



REPUBLIC OF NAMIBIA
OFFICE OF THE PRIME MINISTER

KEYNOTE ADDRESS

BY
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DEPUTY MINISTER IN THE OFFICE OF THE
PRIME MINISTER

ON THE OCCASION OF THE 6TH ANNUAL
COMPETITION WEEK

24th OCTOBER 2019
SAFARI HOTEL AND CONFERENCE ROOM

WINDHOEK

- **CHAIRPERSON OF THE NAMIBIAN COMPETITION COMMISSION;**
- **BOARD OF COMMISSIONERS OF THE NAMIBIAN COMPETITION COMMISSION;**
- **MR TEMBINKOSI BONAKELE, COMMISSIONER OF THE COMPETITION COMMISSION OF SOUTH AFRICA;**
- **ADVOCATE RAFIK BHANA SENIOR COUNSEL OF JOHANNESBURG BAR;**
- **MR THULASONI KAIRA FORMER CEO OF THE BOTSWANA COMPETITION AUTHORITY;**
- **CHIEF EXECUTIVE OFFICER OF THE NAMIBIAN COMPETITION COMMISSION;**
- **CAPTAINS OF INDUSTRIES;**
- **DISTINGUISHED LADIES AND GENTLEMEN,**

I am grateful to be here this morning on the occasion of the sixth annual competition week of the Namibian Competition Commission. My acknowledgments to the various sectors represented at this gathering, particularly the business community, sector regulators, legal fraternity and economics society, who I believe are the primary stakeholders of the Commission.

Competition is and has always been a fundamental aspect to many countries' economic policies. Our commitment to free trade through regional integration, openness to foreign investment and a sound macroeconomic environment has aided our

economy to succeed in the economic performance as compared to many sub-Saharan African countries.

The United Nations Conference Report on Trade and Development of 30th August 2010 in its Executive summary states:

" To be effective in supporting the development process, competition law and policy (CLP) need to be supported and compatible with other complementary pro-development policies that can bear on economic development. A spectrum of factors – including social, economic and political environment – dictate the choices for competition provisions and enforcement design".

Another source in Competition Policy in Markets and Industries, views the main aims of competition policy as to promote competition, make markets work better and contribute towards improved efficiency in individual markets and enhanced competitiveness such as in the UK businesses within the European Union (EU) single market.

This notion is further supported by the EU on why competition policy is important for the consumer by pointing to competition policy to be about applying rules to make sure businesses and companies compete fairly with each other. That this encourages enterprise and efficiency, it creates a wider choice for

consumers and it helps reduce prices and improve quality.

Competition law seeks to ensure the efficient allocation of scarce economic resources through the protection of free market competition.

Further, it is generally accepted that the implementation of competition law, which is intended to regulate a variety of anti-competitive practices including cartel behavior, mergers and acquisitions along with abuses of dominance, can give rise to far-reaching benefits for the economic development of a nation, as well as for the individual consumers of the nation in question.

This is especially so in the case of developing countries such as ours, whose markets are often concentrated and characterized by high barriers to entry.

Director of Ceremonies, I would like to confirm that given today's market realities, markets cannot function and deliver without a fair supply chain from input supplies to consumption. Businesses in the various sectors are integrated from production, supplies, transport, wholesale and retail.

Therefore, it is important to understand the massive contribution that each sector brings to the supply

chain, not just producers and suppliers but countless value adding businesses along the chain.

In competitive markets, firms strive for a greater share of a market to sell or buy goods and services.

With competition, firms are competing for consumers and in doing so, they try to minimize their production cost and enhance the product quality. Competition is the most essential condition for vitalizing the market and making firms efficient. Competition law therefore, is designed to foster the competitive environment in the national economy, while competition policy on the other hand refers to the

laws aimed at establishing competition and maintaining it.

Competition law is important by providing a level playing field for all players, big and small, where companies compete based on the quality of their goods and services, and not by colluding, bullying or coercing.

This creates a business environment conducive to start-ups and entrepreneurial pursuits. It also encourages firms to be more resourceful, innovative and responsive to consumer needs. Firms will become more competitive, while consumers will enjoy greater

choices, lower prices and better quality. Overall, we will have more efficient and dynamic markets, and a stronger economy.

Furthermore, competition policy helps in promoting economic growth through the free entry of firms to the market. When new firms enter the market, they trigger stiff competition and create employment at the same time. Severe competition results in efficiency and increased production output and eventually leads to economic growth.

Fair Competition discourages any business conduct that prevent or distort competition and correct market

failure. It is with these benefits in mind that our Competition Act No. 2 of 2003 was enacted. The Act prohibits activities that unduly prevent, restrict or distort competition.

Director of Ceremonies, the government is fully aware that this nation cannot be globally competitive, unless we produce excellent products and services for both the local and global markets. It is our belief that the starting point for global competitiveness is not just access to markets but fair competition between the enterprises in the various stages of the supply chain.

Ladies and Gentlemen, the Competition Act No.2 of 2003, is premised on the view that fair competition will lead to lower prices, wider choices to the consumers and innovation or quality products and services. Fair competition will also assist us to provide room for growth and development of our SME sector and thus create the jobs that are highly needed. It should therefore be made clear that Government as the architect and champion of fair competition expects nothing else but positive results from proper implementation of the competition law.

Director of Ceremonies, coming to the core mandate of the Commission, I am informed that several

restrictive business practices investigations have been undertaken in the insurance, health, retail, glass, aviation, dairy, pharmaceutical and agro processing industries. Additionally, over 500 mergers and acquisition cases were determined by the Commission since its establishment of which 49 were conditionally approved. Further information say, the Commission has also undertaken research in some sectors of the economy, to gain an in-depth understanding of how sectors and markets operate.

Director of Ceremonies, the Commission by itself cannot achieve its vision of fair competition and prosperous economy. It needs the partnership of key

stakeholders such as the business community, legal profession, and consumer groups. Of importance is for the Commission to continue its public education and outreach efforts to all stakeholders through briefings and dialogue sessions.

This Conference aims to raise awareness on the importance of Competition Law in economic growth and development and reach out to all stakeholders. However, I urge you all to bring in your discussions here an element of Competition Law violations or non-compliance as well as deterrents of vicious tools against would be culprits.

I therefore, as I conclude, wish to assure all of you that the government remains steadfast in its support to the work of the Competition Commission. Let me also implore all of us here to work together with the Competition Commission to ensure it delivers on their mandate responsibly.

I thank you and wish you all fruitful deliberations!

This Conference is officially opened!