



REPUBLIC OF NAMIBIA

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**MINISTRY OF TRADE AND INDUSTRY**

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**STATEMENT BY**

**HONOURABLE TJEKERO TWEYA, MP**

**DEPUTY MINISTER OF TRADE & INDUSTRY**

**AT**

**THE NAMIBIA PARLIAMENT**

**MARCH 26, 2013, WINDHOEK**

Honourable Speaker

Honourable Members of the august House;

It is with great honour that I present to this august House, with this important budget discussion of 2013/2014 Financial Year. Before I start with my contribution, I wish to take this opportunity to express my sincere support for the 2013/2014 Budget that has been presented by Hon. Minister of Finance and the National Planning Commission Director-General for the proposed allocation to different Ministries, SOEs and other state Agencies of our economy.

Hon. Chairperson

Hon. Members

On my contribution, I would like to discuss five (5) important issues concerning our budget of 2013/2014 Financial year. These issues include:

- Development Budget Per Region
- Financial Reform Policies
- Investment in the nation
- The achievement of Vision 2030
- Realization of Namibia's Industrial Policy

## **1. Development Budget Per Region**

Honourable Speaker, Honourable Members, it is in my honest opinion that I congratulate the Honourable Minister of Finance that this budget for Financial year 2013/2014 is a well balanced budget. When we look at the amount of funds allocated to each of our thirteen (13) regions you would see that this budget is really aimed at developing the whole nation equally. It is a fair budget to all our regions aimed at creating the much needed employment in our economy.

I am very happy that the budget of 2013/2014 financial year took into consideration the needs of each and every region of our country and funds are allocated based on regional needs. We must applaud the Honourable Minister of Finance for tabling a magnificent pro-poor budget that will address the many social issues in our societies.

Honourable Speaker; when we look at regional expenditure in this Medium Term Expenditure Framework (MTEF) you would see that Caprivi region is allocated with an amount of Five Hundred and Eighty Four Million and Six Hundred and Five Thousand (N\$584, 605, 000). Karas region received an amount of One Billion Three and Twenty Six Million Nine Hundred and Forty Eight Thousand Namibian Dollar (N\$1, 326, 948, 000). Erongo region received Seven Hundred and Four Million and Five Hundred and Ten Thousand Namibian Dollars (N\$704, 510, 000). Hardap region received Three Hundred



and One Million and Thirty Thousand Namibian Dollars (N\$301, 030, 000). Kavango region received Four Hundred and Twenty Four Million and One Hundred and Thirty Seven Thousand Namibian Dollars (N\$424, 137, 000). Khomas region received One Billion Six and Sixty One Million Five Hundred and Thirty One Thousand Namibia Dollars (N\$1, 661, 531, 000). Kunene region received Two Hundred and Fifty Eight Million and Eight Hundred and Sixty Eight Thousand Namibian Dollars (N\$258, 868, 000). Ohangwena region received Four Hundred and One Million and Eight and Twenty Seven Thousand Namibian Dollars (N\$401, 827, 000). Omaheke received Two Hundred and Seventy Five Million and One Hundred and Fifty Six Thousand Namibian Dollars (N\$275, 156, 000). Omusati region received Four Hundred and Fifty Six Million and One Hundred and Sixty Six Thousand Namibian Dollars (N\$456, 166, 000). Oshana region received Six Hundred and Eight Million and Nine Hundred and Forty Two Thousand Namibian Dollars (N\$608, 942, 000). Oshikoto region received Five Hundred and Thirty Nine Million and Nine Hundred and Eighty Six Thousand Namibian Dollars (N\$539, 986, 000). Otjozondjupa region received Three Hundred and Seventy Eight Million and Seven Hundred Eighty Nine Thousand Namibian Dollars (N\$378, 789, 000). And our Offices Abroad received Two Hundred and Fifty Seven Million and Six Hundred and Seventy Three Thousand Namibian Dollars (N\$257, 673, 000).

In total, regional expenditure including our offices abroad amounted to Eight Billion One and Eighty Million One Hundred and Sixty Eight Thousand Namibian Dollars (N\$8, 180, 168, 000) for the 2013/14 financial year.

With these spending, I urge and invite the Regional Councils and the Local Authorities to work closely with the Central government in the implementation of our national programs in order to achieve desired result. We need to create a synergy where all parts of the government including the regions works together to implement our national programs so that we can be able to address the challenge of

unemployment in our societies. This is why central government allocated such huge amount of funds on regional development to accelerate employment creation and propel infrastructure development in the regions.

Honourable Speaker; if Namibia can combine all her efforts together given the availability of public and the private sector institutions that we have in place, this nation can alleviate poverty and build an inclusive society for the betterment of our citizen. We the Politicians and our accounting Officers (the PSs) must guide and give directive orders to our subordinates to make sure that our national programs are implemented timely country wide.

## **2. Financial Reform Policies**

Honourable Speaker, Honourable Members; Namibia is rated as second best country in Africa that has a well financial regulatory system in place. Though the nation has a good regulatory policy in place, many Namibian do not really benefit from these private financial institutions we have in our country.

The challenge we have in this country is that most of these private financial institutions are not inclusive enough to the majority of our citizen. Most of them operate mainly in the capital city and other major towns in the country while the majority of our citizen resides in the rural areas where most of these private financial institutions do not have a presence.

In August 2012, Hon. Saara Kuugongelwa-Amadhila launched the Namibia Financial Sector Strategy (NFSS) which calls on both the public and private sectors to restructure and develop the Namibian financial sector. At that launch, the Hon Minister said and I quote: "Namibians, young and old, rural and urban expect that all stakeholders both in the Government and in the industry will spare



neither time nor effort to bring about the realization of the development targets set out in the Namibia Financial Sector Strategy Action Plan”.

Honourable Speaker, Honourable Members; under the Namibian Financial Sector Strategic Action Plan, it calls for the inclusion of all Namibian citizen, young and old, rural and urban that both the government and the private sector to make their resources available for development to all citizens of our nation.

After all the efforts from the government and national leaders urging the private sector to come up with an inclusivity policy that can allow all citizen to partake in development initiatives, many are still left out from benefiting from private financial institution due to outdated policy in place that restricted Namibians from utilizing financial institutions. A habit this Brave nation should change, because the majority of our citizens cannot just sit and be spectators of economic gain that they will never live to realize.

I urge Namibians heading these private financial institutions to change their policies and laws that govern their operation. These institutions are here to serve the entire Namibian nation, not only a few individuals who are already better off. One of the easy way they found to deny the majority of the citizen not to befit from these institution is by using these flimsy excuses of lack of security or collateral when one need to borrow funds. But remember, they deny you to borrow a Two Hundred Thousand Namibian Dollars (N\$200, 000) to finance a business or build a property, yet they are willing to approve to sell and finance you a vehicle that cost Three Hundred Thousand Namibian Dollars (N\$300, 000). They do these regardless, you reside in the village, provided you prove that you are working or you have the ability to pay the car installment for four (4) to five (5) years, but not a house. What a ridiculous policy?

I am urging the private financial institutions to consider using people's income/salary as collateral and security when people need to borrow money for different purposes. This is the reason why many of our people that reside in the rural areas and other un-proclaimed areas have difficulties of acquiring decent housing in this country. The reason behind is that banks are not willing to finance property development in rural areas though the people themselves are working for the government or private sector.

Honourable Speaker, Honourable Members; in response to the cries and needs of our people and the Small and Medium-Sized Enterprises (SMEs), the Ministry of Trade and Industry recently introduced a fully-fledged SME Bank, which is an additional vehicle that is dedicated to financing SME development in our economy. As an investment opportunity, the SME Bank still has some shares that are open for investment should any private investor who want to join this rewarding and noble initiative. I therefore invite our local private sector to also consider investing in our SME Bank so that we can further boost the operational capacity of our SME Bank and extend its operation to the rural communities where the majority of our population resides. This will help the majority of our people to access financial assistance in those communities where it is mostly needed.

### **3. Investment in the nation**

From the Trade and Industry perspective, The Namibian Government has mandated the Ministry to spearhead the development and expansion of the country's trade and industry sector, as an important source of growth, employment and the country's ability to compete in the regional and global markets. In achieving these objectives, the Ministry of Trade and Industry have created policies and an environment that will encourage entrepreneurship and entrepreneur development in our economy. Currently, the Ministry is reviewing the



foreign investment act to align it with the country's developmental needs in terms of achieving the desired investment in our economy.

Honourable Speaker, Honourable Members; in order to successfully develop the SME sector the Ministry of Trade and Industry, allocated an amount of One Hundred and Thirty One Million Eight Hundred Ninety Five Thousand Namibian Dollars (N\$131, 895, 000) for small business development. This indicates a commitment from the government in developing the SME sector due to its importance in creating employment opportunity in our economy.

#### **4. The achievement of Vision 2030**

Honourable Speaker, Honourable Members; Vision 2030 is all about the future of Namibia and it provide us with a picture of how Namibia will be; come 2030. For our nation to reach that prosperous society as outline in Vision 2030, our challenge is to start acting now so that we prepare the nation come 2030. In order to achieve Vision 2030, NDP4 was drafted and aligned with national objectives and agendas to give clear direction and target were set that should be achieved and implemented by different Ministries and SOEs.

Under the NDP4, Ministries and their agencies are tasked with responsibility to make sure that national developmental program and objectives are implemented country wide. Therefore, the establishment and introduction of some of these SOEs are in line with the realization and achievement of our national objectives. For that reason, I object to the notion by some of the opposition leaders who are accusing the government of wasting public funds by creating SOEs that are duplicating the same functions of the already existing institutions. Therefore, we should not politicize the establishment of

start somewhere with our industrial development. And these funds can be repaid back by the revenue that will be generated from the utilization of such industrial facilities. Or we can use these funds to finance and develop housing for rural Civil Servant who do not have adequate housing in rural areas.

For the past Twenty Three (23) years now, we gave the responsibility to the financial institutions but they are not willing to assist the owners of the money to live better but they are just investing the funds in foreign countries where its building those economies. This is not the way we should treat our own people, people must benefit from their own money.

For our nation to succeed, it is true this budget is about the future, the future is in our hands. We are the masters of our own destiny. Thus we must produce what we consume to respond to the clarion call of His Excellency Dr. President Hifikepunye Pohamba that no one should die of hunger.

We are reminded that we are our own masters/liberators during this second phase of our struggle for economic emancipation.

Thanks to our founding fathers/mothers for they have delivered their call, we are today political free. Ours today is economic freedom/emancipation.

I support the appropriation Bill of the 2013/14 financial year.

**I thank you!**