



VOTE 19: MINISTRY OF INDUSTRIALIZATION, TRADE & SME DEVELOPMENT

BUDGET SPEECH

BY

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MINISTER OF INDUSTRIALIZATION, TRADE AND SME DEVELOPMENT**

NATIONAL ASSEMBLY, 18 APRIL 2018

“Growth at Home”

Honourable Chairperson of the Whole House Committee

Honourable Members of this August House

It is with much gratitude and privilege that I stand to present to this August House, the estimates of expenditure for Vote 19: Ministry of Industrialisation, Trade & SME Development for the Financial Year 2018/19.

During the financial year 2017/2018, the world over continued to experience economic distress. Several factors have contributed to this outcome. Economic growth in the developing and emerging market economies experienced a slowdown for the sixth consecutive years. Advanced economies have shown only a modest recovery. Namibia just like other developing economies has been affected by these major changes in the world economy.

Let me now reflect on the details of the budgetary allocations to Vote 19 for the 2017/18 fiscal year.

The total budget allocation to the Ministry of Industrialization, Trade and SME Development for the financial year 2018/19 is **THREE HUNDRED AND FORTY SEVEN MILLION SEVEN HUNDRED AND SEVENTY EIGHT MILLION NAMIBIAN DOLLAR (N\$347,778,000)**

This allocation is divided into **ONE HUNDRED AND NINETY TWO MILLION SEVEN HUNDRED AND SEVENTY EIGHT THOUSAND (N\$192,778,000)** FOR THE OPERATIONAL BUDGET AND **ONE HUNDRED AND FIFTY FIVE MILLION (N\$155,000,000)** for the DEVELOPMENT BUDGET.

This allocation represents an overall budget decrease of **TWO HUNDRED AND TWENTY SEVEN MILLION FOUR HUNDRED AND TWELVE THOUSAND NAMIBIA DOLLARS (N\$227 412 000)** or 39.5%

The Operational budget of the ministry decreased by **ONE HUNDRED AND FORTY FOUR MILLION FOUR HUNDRED AND SIXTY THOUSAND NAMIBIA DOLLARS (N\$144 460 000)** or 43%

The capital budget decreased by **EIGHTY TWO MILLION NINE HUNDRED AND FORTY SIX THOUSAND NA MIBIA DOLLARS (N\$82 946 000)** or 35 %.

In order for this August House to appreciate the financial predicament facing the ministry in this financial year, I need to go beyond the figures and indicate how the operational budget will impact on the performance of the ministry.

From the total operational budget of N\$192million, the operational budget is allocated as follows:

SADC meetings and Summit	N\$50 000 000
Integrated Client Service Project	N\$20 000 000
Remuneration	N\$86 672 000
Utilities	N\$ 5 362 800
Maintenance Expenses	N\$ 800 000
Security contracts	N\$ 3 600 000
SADC Membership Fees	<u>N\$26 342 820</u>
Total	N\$192 777 620

As can be seen from pages 278-79 of the Estimates of Revenue, Income & Expenditure book, there are zero allocations to very critical operational areas of the ministry including support services to the SMEs, zero provision to all Commercial Offices and SOEs resorting under the ministry. This state of affairs will undoubtedly lead to dysfunctional ministry, SOEs and Commercial Offices.

Activities in this ministry are grouped under five (5) main Programmes, namely:

- ❖ Trade Promotion
- ❖ Industrial and Business Development
- ❖ Investment Promotion
- ❖ Special Industrialization Initiatives
- ❖ Supervision and Support Services

The focus of the programmes indicated above and the specific allocations are discussed as follows:

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1. TRADE PROMOTION PROGRAMME

An amount of **NINETY EIGHT MILLION TWO HUNDRED AND FIFTY EIGHT THOUSAND NAMIBIAN DOLLARS (N\$98,258,000)** has been allocated to this programme.

This programme consists of two main components, namely Domestic and External Trade Management.

1.1 Domestic Trade Management

An amount of **TWENTY THREE MILLION FIVE HUNDRED AND TWO THOUSAND NAMIBIA DOLLARS (N\$23,502,000)** has been allocated to this activity.

This activity focuses on the development and adoption of an appropriate legal, regulatory and institutional framework for effective registration, establishment and operation of business; the registration, protection and enforcement of intellectual property, standards conformity assessment and franchises, as well as promotion and safeguarding of consumer welfare and market competition as important conditions for a vibrant and robust domestic economy.

To meet these needs, specialized regulatory and service agencies have been established such as the Business and Intellectual Property Authority, Namibia Standards Institution, the Competition Commission and the Namibia Estates Agents Board.

Under the domestic trade management activity, we envisage to do the following in the 2018/2019 financial year:

- Continue to provide financial support to SOE's executing our mandate, namely Business and Intellectual Property Agency, Namibia Competition Commission and the Namibia Standards Institution for their full functioning.
- BIPA has planned to construct its own Archive Warehouse (Katutura) and to construct a head office.
- Digitalization of the Archives is work-in-progress.
- To open all regional offices.

- Waiting for the tabling of the draft National Consumer Protection Policy in the National Assembly during the 1st quarter of the year 2018 and drafting.
- The draft Chemical Weapons and Control Bill is approved and submitted to CCL for approval.
- Completion of construction of the Inspection Centre in Walvis Bay.
- Introduce new inspection and market Surveillance.
- Implementation of the Laboratory Information Management System (LIMS) to automate the laboratory processes.
- Implementation of the Enterprise Resource Planning (ERP) to automate all the laboratory processes.
- The Commission will host its Annual Competition Week. This is an event that brings together industry, academia, competition practitioners and civil society to discuss pertinent issues pertaining to competition in the economy. The emphasis is to create awareness and highlight the benefits of competitive markets in the economy.
- The Commission will also continue to conduct market studies in the Housing, Construction, Health and the Lands sectors respectively.
- In support of overall national priorities of economic growth and social development as outlined in the Fifth National Development Plan, the Harambee Prosperity Plan and Vision 2030, the Namibian Competition Commission's mandate is to promote efficiency, adaptability and development of the Namibian economy; provide consumers with competitive prices and product choices and promote employment and advance the social and economic welfare of Namibians.

1.2 External Trade Management

An amount of **SEVENTY FOUR MILLION SEVEN HUNDRED AND FIFTY SIX THOUSAND (N\$74,756,000)** has been allocated to this activity.

The purpose of this activity is to increase the volume, value and range of Namibian goods and services that are exported as well as securing external markets and preferential market access conditions for local products in regional and global markets. In this regard, the Ministry has devised an export development and promotion programme and undertakes targeted promotional activities such as trade missions, fairs and exhibitions; product and

market research and development; and construction of trade estate centres in identified
target external markets.

Achievements:

- Within the framework of trade facilitation Namibia has ratified the WTO Trade Facilitation Agreement in 2017.
- Cabinet has approved the Business Model for the National Single Window Environment in Namibia which will be hosted by Namport. The Single Window will thus bring about a shift from the current paper based systems to ICT based automated environment and increased efficiencies.
- With respect to COMESA-EAC-SADC Tripartite Free Trade Area (TFTA), the negotiations are at an advanced stage. The TFTA Framework Agreement has been concluded, trade remedies and dispute settlement annex has been finalised and substantial progress has been noted in concluding the two outstanding annexes on rules of origin, and tariff elimination.
- In an effort to achieve its industrial agenda as well as to safe guard Namibia's domestic industries, notable progress has been achieved in the drafting of the Namibia Board of Trade Bill.
- To continue having market access for Namibian products in the EU market, government developed a National EPA Implementation Plan that will assist Namibia on how best to address and implement the different issues under the SADC EPA - EU Agreement.
- Namibia, together with other SADC Member States concluded negotiations in the first four priority sector such as Communication, Financial, Transport and Construction Services.
- Namibia has entered into a SADC Trade Related Facility contribution agreement with the EU. The TRF will support the (Industrial, Upgrade and Modernisation Programme (IUMP) and enhance the systems that allow for improved market access of Namibian goods and services.

For the Financial Year 2018/19, the focus under this programme will be on the following activities:

- Engagement in bilateral, regional and multilateral trade and economic integration arrangements, particularly to finalize the negotiations towards the African Continental Free Trade Agreement, Tripartite Free Trade Area amongst Common Market for East and Southern Africa (COMESA), East African Community and Southern African

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Development Community (SADC), which itself will be a stepping stone towards the Continental Free Trade Area,

- Development of Namibia's Trade Policy in collaboration with UNCTAD, based on the adopted Industrial Policy and the Growth at Home Strategy.
- Securing market access to mitigate the challenge facing Namibia in terms of the small size of its domestic market and small industrial base, the Ministry will continue to lead negotiations and trade missions for market access in the international market.
- Promoting Trade Facilitation through the National Single Window Project to facilitate and streamline import and export procedures which will reduce transaction costs in the conduct of business and cross border trade.
- To deal with issues related to unfair trade practices, tariff investigations and tariff setting the Ministry will fast track the establishment of the Namibia Board of Trade being the national body required under the 2002 SACU Agreement. This is an important obligation on which work has started with the next step being to review and finalize the draft Bill for consideration by Cabinet and Parliament.
- Develop Negotiation Strategy on Trade in Services that will enable the local service providers to take full advantage of market access opportunities in other Member States on Trade in Services.
- Finalise development of National Trade Policy Framework. The framework is intended to establish the strategic outlines of a subsequent, more focused policy formulation process.
- Conduct 1st phase of the supplier development program to enhance and develop capacity for selected Namibia clothing and apparel manufacturers to meet the requirements of South African clothing retailers, and continue signing up signatory to the retail charter with the aim of increasing Namibian manufactured products.
- Finalize the feasibility for the establishment of GS1 accredited Bar Code Centre which aims at enabling manufacturers to meet minimum requirements for shelf space entry.

2. INDUSTRIAL AND BUSINESS DEVELOPMENT PROGRAMME

An amount of **ONE HUNDRED AND FIFTY FIVE MILLION, TWO HUNDRED AND THIRTY THOUSAND NAMIBIA DOLLARS (N\$155,230,000)** has been allocated to this Programme.

This programme consists of two main activities; namely Industrial Planning and Development and Small Business Development.

2.1 Industrial Planning and Development

An amount of **ONE HUNDRED AND EIGHT MILLION SIX HUNDRED AND SIXTY ONE THOUSAND NAMIBIA DOLLARS (N\$108,661,000)** has been allocated to this activity.

The purpose of this activity is to create conditions necessary for increased investment and the development of a robust and competitive industrial sector in the country. The activities that are carried out under this Programme are aimed at building and boosting the capacity of local industries to efficiently produce and supply goods and services to meet both local and export demand, as well as the ability of local industries to withstand global competition.

The Achievements in the 2017/18 Financial Year can be summed as follows:

(i) Industrial Policy Development and Planning Activity:

This function of the Ministry involves the development of policies and strategies on industrial development, whose objective is to boost the supply-side capacity of local industries and ensure an increased contribution of the manufacturing sector to the country's GDP. This activity also involves the compilation of data on manufacturers and industrial output.

To strengthen the implementation of the Industrial Policy and The Growth At Home Strategy to intensify our initialization drive, the Namibian Government through its Ministry of Industrialization, Trade and SME Development continued to research on resource availability in the country and value chains in strategic sectors. As a result, the Ministry

launched ten (10) Sector Growth Strategies aimed at identifying development opportunities in the economy as well to establish collaborative relationships between government and the private sector.

The 10 sector growth studies were conducted in the fields of:

- Leather and Leather Products,
- Semi-precious stones and Jewellery,
- Game meat and processing,
- Charcoal,
- Arts and Handicraft,
- Swakara wool,
- Fish and seafood processing,
- Metal fabrication,
- Taxidermy and
- Cosmetics

During the current financial year, the Ministry will continue to work with the various Associations established to further develop a Plan of Action to drive deeper the value additions of each of these sectors.

(ii) Industrial Infrastructural Development

The availability of appropriate industrial premises and related infrastructure makes it easy for investors to set and operate industries. The scarcity and high cost of serviced industrial land in most part of the country has posed a serious challenge to and hampered investment and industrial development in the country.

This programme entails identification and acquisition of land in the various regions especially in the regions where industrial land is not available due to lack of financial resources on the part of local and regional authorities; the servicing of such land, and the planning, construction, management and maintenance of industrial sites and business parks. The infrastructure created by the Ministry is leased to local entrepreneurs especially SMEs at below market rental charges. This intervention thus helps local entrepreneurs to secure affordable business premises and reduces the cost of setting up and operating small businesses in the country, thereby increasing their chances of success.

To date, the Ministry through the Namibia Development Corporation (NDC), the Implementing Agency of Government, has constructed over forty nine (49) SME and industrial parks throughout the country, which accommodates six hundred and seventy six (676) business operators. These operators have created jobs for five thousand and eighty eight (5, 088) persons on a permanent basis and during the construction phase of these parks, seven thousand two hundred and seventy seven (7, 277) jobs were created.

It is evident that the costs of acquiring business premises have increased over the years, and though SMEs are regarded to be the main drivers of wealth creation, funding institutions are reluctant to lend to them. Thus, the demand for operating space has increased dramatically over the years. In this regard, the Ministry is in the process of constructing additional parks country-wide.

The Ministry is currently in the process of constructing eight (8) industrial parks at Omaruru, Opuwo, Tsumeb, Outapi, Divundu, fencing of the site at Katima Mulilo as well as a Thatch Grass hub at Rundu and Automotive Hub at Walvis Bay.

(vi) Kavango Cattle Ranch

The NDC manages one of the largest cattle ranch in the country, situated in the Mangetti area, and which significantly contributes to meat production in the country. The ranch has not been operating at full capacity due to low cattle stock and deterioration in the conditions of the infrastructure.

The Ministry with the assistance of contracted SME operators have been busy upgrading and construction of a fence around the cattle ranch. Equally, electrification fencing is being installed at the ranch for wildlife reserve. Furthermore, preparation for fodder production is underway where bush clearing and land preparation has been conducted. The NDC would in the near future plant-cultivated seeds in this regard.

(vii) Naute Dates/Grape Development Project

This activity is aimed at increasing the capacity of Namibia to commercially produce and

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export grapes, dates and pecan nuts as well as giving technical support to emerging farmers. This project is managed by the NDC, and has developed additional 200 hectares under date palm, table grapes and pecan nuts as well as carried out a study on the processing of dates into value added products.

In light of the above, during the current financial year, the construction of a wine distillery is underway while the cooling and packing facilities for dates and grapes has been completed. The procurement of packing and cooling equipment and machinery has been concluded and installation, commission and training on how to operate these machines are underway.

2.1.1 MAJOR INTERVENTIONS WILL BE THE FOLLOWING:

i. THE DE-BUSHING CHARCOAL VALUE CHAIN PROJECT

By volumes, Namibia is the biggest African wood charcoal exporter, with a share of about 5% in world exports (global ranking: 5). However, in terms of overall export value and value growth rates, the country is only ranking 13th (according to 2015 mirror data, 12th, with a total export value of USD 28.3 million).

This prevailing situation is because:

1. Namibian charcoal is exported to South Africa for further value addition such as producing other by-products of charcoal; sorting; and re-packaging it, which then, is re-exported and imported as South African made products to Namibia and to the rest of the world.
2. Namibia loses out by exporting jobs to other countries
3. Namibia loses out on foreign earnings

The Ministry has therefore identified the need to support the industry in the adoption and use of this new technology with key focus on entrepreneurship development, job creation and income generation especially among the emerging and previously disadvantaged Namibians. In this regard, the Ministry has begun with stakeholder consultations, with a view to develop a fully-fledged support programme through its entrepreneurship and industrial support schemes. It is envisaged in the long-to-medium term, it is foreseen that

this support will extend to include the biomass for electricity generation and bio-fuel if proven feasible.

In this regard, a decision is being explored to acquire land on which to set up a Charcoal Training –cum Production Research centre (self-sustainability) to train those interested in the production of charcoal and related products. This centre is to train Namibians to produce top-notch quality charcoal and charcoal by-products for the export market.

To this effect, a number of possible sites have been identified for possible purchase. Our Ministry with the assistance from the Ministry of Land Reform is in the preparation stage of acquiring a farm for the setting of the envisaged centre.

This centre will be anchored around the following core functions:

- Production of Charcoal and charcoal by-products – this is to enable the centre to be sustainable by servicing its own overhead costs and operations
- Training – Provide technical skills to Namibians in particular the youth and resettled farmers on how to produce charcoal with industry
- Research and Development – to explore the best practices, technologies to be applied and other uses of charcoal by advancing product development. The uses of charcoal will be interrogated, among others, such as:
 - ✓ **Activated charcoal** is a potent natural treatment used to trap toxins and chemicals in the body, allowing them to be flushed out so the body doesn't reabsorb them.
 - ✓ **Medical products** – One of the most popular uses of charcoal is for the safe and effective treatment of poisoning and drug overdoses. It's used in emergency trauma centers across the world. In addition, it's used to reduce bloating and gas, lower cholesterol, treat bile flow problems safely during pregnancy, and even prevent hangovers.
 - ✓ **Dental Treatment** – charcoal helps whiten teeth while promoting good oral health by changing the pH balance in the mouth, helps prevent cavities, bad breath and gum diseases.
 - ✓ **Detoxing** – emergency toxin removal
 - ✓ Water filtration

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- ✓ Mould cleansing
- ✓ Anti-aging, beauty and body health

ii. **TOMMATO PASTE PROCESSING**

This project in its initial phase aims at establishing a small scale high-value processing facility for tomato paste and in the later stage focuses to process other vegetables. Prominently, this initiative is to supply the fish canning industry in particular the pilchard sub-sector with tomato paste, which is a key ingredient in the processing of canned pilchard and horse mackerel.

Subject to feasibility studies and tests, it is important to highlight the opportunities presented by the two Fresh Produce Hubs under the care of the Ministry of Agriculture, Water and Forestry for value addition and production of agricultural inputs to the private sector. It is further proposed that a processing plant for vegetables and tomato paste should be pursued on a PPP level to optimize on capital and technological advancement of the private sector.

The project intend to bring various stakeholders on board where the core beneficiaries would be the smallholder tomato and other vegetable farmers; in the near future producers of the envisaged tomato paste as well as in the far future, other value added vegetable products; and the fish canning companies and individual households.

To date, the Ministry had consultations with the Ministry of Agriculture, Water and Forestry, AMTA (Agro Marketing and Trade Agency) and AgriBusdev to map out the way forward on collaboration on how best the envisaged tomato paste processing plant would be fed with through puts and to maximize on the optimum use of this institution during implementation.

Furthermore, the Ministry had various meetings with the fish canning industry to appreciate the imported quantities, quality and other requirements regarding the tomato paste product. But most importantly, the Ministry has been soliciting for support from this market to absorb the product once the final product is available.

Meanwhile, the Ministry with the cooperation of the Ministry of Urban and Rural Development (MURD), Omusati Regional Council and some fresh produce farmers in Omusati Region, discussed the existing Business Plan co-funded by JICA, which was drafted by the University of Namibia on behalf of MURD on the establishment of a tomato paste processing plant. During the review of the study it was found, that the Omusati Region is located in a climate condition where tomatoes in particular the specie required for tomato paste, can be cultivated throughout the year.

In this regard, an outlet at the Omahenene Industrial Park, which was under construction, earmarked for an anchored tenant, has been allocated to this project to be equipped and to serve as a tomato paste processing factory.

2.2 Small Business Development

An amount of **FORTY SIX MILLION FIVE HUNDRED AND SIXTY NINE THOUSAND (N\$46,569,000)** has been allocated to this activity

The purpose of this activity is aimed at boosting entrepreneurship among the local population and at increasing the entry and participation of emerging and existing small businesses into the mainstream economy. This programme is used to provide a wide range of business supportive services aimed at bolstering production capacity of local small businesses and increasing the employment and success rates of SMEs as well as their capacity to contribute to the country's GDP and exports. The Ministry continues to render the business supportive services under this programme, such as business mentorship and managerial skills development, feasibility studies and business plan development and the provision of productive equipment.

Achievements in the 2017/18 Financial Year can be summed as follows:

EQUIPMENT AID SCHEME

Under this intervention, the Ministry procures production equipment and machinery principally for manufacturing enterprises and makes them available to needy SME operators on favourable leasing terms. The Equipment Aid Scheme under this intervention is geared towards boosting the production and competitive capacity of the SME sector

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through technology acquisition and adaptation. Since its inception, the Scheme has helped to sustain and create new jobs in the budding SME sector.

Three million Namibia Dollars (N\$ 3, 000, 000) was allocated for this programme during 2017/2018 financial year. The Ministry under this programme has assisted five (5) entrepreneurs with production technology resulting in retrenchment being averted in following sectors and regions: Synthetic Hair Manufacturing in Khomas; High-end fashion designer with tailoring equipment in Khomas; Meat Processing in Oshikoto; Automotive servicing in Omaheke; and Youth in Tourism in Zambezi Region.

Despite the achievements, for this financial year, no allocation has been made. What a pity to destroy/and/or reverse these gains.

SCHOOL UNIFORM PROJECT

The Cabinet has directed our Ministry in conjunction with the Ministry of Education, Arts and Culture to phase out, the import of public schools uniforms into Namibia, over a period of 2 years, in favour of locally manufactured attire without compromising on quality and competitive prices. This intervention among others will address unemployment in the country, outflow of capital and expertise to foreign countries.

In this regard, the Ministry embarked on the implementation of this Cabinet Directive and has appointed a Textile and Garment Expert to assist with the assessment of existing SMEs in the garment industry in terms of the production capacity. The Ministry has assisted a number of SMEs with different types of tailoring/ sewing machines under the Equipment Aid Scheme (EAS) in all the fourteen (14) Regions who were assessed to ensure their participation in the Programme. The purpose of this assessment is to ensure that local clothing manufacturers are adequately empowered in terms of skills and production technology to be able to participate in the production of quality school uniforms.

The assessment report is in its final stage of completion where recommendations are made on the modus operandi for this project. For instance among others:

- it is envisaged that each region will manufacture school uniforms for their respective schools
- a central Cut and Trim unit will be established in Khomas Region to ensure the correct colour, fabric and garment design/pattern is dispatched to SME operators to produce the garment products required by a particular school

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- training sites are being explored in Keetmanshoop, Oshikango, Katwitwi, and Nkurenkuru as initial training centre to empower our local manufacturers to improve on the quality of the products but also to increase their productivity.

3. INVESTMENT PROMOTION PROGRAMME

An amount of **THIRTY SIX MILLION SEVEN HUNDRED AND FOURTY FOUR THOUSAND (N\$36,744,000)** has been allocated to this Programme.

The purpose of this programme is to achieve an increase in number, value and nature of domestic and foreign direct investment in Namibia. This objective will be achieved by, among others, creating an enabling environment for investment, which involves having in place an appropriate legal and regulatory framework; a proper plan and strategy for marketing Namibia as a preferred investment location, supportive investment incentives and enhancing a positive competitiveness ranking of Namibia.

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Achievements during the 2017/18 Financial Year are as follows:

- The Ministry embarked on the establishment of the Integrated Client Service Facility or one-stop-shop aimed at improving the Ease of Doing Business in Namibia through streamlining the procedures of starting a business in Namibia. The project is structured in 3 phases, and the first phase has been completed with the launch of the NamBizOne portal in May 2017. The portal serves as an information hub for investors to understand the investment opportunities available in Namibia and to provide a contact point for investors to communicate with a Business Investment Advisor (BIA) from the Namibia Investment Centre for further advice.

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- The revision of current investment incentives regime to ensure they continue being an effective tool for attracting the required quantity and quality of investments especially into the NDP5. A submission to Cabinet was made on the amendment of the Export Processing Zone (EPZ) Act to incorporate the proposed Special Economic Zone (SEZ) regime. The amendment will allow for the introduction of Special Economic Zone incentives.
- The Ministry is promoting 16 investment projects in various economic sectors. Some projects attracted interest resulting in several projects entering into agreements and memorandum of understanding. Except for the Rosh Pinah 5MW Solar project which has secured a partner, AEE Power a Spanish based company and currently operational, most of the projects are still in our promotional plan for the financial year 2018/19.
- With a population of only 2.3 million people, Namibia has a relatively small open economy that is predominantly driven by export of primary commodities. In an effort to reduce the country's reliance on the extractive sector, the expansion of other economic sectors remains crucial for diversification hence, the attraction of much-needed Foreign Direct Investment (FDI) into the economy.
- In the face of increasing competition for FDI by Namibia's competitors and to further complement ongoing initiatives aimed at improving Namibia's competitiveness, the development of the **National Investment Promotion Strategy** which aims to seek to improve Namibia's investment attraction efforts by focusing on regional competitiveness and/or comparative advantages that can be exploited for investment promotion in all 14 regions of the country. This in turn would lead to an increase of domestic and foreign investment as well as boost the number of jobs available for Namibians youths. The strategy is aligned to the Growth-at-Home industrialization strategy of the Ministry that was developed to ensure value chain processes to natural resources are enforced in the country.

Sector wide achievements recorded by NIC

- Support to the industries through the NCCI and WBCG.
- Jobs created during the period were 1837.
- Investment facilitated N\$7, 3 billion.
- Facilitated inward and outward missions.

Priority interventions planned for 2018/19 Financial year are the following:

- Implement phase two and three of the Integrated Client Service Facility to address ease of doing business and improve Namibia's competitiveness ranking.
- Profiling and appraisal of new investment opportunities in NDP5 priority sectors.
- Targeted investment promotion approach and development of a National Investment promotion strategy that is aligned to the Growth at Home Strategy, Industrial Policy, NDP5 and Harambee Prosperity Plan.

Policy interventions

- Finalise and implement the revised Namibia Investment Promotion Act and its regulations
- Finalise and implement new Investment Incentives in priority sectors
- Finalise and implement Targeted investment promotion strategy

3. SPECIAL INDUSTRIALISATION PROGRAMME

An amount of **TWENTY THREE MILLION FIVE HUNDRED AND TWO THOUSAND NAMIBIA DOLLARS (N\$23,502,000)** has been allocated to this programme.

This project aims to give effect to the implementation of identified industrial development priorities in the context of developing the Manufacturing Plan for the implementation of National Development Plans. In order to achieve the significant expansion of Namibia's manufacturing sector, the Special Industrialization project aims to increase the contribution of manufacturing to GDP and accelerate economic growth by increasing growth in priority sectors, and expand industrial output, diversify products, enhance value addition, and to develop new and strengthen existing value chains. It makes provision for research on economic and financial viability of projects, and provide guidance on subsequent targeted interventions.

The Ministry has acquired industrial land at Brakwater where earth works, provision of bulk services such as water, sewerage, storm water handling has been completed except for the provision of bulk electricity, which is underway.

The Ministry under this programme has identified and has already initiated implementation of the following projects:

- Cold Storage for beef products
- Peugeot Automotive project
- Northern Tannery
- Naute Grape/Dates projects
- Gemstone and Jewellery Development

Finally in terms of ensuring competitive industrialization environment, efforts will be applied to the development of a Special Economic Zones Policy whilst at the practical level the work to finalize the Private Public Partnership (PPP) framework for the !Nara Free Economic Zone, which is a 400 hectare economic zone is being finalized.

5. POLICY SUPERVISION AND SUPPORT SERVICES

An amount of **THIRTY FOUR MILLION AND FORTY FOUR THOUSAND (N\$34,044,000)** has been allocated to this our fifth and last programme.

This programme is divided into two activities, namely:

5.1 Policy Supervision

An amount of THREE MILLION ONE HUNDRED AND TWENTY SEVEN THOUSAND NAMIBIA DOLLARS (N\$3,127,000) has been allocated to this activity.

The activity gives ministerial leadership and overarching oversight to ensure that the requisite policy and legal framework is formulated and implementation for the attainment of the ministry's mandate through proper alignment to other national development objectives and plans.

As elaborated elsewhere on other programmes, a number of policy and legal framework finalised were given guidance from this activity and will continue doing so in this new financial year.

5.2 Coordination and Support Services

An amount of **THIRTY MILLION NINE HUNDRED AND SEVENTEEN THOUSAND NAMIBIA DOLLARS (N\$30,917,000)** has been allocated to this activity.

It carries the oversight roles exercised by the Accounting Officer and the rendering of administrative/support services to other directorates/departments and agencies under the ministry to facilitate the implementation of ministerial programmes and projects.

Achievements during the previous financial year are as follows:

It is through this activity that implementation of all policies and projects are coordinated and ensured.

Honourable Chairperson of the Whole House Committee
Members of this August House

In conclusion, I move by requesting this August House to consider and approve the sum of **THREE HUNDRED AND FORTY SEVEN MILLION, SEVEN HUNDRED AND SEVENTY EIGHT THOUSAND NAMIBIA DOLLARS (N\$347 778 000)** for the operational and capital budgets of the Ministry of Industrialization, Trade and SME Development: Vote 19.

I want to leave you with the following:

“Only true wisdom is knowing you know nothing”. Socrates for my remembrance: “Do something today that your future self will thank for”

Thus: “Smart people think, Brave people talk, Great people act”

I THANK YOU FOR YOUR ATTENTION