



Republic of Namibia

STATEMENT

BY

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MINISTER OF TRADE AND INDUSTRY

ON

THE GROWTH AT HOME,

NAMIBIA'S EXECUTION STRATEGY FOR INDUSTRIALISATION

PRESENTED IN THE

NATIONAL ASSEMBLY,

ON

MARCH 12, 2015

Honourable Speaker, and;
Honourable Members of this August House

1. Honourable Speaker I rise to respond to the various issues as raised by my fellow Members of Parliament during the last two weeks of deliberations on our Growth at Home Implementation Plan. I sincerely thank you all for your comments and suggestions.

2. I should at first mention that these debates are framed within a period of celebration for our country as the Mo Ibrahim Award Price for African Leadership was bestowed upon our President, His Excellency Dr. Hifikepunye Pohamba. The price is not only an endowment to his legacy but it also signals and raise the profile of both Namibia and the Southern African Development Community as nations that values *and* democracy, good governance and leadership. *peace, stability, respect for human rights*

3. Moreover the Award also signifies that amidst African economies, Namibia is an exemplary model wherein inclusivity and efficient economic governance are promoted, whilst aspects of regionalism, xenophobia and tribalism that may afflict so many of our fellow African societies are frowned upon.

4. Suffice to say Honorable Speaker, it is my firm conviction that with the Award, we now have a valuable springboard to utilize and ensure that our policy space is fully embedded and maintained in our industrialization efforts. We sincerely thank our President for his noble legacy that will enable such opportunities to accrue.

SPECIFIC MINISTERIAL REPLIES:

5. Honorable Speaker and Members of the House, may I now turn to respond to specific Members raised.

6. Honourable Tjihuiko raised a concern regarding implementation, wherein he was seeking comfort in the ability of the MTI to implement the intended activities in the Growth at Home Execution Strategy. The issue raised is well-recognized by the MTI and that is why we followed a logical and conceptual approach of first designing a National Policy and thereafter structured the implementation programme (i.e. The Growth at Home Execution Plan). Currently work is being done to ensure that key institutions' legislation such as NIDA be enacted through respective bills (Page 49 and 50). In addition a key provision of the implementation plan is to embed both internal and external monitoring and evaluation mechanisms.

7. Furhemore, Honourable Tjihuiko postulated that Growth at Home be the opportunity to rather ensure that local production fully meets local supply before there is a bigger focus on exports. There is thus, in his view, a need to for local production to fill up local markets first before exporting. The Ministry through the work on Retail Charter (Page 22 in the Growth at Home document) aims to ensure that the ideals of such an agenda are advanced. Furthermore in the Growth at Home implementation plan, the agenda is to be supported through the Local Procurement Support Initiative (Page 21).

8. Finally, Honourable Tjihuiko alluded to the need to ensure that even packaging materials for our beef exports as an example are embedded within our local value chain ambitions. In fact the issue pertains to the need to develop holistic value chains, whose principles underline the MTI's Strategic Industrialization Programme (SIP) of which these activities are captured from pages 34 to 47.

9. Honourable Kazenambo raised the issue that in general monitoring programmes in government do not work. Especially as an example, the monitoring of quality goods produced by SMEs is not sufficient or optimal to enable them to supply efficiently and effectively. This is a constant policy challenge and is well noted and recognized by the MTI. A key principle in the Review of the SME Policy is to ensure the advancement of a menu of instruments to look at the raising and supporting of standards for SME manufactured goods and services (Page 29).

10. Honourable Kazenambo also raised the issue of implementation of programmes, and asked whether the MTI is not understaffed to deliver or whether there is some suboptimal delivery in terms of work output from MTI staff. In essence people are paid to do the work but are not delivering. The MTI has recognized the need to reinforce its capacity and human resource availability, and is currently undergoing structural reforms to accompany the new emphasis on industrialization. Internally, it is setting up a fully-fledged Department of Industrial Development manned by a Deputy Permanent Secretary.

He also advised that there must be a special window in NIDA to allow people to leverage on technology. The MTI appreciate both the support and advice and as the NIDA Business Plan is developed, these considerations will be taken up through the various stakeholder consultations that will be undertaken.

16. Honorable Swartz lamented on the skills gap and encouraged MTI to identify and document them so that MPs can intervene with an appropriate support strategy. The MTI welcome the support and encouragement and will ensure that this is done and tabled to this august house at future sessions.

17. Finally Honorable Swartz also expressed a concern regarding SME access to land and the need to ensure availability. The MTI has long recognized this issue, and it is one of the main aspects in terms of support to the SMEs in the Review of the SME Policy (page 29). The issue is also highly focused on under the Industrial Development Infrastructure Programme (Page 27 and 27).

18. Honourable Tjongarero referred to Referred to Page 37, Dairy Product Development Programme suggested the incorporation of youth in terms of making cheese and other dairy products with the requisite training to them. We welcome these suggestions and note that this could be explored under the Practical Training and Import of Skilled Labour Programmes (Page 25).

19. Honourable Mushelenga provides full support to the Growth at Home Strategy and emphasize on underlying principles such as value-addition and infant industry protection.

11. Honorable Katjavivi lend his support to our efforts of industrialization and called for a need to foster infant industry protection further. This is noted and welcome and Infant Industry Protection is one of the Key Features of the Growth at Home Strategy (Page 9).
12. Honourable Ilonga inquired as to how, in terms of domestic value, our Northern based farmers who are communal above the Red Line are to benefit? The development of value chains in the Growth at Home are meant to ensure a comprehensive distribution of benefits. In the Strategy, a specific value chain for farmers in the areas above the Red Line is the NDC Kavango Cattle Ranch value addition project (page 36).
13. Honourable Ilonga also postulated that it would be ideal to see the manufacturing sector contribution to our Gross Domestic Product (GDP) reaches not only 50% but even 100%. This is noted, however our efforts as a country is to guard against narrow sector dependence and thus in the NDP 4 manufacturing is one of the key sectors to be developed, along with agriculture and agro processing, logistics, tourism and services.
14. Finally Honourable Ilonga alluded to the need to ensure that vocational training is provided in all regions of the country. The MTI in its efforts to meet out the intervention on Practical training and import of skilled labour ([page 25) will ensure to work closely with the relevant institutions such as the NTA and others in private sector.
15. Honourable Angula supports the Growth at Home Strategy and believe that NIDA is to be the engine of economic growth as expected.

The MTI welcome and give impetus to his support and will ensure that some of his suggestions, such as looking at IIP for sectors such as construction are analyzed.

20. Honourable Mutorwa also provide full support to the Growth at Home Strategy and also deeply lament the issue pertaining to our produce not necessarily driven towards fulfilling domestic demand. Honorable Mutorwa also alludes to the current reality of minimal access of our local produce to retailers' shelves. We very much welcome the support and also fully support the notion that growth should be broad and across the whole of the Namibian spectrum. Surely indeed a growth that is not primed on domestic markets tenets will lead to our quest to be competitive at both regional and global levels to lead to adverse outcomes.

CONCLUSION:

In conclusion Honorable Speaker, I am confident that in our industrialization efforts as underpinned by our Growth at Home Execution Plan, we can overcome many of the challenges that may present themselves along the way, as long as the public, private and individual Namibians work together as one to transform our economy and position ourselves to secure opportunities at both the regional and global economy level.

I thank you!

