



REPUBLIC OF NAMIBIA

MINISTRY OF FISHERIES AND MARINE RESOURCES

**MOTIVATION SPEECH
FOR**

**VOTE 22: FISHERIES AND MARINE RESOURCES,
BY
HON. BERNHARD ESAU, MP
MINISTER OF FISHERIES AND MARINE RESOURCE**

2012/2013 FINANCIAL YEAR

19TH APRIL 2012



Hon. Chairperson of the Whole House Committee,

Hon. Members

I hereby present and seeking the August House's approval for Vote 22: Fisheries and Marine Resources.

May I take this opportunity to congratulate my Colleague, Comrade Saara Kuugongelwa-Amadhila, Minister of Finance her Deputy as well as her staff members for their continuous devising of a pro-poor National Budget geared towards reducing poverty, inequality and unemployment that characterises our society. Let me also pass on good wishes to the Director General of the National Planning Commission and his entire staff members.

It is my sincere belief that we, as Government, will be able to implement all the plans and projects that we have set for ourselves especially capital projects in order to address our developmental objectives which will translate into economic growth hence more job opportunities and poverty reduction.

Honourable Chairperson

The amount to which I seek the House support is a total of **N\$ 257 463 000.00** million for 2012/2013 financial year.

This amount will be used by my Ministry in its quest for the sustainable management and administration of our fisheries resources, and the promotion of aquaculture development, which is aimed at improving the

livelihoods of our people through increased food security, poverty reduction and for the ultimate economic development of our citizenry.

Now, allow me Honourable Chairperson of the whole house committee, to provide an overview of the performance of the fishing industry during the last financial year.

In the midst of the global financial crisis and its effect on some of the fishery sub-sectors, the overall business environment within the fishing industry has improved. The beginning of the year 2011 has seen an appreciation of the Namibian dollar against the major trading currencies (i.e. Euro, Pound and US\$). This appreciation has resulted in the reduction of earning for the fish and fish products exporters. However, the Namibian dollar depreciated against the major trading currencies towards the end of 2011, and this coupled with considerable improved fish sizes, led to favourable market prices for some fish and fish products.

In addition, fuel/diesel is another commodity that has an impact on the industry's performance, because it constitutes a large chunk of operational cost of our fishing companies. During the reporting period, diesel prices increased five times averaging at N\$ 9.12 per litter at coastal pump price. This translated into an increase of N\$ 2.39, compared to N\$ 0.33 in 2010, for the coastal pump which is a huge increase.

In addition, fishing companies operating from Lüderitz had to endure 6% rail tariff increase, due to the fact that they are serviced by inland depots. This translates into 1-3c/L more compared to Walvis Bay. This increase had a huge negative impact on the growth of the fishing industry in 2011. We

have also witnessed, with great concern, the increases in the fuel price lately this year. It is our hope that the trend will not continue henceforth.

Honourable Chairperson

Honourable Members

The fishing industry's Gross Domestic Production (GDP) contribution, for the year 2011, is not yet availed by the National Planning Commission (NPC). Therefore, I would like to report on the GDP contribution by the sector during 2010. The fishing industry contributed 3.7% to GDP compared to 4.6% in 2009, which translates into a 0.9% decrease. This was as a result of a decrease of 0.6% and 0.3% in fishing and fish processing on board and onshore respectively. The final value of exports in the fishery sector stood at N\$ 4 billion in 2010, a reduction of 15% compared to 2009 when the final value at export stood at N\$ 4, 7 billion. This was due to reduced prices for most of the landings and fish products.

Honourable Chairperson

Allow me to elaborate for our specific programmes, as follows:

We are requesting an amount of **N\$ 257 463 000.00** for 2012/2013 financial year for the Ministry of Fisheries and Marine Resources to fulfil our mandate.

Out of a total of **N257 463 000.00** allocated to Vote 22, an amount of **N\$ 204 463 000.00** is earmarked for operational activities, while **N\$ 53 000 000.00** will be directed towards capital projects.

The allocated amount will be utilised as follow:

Programme 1:

Survey and Stock Assessments

The main purpose of this programme is to assess the status of the fish stocks, as well as that of the marine environment to provide scientific advice to the government on the sustainable utilisation of such resources. Surveys to assess the population dynamics and distribution of commercially important stocks, such as hake, monk, horse mackerel, pilchard, crab, rock lobster, seals as well as those of the marine environment were conducted during the 2011/12 financial year. Most of our commercially important fish stocks were found to be in healthy growing states, while others, such as Pilchard, still need to recover to a sustainable level where they can make a significant contribution to the economy.

During the 2012/13 financial year, the Ministry shall embark on the completion of the Horse Mackerel, Seals and Pilchard Management Plans. The Hake Management Plan, which was completed during the 2011/12 financial year, shall serve as a template for the remainder of the Management Plans.

As you might be aware, the Ministry is in the process of acquiring a new multi-disciplinary research vessel, which is currently under construction in Finland. Hence, during the 2012/13 financial year, the Ministry will send officials to Finland to oversee the final stages of the construction of the research vessel. The crew and scientists will also take part in the quay and

sea trials for the vessel, to ensure that all equipment's are performing, before delivery of the vessel to Namibia.

After the vessel is delivered to Namibia more resources will be required for maintenance and up keeping.

Honourable Chairperson,

To fulfil our responsibilities, under this programme, we are seeking support to the sum of **N\$ 49 632 000.00** for the 2012/2013 financial year.

Programme 2:

Human Resources Development

The programme is aimed at enhancing human resource development at all levels in the Ministry.

During 2011/12 the Ministry has achieved its accumulative target of 30 trained staff members. The Ministry has trained more than 149 staff members to acquire various skills, during the last financial year, in order to address the strategic needs of the Ministry. In addition, the Ministry through the Namibian Maritime and Fisheries Institute (NAMFI) have trained personnel in Navigation, Engineering and basic Safety in order to comply with the International Convention of Standard of Training and Watch-keeping for Seafarers. Skills and capacity development are still required in different disciplines of finance, administration and other relevant areas.

Honourable Chairperson,

An amount of **N\$ 3 396 000.00** under vote 22 has been allocated to this important programme for the 2012/2013 financial year.

Programme 3:

Marine and Inland Monitoring, Control and Surveillance (MCS)

The purpose of this programme is to ensure that fishing and fisheries related activities within the Namibian Exclusive Economic Zone (EEZ) and inland water bodies comply with the country's fisheries legislations. The Ministerial MCS Programme is supplemented by the Fisheries Observer Programme since 1992.

The MCS remains an important and effective fisheries management tool. Through this programme Namibia has managed to protect, conserve and enhance the sustainable harvesting of our living marine resources. A good example in this regard was the patriotic action by the Namibian fisheries legislation enforcement units against the foreign intruders who entered our country in July 2011 with an intention to disrupt seal harvesting at Cape Cross.

Honourable Chairperson,

The Fisheries Observer Agency (FOA) and the Namibian Maritime and Fisheries Institute (NAMFI) are the two Statutory Institutions rendering the service in the fisheries sector. Like in the past, some of their resource requirements are catered for under this programme. N\$5 602 000 is budgeted for FOA while another N\$5 602 000 is provided for NAMFI during the 2012/2013 financial year.

In order to carry out activities under this programme during 2012/2013 financial year, an amount of **N\$ 85 854 000.00** is sought for support.

Programme 4:

Promotion of Marine & Inland Aquaculture

The purpose of this programme is to develop aquaculture farming activities at coastal and inland areas, by utilising intensive methods under macro and micro scales for marine and fresh water species.

Honourable Chairperson

We have completed three major capital projects during the financial year 2011/2012, namely; Kamutjonga Inland Fisheries Institutes (KIFI) in the Kavango Region, our Regional Office in Katima Mulilo and the Ongwediva Hatchery in the Oshana Region. We are expecting projects at Noordoewer, and the Upgrading of the Fonteinjie Fish Farm in Keetmanshoop both in Karas Region. In addition, a new Regional Office in Rundu, Fish and Vegetable Market in Katima Mulilo, as well as Leonardville Fish Farm in Omaheke Region to take off in 2012/2013 financial year. The Ministry has also commissioned feasibility studies for Onakalunga Fish Farm in the Ohangwena Region as well as Rehoboth Fish Farm in the Hardap Region.

Honourable Chairperson,

Furthermore, I am pleased to report that the implementation of the South-South Cooperation Programme in support of aquaculture development between the Republic of Namibia and Socialist Republic of Vietnam is now in full swing and we will witness increased activities under this

programme during the 2012/2013 financial year. This programme will end by the calendar year 2015.

The cooperation is within the context of our National programme on food security, and has been funded by the Kingdom of Spain for an amount of **N\$ 14 million**. In the same vein, the African Development Bank (ADB) has provided Namibia a grant, to a tune of **N\$ 3.5 million** to develop a Master-plan on Aquaculture for Namibia. The Plan is at an advance stage, and once completed, a Blue Print will be shared nationally with our populace.

Our Ministry of Fisheries and Marine Resource has consulted the University of Namibia to develop an Aquaculture Certificate program. An amount of **N\$ 12 million** will be invested under this project over the next three years. I would like to thank the Kingdom of Spain for such an unwavering support they have rendered to us in the fishery sector over the years.

Honourable Chairperson,

The Mariculture sector is still dominated by the oyster and abalone production in Walvis Bay, Lüderitz, Swakopmund as well as Oranjemund. Last year has been a good production year due to more favourable environmental conditions. The hatcheries in Swakopmund and Luderitz are well established and producing oyster and abalone spat for Namibian farms which has reached 17 million oyster spat in 2011 in Swakopmund. Furthermore, I commissioned a fish farm at Oranjemund Town early this year, which will culture Steenbras and other species. Moreover, the Ministry continues to assist the Eco-Fish farm to sustain its activities in Mariental, at the Hardap Inland Aquaculture Centre.

Furthermore, coastal land for onshore Mariculture activities was availed by the Municipality of Walvis Bay at no cost, and will be used as an aquaculture development zone.

We would like to thank the Walvis Bay municipality for taking that bold and welcomed step to support our Ministry in its endeavour to build the aquaculture industry.

In order to carry out activities under this programme during 2012/2013 financial year, an amount of **N\$ 59 328 000.00** is sought for support.

Programme 5:

Coordination and Support Services

The purpose of this programme is to provide administrative support to the Ministry's programmes and to ensure proper financial management, optimal utilisation of resources such as human, financial, information technology and maintenance, logistical management, and capacity building.

Honourable Chairperson,

The main activities to be carried out under this programme are; the extension of the Head Office building to ensure that the Ministry's staff members are housed within the same complex. The programme also focuses on the general administration of the Ministry and the implementation of the Ministerial Strategic Plan, and the Performance Management System (PMS). It also ensures that the human resources

under the auspices of the Ministry are timely remunerated and related statutory expenses and utilities are paid.

Honourable Chairperson,

In response to mitigate the effect of HIV/AIDS on the workforce, and to create awareness on the deadliness of the virus, the Ministry has also allocated a portion of its budget under this programme to HIV/AIDS related activities. In order to carry out activities under this programme during 2012/2013 financial year, an amount of **N\$ 42 767 000.00** is sought for support.

Programme 6:

Policy and Economic Advice

The main purpose of the programme is to advise the Ministry on socio-economic performance of the fishing industry and also to analyse the social-economic impact of the allocated total allowable catch (TAC) on the fishing industry.

Honourable Chairperson,

This programme focus in providing detail analysis of the performance of right holders in terms of investment, employment, socio-economic contribution to the community, and the extent they are participating in the fishing industry. This is done to achieve maximum benefit from the living aquatic resource to ensure the development of our country's economy.

A total of 178 new fishing rights in various commercial fisheries excluding pilchard and orange roughy were granted during 2011. This granting of fishing rights is broad based which covered all regions in Namibia.

During the financial year 2012/2013, the Ministry will review the Inland Fisheries Act and Regulations, and the Marine Resources Act and Regulations. The policy documents which brought the two set of laws into existence will also be revised accordingly.

I am also please to inform you that last year the Ministry participated in various international fisheries expo to benefit from the best practices from other fishing nations.

In order to carry out activities under this programme during 2012/2013 financial year, an amount of **N\$ 142 488 513.00** is sought for support.

Programme 7:

Non Tax and Revenue Administration

The main purpose of this programme is to verify landings and collect quota fees and fund levies which constitute as the main revenue to the state from the fishing industry.

Quota fees are directly remitted to Treasury by this Ministry, and therefore represent the main form of value transfer from the fishery sector to government for redistribution to other sectors of the economy. These fees are set in such a way that they reward those processing on land; this is

because processing on land creates far much more jobs than processing/freezing at sea, and job creation is one of the key objectives of our Government of the Republic of Namibia.

In order to carry out activities under this programme during 2012/2013 financial year, an amount of **N\$ 1 599 000.00** is sought for support.

Conclusion

I would like to highlight the point of concern regarding phosphate mining activities that might have some negative environmental impact on the marine living resources. There is a need for more consultation with all stakeholders involves addressing and giving comfort to our concern.

Honourable Chairperson

Honorable Members

Allow me to submit, Vote 22: Fisheries and Marine Resources for 2012/2013 for consideration and approval.

I thank you.