



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

**STATEMENT**

**BY**

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

**AT**

**THE OFFICIAL HAND-OVER OF EQUIPMENT TO SMEs**

**8 JULY 2014**

**TAMARISKIA TOWN HALL, SWAKOPMUND**

**Director of Ceremonies;**  
**Hon. Kleophas Mutjavikua, Governor of Erongo Region;**  
**Your Worship the Mayor of the Town of Swakopmund;**  
**Honourable Councillors;**  
**Comrade Phillipus Heita, SWAPO Party Regional Coordinator;**  
**Distinguished SMEs Representatives and Beneficiaries;**  
**Invited Guests;**  
**Members of the Media;**  
**Ladies and gentlemen;**

**It is a pleasure to address you this morning at this auspicious occasion to mark yet another handover of equipment to various SMEs in the Erongo region. SMEs play a crucial role in the development of economies the world over and Namibia is no exception.**

**We are therefore set to empower various SMEs in this region and our aim is to strengthen the existing ties between MTI and various SMEs in an effort to encourage an open dialogue between government institutions and the private sector to support my Ministry's "Growth at Home" strategy and your strategy to successfully graduate from being mere SME to becoming large and competitive Namibian companies. Hence, I am calling upon all of you to use this equipment to optimize economic gains.**

**Ladies and Gentlemen,**

**A large section of Namibia's most disadvantaged population is engaged in micro, small and medium scale businesses. The Government recognizes the vital role that this small business sector must play in the country's socio-economic development. It is against this background that I am glad to announce that a total of 48 entrepreneurs have been approved to benefit from this scheme in the Erongo Region. 21 entrepreneurs are to receive the approval letters today, the equipment for 8 entrepreneurs has already been procured and will be delivered to them as soon as possible, 14 entrepreneurs have already received their equipment while 5 entrepreneurs are to receive their equipments today. The total expenditure for the procurement of the above mentioned equipment is N\$2,047,722.73.**

**In 1997, the Government through the Ministry of Trade and Industry launched the Policy and Programme on Small Business Development outlining specific pro-active policy interventions and programs. The aim then was to address identified key constraints to the growth and development of micro, small and medium scale enterprises (MSME) in the country.**

**Low productivity came up as a key constraint and the lack of access to appropriate production machinery, technology and inputs was identified as the main cause. This, amongst others, was due to the**

**high cost involved in sourcing or acquiring such technology, machinery and inputs, making it unaffordable for most budding SMEs.**

**The high costs are not only due to the high direct purchase costs, but also the high cost of access to financing from financial institutions and business capital.**

**My Ministry shall pursue the small business development policy and program. This intervention is intended to help budding small entrepreneurs to improve and increase their productive capacities and product quality in particular, and to enhance business prospects, survival and growth in general.**

**To ensure that this intervention will have the desired impact, the Ministry will ensure that the beneficiaries are given training on the use of the equipment provided to them that regularly their activities are monitored, and are also provided with other requisite business development support services that are offered through the Ministry's Entrepreneurship Development and Nationwide Common Facility Centre Programs.**

**Our regional offices country-wide remain available to provide detailed information on the Equipment Aid Scheme including the application procedures.**

**I therefore, encourage existing and emerging Namibian small entrepreneurs, especially the youth and women to take advantage of**

**this support to improve their businesses and contribute to poverty reduction and national socio-economic development.**

**Ladies and Gentlemen**

**Our procurement policy that offers outright preference for the locally produced goods needs to be strengthened. The Government realized that such preferential treatment could create a significant market for local producers. Therefore, the Government, through the Ministry of Finance, has introduced amendments to the Tender Board Act to ensure that where public funds are used, local sourcing from Namibian producers and suppliers should be preferred.**

**In order for this measure to work optimally however, local companies need to invest in developing the capacity to produce goods and services that will result in value for money for the Government, consumers and beneficiaries. It is also important that these companies are truly Namibian entities and the financial and employment benefits are accruing to Namibians.**

**In conclusion then ladies and gentlemen, we have not come here to hand out gifts, but means of production. We have invested in some of you to become part of Namibia's productive capacity. It is my sincere hope that the returns of this investment, namely new jobs and more wealth in the Erongo region will be rewarding. I wish you all the success and prosperity in your business endeavors.**

**I THANK YOU ALL.**