



REPUBLIC OF NAMIBIA

INTERVENTIONS BY HON. LUCIA IIPUMBU

MINISTER OF INDUSTRIALISATION AND TRADE

ON THE OCCASION OF THE ANNUAL INVESTMENT MEETING (AIM)

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DUBAI, UAE

The panel will serve as a platform to share best practices on the means of promoting economic development in Africa through entrepreneurship and innovation; it will also serve to address the challenges faced by African entrepreneurs/investors in developing joint investments and business partnerships with counterparts from the Arab Region in specific and the world in general. The side event aims to develop a collaborative action plan towards ensuring resilient African entrepreneurs; promoting domestic investment for leveraging foreign direct investment, in the backdrop of the 4th digital revolution, through creating and unleashing entrepreneurship and MSME growth.

Question(s):

What concrete measures need to be put in place to facilitate joint investments and business partnerships between Africa, the Arab Region and the world in general? How could SMEs benefit from those measures? Is there any example in Namibia that could illustrate your comments?

Thank you very much moderator for the opportunity and greetings to my fellow panel members and the audience both here and those following virtually. Indeed there are various measures that can be undertaken to facilitate joint investment partnerships as alluded to:

- a) There is a need for establishment of the investment facilitation framework between Africa and the rest of the world to encourage targeted investments in areas such as innovation, value chains development, value addition to unlock opportunities especially for SMEs.
- b) International Expositions such EXPO 2020 Dubai and other Investment Forums to allow for engagements between African & Arab Private Sectors and governments, Regional Economic Communities, chambers of commerce, current and potential, international organizations and multilateral agencies, investment promotion agencies, leading international and local media, and Business Councils to exploring business opportunities, challenges to attracting greater investment and overcoming barriers to investment between the African and Arab region.

- c) These forums must also deliberate on modalities to forge sustainable partnerships to enhance trade and investment relations between the two sides, to the mutual benefit of both. to support the Africa's development priorities such as development of infrastructure, adding value to raw materials, regional integration, capacity building and human resources development.
- d) Namibia convenes Annual National Expositions and trade fairs across the country aimed at creating opportunities between our indigenous market entrepreneurs with foreign businesses. This further create opportunities to expose products and services of MSMEs and establish smart partnerships with established entities.
- e) One good example is that Namibia has several Binational Forums to promote bilateral and regional value chains development and investments. I suggest that the Africa-Arab Economic Forum, which has witnessed its second iteration in 2021, be expanded with regional fraternities so that we can have for example a SACU/SADC Arab Economic Forum. Such an approach will provide for a platform that will delve deeper into actual investment opportunities for collaboration and cooperation. Whilst the Continental Economic Forum will prioritise policy collaborations and partnership, the regional engagements should focus much more on actual realisation of investment opportunities or strengthening existing ones such as Namibia's export of dates to these shores.
- f) In terms of MSME development, it has become an imperative that any economic partnership should have a special focus on ensuring requisite clauses that can mainstream opportunities for small business. Thus any Continental Economic Forum or my proposed regional forums should carry explicit clauses in their founding statements that pivot procurement, skills development, technological exchange and transfer opportunities to MSMEs. The immersion of MSME chamber of commerce in such regional forums is also key as their voice tends to be stifled if we do not guard against their exclusion-as we all know national chambers at times tends to be dominated by larger entities. Thus, a specific focus should be on ensuring MSMEs inclusion through their associations. To this matter, I must also add that founding statements must also reflect not only on MSMEs but also on special focus on women and youth and the Informal Economy. Both Africa and the Arab world has what they call the Youth Bulge' an increasing number of young people making up the overall population. It is therefore an imperative that attention and facilitation of entrepreneurial opportunities are provided to these segments of our societies.

g) Finally, the economic advancement pillar of our Harambee Prosperity Plan II (HPP2), our flagship national policy document has prioritised partnership with the private sector to create an MSME Fund with four components namely interventions includes the Credit Guarantee Scheme, the Mentoring and Coaching Programme, Skills Based Lending Facility and the Venture Capital Fund consolidated with a diversified source of funding. Government has engaged relevant partners with a track record of sourcing funding from the private financial sector as a viable means to meet the empowerment legislation provisions related to enterprise and supplier development for the financial sector. The implementation strategy will be championed by the Namibian Investment Promotion and Development Board and supported by the Development Bank of Namibia. Namibia's Growth at Home Strategy also plays a crucial in accelerating industrialisation and economic growth.

2. Could the AfCFTA (African Continental Free Trade Area) be an opportunity? How?

Indeed the African Continental Free Trade Areas presents a major opportunity to business given its vast market size of about 1.3 billion people and combined GDP of 3.4 trillion USD. In fact the AfCFTA is the largest FTA established since the inception of the WTO. The Phase negotiations of the AfCFTA agreement are ongoing and investment facilitation will form part of the agreement, it therefore important to ensure that it caters for the facilitation of joint investments and business partnerships between Africa, the Arab Region and the rest of the world.

The African Ministers responsible for Trade in January this Year, Afrixim bank and the AfCFTA Secretariat launched the PAN African Payment and Settlement System (PAPSS) in Accra Ghana aimed at to enable payment for intra Africa trade in National currencies thereby reducing the foreign currencies transfer costs and further time for cross border payments. Therefore PAPSS is envisaged to boost intra Africa trade significantly.

3. Concluding Remarks

Thank AIM for organising this platform and advice to design other outreach programmes given the significant role they play in investment promotion and facilitation globally.