

**ANNUAL ADDRESS TO THE FISHING INDUSTRY AND  
RELATED STAKEHOLDERS**

**BY**

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**LUDERITZ**

***(Check against delivery)***



Distinguished ladies and gentlemen

Good Afternoon. It is a great pleasure to be in this historic town of Luderitz and to be addressing the fishing industry in this beautiful town.

Once a suffocated town, Luderitz had to learn to roll with economic punches. Thanks to the fighting spirit of its people, Luderitz is breathing again. This is despite the fact that the town is a long distance away from the harbours and other supplying entities that are needed to stimulate business and economic activities here. Since independence, the Government of the Republic of Namibia has been looking at Regional Development with Luderitz in mind. This should continue, and that is why I am here today to listen to your concerns.

As you are aware, on 23 March 2007, I had discussions with Fishing Industry in Swakopmund, where I presented an overview of the fisheries sector for 2006 and part of 2007. In that Speech, I made a promise to come to Luderitz and discuss with you matters that are more relevant to Luderitz operations. Today, we will distribute for ease reference the statement that I delivered and this will be supplemented by what I have to say today.

In that statement I concentrated mainly on the following external factors: high oil prices, exchange rate, improvement in the hake fish sizes as well as improvement in the price of monk. I highlighted the management measures that the Ministry introduced last October for the protection of both hake spawners and small hake. The results have been positive. Therefore we decided to maintain the status quo during the current fishing season. I also highlighted the different studies that the Ministry of Fisheries and Marine Resources are currently conducting pertaining to fisheries and marine resources (refer to the Minister's Speech delivered at Swakopmund).

Of relevance to the Luderitz-based fishing industry in that statement are the following species:

## **1. LARGE PELAGIC**

An estimated ...is landed in Luderitz annually. It is however worrisome that these fish are not processed here to add value and create more employment for the Luderitz community. I urge the fishing industry to seriously consider this option.

## **2. CRAB**

The crab stock is in a stable state with increase in total biomass estimate of up to 16 000 tons in 2005. Catch Per Unit Effort remains stable over the last 10 years. After a survey scheduled for 7 to 17 August 2007, the Ministry would table a Report on the state of the resource at the Marine Resources Advisory Council scheduled on 20<sup>th</sup> September 2007.

GET SOMETHING FROM MOSES

## **3. ROCK LOBSTER**

Lobster has been a source of prosperity and challenge. Lobster fishery supplies a small but lucrative market with the finest quality seafood in the world. However, there has been a trend of low catches during the past years. This is attributed to???

GET SOMETHING FROM MOSES ON THE REASONS FOR THE LOW CATCHES

Due to poor catches, the fishing industry approached the Ministry earlier this year for an extension of the lobster fishing season to 15 May 2007. Aware of the difficulties experienced by the lobster industry, the Ministry agreed to this request which was strictly limited to 15 days.

## **4. OTHER MEASURES TO BE CONSIDERED TO FURTHER PROTECT HAKE STOCK (BOTH JUVENILE AND SPAWNERS)**

As highlighted in the statement, the Ministry is considering introducing the following measures:

- demarcating some areas considered to be nurseries/sanctuaries and which need to be closed.
- evaluating the impact of long-liners on the spawning biomass.
- Looking at the possibility of changing the mesh size for hake trawlers from the current 110 mm to 120 mm or 130 mm.

Before we proceed any further, I find it prudent to first engage in open discussion with industry, to ensure that views are heard and considered. There should be an in-depth involvement of all stakeholders.

## **5. OUTSTANDING QUOTA FEES**

The quota fee is one of the major issues of concern for the Ministry. Some right holders have not yet settled their outstanding quota fees owed since 2000. May I remind you that the deadline for payment of 2000-2004 fishing seasons is 29th June 2007. I trust that those who have not yet settled their payments have already consulted with my Permanent Secretary on this score.

As you are aware, Cabinet resolved that a Study be undertaken to determine the impact of various fees charged by the Government. This Study is to be undertaken this year and will look into the following fees:

- Quota fees
- Landing fees
- By-catches
- Observer fees
- Uncaught fees

Industry has argued that these fees are unnecessarily too many and should be reviewed. Let's wait for the outcome of the Study before we take any sudden action.

## **6. VESSEL MONITORING SYSTEM (VMS)**

You recall that we have talked a lot about the installation of Vessel Monitoring System (VMS) in all fishing vessels, unless exempted by the Minister of Fisheries and Marine Resources. The deadline for the installation of the system was 3<sup>rd</sup> April 2007. Therefore, no fishing vessel will be allowed to go to sea without a functional VMS.

**AMUTENYA TO GIVE SOMETHING ON THE IMPLEMENTATION OF THE VMS**

## **7. OPERATIONAL CHALLENGES IN LUDERITZ**

### **7.1 Fuel costs**

A lot of issues have been raised by the Luderitz-based fishing companies. One refers to the fuel cost. I am aware that the fishing industry is one of the biggest consumer of fuel. According to our estimate the cost of fuel for the Luderitz based operators is 20% higher than for Walvis Bay. This increases the operating costs significantly for the Luderitz based operators. It also leads to financial pressure due to high expenditure. We are mindful of your difficulties., however, this is due to external factors that are beyond our control. The Government has however tried the best it could by giving the fishing industry some relief measures in 2005. These included a reduction of 20% on the outstanding amount owed to State for the 2004/5 fishing seasons; and the reduction of 50% on the uncaught fish for the same period.

### **7.2 Harbour/Namport costs**

Information received from the Luderitz based fishing companies indicates that high Namport tariffs were making it difficult and costly for them to operate economically and are therefore seen as a hindrance to further growth and expansion in Luderitz. In addition, the remoteness of Luderitz contributes to high stock holding as well as transport and repair costs. Cabinet directed that a study on

NAMPORT tariffs be undertaken. I am informed that this study will take off this year. Let us all wait patiently for the findings of such a study. I am hopeful that this study will pave the way forward.

### **7.3 Employment**

Unemployment is one of the greatest challenges that Luderitz is facing. Because of its remoteness, it is very difficult for Luderitz to attract enough qualified personnel to work here. Additional costs must be incurred due to expenses such as housing provision and extra incentives that are needed to attract qualified personnel to come and work in Luderitz. I appreciate that the fishing industry in Luderitz has invested a lot in ensuring housing for their employees. Another concern that is worrying me is the labour unrest, which is much higher compared to Walvis Bay. I therefore urge all role players to work together to address this issue with a view to find common solutions.

## **8. DEVELOPMENTS IN AQUACULTURE**

In my speech, I highlighted that there has been tremendous developments in both freshwater and mariculture industry. I further emphasized that Luderitz is one of the potential areas when it comes to the development of Aquaculture.

The year 2006 have seen a major breakthrough in the Luderitz mariculture area. Substantial investment was made in oyster and abalone resulting in total production of 2,5 million tons and 3,5 metric tones respectively. Potential markets were identified for both abalone and oysters. These two pilot farms employ 154 people directly. The two industries in Luderitz continues to flourish with expansion expected in 2007. As both mariculture and freshwater aquaculture are gearing up for growth, there is a high potential for economic growth and direct employment creation in sectors such as production, processing, cold storage, research and development.

Two new licenses have been issued for culturing of rock lobster and black mussel from this year. There is a total of 8 other

license-holders for black mussels, abalone and oysters. These have not yet taken off because of lack of access to funds.

***Need for coastal land:*** Due to the limited bays along the Namibian coast such as Walvis Bay and Lüderitz lagoon, coastal land zoned solely for aquaculture purposes is the most urgent requirement, to enable the mariculture sector to expand. The land based aqua-industry near the proximity of the sea will focus on finfish, abalone and prawns – industries which could have substantial benefits for Namibia in the form of job creation and generation of revenue.

## **9. Quality Control Issues**

Extensive consultations have been taking place with the Ministry of Trade and Industry and they have informed me that they will finalise everything soon in order to have the laboratory in place. They are in contact with suppliers and orders for materials have been made already. The EU has offered to fund to a tune 60 000 Euros for a Consultancy to assess Laboratory Quality Assurance and modern methods for shellfish.

## **10. NATIONAL DEVELOPMENT PLAN 3**

As you are all aware NDP2 has come to an end last year. From the fisheries sector perspective, I believe that we have done a good job especially when we reflect on our performance, challenges and constraint. Consultation with all stake-holders on the formulation of NDP3 will start soon. I am requesting you all to attend and to own the process.

## **11. CLOSING REMARKS**

I wish to thank all the stakeholders for the support rendered to me throughout the year 2006. loyalty and dedication with which their work is done, does not go unnoticed but is deeply appreciated. Let us continue this attitude in 2007.



The successful conservation of our fish stocks and the continued development of the Namibian fishing industry will enable the community of Luderitz to convey a sense of confidence about its future to the rest of Namibia and increasingly to visitors from many parts of the world.

In conclusion, the Ministry of Fisheries and Marine Resources had an indifferent start to 2006 but came right in the end. We all hope that this year we will notice a recovery of our stocks and the normalization of the environment. Our industry is positive in its contributions to the development of the National Economy albeit sometimes against the odds. We have increased fish consumption even more; we have made great strides in training and capacity building although we need to keep these efforts up in the future. The staff in the MFMR are motivated and hard working and we will together work to realize the vision of the Ministry. That is "to secure Namibia's fish resources for the future".

I hope this year will be both enjoyable and rewarding for us all. I thank you.