



**MEDIA BRIEFING BY ANDREW KANIME, NAMPORT'S CHIEF  
EXECUTIVE OFFICER, PORT OF WALVIS BAY,  
28 APRIL 2021**

Good morning ladies and gentlemen and a special welcome to our esteemed members of the Fourth Estate.

Let me start by expressing my heartfelt appreciation to the Namport Public Relations Team for facilitating this engagement and to you members of the media for taking time to join us here today for my inaugural briefing to the media since my appointment as the Namport Chief Executive Officer's on the 1<sup>st</sup> of November 2021. Consistent with the Namport tradition of transparency and open communication, it had been my intention to have this engagement earlier but the unfortunate COVID-19 pandemic made this impossible and as we are all aware, at that stage, the case numbers within Walvis Bay and the port were relatively high hence we deemed it inappropriate to meet directly. I am therefore quite glad that we could eventually meet today, and I reiterate my appreciation to you all for making time.

Following my appointment in November, I have had the opportunity to engage with, inter alia, most of our clients and key stakeholders. I also had the opportunity to meet with the internal stakeholders and our trade union on a one-on-one basis. The purpose of these engagements was really to understand key achievements and challenges as well as what is happening on the ground so that we can collectively put into place measures that will enable us to take Namport to the next level.

The purpose of today's engagement is now to largely share with you, the latest developments within Namport, our vision as a business and the plans we have for the business going forward.

I must start by underlining that the common theme from all my engagements with stakeholders, customers and employees has been that Namport is a great company, not only for our country but the region at large. Despite our small population, the company has over the years become a force to reckon with in the maritime industry, competing strongly with major ports in the region which have the entrenched advantage of large captive populations and guaranteed cargo volumes for their own local economies.

I therefore take this opportunity to thank the current and previous Boards of Directors, predecessor Chief Executive Officers and all members of Namport staff for the commendable work towards building this great company over the years. The challenge for us is to now build upon this foundation, take Namport to the next level and enhance our sustainability as a business.

Our focus going forward will be to ensure that we maximize the value ensuing from Namport to all our stakeholders in their various and different forms. Equally importantly, our shareholder expects a return on the great investments they have made over the years whilst our customers require efficient and affordable services.

Namport's vision is *“to be the best performing seaports in Africa”*, and our strategy is premised upon four key strategic themes, namely:

- 1. Build Institutional Capacity**
- 2. Drive Operational Efficiencies**
- 3. Enhance Customer and Stakeholder Value and**
- 4. Optimise Sustainable Growth**

These are the themes that we will focus on over the next five years to enable us to achieve our vision of becoming *“the best performing seaports in Africa”*. The themes are supported by specific strategic objectives and initiatives which we shall be aggressively executing.

Allow me to highlight some of the critical focus areas for each of these themes.

Starting with our first theme to **Build Institutional Capacity**, there is need for us to develop a service-driven and high-performance culture. As an organisation we will be embarking on specific initiatives to align our culture to the one common objective to realize Namport’s aspiration of becoming the best performing seaports in Africa. Successful realization and implementation of the Namport Strategy requires mindsets that are attuned not only to living the Namport values but also personal subscription to the principles of strong work ethics, consistent discipline, and commitment to quality service delivery.

As regard the second theme, which is to **Drive Operational Efficiencies**, customers and shipping lines are increasingly demanding quick turnaround times in ports and reduced port costs. This can only be achieved if we make first class client servicing the cornerstone of our operations. Our customers especially those in the hinterland have many other options of ports in the region and we must give them reason to choose Namibia and Namport and that responsibility sits with us here as the Namport team!

It is therefore critical that we enhance our productivity levels and improve the quality and efficiencies of our services with respect to how we handle cargo through our ports. We will continue to work on improving our business processes and structures as well as eliminating duplications and wastages in order to ensure that all are aligned towards rendering the best quality service at the lowest cost to our customers. Process and efficiency enhancement programmes including continued automation

and digitalization of critical processes shall be aggressively pursued in order to ensure that we become a highly efficient and cost-effective port.

The **third theme** of our strategy requires of us to focus on **enhancing customer and stakeholder value**. It is a fact of life that successful companies are those that can adapt themselves to changing market conditions, changing technologies, changing environment, and changing methods of governance. Namport is no exception to this reality, and in fact given the ever-changing industry in which we operate, change is but a constant occurrence in our company. This reality presents immense challenges to us, as our customers constantly demand increased and improved cost-effective services to enable them to adapt to these changing circumstances. In responding to these demands, I believe the only thing we can do is to strive constantly for relevance, excellence, and for continuous improvement.

We need to fully utilise the recently commissioned new container terminal at the Port of Walvis Bay so that we generate adequate revenue to meet our financial obligations and equally importantly, earn a return on the investment for our Shareholder. Therefore, given the need to weather the prevailing unfavourable business climate, driven by general global economic depression and now aggravated by the COVID-19 pandemic, our primary objectives are to focus on volume growth and the efficiency of our operations. We are hence working on numerous and positive leads to grow the volumes of cargo flowing through our ports for the sustainability of our ports and business.

And this takes me to the **last theme which speaks to sustainability**. It is common cause that the business climate is extremely challenging and has been negatively affected by the global economic recession and the COVID-19 pandemic, a situation that poses a high risk to the continued ability for businesses across the whole spectrum to meet their obligations.

Namport has not been spared by these developments, especially because of the prominent role which we play in the movement of global trade. When industries, mines, and farms are not producing, that has a direct impact on Namport as it means we cannot move machines, raw materials, chemicals, mineral ores and all other related commodities, through our ports, to and from these productive sectors. Such has been the predicament as a result of the COVID-19 pandemic which saw us as a country and the world over imposing rolling lockdowns as part of the measures to curb the spread of the pandemic.

One very important lesson which has come through from these unfortunate developments is that only those businesses that can exercise extreme austerity will be able to maintain sustainability. We at Namport are acutely aware of this stark reality and have proactively embarked on widespread financial austerity measures as well as emphasizing the exercise of prudence in everything that we do. We cannot continue to increase costs of both port services and all other support services in the logistics chain and the only way we can compete with other ports is to charge competitive and affordable rates. That means we have to streamline the costs of our own respective operations across the whole business so that we operate with leaner structures and pass on the cost savings to the end users and in so doing be more competitive and attract cargo from the hinterland and other ports around the region.

Significantly, there is need to realign our personnel deployment in line with our targeted strategic outcomes of governance, performance and sustainability as well as ensure alignment to operational and technological developments within the industry. To this end we are conducting detailed reviews and analysis with the view to realign our operating model and structure. This will see us introduce, re-arrange, and consolidate certain tasks and responsibilities. While we have already finalised the review at executive management level, we are still to go through the process for the rest of staff and will be sharing the principle details once we have gone through it and finalised all the appropriate consultations.

As highlighted, the Namibian market is significantly small to provide sufficient stand-alone volumes to sustain our ports. Hence, we must rely on the hinterland countries, such as Zambia, Angola, South Africa, Botswana, Zimbabwe and the Democratic Republic of Congo for cargo. Contrary to the long-held notion that Namport does not have competition, we are in fact in serious competition with the ports in South Africa, Mozambique, Angola and Tanzania for this cargo from the hinterland market. Making our position even tougher is our location on the western seaboard of Africa which puts us further away from the main markets in the Far East and makes shipping costs to Namibia more expensive than for those ports on the eastern seaboard.

The only way we can therefore be effectively competitive is through differentiation in the services we offer to our clients. We are happy to report that we continue to make inroads in this regard and to work towards offering affordable tariffs through streamlined operating costs can only amplify this competitiveness.

We have been fielding a significant number of business leads from both local and regional importers and exporters and upon realisation, these will go a long way in increasing the cargo throughput through our ports and put us on a strong footing towards continued sustainability.

I must however highlight that this otherwise positive trend has been recently disrupted by the latest global shortage in shipping vessels and containers which has resulted in reduced calls by vessels at our ports, the prolonged stay of cargo in ports pending evacuation and the loss of the cargo we have recently mobilised to other ports which have more vessel calls than ours. We have been engaging shipping lines to turn this tide and have reached advanced plans to either reintroduce previously lost services or completely new services to Namibia. This will certainly restore the encouraging flows and growth of cargo through our ports.

In response to the latest trend by shipping lines to deploy larger vessels as they strive to capitalise on economies of scale and cut operating costs, and following successful studies and trial calls, we have lifted the previous restrictions we had on large vessels and can now handle large vessels of length over all of 335 metres, beam of 43 metres and draft of 13.5 metres. Weather is now the only restriction we have and that is the norm the world over. We are confident that this will go a long way in enhancing the attractiveness of the port of Walvis Bay to handle bigger vessels and increased volumes of cargo. We are further complementing this by availing land within the ports to the logistics industry, through public private partnerships so that we make the handling of cargo through the ports seamless and cost effective.

We are also busy with a progressive programme to replace and refurbish some of our old equipment so that we limit down times and enhance our operational effectiveness.

Overall, while the immediate future will be extremely tough, we remain bullish about the prospects, we have what it takes to weather the storm and emerge even stronger. We remain committed to maintaining the correct focus and alignment in our priorities as we continue to work aggressively towards harnessing new business volumes to our ports, to attract and do our utmost to retain our customers, to improve and enhance the quality of the services we render to all our customers and streamlining operating costs.

We greatly appreciate your patronage and look forward to a very positive, open, and continued engaging relationship with you all.

Before we close off, we will take some questions.

I thank you.