

REPUBLIC OF NAMIBIA



**PUBLIC ANNOUNCEMENT REGARDING THE
OUTCOME OF THE FISHING RIGHT
APPLICATIONS THAT WERE SUBMITTED TO
THE MINISTRY OF FISHERIES AND MARINE
RESOURCES ON OR BEFORE 31 AUGUST 2018 –
STATEMENT BY THE HONOURABLE DR. ALBERT
KAWANA, MP, MINISTER OF FISHERIES AND
MARINE RESOURCES**

TUESDAY, 30 MARCH 2021

KHOMAS REGIONAL COUNCIL

WINDHOEK

Introduction

1. Allow me to take this opportunity to announce the outcome of the fishing right applications which were submitted on or before 31st August 2018. I would like, first and foremost, to take this opportunity to express my appreciation and gratitude to the NBC Board and Management for according me the opportunity to make the announcement through the NBC platforms. I also extend my appreciation and gratitude to the print media who came to cover this event.
2. There is no doubt that today we are making history in our country because it is for the first time that the event of this nature has taken place. This is the event that has been eagerly waited, not only by the applicants but also the entire Namibian nation. Many of our people from all corners of Namibia responded to the invitation to interested parties to apply for fishing rights. In this regard, I am sure our people from the north to the south, from the east to the west are watching and listening to this history making event.

3. Section 33 (1) read together with Section 33(3) of the Marine Resources Act, 2000 (Act No. 27 of 2000) empowers the Minister responsible for fisheries and marine resources, from time to time, by notice in the Gazette, to announce a period during which applications may be made for rights to harvest for commercial purposes any marine resources, and the conditions on which such marine resources may be harvested. In terms of Section 33, the Minister is not permitted to consider any application received outside such period. In terms of Section 33(3) and subject to subsection (4), the Minister is empowered to grant a right to harvest any marine resource for commercial purposes to any person who applies for such a right subject to such conditions in addition to those specified in the notice under subsection (1) as may be determined by the Minister.
4. On 24 May 2018 as per Government Notice no. 93, an announcement was made calling interested applicants to submit applications by or before 31st July 2018. Due to various reasons, the deadline for submission was extended to 31st August 2018 as per Government Notice No. 150 of 16 July 2018.

5. Thousands of applications were received by the Ministry of Fisheries and Marine Resources. In order to process the applications in an objective manner, a reputable outside institution was contracted to undertake a technical evaluation of the applications. The work was put out to tender. The University of Namibia (UNAM) was contracted to carry out the technical evaluation. UNAM was found to be cheaper compared to other institutions such as audit firms which quoted as much as Thirty – Nine Million Namibia Dollars (N\$39,000,000). UNAM quoted less than Ten Million Namibia Dollars.

6. UNAM assembled an evaluation team that was tasked to carry out the technical evaluation. The team consisted of six (6) supervisors who specialized in various fields such as law, economics, mathematics, statistics, and fisheries. In addition, Thirty – Eight (38) enumerators at university degree level were tasked to carry out the technical evaluation under the guidance of the supervisors.

Apology

7. I would like to take this opportunity to apologize to the nation for the delay in the processing and finalization of the applications. The delay has resulted in some quotas to suspect underhand activities in dealing with the applications.
8. On the contrary, the delay was caused by factors beyond my control. I was appointed by His Excellency Dr Hage Geingob, President of the Republic of Namibia as Acting Minister of Fisheries and Marine Resources on 13 November 2019. It is common cause that November was a period of Presidential and National Assembly Elections. In my capacity as Attorney-General, I was preoccupied with election matters such as certification of various election related gazettes as well as attending to election related legal challenges.
9. It is also common cause that the month of December and part of January are holiday months in Namibia. As a result, most staff members take leave and are not available during this period. This was also a period when I was merely acting and as such, I deemed it appropriate for a substantive minister to take decisions of this nature and magnitude.

10. Following my substantive appointment as Minister of Fisheries and Marine Resources on 21 March 2020, the work started in full force to process the applications. Unfortunately, this was also the period of COVID-19. It was the period when the Ministry head office experienced an outbreak of COVID-19 among some of our staff. The outbreak happened several times. The most affected was the floor where the information was kept. This resulted in self-isolation after self-isolation and the building had to be fumigated. Due to the sensitive nature of the information, it was not possible to work at home with such information. I therefore take this opportunity to apologize for the delay and any inconvenience caused.

Appreciation

11. I would like to take this opportunity to express my appreciation and gratitude to His Excellency Dr. Hage Geingob, President of the Republic of Namibia for entrusting me with this very important assignment. I also wish to express my appreciation to UNAM for the professional manner in which it handled the processing of technical information related to the applications.

12. I also extend my appreciation and gratitude to my staff members who worked tirelessly, day and night, week days and weekends, under the state of emergency and lock downs. They kept their cool in the midst of negative criticism both in print and electronic media. Allow me, therefore, to salute my team. Whatever mistakes that might have been made, I take full responsibility and accountability.

Discussion

13. During the processing of the applications, a number of factors were taken into account. I promised transparency and accountability as well as the principle of shared prosperity. I was mindful that apart from the guidelines which are contained under Section 33 of the Marine Resources Act, 2000 (Act No. 27 of 2000), a number of other factors were taken into account such as the provisions of the Namibian Constitution, in particular, Articles 18 (Administrative Justice), 23 (Apartheid and Affirmative Action), 95 (Promotion of the welfare of the people), and 100 (Sovereign ownership of Natural Resources).

14. It is on the basis of the above consideration that, *inter alia*, groups such as the youth, women, people with disability, marginalized communities, veterans of the national liberation struggle, workers as well as regional spread received top priority. In short, the principle of shared prosperity took centre stage.

15. I must also point out that the processing of applications of companies and entities that have been operating in the industry presented the biggest challenge due to the fact that there is extensive inter ownership. In some cases, one company or entity own shares in a number of other companies, most of which are well established companies or entities with fish processing facilities onshore (factories), a number of vessels offshore, and a good number of employees. The employees of these companies and entities numbered more than Seven Thousand Two Hundred (7,200). It is against the aforementioned background that the exercise was really challenging. As will be shown in this presentation, those companies and entities which did not make significant investments or employ an appreciable number of workers did not succeed. This is an area which will require major legal reform so that we bring an equitable ownership in this sector.

16. It will also be shown that, unfortunately, some regions did not do well. There are a number of factors for this. The main factor is that they applied for fewer fish species such as horse mackerel and hake compared to other regions which applied for virtually all fish species. The exercise also presented a number of challenges in the identification of some applicants to particular regions due to uncertainty regarding the exact line of regional boundary demarcation. This challenge was more pronounced between Kavango West and Kavango East regions. As a result, some applicants are indicated under the column titled “others” because it became difficult to identify the applicants with a particular region. In addition, the identification documents of some applicants indicate that they were born outside Namibia. In such a situation, they were grouped under “others” because it is difficult to associate them with any particular region. The analysis of regional spread is hereby made public.

17. Due to difficulties caused mainly by limited resources, it is not possible to accommodate all applicants without first growing the resource. It is against this background that the Government should adopt conservation measures aimed at growing the resource and thereby benefit as many Namibians as possible.

I am pained due to the fact that some applicants, including those who met the set criteria, did not make it. It was never my intention to deny fellow Namibians bread on their table. The limitation of resources was a major constraint. The size of the cake is far too small compared to the number of applications.

18. In the interest of transparency and accountability as promised, I wish to announce the following:

18.1. Before the set deadline of 31st August 2018, more than Five Thousand, One Hundred and Seventy – Six (5176) applications were received. The names of the applicants were published in the print media in order to enable applicants to ascertain whether their applications were indeed received by the Ministry. I have the honour once again to submit the same list. One list is from the computer printout, which list was used to print the newspaper printout.

18.2. Following the publication of the list of applicants in the print media, about forty-eight (48) applicants came forward stating that their names did not appear in the newspaper print out. The list of those applicants is hereby made public.

They were then requested to provide proof by means of attestation indicating that they also applied and their applications were received before the deadline of 31st August 2018. Out of the forty-eight (48) applications, ten (10) applicants provided no proof and, therefore, they were automatically disqualified. Since the applications were already with UNAM, those who proved that they submitted on time were assessed by UNAM and formed part of the final list from which successful applicants were identified.

18.3. In addition, they were applications which were automatically disqualified on account of the fact that they did not comply with the set criteria. These companies and entities number Eight Hundred and Sixty –Two (862) and did not appear on the published list. I hereby make the list public.

18.4. The first processing of applications involved companies and entities which were involved in the industry for twenty (20) years and their rights had expired. The expiry dates range from 2017 to 2020. The total number of such companies and entities number One Hundred and Twenty-Five (125). Their list is hereby made public. Out of this number, Eighty-Five (85) became successful.

This constitutes Twenty-Nine percent (29%) of successful applicants. In considering the applications, the interests of our workers as well as economic investment was taken into account. These are the companies with established onshore processing facilities such as factories and offshore investments in the form of vessels. The combined investments runs into billions of Namibia dollars with the workforce of over Seven Thousand, Two Hundred (7,200). It must, however, be pointed out that a comprehensive study will have to be carried out in order to address the anomaly of multiple ownership and come up with reforms in this area. This will provide an equitable ownership of our natural resources. This will require an extensive stakeholder consultation.

18.5. As already pointed out, applications received from new applicants number in their thousands as per list that has been made public. Out of this number, Two Hundred and Thirteen (213) became successful or Seventy – One percent (71%) of the successful applicants. The list of successful companies is hereby made public.

18.6. I should point out that in terms of the set criteria, an application for each specie was regarded as a separate application although it was applied for by the same company. This means that if the same company applied for eight different species, the applications will be regarded as eight and were counted as such.

18.7. The Ministry has since learnt that there are some companies which use other people's names and in some cases names of charities in the form of trusts but at the end of the day, such entities do not benefit. Against this background, the Ministry will leave no stone unturned and will make sure that a strict mechanism will be put in place to monitor the process in order to ensure that such charities, especially those which involve children, people with disability and marginalized communities, benefit from the resources of our country. Those days when our weak members of society were used to their disadvantage are long gone. It is for this reason that we have published the list of beneficiaries so that the unfortunate members of our society also benefit from the fruits of our independence. The list is hereby made public although it is not final because it only consists of beneficiaries from the successful applicants.

An updated list will be published soon so that we monitor the extent of benefits from the entire industry, including companies and entities whose rights have not yet expired. I also wish to state that we are working on the list of shareholders which list will be made public within two (2) months. The delay is caused by the fact that some shareholders have since passed on and their estates through executors are finalizing new shareholders. In addition, some trust's shares are being increased in order to insure that beneficiaries generate maximum benefits.

18.8. I am fully aware that this exercise is just the beginning, therefore, it is not possible to solve all the problems overnight. This is for the first time in the history of our country where successful applicants come from all fourteen (14) regions of Namibia. It is time for each and every community to benefit from the resources of our country. It is time for the workers of Namibia, especially those who are working in the industry to also become part owners of this national resource.

I am determined to consult extensively in all corners of Namibia so that we come up with a comprehensive review of the fisheries sector whose sole purpose is to benefit the Namibian people. All communities must feel that they are part and parcel of the Namibian House.

18.9. Although it is impossible to accommodate every applicant, I believe that there is room for more Namibians to indirectly benefit from this national resource by ensuring that fishing companies locally source all their goods and services which are available in Namibia. The industry has already been requested to provide me with a list of those goods and services so that I can ordinate with the Ministry of Trade, Industrialization and SME development.

19. As we strive to achieve Namibianization of the fisheries sector, I appeal for national unity so that we are not derailed from our path. Given what has been achieved so far, I believe that we can achieve our goal in the shortest possible time.

Today we have succeeded to transform the fisheries sector by ensuring that our youth have a stake in the sector, our women have a stake in the sector, our veterans of the national liberation struggle have a stake in the sector, our marginalized communities have a stake in the sector, our citizens with disability have a stake in the sector, our workers have a stake in the sector, our peasants have a stake in the sector, our communities have a stake in the sector, our traditional authorities have a stake in the sector, our regions have a stake in the sector, our students have a stake in the sector, and our religious organizations have a stake in the sector. I can state with confidence that all these interest groups have been accommodated in the new applications.

20. The next exercise is to ensure that there is equitable distribution of resources among the Namibian people so that the marine resources are not dominated by few individuals. This will require extensive stakeholder consultations so that whatever changes which are made, they must involve input from the Namibian nation. In this regard, there will be extensive regional consultation. Time has come to take the war against poverty to a new frontier. Those who are most affected by poverty should have a bigger voice in this war.

I thank you.