



Republic of Namibia

**KEYNOTE ADDRESS PRESENTED BY HONOURABLE TJEKERO
TWEYA, DEPUTY MINISTER OF TRADE AND INDUSTRY ON BEHALF
OF HONOURABLE CALLE SCHLETTWEIN MINISTER OF TRADE AND
INDUSTRY,**

**AT THE RE-LAUNCH OF THE
WINDHOEK INCUBATION CENTRE**

ON FRIDAY, 28 JUNE 2013

Director of Ceremonies, Mr. Douglas Reissner,

Honourable Laura McLeod-Katjirua, Governor of the Khomas
Region,

Your Worship the Mayor of the City of Windhoek, Councillor Agnes
Kafula,

Honourable Regional and Local Councillors Present,

Chairperson of the Windhoek Incubation Centre Ms. Utete

Karimbue-Mupaine,

Distinguished Board of Trustees of the Windhoek Incubation Centre,

Representatives from the Ministries, Private Sector, Academia and
NGOs,

Members of the Media,

Distinguished Guests,

Ladies and Gentlemen,

It is an honour and pleasure for me to be with you here today. I
wish to thank the Windhoek Incubation Centre Trust for extending
an invitation to me to deliver the keynote address at this
auspicious occasion.

Hon Governor, Your Worship, Ladies and Gentlemen,

I wish to applaud the City of Windhoek for the creation of an SME Incubation Centre and for appointing a capable Board of Trustees in order to provide guidance to SME Incubation Centre and its prospective tenants. It is our fervent hope that the re-launch of this centre will provide opportunities for the SMEs to access more comprehensive business support services.

Ladies and Gentlemen,

The contribution that small and medium sized enterprises make to the Namibian economy is a clear illustration of the potential benefits that these enterprises can provide to the overall development of the country. Figures indicate that with an approximate 12% input into the annual GDP of the country, SMEs account for one fifth of the employment figure of Namibia's workforce and therefore have an important place in the Namibian economic and development framework. However, despite the clear significance of SMEs in our economy, these enterprises continue to

struggle to acquire the necessary financing, technologies, business knowhow, business support, and business linkages required to allow these businesses to fully succeed. In fact, small and medium businesses face several constraints during their developmental phases, thus experiencing a high failure rate.

Given the current and potential contributions that SMEs can make to the Namibian economy, it is important that they be provided with the necessary tools to ensure that they grow into large entities that can further provide more employment, contribute to the alleviation of poverty, and address economic inequalities in the Namibian Society.

One of the Government's biggest challenges as of 2012 is the inadequate and volatile economic growth we have experienced so far, and the lack of employment opportunities. The Government is keenly aware that most of the unemployed are young people and women. This status quo cannot be allowed to continue: too many of our young people's dreams are not being realised. It is our resolve to do all that is necessary to transform our economy into

one that is more robust, one that is able to generate these essential employment opportunities.

Given our national development challenges, the NDP4 has adopted three overarching Goals namely: High and sustained economic growth, Increased income equality and Employment creation which demands from all development facilitators to engage in programmes that can achieve these goals.

In order to reach these goals, NDP 4 has identified key areas of focus that will create the necessary momentum for higher economic growth namely: Logistics, Tourism, Manufacturing and Agriculture.

SMEs play a pivotal role in the manufacturing focus area. It is for that reason that our responses as role-players in the SME sector need to be characterized by noticeable actions in order to successfully address the SMEs developmental challenges.

Despite current efforts, there is still room to further develop and improve our SME sector for it to contribute meaningfully to the

economy as we envisage becoming not only an industrialized nation; but knowledge based economy. I wish to encourage collaboration and cooperation within the sector towards finding amicable solutions to the challenges that will broaden our economic activity base and address the issues of poverty, unemployment and income inequality.

Ladies and Gentlemen,

Sustained efforts which are focusing on bringing in private investment; coupled with supportive public investment policies, would contribute to enhancing productive capacities and generating the much needed jobs in our country. This should be coupled with easier access to credit for productive enterprises - especially micro, small and medium-sized enterprises. Equally, reforms to foster technological change and productive diversification in line with the changing structure of the global economy remains critical.

Indeed SMEs could play an important role in creating employment and spurring growth. However, their competitiveness is

undermined by inadequate infrastructure, limited access to financial and adequate business services. Stakeholders can help small firms to integrate in, and reap more benefits from local and international value chains, by facilitating the provision of business services, among which continuous skills development is paramount.

An important policy question is how to address the constraints which affects the capacity to grow and generate earnings of SMEs, that are very often informal, that operate in traditional sectors and account for the bulk of jobs in our country. This can only be achieved gradually, as the drivers of informality are usually multiple and deeply rooted in long-standing development gaps and weaknesses.

As stakeholders we cannot afford to work in isolation, as it is doing an injustice to this sector and the Government's efforts to address poverty and unemployment. Our focus should remain the development of a complete and strong SMME sector because it is a powerful empowerment tool that provides communities and

individuals with opportunities for self-employment. Together we can go further.

In conclusion, Ladies and Gentlemen, our efforts towards improving the SME sector should be characterised by skills development, coordinated policies linking education systems, skills formation, employment and decent work. Financial institutions should provide easy access to funds in order to reduce costs of doing business, access to business support services should be affordable, access to land and infrastructure should be fostered. The multiple drivers of informality should be tackled through integrated policy packages that promote a gradual transition to formal activities.

With these few remarks it is my singular honour and privilege to declare the Windhoek Incubation Centre new corporate brand image, officially launched.

I thank you!