

REPUBLIC OF NAMIBIA



**Statement by His Excellency Dr. Hage G. Geingob,
President of the Republic of Namibia**

Namibia-China Trade and Industrial Forum

Shanghai

The People's Republic of China

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Director of Ceremonies

**Honourable Netumbo Nandi-Ndaitwah, Deputy
Prime Minister of the Republic of Namibia**

Honourable Ministers here present

**His Excellency Dr. Elia Kaiyamo, Ambassador of
Republic of Namibia to China**

**His Excellency Mr Zhang Yemin, Ambassador of the
People's Republic of China to Namibia**

Senior Government Officials

**Captains of Industry from the People's Republic of
China and the Republic of Namibia**

Senior Government Officials

Members of the Media

Ladies and Gentlemen

**Today marks the final day of what was a very
successful State Visit to the People's Republic Of
China.**

I am particularly delighted that Namibia was invited for Official State Visit to China, so soon after the recent party elections where President Xi received a strengthened mandate to be the core leader of the People's Republic of China.

The top Government and political leadership have received us during our Visit. These include President Xi, Premier Li and Chairman Li of the NPC. These leaders spent ample time with us to discuss issues of mutual interest and concern. This demonstrates the close relationship between China and Namibia, and that China views Namibia as an equal partner.

I have observed on many occasions, over the past few days, that China is indeed a "superpower". The progression the People's Republic of China has achieved is both astonishing and inspiring. To have lifted 800 million people out of poverty, over a

period of 40 years is a significant accomplishment. Despite visible and rapid advancement, China continues to call itself 'a developing nation'. This shows the humility and commitment to continuous development.

The humility shown by President Xi was heartwarming. For one of the most "powerful" persons in the world to spend so much quality time with a leader from a "small country" does not happen everyday. Moreover, this was one of the first official appointments afforded to any leader since President Xi was affirmed as the core leader of the People's Republic of China. It was also the third meeting between President Xi and I. One of our meetings took place when I was Prime Minister. Not only did we had fruitful official discussions, but we were also hosted for a state banquet, where President Xi and I continued our

discussions in a more relaxed manner and got to know each other on a more personal basis.

This morning I met Jack Ma the founder of Ali Baba who is also one of the most influential people in the world, albeit in business. Jack Ma has accomplished a lot in business and flew in especially from his home province for our meeting. We discussed interesting areas where Jack could become involve in Namibia and he also promised to soon visit Namibia.

One of the important outcomes of our State Visit has been the elevation of Namibia-China relations to the highest level of 'Comprehensive Strategic Cooperative Partnership'. This has given new impetus to Namibia-China relations and in short means that cooperation between the two nations will be all inclusive and will be based on equality.

More specifically, Comprehensive means that we will cooperate all out at all levels including consultation at the highest level on issues of strategic nature. Strategic also means that we will have to consult on tactical issues. Partnership symbolizes that there will be equality in our relationship. However, for partnership to be effective, there must be trust that one can cooperate. We are indeed very honored by the elevation of status in our relationship with China.

I am pleased to be accompanied by Government Ministers, senior Government officials and a formidable business delegation comprising of close to 70 captains of industry, representing a cross-section of Namibian economic sectors. In concluded talks with President Xi, we discussed the importance of deepening economic diplomacy to attain higher-level cooperation, growth and development.

To guide development, Namibia has developed a long-term plan called Vision 2030. This plan is executed through five yearly implementation plans called National Development Plans. We are currently implementing the fifth National Development Plan that covers the period 2017/18 to 2021/22. We also have a four year acceleration impact plan called the Harambee Prosperity Plan (HPP) that covers the period 2016/17 to 2019/20. This plan is constructed around the following five pillars:

- 1. Effective Governance and Service Delivery;**
- 2. Economic Advancement;**
- 3. Social Progressing;**
- 4. Infrastructure Development; and**
- 5. International Relations and Cooperation.**

These five pillars present a good orientation framework for potential investors into Namibia and I would like to say a few words to each of them.

Effective Governance and Service

Namibia offers a stable and predictable policy environment for business to flourish. One key characteristic of the policy environment is that the rule of law prevails. The rights of investors are protected through enforcement by an independent judiciary. In other words, Namibia has sound and effective democratic governance architecture.

To buttress the effective governance architecture, we have adopted the equation that Transparency plus Accountability will translate into improved Trust levels. Some of the initiatives we have introduced to achieve this objective include asset and income declaration by top political leadership.

Economic Advancement

The key objectives under the economic advancement pillar are to safeguard macroeconomic stability and have a conducive environment for businesses to operate in.

Namibia indeed has stable macro-economic architecture characterized by relatively low public debt as a ratio to GDP, low inflation and a well-developed, stable financial system. During the past two years, the economic climate in Namibia was tested by adverse global economic conditions, which led to a decline in commodity prices and extreme currency volatility. This contributed to lower than average growth, weak revenue collection and deterioration in debt dynamics.

However, we did not relent. Instead, we instituted deep budgetary expenditure cuts to preserve macroeconomic stability. Our fiscal consolidation

efforts are bearing fruit, with some key underlying economic fundamentals, such as our reserve position and the pace of debt accumulation, showing improvement, when compared to the previous year. It is projected that our debt to GDP ratio will peak at approximately 46 percent, which is still well within the SADC regional benchmark of 60 percent as a ratio of GDP. Moreover, the economic growth outlook is starting to improve on the back of improved global economic conditions and an expected rebound in commodity prices.

To facilitate private investment into the economy, the Government of Namibia passed several pieces of legislation, including the Public Private Partnership Law and Framework, which sets out clear rules of engagement for joint projects between the public and private sectors. Other pieces of legislation and initiative aimed at improving the business environment include: the

Business Intellectual Property Authority Act, aimed at streamlining the registration of businesses in the Namibia; the Namibia Investment Protection Act; the Namibia Industrial Development Agency; and the introduction of a single window trading system, which is at an advance stage of implementation.

Social Progression

Over a period of 28 years Namibia has made tremendous progress in all facets of development. However, some social challenges such as poverty, high inequality, youth unemployment, housing and sanitation and infant and maternal mortality remain. These are all aspects that are being addressed under the Harambee Prosperity Plan. We, therefore, invite the business community to invest in areas such as agricultural modernization and food production to stem hunger poverty and vocational technical training to address high youth unemployment.

Infrastructure Development

Namibia has good physical infrastructure, especially road infrastructure. However, there are challenges in some sectors such as energy and water supply security, railway infrastructure and information communications technology that presents lucrative investment opportunities.

International Relations and Cooperation

As we did during the first phase of our struggle for political emancipation, we now reach out again to our international friends to assist us in the second phase of our struggle, against poverty and inequality, so that Namibia can realize inclusive growth and shared prosperity, in this lifetime. This is why we are here in Shanghai, to invite our Chinese friends to come and do business with Namibia.

Before concluding I would like to buttress that I have never seen such friendship from a top leader. Let me also clarify that we did not come to China to beg, not did we come here to sign a loan agreement. We came to China on equal footing, and the elevation of our relationship is testament to that. Naturally, to finance development enabling capital projects, we will be looking for cheaper money, but always on terms that are good for us. It remains regrettable that Namibia is disadvantaged by income classification of the World Bank and cannot easily access grant funding and concessional loans. And even concessional loans, will always be scrutinized for conditions other than the effective interest of cost of the loan. We have the duty to growth and promote our local businesses and industries. Therefore, if we can access loans from China or any other country of financial institution, on good terms that are aligned to our developmental objectives we will consider it.

I would like to conclude by saying, investment and trade must be balanced and inclusive, to be sustainable. One key principle of the China-Namibia relationship is that of “win-win”. As you are exchanging views on potential trade and investment opportunities, the focus should not be on winning at the expense of the other. Such approach may generate more profit for one Party in the short-term, but will certainly not be sustainable long-term. Therefore, for trade and investment to grow and remain sustainable, it must also be shared.

With these few remarks, it is now my singular honour to declare the forum open for discussion. --
