



REPUBLIC OF NAMIBIA

MINISTRY OF TRADE AND INDUSTRY

STATEMENT

BY

HON. TJEKERO TWEYA,
DEPUTY MINISTER OF TRADE AND INDUSTRY,

ON THE OCCASION OF THE MOU SIGNING CEREMONY OF THE
ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA DURING
THE SUSTAINABLE LAND MANAGEMENT BUSINESS FORUM AT
THE UNCCD COP 11

WINDHOEK COUNTRY CLUB RESORT & CASINO, WINDHOEK
24 SEPTEMBER 2013

Director of Ceremonies
Hon. Minister of Environment and Tourism
Executive Secretary of the United Nations Convention to Combat
Desertification (UNCCD)
President for the Sustainable Land Management Business Forum
Chief Executive Officer of the Environmental Investment Fund of
Namibia
Chief Executive Officer of the SME Bank
Heads of Government Departments
NGOs and Private Sector
Distinguished invited Guests
Ladies and Gentlemen

I am pleased to join you all for this monumental signing ceremony. We are honoured by the presence of distinguished guests from the Sustainable Land Management Business Forum on this historic occasion, to witness the signing of the Memorandum of Understanding (MoU) that officialises this very important collaboration between the SME Bank and the Environmental Investment Fund of Namibia.

The MoU between the SME Bank of Namibia and the Environmental Investment Fund of Namibia is the first of its kind to be signed in our country.

I am confident that such cooperation will serve our common interests to strengthen, promote and develop cooperation in developing systems and financial delivery mechanisms that drive forward the implementation of the Soft Green Loan Scheme in support of conservation activities and environmentally sustainable activities, which are the core mandates of the Ministry of Environment and Tourism.

Ladies and Gentlemen;

The SME Bank has been identified as the financial intermediary partner to effectively support activities under the Soft Green Loan Scheme. The scheme will promote Green Investment Projects which support environmental initiatives including but not limited to renewable energy, energy efficiency, water efficiency, waste management and other resource efficiency.

Additionally;

This MoU is very timely. There is already strong demand for renewable energy to support the country's development. As we all know, desertification is gaining in severity and magnitude for poor people in Africa.

Desertification affects millions of people on the continent, resulting in losses of about \$42 billion in income and 6 million hectares of productive land each year.

As a developing country with a national agenda aimed at developing key sectors such as agriculture, mining and logistics, Namibia's fragile environment is seen by industrialists as a drag on growth. Protection of the environment however, is an unavoidable prerequisite for sustaining economic development and growth.

Governments around the world must therefore take the lead in protecting the environment and combating desertification. As a result, the Government of Namibia has taken the lead through the Environmental Investment Fund under the Green Plan to provide funds for projects geared towards the protection of the environment.

The SME Bank will implement the scheme so that the Ministry of Environment and Tourism can achieve its core mandate of supporting conservation activities and environmentally sustainable activities.

Ladies and Gentlemen;

The Government of the Republic of Namibia (GRN) encourages local private institutions and individuals to forge partnerships with government entities to avail financial and human resources needed for the development of our economy like this scheme.

The scheme will provide soft loans to deserving SMEs who will promote projects geared towards environmental protection by charging subsidized Interest Rates unlike most of the traditional commercial banks in our economy. The SME Bank will assume full credit risk for these loans.

Looking to the future Ladies and Gentlemen;

The Ministry of Trade & Industry representing the Government of Namibia as majority shareholder in the SME Bank has ambitious plans to increase the capacity of the Bank to meet anticipated demand for banking services, in particular the demand for loans to the SMEs.

The Government of Namibia through the relevant authority such as the Ministry of Finance will ensure that the SME Bank is adequately capitalized to be able to meet the demands of its target market, the SME sector. I therefore urge the private sector and the general public to emulate this good example of forging partnership with government to provide financial support to our SMEs.

It is pertinent Ladies and Gentlemen;

That I congratulate the Ministry of Environment and Tourism and in particular the management of the Environmental Investment Fund of Namibia for the noble initiative they have taken in forging this collaborative partnership with the SME Bank. This is an initiative that we from the MTI are urging the private sector to embark on in order to develop our nation.

We therefore very much appreciate this gesture by the Ministry of Environment and Tourism and would like to take this opportunity to

call upon all other Government institutions to follow on the lead by the Environmental Investment Fund in supporting government's efforts in developing the financial sector of our country.

The SME Bank is the first local Bank of Namibia in the true sense of the word.

With this MoU and our enhanced partnerships, we hope to achieve our vision of an environmentally secure Namibia within the Fourth National Development Plan (NDP4) goals we have set for ourselves.

The signing of the MoU is a timely response to the challenges of the 21st century, an era where the concept and content of competitiveness is given new meaning-In collaboration you gain strength.

Ladies and Gentlemen;

The Ministry of Trade & Industry looks forward to giving you full support in our capacity as the Government of Namibia shareholder representative in the SME Bank, to make our collaboration fruitful.

I thank you!