

DEBATE ON THE MOTION OF THE MINISTRY OF TRADE AND INDUSTRY'S "GROWTH AT HOME: NAMIBIA'S EXECUTION STRATEGY FOR INDUSTRIALIZATION" – STATEMENT BY JOHN MUTORWA, MP AND MINISTER OF AGRICULTURE, WATER AND FORESTRY (MAWF), NATIONAL ASSEMBLY, WINDHOEK, 10 MARCH 2015.

- 1. Thank you very much, Honourable Speaker, for affording me this opportunity, to make our contribution as a Ministry, to the discussion, on the Ministry of Trade and Industry's (MTI): "GROWTH AT HOME: NAMIBIA'S EXECUTION STRATEGY FOR INDUSTRIALIZATION."
- 2. We are making our contribution, as a Sector; appreciative and cognizant of what Namibia's, then, Minister of Trade and Industry, our current Prime Minister and President Elect, Dr Hage G. GEINGOB, stated on pages (i), (iii) and (iv) of: NAMIBIA'S INDUSTRIAL
 POLICY document:
 - (a) "A supplementary document namely, the Industrial Policy Implementation and Strategic Framework, details the targets, strategies and action plans on industrialization during the NDP4 period."

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- "All industrialized nations, including newly industrialized (b) nations, lump together an array of economic policies, to promote their industries and even companies across the globe. Some of these measures have included the picking of so-called winning sectors; special incentives for manufacturing companies; export subsidies; infant industry protection, often under the pretext of such industries being strategic; and agricultural subsidies. The Namibian Government has also implemented some of these measures, such establishment of the Export Processing Zone (EPZ) regime and the special incentives for manufacturing companies - to name but two. For the Namibian Government, industrialization remains an essential objective in the context of sustainable wealth and job creation."
- 3. Namibia's sector of Agriculture, Water and Forestry; particularly, the subsectors of agriculture (livestock, horticulture, forestry), unequivocally and strongly support our close partner and Sister Ministry, the MTI, specifically when the MTI Minister explains on PAGE 3 of the document, under discussion, that: "Growth at home focuses on three strategic intervention areas:
 - (a) supporting value addition, upgrading and diversification for sustained growth;
 - (b) Securing market access at home and abroad;

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- (c) Improving the investment climate and conditions."The Paragraph, on page 7, under the heading: "Local value addition," is eye catching. We support 100% the letter and spirit of the said PARAGRAPH.
- 4. What is the meaning and what should be the meaning of the words "GROWTH" and "HOME" for the farmer or the producer and by extension for all of us, as workers and employees of the MAWF, through its democratically elected Government? We attach basic, practical and simple dictionary definitions to the mentioned two words.

(i) GROWTH

The word "growth" is a Noun; whose verb is <u>GROW</u> – meaning: a living thing or organism, undergoing <u>natural development</u> by increasing in size and changing physically.

(ii) HOME

The Dictionary defines the word home in many different ways, e.g.:

- The place where one lives permanently "Oos, Wes; tuis bes!"
- The institution for people needing professional care;
- One's own country;
- Territory to which an animal returns to, by instinct.

- 5. Thus, for us in the agriculture, water and forestry sector, we understand home in the context that it is used in the document, under discussion, to mean: our constituencies, our Regions and our Country as defined in Article 1(4) of the Namibia Constitution, i.e. "the national territory of Namibia shall consist of the whole of the territory recognized by the international community, through the organs of the United Nations, as Namibia, including the enclave, harbor and port of Walvis Bay, as well as the off-shore islands of Namibia, and its southern boundary shall extend to the middle of the Orange River."
- 6. When we talk about "GROWTH AT HOME", we indeed, mean that: development, growth, progress, expansion, economic transformation etc. must FIRST and simultaneously take place in all those individual mentioned parts of our national territory, as defined, in the just quoted article of our national Constitution and we then as a nation and Government must use that growth to compete with others, subregionally, (SADC) continentally (AU) and globally (UN). Furthermore, it is our understanding that, such GROWTH at and in our HOME, in Namibia, must be fundamentally driven; must be incentivized; must be financed, and must be propelled; using our own legal instruments; policies; plans; strategies; visions and the Home's or Country's natural resources, as defined in Article 100 of the Namibian Constitution: "Sovereign Ownership of Natural Resources - Land, Water and Natural Resources below and above the surface of the land and in the continental shelf and within the territorial waters and the exclusive

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economic zone of Namibia shall belong to the State, if they are not otherwise lawfully owned." In this context, we fully associate ourselves with and indeed fully support, the content and policy intention of the following statement on page 34 of the GROWTH at HOME Strategy: "in order to leverage Namibia's competitive advantages and opportunities and to maximize the impact of the interventions, selected sectors will receive targeted support, focusing in particular on value addition and GROWTH at HOME," (my underlining for emphasis).

- 7. Although the international marketing of Namibia's agriculture products is relatively well developed with exports destined for markets such as the EU and other markets, the marketing of these products internally has not witnessed a similar development. There has been minimal focus on mainstreaming the development of marketing of agricultural products both in the domestic and international markets. The marketing system in the domestic market are thus fragmented, non-transparent, based on foreign pricing systems and does not promote equitable benefit sharing cross all role players in the value chain.
- 8. It is also important to note that only a small percentage of products produced within the country are destined for the domestic market. Therefore, while appreciating the presence of Namibian products in international markets, consumer demand in the domestic market is serviced by imported products, which is an undesirable trend. This means that Namibian originating products do not claim a fair share of the domestic market. Furthermore, the current marketing situation

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favours large scale agricultural producers and processors at the expense of small and medium scale producers of agricultural products. Another constraining factor is that most of the retailers operating in the domestic market are foreign-owned and procurement decisions are made through their agencies based outside the country. As a result, only a small percentage of Namibia products are marketed to consumers through the retail shops.

- 9. The MAWF, as per its given national mandate, has been and shall continue to practically implement the following GRN <u>adopted</u> and <u>approved</u> policies, as our contributions and assigned duties, towards the eventual practical attainment of the national aspirations and objectives, as articulated in VISION 2030, NDP4, Namibia's Industrial Policy, Article 95 of the Namibian Constitution: "Promotion of the Welfare of the People": And many other relevant GRN policy documents:
 - (a) The 2008 Green Scheme Policy;
 - (b) The National Rain Fed Crop Production Policy and Programme;
 - (c) The Mahangu Marketing Plan;
 - (d) Policy for the Eradication of Trans Boundary Animal Diseases in the Northern Communal Areas of Namibia;
 - (e) Common Vision of the Livestock and Meat Industry of Namibia;
 - (f) Namibian Agriculture and Marketing and Trade Policy and Strategy;
 - (g) Forest Policy Strategy for Namibia.

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- 10. In conclusion, we fully support the GROWTH AT HOME: NAMIBIA EXECUTION STRATEGY FOR INDUSTRIALIZATION." The emphasis must be on "Execution Strategy." We believe that, to human beings, the issue of food production has been home based and shall continue to, fundamentally, remain a home based activity. The Bible teaches us that: from our sweat, we shall get our Bread, our maize meal, our Mahangu, our Meat, our Vegetables i.e. our Food!
- 11. It is further our firm conviction that: when all our individual homes in our <u>big home</u>, <u>Namibia</u>, experience and attain growth; all the Constituencies will and must experience that growth; likewise, the whole country must and will. We cannot and shall NOT be competitive at the Sub-Regional Level (SADC) level, Continental (AU) level; let alone, GLOBAL (AU) level if our economic growth at home, is and remains insignificant, invisible and meaningless!
- 12. Thank you very much, Honourable Speaker and Honourable Members of the National Assembly.

Hon John MUTORWA, MP

MINISTER

