



Republic of Namibia

STATEMENT

BY

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MINISTER OF INDUSTRIALIZATION, TRADE AND SME DEVELOPMENT

ON

THE OCCASION OF THE PUBLIC SEMINAR

ON

**NAMIBIA'S PARTICIPATION AT REGIONAL AND CONTINENTAL ECONOMIC
INTEGRATION ARRANGEMENTS**

AT

NAMPOWER CONVENTION CENTRE

ON

WEDNESDAY, AUGUST 05, 2015

Director of Ceremonies

Honourable Ministers and Deputy Ministers Present

Senior Government Officials

Distinguished members from the business fraternity

Distinguished members of the media

Ladies and Gentlemen

Good Morning to You All,

At the onset, let me thank you all for taking time out of your busy schedules to be here at this Seminar, designed to share with you, the information on the Tripartite Free Trade Area and the Continental Free Trade Area.

His Excellency, Dr Hage Geingob, has issued an executive order that our people should be informed on the very important issues that has economic effect on their daily lives.

We are therefore gathered here today to share and discuss the implications of the Regional and Continental Economic Integration Arrangements, especially the recently signed COMESA, EAC and SADC Tripartite Free Trade Area and the Continental Free Trade Area whose negotiations were also launched during the AU Summit held on the 15 June 2015 in Johannesburg, South Africa.

Director of Ceremonies, distinguished delegates,

The launch of the Tripartite Free Trade Area by the 26 African countries comprising of COMESA, EAC and SADC is in line with the longstanding vision for the attainment of the African Economic Union. It is now expected that the Tripartite Free Trade Area would be a building block towards the Continental Free Trade Area by the indicative year 2017.

Namibia has adopted regional integration as long-term political and economic strategy. It is for this reasons that Namibia took a lead to be one of the countries that signed the TFTA Agreement during the 3rd Tripartite Summit in Egypt despite the fact that there are still some outstanding elements that are set to be concluded within a 12month-period before the agreement is operationalised.

Once operational, this Agreement is set to provide an additional market diversification as it is expected to provide market access to around 600 million consumers.

On regional and continental level, the milestone achieved is important as it contributes towards the efforts of boosting intra- Africa trade, which stands at a mere 10%. There is a realisation among African countries that Africa needs to increase its intra-Africa trade if development and poverty alleviation is to be achieved.

It is therefore through initiatives such as this one that goods could move freely within the continent, creating business and investment opportunities leading to employment creation and economic growth of the continent.

Director of Ceremonies, distinguished delegates,

We are aware that regional integration, specifically trade liberalisation also comes with costs. Experiences also taught us that small countries especially tend to suffer as domestic industries may not be competitive enough to deal with competitive imports and other unfair trade practices. These concerns are shared among the Tripartite Member/Partner States and I am sure the rest of the African Member States will also share the same concerns. To address these concerns, the agreements have build-in trade defence provisions that can be invoked to cushion any harm to the domestic industry that may be caused as a result of liberalisation.

Further to the above, it has been realised that market liberalisation alone without industrialisation and infrastructure development does not serve economic purpose, especially to countries like Namibia whose industrial production capacity is constrained and is not as competitive as other countries. It is for this reasons that, the TFTA emphasise industrialisation and infrastructural development as strategic pillars of FTAs.

Namibia in particular places industrialisation at the centre of its development strategy; hence the need to expand our industrial base is more important now more than ever. In this regard, my Ministry is ready to work with private sector and SMEs to ensure that our industrial strategy yields results and Namibia's enjoyment in regional integration initiatives are informed by our national industrial policy and strategy.

As a country, Namibia has hopes and aspirations of its own – that of ensuring the wellbeing of its citizens. Vision 2030, its mid-term National Development Plans, as well as the Industrial Policy and its Implementation Strategy, endeavours to tackle the challenges of unemployment, poverty and the unequal distribution of wealth. Maintaining Namibia's competitiveness in international trade is therefore an essential aspect for our economic prosperity, to current and future generations.

Finally,

Director of Ceremonies, distinguished delegates,

My expectation of this seminar is to engage in information sharing and exchange views on how we can make use of instruments such as the TFTA to optimally benefit our economic agenda. This forum

should further share ideas and views on what strategies we can employ as we negotiate the CFTA.

It is particularly important that this Seminar discuss the implications on the costs and benefits these regional integration engenders and offer views as to how Namibia can devise offensive strategies to benefit our country.

It is my sincere hope and belief that you will find the discussions fruitful. I further encourage those who did not make it to this Seminar due to other commitments of their own to make time to visit the Ministry of Industrialisation, Trade and SME Development in order to equip themselves with information on these and many other Regional, Continental and International economic arrangements that may not be discussed here today.

I thank you.