



*The Gateway to Endless Opportunities*

**ADDRESS BY DR. JOB SHIPULULO AMUPANDA, MAYOR  
ON THE OCCASION OF THE 5<sup>th</sup> WINDHOEK MAYORAL  
BUSINESS FORUM (WMBF)**

**DATE: WEDNESDAY, 10<sup>TH</sup> NOVEMBER 2021**

**TIME: 09H00**

**VENUE: COUNCIL FUNCTION HALL**

**Your Worship, the Deputy Mayor  
Councillors  
Acting CEO  
Strategic Executives and Officials present  
NCCI President of the Windhoek Branch  
NCCI CEO and Exco Members  
Business Community of Windhoek  
Moderator, Ms. Pombili Shilongo  
Members of the Media,  
Ladies and Gentleman**

Good morning,

The WINDHOEK MAYORAL BUSINESS FORUM (WMBF) is a business development initiative of the Department of Economic Development and Community Services (EDCS). It was revived in 2016 in collaboration between the Municipal Council of Windhoek & the NCCI (Windhoek Branch).

The main objective of the forum is to strengthen synergies & communication between Council & business communities, regarding the planning & development process. To this end, a Memorandum of Understanding (MOU) which outlines the consultation & collaboration process, was signed between Council & the NCCI in 2018. The key principles of the MOU to:

- Foster close working relationships;
- Consult on issues affecting the strategic planning, economic development, the image and marketing of the City;
- Enhance return on Council's investment in the community and economic development, balanced against the desired environmental and social outcomes; and
- Engage with the business community through the NCCI (Windhoek Branch) in the planning and development process.

The pertinent elements of the MOU address areas of mutual interest, Council's role, and the role of the NCCI as follows:

<b>AREAS OF MUTUAL INTEREST</b>	<b>COWS ROLE</b>	<b>NCCI ROLE</b>
<b>Local Economic &amp; Infrastructure Development</b>	<ul style="list-style-type: none"> <li>• Formulate strategies</li> <li>• Solicit inputs to major development projects, amendments to Spatial Development Framework &amp; town planning scheme</li> </ul>	<ul style="list-style-type: none"> <li>• Provide inputs to strategies</li> <li>• Provide inputs to major development projects, amendments to the Spatial Development Framework and town planning scheme</li> </ul>
<b>Trade &amp; Investment Promotion</b>	<ul style="list-style-type: none"> <li>• Formulate strategies</li> </ul>	<ul style="list-style-type: none"> <li>• Provide inputs to strategies</li> <li>• Use the international networks of NCCIWB to attract investors</li> </ul>
<b>Facilitate Dialogue &amp; Exchange of Information</b>	<ul style="list-style-type: none"> <li>• Share draft policies where decisions affect members of NCCIWB as users</li> <li>• Invite representatives of NCCI to join advisory committees</li> <li>• Establishment of an online portal</li> </ul>	<ul style="list-style-type: none"> <li>• Participate in policy formulation &amp; provide inputs</li> <li>• Invite representatives of CoW to join advisory committees</li> </ul>
<b>Mayoral Business Forum</b>	<ul style="list-style-type: none"> <li>• Host Platform once a year</li> </ul>	<ul style="list-style-type: none"> <li>• Host Platform once a year</li> </ul>

The Covid-19 Pandemic had a significant impact on the Local Economy. The Ministry of Labour, Industrial Relations and Employment Creation reported at the beginning of the year, that 12,198 workers employed across 896 companies around the country, lost their jobs in 2020. Many businesses – some represented here today - were forced to reduce their staff complement or completely close down due to the impact of Covid-19 and the already weakened economic state prior to the pandemic.

Following growth up to 2015, the subsequent years were characterized by recessionary conditions. Economic growth and output was further retarded by intermittent drought that constrained agricultural production and hydropower generation as well as, by reduced global demand and the relatively low

commodity process which severely affected the mining sector. Weak economic growth in the years prior to the outbreak of Covid-19 weakened the Namibian economy and the Governments' capacity to effectively respond to the shock.

Real GDP contracted further in 2020 as a result of contractions in most sectors. The poor performance of the economy was as a result of the impact of the measures that were put in place to mitigate the spread of Covid-19, which had the effect – and still do today - of placing a significant strain on economic activity. The Municipal Council of Windhoek is aware of this and looks forward to hearing from Windhoek-based sector experts - in the fields of urban development, ICT, Manufacturing, Tourism and Energy – on how local industries were affected by Covid-19.

Notwithstanding what will be shared by the private sector at this Forum, we are aware that there were significant supply chain disruptions, as certain companies and industries were prevented from trading as a result of the travel restrictions and workplace lockdowns in various towns and countries. We are also acutely aware that the tourism sector is among the worst affected sectors. In addition, many people as mentioned earlier were discharged from their places of employment or were faced with salary cuts, leading to a significant deterioration in disposable income, coupled with the inability to honour debt obligations. All these challenges affected not only the business community but, also the City's operations.

According to a survey conducted by the Namibia Statistics Agency (NSA May, 2020 & Sept. 2020), only 21.2% of businesses continued to operate at full capacity. The survey also revealed that the manufacturing sector recorded the most businesses that continued to trade at full capacity. This may have been due to the closure of borders and limits to import supplies, combined with the production of Covid-19 related supplies like for sanitizers and masks (import substitution). Sectors that permanently ceased trading included wholesale and retail trade and repairs; real estate; administrative services; the arts and entertainment sectors. While it was reported that administrative and support services as well as the agriculture and forestry sectors had the most business that were temporarily closed. Finally, regarding businesses that continued to trade partially, the hotels and restaurant sector recorded the most businesses.

Ladies and gentleman, we are aware and the Windhoek Economic Indices show that disposable income was reduced over the past 18 months, that household debt

increased as a result of the Covid-19 pandemic and that families still struggle to cope with the impact of the virus on their livelihoods and ultimately, businesses and local authorities.

A number of organizations including the City, implemented relief measures to support households, businesses, and the local economy. In July 2020 Council resolved (as per Resolution 206/07/2020 and CR 234/07/2020), to identify segments of clients to receive relief and to extend financial relief to individuals and business customers. These included an extension of existing payment arrangements until the end of the State of Emergency, a 30% reduction on rental amounts of the informal traders and clients at the Industrial Stalls and the Bokamoso Entrepreneurial Centre as well outdoor advertising lessees. Furthermore, water and individuals' prepaid electricity was not disconnected during the time of the pandemic. These measures aimed to assist households to cope with reduced income, increased health-related spending and to enable MSME and businesses to survive and retain staff.

The Covid-19 pandemic did not only negatively affect the domestic and local economies, but also exposed existing challenges and weaknesses within our economy. There has been a tremendous and shocking loss of lives and jobs. We as a City of residents and businessmen and women must come together and strategically work towards improving on and implementing recovery options. I cannot stress enough that there must be, more than ever before, closer collaboration between the private and public sector, pulling together to achieve sustainable recovery of our local City economy. Covid-19 is here to stay and will impact our lives and businesses intermittently over the years to come. We have to consider reforms that will expedite economic growth and recovery and I look forward to hearing from all of you here today from the private sector about innovative high-level ideas and practical interventions for the local economy amidst the Covid-19 pandemic.

Let us engage each other today, in the spirit of responsibility, innovation and progress, for the benefit of all.

I thank you.