



MINISTRY OF ENVIRONMENT AND TOURISM

**STATEMENT BY Hon. Pohamba Shifeta, MP
Minister of Environment and Tourism**

**ON THE OCCASION OF THE
OFFICIAL ANNOUNCEMENT OF THE BOARD OF DIRECTORS OF THE NAMIBIA
WILDLIFE RESORTS (NWR)**

10 June 2019

Windhoek, Namibia

STATEMENT BY HON. POHAMBAM SHIFETA, MINISTER OF ENVIRONMENT AND TOURISM, ON THE OFFICIAL ANNOUNCEMENT OF THE NWR BOARD

Director of ceremonies

Hon. Leon Jooste, Minister of Public Enterprises

Hon. Bernadette Jagger, Deputy Minister of Environment and Tourism

Mr. Teofilus Nghitila, Executive Director

Mr. Matthias Ngwangwama, Acting Managing Director of NWR

Ms. Seimy Shidute, Deputy Executive Director

Board Members

Invited guests,

Colleagues,

Members of the media,

Ladies and Gentlemen,

Good afternoon to you all!

It gives me pleasure to welcome you all to this occasion to officially announce the reappointment of the board of directors of the Namibia Wildlife Resorts (NWR) whose term is expected to run for a period of 3 years.

Allow me to give my gratitude, appreciation and recognition to the work and contribution of the board of NWR for the outstanding performance they have done for the past three years. They stood together in times of challenges and took hard decisions when it was necessary. I note with gratitude that these decisions and actions were all taken in the interests of the company, its staff and the shareholder. I must admit with pride that this Board has shown us that when we send experienced tennis players to a tennis match we can expect to emerge with good results. Experience has now shown us that we need to bring the people who are experienced with the subject matter on Board to serve on the parastatals or any Board for that matter. We were challenged on our decision to bring on industry players onto the Board of NWR,

however, results have proven that, it was indeed, the right thing to do. This is the reason I have decided to re-appoint them for another three year term.

Ladies and Gentlemen:

Since 2016 when this Board took over the company, NWR has been producing good results. Below are some highlights:

Revenue:

In year 2017, revenue had increased by 7% from N\$339million, to N\$361million.

And in year 2018, the revenue decreased slightly by 1%, to N\$ 359million.

Cost of sales:

Cost of sales is an area that seen a significant reduction, contributing to overall reduction in expenses. Cost of Sales reduced from a 60% in 2016, to a 50% cost of sales in 2017, and the industry benchmark of 35% in 2018.

Earnings before interest, tax and depreciation

Earnings before interest, tax and depreciation was a loss in 2016 of N\$30million, which turned to an operational profit of N\$15million in 2017, and a further improvement resulting in an operational profit of N\$23million in 2018. These improvements contributed to the fact that no government subsidy was given to NWR for the past three years, since the year 2015.

Profit:

However, after accounting for depreciation and interest, the bottom line profit turned into a loss. Even so, that loss of N\$88million in 2016, reduced by 55% to a loss of N\$39million, and that reduction was again repeated in 2018, reducing the loss by a further 43% in 2018, to N\$22million. This is a commendable effort by the Board.

The road ahead is exciting, but full of challenges.

The Namibia Wildlife Resorts Act made provision for NWR to run the tourism resorts to generate income and revenue to the State.

The most important task of the Board of Directors therefore is to steer the company's strategy in a manner that will ensure the meeting of the economic targets set out for

the company in the long term and generate value for the shareholders so that the expectations of the stakeholders can also be met.

Congratulations to you for being part of this exciting family again. We have decided to retain all because we are confident that you will be able to make this company competitive. You are, without doubt, knowledgeable, experienced, and possess wisdom and information, to make this company to become a formidable and dominant player in tourism.

I have confidence that you will continue to support the NWR Management to enhance its leadership position and to impact meaningfully on the development of the tourism industry.

As your line Ministry, we are here to assist, please ensure that there are open lines of communication with us at all times not only at the political level but also at the technical. We all have to serve towards the same goals. Let us not only communicate when we are in crisis and challenged but also when we are in good times and celebrating.

I hereby officially reappoint you to this Board as per the power vested in me, for a period of three years as from 15 June 2019 until 14 June 2022.

- i) Amb. Leonard Nangolo lipumbu (Chairperson)
- ii) Ms. Janet Wilson-Moore (Vice-chairperson)
- iii) Mr. Rudie Putter (Member)
- iv) Ms. Carol Rosetha Williams (Member)
- v) Mr. Bernd Thomas Schneider (Member)
- vi) Adv. Eva S. Shifotoka (Member)
- vii) Ms. Elizabeth R. Petersen (Member)

I would like to wish you luck in your duties. I am confident that you will perform to the best of your ability.

I thank you.