



**REPUBLIC OF NAMIBIA
MINISTRY OF TRADE AND INDUSTRY**

GROWTH AT HOME

ANNUAL REPORT 2014/2015

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ABBREVIATIONS & ACRONYMS

| | |
|---------------|---|
| AU | African Union |
| BIPA | Business and Intellectual Property Agency |
| CAMOT | Conference of African Ministers of Trade |
| CFTA | Continental Free Trade Areas |
| CIFIT | China International Fair for Investment and Trade |
| COMESA | Common Market for Eastern and Southern Africa |
| DID | Directorate of Industrial Development |
| DIT | Directorate of International Trade |
| DRC | Democratic Republic of Congo |
| EAB | Estate Agents Board |
| EAC | East African Community |
| EIF | Environmental Investment Fund |
| EPA | Economic Partnership Agreements |
| EU | European Union |
| FDI | Foreign Direct Investment |
| FTA | Free Trade Agreement |
| GDP | Gross Domestic Product |
| GRN | Government Republic of Namibia |
| HQ | Headquarters |
| IIA | International Investment Agreement |
| IPR | Intellectual Property Rights |
| ISDS | Investor- State Dispute Settlement |
| ITC | International Trade Centre |
| IUMP | Industrial Upgrading and Modernization Programme |
| MoF | Ministry of Finance |
| MTEF | Medium -Term Expenditure Framework |
| MTI | Ministry of Trade and Industry |
| MTP | Medium Term Plan |
| NACC | Namibia Competition Commission |
| NAU | Namibia Agricultural Union |
| NCCI | Namibia Chamber of Commerce and Industry |
| NDC | Namibia Development Corporation |
| NDP | National Development Plan |
| NMA | Namibia Manufacturers Association |

| | |
|--------------|--|
| NPC | National Planning Commission |
| NRC | Namibia Retail Charter |
| NTB | Namibia Tourism Board |
| NTF | Namibia Trade Forum |
| NSI | Namibia Standards Institute |
| ODC | Offshore Development Corporation |
| PDC | Product and Development Centre |
| PTA | Preferential Trade Agreement |
| REC | Regional Economic Commission |
| RISDP | Regional Indicative Strategic Development Plan |
| SACU | Southern Africa Customs Union |
| SADC | Southern Africa Development Community |
| SDG | Sustainable Development Goals |
| SME | Small Medium Enterprise |
| UAE | United Arab Emirates |
| UNDaO | United Nations Delivery-As-One |
| UNIDO | United Nations Industrial Development Organisation |
| UN | United Nations |
| UNECA | United Nations Economic Commission of Africa |
| USD | United States Dollar (Currency) |
| WBCG | Walvis Bay Corridor Group |
| WIF | World Investment Forum |
| WTO | World Trade Organisation |



FOREWORD

As the minister at the helm of a key ministry, I look back at 2014 and realise that the Ministry of Trade and Industry has indeed made meaningful strides in honouring its commitment and mandate towards creating an enabling environment for increased domestic and foreign direct investment, and accelerating trade and industrial development. We also made progress in terms of positioning and safeguarding Namibia's interests in the regional and global economy.

This year's Annual Report is a reflection of MTI's interventions in the local economy through various programmes aimed at empowering the SME sector, women and the youth. Below, I list only three out of many highlights from MTI's very busy and productive 2014 programme:

1. In July, MTI facilitated the three-day Made in Namibia Expo which served as a platform for Namibian companies to showcase their goods and services for consumers and retailers locally, regionally and globally. A record 194 exhibitors from all 14 regions participated and made of the expo a resounding success.
2. The ACCESS! Namibia programme - in collaboration with the International Trade Centre (ITC) - a joint agency of the UN and the WTO - was launched in September and was geared towards "Export Development Services for Businesswomen. This programme was also well attended by businesswomen from all parts of the country who were exposed to business opportunities not only locally but also regionally and internationally.
3. In October, I launched the Namibian Retail Charter under the theme "Growth at Home" with the aim to stimulate local manufacturing; facilitate job creation; reduce unemployment; and change consumers' cultured tastes, needs and consumption patterns.

As we enter a new phase in Namibia's march to economic independence with the consolidation of our democracy, I want to once again thank all MTI staff for their commitment and dedication in enabling this ministry to execute its mandate with distinction. Enjoy the read.


CHG Schlettwein (MP)
MINISTER



MTI TOP MANAGEMENT



Hon. Calle Schlettwein

Minister of Trade
and Industry



Hon. Tjekero Tweya

Deputy Minister of Trade
and Industry

Dr. Malan Lindeque
Permanent Secretary



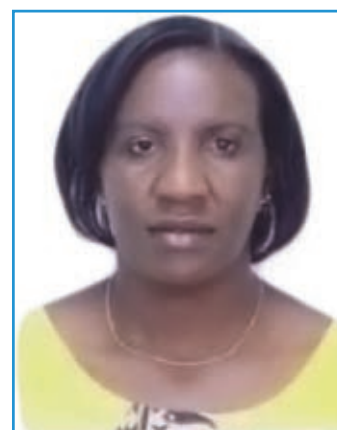
DEPUTY PERMANENT SECRETARIES



Ms. Bernadette Artivor
Deputy Permanent
Secretary
Namibia Investment
Centre



Dr. Michael Humavindu
Deputy Permanent
Secretary Industrial
Development
and Agencies



Ms. Annascy Mwanyangapo
Deputy Permanent
Secretary
Trade and Commerce

DIRECTORS



Mr. Munu Kuyonisa
Director
Administration and
Finance



Ms. Petrina Nakale
Director
Industrial Development



Mr. Benjamin Katjipuka
Director
International Trade

PART ONE: GENERAL INFORMATION

1.1. Aim of Vote

The Ministry of Trade and Industry is charged with the responsibility of spearheading the development and expansion of the country's trade and industry sector, as an important source of growth, and employment and the country's ability to compete in the regional and global markets. In this regard, the Ministry devises appropriate policy and legal frameworks and programmes for attracting and facilitating domestic and foreign direct investment, promoting and entrepreneurial culture and a dynamic local industries sector, as well as for expanding and diversifying industrial production, export markets and sources of production inputs.

1.2. Legislative Mandate

MTI administered the following legislation (Table 1)

| Name of Act | Purpose |
|---|---|
| 1. Estates Agents Act, 1976 (Act No. 112 of 1976). | To regulate and control the activities of estate agents in the public interest. |
| 2. Close Corporations Act, 1988 (Act No. 26 of 1988). | To provide for the formation, registration incorporation, management, control and liquidation of close corporations. |
| 3. Foreign Investment Act, 1993 (Act No. 24 of 1993 as amended). | To make provision for the promotion of foreign investments in Namibia. |
| 4. Namibia Development Corporation Act, 1993 (Act No. 18 of 1993). | To promote, develop and support all sectors of the Namibian economy for sustained economic growth and the economic empowerment of its people in conformity with the development strategies and policies of the Government of the Republic of Namibia. |
| 5. The Import and Export Control Act, 1994 (Act No. 30 of 1994). | To provide for import and export control. |
| 6. Export Processing Zone (EPZ) Act, 1995 (Act No. 9 of 1995 as amended). | To promote and market investment opportunities under Namibia's EPZ, monitor and coordinate all EPZ related activities and provide an umbrella facilitative service to approved investors in the country. |
| 7. Competition Act, 2003 (Act No. 2 of 2003). | To promote competitive market conditions through investigation and prosecution of anti-competitive activities; reviewing and approving mergers and exemption applications; and disseminating information to businesses, consumers and other stakeholders. |
| 8. Companies Act, 2004 (Act No. 28 of 2004). | To provide for the incorporation, management and liquidation of companies; and to provide for incidental matters. |

| Name of Act | Purpose |
|--|--|
| 9. Standards Act, 2005 (Act No. 18 of 2005). | To promote the use of standards and quality assurance and control in industry, commerce and public sector; provide conformity assessment services; certification of systems, product and personnel systems; inspect and test products and materials; and trade (legal) metrology – enforcement of product labelling, weights and measures. |
| 10. Industrial Policy Act, 2012 (Act No. 1 of 2012). | To outline broad principles and parameters to anchor Government's industrial policies and programmes in quest to achieve Vision 2030. |

1.3. Public Entities Reporting to the Minister (Table 2)

| Name of Public Entity | Enabling Legislation | Purpose |
|---|---|--|
| <p>1. Namibia Estate Agents Board</p> <p>The Manager</p> <p>Mr. Richard Stein</p> <p>Tel: +264 61 24 9885</p> <p>Fax: +264 61 23 4709</p> <p>Email: neab@iway.na</p> <p>Website: www.neab.iway.na</p> | <p>Estates Agents Act, 1976 (Act No. 112 of 1976).</p> <p>Namibia Development Corporation Act, 1993 (Act No. 18 of 1993).</p> | <p>The purpose of NEAB is that of regulating and controlling the activities of estate agents in the public interest. In this regard, the Board is tasked with protecting consumers in estate agency transactions while having regard to the interests of the industry; maintaining and promoting the standard of conduct of the industry; and regulating the activities of the estate agents in general.</p> |
| <p>2. Namibia Development Corporation (NDC)</p> <p>The Managing Director (Acting)</p> <p>Mr. Pieter de Wet</p> <p>Tel: +264 61 206-2294</p> <p>Fax: +264 61 223854</p> <p>Email: pieter.dewet@ndc.org.na</p> <p>Website: www.ndc.org.na</p> | <p>Export Processing Zone (EPZ) Act, 1995 (Act No. 9 of 1995).</p> | <p>The objects of the Corporation are to promote, develop and support all sectors of the Namibian economy for sustained economic growth and the economic empowerment of its people in conformity with the development strategies and policies of the Government of the Republic of Namibia.</p> |

| Name of Public Entity | Enabling Legislation | Purpose |
|--|---|---|
| <p>3. Walvis Bay Export Processing Zone Management Company (Pty) Limited</p> <p>The Manager Mr. Jan Kruger Tel: +264 64 205 095 Fax: +264 64 206 132 E-mail: wbepzmc@iway.na Website: www.wbepzmc.iway.na</p> | <p>Export Processing Zone (EPZ) Act, 1995 (Act No. 9 of 1995).</p> | <p>Responsible of managing and promoting the EPZ regime in Namibia's premier harbor town, Walvis Bay. In this regard, the Company provides investment facilitative services such as acquiring and servicing industrial land; construction and leasing of industrial factories; processing and facilitating applications for EPZ status, work permits and visas, and other investor needs.</p> |
| <p>4. Offshore Development Company (ODC)</p> <p>The Chief Executive Officer (Acting) Mr. Phillip Namundjebo Tel: +264 61 283 7360 Fax: +264 61 231 001 Email: odc@odc.com.na / Phillip.namundjebo@odc.com.na Website: www.odc.com.na</p> | <p>Export Processing Zone (EPZ) Act, 1995 (Act No. 9 of 1995 as amended).</p> | <p>ODC is mandate is to promote and market investment opportunities under Namibia's EPZ, monitor and coordinate all EPZ related activities and provide an umbrella facilitative service to approved investors in the country. The Company also develops and leases serviced industrial and business sites and factory shells to entrepreneurs.</p> |
| <p>5. Namibia Competition Commission (NaCC)</p> <p>Secretary Mr. Mihe Gaomab II Tel: +264 61 224 622 Fax: +264 61 401 900 Email: mihe.gaomab@nacc.com.na Website: www.nacc.com.na</p> | <p>Competition Act, 2003 (Act No. 2 of 2003).</p> | <p>The NaCC is tasked to promote competitive market conditions through investigation and prosecution of anti-competitive activities; reviewing and approving mergers and exemption applications; and disseminating information to businesses, consumers and other stakeholders.</p> |

| Name of Public Entity | Enabling Legislation | Purpose |
|--|---|--|
| <p>6. Namibia Standards Institution (NSI)</p> <p>The Chief Executive Officer Mr. R.A. (Othy) Kaakunga Namibia Standards Institution Tel: +264 61 386 400 Fax: +264 61 386 454 Email: info@nsi.com.na Website: www.nsi.com.na</p> | Standards Act 2005, (Act No. 18 of 2005) | The NSI was established to promote the use of standards and quality assurance and control in industry, commerce and public sector; provide conformity assessment services; certification of systems, product and personnel systems; inspect and test products and materials; and trade (legal) metrology – enforcement of product labelling, weights and measures. |
| <p>7. Namibia Trade Forum</p> <p>Coordinator Ms. Ndiitah Nghipondoka-Robiati Tel: +264 61 379 500 Fax: +264 61 306 604 Email: nrobiati@ntf.org.na Website: www.ntf.org.na</p> | Cabinet Decision No. 17th/ 02.08.05/007. | The NTF acts as the main consultative body representing the private sector views to the government. It thus serves as the highest public private partnership on international trade and investment matters. |
| <p>8. SME Bank</p> <p>Chief Executive Officer Mr. Tawanda Mumvuma Tel: +264 61 430 1000 Fax: +264 61 430 1040 Email: tmumvuma@smebank.com.na Website: www.smebank.com.na</p> | Cabinet Decision No. 6th/ 07.12.04/2005. | The SME Bank was established to help develop the SME sector in Namibia to increase value added production, services, jobs and income through affordable financial services & business support. |
| <p>9. BIPA</p> <p>Chief Executive Officer (Interim) Mr. Tileinge Andima Tel: +264 61 299 440 Fax: +264 61 401 061 Email: andima@bipa.na Website: www.bipa.na</p> | Cabinet Decision No. 22nd/ 28.04.10/004. | BIPA was established to be a central focal point for the registration, administration and protection of business, industrial and intellectual property. |

PART TWO: HIGHLIGHTS OF THE YEAR 2014

2.1. Made in Namibia Expo

Date: 29 – 31 July 2014

Venue: Safari Hotel

The Ministry of Trade and Industry hosted the Made in Namibia Expo 2014 from 29 to 31 July 2014 at the Safari Hotel and Conference Centre, Windhoek.

The main objective of the Expo was to contribute to the development and growth of the local manufacturing sector by providing a platform for Namibian companies especially manufacturers to showcase the goods and services that they are producing and able to supply to consumers and retailers in the country and through exports.



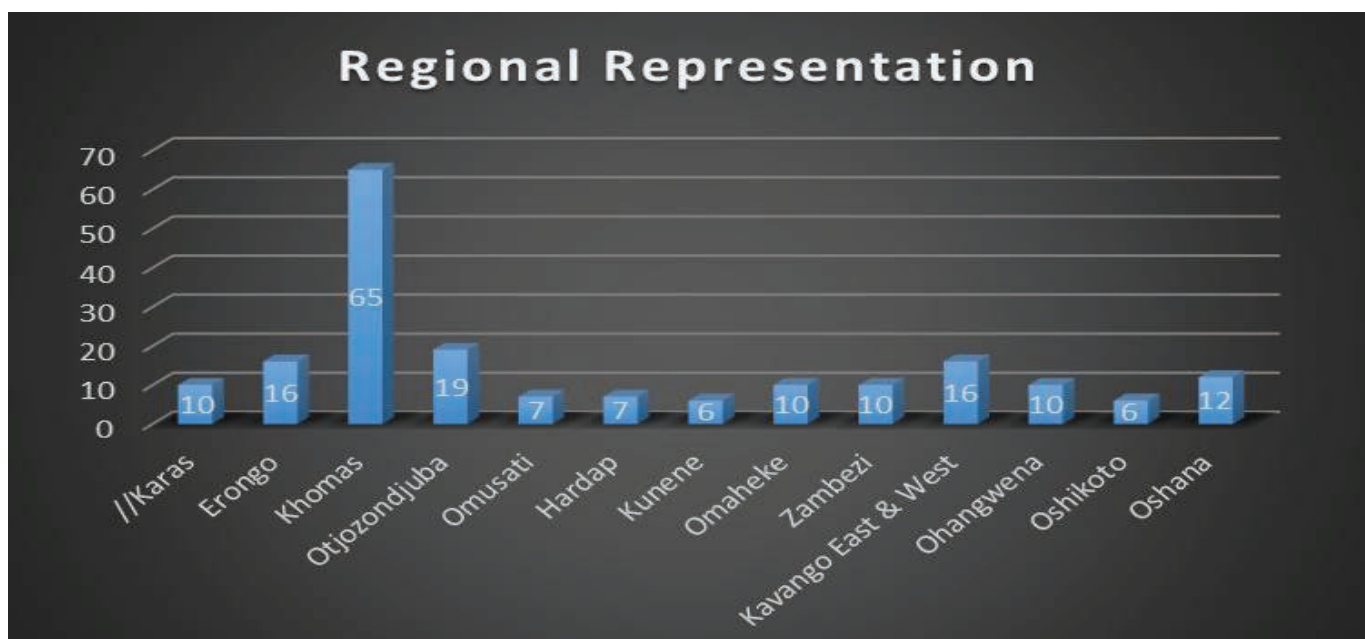
Hon. Tjekero Tweya - Deputy Minister of Trade and Industry, delivering his speech at the event (Media in Namibia Expo).

There are a number of manufacturers, large and small in size, who have the capacity to produce and supply products that can meet the quality and other needs of consumers in the local market and, with some support, can also supply other markets. Quite often though, a number of producers and the goods that they are able to supply are unknown to consumers, a situation that inhibits the success and growth of such local manufacturers in particular and the advancement of our national industrialisation agenda in general.

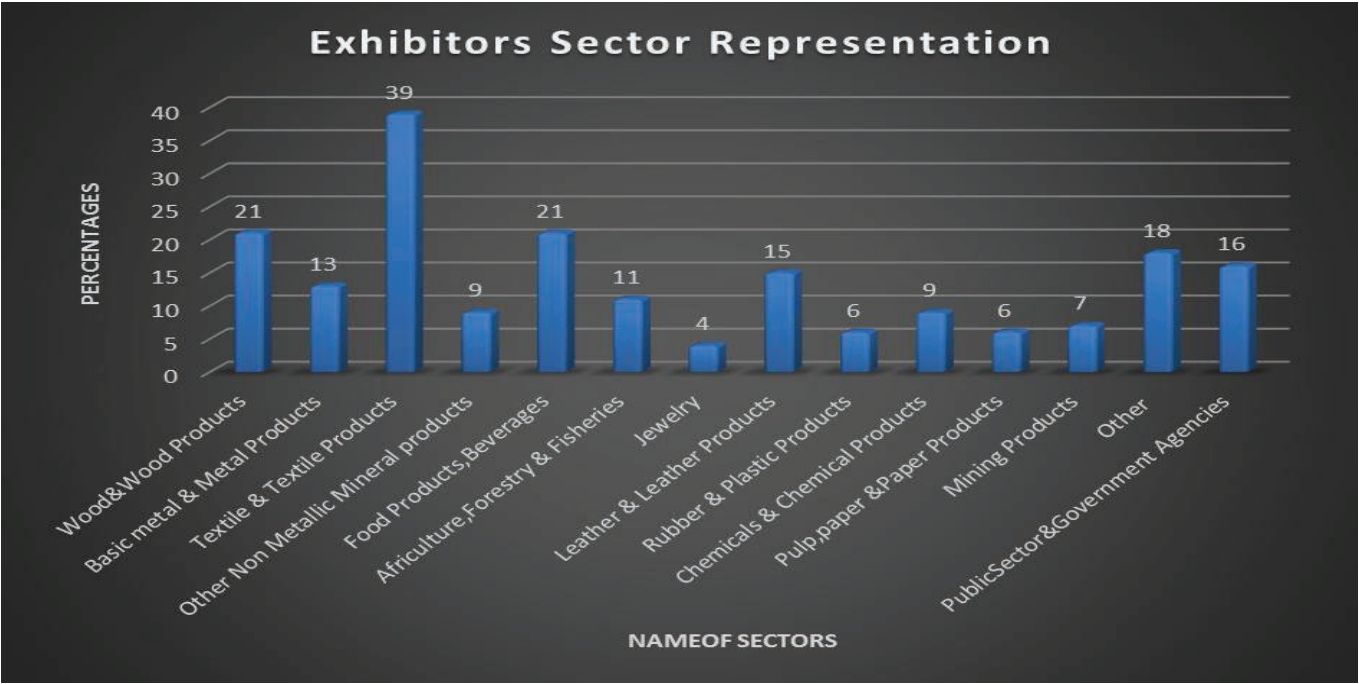
In this regard, the Expo served an important role of exposing locally manufactured goods, with the hope to enhance awareness among local consumers (individual and corporate) that could result in real demand for such products and supply arrangements. The Ministry also utilised the platform of the event to gather and update its data on local manufacturers.

Exhibitor Profile:

194 exhibitors from 14 regions exhibited at the MADE IN NAMIBIA EXPO 2014. Out of the 194 exhibitors invited to the Made in Namibia Expo 2014 the Khomas Region was the most represented with 65 exhibitors invited followed in second by Otjozondjuba, third being shared by Erongo and Kavango East/West. See bar chart 1 below:



Out of the 194 exhibitors invited to the Made in Namibia Expo 2014 the most represented sectors was Textile and textile products with 39 exhibitors followed in second by wood and wood products, food products and beverages tied on 21 exhibitors each and thirdly by Other sector with 18. Jewellery was the least represented sector. See bar 2 chart below:



2.2. Launch of the Access Programme

Date: 23 September 2014
Venue: Polytechnic of Namibia

In 2014, the Government of Namibia through the Ministry of Trade & Industry, and ITC partnered to launch the “ACCESS! Namibia - Export Development Services for Business Women” programme to enable women entrepreneurs in the country to tap new markets and increase their exports.



Hon. Tjekero Tweya: Deputy Minister of Trade and Industry, addressing the gathering.

ACCESS! in Namibia is a trade-related technical assistance programme jointly implemented by the International Trade Centre (ITC), a joint agency of the United Nations and the World Trade Organisation, and the Namibia Trade Forum, as focal point institution, with the support of the Government of Namibia, through the Ministry of Trade and Industry (MTI) as funds provider.



Mr. Sebastien Turrel: Senior Trade Promotion Officer - International Trade Centre (ITC).

ACCESS! aims to improve business support services for women to increase their capacity to export and succeed on international and regional markets with the ultimate goal of promoting their economic empowerment and contributing to poverty reduction and improving standards of living. Since the launch of the ACCESS! programme in 2005, more than 2,600 businesswomen in 19 sub-Saharan countries have benefited and expanded their export capacities.

Namibia just became the 21st country in Africa to implement ACCESS!, a programme designed specifically for African businesswomen. Its objective is to capacitate women running their own businesses with export development services in order to enable them to start exporting their products into the global market. The programme targets women with active businesses who have a manufacturing base and have the potential to increase their production capacity should they operate under a climate of success.



Participants at the Access! programme.

The ACCESS! programme is designed to specifically address challenges faced by Namibian business women. By overcoming these challenges through training, coaching and mentoring, women will have opportunities to access international markets in order to grow their businesses. Ultimately, once they expand their production capacities, they are able to employ more people and this is the ripple effect to be promoted in order to achieve the national developmental goals. ACCESS! will also give opportunities to Namibian business women to grow their businesses through international trade shows and trade missions which are probably the most powerful and popular marketing tools currently being used by many countries to market their products in international markets.

2.3. Retail Charter Launch

Date: 20 October 2014

Venue: Nampower Convention Centre

On 20 October 2014, in a packed hall of the Nampower Convention Centre, the Ministry of Trade and Industry launched the Namibia Retail Charter (NRC) under the theme "Growth at Home". The initiative is aimed at developing sustainable manufacturing and value addition activities for greater socio-economic benefits within the country. The charter will lay out principles and targets which will ensure greater access into the retail market for local beneficiaries. This intervention will later be used to monitor and assess the impact and its contributions towards the "Growth at Home" strategy. It is envisaged that the charter facilitates the creation of a suitable climate for local contribution to the value chain as well as to facilitate job creation amongst other growth targets. This will best be achieved through stronger dialogue and cooperation between the public and private sectors.

The NRC aims to:

- stimulate local manufacturing,
- facilitate meaningful job creation,
- reduced unemployment,
- deliver enduring changes in consumers 'cultured tastes, needs and their consumption patterns.

2.4. Tabling of Growth at Home Strategy in Parliament

Date: 17 February 2015

Venue: National Assembly, Parliament

Growth at Home is Namibia's Industrial Policy Implementation Strategy which provides a road map for the execution of Namibia's Industrial Policy in line with Vision 2030 and NDP4. Growth at Home has identified three Strategic Intervention Areas during last year's Growth at Home conference.

The three strategic intervention areas are:

- ✓✓ Supporting value addition, upgrading and diversification for sustained growth.
- ✓✓ Securing market access at home and abroad; and
- ✓✓ Improving the investment climate and conditions.

First, Value addition interventions will require comprehensive support to industrial development and upgrading projects which will bring about structural transformation of the Namibian economy and enhance domestic value addition.

Second, Securing market access at home and abroad will stimulate local industries through local procurement and synergies between local producers and large retailers.

Third, Interventions to improve the investment climate will focus on improving the availability of skilled labor, and provision of land, sites and premises for businesses, including SMEs.

Growth at Home defines Priority Actions such as the Industrial Upgrading and Modernisation Programme (IUMP) and a realignment of incentive schemes and financing instruments for promoting industrial development and value- addition projects.

A Retail Charter and a trade competitiveness programme are planned aimed at securing markets for local firms.

Industrial infrastructure, updating practical training, the review of the SME Policy, streamlining registration processes for businesses and intellectual property rights, and a regular Public Private Dialogue Platform will further assist local industries.

The Special Industrialisation Programme aims to increase the contribution of manufacturing to GDP by increasing growth in priority sectors, expand industrial output, diversify products, enhance value addition, and strengthen new and existing value chains.

This Programme provides for value chain analyses and feasibility studies; it implements specific industrial projects, and supports facilities including the acquisition of land, infrastructure, product development and marketing, and capacity building for identified projects.

This Special Programme also defines Priority Actions in agro- and fish-processing, steel manufacturing and metal fabrication, transportation equipment, automotive and chemical industries, mineral beneficiation, green economy, building material and furniture, and pharmaceuticals and cosmetics.

Growth at Home further outlines the establishment of the Namibia Industrial Development Agency (NIDA) which will drive the economic transformation process in collaboration with MTI, the private sector and other stakeholders.

Based on Namibia's Industrial Policy which was approved by Cabinet, Growth at Home will implement a monitoring system to track progress in line with targets, and document how resources are used and results achieved.

Growth at Home has a cross-sectoral focus and aims at the general business environment. The priority actions will build on existing initiatives and experiences that can be implemented in the short to medium term, considering available resources, presenting gains from 'low hanging fruits'.

Growth at Home provides a consistent and comprehensive basis for Namibia's industrial policy implementation, as well as the structures and mechanisms to ensure that the process stays on track.

2.5. Key Missions Led by the Ministry of Trade and Industry

Among others, below are the missions carried out during the reporting period.

2.5.1. Ethiopia – 9th AU Conference of Ministers of Trade

Date: 1 – 5 December 2014

Venue: Addis Ababa, Ethiopia

The two-day Ministerial Conference of the 9th Ordinary Session of the African Union Conference of Ministers of Trade (CAMOT-9) opened on 4 December 2014 at the African Union Headquarters

in Addis Ababa, Ethiopia. The meeting was formally opened by Hon. Carl-Hermann G. Schlettwein, Minister of Trade and Industry of the Republic of Namibia. The Session was convened for Ministers to deliberate upon, give guidance, and take decisions on a number of trade issues that are crucial for the socio-economic development of the continent. The objective of the Ministerial meeting is mainly to prepare towards the launch of the Continental Free Trade Area negotiations in 2015, as directed by the AU Summit. In this regard, the meeting considered key documents including the Draft Objectives and Guiding Principles for the negotiations of the CFTA, and Draft Institutional Arrangements for CFTA Negotiations.



African Union Ministers of Trade, Addis Ababa – Ethiopia.

The Ministerial conference was attended by the Ministers of Trade and Representatives of AU Member states as well as Regional Economic Communities (RECs), the International Trade Centre (ICT), the United Nations Economic Commission for Africa (UNECA) and other key partners. In attendance at this meeting were the following Member States: Algeria, Angola, Benin, Botswana, Burkina Faso, Burundi, Chad, Congo, Comoros, Côte d'Ivoire, Egypt, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Guinea, Kenya, Lesotho, Madagascar, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, Saharawi Arab Democratic Republic, Seychelles, South Africa, Sudan, Swaziland, Tanzania, Togo, Tunisia, Uganda, Zambia and Zimbabwe.

2.5.2. (a) Dubai - 4th Global Free Trade and Special Economic Zones Summit

Date: 8 – 11 April 2-14

Venue: Dubai

Namibia through the Ministry of Trade and Industry has been participating in the Dubai Annual Investment Meeting (AIM), since its inception in 2010. The Ministry's participation at this gathering is to promote Namibia as an oasis of investment opportunities as well as an ideal investment location, to share with the people from the Emirates the investment opportunities which Southern Africa can offer them and also create a platform to invest in this country. Furthermore, to share opportunities, form partnerships and see how Namibia can work with companies in Dubai to grow trade and investment for the Southern African Development Community (SADC) as a whole. Part of the marketing strategy has been to showcase recent FDI success stories in Namibia, and to pursue National objective of strengthening economic relations with the UAE and the Gulf region.



Hon. Tjekero Tweya, Deputy Minister of Trade and Industry receiving an award for Best investment project in Sub-Sahara Africa 2014.

The Ministry participated in the 2014 Investment Awards and also attended the conference that took place from 8 - 11 April 2014. The Ministry of Trade & Industry walked away with an award for the Category Best 2013 Investment Programme in Sub-Sahara Africa during the Annual Investment Meeting in Dubai. The awards are in recognition of the excellent work done by the Namibia Investment Centre in the promotion, attraction and facilitation of investments into Namibia.

(b) Global Trade Development Week

Date: 27 – 29 October 2014

Venue: Emirates Towers, Dubai

Namibia participated at the Global Trade Development Week – EMEA in October 2014. Hon. Schlettwein was a speaker at the event during the interactive panel discussion, Exploring the role of Free Trade Agreements (FTAs) to develop trade with emerging markets, strengthening trade in conventional markets and finding new markets in the difficult global economic scenario.



Hon. Calle-H.G. Schlettwein, Minister of Trade and Industry with his counterpart H.E Sultan Bin Saeed Al Mansouri, Minister of Economy, UAE.

Hon. Schlettwein had an opportunity to further engage his counterpart, HE Sultan Bin Saeed Al Mansouri, Minister of Economy, UAE on bilateral issues such as cooperation and investment between Namibia and Dubai ranging from Aviation, Tourism, Agriculture, and Port Development. HE Al Mansouri is expected to lead a business delegation to Namibia in 2015.

2.5.3. UNCTAD World Investment Forum (WIF)

Date: 13 – 16 October 2014

Venue: Geneva, Switzerland

The World Investment Forum (WIF) is a high-level, biennial, multi-stakeholder gathering designed to facilitate dialogue and action on the world's key emerging investment-related challenges. Its mission is to provide a platform where a debate on "investment for development" can take place and ultimately to promote investment flows that contribute to sustainable and inclusive development. With its ties to UN member States, the Forum is able to bring together a broad coalition of investment stakeholders at the highest level who can influence the global investment landscape. The WIF 2014 was organised under the theme "Investing in Sustainable Development" and it aimed to devise strategies to mobilise investment and channel its contribution to the achievement of the Sustainable Development Goals (SDGs). The Forum consisted of over thirty events, including the Global Investment Leaders' Summit and other high-profile events. High-level participants included Heads of State and Government, ministers, executives of global companies, investment treaty negotiators, heads of investment promotion agencies and international investment location experts. The MTI delegation that participated in the Forum was comprised of Dr. Malan Lindeque, Permanent Secretary, Ms. Bernadette Artivor, Deputy Permanent Secretary and Ms. Angela Dau-Pretorius, Deputy Director.

Part of the Forum was also a Conference organised on International Investment Agreements (IIAs). This Conference provided an opportunity for IIA negotiators, investment practitioners, legal scholars, and representatives from civil society and the private sector to take stock of sixty years of international investment policy making. The debate reviewed key challenges and identified ways and means for reforming the regime of IIAs and of investor-State dispute settlement (ISDS) so that they better contribute to sustainable development. Dr. Lindeque also participated as a lead discussant during the Conference.

2.5.4. Zimbabwe – SADC Council of Ministers of Trade

Date: 17 – 18 August 2014

Venue: Victoria Falls, Zimbabwe

The SADC Council of Ministers meeting held on 14 and 15 August 2014 at Victoria Falls, Zimbabwe, reaffirmed that the Regional Indicative Strategic Development Plan (RISDP) is the main instrument for scaling up regional integration. Council directed the Secretariat to finalise the draft RISDP by frontloading industrialisation and its implementation strategy and requested the Committee of Ministers of Trade to review the sequencing of targeted outputs on Industrial Development and Trade Liberalisation in order to accord center stage status to industrialisation in SADC integration.



Ministers of Trade, SADC Countries.

As far as trade is concerned, Council endorsed the decisions taken by the Committee of Ministers of Trade to address some of the implementation challenges of the Free Trade Area in order to boost the Region's productive competitiveness and industrial capacity, and promote equity, fairness and balance in intra-regional trade. The Council also directed the Secretariat to facilitate implementation of all pillars of the development integration agenda, in particular, and fast-track the coordination of measures for effective implementation of the SADC Industrial Development Policy Framework and the Industrial Upgrading and Modernisation programme.

2.5.5. Namibia Angola Bilateral Consultative Meeting

1 - 4 September 2014
Luanda, Angola

The Minister of Trade and Industry, Hon. Calle Schlettwein, undertook an official visit to the Republic of Angola from 1 - 4 September 2014 for bilateral consultations with his counterpart the Minister of Commerce of Angola, Hon. Rosa Escorcio Pacavira de Matos. On this visit the Minister was accompanied by the Permanent Secretary of Trade and Industry, the Deputy Permanent Secretary for Trade and Commerce of the Ministry of Trade and Industry, and other officials of the Ministry of Trade and Industry and the Namibia Development Corporation (NDC).



Namibia's Hon. Calle Schlettwein, Minister of Trade and Industry with Angola's Minister of Commerce, Hon. Rosa Escorcio Pacavira De Matos, Luanda, Angola.

The Ambassador of the Republic of Namibia to Angola Her Excellence Claudia Grace Uushona and her officials facilitated the Ministerial visit and also accompanied the Hon. Minister during his official engagements. The purpose of the visit was to consult and strengthen existing bilateral cooperation with Angola in the area of trade, industry and investment; and to attend to the assignments from the last meeting of the Angola – Namibia Joint Permanent Commission of Cooperation on issues in these three areas, in order to accelerate the actions required and implement the resolutions.



The delegation of the Namibian Ministry of Trade and Industry in discussion with their counterparts from the Angolan Ministry of Industry, in Luanda, Angola.

The bilateral consultation deliberated on the following agenda issues:

- Finalisation of the Terms of Reference (ToR) of the Joint Trade Committee;
- Finalisation of the Action Plan for the Implementation of the ANIP-NIC Cooperation Agreement;
- Promoting increased trade between Namibia and Angola;
- Cooperation on trade facilitation;
- Promoting trade in services;
- Establishment of Namibia Trade Centres in Luanda and Lubango;
- Participation in trade fairs and future exchange visits.

2.5.6. 18TH China International Fair for Investment and Trade (CIFIT)

Date: 8 – 11 September 2014

Venue: Xiamen & Foshan, China

China remains an important strategic partner for Namibia, in terms of trade and investment. Held under the theme 'Introducing Foreign Direct Investment (FDI) and Going Global', Namibia participated in the 18th China International Fair for Investment and Trade (CIFIT) in Xiamen from 8 – 11 September 2014. CIFIT was a four-day event focused on investment, trade exhibitions, investment forum, project promotion and policy briefings held annually, under the sponsorship of the Ministry of Commerce of the People's Republic of China.

The Deputy Minister of Trade and Industry, Hon. Tjekero Tweya led a 15 member delegation to CIFIT, whose platform aimed to further strengthen and promote Namibia's trade and investment opportunities to potential Chinese investors, with particular focus on renewable energy,

infrastructural development and value addition in mining. In addition to visiting Xiamen, the Deputy Minister also visited the City of Foshan. The forum served as a network platform for the Namibian business delegation to meet their Chinese counterparts in various business areas.

2.5.7. Trade and Investment Mission, Finland

Date: 10 June 2014

Venue: Finland

The Hon. Carl Schlettwein, Minister of Trade and Industry paid a courtesy visit on the Finnish Prime Minister Hon. Jyrki Katainen. The visit emanated from the State Visit by H.E. President Hifikepunye Pohamba to the Republic of Finland in November 2013. The purpose of the mission was to promote and strengthen trade relations between Namibia and Finland to achieve mutually beneficial engagements and outcomes, as well as explore various value addition operations in the manufacturing sector in view of Namibia's ambitions to industrialise. To that effect a 44 member official and business delegation formed part of the visit to four regions in Finland, namely Helsinki, Tampere, Seinajoki and Rovaniemi.



Hon. Jyrki Katainen, Finnish Prime Minister and Hon. Carl Schlettwein, Minister of Trade and Industry during the Trade and Investment mission to Finland.

2.5.8. United States-Africa Leaders Summit

Date: 4 - 7 August 2014,

Venue: Washington, United States of America

The U.S.-Africa Leaders Summit accorded African leaders an opportunity to engage with His Excellence President Barack Obama, his Cabinet members, and other key stakeholders such as business executives, Members of Congress, as well as civil society leaders. Discussions focused more on how to encourage progress in key areas that African leaders view to be essential for the future of the continent. These areas included trade and investment relations, engaging young African leaders, promoting inclusive sustainable development, cooperation on peace and security, and creating a better future for Africa's next generation.



Participants: US- African Leaders Summit, August 2014.

The Summit was attended by more than forty (40) African Heads of State and Government. The Chairperson of the African Union Commission also attended the Summit. His Excellency President Hifikepunye Pohamba led the Namibian delegation to the Summit. The delegation comprised of Honourable Netumbo Nandi-Ndaitwah, Minister of Foreign Affairs, Honourable Calle Schletwein, Minister of Trade and industry and Honourable Tom Alweendo, Director-General of the National Planning Commission.

The summit had three main sessions as follows:

- Investing in Africa's future
- Peace and regional stability
- Governing for the next generation

The US Africa Leaders Summit was not only successful but also very important because it brought together African and US Government and business leaders to discuss issues of common interest. The Summit provided a platform for the exchange of views on a wide range of issues including investing in Africa's future, advancing peace and regional security, and governing for the next generation. The sessions were very productive in that they were interactive and engaging on matters pertinent to both the US and Africa. The Minister of Trade also had the opportunity to meet with US business leaders and attended various side meetings aimed at promoting Trade and Investment in Namibia. Most importantly he attended the AGOA Forum to discuss issues about the future of AGOA.

President Obama assured African leaders that he was willing to work with Congress to ensure the reauthorisation of AGOA for 15 years. His Excellency President Pohamba had the opportunity to address the Corporate Council on Africa which represents many US companies doing business in Africa, including Namibia. The CCA is planning to lead a powerful business delegation to Namibia early in 2015.



President Hifikepunye Pohomba of the Republic of Namibia (Right), next to US President Barack Obama together with other African leaders at the summit.

PART THREE: PROGRAMME PERFORMANCE

3.1. Vision

To be the leading Ministry in the drive towards industrialisation, the realisation of an export-driven economy and making Namibia a preferred FDI destination in order to achieve increased and sustainable economic benefits and employment for Namibians and international competitiveness.

3.2. Mission

To create an enabling environment for increased domestic and foreign direct investment, trade and industrial development, and to position and safeguard the interests of Namibia in the regional and global economy.

The Ministry of Trade and Industry is responsible for aspects of the development and management of Namibia's economic regulatory regime, on the basis of which the country's domestic and external economic relations are conducted. It promotes growth and development of the economy through the formulation and implementation of appropriate policies to attract investment, increase trade, and develop and expand the country's industrial base.

3.3. Core Values

Integrity: Consistent, honest and trustworthy in our dealings with clientele and stakeholders

Quality: Deliver quality and standard services in line with the Public Service Charter

Transparency: Perform our duties in a fair, open and honest manner

Accountability: Be responsible and accountable in the performance of our duties

Efficiency: Deliver timely, efficient and effective service to the public

Professionalism: Provide and execute our duties in a competent and skillful manner

Creativity and Innovation: Strive towards creativity and Innovation to improve productivity in a cost effective manner

Foresight: Foresee problems and take proactive actions to respond swiftly and effectively to challenges

3.4. Strategic Objectives

- Investment promotion
- Promotion of manufacturing activity
- Growth and diversification of Namibia's exports and export markets
- Promotion of growth and development of SMEs

Performance per programme

3.5. INDUSTRIAL DEVELOPMENT

The purpose of this programme 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 local and export demand, as well as the ability of local industries to withstand global competition.

(a) Sites and Premises Development Programme

Under the Sites and Premises Development Programme, concept designs and technical documentations for Garment Factories in Outapi and Eenhana have been completed. The continuation of construction activities of the Okahandja Business Hub, the Tsumeb, Oshakati and Rundu Industrial Estates, the Walvis Bay manufacturing and logistics Hub, the Karasburg, Onayena, Kalkfeld Community Markets and Outjo, Opuwo, Ongenga, Eenhana, Gibeon and Gochas Business Parks are underway. Construction of the Keetmanshoop Garment Factory is progressing well under the Garment Development Programme.

See below, pictures of completed concepts design:



Completed building – Tuhafeni garment factory front entrance



Completed building - Tuhafeni garment factory side view

(b) Industrial Upgrading and Modernisation Programme (IUMP)

During the period under review, IUMP has assessed fourteen (14) applications, carried out diagnostic assessments on four (4) firms, and have approved four (4) companies for upgrading interventions worth N\$ 4 million. A telephonic and e-mail based impact assessment on beneficiaries was also carried out on beneficiaries, and information as tabulated and presented in a report format submitted to management. Three National Steering Committee meetings were carried out, and payment for interventions processed, equipment purchased, performance and suppliers contracts prepared and signed, and coaching and mentorship programmes facilitated.

(c) SME and Entrepreneurship Development Programme (EDP)

Under this programme, these were some of the notable activities executed adjudication of requests of production technology for entrepreneurs (ii) entrepreneurial skills development (iii) feasibility studies and business plan formulation. Progress made was as follows:

- **Equipment Aid Scheme (EAS)**

MTI procured and provided production equipment and machinery to 743 needy SMEs in the 14 national regions in the areas of construction and brick making; auto-motive repairs, air-conditioning and refrigeration repairs, garment, manufacturing agro food processing; and joinery. This intervention is aimed at boosting the production capacity of the informal and formal SME sector by assisting SMEs to acquire production equipment and technologies.

Table 3 – Value of equipment purchased during the reporting period.

| NO | REGION (SMEs) | NUMBER OF APPLICATIONS APPROVED | VALUE OF EQUIPMENT TO BE PURCHASE/ REGION, N\$ |
|-------------|-------------------------|---------------------------------|--|
| 1 | Zambezi | 40 | 1,861,979 |
| 2 | Erongo | 44 | 3,537,787 |
| 3 | Hardap | 22 | 3,750,141 |
| 4 | Karas | 15 | 2,014,335 |
| 5 | Kavango (East and West) | 34 | 3,199,352 |
| 6 | Khomas | 191 | 15,036,636 |
| 7 | Kunene | 34 | 2,116,031 |
| 8 | Ohangwena | 37 | 3,684,925 |
| 9 | Omaheke | 71 | 7,122,394 |
| 10 | Omusati | 62 | 5, 189,946 |
| 11 | Oshana | 114 | 8,670,716 |
| 12 | Oshikoto | 23 | 4,936,718 |
| 13 | Otjozondjupa | 56 | 4,455,725 |
| GRAND TOTAL | | 743 | 65,576,685 |

- **Training**

Over a Hundred and Fifty four (154) entrepreneurs were assisted with entrepreneurial training, workshops as well as mentorship services covering various aspects on fashion design, tailoring, product development, marketing and general business management.

- **Feasibility Studies**

Five (5) entrepreneurs were assisted with feasibility studies in the areas of cooking oil production; silica; sand; sanitary and paper towel manufacturing; citrus and dairy product development.

(d) Socio-Economic Plight of the people of the South (//Karas and Hardap Regions)

In 2008 Cabinet by Decision No: 23rd/09.12.08/010 resolved to give special attention to the Socio-Economic plight of people of the South to address unemployment, poverty and hopelessness in these regions. As a response to this decision, the Ministry was directed to focus on encouraging the establishment of more industries in the South, with a view of promoting employment creation and skills development; and to promote micro-lending in the Hardap and //Karas Regions.

- During the reporting period, the concept design and technical documentation to upgrade two units at the Keetmanshoop Showground to serve as a Convention Centre and to host the Keetmasnhoop annual trade fair has been completed and tenders were called to be adjudicated in August 2014.
- Farm Coenbalt was purchased for the establishment of a feedlot and for Brukaros Meat Processors (PTY) Ltd to expand their meat processing facility and activities on this farm. Furthermore, vehicles were purchased for these activities to be carried out.
- Swakara Wool Processors were provided with wool pressing equipment, truck, forklift and working capital of N\$ 500, 000 to pursue their business activities.
- Land was acquired at Bethanie for growing fresh produce to boost disposable income and self-reliance.
- The school furniture factory in Keetmanshoop is in the design stage.
- Regional studies were commissioned to determine the socio-economic development potential and opportunities in the Hardap and Karas regions as part of the plan.

(e) Improvement of Living Conditions of Inhabitants of Katutura and Surrounding Areas

In executing the Cabinet decision: 9th/03.08.10/007, the Ministry of Trade and Industry commissioned a study aimed at clearly understanding the potential economic activities and the viability thereof, which could in turn be translated into concrete plans and actions aimed at improving the living conditions of the inhabitants of Katutura and surrounding areas. The study further looked into existing businesses, industrial and other infrastructure development plans for the specified areas, and gaps or additional needs that may hamper entrepreneurial development, with the ultimate view of addressing such.

The City of Windhoek (CoW) was approached and engaged to map out a way forward regarding some of the challenges outlined in the study report that could be immediately addressed jointly by the CoW and MTI.

- The CoW subsequently submitted a proposal for the procurement of semi-permanent facilities to be used by informal traders at the allocated Erf: 8219, No. 10 Bonsmara Street in the Northern Industrial Area, which MTI will finance.

3.6 Trade Promotion And Commerce

3.6.1. Domestic Trade Management

The overall objective is to ensure efficient business and Intellectual Property registration and a competitive domestic market environment. The programme focuses on the development and adoption of an appropriate legal, regulatory and institutional framework for effective registration, establishment and operation of businesses; 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 for a vibrant and robust domestic economy.

(a) Business and Intellectual Property Rights Registrations

The Ministry facilitated the successful launch of the trial Web-based Integrated Companies Registration System (Web-ICRS), a fully Web-based system which is an extension of the Integrated Companies Registration System. The system was built with the basic idea of taking services closer

to the citizen. With the E-Government Action Plan in perspective, these would be translated as Government to Government - G2G, Government to Business - G2B, Government to Citizens - G2C and even G2V Government to Visitors services. This initiative was in line with the Ministry's aim to improve Namibia's ranking on the World Bank 'Doing Business Index, on which Namibia was ranked number 132 out of 189 economies, during the 2013 review. This global report measures the basic steps and amount of time it takes for business enterprises to undergo a government process across the lifetime of a business. The World Bank report further indicated that Namibia takes approximately 66 days to set-up a company, compared to an average of 13 days for the best performing African Economy. To address this, the overall forecast was for the Ministry to reduce the time it takes for registration of a company from the current World Bank ranking of 66 days to 100% registration in 10 days, with the aim of improving the Country's ranking on the ease of doing business to a favourable one.

A total number of 8,140 Companies, Close Corporations, Defensive Names, Section 21 Companies, and foreign Companies registered during the first quarter of the 2014/15 Financial Year, compared to a total of 5,451 registrations during the same quarter of the last financial year, which constitutes 2690 more registrations in the quarter.

- **BIPA**

Following the appointment of the CEO of BIPA in February 2014 to spearhead the process of operationalising BIPA, the Bill was finalized and tabled through the Cabinet Committee on Legislation (CCL). The BIPA Board appointed 26 relief workers (20 attached to the Office of the Registrar) for a one year period, renewable pending approval of a more permanent structure. With the appointment of the temporary workers, the office has seen a notable improvement in the time spent on processing applications.

BIPA has secured office space for administrative purposes and archiving the registrations documents of the Registrar of Companies, Close Corporations, Trademarks and Patents. The BIPA website has made online registration possible. Currently, clients are able to submit and reserve names on-line through the Web-based ICRS hosted on the BIPA Website. Dissemination of information related to the Office of the Registrar has also become more accessible via the website.

BIPA has successfully hosted the World Intellectual Property Organisation (WIPO) Day, well known as the Intellectual Property Day (IP-day), in Keetmanshoop in April 2014, in conjunction with the Ministries of Trade and Industry and Information and Communication Technology. IP Day is celebrated annually in member states of WIPO, to create awareness of the importance of Intellectual Property.

- **The Namibia Competition Commission**

The Commission is tasked with promoting competitive market conditions through investigation and prosecution of anti-competitive activities, reviewing and approving mergers and exemption applications, and disseminating information to businesses, consumers and other stakeholders.

The Commission facilitated completion of the UNCTAD peer review of the Namibian Competition Act. The review has been completed with the aim to assist the Commission in increasing the effective enforcement of the Act. The commission further adjudicated on 56 Mergers and Acquisitions cases. Of these cases, 2 merger cases were prohibited, 3 cases were approved with conditions and 51 were approved without conditions. The commission submitted the first results of a retail

sector market inquiry to the Ministry for review a successfully completed a draft supplier development framework for the Walmart/Massmart group and submitted it to the Ministry for consideration.

- **Namibia Standards Institution**

The Namibia Standards Institution is responsible for enhancing product quality, industrial efficiency and productivity in Namibia by promoting the use of standards and quality assurance and control in industry, commerce and public sector providing conformity assessment services, certification of systems, product and personnel systems, inspecting and testing products and materials as well as metrology services.

The addendum to the NSI-BOBS Memorandum of Understanding has been prepared and signed on 1 July 2014. A Memorandum of Understanding with the Food and Agriculture Organisation (FAO) has also been prepared and signed during the same period. Five Namibia Dairies products were recommended for certification to comply with requirements set out by BOBS 92:2004. Around 180 Volume and Mass meters were calibrated during the first quarter and 161 instruments used in trade were calibrated during this quarter. The NSI further carried out 271 canned fish inspections and 68 canned meat inspections during the quarter. Phase 1 of the NSI Testing center that is currently under construction in Walvis Bay has been completed.



NSI Testing Centre front entrance



NSI Testing Centre

3.6.2 External Trade Management

The main purpose of this programme 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 for local products. The programme has three main activities which are trade promotion through local and foreign trade fairs and exhibitions/ trade missions; market research and development and the management of bilateral, regional and multilateral trade.

During the first quarter of the 2014/15 financial year, the Ministry provided assistance to Namibian exporters and manufacturers by providing marketing information and identification of export opportunities. The aim is to penetrate foreign markets and create economic growth through increased trade. Henceforth, a total of ten (10) companies in the charcoal industry were provided with market information. In addition, six (6) desk studies and two (2) primary researches were conducted and reports of findings produced.

Furthermore, the Ministry provided financial and technical support to various local companies and entrepreneurs to participate in trade fairs and exhibitions in Namibia and beyond our borders. Seventy eight (78) companies benefited from this support on which the Ministry spent N\$126,397. Trade missions to China, Hong Kong and Dubai markets to seek market access for fish, beef and grapes was also undertaken during the period under review.

With regard to the Management of Bilateral, Regional and Multilateral Trade during the period under review, the Ministry participated in the activities related to the consolidation of SADC FTA and deepening regional economic integration with the main objective to secure market access for Namibian products and increased export markets within the SADC region. The Ministry also led negotiations on the Economic Partnership Agreement (EPA) as part of the SADC EPA Group. The technical negotiations on the EPA were concluded in June 2014 and that has guaranteed continuation of current market access for beef, fish and grape exports to the EU markets.

Other negotiations through which the Ministry spearheaded Namibia's participation during the reporting period pertain to the COMESA-EAC-SADC Tripartite FTA negotiations. The conclusion of this Agreement is expected to boost exports for Namibian products beyond SADC to the markets of COMESA and EAC under the tripartite arrangement.

3.6.3. Investment Promotion

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 is to 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 destination and enhancing Namibia's positive competitiveness ranking.

(a) Investment Facilitation

A combination of domestic savings and foreign capital has boosted the country's level of investment and industrial activity. During the reporting period, the Ministry, through its investment promotion agencies, implemented measures aimed at nurturing domestic investment and attracting foreign direct investments. During the reporting period the Ministry facilitated 7 new investments worth N\$518.6 million and committed to create 220 permanent jobs. These investments are from South Africa and Germany in the following sectors; tourism, mining, construction, agriculture and manufacturing.

Furthermore, the Ministry facilitated and hosted 6 inward missions (South Africa, Netherlands, Poland, China, United States of America, Canada) and 9 outward missions (in which local business people took part from various regions) to and from various countries such as the United Arab Emirates, South Africa, Canada, Cuba, China, India, Mauritius, Turkey and the United States of America. These interactions created linkages and interactions between NIC, Namibian business people and their counterparts.

As part of the review of investment incentives, the final draft of the investment incentives study was presented to the Cabinet Committee on Trade and Economic Development. In addition, the Ministry also entered into a Memorandum of Understanding (MoU) with PriceWaterHouseCoopers (PWC) to produce a booklet called "A Business and Investment Guide for Namibia". This guide will contain useful information about Namibia's economy and investment climate and will be a useful tool to the promotion of Namibia as a favourable investment location. The Guide will be launched in the last quarter of this financial year. Advertisement for marketing Namibia were placed in the Flamingo, Consumer News, Trade Directory, Olufuko Festival magazine, Vision 2030 and GDP Global.

The Ministry engaged the World Bank team, responsible for compiling the Ease of Doing Business report, in order to afford Government an opportunity to provide inputs on the correctness of the information gathered, in respect of legislative and policy matters. The World Bank team undertook to give Government an opportunity to provide direct inputs on any reform measures that it and the country in general has embarked on or is planning to undertake. The Ministry thus engaged all relevant authorities and line Ministries during a workshop, to provide an update on any new laws, regulations, administrative procedures or reforms that have been implemented before 1 June, 2014, to bring about efficiency in service delivery to investors to do business in Namibia. The contributions were compiled in a report and forwarded to the World Bank.

Namibia never the less moved down to 8th position from 7th in Africa according to the Global Competitiveness Index for 2013-2014. In this regard the Ministry will engage the World Economic Forum in the same way as the World Bank to validate information accuracy provided during the survey.

(b) SOE Contribution

The Offshore Development Company is the ministry's partner agency responsible for the promotion, marketing, monitoring and co-ordination of all export processing zone activities and the provision of an umbrella service to EPZ enterprises in the country in general. To complement its investment and trade promotion and facilitation efforts, the company through MTI has been developing and implementing various programmes and projects aimed at creating the necessary basic physical infrastructure to reduce the cost of doing business in Namibia and improve trade and investment activities.

The company manages Industrial and Business Parks and leases these premises to both foreign and domestic investors. These parks are located at Oshikango, Katima Mulilo, Katwitwi and Omahenene. A new park is being developed in Omahenene. These facilities are aimed at facilitating cross-border trading, import and export as well as light manufacturing activities. In addition, the company also manages two gemstone centres in Karibib and Keetmanshoop. A new project the Namibia Trade Hub Multi-use Complex will be developed in Windhoek.

Table 4:

| Projects | Targets (No. of warehouses/units) | 2013/14 (Actual) |
|------------------------------------|--------------------------------------|---------------------|
| Oshikango EPZ Park | 1 | 0 |
| Katima Mulilo Park | 0 | 0 |
| Katwitwi Industrial Park Phase III | 4 | 4 |
| Omahenene Business Park (new) | 1 (SME Module) | 1 |

The Oshikango Park consists of 14 warehouses which are fully occupied by tenants. An amount of N\$5,645,000 was allocated in 2013/14 financial year to construct one. Over 350 jobs have been created at the Katima Mulilo Park; Oshikango Park has generated around 220 jobs; Katwitwi Park has created 38 jobs during Phase III development; while at Omahenene Park, 57 jobs have been created during the construction phase. The construction of the SMEs modular market at Omahenene Business Park is underway and is expected to be completed during the reporting period.

(c) EPZ Performance

With regard to the performance and achievements of the Export Processing Zone (EPZ), a new project in the amount of about N\$3 million in the area of diamond and cutting polishing was approved under the EPZ in 2013. This investment of German origin is expected to create 37 local jobs. Overall, the total value of accumulated investment in EPZ for the period under review was N\$12.7 billion, primarily as a reflection of the realization of the investment by Areva Processing and the reinvestment by Namibia Custom Smelter - now Dundee Precious Metals Tsumeb which amounts to N\$760 million aimed at upgrading its production facility and environmental systems. Despite huge investment by Areva Processing, the company has postponed its operations based on economic reasons mainly the continuing decline in global uranium price. Exports in the EPZ regime during the 3rd and 4th quarter of 2012 amounted to N\$ 3, 7 billion while the 1st quarter exports of 2013 were N\$ 1, 1 billion bringing the total for export during the period under review to

N\$ 4, 8 billion. In terms of employment, the total number of people employed by twenty-three enterprises currently operating in the EPZ has slightly declined to 2,518 in 2012 compared to 2,591 in 2011 mainly as a result of the scaling down of operations by some EPZ companies.

3.6.4. Supervision And Support Services

This programme entails overall oversight over the design and leadership implementation of the various policies and programmes on trade, investment promotion and industrial development as well as to ensure coordination and alignment to ministerial and national development plans. It also ensures the provision of administrative or supportive services that the various operational units and agencies of the Ministry require in order to execute their assigned core functions and achieve the strategic objectives as set out in its Strategic Plan. This is ensured through the acquisition and prudent utilisation of human, financial, technical and other resources. It brings together all the other activities for the attainment of ministerial objectives.

(a) Financial and Asset Management

This entails activities such as budget formulation, execution and monitoring, as well as ensuring that appropriated funds are properly utilised. It involves among others, the compilation of budget plans and funds requests to Treasury and preparation of monthly and quarterly expenditure reports for discussion by management. Financial statements and relevant reports are compiled and submitted to the Auditor General's Office for auditing purposes. Continued monitoring of expenditure trends ensures financial prudence.

Table 5:

| | Budget | Expenditure | Utilization % |
|--------------------|----------------------|-----------------------|---------------|
| Operational Budget | 592,518,000 | 539,012,210.59 | 91% |
| Development Budget | 408,000,000 | 326,337,521.48 | 80% |
| Total | 1,000,518,000 | 865,349,732.07 | 87% |

As of 28 February 2015

(b) Human Resource Management and Development

This activity includes the recruitment, deployment, retention and development of the Ministry's human capital, which is crucial for productivity and performance against targets and the implementation of the Ministerial strategic plan and programmes.

Given the central role of requisite skills, staff members are given opportunities through financial assistance to undergo formal academic and in-service training. As a matter of priority, financial assistance is offered for courses that are relevant to the skills need of the Ministry.

• Human Resource Management

The following developments were recorded in respect of staffing and human resource development during the period under review:

17 New appointments and transfers from other O/M/As;
 8 Promotions
 1 Transfer to other O/M/As
 8 Termination/ resignation from Public Service; and
 2 Deaths

• Human Resources Development

Being a specialised Ministry, staff members at various levels and especially at professional levels were given opportunities and sponsorship to pursue short-term and long-term career and competence enhancing training, especially in fields relevant to their assigned jobs or to the skill needs of the Ministry.

Table 6 below highlights some of the training undertaken during the reporting period.

| Training Course | Male | Female | Total |
|--|-----------|-----------|-----------|
| English for general communication - OCT 2014 | 13 | 30 | 43 |
| Effective supervisory skills - Sept 2014 | 2 | 4 | 6 |
| Project Appraisal and evaluation - Sept 2014 | 1 | 6 | 7 |
| Switchboard and telephone skills - Dec 2014 | | 3 | 3 |
| Switchboard and telephone skills - Jan 2015 | 6 | 18 | 24 |
| Post-graduate staff supported | 2 | 5 | 7 |
| TOTAL | 24 | 66 | 90 |

3.6.5. Special Industrialisation Initiative

This is a new programme in its inception stage, a writer of policies on value chains and value addition.

(a) Industrial Capacity and Value Chain Development

This activity is aimed at the implementation of the manufacturing strategic initiative in NDP4, industrial policy through expansion of industrial capacity and value chain development.

7.0. Conclusion

Against the backdrop of the lofty ideals of Vision 2030 – which is a mere 15 years away – the Ministry of Trade and Industry is required more than ever before to accelerate the development and expansion of the country's trade and industry sector. It is incumbent upon both management and the rank and file of this key ministry to intensify all efforts to concretise Namibia's ambitious goal to become a fully industrialised and knowledge-based society by the target year 2030. For this to become a reality, the ministry cannot operate in isolation but will have to increasingly work in tandem with other ministries, offices and agencies within government. The synergies forged

between MTI, the private sector and our development partners need to be strengthened so that new and innovative methods to realize Namibia's objectives towards NDP4 and Vision 2030 can be developed. We must rigorously continue with the implementation of our 'Growth at Home' and 'Industrialisation' policies. We must further strengthen the SME sector in order to create more jobs.

Empowering the informal business sector will go a long way in spreading the wealth of the country more equitably. We must continue to provide an environment conducive to local and foreign direct investments. The time has come to further strengthen our philosophy of adding value to our natural resources through beneficiation which must result in Namibia becoming an exporting nation – not only of finished products of minerals, beef, fish, grapes and karakul pelts, but perhaps, more importantly - of KNOWLEDGE! There are low-hanging fruits in the world ready for harvesting, if we are willing to emulate the example of dynamic countries such as Singapore and Israel. These geographically small countries are punching way beyond their weight in the world economy because they have invested heavily in human resources development. They primarily export knowledge and expertise and they are not unwilling to share the secrets of their success with countries that are interested in their winning recipes.

The editorial team would once again wish to thank all officials who made it possible for us to produce this latest Annual Report. We register our appreciation to all those who assisted us with research; who drafted articles and sub-reports; who made photographs available; who compiled statistics; who verified information and facts; who advised us in general; as well as those who worked from behind the scenes, encouraging us to present a high-quality document. We are confident that our Hon. Minister - when submitting this Report to Parliament - would be able to do so with pride, knowing fully well that all statements contained herein are based on facts and are reflecting the vision and ethos of the Ministry of Trade and Industry. Last but not least, we hope that ministry staff will take ownership of the contents of this edition of the Annual Report and will implement the philosophy of the ministry in the way they execute their individual duties from day to day.

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SPEECH:



STATEMENT

BY

HON. CALLE SCHLETTWEIN, MP
MINISTER OF TRADE AND INDUSTRY,

**ON THE OCCASION OF THE
 2ND ANNUAL GENERAL MEETING OF THE NAMIBIA TRADE FORUM AND LAUNCH OF THE NAMIBIAN
 RETAIL CHARTER NEGOTIATIONS
 AT THE
 NAMPOWER CONVENTION CENTRE WINDHOEK
 ON
 MONDAY, OCTOBER, 20, 2014**

Director of Ceremonies;
 Distinguished Members of the NTF Board;
 Captains of Industry;
 Members of the Namibian Retail Charter Task Teams;
 Staff Members of the Namibia Trade Forum;
 Members of the media;
 Ladies and Gentlemen;

Thank you for your kind introduction. I also thank the Namibia Trade Forum (NTF) for the opportunity accorded to me to speak during this auspicious occasion, which marks the 2nd Annual General Meeting of the Namibia Trade Forum (NTF) and also most importantly the launching of the Namibian Retail Charter negotiation phase.

Director of Ceremonies;

Fifteen months have passed since a meeting was held where we consulted with stakeholders in the Retail and Distribution sector, on how we will work together to achieve our collective developmental objectives. You may also recall that for the past 20-months there has been a consistent and unmistakable theme in all my consultations and engagements with various stakeholders. That theme is GROWTH AT HOME, which emphasises that we must promote industrialisation based on the commodities that we can produce and the value chains that can be developed around them.

To this effect I am pleased to inform you that the Implementation Strategy of the Industrialisation Policy is at a very advanced stage. The problem that we must address is that our economy needs structural reform. A weak productive capacity and poor links between manufacturers and distributors and retailers is one of the striking constraints to growing productive capacity and the consumption of locally manufactured goods. High margins in the retail sector often to the disadvantage of both consumers and local producers further constrain the development of domestic value chains.

I am getting increasingly concerned about the rising costs of food and other consumables and thus the cost of living in Namibia. Together with rising costs of utilities and industrial and domestic properties it will be difficult to achieve competitive gains for industrialisation and also to improve living standards for the majority of Namibians.

As to the Retail Sector, it is clear that the NDP4 has aspirations for growth in that sector and it targets a 20% increase in the shelving of Namibian products on our retail shelves.

Namibia as a net food importing country of most consumer and industrial goods, with a sparsely distributed population that has access to a diverse array of goods and services, efficient distribution networks with vertically integrated operations, and convenient shopping malls in most of our urban towns.

Retail activities make it possible for producers of goods to connect them to the consumers. An efficient distribution system allows for various economic activities to take place especially the linkages created down and up-stream, as well as the consolidation of value chains. A very efficient distribution network does exist, but the problem is that domestic goods are mostly not part of supply chains.

Namibia remains an attractive destination for retailers, especially foreign owned, due to advances in economic integration within SACU and SADC, and a resulting very open economy. Most of the investments in the sector are foreign owned and these investment flows are the positive outcomes of our macro-economic stability, a conducive investment climate and our high rankings in the ease of doing business and competitiveness in Africa.

Having said all this, there is a down-side to and a cost associated with the growth in this sector. In order to reap the benefits from growth in this sector we must ensure that we balance the risks in this sector so that win-win situations for economic growth and returns on investment are both achieved. One of the aspects that has emerged is the displacement of the small artisanal bakeries, florists, butcheries and small family owned mini markets. This is replacing domestic productive capacity by imports from elsewhere by foreign retail chains and even foreign owned corner shops and smaller retail outlets. This has resulted in reduced participation of Namibians in the retail sector and its supply chains and the crowding out of local products.

The need for transformation of this sector so that it meaningfully contributes to economic growth, job creation and closing the gap in income disparities culminated into the need to develop a public private dialogue through which the needs of government and the ambitions of the private sector are accommodated. A Retail Charter which at the end of it would contain binding obligations for both is viewed by me as the most suitable outcome.

Ladies and Gentlemen;

It is very encouraging to observe the work that has gone into the realization of this important initiative. The Namibia Trade Forum has facilitated the process by holding several stakeholder consultations where your participation and inputs have enriched the process and development of the retail charter.

It brings great delight to know that the Pillars such as local sourcing, supplier development, linkages with the SME sector and capacity building and greater local ownership, which this Charter will rest on, have been identified. Further, three working groups namely the FMCG (fast moving consumable goods), Clothing & Apparel, and Building & Harding Task Teams have been established and their work has commenced.

I have been told that the Task Teams have met, elected their chairpersons, and are looking at the modalities of the negotiations of the charter. You are aspiring to conclude the negotiations and to have a Charter in place by the third quarter of 2015, which is next year.

Ladies and Gentlemen;

I am encouraged to note that there are some retail companies who have committed themselves to this process and this is a true reflection of our public private partnership.

In the same vein, I have equally noted with concern that there are also many retailers who have not joined the process. The fact that these companies de facto refuse to dialogue is a lost opportunity. If one does not dialogue one is excluding oneself from influencing the outcome and one therefore must at the end of the day live with what others have decided. It is important to realise that the outcome of this charter will not be binding only on those who are participating but on everybody. I therefore urge all retail operators and distributors to come on board.

In conclusion, I thank the relevant stakeholders who are part of this process. Thank you for the cooperation you have shown and continue to show into the negotiation phase. I encourage you the negotiating team to put the bar of ambition as high as possible so that we have meaningful targets that would not require any additional unilateral intervention to achieve the aspirations of Vision 230 and NDP4.

Ladies and Gentlemen;

At this juncture, it is now my honour and privilege, to officially launch the negotiation phase of the Namibian Retail Charter. I look forward to the successful conclusion of this phase as scheduled and subsequently the implementation of the Retail Charter in earnest.

Thank you for your attention.



END OF YEAR FUNCTION



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