



SPEECH BY

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**ON THE OCCASION OF THE SIGNING OF A
MEMORANDUM OF UNDERSTANDING (MOU)
BERWEEN AGRA AND THE POLYTECHNIC**

18 JUNE 2010

**POLYTECHNIC CAMPUS
(SENATE CHAMBER, E- HAUS)**

Director of Ceremonies

Agra Senior Manager: Corporate Affairs, Ms. Birgit Hoffmann

Colleagues

Media practitioners

Ladies and Gentlemen

I am delighted at this occasion of the signing of Memorandum of Agreement between the Polytechnic of Namibia and Agra Cooperative Limited. Cooperation agreements are important in that they bolster partnerships through the harmonization of strengths and synergies between institutions, and create new opportunities and solutions.

In this particular case, we are undertaking a public-private partnership (PPP) agreement. PPPs enable partners to jointly plan and execute activities with a view to accomplish agreed objectives while sharing the costs, risks, and benefits incurred in the process.ⁱ In other words, they help decision makers to develop better understanding of how institutions can jointly face common challenges and how their operations and environments can be improved.

We view a PPP in agriculture as a means of creating, developing and distributing new knowledge in order to advance research, developing new talents, new technologies, and deploying new products for the benefit of both large and small-scale producers and markets, as well as resource-poor farmers and other marginalized social groups in our country and beyond.

The Polytechnic of Namibia is proud to be associated with Agra, an outstanding agricultural co-operative with a track record spanning over twenty-two years and one of the main actors in the farming and agricultural sectors in Namibia. Over these years, Agra has matured into a national business organization encompassing more than 7 000 members and a modern infrastructure. With 18 outlets countrywide, Agra is able to provide an all-round service to Namibia's farming, agriculture and consumer sectors.

According to its 2009 Annual Report, Agra marketed 123 000 cattle at about N\$3 500 per head, 121 000 sheep at about N\$ 475 per head, and about 75 000 goats at about N\$ 505 per head, and generated a gross turnover of more than N\$ 520 million and net turnover of N\$ 27.4 million in the livestock division. These figures don't include other activities such as karakul pelts trade, retail, whole sale and property businesses. In the retail and wholesale space alone, Agra scored a turnover of N\$ 661 million, gross profit of N\$ 81 million and a net profit of N\$ 38.5 million, respectively. Indeed, this makes Agra a significant player in agriculture sector.

Agra's corporate social responsibility concentrates on projects where sustainability, transfer of knowledge or skills in the agricultural sector, transparency, reasonable professionalism and outcome-based approach are evident. Consequently, there are positive interactions with communities during Agra's public lecture series held in the different regions of Namibia, the training sessions for farm workers and emerging farmers, support for school gardening and agricultural projects, as well as training

and information sessions presented at various farmers days. It is therefore no accident that we have found in each other a valuable partner.

Today about 70% of Namibians live in rural areas where they mainly depend on subsistence agriculture for their livelihoods. This country is characterized by only 1% of the land being arable due to an arid environment due to sporadic rainfall patterns leading to water shortages and poor soils. As a result, many rural people suffer from chronic food shortages and insecurity. This is further compounded by the fact that people concentrate on livestock farming and a communal land tenure system which in many parts of the country significantly limits access to credit. In addition, over the last few years Namibia has been the victim of recurring weather extremes, particularly drought and floods, which have further threatened food security and livelihoods.

Namibian agriculture - excluding fishing - contributed between 5% and 6% to the GDP for the past five years, and agricultural products like live animals and crop exports constituted roughly 5% of total national exports. In the period 2007/2008, for example, beef exports under the Cotonou Agreement was one of the good foreign exchange earners accounting for about N\$ 2 billion.ⁱⁱ Unfortunately the contribution of agriculture to the GDP declined over the years due to weather conditions that have often destroyed crops in the north and north eastern part of the country. Lack of new investments in this sector has also held back potential GDP contributions.

As a result of the aforesaid and the lack of innovations in the agricultural sector, Namibia imports more than 90% of foodstuffs and 100% agricultural

implements, mainly from South Africa. This alone is evidence that there is very little going on in terms of research and agribusiness development to try and reduce this trade imbalance.

Therefore, we at the Polytechnic realized the need for comprehensive land management training since the Technikon days. By combining the related specializations of land management, agriculture, nature conservation, community-based natural resource management and tourism, the Polytechnic has been a key education and training partner in this critical area, and is indeed, a leader in Land Management education in Southern Africa. Today, more than 1 100 students are enrolled in the School of Natural Resources and Tourism where we offer Certificates and Degrees in Community-based Natural Resource Management, Agriculture, Nature Conservation, Land Management and Registration, Land Valuation and Estate Management Land Use Planning, Geo-Information Systems (GIS), Land Surveying, Geo-information Technology, Geomatics, and Property Studies. In addition, we offer a Master of Integrated Land Management, and offer services – training, consultancy, etc - through our Institute for Integrated Land Management (ILMI). The Polytechnic is thus very proud to be playing its part in building capacity in land management for the public and private sectors, and individuals locally and in the sub-region.

Once again, I want to assure Agra and other stakeholders that we are fully committed to aligning our educational goals, research objectives, and training strategies and programs, and services, to global best practices and standards. We take pride in equipping our graduates to deliver effective,

modern and innovative agricultural and land administration systems and management expertise. The agreement we are signing today thus encapsulates and advances these ideals.

Nations that achieve effective empowerment are those that foster active engagement of all the stakeholders in education, public policy development and implementation, and research, entrepreneurship and innovation. It is only when the individual aspirations are underpinned by comprehensive engagement and broad-based participation that high value outputs can be attained.

Therefore, this Agreement being signed today will go a long way in contributing to the production of a critical mass of agricultural economists, agri-business managers, technical and scientific workers that would be needed to turn our agricultural production and business landscape around.

The Agreement covers a wide range of activities which can briefly be broken down as follows:

1. A regular **bursary/scholarship program** for suitable students of the School of Natural Resources and Tourism;
2. A regular **internship program** for suitable students of the School of Natural Resources and Tourism;
3. **An annual AGRA Agric Award** for top students of the School of Natural Resources and Tourism;
4. A regular procedure for students of the School of Natural Resources and Tourism to use AGRA as **a research site**;

5. Regular **guest speakers** from AGRA for students of the School of Natural Resources and Tourism;
6. Regular attendance by AGRA of **Career Fairs** at the Polytechnic; and
7. Exploring **possible synergies** concerning exchanges on **advisory boards**.

The wide range of activities covered in this Memorandum of Understanding will go a long way to creating and distributing academic knowledge, and developing technical skills and competences, and new technologies, thus increased and sustainable economic growth; optimal and sustainable utilization of renewable and non-renewable resources; environmental sustainability; innovative and productive usage of technology; and adequate supply of qualified, productive and competitive labor force.

Finally, our sincere gratitude to Agra and I thank you all for the kind attention!

References

ⁱ Spielman D J, Hartwich F, and Von Grebmer K, "*Public-Private Partnerships and Developing-country Agriculture: Evidence from the International Agricultural Research System*", www.google.com (as at 15 June 2010).

ⁱⁱ Namibia Economic Policy Research Unit (NEPRU), *Namibia: Economic Review and Prospects*, 2009/2010.