



REPUBLIC OF NAMIBIA

MINISTRY OF FISHERIES AND MARINE RESOURCES

**ANNUAL ADDRESS
TO THE
NAMIBIAN FISHING INDUSTRY**

BY

HON. BERNHARD ESAU (MP)

MINISTER OF FISHERIES AND MARINE RESOURCES

26TH FEBRUARY 2016

WALVIS BAY~ERONGO REGION

NAMIBIA

- **Master Of Ceremonies**
- **Hon. Cleophas Mutjavikua, Governor of Erongo Region**
- **Your Worship, Mayor of Walvis Bay**
- **Your Worship, Mayor of Swakopmund**
- **Your Worship, Mayor of Henties Bay**
- **Your Worship, Mayor of !Nami#nus**
- **Regional and Local Authority Councillors Present,**
- **Captains of the Fishing Industry**
- **Staff Members of the Ministry of Fisheries and Marine Resources and Agencies of the Ministry**
- **Staff Members of Line Ministries and Government Agencies Present**
- **Members of the Business Community**
- **All Stakeholders**
- **Members of the Media**
- **Ladies and Gentleman**

1: Introduction

It is a pleasure for me to extend a very warm welcome to you all and to sincerely thank you for accepting my invitation to this very important occasion, which has become our traditional annual gathering.

Once again, ladies and gentlemen, accept my very warm welcome to the **Annual Address to the Namibian Fishing Industry 2016.**

The annual address to the Namibian fishing industry has taken its own character over the years and become a very significant event on the annual calendar of the Ministry and the industry. It is always an opportune moment when we take stock of the performance of the sector in the past year, and highlight some of the key areas we wish to focus on in the remainder of the year. This includes activities in the Ministry, its state owned enterprises, the industry, and key stakeholders related to the sector. I consider you all as part of the fishery family and our close collaboration has made this fishery the great sector it is today, which contributes greatly to livelihoods of thousands of Namibians.

Today's meeting also serves as an opportunity for me to communicate Executive Orders by His Excellency Dr Hage Geingob, the President of the Republic of Namibia. His Excellency issued an Executive Order for all ministries to develop a plan aimed at accelerating poverty eradication, reduction of income inequalities and the general improvement of living conditions of all Namibians. The plan is called "**Harambee Towards Prosperity for All**". In short this means no one should feel left out. The plan consists of four pillars namely:

- Social Development;
- Effective Governance and Service Delivery;
- Economic Development; and
- Infrastructure Development

Ladies and gentlemen, fisheries sector is part and parcel of this commendable plan and is expected to draw up plans based on the “Harambee” towards Prosperity for All”. This will involve development of key performance areas that will guide us to achieve targets in line with the four pillars of the Plan.

Ladies and gentlemen, I will now highlight the performance of the fisheries sector in several areas:

2: Economic Performance

During the period of 2015/16, the total TAC for various fisheries was 528,696MT, compared to 605 450MT in 2014/2015, a decrease of 12.7%. The total landings for 2014/15 was 481 298 MT, while preliminary landings for 2015/16 as at February 2016 stands at 462 129MT.

The overall export value of fisheries in 2015/2016 is about N\$10 billion, compared to N\$7 billion in 2014/2015, an increase in 42.6%. This may be attributed to improved catches with regard to sizes, favourable exchange rates, increased value addition, and better prices in some markets.

The main trading currencies in the fishing industry are the US\$ and Euro. The Namibian dollar (N\$) depreciated markedly against these currencies from January to December 2015 as follows: from N\$11.57 to N\$14.93 against US\$ and from N\$14.46 to N\$16.23 against Euro, effective January 2015 to December 2015. This rise in exchange rates against the local currency meant that for every kilogram of Namibian fish and fishery products exported, our industry earned more in N\$ in 2015 compared to 2014.

Ladies and gentlemen, fuel and especially diesel fuel, continues to be one of the main expenditures in the fishing industry. The average diesel price at the coast was recorded at N\$ 11.07/L in January 2015 and this decreased to N\$10.47/L by December 2015, a reduction which was beneficial to operators in the fishing industry.

2.1: Investments

Ladies and gentlemen, during 2015, several investments were made in the fishing industry. The total investment in the fishing industry was recorded at about N\$174 million. These investments include, among others, acquiring shares in vessels, construction of processing plants, purchasing of freezer containers and establishment of fish shops to help improve on accessibility of fish products to all our citizens.

I wish to thank the fishing industry for the continued confidence you have shown on sector, as evidenced by the injection of significant amounts of capital expenditure in investments.

I would also like to encourage all of us to maintain this positive trend and continue to invest in the sector in areas such as new generation technologies which will propel the sector to even greater heights and create quality employment opportunities for our people. I am convinced that with your support we can continue to maintain our fishing industry as one of the most competitive and financially sustainable fisheries in the SADC region and beyond.

2.2: Social-Economic Contributions

Ladies and gentlemen, the fabric of any nation is determined by the extent to which its citizens care for the weak, old and vulnerable in the society. In the 2015 Annual speech to the industry, I urged the industry to come up with CSR programs as part of their way of doing business. My ministry is continuing tracking implementation of CSR activities at company level using the (Fishing Industry Performance System (FIPS) tool.

During 2015, about N\$ 48.7 million was contributed as CSR by various members of the fishing industry. Such contributions include provision of fish marketing infrastructure such as fish shops, donations of fish and sponsorships to schools and churches.

Ladies and gentlemen, I wish to thank all the right holders who continue to make corporate social responsibility contributions to our people. I wish to underscore that all right holders have made broad promises on CSR, in line socio economic contributions as outlined in the Marine Resources Act. I urge all right holders to ensure that they honour those promises.

3: Status of Fisheries Stocks

Ladies and gentlemen, I am happy to share with you that, research conducted over the past year by the Ministry has indicated that most of our commercially important fish stocks are showing signs of healthy recovery, although there is still a need to rebuild such stocks, in order to ensure optimal contribution to the country's economy.

3.1: Hake

The hake annual biomass survey is currently underway and is, for the first time, being conducted by the new Research Vessel *Mirabilis*. The data analysis and stock assessment will be conducted later in the year to enable the determination of the TAC and quota allocations for the 2016/2017 fishing season. In the past this survey was conducted by the commercial trawler, F/V Blue Sea 1. The Ministry appreciates the involvement of the F/V Blue Sea 1 in the collection of the scientific data, which is needed for the sustainable utilisation of this resource.

As you are well aware, the hake fishing season was changed during 2015 to commence on 01 November of each year and end on the 30 September of the following year. My Ministry will continue with efforts to manage this stock prudently. In this regard, the Hake Management Plan, which I launched in February 2014, shall continue to be implemented.

3.2: Horse Mackerel

Ladies and Gentlemen, the annual horse mackerel biomass survey shall be undertaken by Research Vessel “Mirabilis”. The stock assessment results conducted in September 2015 for the horse mackerel stock showed that the stock was above the MSY level and that the recruitment for 2015 was also above the long term average.

The Ministry has also embarked on the development of the Horse Mackerel Management Plan, in collaboration with the Government of The Republic of Angola and kind assistance from the African Caribbean and Pacific Islands (ACP) Fish II Project. The plan has been completed and is awaiting final approval.

Once adopted, the Plan shall ensure that both Namibia and Angola take the necessary measures to sustainably manage the Horse Mackerel stock, as outlined in their respective Management

Plans, as well as in the Trans-boundary Management Plan, that was agreed upon by the two countries.

3.3 Pilchard

The Pilchard stock is still in an unstable situation. The Ministry shall therefore continue to take a precautionary approach in managing the Pilchard stock to enable healthy recovery. The Ministry shall also aim at developing a Management Plan for Pilchard, as this could greatly enhance the management goals set for the recovery of this stock.

3.4 Monk

The most recent annual biomass survey for Monkfish was conducted in November 2015 and our scientists are still busy analysing the results from this latest survey before advising on the state of the Monkfish stock. However, there appears to be a need to conduct more studies on the behaviour of Monkfish as very little is known on where it spawns and feeds. I therefore call upon our scientists and the Monkfish industry to work together and conduct more studies on this commercially valuable resource.

3.5 Large Pelagic

Ladies and gentlemen, available data shows that Namibia has not been able to fully exploit our ICCAT quotas for Southern Albacore and Swordfish for several years. This is not encouraging and the Ministry is in the process of seeking assistance from ICCAT and other relevant organisations to study the impact of possible causal factors and activities in the ocean such as seismic surveys on the performance of our Large Pelagic sector. Despite these challenges, I wish to encourage our operators in this sector to take all steps necessary to land the quota allocated to Namibia, as future quota allocation to participating countries is dependent on their past performance.

3.6: Rock Lobster

Ladies and gentlemen, the most recent scientific research and stock assessment modelling shows an increase in the seasonal CPUE (Catch Per Unit Effort) and also in the fishable biomass. Despite this observation, I note that several right holders in this sector have not been able to land their full quotas for several years now. I therefore call upon the industry to ensure that they land their allocated quotas in order to maintain healthy balance in our total marine biomass.

3.7 Crab

Ladies and gentlemen, the assessment made on crab fishery in 2015 indicated an increase in annual CPUE, as well as stabilisation of average sizes for both males and females. The crab stock therefore appears to be in a more stable state than ever before. It is therefore worth noting that the stringent policies we have been applying to curb over exploitation are delivering healthy returns.

3.8 Snoek

Ladies and gentlemen, I am fully aware that the snoek resource is highly migratory and seasonal, a situation which requires our fishermen to take advantage of the resource when it is available to them. I understand that the catches for this season are good and the fish size was also good. Having said that, I would also like to appeal to you to ensure that revenue derived from the catches are managed and maintained judiciously to sustain your business for the rest of the year and help cover costs when catches are either low or stock is not available.

3.9: Seals

Ladies and Gentlemen, the last aerial survey for the seals for the entire BCC region was conducted in December 2014.

This survey was co-sponsored by BCC and the Governments of Namibia, Angola and South Africa. The main purpose was to establish the seal population in the region. The interpretation of the results from this survey shall be finalised during the first half of 2016 and shall be used to recommend the next 3-year rolling TAC for seals for the period 2016, 2017 and 2018.

Results from the aerial survey conducted in December 2011, showed that the seals are widely distributed along the Namibian coastline at around 26 colonies with an expansion of the distribution towards the northern part of Namibia and the southern part of Angola. As always, we shall be guided by the scientific recommendations arising from the latest aerial seal surveys in setting the TAC for the future seasons. As a nation guided by rule of law, this will be done responsibly in compliance to all protocols that ensure sustainable harvesting of all our available fishery resources. In this regard, I should emphasise that seals in Namibia are therefore not “culled” as usually reported in media, but harvested, on a sustainable basis with due regard, as is the case with all other fishery resources in the country.

3.10: Mitigation measures to reduce incidental by-catches of seabirds

Ladies and gentlemen, Namibia endorsed the Ecosystem Approach to Fisheries Management which requires that mitigation measures for unwanted by-catch, such as sea birds, are implemented as part of our regulatory framework.

In consultation with our hake industry, measures to regulate incidental by-catch of seabirds in the hake demersal trawl and longline fisheries were formulated and gazetted (Gazette No. 5877) as regulations in accordance with section 61(1) of the Marine Resource Act 2000. Other regulation covers the hake demersal trawl vessels (Government Notice No. 269) and the hake demersal longline vessels (Government Notice No. 270). It has thus become mandatory for all hake trawl and longline vessels to use bird-scaring devices, called Tori lines. I would like to applaud the hake sector, as almost all of the vessels have already voluntarily acquired these devices.

Furthermore, Namibia is in the process of acceding to the Agreement for the Conservation of Albatrosses and Petrels (ACAP), a multilateral agreement which seeks to conserve albatrosses and petrels by coordinating international activity to mitigate known threats to their populations. Cabinet has already in April 2015 endorsed our request to become an active ACAP member and we are now in the process to get the approval of Parliament.

3.11: Marine Phosphate Mining

The Ministry is resolute in its position with regard to the marine phosphate mining and is determined to protect the Namibian living marine resources and conserve the marine ecosystem as per mandate.

The Ministry's concern that; the removal of the soft sediment along with all the living animals and the suspension of fine sediment into the water may negatively impact the functioning of the marine ecosystem, still remains. Therefore, I will only be at comfort on the way forward when more peer reviewed and verifiable knowledge is gained, through appropriate studies and not just conclusions derived from a single study by a sole source. For now the matter enjoys full attention of the Government and we stand to be guided by the outcome of that specific process.

4.0: Aquaculture

Ladies and gentlemen, the main objectives of aquaculture development in Namibia are food security and expanding the food basket, especially provision of nutritious protein sources, and employment creation.

The National Aquaculture Master Plan for Namibia, for both freshwater and marine aquaculture, was endorsed by the Cabinet and was launched in August 2015 at the Ongwediva Trade Fair. The Aquaculture Master Plan will be implemented over the next 10 years and funds for the implementation phase is currently being sourced.

Fish farming is expected to contribute approximately 10 000 tonnes within the next 5 years.

Therefore, in order for aquaculture to thrive and be sustainable, it is critical that private sector capitalises on the favourable environment that has been created by the Ministry.

On marine aquaculture development, the Ministry is at an advanced stage of finalising the development of the Namibian *Molluscs Shellfish Sanitation, Monitoring and Control Regulations* as well as the enforcement procedures aimed at ensuring food safety during production, harvesting and handling of molluscan shellfish. Gazettement and implementation of these regulations will greatly enhance market access of marine aquaculture products, particularly to the international export market, including the European Union.

5.0: Inland Fisheries

Ladies and gentlemen, the Ministry of Fisheries and Marine Resources is continuously monitoring inland fisheries resources in our perennial rivers and lakes by means of scientific surveys to determine fish population structures and make recommendations towards sustainable fishery while protecting our rich biodiversity. The research indicated that the sustainability of the fishery requires protection of fish during the breeding season from October to February as a sharp decline of fish populations have been observed in the Zambezi River.

Several stakeholder consultations took place in the Zambezi region to investigate the impact of a closed season on the Zambezi system, which was unanimously supported by all stakeholders.

Subsequently the Zambezi system has been closed for fishing on the Namibia side for the first time from 15 December 2015 to 29 February 2016 by Government Gazette No. 298 of 15th December 2015. This is in line with the closed fishing season in our neighbouring countries (Zambia and Botswana).

The Ministry also works closely with communities in conservancies in order for them to manage their fish resources prudently. In this regard, the Sikunga and Kasaya channels have been declared as fisheries reserves by way of Government Gazette No.276 of 25th November 2015.

6.0: Regulatory Issues

6.1: Extension of fishing rights

The evaluation of rights that expired on the 31st December 2015 was concluded and 33 right holders were informed of the status of their rights in terms of extension. Seven rights were not extended pending consultations on the motivations received and clarification of the issues highlighted in the evaluation reports. Right holders who were granted extensions were given conditions to meet and deadlines were also communicated, in this regard.

6.2: Pro rata Consultations

Ladies and gentlemen, in line with criteria as set out in the Marine Resources Act 2000, my Ministry has commenced a process of developing a comprehensive formula on how TAC species will be allocated on quotas to all right holders. Stakeholder consultations on this process will commence on 7 March 2016. I urge all right holders to effectively participate in this important process.

6.3: Amendment to the Marine Resources ACT of 2000

The amendment to the Marine Resources Act of 2000 was completed and published in the Government Gazette No. 214 of 24 September 2015. This promulgation advances governmental objectives as per Cabinet decisions.

6.4: Namibia Fisheries Policy Review

Ladies and gentlemen, I am pleased to inform you that the Namibia fisheries policy review process is at its final stages. I wish to thank all stakeholders who eagerly cooperated with my Ministry in this process across all the 14 regions in the country.

6.5: Landed Value

Ladies and gentlemen, I am pleased to note that the landed value of all Namibian fishery species was determined in 2015 by my Ministry in collaboration with the entire industry. As you are aware, landed values are periodically considered every year. As observed earlier, favourable forex rates in 2015 indicates a proportionate increase in landed values in 2016, Considering that these forex exchange rate movements are beyond the control of industry, and with a view to creating a more predictable business environment, I have decided to hold landed values for all fisheries in 2016 at the published 2015 levels.

6.6: Revenue Collection

Ladies and gentlemen, it is important that all fisheries pay their quota fees in a timely manner. In this way, our sector is able to contribute to the economic development of other sectors in the Namibian economy. In this regard and in line with the Marine Resources Act 2000, my Ministry will gazette the recommendations on quota fee payments as concluded some years ago through consultations between industry and the Ministry.

7.0: Compliance

Ladies and gentlemen, last year I officiated at events declaring Fisheries Inspectors at Walvis Bay as well as at Katima Mulilo in Zambezi Region **Peace Officers**. The ministry also acquired a new Fisheries Patrol Hoover for the Zambezi region which was commissioned on 13th August 2015. This implies that our inspectors across the country are now fully empowered by Law to search, arrest when there is a suspected illegal fishing activity going on anywhere within our national borders. All Fisheries Inspectors have undergone training on fire arms handling as well as procedures under the Criminal Act. I therefore would like to warn all potential offenders to refrain from their activities.

Ladies and gentlemen, the Ministry is aware of possible illegal unregulated and unreported fishing activities by unlicensed midwater trawlers allegedly observed fishing along and /or around the Namibian northern maritime border. The Ministry is monitoring the situation, and our law enforcement officers are on the alert to make sure that IUU activities do not take place in our EEZ. If such vessels are seen they will be apprehended. Directives have been issued to the Directorate responsible for Monitoring Control and Surveillance to make sure that any suspected IUU vessels are stopped in their tracks and dealt with in accordance with our Laws.

7.1: Kob run (Kabeljou run)

Ladies and gentlemen, my Ministry has embarked on an emergency conversation measure to prohibit the harvesting of Kabeljou within the area between Pelican Point and Sandwich Harbour on the Walvis Bay coast line. This probation will apply to all manner of harvesting and shall remain in force from January to March annually. The gazetting of this measure is work in progress.

8: Eco labelling

Ladies and gentlemen, in an attempt to curb trade barriers into new and existing markets for Namibian hake and hake products, the Namibian Hake Association in collaboration with my Ministry have set up a committee, which will work towards certification of our hake products.

9: Trade facilitation

Ladies and gentlemen, the negotiations on market access between the three regional economic communities namely COMESA-EAC-SADC have been concluded. The Tripartite Free Trade Agreement was signed in Cairo, Egypt by the Heads of State during 2015. However, issues pertaining to rules of origin with particular reference to definitions are still outstanding.

Once implemented, this Agreement will facilitate trade in fisheries products within the noted markets. It will not only be a benefit to Namibia but it will also promote the trading of African products within Africa and contribute to the economic growth on the continent.

With regard to the Economic Partnership Agreement (EPA), the process of legal scrubbing between European Union and SADC has been concluded. The next step will be the signing, followed by the ratification of the EPA through our legal instruments. I wish to assure the industry that Namibia is on track to meet the deadline on EPA, and therefore there should be no market access disruptions in the EU.

10: Conclusion

In conclusion ladies and gentlemen, I wish to observe that Namibia Fisheries continues to be a key pillar of our economy, which is being managed sustainably for the benefit of all Namibians.

I wish to reiterate the Executive Order by His Excellency the President on the "***Harambee Towards Prosperity for All***". Which calls for integration of plans aimed at accelerating poverty eradication, reduction of income inequalities and the general improvement of living conditions of all Namibians.

I wish to remind stakeholders and my ministry of the need to complete and implement various management plans aimed at sustainable utilization of fisheries resources. Further, in this year we wish to implement comprehensive pro-rat quota allocation mechanisms and quota fees structures.

I wish to thank all stakeholders for the very positive collaboration we have had in 2015, and urge that we continue in the same spirit in 2016.

Once again, I wish to thank you all for attending this important event, and wish you a prosperous 2016.