

Development Bank of Namibia

Toward Climate Financing

November 2019



About the DBN

- ❑ Established by an Act of Parliament : Development Bank of Namibia Act 8 of 2002
- ❑ Operating since 2004 (15 years of existence), first loan 2005
- ❑ Mandate
 - ❑ to contribute to the economic growth and social development of Namibia by providing financing in support of key development activities



About the DBN

- ❑ N\$15.6 bil (USD1.04 bil), approved since 2005 (As at Sept 2019)
- ❑ N\$8.5 billion (USD 567 mil) Loan Book at Sept 2019
- ❑ 90% debt financing, 10% Equity
- ❑ 80% large businesses, 20% SMEs
- ❑ Gearing level (70:30), Pricing is risk adjusted
- ❑ Up to 20 years
- ❑ **Clients base:** SOEs, local authorities, PPPs, private businesses



About the DBN

- ❑ Aligned to the country's development plans
- ❑ Prioritizes social economic issues of the country
 - ❑ Unemployment, poverty alleviation, economic and income inequalities (socio economic transformations)
- ❑ Key sectors of funding
 - ❑ Infrastructure
 - ❑ Transport and logistics
 - ❑ Tourism
 - ❑ Manufacturing



Source of finance

- Money and Capital (debt) Markets
- Multilateral (s) – AFDB
- DFIs - KfW

- DBN seeks for more finance



DBN's Experience with Climate Related Projects

- Pioneering finance for renewables –
 - Solar
 - Wind
 - Biomass
- Infrastructure
- Finance environmentally sustainable businesses



DBN's GCF Accreditation : Benefits

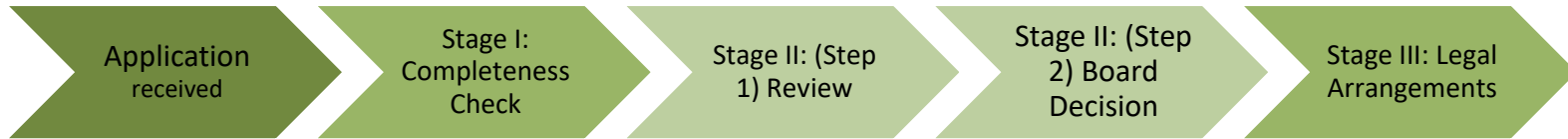
- “mobilizing financial and other resources from the private and public sectors nationally and internationally”
- Targeted financing - for climate change related projects of the Bank
- Additional source of finance



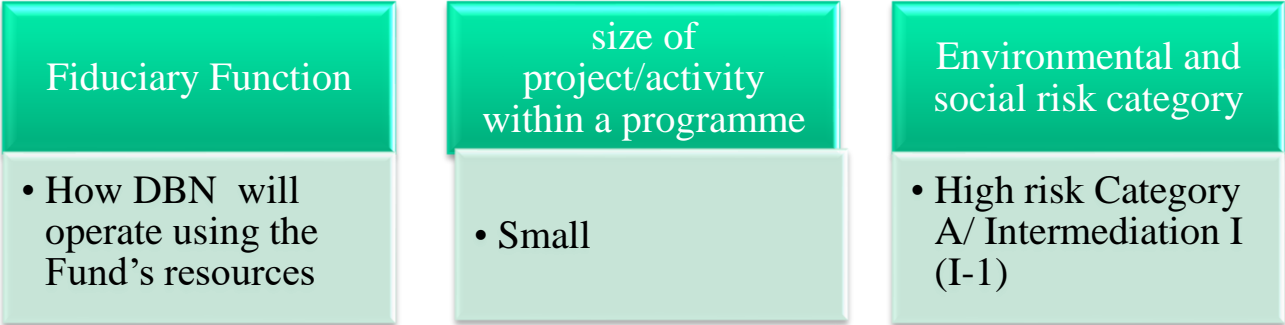
DBN GCF Accreditation Status



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❑ Based on DBN’s fiduciary functions, size of project/activity within a programme, and environmental risk category



Small

USD 10 - 50 mil
NAD150 - 750 mil



DBN's Funding to- date



Minimum

- USD 10,000
- NAD 150,000

Single obligor limit

- USD 27 mil
- NAD 400 mil

Biggest loan to-date

- USD 270 mil
- NAD 4.3 bil



Types of Instruments

- Senior debt
- Subordinated debt
- Equity
- Guarantees
- Grants



Types of Activities for Funding

- Clean energy
- Transportation & logistics
- Construction/building
- Manufacturing
- Agriculture & forestry
- Water



What caused the delays



□ Planning to resubmit in a few months' time



Expectations (Opportunities) from the workshop

- Source of finance opportunities
- Co-financing
- Gain knowledge and information among experts in the region



Thank you

Questions ?

