



Republic of Namibia

STATEMENT

BY

HON. CARL HG SCHLETTWEIN

MINISTER OF TRADE AND INDUSTRY

ON

THE OCCASION OF THE OFFICIAL OPENING

OF

KAVANGO TRADE FAIR 2014

AT

RUNDU, NOVEMBER 06, 2014

Director of Ceremonies;

H.E. Samuel Mbambo, Governor of the Kavango East

H.E. Sirkka Ausiku Governor of the Kavango West Region;

Distinguished Governors from neighbouring regions present;

Hon. Members of Parliament;

Her Worship, Councillor Hilka Leevi, Mayor of Rundu;

His Worship, Councillor Erastus Sientu Kandjimi, Mayor of Nkurenkuru;

Distinguished Regional and Local Authority Councillors;

Distinguished Traditional and Religious Leaders;

Chief Regional Officer of the Kavango Regional Council;

Captains of Industries;

Members of the Media;

Ladies and Gentlemen;

I am honoured and delighted to address you at this auspicious annual regional event to mark the Kavango Trade Fair 2014.

I am pleased to note that the theme of this year's trade fair is entitled: **"Promoting Regional Development for Sustainable and Economic Transformation"** which is aimed at ensuring the promotion and development of trade and industry activities in Rundu, Nkurenkuru and all other areas in the former Kavango Region, now demarcated into the Kavango East and Kavango West Regions.

It is my firm belief that events of this nature create opportunities for regional and local authorities to market and attract capital and much needed

investment to their respective towns and regions. I therefore, at this juncture wish to congratulate the Town Council of Rundu, as well as the Regional Councils of Kavango Regions and its partners in offering such a key platform in marketing and promoting this important regions. In addition, it is my strong hope that such a platform will allow all towns in these regions especially the towns of Rundu and Nkurenkuru to capitalise on any investment opportunities which these two regions have to offer in the various sectors of our economy.

Ladies and Gentlemen;

The role of government is to create conducive environment by legislating and implementing appropriate and relevant policies, laws and regulations for the private sector to operate smoothly, in order to generate revenue for government which in turn is invested back into its society for the further development of our beautiful country as well as to provide much needed employment opportunities.

It is high time for local investors to give up the culture of thinking only of making quick profits. Let's think long term, as opposed to short term so that we can create robust entities and much needed employment opportunities for our people as we strive to develop our country further for the benefit of all our people.

Director of Ceremonies, Ladies and Gentlemen;

Government has recognised that Small and Medium Enterprises (SMEs) play a fundamental role in innovation and job creation and therefore underpins the economic and political calculus in any society. SMEs should therefore be nurtured at all levels to cement their strategic role in development. To this end, the Ministry of Trade and Industry has various programmes and facilities in place to assist the SME sector to establish and grow their businesses.

These programmes are aimed at assisting entrepreneurs with supports such as business plan formulation, conducting of feasibility studies, providing mentorship services and business, managerial and technical training, provision of equipment, facilitation of securing markets and improving the quality of local products and services just to mention a few. Government has also established and capitalised the SME bank to assist the sector with affordable finance on flexible quasi commercial terms.

It is a well-known fact that most small businesses fail within their starting-up stage of operation due to under capitalization and lack of proper management skills. To overcome the adverse prevailing situation, our Ministry has throughout the country constructed SME business parks or market facilities which we are gradually converting to incubation centres. We are further constructing industrial parks, warehousing and in future also specific manufacturing facilities as our contribution to enhancing value addition to raw materials and increasing our manufacturing capacity.

Ladies and Gentlemen;

Our support facilities for SMEs are therefore meant to ensure effective participation by small businesses in an environment where they can share experiences and conduct business with one another, thereby reducing the risks inherent in business start-ups. Through interaction, SMEs develop increased awareness of and access to information on support services available to them and gain access to facilities and equipment otherwise unavailable or unaffordable and as such increase visibility and presence in the marketplace. Equally, SMEs at our facilities pay below market rents and share reduced building maintenance responsibilities, thus, resulting in job creation, retention, and increased output and revenue.

The availability of inexpensive business space and support services are often the prime incentives for small businesses to venture into starting their own businesses rather than seeking for jobs. It is my understanding that the development of these business facilities is therefore, also aimed at creating economic independence and self-employment, as opposed to Namibia remaining a country of job seekers.

It is my hope that our support will contribute to increased business development activities in Rundu and surrounding towns. Our support interventions should be the vehicle for the private sector to be creative and innovative through adding value to our natural resources and thus, creating jobs and improving living standards for our people.

Director of Ceremonies;

To date, the Ministry of Trade and Industry has constructed SME parks in the Kavango Region which are all in full operation. These are the SME Parks in Rundu and Nkurenkuru as well as a Woodwork Common Facility Centre in Rundu, which is fully equipped with state of the art technology to provide services to businesses which are in the carpentry, joinery and upholstery sector to manufacture products such as office and household furniture.

I am told that these facilities, during the construction phase have created two hundred and twenty nine (229) temporary jobs. I am further pleased to note that one hundred and seventy seven (177) persons are being provided with jobs on a permanent basis by the current entrepreneurs occupying or operating at these business units. It is further pleasing to note that the Government through the Ministry of Trade and Industry has invested a total of N\$ 12.12 million for the construction of related facilities in this region alone.

Director of Ceremonies, Ladies and Gentlemen;

At this event, the Ministry of Trade and Industry through its Export Marketing Assistance Programme (EMAP) has supported about 32 **SMEs** to participate in the **Kavango Trade Fair 2014 to the tune of about N\$ 64-thousand, and these SMEs are in the following business activities:**

- **Textile**
- **Garments and**
- **Crafts**

The purpose of the Export Marketing Assistance Programme (EMAP) is to assist the SMEs in manufacturing and value addition activities to participate in local and international trade fairs and to obtain experience as well as create business linkages and networking. It is, however, up to the individual entrepreneurs to tap into these programmes to see how best they can utilise the programmes and facilities to their own benefit.

In addition to the EMAP, there is a Product Development Service within the Trade Promotion Division in the Ministry. Under this programme SMEs are assisted in product development, labelling, packaging and marketing of their product while the Ministry equally assists SMEs with developing business plans and conducting feasibility studies under the Industrial development programme.

Our Ministry is nevertheless currently in the process of reviewing the SME Policy and Programmes of 1997. This review is to ascertain the impact of the SME sector as a result of the implementation of this policy but most importantly to align the SME Policy to other development frameworks such as the National Development Plans and Industry Policy in order to provide integrated support services and incentives to our local entrepreneurs in the country. This envisaged conducive business environment will enable our local entrepreneurs to participate actively in the mainstream of our country's economy.

These programmes are yet another example of government's commitment to cooperate with and support the private sector especially the SME sector

in its activities. We want our people to be self-sufficient because countless working opportunities are available in different sectors, agriculture and agro-food processing, manufacturing construction, industry and services.

We must never forget that the government can do a great deal in terms of ensuring the rule of law, providing security, and improving the service infrastructure, but the real engine of growth in the Kavango Region is you the entrepreneurs, the business community, it is you the private sector. Without a genuine and serious contribution by the private sector, the Government alone cannot carry out the mammoth task of ensuring economic growth and prosperity for all. The Ministry of Trade and Industry is looking forward to positive economic growth here in Rundu and indeed both Kavango Regions in the next five years and we want our people to look to the future with the same vigour. We should learn from the past so that we avoid poverty and misery. We have won the political struggle but we now have to fight the economic struggle. We should not allow the bitter colonial history of the past to be repeated and hide or justify our challenges but turn our challenges into opportunities to ensure profit making business entities.

I would also like to inform and invite all the trade fair exhibitors and visitors to visit the Ministry of Trade and Industry's trade fair information stand so that you can familiarise yourselves with all the Programmes and the services offered by the Ministry to the business community to promote industrial development in Namibia to realise Vision 2030.

Director of Ceremonies and Ladies and Gentlemen;

Having said this, it is now my honour and privilege to declare the Kavango Trade Fair 2014 officially opened.

I thank you for your attention.