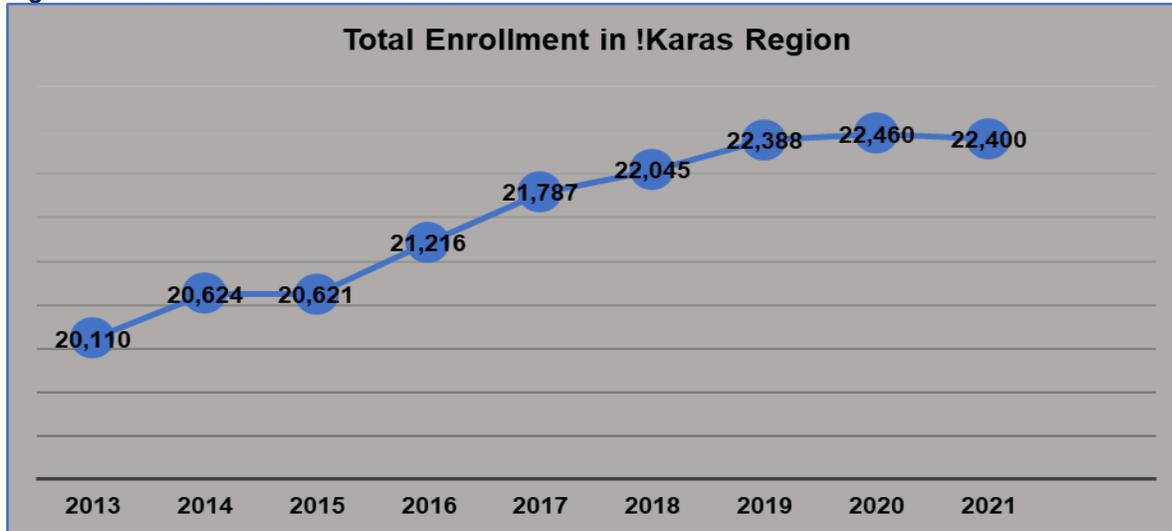


Source: MoE

### 10.2.3 School enrolment in !Karas region

The number of learners enrolled for school in !Karas region has been rising since 2014. See figure 35 below for an overview. The increase in the enrolment rate over the years can be attributed to capital projects to the town such as the construction of the Naute and Nackartel dam. Moreover, the university of Namibia opened a campus in Keetmanshoop in 2014, this has had a positive impact on the enrolment rate and the economy of Keetmanshoop.

**Figure 35: Total Number of Enrollments**

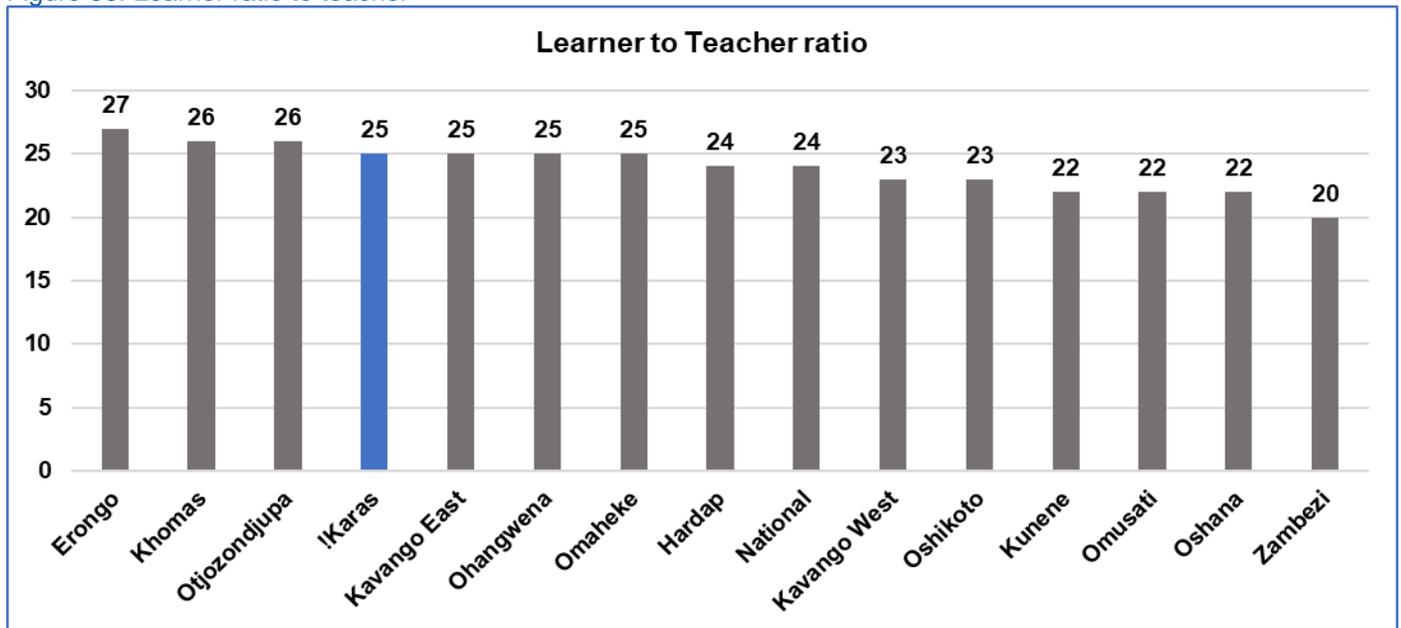


Source: MoE

**10.2.4. Learner to Teacher Ratio**

The learner to teacher ratio indicates resource allocation to education. The learner to teacher ratio in Namibia is 24. In !Karas region it is 25 which is more than the national average of 24 see figure 36.

**Figure 36: Learner ratio to teacher**

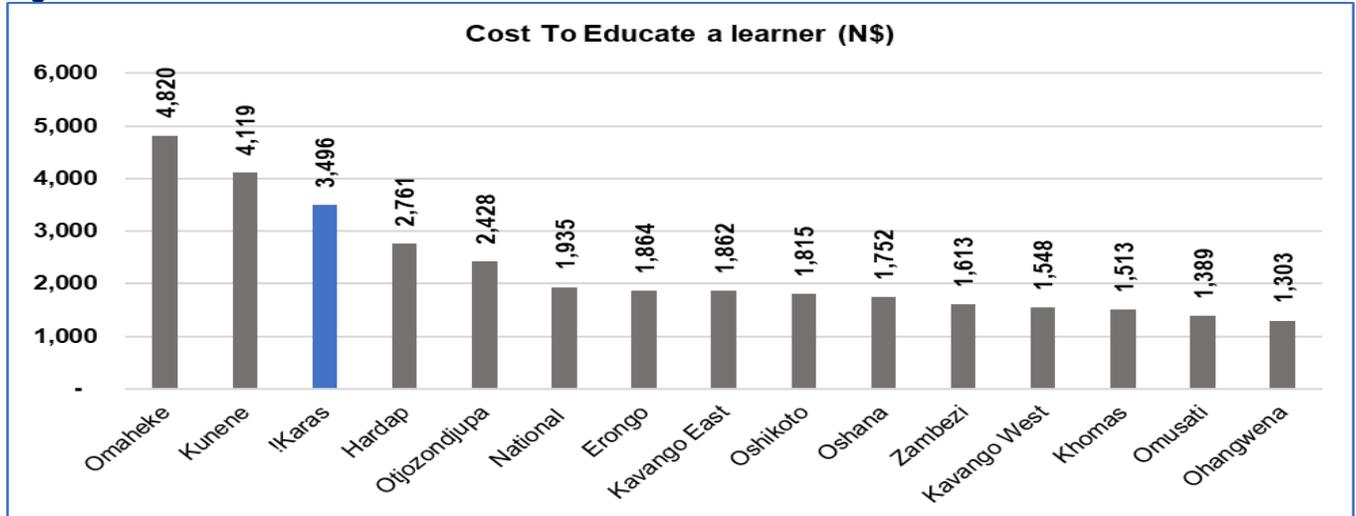


Source: MoE

### 10.2.5. Cost to Educate a Learner

The cost of educating a learner in this context is the operational cost on education divided by the number of learners per annum. !Karas region has an average cost for educating a learner of N\$ 3,496. This is higher than the national average cost of N\$ 1,935. However, interpreting this information in relation to the efficiency of education can be misleading due to other confounding variables like the qualification and experience of teachers which is a determining factor for teacher’s wages or the number of learners in the region in relation to teachers (Figure 37).

**Figure 37: Cost to Educate a Learner**

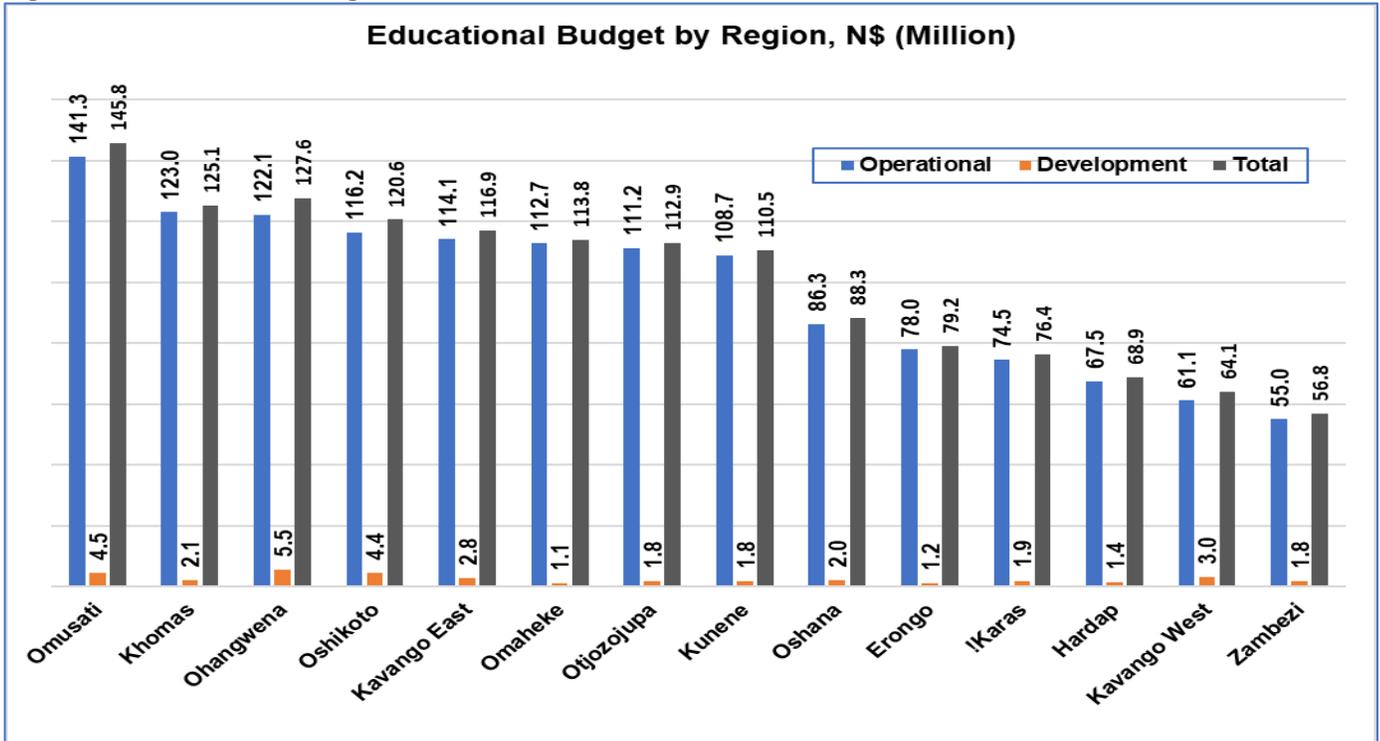


Source: MoE

### 10.2.6. Education Budget Allocation by Region

In the current 2022/23 financial year Omusati region received the highest budget allocation of N\$145.8 million compared to other regions followed by Khomas and Ohangwena with N\$ 125.1 and N\$ 122.1 million respectively. !Karas region received a budget allocation of N\$ 76.4 million which was the 4<sup>th</sup> lowest of the regional allocation in the country see figure 38.

**Figure 38: Educational Budget**

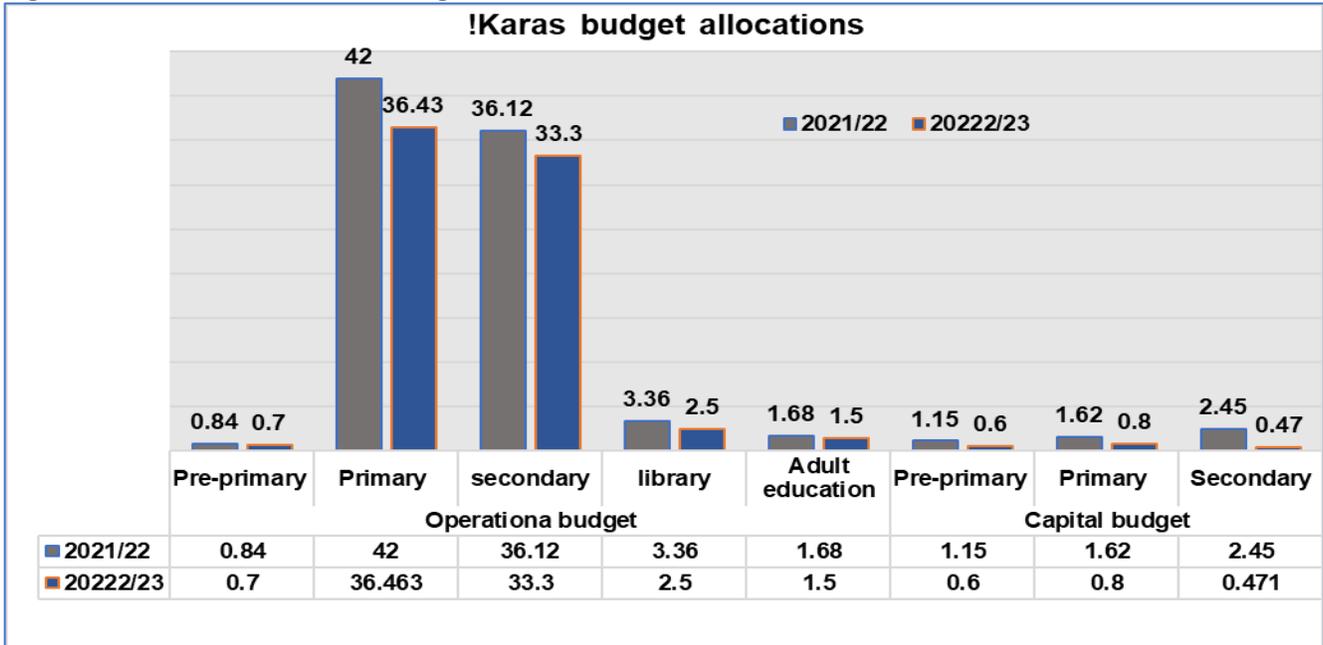


Source: MoE

**10.2.7. Budget allocation for !Karas region**

The figure 39 below shows that the budget allocation for operational expenditure was higher in !Karas region compared to capital expenditure during the 2021/22 financial year. That year library related operational expenditures were allocated N\$ 3.36 million while adult education related operational expenditure received a budget of N\$1.68 million. Moreover, in the 2022/23 budget allocations, library received an allocation of N\$2.5 million, primary and secondary operational budgets were allocated N\$36.5 and N\$33.3 million correspondingly.

**Figure 39: !Karas Educational Budget**

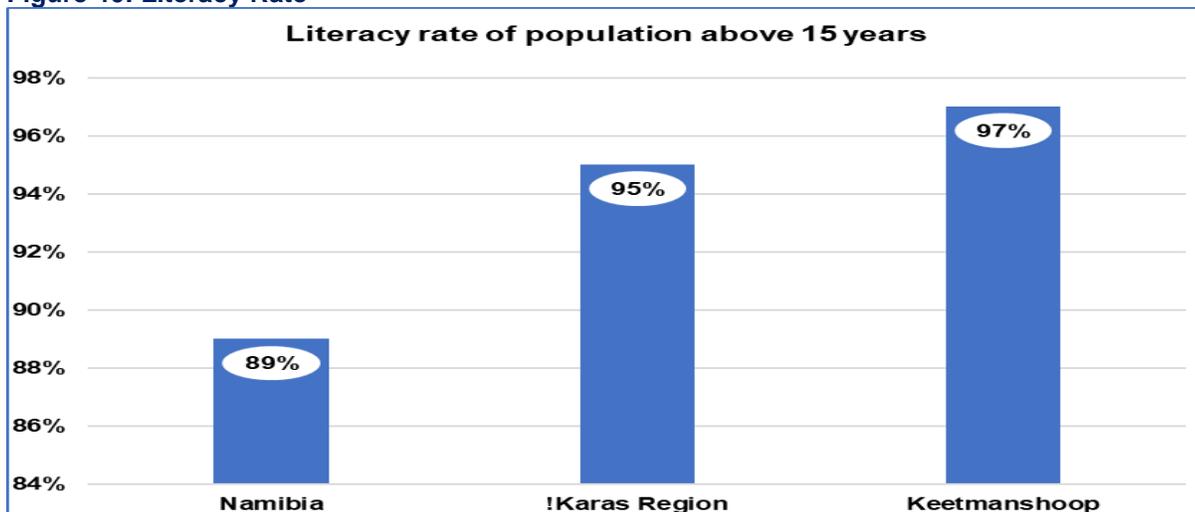


Source: MoE

**10.2.8. Literacy Rate**

The literacy rate is measured in terms of people that can read and write. According to *figure 40* Keetmanshoop has a literacy rate of 97 percent which is 2 percentage points higher than !Karas region's literacy rate and 8 percentage points higher than that of the country among the population aged 15 years and above.

**Figure 40: Literacy Rate**



Source: 2015/16 NHIES, 2011 National Census & First Capital Research

## 10.3. Health Services

### 10.3.1. National Situation

Namibia has a dual system of health care servicing: public (serving 85% of the population) and private (15%) health care providers. The Ministry of Health and Social Services (MoHSS) is the main implementer and provider of public health services with a four-tier system: outreach points (1,150) clinics and health centers (309), district hospitals (29) and intermediate and referral hospitals (4). Faith-based organizations operate services for the MoHSS on an outsourcing basis. The private sector is sizeable, with 844 private health facilities registered with MoHSS. A total of 342 health facilities (Hospitals, clinics & health centers, excluding outreach points) serves an estimated population of 1.9 million. On average the national public system has an infrastructure of 1 health facility per 5,700 population.

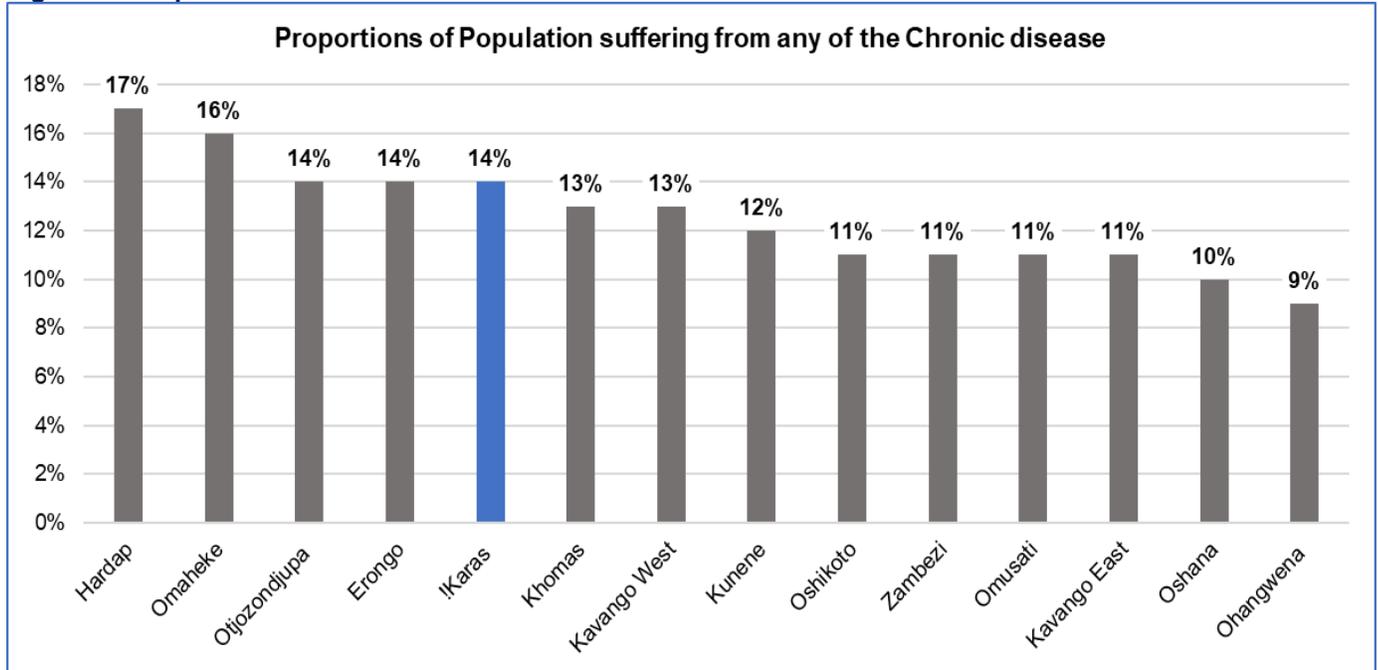
### 10.3.2. Situation in Keetmanshoop

Keetmanshoop has 2 health facilities made of a district hospital and a clinic serving a population of 20,977 (according to the 2011 census). This study estimates 19% (4,405 people) of the population to be users of private medical facilities. The district hospital goes beyond serving those living in Keetmanshoop to those in nearby towns. There are also 4 private health consultation facilities and one dentist practice in the town. These facilities make use of hospital services such as bedding for surgery and hospitalization. The state hospital has 7 general practitioners and two dentists. There are no specialists at the hospital. The ratio of doctor to patient is 1:2,367, this is higher than the 1:1000 ratio recommended by the World Health Organization. The public state hospital has 250 beds, although not all of them are in working condition. There are only 3 electronic beds, 15 ICU (isolation) beds and one manual bed for cancer (oncology) patients.

### 10.3.3. Chronic Diseases Prevalence by Region

Namibia has a disease prevalence rate of 12 percent of the population, or 269,400 individuals estimated to be suffering from one or a combination of chronic diseases. These diseases include among others Blood pressure, diabetes, cancer, joint inflammations, cardiac/heart diseases, respiratory diseases (e.g., Asthma), Chronic kidney diseases, Anemia, Epilepsy, and psychological/mental health illness. It is notable, that !Karas region has the 5<sup>th</sup> highest percentage of individuals suffering from chronic diseases with a 14 percent prevalence. Ohangwena region has the least population of individuals with chronic diseases at 9 percent prevalence rate.

**Figure 41: Population of those with Chronic Disease**



Source: 2015/16 NHIES & FC Calculation

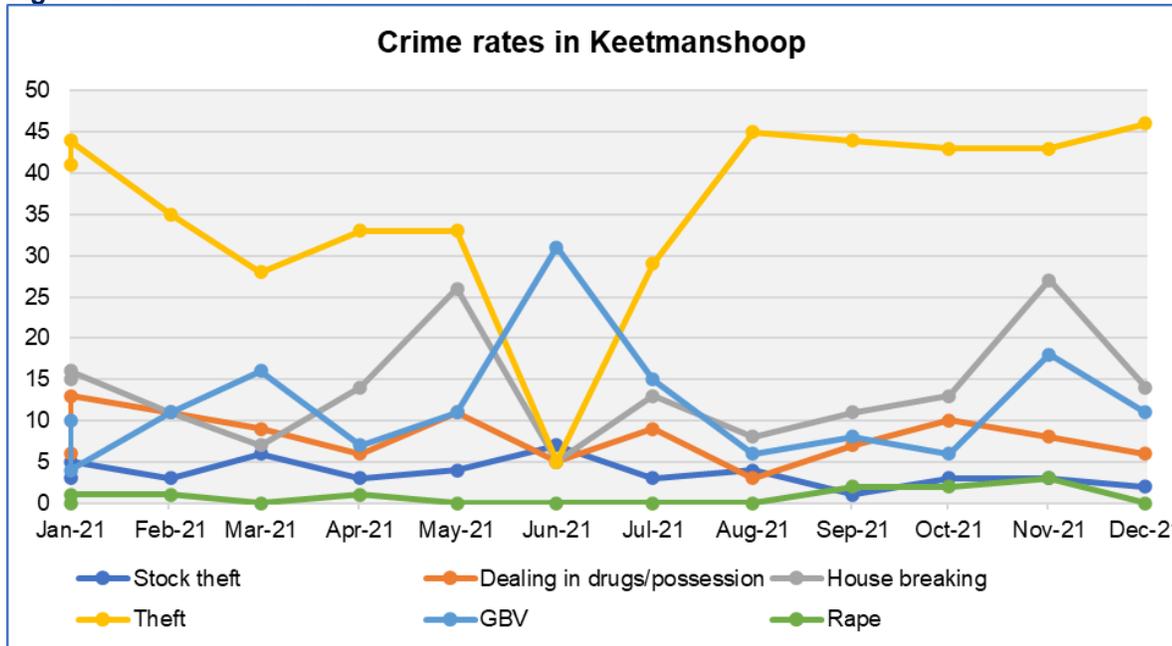
#### 10.4. Security Services

The town of Keetmanshoop has a police station serving with 262 police officers stationed at that police station. With 262 police officers, it translates to the ratio of one police officer to 76 residents. The town has of recent seen a scale up in private companies offering security services on properties which has been a positive intervention to aid the national police service efforts in reducing housebreaking and other security related cases within the town.

##### 10.4.1 Crime Statistics

Figure 42 below shows that security forces in the town are effective in the conduct of their duties. Cases of stock theft are very low; rape is at very low levels and there are no murder cases in the town based on the 2021 data on crime rates from the Namibian police. However, house breaking, and theft cases are a cause for concern. According to residents, this will be reduced by setting up stations in locations to increase police visibility and take police services closer to the people.

**Figure 42: Crime Statistics**



Sources: NamPol, !Karas regional office

### 10.5. Government Administrative Services

Within the town, there are several government branch offices that are meant to provide most of the services provided by the respective ministries. The ministry of Agriculture has an office to provide advises to farmers on all farming activities. They are also in charge of surveillance for any possible animal related diseases in the areas to assist farmers when there is a need. The Ministry of environment has also an office which is meant to provide services especially to those in the game tourism and farming industry. The ministry is also responsible to ensure preservation of wildlife animals and assist communities in case of conflicts with animals. Moreover, the Ministry of Education also has an office in Keetmanshoop which offers educational administrative services to the town, nearby villages, and towns.

### 10.6. The Cost of using local recreational facilities

Residents of Keetmanshoop can access different municipal facilities for occasions. Using the community, Show, Rover halls and chairs require a rent cost of N\$ 480, N\$ 6,956 and N\$ 1,739 respectively per day. Moreover, the rental fees for, Kiosk, Tables, Chairs and Beer Garden are N\$ 550, N\$ 55, N\$ 30 & N\$ 25 and N\$ 1,739 respectively per occasion per day. The costs are as summarized in *table 5* below.

**Table 5: Cost of Recreational Facilities**

<b>Municipal facilities</b>	<b>Price Per Occasion (N\$)</b>
Community Hall	480
Moth Hall	6,956
WK Rover hall	1,739
Stadium	696
Kiosk	550
Plastic Chair (Per Chair )	25
Metal Chair (Per Chair )	30
Table (Per table)	55
Beer Garden	1,739

*Source: Keetmanshoop Municipality*

## **10.7. Financial Services**

### *10.7.1. Banking services*

Keetmanshoop town has four branches of commercial banks namely: First National Bank, Bank Windhoek, Ned Bank and Standard Bank serving clients with banking services and other financial products. There are 3 ATMs of First National Bank, 4 ATMs of Standard bank and 2 ATMs of Bank Windhoek and 1 ATM of Nedbank, with a total of 10 ATMs in the town. The deposit taking services of banks operating in Keetmanshoop are supported by the businesses that operate in the area within the retail & wholesale, construction, farming, hospitality & tourism, and services sectors. The Keetmanshoop local economy houses several both formal and informal businesses who sells goods and services within the local economy. Their inflows from their businesses are mainly deposited with commercial banks on a regular basis. More so, retail businesses frequently deposit their cash with banks.

The availability of government offices and other related formal employing organizations like parastatals provide spill over benefits for the demand of banking services. Most notably the town has a fair number of government employees in the ministries of Education, Agriculture, Labour, Health and Safety and Security who are part of the clientele for banking sector in the town.

### *10.7.2. Non-Banking services*

The town of Keetmanshoop has other non-banking financial services for residents. Non-banking financial entities that have offices in the town are Hollard Insurance, Old Mutual, Momentum, Santam, Nam post savings bank, Agribank and Sanlam.

## **10.8. Tourism and Hospitality Services**

Keetmanshoop has several sceneries for tourism such as the Ai Ais Hotspring which is a popular stopover for tourists visiting both the Fish River Canyon and the Hot Springs. It is a popular hiking destination. During

the winter months, many take a hiker on the challenging 85 km Fish River Canyon Hiking Trail. This trail starts at the viewpoint of the Fish River Canyon.

In addition to the above, tourists to the town are also attracted by the Naute and Neckartal dams found 42 km southwest and 40 km northwest of Keetmanshoop respectively. The other unique potential for tourist attraction to the region is the Fish River Lodge situated 181 km from Keetmanshoop, located on the rim of the Fish River Canyon, one of Namibia's top tourist destinations, Fish River Lodge offers forty guests breath-taking views directly over the canyon from sunrise to sunset.

The landscape around the western side of the canyon is vast, empty, and ancient. It is suitable for both solitude and adventure. Most importantly, Keetmanshoop attracted approximately 6000 tourists in 2019, although the number dropped significantly to about 2000 tourists following the covid-19 pandemic for the past two years.

## 10.9. Transport Services

### 10.9.1. Travelling Services

Most Namibians use road transport as a means of transport comparing to other modes of transport. Most individuals in Keetmanshoop travelling to nearby towns use private small cars and minibus public transports, there is one hiking point to various towns. Travelling to Windhoek is 499 km costing N\$ 130, travelling to Mariental is 234 km costing N\$ 110 while travelling to Lüderitz is 340 km costing N\$ 70. Travelling to Oranjemund and Bethanie from Keetmanshoop is 482 km and 141 km, costing N\$140 and N\$120 respectively. Within the town itself there are taxis operating from locations to town and back for a charge of N\$12 per trip. It can cost more depending on the destination within the town, like any other town. Furthermore, as per *table 6*:

*Table 6: From Keetmanshoop to*

Destination By Road	Transport fare
Aroab	N\$ 95.00
Lüderitz	N\$ 220.00
Karasburg	N\$ 170.00
Oranjemund	N\$ 250.00
Aus	N\$ 150.00
Berseba	N\$ 100.00
Noordoevwer	N\$ 200.00
Grunau	N\$ 120.00
Ariamsvlei	N\$ 220.00

*Source: FC Research*

### 10.9.2. Road Network

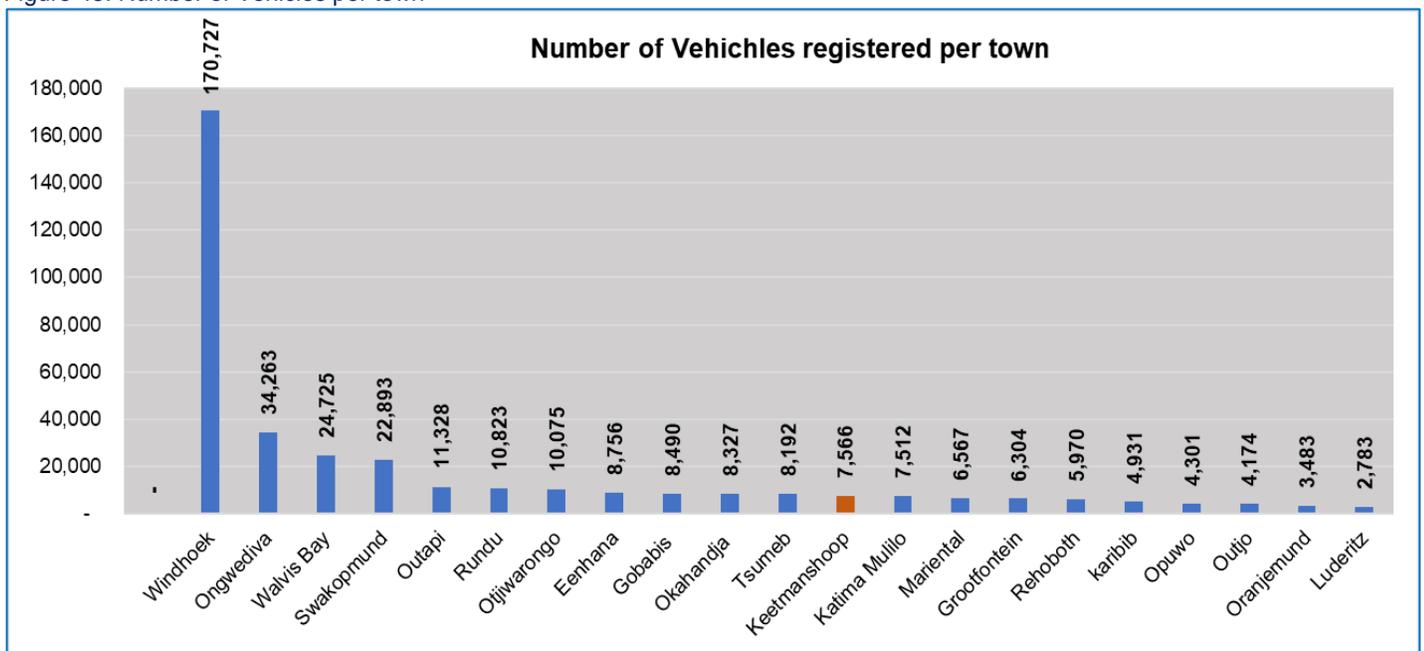
Namibia's road network is regarded as one of the best on the continent, road construction and maintenance is in accordance with international standards. The World Economic Forum reported Namibia to be the 23<sup>rd</sup> country with the best road infrastructure quality globally and the best in Africa. The country scored 5.2 out of 7 better than South Africa and Rwanda which scored 5.0.

The Roads Authority's most recent annual report shows that there were 7,566 vehicles registered in Keetmanshoop in 2019/2020. This is a fall of -1.59% when compared to the 7,688 that was recorded the previous year. Windhoek recorded the highest number of vehicle registrations (170,727), followed by Oshakati with 34,514 and the Walvis Bay 24,725. This report uses the number of vehicles registered as a proxy for the demand for transport services in the town. This should however be interpreted with caution since the population is not evenly distributed across towns.

### 10.9.3. Number of Cars registered by town

Figure 43 below shows the number of registered cars by town, excluding government cars. During the period under consideration, Windhoek recorded the highest number of car registrations while Lüderitz recorded the lowest number with 170,727 and 2,783 number of cars. Keetmanshoop ranks number 12 for the number of vehicles registered per town in Namibia. The number of registered vehicles in Keetmanshoop fell by 10% in 2018 before rising by 1.12% in 2020 see figure 43.

Figure 43: Number of Vehicles per town

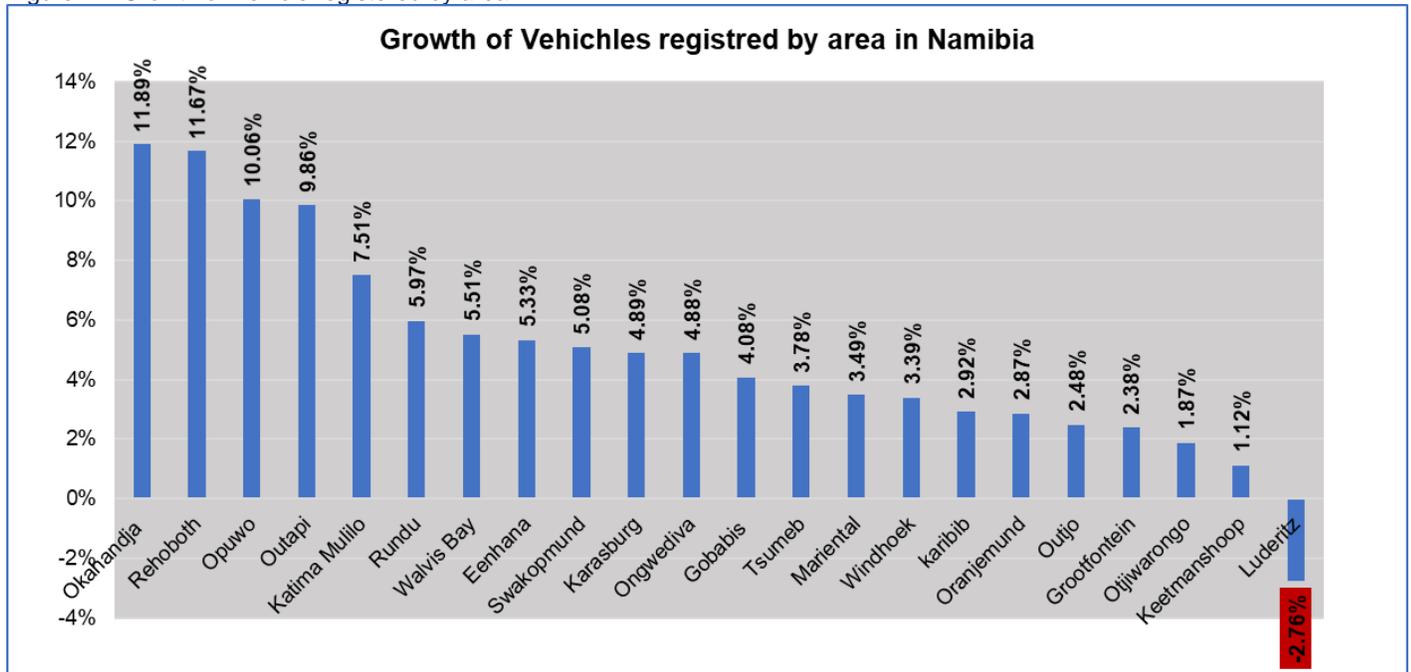


Source: Roads Authority

### 10.9.4. Vehicles registered per town

Figure 44 below shows the growth of number of vehicles registered per town on an annual basis. Okahandja recorded the highest growth rate in the number of vehicles registered while Lüderitz recorded a fall of 2.76 % in the number of vehicles registered from 2018/19 to 2019/20. Keetmanshoop recorded a growth of 1.12% (see figure 44).

Figure 44: Growth of Vehicle registered by area

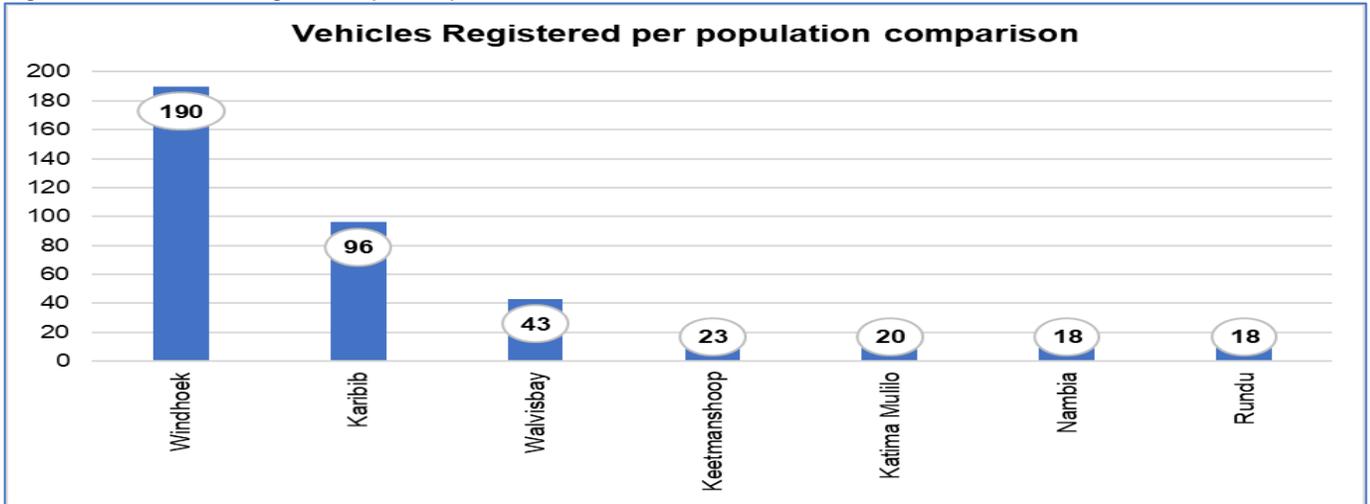


Source: Roads Authority

### 10.9.5. Vehicles per 100 population

At 7,116 vehicles registered in Keetmanshoop, taking into consideration the population of the town, it stands out that vehicles owned per population ratio is above the national average, there are 35 vehicles registered in Keetmanshoop per 100 population compared to the national average of 16 vehicles per 100 population. However, the ratio of vehicles per population in Keetmanshoop is much higher than the ratio of vehicles to population in other towns like Walvis Bay, Karibib with 43, 96 and 190 per 100 population respectively. see Figure 45 below.

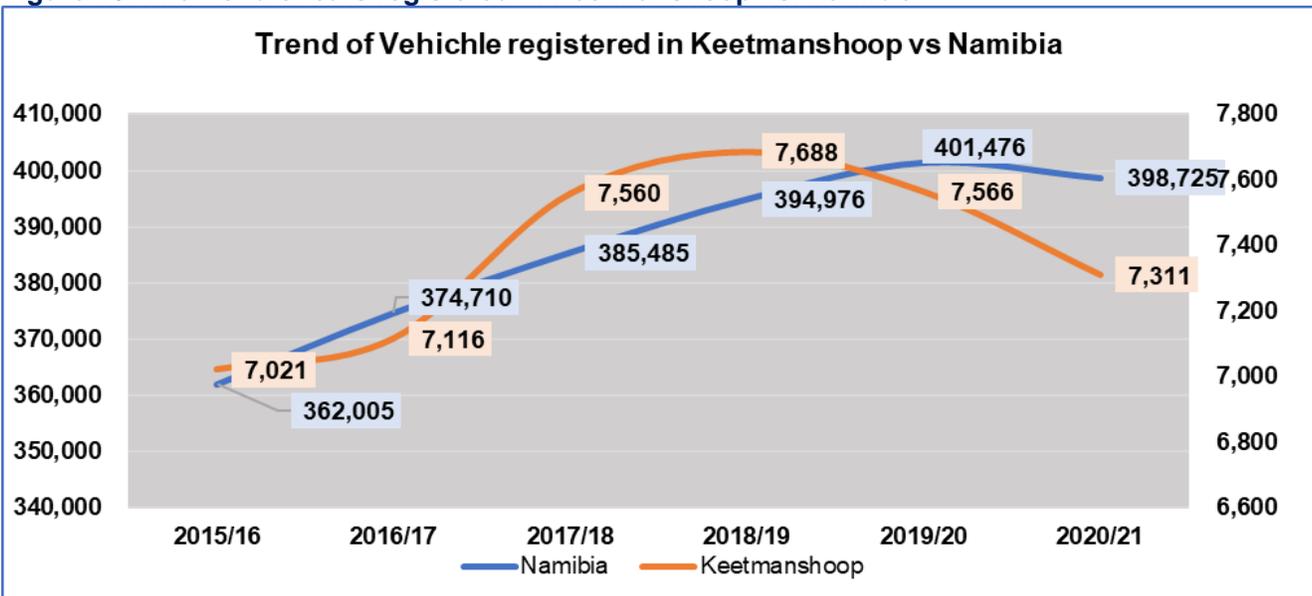
Figure 45: Vehicles Registered per Population



Source: Roads Authority

The trend of growth in vehicles registered in Keetmanshoop has decreased by 0.02 percent compared to the positive annual national average growth of 1.65 percent in 2017/18 to 2019/20. The national number of vehicles in the country registered during 2019/2020 financial year was 401,476, our report estimates Namibia to have registered 398,725 vehicles in 2020/21 off which 7,311 are estimated to have been registered in Keetmanshoop. The reduction in the number of registered cars can be explained by the economic downturn which started in 2017 which led to the loss of jobs for most people.

Figure 46: The trend of cars registered in Keetmanshoop vs. Namibia



Source: Roads Authority

### 10.9.4. Rail Infrastructure

Namibia has a rail network covering 2,750 kilometers linking towns and other countries. Keetmanshoop is connected to the railway on the Trans-Namib Railway that links Windhoek to Upington South Africa. Furthermore, the Namibian government has greatly invested in baseline rail infrastructure through constructing rail lines across the whole country. Railway network connects the town to Lüderitz, Karasburg and Upington. It costs N\$ 180 to travel by train from Keetmanshoop to Lüderitz see *Figure 47*.

**Figure 47: Railway Network**

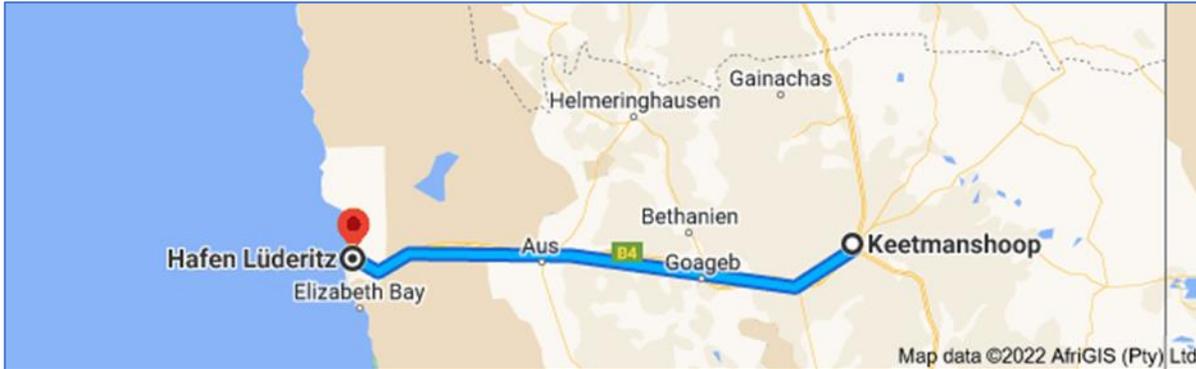


Source: RA

### 10.9.5. Harbours

Namibia has only two harbours handling merchandise imports and exports situated in Walvis Bay and Lüderitz. The nearest port to Keetmanshoop is the port of Lüderitz which is situated about 339.4 KM from Keetmanshoop via the B4 road, see figure 48 below. The other Port of Walvis Bay is located at the west Coast of Africa and provides an easier and much faster transit route between Southern Africa, Europe, and the Americas.

**Figure 48: Harbour**



Sources: Google maps

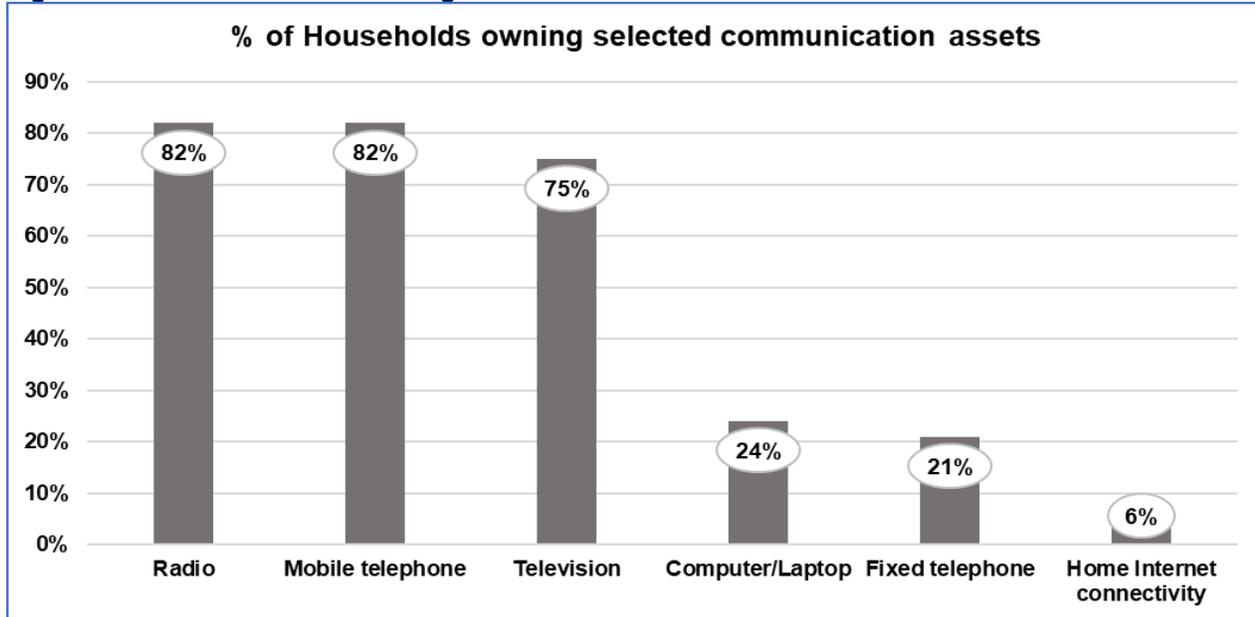
#### 10.9.6. Air Network

The Keetmanshoop airport is the biggest in the southern part of Namibia. The airport is located 5KM outside the town of Keetmanshoop. It has the capacity to cater for wide-bodied aircrafts, subject to prior approval by the Namibia Airports Company.

### 10.10. Information and Communication Services

Access to information is made effective with the population having access to communication devices. Figure 49 below, shows the proportion of households owning various communication devices. In Keetmanshoop, radio and mobile phone remains the most common forms of communication assets owned by households both at 82 percent of the population. About 75 percent and 24 percent of households in Keetmanshoop owns television and computer/ laptop respectively. However, only 6 percent of households have connectivity to internet services which indicates that internet usage could be low though mobile phones provide access to internet as well.

**Figure 49: % of Households owning selected communication assets**



Source: 2015/16 NHIES, 2011 National Census & First Capital Research

**10.10.1. Radio and Television Access and Infrastructure (Needs Internet)**

Namibia’s infrastructure development in information and technology has always enabled the Keetmanshoop residents to have access to information through radios and television. In Keetmanshoop, all the 7 national radio channels in various languages of the country administered by the Namibian Broadcasting Corporation (NBC) can be accessed. Furthermore, there are 7 extra radio channels available to Keetmanshoop residents which are equally accessible to most parts of the country. As shown in figure 49, most families in Keetmanshoop own a radio given the low cost to own a radio as well as the wide network access of the use of radio in the country. Equally, since radio owners are not obliged to pay license fees subjected on television owners, owning a radio remains cheap for most households. Access to television in Namibia is subject to annual license fees. Equally noted from observations is that still several households own a television.

**10.10.2. Telecommunication Access and Infrastructure**

The Namibian telecommunication market compared to African standards, is a well-developed market due to infrastructures put in place by both Telecommunications (Telecom) and the Namibian Mobile Telecommunications Company (MTC). Through observations and engagements with residents of Keetmanshoop, it was common that cellphones are widely owned and used as medium of communication by most individuals. MTC estimates that there are 2.5million active cellphone customers in the country which could be an indication that almost every adult individual could have a cellphone, with some owing more than one cellphone. Using the list of residential telephones registered with Telecom and the household population in Keetmanshoop, we estimated the coverage of access to telephones. Our

estimates indicate that about 13 in every 100 households own a telephone. This is in line with the available statistics of the national household survey.

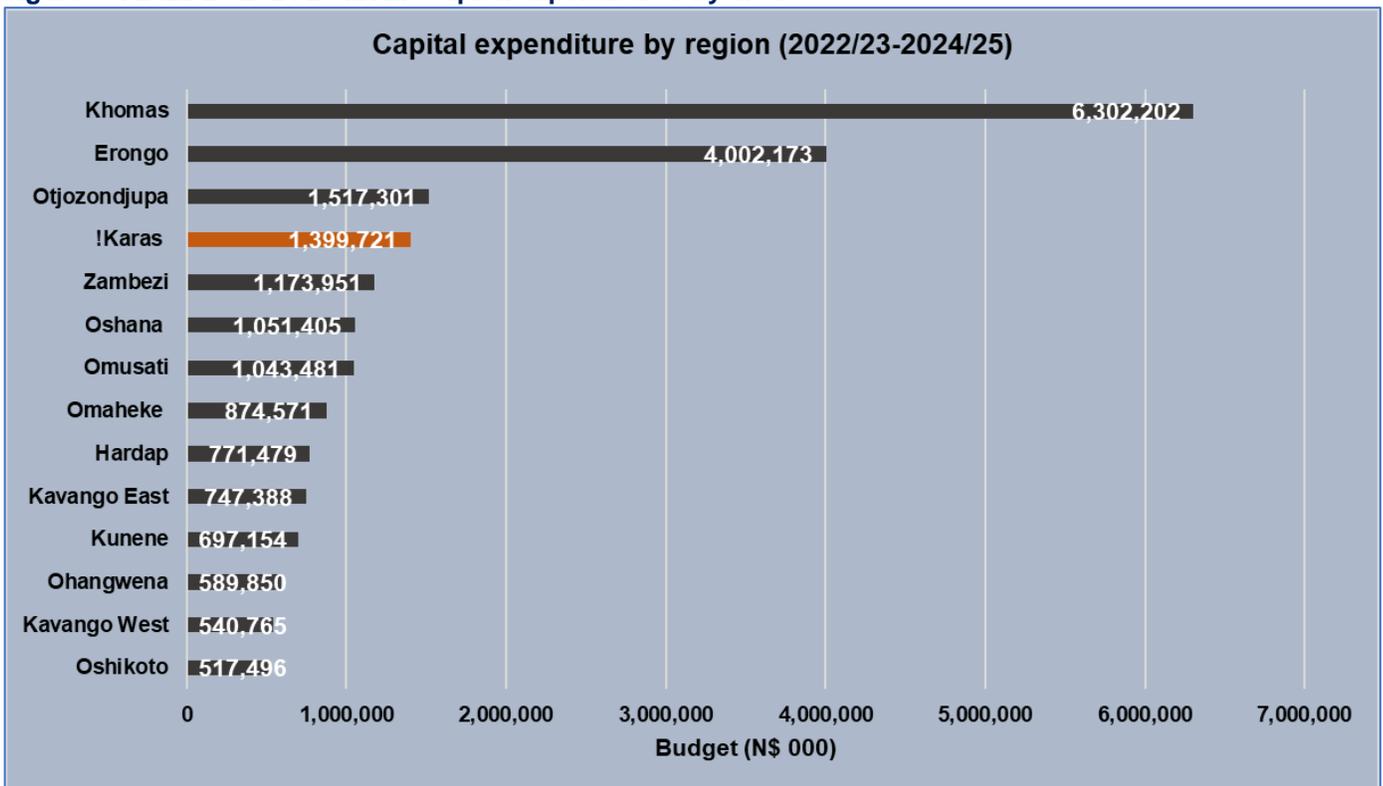
### SECTION 3: NATIONAL INFRASTRUCTURE PROJECTS

#### 11. INFRASTRUCTURE DEVELOPMENT 2018/19-2020/21 MTEF

##### 11.1. Government Expenditure by Region

During the 2022/23 financial year, the government has budgeted to spend N\$ 7.7 million on capital projects with new projects initiated while others will be a continuation of the previous periods. Over the (2022/23-2024/25) government has budgeted to spend N\$ 21.4 billion on capital projects. Figure 50 below shows the MTEF budget allocations by region for the budgeted projects. The government has budgeted to spend about N\$1.4 million on infrastructure development in !Karas region. The budget allocated for the capital projects in !Karas region is the fourth highest compared to public investment in other regions. However, the !Karas region has been attracting private investments in agriculture that compliments the high government investment in the region.

**Figure 50: 2022/23-2024/25 MTEF Capital expenditures by area**

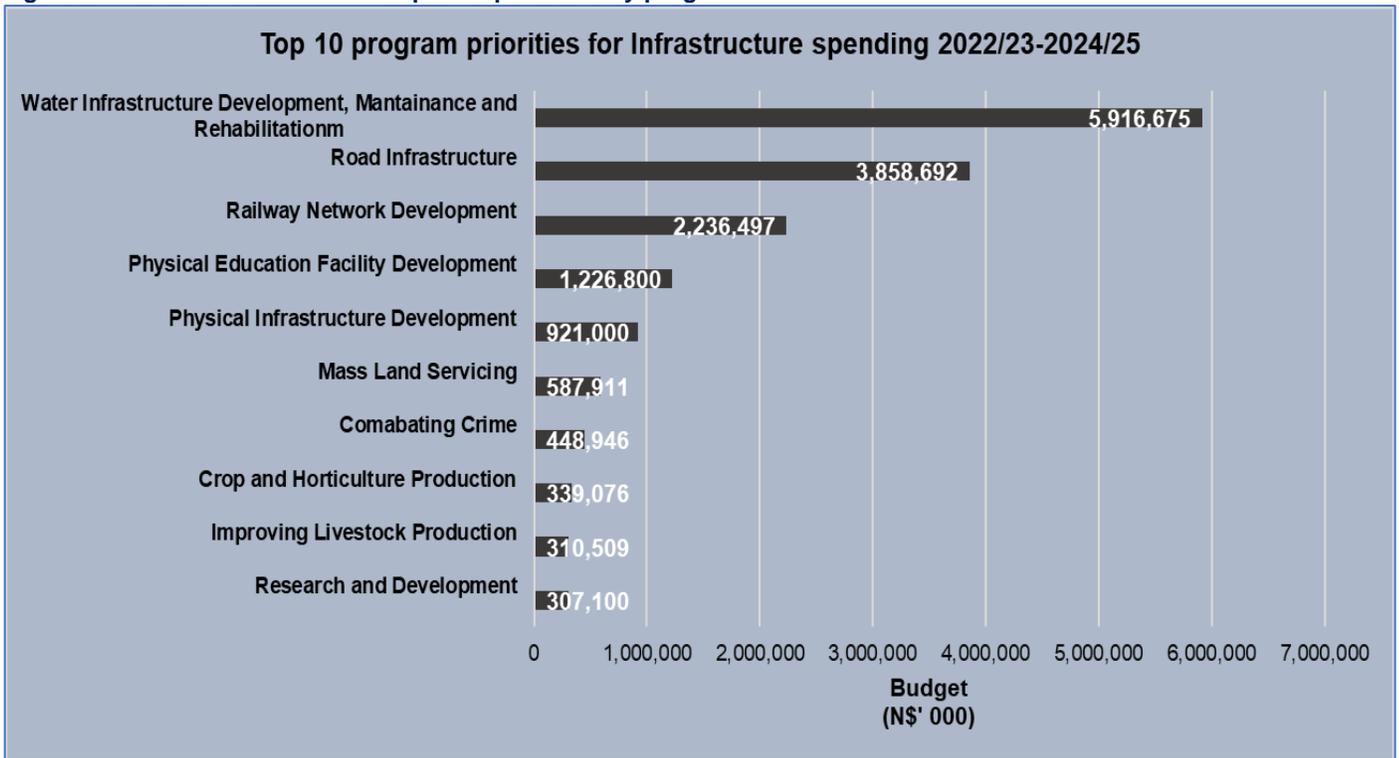


Source: Ministry of Finance

### 11.2. Top Programs of National Government Expenditure

Government’s top 10 spending priorities on capital projects are shown in figure 51. The most priority of investment for the MTEF period (2022/23 – 2024/25) is the water infrastructure development, maintenance and rehabilitation throughout the country which is budgeted to cost the government more than N\$ 5.9 billion. The second spending priority is on road infrastructure across the whole country which have a budget of N\$ 3.86 billion. The government has further budgeted to spend about N\$ 2.2 billion on Railway network developments.

Figure 51: 2022/23-2023/24 MTEF Capital expenditure by program



Source: MoF

### 11.3. List of National Major Government Expenditure Projects

Listed below in table 7 are major projects budgeted for the MTEF Period under review. During the MTEF period (2022/23 -2024/25) the government budgets to spend N\$ 969 million on upgrading of Walvis Bay - Kranzberg Railway. About N\$ 727 million will be spent on the Railway Network Upgrading in Otjozondjupa region. The upgrading of MR91 Gobabis - Aminius & MR 40 Aminius - Aranos (245Km) to bitumen standard, Construction of Water Supply Security Infrastructure (TCE) and Upgrading of the MR 44: Swakopmund -Walvis Bay Road (44 km) all received budgets above N\$ 500 million.

Table 7: List of Government's Major Capital Expenditures

No.	Implementing Agency	Project Name	Area of Implementation	(2022/23 -2024/25) Budget (N\$ '000)
1	Works Transport and	Ugrading of Walvis Bay - Kranzberg Railway	Erongo	969,919
2	Works Transport and	Railway Network Upgrading	Otjozondjupa	727,100
3	Works Transport and	Upgrading of MR91 Gobabis - Aminius & MR 40 Aminius - Aranos (245Km) to bitumen standard	Hardap	719,632
4	Agriculture, Water, and land reform	Construction of Water Supply Security Infrastructure (TCE)	Oshana, Kavango East	660,101
5	Works Transport and	Upgrading of the MR 44: Swakopmund -Walvis Bay Road (44 km)	Erongo	567,635
6	Works Transport and	Upgrading the TR9/1: Windhoek-Hosea Kutako Road to a dual carriage (44km)	Khomas	563,280
7	Works Transport and	Rehabilitation of the TR 1/16: Windhoek - Okahandja Road (67km)	Khomas, Otjozondjupa	561,158
8	Works Transport and	Construction of Swakopmund - Henties Bay - Kamanjab Link (412 KM).	Erongo, Kunene	441,921
9	Defense	Research and Development	Khomas	273,000
10	Agriculture, Water, and land reform	Northern Railway Line Extension	Oshana	250,540
11	Agriculture, Water, and land reform	Construction of Large Dams, Desalination and Provision of Water to larger Settlements	Karas	243,342
12	Works Transport and	Rehabilitation of the Southern Railway Line Section Sandverhaar-Buchholzbrunn	Karas	242,250
13	Defense	Upgrading of Leopards Valley Military Base	Khomas	235,836
14	Education, Arts and Culture	Establishment of Hostels at Schools Nationwide	Karas	142,200
15	Home affairs, Immigration, Safety and Security	Construction of Housing Accomodation at border posst and Outpost	Omusati	63,012
16	Higher Education, Training and Innovation	Upgrading and and Renovation of old power station for NUST Satelite Campus in Luderitz	!Karas	58,166
17	Urban and Rural Development	Extension of Ohangwena Regional council Office	Ohangwena	55,000
18	Health and social services	Upgrading and Renovations of Oshakati Intermediate Hospital	Oshana	52,000
19	Sport, Youth and National Service	Upgrading and Renovations of the Independence Stadium	Khomas	50,000
20	Home affairs, Immigration, Safety and Security	Construction of correctional facility at Evaristus Shikongo	Oshikoto	32,120
21	Industrialisation and Trade	Construction of Site and Premises Industrial Estate	Hardap	30,849
22	Urban and Rural Development	Establishment of a Rural Development Centre in Kavango West	Kavango West	30,500
23	Gender Equalit, Poverty Eradication and Social Welfare	Construction of Keetmanshoop Community empowerment Centre	!Karas	22,436
24	Fisheries and Marine Resources	Renovation and Upgrading of Keetmanshoop Fonteintjie Fish farm community project	!Karas	13,125

Source:MoF

## **12. INVESTMENT OPPORTUNITIES IN !KARAS REGION**

### **12.1. Private public partnerships**

The government has created a conducive environment for Public Private Partnership (PPP) investment. This includes the National PPP Policy of 2012, the Private Public Partnership Act, Act No. 4 of 2017 and PPP regulations. Investment opportunities include, amongst others, agriculture, renewable energy, public services in the health and education sectors, housing, land servicing, water provision, public asset maintenance and transport and logistics. Table 8 below, summarizes investment projects opportunities in! Karas region.

**Table 8: Summary of Investments in !Karas Region.**

Project Name (s)	Project description	Budget (N\$)	Status of Project
Orange River Irrigation Business Aussenkehr (Orib). <i>Located in Aussenkehr !Karas region.</i>	The Orange River Irrigation Business (ORIB) is operating on a state-owned farm and managed by a service provider, Cool Fresh Namibia, which is part of the worldwide Cool Fresh Group of Companies.	Additional Funding Required Equals N\$ 29,000,000	Commenced
Green Scheme Irrigation Farming Business - <i>Tandjieskoppe to be located along the Orange river.</i>	The Tandjieskoppe Green Scheme Business consists of 960ha of virgin land. The crops that were used to calculate the water demand and types of irrigation systems were date palms, table grapes and various cash crops, including vegetables and aromatic plants.	Total Estimated Cost equals (N\$700,000,000)	On Hold
20 Mw Solar Pv IPP Project.	Nampower will procure Independent Power producers (IPP) to develop one solar project through a competitive bidding process.	Total Investment estimated to cost N\$400 million (US\$28 million).	To commence
Luderitz Wind Power Project	The wind power project consists of 16 turbines, each with 2.5MW nameplate capacity. The project will have 100m high towers. Post completion of the construction, the project is expected to get commissioned in December 2022.	Estimated cost of project: NAD 1.1 billion	Commenced
500 MW WindNam Plant	WindNam is a utility scale wind farm project with a name plate capacity of 500 MW, to be developed within the Sperrgebiet National Park. The project aims to supply green and sustainable electricity to the national grid and possibly export into the SADC region under the Southern African Power Pool umbrella.	Required: NAD13.5 billion	To commence
Concentrated Solar Power (CSP) with Thermal Energy Storage (TES)	As a viable option to replace fossil fuel fired power stations, NamPower, Namibia's national power utility, will invest in CSP with thermal storage to combine operational flexibility with high-capacity value that provides 'flexible capacity' requirements to the Namibian power system.	NAD13 billion	To commence
Wheat and Maize Irrigation Scheme - <i>The location of the farm has not yet been established.</i>	Rentel Farming Development plans to farm 120 ha wheat and maize as main crops. The project will utilise center pivot irrigation, extracting water from the Okavango River. The company will erect four 30 ha center pivots to put 120 ha under irrigation and plant maize in summer and wheat in winter.	NAD20.8 million	To commence
Karakul Sheep farming opportunities	Karakul sheep is farmed on a large scale, new industries mainly milk processing, meat processing and clothing industry could be created. The Municipality has 88 camps each between 4 to 5 hectares available for rent to investors or farmers at N\$2 per square meter. Camps located along the Karasburg road can benefit from water points installed along the road. In addition, the municipality availed 50 hectares of land for urban agricultural projects.	Cost not established	To commence
Crude oil extraction	Oil was recently discovered at Vaalgras, a village which is located 60 kilometres northeast of Keetmanshoop. The Graff-1 well has proved a working petroleum system for light oil. Drilling operations were completed in early February 2022. In the coming months, the focus is on performing extensive laboratory analyses to gain a better understanding of the reservoir quality as to potential flow rates achievable. According to the minister of Mines and Energy, Honorable Isak Katali, an estimate of 11 billion barrels in oil reserves have been found.	Cost not yet established	To commence
Commercial Cattle Feedlot	The agricultural sector is central to the lives of most of the Namibia's population. Directly or indirectly, it supports over 70% of the population. However, the sector's contribution to the country's GDP is marginal relative to the contribution by sectors such as mining and retail trade. Among many factors contributing to this is the lack of value addition in the sector and the over reliance on external markets. Nackatel dam has the capacity to provide water for such an important project.	Estimated cost is NAD149.9 million.	To commence

Source: Ministry of Industrialization and Trade

## CONCLUSION

In this report we have presented the economic profile of Keetmanshoop. One of the notable challenges in the town is housing, as the demand is higher than supply. The demand stands at 6,687 while supply is 5,030. The local economy is private sector driven, and the rapid growth in local infrastructure developments indicates the future growth potential of the town. Furthermore, despite its growing agricultural farming base, access to financing especially for communal farmers remains a challenge to enhance the potential further. The town's population concentration in the working age population highlights the availability of employable individuals for industries in the town. Additionally, there are myriad of opportunity in the region that can bring investors return on their investments. These opportunities are predominantly in the energy, manufacturing, and agricultural sector.