



MINISTRY OF TRADE AND INDUSTRY

TALKING POINTS

OF

HON. CALLE SCHLETTWEIN,

MINISTER OF TRADE AND INDUSTRY (MTI)

AT

THE OFFICIAL OPENING OF THE MINISTRY'S MANAGEMENT RETREAT

ON

MONDAY, 04 FEBRUARY 2013

AT THE NAMPOWER CONVENTION CENTRE, WINDHOEK

Director of Ceremonies;

Hon. Deputy Minister;

Permanent Secretaries;

Managing Directors and Chief Executive Officers of the agencies and State-owned enterprises in the trade and industry sector;

Officials of the Ministry of Trade and Industry and other Offices / Ministries / Agencies;

Representatives of the private sector and industry associations;

Distinguished Members of the Diplomatic Corps;

Invited guests;

Ladies and Gentlemen

1. I want to sincerely thank everyone for coming to this meeting despite the many planning activities taking place at this time of the year to prepare for what lays ahead. My best wishes to all of you and your families for this New Year.
2. It is equally a great privilege and significant challenge to follow in the footsteps of someone of the stature of Dr Hage G Geingob, former Minister of Trade and Industry.
3. The Ministry of Trade and Industry and all its partner organizations have a crucial role to play in spearheading industrialization and economic development in our country. Our mandate is derived from the Vision 2030 objective of becoming an

industrialized nation, as well as the 4th National Development Plan and its emphasis on creating an enabling environment for growth in key economic sectors including logistics, manufacturing, agriculture and tourism.

4. The role of the State in this industrialization process is outlined in Namibia's first industrial policy approved by Parliament in 2012. A major element of this policy, and also the plans mentioned, is the adding of value to our resource endowment and creating value chains within our borders and across our region.
5. The reality that we face is that Namibia is de facto a colonial economy. Our reliance on the primary sector for the export of raw materials creates jobs and wealth in those economies to which they are exported, not in our own. Therefore we cannot achieve the required level of economic growth to ensure prosperity for all by remainig primarily an exporter of raw materials and an importer of consumer goods. Our policy interventions will accordingly have to focus on this transformation.
6. First, we need to increase our industrial capacity and output to use our own resources and add the highest possible degree of value to them to create new economic benefit and employment. For this purpose, we will need all the policy measures available us to support our industries to establish and find a place in the market. In this regard we will use measures such as infant industry protection, investment incentives, export taxes on raw materials and other forms of support required, to ensure that we can establish new industries

and that they will have access to the raw materials that we produce. In the coming year we will also begin to implement a new programme to modernize and upgrade existing medium to large industries to enhance productivity and competitiveness.

7. We need to encourage investment, both foreign and domestic in our priority areas to help transfer skills and technology to Namibia and develop products and services for our domestic market, our region, and the rest of the world. It will be essential to focus investment to our priority economic areas and enable joint ventures and partnerships with Namibians to ensure that investments have a broader development impact. We will thus propose changes to the legal framework for investment in the coming year.

8. To aid both our investment drive as well as enhance the growth of our existing businesses, we need to improve the ease of doing business in Namibia and enhance our competitiveness as a nation.

I am convinced that we can reduce the cost of starting-up a business through enhanced policy coordination amongst all the various regulators to simplify regulation.

9. A continued focus from our side must be to further grow the SME sector and help the thousands of small businesses in Namibia to increase their production and competitiveness to ensure livelihoods and grow employment. In this year we will see the full roll out of the services from the new SME bank established and we will review our SME policy with the aim of better integration of support services.

10. Although we are able to produce, for which our industry must be commended, high value niche products that are able to enter the best markets anywhere in the world, the range of such products is still too limited. We therefore will support industry to develop new products and refine others, and continuously adjust to new market trends.
11. In this regard we will support our industry to establish and comply with standards that are recognized anywhere in the world and to certify their export products to ensure that these enter world markets. Further to this we will propose amendments to the Metrology Act to improve provisions concerning labeling and packaging of products in the Namibian market.
12. We recognize the difficulties and costs of conducting trade across borders in our region and we will work to explore new models of customs clearance procedures and trade facilitation in collaboration with other partners in Government.
13. We need to ensure that more Namibian products are able to enter our domestic market which as we know is dominated by imported goods and international procurement and distribution systems. No Namibian producer should continue to struggle to sell their products in our own market. It is my intention that we engage with the retail sector and develop a charter of good practice and remove whatever constraints that may be there.
14. I will further strive to make our market fair and level for all players and I will encourage our competition authority to use all their

powers to combat abuse of dominance, collusion and unfair business practices.

15. The welfare and interests of our consumers equally need to be protected, and in this year we will advance the establishment of a regulatory framework for consumer protection.

16. I recognize the importance of secure market access through trade agreements. In addition to our economic integration models such as SACU and SADC, through which we aim to overcome our limited market size as a country, we are in the process of negotiating several trade agreements.

Included here are the trade agreement negotiations with COMESA and the EAC, India, as well as the European Union.

17. We seem to be approaching the conclusion of the EPAs negotiations but a few important areas remain to be resolved. I trust that it would be evident that our success in industrialization will require a wide range of policy measures and targeted interventions, and it is in this context that we need trade agreements such as the EPAs to accommodate and not obstruct our policy objectives.

18. To help us make a success of the daunting challenge of industrialization, we need to embark on a range of institutional reforms.

Amongst these is to:

- establish the Namibia Board of Trade to advance tariff regimes in SACU that would encourage industrialization and to oversee the implementation of infant industry protection and anti-dumping measures;
- establish a new industrial development agency in Namibia to support all our industrial programmes and spearhead new initiatives, and process which will include the realignment and transformation of *inter alia* the Namibia Development Corporation and the Offshore Development Company;
- establish a new Business and Intellectual Property Authority entity responsible for business and intellectual property registration as part of our efforts to improve the ease of doing business in Namibia; and finally
- we need to restructure the Ministry of Trade and Industry to enable us to execute these important programmes and growing agenda effectively. It is this Ministry and its specialized agencies that must shoulder the responsibility to drive industrialization. This will be no easy task especially given the dynamic environment in which we operate, which is characterized by fast and rampant changes in the world, ongoing regional integration agendas, stiff global competition and a currently depressed world economy.

19. Our agenda in the trade and industry sector is thus characterized by extensive reform and innovation and many of our current initiatives. Several of these have been initiated by my predecessor Dr Geingob, the former Minister of Trade and Industry and the team I found here in the Ministry of Trade and Industry. Much of my task will be to build on these and to shepherd these initiatives home. I therefore rely on your much needed assistance in this regard.

20. Finally, Ladies and Gentlemen, it is my hope that we could further strengthen coordination of our sector as also required in NDP4 and to expand our partnership approach. In this regard it is my wish to develop excellent cooperation, teamwork and partnership with all of the organizations represented here today, and many more.

I have already had introductory meetings with some of the partners present or represented here, but I had wanted to have this opportunity to interact and consult with the broader stakeholder and partner community in the trade and industry sector early in this year.

21. We have a very extensive briefing and planning meeting in the rest of this week to prepare for this year. From here on we will refine our planning and could benefit from guidance and advice that anyone here today may wish to offer.

Distinguished Guests, Ladies and Gentlemen;

22. As an overall theme I have chosen '***Growth at home***' for this financial year, despite the many factors outside our control that

determine growth. I want to refocus our sector on the need to accelerate economic growth and making the impacts of our work felt through tangible improvements to the socio-economic welfare of all Namibia's citizens. I also have borrowed from the old saying: 'Think globally but act locally', to re-emphasize that each and every official in the Ministry and our agencies has the responsibility to play his/her role and deliver services to our citizens in an efficient manner. I hope that in a year's time we would be able to look back with a sense of achievement that we have collectively done our best to achieve growth at home.

23. I am a strong believer in teamwork as a winning recipe and formula. Nowadays the acronym "TEAM" is translated into: "**T**ogether, **E**veryone **A**chieves **M**ore". Let us therefore work together to harness the growth of the trade and industry sector, and to transform Namibia into an industrialized, competitive and prosperous nation.

I thank you