

REPUBLIC OF NAMIBIA



**STATEMENT BY HON. LUCIA IPUMBU, MP,
MINISTER – INDUSTRIALISATION AND TRADE
DURING THE TURKEY-AFRICA ECONOMIC AND BUSINESS FORUM
(TABEF) - ONLINE EDITION**

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**Director of Ceremonies,
H.E. Ruhsar Pekcan, Minister of Commerce of the Republic of Turkey
Distinguished Fellow African Honourable Ministers
Distinguished Members of the Turkish business delegation
Distinguished members of the Namibia business delegation
Distinguished Members of the African Business Community,
Ladies and Gentlemen,**

I wish to extend my profound gratitude to the Ambassador of the Republic of Turkey to Namibia, Her Excellency, Madam Berin Makbule Tulun for a warm invitation to be part of this online edition of the Turkey-Africa Economic and Business Forum in corporation with the African Union, to prepare for the third Forum scheduled in April 2021 in Istanbul, Turkey.

This year's forum themed "Turkey-Africa: Partners in Resilience in Post-Pandemic World" clearly demonstrates that Turkey remains committed to developing and promoting long-term resilience partnerships with the African continent through trade and investment, even post COVID-19 pandemic.

In relation to the theme, Namibia seeks to attract Turkish and African investors that she can collaborate with to develop her natural resources through value addition thereby creating partnerships anchored on mutually beneficial principals, aimed at rebuilding the economy that is badly affected by the ongoing Pandemic.

Like, the rest of the world, Namibia has also been greatly affected by this global invisible enemy called COVID-19; the pandemic has negatively affected the socio-economic welfare of our country. Hence, the President of the Republic of Namibia, H.E. Dr Hage Geingob had to announce an immediate countrywide lockdown and State of Emergency on the 17 March 2020, which has since been lifted.

Even though the country is open, the economy remains vulnerable, due to the onset of the global COVID-19 pandemic that has set back our fight against poverty by a decade. Businesses have closed down and many have laid off some of their employees due to slow or no business activities at all. However, the scale of economic stimulus packages unleashed as a response to this crisis, presents a once in a generation opportunity to forge new pathways of inclusive development and the creation of new industries that the young population of Africa uniquely so desperately need.

The government of the Republic of Namibia through the Ministry of Finance (MoF) developed interventions offering stimulus packages to help relief employees who lost their jobs, and for business that might have closed or lose their income because of the pandemic.

The government announced on the 1 April 2020 that the stimulus package scheme valued at USD 5 million (equivalent to 4 billion Turkish lira), comprised of various loans options to companies and individuals in collaboration with various government agencies and parastatals. The aim of these loans was to protect the productive capacity of the economy by keeping companies and individuals afloat and avoiding retrenchments or salary reductions. The Ministry of Industrialisation and Trade also availed a COVID19 grant of USD 1,000 (equivalent to 117,623.03 Turkish lira) to 700 Business StartUps valued at a total of USD 700 000. 00 (equivalent to 5 million Turkish lira).

Furthermore, The Central Bank of Namibia has slashed the repo rate by 2.50 percent since the beginning of 2020, in a bid to cushion the Namibian economy from the crippling effects from the pandemic. This brings Namibia's repo rate to a historic low of 4.00 percent. The bold decision to cut the repo rate is to stimulate growth and mitigate further anticipated negative effects of COVID-19.

All these interventions were necessary to assist employees and business affected until the country moves into stage 4 where borders are envisaged to open and allow the movement of people subject to testing and quarantine measures. It is important to re-emphasise the significant role airports and ports play in the global economy, by facilitating trade and investments, employment creation and the enhancement of travel and tourism, which result in increased direct, indirect and induced benefits for the economy.

Tourism is one of the most severely hit sectors that contributes an excess of USD 483,531,984.00 (equivalent to 3,8 billion Turkish lira) to the gross domestic product (GDP), due to the moratorium placed on international travel to and from the country.

In 2019, Namibia received as many as 1 338 872 visitors, the bulk of which were tourists mainly from South Africa, Germany, United Kingdom, Italy and France. Due to this global pandemic, the tourism and other sectors lost billions Namibian dollars.

It is my sincere hope that our interactions at this forum will deepen the already existing relationship between Namibia, Turkey, and other African nations will navigate new areas of cooperation in trade, investment and other critical areas of our economic benefits aiming to revive our economies post COVID.

If I can be specific, I know our friendly relations between Turkey and Namibia dates back to the early 1960's, and platforms such as these, are aimed to further cement our relations

When I assumed the portfolio of Minister of the Industrialisation and Trade Ministry, I am quite familiar with collaboration between the Namibia Investment Centre (Namibia's official investment promotion and facilitation agency) and Foreign Economic Relations Board (DEIK) (the host of this meeting). The two entities signed a Memorandum of Understanding to establish the Turkey-Namibia Business Council that seeks to promote trade and cross border investment between Turkey and Namibia.

Let me assure the Turkish business delegates that the Namibian government is fully committed to this agreement, as it will, contribute to the industrial and technological collaboration between Namibian and Turkish companies as well as other institutions to facilitate their participation in trade fairs and exhibitions.

Ladies and Gentlemen, I must admit that much still, need to be done in order to upscale our bilateral trade volume between Namibia and Turkey. Statistics shows that the trade volume between Namibia and Turkey in 2019 was 11, 84 million US Dollars equivalent to 93 million Turkish lira, (exports from Turkey: 9,40 million US Dollars equivalent to 74 million Turkish lira; imports to Turkey: 2,44 million USD equivalent to 18,8 million Turkish lira). The economic challenges posed by the Covid19 has dealt a major setback across the globe and Namibia's economic sectors have not been spared. In order to offset the effects of the pandemic, different strategies need to be adopted to ensure the economic machineries continue moving and explore more areas to be developed and up scaled.

Namibia ratified the African Continental Free Trade Area (AfCTA) on 31 January 2019, in light of the agreement, it opens the borders for the free movement of African people, goods and services. Turkey can strategically position itself to extract maximum benefits from this partnership. We would therefore greatly welcome the setting up of industrial hubs in Namibia by Turkish and Namibian businesspersons by forming partnerships, which will enable Namibian produced products to be exported to the 1.3 billion African citizens across the continent duty free.

Yes, the Namibia's population is small at 2.5 million but the country is huge and endowed with natural resources. We hold world class potential for renewable energy through solar and wind, preconditions for 'green' hydrogen production that needs to grow and create jobs in both Namibian and Turkish economies.

Namibia as part of the African Community is committed to improve investment climate to subsequently attract investments in labour intensive sectors of manufacturing, Agriculture (Agro processing in particular) pharmaceuticals, leather processing, and information technology.

Covid 19 though devastating to our economy has created many opportunities in the pharmaceutical and medical equipment industry. We therefore invite Turkish investors to set up a pharmaceutical plant in Namibia and produce the much-needed medicines to not only contain Covid 19, but also for other chronic diseases and improve the living standards of our society.

While Namibia is rich in natural resources, most of these commodities are exported in raw or semi raw form. We therefore need to change this narrative and create value addition and beneficiation of our natural resources thereby creating jobs locally and technology transfer.

Namibia is indeed a gem worth investing in as the country continues to position herself as an investment location of choice, further continues to establish herself as one of the ideal investment location on the African continent and the untapped potential that the country holds could enable it to be an interesting investment attraction.

Namibia's participation at this forum today, therefore demonstrates our continued willingness as a country to building stronger bilateral relations with Turkey. We present what Turkey can gain from Namibia; similarly, Namibia is optimistic about the gain from Turkey for an equally win-win situation.

In this vein, we look forward to fruitful engagements in the area of bilateral economic cooperation, with the conviction that strategic partnerships will be formed between Namibian businesses and their Turkish counterparts.

As we are embarking upon becoming an industrialized nation under the “Growth at Home” concept, we would like to see more Turkish manufacturing and trading companies operating in Namibia, and the trading of Namibian products such as canned beef, fish, and beer in the Turkish market.

I encourage dialogue and sharing of ideas between Namibian and Turkish business partners to flourish. Through these online engagement opportunities can be realised and capitalised.

In conclusion, Namibia is a unique country with pristine landscape, abundant wildlife and friendly people. I invite you once more, to come and visit Namibia. We will welcome you with open hearts to the land of endless opportunities.

I Thank You