

Residence by Investment Options in Namibia



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There is now an option to achieve residence by investment in Namibia. Where is Namibia? And why does this opportunity now exist?

Namibia is in Africa. It's in the southwest of the African continent and borders South Africa, which is its biggest neighbor. It's a country that is very well known from a tourism perspective with a beautiful coastline, deserts, landscapes, very popular with safaris, as a lot of countries are in southern Africa.

The reason that this option now exists is that the government is working on an overall residence by investment regime, which is yet to be implemented. They are looking for foreign direct investments. One of them is into this project, which we can discuss a bit more today, but there's a lot of other projects available. There's big oil and gas discoveries off the east coast and there are big green hydrogen projects. So, there is a lot of interest inwards into Namibia, and they're looking at how they can tap into investor migrants as part of that foreign direct investment.

How does one obtain residence by investment in Namibia?

Namibia currently doesn't have a residence by investment program as we see in other areas of the world, like the golden visa options in Europe as an example. The method of getting residence by investment currently is done through the existing immigration laws that are in Namibia. There is a specific real estate project in Walvis Bay, which is one of the biggest cities in Namibia. This is an eco-friendly golf course development with about 500 to 600 villas on it. And individuals are now able to invest into these real estate options on this golf course development, and in return they would get residence in Namibia.

The way it actually works is there's a company, an SPV, that owns a hundred percent of the property, and the investor is effectively acquiring the company that owns the property. And this company then is issuing a five-year work permit to the investor, which is renewable after five years, and they can include their spouse and dependents as well. And under the current laws in Namibia, once you have been a resident for at least seven years, you can also become a permanent resident. This is the attraction for a lot of our clients.

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Why would HNW clients consider this option and where do you currently see the most demand coming from?

Namibia has a number of attractive points to it. One of them, which we see from a lot of our international clients is, it's a great plan B option. More and more high-net-worth individuals globally are looking to diversify their portfolio of residence and citizenship. A lot of the time we get queries from clients in Europe and the northern hemisphere, looking at what options are in the southern hemisphere. Historically a lot of our business has been working with clients in the southern hemisphere looking for EB-5 visas in the US or access to Canada, the UK. Europe of course is also a very popular destination and there are a few investment migration programs available in Europe. But more and more now we see interest from those in the northern hemisphere asking about the southern.

Over the years we've looked at a number of options to add onto our shelf of options that we assist clients with. And typically, there have been a few options in the south. In South America and of course in Southeast Asia, countries like Thailand and Malaysia have options. Australia and New Zealand have their investor visas, but there haven't been many options in Africa. Namibia is quite an interesting one. I think it's the country with the third lowest population density in the world. There are only 2 million people in Namibia, so there are a lot of wide open spaces and it's a very safe country. And that's the attraction.

In countries like South Africa, there's a high demand from high-net-worth individuals who are not necessarily looking to leave the Southern African region but might be looking for countries that are safer and more attractive, and Namibia is certainly one of those.

From a tax perspective, it's also quite interesting for high-net-worth individuals because it's one of few countries like Singapore and Hong Kong that have a territorial tax system. If you do physically move there and become a tax resident, a lot of your worldwide income is not taxed in Namibia. Their focus is more on taxing on local sourced income in the country. Tax might therefore be a driver, safety definitely, and as I said, it's really just a plan B.

For most global citizens now, you need to have two, three, or four countries where you can take your family to, whether it's for short, medium, or long term. And we believe, given the interest that we've seen from clients and individuals around the world, that Namibia certainly will be one of those options going forward.

There are many other investment migration options available around the world today. Which would you say are the most obvious alternatives to Namibia?

The most direct alternative (or even competitor depending on how you look at it) would be in Mauritius. What we've seen so far is the bulk of the interest into this Namibian option is coming from high-net-worth individuals based in South Africa. And that's the same for Mauritius. Mauritius has a residence by investment program, which is also real estate-linked. And by far the majority of interest there is from South Africans, followed by the French, for historical reasons.

In Namibia, again, we see the majority of the interest coming from South Africans, but because it was previously a German colony, we see a lot of interest coming from Germany and surrounding European neighbors. And that's probably the most obvious one. Otherwise, any other investment

migration program that has some sort of a real estate element to it. Most notably the options that are available in Europe, like Spain and Greece, where real estate is the most popular option for international investors to gain residence in those countries. So, for now, those would be the key alternatives or competitors for this option.

In terms of the more technical aspects of the investment, there's a range of real estate options available and this can range from USD300,000 up to USD800,000 or USD900,000 depending on the configuration of the unit. This is anywhere from a two-bedroom retirement apartment up to larger five-bedroom villas. The processing time, which is an important aspect for a lot of our clients, is also very fast, especially relative to other options in the investment migration industry. There's a very good website for this project, which investors can visit. They are able to select the plots on the development where they would like to purchase their units. And once they've done that, they can actually start the application process online. They can download the application documents, sign those, complete those, upload them with the normal passport copy, marriage certificate, birth certificates if there's dependents included. Once we have the documents we need, we submit that to Home Affairs in Namibia, and they would take on average only about three months to process the application and issue the work permit.

The project itself is a greenfield project and construction of that will still take probably two to three years, but the individual will have their residence permit within about three months of selecting their units and just paying the initial deposit and that would already allow them to move to Namibia if they so wished. ■