International Labour Organization

Aligning Skills Development with Sustainable Investment for More and Better Jobs

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Experience of the Namibia Investment Promotion and Development Board

Introduction

Namibia's Investment Promotion and Development Board (NIPDB) treats skills development as a key pillar of its investment promotion and development mandate, using labour market data and the ILO Skills for Trade and Economic Diversification (STED) methodology to identify skills gaps and align foreign direct investment (FDI) with productive, formal and future-oriented employment. By building a national picture of skills demand and supply, developing sector skills strategies in priority industries, and partnering with government, training providers and employers, NIPDB seeks to ensure that sustainable investment translates into more and better jobs and expanded opportunities for Namibians.

Linking Investment Promotion, Skills and Decent Work in Namibia

Namibia faces high unemployment, particularly among young people, despite significant investment potential in sectors such as energy, logistics, mining and tourism. In this context, NIPDB positions itself as a connector between investors, policy makers and education and training systems. It uses data on the local context to inform national and sectoral strategies, with the aim of ensuring that FDI contributes to decent employment, a just transition and long-term sustainable development.

Skills availability is a decisive factor in investment decisions. Investors want to know whether the technicians, professionals and managers their projects require, both now and in the future, are available in the country. To respond to these needs, NIPDB focuses on strengthening the broader skills ecosystem. It is working to:

- Build a macro level understanding of the economy and its projected growth paths
- Identify current and future skills needs in priority sectors
- Highlight mismatches between skills supply and demand
- Develop evidence-based recommendations and propose suitable implementing partners

This work is informed by sustainable development and decent work objectives and international standards. NIPDB links skills development to decent wages, adequate living standards and inclusive economic growth, and seeks to ensure that both foreign and domestic investors have access to the skills needed to support sustainable investment in the country.

Table 01-About the Namibia Investment Promotion and Development Board (NIPDB)

About the NIPDB
The NIPDB is the country's national investment promotion and development agency, mandated to attract and facilitate investment. It focuses on aligning FDI with national development priorities and decent work, using skills and labour market data as key enablers of sustainable investment and more and better jobs for Namibians.

Building a National Picture of Skills Demand and Supply

NIPDB is undertaking efforts to develop a clearer, more integrated picture of Namibia's skills demand and supply so that education, training and investment decisions can draw on up to date labour market information.

Namibia's skills and labour market data are currently dispersed across multiple institutions and often subject to time lags. In this context, NIPDB positions itself as a sophisticated user of secondary data, bringing together information from:

- Namibia Statistics Agency, the census and labour force surveys
- Ministry of Education data systems
- Higher education and technical and vocational education and training (TVET) annual reports
- Intergovernmental and non-governmental organizations
- External platforms such as LinkedIn

These sources are combined into a national Namibia State of Skills Demand and Supply report that maps the skills pipeline, identifies mismatches and highlights critical skills for economic growth. Drafts are peer-reviewed by partners in government and education to ensure quality and alignment with existing systems.

At the same time, NIPDB is working with the Ministry of Justice and Labour Relations and other partners on a live, interactive labour market data system that would:

- Track employment by sector, occupation and skill level
- Show which occupations are held by Namibians and at what level
- Provide up to date statistics on skills demand and supply
- Serve as a research tool and public information source on labour market trends

The long-term vision is an integrated labour market information system with up-to-date data that supports informed policy, education and investment decisions.

Using the ILO STED Methodology to Design Sector Skills Strategies

The ILO's STED methodology helps countries identify and meet the skills needs of tradable sectors that can drive economic and social development. It supports the design of sector skills strategies aligned with trade, industrial and investment priorities.

To better connect skills development with investment and diversification goals, NIPDB has applied STED in the energy sector. Working with national partners, it analysed the full energy value chain to identify skills gaps and bottlenecks and developed the 2025 Skills Strategy for the Energy Sector. The strategy examines global and national energy trends and the technical and soft skills needed to position Namibia as a regional energy hub. It aims to ensure that investment in green hydrogen and other energy projects contributes to decent employment and a just transition for Namibians, while also enabling workforce mobility and global opportunities.

Through the application of the ILO STED methodology, sector skills strategies such as this one aim to close skills gaps so that sector growth generates more and better jobs and supports inclusive and sustainable development.

Creating Pathways for Young People and Global Opportunities

With around 70% of the population being young, tackling youth unemployment is a central concern in Namibia. NIPDB works with national and international partners to create pathways that connect young Namibians to both domestic and global labour market opportunities. Key initiatives include:

- Global employment partnerships
  Collaboration on German apprenticeship and skills exchange programmes with the Ministries of Education and Justice and TVET institutions. These programmes allow young people to gain experience abroad, earn decent incomes and return with new skills.
- Collaboration with international employers
  Engagement with employers in sectors such as cruise tourism, where Namibians can demonstrate their skills in a highly international environment. This work also helps identify bottlenecks, for example language requirements, the costs of complying with international standards and funding constraints for candidates.
- Youth employment incentives
  A national youth tax incentive introduced in 2024 to encourage employers to hire young people and invest in their professional development.

NIPDB also recognises that access to information on education and training opportunities is often concentrated in urban areas and among those with better connectivity. To address this, it has developed a web-based Study Opportunities platform that aggregates bursaries, scholarships and other education and training options across the country, with the aim of supporting a national rollout in partnership with regional actors. The longer-term objective is to build a pipeline that tracks individuals from school through TVET or higher education and into employment, allowing for more strategic responses to youth and graduate unemployment.

Partnerships, Policy Influence and Governance

NIPDB's work on skills is linked to collaboration with the Ministries of Labour, Education, Home Affairs and Justice, as well as with national statistical and quality assurance bodies. It also engages industry associations and companies in key sectors and works with universities and research institutes, including those focused on green hydrogen.

Evidence generated by NIPDB is used to inform policy in several ways. The Namibia State of Skills Demand and Supply report underpins a critical skills list that can be used to identify priority skills for economic growth and adjust legislation and immigration policy where needed. The Ministry of Home Affairs has requested NIPDB's analysis of skills availability in key sectors to inform work permit decisions and the design of skills transfer and job shadowing requirements. The forthcoming launch of the energy skills strategy is expected to signal high-level political commitment to evidence based skills and investment policy.

NIPDB also runs a One Stop Centre for investors, which serves as an entry point for administrative procedures and as a channel for connecting investors to emerging skills and data systems that can support the planning of sustainable operations in Namibia.

Lessons Learned and Way Forward

NIPDB's experience offers several lessons that may be of interest to institutions seeking to align investment promotion, skills development and decent work outcomes:

- Skills as a strategic pillar of investment promotion
  Treating skills development as a core part of the investment promotion mandate, rather than a separate training function, can help align FDI with productive, formal and future-oriented employment.
- Using labour market and skills data
  Systematically bringing together existing data sources into a national picture of skills demand and supply, and working towards an integrated labour market information system, supports more informed decisions on education, immigration, investment facilitation and sector priorities.

- Sector skills strategies for just transition and diversification
  Applying the ILO STED methodology to priority sectors can help identify critical skills along value chains and design strategies so that investment contributes to decent employment and a just transition.
- Pathways for young people and global opportunities
  Partnerships on apprenticeships, skills exchanges and international employment, combined with national incentives and information platforms can open pathways for young people into both domestic and global labour markets while feeding back lessons on barriers and bottlenecks.

Looking ahead, continued investment in labour market information systems, the extension of sector skills strategies to additional industries and the further development of youth pathways and partnerships can help ensure that future investment in Namibia is better equipped to support formal employment, skills upgrading and sustainable, inclusive growth.

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