



REPUBLIC OF NAMIBIA

STATEMENT BY HON. LUCIA IIPUMBU, MP

MINISTER OF INDUSTRIALISATION AND TRADE

**ON THE OCCASION OF THE NBL WINE BOTTLING LINE
INAUGURATION CEREMONY**

DATE: THURSDAY, 22 AUGUST 2024

- **VENUE : NAMIBIA BREWERIES HEAD OFFICE, 10 ISCOR STREET, NORTHERN INDUSTRIAL AREA, WINDHOEK**

Director of Ceremonies – Ms. Surihe Gaomas-Guchu,

Your Excellency Dr Nangolo Mbumba - President of the Republic of Namibia

Senior Government Officials

NBL Board Chairman and Board of Directors

Mr Peter Simons- Managing Director of NBL

Various Captains of Industry present,

Members of the Media

Ladies and Gentlemen, and

Good morning.

It is an honor to stand before you today as we celebrate a significant milestone in Namibia's beverage manufacturing industry – the opening of the Namibia Brewery Limited's Wine Line. This marks yet another achievement in our country's journey towards diversifying our economy and strengthening our local industries.

This event marks not only the expansion of one of our most esteemed local companies but also a signify a step forward in our nation's journey towards industrial diversification and economic self-reliance.

The Namibia Brewery Limited (NBL) has long been a shining example of excellence in our industrial sector. Their commitment to quality, innovation, and sustainable practices has set a high standard not just in Namibia, but across the African continent and beyond.

Today, as we inaugurate their New Wine Bottling Line, we celebrate more than just the launch of a new product. We celebrate a vision—a vision that spur value addition and local production.

Comrade President, when we learned of the acquisition of the NBL by Heineken, we were all worried that our famous Windhoek Lager, which is highly recognized in the world market, will cease to exist. However when we visited this facility two years ago, they assured us that there will be no disruption whatsoever to the existing operations and products.

It is therefore gratifying to note that they have kept their promise and has gone further to introduce new products. This new Wine Line represents an important diversification of NBL's product range and demonstrates their ability to adapt and thrive in a competitive global market. It is a testament to the strength of Namibian industry and our collective potential to produce world - class products right here at home for consumption both locally, continentally and globally.

Your Excellency, Ladies and Gentlemen

Allow me provide a brief background on the NBL – Heineken merger. The Namibian Competition Commission (NaCC) under the Ministry of Industrialisation and Trade approved the merger and acquisition, which comprised of three entities NBL, Distell Namibia and HEINEKEN. Being one the biggest merger in Namibia history, NaCC imposed seven (7) merger conditions towards NBL that are valid for a period of 5 years, to which NBL has committed to complying with and among others;

- NBL should not undertake merger related retrenchments of employees below Management level and employees must be employed on terms and condition that are not worse off than prior to the merger to ensure growth, preservation of jobs, developing local talent and have a positive effect on employment creation.
- Several of Distell's products consumed in Namibia including selected wines to be manufactured or bottled in Namibia. This will create additional employment and contribute towards economic growth. Hence, this has resulted in the launch for today.
- NBL must continue to source locally from Namibian - owned businesses while continuing with customer engagements so that no conditional selling is allowed; i.e. meaning NBL will not require customers to purchase beer on condition that customers purchase wine from NBL.
- Establish a MSME Development Fund to support Micro, Small and Medium Enterprises. This requires NBL to avail N\$5 million every year for 5 years for investments aimed at developing technical and operational skills, business management skills, digital and technology skills in the manufacturing and supply of beverages industry in Namibia and this is part of NBL's social investment pillar.
- Since September 2023, there has been plans to set up the governance process around establishing the MSME Development Fund with different stakeholders from Government and corporates in the public sector. Committee members include MIT, NIPDB and NBL.
- The first MSME meeting was held on 22 May 2024, with advertisement for application in the Khomas Region rolled out during the first week of June 2024. Being the first advert since the merger approval, NBL has a total of N\$10 million available for allocation to MSME. Beneficiaries of the MSME Fund will mainly be MSMEs across NBL's total value chain both upstream and downstream. After

implementation of the pilot phase in the Khomas Region, thereafter, the project will be rolled out in phases to other regions in the country.

The launch of the NBL Wine Line aligns perfectly with our government's goals under the industrialisation ambition and growth at home in general. The Ministry of Industrialisation and Trade in particular is driving the Industrial and Trade Policy and we are committed to secure market access for Namibian products. It is therefore for this reason that we have negotiated various favourable trade agreements, which seeks to eliminate tariffs and ease the access of our products within the SADC, AfCFTA and other international markets.

Comrade President, during the just concluded SADC Summit in Zimbabwe, you have made a clarion call for the region to redouble efforts and increase trade among ourselves. Let me therefore implore up on NBL to take up this challenge and ensure that this new Wine Line has find market access in all regional markets where tariffs are significantly liberalized.

We must commit and strive to reduce our dependency on imports, increase local value addition, and create more opportunities for Namibians to participate meaningfully in the economy especially our MSMEs. Therefore, this NBL initiative must contribute to job creation, skill development, and the overall growth of the manufacturing sector.

NBL's commitment to using locally sourced ingredients where possible also supports our agricultural sector, creating a symbiotic relationship between industries that is vital for sustainable development. This initiative must be shining example of how public - private partnerships can drive economic growth and industrial development in Namibia.

Ladies and gentlemen, it is now my humble honour to introduce our Keynote Speaker for today.

We are truly honoured and privileged to have with us a leader who despite his busy schedule, always finds time to attend to various local engagements. President Mbumba has dedicated his life to the service of this nation and his contribution and commitment to economic growth and industrial development is unparalleled.

Dr. Nangolo Mbumba, President of the Republic of Namibia, has been at the forefront of our nation's progress. His visionary leadership continues to inspire us all as we strive to navigate through various challenges and economic headwinds to achieve our economic growth and developmental agenda.

President Mbumba's unwavering dedication to fostering an environment where businesses can thrive is evident in the many initiatives he has championed to support economic diversification and industrial growth. His presence here today is a testament to the importance of this occasion.

Please join me in welcoming Dr. Nangolo Mbumba, President of the Republic of Namibia, to deliver the Keynote Address.

I THANK YOU