



SMEs show exponential growth

ITEC Namibia commenced its Windhoek-based operations in December 2005 with four employees. It now has a 14-person strong staff complement, an office in Walvis Bay, a service and sales depot in Ondangwa, three times more machinery than when it started, and big plans for the future.

"We're growing and things are only getting better," says General Manager, Johann Tredoux.

Angermund Transport owner, Pieter Angermund, expresses a similar sentiment. "My business is flourishing. It's growing by the day. I've bought a second truck since starting the business in February."

ITEC Namibia and Angermund Transport are among the 19 companies, most owned by Previously Disadvantaged Namibians, whose loans were approved through the DBN/Bank Windhoek partnership launched in August 2005. The partnership makes affordable financing available to businesses by pooling resources and rationalising infrastructure.

The loan beneficiaries are based in six of Namibia's 13 regions, representing the manufacturing, services, tourism and transport sectors; and have created a total of 169 jobs so far.

"Having my own business fills me with pride. Seeing my trucks makes me feel really, really good," says Angermund.

Leonard Benyera joined Omafo Steel Works in January because of his passion for quality and teaching. The company manufactures window frames and fencing material for a localised market, but plans to move beyond this on the back of their craftsmanship.

"Our standards are good. When it comes to quality, we're not afraid of anyone."

Omafo Steel Works employs seven people, all trained by Benyera. His ambition is for the company to employ at least 100 people in two to three years. "I want to create something that offers



Partnership for Economic Growth: DBN, the GTZ (German Technical Cooperation) and Bank Windhoek are working together to help improve SMEs' chances of success. Pictured at the April signing of the Memorandum of Understanding marking the beginning of the tri-partite arrangement, are (left to right) Tobias Gerster, GTZ Partnership for Economic Growth leader; David Nnyoma, DBN CEO; Penny Akwenye, DBN Seconded to Government, working as the Millennium Challenge Account Namibia National Coordinator; Christiane Kalle, GTZ Country Director; and Kauna Ndilula, Bank Windhoek National Manager: ESME.

tangible support. Employing 100 people means we can help support up to 500 people. And I believe that training one person ultimately translates into training 20 people."

For Benyera, the company slogan, 'Forward ever, backward never,' is a personal calling. "I'll be happy if we can grow, and we should, because our product is so good."

But it's not all bliss. Omafo Steel Works faces cut-throat competition from cheaper South African giants, while market entry is a foremost challenge for ITEC Namibia and Angermund Transport too.

"We've undertaken to make an impression on the market. We have the right profile, product, people and resources, and are facing the challenge head-on," says ITEC Namibia's Tredoux.

Though totally aware of the challenges facing companies in aviation, another loan beneficiary, Tinus Dreyer, owner of the Windhoek Flight Training Centre, is confident of his growth prospects.

"We're definitely going to expand," he says of the company he bought in September 2005.

The centre has 27 students signed up at the moment, ready to fill the increasing demand for pilots as the airline industry recovers from the post-9/11 slump.

As part of the arrangement between the banks, DBN transferred the second N\$ 10 million of the Line of Credit to Bank Windhoek this month.

The partners agreed that their contribution to transforming the SME sector is the most significant outcome of the association.

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Smart technology, great advancement

"Everyone is included. Everyone can participate. Things will never be the same again," said Sakaria Nghikembua, Namibia Post Limited CEO, at the 6 June signing of DBN's N\$ 15 million loan to the company to invest in SmartSwitch Namibia.

A joint venture between Nampost and Net 1 Applied Technologies South Africa, SmartSwitch Namibia launched its smart card switching payment system at the beginning of the year.

The system is based on the Universal Electronic Payment System (UEPS), developed with the specific intent to produce technology that would be available and accessible to all. With the system, customers are able to effect transactions



'Anyone, Anywhere, Any time, Any amount': These are the four key concerns the Universal Electronic Payment System (UEPS) set out to address. UEPS uses smart card technology to provide a fully integrated payment, switching and settlement system suitable for multiple applications, products and services meeting the requirements of under and un-banked populations.

'offline' in under-developed areas, using their fingerprints as identification. All transactions occur between two cards at

a Point of Sale (POS) rather than through a host mainframe.

"This technology helps us leapfrog, in a very real sense, the much-talked about digital divide, bringing Silicon Vally, in a sense to Namibian fingertips," said David Nuyoma, DBN CEO, at the signing.

He added, "DBN supported this project because it personifies what we look for in projects. It's pro-poor, in line with our undertaking to contribute to economic growth and social development in Namibia; it represents a joint venture with the company owned by the inventor of the tech-

nology; and it is ground-breaking and innovative. Our doors are open to projects with these qualities."

Revamped site almost ready

We're giving our website a make-over to enhance its appeal, usability and inter-activity. Here's a preview of the renewed site.

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"The success achieved so far has many reflections and is meaningful. But we've learnt a lot from the areas in which we've performed poorly. We've made a good choice by partnering with Bank Windhoek in this venture and will continue to work on the basis of established business principles in our support to SMEs," said Asnake Getachew, Chairperson of DBN's Special Development Committee, at the occasion marking the transfer.

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DBN was launched on 29 April 2004 to contribute to economic growth and social development by providing capital and advisory services to projects with a positive development impact.

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*The DBN, PO Box 235
Windhoek, Namibia
142 Robert Mugabe Avenue
Tel. +264-61-290 8000
Fax. +264-61-290 8049 info@dbn.com.na*