



NBIC BUSINESS IDEA COMPETITION AWARDS CEREMONY

**Keynote address by Michael Mambo Mukete, Assistant Governor of the Bank
of Namibia**

Windhoek, 19 July 2011

Director of Ceremonies

Rector of Polytechnic of Namibia, Dr. Tjivikua

Advisory Board Members of the NBIC;

Polytechnic Management and Staff

Distinguished invited guests, Innovators and Entrepreneurs

Members of the Media

Ladies and gentlemen

It is with the greatest pleasure and humility that I deliver a keynote address on behalf of the Governor of Bank of Namibia at this special event. Allow me therefore to commend the NBIC for a job well done particularly for creating opportunities of this nature for entrepreneurs, through initiatives like the Business idea competition.

When the Bank of Namibia decided to financially support NBIC initiative in 2008 with an investment of N\$500 000.00, we did that out of a firm conviction that the Namibia Business Innovation Centre as an initiative by the Polytechnic of Namibia, strives to be an independent catalyst for innovation and development in Namibia in its effort to transform Namibia into a knowledge based and globally competitive society. In February this year, the Bank affirmed that commitment, with a further investment of N\$250 000.00 to the Namibia Business Innovation Centre (NBIC), as part of the Bank's continuous support towards innovation and development in the country. Today, we are pleased to note that the NBIC has successfully maintained and expanded its programmes including this business idea competition.

It is therefore inspiring and encouraging to see so many innovative entrepreneurs this afternoon as we have come together to recognise exceptional and promising achievers who will steer our country into a future of economic development and prosperity.

At this momentous occasion, I would like to reflect on innovation as an imperative matter to Namibia's future. We live in a globalised world first as Namibians and secondly, as citizen of the world. While globalisation has emerged to be an important driver of integrated global economic activities and thus created various opportunities, it has equally presented new challenges for developing countries that are required to compete at an international level. Unfortunately, developing countries like Namibia need to find innovative ways if we are to be relevant, competitive and positive actors in this new economic environment or as others call it "**international economic pecking order**".

Mindful of the above, the current harsh reality is that various studies including Global Competitive Report and our own study (Bank of Namibia) indicates that Namibia's competitiveness leaves a lot to be desired. While Namibia can be described as a success story in terms of variables such as macro economic stability, financial market sophistication and well developed infrastructures etc, we have the unique opportunity to leverage on this strong foundation in addressing tremendous socio – economic challenges such as higher unemployment rate.

A host of factors are attributed to lack of competitiveness including lack of access to finance, lack of skilled workers, mismatch of skills etc. The World Economic Forum, in producing the Global Competitiveness Report, in particular rates national competitiveness against a set of factors, policies and institutions that determine the level of productivity of a country. They use some key variables to identify important elements of sustainable growth and competitiveness. Amongst these variables are training; technological readiness and more importantly, innovation.

Ladies and Gentlemen, the above indicates that there is a great need for drastic measures including enhancing innovative entrepreneurship and becoming self-employed and job creators. This further demands that we should empower

Namibians, especially the youth, to become innovative entrepreneurs that will be able to steer our country towards achieving national objectives and aspirations. This is where the business innovation centre like NBIC and others become important catalyst in sparking new innovative business and entrepreneurial ideas and approaches and also provide the necessary support to start up companies and ultimately stimulate economic growth. This is vital because cutting edge Innovative ideas have become the cornerstone for development and economic transformation throughout the world.

Innovation is particularly important for developing countries, as it is a key self sustaining driver of growth. Namibia should therefore improve productivity by adopting innovative approaches in existing technologies or making incremental improvements in business processes. This requires an enabling environment where young promising people like you, must do things that improve processes to achieve and maintain a competitive advantage. That is the key to achieving the objectives set out in vision 2030.

In an effort to address some of these challenges, it is vital that as stakeholders, we begin to change the way we do things in order to seek possible solutions to the challenges faced by our country. In light of this, the Bank of Namibia, together with various stakeholders, is pursuing a financial inclusion agenda, to among others, address current challenges such as the lack of access to financing and integrated business support for Small and Medium Enterprises as well as financial literacy and education faced by many people especially at the bottom of the spectrum.

It is pleasing to note that the Development Bank of Namibia has come up with Innovation Fund to encourage and fund innovation projects. The private sector particularly financial institutions is therefore challenged to support the NBIC in making money available for innovative business plans that are generated by the centre and be on the look out to monitor plans that students are generating in advancing this noble cause. As you may also be aware, we now have a first mobile payment service provider which was licensed by the Bank of Namibia to facilitate the transfer of money using mobile phones. These are some of the few examples but many innovative ideas are underway to achieve the objective of financial inclusion.

Going forward, it is vital that as Namibians, we start taking ownership and supporting what is rightfully ours by becoming more involved in economic activities, consume locally produced products and becoming more innovative. It is only when we all work together that we can transform Namibia into a knowledge driven society. This also requires sufficient business investment in research and development, high-quality scientific research institutions, collaboration in research between tertiary and industry, as well as protection of intellectual property.

With these few words, I would like to congratulate all the young budding entrepreneurs who participated in the NBIC Business Idea Competition for a job well done. We need more young people involved in positive and productive activities such as these. Moreover, I would also like to pledge our continued support to the NBIC.

Ladies and Gentleman thank you for your kind attention and enjoy the rest of your evening.

I thank you.