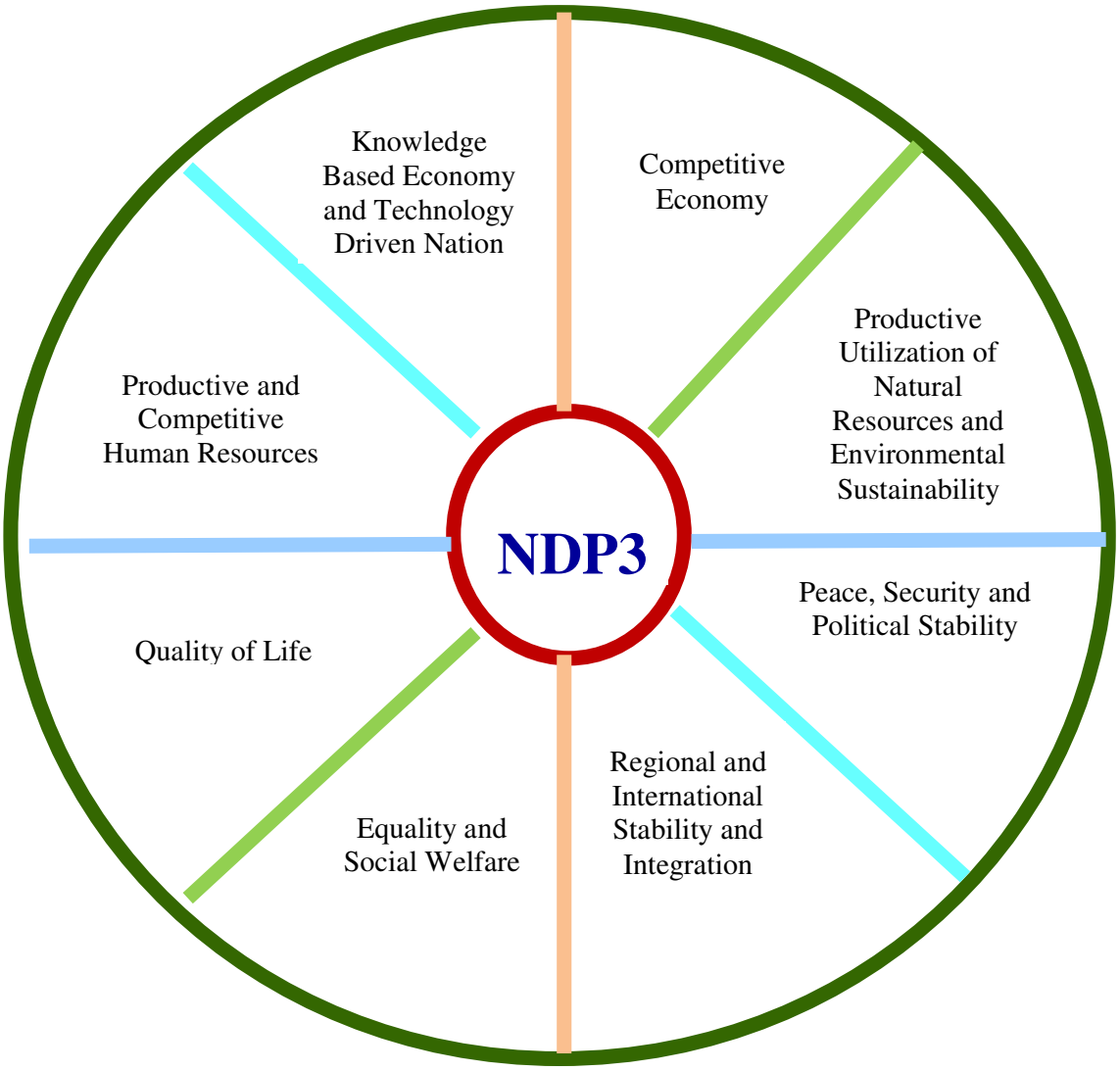
REPUBLIC OF NAMIBIA

Third National Development Plan (NDP3)

2007/2008-2011/12

Volume I



WINDHOEK

2008

FOREWORD

The Third National Development Plan (NDP3) is another major step on our long journey to achieve Our Nation's Vision to be a prosperous industrialised country by 2030, developed by our people, and enjoying peace, harmony and political stability. Like the Vision, NDP3 is the product of the efforts of a wide range of Namibian and international stakeholders in Windhoek and the 13 Regions that participated in the identification of the needs, priorities, opportunities and challenges facing our people, and prepared responsive policies and programmes following the National Consultation Conference in October 2007.

The Right Honourable Prime Minister and the Honourable Cabinet Ministers; the Honourable Speaker of the National Assembly and Members of Parliament; the Honourable Governors, Mayors and Councillors from all 13 Regions; captains of industry; leaders of civic organisations and communities; and esteemed representatives of our international development partners should be commended for their participation and contributions. The National Planning Commission is to be congratulated for organising and steering the Plan preparation to a successful conclusion with the involvement of all major stakeholders.

NDP3 projects an average growth rate of 5 percent per annum in the gross domestic product (GDP) under the Baseline Growth Scenario with no new policy interventions, and 6.5 percent per annum under the Higher Growth Scenario with redoubled efforts. These growth rates are higher than the average annual growth rates of 4.7 percent achieved during NDP2 and the 3.5 percent recorded during NDP1. A total investment of N$76.3 billion is required from all public, private and international stakeholders over the five-years to achieve the NDP3 targets and realise the baseline average growth rate of 5 percent per annum. This compares with the actual investment of N$55.3 billion during NDP2, which resulted in an average annual growth rate of 4.7 percent. In order to achieve the higher average growth rate of 6.5 percent per annum, a higher investment of about N$94.6 billion will be required to implement NDP3.

NDP3 is a plan for Our Entire Nation to make progress towards achieving our long-term National Vision. Formulation of the Plan is only the first step. We will realise the benefits only if we implement the Plan effectively. As many of you are aware, private investors - including Namibian and foreign businesspersons with large, medium and small companies, traders, farmers, artisans and ordinary citizens - account for about two-thirds of the total production in our economy. The Government at the national and sub-national levels and the parastatals with the assistance of our international development partners account for the balance. The Government will continue to be an important actor in creating and maintaining favourable economic, social, environmental and political milieu to facilitate the implementation of the Plan and achieving the projected results.

I urge Namibian investors, traders, farmers, artisans and ordinary citizens to exert their best efforts to help Our Nation to achieve and sustain the higher GDP growth rate of 6.5 percent per annum which is essential to create the new jobs required to reduce the high rate of unemployment and poverty in our country.

I implore our international development partners and private foreign investors to redouble their efforts to help us move on to and continue on the higher growth trajectory. The state actors in both political and administrative positions are directed to ensure the effective delivery of public services to our citizens and realise "value for money" in public expenditures and maintain a positive development environment for the private sector and other stakeholders to contribute to Our Nation's progress.

H.E. HIFIKEPUNYE POHAMBA
President
Republic of Namibia

PREFACE

Namibia's Vision 2030 provides the long-term development framework for the country to be a prosperous and industrialised nation, developed by her human resources, enjoying peace, harmony and political stability. The National Development Plans are seen to be the main vehicles to translate the Vision into action and make progress towards realising the Vision by 2030. The Third National Development Plan (NDP3) is the first systematic attempt to translate the Vision 2030 objectives into action.

The policy directions for the Plan are drawn from: i) the Vision 2030; ii) the 2004 SWAPO Party Election Manifesto; iii) the guidance from the November 2005 Special Cabinet Retreat; iv) the Millennium Declaration and the constituent Millennium Development Goals (MDGs); and v) the lessons learned from implementing the Second National Development Plan (NDP2). The overall theme of NDP3 is "Accelerated Economic Growth and Deepening Rural Development."

NDP3 is based on eight Key Result Areas (KRAs), each corresponding to one of the eight main objectives of Vision 2030. Due to their complexity and wide scope, two of the eight KRAs – Competitive Economy and Productive Utilisation of Natural Resources and Environmental Sustainability – are sub-divided into two Sub-KRAs each, giving a total of ten KRAs/Sub-KRAs; and the 21 NDP3 Goals are grouped under them. Each of the KRAs/Sub-KRAs is assigned to a Thematic Working Group (TWG) coordinated by a Government Ministry/Office; and comprising Government officials at the Centre and in the Regions, and representatives of the private sector, civic organisations and international development partners.

NDP3 has been prepared through the broad participation of all stakeholders utilising an Integrated Results Based Management (IRBM) Approach. The Plan has been formulated by the ten TWGs, each coordinated by a Ministry or Office. Within each TWG, NDP3 Goal Groups, Sub-Sector Task Teams and Regions worked on the NDP3 goal targets (results) and strategies; and sub-sector goals and strategies; and formulated programmes to achieve the results. The TWGs prepared their NDP3 submissions consolidating the inputs of the NDP3 Goal Groups and the Sub-Sector Task Teams and the 13 Political Regions. The preliminary NDP3 submissions of the TWGs have been reviewed by the National Planning Commission Secretariat (NPCS), which prepared the first draft of the NDP3 document. The first draft of the NDP3 document was discussed with stakeholders at a National Consultation Conference held during 26–30 October 2007; and their feedback was incorporated appropriately in the revised final draft of NDP3. The final draft has been considered and approved by Cabinet.

The NDP3 document contains two volumes: Volume I comprises the main chapters and Volume II includes the Public Sector Investment Programme (PSIP). Volume I is organised in three parts:

- Part I: Review of Implementation of the Second National Development Plan (2001-2006);
- Part II: Third National Development Plan (2007/08 – 2011/12); and
- Part III: NDP3 Implementation, Monitoring, Reporting and Evaluation Arrangements.

Chapters 4A, 4B, 5A, 5B and 6 to 11 on the Sub-KRAs/KRAs in Volume I summarise the TWG submissions following the format approved in the Guidelines for Preparing NDP3 (issued in December 2006). Each chapter begins with a presentation on the Thematic Area Description, its performance during NDP2, and its strategies. This is followed by the NDP3 goal description, its performance during NDP2, its indicators, baselines and targets; its strategies; and the Sub-Sectors that are relevant for the goal. The concluding portion of each chapter presents for each Sub-Sector, the Sub-Sector description and background, its performance during NDP2, its mission, goals, indicators, baselines and targets; its strategies; and the programmes that contribute to achieving the Sub-Sector goals (which, in turn, contribute to achieving the NDP3 goals). The numbering system in these Chapters is explained in the note following the table of contents.

Volume II is made up of a summary and details of all the programmes presented in Chapters 4A, 4B, 5A, 5B and 6 to 11 of Volume I of the NDP3 document. It constitutes the PSIP for NDP3.

NDP3 differs from NDP2 and NDP1 in a number of ways. First, it is based directly on the eight broad objectives of Vision 2030. Second, it is formulated by ten TWGs through teamwork utilising the Integrated Results Based Management (IRBM) Approach with a central focus on development results, building on the ongoing initiatives on Public Sector Management and Public Financial Management. Third, it presents for the first time in Namibia, an overall resource required to implement the Plan by all State and non-State stakeholders in order to achieve the projected Plan targets. Fourth, the Plan spells out the Implementation Arrangements and puts in place a Monitoring, Reporting and Evaluation Arrangements to continuously monitor and report on progress in achieving the targeted results.

Preparation of the NDP3 was a complex and difficult task undertaken by the National Planning Commission. However, the NPC worked as a team and played its due role constructively and fruitfully with exceptional dedication, devotion and vigour. Indeed, this is the beginning of our road map ahead to accelerate economic growth and sustainable development leading to welfare improvement of our people. For this effect, a mammoth task is ahead; it is the strategic and systematic implementation of the NDP3.

In this respect, the NPC as a team again must play its due role with renewed interest, will and spirit to ensure that our limited resources are utilized to generate the expected outcomes in an effective, efficient and accountable manner for successful implementation of the plan for its logical and rational conclusion.

Hon. Prof. Peter H. Katjavivi
Director General
National Planning Commission

ACKNOWLEDGEMENTS

We are grateful to His Excellency, Hifikepunye Pohamba, President of the Republic of Namibia, for his inspiring leadership in formulating the Plan. The wise counsel and active participation of the Right Honourable Prime Minister and the Honourable Cabinet Ministers; the Honourable Speaker of the National Assembly and Members of the Parliament; the Honourable Governors, Mayors and Councillors from all 13 Political Regions; the Captains of Industry; the leaders of Civic Organisations and communities; and the esteemed representatives of our International Development Partner Agencies and Countries is gratefully acknowledged.

The formulation of the NDP3 is led by the National Planning Commission (NPC), under the overall direction of the Honourable Helmut K. Angula, MP, former Director General of NPC and present Minister of Works and Transport, and the guidance of Mr. Mocks Shivute, Permanent Secretary; with Ms. Sylvia Demas, Director of Development Planning steering and coordinating the process, with the assistance of Dr Musunuru S. Rao, Senior Advisor. The ten Thematic Working Groups were led by senior officials of the lead Ministries and Office, with the participation of key officials from the Offices, Ministries and Agencies including the parastatals, Regional Councils and Local Authorities, as well as representatives of the private sector, civic organisations and international development partners. Numerous local and international consultants provided advice and support during the formulation process. The draft NDP3 submissions and documents have been reviewed by the NPC staff, the Senior Advisor and Ms. Ericah Shafudah, Deputy Permanent Secretary, Ministry of Finance. The dedicated participation and support of all involved in the formulation of the NDP3 is highly appreciated.

We are thankful to our international development partners for their encouragement and valuable support, including the technical assistance provided by the United Nations Development Programme, the European Commission, France, the United Kingdom and others.

ABBREVIATIONS

AALS	Affirmative Action Loan Scheme
ABS	Access and Benefit Sharing
ACC	Anti-Corruption Commission
ACP	Africa, Caribbean and Pacific
AGOA	African Growth and Opportunity Act (USA)
AIDS	Acquired Immune Deficiency Syndrome
ALAN	Association of Local Authorities in Namibia
AMICAALL	Alliance of Mayors and Municipal Leaders on HIV/AIDS in Africa
APRM	African Peer Review Mechanism
ARC	Association of Regional Councils
ART	Anti Retroviral Therapy
AU	African Union
AUSBF	African Union Standby Force
AWS	Automatic Weather Stations
BCC	Benguella Current Commission
BCC	Behaviour Change Communication
BCLME	Benguella Current Large Marine Ecosystem
BCPs	Basel Core Principles
BEE	Black Economic Empowerment
BENEFIT	Benguella Fisheries Interaction Training (Programme)
BETD	Basic Education Teachers Diploma
BoN	Bank of Namibia
CACOC	Constituency AIDS Coordinating Committee
CBA	Community-Based Adaptation
CBET	Competency-Based Education and Training
CBI	Cross-Border Initiative
CBM	Community-Based Management
CBNRM	Community-Based Natural Resources Management
CBO	Community-Based Organisation
CBPP	Contagious Bovine Pleural-Pneumonia
CBS	Central Bureau of Statistics
CC	Climate Change
CCA	Climate Change Adaptation
CCM	Country Coordinating Mechanism
CCN	Council of Churches in Namibia
CDC	Constituency Development Committee
CDM	Clean Development Mechanism
CDMA	Code Division Multiple Access
CECS	Community Education Computer Society of Namibia
CEDAW	Convention on Elimination of all forms of Discrimination against Women
CENORED	Central Regional Electricity Distributor
CFL	Compact Fluorescent Light
CEGEM	Capacity Enhancement for Global Environmental Management
CISSA	Committee of Intelligence and Security Services of Africa
CLDC	Community Learning and Development Centres
CMA	Common Monetary Area
COMESA	Common Market of Eastern and Southern Africa
COSDEC	Community Skills Development Centre
CP	Cleaner Production
CPI	Consumer Price Index

CPII	Coordinating Programme Implementing Institution
CPP	Country Pilot Partnership (for Integrated Sustainable Land Management)
CRP	Common Revenue Pool
CTA	Continental Threat Assessment
CU	Customs Union
DBN	Development Bank of Namibia
DCA	Department of Civil Aviation
DDC	Directorate of Development Cooperation
DEA	Directorate of Environmental Affairs
DHS	Demographic and Health Survey
DIP	Decentralisation Implementation Plan
DMP	Demand Management Programme
DNA	Designated National Authority
DOTs	Direct Observed Therapies (TB)
DPIC	Decentralisation Policy Implementation Committee
DPT3	Diphtheria, Pertussies and Tetanus (Immunisation)
DRC	Democratic Republic of Congo
DRFN	Desert Research Foundation of Namibia
DSA	Daily Subsistence Allowance
DSM	Demand-Side Management
DSP	Directorate of Special Programmes
EA	Environmental Assessment
EC	European Commission
ECA	Economic Commission for Africa (UN)
ECB	Electricity Control Board
ECD	Early Childhood Development
ECN	Electoral Commission of Namibia
EDI	Electricity Distribution Industry
EEZ	Exclusive Economic Zone
EIA	Environmental Impact Assessment
EMAA	Environment Management and Assessment Act
EMIS	Education Management Information System
EMP	Environmental Management Plan
ENT	Ear, Nose and Throat
EPA	Economic Partnership Agreement
EPZ	Export Processing Zone
EQUINET	Regional Network for Equity in Health in East and Southern Africa
ESI	Electricity Supply Industry
ETSIP	Education and Training Sector Improvement Programme
EU	European Union
EWS	Early Warning System
FANR	Food, Agriculture and Natural Resources
FDI	Foreign Direct Investment
FIMS	Financial Information Management System
FIRM	Forum for Integrated Resource Management
FLTS	Flexible Land Tenure System
FMD	Foot and Mouth Disease
FSNC	Food Security and Nutrition Council
FSNS	Food Security and Nutrition Secretariat
FSNTC	Food Security and Nutrition Technical Committee
FSRE	Farming Systems Research and Extension
GAAP	Generally Accepted Accounting Practices
GDP	Gross Domestic Product

GEF	Global Environmental Facility
GERD	Government Expenditure on Research and Development
GeSCI	Global e-Schools and Communities Initiative
GFATM	Global Fund to Fight AIDS, Malaria and Tuberculosis
GFCF	Gross Fixed Capital Formation
GNI	Gross National Income
GPRS	Global Positioning Remote Sensing (System)
HAMU	HIV/AIDS Management Unit
HBC	Home Based Care
HEWG	HIV/AIDS Environment Working Group
HIGCSE	Higher International General Certificate of Secondary Education
HIS	Health Information System
HIV	Human Immuno-Deficiency Virus
HPSI	Health Programme School Initiative
HR	Human Resources
HRD	Human Resources Development
HRMIS	Human Resources Management Information System
IALL	Information, Adult and Lifelong Learning
ICAO	International Civil Aviation Organisation
ICEMA	Integrated Community-Based Ecosystem Management
ICOR	Incremental Capital-Output Ratio
ICP	International Cooperating Partner
ICT	Information and Communication Technology
ICZM	Integrated Coastal Zone Management
IDs	Identity Documents
IEC	Information, Education and Communication
IEM	Integrated Environmental Management
IFMS	Integrated Financial Management System
IGCSE	International General Certificate of Secondary Education
IKS	Indigenous Knowledge Systems
IMF	International Monetary Fund
Infocom	Information and Communication Service for Sustainable Development
INGOs	International Non-Governmental Organisations
INRM	Integrated Natural Resources Management
Interpol	International Criminal Police Organisation
IPR	Intellectual Property Rights
IPU	International Parliamentary Union
IRBM	Integrated Results Based Management
IRLUP	Integrated Regional Land Use Plan
ISCBF	Institutional Strengthening and Capacity Building Facility
ISDSC	Inter State Defence and Security Committee
ISLM	Integrated Sustainable Land Management
ISOER	Integrated State of Environment Report
ISP	Internet Service Provider
IT	Information Technology
ITK	Indigenous and Traditional Knowledge
ITN	Insecticide Treated Nets
ITU	International Telecommunications Union
IUM	International University of Management
IWRM	Integrated Water Resources Management
JSC	Junior Secondary Certificate
KABP	Knowledge, Attitude, Behaviour and Practices
KBE	Knowledge-Based Economy

KIFI	Kamutjonga Inland Fisheries Institute
KRA	Key Result Area
LA	Local Authority
LAC	Legal Assistance Centre
LADF	Land Acquisition and Development Fund
LAN	Local Area Network
LM	Line Ministry
LUP	Land Use Planning
M&E	Monitoring and Evaluation
MAPP	Military Action and Prevention Programme
MAWF	Ministry of Agriculture, Water and Forestry
MB	Mega byte
MCS	Management, Control and Surveillance
MDG	Millennium Development Goal
MDP	Mutual Defence Pact
MET	Ministry of Environment and Tourism
MGECW	Ministry of Gender Equality and Child Welfare
MHAI	Ministry of Home Affairs and Immigration
MIB	Ministry of Information and Broadcasting
MIS	Management Information System
MLR	Ministry of Lands and Resettlement
MME	Ministry of Mines and Energy
MoD	Ministry of Defence
MoE	Ministry of Education
MoHSS	Ministry of Health and Social Services
MoJ	Ministry of Justice
MoLSW	Ministry of Labour and Social Welfare
MPCC	Multi-Purpose Community Centre
MPCS	Ministry of Prisons and Correctional Services
MPLS	Multi-Protocol Label Switching
MP	Member of Parliament
MRE	Monitoring, Reporting and Evaluation
MRLGHRD	Ministry of Regional and Local Government, Housing and Rural Development
MTC	Mobile Telecommunication Corporation
MTEF	Medium Term Expenditure Framework
MTI	Ministry of Trade and Industry
MTLRMP	Medium to Long-Term Roads Master Plans
MTP III	Third Medium Term Plan on HIV/AIDS
MTPs	Medium Term Plans
MW	Mega Watts
MWTC	Ministry of Works, Transport and Communication
MYNSSC	Ministry of Youth, National Service, Sport and Culture
NABCOA	Namibia Business Coalition Against AIDS
NAC	National AIDS Committee
NaCCATuM	Namibia Co-ordinating Committee for AIDS, Tuberculosis and Malaria
NACOBTA	Namibia Community Based Tourism Assistance Trust
NACOMA	Namib Coast Conservation and Management Authority
NAEC	National AIDS Executive Committee
NAMACOC	National Multi-Sectoral AIDS Coordinating Committee
NAMCIS	Namibian Magistrates Courts Information System
NAMCOL	Namibian College of Open Learning

NAMCOR	National Petroleum Corporation of Namibia
NAMFI	Namibia Fisheries Institute
NAMFISA	Namibia Financial Institution Advisory Authority
NAMPA	Namibia Press Agency
NamPol	Namibian Police
Namrep	Namibia Renewable Energy Programme
NANASO	Namibia Network of AIDS Services Organisations
NANGOF	Namibia National Non-Governmental Organisation Forum
NASOMA	National Social Marketing Programme
NATA	Namibian Aviation Training Academy
NBC	Namibia Broadcasting Corporation
NBIC	Namibia Business Innovation Centre
NBSAP	National Biodiversity Strategy and Action Plan
NCAs	Northern Communal Areas
NCC	Namibian Communications Commission
NCCC	National Climate Change Committee
NCHE	National Council for Higher Education
NCIS	Namibia Central Intelligence Service
NCSA	National Capacity Self Assessment
NDF	Namibia Defence Force
NDHS	Namibia Demographic and Health Survey
NDP1	First National Development Plan
NDP2	Second National Development Plan
NDP3	Third National Development Plan
NEMLIST	Namibia Essential Medicine List
NEMS	National Emergency Management System
NEPAD	New Economic Partnership for African Development
NFSI	National Forensic Science Institute
NGOs	Non-Governmental Organisations
NHE	National Housing Enterprise
NHEPRP	National Health Emergency Preparedness and Response Plan
NHIES	Namibia Household Income and Expenditure Surveys
NIC	Namibian Investment Centre
NICI	National Information Communication Infrastructure
NIE	National Intelligence Estimate
NIED	National Institute for Educational Development
NIES	Namibia Informal Economy Survey
NIMT	Namibian Institute of Mining Technology
NIPAM	Namibia Institute of Public Administration and Management
NIPs	National Intelligence Priorities
NLFS	Namibia Labour Force Survey
NMT	Non-Motorised Transport
NNHC	Namibia National Habitat Committee
NNT	Neo-Natal Tetanus
NOLNet	Namibian Open Learning Network
NORED	Northern Regional Electricity Distributor
NOWS	Namibia Occupational Wages Survey
NPC	National Planning Commission
NPCS	National Planning Commission Secretariat
NPHC	Namibia Population and Housing Census
NPRAP	National Poverty Reduction Action Programme
NPS	Namibian Prison Service or Namibian Payment System
NQA	Namibia Qualifications Authority

NRC	Namibia Refugees Committee
NSDI	National Spatial Data Infrastructure
SDI	Spatial Data Infrastructure
NSP	National Statistical Plan
NSP2	Second National Statistical Plan
NSS	Namibia Statistical System
NSX	Namibian Stock Exchange
NTA	Namibia Training Authority
NTFP	Non-Timber Forest Products
NVDCP	National Vector-borne Disease Programme
O/M/As	Offices, Ministries, Agencies
OAG	Office of the Auditor General
ODA	Official Development Assistance
OGEMP	Off-Grid Energisation Master Plan
OKACOM	Okavango River Basin Water Commission
OPDS	Organ on Politics, Defence and Security (SADC)
OPDSC	Organ on Politics, Defence and Security Cooperation
OPM	Office of the Prime Minister
OVC	Orphans and Vulnerable Children
PACHPRRWA	Protocol to the African Charter on the Rights of Women in Africa
PAs	Protected Areas
PDPs	Product Development Partnerships
PEAC	Presidential Economic Advisory Committee
PEMP	Performance and Effectiveness Measurement Programme
PEPFAR	US President's Emergency Fund for AIDS Relief
PF	Partnership Forum
PG	Prosecutor General
PIF	Project Identification Form
PJTC	Permanent Joint Technical Commission
PLWHA	People Living with HIV/AIDS
PMIS	Pharmacy Management Information System
PMS	Poverty Monitoring Strategy
PMTCT	Prevention of Mother To Child Transmission
Pol-Action	Police Action Plan
PoN	Polytechnic of Namibia
PPA	Participatory Poverty Assessment
PPP-SD	Public-Private Partnership in Sanitation Development
PPS	Personnel Performance System
PRMs	Programme Results Matrices
PRS	Poverty Reduction Strategy
PSC	Peace and Security Council (African Union)
PSO	Peace Support Operation
PTB	Pulmonary Tuberculosis
PTO	Permission to Occupy
QOSSS	Quality of Supply and Services Standards
QQLT	Quantity, Quality, Location and Time
R&D	Research and Development
RACE	Regional AIDS Committees for Education
RACOC	Regional AIDS Coordinating Committees
RBB	Results-Based Budgeting
RCs	Regional Councils
RDCCs	Regional Development Coordinating Committees
RE	Rural Electrification

RED	Regional Electricity Distributor
REECAP	Renewable Energy and Energy Efficiency Capacity Building
REEEI	Renewable Energy and Energy Efficiency Institute
RENW	Renewable Energy
REWC	Regional Early Warning Centre
RISDP	Regional Indicative Strategic Development Plan
RMT	Regional Management Team
RPRP	Rural Poverty Reduction Programme
RPTC	Regional Peacekeeping Training Centre
RSTI	Research, Science, Technology and Innovation
RUSPS	Rapid Urban Profile Studies
SACMEQ	Southern Africa Consortium for Monitoring Education Quality
SACU	Southern African Customs Union
SADC FTA	SADC Free Trade Agreement
SADC PF	SADC Parliamentary Forum
SADC	Southern African Development Community
SADCBRIG	SADC Standby Force Brigade
SAP	System Application Product
SARPCCO	Southern African Regional Police Chiefs Cooperation Organisation
SARS	Severe Acute Respiratory Syndrome
SBCGT	Small Business Credit Guarantee Trust
SC	Settlement Committee
SHD	Sustainable Human Development
SIPO	Strategic Indicative Plan for the Organ
SLM	Sustainable Land Management
SM	Social Mobilisation
SMART	Simple, Measurable, Achievable and Realistic Targets
SME	Small and Medium Enterprises
SNMCRRC	Coastal Research and Resource Centre at Henties Bay
SOEGC	State-Owned Enterprises Governance Council
SOER	State of the Environment Report
SOEs	State-Owned Enterprises
SWOT	Strengths. Weaknesses, Opportunities and Threats
SRF	State Revenue Fund
SSC	Sectoral Steering Committees
SSM	Small-Scale Mining
SSRM	Sub-sector Results Matrix
SSTT	Sub-Sector Task Team
STIs	Sexually Transmitted Infections
SWAPO	South West Africa Peoples' Organisation
SWIS	Social Welfare Information System
TAC	Total Allowable Catch
TFP	Total Factor Productivity
TIFI	Trade, Investment and Finance Information
TIS	Trade Information System
ToU	Time of Use
TRI	Technological Readiness Index
TT	Tetanus
TV	Television
TWG	Thematic Working Group
UK	United Kingdom
UN	United Nations
UNAIDS	United Nations Programme on HIV/AIDS

UNAM	University of Namibia
UNDP	United Nations Development Programme
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNFCCC	United Nations Framework Convention on Climate Change
UNFPA	United Nations Population Fund
UNGASS	United Nations General Assembly Special Session
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNMIL	United Nations Mission in Liberia
USA	United States of America
UXO	Unexploded Ordnance
VAT	Value Added Tax
VCTC	Voluntary Counselling and Testing Centres
VDCs	Village Development Committees
VET	Vocational Education and Training
VIP	Very Important Person
VIPPD	VIPs Protection Division
VoIP	Voice over Internet Protocol
VSAT	Very small aperture terminal
VTCs	Vocational Training Centres
WASP	Water Supply and Sanitation Policy
WESTCOR	Western Corridor project
WFP	World Food Programme
WHD	World Habitat Day
WHO	World Health Organisation
WiMAX	Wireless Multi-Application Communications Technology
WIPO	World Intellectual Property Organisation
WMO	World Meteorological Organisation
WPCs	Water Point Committees
WPP	Workplace Programmes
WTO	World Trade Organisation
ZACPRO	Zambezi River Action Programme

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Note on Numbering of Sections/Sub-Sections in Chapters on KRAs and Sub-KRAs

- **First number** represents the chapter number (say Chapter 8)
- **Second number**:
  8.1. denotes Chapter 8 Thematic Area
  8.2. denotes Chapter 8 NDP3 Goal
  8.3. denotes Chapter 8 Sub-Sector
- **Third number**
  - **For Thematic Area:** 8.1.1. denotes Chapter 8 Thematic Area Description
    8.1.2. denotes Chapter 8 Thematic Area performance during NDP2
    8.1.3. denotes Chapter 8 Thematic Area strategies

  - **For NDP3 Goal:** 8.2.1. denotes Chapter 8 NDP3 Goal Description
    8.2.2. denotes Chapter 8 NDP3 Goal Performance during NDP2
    8.2.3. denotes Chapter 8 NDP3 Goal Indicators, Baselines and Targets
    8.2.4. denotes Chapter 8 NDP3 Goal strategies

If there is more than one NDP3 Goal under a Thematic Area, the third number denotes the NDP3 Goal number (say 2) in the Thematic Area, with the fourth number denoting the NDP3 Goal Description (8.2.2.1) , NDP3 Goal Performance during NDP2 (8.2.2.2), NDP3 Goal Indicators, Baselines and Targets (8.2.2.3), and NDP3 Goal Strategies (8.2.2.4).

- **For Sub-Sector:** 8.3.1. denotes Chapter 8 Sub-Sector Description and Background
  8.3.2. denotes Chapter 8 Sub-Sector Performance during NDP2
  8.3.3. denotes Chapter 8 Sub-Sector Mission, Goals, Indicators, Baselines and Targets
  8.3.4. denotes Chapter 8 Sub-Sector Strategies
  8.3.4. denotes Chapter 8 Sub-Sector Programmes

If there is more than one NDP3 Goal under a Thematic Area, the third number denotes the NDP3 Goal number (say 2) in the Thematic Area, with the fourth number denoting Sub-Sector Description and Background (8.3.2.1), Sub-Sector Performance during NDP2 (8.3.2.2), Sub-Sector Mission, Goals, Indicators, Baselines and Targets (8.3.2.3), Sub-Sector Strategies (8.3.2.4) and Sub-Sector Programmes (8.3.2.5).

If there are more than one NDP3 Goal under a Thematic Area and more than one sub-sector under an NDP3 Goal, the third number denotes the NDP3 Goal number (say 2) in the Thematic Area, the fourth number denotes the sub-sector number (say 3), with the fifth number denoting Sub-Sector Description and Background (8.3.2.3.1), Sub-Sector Performance during NDP2 (8.3.2.3.2), Sub-Sector Mission, Goals, Indicators, Baselines and Targets (8.3.2.3.3), Sub-Sector Strategies (8.3.2.3.4) and Sub-Sector Programmes (8.3.2.3.5).

Third National Development Plan (NDP3)
2007/08-2011/12
Volume 1

PART I:

REVIEW OF IMPLEMENTATION OF THE SECOND NATIONAL DEVELOPMENT PLAN (NDP2):

2001/02 to 2005/06

Chapter 1: SECOND NATIONAL DEVELOPMENT PLAN IMPLEMENTATION PERFORMANCE AND LESSONS LEARNED

The National Development Objectives for NDP2 were to: (i) reduce poverty, (ii) create employment, (iii) promote economic empowerment, (iv) stimulate and sustain economic growth, (v) reduce inequalities in income distribution, (vi) reduce regional development inequalities, (vii) promote gender equality and equity, (viii) enhance environmental and ecological sustainability, and (ix) combat the further spread of HIV/AIDS. The international context for implementation of NDP2 is discussed in the following section.

1.1. International Context for NDP2

Namibia as a middle-income country has a relatively small and open economy, which is heavily influenced by global economic activity, and especially the economic developments in its major trading partners including South Africa, the European Union, the United States of America (USA), China, Japan and other African countries. Data on the annual percentage changes in real GDP in the major trading partners of Namibia are presented in Table 1.1. They show that most of Namibia's trading partners experienced relatively low economic growth in 2001. This was partly a result of the sharp fall in economic growth in the USA following the 11 September 2001 terrorist attack. It adversely impacted on other economies, including the European Union and Japan. In the Euro Area, GDP growth declined from a peak of 3.8 percent in 2000 to 1.9 percent in 2001, and it continued at an anaemic pace in the following two years recovering only in 2004. A similar pattern was observed in Japan. On the other hand, economic growth picked up in 2002 and accelerated in South Africa while other African countries continued to grow at a relatively high and steady pace during NDP2 period. The terrorist attacks in the USA, Europe and Asia together with the advent and spread of the Severe Acute Respiratory Syndrome in Asia and the Avian Influenza or Bird Flu affected the economies worldwide, especially the travel industry.

Table 1.1: Economic Growth in Namibia's Major Trading Partners, 2001-2006

Trading Partner	2000	2001	2002	2003	2004	2005	2006
South Africa	4.2	2.7	3.7	3.1	4.8	5.1	5.0
USA	3.7	0.8	1.6	2.5	3.6	3.1	2.9
Euro Area	3.8	1.9	0.9	0.8	2.0	1.5	2.8
China	8.4	8.3	9.1	10.0	10.1	10.4	11.1
Japan	2.9	0.2	0.3	1.4	2.7	1.9	2.2
Sub-Saharan Africa	N/A	4.2	3.6	4.1	5.6	6.0	5.7
Economist World All Commodities Index	N/A	105	105	122	123	146	155

Sources: IMF World Economic Outlook, September 2006 and April 2007; and
The Economist World All Commodities Index.

The strong economic growth in the major economies of the world led to an increase in the demand for oil and minerals, resulting in a commodity price boom. Oil prices more than doubled reaching record highs. Mineral prices too rose by leaps and bounds as did the prices for diamonds. The last row in Table 1.1 presents data on the Economist World All Commodities Index, which rose by almost 48 percent from 105 in 2001 to 155 in 2006.

The rapidly rising demand for minerals and diamonds and their record high prices in the world market led to the opening up of new mines. In Namibia, this led to the opening up among others of the Skorpion Zinc mine and other small metal mines, and reopening of the Ongopolo copper mine. The price boom for minerals and diamonds saw huge investments in Namibia's mining industry, which led to the exceptional performance of the mining sub-sector, especially during 2004/05 and 2005/06.

As in the past, much of the foreign direct investment into Namibia was directed towards mining, with a major portion going to diamond mining. Thus, diamond mining continued to dominate the mining and quarrying sub-sector while the share of other minerals too expanded during the latter years of NDP2. Among others, the quantum jump in diamond and mineral prices may have contributed to the strengthening (appreciation) of the Namibia Dollar against the US Dollar from 10.52 in 2003 to a low of 6.41 in 2005 and 6.89 in 2006. Overall, the developments in the economies of Namibia's major trading partners and the price boom for minerals in the global market provided highly favourable conditions for the country's exports, which accounted on average for about 48 percent of GDP.

1.2. NDP2 Targets, Strategies and Achievements

1.2.1. NDP2 Targets

The Vision of NDP2 was "Sustainable and equitable improvement in the quality of life of all the people in Namibia." This long-term vision was to be partly addressed through the implementation of NDP2 national development objectives listed in the first paragraph of this chapter.

The NDP2 targets to address these objectives were to:

- Achieve sustainable real economic development with an average growth in real GDP per year of 4.3 percent between 2001and 2006;
- Increase investment by 4.1 percent per year between 2001 and 2006;
- Raise private sector investment from 73 percent of the overall investment in the country to 90 percent;
- Increase private sector investment from 14.1 percent of GDP to 20 percent;
- Halve the share of primary commodities in the country's total exports, which in 1999 stood at 82 percent;
- Ensure the budget deficit is sustainable at no more than 3 percent of GDP by 2005;
- Increase real gross national income (GNI) per capita by 12 percent by 2006;
- Reduce the Gini coefficient from 0.67 to less than 0.6 at the end of 2006;
- Facilitate an increase of the SME sub-sector's contribution to GDP from 5 percent to 10 percent by 2006;
- Increase employment by 2.6 percent a year over the period 1999-2006 (at the same rate as population growth);
- Ensure a three-fold increase in the number of jobs in manufacturing from 6.4 percent of the country's total employment to 20 percent;
- Reduce the proportion of poor households by 10 percent by 2006;
- Reduce the proportion of severely poor households by 5 percent by 2006; and
- Increase women's representation in Parliament from 19 percent to 35 percent by 2006.

1.2.2. NDP2 Strategies

Six strategies were identified to be pursued to achieve the NDP2 objectives and targets. These were:

(i) Promoting and strengthening an enabling environment for economic growth and development, with the Government playing a facilitating role and the private sector playing a leading role in the economy to promote growth with equity; pursuing sound macroeconomic, fiscal, trade and labour policies; and promoting SMEs;
(ii) Promoting the sustainable use of natural resources and environmental management;
(iii) Promoting participatory development and equity with a focus on poverty reduction, gender equality and equity, land reform, and equity in access to and delivery of public services;
(iv) Developing human resources encompassing the implementation of the National Population Policy for Sustainable Human Development, education and training, health including HIV/AIDS, science and technology, culture and social welfare;
(v) Promoting good governance through improving and strengthening the civil society organisations, reinforcing the rule of law, strengthening dialogue on economic management, upholding the transparency of the electoral process, and building a culture of peace and democracy; and making Government efficient and responsive by restructuring the Central Government and promoting decentralisation and regional development; and
(vi) Strengthening Namibia's international role through economic diplomacy, regional integration, and global integration.

1.2.3. Achievements on NDP2 Targets

The achievements on NDP2 targets are summarised in this sub-section, with the details presented under the relevant thematic areas, NDP3 goals and sub-sectors in Part II of this document. NDP2 visualised more rapid economic growth, with expansion in employment and reductions in poverty and inequalities among Regions. The national development targets and achievements of theNDP2 along with the corresponding achievements of NDP1 are provided in Table 1.2. In virtually every area, the NDP2 targets were more ambitious than the achievements in NDP1. In particular, the primary industries were projected to grow at more than twice the pace achieved in NDP1 (6.7 percent per annum versus 3.2 percent); the growth of secondary industries was projected to more than quadruple (5.5 percent per annum versus 1.3 percent); while the tertiary industries were to grow at the same rate as in NDP1. The performance of primary industries in NDP2 was well below the target (4.5 percent per annum versus 6.7 percent) largely due to the poor performance of agriculture and fisheries, while mining and quarrying has performed well on average. The secondary industries performed relatively well reaching close to the NDP2 target. On the other hand, the growth of tertiary industries exceeded the NDP2 target (5.4 percent versus 4.0 percent). Thus, the GDP growth rate during NDP2 period was mainly driven by the tertiary industries, the secondary industries and Mining and Quarrying from the primary industries (see Table 1.2). The data on the NDP2 achievements in the last column of the table cover the period 2001-2006.

NDP2 projected employment to grow at an average of 2.6 percent per annum. Data on employment was collected through the Namibia Labour Force Surveys (NLFS), and the last two were canvassed in 2000 and 2004. The results from the surveys show that employment had in fact declined by an average of 2.7 percent per annum during 2000-2004, which is a cause for concern.

Table 1.2: NDP2 Targets and Achievements

Item	NDP1 Actual	NDP2 Target (2001-2006)	NDP2 Achievement (2001-2006)
1. GDP growth (% per annum)	3.6	4.3	4.7
Primary Industries	3.2	6.7	4.5
Secondary Industries	1.3	5.5	4.8
Tertiary Industries	4.0	4.0	5.4
2. Investment or GFCF growth (% p.a.)	6.4	4.1	11.9
3. Share of private investment in total	78% in 2000	90% in 2006	86% (2006)
4. Ratio of private investment to GDP	14.6% (2000)	20% (2006)	23.6% (2006)
5. Share of primary commodities in total exports	82% (1999)	41% (2006)	44% (2006)
6. Budget deficit as % of GDP	1.9	3.0 (2005)	0.2 (2005/06)
7. Increase real GNI per capita by	1.3	12% by 2006	4.9% by 2006
8. Reduce Gini coefficient	0.701	0.67 to less than 0.6 at end 2006	0.604 in 2003/04
9. Increase contribution of SMEs to GDP	5% in 2000	10 % by 2006	N/A
10. Employment growth (% p.a.)		2.6 (1999-2006)	– 2.7 (2000-2004)
11. Share of manufacturing employment in Total	6.4% in 2000	20% in 2006	6.2% in 2004
12. Women's representation in Parliament	19% in 2000	35% (2006)	28% (2004)
13. Exports growth (% p.a.)	2.1	6.7	6.6
14. Imports growth (% p.a.)	4.4	4.8	5.7
15. Growth in total consumption expenditure (% p.a.)	2.7	3.6	2.2
16. Growth in private consumption expenditure (% p.a.)	5.4	4.7	2.6
17. Growth in Govt. expenditure (% p.a.)	2.9	2.4	1.5
18. Inflation (% p.a.)	8.5	6.1/	6.5
19. Ratio of total public debt to GDP (%)	21.3	23.7	28.8 (2006)

N/A – Not available
Sources: National Accounts 2006; and Namibia Labour Force Survey 2004.

In addition, NDP2 visualised the proportion of poor households to be reduced by 10 percent and the severely poor households by 5 percent. Available data on poverty incidence indicates that the proportion of poor households declined from 38 percent in 1993/94 to 28 percent in 2003/04 or by 26 percent while that of the severely poor households declined from 9 percent to 4 percent or by 56 percent.

1.2.4. NDP2 Strategies

As mentioned above, NDP2 also adopted six strategies to achieve its objectives.

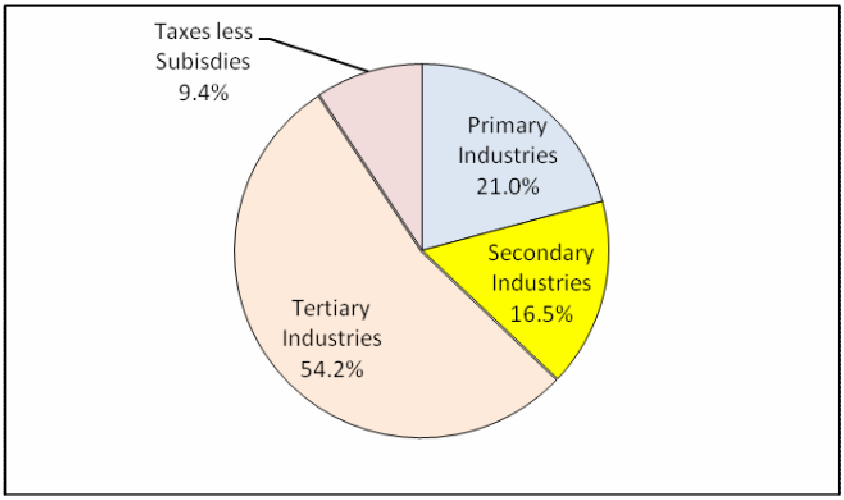
Strategy 1: Promoting and strengthening an enabling environment for economic growth and development

(i) Growth with Equity

The economic policies during NDP2 were to be aimed at promoting diversification of the economy. The mineral price fluctuations and adverse climate and weather conditions for agriculture and fisheries were to be compensated by promoting growth in other sub-sectors such as tourism while any shocks for the latter were to be guarded the by stability in the former, with growth of port and transport related activities and financial and business services.

GDP Growth and Sub-Sector Shares: The growth of overall GDP and that of the primary, secondary and tertiary industries has been discussed in the preceding paragraphs. The average shares of the industries in GDP during NDP2 period were: primary industries at 21.0 percent (20.0 percent in NDP1), secondary industries at 16.5 percent (15.1 in NDP1), tertiary industries at 54.2 percent (55.2 percent in NDP1), and taxes less subsidies at 9.4 percent (9.5 percent in NDP1). The total adds to more than 100.0 because the financial intermediation services measured indirectly are not excluded from the different industries. The industrial shares are illustrated in Chart 1.1. The industrial structure of the economy changed slightly during NDP2, with a modest gain in the share of Secondary industries. In addition, there have been modest shifts in the shares of the sub-sectors within the three broad industry classifications.

Chart 1.1: Industry Shares of GDP during NDP2 (2001-2006)



Source: CBS, National Accounts: 1996-2006

Data on the annual changes in production by sub-sectors and industries, NDP2 average targets and achievements, and the corresponding achievements in NDP1 are presented in Table 1.3. Within the primary industries, the agriculture and forestry sub-sector performed poorly at 2.2 percent per annum, well below the NDP2 target of 5.4 percent and the 4.2 percent achieved in NDP1.

The real output of subsistence agriculture in every year from 2001 to 2005 was below that in 2000, which was a drought year. It exceeded the 2000 level only in 2006. The output of fishing and fish processing on board showed a negative trend. The moderate growth in the primary industries was mainly due to the improved performance of the mining and quarrying sub-sector, which grew at an average rate of 9.3 percent per annum during NDP2 as compared to the target of 6.7 percent, and higher than the 2.5 percent per annum registered during NDP1. However, there were significant fluctuations in the output of all sub-sectors in the primary industries due to considerable variations in the weather affecting agriculture and climate affecting fishing. Also, the mining and quarrying sub-sector showed negative growth in every other year, in spite of the favourable prices for minerals and the appreciation of the Namibia Dollar.

Construction and the manufacture of other food products and beverages and other manufacturing were the main contributors to the relatively good performance of the secondary industries during NDP2; while meat processing and fish processing on shore showed negative trends in line with the relatively poor performance of agriculture and fishing (see Table 1.3).

The specific sub-sectors in the tertiary industries that seem to have had high growth during NDP2 included transport and communication (11.6 percent), financial intermediation (8.5 percent), wholesale and retail trade and repair of motor vehicles (6.5 percent); and real estate, renting and business activities (5.1 percent).

Table 1.3: Growth in Production by Sub-Sectors and Industries
(percent per annum)

Sub-Sector/Industry	NDP1 Average Actual	NDP2 Target	NDP2 Average Actual
Agriculture and forestry	4.2	5.4	2.2
Commercial	5.8	6.1	2.9
Subsistence	3.9	4.1	2.8
Fishing & fish processing on board	5.9	7.5	-0.5
Mining and quarrying	2.5	6.7	9.3
Diamond mining	2.3	3.8	11.5
Other mining and quarrying	3.6	12.1	3.5
Primary industries	**3.6**	**6.7**	**4.5**
Manufacturing	2.1	5.8	2.9
Meat processing	-2.7	6.1	-2.5
Fish processing on shore	5.0	11.4	-3.3
Manufacture of other food products and beverages	7.6	4.3	4.1
Other manufacturing	3.2	4.3	5.9
Electricity and water	3.5	4.3	0.9
Construction	-0.1	4.1	16.6
Secondary industries	**1.5**	**5.5**	**4.8**
Wholesale and retail trade, repairs	6.2	5.3	6.5
Financial intermediation	8.6	4.3	8.5
Real estate, and business services	1.7	4.3	5.1
Transport, and communication	4.6	5.8	11.6

Community, social and personal service activities	3.1	0.5	1.5
Producers of government services	3.1	2.4	2.6
Other producers	2.0	2.0	2.1
Tertiary industries	**3.8**	**4.0**	**5.4**
Less: Financial intermediation services indirectly measured	6.9		10.8
Taxes less subsidies on products	5.4	1.9	2.6
GDP at constant 1995 prices	**3.5**	**4.3**	**4.7**

Note: The growth rates presented are arithmetic averages of annual changes, and the weighted averages of growth rates of components of sub-sectors may not add up to sub-sector growth rates.
Source: CBS, National Accounts, 1996-2006.

Equity: In addition to accelerated growth, NDP2 visualised a reduction in inequalities in income distribution, with the Gini coefficient (a measure of inequality in income distribution) targeted to be reduced from 0.67 to less than 0.6 at the end of 2006. Data on income (expenditure) distribution is available from the Namibia Household Income and Expenditure Surveys (NHIES) conducted during 1993/94 and 2003/04. The results from the surveys show that the (expenditure) Gini coefficient had declined from about 0.701 in 1993/94 to about 0.604 in 2003/04.

The growth of private consumption during NDP2 decelerated to 2.6 percent per annum, which is much below the NDP2 target of 4.7 percent and the average rate of 5.4 percent per annum registered during NDP1, although the GDP growth exceeded the NDP2 target. During NDP1, economic growth was broad-based and the fruits shared more widely among the population including the subsistence farmers, which provided the momentum for the growth in private consumption. On the other hand, the benefits of economic growth in NDP2 were less widely shared, with the resulting slowdown in the growth of private consumption. Simultaneously, Government consumption, which disproportionately benefits the lower income groups, also slowed down (see also the next sub-section).

(ii) Savings, Expenditure and Investment

Savings: During NDP2, net savings as a proportion of GDP averaged 17.0 percent compared to the average 11.6 percent achieved in NDP1. The performance of both the Government and the private sector on savings improved, with private savings rising from an average of 13.2 percent of GDP to 16.9 percent of GDP, while Government savings increased from an average of -1.6 percent to 0.1 percent of GDP.

Expenditure: Gross Domestic Expenditure during NDP2 registered a moderate average growth rate of 4.1 percent per annum, below the average rate of 4.7 percent per annum registered during NDP1. It was driven mainly by gross fixed capital formation (GFCF) or investment, which grew rapidly averaging 11.9 percent per annum. However, the average masks wide fluctuations in the GFCF (see Table 1.4). Final consumption expenditure grew by an average rate of 2.2 percent per annum during NDP2, which is less than half the average rate of 4.6 percent registered during NDP1. Private consumption expanded at an average rate of 2.6 percent per annum, which is much below the NDP2 target of 4.8 percent and the average rate of 5.4 percent per annum registered during NDP1. Government consumption too grew at a slow pace averaging at 1.5 percent per annum, which was lower than the NDP2 target of 2.4 percent and the average rate of 2.9 percent per annum recorded during NDP1.

Table 1.4: Percentage Changes in Gross Domestic Expenditure, 2001-2006

Item	2001	2002	2003	2004	2005	2006	Average 2001-2006
Final Consumption Expenditure	3.26	3.45	-4.57	6.72	-1.45	5.68	2.18
Private Consumption	3.40	4.28	-6.67	9.64	-3.13	7.85	2.56
Government Consumption	2.97	1.69	0.03	0.76	2.25	1.11	1.47
Gross Fixed Capital Formation	27.11	11.91	24.16	-10.34	0.46	17.96	11.88
Gross Domestic Expenditure	7.91	3.30	3.59	1.83	0.00	7.86	4.08

Source: CBS, National Accounts, 1996-2006

Investment: As indicated in the preceding paragraph, investment as measured by GFCF grew rapidly averaging at 11.9 percent per annum. The data in Table 1.5 shows that investment by the private sector accounted for the lion's share (average of 72.4 percent of total) with the state-owned enterprises (SOEs) and the Government accounting for the rest in almost equal measure (average of 13.7 percent and 13.9 percent respectively). The mining and manufacturing sub-sectors absorbed the bulk of private investment. NDP2 targeted private investment to account for 90 percent of total investment by 2006, whereas the actual share was 85.9 percent in that year. Total investment as a proportion of GDP averaged 24.7 percent, with private investment at 17.7 percent, that by SOEs at 3.5 percent and by the Government at 3.4 percent. NDP2 targeted private investment to rise to 20.0 percent of GDP in 2006 and the actual achieved was 19.8 percent.

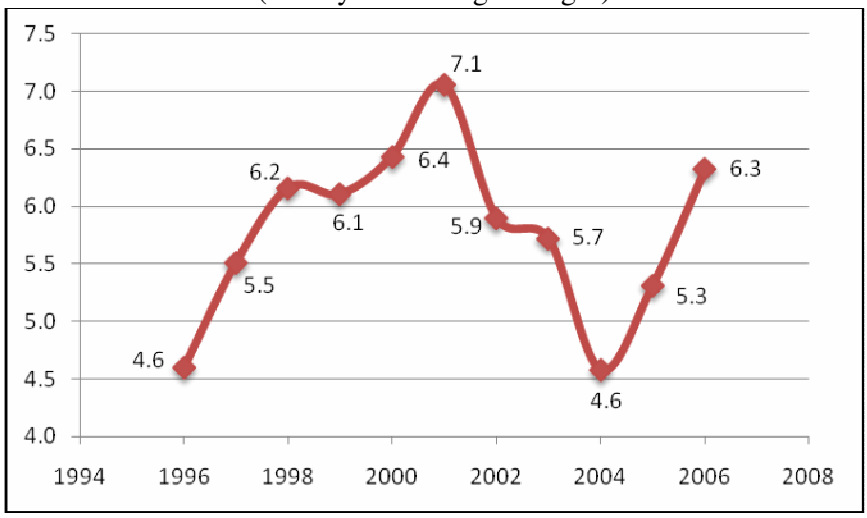
Table 1.5: Shares in Gross Fixed Capital Formation, 2001-2006

Year	GFCF (N$ million)				Shares in GFCF (%)		
	Private	SOEs	Govt	Total	Private	SOEs	Govt
2001	3,656	1,358	1,059	6,073	60.2	22.4	17.4
2002	4,912	1,010	1,042	6,964	70.5	14.5	15.0
2003	7,484	1,325	1,058	9,867	75.8	13.4	10.7
2004	6,692	1,333	1,165	9,190	72.8	14.5	12.7
2005	7,087	1,143	1,497	9,727	72.9	11.8	15.4
2006	9,312	1,250	1,673	12,235	76.1	10.2	13.7
Average	**6,524**	**1,236**	**1,249**	**9,009**	**72.4**	**13.7**	**13.9**

Source: CBS, National Accounts, 1996-2006.

Capital Efficiency: The capital efficiency in the economy is measured by using the incremental capital-output ratio or ICOR, which is the number of additional units of capital required to produce one additional unit of output. Using the data on gross fixed capital formation (GFCF) as incremental capital and assuming that investment in the current year would yield returns in the following year (i.e. with a one-year lag), the ICOR has been computed for the period 1994 to 2006. The averages for NDP1 and NDP2 were calculated based on a three-year moving (rolling) average of the ICORs to smooth out wide annual fluctuations. The results show that even the rolling three-year average of the ICOR fluctuated between 4.6 and 7.1, with the average remaining virtually stagnant at about 5.8 during the two plan periods (see Chart 1.2). Thus, capital efficiency in the Namibian economy did not improve and may have even declined marginally during the NDP2 period. This has serious implications for the ability of Namibia's economy to compete in both domestic and international markets.

Chart 1.2: Incremental Capital-Output Ratios, 1996 to 2006
(three-year moving averages)



(Estimates by NPCS utilising data from the National Accounts, 1993-2006)

(iii) Macroeconomic Policies

NDP2 visualised the achievement of macroeconomic stability through, among other things, sustaining low inflation and pursuing prudent fiscal policies while addressing foreign investment and the growing trade imbalance. The results show that inflation had reached a high of 11.4 percent in 2002, but was tamed to 2.3 percent by 2005. However, it rose to 5.1 percent in 2006.

Fiscal Policies: The Government was to play an important role in achieving greater productivity in agriculture through the provision of efficient extension services, infrastructure and access to credit and markets. The results have been disappointing in part due to adverse weather conditions. The Government budget was used to stimulate investment and create additional job opportunities, through such interventions as the Green Schemes. The results of the latter, especially on communal lands, have been mixed. The experience on job creation has been disappointing with a significant decline in employment in agriculture and in the rural areas.

In his State of the Nation Address in 2001, His Excellency Dr Sam Nujoma, the Founding President of the Republic of Namibia indicated that the budget process should move away from a focus on inputs towards allocations based on "value for money" and the results and benefits that would accrue to the citizens. Keeping this in mind, the Medium Term Expenditure Framework (MTEF) and the constituent three-year rolling budget were introduced in 2002. Subsequently, the MTEF approach was extended to individual ministries based on their Medium Term Plans (MTPs). Also, the Performance and Effectiveness Management Programme (PEMP) was introduced to assess the impact of specific public expenditures on the people's economic and social well-being. In addition, the move towards Programme Budgeting began linking specific public expenditures to concrete results.

For the first time in 2005/06, the Medium Term Plans included details of the finances of State-Owned Enterprises (SOEs) and off-Vote Funds that enabled the Government to take a holistic view of the public finances (see also the next sub-section on SOEs).

The measures on the revenue side included the introduction of the value added tax (VAT), forensic tax audits, and steps to improve the financial management of SOEs and the returns (Government revenues) on investment in the form of dividends and other earnings were to be maximised. In this context, the Ministry of Finance has developed a draft Dividend Policy Framework, which is to be refined in the medium-term.

The budget deficit rose from 2.8 percent of GDP in 2000/01 to 4.2 percent in 2001/02 and declined to 2.6 percent in 2002/03. However, in 2003/04, it shot up to 7.2 percent of GDP due to shortfalls in revenue collections. Thereafter, it reduced to 3.6 percent in 2004/05, 1.5 percent in 2005/06 and 0.2 percent in 2005/06. In 2006/07, a budget surplus of about 2.1 percent of GDP was achieved, which was due in part to the significant increase in SACU revenues.

As discussed above, the Government maintained sound fiscal policies and improved fiscal management through the adoption of an Integrated Financial Management System (IFMS). In addition, prudent borrowing and external assistance policies were adopted. These ensured the move towards macro-economic stability. However, the shortfall in revenue collections in 2002/03 forced the Government to resort to expanded domestic borrowing to finance the budget deficit (of 7.2 percent of GDP in that year) thereby raising the public debt to 33.8 percent of GDP in 2005, with the domestic debt accounting for 83.4 percent of the total. However, the debt stock was reduced to 28.8 percent of GDP by 2006 due to a significant reduction in the domestic debt stock. Further integration of external assistance into Government planning activities has been pursued, with borrowing undertaken largely for directly productive investments. This included foreign borrowing, which raised the foreign debt stock from 6.1 percent of GDP in 2005 to an estimated 7.2 percent in 2007. A Sovereign Debt Management Strategy was adopted in 2005 to manage the public debt.

Namibia was assigned a favourable sovereign credit rating during 2005, which was reconfirmed in 2006 by Fitch Ratings with a long-term foreign currency rating of BBB-, a long-term local currency rating of BBB and an overall rating of A-. The creditworthiness of Namibia was reaffirmed by the launch of the first international Namibia Dollar bond by the European Investment Bank in March 2006 and oversubscription in the syndicated loan contracted by the Bank of Namibia (BoN) in August 2006.

Namibia continued its membership of the Common Monetary Area (CMA) and the Southern African Customs Union (SACU). The steps already agreed with the CMA included the development of a tax system that is progressive, economically efficient and non-discriminatory, and provides a broad tax base. They included the introduction of VAT and the reduction of international trade tariffs. These steps were implemented during NDP2.

(iv) State-Owned Enterprises (SOEs)

Under NDP2, the Government was to promote efficiency in the public sector, which would require changes to the management structure and pricing policies of existing parastatals, which were heavily dependent on central Government funds. Therefore, improved public sector efficiency would require parastatals to become increasingly self-financing or commercialised, and more open to competition from the private sector or be privatised altogether.

As of April 2007, there were some 57 parastatals or state-owned enterprises (SOEs) in Namibia, with estimated total gross assets exceeding N$20 billion, liabilities above N$10 billion, and net assets of over N$9 billion. The SOEs employed about 10,000 people.[1] and are classified as follows:

[1] Simonis Storm Securities, "Namibian Parastatals Review," 26 April 2007.

(a) regulatory type; (b) potentially self-funding; and (c) partially or not self-funding.[2] The SOEs under each category are listed in Annex 1.

At present, the SOEs operate under the State-Owned Enterprises Governance Act (Act No.2 of 2006), which provides for efficient governance of the SOEs and the monitoring of their performance. Also, it incorporates provisions for restructuring of SOEs and enables the establishment of the State-Owned Enterprises Governance Council (SOEGC) chaired by the Prime Minister. The Act provides for the Council to establish generally accepted common principles of governance and good practice measures for the governance of SOEs. Also, the SOEGC is to develop common policies relating to human resources and asset performance of SOEs. Further, it is to evolve the criteria for the measurement and evaluation of the performance of SOEs as well as the means for monitoring their performance. While the Act provides the overall framework for the operation of the SOEs, the implementation of the provisions of the Act, including those on governance and management aspects, still need to be finalised by the SOEGC. Thus, until the Act is fully implemented, the line ministries will remain responsible for the SOEs.

It is difficult to assess the overall performance of the parastatals due to the wide mixture of the nature of enterprises (ranging from regulatory and educational institutions to commercial entities) and their economic and social objectives. Therefore, it is desirable to adopt different methodologies to assess the performance of different categories of SOEs. For example, the performance of the regulatory and educational institutions should be evaluated based on cost effectiveness and value for money in the provision of services while the commercial enterprises operating in a competitive environment should be assessed using the market principles including the return on capital. A cursory review of the performance of selected commercial enterprises presents a very mixed picture, with significant erosion of their assets over time, with some being bankrupt without continued Government funding.

The overall contributions of SOEs to State revenues fluctuated quite a bit during the NDP2 period. They ranged from N$79,678,000 in 2002/03 to N$78,745,000 in 2003/04, N$14,528 in 2004/05, N$44,650 in 2005/06 and to an estimated N$695,533,000 in 2006/07. The large jump in 2006/07 was due to a one-time event of sales of Mobile Telecommunications Corporation (MTC) shares that fetched N$648,000,000. At the same time, subsidies and capital and recapitalisation grants to parastatals fluctuated during NDP2. For example, in the 2007/08 budget, the Ministry of Finance provided a targeted subsidy of N$435,000 (about N$338,000 in 2006/07), and Government equity participations totalling N$1,232,150,000 (about N$312,500 in 2006/07). The Central Government guarantees of loans to parastatals fluctuated from 11.8 percent of GDP in 2001/02 to 9.8 percent in 2002/03, 9.9 percent in 2003/04, 6.5 percent in 2004/05, 8.9 percent in 2005/06, and an estimated 8.9 percent in 2006/07. There were a few defaults on payments of some guaranteed loans during the period. The resulting liabilities have a deleterious impact on the overall fiscal position of the Government.

(v) Trade Policies

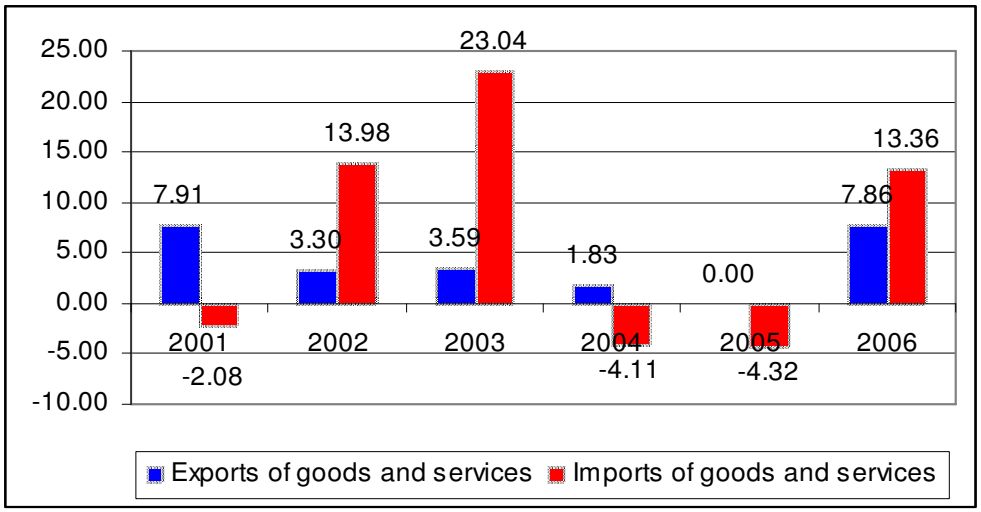
NDP2 visualised the country's trade policy would aim at encouraging diversification of trading links, penetrating new markets, consolidating and expanding market shares, and reducing the dependence on South African markets. The trade diversification links were used to establish joint

[2] Report on a Governance Policy Framework for State-Owned Enterprises in Namibia, submitted to the Cabinet on 25 October 2001.

ventures between Namibia and foreign companies and promote science and technology transfer. This sub-section discusses the performance of exports, imports and the trade balance during the NDP2 period and the success of the trade policy.

The growth of exports during NDP2 averaged 6.7 percent per annum slightly below the Plan target of 7.0 percent, but well above the average rate of 2.6 percent recorded during NDP1. The growth of imports averaged 5.7 percent per annum, exceeding the Plan target of 4.9 percent and higher than the average rate of 5.4 percent per annum recorded during NDP1. However, it is evident that the annual fluctuations in both exports and imports were quite significant as illustrated in Chart 1.3.

Chart 1.3: Growth Performance of Exports and Imports, 2001-2006 (percent)



Source, CBS, National Accounts, 1996-2006.

Exports of Goods and Services: The exports of goods and services during NDP2 expanded sharply with a substantial increase in primary goods exports, which grew on average at 6.6 percent per annum. However, primary goods exports declined during 2001 (–13.4 percent), 2003 (-5.2 percent) and 2006 (-2.1 percent). This was due to reductions in the export of fish and other fish products as well as ores and minerals (see Table 1.6).

Exports of manufactured products recorded an average growth rate of 4.5 percent per annum during NDP2, but with negative growth rates in 2005 and 2006. Within the category of manufactured exports, refined copper and zinc performed substantially better by recording average rates of 47.8 percent and 408.4 percent per annum respectively while the exports of other manufactured products grew at an average rate of 36.0 percent per annum.

Table 1.6: Annual Average Percentage Growth Rates of Exports of Goods and Services

Item	NDP2 Average	NDP1 Average
Primary Goods	**7.9**	**4.2**
Live animals, animal products & crops, etc	16.9	-5.0
Live animals	8.0	-4.8
Animal products	8.7	18.5
Crops, vegetables, fruits, forestry products	54.4	-5.4
Fish and other fish products	144.6	-8.1
Ores and minerals	6.7	6.6
Metal ores including uranium ore	3.3	5.6
Other minerals	-4.0	14.8
Diamonds	9.2	8.0
Electricity	4.9	301
Manufactured products	**4.5**	**0.9**
Meat, meat preparations; hides, skins	2.1	-1.5
Prepared and preserved fish	-4.4	1.8
Beverages, other food products	3.2	20.0
Copper	47.8	-28.6

Item	NDP2 Average	NDP1 Average
Zinc refined	408.4	7.3
Other manufactured products	36.0	10.9
Total exports of goods, fob	**6.3**	**2.3**
Services (excluding direct purchases by non-residents)	43.8	1.0
Direct purchases in Namibia by non-residents	4.3	2.6
Total exports of services	**9.0**	**8.2**
Total exports of goods and services	**6.6**	**2.1**

Source: CBS, National Accounts, 1996-2006.

During NDP2, the exports of goods and services rose to an average of 48.6 percent of GDP from 47.6 percent during NDP1. Also, the structure of the exports has changed significantly between NDP1 and NDP2 (see Table 1.7), with the reliance on primary goods declining (average of 43.1 percent of the total exports of goods and services in NDP2 against 46.9 percent in NDP1). Ores and minerals accounted for the lion's share of the primary goods exports (37.7 percent of total exports of goods and services) during NDP2 compared to 41.7 percent during NDP1. The exports of diamonds continued to play a major role in the exports accounting for 28.3 percent of the total during NDP2 versus 30.3 percent during NDP1.

The share of exports of manufactured products rose significantly to an average of 38.2 percent of the total during NDP2 compared to 33.3 percent during NDP1. The significant gainers in their shares included refined zinc, other manufactured products, and beverages and other food products with the rest losing ground. The share of goods in total exports rose to 83.6 percent (from 80.2 percent in NDP1) while that of services declined to 16.4 percent in NDP2 (from 19.8 percent in NDP1).

Table 1.7: Goods and Services Percentage Shares in Total Exports

Item	NDP2 Actual	NDP1 Actual
Live animals, animal products and crops, etc	4.9	5.0
Live animals	3.2	4.3
Animal products	0.3	0.3
Crops, vegetables, fruits, forestry products	1.5	0.3
Fish and other fishing products	0.5	0.2
Ores and minerals	37.7	41.7
Metal ores including uranium ore	8.8	10.4
Other minerals	0.6	0.4
Diamonds	28.3	30.3
Electricity	0.0	0.0
Meat, meat preparations	4.2	5.9
Prepared and preserved fish	19.2	20.1
Beverages, other food products	5.1	4.0
Copper	1.3	1.6
Zinc refined	3.7	1.2
Other manufactured products	4.8	1.6
Total exports of goods, fob	**83.6**	**80.2**
Services (excl. direct purchases by non-residents)	2.4	1.8
Direct purchases in Namibia by non-residents	14.0	17.9
Total exports of services	**16.4**	**19.8**
Total exports of goods and services	**100.0**	**100.0**

Item	NDP2 Actual	NDP1 Actual
Exports of goods and services as % of GDP	48.8	47.6

Note: Totals of individual items may not add to 100.0 due to some discrepancies in original data.
Source: CBS, National Accounts, 1996-2006.

NDP2 trade policy envisaged the diversification of trading links, penetrating new markets, consolidating and expanding market shares, and reducing the dependence on South African markets. The results show that there has been a significant gain in the share of exports to Angola (4.9 percent in 1998-2000 to an average of 10.9 percent in NDP2) and modest gains in the average shares of total exports to Germany, France, Italy and USA while those to Canada, Switzerland and Spain showed some declines. The average shares of total exports going to South Africa and the United Kingdom remained largely constant (each at about 25 percent of the total). Thus, some trade diversification has been achieved. Also, trade diversification links seem to have facilitated the establishment of joint ventures between Namibian and foreign companies and promoted science and technology transfer, including in such areas as fishing and telecommunications.

Imports of Goods and Services: During NDP2, the imports of goods and services expanded, with mainly capital goods imports driving the growth. The latter recorded an average growth rate of 9.0 percent per annum (see Table 1.8). The other products and unspecified items registered an average rate of 305.6 percent per annum; machinery and equipment increased by 14.2 percent, and office, accounting and computing machinery recorded an average rate of 10.5 percent. There was also a notable increase in transport equipment (9.2 percent) and electricity (13.2 percent per annum). The 9.5 percent average growth in refined petroleum products was the result of the 41.3 percent jump in 2006 brought about by the steep rise in oil prices. Also, the imports of chemical products, rubber and plastics products grew by 10.4 percent per annum.

Table 1.8: Annual Average Percentage Growth Rates of Imports of Goods and Services

Item	NDP2 Actual	NDP1 Actual
Primary Goods	**3.3**	**0.3**
Agriculture and forestry products	0.9	3.1
Fish and other fishing products	28.8	-20.2
Ores and minerals	34.2	6.9
Meat and meat products	2.0	12.2
Other food products	4.4	0.5
Beverages	31.8	-2.3
Tobacco products	25.3	-11.8
Textiles, clothing, leather products, footwear	8.9	6.1
Wood products, furniture, manufactured products not elsewhere counted (nec)	4.8	11.2
Paper products, printed matter, recorded media	-3.6	3.3
Office, accounting and computing machinery	10.5	20.0
Electrical machinery and apparatus	12.4	17.4
Radios, television, communication equipment	9.5	20.3
Medical, etc. instruments, watches, clocks	6.2	16.6
Transport equipment	9.2	12.9
Other products, unspecified items	305.6	-10.8
Electricity	13.2	15.6
Adjustment for re-exports	14.2	8.6

Total imports of goods at constant prices, fob	**7.0**	**6.0**
Services (excluding direct purchases abroad by residents)	0.9	3.0
Direct purchases abroad by residents	5.9	1.8
Total imports of services	**1.1**	**2.6**
Total imports of goods and services	**5.7**	**5.2**

Source: CBS, National Accounts, 1996-2006.

The structure of imports of goods and services has changed during NDP2. Primary goods continued to account for an average of 34.3 percent of total imports during NDP2 compared to 32.6 percent during NDP1 (see Table 1.9). Refined petroleum products and chemical products, rubber and plastic are dominant among others, each accounting on average for 11.2 and 11.0 percent of the total imports of goods and services. Capital goods accounted on average for 34.3 percent of total exports in NDP2 compared to the 32.6 percent achieved in NDP1. Transport equipment (at 13.2 percent) and machinery and equipment not elsewhere counted (at 8.8 percent) dominated in the capital goods category. In NDP2, total imports as a proportion of GDP declined to 52.3 percent compared to 56.4 percent in NDP1.

Table 1.9: Percentage Shares in Imports of Goods and Services

Item	NDP2 Actual	NDP1 Actual
Agriculture and forestry products	2.2	3.6
Fish and other fishing products	0.0	1.0
Ores and minerals	1.4	1.8
Meat and meat products	1.2	2.3
Other food products	6.4	7.7
Beverages	1.9	2.2
Tobacco products	0.5	1.2
Textiles, clothing, leather products, footwear	6.1	6.0
Wood products, furniture, manufactured products, nec	2.9	3.8
Paper prod, printed matter, recorded media	3.0	4.1
Refined petroleum products	11.2	6.6
Radio, television, communication equipment	2.4	3.1
Medical, etc. instruments, watches, clocks	1.3	1.9
Transport equipment	13.2	13.3
Other products; unspecified items	3.4	1.7
Electricity	0.8	1.7
Adjustment for re-exports	-2.5	-1.5
Total imports of goods at current prices, fob	**87.3**	**73.9**

Services (excl. direct purchases abroad)	8.7	16.3
Direct purchases abroad by residents	4.0	5.2
Total imports of services	**12.7**	**20.7**
Total imports of goods and services	**100.0**	**100.0**
Total imports of goods and services as % of GDP	52.3	56.4

Note: Totals of individual items may not add to 100.0 due to some discrepancies in original data.
Source: CBS, National Accounts, 1996-2006.

Available data on the sources of imports show that the average shares in total imports from China and Spain made modest gains, while those from the UK and the USA declined, with the average share of imports from Germany remaining constant. South Africa remained the main source of imports of Namibia accounting on average for about 83 percent of the total during NDP2.

Trade Balance: During NDP2, the goods and services trade deficit continued with significant fluctuations ranging from 6.4 percent in 2001 to 0.3 percent of GDP in 2006 (see Table 1.10). It averaged 3.6 percent of GDP during NDP2 well below the 6.6 percent of GDP recorded during NDP1.

Table 1.10: Trade Balance

Item	2001	2002	2003	2004	2005	2006	NDP2 Actual
Exports of goods and services (N$ million)	12,446	16,320	17,396	16,758	18,901	24,534	17,726
Imports of goods and services (N$ million)	14,226	16,966	18,617	18,991.6	20,261	24,676	18,956
Trade Balance of goods and services (N$ million)	-1,780	-646	-1,221	-2,234.1	-1,360	-142	-1,231
Trade Balance as a percentage of GDP	-6.4	-2.0	-3.6	-6.1	-3.4	-0.3	-3.6

(vi) Labour Policies

NDP2 saw the need for Namibian labour to become more productive through investing in skills development and training, and promoting the concept of a social tripartite relationship between labour, business and the Government in order to increase employment on a significant scale. In exchange for wage restraint, employers were to be encouraged to make commitments to improve productivity through worker training, arrangements to increase the participation of women and other marginalised groups in accordance with the Affirmative Action Act of 1997, and the participation of workers' organisations in areas of management. This tripartite relationship was to try to foster a common approach to ensure that wages do not rise faster than productivity, to make Namibia's labour costs increasingly competitive over time to support diversification, growth and employment creation in the economy.

The Namibia Occupational Wages Survey (NOWS) was canvassed in 2002 covering 3,982 establishments country-wide, with the majority (67.1 percent) in urban centres. Further, the law required agricultural employers to provide information about their farm employees or workers. In 2003, a total of 1,060 farm employers reported on the particulars of 8,982 farm workers, which

declined to 7,109 farm workers in 2004. Career guidance and counselling services were provided and registration and replacement of some 490 job seekers was facilitated.

Small and Micro Enterprises (informal sector): NDP2 recognised that formal sector employment would not be sufficient over the medium term to completely reduce unemployment, and visualised the expansion and building of institutional and infrastructure facilities to help create and strengthen entrepreneurial skills for different trades, with attention to policies to promote skills development. Common facility schemes were established, in cooperation with NGOs, for entrepreneurs to gain access to workshops, tools and business advice. Municipalities and Regional Councils were encouraged to establish permanent market places for informal sector traders. Credit to small and informal sector businesses continued to be made available through parastatals or NGOs. And small and medium-scale enterprises were encouraged because of their capacity for generating employment. During NDP2, the Government established about 23 SME modules, two industrial parks, three slaughter houses and five common facility centres, with an asset value of N$173 million. They have generated about 3,555 jobs.

As indicated earlier, NDP2 targeted employment to grow at 2.6 percent per annum. The results from the 2000 and 2004 Namibia Labour Force Surveys (NLFS) show that total employment in the formal sector (including agriculture) actually declined during the period. Unemployment using the strict definition rose from 20.2 percent in 2000 to 21.9 percent in 2004, while unemployment using the broad definition rose from 33.8 percent in 2000 to 36.7 percent in 2004. Unemployment among females continued to be significantly higher than among males. Youth unemployment remained to be one of the highest in Africa, with the rate among female youth higher than that among males. Also, unemployment in rural areas continued to be significantly higher than in urban areas with the gap between the two widening. What is alarming is that the labour force participation rate had declined between 2000 and 2004, with the decline much larger in the rural areas. Thus, NDP2 achieved job-less economic growth that exceeded the target. In fact, the total number employed in 2004 was lower than that at the beginning of NDP2.

Strategy 3: Promoting Sustainable Use of Natural Resources and Environmental Management

(i) Natural Resources Management

During NDP2, it was planned to put in place a policy and legislative framework for the sustainable and equitable use of natural resources and sound environmental management in order to strive for sustainable economic growth and development. Environmental and sustainability issues were taken into consideration at key planning levels including in policies, sub-sector development, regional planning, programmes and projects. Pricing of the competitive use of natural resources (such as water and energy) was, where economically feasible and socially acceptable, to aim to recover the full financial cost of supplying such resources, and to reflect their scarcity value so as to promote more efficient resource use. To that end, institutional arrangements were pursued to promote integrated and coordinated approaches to sustainable development. Environmental awareness through information, education and communication (IEC) was to remain a priority. Efforts to conserve and enhance the natural resource base were to continue through reserves for the protection of both flora and fauna, through increased community participation in the management of natural resources to help not only in maintaining the environmental assets but also raise the incomes of the rural population.

The increasing competition over the shared natural resources was recognised which arises from the scarcity of water (because all of the country's perennial rivers originate in neighbouring countries) and reduced water quality. Therefore, the need for sustained cooperation and coordination of water

use policies and their implementation was recognised. Also, a National Water Policy and Legislation was promulgated in 2004

Environmental Management: NDP2 saw the finalisation of a number of acts that were to contribute towards limiting and/or mitigating any adverse environmental impacts of development activities. The Environmental Management Act, the Integrated Pollution Control and Waste Management Act, the Environmental Investment Fund Act and the new Wildlife and National Parks Act were promulgated in 2005. Natural resource management policies have been harmonised. Also, the Forestry Act was promulgated in 2001. Environmental sustainability was promoted through improved land use planning. Thus, the policy and legislative framework to promote sound environmental management and the sustainable use of natural resources has been put in place and appropriate environmental information systems have been established.

NDP2 foresaw the initiation and/or implementation of several programmes of national coverage on such aspects as pollution control and management of waste, improving the urban environment and biodiversity protection. The efficient and effective collection, transport and disposal of domestic non-hazardous waste have been handled in several municipalities, with improved recycling with the involvement of a few private entrepreneurs. A basic hazardous waste management system has been put in place and standards on water pollution adopted. A National Biodiversity Strategy and Action Plan have been formulated and a biodiversity strategy implementing unit has been established and is now functioning.

The local management of resources involving the communities/user groups (community-based natural resources management or CBNRM) was promoted in a number of pilot areas. Two Agenda 21 projects are being implemented in Walvis Bay and Katima Mulilo. Some of the remaining challenges include the need for rehabilitation of mining sites and the long-term environmental monitoring in the country.

Strategy 3: Promoting Participatory Development and Equity

(i) Poverty

NDP2 targeted the reduction by 2006 of the proportion of poor households by 10 percent and extremely poor households by 5 percent. It emphasised the need to raise productivity in subsistence agriculture to raise incomes, reduce poverty and improve food security for the broad mass of the population. Data on changes in poverty incidence for the NDP2 period are not available. However, information on household expenditure is collected through the Namibia Household Income and Expenditure Surveys (NHIES) conducted in 1993/94 and 2003/04. The results show that the incidence of poverty (defined as those devoting 60 percent or more of their total expenditure to food) among households declined from 38 percent in 1993/94 to 28 percent in 2003/04, or by 26 percent during the decade and the incidence of extreme poverty (defined as those devoting 80 percent or more of their total expenditure to food) among households declined from 9 percent in 1993/94 to 4 percent in 2003/04 or by about 56 percent. These findings need to be interpreted with extreme caution as the results from the two surveys are not strictly comparable due to methodological problems.

Poverty is mainly a rural phenomenon in Namibia, where wages in cash and subsistence farming were the main sources of income (44 percent for wages in cash and 35 percent for subsistence farming in 1993/94 and 46.3 percent for wages in cash or salaries and wages and 28.9 percent for subsistence farming in 2003/04). Between 2000 and 2004, employment in the rural areas declined by 28.1 percent from 229,865 to 165,355 with that in agriculture declining by 18.8 percent from

126,459 to 102,636. The introduction and enforcement of a minimum wage in agriculture may have contributed to the decline in agricultural employment, especially on commercial farms.

Qualitative information on non-monetary dimensions of poverty and its causes was obtained from the Participatory Poverty Assessments (PPAs) conducted during 2003-2006. The PPAs elicited the perceptions of the poor and grassroots level communities of poverty and identified its main causes. The findings of the PPAs show that HIV/AIDS, unemployment, lack of or inadequate access to social services and their poor quality, lack of or inadequate assets such as livestock and land (including poor soils) and poor road infrastructure were the major problems experienced in the regions.

As stated earlier, NDP2 emphasised the need to raise productivity in subsistence agriculture to raise incomes, reduce poverty and improve food security for the broad mass of the population. Data on the performance of subsistence agriculture is available from the National Accounts, which show that the production in subsistence agriculture in every year from 2001 to 2005 was below that at the beginning of the Plan in 2000, which was a drought year. It rose only in 2006 to 6.7 percent above the 2000 level. Thus, the decline in employment in the rural areas together with the relatively poor performance of subsistence agriculture, combined with population growth, may have resulted in an overall increase in rural poverty. The lesson is that subsistence agriculture is not an appropriate means to reduce poverty in Namibia. In spite of the fact that real production in subsistence agriculture did not increase and may have declined between 1993/94 and 2003/04 and the proportion of households reporting subsistence agriculture as their main source of income declined from 35 percent in 1993/94 to 28.9 percent in 2003/04, the NHIES report a 26 percent decline in poverty and a 56 percent reduction in extreme poverty during the decade. Perhaps, moving the people out of subsistence agriculture is a more appropriate means for reducing poverty in the country.

As a middle income country, food security in Namibia is primarily at the household level. Household food security, in turn, depends on direct increases in production of food for self consumption and the availability of cash income to buy food. NDP2 intended to pursue an integrated approach to food security and nutrition, addressing the issues of health delivery systems, water and sanitation, family food practices, agricultural production, and income earning opportunities. Due to the relatively poor performance of the agriculture sub-sector and especially subsistence agriculture referred to in the preceding paragraph, a third of the population were identified to be in need of humanitarian food assistance in 2003 which was a drought year.

Information on the performance on other socio-economic indicators during NDP2 is provided in Table 1.11. The data show significant improvements in primary enrolment rate, gender parity in education at all levels, adult literacy, access to potable water, and HIV prevalence rate among pregnant women. At the same time, the data indicate considerable deterioration in malnutrition among children; infant, child and maternal mortality rates and life expectancy at birth; and unemployment in general and youth unemployment in particular.

Table 1.11: NDP2 Performance on Other Socio-Economic Indicators

Indicator	NDP1 Actual	NDP2	
		Target	Actual
Malnutrition among children under five (%)	24 (2003)		29

Indicator	NDP1 Actual	NDP2	
		Target	Actual
Primary enrolment rate (%)	78.1	93	92 (2005)
Secondary enrolment rate (%)			51.1
Female primary enrolment in total (%)			50%+
Female secondary enrolment in total (%)			50%+
Female tertiary enrolment in total (%)			50%+
Adult literacy rate (%)	81.9	85	83.9 (2005)
Female adult literacy rate (%)			82.4
Proportion of seats held by women in Parliament (%)	19 (2003)		27 (2004)
Infant mortality rate (per 1,000 live births)	38		46 (2006)
Under-five mortality (per 1,000 live births)	62		69 (2006)
Maternal mortality rate (per 100,000 live births)	271 (2000)		449
Life expectancy at birth (no. of years)			49
Access to potable water (% households covered) Rural Urban	80 (2002)	 80 95+	88.5 90.7 98.4
Access to adequate sanitation (% households covered) Rural Urban	30 (2002)		41.0 13.3 61.4
HIV prevalence rate (% of pregnant women)			19.9
Ages 15-19 years	12 (2000)		10.2
Ages 20-24 years	29 (2000)		16.4
Malaria case fatality rate (%)			2.2
TB cure rate (%)		85	75
Freehold land (% of total area)	6.1 (2003)		
ODA per capita (US$)	70		90 (2005)
Unemployment (broad definition) Total	33.8 (2000)		36.7 (2004)
Rural	35.9 (2000)		44.7 (2004)
Urban	31.3 (2000)		29.0 (2004)
Female	39.0 (2000)		43.4 (2004)
Male	28.3 (2000)		30.3 (2004)
Youth unemployment (%) 15-24 year olds	58 (2000)		61 (2004)

Sources: Government O/M/As; and 2004 Namibia MDG Report.

(ii) Gender Equality and Equity

Gender equality and equity remain among the top priority policies during NDP2 and beyond. The Government was to apply the principle of "gender mainstreaming" to all its work, seeking to ensure that women and men are provided with equal opportunities to develop and utilise their skills and talents and to participate in making decisions that affect their lives. The National Gender Plan of Action (1998-2003), entitled "Effective Partnership towards Gender Equality," aimed at speeding up the process of implementation. The Government has committed itself to and made strong efforts to promote gender equality and the empowerment of women. The Law Reform and Development Commission has been established and it aims is to review current and proposed legislation in line with constitutional provisions.

The Government has signed and ratified a number of international instruments that impact on the national process of developing legislation and policy formulation including the Convention on the Rights of the Child, the Convention on Elimination of all forms of Discrimination against Women (CEDAW), the Beijing Platform of Action, and the SADAC Declaration on Gender and Development.

Various key national frameworks have been put in place during NDP2 to ensure that the rights of women are protected enabling the country to comply with agreed international instruments. These include: the Communal Land Reform Act No.5 of 2002; Criminal Procedure Amendment Act No. 24 of 2003; the Combating of Domestic Violence Act No. 4 of 2003; the Optional Protocol to the Convention on the Elimination of Discrimination against Women (OPCEDAW) 2004; the Protocol to the African Charter on the Rights of Women in Africa in 2004: the Labour Act No. 15 of 2004; the Maintenance Act No. 9 of 2004; the National Disability Council Act No. 26 of 2006; and the National Policy on HIV/AIDS 2006.

The goal of reaching 30 percent of female representation in politics and decision-making positions was partially met and exceeded in some cases. For instance, women represent 45 percent of the members in local authorities and 27 percent in the Parliament. They constitute 33 percent of the employed in the public and private sectors with the percentage of women in wage employment at around 44 percent. Also the number of women employed in the public sector is slightly more than men, but they lag behind their male counterparts when it comes to employment in the private sector.

A multi-media campaign on Violence against Women and Children was established in 1996, which has been instrumental in spearheading the Domestic Violence Act of 2003 with other stakeholders and in advocating the combating of violence against women and children. Also, the Ministry of Education implemented the "My Future is My Choice" life skills education programme which is aimed at creating awareness for in and out of school youth on issues related to HIV/AIDS. During NDP2, numerous HIV/AIDS materials in print, audio and visual media have been produced and disseminated to create and enhance public awareness.

(iii) Housing

The housing sub-sector's primary development goal in NDP2 was to enable 70 percent of households to have access to adequate shelter by 2010. The Government recognised that shelter is a fundamental right and that every citizen should be assisted in one way or another to meet this need. The provision of housing will remain people centred and fully participatory. The Government's efforts to provide shelter were to focus on rural as well as urban areas, with the rural communities to be assisted to use cheap and appropriate building materials.

NDP2 achievements included the facilitation of access to adequate shelter for 62 percent of the low-income population by 2006 and assistance by the National Housing Enterprise either in terms of construction or financing of 2,622 houses (target of 7,937 houses) and 2,412 plots (target of 3,371 plots) for the middle to high income groups. Also, more than 40 organised housing groups were created and 7,335 houses have been constructed (target of 9,590 houses). In addition, assistance was provided to shack dwellers to improve their housing conditions.

The National Habitat Committee has been fully represented by stakeholders, addressing the habitat related issues in all 13 Regions by 2002. Cooperative agreements (partnerships) have been entered into with the Association for Local Authorities in Namibia (ALAN) and the Association of Regional Councils (ARC), facilitating affiliations so that other regional, continental and international organisations benefit from the development of the housing sub-sector. A housing research and development centre was inaugurated in 2004, and research on appropriate local building materials was begun with 50 easy builder moulds produced. The land management and land registration systems are being simplified to facilitate easy registration and transfer of housing properties, with finalisation of the flexible Land Tenure Bill under way.

(iv) Land Reform

Land is an important resource in agriculture production. It has a mixture of political, social, economic and environmental objectives, all of which are important for development. In NDP2, the Government was to strengthen and enforce the policy of land reform and facilitate the access to credit for many disadvantaged groups. It was to implement the Land Tax on agricultural land in line with the Agriculture (Commercial) Land Reform Act of 1995. It was to continue the implementation of land reform policies and legislation so as to provide land to poor landless families without jeopardising productivity.

A larger amount of financial resources was allocated to the land reform programme, which facilitated the establishment of 12 Regional Land Boards and resettlement of 295 destitute and landless families. Further, the Government established a Land Acquisition and Development Fund in 2004 and acquired an additional 828,265 hectares from 113 commercial farmers. The development of communal areas into small-scale commercial farms was promoted and 563 farms were surveyed. Integrated land use plans were developed in eight regions. Implementation of the Communal Land Reform Act is progressing.

(v) Equity in Government Services

To redress previous inequalities, NDP2 recognised the need to reallocate resources to formerly disadvantaged groups and areas, and reorient public services (including basic physical infrastructure, education, health, and extension services) to meet the needs of the majority. Provision of physical infrastructure, such as roads, communications, power and water supplies, in previously neglected areas was a major consideration during NDP2. Substantial achievements were made in these areas.

Strategy 4: Developing Human Resources

(i) Population

During NDP2, Namibia's population strategy was to complement direct investment in human resources development. The country's population policy encouraged better spacing of children and healthier and more affordable family sizes which can be supported by the economy. Thus, the Plan emphasised maintaining population growth rate through education, health and family planning through the implementation of the National Population Policy for Sustainable Human Development.

The Plan sought to achieve a reduction in the growth rate of the population by promoting voluntary family planning methods to reduce the level of fertility. The average annual population growth rate for the period 1991-2001 was 2.6 percent, below the anticipated 3 percent target that was set for 2006. This reduction in the growth rate of the population was in part due to the concerted efforts including the implementation of the Reproductive Health Policy by the Government in collaboration with the private sector, non-governmental organisations and international development partners. The delivery of reproductive services to the communities has not only resulted in a reduction in population growth but has also led to improved general health and sexual and reproductive health.

Also, the HIV/AIDS pandemic had a significant impact on population growth and life expectancy in Namibia. A considerable amount of work has been done in the country to disseminate information and create awareness on population and development, reproductive health, gender and especially HIV/AIDS issues, to achieve general access to the necessary information and education that will enable couples to make rational choices regarding family formation (including marriage, the number of children and the timing of births) and create awareness within the general public about population and development issues. Information, Education and Communication (IEC) strategies and materials (audio, visual, audio-visual and print) have been developed. However, they have not yet translated into behavioural change as they at times ignore the underlying social and cultural variables that drive behaviour (see UNAM Socio-Cultural Research Findings). Advocacy programmes and campaigns were implemented on various national policies to raise awareness among the communities on population and development issues.

(ii) Education and Training

The Government was to continue to ensure that educational expenditure per learner across all the Regions was equalised so as to ensure universal access to learning and an 80 percent completion rate of primary education. Also, the Government was to continue to reallocate educational personnel to all the regions, construct school buildings and maintain all programmes throughout the country. Human resources are increasingly the key input for development. A healthier and better-educated population will be more productive and better able to earn higher incomes. With this view in mind, NDP2 was to put emphasis on high expenditure on education and health and meet people's basic needs. Thus, the high levels of expenditure on education were maintained in an effort to increase the effectiveness of the education system and reduce the failure rate. Also, the Government was to recognise the gender roles in policy and planning and encourage women with higher levels of education to use their free time in productive activities.

The education sub-sector targets for NDP2 and the achievements are summarised in Tables 1.11 and 1.12.

Table 1.12: Education Sub-Sector Targets and Achievements in NDP2

No.	Item	Baseline 2000	NDP2	
			Target 2006	Achievement 2005
1	Primary school average survival rate (%)	82.0	70	77
2	Transition rate from Primary to Secondary (%)	98.2	75	78.1
3	Adult literacy rate (%)	81.9	84	83.9
4	Subject entries of full time JSC candidates graded (%)	88.9	92	92.2
5	Schools offering complete phase (%)	70.0	95	82.0
6	Increase the number of schools with functioning libraries	412	450	386
7	Increase the number of schools with functioning computer rooms	N/A	400	400
8	Secondary schools offering arts subjects in each region	N/A	1	N/A
9	National arts school established	N/A	1 by 2004	N/A
10	Permanent classrooms at primary and combined schools completed (number)	13,241	2,000	2,407
11	Flush toilets or pit latrines constructed in schools currently lacking the facility (number)	13,702	500	3,128
12	Laboratories constructed at schools with secondary grades (number)	385	145	67
13	Libraries constructed at schools with secondary grades	412	25	200
14	Administration blocks constructed at schools with an enrolment of at least 250 (number)	703	250	99
15	Teacher accommodation units constructed at rural schools with senior primary or secondary grades (number)	408	200	480
16	Special education facilities provide at existing or new schools (number)	6	5	8
17	New secondary schools constructed (number)	139	7	10
18	Schools provided with electricity (number)	652	300	825

N/A – Not available
Source: Ministry of Education

In addition, the education sub-sector addressed inequalities in access to and availability/distribution of resources by targeting the rural communities in particular by following a pro-poor approach. The establishment of Community Learning and Development Centres (CLDCs) has brought technology, information and reference materials (books) and other related information closer to communities. A number of programmes on skills transfer, ownership and community development through capacity development were implemented by NGOs working in partnership with the MoE. Also, HIV/AIDS has been recognised as a cross-cutting issue in curriculum development, syllabus design, material development, knowledge and information delivery and teachers support. Decentralisation has further provided the necessary impetus for speeding up effective and efficient service delivery as well as ownership at the regional level. By 2003, six more Regional Educational Directors were appointed to ensure that every region had a Regional Education Director responsible for

administering, managing and supervising the educational programmes and activities. The educational activities have been decentralised to the school level with more powers delegated to the communities through school boards as provided for in the Education Act (Act No.16 of 2001).

Further capital development and construction were realised at the Polytechnic of Namibia (PoN), putting in place state-of-the-art facilities. Enrolment at PoN has grown from 3,000 in 2001 to 7,000 in 2006, while the number of programmes offered increased from 20 in 2001 to 70 in 2006. Enrolment at the University of Namibia (UNAM) has grown to 10,000 in 2006. Over 600 young Namibians were trained as qualified mathematics and science teachers through bilateral agreement with Zimbabwe at the Teachers Training College in Zimbabwe. About 41 new community libraries were established in formerly disadvantaged communities bringing the total to 58.

During NDP2, a thorough review of the performance of the education sub-sector was undertaken, which showed the need for major efforts to revitalise the sub-sector. Accordingly, a 15-year Education and Training Sector Improvement Programme (ETSIP) was formulated drawing upon the findings of the review. Implementation of the first five-year phase of the Programme commenced in 2007/08.

While significant progress has been made in the sub-sector during NDP2, the major challenges remaining include: (i) too many learners are failing to gain basic skills of functional literacy and numeracy; (ii) progress towards equity has not been rapid enough; and (iii) serious deficiencies remain with regard to management and efficiency.

(iii) Health

During NDP2, the Government was to continue to allocate resources to primary health care through the provision of accessible clinics with proper transport services, and to rationalise the need for secondary and tertiary hospitals. It was to promote a reduction in the inequalities in per capita primary health care spending among the Regions.

According to the Regional Network for Equity in Health in Eastern and Southern Africa (EQUINET) database maintained by the Ministry of Health and Social Services (MoHSS), there were 30 public district hospitals in Namibia in 2006, providing preventive and promotive services, and primary and secondary curative health care in the form of medical and nursing care. They also provide technical and referral support to 37 health centres and 259 clinics. Also, there were 1,150 outreach services/mobile clinics to communities lacking access to permanent health facilities. In addition, there were nine private hospitals and numerous clinics, mainly catering to the urban population.

The Namibia Demographic and Health Survey (NDHS) of 2000 reported that about 70 percent of households live within 20km of a government health facility implying that about 1.2 million (67 percent) Namibians live within 20km of a public health facility. However, according to the preliminary results of NDHS 2006, this proportion had increased to about 97 percent, with 21.1 percent of households living close to hospitals, 7.3 percent close to health centres and 68.3 percent close to clinics.[3] NDP2 targets and achievements in the health sub-sector are summarised in Tables 1.11 and 1.13.

[3] Closeness in terms of distance means less than 5 km, while in terms of time it means less than 15 minutes

Table 1.13: NDP2 Targets and Achievements for the Health Sub-Sector

No.	Indicator	Target for NDP2	Progress/ Achievements
1	Health Facilities with trained health workers in Integrated management of childhood illnesses	60%	35%
2	% of children less than 1 year of age fully vaccinated	80%	64.8%
	% of women that received a TT vaccination during pregnancy	80%	46.1%
4	% of children receiving OPV3	90%	77.0%
5	Detection rate of Tuberculosis	Increase by 25% per year	88% in 2006 (WHO report)
6	Cure rate of Tuberculosis	85%	75% in 2006
7	Health facilities with DOTS	100%	100%
8	Insecticide treated nets or ITN coverage of Households in affected areas against Malaria	60%	67% amongst pregnant mothers and children under five. ITN per Household in all areas - 7.9% (2006 DHS prelim)
9	Reduce Malaria case fatality rate by	25%	31%
10	Reduce Malaria morbidity by	20%	44.6%
11	Increase coverage of premises sprayed by	90%	86%
12	Reduce HIV prevalence rate among the 15-25 age groups by 2006	25%	18%
13	Increase access to affordable quality condoms by 2006	100% (i.e. 28 mil condoms)	27.8 million
14	Increase access to Femidom condoms from	3,000 to 1 million in 2006	583,775
15	% of employers implementing national code on HIV/AIDS	90% by 2006	Target not met; there are over 28,000 registered employers in the Namibia, of which only 62 (who are mainly large corporations) have HIV/AIDS workplace programmes, by the end of December 2007.
16	Increase % of rural households with adequate sanitation to	50%	14%(DHS 2006 Prelim) Urban 58%
	Increase % of Schools with adequate sanitation to	100%	N/A
17	Regions equipped with eye care units	13	9
	% of health facilities with worker trained in mental health	80%	10%
	Facilities fully equipped with permanent laboratories	3	2
18	% equipment stock maintained	6%	55%
	% equipment stock replaced	10%	45%
19	Functional quality of nursing services improvement programme established in	60% by 2006	84% of nursing assistants were upgraded to Enrolled nurses

No.	Indicator	Target for NDP2	Progress/ Achievements
20	Regions to which personnel information system decentralized	13	Currently only at National level, whilst installing the LAN to the region (25%)
21	computerized HIS decentralized to regions and districts	100%	100%
22	Regional management team (RMT) and districts with at least 3 staff trained in research.	100%	Ministry staff trained in research methodology
23	Enrolled nurses (upgrading from Nursing assistants) trained	900	936
	Certificate training for managers	300	264
	Train various sub professional cadres (Pharmacist assistants, environmental assistants, medical laboratory technicians)	100	140
24	Clinics renovated	80	6
	Health centres renovated	15	6
	District hospitals upgraded and renovated	15	16
	Referral hospitals renovated and upgraded	4	4 (1 national)
	Regional training centres renovated and extended and one national training centre by 2006	3	0
	National training centre renovated and extended	1	0
	Regional offices renovated and extended	10	3 new, 4 renovated
25	New clinics constructed nationwide with focus on Khomas, Oshana, Ohangwena, Karas, Hardap, and Omaheke regions	15	37

N/A – Not available
Source: Ministry of Health and Social Services.

It was recognised that the impact of HIV/AIDS is being felt most severely within the working population (age group 15-49), with the potential to wipe out all the gains made so far by the country in developing its human capital. Therefore, the Government recognised an urgent need to embark upon a series of activities to prevent and control the spread of HIV/AIDS. The programme aimed to strengthen and decentralise the national HIV/AIDS control activities to the regional, local and community levels, promote HIV/AIDS awareness campaigns through information, education and communication, and provide training programmes for educators, counsellors and communities.

The results from the biennial Sentinel Surveys show that the incidence of HIV/AIDS rose from 19.3 percent in 2000 to 22.0 percent in 2002, and stabilised thereafter at 19.7 percent in 2004 and 19.6 percent in 2006.[4]

[4] The data should be interpreted with caution because of changes in the coverage including the number of people tested. It is noted that the results from Sentinel Surveys may under-estimate the HIV/AIDS prevalence rates.

Strategy 5: Promoting Good Governance

Good governance, which is a key ingredient of democracy, is one of the strategies for sustainable human development. Therefore, NDP2 aimed at improving and strengthening civil society organisations; underpinning the State ruled by law; strengthening dialogue on economic management; upholding the transparency of the electoral process; and the building of a culture of peace and democracy. Increased links between the legislative branch, NGOs and private sector organisations were to contribute significantly towards the improvement of services and establishment of democratic transparency. The Government of the Republic of Namibia-Civic Organisations Partnership Policy was adopted in December 2005 to: (i) create a greater commitment for civic participation through the promotion and encouragement of active citizenship; (ii) enhance the environment for civic participation and partnership; (iii) bring the Government closer to the people and create partnership opportunities; and (iv) enhance the capacity of partners (i.e. the Government and civic organisations) to enter into partnerships and jointly respond to development challenges and opportunities in an efficient, effective and sustainable fashion.

(i) Making Government Efficient and Responsive

During the first ten years of Independence, there were great strides in creating a more appropriate institutional framework for Government, redefining Government priorities and in addressing inherited inefficiencies. During NDP2, the Government strived to ensure that the public sector became more efficient and responsive to the needs of the people.

Links between the legislative branch, NGOs and private sector organisations were improved. The Government is committed to promoting a multiparty representative democracy, which entails more than just periodically electing representatives to Parliament.

Many sub-sector institutions including line ministries have embarked on community participation in their policies and strategies through planning, management and implementation of those activities. Examples include activities such as the Parliamentary Outreach and Participatory Poverty Assessments, as well as others in health, education, natural resources management and water provision. However, this approach is relatively new in Namibia, and line ministries and civil society will need to develop the necessary skills for developing community capacity to identify and implement programmes and projects.

(ii) Central Government Restructuring

A need for public sector reform has been recognised and different proposals and plans were made and examined with respect to the reform. Under NDP2, the policies of public sector reform that aim to enhance efficiency and performance based remuneration have been vigorously pursued.

Efforts towards improving Government performance are ongoing and involve enhancing appropriate occupational classifications in the public service; improving the placement of civil servants; modifying procedures for recruitment; reintroducing performance appraisal; institutional performance; and implementing appropriate staff development programmes for professionals including the initiation of the establishment of the Namibia Institute of Public Administration and Management (NIPAM).

Launch of the Public Service Management System and the constituent Performance Management System are other important achievements during NDP2.

(iii) Decentralisation and Regional Development

It was planned to direct most of the Government's resources towards the Regions through the process of decentralisation, ensuring a balanced geographical distribution of facilities in the regions, while ensuring equal access to basic public services in all Regions, and removing the implicit and explicit subsidies given to the relatively developed regions. However, it was recognised that the commitment has to be balanced with the necessary structural changes in the economy that would imply the concentration of development in rural areas in accordance with the availability of resources.

The first Decentralisation Implementation Plan (DIP) was developed and endorsed by the Cabinet in 2001 and was updated in 2004. The task force report on legislation harmonisation focusing on the necessary amendments to the Regional Councils Act and the Local Authorities Act to accommodate decentralisation was finalised in 2005, and the amendments are to be facilitated during the NDP3 period.

Strategy 6: Strengthening Namibia's International Role

NDP2 recognised that Namibia's economy largely depends on trade and the country benefits greatly from foreign assistance. Therefore, it was felt important for Namibia to seek to influence international events where it can and gain maximum benefits from international economic linkages.

(i) Economic Diplomacy

Namibian missions abroad, together with domestic planning and investment promotion facilities, were to continue to form part of a network designed to effectively promote investment, tourism and development assistance to Namibia. The country was to influence and effectively exercise close links with the international community and a part of the development strategy is the establishment and maintenance of beneficial international diplomatic and economic relations. The Government was to work to promote joint ventures as a way of accelerating technology and skills transfer. Foreign investors were given access to special incentive schemes. The establishment of links with international financial institutions was beneficial to Namibia.

(ii) Foreign Direct Investment

Foreign direct investment (FDI) has played a significant part of Gross Fixed Capital Formation (GFCF)/investment in Namibia during NDP2. Data on the FDI inflows from 2001 to 2006 are presented in Table 1.14. There have been significant annual fluctuations in the FDI flows with the annual average at US$266 million equivalent to about N$1.862 billion (using an exchange rate of N$7.00 per US$). On average, the FDI inflows accounted for about 24 percent of the investment (GFCF) in the country.

Table 1.14: FDI Inflows during 2001-2006

Year	FDI Inflows (US$ million)
2001	365
2002	181
2003	149
2004	226
2005	348
2006	327
Annual Average	**266**

Source: UNCTAD, World Investment Reports.

(iii) Regional Integration

During NDP2, Namibia remained committed to the regional economic integration of all African countries, and of Southern Africa in particular. The country's membership of the Southern African Customs Union (SACU) and the Southern African Development Community (SADC) continued. The country is also participating in the Cross-Border Initiative (CBI) and the Common Monetary Area (CMA) and implementing its development strategy within the frameworks of these bodies.

(iv) Global Integration

NDP2 recognised that regional integration cannot replace global integration, due to the limited benefits of low income, a narrow product range, and limited complementarity of the Southern African economies. Accordingly, Namibia continued to follow an open, outward-oriented development path supporting the drive for further trade liberalisation in order to get better access to global markets. The new opportunities included such initiatives as the AGOA, which Namibia has begun to take advantage of.

1.3. Challenges and Lessons Learned

Despite the successes recorded during NDP2, there were a number of constraints elaborated below that serve as lessons for the NDP3 planning period. These are elaborated in the following:

(i) Employment and Unemployment

While overall economic growth accelerated during NDP2 compared to during NDP1, the total number of people employed declined and the unemployment rate (under both the strict and broad definitions) rose. Also, the overall unemployment rate (36.7 percent) is high and the rural-urban disparities are large (44.7 percent in rural versus 29 percent in urban areas). This is a cause for concern not only from an economic perspective but also from social and political considerations. Therefore, the need for an expansion of remunerative employment in both the rural and urban areas is an important lesson.

(ii) Poverty Incidence

Although the overall poverty incidence is on the decline, the rural–urban differences are large and persistent. Also, the poverty incidence (proportion of households spending 60 percent or more of their total expenditure on food) in the rural areas of more than 42 percent is high. It is necessary to address rural poverty in a more systematic manner.

(iii) HIV/AIDS

The impact of HIV/AIDS is not only devastating on the individuals and families (affected groups) but also on the economy. The rate of incidence of HIV/AIDS declined from 22.0 percent in 2002 to 19.7 percent in 2004, but inched up to 19.9 percent in 2006. The momentum of the declining trend in the prevalence rate of HIV/AIDS needs to be maintained and accelerated.

(iv) Rural-Urban Disparities

Although overall economic growth has accelerated to an average of 4.7 percent per annum during NDP2, the performance of the primary industries has been below the NDP2 target, with the agriculture sub-sector lagging. However, a sizeable proportion of the country's population relies on agriculture and in particular on subsistence agriculture, which virtually stagnated between 2001 and 2005. The unemployment and poverty incidence rates in the rural areas are higher than those in the urban centres. Also, there are significant rural-urban disparities in access to public services. Improving productivity in agriculture; accelerating the growth of the agriculture sub-sector through among others diversification, and non-farm rural employment; as well as expanding the access to quality public services through integrated rural development will be important means of enhancing economic growth and reducing rural-urban disparities.

(v) Inadequate Coordination

There is a need for stronger coordination of programme implementation at all levels. The review of the implementation of NDP2 indicated that there was poor coordination between the line ministries and the Regional Councils. For successful integration of NDP3, there is a need for greater integration of the efforts, services and activities across the O/M/As, Regional Councils and Local Authorities and between them and non-government stakeholders including Namibia's international development partners which would prevent duplication and wastage and overstretching of existing staff capacities.

(vi) Limited Capacity

Many of the NDP2 final review submissions by the O/M/As and Regional Councils referred to the relatively weak institutional framework and the generally low human resource capacity of Government. This manifests itself in terms of too few qualified staff to spearhead successful implementation to produce high quality results. The implementation of most capital projects has been lagging behind in terms of quality and quantity due to the limited number of engineers in the country as well as the absence of planning and monitoring units in the O/M/As and Regional Councils

Furthermore, the major contributing factors to staff shortages are the loss of trained personnel through high staff turnover and the impact of HIV/AIDS. The overall problem is exacerbated by poorly integrated programmes which strained existing staff capacities. Formulation and implementation of a comprehensive human resources development plan is a priority. The efforts to prevent and mitigate the effects of HIV/AIDS also need be scaled-up. The Government needs to adopt a system that allows the planning and monitoring of programmes through an integrated approach.

(vii) Weak National Monitoring and Evaluation System

The NDP2 review identified the urgent need for the national monitoring and evaluation system to be integrated and improved in order to provide up-to-date and complete information for planning and decision-making on the efficiency and effectiveness of implementation of the national, sub-sectoral and regional programmes. Also, a national data repository needs to be established linking the national, sub-sectoral and regional data sources. This calls for the structural adjustment of the NPCS, the O/M/As and the Regional Councils to include monitoring, reporting and evaluation units as well as planning units where they do not exist. The NPCS needs to establish a repository of performance data on development programmes and activities and systematically monitor, report and evaluate the results.

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PART II:
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Chapter 2: NDP3 DEVELOPMENT FRAMEWORK AND TARGETS

2.1. NDP3 Planning Approach

Namibia's Vision 2030 published in 2004 sees the National Development Plans (NDPs) as the main instruments to implement the policies and programmes to achieve the Vision. The Third National Development Plan (NDP3) is the first systematic attempt to translate the Vision 2030 objectives into concrete policies and actions. Thus, NDP3 is to be seen as the first medium-term strategic implementing tool towards the systematic achievement of the Vision.

Planning for development enables the State to define the national goals based on the needs and priorities of the people, formulate policies, determine resources available and draw up expenditure plans to achieve the goals.

Successful planning leads to effective policies linked to cost effective and sustainable expenditure programmes, supported by broad consensus on priorities and discipline in abiding by them.[5] An effective planning should help to make the best use of scarce financial, human and physical resources through:

- Prioritisation of programmes and expenditures to ensure that strategic needs are met;
- Ensuring that expenditure is directly related to policies;
- Coordinating recurrent and capital expenditures;
- Coordinating the allocation of financial and human resources;
- Eliminating inefficiency and duplication;
- Looking ahead and avoid last minute crisis management;
- Continual monitoring and evaluation of the relevance of existing policies and expenditures;
- Ensuring that natural resources are used in a sustainable way; ;
- Maximising the effectiveness of Government, civil society and private sector participation in the economy; and
- Developing the capacity of all stakeholders.

NDP3 takes into account the above principles.

NDP3 formulation adopted an Integrated Results Based Management (IRBM) Approach to help:

- Improve the strategic planning, coordination, and implementation of NDP3;
- Improve the results from the use of scarce resources through the budgetary process;
- Improve the human resource capacity and performance for successful service delivery and development management; and
- Improve the monitoring, reporting and evaluation system to provide timely, accurate, and reliable performance information to support and improve the programme and policy decision-making.

Details of the NDP3 Planning Approach, including the cascading of the Vision 2030 objectives into Key Result Areas (KRAs) and the grouping of the 21 NDP3 Goals under the KRAs and Sub-KRAs are provided in Annex 2.

2.2. Development Directions for NDP3

[5] Extracted from the NDP2 Document, p. 173.

The development directions for NDP3 including the 21 NDP3 Goals are derived from the country's long-term aspirations under Vision 2030, the 2004 Election Manifesto of the SWAPO Party, the guidance from the November 2005 Special Cabinet Retreat, the Millennium Declaration and the constituent Millennium Development Goals (MDGs), and the lessons learned in implementing NDP2. Based on these directions, the main theme of NDP3 is "*Accelerated Economic Growth and Deepening Rural Development.*"

2.3. Development Context for NDP3

2.3.1. International Context

Economic Growth: During 2006, the global economy expanded at 5.4 percent exceeding expectations in spite of the threats to oil production in Nigeria and the geopolitical crises in the Middle East (see Table 2.1.). Global growth is expected to moderate to about 5.2 percent per annum in 2007 and 4.8 percent in 2008, slightly lower than that in 2006 with growth in the advanced economies moderating from 2.9 percent in 2006 to 2.5 percent in 2007 and 2.2 percent in 2008. Growth in the USA is likely to come down to 1.9 percent in 2007 from 2.9 percent in 2006, and stay at the same level of 1.9 percent by 2008. The slowdown is attributed in part to the decline in the housing sub-sector. Also, growth is projected to ease in the Euro Area from 2.8 percent in 2006 to 2.5 percent in 2007 and slow down further to 2.1 percent in 2008 due to more restrictive monetary policy while the economic expansion in Japan is also projected to slow down marginally from 2.2 percent to 2.0 percent in 2007 and further moderate to 1.7 percent in 2008.

Emerging markets and developing countries are projected to maintain their strong growth at the same level in 2007 of 8.1 percent but slow down to 7.4 percent in 2008. These markets and countries will continue to draw support from the global financial conditions and the commodity prices that continue to be high in spite of the recent declines. China's growth is projected to remain high in 2007 (11.5 percent) and 2008 (10.0 percent), although below the pace in 2006 (11.1 percent) while the rapid growth of India's economy should continue, albeit at a slower pace, declining from 9.7 percent in 2006 to 8.9 percent in 2007 and 8.4 percent in 2008.

Table 2.1: Global GDP Growth Rates, 2006-2008

Region/Country	**GDP Growth Rates (%)**		
	2006	**2007**	**2008**
World	**5.4**	**5.2**	**4.8**
Advanced Economies	**2.9**	**2.5**	**2.2**
USA	2.9	1.9	1.9
Euro Area	2.8	2.5	2.1
Japan	2.2	2.0	1.1
Other Advanced Economies	**4.4**	**4.3**	**3.8**
Other Emerging Markets and Developing Countries	**8.1**	**8.1**	**7.4**
China	11.1	11.5	10.0
India	9.7	8.9	8.4
Africa	**5.6**	**5.7**	**6.5**
Sub-Saharan Africa	**5.7**	**6.1**	**6.8**
Southern Africa	**7.2**	**9.2**	**11.0**
South Africa	5.0	4.7	4.2

Source: IMF, World Economic Outlook, October 2007.

Growth in Africa is expected to increase marginally from 5.6 percent in 2006 to 5.7 percent in 2007 and accelerate to 6.5 percent in 2008 while growth in Sub-Saharan Africa is projected to accelerate from 5.7 percent in 2006 to 6.1 percent in 2007 and 6.8 percent in 2008. Much of this growth momentum is driven by the oil-exporting countries including Nigeria and Angola. Similarly, growth in Southern Africa is projected to accelerate significantly from 7.2 percent in 2006 to 9.2 percent in 2007 and 11.0 percent in 2008, largely due to the quantum jump in the growth rate in Angola with growth in South Africa moderating from 5.0 percent in 2006 to 4.7 percent in 2007 and 4.2 percent in 2008. However, the oil, mineral and other commodity-rich countries including Namibia should continue to prosper.

The risks to continued global economic growth include the further slowdown of the US economy and weaknesses in housing, consumption and investment, as well as the spread of the effects of these to other countries, slowing growth in the Euro Area, a deceleration in productivity growth (in part due to less support from trade liberalisation), the potential exchange rate swings (see below), and the protectionist pressures that might emerge.

Inflation: Although rapid growth and rising oil and other commodity prices in the first half of 2006 raised concerns about inflation, pressures have moderated with the decline in oil prices in August 2006. The rate of consumer price inflation in the advanced economies is projected to decline slightly from 2.3 percent in 2006 to 2.1 percent in 2007 and stay at 2.0 percent in 2008, with that in the US moderating from 3.2 percent in 2006 to 2.7 percent in 2007 and 2.3 percent in 2008. Inflation in the Euro Area is projected to hover around 2.0 percent.
The rate of inflation in Africa is projected to rise slightly from 6.3 percent in 2006 to 6.6 percent in 2007 and moderate to 6.0 percent in 2008 with a similar pattern in Sub-Saharan Africa, with inflation rising from 7.3 percent in 2006 to 7.6 percent in 2007 and slowing down slightly to 6.7 percent in 2008. Similarly, the inflation in South Africa is projected to rise from 4.7 percent in 2006 to 6.6 percent in 2007 and moderate to 6.2 percent in 2008.[6]

Oil prices are expected to stay at or slightly above the 2007 levels of US$75 to US$100 per barrel. In spite of fluctuations, the strength in metal (mineral) prices in 2006 continued into 2007. Copper and zinc prices are projected to weaken while nickel, tin and uranium show a higher possibility of price increases. However, in the long-term, all metal prices should weaken.

Exchange Rates: During the latter part of 2006 and 2007, the US Dollar lost further ground against the Euro and other currencies in the foreign exchange markets, with significant appreciation of the currencies of several Asian countries. Also, high oil and mineral prices enabled their exporters to maintain and appreciate their currencies. The exchange rates are expected to moderate and stabilise in the medium-term.

2.3.2. Domestic Context

On the domestic front, the buoyancy of the Namibian economy should continue, with accelerated growth driven by the high demand for minerals including uranium. However, the demand for diamonds may be moderating in the global market due to economic slowdown and the production

[6] Although the IMF projects the inflation in South Africa to moderate in 2008, the recent rises in food and oil prices may in fact push inflation above that in 2007.

too may be constrained in the medium-term. The growth of the sub-sectors in the primary industries (agriculture, fisheries mining and quarrying) is likely to moderate from that realised in NDP2, in part due to the projected decline in diamond output in 2009 (-12.7 percent) and 2011 (-8.3 percent). The vagaries of the weather (including droughts and floods) continue to constrain agricultural production while the shifts in the Benguella Current in the Atlantic brought about by climatic changes affects Total Allowable Catches and marine capture fisheries production.

Also, the performance of the portion of the manufacturing sub-sector that is dependent on the supply of raw materials (such as livestock and fish) from the primary industries sub-sectors may moderate. In addition, the supply of electricity, which is a key ingredient for economic growth, employment and the welfare of the people, poses significant risks, given the rapid growth in demand in South Africa and the reduction of supplies (exports) by Eskom to Namibia. In fact, the whole Southern African Region has begun to experience tight supplies of electricity and the short and medium-term outlook is not favourable. However, the recent agreements on the exploitation and use of the Kudu gas-to-power generation may provide welcome relief to the scarce supplies of electricity in Namibia and may even allow for electricity exports. In addition, the commissioning of large additional power generation plants in the region, including in Botswana and the Democratic Republic of Congo, may ease the power supply situation in the region in the medium to long-term.

On another front, unemployment is increasing because of the combined effects of the growth in labour force and the slow or lack of growth in jobs in the economy. Unemployment and poverty in the rural areas are major problems, which NDP3 addresses as priorities in line with its central theme of "Accelerated Economic Growth and Deepening Rural Development."

2.4. GDP Growth Scenarios

NDP3 GDP growth projections/targets are based on an analysis of the factors that contributed to the sub-sector growth performance during NDP2. Two scenarios are projected in NDP3: (i) a Baseline GDP Growth Scenario, and (ii) a Higher GDP Growth Scenario.

2.4.1. Baseline GDP Growth Scenario

The NDP3 growth targets under the Baseline GDP Growth Scenario are based on the sub-sector growth rates during NDP2, the continuation of existing priorities and policies, and other confirmed developments. The Baseline GDP Growth Scenario is based on the following assumptions on the macroeconomic variables:

International Assumptions[7]

- International inflation is assumed at 2 percent per year
- World trade is assumed to grow at 7 percent per year
- US long-term interest rates are assumed of 5 percent per year

Namibia Assumptions

Monetary Stance:

- Money supply (broad money or M2) assumed to grow at 15 percent per annum (same as in NDP2)

[7] Source: IMF, World Economic Outlook, April 2007.

- Inflation targeted at 7 percent per year
- Exchange rate - the Namibia Dollar is projected to depreciate at 3 percent per year

Demography:

- Population growth of 1.9 percent
- Labour force growth of 2.6 percent per annum.

Government:

- Tax rates are assumed to remain unchanged
- Government's material consumption and investment are assumed to follow the growth in the labour force (2.6 percent) plus inflation (7 percent) or increase at 9.6 percent per annum
- Employment in Government is assumed to follow the population growth (increase at 1.9 percent per annum)
- Salaries and wages (wage rates) in Government are assumed to follow the consumer price index (CPI) or inflation with a one year lag.

The targets under the Baseline GDP Growth Scenario along with those for the Higher GDP Growth Scenario and the NDP2 targets and achievements are presented in Table 2.2. Overall GDP is projected to grow at about 5.0 percent per annum under the Baseline GDP Growth Scenario.

Table 2.2: NDP3 Sub-Sector Growth Targets – Baseline and Higher GDP Growth Scenarios

Sub-Sector/Industry	NDP2 Growth (%)	NDP3 Growth Targets (%)	
	Actual	Baseline Growth Scenario	Higher Growth Scenario
Agriculture	2.2	3.7	4.7
Fishing & Fish Processing on Board	-0.5	2.5	3.6
Mining and Quarrying	9.3	0.8	3.0
Primary Industries	**4.5**	**2.0**	**3.6**
Manufacturing	2.9	4.9	5.3
Electricity and Water	0.9	3.4	15.6
Construction	16.6	11.8	14.6
Secondary Industries	**4.8**	**6.7**	**9.0**
Wholesale and Retail Trade and Repairs	6.5	8.0	10.0
Hotels and Restaurants	3.6	8.2	10.7
Transport and Communication	11.6	11.4	14.3
Financial Intermediation	8.5	8.1	10.8
Real Estate and Business Services	5.1	3.8	5.5
Other Community, Social and	1.5	3.0	3.0

Sub-Sector/Industry	NDP2 Growth (%)	NDP3 Growth Targets (%)	
	Actual	Baseline Growth Scenario	Higher Growth Scenario
Personal Service Activities			
Producers of Government Services	2.6	2.5	2.5
Other Producers	2.1	2.1	2.1
Tertiary Industries	**5.4**	**6.2**	**7.7**
Taxes less subsidies on products	2.6	2.6	2.6
GDP at Market (1995) Prices	**4.7**	**5.0**	**6.5**

2.4.2. Higher GDP Growth Scenario

The Higher GDP Growth Scenario is based on the sub-sector growth performance during NDP2; and takes into account new developments and significant new policy/programme interventions. The international and Namibia assumptions under the Higher GDP Growth Scenario remain the same as those under the Baseline Growth Scenario, except that the money supply (broad money or M2) is projected to grow faster on average at about 19 percent per annum. The policy/programme interventions and other developments in the sub-sectors under the Higher GDP Growth Scenario are described in the following:

Agriculture Sub-sector:

- Accelerated implementation of the Green Schemes
- Accelerated implementation of the land reform/titling in communal areas
- Improved implementation of resettlement schemes
- Effective agricultural credit delivery
- Expanded education and extension services
- Control of bush encroachment (to protect rangeland for grazing)
- Intensified measures aimed at moving the Veterinary Cordon Fence or Red Line North to the border with Angola

Fisheries Sub-sector:

- Climatic conditions and international prices assumed to be same as during NDP2
- Additional investments in aquaculture

Mining and Quarrying Sub-sector:

- Recent demand and high prices for minerals will continue
- Non-diamond mineral production including uranium will expand

Manufacturing Sub-sector:

- Increase in value addition to products from the primary industries including diamonds as well as diversification into other manufacturing

Electricity and Water Sub-sector:

- Investment in electricity generation including the electricity generation plant based on Kudu gas and expansion of hydro-electric power generation to substitute for imports from South Africa and possibly export some electricity.

Construction Sub-sector:

- Larger investments in electricity generation (Kudu gas based electricity generation and expansion of hydro-electric power generation), roads, railways and other infrastructure

Wholesale and retail trade and automobile repair sub-sector

- Accelerated growth in private consumption resulting from more rapid growth and favourable interest and exchange rates

Hotels and Restaurants sub-sector:

- Increased demand from the growing tourism sub-sector (including the positive impacts of the 2010 African Cup of Nations tournaments in Angola, the 2010 World Cup event in South Africa, and upgraded tourist facilities) and growth in private consumption

Transport and communication Sub-sector:

- Expansion of the Walvis Bay Port
- Construction and rehabilitation of the railway link to the North and arrival of locomotives and other railway equipment
- Full operation of the second mobile telephony company
- Accelerated growth of telecommunications

Financial intermediation Sub-sector:

- Implementation of the Financial Charter during NDP3
- Increase in the demand for financial intermediation services in tandem with the rapid growth in GDP

Real Estate and business services Sub-sector:

- Growth in demand arising from more rapid growth in private consumption and investment

Other sub-sectors:

- Including producers of Government services are projected to grow at virtually the same levels as during NDP2.

The sub-sector growth targets under the Higher GDP Growth Scenario along with those for the Baseline Growth Scenario are presented in Table 2.2. Overall GDP is targeted to grow at 6.5 percent per annum under the Higher GDP Growth Scenario.

The targets for other socio-economic indicators for NDP3 along with the targets and achievements from NDP2 are presented in Table 2.3. NDP3 targets for the other socio-economic indicators are based on experience during NDP2 and assessments of the prospects for progress during NDP3 as presented in the NDP3 submissions by the Thematic Working Groups. As most of the indicators match those of the MDGs, an assessment of the progress towards achieving the MDG targets by 2015 is indicated in the last column of the Table. The details on Namibia's MDG indicators, targets and achievements from 1990 (base year) to 2015 (target year) are provided in Annex 3.

Table 2.3: Other Socio-Economic Indicators and Targets for NDP3

Indicator	NDP2 Actual	NDP3 Target	Progress towards achieving MDG Targets
Proportion of households in poverty	28% (2003/04)	20% (2008/09)	Good
Proportion of households in extreme poverty	4% (2003/04)	2% (2008/09)	Good
Malnutrition among children under five (%)	29% (2006)	18% (2012)	Slow/ Worsening
Primary enrolment rate (%)	92.0 (2005)	99.1	Good
Secondary enrolment rate (%)	51.1	65.4	Slow
Tertiary enrolment rate (%)	TBC	TBC	
Female primary enrolment in total (%)	50%+	50%+	Good
Female secondary enrolment rate (%)	50%+	50%+	Good
Female tertiary enrolment rate (%)	50%+	50%+	Good
Adult literacy rate (%)	83.9 (2005)	91.8	Good
Female adult literacy rate (%)	TBC	TBC	
Proportion of women in Parliament	27 (2004)	50 (2009)	Slow
Infant mortality rate (per 1,000 live births)	46	38	Slow/ Worsening
Under-five mortality (per 1,000 live births)	69	45	Slow/ Worsening
Maternal mortality rate (per 100,000 live births)	449	265	Slow/ Worsening
Life expectancy at birth (no. of years):			
National	49	51	Worsening
Rural	50	TBC	
Urban	48	TBC	
Access to potable water (% households covered):			
National	88.5	95	Good
Rural	80.4	92	
Urban	97.0	100	
Access to safe sanitation (% households covered):			
National	41	65	Slow
Rural	18.9	50	

Indicator	NDP2 Actual	NDP3 Target	Progress towards achieving MDG Targets
Urban	85	92.6	
HIV prevalence rate (% of pregnant women):			
15-19 year olds	10.2	8	Worsening
20-24 year olds	16.4	12	Worsening
Malaria mortality (per 100,000 persons)	428	210	Slow/ Worsening
TB mortality rate of cases started (%)	9	7	Slow/ Worsening
Freehold land (% of total area)	6.1 (2003)	TBC	Slow
Youth employment (%)	39 (2004)	TBC	Worsening
ODA per capita (US$)	90	90	Slow
Unemployment Rate (broad definition):			
National	36.7 (2004)	33.3	Worsening
Rural	44.7 (2004)	TBC	
Urban	29.0 (2004)	TBC	
Female	43.4 (2004)	TBC	
Male	30.3 (2004)	TBC	

TBC – To be compiled during implementation of NDP3.
Sources: Government O/M/As and Census and Survey Reports.

2.5. Trade

2.5.1. Exports

Based on the performance of exports during NDP2, the targeted growth in the sub-sectors contributing to key exports (such as livestock, fish, minerals including diamonds, other manufactured products and services such as tourism), and the demand for Namibia's exports in major markets (such as South Africa, the UK, Angola, Spain and the USA), the exports growth target for NDP3 is set at 7 percent per annum (virtually same as that for NDP2) in the Baseline GDP Growth Scenario. It is set at 9 percent per annum in the Higher GDP Growth Scenario. The export of goods and services as a percentage of GDP is projected to be 49 percent in 2011 under the Baseline GDP Growth Scenario and 48.9 percent under the Higher GDP Growth Scenario.

2.5.2. Imports

Based on NDP2 performance, the growth of imports is targeted to average about 6 percent per annum under the Baseline GDP Growth Scenario. It is projected to average 8 percent per annum under the Higher GDP Growth Scenario under the assumption that domestic electricity generation based on Kudu gas comes on stream during the latter years of NDP3. The imports of goods and

services as a proportion of GDP are projected to be 52.1 percent in 2011 under the Baseline GDP Growth Scenario and 51.9 percent in the Higher GDP Growth Scenario.

2.5.3. Trade Balance

Based on the projections of exports and imports of goods and services, the trade balance is estimated to be 3.1 percent of GDP under both the Baseline and Higher GDP Growth Scenarios.

2.5.4. Trade Policy

As in NDP2, the country's trade policy is aimed at encouraging the diversification of trade links, the penetration of new markets, the consolidation and expansion of market shares, and the reduction of dependence on South African markets. The trade diversification links are to be used to establish joint ventures between Namibian and foreign companies and promote science and technology transfer.

2.6. Monetary Policy

Under the Growth Scenario, the **money supply** (broad money or M2) is targeted to grow at about 15 percent per annum, which is the same rate as that realised in NDP2. The share of Namibian currency in the money supply is targeted to rise from 3.8 percent in 2006 to about 5.0 percent by 2012. The velocity of money is projected to remain about the same as that during NDP2. The money supply is targeted to expand faster at an average of about 19 percent per annum under the Higher GDP Growth Scenario to accommodate the more rapid growth in transactions.

Interest rates are projected to peak to just below 16 percent in 2008 and moderate thereafter to between 12 percent and 13 percent. The annual **inflation** rate is targeted at 7 percent, based on an average rate of 5.7 percent per annum in South Africa. The **exchange rate** for the Namibia Dollar is projected to depreciate at 3 percent per annum against the US Dollar while maintaining parity with the South African Rand. Foreign exchange reserves are targeted to be maintained at or above the equivalent of two months of imports.

2.7. Fiscal Management

2.7.1. Fiscal Projections

Assuming a Government revenue (tariff and tax) elasticity to GDP of about 0.7, Government revenue is targeted to grow at 3.5 percent per annum under the Baseline GDP Growth Scenario and at 4.6 percent per annum under the Higher GDP Growth Scenario, provided the tariff and tax regime in 2006 prevails during NDP3. However, revenue growth would be reduced if the tariff regime is liberalised during NDP3 under the proposed implementation of the FTA, first in the Southern African Customs Union (SACU), and thereafter in the Southern African Development Community (SADC).

Government expenditure is targeted to grow at 3.5 percent under both the Baseline and Higher GDP Growth Scenarios in line with the targeted growth in the Producers of Government Services sub-sector (see Table 2.2).

2.8. State-Owned Enterprises

The Parastatals Control Division in the Ministry of Finance represents the Government as the /a shareholder in all SOEs, monitors the performance of SOEs, and ensures that SOEs allocate resources efficiently. The Central Governance Agency functions as the Secretariat of the SOEGC.

In the 2006/07, the Minister of Finance announced that any ministry providing funds to a parastatal or a similar body would have to link that money explicitly to outputs or results and that general financial support to SOEs was no longer permitted. The above arrangements are currently in place and the Government plans to review how they are working in practice. This is to ensure that resources are focussed even more closely on achieving results, in line with the Programme Budgeting approach.

The above steps are designed to ensure that the financial management of SOEs is improved and the returns (Government revenues) on investments in the form of dividends and other earnings are maximised. So far, the Ministry of Finance has developed a draft Dividend Policy Framework, which is to be refined in the medium-term. Also, the Ministry has undertaken research on the investment policies of key SOEs, and found a lack of control procedures to reduce settlement and liquidity risks which might arise from the beneficiaries or creditors. The SOE Governance Act provides for better checks and balances on the finances of the parastatals.

2.9. Population, Labour Force and Employment

2.9.1. Population

The population is projected to grow at 1.9 percent per annum (medium variant) during NDP3, rising from 1,991,747 in 2006 to 2,184,091 by 2011. Of the total, about 36 percent is below 15 years (37 percent in 2006) and 64 percent in the working age of 15 years and above (63 percent in 2006). About 30 percent of the total population is youth aged between 15 and 29 years (31 percent in 2006).

According to the Namibia Population and Housing Censuses, life expectancy at birth declined from an average of 62 years in 1991 to 49 years in 2001, largely due to the adverse effects of HIV/AIDS. The projections of life expectancy differ depending on the source. The Central Bureau of Statistics (NPC) projected life expectancy to rise to 56 years by 2021. The HIV/ AIDS prevalence rate is high among the prime ages of the labour force and poses a threat to the attainment of the projected increase in life expectancy. In order to increase and sustain life expectancy at birth at not less than 50 years, the following strategies are adopted:

- Increased coverage of anti-retroviral drugs to help prolong lives of those infected;
- HIV/AIDS strategies including prevention of mother to child transmission or PMTCT;
- Control of malaria;
- Control of TB;
- Immunisation and mother and child health improvement to reduce infant, child and maternal mortalities;
- Food security and improved nutrition;
- Promotion of income generation activities relevant to diverse population groups in Namibian society to enable them to afford basic needs such as food, clean water, safe sanitation, shelter and health care and education services, to reduce susceptibility to opportunistic diseases and premature death.

2.9.2. Labour Force and Employment

Data on the working age population, labour force, employment and unemployment are collected through the National Labour Force Surveys conducted in 1997, 2000 and 2004. The working age population is projected to increase from 1,247,144 in 2006 to 1,410,180 by 2011, which averages about 2.6 percent per annum during the five-year period 2007-2011. From Chapter 1 in Part I of this document, it is recalled that the labour force participation rate had declined from 54.0 percent in 2000 to 47.9 percent in 2004 due to the substantial decline of almost 25 percent in the labour force participation rate in the rural areas from 45.8 percent in 2000 to 34.7 percent in 2004; while that in the urban areas rose only marginally from 66.2 percent to 66.5 percent during the period. It is necessary to reverse the trend during the NDP3 period.

Initially the changes in employment by industrial classification (sub-sectors) during 1997-2000, 2000-2004 and 1997-2004 were estimated and correlated with the corresponding changes in GDP, to arrive at the employment elasticity of GDP growth. The results showed wide fluctuations. Based on experience and informed judgment, the estimated elasticities have been adjusted. The employment data for 2006 (base year) were estimate based on the 2004 employment data by sub-sector and the average sub-sector GDP growth rates by applying the adjusted sub-sector elasticities.

Using the 2006 (projected) baseline employment by sub-sector, the adjusted elasticities and the projected GDP growth rates under the Baseline and Higher GDP Growth Scenarios, the projected employment by sub-sector for 2011 was estimated. Data on the 2004 employment by sub-sector, adjusted elasticities, 2006 (projected) employment, and the projected employment in 2011 under the Baseline and Higher GDP Growth Scenarios are presented in Table 2.4.

Table 2.4: Indicative Employment during NDP3

Industrial Classification	Actual Number Employed 2004	Employment Elasticity of Sub-Sector Growth	Estimated Employment 2006	NDP3 Employment Projections (2011)	
				Baseline Growth Scenario	Higher Growth Scenario
Agriculture	102,636	0.1	101,096	99,833	99,277
Fishing	12,720	0.1	12,616	12,773	12,824
Mining and Quarrying	7,563	0.2	7,775	7,938	8,086
Primary Industries	**122,919**		**121,487**	**120,544**	**120,186**
Manufacturing	23,755	0.5	23,019	25,896	27,219
Electricity, gas & water	6,151	0.4	6,348	6,779	6,983
Construction	19,605	0.8	20,860	29,370	32,791
Secondary Industries	**49,511**		**50,226**	**62,046**	**66,994**
Wholesale & Retail Trade, Repair of motor vehicles	53,895	0.8	61,138	78,991	81,436
Hotels and Restaurants	13,132	0.8	14,897	18,651	19,962
Transport, Storage and Communication	15,861	0.8	17,993	26,125	27,781
Financial Intermediation	7,582	0.4	8,231	9,548	9,927
Real Estate, Renting and	9,374	0.1	9,440	9,676	9,737

Industrial Classification	Actual Number Employed 2004	Employment Elasticity of Sub-Sector Growth	Estimated Employment 2006	NDP3 Employment Projections (2011)	
				Baseline Growth Scenario	Higher Growth Scenario
Business Activities					
Public Administration, Defence & Social Security	30,685	0.6	31,311	34,599	34,599
Education	31,168	0.6	31,804	35,143	35,143
Health and Social Work	14,010	0.6	14,296	15,797	15,797
Other Community, Social & Personal Services	12,632	0.2	12,304	12,673	12,796
Private households with employed persons	24,081	0.8	26,044	28,128	29,170
Tertiary Industries	**212,420**		**227,457**	**269,330**	**276,347**
Extra-Territorial organisations & Bodies	72				
Not reported	407				
Other	479				
Total	**384,850**		**399,170**	**451,920**	**463,527**
Employment Growth (% per annum)				2.64	3.22
GDP Growth (% per annum)				5.0	6.5
Employment Elasticity of GDP Growth				0.53	0.50

Source: NPCS estimates.

The results show that overall employment is projected to grow by 2.64 percent per annum under the Baseline Scenario (GDP growth rate of 5 percent per annum); and by 3.22 percent per annum under the Higher Growth Scenario (GDP growth rate of 6.5 percent per annum). The aggregate employment elasticity of GDP is 0.53 under the Baseline Scenario and 0.50 under the Higher Growth Scenario. The lower employment elasticity of GDP under the Higher Growth Scenario as compared to the Baseline Growth Scenario is explained by the higher capital intensity under the higher growth scenario (for example in large capital investments in Kudu gas based electricity generation). The above projections are indicative based on past experience and informed judgement. A more systematic and thorough analysis of the employment elasticity of growth in each sub-sector is necessary to arrive at refined projections of employment.

Chapter 3: NDP3 INVESTMENT REQUIREMENTS AND FINANCING PLAN

3.1. Investment Required for Implementing NDP3

The overall investment required to implement NDP3 by the O/M/As, Regional Councils and Local Authorities (or public sector); domestic and foreign private investors, civic organisations, communities including farmers and small and micro entrepreneurs; and development partners, is estimated utilizing the projected GDP growth rates under the Baseline and Higher GDP Growth Scenarios and alternative assumptions on the incremental capital output ratios (ICORs) derived from experience during NDP1 and NDP2. As indicated in Chapter 1 of the Review of NDP2 Implementation, the average investment was about 25 percent of GDP (see Table 1.5); and the average ICOR ranged from a low of 4.6 to a high of 7.1 (see Chart 1.2). The estimated investment requirements as a proportion of GDP to implement NDP3 under the Baseline and Higher GDP Growth Scenarios and ICOR assumptions have been estimated at constant 1995 prices. They have been converted to constant 2006 prices by multiplying the estimates at constant 1995 prices by the GDP deflator. The results are presented in Table 3.1. For comparison, the table also includes the total investments made during NDP1 and NDP2 at constant 1995 and 2006 prices.

Table 3.1: NDP3 Investment Requirements

GDP Growth Scenario	ICOR	Investment (N$ billion)	
		At 1995 Prices	At 2006 Prices
Baseline Growth Scenario (GDP growth of 5.0% per annum)	6	36.7	83.2
	5.5	***33.6***	***76.3***
	5	30.6	69.3
Higher Growth Scenario (GDP growth of 6.5% per annum)	6	45.5	103.2
	5.5	***41.7***	***94.6***
	5	37.9	86.0
NDP2 Investment, actual (GDP growth of 4.7% per annum)		24.4	55.3
NDP1 Investment, actual (GDP growth of 3.7% per annum)		15.2	34.5

Under the assumption of a high ICOR of 6, the investment required for NDP3 in the Baseline GDP Growth Scenario (average annual growth of 5.0 percent) is estimated to be N$36.7 billion at constant 1995 prices; while that for the higher GDP growth scenario (average annual growth of 6.5 percent) is N$45.5 billion. When the ICOR is assumed to be 5.5, the investment requirement in the Baseline GDP Growth Scenario declines to N$33.6 billion due to improved capital efficiency while that for the higher GDP growth scenario declines to N$41.7 billion. Further improvements in the capital efficiency (ICOR of 5) lead to more reductions in the investment requirements under both GDP growth scenarios.

The robustness of the estimation process has been tested by projecting backwards (2005 to 1993) under the three ICOR assumptions and comparing the projected values against the actual investments. The results show the lowest discrepancy (standard error) under the ICOR assumption of 5.5. Accordingly, the ICOR assumption of 5.5 is utilised in the projections.

3.2. Sources of Investment

3.2.1. Investment from Domestic Sources

The investment likely to be available from domestic sources (projected domestic investment) comprises of three components: (i) investment likely to be available from projected (direct) investment by the Government from domestic sources; (ii) investment likely to be available from projected investment by SOEs (parastatals) from domestic sources; and (iii) investment likely to be available from projected investment by the domestic private sector including individuals (such as farmers, fishermen and micro, small, medium and large entrepreneurs) and groups/institutions such as civic organisations. The projections are based on the proportion of investments by the Government, the SOEs and the private sector (domestic and foreign) during NDP2. The data on the proportion of investments by the Government, SOEs and the private sector (domestic and foreign) during NDP2 has been presented in Table 1.6 (see Table 1.6: Shares in Gross Fixed Capital Formation, 2001-2006 on page 30). The proportions are projected to change somewhat during NDP3, with the contributions of the Government and SOEs at 12 percent each (against an average of 14.7 percent by the Government and 14.9 percent by the SOEs in NDP2), with the private sector contribution at 76 percent (average of 70.4 percent in NDP2).

The projected investments by the Government and SOEs include the resources likely to be provided through official development assistance (ODA) in the form of grants and loans.[8] These have been estimated and excluded to arrive at the estimates in Table 3.2. Similarly, the domestic private investment is arrived at by deducting the estimated private foreign direct investment or FDI from the total private investment.[9] These are the estimated investment resources for NDP3 likely to be available from domestic sources.

The total investment by the Government in the Baseline GDP Growth Scenario is projected to grow at 3.5 percent per annum based on experience during NDP2 and at 3.3 percent per annum under the higher GDP growth scenario. The investment by the Government from domestic sources is estimated as the total investment by the Government minus half the ODA in the form of grants and soft loans to be received/provided over the five-year NDP3 period. The investment by SOEs is projected to grow in parallel with the direct investment by the Government (see Table 3.2).

The domestic private investment under the Baseline GDP Growth Scenario is derived as a residual utilising the data on average shares of domestic private investment in total private investment (equal

[8] During the NDP2, the ODA receipts in the form of grants and loans averaged about N$1.3 billion equivalent per annum, with the amount in 2005/06 reaching a high of N$2.2 billion. The bulk of the funds in loans were invested in either economic infrastructure or channelled to the SOEs. The proportion of ODA going to the SOEs is assumed to be 50 percent with the balance either passing through the Government budget or directly spent by the donors on development projects (including technical assistance) in Namibia.

[9] The FDI flows to Namibia averaged about US$233.4 million (equivalent to about N$1,634 million) per annum in nominal terms during 2000-2004. It is assumed that FDI flows would average US$250 million (equivalent to about N$ 1.750 billion) per annum in nominal terms under the baseline GDP growth scenario. They are projected to increase to about US$ 450 million (equivalent to about N$ 3.150 billion) per annum under the higher GDP growth scenario, with much of the increase devoted to investments in the exploitation of the Kudu gas and other energy generation projects.

to 79 percent) during NDP2 and the revised share of total private investment (of 76 percent) in total investment during NDP3.

The investment by the Government and SOEs in the Higher GDP Growth Scenario is derived by increasing their investments under the Baseline Scenario by 4.0 percent (4.3 percent minus 3.5 percent or 0.8 percent per annum) over that under the Baseline Scenario and that by the domestic private sector by increasing the investments under the Baseline Scenario by 15.0 percent, as the increased FDI would have a crowding-in effect on domestic investment.

Table 3.2: Estimated Investment from Domestic Sources

GDP Growth Scenario	**Investment from Domestic Sources** (N$ billion)			
	Government	**SOEs**	**Domestic Private Sector**	**Total**
Baseline GDP Growth Scenario	6.50	6.50	41.60	54.60
Higher GDP Growth Scenario	6.85	6.85	47.90	61.60

3.2.2. Investment from Foreign Sources

The investment likely to be available from foreign sources or the projected foreign investment is mainly from two sources: (i) ODA including that received through non-governmental/civic organisations, and (ii) foreign direct investment or FDI. Data on the projected investment likely to be available from foreign sources is presented in Table 3.3.

Table 3.3: Estimated Investment from Foreign Sources

GDP Growth Scenario	**Investment from Foreign Sources** (N$ billion)		
	ODA	**FDI**	**Total**
Baseline GDP Growth Scenario	7.0	8.7	15.7
Higher GDP Growth Scenario	7.0	15.0	22.0

3.3. Potential Resource Gap

Data on the projected investments required to implement NDP3, the potential investments likely to be available from both domestic and foreign sources, and the potential resource gap are presented in Table 3.4.

Table 3.4: Investment Requirements, Availability and Potential Gap

GDP Growth Scenario	**Investment** (N$ billion)			
	Required to Implement NDP3	**From Domestic Sources**	**From Foreign Sources**	**Potential Gap**
Baseline GDP Growth Scenario	76.3	54.6	15.7	6.0
Higher GDP Growth Scenario	94.6	61.6	22.0	11.0

The data shows a potential resource gap of N$6.0 billion under the Baseline GDP Growth Scenario and N$11.0 billion under the Higher GDP Growth Scenario in order to implement NDP3 by the Government including the parastatals, domestic and foreign private investors, civic organisations and communities.[10]

3.4. Strategies for Filling the Resource/Investment Gap

The potential strategies for filling the resource/investment gap include the following:

- Additional domestic investment by the Government through improved revenue mobilisation;
- Marshalling more ODA in both grants and soft loans;
- Encouraging/promoting additional domestic investment through the adoption of appropriate policies;
- Attracting additional FDI through the adoption of appropriate policies; and
- A combination of two or more of the above.

[10] Significantly more resources than are projected to implement NDP3 are required for Namibia to achieve the MDGs in the areas of education and health including HIV/AIDS, TB and malaria), in tandem with more efficient utilisation of the resources.

Chapter 4: COMPETITIVE ECONOMY

4.1. Key Result Area Background

The Key Result Area (KRA) on Competitive Economy is derived from the Vision 2030 objective of transforming Namibia into an industrialised country of equal opportunities, which is globally competitive, realising its maximum growth potential on a sustainable basis, with improved quality of life for all Namibians. It is linked to the sub-visions on enabling macroeconomic environment, transport infrastructure, and employment and unemployment, and the reduction of poverty and inequality. A competitive economy requires more than just sound macroeconomics and good infrastructure.

4.2. Measuring Competitiveness

In recent years, the World Economic Forum has been producing the annual World Competitiveness Report, ranking countries according to their competitiveness, with a view to enhancing understanding of the key factors which determine economic growth and explain why some countries are much more successful than others in raising income levels and opportunities for their populations. The World Competitiveness Reports offer policymakers and business leaders an important tool in the formulation of improved economic policies and institutional reforms. The information for these Reports are drawn from a combination of publicly available *hard data* and the results of the *Executive Opinion Survey*, a comprehensive annual survey conducted by the World Economic Forum together with its network of partner institutes (leading research institutes and business organisations) in the countries covered by the Reports. For the 2006-2007 Report, over 11,000 business leaders were polled in a record 125 economies worldwide.

The Global Competitiveness Index is constructed utilising data on nine pillars: (i) quality and effectiveness of public and private institutions; (ii) quality of infrastructure including roads, railways, ports, air transport, supply of electricity and telecommunications; (iii) quality and effectiveness of macroeconomic management, (iv) health and primary education including infant mortality, life expectancy, HIV/AIDS, TB and malaria on the health side; (v) qualitative and qualitative dimensions of higher education and training including on-the-job training; (vi) efficiency of markets for goods covering such aspects as size, competition and distortions, labour market flexibility and efficiency, and sophistication and openness of financial markets; (vii) technological readiness in terms of readiness to adapt and absorb technologies, FDI and technology transfer, enabling environment for absorption of ICTs, and actual use of telecommunications and the Internet; (viii) business sophistication covering networks and supporting industries and relative sophistication of operations and strategies of firms; and (ix) innovation covering such aspects as quality of scientific research institutions, public and private spending on research and development, availability of scientists and engineers, patents and protection of intellectual property rights, and capacity for innovation

4.3. Namibia's Competitiveness Ranking

The 2006-2007 World Competitiveness Report provides the ranking of the relative competitiveness of Namibia among the 125 countries covered. The ranking of the countries is based on the assessment of three areas: economic performance, government efficiency and business efficiency, drawing upon the information compiled under the above nine pillars.

As shown Table 4.1, the 2006-2007 Competitiveness Report ranked Namibia 84th of 125 countries on the overall index, five places down from the previous year (a higher score means a lower ranking). Fortunately, Namibia's ranking with regard to the basic requirements is much better in comparison with the other rankings, which gave some support to its competitiveness ranking. However, the low ranking of Namibia on the efficiency enhancers and innovation factors influenced its low overall ranking in the global competitiveness report.

Table 4.1: World Competitiveness Ranking of Namibia, Botswana and South Africa

Country	Overall Competitiveness Index	Basic requirements	Efficiency Enhancers	Innovation Factors
Namibia	84	69	90	86
Botswana	81	77	77	95
South Africa	45	58	46	29

Source: World Competitiveness Report 2006-2007

The basic requirements comprise four other dimensions (sub-factors): institutions, infrastructure, macro-economy, and health and primary education (i.e. pillars 1 to 4). The rankings of Namibia, Botswana and South Africa on the sub-factors are provided in Table 4.2.

Table 4.2: Sub-Factors for Basic Requirements

Country	Basic Requirements	Institutions	Infrastructure	Macro-Economy	Health and Primary Education
Namibia	69	49	43	43	111
Botswana	77	37	66	39	112
South Africa	58	36	49	46	103

Source: World Competitiveness Report 2006-2007

It is clear that with regard to institutions, Namibia ranks much lower than both South Africa and Botswana. The area of weakness for all three countries is health and primary education. The health situation may be explained by the relatively high proportion of people infected with HIV/AIDS. Also, the inadequate quality of primary education combined with high repetition and dropout rates are partly responsible for Namibia's low ranking.

The sub-factors for efficiency enhancers are higher education and training, market efficiency and technological readiness (i.e. pillars 5 to 7). The low ranking of Namibia (90th out of 125 countries) can be explained by the inadequate higher education and training, in terms of the quantity of education at secondary and tertiary levels, quality of the education system including in mathematics, science and management, and the local availability of specialised research and training services as well as the extent of staff training (on-the-job training)**.** The market efficiencies in the markets for goods are relatively low and the time taken to start a business long, the labour market is relatively inflexible (due to stringent labour laws and strong trade unions), and the sophistication of financial markets is at a nascent level. On the technological front, both Namibia and Botswana rank very much lower than South Africa.

The innovation sub-factors include business sophistication and innovation (i.e. pillars 8 and 9). Namibia is ranked way below South Africa on the overall innovation factors (29 versus 86), while Botswana is ranked even lower (see Table 4.1). As a heavily trade-dependent open economy, with the value of exports and imports exceeding the GDP, it is imperative for Namibia to improve its competitiveness.

Table 4.3: Sub-Factors for Efficiency Enhancers

Country	Efficiency Enhancers	Higher education and Training	Market efficiency	Technological readiness
Namibia	90	105	79	78
Botswana	77	87	59	80
South Africa	46	56	33	45

Source: World Competitiveness Report 2006-2007

4.4. Division of KRA into Two Sub-KRAs

Given the huge scope of the KRA on Competitive Economy, it is divided into two Sub-KRAs: Macro-Economy and Infrastructure. The two Sub-KRAs address the core issues of economic competitiveness in Namibia, while taking into account other dimensions including equity, poverty reduction, gender equality and improvement in the welfare of marginalised groups and areas. The Sub-KRA on Macro-Economy is covered in Chapter 4A while the Sub-KRA on Infrastructure is covered in Chapter 4B.

Chapter 4A: MACRO-ECONOMY

4A.1.1. Thematic Area Background and Description

The Sub-KRA on the Macro-Economy covers the areas of reduced inequality in income distribution, accelerated economic growth with macroeconomic stability, increased employment and smart partnerships and private sector development. These areas reflect the commitments of Government, the private sector, civic organisations, international development partners and other stakeholders not only to accelerate economic growth, but also to adjust the way in which the fruits of such growth are shared among different groups within Namibian society. It provides the foundations for a host of development targets in the country's economy. The relevant sub-Visions under the Sub-KRA are:

- *Macro-economic environment:* Namibia operates an open, dynamic, competitive and diversified economy that provides sustained economic growth, the basis for availing resources for the fulfilment of major national objectives like poverty reduction, human resources development, employment creation, and the provision of adequate social services and infrastructural facilities;
- *Employment and unemployment:* The economic environment is suitable for all citizens who are able and willing to work, and there is full employment in the economy; with a well-established and functioning Labour Market Information System for the effective management of the dynamics of the Labour Force; and
- *Poverty reduction:* Poverty is reduced to the minimum, the existing pattern of income-distribution is equitable, and disparity is minimal.

The macroeconomic achievements of moderate inflation and the peg of the Namibia Dollar to the South African Rand have introduced a degree of economic stability. The economy is opening up further, but there is a need to diversify exports away from unprocessed primary products. Some sub-sectors remain shielded from competition, which stifles innovation and improvements in productivity. GDP growth has been healthy in recent years. However, it has been driven by a few sub-sectors, while others have stagnated. The banking and finance sub-sector is modern and highly profitable but there is a lack of competition and access to financial services is still limited. Structural change in the economy is slow, with urban labour markets unable to absorb the excess labour from the rural areas and modernisation of the agriculture sector has been slow. Unemployment has worsened to 37 percent, which means more than a third of the available limited human resources are not being utilised.

There has been a reduction of poverty and inequality, but both remain at unacceptably high levels. The country's transformation to a knowledge-based society is still in its infancy. In order to address these and other challenges, the Sub-KRA on Macro-Economy comprises the following four NDP3 goals:

- Equality in income distribution;
- Increased and sustainable economic growth;
- Increased employment; and
- Increased smart partnerships and private sector development.

A sustainable route out of poverty must include the ability to take advantage of income-generating opportunities. It follows that all the above goals are interlinked, and success in one will contribute to success in the others. A comprehensive approach that takes account of these linkages is therefore the most promising strategy.

4A.1.2. Thematic Area Performance during NDP2

The economy performed well during NDP2, with growth averaging 4.7 percent per annum exceeding the target of 4.3 percent. However, growth was skewed across different sub-sectors, with agriculture and fisheries performing poorly, while the mining industry and services such as transport, construction, telecommunications and financial services grew more rapidly.

Equality in income distribution had been a priority area under NDP2, with the overall aim of reducing the Gini coefficient to 0.60. Namibia noted an estimated decrease in its (consumption/expenditure) Gini coefficient from 0.70 in 1993/94 to 0.60 in 2003/04. There has been an increase in the share of poorer groups in total income. Notwithstanding, the level of inequality is still high.

The objectives for increased employment during NDP2 included creating a favourable environment for job creation and an incremental reduction in the unemployment rate. Other targets included a "living wage" and improved coordination between labour market players and the maintenance of industrial peace. The implementation of the policies aimed at these goals during NDP2 was partly satisfactory. Employment in the urban centres rose marginally, while employment in the rural areas declined significantly, in spite of the fact that the overall economic growth rate achieved exceeded the NDP2 target. Unemployment rose from 33 percent in 2000 to 37 percent in 2004. Despite the implementation of a variety of programmes to promote youth employment, unemployment among the young worsened, with young women particularly adversely affected.

4A.1.3 Thematic Area Strategies

- Maintain macroeconomic stability;
- Empower individuals at the micro level to participate in the economy and improve their productivity;
- Invest in education and health;
- Design appropriate strategies to enlarge employment opportunities; and
- Facilitate improved coordination between labour market players.

4A.2. NDP3 Goals under the Sub-KRA on Macro-Economy

4A.2.1. NDP3 Goal: Equality in Income Distribution

4A.2.1.1. NDP3 Goal Description and Background

Equality in income distribution refers to the fairness of distribution of economic proceeds or the distribution of GDP among the people or households in a country. There is a close link between income distribution and poverty, economic growth and sustainable development. Namibia still has one of the highest income inequalities in the world, which needs to be addressed to improve overall equity and social cohesion in the country. This has to be achieved primarily by providing more opportunities to the previously economically disadvantaged groups and expanding access to income-generating activities independent of the individual's background. This goal of equality is therefore closely linked to the creation of additional employment and increased labour force participation in the economy. This is a high priority to tackle the prevailing high rates of unemployment.

The average adjusted per capita income of N$10,358 masks the relatively high inequality in income distribution in Namibia between previously advantaged and disadvantaged population groups, regions, rural and urban areas and educational attainments of household heads, with a (consumption/expenditure) Gini coefficient of 0.6. The top (richest) 2 percent of households have an average per capita income of N$147,838 that is more than 87 times that of the bottom (poorest) 25 percent of households (N$1,692). The inequality is influenced by many factors including the levels of education and health, employment status, ownership of wealth/assets (such as land and capital), and access to productive assets and opportunities.

High inequality is an obstacle to economic growth as well as sustainable development and rapid economic growth does not automatically reduce inequality in a society. Therefore there is a need to design appropriate policies to translate growth into the reduction of inequality and poverty.

4A.2.1.2. NDP3 Goal Performance during NDP2

The NDP2 objectives on equality in income distribution were to: (i) reduce inequalities in income distribution among households, between urban and rural areas and between regions; and (ii) increase the share of income of the lower income households with a long-term goal of reducing the gap between the rich and the poor. The NDP2 strategies for reducing inequalities included the following: (i) improve access to education and health services, (ii) increase social transfers, (iii) promote industrialisation and SMEs, (iv) implement land reform and enhance access to assets, (v) implement a progressive tax system, (vi) improve infrastructure utilising labour-based road construction and maintenance, (vii) promote informal sector activities, (viii) provide preferences in government procurement, (ix) implement the minimum wage policy, and (x) promote decentralisation. These strategies may have resulted in some improvement in the income distribution as evidenced by the reduction in the (expenditure) Gini coefficient from 0.7 in 1993/94 to 0.6 in 2003/04.

4A.2.1.3 NDP3 Goal Indicators, Baselines and Targets

Table 4A.1: NDP3 Goal Indicators, Baselines and Targets

No.	Indicator	Baseline	Target
1	Gini coefficient	0.604 (2003/04)	0.58 (2008/09)
2	Ratio of per capita income of the poorest income group to that of the richest	3.7%	10% (2008/09)
3	Share of manufacturing in formal employment	6.2% (2003/04)	12.4% (2011)
4	Proportion of households with subsistence farming as main source of income	28.9% (2003/04)	25.9% (2011)
5	Proportion of households with commercial agriculture as main source of income	0.7% (2003/04)	5% (2008/09)
6	Proportion of household heads with no formal education	27.4% (2003/04)	24.7 (2008/09)
7	Proportion of household heads with tertiary education	8.4% (2003/04)	8.8% (2008/09)
8	Ratio of rural per capita income to urban one	34% (2003/04)	40% (2008/09)
9	Labour Force participation in rural areas	34% (2004)	36% (2010)
10	Female/male enrolment ratio (grade 1-12)	103% (2005)	103% 100% in all regions (2011)
11	Ratio of per capita income of poorest region to that of richest region	14% (2003/04)	20% (2008/09)
12	Share of poorest 25% in total income	6.6% (2003/04)	12% (2008/09)

4A.2.1.4. NDP3 Goal Strategies

The strategies are aimed at not only reducing inequality between individuals, but also between rural and urban areas, regions and population groups. They are:

- Increase access to productive assets such as land and capital;
- Effective implementation of land reform and increase incomes of resettled farmers;
- Increase employment opportunities through promotion of rapid economic growth;
- Proclaim more new towns to promote local and foreign investment and expand employment opportunities;
- Enhance enabling environment in existent towns to expand employment opportunities;
- Effective implementation of formula based resource allocations to Regions;
- Increase investment in education and human resource development;
- Ensure equitable public service delivery aimed at raising the standard of living of the rural and peri-urban populations; and
- Implement progressive taxation including land tax.

4A.3.1. Sub-Sectors

4A.3.1.1. Sub-Sector 1: Public Finance - Taxation

4A.3.1.1.1. Sub-Sector Description and Background

Public expenditure on social services including basic health care and primary education are important means to benefit the lower income groups and improve the distribution of income. Since Independence, the Government has implemented the policies of education and health for all by devoting a large share of public expenditure to these and other social services. The bulk of the expenditures are financed from tax revenues. Progressive taxation and allocation of significant public expenditures to benefit the lower income groups are important means to reduce the inequalities in access to public services and income distribution. Revenue and expenditure policies in Namibia play an important role in addressing inequalities in income distribution among the population. The country maintains a progressive tax system, which benefits the low-income groups, since they either do not pay tax at all owing to the tax threshold or pay less tax than the rich because of the lower marginal tax rate. The progressive tax system is accepted internationally as an important means to address the inequality in income distribution.

4A.3.1.1.2. Public Finance - Taxation Sub-Sector Performance during NDP2

During NDP2, the income tax threshold and tax brackets were adjusted, with the minimum income threshold for tax raised from N$20,000 to N$ 24,000 in 2003/04 and the minimum tax rate was decreased from 18 percent to 17.5 percent while the maximum tax rate decreased from 36 percent to 35 percent. The tax threshold was increased further to N$36,000 in 2006/07. In addition to the tax threshold adjustment, the Income Tax Act was amended during NDP2 to regulate the taxation of multinational transactions (i.e. transfer pricing and thin capitalisation transactions). The aim is to prevent multinational companies from transferring profits legitimately earned and taxable in Namibia to tax haven countries. This ensures that Namibia gets its rightful share of tax revenue, thereby increasing government revenue.

The transfer duty rates were lowered to the benefit of the lower income groups. Specific lower rates were introduced for AALS beneficiaries who purchase commercial farms using Agribank funding.

A flat tax rate was introduced for corporate entities which acquire immovable properties. The changes are aimed at making housing more affordable for the lower income groups and paving the way for formerly disadvantaged persons to acquire commercial land while endeavouring to discourage the rich from purchasing or transferring multiple properties, especially farmland, through corporate entities.

The VAT Act was amended to include the following as basic necessities and zero-rating them: (i) supply of dwellings (residential properties); (ii) land acquired for resettlement purposes (this results in cost saving for government, enabling it to acquire more land for resettlement purposes); and (iii) supply of devices for the disabled such as wheelchairs. The following items and/or supplies were zero rated right from the inception of the VAT Act in 2000: (i) supplies by charitable and social welfare organisations; (ii) supply of maize meal and *mahangu* (this is staple food for the majority of the population); (iii) supply of telephone costs/charges, water, electricity, refuse removal and sewerages to residential properties. The ultimate aim is to make these products and services more affordable to the lower income groups.

4A.3.1.1.3. Public Finance - Taxation Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To administer the tax laws in an efficient and effective manner so as to maximize state revenue.

Goal: Improved equality in income distribution through progressive taxation.

Table 4A.2: Public Finance - Taxation Sub-Sector Goal, Indicators, Baselines and Targets

Indicators	Baselines	Targets
Increase tax collection by		5%
Tax disincentives on alcohol and tobacco consumption		yes
Implement withholding tax on interest income by		March 2009

4A.3.1.1.4. Public Finance - Taxation Sub-Sector Strategies

Strengthening the implementation of the tax laws through:

- Review the operations of the Regional Tax Offices;
- Undertake audits throughout the country;
- Decentralise taxpayer services through the establishment of fully-fledged Inland Revenue Regional Offices;
- Strengthen administrative capacity; and
- Review tax incentives.

4A.3.1.1.5. Taxation Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Revenue mobilisation and management	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Valuation and land tax	Programme cost estimates shown under Lands Sub-Sector in Chapter 5A						
Taxation Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

TBC – To be compiled during implementation of NDP3.

4A.3.1.2. Sub-Sector 2: Research

4A.3.1.2.1. Sub-Sector Description and Background

Research in the area of income distribution in Namibia is fairly new and there is a need to enhance research in this area. The National Household Income and Expenditure Surveys (NHIES) conducted at 10-year intervals have been the main source of information to assess the inequalities in income distribution. The first NHIES was conducted in 1993/94 and the second in 2003/04. The surveys provide data on household expenditure, which is used as a proxy for income, and the consumption/expenditure Gini coefficient is used as the measure of inequality in income distribution in the country.

4A.3.1.2.2. Research Sub-Sector Performance during NDP2

During NDP2, the NHIES 2003/04 was the only primary research initiative envisaged. The survey was canvassed as planned, but due to a lack of technical know-how, the data collected directly on income was not analysed. Instead, income was estimated by adding the consumption expenditures on food and other durable items. As indicated earlier, the Gini coefficient declined 0.7 in 1993/94 to 0.6 in 2003/04.

4A.3.1.2.3. Research Sub Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: Compile accurate information and provide analytical results in a timely manner to inform policies, strategies and programmes to reduce the inequalities in income distribution and establish linkages between income distribution and poverty, economic growth and sustainable development

Sub-Sector 1 Goal: Improved information on income distribution

The sub-sector goal indicator is NHIES and the baseline is that the NHIES is carried out every 10 years and the target is to implement the NHIES every five years.

4A.3.1.2.4. Research Sub Sector Strategies

- Collect, compile, analyse and disseminate comprehensive qualitative and quantitative information on poverty and income distribution in a timely manner.

4A.3.1.2.5. Research Sub-Sector Programmes

The Namibia Household Income and Expenditure Survey (NHIES), which provides information on inequality in expenditure (income) distribution is one of the key activities in the Programme on Statistics Production and Integrated Information Management under the Geo-Spatial Information and Statistics Sub-Sector in Chapter 8.

4A.3.1.3. Sub-Sector 3: Lands

The Lands Sub-Sector description, performance during NDP2, and mission, goals, indicators, baselines and targets, sub-sector strategies, programmes and cost estimates are presented in Chapter 5A, the Sub-KRA on Sustainable Utilisation of Natural Resources. Only the names of the programmes are listed in the following:

Programme 1: Land usage programme;
Programme 2: Title/security of tenure to real property;
Programme 3: Valuation and land tax; and
Programme 4: Research on land reform and resettlement development.

4A.3.1.4. Sub-Sector 4: Governance - Decentralisation

4A.3.1.4.1. Sub-Sector Description and Background

While decentralisation is commonly defined as the process of transferring decision-making powers to sub-national governments, fiscal decentralisation – as an integral component of decentralisation – refers to the powers of sub-national governments to raise local revenues and to receive funds from central government to be used in accordance with locally defined needs, priorities and plans. In the Namibian context, the bulk of the public services delivery is de-concentrated and is expected to be delegated and devolved later to the Regional Councils. This implies that the Regional Councils, in addition to locally raised revenues, would receive fiscal transfers from the Central Government to finance the provision of public services delegated or devolved to them. While the Regional Councils would eventually be given discretionary powers to allocate resources in accordance with their own priorities, these priorities must be in line with national policies and overall development goals, with the services required to meet minimum standards set by the Central Government.

The Government of Namibia has, as an integral part of the decentralisation policy, embarked on exploring the development and implementation of an intergovernmental fiscal transfer system, also known as a grant system, as a means to improve the efficiency, equity, transparency, and predictability of fiscal transfers from Central Government to sub-national governments. While transfers will primarily be targeted to the Regional Councils to cover expenditures associated with the delivery of services already earmarked for decentralisation, plans are underway to include Local Authorities in an intergovernmental fiscal transfer system as a part of the ongoing reform of Local Authorities.

A key objective of fiscal decentralisation is to ensure that sub-national governments effectively take on greater financial management responsibilities and exercise a certain degree of influence and autonomy in spending decisions, while providing adequate safeguards to ensure accountability for appropriated funds. The Government provides funding to the Regional Councils through the annual budget in consultation with Regional Councils, as an integral part of the regular Central Government budget process. It is important to explore the feasibility of a formula-based intergovernmental fiscal transfer system based on objective criteria. To address this matter, Government is in the process of developing a formula-based allocation mechanism which aims to: (i) allocate and transfer funds to the Regional Councils on a formula basis in order to ensure equity, efficiency, transparency and predictability; (ii) promote sustainable development and improved service delivery by the Regional Councils; (iii) address poverty and socio-economic disparities across regions, including income inequality; and (iv) enhance the discretion of Regional Councils to plan, prioritise and allocate funds in response to locally defined needs.

4A.3.1.4.2. Governance Sub-Sector Performance during NDP2

During NDP2, Government carried out various activities to explore the feasibility of implementing an intergovernmental fiscal transfer system.

4A.3.1.4.3. Governance Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To empower sub-national governments to raise funds through own revenue sources and fiscal transfers; and plan, prioritise and implement development projects and programmes according to locally defined needs within the overall national planning and policy framework.

Goal: Feasibility of fiscal decentralisation established.

Table 4A.3: Governance Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Fiscal decentralisation	Draft paper for piloting	Cabinet approval and implementation of pilot

4A.3.1.4.4. Governance Sub-Sector Strategies

- Consult with O/M/As and other relevant stakeholders on the allocation factors and relative weights to be used in the formula-based grant system;
- Build the capacity of sub-national government entities (Regional Councils and Local Authorities) in financial management;

- Create Regional and Local Government Finance Working Group (taskforce on formula-based grant system implementation) to function as a coordinating mechanism between technical-level stakeholders on the implementation of the formula-based grant system; and
- After Cabinet approval, pilot the formula-based equalising transfer system using funds from MRLGHRD from FY 2008/09.

4A.3.1.4.5. Governance Sub-Sector Programme:

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Pilot formula based grant system	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Governance Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

TBC – To be compiled during implementation of NDP3.

4A.2.2. NDP3 Goal: Increased and Sustainable Economic Growth

4A.2.2.1. NDP3 Goal Description and Background

Namibia's goal of increased and sustainable economic growth aims to achieve sustained economic growth while ensuring that all Namibians have the opportunity to benefit fully from economic development. Economic growth will enable access to employment for the many currently unemployed or under-employed, and access to resources will reduce poverty and inequality among many Namibians.

The economy of Namibia is characterised by a dualism, with a modern economy thriving alongside a subsistence and informal sector. The modern economy, with relatively high wages, benefits only a privileged few while the subsistence and informal economy, on which a majority of the population depends, has low returns. This dualism is unsustainable in the long run, both socially and economically. It requires considerable efforts towards economic empowerment of the less privileged population groups in order to bring them into the mainstream of the modern economy.

The pace of economic growth is often inversely correlated with inequalities in wealth and income distribution. It is likely to be lower in countries with high inequality than that in countries with more equal income distribution. Furthermore, both high inequality and poverty can lead to social and political instability that adversely affect investment and overall economic growth.

4A.2.2.2. **NDP3 Goal Performance during NDP 2**

The Namibian economy comprises of primary industries (agriculture, fisheries and mining); secondary industries (manufacturing, energy and water and construction) and tertiary industries (services, including government services). As indicated in Chapter 1, GDP grew on average by 4.7 percent per annum during NDP2 exceeding the Plan target of 4.3 percent. Primary industries grew by 3.7 percent against the target of 6.7 percent per annum. Secondary industries grew by 4.6 percent against the target of 5.5 percent, and tertiary industries grew by 5.3 percent exceeding the target of 4.0 percent. Given their substantial share in the economy, tertiary and secondary industries were the major contributors to growth in GDP during NDP2.

The average shares of the industries in GDP during the NDP2 period were: primary industries 20.4 percent, secondary industries 16.7 percent, tertiary industries 54.6 percent and taxes less subsidies 9.5 percent. (The total adds to more than 100.0 percent because the financial intermediation services measured indirectly are not excluded from tertiary industries). The industrial structure of the economy has not changed significantly during the past decade or more, although there may have been modest shifts in the shares of the sub-sectors within the three broad industry classifications.

In terms of economic empowerment during the NDP2, progress was made in empowering the historically disadvantaged groups. In this regard, the Government successfully implemented the following initiatives:

- Sale of mining rights and empowerment of small scale miners;
- Granting of fishing rights and Namibianisation of fishing vessels;
- Proclamation of community conservancies;
- Establishment of small road contractors;
- Provision of Affirmative Action Loans through Agribank for relocating communal farmers;
- Land purchase for resettlement; and
- Promotion of the growth of SMEs.

4A.2.2.3. NDP3 Goal Indicators, Baseline and Targets

Table 4A.4: NDP3 Goal Indicators, Baseline and Targets

Indicators	Baselines (NDP2 Outcome)	Targets	
		Baseline GDP Growth Scenario	**Higher GDP Growth Scenario**
GDP growth (%)	4.7	5.0	6.5
Primary industries	4.5	2.0	3.6
Secondary industries	4.8	6.7	9.0
Tertiary industries	5.4	6.2	7.7
Inflation rate (%)	6.5	7.0	7.0
Budget deficit (% of GDP)	3.1	1.8	1.5
Exchange rate depreciation (%)	-	3	3
Investment/GDP (%)	24.9	32	33
Exports growth (%)	6.8	7.0	9.0
Consumption/GDP (%)	80.8	78.9	79.3
Per capita income growth rate	3.5	3.4	4.7
Services contribution to GDP (%)	54.6	64.2	63.7

4A.2.2.4. NDP3 Goal Strategies

- Strengthen the institutional foundations for macroeconomic stability through maintaining membership of the Common Monetary Area (CMA), maintaining parity of the Namibia Dollar with the South African Rand, and sound fiscal management;
- Promote agricultural development-led industrialisation through the transformation of agriculture from a low to a high productivity sub-sector and strengthening the linkage of agriculture with other sub-sectors;

- Enhance market efficiency by such measures as reducing the number of steps that entrepreneurs need to go through to launch a business, the average time it takes , and the cost and minimum capital required, and the transaction costs and procedures involved in exporting and importing;
- Improve the competitiveness of the public sector service delivery through implementation of the Performance Management System and establishing the Namibia Institute of Public Administration and management; and
- Promote pro-poor economic growth through economic diversification and transformation including the development of the manufacturing sub-sector, investment in labour intensive sub-sectors and branding Namibian tourism.

4A.3.2. NDP3 Goal Sub-Sectors

Virtually all the sub-sectors contribute to increased and sustainable growth. The sub-sector growth targets are provided in Chapter 3 on NDP3 Development Framework and Targets. The details on the sub-sectors including their programmes are provided in the other KRAs/Sub-KRAs. Only the information on and programmes in the Research and Development and Financial Services sub-sectors that are not included elsewhere are presented in the following.

4A.3.2.1. Sub-Sector 1: Research

4A.3.2.1.1. Sub-Sector Description and Background

The main activities in the sub-sector under this NDP3 goal is to prepare policy research papers and macroeconomic frameworks for the short, medium and long-term development strategies and plans such as the Macroeconomic and Budgetary Framework, Medium Term Expenditure Framework (MTEF) and the National Development Plans (NDPs). The sub-sector is composed mainly of three institutions: the National Planning Commission (NPC), the Ministry of Finance (MoF) and the Bank of Namibia (BoN). The Macro-Economic Working Group (MEWG), comprising representatives of the three institutions at technical and policy levels and others from national research institutions was formed as an inter-governmental platform for deliberating on macro-economic policy issues and tasked with providing recommendations to policy-makers. The MEWG has since been making valuable contributions towards macroeconomic policy formulation in the country.

4A.3.2.1.2. Research Sub-Sector Performance during NDP2

During NDP2, the Government introduced the MTEF as the guiding tool for the formulation of the national budget. The MTEF is a three-year rolling budget plan, with the objectives of strengthening fiscal management and facilitating the allocation of resources to achieve strategic policy objectives by linking policies with plans and budgets. In order to ensure the realisation of these policy objectives and to set in motion the MTEF process, the sub-sector was engaged in building forecasting techniques that served as tools for producing macroeconomic projections for the Namibian economy over the period and formulated a macro-economic framework that detailed the economic and fiscal outlook as well as other pertinent policy issues. The framework was intended to ensure that resource allocation was undertaken in conformity with both revenue and expenditure policies and targets.

In terms of the validity of the macroeconomic projections for NDP2, the actual GDP exceeded the projections by 0.9 percent on average. However, most of the projections could not be realised, with some sub-sectors underperforming and some over-performing.

With regard to economic policy research, there were some economic studies commissioned by the BoN on foreign direct investment, and potentials of the agriculture and manufacturing sub-sectors in Namibia. Also, the BoN organised a number of seminars/symposiums to discuss the studies.

4A.3.2.1.3. Research Sub-Sector Mission, Goals, Indicators and Targets

Mission Statement: To provide timely and realistic macroeconomic projections for formulating national development plans, budgets and policy intervention strategies; and to provide advice on priority issues based on macroeconomic policy research.

Sub-Sector Goal: Improved macroeconomic policy research

Table 4A.5: Research Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Macroeconomic projections	Annual projections	Annual and other projections
No. of Economic Reports		Quarterly and Annual Economic Reports
No. of Policy research papers		2
No. of Policy seminars		2

4A.3.2.1.4. Research Sub-Sector Strategies

- Improve the skills for economic policy research and surveillance; and
- Strengthen the capacity of the Macroeconomic Working Group

4A.3.2.1.5. Research Sub-Sector Programme:

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Research and Policy Analysis	Development	0	600	600	600	600	2,400
	Operating	0	0	0	0	0	0
	Total	0	600	600	600	600	2,400
Research Sub-Sector Total	**Development**	**0**	**600**	**600**	**600**	**600**	**2,400**
	Operating	**0**	**0**	**0**	**0**	**0**	**0**
	Total	**0**	**600**	**600**	**600**	**600**	**2,400**

4A.3.2.2. Sub-Sector 2: Public Finance

4A.3.2.2.1. Sub-Sector Description and Background

In order to address the socio-economic challenges facing the country, Government has to mobilise resources to finance public expenditure within the context of promoting sustained economic growth, employment creation and poverty reduction. The national budget is the main fiscal policy tool that ensures a more equitable sharing of national wealth and enhances the well-being of society. Through the budget, the Government addresses urgent national priorities while exercising care in drawing resources from the economy through the tax system. Thus, the Government raises resources for financing public service delivery programmes and sets incentives to encourage increased economic activity in the country that will lead to job creation and economic growth.

The optimal utilisation of public finances requires that budgets are well planned and the spending priorities and resource allocations are subjected to economic analysis. It further requires that budgets take into account future expenditure requirements and resource constraints. While the Government may consider borrowing additional funds to invest in programmes that yield returns in future, it is important to be cautious about falling into a debt trap and bear in mind the burden that debt puts on future generations. Accordingly, the Government decided in 2003 to develop and adopt a Sovereign Debt Management Strategy. The Government debt consists largely of securities such as Treasury Bills and Government Bonds sold in the domestic market. External borrowing is often on favourable or concessional terms.

In addition to domestic revenues, Namibia receives grants from its international development partners which greatly assist with the country's socio-economic transformation and development. Although only a modest portion of the external funding flows through the State Revenue Fund, donor pledges for NDP3 are expected to amount to several billion Namibia dollars.

For Namibia to prosper, the persistence on outcome or results-based budgeting will enable Government to create the fiscal space whenever economic growth is healthy so that more development programmes can be funded during the periods when growth slows down. This is especially important as the Government expects that the substantial revenue flows from the SACU pool may not be sustainable over the long-term. Therefore, the Government must find alternative revenue streams based on which it will be able to provide for the poor and vulnerable while promoting economic growth.

It is envisaged that during NDP3, public finance will target, apart from the social sub-sectors, the development of productive sub-sectors to ensure food security, potable water supply and adequate supplies of energy. Also, the Government will ensure that fiscal policy is sustainable and equitable, promotes economic growth, creates employment, and contributes to poverty alleviation. This will require effective resource mobilisation, efficient and disciplined public expenditure, and adherence to the Sovereign Debt Management Strategy.

4A.3.2.2.2. Sub-Sector Performance during NDP2

Direct and indirect taxes are the major source of Government revenue, which finances the provision of public services that stimulate and contribute to economic growth. During NDP2, the Income Tax Act, Value Added Tax Act, and the Transfer Duty Act were amended to cater, among others, for the following:

- Outsourcing the collection of outstanding debt;
- Introduction of a withholding tax on interest income;
- Introduction of a VAT luxury rate at 25 percent;
- Reduction of deductible allowances;

- Ring-fencing of losses; and
- Changing the interest rate on overdue income tax from a compounded 20 percent to a simple 20 percent.

In addition, an amendment to the Income Tax Act was introduced to cater for a Tax Tribunal to expedite the resolution of tax dispute cases. This amendment gives taxpayers hope for a speedy resolution of their tax cases, especially lower-value cases.

To curb increasing tax evasion by the public, forensic tax audits were introduced for the first time in the northern part of the country. The Oshakati Forensic Audit commenced in 2004 and yielded additional tax revenue of N$1.0 billion in 2005/06. Enhanced revenue collection methods employed during NDP2 contributed to the steady increase in total revenue in terms of gross value and also as a percentage of the GDP.

In an effort to bring tax administration closer to the people, additional regional revenue offices were planned. This resulted in the construction of the Otjiwarongo Regional Office, which started in March 2005 and the first phase of which was completed in 2006. In addition, the construction of the Keetmanshoop Regional Office started in August 2005 and is expected to be completed in 2009. Some other projects were also implemented during NDP2 that have a direct impact on revenue collection. These include the construction of Customs and Excise Regional Offices and the construction of new border posts.

A number of budget reforms took place during the NDP2, which include the introduction of the Medium Term Expenditure Framework and the constituent Performance Effective Management Programme, the Medium Term Plans and Programme Budgeting, all of which have the common objective of focusing resources on outcomes or results. Public spending was closely monitored and the sub-sectors of education, health, security, roads and railways benefited from large allocations to their programmes.

A cursory review of the performance of selected commercial public enterprises presents a very mixed picture, with significant erosion of their assets over time, with some being bankrupt without continued Government funding. Thus, subsidies and capital and recapitalisation grants to parastatals continue. For example, in the 2007/08 Budget, the Government provided a targeted subsidy of N$435,000 (about N$338,000 in 2006/07), and Government equity participations totalling N$1,232,150,000 (about N$312,500 in 2006/07) to SOEs. Central Government guarantees the loans to parastatals and there were a few defaults on payments of some guaranteed loans, which are covered by the exchequer.

For the first time in 2005/06, the Medium Term Plans[11] included details of the finances of SOEs and off-budget Funds. They provided information, which enabled the Government to take a holistic view of the public finances. Also, the Government planned to extend Programme Budgeting to the SOEs, with Government grants tied to specific activities designed to meet such national priorities as poverty reduction, expansion of employment and acceleration of economic growth. For this purpose, a Memorandum of Understanding with each of the concerned enterprises was to be executed listing among others the activities to be funded, the expected impacts and the resources to be made available. This was formalised in the 2006/07 Budget.

[11] The three-year rolling Medium Term Plans, first prepared and published in 2004/05, set out for each Vote the priorities for the three years, objectives (outcomes), sources of funding (operational budget, development budget and donor funding) for the Vote, programmes and activities, allocation of funds by programme and sources of funding, key financial data on parastatals and "funds," where publicly available, and the Performance and Effectiveness Management Programme (PEMP) frameworks and associated data.

The public finances have been consolidated substantially over the NDP2 period with gradual reductions in the budget deficits, which were ultimately turned into a significant budget surplus of 4.8 percent of GDP in 2006/07.

In the area of Budget Control and Expenditure Management, the Government introduced the Integrated Financial Management System that saw its full implementation in all O/A/Ms in 2006/07.

4A.3.2.2.3. Public Finance Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To develop and administer fiscal policies that ensure optimal revenue collection and efficient use in public spending aimed at accelerated socio-economic development.

Goal: Sound fiscal management.

Table 4A.6: Public Finance Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Total revenue as % of GDP	31.7	33.3
Total expenditure as % of GDP	33.9	30
Budget balance as % of GDP	-2.2	1.7
Total debt as % of GDP	28.2	25
Number of Vote accounts qualified by the Auditor General	7	0
Amount overspent within each financial year (N$)	1,400,000	0

4A.3.2.2.4. Public Finance Sub Sector Strategies

- Review fiscal instruments and regulations to enhance revenue collection and ensure prudent spending;
- Improve tax administration capacity;
- Undertake tax-payer education throughout the country;
- Develop programme/project appraisal/analysis skills;
- Improve linkages between investment project planning and related recurrent expenditure planning;
- Prioritise public spending;
- Coordinate regular training for O/M/As on government accounting;
- Create adequate capacity for budget management and control;
- Establish a plan for upgrading the analytical skills of staff; and
- Develop a system for physical and financial monitoring of programmes and projects and evaluate their impact.

4A.3.2.2.5. Public Finance Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
	Development	36,990	39,209	39,209	39,209	41,954	196,571

Public Finance Management (PFM)	Development	36,990	39,209	39,209	39,209	41,954	196,571
	Operating	2,707,384	2,779,256	2,224,267	2,004,416	2,144,725	11,860,048
	Total	2,744,374	2,818,465	2,263,476	2,043,625	2,186,679	12,056,619
Public Finance Sub-Sector Total	**Development**	36,990	39,209	39,209	39,209	41,954	196,571
	Operating	2,707,384	2,779,256	2,224,267	2,004,416	2,144,725	11,860,048
	Total	2,744,374	2,818,465	2,263,476	2,043,625	2,186,679	12,056,619

Note: The operating expenditure estimates include about N$7.9 billion in equity injections to Air Namibia and NamPower.

4A.3.2.3. Sub-Sector 3: Financial Services

4A.3.2.3.1. Sub-Sector Description

The financial system in Namibia is considered to be well developed in terms of institutions, payment systems and products. Unlike most other African countries, the financial services sub-sector is dominated by the formal institutions as opposed to the informal ones. The formal institutions comprise the central bank, commercial banks, post office savings bank, insurance companies, pension funds, asset management companies and a stock exchange. The informal institutions comprise micro lenders. In addition, there are a number of development finance institutions in the country.

There are four commercial banks operating in Namibia: Bank Windhoek, First National Bank of Namibia, Nedbank Namibia and Standard Bank Namibia. At the end of 2005, there were approximately 17 life insurance companies, 12 short-term insurance companies, 479 pension funds and 29 assets management companies. The development finance institutions include the Agricultural Bank of Namibia (Agribank), the National Housing Enterprise, Namibia Development Corporation and the Development Bank of Namibia. Thus, the financial services sub-sector comprises many organs. In the pursuit of an efficient, well-governed and transparent sub-sector, it is imperative to ensure that all organs are functioning efficiently and effectively catering to client needs and promoting the sustainable development of the country. With that in mind, the following areas will be examined: banks, pension funds, asset management companies, unit trusts, capital markets, the Namibian Stock Exchange (NSX), micro lending businesses, development finance institutions, Small and Medium Enterprises (SMEs), insurance companies, pension funds, medical aid schemes and specialised institutions.

4A.3.2.3.2. Financial Services Sub-Sector Performance during NDP2

During NDP2, the financial services sub-sector of the country witnessed some remarkable growth and structural change. For example, credit allocated by depository corporations grew from 10.2 percent in 2001 to 15.9 percent in 2005.The Namibia Stock Exchange has grown rapidly since its establishment in 1992. The contribution of financial services to GDP is nevertheless still relatively low. The major reason is the large share of imports of financial services, particularly in the insurance industry. In terms of employment, the sub-sector's contribution is also low, at about 2 percent of total employment in 2004.

The Financial Intelligence Bill was drafted and signed into an Act of Parliament in 2007. The objective of the Act is to combat money laundering activities by collecting, analysing and disseminating financial data which may lead to the prosecution of persons involved in money laundering and related activities. The Bank of Namibia (BoN) will oversee the implementation of the Act.

The draft Financial Sector Charter, which is envisaged to be fully operational in 2008, will serve as a major milestone for banking and financial institutions in terms of transformation of the industry. The Charter is a voluntary commitment from financial institutions aimed at transforming the sub-sector in terms of ownership and control.

Two applications for banking licenses were received during NDP2 and one was rejected while the decision on the other one is still pending. The assets of the banking institutions grew from N$13.8 billion in 2001 to N$33.4 billion in 2006 while the number of branches (agencies included) increased from 123 to 142.

In March 2003 the Central Bank introduced a new Cross Border Foreign Exchange Transactions Reporting System (commercial banks reporting electronically to BoN), which replaced the manual submission of information pertaining to foreign exchange transactions. The Payment System Management Act 2003 (Act No. 18 of 2003) confers powers to the BoN to oversee the Namibia Payment System (NPS) with the objective of anticipating, identifying, managing and reducing inherent risks. In addition, the BoN has amended and issued various prudential regulations (determinations) for compliance by the banking institutions. Another noteworthy development is the Basel II project which the BoN embarked upon in 2005 and expects to be implemented by 2009.

The major change in the area of non-banking financial institutions was the establishment of the Namibia Financial Institutions Supervisory Authority (NAMFISA) in 2001 to supervise non-banking financial institutions. Also, various stakeholders have adopted a coordinated approach in the form of a Charter of Good Practices for the promotion of rural and microfinance.

In the area of insurance a total of seven new life insurance companies and one long-term re-insurance company were registered during NDP2. This brought the total number of life insurance companies to 17. The industry's assets grew by 39 percent from N$6.2 billion in 2001 to N$16.0 billion in 2005, accounting for 42 percent of Namibia's GDP. There were 15 short-term insurers, including two re-insurers, at the beginning of 2001. However, due to consolidation, the total number of insurers was reduced to 12, including one re-insurance company. The industry's assets grew 78 percent from N$761.6 million in 2001 to N$982 million in 2004, accounting for 3 percent of Namibia's GDP in 2004.

During NDP2, about 15 new pension funds were registered raising the total number of all pension funds to 479. The assets of the pension funds grew by 62 percent from N$16 billion in 2001 to N$26 billion in 2005. As the local investment requirements did not grow rapidly during NDP2, the pension funds continued to invest only 35 percent of their assets in Namibia with the rest invested abroad, mainly in South Africa.

The total registered investment managers or asset management companies increased from 15 in 2001 to 29 in 2004, while the total funds under management increased by 100 percent from N$20.0 billion in 2001 to N$40.7 billion in 2004. The managers invest the resources from pension funds and life insurers and the data show that most of these funds are invested in South Africa. It is argued that investors, as owners of asset management funds, must also comply with Regulation 28, just like the pension funds and insurers in order to reduce the outflow of capital.

The number of registered unit trust management companies increased from 7 in 2001 to 8 in 2004. The total funds under management increased from N$2.0 billion in 2001 to N$9.6 billion in 2005, with about 60 percent of the funds invested in Namibia, while 40 percent was invested in South Africa.

During NDP2, the number of stock brokers that are members of the Namibian Stock Exchange (NSX) declined from 6 in 2001 to only 4 in 2003. The local price index rose from 59 points in

December 2001 to 91.1 points in December 2006. This reflects buoyancy, especially during 2006. In 2001, the NSX introduced a settlement system, which is linked to the South African Central Depositories, which enables dual-listed securities traded on the NSX to be settled electronically.

Micro finance institutions have the potential to provide financial services to many people that the banks are not willing or able to serve. The number of micro lending institutions increased from 125 in 2001 to 137 in March 2005. However, the number of people employed declined from approximately 374 in 2001 to 301 in December 2004. Total loans granted by the registered micro lenders amounted to N$383 million during 2002/03.

Development Finance Institutions have continued to play an important role in providing loans and industrial finance, mobilising domestic savings and allocating investment funds efficiently. Agribank provides both short and long-term lending facilities to support the agriculture sub-sector. The short- term loans are mainly for crop production while the medium and long-term loans are for investment in farmland and equipment. Farming operations and related activities received loans to the tune of N$285 million during NDP2. The Affirmative Action Loan Scheme (AALS) provided N$143 million to previously disadvantaged Namibians for the purchase of land in commercial farming areas. Community-based agricultural activities received N$22.8 million under the National Agricultural Credit Programme. During NDP2, the Agricultural Bank of Namibia Act (Act No.5 of 2003) was amended to broaden the bank's activities related to agriculture. The institution has experienced financial difficulties over the same period, which has led to losses. As a result, Agribank is undergoing a restructuring process to ensure the optimal utilisation of its financial, human, operational and supporting resources to be profitable.

The Development Bank of Namibia (DBN) started operations in 2004. It provides funding to new investment activities for development either directly or through lines of credit to other financial institutions. A Special Development Fund (SDF) has been established as a part of the DBN to improve access to financing for the SMEs. The DBN has provided financing to the value of N$184 million creating 154 new jobs. The SDF, through its partnership with Bank Windhoek, has provided financing to the amount of N$39 million to 39 SMEs creating 369 jobs. With regard to venture capital, initiatives by companies like Stimulus Private Equity Fund (Pty) Ltd are achieving great strides in bridging the funding gap between the inception of an idea and the provision of seed and early stage development capital.

The activities of the National Housing Enterprise (NHE) are derived from the National Housing Policy, which mandates the NHE to act as a lending institution as well as a housing developer. A total of 2,429 core houses and conventional houses were built during NDP2. In addition, 2,297 *erven* were developed annually. This is very low compared to the target of 300,000 low-cost houses by 2030, which would require the construction of more than 12,000 low-cost houses per year. Like Agribank, the NHE is undergoing a restructuring process that should enable it to improve its efficiency and enhance its capabilities to address the housing backlog. The NHE has also adopted a new strategy of acquiring unserviced land that will allow it to accelerate the delivery of housing, without necessarily having to wait for the Town Councils/Municipalities to make serviced land available. The NHE is also forming smart partnerships with other role players like the GIPF and Shelter Africa to enhance delivery on this urgent need to address the housing backlogs in the country.

Cognisant of the vital role that SMEs can play in the achievement of the country's central economic objectives of growth, employment and poverty reduction, NDP2 identified strategies aimed at ensuring that small businesses have adequate access to finance. The Small Business Credit Guarantee Trust (SBCGT) plays a significant role in supporting the extension of credit to SMEs. The total number of loans to SMEs reached 493 valued at N$42.0 million to 414 SMEs during NDP2. The minimum loan granted was N$3,000, while the maximum was N$312,000. Thus far,

the SBCGT has paid a total of N$1.4 million to lending institutions due to non-repayments by beneficiaries. There are concerns that the default on loans guaranteed by the SBCGT have increased in the recent past which may call for a rethink of the current operational model. The SBCGT is undergoing a restructuring exercise with the objective of transforming itself into a specialised self-sustaining micro finance bank, which will require capitalisation of between N$40 million to N$80 million over a period of five years.

The Namibia Post Savings Bank (NSB) is a specialised institution that provides basic savings and remittance services through its 120 outlets. The NSB's service charges are substantially lower than those of the commercial banks and it does not engage in lending. Interest income on NSB accounts for individuals is exempted from tax. The NSB has in excess of 250,000 clients and its deposits have grown to N$600 million during NDP2. To improve its operational efficiency and the access of the poor to financial services, NamPost has recently introduced the Smart Card switching payment system. This initiative enables the poor across the country access to modern electronic financial transactions.

4A.3.2.3.3. Financial Services Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To improve ownership, participation and access of financial institutions to formerly disadvantaged.

Goals: The financial services sub-sector transformed to better cater to present and future needs including increased black empowerment.

Table 4A.7: Financial Services Sub-Sector Indicators, Baselines and Targets

Indicators	Baselines	Targets
Banking Industry		
Increased ownership by previously disadvantaged measured at holding company level	BWK 7.5% – 10%	≥ 26%
Increased participation of formerly disadvantaged in management of commercial banks at:		
Board level		40% (11% W)
Executive management level	60% (0% women)	80% (20% W)
Senior management level	22% (8.3% W)	40% (29% W)
Middle management level	42.6% (21% W)	60% (40% W)
Foreign bank branches	not allowed	allowed
Proportion of bank payroll spent on improving skills of formerly disadvantaged in banking services	0%	2%
Clearing of cards and other domestic payment instruments	in RSA	in Namibia
Increased access to financial services.	55%	70% (2010)
Finance charges	higher	lower
Amount of loans to SMEs owned by formerly disadvantaged	N$ 100,000	2% of commercial bank loans and 6% of non-bank loans
Compliance with 25 Basel Core Principles (BCPs) – (target 2010)	Largely compliant	Fully compliant by 2010
Banking Institutions Act, no.2 of 1998 amendments implemented (target 2008)		To be passed by 2008
Implement Basel II Framework (target 2009)		Yes

Indicators	Baselines	Targets
Effective money laundering and terrorist financing prevention and detection measures	Legal framework in place	Operational financial intelligence centre
Insurance Industry		
Increased ownership of formerly disadvantaged measured at holding company level		≥ 26%
Participation of formerly disadvantaged in management of insurance companies at: Board level Executive management level Senior management level Middle management level	 45.5% (0% W) 51.6% (12.9% W) 69% (25% W)	 40% (11% W) 60% (25% W) 70% (30% W) 90% (40% W)
Increased skills of formerly disadvantaged in the insurance industry		2% of payroll spent on critical skills training
Access to insurance products	6% short-term and 25% long-term	25% (2010)
Pension Funds and Medical Aid Schemes		
Access to pension funds for unemployed and those employed in the informal sector	none	National pension fund established
Access to medical aid for unemployed and those employed in the informal sector	none	National medical aid scheme established
Participation of formerly disadvantaged in management of pension funds at: Board level Executive management level Senior management level Middle management level	 27% (13.3% W) 12.5% (4% W) 30% (23% W)	 40% (11% W) 45% (25% W) 30% (15% W) 50% (35% W)
Asset Management Participation of formerly disadvantaged in management of asset management companies at: Board level Executive management level Staff level	 	 40% (11% W) 25% (10% W) 30%
Increase skills of formerly disadvantaged in asset management companies	1percent of current net profit	2percent of current net profit
Unit Trusts		
Increase ownership of formerly disadvantaged in unit trust management companies measured at holding company level		≥ 26%
Increase participation of formerly disadvantaged in management of unit trust management companies at: Board level Executive management level Staff level	 	 40% (11% W) 25% (10% W) 30%
Increase skills of formerly disadvantaged in unit trust management companies		2% of payroll spent on training
Money and Capital Markets		
Increase debt papers (i.e. Assets Securitisation)	Low	Increased
Develop inter-bank market	Inactive	Active

Indicators	Baselines	Targets
Reduce capital outflow	High	Reduced
Use yield curve for pricing of Namibian debt securities	RSA benchmarks	Developed Namibia yield curve
Establish Namibian Bond Association (NBA)		NBA in place
Micro-Lending Businesses		
Increase access to financial services	0.9%	5% (2010)
Development Finance Institutions		
Increase access to financial services	55%	60% (2010)
Lower finance charges	Very high	Lower
Increase access to finance for SMEs	N$100,000	6% of capital to finance BEE transactions 30% procured from BEE companies
Increase access to low cost housing finance	486 houses per year (NHE)	1,200 houses per year

4A.3.2.3.4. Financial Services Sub-Sector Strategies

Table 4A.8: Financial Services Sub-Sector Strategies

Industry	Strategies
Banking	• Amend the Banking Institutions Act to allow foreign bank branches; • Pass regulations to make the Competition Commission operational; • Facilitate commitment from both BoN and payment system participants; • Encourage commercial banks to introduce more products for the SMEs. • Ensure adequately skilled staff in the Financial Intelligence Centre; and • Train the staff of law enforcement agencies and Accountable institutions and Supervisory bodies.
Insurance	• Introduce micro insurance services.
Pension Funds	• Amend Regulation 28, if necessary, to ensure that capital outflow is minimised and funds will be reinvested in Namibia.
Asset Management Companies and Unit Trusts	• Introduce Lobby legislation at AA level • Implement Financial Services Charter; • Start an Academy of Investment Management; • Establish local investment committees in each entity to make, direct and review investment decisions; and • Help Investment Managers Association to establish a fund for engaging in socially responsible investments.
Money and Capital Markets	• Encourage corporations to issue more debt papers • Enact necessary legislation for asset securitisation • Gazette the Amendment to Regulations 28 and 15 as a tool to ensure that commercial banks extend loans in rural areas, which form a part of their depositor base; • BoN to develop a benchmark yield curve for pricing the Namibian debt securities; • Review amendments to tax on interest; • Implement the primary dealer system in 2008/09; and • Establish the Namibian Bond Association in 2007/08.

Industry	Strategies
Namibian Stock Exchanges	• Give listed companies preference on Government and SOE tenders; • Have the investments count a higher percentage to asset status; and • Encourage listing on the Development Capital Board where the capital entry level is lower.
Micro-lending Institutions	• Have NAMFISA engage more rigorously in financial education so that people make informed decisions when it comes to interest rates and borrowing money.
Development Finance Institutions	• Capitalize the SBCGT and establish seed and venture capital; • Undertake a study on consolidation of financial SOEs; • Local authorities should intensify the process of servicing land and the price of land need to be regulated by the government to ensure affordability; • Facilitate the Securitisation of un-serviced land to help the NHE and municipalities quicken the provision of houses; • Help NHE to increase the building of low cost houses; and • Encourage the SBCGT, DBN and Agribank to introduce more products for the SMEs.

4A.3.2.3.5. Financial Services Sub-Sector Programmes:

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Financial Sector Charter Implementation	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Financial support to the SMEs	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Money and Capital Markets Development	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Youth Credit Scheme	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Financial Services Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

TBC – To be compiled during implementation of NDP3**.**

4A.2.3. NDP3 Goal: Increased Employment

4A.2.3.1. NDP3 Goal Description and Background

Since Independence, employment creation was identified as one of the main priorities and a number of laws, policies and programmes have been put in place. They include: the Labour Act of 1992, Affirmative Action (Employment) Act No. 29 of 1998, Social Security Act, National Youth Services Act and Investment Act; the National Employment Polices; and Small Scale Credit Guarantee Scheme.

The labour market plays a vital role in the economy and in improving the well-being of the people. The interaction of labour demand and supply is influenced by many factors including legislation, the growth of the economy (capital versus labour intensive), the degree of openness of the economy, and the absorptive capacity of the labour market. These and other factors help determine the levels of employment and unemployment in the country.

4A.2.3.2. NDP3 Goal Performance during NDP2

Employment; NDP2 targeted employment to grow at 2.6 percent per annum. According to the Namibia Labour Force Surveys (NLFS) conducted in 2000 and 2004, the total number employed declined from 431,849 in 2000 to 385,329 in 2004 with the number in rural areas declining from 229,865 in 2000 (53 percent of total employed) to 165,355 (43 percent) in 2004 while that in urban areas rose modestly from 201,985 (47 percent of total employed) in 2000 to 219,974 (57 percent) in 2004. Thus, the employment declined by on average at 2.7 percent per annum during NDP2 with rural employment accounting for the entire decline and the majority of those employed had shifted from the rural areas to urban centres.

Between 2000 and 2004, the share of employment by primary industries declined marginally from 32.0 percent to 31.9 percent while the share of secondary industries rose from 11.3 percent to 12.8 percent, and that of tertiary industries jumped from 47.0 percent to 55.3 percent.

The number of employed males was 226,828 in 2000 (52.5 percent of total employed), but took a slight dip to 216,652 in 2004 (56.2 percent). The number of females employed declined significantly from 205,021 in 2000 (47.5 percent) to 168,677 in 2004 (43.8 percent). Thus, female employment bore the brunt of the decline in total employment during the period 2000 to 2004.

Unemployment: Unemployment in Namibia is defined in two ways: (i) the strict definition that includes only those that are unemployed and are actively looking for work; and (ii) the broad definition that includes those that are unemployed and actively looking for work as well as those not looking for work, but are available for work. The unemployment rate (strict definition) rose from 20.2 percent in 2000 to 21.9 percent in 2004. The unemployment (strict definition) amongst males followed the same pattern, rising from 19.0 percent in 2000 to 19.4 percent in 2004 while that amongst females jumped from 21.5 percent in 2000 to 25.0 percent in 2004.

The unemployment rate (broad definition) rose from 33.8 percent in 2000 to 36.7 percent in 2004 with that amongst males rising from 28.3 percent in 2000 to 30.3 percent in 2004 and that among females from 39.0 percent in 2000 to 43.4 percent in 2004. The unemployment rate in the rural areas was much higher than that in the urban centres.

Youth unemployment: As in other developing countries, unemployment in Namibia affects different age groups differently with the rate declining consistently with age. Those in the age group 15-19 years suffer the highest unemployment rate (broad definition) of 64.6 percent in 2004, which declines to 57.4 percent for the next age group 20-24, and to 41.1percent for 25-29 year olds. The same pattern is observed under the strict definition of unemployment. Between 2000 and 2004, youth unemployment followed the general pattern. As in the general population, unemployment (strict definition) amongst female youth is uniformly higher than that amongst male youth.

4A.2.3.3. NDP3 Goal Indicators, Baselines and Targets

Table 4A.9: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Employment rate (%)	63.3 (2004)	66.7 (2012)

4A.2.3.4. NDP3 Goal Strategies

- Provide demand-driven educational programmes that will equip the youth with skills required by the labour market;
- Improve the education system to help the youth make a smooth transition from high school to productive, skilled employment and further learning;
- Facilitate increased and effective investments in educational infrastructure and facilities, including schools, universities, vocational-training centres, educational materials and libraries;
- Transform and diversify the economy from reliance on primary industries to promotion of manufacturing, including value addition to raw materials and products;
- Implement well balanced resettlement policy taking cognisance of the needs of the resettled in terms of skills, equipment and other resources to use the allocated land efficiently;
- Promote timely and efficient implementation of development/capital projects to ensure high returns to society in terms of income and employment creation;
- Ensure adequate investments in labour intensive sub-sectors such as agriculture, tourism, manufacturing and infrastructure development;
- Mainstream youth as a priority in all employment creation initiatives;
- Establish a Productivity Centre to provide information for policy and planning purposes aimed at improving productivity in the economy;
- Optimise use of Namibian unskilled labour; and
- Explore the export of unskilled labour.

4A.3.3. NDP3 Goal Sub-Sectors

Employment creation is a cross-cutting issue and is mainstreamed in all the sub-sectors of the economy. Thus, the programmes relevant to achieving the NDP3 Goal on Increased Employment are shown in the relevant the sub-sectors in the various TWGs. Only the programmes relating to the research and development sub-sector that contribute to the NDP3 Goal on Increased Employment are presented in the following sections.

4A.3.3.1. Sub-Sector 1: Research

4A.3.3.1.1. Sub-Sector Description

This sub-sector deals with the provision of information on the labour market, including the labour conditions and relations, compiled through among others labour surveys.

4A.3.3.1.2. Research Sub-Sector performance during NDP2

The following survey programmes were successfully undertaken during NDP2: (i) 2001 Informal Economy Survey; (ii) 2002 Namibia Occupational Wage Survey; (iii) 2003 Expatriate Data Collection; (iv) 2004 Namibia Labour Force Survey; (v) Annual Agricultural Farm Workers data collection exercise; and (vi) completion of fieldwork for the 2005 Namibia People Security and the 2005 Namibia Child Activities surveys. Also, work on construction of offices in Windhoek, Katima

Mulilo, Oshakati and Otjiwarongo was carried out and feasibility studies and documentation for the construction of regional offices in Outapi, Opuwo, Gobabis and Rundu were accomplished.

Research was carried out for the development of norms for the differential psychometric/aptitude tests. Ten vocational interns were trained and registered as psychological counsellors by the Interim Social Work and Psychology Council of Namibia. About 761 clients were tested and counselled and more than 250 enquiries for outside testing were handled. These activities have been decentralised to most of the 13 Regions of the country. Data collection for updating the book "Careers in Namibia 2001/02" and the "Careers in Namibia 2005/06" were completed and launched. Three quarters of the 3,000 copies printed were distributed to schools free of charge and the rest kept for sale.

Computerisation of the registration of job seekers through an integrated communication system was completed in all 13 Regions. A total of 44,789 job seekers have been registered of which 5,500 were placed in different sub-sectors of the economy during the period.

4A.3.3.1.3. Research Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To ensure effective labour and employment legislation, provide safety nets through labour laws, labour market services and the promotion of employment creation.

Goal: Labour laws effectively enforced and effective and efficient employment services provided to expand employment and improve productivity.

Table 4A.10: Research Sub-Sector Goal Indicators, Baselines and Targets

Indicators	**Baselines**	**Targets** (2012)
New System of dispute resolution in place		Yes
Compliance orders: Number issued Number of work places covered	 1,800 3,000	 1,170
Enactment of a legal or regulatory framework		yes (2008)
Labour Market Information System (LMIS) established		Yes
Jobs created and filled: Number of job-seekers registered Number employed	 44,789 5,508	 160,000 50,000
Establishment of Productivity Centre		Yes
Number of clients provided with comprehensive Vocational Counselling Services	761	60,000

4A.3.3.1.4. Research Sub-Sector Strategies

- Enact a legal or regulatory framework;
- Establish the Productivity Centre; and
- Establish a comprehensive Labour Market Information System.

4A.3.3.1.5. Research Sub-Sector Programmes

Programmes	**Type of Budget**	**Programme Costs /Budget Plan (N$ '000)**

		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Labour Services	Development	0	0	0	0	0	**0**
	Operating	21,705	16,287	21,830	22,804	23,768	**106,394**
	Total	21,705	16,287	21,830	22,804	23,768	**106,394**
Industrial Relations	Development	0	0	0	0	0	**0**
	Operating	9,992	10,724	10,835	19,943	20,543	**72,037**
	Total	9,992	10,724	10,835	19,943	20,543	**72,037**
Labour Market Information	Development	4,000	4,500	4,535	5,000	6,500	**24,535**
	Operating	21,460	32,700	38,621	48,648	54,675	**196,104**
	Total	25,460	37,200	43,156	53,648	61,175	**220,639**
Research Sub-Sector Total	**Development**	**4,000**	**4,500**	**4,535**	**5,000**	**6,500**	**24,535**
	Operating	**53,157**	**59,711**	**71,286**	**91,395**	**98,986**	**374,535**
	Total	**57,157**	**64,211**	**75,821**	**96,395**	**105,486**	**399,070**

4A.2.4. NDP3 Goal: Increased Smart Partnerships and Private Sector Development

4A.2.4.1. NDP3 Goal Description and Background

Namibia's record of achievements since Independence could not have taken place without the public and private sectors, labour, civic organisations and communities all playing their respective roles in pursuit of national development goals with the assistance from international development partners. Thus, all stakeholders should be credited for the development results and ensuring political and macroeconomic stability. Namibia has a free and open market economy with the private sector (including small and large private investors, civic organisations and communities) dominant and the Government playing largely a facilitating role. In fact, the Government accounts for only about a third of the economy with the remaining two-thirds controlled and managed by the private sector. Thus, the private sector is the engine of economic growth in the country.

A vibrant private sector is the engine of economic growth and employment and increased public-private partnerships will help businesses expand. Similarly, increased partnerships with civic organisations would facilitate more efficient service delivery, enhanced citizen participation and more equitable sharing of the benefits. The interactions between the public and private sectors have been many, with the Government consulting with and engaging the private sector on issues that are crucial to the country's economy. Prominent among these is the Presidential Economic Advisory Committee (PEAC). However, true Smart Partnerships in the sense of outsourcing government activities to private entities have been limited. Such partnerships can not only improve efficiency in service delivery, but also contribute to private sector development. Smart Partnerships will allow the Government to concentrate on its core functions while allowing the private sector to increase its contribution to GDP. An additional benefit of such cooperation is the empowering of disadvantaged groups through the Black Economic Empowerment (BEE) programme.

NDP2 recognised the important role played by civic organisations in the sustainable socio-economic development of the country. Accordingly, the Government, in consultation with the civic organisations, adopted a Government-Civic Organisations Partnership Policy. Formulation of Public-private Partnerships and Private Sector development policies are under way.

4A.2.4.2. NDP3 Goal Performance During NDP 2

Under NDP2, the Government made efforts to facilitate PPPs. For example, the Government of the Republic of Namibia-Civic Organisations Policy was approved by the Cabinet in December 2005 and is now at implementation stage. The objectives of the Policy are to: (i) create a greater commitment for civic participation through the promotion and encouragement of active citizenship; (ii) enhance the environment for civic participation and partnership; (iii) bring the Government closer to the people and create partnership opportunities; and (iv) enhance the capacity of partners (the Government and civic organisations) to enter into partnerships and jointly respond to development challenges and opportunities in an efficient, effective and sustainable fashion. Outsourcing on a contractual basis has made inroads, most notably in the health and education sub-sectors. The Government recognises that there is a lot of potential in letting the private sector participate in some of the functions currently undertaken exclusively by the Government.

In order to realise the benefits from Smart Partnerships with the private sector, the Government drafted a Public Private Partnerships (PPPs) policy in 2007 which will be adopted and implemented during NDP3 to contribute to sustainable economic growth and the development of the country. Simultaneously, the draft Private Sector Development (PSD) Policy has been developed representing a new approach that merges the three parallel policies on industrial development, trade and small and medium enterprises (SMEs) focussing on private enterprise development. While the three policies have had some positive results, they fell short of what was envisioned, in part due to a lack of adequate integration among the three. The new PSD Policy is meant to resolve the problems by employing a single framework to guide all PSD initiatives.

Namibia should benchmark itself to industrialised countries in order to achieve Vision 2030. In order to enhance market efficiency to attract the necessary investment, a number of elements need to be improved during NDP3 with a view to aligning them to those of the member countries of the Organisation for Economic Corporation and Development (OECD) in the long-term.

The processes required to set up a new business include the following: i) the number of steps entrepreneurs can expect to go through to launch a business; ii) the time it takes on average; and iii) the cost and minimum capital required as a percentage of Gross National Income (GNI) per capita. Similarly, the costs, time and procedures involved in importing and exporting a standardised shipment of goods include several official procedures involved, starting from the final contractual agreement between the two trading parties, and ending with the delivery of goods. The information on these steps in Namibia during NDP2 is presented in Table 4A.11.

Table 4A.11: Steps Involved in Setting Up a Business and Trading

No.	Steps	Namibia	Sub-Saharan Africa	OECD Countries
1	No. of procedures for an entrepreneur to launch a new business	10	11.1	6.2
2	No. of days to set up a new business	95	61.8	16.6
3	Cost of setting up a business (as percent of income per capita)	18.0	162.8	5.3
4	No. of export documents required	9	8.2	4.8
5	No. of days required for exports	32	40.0	10.5
6	Cost to export a container	US$1,672	US$1,561	US$811
7	No. of import documents required	14	12.2	5.9

No.	Steps	Namibia	Sub-Saharan Africa	OECD Countries
8	No. of days required for imports	25	51.5	12.2
9	Cost to import a container	US$1,549	US$1,947	US$883

4A.2.4.3. NDP3 Goal Indicators, Baselines and Targets

Table 4A.12: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
No. of procedures for an entrepreneur to launch a new business	10	8
No. of days to set up a new business	95	75
Cost of setting up a business (as percent of income per capita)	18.0	16.0
No. of export documents required	9	7
No. of days required for exports	32	25
Cost to export a container	US$1,672	US$1,500
No. of import documents required	14	12
No. of days required for imports	25	21
Cost to import a container	US$1,549	US$1,400
PPP policy approved	Draft	TBC
No. of PPS	TBC	TBC
Government-Civic Organisations partnership policy operationalised		2008
No. of Government-Civic Organisations partnerships	TBC	TBC

TBC – To be compiled during implementation of NDP3.

4A.2.4.4. NDP3 Goal Strategies

- Finalise and implement the PPP and PSD Policies;
- Operationalise and implement the Government-Civic Organisations Policy;
- Review and streamline the steps involved in setting up a business and trading;
- Encourage more private investment and higher firm-level productivity;
- Increase access to economic opportunities and resources among underserved groups;
- Improve the business environment;
- Take steps to integrate Namibia more fully into regional and global economies;
- Provide selective support to underserved economic actors;
- Reduce the legal and regulatory costs of doing business;
- Ensure Namibia is a competitive country in which to do business;
- Increase the availability of land and land rights for investment and development;
- Increase registration of informal sector enterprises;
- Ensure fair competition and a level playing field for informal sector enterprises and SMEs;
- Align labour markets with the needs of the growing private sector;
- Modernise Namibia's information and communications technology (ICT) Infrastructure;
- Offer attractive, effective and transparent investment incentives;
- Strengthen and formalise Namibia's public-private dialogue;
- Build a large and diverse base of Namibian exporters;
- Attract and retain quality foreign investors;
- Assist micro enterprises to grow;

- Support SMEs;
- Promote Black Economic Empowerment; and
- Explore the possibilities to encourage SOEs to issue debt and equity in the market.

4A.3.4.5. Sub-Sectors

4A.3.4.5.1. Sub-Sector 1: Smart Partnerships

Sub-sector description and background and performance during NDP2 provided under the NDP3 Goal on Increased Smart Partnerships and Private Sector Development.

4A.3.4.1.3. Smart Partnerships Sub-Sector Goal: Number of smart partnerships increased

Table 4A. : Smart Partnerships Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Finalise PPP Policy	Draft	Approved by 2009
No. of PPPs	TBC	TBC
Prepare legislation, regulations and guidelines to operationalise Government-Civic Organisations Partnership Policy	Drafts	Approved by 2009

TBC – To be compiled during implementation of NDP3.

4A.3.4.1.4. Smart Partnerships Sub-Sector Goal Strategies

- Operationalise and implement the Government-Civic Organisations Partnership Policy; and
- Create enabling environment for increased PPPs.

4A.3.4.1.5. Smart Partnerships Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Public-Private Partnerships	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Government-Civic Organisations Partnerships	Development	1,000	300	200	0	0	**1,500**
	Operating	0	50	25	27	28	**130**
	Total	1,000	350	225	27	28	**1,630**
Smart Partnerships Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

TBC – To be compiled during implementation of NDP3.

4A.3.4.2. Sub-Sector 2: Private Sector Development

Sub-sector description and background and performance during NDP2 are provided under the NDP3 Goal on Increased Smart Partnerships and Private Sector Development.

4A.3.4.2.3. Private Sector Development Sub-Sector Goal: Private sector development promoted.

Table 4A. : Private Sector Development Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
No. of procedures for an entrepreneur to launch a new business	10	8
No. of days to set up a new business	95	75
Cost of setting up a business (as percent of income per capita)	18.0	16.0
No. of export documents required	9	7
No. of days required for exports	32	25
Cost to export a container	US$1,672	US$1,500
No. of import documents required	14	12
No. of days required for imports	25	21
Cost to import a container	US$1,549	US$1,400
Incentives to domestic and foreign private investors reviewed and rationalised		By 2009
No. of industrial estates	TBC	TBC
No. of EPZs	TBC	TBC
No. of SME Parks	TBC	TBC

TBC – To be compiled during implementation of NDP3.

4A.3.4.2.4. Private Sector Development Sub-Sector Goal Strategies

- Review and reduce the number of steps required to set up a new business;
- Review and reduce the time and cost of setting up and conducting business in Namibia;
- Review and rationalise the incentives to domestic and foreign private investors;
- Create and expand the infrastructure and facilities for private enterprises; and
- Promote SMEs

4A.3.4.2.5. Private Sector Development (PSD) Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Improved Environment for PSD	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Infrastructure, Facilities and Services	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
PSD Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

TBC – To be compiled during implementation of NDP3.

Chapter 4B: INFRASTRUCTURE

4B.1.1. Thematic Area Description and Background

As indicated in Chapter 4, the KRA on Competitive Economy is divided into two Sub-KRAs: Macro-Economy and Infrastructure. This chapter deals with the Sub-KRA on Infrastructure, which consists of the sub-sectors Transport, Communication, Meteorological Services, Housing and Works and Public Asset management. Well-functioning infrastructure is a prerequisite for economic activity in virtually all sub-sectors and the attainment of Vision 2030. Adequate infrastructure raises productivity, lowers production costs, and helps those in rural and remote areas to participate in the economy. The adequacy of infrastructure helps determine a country's success or failure in diversifying production, expanding trade, coping with population growth and urbanisation, or improving environmental conditions.

4B.1.2. Thematic Area Performance during NDP2

4B.1.2.1. Transport

Namibia's transport system comprises of four modes: roads, railways, air and maritime. It occupies a central position in the development of other sub-sectors of the economy and in facilitating the integration of the national economy internally and internationally. It is for this reason that a lot of infrastructure initiatives gained prominence after Independence in 1990 and substantial investments in transport infrastructure (software and hardware) have been made since then. The section below briefly reviews progress on each mode.

Roads: One of the major achievements during NDP2 was the conceptualisation and development of transport corridors, that is the Trans-Caprivi and the Trans-Kalahari Highways. The main focus of NDP2 was not only on maintenance and improvement of roads, but also on construction of new roads with a particular focus on previously neglected areas in order to provide the population in the rural areas with adequate access as a base for the partial satisfaction of their present needs and to stimulate local development. Following the overall goal of poverty reduction these projects were mainly implemented by labour-based road construction methods.

Railways: The development of the Northern Railway Extension Project, which is in line with the development of the SADC Regional Projects, the Namib-Walvis Bay Corridor, was one of the achievements of NDP2. It will not only provide a link to major strategic centres of production and industry in the Northern Regions with an alternative, cost-efficient and effective mode of transportation, but also to the north–western and eastern neighbours (including Angola, Zambia, Zimbabwe, Botswana and the Democratic Republic of Congo). Seventy kilometres of the railway line between Aus and Lüderitz were completely rehabilitated with a further 70 kilometres partially upgraded and rehabilitated. Under the Rolling Stock Expansion Programme, 21 Locomotives, 152 open top wagons, 30 oil tank wagons, 4 sulphuric acid tank wagons, 21 sulphuric acid barrels and emergency equipment were acquired.

Air: Air transport has only limited ground infrastructure available. Progress made during NDP2 included airports extension and improvement, as well as the establishment of the Namibian Aviation Training Academy. In spite of these achievements, this mode of transport experienced problems such as poor runways, inadequate or non-existent terminal buildings, limited connections to other modes of transport or reticulation systems, and a lack of expertise to provide proper service. The landing strips maintained by Government are in most cases not having any terminal buildings.

The lack of an adequate radar system is an important constraint on ensuring the safety of the air space over Namibia.

Maritime: The main objective of the ports, maritime, corridors and inland waterways transport is to contribute towards the country's socio-economic development by providing: i) ports facilities and services for local and international shipping; ii) ensure safety and clean waters; and iii) promote maritime interest. The Namibian Corridor Routes link Namibia to the Region. During NDP2, the maritime and ports focus was on the developments of maritime policies and legislation, capacity building and ports infrastructure and corridor expansion for strategic local and regional growth.

4B.1.2.2. Communications

This sub-sector comprises of telecommunications, postal services and broadcasting. The developments in the three areas are presented briefly in the following paragraphs.

The **telecommunications** backbone switching and transmission network was 100 percent digitalised in 1999 with state-of-the-art underground fibre-optic cabling, which facilitates access to advanced technologies, products, applications and services. Direct communication satellite links exist with neighbouring countries as well as with the UK, USA and Germany. Tele-density in fixed-line services improved from 4.6 percent in 1995 to 6.6 percent in 2003. Cellular (mobile telephone) service customers increased from 60,000 in 2000 to a record 310,000 by June 2004, which is almost triple the subscriber base for fixed-line customers. In 2001, Namibia had 103 partners in about 50 countries and this increased to 250 partners in 120 countries by the end of September 2006. Mobile tele-density stands at 17.2 percent in June 2004. The introduction of a second cellular service operator was successfully achieved.

The number of **post offices** increased from 73 in 1995 to 114 in 2004, and automation of post office counters stood at 69 in 2004. Mail delivery standards improved to 100 percent of mail delivered countrywide within three days, and within one day in the capital city. A first-world revenue collection and billing system was developed, and will be rolled out to all automated post offices. A pilot business centre model is being implemented in Windhoek to provide access to information technology to the public.

Broadcasting: Namibia is a signatory to the SADC Protocol on Culture, Information and Sport which seeks to promote regional cooperation by removing barriers in the gathering and dissemination of information. Namibia also signed the 1991 UNESCO-sponsored Windhoek Declaration that promotes independent and pluralistic media in Africa. In addition, Namibia has embraced the African Broadcasting Charter. It also subscribes to the National Information and Communication Infrastructure initiative of the UN Economic Commission for Africa (ECA) which seeks to transform African nations into information societies by 2010.

4B.1.2.3. Meteorology

The role of this sub-sector is to contribute towards the country's socio-economic development by providing weather and climate information needed for the protection of life and property, as well as for activity planning and monitoring in all socio-economic undertakings that are sensitive to the weather and climate. The meteorological services contributed to the attainment of many of the NDP2 objectives, particularly in the transport, agriculture, water resources, tourism, energy and environment sub-sectors. This contribution was realised through the provision of weather and climate advisory services to the sub-sectors to enable them make informed decisions.

4B.1.2.4. Housing

According to the 2001 Population and Housing Census, traditional dwellings and semi-detached houses are predominant in the country, occupied by 40 percent of households, while about 10 percent of households live in improvised dwellings. The housing situation in urban areas is that detached and semi-detached houses make up 67 percent as against 25 percent in rural areas. At the regional level, traditional dwellings dominate in the Northern Regions of Ohangwena (90 percent), Omusati (82 percent), Oshikoto (75 percent), Caprivi (74 percent), Kavango (64 percent) and Oshana (51 percent) The opposite is the case in the Central and Southern Regions where semi-detached houses are the most common. The current housing backlog stands at 80,000.

4B.1.3. Thematic Area Strategies

- Develop and maintain transport infrastructure in urban and rural areas;
- Facilitate inter-regional connectivity and conformance to SADC regional transport infrastructure;
- Improve processes and utilise assets effectively;
-
- Increase access to telecommunications;
- Provide international connectivity;
- Replace and modernise reliable communication infrastructure;
- Replace and modernise reliable meteorological services infrastructure
- Increase ordinary citizen's access to housing;
- Mainstream cross-cutting issues in all infrastructure sub-sector development programmes; and
- Address shortages of skilled staff in such areas as engineering.

4B.2. NDP3 Goal: Highly Developed and Reliable Infrastructure

4B.2.1. NDP3 Goal Description and Background

Highly developed and reliable infrastructure raises productivity and lowers production costs. Deficient infrastructure, along with weak management and poor economic organisation, accounts for a large share of low factor productivity in developing countries. The application of labour-based techniques wherever appropriate and feasible in the construction and maintenance of infrastructure has a direct impact on employment, income generation and poverty reduction. The construction of rural access roads in the formally inaccessible Northern Regions has improved access to markets, employment opportunities, training and education facilities, and health and other social services. Furthermore, private business investors continue to gradually take advantage of the enabling road infrastructure in these regions.

Widely available and affordable telecommunications and transport services can foster grassroots entrepreneurship and thus are critical for generating employment and advancing economic development.

In the face of competing national interests, raising the financial resources necessary for the maintenance and development of reliable infrastructure remains a daunting task. Yet in many of these cases, private investors have not been forthcoming. On the other hand, the Government is faced with a shortage of qualified staff in specialised areas such as engineering.

4B.2.2. NDP3 Goal Performance during NDP2

With regard to **transport** infrastructure, progress has been made on roads infrastructure during NDP2 in terms of completion of construction works on the Trans-Caprivi and Trans-Kalahari Highways as part of the appropriate transport corridors, which link the Port of Walvis Bay with Zambia, Southern DRC, Zimbabwe, Gaborone in Botswana and the Gauteng area in South Africa. These transport corridors are vital catalysts to position Namibia as a future major economic player for the SADC region on the west coast of Africa and has also enabled the Port of Walvis Bay to strategically establish itself as a regional port of choice. The NDP2 target on road infrastructure was to: (i) construct 240 km of new bitumen roads and 229 km were constructed; (ii) rehabilitate 1,500 km of the paved road network, but only 522 km could be achieved due to funding constraints; (iii) construct 400 km of new gravel roads using labour-based construction techniques, with only 259 km were constructed due to funding and capacity constraints.

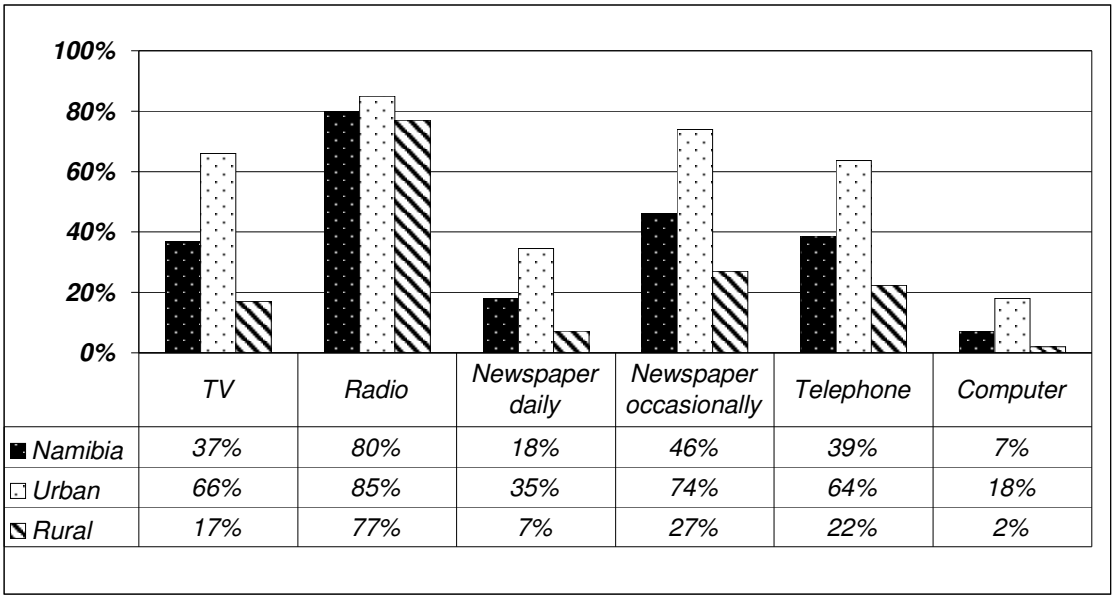
Air transport infrastructure makes a large contribution to the country's economy and it is often connected to rail and road transport modes as well as pipelines for the supply of fuel. A majority of the tourists to Namibia arrive by air. The NDP2 target of upgrading 22 aerodromes was not achieved, mainly due to a lack of financial resources. Five aerodrome projects were completed, 2 projects are underway, and 15 projects did not start at all.

Expansion of the **Port** of Walvis Bay as a Regional Hub Port (involving, for example, the expansion of the container terminal, the provision of dedicated infrastructure and a marina development) was undertaken during NDP2. The activities included: the deepening of water depth in the port to accommodate larger vessels; the upgrading of the container terminal and the Tanker Jetty Fire Fighting Facilities at Walvis Bay; the implementation of ISPS international ship and ports security measures; the installation of a new floating dock for ship repair; the provision of a new quay at Lüderitz Port; and setting up a Search and Rescue emergency centre. The expansion and upgrading of the national and regional corridor route and the development of the Walvis Bay Corridors were implemented.

Expansion of the country's **telecommunications network** has been achieved. In general, Namibia has experienced considerable growth in tele-density, with the telephone lines increasing by 6.6 percent in 2003 from 6.2 telephone lines per 100 persons in 2000. The automated telephone services capable of transmitting voice, telex and data have been installed in a number of villages in the Northern Regions.

The implementation of the National **Information and Communication** Infrastructure Strategy has found practical expression in the expansion and modernisation of the national communications infrastructure. Communications facilities have been brought to most urban households and some rural households. Access to the media has improved considerably with radio broadcasting reaching more than 75 percent of the population during NDP2 (see Chart 4B.1)

Chart 4B.1: Access to the Media during NDP2



	TV	Radio	Newspaper daily	Newspaper occasionally	Telephone	Computer
Namibia	37%	80%	18%	46%	39%	7%
Urban	66%	85%	35%	74%	64%	18%
Rural	17%	77%	7%	27%	22%	2%

Sources: Census 2001, Stork 2003, and Matengu 2006.

4B.2.3. NDP3 Goal Indicators, Baselines and Targets

Table 4B.1: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Km of rural roads constructed	28,344	30,281
Km of Trunk and Main Road improved to bitumen standard	3,971	5,125
Rail coverage (km)	2,628 km	3,000 km
Cell phone population coverage	95%	99%
Number of post offices	120	145
Radio coverage of total population	94%	98%
TV coverage of total population	64%	85%
Habitat Research and Development Centre	Construction of Phases I and II of the Centre completed	Centre fully operational
No. of Automatic Weather Stations (AWSs) procured, installed and made operational	25	75

4B.2.4. NDP3 Goal Strategies

- Develop and maintain transport infrastructure in urban and rural areas;
- Facilitate inter-regional connectivity and conformance to SADC regional transport infrastructure;
- Improve processes and utilise assets effectively;
-
- Increase access to telecommunications;
- Provide international connectivity;
- Replace and modernise reliable communication infrastructure;

- Replace and modernise reliable meteorological services infrastructure
- Increase ordinary citizen's access to housing;
- Mainstream cross-cutting issues in all infrastructure sub-sector development programmes; and
- Address shortages of skilled staff in such areas as engineering.

4B.3.0. Sub-Sectors

4B.3.1. Sub-Sector 1: Transport

4B.3.1.1. Sub-Sector Description

Roads are one of the main components of the transport sub-sector; and often, they are the only accessible mode of transport to most communities in the urban centres and rural areas. Sound roads infrastructure is an indispensable prerequisite for successful implementation of other national policies like primary education, reduction of child and maternal mortality and poverty reduction. The law established two distinct road networks: the national road network managed by the Roads Authority and the urban roads and streets managed by the various local authorities. The national road network comprises about 43,000 km, while urban roads and streets represent gravel, salt and earth-graded roads and tracks.

Railways are the next most important mode of transport. The legal framework governing the railways in Namibia falls under the National Transport Services Holding Company Act (Act No. 28 of 1998), which became fully effective on 01 April 1999. With the new Act, the ownership of the railway infrastructure was transferred to the State represented by the Ministry of Works, Transport and Communication (MWTC); which authorised TransNamib to manage the railway infrastructure. TransNamib, the only rail transport operator in Namibia, is specialising in the transportation of bulk and containerised freight utilising a combination of rail and road transport. Much of the 2,628 km narrow-gauge (1.065 metres) railway network is old and worn out, having reached the end of useful service life and needs either rehabilitation or replacement. The locomotive fleet, train control systems and maintenance workshops are old and the bogies are rigid-bodied. There is a shortage of wagons with carry capacity of 16.5 tons each. There is no rail accessories factory and the technical training facility is not well equipped.

4B.3.1.2. Transport Sub-Sector Performance during NDP2

The NDP2 targets and achievements for the transport sub-sector are presented in Table 4B.2.

Table 4B.2: Transport Sub-Sector Targets and Achievements in NDP2

Indicators	NDP2 Targets		NDP2 Achievements
	Year	Data	
Roads			
Rehabilitation of bitumen roads	2006	1,500 km	35%
Construction of bitumen roads	2006	240 km	95%
Upgrading of Trans-Caprivi Highway	2002		Completed
Labour based construction of bitumen road	2006	8 km	Completed
Labour based construction of gravel road	2006	400 km	65%
Railways			
Labour maximized construction-railway-Northern Region	2005		Achieved

Indicators	NDP2 Targets		NDP2 Achievements
	Year	Data	
Rehabilitation-Aus- Lüderitz	2003		Achieved
Remove and supplement locomotive fleet	2006		Partly achieved
Air			
Walvis Bay Airport Rehabilitation and Upgrading			To complete in 2008
Eros Airport Extension and Improvements			Completed
Windhoek Airport Improvement			Completed
Hosea Kutako Fire Tenders			Completed
Eros Facilities Upgrading Control Tower			Completed
Lüderitz Facilities Upgrading			To complete in 2008
New Area Control Centre for the Windhoek flight information region and Control Tower for Eros Airport			To complete in 2008
Establish the Namibian Aviation Training Academy (NATA)			Completed

In addition, TransNamib acquired during NDP2, one DMU Locomotive for passenger service and 21 new diesel-electric locomotives. Also, it upgraded 14 km of the Karibib and Usakos track.

4B.3.1.3. Transport Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: The provision of safe, secure, effective infrastructure and services, which are responsive to the socio-economic needs of Namibians and others in the region.

Goal: Provide safe, secure, effective infrastructure and services.

Table 4B.3: Transport Indicators, Baselines and Targets

Indicators	Baselines	Targets
Roads:		
Km of rural roads constructed	28,344	30,281
Km of rural roads improved to bitumen standard	1,577	1,875
Km of Trunk and Main Road improved to bitumen standard	3,971	5,125
Km of Trunk and Main Roads rehabilitated	522	1,242
% of paved roads in acceptable [very good, good, fair] condition	90	90
% of unsealed road in acceptable [very good, good, fair] condition	76	80
Average vehicle operational cost	13.8	10.35
Fatalities per 100,000 population		
Accidents per 1 million vehicle-km	6.0	4.5
Design of non-motorised transport (NMT) policy document	0	1
Railways:		
Freight transported (tons per annum)	2 million	3 million
No. of Passengers transported annually	92,000	300,000
Wagon turn around time (number of days)	8	5
Rail coverage (km)	2,628 km	3,000 km
Locomotive Availability	65%	95%
Airports:		
No. of Airports upgraded	TBC	TBC

Maritime:		
Expand and upgrade port container facilities (TEU)	TBC	250,000
Reduce pollution in national waters to less than	TBC	10%

4B.3.1.4. Transport Sub-Sector Strategies

- Reinforce and improve the financial capacity of the Road Fund through appropriate increases in road user charges including fuel levy;
- Develop and strengthen partnerships in road sub-sector funding, road construction and road maintenance with the private sector, and bilateral and multilateral institutions;
- Explore feasibility of the sector-wide approach financing mechanism;
- Optimise the use of labour-based and labour intensive techniques in road construction and maintenance in line with the national policy of poverty reduction;
- Reinforce and mainstream cross-cutting issues and their impacts in the roads sub-sector;
- Improve the railways safety, security, reliability, quality and transportation speed;
- Construct and upgrade railway lines to bear high axle loads;
- Rehabilitate and reduce maintenance costs;
- Enhance SADC inter-regional rail connectivity;
- Modernise locomotive and rolling stock fleet;
- Establish production plant, Maintenance and Technical Training Facilities
- Upgrade airports infrastructure;
- Ensure safe air space over Namibia;
- Enforce and ensure compliance with the set rules and regulation on ports facilities, monitoring systems, sea farers and ships;
- Develop disaster response plans for chemical spills and capacitate the ports with necessary oil pollution control equipment;
- Enhance the Regional Corridor, Freight Village and Integrated Technology System;
- Accelerate waterway transport development.
- Develop a Master Plan for Ports Infrastructure;
- Complete a Ports Technical and Financial Feasibility Study for strategic development projects;
- Develop and expand ports and ship repair infrastructure;
- Review, formulate and implement Maritime policies and legislation;
- Undertake Maritime capacity building;
- Expand Walvis Bay Port as a Regional Hub Port (for example, by expanding the container terminal and providing dedicated infrastructure and marina development);
- Improve port-railway operations and overhaul it to cater to container handling;
- Expand and upgrade the national and regional corridor route (for example, by enhancing cross border trade facilitation and integration in SADC and developing the Walvis Bay Corridor as the gateway for trade between SADC and the world);
- Expand and upgrade the Ship and Rig Repair Industry;
- Further investigate the Cape Fria port development; and
- Promote private sector participation in transport infrastructure development and operation.

4B.3.1.5. Transport Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)

		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Road Construction and Upgrading	Development	542,275	674,137	801,407	709,902	443,951	**3,171,672**
	Operating	0	0	0	0	0	**0**
	Total	542,275	674,137	801,407	709,902	443,951	**3,171,672**
Road Rehabilitation, Maintenance, Management of Road Network and Road Safety	Development	98,200	313,550	252,650	175,500	321,800	**1,161,700**
	Operating	576,633	628,994	651,119	679,002	710,512	**3,246,260**
	Total	674,833	942,544	903,769	854,502	1,032,312	**4,407,960**
Non-Motorized Infrastructure Development	Development	300	20,580	17,270	14,060	11,060	**63,270**
	Operating	0	495	420	355	296	**1,566**
	Total	300	21,075	17,690	14,415	11,356	**64,836**
Railways Network Development, maintenance and Rehabilitation	Development	847,000	916,000	876,000	644,000	544,028	**3,827,028**
	Operating	0	0	0	0	0	**0**
	Total	847,000	916,000	876,000	644,000	544,028	**3,827,028**
Air Transport Infrastructure	Development	1,000	63,500	304,000	441,000	132,500	**942,000**
	Operating	0	0	0	0	0	**0**
	Total	1,000	63,500	304,000	441,000	132,500	**942,000**
Maritime and Inland Water Transport Infrastructure Development and Safety	Development	394,364	274,328	564,990	49,275	63,750	**1,346,707**
	Operating	0	0	0	0	0	**0**
	Total	394,364	274,328	564,990	49,275	63,750	**1,346,707**
Maritime Cadet training	Development	0	0	0	0	0	**0**
	Operating	700	749	801	857	917	**4,024**
	Total	700	749	801	857	917	**4,024**
Transport Sub-Sector Total	**Development**	**1,883,139**	**2,262,095**	**2,816,317**	**2,033,737**	**1,517,089**	**10,512,377**
	Operating	**577,333**	**630,238**	**652,340**	**680,214**	**711,725**	**3,251,850**
	Total	**2,460,472**	**2,892,333**	**3,468,657**	**2,713,951**	**2,228,814**	**13,764,227**

4B.3.2. Sub-Sector2: Communications

4B.3.2.1. Sub-Sector Description

The communications sub-sector consists of telecommunications, postal services and broadcasting in Namibia. The development of the communications sub-sector is an important element in facilitating the integration of the domestic economy and its linkages with the rest of the world, thereby promoting trade and economic development. An efficient and modern communications network creates an economic environment that stimulates growth in all sub-sectors of the economy, and promotes public administration, environmental protection and social mobilisation. The sub-sector also contributes an effective medium for achieving the Government's rural-urban balance policy.

The Ministry of Information and Communications Technology is responsible for the overall policy and legislation governing the telecommunications and postal services sub-sectors. The Namibian Communications Commission (NCC) acts as the regulator and is responsible for the issuance of licences to private telecommunications and postal services providers, including standard setting and

approval for all communications and postal equipment entering the country. The NCC reports to the Ministry of Information and Broadcasting.

The major legislation governing the communications sub-sector are (i) Namibian Communications Commission Act (Act No. 2 of 1992), (ii) Post and Telecommunications Act 1992 (Act No. 19 of 1992), (iii) Post and Telecommunications Companies Establishment Act (Act No. 17 of 1992), and (iv) Namibian Broadcasting Act (Act No. 9 of 1991).

4B.3.2.2. Communications Sub-Sector Performance during NDP2

The sub-sector performance during NDP2 is summarised in Table 4B.4.

Table 4B.4: Communications Sub-Sector Performance during NDP2

Indicators	Baselines (2001/02)	Targets	Achievements
Telecommunications			
Tele-density (mobile)	6.5%	16%	28%
Tele-density (fixed-line)	6.1%		6.5%
Population coverage	50%		93%
Land area coverage	20%		65%
Road coverage	10%		85%
Roaming partners	103		250
Postal Services			
Investment in new development		N$44 million	N$43million
Automation of post offices (N$)		35	38
International Mailing Hub	none	1	0
Logistical Services Centre to serve SA sub-region	none	1	0
Warehousing services	none	1	0
Broadcasting			
Radio services coverage		96%	94%
TV services coverage		87%	64%

Some of the major reasons for the rapid growth of mobile telephone users in Namibia were the ease of use, ease of connection (no waiting time and no minimum credit requirement) as well as affordable services; and the gains in productivity by owning a cell-phone. Also, there were no increases in tariffs from October 2003. Other reasons include the well-established distribution network (more than 3,000 points of sale) as well as cheap phones as a result of the GSM Association initiative to launch super cheap phones, especially for the emerging markets. MTC could price these phones, including starter packs, for less than N$300.

The NDP2 coverage targets were in line with expectations. Population coverage increased from 50 percent to 93 percent, land coverage from 20 percent to 65 percent, and road coverage from 10 percent to 85 percent. This was much more than was planned in 2001. MTC changed the strategy about the road coverage as it has a very important impact on the transport sub-sector including road safety and tourism.

Another area of positive achievement is the creation of roaming partners around the world. It stimulates general business as well as local tourism. During 2005-2006, the MTC installed new technology, making it possible for the users to send and receive data (e-mails, log on to the Internet, send pictures, and video calls). MTC introduced Global Positioning Remote Sensing (GPRS) in late 2004 and due to the huge success of this technology it was followed up in 2006 to go for the latest available technology, 3G/HSDPA. This was introduced initially in Windhoek, Swakopmund and Walvis Bay and rolled out to other cities and towns in Namibia later in 2007. This technology allows users to download data files (including access to the Internet) at very fast speeds of 1.8 MB/second. This can therefore be seen as a true mobile broadband system. MTC was the third network in Africa to implement this technology after two major networks in South Africa.

Tele-density improved to 7 percent in 2006. The slow growth in fixed line penetration is a direct result of mobile substitution, with MTC holding the monopoly for offering the convenience of mobility. It deployed 23 rural wireless base stations covering 230 km^2 for providing basic telephone services in remote areas. Despite the ever increasing loss of voice revenue to the only mobile operator, Telecom Namibia managed to maintain a slight growth in overall revenues by focusing on data, Internet and customer equipment sales. Telecom realised over 100 percent digital backbone network with fibre-optic routes stretching over a distance of 6,050 km. Also, it has achieved regional inter connectivity with fibre-optic links available at border points with Angola, Botswana, South Africa and Zambia. Further, it realised its own standard "A" satellite earth station for independent international access with direct links to the UK, USA, Germany and the Netherlands.

Telecom Namibia will further establish an all IP backbone network with at least 30 points of presence in Namibia through the establishment and development of its IP/Multi-Protocol Label Switching (MPLS) network. Telecom will also roll-out various broadband access technologies like WiMAX, ADSL and CDMA as part of its self-funded development programme. This will mainly contribute to the broadband penetration goal.

Since 2001, NamPost had a hub and spoke deal on a tender base with the Netherlands. Based on the profit potential of the agreement, it made business sense for NamPost to expand the hub and spoke agreement with other countries like Germany and France. Hence, the birth of the target of "Establishment of International Hub for the Southern sub-region at Windhoek by 2006." Unfortunately, this target was not realised because NamPost lost the tender of hub and spoke to South Africa. However, NamPost embarked on a feasibility study by involving participating institutions to tender for the hub and spoke in Windhoek. The hub and spoke will be included in the company's business milestone for the new financial year.

4B.3.2.3. Communications Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To create an efficient and modern communications network to stimulate economic growth, promote public administration, environmental protection and social mobilisation, achieve rural-urban balance, and facilitate the integration of the domestic economy and its linkages with the rest of the world.

Communications Sub-Sector Goal 1: Tele-density increased

Table 4B.5: Communications Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators	Baselines	Targets
Penetration of cell phones (%)	31	50
Cell phone population coverage (%)	95	99
DEL penetration (fixed telephone lines/100 people)	6.8	10

4B.3.2.4.1. Communications Sub-Sector Goal 1 Strategies

- Establish universal platform / mechanism for coordination and decision-making;
- Sensitise the Ministry of Mines and Energy and NamPower on rural electrification;
- Strengthen human resources development initiatives; and
- Ease immigration and work permit requirements for technical experts.

Communications Sub-Sector Goal 2: Access to reliable and affordable communication services increased

Table 4B.6: Communications Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	Baselines	Targets
Access to high speed (>128 kbps) national network (% of population)	20	90
Penetration/usage of the high speed (>128 kbps) national network (% of population)	2-3	20
Access to high speed international network: Down link	40 Mbps	2.4 Gbps
Access to high speed international network: Up link	10-15 Mbps	1.2 Gbps

4B.3.2.4.2. Communications Sub-Sector Goal 2 Strategies

- Establish robust and reliable telecommunications backbone infrastructure;
- Roll-out reliable telecommunications infrastructure;
- Establish an all IP backbone network with 30 points of presence in Namibia; and
- Roll-out various broadband access technologies like WiMAX, ADSL and CDMA.

Communications Sub-Sector Goal 3: Availability of reliable and affordable postal services

Table 4B.15: Communications Sub-Sector Goal 3 Indicators, Baselines and Targets

Indicators	Baselines	Targets
Number of post offices	120	145

4B.3.2.4.3. Communications Sub-Sector Goal 3 Strategies

- Make reliable postal services available.

Communications Sub-Sector Goal 4: Access to reliable and affordable broadcasting services

Table 4B.7: Communications Sub-Sector Goals, Indicators, Baselines and Targets

Indicators	Baselines	Targets
Radio coverage of total population (%)	94	98
TV coverage of total population (%)	64	85
Second channel coverage of total population (%)	0	60

4B.3.2.4.4. Communications Sub-Sector Goal 4 Strategies

- Extend radio and TV coverage of total population and especially in rural areas; and
- Install and operate second channel.

Communications Sub-Sector Goal 5: Clear and strong communication policy and regulatory framework

Table 4B.8: Communications Sub-Sector Goal 5 Indicators, Baselines and Targets

Indicators	Baselines	Targets
Establishment of universal services fund	None	Established
Policy and regulatory framework	Weak	Transform Namibia Communication Commission of (NCC) into Communication Authority of Namibia (CAN)

4B.3.2.4.5. Communications Sub-Sector Goal 5 Strategies

- Establish Universal Service Fund; and
- Improve policy and regulatory framework.

4B.3.2.5. Communications Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Expansion of Tele-communications Backbone Infrastructure	Development	10,000	10,000	13,500	13,500	10,000	**57,000**
	Operating	250	250	500	500	400	**1,900**
	Total	10,250	10,250	14,000	14,000	10,400	**58,900**
Establish and Roll Out High Speed Broadband Access Network	Development	20,000	40,000	20,000	200,000	40,000	**320,000**
	Operating	1,000	1,000	1,000	1,000	1,000	**5,000**
	Total	21,000	41,000	21,000	201,000	41,000	**325,000**

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Expansion of Post Office Network	Development	1,820	2,820	2,820	2,820	2,820	**13,100**
	Operating	300	300	300	300	300	**1,500**
	Total	2,120	3,120	3,120	3,120	3,120	**14,600**
Roll Out of Broadcasting Services	Development	39,739	47,295	47,275	60,400	48,800	**243,509**
	Operating	4,577	7,265	5,375	8,670	7,055	**32,942**
	Total	44,316	54,560	52,650	69,070	55,855	**276,451**
Policy, Regulatory and Financial Framework	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Communications Sub-Sector Total	**Development**	**71,559**	**100,115**	**83,595**	**276,720**	**101,620**	**633,609**
	Operating	**6,127**	**8,815**	**7,175**	**10,470**	**8,755**	**41,342**
	Total	**77,686**	**108,930**	**90,770**	**287,190**	**110,375**	**674,951**

TBC – To be compiled during implementation of NDP3.

4B.3.3. Sub-Sector 3: Housing

4B.3.3.1. Sub-Sector Description

Through the National Housing Policy, the Government recognises shelter as a fundamental right. The objective of the policy is to create the necessary conditions for every Namibian to achieve housing provision according to their needs, priorities and affordability. However, the Policy also clearly states that the responsibility to shelter the family remains with the particular head of the household, while the Government will provide support to achieve this. This position stems not only from the fact that Government resources are not sufficient to provide housing for every family through conventional means, but also from the fact that people's abilities and their needs and priorities have to be respected.

This implies that the process for housing should be people centred and fully participatory. The improvement of living conditions through housing provides dignity and hope to the family, which in turns creates upward social and economic mobility. It is also recognised that improved living conditions significantly improve the health of the family, their productivity and the human settlement environment. Thus, it is seen as an effective means of alleviating poverty. The National Housing Policy guided the formulation of the National Shelter Strategy and the implementation of the National Housing Programme.

Housing is a basic need and crucial to the realisation of Vision 2030, and NDP3 and MDG goals. Therefore, improving the housing conditions of all Namibians, especially those of the poor communities, will automatically have a positive impact. The current housing backlog stands at 80,000. This sub-sector will ensure that the basic housing needs of the poor are met while creating jobs during construction and facilitate home-based income generation opportunities. Other supporting activities include the establishment of a School of Engineering and empowering the private sector.

4B.3.3.2. Housing Sub-Sector Performance during NDP2

The goal in NDP2 was to enable 70 percent of households to have access to adequate shelter by 2010. The Government's efforts to provide shelter focussed on rural as well as urban areas with rural communities to be assisted to use cheap and appropriate building materials. NDP2 achievements include the facilitation of access to adequate shelter for 62 percent of the low-income population by 2006 and assistance by the National Housing Enterprise (NHE), either in terms of construction or financing of 2,622 houses (target of 7,937 houses) and 2,412 plots (target of 3,371 plots) for the middle to high income groups. Also, more than 40 organised housing groups were created and 7,335 houses have been constructed (target of 9,590 houses). In addition, assistance was provided to shack dwellers to improve their housing conditions.

The National Habitat Committee was fully represented in all 13 Regions by 2002. Cooperative agreements (partnerships) have been entered into with the Association for Local Authorities in Namibia (ALAN) and the Association of Regional Councils (ARC), facilitating affiliations. A housing research and development centre was inaugurated in 2004 and research on appropriate local building materials was begun. Land management and land registration systems are being simplified to facilitate easy registration and transfer of housing properties, with finalisation of the flexible Land Tenure Bill under way. The challenges facing the housing sub-sector include the lack of serviced land, limited financial resources, especially at the local level, a lack of technical skills and Educational Institutions offering courses in Architecture, Quantity Surveying and Engineering, rapid urbanisation, and high interest rates.

4B.3.3.3. Housing Sub-Sector Mission, Goals, Indicators, Baseline and Targets

Mission Statement: Provide support to Regional Councils and Local Authorities to ensure effective and efficient physical planning and service delivery for affordable land, services and shelter in order to improve social and living conditions in general and of low-income groups in particular within the context of sustainable human settlements development.

Goal: Current and future housing needs of middle and low-income groups met.

Table 4B.9: Housing Sub-Sector Goals, Indicators, Baselines and Targets

Indicators	Baselines	Targets
• White Paper on Housing • National Housing Policy	• Draft National Housing Policy	• White Paper and National Housing Policy approved by Cabinet and gazetted • Planning processes improved
Information on land delivery and Urban and regional planning	Secure Land Tenure Report	• A national participatory information system and data base (urban observatory) in place
• Habitat Research and Development Centre • SMMEs training • Grading system • Inspections	Construction of Phases I and II of the Centre completed	• Centre fully operational • SMMEs involvement plan developed • Training conducted • Grading system manual in place • Quality inspections carried out and inspection report prepared

Indicators	Baselines	Targets
• National Habitat Plan of Action • Construction standards and specifications • Feasibility studies	Full representation of all stakeholders at National Habitat Committee with 2002 National Habitat Plan of Action	• National Habitat Plan of Action reviewed and updated by 2009 • Construction standards and specifications prepared • Feasibility studies conducted
Housing plots		40,000 plots developed by 2012

4B.3.3.4. Housing Sub-Sector Strategies

- Develop and implement a national participatory land and shelter information system and data base (urban observatory);
- Operationalise the Habitat Research and Development Centre;
- Facilitate the construction of houses under the Decentralised Build Together Programme;
- Maintain NHE with a conducive financial system for housing financing for the middle and lower income groups;
- Register all home builders; and
- Decentralise Urban and Regional Planning.

4B.3.3.5. Housing Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Sewage, Water, Electricity and Road Networks in Regions	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Habitat Country Programme	Development	427,040	427,040	7,040	7,040	7,040	**875,200**
	Operating	6,000	6,000	6,000	6,000	6,000	**30,000**
	Total	433,040	433,040	13,040	13,040	13,040	**905,200**
Construction of Houses and Services through Savings Schemes Targeting the Poor	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Build Together Housing Programme	Development	59,155	59,039	58,930	60,000	60,500	**297,624**
	Operating	16,093	16,093	16,093	16,093	16,093	**80,465**
	Total	75,248	75,132	75,023	76,093	76,593	**378,089**
Affordable and Quality Housing for Lower Income Groups	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Housing Sub-Sector Total	Development	486,195	486,079	65,970	67,040	67,540	1,172,824
	Operating	22,093	22,093	22,093	22,093	22,093	110,465
	Total	486,195	486,079	65,970	67,040	67,540	1,172,824

TBC – To be compiled during implementation of NDP3.

4B.3.4. Sub-Sector 4: Meteorological Services

4B.3.4.1. Sub-Sector Description and Background

The role of this sub-sub-sector is to contribute towards the country's socio-economic development by providing weather and climate information needed for the protection of life and property, as well as for activity planning and monitoring in all socio-economic undertakings that are sensitive to weather and climate. There are practically no other meteorology service providers in the country except the Meteorological Services Division within the MWTC. However, there are a few organisations which operate some in-house meteorological facilities for their own internal purposes, including meteorological stations or observatories. Notable among these are the following: (i) farmers, who mainly operate rain-gauges to obtain rainfall data specific to their farms, some of whom use standard rain-gauges supplied by the Meteorological Service Division and periodically supply copies of the data for inclusion in the national repository; (ii) the MET which operates some meteorological stations at some of their research stations such as Gobabeb managed by the Desert Research Foundation of Namibia and at Okaukuejo. The stations are operated in collaboration with the Meteorological Service Division, which carries out periodic inspections of the field instruments and data management; (iii) The MFMR, which operates some meteorological stations off-shore within Namibia's Exclusive Economic Zone in the Atlantic Ocean; (iv) Agricultural Colleges and Research Stations, which take measurements of rainfall and temperature and usually seek the assistance of the Meteorological Service Division. The data they generate are also made available to the Meteorological Service Division for national use; and (v) hydrology and water resources organisations, which typically make records of hydro-meteorological parameters associated with the hydrological cycle. The parameters include rainfall and evaporation. Copies of the data they generate are also made available to the Meteorological Service Division for national use.

4B.3.4.2. Meteorological Services Sub-Sector Performance during NDP2

The NDP2 meteorology objectives were: (i) to improve the sustainability of services where Government finds it difficult to compete for very scarce professional resources; and (ii) to harmonise the transport sub-sector in line with the SADC Protocol on Transport, Communication and Meteorology. In terms of targets, there was only one specified target and its level of attainment is summarised below.

Table 4B.10: Meteorological Services Sub-Sector Targets and Achievements during NDP2

NDP2 Target	Achievement
Completion of Institutional reform of Meteorological	• Partial overall achievement, with consultant appointed under the aegis of the MWTC2000 project, from March 2002 to February 2004 and consultancy report submitted

Services by 2002	• Layman's draft of the Meteorological Services legal framework (Bill) put in place

The meteorological services contributed to the attainment of many of the NDP2 objectives, not only in the weather and climate sensitive sub-sectors, particularly transport, agriculture, water resources, tourism, energy and environment. This contribution was realised through the provision of weather and climate advisory services to enable them make informed decisions.

There were also other infrastructure development and capacity building activities carried out during NDP2 even though they were not explicitly included in the NDP2 document. These were: (i) the establishment of three meteorological offices or stations – one at Katima Mulilo, one at Ondangwa and one at Eros Airport; (ii) the establishment of 25 automatic weather stations spread out in different parts of the country; (iii) training, to technician level, of three members of staff, who were at Meteorological Observer Level, and (iv) recruitment of two university graduates with the requisite bachelor of science degree in mathematics and physics, and subsequently training them to meteorologist level. Regrettably, both resigned in pursuit of greener pastures. It is planned that the activities should continue during NDP3 in order to progressively improve the data infrastructure to optimum levels. While the efforts made in NDP2 had a positive impact, there are clearly large gaps that must be addressed.

4B.3.4.3. Meteorological Services Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To contribute to sustainable national socio-economic development through the provision of supportive meteorological data and information to all sub-sectors of the national economy whose operations are sensitive to or depend on weather and climate, including the enhancement of safety, efficiency and regularity of air and other modes of transport.

Goal: The meteorological services are improved to meet international standards.

Table 4B.11: Meteorological Services Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Meteorological Services Bill passed as Act of Parliament	Draft	Bill passed
Modernised climate database (Y/N)	N	Y
No. of upgraded aeronautical systems	0	2
Main meteorological instruments workshop established	N	Y
Mobile meteorological instruments workshop established	N	Y
No. of pilot balloon theodolites procured, installed and made operational	0	4
No. of Automatic Weather Stations (AWSs) procured, installed and made operational	25	75
No. of manned meteorological stations in regions[12]	9	18

12 Khomas Region had three manned meteorological stations in 2007 and some other regions are also likely to have more than one.

Indicators	Baselines	Targets
No. of specialised regional meteorological offices opened Katima Mulilo (hydrometeorology) Keetmanshoop (calibration and maintenance of instruments) Ondangwa (agricultural meteorology) Swakopmund (marine meteorology)	0	3
Capacity to produce climate change indices and scenarios	No capacity	Some capacity
No. of regional meteorological offices with capacity to provide basic climate services to users	2	6
No. of installations for automated detection of lightning strikes	0	5
No. of weather radar installations	0	3

4B.3.4.4. Meteorological Services Sub-Sector Goal Strategies

- Complete the institutional reforms started during NDP2;
- Recruit/train more Namibians to professional meteorologist and technician levels to address current large gap in personnel and meet future needs;
- Undertake meteorological station network relocation, upgrading and replacement of obsolete equipment at Grootfontein, Ondangwa, Katima Mulilo and Rundu;
- Replace and modernise the national climate database system, as per WMO recommendations, to ensure efficiency in provision of user services;
- Set up a climate analysis unit to support the multi-disciplinary National Climate Change Committee established for national aspects of the UNFCCC, as well as strengthening data analysis for climate advisory services;
- Set up systems for detecting and monitoring hazardous weather; and
- Develop meteorological infrastructure jointly with user O/M/As.

4B.3.4.5. Meteorological Services Sub-Sector Programmes

Programme 1: Meteorological infrastructure development

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Meteorological Infrastructure Development	Development	11,570	70,530	40,200	89,558	85,038	**296,896**
	Operating	0	5,307	5,307	5,307	5,307	**21,228**
	Total	11,570	75,837	45,507	94,865	90,345	**318,124**
Meteorological Services Sub-Sector Total	**Development**	**11,570**	**70,530**	**40,200**	**89,558**	**85,038**	**296,896**
	Operating	**0**	**5,307**	**5,307**	**5,307**	**5,307**	**21,228**
	Total	**11,570**	**75,837**	**45,507**	**94,865**	**90,345**	**318,124**

4B.3.5. Sub-Sector 5: Works and Public Property Management

The main focus of the works and public property management sub-sector during the NDP3 is to provide support services to other sub-sector public entities in the construction of physical facilities and management of public property and physical assets.

4B.3.5.5. Works and Public Property Management Sub-Sector programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Public Works and Public Property / Asset Management	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Works and Public Property Management Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

TBC – To be compiled during implementation of NDP3.

Chapter 5: PRODUCTIVE UTILISATION OF NATURAL RESOURCES AND ENVIRONMENTAL SUSTAINABILITY

The Key Result Area (KRA) Productive Utilisation of Natural Resources and Environmental Sustainability corresponds to and is derived from the Vision 2030 objective of ensuring the development of Namibia's natural capital and its sustainable utilisation for the benefit of the country's social, economic and ecological well-being. The objective is aligned with the Millennium Development Goal 7 (MDG7) of ensuring environmental sustainability. The Sub-Visions related to this objective include the following:

- *Land and Agricultural Production:* Land is used appropriately and equitably, significantly contributing towards food security at household and national levels, and supporting the sustainable and equitable growth of Namibia's economy, whilst maintaining and improving land capability;
- *Forestry:* Namibia's diverse natural woodlands, savannahs and the many resources they provide are managed in a participatory and sustainable manner to help support rural livelihoods, enhance socio-economic development, and ensure environmental stability;
- *Fisheries and Marine Resources:* Namibia's marine species and habitats significantly contribute to the economy without threatening biodiversity or the functioning of natural ecosystems, in a dynamic external environment;
- *Non-renewable Resources*: Namibia's mineral resources are strategically exploited and optimally beneficiated, providing equitable opportunities for all Namibians to participate in the industry; while ensuring that environmental impacts are minimised, and investments resulting from mining are made to develop other sustainable industries and human capital for long-term national development;
- *Wildlife and Tourism:* The integrity of Namibia's natural habitats and wildlife populations are maintained, whilst significantly supporting national socio-economic development through sustainable, low-impact, consumptive and non-consumptive tourism;
- *Production Technology:* Namibia is an industrialised nation, with a viable natural resources export sector, increased size of skills based industrial and service sector, and market oriented production; there is high level of self sufficiency, reliable and competitive priced energy, meeting the demand of households and industry;
- *Freshwater and Associated Resources:* Namibia's freshwater resources are kept free of pollution and are used to ensure social well-being, support economic development, and to maintain natural habitats; and
- *Biodiversity:* The integrity of vital ecological processes, natural habitats and wild species throughout Namibia is maintained whilst significantly supporting national socio-economic development through sustainable low-impact, high quality consumptive and non-consumptive uses, as well as providing diversity for rural and urban livelihoods.

The Productive Utilisation of Natural Resources and Environmental Sustainability KRA is subdivided into two Sub-KRAs: Sustainable Utilisation of Natural Resources, and Environmental Sustainability. Chapter 5A focuses on the first Sub-KRA on Sustainable Utilisation of Natural Resources; with the next chapter (Chapter %B) dealing with the second Sub-KRA on Environmental Sustainability.

Chapter 5A: SUSTAINABLE UTILISATION OF NATURAL RESOURCES

5A.1.1. Thematic Area Description and Background

Namibia has a population of about two million people (2006), with a total land area of 842,000 km², of which 16 percent is desert. The two main deserts are the Namib Desert bordering the Atlantic Ocean in the West, and the Kalahari Desert bordering Botswana in the East. The desert is home to non-renewable resources such as minerals in the form of diamonds, other semi-precious stones, uranium, copper and other base metals, which are important resources for the Namibian economy. Renewable resources such as agricultural land, forests and wildlife, and water and fisheries form part of the natural resources that contribute significantly to the national economy.

Among the many challenges threatening Namibia's natural resource base are climatic and weather conditions including shifts in ocean currents, droughts and floods, bush encroachment, and other conditions that could adversely affect the economy. In addition to the natural calamities, as a primary exporter of natural resources and a net importer of processed goods, Namibia relies heavily on foreign trade, and is affected by fluctuations in world market prices and currency exchange rates.

Another challenge is restoring the natural resource base after the prolonged over-exploitation during the colonial regimes (such as large-scale hunting of wildlife and over-harvesting of pelagic fish resources off Namibia's coast in the 1960s and 1970s). Lack of long-term planning resulted in the unsustainable utilisation of natural resources. The most obvious damage to the environment was in the form of land exploitation, where the colonial regime introduced the "Odendaal Commission" of the 1970s, which facilitated land allocation along racial groups that led to over-grazing and over-cultivation of the land that resulted in land degradation, deforestation and desertification. This over-exploitation coupled with the lack of adequate property rights such as land tenure and ownership are still important issues.

The Government has introduced a number of policies and interventions to address the challenges in the respective sub-sectors. These interventions are in the form of legislation, policies, White Papers and strategies, and institutional mechanisms to implement them.

5A.1.2. Thematic Area Performance during NDP2

On average, production in the sub-sectors based on renewable natural resources (such as agriculture and fisheries) recorded some growth and contribution to GDP over the NDP2 period, even though most of them did not meet the NDP2 targets, mainly because of external factors, such as the fluctuations in climate and exchange rates that were out of their control. However, it is evident that the efficient and sustainable use of the natural resources could be achieved, if the efforts of the Government and all stakeholders are implemented adhering to the regulatory frameworks.

The performance of the mining sub-sector indicates that it remains the country's major export contributor, despite the fluctuations in output during NDP2. Although non-renewable resources in general face the threat of over-exploitation and depletion, the approach to be employed in NDP3 is expected to produce results that would ensure the sustainable utilisation of the non-renewable resources.

5A.1.3. Thematic Area Strategies

- Increase the contributions of renewable and non-renewable resources to GDP; and
- Formulate, amend and harmonise policies, legislation and regulatory frameworks to ensure the efficient and sustainable utilisation of natural resources.

5A.2.0. NDP3 Goal: Optimal and Sustainable Utilisation of Renewable and Non-Renewable Resources

5A.2.1. NDP3 Goal Description and Background

It is necessary to assess the ways and extent to which the past and current rate of resource extraction and utilisation affect the continued sustainable availability and utilisation of the resources over the long-term. The goal is to ensure and facilitate that the present generation has access to, and is using the resources effectively and efficiently, without compromising the access to and efficient use of the resources to the future generations.

As a primary resource based economy, Namibia relies heavily on natural resource extraction and utilisation thereof, which needs to be carried out in an efficient and sustainable manner, since the challenges of over-exploitation of both renewable and non-renewable resources could threaten continued economic prosperity. Even in the case where man-made problems of over-exploitation could be addressed, the country is still threatened by the fluctuating climatic and weather conditions, which challenge the effective and efficient utilisation of the natural resources. Among others, lack of adequate water is perhaps the single most important constraint to economic development. Rainfall is estimated at an annual average of between 26 mm in the Namib Desert and about 700 mm in the north-eastern part of the country. Of the total annual rainfall, 83 percent evaporates, 14 percent is used by vegetation, 2 percent is runoff and only 1 percent goes into groundwater recharge. With such low and variable rainfall, sustainable utilisation of natural resources becomes a challenge.

Most of the challenges of fluctuations in the climate and natural disasters are likely to haunt Namibia, given its dependence on natural resources for economic survival. That is why it is necessary for the country to constantly monitor the rate and extent of its natural resources utilisation. Over-utilisation of both renewable and non-renewable resources necessitated the Government to introduce corrective measures in order to control the rate of utilisation. This has led to the establishment of the relevant institutions at the time of Independence and developing and implementing Community Based Management (CBM) Programmes for natural resources, such as forestry, wildlife, energy, fisheries and water.

5A.2.2. NDP3 Goal Performance during NDP2

The overall performance shows that the Government together with other stakeholders have made significant efforts to address the optimal utilisation of both renewable and non-renewable resources during NDP2. These efforts included formulating, amending and implementing the regulatory frameworks, and establishing the relevant institutions and managing those institutions for better utilisation of the resources. Although a lot remains to be done, these efforts produced positive results as indicated by the performance of the sub-sectors. Efficient management of resources is applied through the use of quotas in the fisheries sub-sector, licences for small-scale mining, use of forest resources and hunting, and other forms of quantitative restrictions that ensure the optimal use of the resources.

Information on the average growth rates of the sub-sectors and their average contributions to the Gross Domestic Product (GDP) during NDP2 are provided in Table 5A.1.

Table 5A.1: Natural Resources Sub-Sectors Growth and Shares in GDP during NDP2

(percent)

Sub-Sector	Average Growth Rate (2001-2006)	Average Share in GDP (2001-2006)
Agriculture and Forestry	2.2	5.3
Fishing	-1.3	4.8
Mining and Quarrying	7.7	10.4
Water and Electricity	-0.5	2.9

Source: CBS, National Accounts: 1996-2006.

The use of natural resources at the community level has secured jobs for some, while the communities managed to share the revenue accruing from the community-based natural resources management (CBNRM) programmes, such as conservancies and community forests. This is yet another means towards poverty reduction and income generation, while facilitating partnerships in managing the natural resources. Nevertheless, the threat of HIV/AIDS and environmental destruction to efficient and sustainable resource utilisation cannot be ignored as they affect the implementation of most of the programmes in the sub-sectors. Despite the achievements recorded in NDP2, challenges in the form of technical capacity and financial resources continue to threaten optimal and efficient utilisation of the natural resources.

5A.2.3. NDP3 Goal Indicators, Baselines and Targets

Table 5A.2: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	NDP3 Targets	
		Baseline GDP Growth Scenario	Higher GDP Growth Scenario
Percent contribution of non-renewable natural resources to GDP			
Total mining and quarrying	10.4	8.5	7.9
Percent contribution of renewable natural resources to GDP			
Agriculture total	5.3	5.0	4.9
Fisheries	4.8	4.3	4.2
Water and electricity	2.9	2.7	4.4

Note: The contribution of the sub-sector to GDP declines whenever the sub-sector growth rate is below the overall GDP growth rate.

5A.2.4. NDP3 Goal Strategies

- Manage soil erosion and nutrient depletion through enabling policies and legislation;
- Promote the use of soil fertility enhancement technologies;
- Promote the utilisation and commercialisation of indigenous plant resources;
- Ensure sound animal surveillance through regular livestock inspections;

- Facilitate community and stakeholder involvement in the sustainable management and utilisation of forestry resources;
- Promote the formulation and implementation of conservancy management plans;
- Proclaim protected areas;
- Strengthen monitoring, control and surveillance of living aquatic resources onshore, offshore and in perennial rivers and other water bodies;
- Strengthen joint management regarding shared fish stocks between Namibia, South Africa and Angola through the Benguella Current Commission (BCC);
- Ensure integrated water resources management;
- Promote the Namibian mining sub-sector and mineral processing;
- Establish a strong body to regulate and monitor the whole energy sub-sector;
- Increase local energy generation with conventional and renewable technologies;
- Improve the regional transmission network;
- Promote sustainable utilisation of wildlife in communal and commercial areas and mitigate human-wildlife conflict;
- Create an enabling environment for sustained rapid growth of tourism by developing appropriate regulatory framework, institutions and guidelines; and market diversification and destination management; and
- Facilitate entry of the formerly disadvantaged Namibians into mainstream tourism through community-based tourism initiatives.

5A.3.0. Sub-Sectors

5A.3.1. Sub-Sector 1: Agriculture

5A.3.1.1. Sub-Sector Description and Background

The agriculture sub-sector will enhance agricultural production at national and household levels through increases in the volume and value of agricultural output in an economically efficient and environmentally benign manner through support to, inter alia, increased productivity, diversification, market efficiencies and exploiting trade opportunities. The sub-sector aims at contributing to the national goals to improve levels of food security at both household and national levels and to create employment opportunities. The whole farming community in Namibia is the immediate beneficiary of the sub-sector.

The agriculture sub-sector is key to ensuring food security for a significant proportion of the Namibian population and it provides both formal and informal employment. However, domestic food production cannot meet domestic demand and a significant proportion has to be imported. Another challenge facing the agriculture sub-sector is the existence of the Veterinary Cordon Fence and the segregation of the livestock market within the borders of Namibia. The fence exists as a means of prevention of the spread of “foot and mouth” disease commonly found in wildlife, with the livestock in the northern part of Namibia exposed, given their integration with wildlife and other livestock from neighbouring countries. Another reason for keeping the fence is for Namibia to meet the international sanitary and phyto-sanitary standards for meat exports.

The main challenges faced by the sub-sector include droughts and floods that affect the output of both livestock and crops. Livestock is the backbone of the agriculture sub-sector in Namibia, and its performance has significant impact on the performance of the sub-sector. Weather conditions coupled with limited irrigation, exchange rate fluctuations and the stringent sanitary and phyto-sanitary regulations of importing countries limit the sub-sector’s production and export potential. The main constraints to broadening the livelihood opportunities in the sub-sector include the limited

natural resource base, the small domestic market, barriers to export trade development, production credit constraints, and farmers' lack of skills and risk aversion.

5A.3.1.2. Agriculture Sub-Sector Performance during NDP 2

During NDP 2, the agriculture sub-sector set a number of targets broadly covering the following areas: production, marketing and trade; policies and legislation; and financial and livelihood standards. One of the keys to increasing incomes and reducing poverty is to enhance agricultural production at household level in a sustainable manner, encouraging diversification, supporting rural income generation projects, and promoting private sector investment in agro-processing industries. In 2005, agricultural product exports amounted to N$1.1 billion or 6.9 percent of total exports. Livestock contributed 67 percent to agricultural exports, mainly through the export of live animals and animal products. Agricultural and forestry products constitute an average of 4 percent of total national imports, whilst meat and meat products account for an average of 2 percent.

During NDP2, the sub-sector could achieve an annual average growth rate of only 1.4 percent against the target of 5.4 percent. In 2006, the overall contribution of the sub-sector to GDP rose to 5.8 percent. This increase can be attributed to the favourable rainfall during the 2005/06 rainy season. During the NDP2 mid-term review, it was realised that some of the NDP2 targets were over-ambitious and therefore could not be reached.

The major programmes implemented were: (i) support to crop and livestock production diversification, (ii) support to marketing, trade and post-harvest operations, (iii) development of the MAWF, (iv) farming systems research and extension, (v) agricultural and micro-finance schemes, (vi) agricultural services and reform, and (vii) agriculture information system. Some of the more significant initiatives during NDP2 included the development of irrigation under the Green Schemes; promotion of domestic horticultural production and processing including subtropical fruit production, wild silk crop development, and processing of indigenous fruits; processing and marketing of *mahangu* (pearl millet); development of marketing, trade and post-harvest service infrastructure and management capacity of communities, farmers' organisations and the private sector; construction and maintenance of buildings and other infrastructure used by MAWF; developing the Ministry's capacity to provide direct farmer support services, including research, extension, training and veterinary services; provision of agricultural credit through Agribank including the Affirmative Action Loan Scheme (AALS); support to private individuals and co-operatives to provide commercial services (including ploughing services, and the sale of agricultural inputs) to communal farmers that were hitherto provided by the Ministry; developing management information system for research; process and provide technical information to agricultural development planners and managers to improve decision-making; and Early Warning on crop production on both communal and commercial areas, livestock production, and the general food security situation in the country.

5A.3.1.3. Agriculture Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To optimally and sustainably utilise natural resources in enhancing the potential of agriculture to contribute to economic growth and overall national development.

Sub-Sector Goal 1: Sustainable crop and horticultural improvements including through the optimal and sustainable utilisation of soils.

Table 5A.3: Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators	Baselines		Targets
	Year	Value	
Increased crop yields in the crop growing areas (kg/ha)			
Mahangu (pearl millet)	2003	350	438
Sorghum	2003	238	298
Dry land Maize	2005	362	416
Irrigated Maize	2005	7,800	9,750
Irrigated Wheat	2005	4,997	6.246
Dry land Cowpea	2003	150	188
Dry land Bambaranuts	2003	250	312
Decreased imports of horticultural produce to meet national requirements	2006	80%	60%
Improved marketing of *mahangu* and maize from small-scale farmers			
Mahangu marketed (tonnes)	2005	1,124	1,574
Maize marketed (tonnes)	2005	168	193
Increased cultivation of indigenous plant resources (hectares)			
Devil's claw	2006	1.5	3.0
Hoodia	2006	3	4.5
Increased utilisation and commercialisation of indigenous plant resources (tons)			
Kalahari melon seed oil extraction	2005	15	18
Ximenia nut collection	2005	7	8.4
Ximenia nut oil extracted	2005	1	1.2
Manketti nuts collected and processed	2005	5	5.6
Marula fruit collected and processed	2005	600	720
Improved soil fertility of arable land through increased use of fertilizer (kg/ha)	2006	0.25	25

5A.3.1.4.1. Agriculture Sub-Sector Goal 1 Strategies

- Promote the adoption of appropriate integrated plant nutrition, pest and disease management options;
- Create an appropriate environment for improved production and marketing for sustained long-term production of crops/plants;
- Create the enabling environment for cultivation of indigenous plant resources;
- Improve the production systems of both communal and commercial farmers;
- Improve marketing of *mahangu* and maize of both communal and commercial farmers;
- Halt and reverse soil erosion and nutrient depletion, including through enabling policies and legislation;
- Promote the use of soil fertility enhancement technologies; and
- Develop new virgin lands.

Agriculture Sub-Sector Goal 2: Sustainable livestock improvement including through optimal and sustainable utilisation of rangeland.

Table 5A.4: Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	Baselines		Targets
	Year	Value	
Increased production of livestock fodder (kg of edible plant biomass/ha)	2007	200	240
Increased off-take of slaughter-ready animals through formal markets in Northern communal areas (%)	2007	2.4%	6%
Improved animal health status in northern communal areas through:			
Vaccination against FMD & CBPP (%)	2006	95	99
Increased disease surveillance (%)	2006	80	85
Improve animal movement control (%)	2006	30	85
Increased productivity of livestock in communal and resettlement areas:			
Cattle calving percentage	2004	45	50
Decrease pre weaning mortality rate of calves (%)	2004	25	15
Decrease post weaning mortality rate of weaners (%)	2004	12	6
Decrease mortality rate of small stock (lamb/kids) of communal and resettled farmers (%)	2004	60	50

5A.3.1.4.2. Agriculture Sub-Sector Goal 2 Strategies

- Accelerate efforts to trans-locate the Veterinary Cordon Fence to the north to the Namibian-Angolan border;
- Maintain an industry crisis management plan for FMD and BSE;
- Enhance off-take in the Northern Communal Areas (NCAs) through extension messages on production technologies and improvement of genetic pool for better body conformation and required carcass weight for the market;
- Promote good rangeland management practices through awareness campaigns and encourage rapid de-stocking and marketing of livestock to reduce pressure on rangeland; and
- Promote meat exports.

5A.3.1.5. Agriculture Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Crop and Horticulture Improvement	Development	25,420	25,420	25,420	25,420	25,420	**127,100**
	Operating	16,945	16,945	16,945	16,945	16,945	**84,725**
	Total	42,365	42,365	42,365	42,365	42,365	**211,825**
Indigenous	Development	25,419	25,419	25,419	25,419	25,419	**127,095**
	Operating	16,944	16,944	16,944	16,944	16,944	**84,720**

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Plants	Total	42,363	42,363	42,363	42,363	42,363	**211,815**
Soil Management	Development	25,420	25,420	25,420	25,420	25,420	**127,100**
	Operating	16,945	16,945	16,945	16,945	16,945	**84,725**
	Total	42,365	42,365	42,365	42,365	42,365	**211,825**
Improving Livestock Productivity	Development	110533	32994	32603	19327	18085	213542
	Operating	72310	21593	21317	12637	11830	139687
	Total	182843	54587	53920	31964	29915	353229
Agriculture Infrastructure Development	Development	253,523	347,577	480,495	355,520	365,253	**1,802,368**
	Operating	30,381	47,715	73,379	74,600	71,217	**297,292**
	Total	283,904	395,292	553,874	430,120	436,470	**2,099,660**
Human Resources Development and Capacity Strengthening in the Agriculture, Water and Forestry Sub-Sectors	Development	0	0	0	0	0	**0**
	Operating	22,361	37,953	57,625	78,476	92,516	**288,931**
	Total	22,361	37,953	57,625	78,476	92,516	**288,931**
Agriculture Sub-Sector Total	**Development**	**440,315**	**456,830**	**589,357**	**451,106**	**459,597**	**2,397,205**
	Operating	**175,886**	**158,095**	**203,155**	**216,547**	**226,397**	**980,080**
	Total	**616,201**	**614,925**	**792,512**	**667,653**	**685,994**	**3,377,285**

5A.3.2. Sub-Sector 2: Forestry

5A.3.2.1. Sub-Sector Description

Although the forestry sub-sector's contribution to GDP might be relatively low compared to other renewable sub-sectors such as fisheries, the sub-sector plays an important role in community development. In general, the measured contribution of the forestry sub-sector is informal and is presently not fully captured in the national accounts. Notwithstanding, the investment in the National Forest Inventory was worthwhile in that the primary data and information generated was used to estimate, and thereby gain an economic understanding of, the asset value of selected forest resources [firewood, poles, saw timber and Non-Timber Forest Products (NTFPs)] and their potential contribution to GDP.

The broad-leafed forests and woodlands are located in the northern and north-eastern parts of Namibia. The central part of the country is covered by wooded grassland and bush land, while the desert area in the south-western part of the country is home to a few scattered trees. Woodlands cover about 20 percent of the land area while savannas cover 64 percent. Namibia's total woody standing stock of all species was estimated at 256.8 million m³ in 2004, with the highest wood volume in Kavango (34 percent), followed by Oshikoto (17 percent), Otjozondjupa (16 percent), Caprivi (12 percent), Ohangwena (8 percent) and Omaheke (6.5 percent). The value of forest products was estimated at N$10.2 billion in fuel wood, N$2.0 billion in poles, N$634 million in sawn timber and N$5.9 billion in NTFPs. A significant proportion of the country's population

depends directly on forest resources, including for fuel wood, building materials, fodder, food and medicinal plants. It is necessary to ensure the systematic management of the forest resources.

Apart from the quantifiable monetary value of the forest resources, there are also some non-quantifiable benefits accruing from the effective management and utilisation of forest products, such as the conservation of biodiversity and soil and water resources, protecting and maintaining water catchments, and acting as carbon (dioxide) sinks.

5A.3.2.2. Forestry Sub-Sector Performance during NDP2

One of the significant achievements of the sub-sector during NDP2 was the declaration of 13 community forest areas covering about 1.3 million hectares accessed by about 230,000 people, with forest management plans completed and begun to be implemented in each area. A socio-economic study indicates that rural households can accrue up to N$4,000 per annum through income generating activities implemented by the programme. Another 16 community forest areas are in advanced stages towards declaration.

Other activities included: promotion of the principles of Forest Protection and Conservation for national and global benefits; law enforcement; regulation of forest products by issuing permits; and forest fire prevention, suppression and management. Several forestation and reforestation programmes were implemented with about 200 hectares of tree planting; establishing four forest research stations; and collecting baseline data and establishing an information system on the forest resource base.

During NDP 2, with Government assistance, communities tried to address the problem of bush encroachment by producing charcoal from invader bush, and a charcoal industry was established with the bulk of its products exported to Europe. Environmental forestry (strategic forestry) sites were identified, described and maps were developed. Human resource development was intensified through local training at the Ogongo Agricultural College, and advanced training at other institutions. This has improved the capacity in managing forestry institutions and forests. The Directorate of Forestry has increased its offices from eight at Independence to 33 offices including those in the Regions.

Despite the reported achievements by the forestry sub-sector, a number of challenges remain. Tree planting in a dry and arid country is very difficult, as it requires watering during the first few years of establishment, a difficult issue in a country with limited water resources. Also, there are challenges related to Community-Based Forest Management because Namibian Forests do not have high commercial value, and the communities do not make enough money to sustain their forest management activities. The Government has tried to introduce more income generation activities to supplement the income of the communities from the forests.

Forest and *veld* fire management in the natural forests remains a formidable challenge despite all the efforts of the Government. Prolonged and consecutive droughts make woodlands and savannas vulnerable to fire, which is intensified when followed by another drought.

The capacity to generate and utilise forest research information for sustainable forest management is rather limited due to inadequate numbers of trained staff at post-graduate level. As a result, new technologies and initiatives are not effectively implemented at the local level.

5A.3.2.3. Forestry Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To practice and promote sustainable and participatory management and utilisation of forest resources and other woody vegetation to enhance socio-economic development and environmental sustainability.

Goal: Sustainable Management and Utilisation of Forest Resources.

Table 5A.5: Forestry Sub-Sector Performances Indicators, Baselines and Targets

Indicators	Baselines	Targets
Policies for sustainable management and utilisation of woody and non-woody resources promulgated		• Bush Encroachment Policy approved in 2007/08 • Forest and *Veld* Fire Policy approved in 2008/09
Woodland Management Council and other civil society organisations	Supporting legislation in place by 2007	Woodland Council and civil society organisations (Community Forests) established and involved in sustainable management and utilisation of natural resources
No. and area of forests under formal forest management	13 (2006)	40 community forests declared by 2012
Percentage of illegal harvesting cases	N/A	Decrease illegal harvesting by 50%
Outcomes of research projects contributing to addressing the socio-economic and environmental potential of forestry	5	Implement four research projects to address socio-economic and environmental potential of forestry
No. of staff trained in the relevant subject matters	N/A	At least 17 staff undergo qualifying training; and short courses implemented to address capacity building in the sub-sect
No. of local people employed in the forestry sub-sector	3,000 (2006)	3,600
Socio-economic benefits accruing to local communities (per household per annum)	N$4,000 (2006)	N$5,000

N/A – Not available

5A.3.2.4. Forestry Sub-Sector Strategies

- Community and other stakeholders involved in sustainable management and utilisation of forest resources;
- Use forest research information to increase benefits from forest resources;
- Improve law enforcement to control illegal harvesting;
- Promote sustainable utilisation of unwanted bush to restore degraded land; and
- Conduct forest resources assessment to determine standing stock and sustainable harvesting level.

5A.3.2.5. Forestry Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Forest Management and Utilisation	Development	2,478	1,678	1,226	2,126	826	8,334
	Operating	5,551	3,620	2,357	2,207	1,987	15,722
	Total	8,029	5,298	3,583	4,333	2,813	24,056
Bush Utilisation	Development	24	1,136	1,136	1,042	1,042	4,380
	Operating	2,021	2,381	2,139	2,037	2,037	10,615
	Total	2,045	3,517	3,275	3,079	3,079	14,995
Forestry Sub-Sector Total	**Development**	**2,502**	**2,814**	**2,362**	**3,168**	**1,868**	**12,714**
	Operating	**7,572**	**6,001**	**4,496**	**4,244**	**4,024**	**26,337**
	Total	**10,074**	**8,815**	**6,858**	**7,412**	**5,892**	**39,051**

5A.3.3. Sub-Sector 3: Fisheries

5A.3.3.1. Sub-Sector Description

Namibia has one of the most productive fishing grounds in the world from the Benguella Current System, which is a current upwelling system that supports rich populations of demersal and large and small pelagic fish. The country manages its fisheries and aquaculture in an optimal and sustainable manner. The fisheries sub-sector consists of three major components: (i) marine capture fisheries, (ii) freshwater/inland capture fisheries, and (iii) marine and inland aquaculture. The inland capture fisheries and freshwater aquaculture are still in their infancy and have primarily served to contribute to food security and income generation for the rural households while marine capture fisheries is practised on a large commercial scale and forms an important pillar of the Namibian economy.

5A.3.3.2. Fisheries Sub-Sector Performance during NDP2

During NDP2, the sub-sector identified 12 targets and indicators ranging from increasing output, value addition, Namibianisation, environmental concerns, and the establishment of a Fisheries Development Fund. However, some NDP2 targets were found to be unrealistic because of climatic uncertainties, and only six out of the 12 targets were achieved. Also, other external factors such as exchange rates, unfavourable developments in external markets and increased fuel prices had adversely affected the outcomes.

The total allowable catch (TAC) for major commercial fish species remained more or less unchanged for most of NDP2, with that for hake revised down during the 2006/07 season (April 2006–May 2007) for conservation and stock rebuilding purposes. During NDP2, Namibia's average annual fish catches amounted to about 572,460 metric tonnes, valued at N$3.6 billion, while marine aquaculture (oyster mari-culture) production during 2006 amounted to about 670 metric tonnes. Revenue from fisheries is the second most important foreign exchange earner for Namibia after mining and it contributed on average about 4.8 percent to GDP during NDP2. In addition, fish processing onshore contributed 1.7 percent to GDP.

In 2006, fish and fish processing increased to N$2.3 billion with an additional contribution of marine aquaculture amounting to N$64 million, with total direct employment in the sub-sector remaining at 13,400, the same level as that achieved during NDP1. This is because the pilchard

fishery, which used to be a major employer during NDP1, experienced stock decline that led to job loses in the industry. Despite the decline, new employment opportunities were created in the hake fishery. About 70 percent of the hake was processed onshore and 4,500 tonnes of large pelagic species previously exported frozen whole was processed onshore during NDP2. Domestic fish consumption rose to 12 kg per person in 2006.

Hake and horse mackerel account for over 80 percent of marine fish production with the hake fishery being by far the largest accounting for over 60 percent of the final value of marine fisheries production. This resulted from pro-value addition and pro-employment policy interventions, which allocated 60 percent of the hake TAC to on-shore processing (value-addition) during NDP2 which was further revised upward to 70 percent during 2006 in response to the reduction in the TAC and to mitigate excess job losses.

During NDP2, inland fisheries legislation was enacted and implemented and regional offices were established and staff appointed. In addition, the SADC Research Project was implemented to ensure policy harmonisation and co-management of shared resources. Construction of the Kamutjonga Inland Fisheries Institute (KIFI) was embarked upon during NDP2 for completion during the NDP3 period. In addition, six community-based pilot projects for fresh water fish farming were established in the Kavango, Caprivi and Omusati Regions. For more than 90 percent of the households living along side the perennial rivers, fishing is a source of subsistence and sales of fish provide income for about 45 percent of these households.

The small but lucrative commercial mari-culture industry continued to grow during NDP2 and it holds potential for growth during NDP3. Several mari-culture commercial ventures were established and are operating effectively.

The major challenge experienced during NDP2 was the lack of technical know-how that is hampering the progress on Namibianisation, especially in the mid-water trawling fishery, where Namibians need to take up top positions such as vessel captains, chief officers and marine engineers. However, strategies are in place to increase the number of Namibians in these areas through training.

5A.3.3.3. Fisheries Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: Responsibly manage living aquatic resources to continuously ensure a conducive environment for fishing and aquaculture to prosper.

Goal: Living aquatic resources utilised sustainably and aquaculture developed.

Table 5A.6: Fisheries Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines		Targets
	Year	Value/No.	

Indicators	Baselines		Targets
	Year	Value/No.	
Growth in main marine stocks biomass (tons)	2006	Hake(1million tons) Pilchard (139,000t) Horse mackerel (2millliont) Rock lobster (2,000t) Crab (16,000t) Monk (45,000t) Orange Roughy (6,453t)	Stock recovery by 2011 as follows: Hake (2 million tons) Pilchard (200,000t) Horse mackerel (2.5 million t) Rock lobster (3,000t) Crab (20,000t) Monk (55,000t) Orange Roughy (10,000t)
Growth in stocks in perennial rivers	1991	Trends in the 1990's (species composition, catch at length and weight - Catfish and Tilapia)	Achieve trends of fish species that existed in 1990 by 2011
Coastal MCS satellite stations established	2006	0	1 Station established by 2010.
Compliance with regulations in the perennial rivers	2006	20%	Provide 80% surveillance by 2011
Contribution of marine resources to GDP	2006	5.5%	Between 6% and 6.5% by 2011 (current prices)
Contribution of fisheries to food security	2006	9 kg/head	14kg per head by 2011 (based on study by University of Namibia)
Full-time employment in marine fisheries	2006	13,400	13,600 by 2011
Contribution of inland fisheries to food security	2006	5,000 tons ((based on study by University of Namibia)	Production level maintained or increased by 2011

Note: Environmental uncertainties a possible impediment to achieving some of the targets.

5A.3.3.4. Fisheries Sub-Sector Strategies

- Vessels techniques and capacity to effectively and efficiently quantify the living aquatic resources and determine the state of the environment;
- Promote stock recovery;
- Set Annual Total Allowable Catch (TAC) at sustainable level based on best available scientific information;
- Strengthen joint management regarding shared fish stocks between Namibia, South Africa and Angola through the Benguella Current Commission (BCC);
- Strengthen the monitoring, control and surveillance of living aquatic resources offshore, onshore and in the perennial rivers and other water bodies;
- Promote the joint management of perennial rivers, including co-management of inland fisheries resources, through information sharing and joint research, harmonisation of policies, and coordinated policy implementation;

- Promote aquaculture and ensure responsible aquaculture production practices; Undertake research to enhance aquaculture development;
- Strengthen fish market research;
- Create incentives to rights holders that increase value addition to Namibia's fish products;
- Encourage entrepreneurship and investment in fishery resources; and
- Safeguard genetic biodiversity.

5A.3.3.5. Fisheries Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Survey and Stock Assessment	Development	1,500	9,396	27,786	30,564	33,621	**102,867**
	Operating	22,271	25,342	27,859	30,645	33,709	**139,826**
	Total	23,771	34,738	55,645	61,209	67,330	**242,693**
Monitoring, Control and Surveillance	Development	3,300	5,987	779	856	943	**11,865**
	Operating	84,282	85,394	82,867	91,153	100,268	**443,964**
	Total	87,582	91,381	83,646	92,009	101,211	**455,829**
Promotion of Aquaculture	Development	29,938	15,332	2,150	2,307	2,602	**52,329**
	Operating	22,414	26,544	25,253	27,778	30,556	**132,545**
	Total	52,352	41,876	27,403	30,085	33,158	**184,874**
Human Resources development and Capacity Building	Development	0	0	0	0	0	**0**
	Operating	2,302	2,621	2,849	3,329	3,484	**14,585**
	Total	2,302	2,621	2,849	3,329	3,484	**14,585**
Fisheries Sub-Sector Total	**Development**	**1,500**	**9,396**	**27,786**	**30,564**	**33,621**	**102,867**
	Operating	**22,271**	**25,342**	**27,859**	**30,645**	**33,709**	**139,826**
	Total	**23,771**	**34,738**	**55,645**	**61,209**	**67,330**	**242,693**

5A.3.4. Sub-Sector 4: Water

5A.3.4.1. Water Sub-Sector Description

Namibia is a water stressed country, except for the northern parts and the large Tsumeb-Otavi-Grootfontein groundwater aquifer. The country is deficient in surface water, as all but three major rivers (Zambezi, Kunene and Kavango) are ephemeral streams. The large dams inland suffer from high evaporation rates averaging about 3,200 mm per annum. Rainfall and precipitation around Windhoek averages 370 mm per year, with the Northern Regions receiving up to 750 mm per year. Data on the annual availability of water in Namibia is presented in Table 5A.7.

Table 5A.7: Annual Availability of Water

Source	Volume (m^3/annum)	Remarks
Groundwater	300	Estimated long-term sustainable yield
Ephemeral surface water	200	Full development at 95% assurance of supply
Perennial surface water	189	Present allocation
Unconventional	10	Reclamation, reuse, recycling
Total available	**699**	

The availability of water from the perennial rivers is subject to agreement with neighbouring countries. According to the concluded agreements, the present allocation of water to Namibia from the Orange and the Kunene Rivers is 189 m^3 per annum. The installed abstraction capacity from all the perennial rivers is about 150 m^3 per annum. Considering the long-term annual runoff of the perennial rivers, Namibia should be in a position to abstract much more water from those rivers as her equitable share of water. Regarding developments along the perennial rivers, most of the additional water will be used for irrigation. Information on the planned irrigation development is provided Table 5A.8.

Table 5A.8: Irrigation Developments along the Perennial Rivers

River	Long-term annual runoff or LTAR (m^3)	Area (ha)	Water required		Present annual allocation (m^3)
			Volume (m^3)	% of LTAR	
Orange	5,810	12,000	180	3.1	9
Kunene	4,889	1,200	18	0.4	180
Okavango	5,201	12,000	180	3.5	
Zambezi	38,038	15,000	225	0.6	
Total		**40,200**	**603**		**189**

Assuming that Namibia secures the required quantities of water from the perennial rivers, there will be more water available although it will not move Namibia out of the category of countries with chronic water scarcity. Other ways of increasing water availability are to reuse more water or to desalinate it.

The water sub-sector fulfils a number of functions such as allocation of water, quantification of Namibia's surface water and groundwater resources, water quality and environment protection, water supply, policy development and regulations. This is reflected in the sub-sector making contributions to all the sectors and especially to the social and economic sectors under different KRAs. Many other organisations have a stake in the water sub-sector. Owing to the multitude of organisations with responsibility, with some influence in the water sub-sector or simply using water as input in their production processes, the water sub-sector participates in a number of Thematic Working Groups.

The Natural Resource Accounts for water projects recorded the consumption levels of water by different economic sub-sectors, the cost of supplying this water, and the user charges levied by water suppliers/distributors. The Accounts also documented the sustainable amount of water available from various sources. They were compiled for the 2001/02. The plan is to collect data with a view to compiling stock and detailed use accounts for 2006/07 and 2010/11. It is planned to additionally collect data on water abstracted, water losses, non-revenue water, infrastructure leakage

indexes, collection of revenue and outstanding debt. Also more information should be collected for the irrigation and the tourism sub-sectors as well as better information for the urban sector. The water use by different sub-sectors is presented in Table 5A.9, which was compiled for the Natural Resource Accounts housed at the Department of Water Affairs and Forestry.

Table 5A.9: Water Use by Different Economic Sub-Sectors in 1997/98 and 2001/02

Economic Sub-Sector	Water use (m^3)		Percent Distribution	
	1997/98	2001/02	1997/98	2001/02
All Households	**30.15**	**33.60**	**12.8%**	**12.2%**
Rural Households	8.48	9.15	3.6%	3.3%
Urban households	21.68	24.46	9.2%	8.9%
Government	**14.21**	**14.15**	**6.0%**	**5.2%**
Construction	**0.20**	**0.28**	**0.1%**	**0.1%**
Utilities	**0.20**	**0.23**	**0.1%**	**0.1%**
Fishing	**0.03**	**0.69**	**0.0%**	**0.3%**
Services Total	**7.01**	**7.92**	**3.0%**	**2.9%**
Trade	1.70	1.95	0.7%	0.7%
Hotels & Restaurants	1.75	1.81	0.7%	0.7%
Transportation	0.37	0.43	0.2%	0.2%
Communication	0.06	0.06	0.0%	0.0%
Financial & Business services	0.60	0.71	0.3%	0.3%
Social services	2.53	2.97	1.1%	1.1%
Manufacturing Total	**5.96**	**6.64**	**2.5%**	**2.4%**
Total for food processing	2.98	3.61	1.3%	1.3%
Meat processing	1.20	1.38	0.5%	0.5%
Fish processing	0.67	0.91	0.3%	0.3%
Beverages	0.94	1.12	0.4%	0.4%
Grain milling & other food Processing	0.17	0.20	0.1%	0.1%
Textiles	0.18	0.13	0.1%	0.0%
Other Manufacturing	2.79	2.91	1.2%	1.1%
Mining Total	**8.73**	**9.13**	**3.7%**	**3.3%**
Diamond mining	1.01	0.94	0.4%	0.3%
Other mining & quarrying	7.73	8.19	3.3%	3.0%
Agriculture Total	**169.33**	**202.03**	**71.8%**	**73.6%**
Commercial agriculture	109.59	134.95	46.5%	49.1%
Commercial Crop Irrigation	85.84	108.63	36.4%	39.6%
Commercial Livestock	23.75	26.32	10.1%	9.6%
Communal agriculture	59.74	67.08	25.3%	24.4%
Communal Crop Irrigation	32.43	35.56	13.8%	12.9%
Communal Livestock	27.31	31.52	11.6%	11.5%
TOTAL	**235.82**	**274.67**	**100%**	**100%**

Source: MAWF, 2006, Technical Summary of Water Accounts, 2006

The data in Table 5A.9 indicate that water was used as an input by many sub-sectors of the Namibian economy, thereby contributing to the national objectives of stimulating and sustaining economic growth and creating employment. Water consumption increased in the construction, utilities, fishing, services, manufacturing and mining sub-sectors. The biggest water consumer was the agriculture sub-sector, where water consumption increased from 169.33 million m^3 in 1997/98 to 202.03 million m^3 in 2001/02, an increase of close to 20 percent. In 2001/02, the agriculture sub-sector utilising close to 74 percent of all water, contributed less than 7 percent to the GDP and accounted for 24 percent of total employment. Owing to such high increase in water consumption by the agriculture sub-sector where water productivity is the lowest, the economy was producing less national income for a given amount of water in 2001/02 than in 1997/1998. In other words, by stimulating expansion of the agriculture sub-sector, water was used less effectively.

The available information on value-added per unit of water in each sub-sector of the economy during 2001/02 is presented in Table 5A.10.

Table 5A.10: Value-Added per Unit of Water in Each Sub-Sector in 2001/02
(N$ per m^3 at 1995 prices)

Sub-sector	Value-Added
Agriculture	4.54
Commercial agriculture	4.61
Irrigation	0.55
Livestock	18.44
Communal agriculture	4.41
Irrigation	-0.49
Livestock	9.92
Mining	127.20
Diamond mining	891.14
Other mining	39.58
Manufacturing	260.62
Services	551.92
Hotels and restaurants	164.81
Transportation	1,771.61
Trade	775.70
Communication	7,816.60
Business services	1,681.43
Social services	45.19
Other services	
Non-agricultural sub-sectors	203.76
All sub-sectors	57.23

Source: Ministry of Agriculture, Water and Forestry.

During 2001/02, the economy-wide average of value-added per m^3 of water was N$57.23 (at 1995 prices). The agriculture sub-sector generated only about N$4.54 per m^3 of water used while the non-agricultural sub-sectors generated on average about N$203.76, implying that the agriculture sub-sector generated very low value-added per m^3 of water used. Irrigation in communal agriculture made a negative contribution to GDP as a result of large government subsidies. These indicators reflect more on the efficiency of water use by the other sub-sectors than on the performance of the water sub-sector, which can be useful in the formulation and implementation of effective policies and regulations and allocation or use of water in the economy.

The biggest challenges for the water sub-sector were the shortage of qualified staff and inadequate resources available to maintain and replace existing infrastructure and to provide the required new infrastructure. In order to deal with the shortage of qualified staff, a variety of training and capacity building programmes were implemented. Also, the shortage of qualified staff was overcome by outsourcing a major portion of the work to competent private sector entities. NamWater introduced a company bursary scheme through which students from previously disadvantaged groups are supported in fields such as engineering and accounting.

Inadequate funds from Government for developing water supply infrastructure are supplemented with donor funding. Many rural water supply projects are carried out with donor funding. Development undertaken by NamWater is funded from revenue generated through bulk water supply, by new bulk water customers in terms of development agreements, or by loans. NamWater's funds for infrastructure development are very limited and in future they might not be able to provide water to their customers at the same level of service reliability.

5A.3.4.2. Water Sub-Sector Performance during NDP2

Water is used for domestic purposes; in agriculture (livestock-watering and irrigation); industry, mining and manufacturing; as well as in the services sub-sectors. Adequate water has to be reserved for maintaining natural habitats fulfilling the obligation to maintain ecosystems, essential ecological processes and biological diversity in Namibia.

During NDP2, the mission of the sub-sector was to provide safe water to the whole population, manage the resource according to the principles of equity and sustainability, and ensure that water provision contributes effectively and efficiently towards the development of Namibia's economy. A number of programmes related to water infrastructure were implemented and the achievements include the following: (i) a number of new rural water supply schemes were constructed; (ii) 1,269 new community water points associated with new pipelines were constructed; (iii) 138 borehole-based water points were established; (iv) 81 new earth dams were constructed; and (v) regional rural water supply development plans were developed for the Hardap, Karas, Kunene, Kavango, Erongo and Omaheke Regions. The NDP2 targets and achievements on safe water supply coverage are presented in Table 5A.11.

Table 5A.11: Safe Water Supply Coverage during NDP2

Item	**Baseline** (2000)	**NDP2** (2006)	
	Value	**Target**	**Actual**
Rural water supply coverage[13]	75%	80%	90.7%
Urban water supply coverage[14]	95%	95% +	98.4%

The sub-sector achievements include:

[13] The criteria include: (i) maximum walking distance to nearest water point of 2.5 km; (ii) minimum water supply of 15 litres per person per day; (iii) waiting time at water point of no more than 30 minutes: and (iv) water to be of acceptable quality according to published guidelines.

[14] The criteria include: (i) maximum distance to nearest water point of 0.5 km; (ii) minimum water supply of 15 litres per person per day; and (iii) water to be of acceptable quality according to published guidelines

- The Water Resources Management Bill was approved and it was published in the *Government Gazette* as Water Resources Management Act on 23 December 2004 (Act No.24 of 2004);
- The Natural Resource Accounts register water users within Namibia. Between 85 percent (urban sector) to 100 percent (stock watering) water users were included in the Natural Resource Accounts. There is, however, very limited information on the actual water use by the irrigation and tourism sub-sectors;
- As a conservation measure, no increases in abstraction of water are granted to those permit holders who supply water to users whose water losses from their reticulation systems are not reduced to 15 percent of total water supplied by 2006: At present, information on water losses is only available for a few local authorities;
- By 2005, 50 percent of all waste water disposal points comply with their permit specifications;
- The compilation of regulations for *Water Quality Standards and Guidelines* started in April 2005. Most of the work on numerical and narrative regulations on water quality was finalised by the end of 2006;
- Two of the planned six equipment units for telemetric monitoring surface water sources as part of the SADC/HYCOS projects were purchased;
- *Groundwater:* At present, the national groundwater monitoring network consists of 730 boreholes. Some 52 boreholes are currently equipped with analogue recorders while the majority of 608 boreholes are measured manually. There are 70 digital water level data loggers within selected aquifers that provide daily water levels. The monitoring programme is in the process of being revised and the long-term aim is to equip all monitoring boreholes with digital recorders;
- *Water quality:* At present, a water quality monitoring network does not exist'
- The new groundwater database (GROWAS) has been developed and was made operational during 2004. However, this database must still be directly coupled to a spatial GIS, which was to be completed during 2007;
- *Water ecology:* At present ecological monitoring is limited to the aquatic invertebrate fauna, and flora of the Kunene River, aquatic birds at the Swakopoort Dam, the state of the riparian trees in a representative section of the Ugab River, problem aquatic weeds in Caprivi, and ad-hoc monitoring of the crustacean fauna of ephemeral waters countrywide. It is planned to expand monitoring of water environments, including perennial rivers and wetlands. Details of the proposed programme/activities are included under the Sub-KRA on Environmental Sustainability;
- *Control of water abstraction:* According to Section 28 of the Water Act (Act No.54 of 1956), in declared subterranean water control areas (Omaruru River, Swakop River, Stampriet Artesian Basin and GTO Karst Area), the abstraction of water is controlled and abstraction permits are issued according to Regulations 1278 of 1971. At present, 165 permits were granted for farmers in the above areas, 6 farmers do not have a permit which means that they are not authorised to use groundwater for irrigation, and 39 permitted abstraction installations (24 percent) do not have water meters, which indicates non-compliance with the permit conditions. This situation is considered unsatisfactory; and
- With regard to bulk water supply, NamWater supplied water to approximately 6,000 retail customers. It improved the existing infrastructure and developed new infrastructure to expand and improve the capacity and security of water supply. Also, a number of projects were carried out with a view to improving water quality.

In regard to water resources assessment and monitoring, a management plan for the Tsumeb aquifer was formulated based on the Study of the Tsumeb Groundwater Aquifers. The revised criteria for issuing permits for irrigation purposes in the Karst Area were adopted by the Karst Water Management Body. A better understanding of the Platveld aquifer was developed as a result of the study, which included a desk study of the geophysical and geological aspects of the Basin, followed by a detailed review of the geology of the area based on geophysical observations. A drilling

programme, with 56 exploration boreholes drilled with 36 of the boreholes hydraulically tested was carried out and 38 exploration boreholes were installed with digital recorders. The processing of the numerical model of the system, which is being concluded, will provide a first estimate of the total stored groundwater reserves and will contribute to the formulation of a groundwater management plan.

Investigations of the Eiseb Graben, Caprivi, and Oshivelo Aquifers identified new water sources. Groundwater occurrence in the Eiseb Graben was determined. Using ground-based geophysical measurement, the graben has been identified and delineated. Three successful boreholes were drilled, one of which had yield approximately 120 m³/hour. It was estimated that approximately 700,000 m³ could be available from the Eiseb Graben Aquifer. This should contribute to the rural development in Eastern Omaheke. The Windhoek Aquifer and the aquifer downstream of the Oanob Dam were investigated and found suitable for artificial recharge and storing of water underground.

A deep freshwater aquifer was detected underneath the previously known shallow aquifer containing brackish to saline water in Eastern Caprivi. The Research study of the South-East Kalahari (Stampriet) Artesian Aquifer resulted in a revised and better understanding of conceptual hydro geological model of the system. A more broad-based and representative groundwater monitoring system was set-up, and 112 new monitoring points for the groundwater monitoring system established with a view to improving a national groundwater monitoring system. From 2001 to 2006, Nolidep and other agencies (UNHCR, MET, Veterinary Services) as well as the drought relief programme drilled a total of 359 boreholes for rural water supply of which 283 were successful.

Implementation of community-based management (CBM) of rural water supply schemes also forms part of the achievements of the water sub-sector. The target was to establish 2,826 Water Point Committees (WPCs). By March 2006, 2,391 (84 percent of target) WPCs were established and 2,471 (103.3 percent of target) WPCs were trained, which is more than the number of WPCs established because some of the committees were re-trained. The target to rehabilitate 50 percent of all existing WPs to acceptable working condition according to the approved guidelines by the end of March 2006 was not achieved. However, by the end of March 2006, out of a total of 7,349 existing water points, 47.7 percent (3,506) were either rehabilitated or newly constructed, with 49.4 percent achieved by December 2006.

As a result of the above interventions, the coverage of water provision to rural households increased from 75 percent in 2001 to 90.7 percent by 2006 (against the NDP2 target of 80 percent) while the coverage of urban households was maintained at 98.4 percent during the period.

5A.3.4.3. Water Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To jointly manage and utilise water in an equitable, efficient and sustainable manner to benefit all users in Namibia in the short, medium and long term.

Goal: Water resources utilised in a sustainable and efficient way.

Table 5A.12: Water Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Contribution of water to GDP	1.3%	1.5%
Economy wide average value-added per m^3 of water input	N$ 57.23	N$ 60.00

Legislation/regulations in place	1956Water Act	2004Water Resources Management Act
Availability of water (million m^3 per annum)	699	750
Valid wastewater/effluent disposal permits	15%	30%
Groundwater extraction permits and compliance with permit conditions No. of permits issued No. of permit holders complying with the permit conditions	 162 123	 169 143
Functional basin management committees	2	12
National water supply (million m^3)	119.4	150.4
Water supply to mines (million m^3)	11.2	25.9
Irrigation water supply (million m^3)	52.5	63.5
Potable water supply to villages, settlements and communities for human use (million m^3)	24.2	27.0
Potable water supply to villages, settlements and communities for watering livestock (million m^3)	2.7	3.0
Total length of water pipelines rehabilitated (km)	3	19

5A.3.4.4. Water Sub-Sector Strategies

- Promote Integrated Water Resources Management (IWRM);[15]
- Harmonise policies, legislation, and regulations regarding water resources management;
- Approve laws that will enable the government to subsidise water to the needy;
- Make more water available for the satisfaction of basic needs and for the development of the country through finding new water sources (especially groundwater), securing additional allocations of water form the perennial rivers, reusing more water (after adequate treatment) and desalination of sea water; and
- Follow the principles of integrated water resources planning and development of water resources when allocating water for different uses.

5A.3.4.5. Water Sub-Sector Programmes

Programmes	**Type of Budget**	**Programme Costs /Budget Plan (N$ '000)**					
		FY 2007/08	**FY 2008/09**	**FY 2009/10**	**FY 2010/11**	**FY 2011/12**	**Total NDP3**
Water Resources Management	Development	24,200	45,050	49,050	30,950	23,550	**172,800**
	Operating	13,706	21,396	23,816	17,394	15,880	**92,192**
	Total	37,906	66,446	72,866	48,344	39,430	**264,992**
Strategic Water	Development	240,000	250,000	249,000	748,000	744,000	**2,231,000**

[15] The IWRM was defined by the Global Water Partnership as a process 'which promotes the coordinated development and management of water, land and natural resources, in order to maximize the resultant economic and social welfare in an equitable manner without compromising the sustainability of vital ecosystems.' Namibia committed herself to following this strategy by adopting the Johannesburg Plan of Implementation at the World Summit on Sustainable Development in 2002. At present, Namibia goes through the IWRM planning processes, which are to result in new national policies and laws for the development and management of the country's water resources. Periodic progress reports in this regard have to be sent to the UN Commission on Sustainable Development.

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Supply Infrastructure Development	Operating	10,000	11,950	11,400	16,700	15,900	**65,950**
	Total	250,000	261,950	260,400	764,700	759,900	**2,296,950**
Rural Water Supply Infrastructure Development	Development	139,545	169,665	161,665	158,440	162,140	**791,455**
	Operating	21,600	21,600	21,600	21,600	21,600	**108,000**
	Total	161,145	191,265	183,265	180,040	183,740	**899,455**
Forestry Water Supply Infrastructure Development	Development	983	983	983	983	983	**4,915**
	Operating	327	327	327	327	327	**1,635**
	Total	1,310	1,310	1,310	1,310	1,310	**6,550**
Water Sub-Sector Total	**Development**	**404,728**	**465,698**	**460,698**	**938,373**	**930,673**	**3,200,170**
	Operating	**45,633**	**55,273**	**57,143**	**56,021**	**53,707**	**267,777**
	Total	**450,361**	**520,971**	**517,841**	**994,394**	**984,380**	**3,467,947**

5A.3.5. Sub-Sector 5: Lands

5A.3.5.1. Sub-Sector Description and Background

At Independence in 1990, Namibia inherited a racially skewed land distribution pattern, with 52 percent (36.2 million hectares) of the approximately 69.6 million hectares available for agricultural purposes deemed freehold land (referred to as "commercial land") occupied by some 4,200 (predominantly white) farm households. The remaining 33.4 million hectares (48 percent) "non-freehold" or communal land supported about 70 percent of the population of Namibia. Thus, the Apartheid Era left behind a complex and difficult legacy of a highly unequal and racially skewed land distribution which will take many years to redress satisfactorily. The Government of the Republic of Namibia and various stakeholders held the National Land Conference in 1991 and the delegates to the conference reached a consensus. Government created the Ministry of Lands and Resettlement (MLR) and initiated a land reform programme.

The Land Acquisition and Development Fund (LADF) benefits only emerging farmers in commercial areas and excludes farmers in the communal areas. These limitations are a result of the provisions in the Agricultural Commercial Land Reform Act (Act No. 6 of 1995) that formed the basis for establishment of the Fund. Against this background, the Ministry of Lands and Resettlement (MLR) has considered consolidating the two Acts (The Agricultural (Commercial) Land Reform Act No. 6 of 1995 and the Communal Land Reform Act No. 5 of 2002), so that all farmers in commercial and communal areas can benefit from the Fund. Communal farmers lack expertise in financial management and basic bookkeeping skills, in addition to their lack of collateral, as they have no title deeds for the land they use. They do not keep financial records that could be useful for data analysis.

The National Resettlement Policy (NRP): The overall objective of the National Resettlement Policy is to resettle eligible people in an institutionally, sociologically, economically and environmentally sustainable manner and in such a way that they become self-supporting. More specifically, the aims of resettlement are to enhance the welfare of the people through improved productivity and to develop destination areas where they are able to earn a decent living.

The key challenges faced were the lack of qualified personnel in surveying and mapping and insufficient funds to complete the revision of maps and introduce extra products for topographic maps in order to improve the current services being offered to the public. However, intensive capacity building initiatives contributed significantly towards strengthening local capacity in technical fields, with more students successfully completing their training in Namibia and overseas. They are now employed in the Directorate of Survey and Mapping and Valuation and Estate Management. The dynamic changes in technology globally pose a great challenge which call for a constant change in methodology.

5A.3.5.2. Lands Sub-Sector Performance during NDP2

Land Reform Programme: During NDP2, access to agricultural land in Namibia for formerly disadvantaged Namibians has been facilitated by State and by market-assisted acquisition schemes based on willing seller–willing buyer principle. During NDP2, a total of 118 farms with a total area of 828,265 hectares were acquired in the commercial areas. Despite the relatively small number of farms offered and purchased during NDP2, the total area acquired exceeded the target of 360,000 hectares. The willing seller–willing buyer process proved to be very slow. Hence in 2004, Government introduced the expropriation method to speed up land acquisition. However, some of the owners of farms earmarked for expropriation filed court challenges against the Ministry resulting in a delay in the expropriation process.

The Integrated Land Use Plans (IRULPs) project: During NDP2, Integrated Regional Land Use Plans for eight regions (Caprivi, Kunene, Ohangwena, Omusati, Oshana, Oshikoto, Otjozondjupa and Omaheke) were produced, which was below the NDP 2 target. The shortfall was due to a shortage of human resources to formulate the Integrated Land Use Plans in-house.

The National Resettlement Programme (NRP): During NDP2, resettlement became more systematic and planned, focusing on resettling individual households on individually demarcated allotments. Thus, large farms acquired are subdivided into smaller allotments, which are then given to individual households with exclusive rights to use the land. The approach takes into account the climatic conditions (more so than the group resettlement model) as livestock is the main agricultural activity pursued on these farms. Mixed farming models, for example crop and livestock activities, are encouraged but climatic conditions and the lack of appropriate extension support make it difficult for most beneficiaries to practice meaningful arable or dry land agriculture on their farms. The land allocations have been set by the LRAC at a minimum of 1,000 hectares per family for the higher potential areas in the north/north-east and 3,000 hectares per family for the medium potential southern areas. This approach has become the norm for the resettlement programme. In comparison to the group or project resettlement model, the individual resettlement model clearly provides beneficiary households with more land. However, this means a higher cost per household resettled, which limits the number of households that can be resettled given the limited funds available to Government. NDP2 targeted the resettlement of 180 families and 346 families were resettled on either individual or co-operative (group) holdings.

Implementation of the Communal Land Reform Act (Act No. 5 of 2002) provides a unified legal system for all communal areas. It provides for the allocation of rights in respect of communal land, the establishment of Communal Land Boards and devolved powers to the Chiefs and Traditional Authorities and the Land Boards in relation to communal land. Since its enactment in 2002, a total of 1,061 new customary rights, 3,095 existing customary rights, 690 new leasehold rights, and 17 existing leasehold (PTOs) rights have been approved by the 12 Communal Land Boards established in the 12 regions where communal land is found.

Development of Communal areas: Between 1999 and 2002, the Ministry of Lands and Resettlement commissioned the International Development Consultancy (IDC) to carry out a study in order to identify the under-utilised and unutilised communal lands in the country. The study suggested that there are four million hectares of under-utilised land in the communal areas that could be developed to improve agricultural productivity which could assist in some areas (and to a certain extent) as an alternative solution to the problem of high demand for land for agricultural purposes. The study identified suitable areas in Caprivi, Kavango, Oshikoto, Oshana, Ohangwena, Omusati, Otjozondjupa and Omaheke Regions. The implementation of the programme commenced in 2002 in the Kavango Region. A total of 563 farms have been surveyed, including 457 farms in Kavango, 82 in Caprivi and 24 in Ohangwena. About 13 boreholes were drilled in the Kavango Region and 6 boreholes were drilled in the Caprivi Region. Once the farms are developed, they are allocated to farmers from the overcrowded communal areas to relieve grazing pressure in the communal areas with farmers obliged to pay rental fees.

One of the major challenges in implementing the Act is the process of creating understanding about the new law among the rural population. Many people have still not applied for formalising their existing land rights as they still don't understand what is required of them. The other aspects hampering the activities of Communal Land Boards are the lack of transport and technical capacity at MLR regional offices to assist with the verification of land parcels, and produce survey maps and certificates.

In 2003/04, the Government felt the need to come up with a revised action plan on land reform and established the Permanent Technical Team (PTT) on land reform. The PTT was tasked to take stock and evaluate the experiences of the country's land policies, programmes and processes. It was meant to develop strategic options, recommendations, and eventually come up with an Action Plan that would map out future directions for implementation of the Land Reform Programme. The PTT among others confirmed that the land reform process has been too slow, cumbersome, costly and unreliable in delivering land to previously disadvantaged Namibians.

In order to satisfactorily address the severe land hunger in the country, the PTT recommended an increase in resource allocations and an increase in the land acquisition target to 15 million hectares, in order to adequately respond to the increased demand for agricultural land. Also, it recommended that about five million hectares of non-freehold land in communal areas be developed for individual and group resettlement and to secure user land rights through long-term leasehold. It emphasised the institutions to coordinate implementation of the land reform programme, in collaboration with Cabinet and the Technical Committee on Lands and Social Issues.[16]

The Lands sub-sector performance indicators, baselines, targets and achievements during NDP2 are provided in Table 5A.13.

Table 5A.13: Lands Sub-Sector Performance during NDP2

Indicator	Baseline		Target		Achievement	
	Year	Data	Year	Target	Year	Data
No. of Regional Communal Land Boards established	2001	0	2005	12	2003	12
No. of destitute and landless families resettled	2000	72	2006	180	2006	295
Acquired of additional 120 625 hectares	2001	107,821	2006	360,000	2006	480,625

[16] A Committee of Permanent Secretaries in the cluster of natural resources management line ministries has been tasked to implement the activities of the land reform programme in a sustainable, efficient and comprehensive manner.

Indicator	Baseline		Target		Achievement	
	Year	Data	Year	Target	Year	Data
Land Acquisition and Development Fund established	2001	0	2005	yes	2004	yes
No. of Regions with Integrated Land Use Plans	2000	0	2006	13	2006	8
Construct Ministerial Regional Offices	2000	0	2006	3	2006	3
Survey and Mapping						
Complete revision of 1:50,000 Topographic maps	2000	5%	2005	70%	2005	50%
Differentiation of areas	2000	0%	2002	100%	2005	0%
Develop new products	2000	0%	2005	100%	2005	30%
Existence of digital metadata	2000	5%	2002	100%	2003	100%
Established of cartographic database	2000	5%	2002	100%	2005	100%
Availability of data to regions and on Internet website	2000	0%	2003	30%	2005	0%

5A.3.5.3. Lands Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To facilitate equitable and affordable access to Namibian citizens to land and other services in order to address the disparities in income and for responsible exploitation, efficient use, shared and sustainable benefits for all stakeholders. By achieving the mission, the sub-sector will continue to contribute towards equality in the distribution of natural resources, and sustainable development through the promotion of sustainable use of renewable natural resources and sustainable livelihoods.

Goal 1: Equitable distribution of, and access to land

Table 5A.14: Lands Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators	**Baselines** (NDP2)	**Targets** (2012)
Freehold land acquired/ transferred through:		
NRP	817,054 ha	2.67 million ha
AALS	1.7 million ha	5.2 million ha
No. of previously disadvantaged landless Namibians resettled on freehold land:		
NRP	346	1,481
AALS	TBC	TBC
Increase in agricultural production of land reform beneficiaries:		
NRP	TBC	TBC
AALS	TBC	TBC

NRP – National Resettlement Programme; AALS – Affirmative Action Loan Scheme;
TBC – To be compiled during implementation of NDP3.

5A.3.5.4.1. Lands Sub-Sector Goal 1 Strategies

- Strengthen compulsory land acquisition (expropriation principle);
- Increase the amount appropriated annually to the Land Acquisition and Development Fund (from N$50 million) in order to be able to buy more land for redistribution;
- Merge the Commercial (Agricultural) Land Reform Act and the Communal Land Reform Act so that all previously disadvantaged farmers benefit from the Land Acquisition and Development Fund;
- Strengthen the AALS and expand it with provision for group borrowing, thereby giving access to the scheme to more people at a more affordable rate, but without increasing the cost to Government and beneficiaries; and
- Implement progressive land tax on commercial farms.

Goal 2: Improved income through sustainable land use

Table 5A.15: Lands Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	Baselines (NDP2)	Targets (2012)
Increase in income generated by land reform beneficiaries: NRP AALS	 TBC TBC	 TBC TBC
Percentage of all land users (everybody who uses the land) who have developed off-farm income generating activities	4% (2006)	10%

NRP – National Resettlement Programme; AALS – Affirmative Action Loan Scheme;
TBC – To be compiled during implementation of NDP3.

5A.3.5.4.2. Lands Sub-Sector Goal 2Strategies

- Expand through the Agribank implementation of the North-South Incentive Scheme (N-SIS) that accords farmers north of the Veterinary Cordon Fence (VCF) who purchase land through AALS the opportunity to resettle on commercial farms south of the VCF;
- Develop under-utilised and under-developed communal land into small-scale commercial farming units and allocate to previously disadvantaged Namibians to engage in commercial farming;
- Provide appropriate training, mentoring and facilitation services, with special emphasis on livestock (rangeland management) and crop production for all beneficiaries (agricultural extension services, farmers union and NGOs); and
- Develop tailor-made post-settlement support packages for different classes of resettled farmers.

5A.3.5.5. Lands Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Land Usage	Development	25,560	25,600	25,350	25,000	25,000	**126,510**
	Operating	275	315	340	345	370	**1,645**

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Programme	Total	25,835	25,915	25,690	25,345	25,370	**128,155**
Land Acquisition, Distribution and Resettlement*	Development	TBC	TBC	TBC	TBC	TBC	**TBC**
	Operating	TBC	TBC	TBC	TBC	TBC	**TBC**
	Total	TBC	TBC	TBC	TBC	TBC	**414,042**
Research on Land Reform and Resettlement and Development	Development	259	170	240	152	100	**921**
	Operating	413	469	271	318	365	**1,836**
	Total	672	639	511	470	465	**2,757**
Valuation and Land Tax	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	**10,250**
Title Security of Tenure to Real Property	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	**18,534**
Lands Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	**TBC**
	Operating	TBC	TBC	TBC	TBC	TBC	**TBC**
	Total	TBC	TBC	TBC	TBC	TBC	**573,738**

* Includes costs of ongoing infrastructure development programmes in San Resettlement Schemes.
TBC – To be compiled during implementation of NDP3.

5A.3.6. Sub-Sector 6: Mining

5A.3.6.1. Sub-Sector Description and Background

Namibia is a vast country endowed with a variety of mineral resources which could be developed and utilised through both large and small-scale mining. The mining sub-sector is one of the major contributors to the Namibian economy in terms of economic output and exports. Current high mineral demand and prices and the conducive investment environment combined with the excellent infrastructure, new technology and exploration data base are favourable to the sub-sector. In addition to its economic importance, mining has stimulated significant infrastructural development and has been responsible for supporting a variety of community initiatives, conservation projects, training and skills development programmes, and various other social concerns in Namibia. If not planned or managed appropriately, mining can result in a great variety of adverse impacts which threaten human health/life and environmental degradation. However with modern environmental management and safety plans, the operations of the mines in Namibia are improving, with the negative impacts mitigated and localised. Moreover, the mine operators are under increasing pressure to obtain ISO certification to enhance their chances of selling the minerals and products to Western countries.

The development of small-scale mining could greatly contribute to employment creation and poverty reduction. Small-scale mining is expected to grow in relative terms and holds the possibility of developing "mining tourism," with operating mines providing tourism experiences. Also, the agreement to allocate 16 percent of diamond production for local cutting and polishing contributes to domestic value addition.

The sub-sector is hampered by minimal legislative coordination, inadequate skills and technical know-how, limited research activities on minerals for small-scale mining (SSM), poorly developed manufacturing industry, a lack of high quality geo-scientific data, an inconsistent supply of mineral resources for local processing, and inadequate coordination between various sub-sectors and stakeholders.

The opportunities in the sub-sector include: the development of SSM; local value addition to mineral products; maximising the utilisation of minerals for present and future generations while minimising environmental damage; and technology transfer and increased exploration leading to new mines. The threats to the sub-sector include: exchange rate volatility; lack of capital by Namibians to actively participate in the mining sub-sector; sterilisation of mineral deposits and land locking; groundwater and soil pollution; regulation, evaluation and authorisation of chemicals to be used; fluctuations in mineral prices; labour unrest; competition from other countries in the Region; and increased difficulties in finding successful economic mines.

5A.3.6.2. Sub-Sector Performance during NDP2

During NDP2, the mining and quarrying sub-sector recorded an average contribution to GDP of 10.4 percent, with the value of mineral exports increasing from about N$6.2 billion in 2001 to N$7.1billion in 2005. Improved mining methods, increased output and local value addition activities played a major role in attaining the good results. On average, the share of mineral exports in total was 40.0 percent, with diamonds accounting for 75 percent of the mineral exports during NDP2.

Efforts were made to compile and distribute high-quality geo-scientific data to assist mineral exploration. However, the shortage of skilled personnel impeded further progress, including in some vital regulatory functions such as regular inspections of the mining operations, forecasting of the economic viability, performance of the mines, and supply of sufficient baseline exploration data to the mining sub-sector. The long-term prospects for the mining sub-sector are favourable with increases in offshore diamond production and increased private sector investment based on the provision of quality baseline exploration data.

Also, the Tsumeb seismological station was upgraded and two Seismographs have been purchased for installation at Kamanjab and Aus. The construction of vaults in which to install the Seismographs is underway. Project implementation was delayed by a lack of qualified geophysicists. The National Core Archives currently houses core samples from more than 400 diamond drill holes, as well as numerous percussion chip sections. Representative and informative geological sample sections from new drilling projects are being added to the National Core Archives whenever possible, in order to keep a record for future mineral prospectors and researchers. The planning for a new core storage facility for the geological samples and database at the Tsumeb Geophysical Station is completed.

Scanners were purchased to convert analogue reports and maps into digital format, and import them into the Earth Data Namibia database. To date, some 21,000MB of data were scanned and imported into the database. The data can be accessed through computers in the National Earth Science and Energy Information Centre. Upgrading of Computerised Title Management System (CTMS) was not implemented in 2005 due to insufficient funds and its upgrading was completed in 2006. The purchase of additional equipment such as a cutting and polishing machine, a spectro-photometer and two portable X-ray analysers was at the centre of the activities undertaken. This contributed to the provision of high quality technical data for Namibia's mining, exploration and construction industries.

5A.3.6.3. Sub-Sector Mission Statement, Goals, Indicators, Baselines and Targets

Mission Statement: To promote the responsible exploration, development and utilisation of Namibia's mineral resources by large and small-scale miners for the benefit of all.

Goal: Sustainable and optimal utilisation of mineral resources

Table 5A.16: Sub-Sector Indicators, Baselines and Targets

Indicators	Baselines	Targets
Amend and promulgate Minerals Act	Draft Document	Minerals Act enacted by end 2008
Complete Mining Charter	0	Mining charter in place by end 2009
Contribution of minerals to GDP	10.4%	11%
No. of SMEs with Namibian ownership in mining sub-sector	0	2 by 2012
No. of SSM provided with basic training in geotechnical, mining, mineral processing and marketing services.	6	20 SSM trained per regional association per annum
Loans to support SSM from MDF or private financial institutions	N$ 23.6 million (2007)	N$ 28.3 million (2012)
No. of small-scale mining (SSM) marketing centres	0 (2007)	3 (2012)
Share of Namibian equity/BEE in mining	N/A	BEE at15% by 2011
Employment in Mining	2% in 2004	2.1% by 2012
Women's employment in mining	N/A	Increase by 2% by 2012
Investment in mineral exploration	N$ 477 million (2005)	N$ 572 million (2012)
Percentage comprehensive airborne geophysical coverage of Namibia magnetic radiometrics	80%	100% (2010)
Percentage regional geochemical sampling survey coverage	Five 1:250000 Map sheets sampled	Complete one 1:250000 map sheet per year
Percentage electro-magnetics (EM) coverage	EM Surveys in the Omaheke region in areas covered by recent Kalahari sediments	Target areas surveyed on annual basis 5,000 Line km per annum.
Desalination facilities	0 (2007)	1 (2012)
No. of offices and accommodation facilities established	7 offices and 6 accommodation units in Lüderitz (2002); and 6 offices and 7 accommodation units in Oranjemund (2005)	6 offices and 6 accommodation facilities in Swakopmund (2012)

N/A – Not available

5A.3.6.4. Sub-Sector Strategies

- Provide enabling legal and regulatory environment and enforce the Mineral Act and Health and Safety Regulations;
- Promote the development of new mines for increased mineral production, employment and exports;
- Provide comprehensive geo-information on mineral resources;
- Promote Namibian involvement in the mining sub-sector and mineral processing;
- Promote downstream processing and value addition activities, including the establishment of new diamond and semi-precious stone cutting, and polishing facilities;
- Support SSM and SMEs and provide equipment/machinery to small scale miners;
- Establish regional marketing centres for small scale miners' products;
- Facilitate the establishment of value adding facilities for small scale miners; and
- Involve Regional Governors, Regional Councillors, Traditional Leaders, Chiefs, and village headmen in the development of small scale mining activities in their respective areas.

5A.3.6.5. Mining Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Support Improved Mining Output	Development	26,916	11,900	8,900	9,000	9,100	66,266
	Operating	33,183	37,400	34,050	30,350	25,650	160,633
	Total	60,099	49,300	42,950	39,350	34,750	226,449
Mining Sub-Sector Total	**Development**	**26,916**	**11,900**	**8,900**	**9,000**	**9,100**	**66,266**
	Operating	**33,183**	**37,400**	**34,050**	**30,350**	**25,650**	**160,633**
	Total	**60,099**	**49,300**	**42,950**	**39,350**	**34,750**	**226,449**

5A.3.7. Sub-Sector 7: Energy

5A.3.7.1. Sub-Sector Background Description

The energy sub-sector plays a pivotal role in the country's economy and national development. This is due to the high-energy intensity of the Namibian economy. The low population density and related high transport costs combined with the reliance on energy-intensive primary industries – especially mining – result in high energy consumption as a proportion of GDP. In comparison to other SADC countries, Namibia also has the highest per capita petroleum usage. The energy sub-sector accounts for a significant share of Gross Fixed Capital Formation (GFCF) or investment, due to the high capital intensity of developing energy sources (including exploration activities).

In general, Namibia depends heavily on the imports of energy products including electricity and petroleum products. More than 50 percent of electricity is imported, mainly from South Africa. However, South Africa is facing increasing energy needs of its own which affects the power supply to Namibia. The urban centres are generally well-served in comparison to rural areas, as the provision of affordable and efficient energy to sparsely populated areas is a challenge. Furthermore, there is lack of a diverse energy pool in Namibia with electricity, diesel and petrol (gasoline) constituting the major energy resources. This picture may change with the development of the gas

fields and known coal resources of the country. In the rural areas, the traditional fuel wood is the main source of energy, and the potential of renewable energy is largely unexplored.

Other significant elements are the strong regulation and the lack of competition in the energy sub-sector, with both electricity and petroleum products highly regulated. However, the hope is to ultimately deregulate some of these industries such as petrol and diesel and establish a more competitive environment in others (such as a multi-buyer multi–seller market in the electricity industry). This can only be achieved once sufficient competition has been established in these markets.

The Government has put in place a policy framework that encourages the exploration and exploitation of the country's energy resources in a sustainable manner, encouraging local and foreign investment in the sub-sector. The White Paper on Energy drafted during 1997/98 was promulgated by the Parliament in May 1998. The National Assembly also amended the Electricity Act and regulations in 1998. These laws form the basis for the legal framework of the energy sub-sector.

In view of global warming, increasing emphasis is placed worldwide on the development and use of renewable energy sources such as wind, solar, wave, and biomass and less on carbon intensive sources of power generation. Namibia has vast potential in the field of renewable energy but the relatively high costs involved in production place a considerable constraint on their development.

Although electricity supply has improved since 2001, the vast majority of Namibian households still have no access to electricity, particularly in the Northern Regions. Fuel wood is still dominant as an energy source putting severe pressure on the natural environment. This situation requires enormous efforts to realise Vision 2030 with its Sub-Vision that states that "Namibia is an industrialised nation with a viable natural resources-based export sector, increased size of skills based-industrial and service sector, and market oriented production. There is a high level of self-sufficiency, reliable and competitively priced energy, meeting the demand of households and industry."

5A.3.7.2. Energy Sub-Sector Performance during NDP2

Achievements in NDP2 include: (i) off-grid electrification using renewable energy sources, with mixed results; (ii) promotion of renewable energy and energy efficiency in some parts of the country; (iii) rural electrification programme under the Rural Electricity Distribution Master Plan for Namibia (2000) that specifies the off-grid and grid electrification of rural localities in each region until 2040; (iv) technical assistance and training programmes to put in place the enabling laws and institutions and strengthen staff capacities; and (v) promotion of energy conservation and the culture of regular payment of electricity charges.

The challenges encountered during NDP2 include: (i) the reluctance of Regional Electricity Distributors (REDs) to take over the electricity billing and collection functions from the municipalities, (ii) the need for the tariff structure to take into account the full costs of electricity generation and distribution including depreciation and other unforeseen costs; and (iii) difficulties in adapting available renewable energy technologies to fit the situation in Namibia including the lack of expertise in Namibia to design systems suitable for local conditions and their economic viability.

5A.3.7.3. Energy Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To ensure sufficient, adequate, reliable and affordable energy supplies in a sustainable manner, taking advantage of and adding to the country's infrastructure.

Goal: Adequate, secure and efficient supply of energy that is environment friendly and leads to a reduction in the country's reliance on energy imports.

Table 5A.17: Energy Sub-Sector Goal Indicators, Baselines and Targets

Indicators	**Baselines**	**Targets** (2012)
New regulations available for Regional Electricity Distributors (REDs)	0	New regulations for REDs
No. of REDs established	3	5
ECB transformed into a multi- energy sub-sector regulator	0	ECB transformed
Electricity tariffs reflect full cost recovery Generation: Distribution:	 15-25% (2007) 80-90% (2007)	 100% 100%
Establish commercial electricity trading centre	0	Commercial centre operational
Strengthen capacity of REDs and Electricity Control Board (ECB)	68% (2007)	85% (2012)
Electricity supply to rural households	16% (2006)	20%
Share of renewable energy in total energy consumption	2% (2006)	10%
Installation of solar heaters in all new Government Buildings	N/A	100%
Efficiency of energy use	100% (2007)	100%

N/A – Not available

5A.3.7.4. Energy Sub-Sector Strategies

- Establish a strong body to regulate and monitor the whole energy sub-sector;
- Establish a commercial electricity trading centre;
- Enforce regionally harmonised tariffs for cost recovery that are socially acceptable;
- Increase local energy generation with conventional and renewable technologies;
- Improve the regional transmission network;
- Implement the Rural Electricity Distribution Master Plan and provide remote areas with off-grid renewable energy;
- Extend the urban electricity network and promote renewable energy in urban areas;
- Promote the efficient use of energy by introducing special technologies (such as CFLs), programmes (such as DMP) and public awareness campaigns; and
- Increase local capacities, in particular on economic aspects of the energy sub-sector, on energy efficiency and renewable energy.

5A.3.7.5. Energy Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Regulation of the Energy Sub-Sector	Development	0	720	700	600		**2,020**
	Operating	970	970	990	990	950	**4,870**
	Total	970	1 690	1 690	1 590	950	**6,890**
Electricity Generation and Supply	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Fossil Fuels	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Renewable Energy	Development	300	1,000	1,000	1,000	1,000	**4,300**
	Operating	0	300	300	300	300	**1,200**
	Total	300	1,300	1,300	1,300	1,300	**5,500**
Energy Efficiency	Development	200	600	600	600	600	**2,600**
	Operating	0	100	100	100	100	**400**
	Total	200	700	700	700	700	**3,000**
Energy Sub-Sector Total	**Development**	**500**	**2,320**	**2,300**	**2,200**	**1,600**	**8,920**
	Operating	**970**	**1,370**	**1,390**	**1,390**	**1,350**	**6,470**
	Total	**1470**	**3,690**	**3,690**	**3,590**	**2,950**	**15,390**

TBC – To be compiled during implementation of NDP3.

5A.3.8. Sub-Sector 8: Wildlife

5A.3.8.1. Sub-Sector Description

The wildlife sub-sector consists of stakeholders representing Government institutions such as Forestry, Fisheries, Parks and Wildlife, Environment and Tourism; Community-Based Organisations (CBOs); and Non-Governmental Organisations (NGOs); as well as conservancies. Some of the stakeholders are direct users of wildlife, while others are managers or both. The sub-sector is responsible for the design and implementation of policies, managing and conserving, monitoring, control and utilisation, as well as offering assistance to communities to ensure the sustainable utilisation and management of wildlife resources.

Communities are utilising wildlife and plant products through the registration of conservancies or the acquisition of permits to utilise the resources and annual quotas are allocated to communities to enable them to use the resources sustainably. The draft plans to manage most National Parks have been prepared. Wildlife utilisation is co-managed by the owner(s) and the MET through the issuing of permits. In some areas, consultations between park managers and communities are encouraged to co-manage the resources with neighbouring communities.

A large number of communities have benefited from conservancies through wildlife utilisation, through, among others, trophy hunting with some communities becoming economically independent from wildlife utilisation and employment. The communities have received training but still need strengthening in their financial management skills.

Some of the challenges limiting the efficient and sustainable utilisation of wildlife include the lack of appropriate policies, infrastructure, equipment, basic management skills and markets for the products and services. Also, poaching and illegal utilisation of protected plants are a problem. The financial support from Government is inadequate which hampers the implementation of some programmes. The MET is providing support by creating Community Based Natural Resource Management (CBNRM) offices in all the Regions

Utilisation of resources in rural communities could become unsustainable as they try to meet the challenges of food security and poverty reduction. The communities are not familiar with wildlife-related polices and sometimes they are unintentionally or illegally acquiring wildlife which results in their apprehension. Human-wildlife conflicts are a threat to wildlife management projects and the sustainable management of wildlife.

5A.3.8.2. Wildlife Sub-Sector Performance during NDP2

During NDP2, the wildlife sub-sector generated about N$8.9 million from conservancies from such activities as trophy hunting, wildlife capture and sale of game meat for local consumption and export. The community managed conservancies generated about N$28 million in revenues from hunting and tourism, which they utilise according to their needs. Also, the sub-sector managed to record a reduction in poaching and other illegal activities.

About 50 community-managed conservancies and one Association in the Bwabwata National Park were registered during the NDP2 period. A total of about 30 new community conservancies have emerged. The benefits from community conservancies are expected to increase with improved information and capturing methods. The initial allocation for protected areas was about 13.8 percent of the total land area, which has been increased to 17 percent, with the inclusion of Sperrgebiet and the new National Park in Kunene.

5A.3.8.3. Wildlife Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To ensure sustainable utilisation and conservation of wildlife resources in Namibia for the benefit of all.

Goal: Wildlife resources utilised sustainably and biodiversity maintained in and outside the protected areas.

Table 5A.18: Wildlife Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
No. of autonomous regional offices	0	10
No. of parks retaining income & stimulating regional development	0	7
No. of rare, endangered, endemic and valuable species	7	10
No. of rare, endangered, endemic and valuable species with approved management plans / strategies	1	9
Types of permits issued through the automated permit issuance system	3	All
Benefits generated through conservancies	N$28 million during NDP2	N$30.8 million during NDP3
No. of management partnerships between parks and	3	6

Indicators	Baselines	Targets
neighbours		
No. of park management plans approved and implemented	0	5
Parks with improved infrastructure	5	10
No. of farms participating in the Wildlife Breeding Stock Loan Scheme (WBSLS)	23	50

5A.3.4.4. Wildlife Sub-Sector Strategies

- Promote sustainable utilisation of wildlife in communal and commercial areas;
- Mitigate human-wildlife conflict;
- Proclaim protected areas; and
- Adopt policies and regulations and adhere to them.

5A.3.4.6. Wildlife Sub Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Wildlife Management	Development	641	673	707	750	790	**3,561**
	Operating	84,500	89,400	94,900	103,520	104,000	**476,320**
	Total	85,141	90,073	95,607	104,270	104,790	**479,881**
Wildlife Sub-Sector Total	**Development**	**641**	**673**	**707**	**750**	**790**	**3,561**
	Operating	**84,500**	**89,400**	**94,900**	**103,520**	**104,000**	**476,320**
	Total	**85,141**	**90,073**	**95,607**	**104,270**	**104,790**	**479,881**

5A.3.9. Sub-Sector 9: Tourism

5A.3.9.1. Sub-Sector Description

Namibia has made great strides in the growth of its tourism industry as evidenced by the sustained growth in the number of tourists visiting Namibia. According to the Namibia Statistical Reports (Directorate of Tourism, Ministry of Environment and Tourism, 2005) the number of tourists has increased from 254,978 in 1993 to 833,350 in 2006. Increased tourist arrivals have, in turn, generated enhanced tourism outputs that increased by an average of 14 percent per year from 1991 to 1996, and by a total of 13 percent from 1998 to 2003. This tourism has generated both direct and indirect benefits and employment in the country.

Tourism is regarded as the world's largest and fastest growing sub-sectors. Namibia is strongly positioned to be a major long-term beneficiary of this growing trend. The rich and growing wildlife, diverse landscapes and cultures, and majestic wilderness settings provide internationally competitive tourist attractions for game viewing and hunting and nature viewing.

As in other developing countries, tourism has been identified as an important sub-sector in Namibia not only for accelerating economic growth but also for poverty eradication and empowerment of vulnerable groups. Namibia's innovative approaches of linking conservation to poverty alleviation

through its communal area conservancy programmes and pro-poor tourism initiatives have gained worldwide acclaim. The Government, together with its development partners in non-governmental organisations, the private sector and international community, has introduced several programmes and legislative framework to develop the tourism sub-sector overall and to bring previously disadvantaged communities into mainstream tourism. Thus, tourism is a conservation and socio-economic development tool for rural development and national economic growth.

5A.3.9.2. Tourism Sub-Sector Performance during NDP2

The NDP2 target of establishing 25 conservancies by 2005 has been vastly exceeded, with 51 registered conservancies of which 39 were registered between 2001 and 2005. Although no specific number of community-based tourism projects and joint ventures were indicated in NDP2, there were 77 tourism enterprises recorded in 2005 of which 22 were joint ventures with 211,120 people benefiting from income generated by the conservancies.

The implementation of the Nature Conservation Amendment Act of 1996 has enabled rural communities to take a stake in the management of their land. Moreover the Act allows for the devolution of wildlife and tourism rights to rural communities. This has contributed towards the recognition by the private sector of the need to work with local people because of their importance and enshrined role in maintaining cultural and natural assets. However, there is concern particularly from the supporting organisations and rural communities that the Act does not allow for significant devolution of powers that will strengthen governance at a local level.

Although there has been considerable progress in leadership and management skills, considering the literacy levels of some of the remote rural communities, there is still a huge gap to be filled to bring these communities to a satisfactory level to successfully run conservancies. Negotiating successful joint venture agreements with the private sector remains one of the more difficult activities, partly due to a lack of proper understanding of the tourism market from the community side and partly due to mistrust of each other.

5A.3.9.3. Tourism Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To promote and develop tourism through the sustainable utilisation of natural resources.

Goals: Tourism expanded through community participation ensuring economic and ecological sustainability.

Table 5A.19: Tourism Sub-Sector Indicators, Baselines and Targets

Indicators	Baselines	Targets
No. of annual tourists arrivals	833,350	> 1 million (2010)
Tourism training and skills development	Fragmented training programmes	Reduce skills shortage by 75% (2010)
Establish Tourism Advisory Council		Tourism Advisory Council operational by end 2008
No. of lodge partnership agreements concluded for joint ventures in and outside conservancies	13	20 (2010)

Indicators	Baselines	Targets
No. of accommodation establishments (B&Bs, small lodges, guest houses) developed in small towns, rural settlements, urban townships etc.	Current status not known	TBC
Central data and information management system maintained	Tourism Satellite Account report for 2006	Timely publication of accurate annual statistical reports (Annual Arrival Statistics, Exit surveys, etc.)
National, regional and local tourism development plans developed for tourism planning purposes	Plans outdated and uncoordinated	National Tourism Master Plan produced; and all regions, local authorities and conservancies have tourism development plans by 2009

TBC – To be compiled during implementation of NDP3.

5A.3.9.4. Tourism Sub-Sector Strategies

- Promote tourism as a viable vehicle for poverty reduction, rural development, biodiversity protection and overall economic growth;
- Create an enabling environment for sustained rapid growth of the tourism sub-sector by developing appropriate regulatory framework, institutions and guidelines;
- Coordinate the development of training and skills development programmes/materials that are particularly aimed at illiterate and semi-illiterate rural communities;
- Source financial and technical assistance to facilitate the entry into mainstream tourism of the formerly disadvantaged Namibians through community-based tourism initiatives;
- Create new tourism investment opportunities focusing on proclaimed conservation areas and cultural heritage sites;
- Intensify tourism promotion and marketing, market diversifications and destination management; and
- Develop central data and information management system for planning and monitoring of the industry and determination of outputs.

5A.3.8.5. Tourism Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Tourism Development	Development	0	19,367	35,467	26,050	30,000	**110,884**
	Operating	0	0	0	0	0	**0**
	Total	0	19,367	35,467	26,050	30,000	**110,884**
Tourism Sub-Sector Total	**Development**	**0**	**19,367**	**35,467**	**26,050**	**30,000**	**110,884**
	Operating	**0**	**0**	**0**	**0**	**0**	**0**
	Total	**0**	**19,367**	**35,467**	**26,050**	**30,000**	**110,884**

Chapter 5B: ENVIRONMENTAL SUSTAINABILITY

There is one NDP3 goal under this Sub-KRA (Thematic Area) focussing on environmental sustainability. Therefore, the Thematic Area and NDP3 goal descriptions, performance during NDP2 and strategies are presented together for both.

5B.1.1. Thematic Area and NDP3 Goal Description and Background

Human activities generate pressures and often adverse impacts on the environment. The interventions by all stakeholders should protect the environment from over-exploitation and, where necessary, restore to avoid irreversible degradation. Therefore, adequate assessments of planned developments, including their cumulative impacts on the environment, are necessary and the involvement of all stakeholders in the management of the natural resources is essential.

Environmental sustainability involves the provision of the best possible outcomes for people's livelihoods by maintaining and improving the ecosystems with a view to supporting the needs of present and future generations. The key environmental concerns including water, land and marine natural resources, biodiversity and eco-systems, affected by drought and climate change will remain while waste management and pollution will grow in significance with increasing industrialisation.

Water is an extremely scarce resource in Namibia, with pressure on water resources increasing from the growing population, industrial development and expected climate change. Pollution of underground water threatens both water quality and availability yet its contamination cannot be reversed. The Basin Management Committees (BMCs) envisaged in the Water Resource Management Act (2004) will be implemented thereby radically transforming water management by improving both efficient and equitable allocation of water.

Land and marine, natural resources and ecosystems management: The pressure on land, other natural resources and ecosystems by the growing population and economic growth is reflected by the unsustainable harvesting of forest resources, wild plants and animals, unsustainable land-use practices, and the clearing of large tracts of land for farming and housing. The Country Pilot Partnership for Integrated Sustainable Land Management (CPP for ISLM) will address prevailing constraints to Sustainable Land Management (SLM) through the development and coordinated execution of a suite of complementary interventions.

Ecosystem management is critical to terrestrial ecosystems and to marine systems. Current legislation and policies address the protection of marine environments and avoid the over-exploitation of marine resources and fisheries, the destruction of habitat through pollution, and other impacts that can severely impact on environmental sustainability. The impact of climate change on the marine environment of Namibia will be addressed through programmes such as the Benguella Current Large Marine Ecosystem (BCLME) and the related BENEFIT Programme.

Biodiversity and ecosystems services: Namibia's biodiversity is largely intact, with very few recorded extinctions. Though numerous protected areas and measures for the protection of vegetation types, habitats and species exist, some species may already be severely threatened. The distribution of many major taxonomic groups is totally excluded, with development initiatives and land use posing threats to biodiversity. Habitat destruction is the common thread threatening all taxonomic groups. The National Biodiversity Task Force established under Namibia's National Biodiversity Programme contributed to the mainstreaming of cutting-edge biodiversity issues and produced the globally-recognised National Biodiversity Strategy and Action Plan.

Drought, extreme events and climate change: Climate change predictions for the next 50 years indicate a significant increase in temperatures and a decrease in rainfall, thus restricting the already limited agricultural potential and introducing major changes in vegetation structure and biodiversity. Improved Drought Monitoring and Early Warning are in progress, aiming to establish integrated information systems that focus on the end user. This work will be linked with the Disaster Management Unit at the Office of the Prime Minister and other relevant institutions. There is a need to provide a platform to support decision-making through local level monitoring. Early Warning Systems exist for a variety of extreme events including dry spells, droughts and floods. Emergency planners at the national and regional levels as well as farmers and resource managers need to be provided with climate data for emergency responses and apply appropriate response measures to climate change.

Waste management and pollution: Namibia is generally a clean country, although littering occurs in areas that lack proper waste collection, especially in newly proclaimed towns, compounding challenges to the Local Authorities. Waste disposal sites are not properly planned, designed or commissioned. Marine pollution can have severe impacts on environmental sustainability. Increasing industrialisation and incomes suggest that waste management and pollution will grow significantly. Overall, the Cleaner Production concept promotes environmentally more sustainable practices through saving energy, more responsible waste and water management, and other aspects, while deriving economic benefits.

Namibia has put in place a significant number of **laws and policy instruments** to promote environmental sustainability. Cross-sectoral programmes on environmental sustainability have been prepared and are being implemented, notably by the Country Pilot Partnership for Integrated Sustainable Land Management (CPP for ISLM). Natural resource management is promoted through, among others, conservancies. The protection and management of sea fisheries and inland waters has yielded mixed success. Standards on water pollution were established and a programme to address the environmental problems of urbanisation was piloted. However, the overall picture of domestic non-hazardous waste collection, transport and disposal requires considerable improvement. Some progress was made in testing and promoting solar and other renewable energy sources.

5B.1.2. Thematic Area and NDP3 Goal Performance during NDP 2

Overall performance in this thematic area during NDP2 was promising, despite a shortage of suitably qualified and experienced personnel. On the policy and institutional fronts, some legislation and policies were drafted, promulgated and enacted. A number of cross-sectoral programmes relating to environmental sustainability were prepared during NDP2 and will be under implementation throughout NDP3. Namibia's natural resource management indicators dramatically exceeded the NDP2 targets.

Protected areas management and other conservation measures including sea fisheries and inland waters had mixed success. The total allowable catch (TAC) quotas imposed on various threatened commercial fish species have contributed to more environmentally sustainable populations. However, pressure on fish stocks is still high. Standards on water pollution were established through the Water Resources Management Act, although water demand is still very high. With increasing population pressure and expected climate change, water resources are planned to be managed in an environmentally sustainable manner and more radical measures are envisaged during NDP3 and beyond.

While some recycling activities got off the ground, the overall picture of domestic non-hazardous waste collection, transport and disposal remains rudimentary. Several municipalities were assisted

through the Cleaner Production (CP) project to improve their waste management regimes but there has been little progress due to a lag in enacting relevant legislation and regulations. Achieving Cleaner Production in key industries is an important activity. However, Namibia still lacks a basic hazardous waste management system.

Sustainable energy also addresses environmental sustainability concerns. During NDP2, some progress was made in testing and promoting solar and other alternative energies. Biomass reduction is one key concern linked to the looming energy crisis in Southern Africa. Although Namibia is a minor emitter, there are added concerns for potential mitigation of climate change, which is an important theme, introduced in NDP2.

The Sustainable Development Commission visualised during NDP2 did not become operational and the MET did not establish a unit to implement the National Biodiversity Strategy and Action Plan (NBSAP). One of the major constraints to improved performance in this area during NDP2 was the shortage of suitably qualified and experienced personnel and the National Capacity Self Assessment (NCSA) for Global Environmental Management identified a number of capacity shortcomings and constraints in the country to address environmental sustainability adequately.

The indicators, baselines and targets for the MDG Goal 7 on environmental sustainability are provided in Table 5B.1.

Table 5B.1: Indicators, Baselines and Targets for MDG Goal 7

Indicators	Baselines (2003)	Targets (2006)	Progress
Rural households with access to safe drinking water	80%	80%	Good
Rural households with access to basic sanitation	21%	50%	Slow
Freehold land	6.1%	8.5%	Slow
Registered conservancies	4.9%	10.9%	Slow
Protected areas	16.8% (2000)	15.1%	Good
GDP per unit of energy use (MET estimate)	N$0.27	N$0.45	Data lacking

Source: Namibia 2004 Millennium Development Goals Report

5B.2.3. NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Rural households with access to safe drinking water (%)	80.4	92
Rural households with access to basic sanitation (%)	18.9	50
Area of conservancies (million ha)	8.0	8.8
No. of protected areas managed well	0	8
Area under community forestry (million ha)	1.19	1.8
Targeted key wildlife species stable or increasing	50%	80%
No. of waste sites upgraded to class 1 landfill	2	3

5B.1.3. Thematic Area and NDP3 Goal Strategies

- Strengthen the management of natural resources and biodiversity;
- Increase the participation of people in environmental planning and management;
- Mitigate the effects of pollution, waste, urban and industrial development on the environment;

- Mainstream climate change adaptation and mitigation; and
- Improve environmental awareness and education.

5B.3.0 Sub-Sector 1: Environment

5B.3.1. Sub-Sector Description

The sub-sector focuses on integrated management of water, land and biotic resources, conservation measures within and outside protected areas, and encompassing ecosystems, habitats, species and genetic resources, community–based natural resources management and natural resources-based livelihoods, incentives and the brown environment covering pollution, waste and urban environmental management, and climate change.

Issues relevant to environmental sustainability include the strong linkages between water, land and biotic resources. These issues impact on the majority of Namibians including those engaged in agriculture and livestock production, forestry and fishery. Integrated Sustainable Land Management (ISLM) is a strategic approach that aims to achieve both sustainable development and poverty alleviation using natural resources. It will promote the adoption of practices that prevent resource degradation and desertification, lead to the rehabilitation of already degraded ecosystems, and incorporate the analysis of water, land and biotic resources. In combination with participatory processes, ISLM is expected to provide insights and guidance on how to effect necessary policy changes for sustainable development more widely. This approach is expected to harmonise the often conflicting objectives of intensive economic and social development while maintaining and enhancing the ecological services and other functions of land resources. These aims are expected to be achieved simultaneously in a win-win situation.

The CBNRM introduced in 1996 is being pursued as a strategy for poverty alleviation with considerable success in terms of rural development and conservation. The fact that local level livelihoods are directly dependent on the environment makes this a central theme in development planning.

Population growth, urbanisation and industrialisation are increasing pollution and the release of toxins into Namibia's urban environment. Meanwhile, local authorities, which are charged with providing services such as water, waste removal, energy and land use planning, do not have the necessary capacity. Waste minimisation programmes such as recycling and reuse, particularly in big municipalities such as Windhoek and Walvis Bay should be enhanced. The formulation of effective legal instruments, including the draft Pollution and Waste Bill shall be accelerated and adequate baseline information on the overall impact of pollution on the environment and human health is to be researched and assessed.

Climate change will negatively affect economic and social development, especially with regard to food, health and livelihood security; coastal and marine populations; and water recharge and availability. Therefore, priority would be given to raising awareness and strengthening capacity at two levels: (i) adaptation to anticipated changes involving the no-regrets policies and automatic adjustment mechanisms based on triggers and actions; and (ii) adaptation to unanticipated conditions. At the local level, ongoing community-based adaptations (CBAs) should gain momentum. Focus on water management; provisions for climate change research; and the development of relevant response actions that are not so far specifically integrated in the Water Resources Management Act (2004) should be increased.

Initiatives, such as the Information and Communication Service for Sustainable Development (Infocom) Project and State of the Environment reports have been inconsistent, qualitative in

nature, and heavily reliant on donor funding. Greater emphasis should now be placed on improving communication and raising awareness on environmental issues will be improved during NDP3 through ongoing programmes.

5B.3.2. Environment Sub-Sector Performance during NDP 2

During NDP2, the sub-sector performance focused on issues affecting agriculture, food security and nutrition; water resources; fisheries and marine resources; land reform and resettlement as well as forestry. The goals, indicators, targets and performance achievements are presented under the relevant sub-sectors in the different chapters of this document.

5B.3.3. Environment Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To promote the protection of biodiversity, the maintenance of essential ecological processes, life-support systems, and the establishment of sound environmental management systems for the benefit of Namibia.

Goal 1: Improved condition of natural resources and biodiversity throughout Namibia's different vegetation and habitats

Table 5B.2: Environment Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators		Baselines	Targets
Protected areas (PAs)	No. of PAs or complexes of PAs managed according to approved management plans	0	7
	Marine and/or wetlands PAs	0	At least 1
Area of conservancies (million ha)		8.0	8.8
Area under community forestry (million ha)		1.19	1.8
Area encroached by invader Bush (million ha)		26	22.1
Target marine species (hake) populations improved (million tons)		1 (2006)	2
Targeted key wildlife species stable or increasing		50%	80%

Environment Sub-Sector Goal 1 Strategies

- Manage protected areas, habitats and species;
- Promote CBNRM; and
- Incorporate awareness action into environment projects and programmes.

Sub-Sector Goal 2: Improved living conditions in both rural and urban areas due to sound environmental management.

Table 5B.3: Environment Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators		Baselines	Targets
Critical legislation enacted and implemented	Environment Management and Assessment Act (EMAA)	Drafted	Enacted and implemented
	Pollution and Waste Management Bill	Drafted	Enacted and implemented
Improved water and energy use efficiency in public sector	KW hours used per Ministry/Municipality per month (electricity bill)	To be established [under Waste, pollution, urban environment programme]	Reduced by 35%
	m^3 of water used per Ministry/Municipality per month (water bill)	To be established	Reduced by 35%
No. of waste sites upgraded to class 1 landfill		2 (Windhoek and Walvis Bay)	3 (plus Oshakati/ Ondangwa complex)
Critical legislation enacted and implemented Environment Management and Assessment Act (EMAA) Pollution and Waste Management Bill		Drafted Drafted	Enacted and implemented Enacted and implemented
Revenue generated by community-based tourism (N$ million)		21.46 (MTP)	44.76
Revenue from tourism concessions on state land (N$ million)		2.5 (MTP)	10
Revenue generated from live animal exports (N$ million)		16 (MTP)	18

Environment Sub-Sector Goal 2 Strategies

- Increase water and energy efficiency;
- Promote cleaner production;
- Improve waste and urban environmental management;
- Promote the Clean Development Mechanism; and
- Promote policy formation, research, planning and regulation.

Sub-Sector Goal 3: A strong climate change strategy in place with Namibia prepared for managing the predicted impacts, especially those that affect the Namibians living in rural areas.

Table 5B.4: Environment Sub-Sector Goal 3 Indicators, Baselines and Targets

Indicators		Baselines	Targets
Critical policy instruments developed and implemented	National Strategy on Climate Change (CC) drafted	No draft	Strategy adopted and CC issues mainstreamed
	Status of ESW system in Namibia	Not linked to local level	CCA Omusati implemented; ESW functional

Indicators	Baselines	Targets
Sustainable and renewable energy investments	Year 1 = 0	N$57 million over 5 years up to 2011
Designated National Authority (DNA) for Climate Change established	None	DNA in place and approved five projects

Environment Sub-Sector Goal 3 Strategies

- Improve adaptation to climate change and mitigation efforts.

Sub-Sector Goal 4: An enabling environment to foster environmental sustainability is created, including investments in necessary human resources development.

Table 5B.5: Environment Sub-Sector Goal 4 Indicators, Baselines and Targets

Indicators		Baselines	Targets
No. of projects including awareness monitoring	Namib Coast Conservation and Management (NACOMA): public awareness on Integrated Coastal Zone Management (ICZM)	Being established (2007)	TBC
No. of students (per annum) graduating at Masters level from Namibian institutions	UNAM: Biodiversity MSc; Range Resource Management MSc	12	20
	Polytechnic: ISLM Masters	0	10

TBC – To be compiled during implementation of NDP3.

Environment Sub-Sector Goal 4 Strategies

- Expand environmental education.

5B.3.5. Environment Sub-Sector Programmes

The following programmes complement the numerous programmes under various sub-sectors such as Fisheries, Forestry and Water presented in other chapters in this document.

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Integrated Sustainable Land Management	Development	1,000	1,000	1,000	1,000	1,000	**5,000**
	Operating	45,250	47,250	45,250	45,250	45,250	**228,250**
	Total	46,250	48,250	46,250	46,250	46,250	**233,250**
Conservation Measures and Community-Based Natural Resource Management	Development	0	0	0	0	0	**0**
	Operating	59,000	59,000	59,000	59,000	59,000	**295,000**
	Total	59,000	59,000	59,000	59,000	59,000	**295,000**
Policies, Laws	Development	5,000	5,000	5,000	5,000	5,000	**25,000**

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
and Research; and Incentive Measures and Environmental Economics	Operating	28,500	28,500	28,500	28,500	28,500	**142,500**
	Total	33,500	33,500	33,500	33,500	33,500	**167,500**
Waste, Pollution and Urban Environment	Development	8,000	8,000	8,000	8,000	8,000	**40,000**
	Operating	8,730	8,490	8,490	8,490	8,490	**42,690**
	Total	16,730	16,490	16,490	16,490	16,490	**82,690**
Adaptation to Climate Change and Mitigation of Its Effects	Development	0	0	0	0	0	**0**
	Operating	7,000	7,000	7,000	7,000	7,000	**35,000**
	Total	7,000	7,000	7,000	7,000	7,000	**35,000**
Awareness, Education and Capacity Building on EIAs and SEAs	Development	0	0	0	0	0	**0**
	Operating	14,750	14,750	14,750	14,750	14,750	**73,750**
	Total	14,750	14,750	14,750	14,750	14,750	**73,750**
Environment Sub-Sector Total	**Development**	**14,000**	**14,000**	**14,000**	**14,000**	**14,000**	**70,000**
	Operating	**163,230**	**164,990**	**162,990**	**162,990**	**162,990**	**817,190**
	Total	**177,230**	**178,990**	**176,990**	**176,990**	**176,990**	**887,190**

Chapter 6: PRODUCTIVE AND COMPETITIVE HUMAN RESOURCES AND INSTITUTIONS

6.1.1. Thematic Area Description and Background

Vision 2030, consisting of "*A prosperous industrialised Namibia, developed by her human resources, enjoying peace, harmony and political stability*," puts the people at the centre and emphasises the key role of human resources in realising the Vision. It specified the broader strategic framework of transforming the country into a knowledge-based economy (KBE). Thus, Namibia's transition to a KBE demands a skilled and competitive workforce. Unfortunately, the shortage of skills is one of the most critical constraints to growth and employment creation in the country. Also, the country is fully cognisant of the threat to human resources and development posed by the HIV/AIDS pandemic.

The Sub-Visions associated with the human resources and institutional capacity building are:

Education and Training: A fully integrated, unified and flexible education and training system, which prepares Namibian learners to take advantage of a rapidly changing environment and contributes to the economic, moral, cultural and social development of the citizens throughout their lives; and

Early Childhood Development: All children aged 0 to 6 years have opportunities for early childhood development, in addition to the care of individuals and communities.

Productive and competitive human resources and institutions are critical for Namibia to accelerate economic growth and compete effectively in global markets. Without acceleration in economic growth, it is difficult for the country to create additional jobs, especially jobs that signal productivity growth, reduce poverty and attain equitable social development. Productivity growth is therefore a critical factor for realisation of the strategic development goals. Productivity growth – particularly higher value-added productivity – is expected to increase Namibia's gains from the export of its natural resources in processed form. It is also expected to improve local investment returns, thereby reducing domestic capital flight.

One of the key impediments to productivity growth is the shortage of skilled workers of various types and levels. Employers note the shortage of qualified artisans and technicians as a critical constraint for increasing their productivity. At higher skill levels, there is a shortage of managers (especially business managers), engineers, medical doctors, researchers, and others required to provide technical leadership in the country's quest to intensify the creation and application of knowledge to improve productivity.

The country received low international competitiveness ratings because of: its inability to meet the demand for skilled labour; the low capacity for absorbing existing technology at the firm level; and the low investment in research and development. Also, the international competitiveness of Namibia seemed to have declined during 2005-2007 according to the ratings (see the section on International Competitiveness Ranking of Namibia in Chapter 5 for more details). Shortages of skilled labour persist within the context of an unmet labour market demand while unemployment is high and growing among the semi-skilled and unskilled.

In fact, total employment declined from 431,849 in 2000 to 401,203 in 2004. The unemployment rate in 2004 among those with no education was 10 percent with primary education at 34 percent, with junior secondary education at 39 percent, with senior secondary education at 16 percent and

with Standard 10 and some technical training at less than one percent. Unemployment among those with some tertiary education was largely frictional and negligible.[17] Given the demand for skilled labour, a key constraint lies on the supply side, in other words, the education and training system.

An effective education and training system is fundamental to generating the skills and knowledge that are critical for the country to prosper and compete in international markets. In addition to economic gains, such a system has broader benefits that are crucial to development. These benefits include: poverty reduction and social equity including gender equality; a social vaccine for HIV/AIDS; improved absorptive capacity for other social services (including health and education itself); better social participation and the resultant participatory democracy; and good governance.

The Government has gone a long way in ensuring gender balance in education. Gender features strongly on the national standards for teachers and curriculum for all learning levels in Namibia. This has resulted in a steady increase in the number of women in senior secondary and post-secondary education. However, it is important to note that implementation is still an ongoing challenge. Gender mainstreaming in all curricula needs to be encouraged for every teaching-learning platform in order to yield a change of attitude.

The HIV/AIDS pandemic is posing one of the most significant threats to socio-economic development of Namibia, with young people bearing the brunt of the threat. The 2006 Sentinel Survey put HIV prevalence among pregnant women at 19.9 percent. An estimated 10.2 percent of 15-19 year old and 16.4 percent of 20-24 year old pregnant women are infected with HIV. It is estimated that by 2015, Namibia will have 250,000 orphans, some 10 percent of the population. Given the pivotal role of the education sub-sector, it also stands to lose most in terms of both qualified teachers and learners due to HIV/AIDS. Between 2002 and 2010, the potential loss of educators due to AIDS could be as high as 3,360 accounting for about 19 percent of the total, which will pose a significant threat to an already stretched education system.[18] The quality of education and consistent attention to learners (particularly those who are vulnerable) will suffer due to frequent absences of educators resulting from sickness. In short, the HIV/AIDS epidemic has the potential to reverse all the gains made in the education sub-sector. So, mainstreaming HIV prevention programmes and mitigation measures against AIDS will be critical to enable learners to survive and thrive within the education system.

6.1.2. Thematic Area Performance during NDP2

A critical impediment to the acceleration of growth in Namibia is the sluggish and sometimes even declining productivity overall and in some sub-sectors. The total factor productivity (TFP) declined from 2.5 percent during 1991-1997 to 0.5 percent during 1997-2000 yet TFP is known to be the real driver behind growth. Without real growth in productivity, Namibia will not be able to realise its intended acceleration in growth. Although GDP growth accelerated during NDP2 reaching an average of 4.7 percent per annum, this slow pace of economic growth falls short of getting Namibia on a steady path towards joining the ranks of high income KBEs and realising its Vision 2030.

6.1.3. Thematic Area Strategies

[17] Source: Namibia Labour Force Survey, 2004. The unemployment rate refers to the broad definition covering those unemployed and actively looking for work, as well as the unemployed that were not looking for work, but were available to work if offered employment.

[18] Abt Associates (2002) The impact of Aids on Education in Namibia

- A pro-poor expansion of opportunities for high quality senior secondary education;
- A pro-poor expansion of opportunities for high quality and market responsive vocational education and training;
- An expansion of pre-entry programmes for tertiary education and training;
- Enhancing the creation and application of knowledge and technology to improve the range and value of products from Namibia's rich natural endowment, ranging from minerals to its unique landscapes; and
- Finalise and operationalise the Human Resources Plan.

6.2. NDP3 Goal: Adequate Supply of Qualified, Productive and Competitive Labour Force

6.2.1 NDP3 Goal Description and Background

A strong high quality education and training system is the most important source of supply of a qualified, productive and competitive labour force for the country. At Independence in 1990, Namibia inherited not only a dualistic economy with a small minority controlling most of the economic activity but also a highly segmented labour market with a labour force whose skills were meagre. This was the result of systematic discrimination of the large majority of the population under Apartheid which either denied or provided only limited access to education, health and other services that are key inputs to improving human capital and innovation. Even in areas where education and other services were made available, they were of poor quality and limited quantity. As a result, the majority of the population was marginalised to cater for menial jobs, often earning a pittance that barely enabled survival. Thus, the huge skills deficit has been a major impediment to the country's economic growth and overall development.

Namibia made considerable progress in making education accessible to all. In fact, the country is among the top eight countries in the world that spend the highest share of public expenditure on education. While Namibia has been able to increase the access to education country-wide, it is still facing the daunting task of improving the quality of education. This would require actions not only on the supply side, in terms of improving the calibre of teachers, the quality and volume of teaching materials, and other school facilities to improve the internal efficiency of the education system but also actions by parents and society in sending children to school regularly, creating conducive home and community environments for learning, and participating in the efficient management of the education system.

The key elements of the education and training system in Namibia include the following:

- Early childhood and pre-school development;
- General education comprising primary and secondary schooling (Grades 1-12);
- Higher education (with such institutions as the University of Namibia (UNAM), the Polytechnic of Namibia (PoN), the International University of Management and Education/Teachers Training and Agriculture Colleges);
- Vocational education and training (through Vocational Training Centres and Community Skills Development Centres); and
- Adult education and life-long-learning.

As indicated above**,** virtually every one of the above elements needs strengthening and expansion to better serve the current and emerging needs of skilled human resources in the country.

Other important components include on-the-job training in-country, and education and training in foreign countries. In fact, the latter has been an important contributor to the stock of skilled human resources in Namibia to date.

A pressing challenge for Namibia is to break the bottleneck of inadequate outputs at senior secondary level. The most important way to address the skills shortage is to improve the quality and quantity of the throughput of the general education system. In addition, the initial development and constant upgrading of market-relevant skills through vocational training and skills development are critical for accelerated economic growth through productivity growth. The key challenges facing the vocational education and training (VET) system are: (i) to strengthen management capacity of the system to respond to employers' needs, and involve employers in policy decisions and directing the system to make it more demand-led; (ii) to decentralise public skills provision to respond better to local requirements and stimulate initiatives; (iii) to build the quality of training; (iv) to reduce reliance on Government for financing and provisioning of skills development; and (v) expand coverage and outputs equitably. At present, only about 3 percent of those completing Grade 10 can gain access to vocational training centres (VTCs) despite persistent shortages of skills in the economy.

Tertiary education produces high level technical and managerial personnel required for economic growth and competitiveness. It generates knowledge workers and researchers essential to knowledge-driven development. It provides enterprises with technical support and partnerships to spur knowledge-based innovation. The library and information services are critically important support structures for education, research, knowledge creation, public administration and economic development in knowledge-based economies. These services have been revolutionised by the use of ICT for information management and the emergence of the Internet. The main problem in Namibia is the unequal distribution of the Internet access facilities among regions and economic groups. Libraries that exist as a free and generally available information service network throughout the country are the obvious choice for public access points to overcome the digital divide. The ICT Policy in Education and the E-Government Policy for the Public Service recognise this role for the libraries and information services and the need to improve and expand them.

6.2.2. NDP3 Goal Performance during NDP2

Curriculum for Early Childhood Development has been prepared and is being tested in eight Regions (Erongo, Khomas, Kunene, Ohangwena, Omusati, Oshana, Oshikoto and Otjozondjupa). The Guidelines for School Principals as well as National Standards and Performance Indicators for Schools in Namibia have been developed and distributed to all school principals and teachers in the country. Furthermore, the Hostel Administrative Guide for government school hostels has been revised and disseminated to all hostels within the sub-sector. Through an aggressive marketing campaign, parents and learners were sensitised to find places at schools of their choice, to avoid a repetition of the previous years. Science fairs and exhibitions were organised as a means of motivating learners as well as enabling them to showcase their ingenuity, innovations and creativity.

Considerable capital development and construction was realised at the Polytechnic of Namibia, including key state-of-the-art facilities (Engineering Block, Resource Centre/Library, Hotel School and Auditorium). Construction of the Science and Technology Research Centre has also started. Enrolment at the Polytechnic has grown from 3,000 students in 2001 to 7,000 in 2006. The number of programmes offered has increased from 20 in 2001 to 70 in 2006, including two masters and 20 first degree courses.

By 2006, the enrolment at UNAM had grown to 10,000 students, which necessitated the University Council's resolution to extend the academic programmes to the UNAM Northern Campus.

Over six-hundred young Namibians were trained as qualified mathematics and science teachers at teachers training colleges in Zimbabwe through a bilateral agreement with Zimbabwe and the programme has been renewed.

The National Council for Higher Education was established to advise the Minister of Education on issues pertaining to higher education. The Council has started looking into funding options for higher education. The legislation governing the Advisory Council on Teacher Education was passed and structures for its implementation are being put in place.

The education programmes addressed inequalities in terms of access, availability and distribution of resources by targeting rural communities in particular, following a pro-poor approach. The establishment of Community Learning and Development Centres (CLDCs) has brought technology, information and reference materials (books) and other related information closer to the community.

An unprecedented education sector programme, the Education and Training Sector Improvement Programme (ETSIP), has been developed whose primary objective is to substantially enhance the sub-sector's contribution to the attainment of strategic national development goals and to facilitate the transition to a knowledge-based economy. The link between economic growth, capital development and the application of knowledge is being recognised as fundamental, if developing countries are going to play a meaningful role in the global economy.

HIV/AIDS has been recognised as a cross-cutting issue in terms of curriculum development, syllabus design, material development, knowledge and information delivery, and teacher support. To this end a central coordinating unit, the HIV/AIDS Management Unit (HAMU), was established with the primary aim of ensuring that HIV/AIDS regional structures in the form of Regional AIDS Coordinating Committees for Education (RACE) are in place and activities are mainstreamed into education programmes.

De-concentration has further provided the necessary impetus for speeding up the effective and efficient service delivery as well as ownership at the regional level. By 2003, six more regional educational directors were appointed to ensure that every one of the 13 Regions has a regional educational directorate responsible for administering, managing and controlling the educational programmes and activities. Educational services have been decentralised down to the school level with more powers given to communities through School Boards as provided for in the Education Act (Act No. 16 of 2001).

Notwithstanding the above achievements, too many learners are failing to gain basic skills of functional literacy and numeracy and progress towards equity has not been rapid enough.

6.2.3. NDP3 Goal Indicators, Baselines and Targets

Table 6.1: NDP3 Goal Indicators, Baselines and Targets

Indicator	NDP2 Achievement	NDP3 Target
No. of children attending early childhood development programmes	N/A	9,375

Boys	N/A	TBC
Girls	N/A	TBC
Net enrolment in primary education (%)	93.6	99.1
Boys	91.7	98.0
Girls	95.4	96.0
Net enrolment rate in secondary education (%)	49.5	65.4
Boys	44.8	TBC
Girls	54.1	TBC
Primary education completion rate (%)	75.6	80.2
Boys	N/A	TBC
Girls	N/A	TBC
Secondary education completion rate (%)	N/A	TBC
Males	N/A	TBC
Females	N/A	TBC
Transition from secondary to tertiary education (%)	N/A	TBC
Males	N/A	TBC
Females	N/A	TBC
Tertiary education completion rate (%)	24	35
Males	TBC	TBC
Females	TBC	TBC
Vocational education completion rate (%)	56.2	85.0
Males	TBC	TBC
Females	TBC	TBC
Adult literacy rate	83.9 (2005)	91.8
Males	TBC	TBC
Females	TBC	TBC
Proportion (%) of graduates employed	60	95
Males	TBC	TBC
Females	TBC	TBC
International Competitiveness Rating (out of 126)	84	78
Basic requirements	69	65
Efficiency enhancers	90	80
Innovation factors	86	82
Share of public expenditure on education (%)	23	23
Share of GDP utilized for Education (%)	7.5	7.5

N/A – Not available; TBC – To be compiled during implementation of NDP3.
Source: Ministry of Education.

6.2.4. NDP3 Goal Strategies

- Increase enrolment, survival and completion rates;
- Improve the quality of the education system;
- Expand the access to secondary and higher education;
- Expand the access to VET;
- Inculcate life-long learning among the population in general and the labour force in particular;
- Improve adult functional literacy; and

- Increase the supply of graduates in skill areas in high demand

6.3.1. Sub-Sector 1: Education

6.3.1.1. Sub-Sector Description

The education sub-sector includes the provision of Early Childhood Development (ECD) and pre-primary schooling, formal general education (Grades 1-12), higher education, vocational education and training, education for out-of-school youth and adults, and life-long learning.

The formal school system provides for twelve years of education that includes seven years of primary education, three years of junior secondary education, and two years of senior secondary education. Testing is by a combination of continuous assessment and terminal examinations. External examinations are conducted at the end of Grade 10 (the Junior Secondary Certificate) and the end of Grade 12 (the International General Certificate of Secondary Education or IGCSE and Higher IGCSE).

Early Childhood Development (ECD) and pre-primary education are widely recognised as having a significant impact on the performance of children in basic education programmes. They ensure a smooth transition to primary education and lay the foundation for lifelong learning while considerably reducing the dropout and repetition rates.[19] The challenge is to ensure that ECD and pre-primary education are accessible and affordable to the less advantaged communities. **General education** is the most important education that the vast majority of the youth will receive for the foreseeable future and must provide the foundation for life-long learning. Good quality formal general education (Grades 1-12), as well as that acquired through non-formal delivery modes, build the foundation skills of youth that are required for: (i) employment of trainable people that can adapt to labour market requirements and changes; (ii) entering the VET and acquire skills, and (iii) enter the tertiary levels of the education and training system. In fact, the quality of general education plays a large part in determining the quality of tertiary education. Thus, quality general education is essential for an effectively functioning KBE for the realisation of Vision 2030. It is the entry point for developing a self-educable learning society that Namibia aspires to be.

The **Namibian College of Open Learning** (NAMCOL), a semi-autonomous institution, provides an alternative secondary education programme, attracting 25,000 to 30,000 learners per year, including those who have failed in and/or dropped out of the formal general education system. NAMCOL learners write the same examinations as those in formal education and the rate of improvement in their results has been significantly better than that in formal education. NAMCOL is now venturing into computer training and other professional courses.

The **higher education** system is dominated by two autonomous institutions: the University of Namibia (UNAM) and the Polytechnic of Namibia (PoN); four Colleges of Education (teacher training); and two Agriculture Colleges. UNAM and PoN are primarily teaching establishments, offering Bachelors, Masters and Doctoral programmes. However, the Masters and Doctoral programmes are not significant either in the number of students enrolled or in their contribution to the national knowledge base. Most research, particularly in the scientific and environmental areas, is done in government research institutes and a variety of non-governmental and private research institutions.

[19] For example, due to inadequate access ECD and pre-primary education in Namibia, the repetition rate in Grade 1 was 19.6 percent and the dropout rate 4.2 percent in 2005, higher than those in any comparable SADC country.

Teacher education is shared between UNAM and the four Colleges of Education which are governed by the Ministry of Education (MoE) with all teaching the same well-established three-year Basic Education Teachers Diploma (BETD) leading to specialisations in lower primary, upper primary or junior secondary levels. Some 600 teachers graduate each year from the full-time BETD programme while about 400 graduate from the BETD INSET programme. UNAM trains teachers for senior secondary level and currently graduates between 150 and 180 students per year of which more than a third is mathematics and science teachers.

The two **Agriculture Colleges** provide diploma-level training in agricultural sciences and farming.

Private schools play an important role in the provision of general education, especially in major urban centres. Also, the private International University of Management provides higher education. **Training abroad** including in South Africa has been and continues to be a critical means to augment the skills formation in the country.

A total of 12 **Vocational Training Centres** (VTCs) exist in the country, of which six are run by the Ministry of Education, while the Namibia Fisheries Institute (NAMFI) run by the Ministry of Fisheries and Marine Resources, and the Namibian Institute of Mining Technology (NIMT) in Erongo and the NIMT in Oshikoto are private. The Ehafo VTC for people living with disabilities is operated by the Office of the Prime Minister and the Kaiganaxab VTC is operated by the Ministry of Youth, National Service, Sports and Culture. In addition, Community Skills Development Centres (COSDECs) have been established in five locations to provide non-formal short-term training for youth and adults. An instructor training programme has been established at the PoN.

Adult learning and access to relevant information are indispensable contributors to life-long learning that is not limited and tied to formal education. They provide a framework for education and self education activities at work and in the wider society, within and beyond the classroom, the curriculum and examinations.

Namibia recognises the importance of **Information and Communications Technology** (ICT) as a tool in the development of the country. It has an important role in education both directly as a subject and indirectly as a tool to assist in educational delivery and management. The education sub-sector has rightly designated ICT in education as a cross-cutting theme, which will demand capacity building and expertise at all levels. UNAM, the PoN, the Colleges of Education and NAMCOL have all expanded their ICT facilities. The Namibian Open Learning Network (NOLNet), serving over forty open learning centres, supports the distance learning activities of UNAM, the PoN and NAMCOL. The National Institute for Educational Development (NIED) has developed a website with very useful resources for teachers.

The technology related elective subjects currently offered at school level include Keyboarding and Word Processing and Computer Studies at junior and senior secondary schools. At primary school level, Basic Information Science which is a non-promotional subject includes a minor component on ICT literacy.

Some of the more significant private entities providing ICT training and services include: (i) SchoolNet Namibia, a non-profit ICT service provider which introduced affordable computer technology and internet access to all schools in the country; and (ii) the non-profit Community Education Computer Society of Namibia (CECS), a registered IT Academy, which offers computer literacy education within the community at a competitive price.

The HIV scourge has long been identified as a major economic, social and personal threat. There is now strong evidence that effective education programmes that address both prevention and support measures can mitigate the impact of the virus. The MoE, with the assistance of the development

partners and NGOs and in close cooperation with the Ministry of Health and Social Services, has developed an effective HIV/AIDS programme, which is now in the implementation phase.

As the education sub-sector lead agency, the MoE requires strong capacity to coordinating the sub-sector; to deliver on-going routine education services to the public; and to implement special, non-routine projects and programmes. The Institutional Strengthening and Capacity Building Facility (ISCBF) was established to support capacity building in the sub-sector.

6.3.1.2. Education Sub-sector Performance during NDP2

The NDP2 targets and achievements in the Education and Training sub-sector are summarised in Table 6.2.

Table 6.2: Education and Training Sub-sector Targets and Achievements during NDP2

Indicator	Target	Achievement
Maintain Primary net enrolment of 7 to 13 year olds (%)	93	92
Survival rate for primary school by 2006 (%)	70	77
Maintain transition rate from primary to secondary school at (%) or more	75	78.1
Survival rate for junior secondary school by 2006 (%)	50	62.3
Adult literacy to % by 2006	84	83.9
Subject entries of full-time JSC candidates graded by 2006 at or above (%)	90	92.6
At least % of JSC candidates obtain 27 points or better in the JSC examination by 2006	30	26.7
At least % of subject entries of full-time IGCSE candidates graded by 2006	92	92.2
% of schools offering complete phases by 2006	95	82
Increase number of schools with functioning libraries to - by 2006	450	386
Increase number of schools with functioning computer rooms to .. by 2006	400	400
At least one secondary school offering arts subjects in each region by 2006	1	N/A
One national arts school established by 2004	1	N/A
Education Act promulgated and regulations under the Act issued by end 2001	N/A	N/A
Reduce disparities in the learner-teacher ratio so that no region is more than 8% above or below the national average, by 2006 Primary Secondary	N/A	 -1.3 1.7
No learners in class groups greater than 40 by 2006	N/A	2,427
Establish a national inspectorate by 2002	N/A	
Reduce inequalities in primary and secondary education expenditure across the country so that the per capita expenditure on primary and secondary learners respectively in the least disadvantaged region is no more than 20% better than that in the most disadvantaged region, by 2006	N/A	N/A
Improve the level of cost recovery for hostels to at least 30% of	N/A	42.9

actual costs by 2006		
Introduce cost recovery mechanisms for junior and senior secondary education by 2002	N/A	N/A

N/A – Not available

Between 2001 and 2005, the four Colleges of Education produced 3,237 teachers. In 2003, an agreement was entered into with Zimbabwe to train teacher-diploma graduates in mathematics, science and agriculture. Under the agreement, 600 Grade 12 graduates underwent teacher training in Zimbabwe. The agreement has been renewed to train additional teachers in mathematics, science and agriculture.

The annual output of degree holders from UNAM is around 700 per year in 2005 which increased further in 2006. Of the total, only about 10 percent hold science degrees. The total annual output of the PoN is around 2,612 graduates, of which 2,203 were diploma holders and 409 degree holders. From 2005 onwards, the PoN has been actively seeking to build capacity to offer graduate level studies, particularly in areas such as engineering, ICT, hospitality and business administration, where it is the main centre for such studies nationally. The structures are in place to ensure that the outputs of the institutions match the demand in both quality and quantity, but this is seldom achieved in practice and areas of national skills shortages, such as in science, engineering and agriculture, are characterised by relatively low enrolment and high dropout rates in both institutions. The two institutions are experimenting with a variety of remedial measures to help the students overcome the legacy of inadequate basic education. At both UNAM and PoN, the cross-cutting issue of gender equality is given pre-eminence across all faculties. As a result, the number of female students increased tremendously and, as of late, girls and women entering both institutions each year outnumber boys and men.

Following a review of the ICT policy in 2000, a new ICT Policy for the education sub-sector was launched in June 2005 to keep up with the rapidly changing nature of ICT and education. The educational goals outlined in the policy put more emphasis on the pedagogical use of ICT as an integrated tool in the teaching-learning process at all levels in the educational system. In June 2005, the National Computer Refurbishment Centre was inaugurated, which marked the completion of two-year collaboration between the Namibian Parliament, the MoE and Microsoft Corporation to create a new approach to provide Namibian schools and communities with access to technology and computer-related training. The joint initiative, named the *African Pathfinder*, comprises a broad range of programmes, which together enable information and communication technology (ICT) to be procured and put to use for African society. The Global e-Schools and Communities Initiative (GeSCI) has facilitated a major group of stakeholders in Namibia to come together during 2004/2005 and create a national e-schools strategy and implementation plan for the MoE.

The responsibility for pre-primary education was moved from the Ministry of Gender Equality and Child Welfare (MGECW) to the MoE in 2006 with the long-term intention to establish pre-primary classes in primary schools. The literacy programme has diversified to include: (i) Adult Skills Development for Self-Employment; (ii) Community Learning and Development Centres; and (iii) Family Literacy. Closer synergies with formal education are being sought. There is a need for an overarching policy on life-long learning as Namibia pursues its intention of becoming a learning nation. In 2004, a National Policy on Adult Learning was adopted.

In 2003, six more education directors were recruited in addition to the existing seven, so as to have one in each of the 13 Regions. The delivery points in education have been decentralised to the 13 Education Regions with the administration and management of education accounting for over 70 percent of the budget implementation delegated to the regional directors. They are also responsible for capital budget monitoring and data collection for EMIS. The administration of schools is decentralised to circuit, cluster and school levels with school boards established.

The NDP2 period has seen the development of the HIV/AIDS programme as a fully coordinated and managed response to the pandemic in the education sub-sector and the HIV/AIDS Management Unit (HAMU) in MoE and Regional AIDS Committees for Education (RACE) were established.

The Teachers' Education Colleges Act (Act No. 25 of 2003) provided for the first time a legal framework for the establishment and closure of colleges. It also includes provision for an umbrella body, the Advisory Committee on Teacher Education (ACTE), to advise the MoE about the directions for teacher education at the colleges. In addition, the Act envisages marked changes in the governance and autonomy of the colleges.

In 2003, Cabinet approved the establishment of the Namibia Training Authority (NTA) to take overall responsibility for management of the VTE system under the direction of employers and other stakeholders and to devolve greater authority to VTCs to improve their management capacity and contextual relevance. One of the immediate tasks of the NTA is to finalise the Competency Based Education and Training (CBET) modularised curricula for technical trades and commercial courses as well as hospitality and tourism. The National Council for Higher Education (NCHE) was established in 2006 to spearhead policy reforms and implementation.

During the last half of NDP2, the sub-sector in the context of the sector-wide approach developed an all-inclusive Education and Training Sector Improvement Programme (ETSIP), which represents the education and training sub-sector's response to the call of Vision 2030. In April 2003, the Institutional Strengthening and Capacity Building Facility (ISCBF), a pooled fund supported by the European Commission and SIDA and managed by Government, was established to support capacity building in the sub-sector. The ISCBF is funding various assignments to support the development and implementation of ETSIP. Steps have been taken to improve the capacity in school management through the training of school principals and school boards. National standards and performance indicators for schools and a corresponding set of instruments were developed, and regional inspectors have been trained to use them.

Through ETSIP, the sub-sector is currently undergoing dramatic reform of its overall national development strategy with emphasis on enhanced quality of life for all, acceleration of economic growth, equitable social development, employment creation, poverty eradication and curbing HIV/AIDS. These will be accomplished through strengthening the immediate supply of middle to high level skilled labour to meet the labour demand and support overall national development goals.

Three components will make operational the first strategic phase toward a pro-poor expansion of opportunities for high quality senior secondary education, a pro-poor expansion of opportunities for high quality and market responsive vocational education and training; and a time-bound expansion of pre-entry programmes for tertiary education.

The former Ministries of Basic Education, Sport and Culture and Higher Education, Vocational Training, Science and Technology, and Employment Creation were merged into the new Ministry of Education in 2005.

6.3.1.3. Education Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To provide equitable access to quality education and develop the abilities of the individuals to acquire knowledge, understanding, skills, values and attitudes required throughout their lives.

6.3.1.1.3. Sub-Sector Goal 1 : Increased immediate supply of middle-high level skilled labour to meet market demand over the next five years

Table 6.3: Education Sub-Sector Goal 1 Indicators, Baselines and Targets

No.	Indicator	Baselines	Targets
1	Percentage of learners achieving D or better in Grade 10:		
	Mathematics	36.2	66.4
	Science	38.3	66.4
	English	45.4	66.4
2	Enrolment in Grade 11 (number)	14,777	22,617
3	Percentage of learners achieving D or better in Grade 12:		
	Mathematics	32.7	55.6
	Science	38.4	55.6
	English	31.1	55.6
4	National average SACMEQ test score increased	450	500
5	Grade 10 completion rate (%)	TBC	TBC
6	Grade 12 completion rate (%)	TBC	TBC
7	Tertiary completion rate (%)	TBC	TBC
8	Percentage of learners receiving Life Skills	60	95
9	Total enrolment in VET (number)	2,733	5,000
10	Average annual completion rates for VET trainees	56.2	85
11	Percentage of VET graduates	72.6	90.0
12	Employment rates of VET graduates by tracer studies (%)		
13	Percentage of graduates with diplomas	70.9	80.0
14	Percentage of graduates with bachelor's degree	59.6	70.0
15	Percentage of graduates with master's degree	44.2	70.0
16	Learners receiving in curricular HIV Prevention life skills (%)	0	100
15	Learners receiving extra curricular HIV prevention life skills (%)	14	100

TBC – To be compiled during implementation of NDP3.

6.3.1.1.4. Education Sub-Sector Goal 1 Strategies

- Improve Government education system quality and relevance;
- Ensure equality of educational opportunity;
- Devise means to improve learner performance in Grades 10 and 12;
- Strengthen the management capacity and quality of the VET system;
- Strengthen the institutional capacity and quality of tertiary education;
- Increase training of graduates abroad (undergraduates and post graduates) in areas not available in Namibia;
- Mainstream ICT into the education system;
- Improve system response to the HIV/AIDS pandemic;
- Mainstream gender throughout the education system; and
- Improve the Education Management Information System (EMIS) in serving all educational partners and in capturing major indicators for the sub-sector at large.

6.3.1.2.3. Education Sub-Sector Goal 2: Increased long-term supply of skilled labour to meet market demand.

Table 6.4: Education Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	Baselines	Targets
% of children entering primary education that have adequate levels of readiness for grade 1 education	N/A	13.2
Enrolment in primary education (%)	92.5	99.1
Net enrolment ratio in secondary education (%)	51.1	65.4
Proportion of students entering Grade 5 (Survival Rates) (%)	89.0	99.2
Proportion of students entering Grade 8 (Survival Rates) (%)	73.0	80.2
Proportion of students entering Grade 11 (Survival Rates) (%)	31.0	47.8
Repetition rate in Grade 1 (%)	18.8	8.2
Repetition rate in Grade 5 (%)	20.5	10.4
Repetition rate in Grade 8 (%)	21.5	10.2
National average SACMEQ test score: Reading Mathematics	 450 (2005) N/A	 475 (SACMEQ III 2006) 500 (SACMEQ IV 2012)
Adult literacy (%)	84.0	91.8
HIV Prevention life skills subject made stand alone and examinable	Not Available	Available and operational
HIV/AIDS life skills integrated into examinable career subjects	Not Available	Available and operational
A comprehensive HIV/AIDS life skills induction and refresher programme in all pre-service and in-service colleges	Not available	Operational by 2012
Functional Relief Teacher Assistance Programme in place	Not operational	Fully operational by 2010

N/A – Not available.

6.3.1.2.4. Education Sub-Sector Goal 2 Strategies

- Improve management of delivery systems for quality of and access to early childhood development programmes;
- Improve education system quality and relevance;
- Ensure adequate supply of text books and other instructional materials;
- Ensure equality of educational opportunity;
- Improve management accountability and system efficiency;
- Ensure that adult and life-long learning and information service programmes are relevant and responsive to the needs of a learning society;
- Mainstream ICTs into the education system;
- Improve system response to the impact of HIV/AIDS; and
- Mainstream gender in all programmes.

6.3.1.5. Education Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
1. Senior Secondary Education	Development	36,054	42,859	148,203	222,220	323,001	**772,337**
	Operating	0	0	0	0	0	**0**
	Total	36,054	42,859	148,203	222,220	323,001	**772,337**
2. Namibian College of Open Learning	Development	4,292	4,634	5,079	5,801	6,539	**26,345**
	Operating	210	225	240	255	270	**1,200**
	Total	4,502	4,859	5,319	6,056	6,809	**27,545**
3. Vocational Education and Training	Development	466	19,519	51,902	42,655	78,282	**192,824**
	Operating	0	0	0	0	0	**0**
	Total	466	19,519	51,902	42,655	78,282	**192,824**
4. Management of Tertiary Education and Training	Development	0	0	0	0	0	**0**
	Operating	1,105	11,337	16,930	14,242	13,736	**57,350**
	Total	1,105	11,337	16,930	14,242	13,736	**57,350**
5. Increased Production of Undergraduates and Postgraduates (UNAM)	Development	122,609	137,109	158,109	132,409	131,609	**681,845**
	Operating	36,200	37,600	40,200	40,200	39,200	**193,400**
	Total	158,809	174,709	198,309	172,609	170,809	**875,245**
6. Polytechnic of Namibia (PoN)	Development	8,000	8,000	8,000	8,000	8,000	**40,000**
	Operating	2,000	2,000	2,000	2,000	2,000	**10,000**
	Total	10,000	10,000	10,000	10,000	10,000	**50,000**
7. Education (Teacher) Colleges	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
8. ECD and Pre-primary Education	Development	0	0	0	0	0	**0**
	Operating	1,714	8,398	14,830	10,052	11,838	**46,832**
	Total	1,714	8,398	14,830	10,052	11,838	**46,832**
9. General Education	Development	0	0	0	0	0	**0**
	Operating	15,337	140,321	160,893	167,914	50,818	**535,283**
	Total	15,337	140,321	160,893	167,914	50,818	**535,283**
10. Information, Adult and Lifelong Learning	Development	0	0	0	0	0	**0**
	Operating	5,385	16,400	37,747	39,590	19,495	**118,617**
	Total	5,385	16,400	37,747	39,590	19,495	**118,617**
11. ICT in Education	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
12. HIV/AIDS	Development	0	0	0	0	0	**0**
	Operating	10,944	10,983	7,473	7,959	8,230	**45,589**
	Total	10,944	10,983	7,473	7,959	8,230	**45,589**
13. Capacity Development	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Education Sub-Sector Total	**Development**	**171,421**	**212,121**	**371,293**	**411,085**	**547,431**	**1,713,351**
	Operating	**72,895**	**227,264**	**280,313**	**282,212**	**145,587**	**1,008,271**
	Total	**244,316**	**439,385**	**651,606**	**693,297**	**693,018**	**2,721,622**

TBC – To be compiled during implementation of NDP3.

6.3.2. Sub-Sector 2: Research (on Human Resources Planning)

6.3.2.1. Sub-Sector Description and Background

Namibia's Vision 2030 put people at the centre of development. It has given further impetus though the formulation of a national policy and strategic framework on human resources planning, capacity building and effective utilisation. In pursuance of Vision 2030 and NDP2, the NPCS produced a National Capacity Building Assessment Report in 2000 and a Human Resource Development Report in 2002. The documents identified a mismatch between human resources supply and demand. Thus, there is an urgent need for a comprehensive national human resources plan to provide the policy parameters and strategic directions as well as an implementation framework and monitoring and evaluation mechanisms to guide the sub-sectors in formulating their human resources development and utilisation interventions.

The national policies, plans and strategies that support human resources planning and capacity building include: the Public Service Act, Labour Act, Affirmative Action Act, Training Policy in the Public Service, National Policy on Research, Training & Technology, Namibia Students Financial Assistance Act, UNAM Act, Polytechnic Act, NAMCOL Act, NQA Act and National Vocational Training Act and Education Act.

The HIV/AIDS pandemic is a serious scourge on the human resources of Namibia. According to the Sentinel Survey used to measure the HIV prevalence rate in Namibia, the incidence is highest amongst the age group 25-39 which is also an important component of the labour force. Therefore, the human resources supply and demand projections should take into account the likely impact of HIV/AIDS on human resources utilising the projections provided by the MoHSS and other relevant data, such as the organisational records of staff attrition.

6.3.2.2. Research Sub-sector Performance during NDP2

In Namibia, the population in the age group 15-64 (and older) is often classified as the working-age population, which can potentially work. The working-age population in 1997 was 846,700; 935,000 in 2000; and 938,600 in 2004. The overall labour force participation rate in Namibia increased marginally from 53.5 percent in 1997 to 54.0 percent in 2000, but declined significantly to 47.9 percent in 2004. An important factor accounting for the decline is the substantial (almost 25 percent) decline in the labour force participation rate in rural areas from 45.8 percent in 2000 to 34.7 percent in 2004 while that in the urban centres rose only marginally from 66.2 percent to 66.5 percent during the period, although it was still slightly below the level of 67 percent achieved in 1997. The decline in the labour force participation rate should be a cause for serious concern, if Namibia is to achieve accelerated and sustainable economic growth and reach the Vision 2030 status of an industrialised country by 2030.

The labour force is made up of the employed (63 percent in 2004) and the unemployed (37 percent in 2004). During 1997-2004, the rural-urban distribution of the employed had shifted in favour of the urban areas while the sex distribution of the employed shifted in favour of males. Also, the distribution of employment shifted away from primary industries to secondary and tertiary industries.

The unemployment rate (broadly defined) declined from 34.5 percent in 1997 to 33.8 percent in 2000 and then increased to 36.7 percent in 2004. The unemployment rate (broadly defined) amongst both sexes followed the general pattern with the rate for women higher than that for men. The unemployment rate (broadly defined) in the rural areas worsened during the period, while that in urban areas declined.

In 2004, unemployment among those between 15-19 years of age was 64.6 percent and this declined somewhat to 57.4 percent for the next age group 20-24. The unemployment rate declined with the level of educational achievement, with negligible level of unemployment among those with some tertiary education. Underemployment in Namibia is not as serious as the unemployment situation

Providing remunerative jobs to the unemployed is a major challenge facing the Namibian economy. Focusing resources on HRD and Capacity Building makes sense as long as the areas of comparative advantage, that will help to reduce the dependence on extraction and export of raw materials by transforming and adding value to them, are identified. Developing human resources and capacities in that direction might bring about much needed social empowerment and economic growth.

The Human Resources Report (August 2002) identified 12 professional categories critical for Namibia's economic growth. Using relatively high employment elasticities, it projected a mismatch between the supply of and demand for human resources. However, due to a lack of data on performance during NDP2, it is not possible to provide a full account of the extent to which the human resources were utilised and the gap bridged. Needless to say, producing skills in the professional categories is important. However, without sufficient growth in the market demand to absorb such "professionals," the skilled may continue to be unemployed, resulting in a waste of resources invested in producing such skills at a high opportunity cost. The irony of the situation is flagged in an over-supply in some skill areas due to low or lack of demand. For example, according to the Human Resources Report, there was an over-supply of persons with technical and some other skills in the country.

6.3.2.3. Research Sub-sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: The public sector in collaboration with the private sector, civic organisations and development partners shall strive to develop human capital and build institutional capacity to absorb the labour force necessary to meet the demands of the Namibian economy.

Goal: Adequate supply of skilled professionals that are employed in productive occupations.

Table 6.5: Research Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Supply of human resources in critical professional categories	No baseline data	Data on supply of HR in critical professional categories identified by 2008
Demand for human resources in critical professional categories	No baseline data	Data on demand for HR in critical professional categories identified by 2008
Gap between human resources supply and demand in critical professional categories	No baseline data	The net gap (surplus and deficit) between HR supply and demand reduced by 2011

6.3.2.4. Research Sub-Sector Strategies

- Assess and identify the skill areas where shortages exist;
- Identify and develop skills in areas where the industry and economy has the greatest demand and potential;

- Ensure that each upper skill level has sufficient supportive base and backbone (for instance, one cannot just train scientists or engineers without having enough supportive technicians whose inputs are critical to be an efficient engineer);
- Identify skill areas where Namibia has the capacity to train and provide such skills and where training at foreign institutions should play a role;
- Identify the gaps in human, institutional or material capacities; and
- Ensure that whenever skill and competence upgrading takes place, a conducive institutional and organisational environment exists, so that the acquired knowledge and skills could be put to effective use

6.3.2.5. Research Sub-Sector Programme

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Human Resources Planning	Development	0	1,500	1,000	1,000	1,000	**4,500**
	Operating	0	0	0	0	0	**0**
	Total	0	1,500	1,000	1,000	1,000	**4,500**
Research Sub-Sector Total	**Development**	**0**	**1,500**	**1,000**	**1,000**	**1,000**	**4,500**
	Operating	**0**	**0**	**0**	**0**	**0**	**0**
	Total	**0**	**1,500**	**1,000**	**1,000**	**1,000**	**4,500**

Chapter 7: KNOWLEDGE-BASED ECONOMY AND TECHNOLOGY DRIVEN NATION

7.1.1. Thematic Area Description and Background

This KRA complements other KRAs and cuts across all development themes. It is based on the Vision 2030 objective of transforming Namibia into a knowledge-based, highly competitive, industrialised and eco-friendly nation, with sustainable economic growth and a high quality of life. One of the sub-visions associated with this KRA is to consolidate, improve and utilise the wealth of accurate, reliable and current information on aspects of its population for the country's social and economic development planning and programme management. The other sub-vision foresees the use of advanced microelectronics-based information and communication technologies (ICT) to achieve social and economic transformations in the country with ICT applied throughout all sectors of the economy and society to serve the development goals.

Thus, the KRA is concerned about the innovative use of both tacit and codified forms of knowledge and technology to help the country leapfrog from a resource-based into a knowledge-based economy. Improvement of the people's access to information, technology and knowledge are key factors for accelerating economic growth and enhancing the competitiveness of Namibia. In various policy documents and programme initiatives the country recognised the importance of these factors, their high international political and economic leverage, and the difficulties associated with their achievement, especially without adequate investment in Research and Development (R&D).

It is generally accepted that national economies are more and more dependent on the acquisition, dissemination and use of knowledge as well as on how well the national innovation system supports the process of economic development. To this end, there are a number of Government initiatives where knowledge has and will continue to become a pivotal rural livelihood empowering strategy. They include the community based natural resources management programme (CBNRM), where management of wildlife resources has been devolved to rural communities through the creation of conservancies. Knowledge generated from this devolvement has led to more communities being able to turn tacit knowledge into a marketable commodity through tourism. Also, the significance of international transfers of know-how, knowledge, and technological expertise as well as specialised industries is growing and has become an integral part of the Namibian economy.

Recent developments in technology, especially in information and communication technologies (ICT) have ushered in new opportunities for Namibians. Major developments such as Telecom Namibia's national roll-out of fibre-optic network and MTC's network expansion, have made it possible for people in rural areas to conduct business differently. For instance, it is now possible for farmers to assess the price of crops at urban markets using the mobile phone without having to travel to see whether or not prices are favourable. Furthermore, the Ministry of Fisheries and Marine Resources has generated vital knowledge on aquaculture. This knowledge when harnessed appropriately will contribute immensely to rural development. Local communities have generated knowledge and methods over the years on how fish drying and salting which, when integrated into commercial fishing, might find a niche market.

Innovation is the process through which social and economic value is extracted from knowledge through the creation, acquisition, diffusion and transformation of knowledge to produce new or significantly improved processes and products. Three typologies of innovation may be considered:

- Administrative and technical innovation focussing on organisational structures and administrative processes related to integration of knowledge management strategies and the management of the science system;

- Product and process-based innovations with product-based innovations primarily focussing on creation of new products or knowledge which can be measured through the number of accepted patents and product announcements whereas the process-based innovations, which are more difficult to measure, are usually considered in terms of factor (labour and capital) productivity, expertise and information exchanges, and networks within and between the industry and universities about what firms know about markets and customers; and
- Incremental and radical innovations with incremental innovations emphasising and reinforcing existing processes products and services while the radical innovations produce fundamental changes in the way the processes, products and services are conducted.

Knowledge, based on access to vital media and networks of information and supported by cultural and spiritual values, has become an independent force and a pivotal resource for social, economic and political transformation of countries. Affordable telecommunications infrastructure and networking should penetrate all spheres of human activity including in homes in both rural and urban areas to transform Namibia into a society where information and knowledge are key assets. Thus, the knowledge-based economy results from a comprehensive understanding of the role and importance of information and media, knowledge and technology and their application in the economic development of a country. A 'technology-driven nation' therefore is the sum of the activities undertaken in the knowledge-based economy.

The development of a knowledge-based economy and technology-driven nation is a complex process in which, among others, the acquisition, dissemination and utilisation of knowledge and technology is dependent both on the initiatives in and outside the country. The internationalisation of firms is an important means to facilitate the flow of knowledge and improved technology and bolster competitiveness. The improvements are in turn a result of several mutually reinforcing processes such as investments in education, infrastructure and technological investments in R&D systems, telecommunications including ICT, readily available information on Government policies and programmes, and reduction of barriers to innovation. These need to be supported through ventures and activities that aim at increasing and financing networks and university-industry partnerships that target commerce and trade.

7.1.2. Thematic Area Performance during NDP2

The overall performance of this new thematic area during NDP2 was encouraging, despite a shortage of necessary change agencies and the absence of qualified and experienced personnel in innovation and ICT fields. For example, the value added research projects such as the pearl millet (mahangu) and drought resistant crop varieties developed at the Okashana Research Station. Furthermore, the Dr Sam Nujoma Marine and Coastal Research and Resource Centre at Henties Bay (SNMCRRC) received recognition as a NEPAD Node for Biosciences with its mushroom project. The Gobabeb Desert Research Centre is now a SADC Centre of Excellence on Desertification. In addition, Namibia is a part of the declaration by SADC Ministers responsible for Science, Technology and Innovation, which commits SADC states to develop policies that will promote, facilitate and coordinate Indigenous Knowledge Systems (IKS) in the region through the development of IKS policies. Furthermore, the Office of the Prime Minister has facilitated several initiatives, which have had a commendable impact on the utilisation of ICT in the public service.

On the policy and institutional fronts, a number of NDP2 targets were achieved. These include the adoption of the National ICT Policy for Education (2005), the Namibia Information and Communication Technology Policy (2004) as well as the e-Governance Policy. A number of cross-sectoral programmes and projects relating to innovation and ICT utilisation were prepared and implemented during NDP2, some of which are to be continued during NDP3. In telecommunications, mobile telephony has expanded rapidly and the number of Internet

subscriptions increased, particularly in major towns. However, most rural communities are still without adequate access to both mobile phone network and the Internet. There is a 'digital divide' within Namibia, which is a result of the uneven socio-economic status of the people, unequal education levels and the huge income gaps between the rich and the poor, which ultimately affects people's access to economically viable knowledge.

In terms of constraints, the major barriers to Namibia's transition into a knowledge-based and technology driven nation are the lack of adequate numbers of qualified personnel, the low disposable household income, and the lack of access to electricity in rural areas, which limits access to ICT. Another aspect is the lack of a reading culture, which is the result of the low literacy rate and low rate of access to libraries before Independence. Also lacking is an enabling policy and enabling environment that allow private initiatives and entrepreneurs to deliver technology solutions that suit low-income groups.

7.1.3. Thematic Area Strategies

The introduction of technology and innovation should be seen as a part of the general social and political reform processes, and the context within which the reforms take place.

- Implement policies aimed at encouraging support for R&D and innovations in specific sub-sectors, including policies aimed at local integration of R&D by trans-national corporations;
- Strengthen existing Research Centres and Centres of Excellence;
- Commercialise (such as was done with the National Forensic Science Institute) and ensure sustainable operation of the public sector research institutions (such as the Namibia Institute of Pathology);
- Facilitate joint ventures to promote cross-sectoral collaborative research (for example, between research institutions, industries and Government);
- Promote the development of content, software and programmes in local languages in partnership with relevant stakeholders; and
- Enhance the creation and application of knowledge and technology to improve the variety and value of products from Namibia's natural endowments ranging from minerals to unique landscapes.

7.2.0. NDP3 Goal: Innovative and Productive Usage of Technology, Research and Development

7.2.1. NDP3 Goal Description and Background

One of the critical areas under this NDP3 goal is the development of the public service management system in a way that focuses on the development and management of knowledge in the civil service and on innovations in the delivery of services to the citizenry. The proper management of public finances, for instance, has the potential to ensure that prioritisation of Government activities and transparency in their effective implementation lead to tangible benefits. A key success factor is the effective implementation of the performance management system (PMS), recognising and providing motivation and incentives for staff in all O/M/As and Regional Councils.

Another critical area is Information and the Media. The free flow of information has the potential to ensure that Namibia is an informed, knowledgeable, creative, innovative and entrepreneurial society. In addition, the development of geospatial information and statistical services and data is necessary to ensure comprehensive geographical databases relevant for development and disaster

management and mitigation are available. These databases will support better information management as well as development planning.

Further, the NDP3 goal aims to support among others, knowledge-based research activities in agriculture and health in order to have positive economic impacts. For example, knowledge on livestock improvement that is generated by veterinary research units should be made available to rural communities. In both agriculture and health, product development partnerships (PDPs) and public-private partnerships (PPPs) are emerging as high profile development mechanisms. The sub-sectors public service management and geospatial information and statistical services will play a crucial role in creating the enabling environment for innovation. Increased partnerships between higher education institutions and other players (research-based NGOs) in the knowledge industry would lead to greater diversity of research focus but resulting in high quality products, processes and services being provided to citizens.

This way, it should be feasible to transform Namibia from a natural resource-dependent country with a dual economy into a knowledge economy through high value addition and production activities. According to the Word Economic Forum, raising productivity refers to making better use of available factors and resources to create a competitive economy. To do this, Namibia will continue to intensify the use of knowledge that has been generated through the CBNRM programme, the ZERI project and many others. The creation of a Centre for Innovation and Entrepreneurship Technology (CIET) will also ensure that value addition in a number of areas takes place.

One of the enabling factors is the ICT revolution, which has led to increased dependence on 'information' and the technology to process it. This realisation has created increased pressure on higher education (knowledge) institutions to enhance the quality and quantity of graduate outputs in order to create a national information communication infrastructure (NICI) including the human resources capacities. There is little doubt about the impacts of innovative and productive usage of ICT, which provide both opportunities and threats. To meet this challenge, emphasis is placed on capacity building so that sufficient human resources vital for achieving a knowledge-based economy and a technology driven nation are in place. The impact of knowledge is long term, and contributes to every sub-sector as it empowers the people to participate in development. Therefore, the activities under this KRA should be viewed as a continuing process that will continue and stretch beyond 2030.

Efforts aimed at strengthening IKS will be intensified. As a first step, a policy on IK and related intellectual property rights will be developed. This will ensure that our local people are benefiting from the commercialisation of their knowledge. Commercialisation of IK will mark an important poverty reduction strategy and a stepping stone for rural development and empowerment. To some extent this has already taken place with the commercialisation of marula, hoodia and devil's claw at the forefront.

While acknowledging the importance of using ICTs for development, Government also takes cognisance of the importance of incorporating traditional mass media and traditional and cultural knowledge, in the new movement to bring about behavioural change through targeted communication not only to address social ills but also to foster greater participation in development by the citizenry.

The spatial data, statistical data and other attributes information provide the bedrock for an e-government information database. The spatial data produced by the Directorate of Survey and Mapping (MLR) provides the base maps used by the CBS in producing other specialised maps depicting demographic and other socio-economic information.

7.2.2. NDP3 Goal Performance during NDP2

NDP2 saw the adoption of innovative irrigation systems and the piloting of rice farming and concerted efforts were made to increase the harvesting of indigenous fruits and plants from which commercial products are being developed. The usage of ICT in the public service has also increased a great deal.

In terms of global competitiveness Namibia is ranked 84 among 125 countries in 2006-2007, which means a major effort is needed to increase the country's global competitiveness. Among the nine competitiveness pillars, the ones on technological readiness and innovation are considered particularly relevant for this NDP3 goal (see also the discussion on Competitiveness in Chapter 4). These are discussed briefly in the following:

a) Technological Readiness

According to some independent sources, Namibia's technological (ICT) infrastructure is amongst the best in Africa. However, technological activities are mostly urban-based and seem to follow the traditional diffusion pattern of the road-network. Thus, a majority of the population living outside the major towns is deprived of access to new technologies. The technological readiness index (TRI) is a multi-scale index that is used to measure how ready a country is to embrace new technologies. Namibia is currently ranked 66 among 126 countries.

In regard to the adoption of technology by firms, Namibia is ranked 92 among 125 countries. One of the major barriers could be the absence of legislation that allows firms to exploit the market potential as they see fit.

A number of laws relating to ICT have been enacted and the following have been drafted: (i) the Freedom of Information Act; (ii) Namibia Communications Bill; (iii) E-transactions Act; (iv) Data Privacy Protection Act; and (v) Information Bill.

In 2007, Namibia revised its draft Information and Communication Technology Policy to take into account all aspects influencing the development of the ICT sub-sector and implementation of the policy. The Government is also revising the 1991 Information Policy which governs the mass media. In order to harmonise the ICT policy implementation process, the NCC Act (Act No.4 of 1992) needs to be updated to take into account the convergence of the telecommunication and broadcasting services. Once these drafts are enacted, Government plans to establish a Data Protection Centre and reinforce the mandate of the Namibia Communications Commission. Appropriate steps are also needed to develop the content and protection of Namibian indigenous languages on the Internet as well as the protection of young people from accessing unsuitable materials from electronic media. Currently Namibia is ranked 75 with a score of 3.2 on the enabling legal framework.

Foreign direct investment (FDI) plays an important role in technology transfer, with the investments by multinational corporations providing Namibia with more efficient foreign technologies that can result in technological spillovers. Namibia is currently ranked 49 in this regard. In general, experience has shown that the impact of FDI is positive if local suppliers are involved and if the foreign investor is willing to help local suppliers (sub-contractors) to keep pace with modern technologies by assigning experts to the suppliers' plants to help set up and supervise production and testing procedures. Overall, the indicators of FDI and technology transfer need to be developed within the NDP3 period in order to measure the effectiveness of FDI and whether technology transfer is indeed occurring.

The adoption and use of cellular telephones in Namibia is undeniably a common trend, with mobile phone subscriptions with the two operators estimated at about 800,000. A further educational campaign might be necessary to make the majority of the population more aware of the versatility of the mobile phone so that this tool is used not just for voice and SMS communication. At the same time, network coverage will be increased. Also, there is a need for more operators in order to increase competition and value for money.

Namibia has four Internet Service Providers (ISPs), each of them with points of presence in each major urban centre. According to the International Telecommunications Union (ITU 2004), Internet penetration in Namibia stands at 3.38 users per 100 inhabitants. A recent poll by the Internet World Statistics 2007 puts Internet users in Namibia at 80,600, a penetration rate of about 3.9 percent, accounting for 0.2 percent of Internet users in Africa, and is ranked 100 among 125 countries[20].

Access to personal computers remains low at 7.2 percent nationwide. Again, a majority of the people with access to computers are in urban areas (18 percent) whilst those in rural areas account for 2 percent only. Namibia is ranked 55 on personal computers.

b) Innovation

Quality of scientific research institutions: Namibia has several research institutions that are committed to applied research and have produced economically viable knowledge. For example, the Central Veterinary Laboratory has been conducting research on vaccines to improve livestock health and quality. However, the application of this knowledge has not diffused to the benefit of the rural communities. Moreover, the abundant indigenous and tacit forms of knowledge are mainly still transferred orally. Thus, this knowledge does not feature in scientific works and publications. According to the UNESCO World Science Report 2005, this might be attributed to the fact that in general, Africa's research priorities are often substantially different from those pursued in other continents. In the case of Namibia, which is ranked 105, other contributing factors to the country's scientific institutions faring poorly include the lack of qualified scientific personnel and the Government's minimal support to R&D. Since, Independence, Namibia has been addressing this lack of scientific personnel by sending citizens abroad for further studies. Although no systematic data exists (due to the absence of a mechanism to capture the needed information), it is estimated that over 125 young Namibians are currently abroad for specialised studies. During NDP3 a coordinating system for capturing this needed data for research and development will be put in place to strengthen and increase the quality of research outputs of our scientific institutions. Furthermore, more work needs to be done by the scientific institutions themselves in terms of their readiness.

Company spending on research and development: Unlike in South Africa where the private sector runs its own research units and accounts for about half of the national expenditure on research, there are virtually no such scientific units run, coordinated and financed by private companies in Namibia (ranked 80).

University/industry research collaboration: In many countries, research collaboration between industry and universities is a strong propeller of development. This is often done through the creation of Science Parks and Business Incubation Centres. University and industry research

[20] However, this could well be a gross underestimate of Internet users as there are more than just four ISPs in Namibia, not least of which are the Government itself and SchoolNet Namibia, neither of which are mentioned. In addition, the corporate sector connects a large "hidden" and unknown user base, as does the Government and even private user accounts (the basis of user numbers given out by ISPs), which often represent two or more regular users behind them. Furthermore, SchoolNet connects well over 300 schools, each of which could connect 50 or more regular users.

collaboration can be promoted on the basis of Product Development Partnerships (PDPs), which are essential because over time it has been shown that patentable knowledge accumulated by universities does not by itself make its way into commerce except through PDPs. Very minimal collaboration is currently taking place between universities and industry. Namibia is currently ranked 78. The reason could partly be due to a weak industrial sector and partly due to the challenges faced by the education system. Another factor is a lack of central coordination of research. Collaboration between industry and the universities would increase the capacity for innovation and sophistication in business firms, as well as in the capacity for innovation in universities.

Government procurement of advanced technology products: State procurement of advanced technologies to support new production systems usually acts as a motivational incentive for the private sector and higher education institutions. It will therefore be essential that the Government continues to exercise this function. At the moment, it appears that not sufficient effort is being made to do this as the country ranking stands at 83.

Availability of scientists and engineers: Namibia suffers grossly from a lack of adequate numbers of scientists and engineers which can be addressed if the plans envisaged in ETSIP are implemented and if R&D funding is increased to enable a greater number of junior professionals to receive advanced training and mentorship. The non-availability of scientists and engineers should be addressed as Namibia's ranking currently stands at 122 which is indicative of a very weak capacity. An effective database system will be created where the number of people sent for postgraduate studies or those who graduate in specialised fields is recorded.

Utility patents: A patent is a legal instrument used to protect an individuals' invention. It is the protection that the government authority gives to an applicant the exclusive right to exploit the benefits of his or her invention. In Namibia, applications are received year round and typically processed within nine months from the date of request for registration. The Ministry of Trade and Industry (MTI) has records of patents dating back to the 1970s. Two factors hamper the proper registration and protection of inventions: outdated legislation and the lack of a centralised computerised database, which makes it difficult to access patent information. The Global Competitiveness Report indicates that Namibia's ranking in terms of patents currently stands at 80. Efforts should be made to update the legislation, improve the registration process and ensure that a computerised patent-database is created within the NDP3 period.

According to MTI, 95 percent of all the patent and design applications received are from South Africa and only 5 percent are submitted by local Namibians. However, it should be noted that patents in themselves are of little value in indicating competitiveness. They become a useful measure of development only when they are linked to successful commercialisation of the patented innovation in question.

Intellectual property protection: Namibia's intellectual property protection system is functional although a lot still needs to be done. During NDP3, efforts will be made to strengthen intellectual property protection as well as to make this system pro-poor.

Capacity for innovation and new ideas: Innovation capabilities refer to collaboration (between industry, universities, public and international networks), investments in R&D, and the existence of a highly skilled labour force and a culture of learning. At the moment it appears that while the country may be able to assemble these capabilities together in a relatively short period of time, the know-how to stitch these different pieces together to achieve innovation does not seem to exist. This weakness will be addressed during NDP3 through policy measures and encouraging networking between relevant stakeholders, including strengthening external networks, especially with specialised institutions elsewhere.

7.2.3. NDP3 Goal Indicators, Baselines and Targets

Table 7.1: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
ICT Indicators		
e-Governance Readiness (web measure) Index	0.34	0.55
ICT utilisation index by sub-sector	TBC	TBC
ICT utilisation growth rate by category and sub-sector	TBC	TBC
Expenditure on ICT as a proportion (%) of GDP	TBC	TBC
Internet users index	0.005	0.05
Country ICT ranking	111	Top 55
% of households aware of ICT literacy campaigns	0	80
Electronic service delivery index (by stages)	16.59%	51%
e-participation index	0.00	0.40
e-readiness index	TBC	TBC
No. of people annually trained through the ICT literacy initiative	0	1,000
No. of schools connected to Internet	314 (estimate)	1,000
No. of electronic government services offered online	0	50
Stage of e-security policy and solutions deployed	0	10
No. of people benefiting from Universal Access Fund (UAF)	0	150 rural MPCC
Competitiveness Indicators		
Technological readiness index	66	50
Innovation index	105	70
Research and Development (R&D) Indicators		
Expenditure on R&D as % of GDP	TBC	1%
No. of accepted patents emanating from scientific works	N/A	10
No. of pending patents emanating from R&D	N/A	0
No. of scientific researchers in the knowledge sector by discipline	N/A	10
Access to public-funded research and development laboratory	N/A	0
Citation index for refereed paper per annum	N/A	25
No. of industrial research institutes with science parks and innovation incubators	0	3
Leverage funding ratio	0	20% SMEs and 40% of entreprene urs
Total R&D expenditure spent on private sector & NGOs partnership	0	75% private sector and 25% GRN

N/A – Not available; TBC – To be compiled during implementation of NDP3.

7.2.4. NDP3 Goal Strategies

- Implement policies aimed at encouraging support for R&D and innovations in specific sub-sectors, including policies aimed at local integration of R&D by trans-national corporations;
- Strengthen existing Research Centres and Centres of Excellence;
- Commercialise (such as the National Forensic Science Institute) and ensure sustainable operation of the public sector research (such as the Namibia Pathology Institute);
- Facilitate joint ventures to promote cross-sectoral collaborative research (such as between research institutions, industries and Government);
- Promote the development of content, software and programmes in local languages in partnership with relevant stakeholders;
- Modernise the Public Service; and
- Ensure timely provision of accurate geo-spatial and statistical information.

7.3. Sub-Sectors

7.3.1. Sub-Sector 1: Communications

7.3.1.1. Sub-Sector Description

The role of the communications sub-sector has been recognised by Government as one of the key contributors to economic prosperity in Namibia through enhanced service delivery in the public service. The sub-sector is highly regarded for its potential to provide critical inputs in the functioning of the public service, in ensuring the efficient and effective flow of information in the country, contributing to a pool of qualified ICT experts in the country, and its potential to provide inputs (information hubs at schools) for poverty reduction and information management. Access to information and knowledge play vital roles in providing the means to increase public participation in democracy and economic development. This typically happens through the transmission of data in real time without modifying the form of data. The sub-sector will contribute to the NDP3 goal through the provision of an education audiovisual network consolidation programme, which should allow innovative utilisation of ICT in educational undertakings. It will be complemented by the multi-protocol label switching (MPLS) in the roll out of ICT in the public service. The specific programmes and activities in the communications sub-sector are: (i) to develop affordable and accessible ICT services; (ii) to provide adequate ICT training and awareness; (iii) to improve ICT security; and (iv) implement the five phases of e-Governance.

The main goal of the sub-sector is to improve communications through the innovative use of technology. Thus, the focus is on improving access to affordable ICT, providing adequate ICT training and awareness to all citizens, improving ICT security, and the management of e-Governance activities.

7.3.1.2. Communications Sub-Sector Performance during NDP2

During NDP2, this sub-sector covered the areas such as telecommunications (telephone, TV, the Internet, mobiles, VoIP and satellite), data communications and telecommunications infrastructure. Although ICT infrastructure has penetrated some areas of rural Namibia, the majority of the population remains untouched by this revolution. Nevertheless, according to the International Telecommunications Union (ITU), progress is being made in the overall number of people with access to telecommunication devices. In terms of the adoption of PC usage in Government, there is no accurate data, although a 2001 inventory indicates a figure of 12,000 at that time. At present,

there are 150,000 active work stations, with half of them connected to the Internet. Although no exact data exists on the utilisation of PCs in the public service during NDP2, it is safe to assume that they were mostly used for office applications.

The most recent figures indicate that the number of telephone lines have risen to 65 main lines per 1,000 population. Now, fibre-optic network and mobile telephone coverage is available in many areas of the country, although it is limited to urban centres.

In terms of the strengths of the sub-sector, appropriate technologies already exist in the country to deliver ICT services with a variety of competitive ICT service providers and there is very clear political will and country vision for the sub-sector. However, a number of weaknesses remain: (i) a lack of ICT skills (professionals, literacy); (ii) the absence of a modern regulatory framework; (iii) a lack of enabling ICT policies; (iv) inadequate funding for ICT projects; (v) a lack of local content including in indigenous languages; (vi) a lack of independent access to international broadband; and (vii) a lack of readiness of Government infrastructure for e-Governance. At the same time, a number of opportunities prevail including strong private-public-partnerships (PPPs) and opportunities for international partnerships to provide e-services to all 24 hours a day, seven-days a week (24/7) with an opportunity to provide broadband ICT connectivity to landlocked countries. The threats faced by the sub-sector include the lack of autonomous international bandwidth, ICT security, and electricity generation capacity. Also, the relatively small population spread widely over a large area poses a challenge.

The availability and effectiveness of the communication infrastructure will play a greater role in Namibia's development. During NDP2, attempts were made to introduce e-Governance, but the implementation of this and what precisely e-Governance involves, remains unanswered.

7.3.1.3. Communications Sub-Sector Mission, Goals, Indicators and Targets

Mission Statement: To provide training in and affordable, secure access to ICT, e-Government services and the Internet, both locally and internationally

Goal: Improved communications through innovative use of technology

Table 7.2: Communications Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
% House-holds with access to Internet	0.04	15
Number of schools connected to Internet	560	1,000
Number of CICs/Tele-centres established	CICs: 0 Tele-centres: 36	CICs: 130 Tele-centres: 200
Number of operators	10	20
UAF: Number of beneficiary communities	0	150
Number of PCs sold nation-wide	25,200 p.a.	+50%
Ratio VoIP : conventional telephony	0	25:1
Number of successful ICT bursary holder graduates	15	75
Number of ICT graduates	120	750
Number of registered members of ICT Statutory body	0	500
Number of schools offering ICT as a subject	N/A	1,000
Number of ICT foreign professionals working in Namibia	N/A	100

Number of ICT graduates in mentoring programmes per year	0	50
Number of people being trained by the literacy campaigns	N/A	+150,000
% House-holds aware of the campaign	N/A	80%
State of security policy / solutions deployed	0 / 5	1 / 10
e-Governance Readiness Index	0.34 (111)	0.55 (top 50)
Web Measure Index	0.17	0.45 (top 50)
Infrastructure Index	0.07	0.25 (top 50)
Human Capital Index	0.79	0.91 (top 50)
e-Service Delivery by Rank and Score:	Rank: 133 Score: 15.7	Rank: 45 Score: 58.0
e-Service Delivery by Stages Index: Stage I Stage II Stage III Stage IV Stage V	 75 20 24 0 0	 100 80 55 30 25

N/A – Not available.

7.3.1.4. Communications Sub-Sector Strategies

- Expand awareness of the use and benefit of communications mechanisms;
- Expand radio and TV coverage throughout the country;
- Expand newspaper circulation in rural areas;
- Expand access and affordability of telephones;
- Expand access and affordability of the Internet;
- Reduce import and excise duties on computers, radios, TVs, cell phones, telephones and Internet connections;
- Establish high speed/broadband access networks; and
- Strengthen dissemination of public service information to the people.

7.3.1.5 Communications Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Develop Affordable and Accessible ICT Services	Development	TBC	TBC	TBC	TBC	TBC	**430,000**
	Operating	TBC	TBC	TBC	TBC	TBC	**45,500**
	Total	TBC	TBC	TBC	TBC	TBC	**475,500**
Provide Adequate ICT Training and Awareness	Development	TBC	TBC	TBC	TBC	TBC	**5,000**
	Operating	TBC	TBC	TBC	TBC	TBC	**42,200**
	Total	TBC	TBC	TBC	TBC	TBC	**47,200**
Improve ICT Security	Development	TBC	TBC	TBC	TBC	TBC	**1,000**
	Operating	TBC	TBC	TBC	TBC	TBC	**38,000**
	Total	TBC	TBC	TBC	TBC	TBC	**39,000**

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Implement Five Phases of E-Governance	Development	TBC	TBC	TBC	TBC	TBC	**31,000**
	Operating	TBC	TBC	TBC	TBC	TBC	**56,000**
	Total	TBC	TBC	TBC	TBC	TBC	**87,000**
Communications Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	**467,000**
	Operating	TBC	TBC	TBC	TBC	TBC	**181,700**
	Total	TBC	TBC	TBC	TBC	TBC	**648,700**

TBC – To be compiled during implementation of NDP3.

7.3.2.0. Sub-Sector 2: Technology and Innovation

7. 3.2.1. Sub-Sector Description and Background

Science and technology will play a pivotal role in the transformation of Namibia from a resource-based to a knowledge-based country. The sub-sector will provide an integrated ICT platform for various access modes of knowledge, knowledge co-creation and collaboration in order to build a technology-driven nation. National knowledge dissemination will be enhanced thereby increasing the identification of opportunities and the marketability of especially youth and unemployed citizens. Two programmes in this sub-sector will enable stakeholders to conduct collaborative research and development projects across the region and different partners such as Government, industry and educational institutions will be encouraged to do value addition. New research results, for example on HIV/AIDS, can be easily disseminated to the relevant communities. Local research and indigenous knowledge will be electronically documented for traditional knowledge preservation as well as, where economically viable, commercialisation. The beneficiaries of the sub-sector programmes will be businesses, rural and urban communities, researchers, inventors, innovators, and unemployed youth.

Namibia has a policy framework for research, science and technology that addresses the concerns of a fragmented and inadequately coordinated science and technology system, low innovation capacities, poor networking both within the country and, in a global context, inadequate investments in research, science and technology as well as low numbers of highly skilled technical and scientific human and institutional capabilities. In 2004, the Research Science and Technology Act was passed (Act No.23 of 2004) aimed at the establishment of a national system for research, science and technology management, development and financing. It has been realised that for research, science, technology and innovation (RSTI) to have a greater national impact, the Central Office of Science and Technology should preferably be placed in either the Office of Prime Minister or the Office of the President. The reason is that science and technology is a cross-cutting issue and thus its placement at a higher level will enable coordination of activities and initiatives that are conducted by various Government agencies to be efficient.

7.3.2.2. Technology and Innovation Sub-Sector Performance during NDP2

The NDP2 period witnessed progress in the sub-sector on the development of policy and a legal framework. The National Policy on Research Science and Technology, the Research Science and Technology Act, 2004 (Act No.23 of 2004) and the National Biotechnology Policy and Bio-safety Act, 2006 (Act No.7 of 2006) were completed and remain to be implemented. The main constraint has been the lack of human capacity to put in place the systems required for the goals and targets of the sub-sector to be achieved.

7.3.2.3. Technology and Innovation Sub-Sector Mission, Goals, Indicators and Targets

Mission Statement: To promote, coordinate and develop research, science and technology in Namibia through fostering a culture of partnership and strategic purpose among S&T training, research and innovation institutions; and to facilitate the development of Namibians through the provision of up-to-date technical advice, business support and S&T outreach services and maintenance of a critical mass of technical competencies in the country with the skills and know-how needed by the society for efficient management of the country's S&T resources and assets.

Sub-Sector Goal 1: Enabling environment for research, science, technology and innovation (RSTI) created.

Table 7.6: Technology and Innovation Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators	Baselines	Targets
No. of policies adopted	2	4
No. of links established with knowledge generating institutions/individuals	TBC	TBC
No. of specialists per scientific discipline	TBC	TBC
No. of R&D scientists per 1,000 inhabitants	0	1
GERD as % GDP	TBC	TBC
No. of research clusters	TBC	TBC
No. of industry specific Programmes	TBC	TBC
Percentage of women in science technology and innovation	TBC	TBC
Percentage of people with disability in science and technology	TBC	TBC

Sub-Sector Goal 2: Increased production and application of scientific knowledge and technology.

Table 7.7: Technology and Innovation Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	Baselines	Targets
No. of new products	TBC	TBC
No. of new processes	TBC	TBC
No. of technologies used	TBC	TBC

Sub-Sector Goal 3: Increased level of value added research.

Table 7.8: Technology and Innovation Sub-Sector Goal 3 Indicators, Baselines and Targets

Indicators	Baselines	Targets
Number of patents registered	73	100
No. of companies using innovative technology	TBC	TBC
% of GDP spent on R&D	0	1

TBC – To be compiled during implementation of NDP3.

7.3.2.4. Technology and Innovation Sub-Sector Strategies

- Increase investment in R&D;
- Strengthen effective coordination of the National Research Science Technology and Innovation System;
- Increase Government investment in R&D;
- Acquire appropriate technologies;
- Promote new technologies;
- Formulate and implement policies;
- Develop a Knowledge Management System;
- Develop RSTI Management and funding systems;
- Enhance human and institutional capacities;
- Develop more industry responsive curricula in institution of higher education;
- Promote and motivate the participation of women in science technology and innovation;
- Promote and motivate the full participation of people with disabilities in the research science technology and innovation sub-sector;
- Develop human resources in strategic areas (including veterinary services) of interest by 2010; and
- Create and promote awareness of science and technology among local and regional communities, educational institutions and other stakeholders.

7.3.2.5. Technology and Innovation Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Creation and Management of National Commission on Research, Science, Technology and Innovation (RSTI)	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	**40,750**
Nation-wide demand and diffusion of economically viable knowledge for RSTI	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	**14,705**
Technology and Innovation Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	**55,455**

TBC – To be compiled during implementation of NDP3.

7.3.3. Sub-Sector 3: Information and Media

7.3.3.1. Sub-Sector Description and Background

The main objective of the 1991 Information Policy was to ensure that the media were free and able to fulfil their traditional roles of public enlightenment, education and entertainment against the background of the universally accepted ethical principles of professionalism, fairness, accountability and objectivity. The policy also addressed the role of the private, public and community media in nation-building and development and in diminishing the socio-economic disparities among various sections of the population. It made provision for the establishment of public bodies, namely the Namibia Broadcasting Corporation (NBC), the Namibia Press Agency (NAMPA) and the New Era Publications Corporation, while also addressing film development, regulating the telecommunication and broadcasting sub-sectors and issues pertaining to intellectual property rights. The policy is being reviewed and will be revised to better serve the current and emerging needs and priorities.

Namibia is a signatory to the SADC Protocol on Culture, Information and Sport, which seeks to promote regional cooperation by removing barriers to the gathering and dissemination of information. Namibia also signed the 1991 UNESCO-sponsored Windhoek Declaration that promotes independent and pluralistic media in Africa. In addition, Namibia has embraced the African Broadcasting Charter. It also subscribes to the National Information and Communication Infrastructure initiative of the UN Economic Commission for Africa (ECA) which seeks to transform African nations into information societies by 2010.

Government's policies on transparency and accountability, the Public Service Charter and the recommendations of the 1998 Conference on the Promotion of Ethics and Combating of Corruption acknowledge people's right to information. It is recognised that the open flow of information is critical for the development of a society that is creative, innovative and entrepreneurial, and which can produce the wealth necessary to support an enriched social and cultural agenda for development. It seeks to promote the development of and access to scientific, technological and business information as well as facilitating the means of promoting entrepreneurship in the media and information sub-sector.

7.3.3.2 Information and Media Sub-Sector Performance during NDP2

Access to the media and information for all: In general, citizens' access to the media and information in Namibia can be best described as progressive. During NDP2, access to the media has been limited to urban areas and some prosperous regions. During NDP2, radio remained the most widely accessed tool. Also, access to the telephone, TV and newspapers increased, but remains high predominantly in urban centres. The Namibian Broadcasting Corporation, with its ten radio stations (in ten different languages) and one television channel, has made great efforts to correct this imbalance. The latest extension was the introduction of a radio service in the San language based at Tsumkwe in the Otjozondjupa Region. The challenge is to extend this service to other areas such as the Omaheke, Caprivi and Kavango Regions, where strong San communities are found.

The national and international importance of the public-owned media and its role in facilitating investment, economic growth, peace and stability should not be underestimated. The Namibia Press Agency (NAMPA) plays an important role in the socio-economic development through extensive reporting on business and investment opportunities in the country. Through its news exchange with international agencies, it upholds and protects the interest and image of the country through balanced and positive reporting on events in the country.

Improved understanding of Government activities, policies and programmes: The Ministry of Information and Communications Technology needs to have an operational headquarters where its entire staff can be accommodated. This would be a national information centre with a toll-free call-in service for up-to-date information on all Government policies and services. Here, the national and international media and the general public would be able to access up-to-date information, publications, videos and other materials. This Information Centre will serve as a clearing house for the Government information material and a central distribution centre to ensure all Regions receive national information material on a regular basis. To increase its outreach, the Ministry would establish one mobile communication unit in every Region for the production and showing of videos on a regular basis, and the regular distribution of Government material. This will mean more regular communication with all constituencies, especially on topical campaigns, such as on HIV/AIDS, and vandalism. This will increase the production of local content and improve the knowledge of people in different parts of the country through an exchange of material.

Access to information, education and communication material: Many social issues need to be addressed through special mass campaigns, to make people more aware of the factors underlying social problems, such as HIV/AIDS and violence that have a negative effect on development. Government has launched several multi-sectoral communications programmes, the most visible of which was the Take Control Media Campaign on HIV/AIDS prevention and care. Another campaign that ended in 2004, but for which there is an urgent need to be rekindled, is the Multimedia Campaign on Violence against Women and Children. This campaign could not be taken forward due to the lack of human resources in the Ministry of Information and Broadcasting and the need to strengthen the campaign on HIV/AIDS. However, issues of respect and caring were also addressed under the Take Control Campaign. The outbreak of polio and cholera in 2005/06 indicates a need to strengthen prevention campaigns on hygiene and sanitation.

In the area of HIV/AIDS prevention, capacity building efforts have been intensified for prevention programmes. In 2004, the Ministry of Information and Broadcasting, through its audiovisual outreach programme through ten regional offices and library services, reached about 500,000 people. In 2005, more than 252 radio and TV shows, mainly advertisements for socially marketed condoms (SMA and National Social Marketing programme or NASOMA) and on prevention, testing and care under the theme *Be Your Own Hero* were aired. As a result, knowledge of HIV/AIDS has increased. Unfortunately, the sero-surveillance results of 2006, as well as KAP surveys indicate no significant impact on behavioural change.

Media sub-sector to benefit Namibia: Namibia is fortunate to have dynamic private participation in the print media including newspapers, magazines, and books. Private organisations and individuals are allowed to own and operate the electronic media, radio, television, and video and film industries, which is managed and monitored through licensing by the Namibia Communications Commission. The private press in the last decade has grown tremendously. Although there are less newspaper titles than at Independence, access to the media and the variety of the media has grown greatly in the last five years. The impact of the media is clearly expressed in the reader's letters pages of the newspapers and on the radio and television talk shows, where people refer to articles in the newspapers on a regular basis. The media practitioners, whether against or for the issue under fire, pursue their agenda with missionary zeal and passion. This form of "crusading" journalism has resulted in shaping the political process in Namibia.

The most significant achievement is that the private media not only survived, but the broadcasting sub-sector has grown tremendously. This period marked the birth of private broadcasting, which has widened the horizon of freedom of expression from print to the electronic media, and the opening of the telecommunication sector to competition. With the convergence of the information and telecommunications sub-sectors, the communication and information landscape has changed,

bringing new opportunities and challenges. The ten private broadcasting stations have widened debate and dialogue on major issues and have heightened competition between themselves and the print media. The result is that Namibians today have a pluralistic news and media menu to choose from.

7.3.3.3. Information and Media Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To facilitate the free flow of information, to ensure that Namibia is an informed and knowledgeable society by 2010.

Goal: Empower the nation through information and the media to participate in the development of Namibia.

Table 7.9: Information and Media Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Percent of people with access to media and GRN information materials	50	70
Percent of people with access to media by type21		
Radio	94	98
TV	64	
Print media (dailies)	18	
Print media (occasional)	64	
Outreach of GRN publications and videos		
Info Bulletin (monthly)	N/A	11
Namibia Review	2	11
Percent of population understanding GRN policies and programmes	40	50
Extension and use of multipurpose media centres (MPCCs)	7	14
No. of foreign films produced per year	3	5
No. of local films produced	TBC	TBC
Percent of media material digitised	None	50

N/A – Not available; TBC – To be compiled during implementation of NDP3.

7.3.3.4. Information and Media Sub-Sector Strategies

- Expansion of radio and TV network;
- Support the establishment and maintenance of multipurpose community media centres (MPCCs);
- Review information policies and create a legislative framework;
- Strengthen coordination and implementation of campaigns on social issues;
- Promote Namibia as an international film location; and
- Strengthen the local film industry.

21 New baselines are expected from the 2007 Survey of the Ministry of Information and Broadcasting.

7.3.3.5. Information and Media Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Media Development	Development	1,650	1,650	1,650	2,650	2,650	**10,250**
	Operating	108,184	121,290	114,398	132,000	130,050	**605,922**
	Total	109,834	122,940	116,048	134,650	132,700	**616,172**
Information and Media Sub-Sector Total	**Development**	**1,650**	**1,650**	**1,650**	**2,650**	**2,650**	**10,250**
	Operating	**108,184**	**121,290**	**114,398**	**132,000**	**130,050**	**605,922**
	Total	**109,834**	**122,940**	**116,048**	**134,650**	**132,700**	**616,172**

7.3.4. Sub-Sector 4: Geo-Spatial Information and Statistics

7.3.4.1. Sub-Sector Description and Background

This sub-sector is composed of two broad inter-related areas: Geo-spatial Information and Official Statistics, with the production and management of information common to both. Spatial data provides an anchor for the statistical data by providing unambiguously the location for which the statistical data relates. In particular, the output of the National Spatial Data Infrastructure (NSDI) directly feeds into official statistics. The spatial data, statistical data and other attributes information provide the bedrock for an e-government information database. The spatial data produced by the Directorate of Survey and Mapping (MoLR) provides the base maps used by the CBS in producing other specialized maps depicting demographic and other socio-economic information.

The cooperation and coordination of these two complex areas should be incorporated in the respective enabling laws, on the basis of which relevant policies and regulations can be further developed and enhanced. Therefore, as the process to review the Statistics Legislation gathers momentum, it is important that the links between statistics and NSDI are strengthened. The legislation should be expanded to accommodate provisions that will promote efficient and effective implementation of official statistics and NSDI. The coordination and centralisation to be provided within this sub-sector through complementary efforts will result in significant cost saving for the Government.

The National Spatial Data Infrastructure (NSDI) is generally understood to be a framework for continuously facilitating the efficient and effective generation, dissemination, and use of needed spatial information within a community or between communities. The spatial data technology enhances the provision of rich sources of spatial data – maps, technical installations (such as sanitation, road and communication infrastructure), human indicators (health service coverage, socio-economic and demographic data, housing, schools and hospitals) or natural resources (vegetation, water, and other environmental data). The same spatial data used to improve planning can also be used to save lives threatened by floods. Information stored in government online maps and address inventories might be maintained rigorously for emergency response purposes, but that same data might be used for municipality mailing systems or voter registration.

The Spatial Data Infrastructure (SDI) consists of people, data, access network, policies and standards. The focus here is on data and access network. The development of any SDI rests on the

existence of fundamental data sets, the provision of which is the mandate of the Directorate of Survey and Mapping. These form the foundation upon which the infrastructure is developed. Prominent among these fundamental datasets are: (i) geodetic control network, (ii) digital terrain models (height), (iii) topographic maps, (iv) geographic names, (v) administrative boundaries, (vi) hydrography, (vii) cadastral data, and (viii) land use cover. Based on these fundamental datasets, users can build their own specific applications regarding, for example, geo-demography, forestry, resource management, property management, environmental preservation, geology, health management, disaster management, navigation and industrial development. In order for these subsequent applications to be reliable, efficient, economical and effective, the fundamental datasets need to be complete, up-to-date and in a digital format that will enhance access and enable the incorporation of the information about the data, commonly referred to as metadata.

The current international trend is to improve access to available spatial data, promote its use and reuse, and ensure that additional investment in spatial information collection and management results in an ever-growing, readily available and useable pool of spatial information. To this end, there has been significant evolution in the approaches taken to implement and support frameworks for spatial data use and access, especially applications utilising the benefits of product-based approaches, and those emphasising the communication process (process-based). These approaches would form the bedrock of the strategies to be used for the NSDI during NDP3. Namibia has complete national coverage of the topographic map series at the scales of 1:50,000 and 1:250,000, the revision of which has progressed significantly during NDP2. The development of the NSDI will build on this progress.

Official Statistics is in essence a socio-economic performance audit service. It plays a crucial role in the monitoring and evaluation of development plans and programmes. For this to be achieved, it is of utmost importance that the right information is collected and that appropriate data collection tools are used. Some major statistical undertakings to be pursued during NDP3 through the implementation of the Third National Statistical Plan (NSP3) include the GIS and databases development, NHIES 2008/2009 and the Population and Housing Census 2011.

7.3.4.2. Geo-Spatial Information and Statistics Sub-Sector Performance during NDP 2

Geo-Spatial information production through survey and mapping: The programme consists of eight projects: Digital topographic map updating 1:50,000; Digital topographic map updating 1:250,000; Namibia Land Information System; Survey of new townships and state lands; Nationwide Integrated Geodesy, Delimitation of Namibia Continental Shelf; Flexible Land Tenure; and Namibia/Botswana Boundary Demarcation. It focused on completing the digital revision of 1:250,000 and 1:50,000 topographic maps. It also focused on developing new products, maintaining a revision cycle, developing a cartographic database, creating capacity to provide data in most common formats, and improving access to survey and mapping information to all stakeholders and end users in regions through the Internet and brochures. The primary beneficiaries are Government ministries and agencies, the public and private sectors and individuals who may need survey and mapping related information.

The NDP2 targets and achievements are summarised in Table 7.5.

Table 7.10: Geo-Spatial Information Targets and Achievements during NDP2

Targets	Achievements
Complete conversion (i.e. digitisation and vectorisation) of hardcopies of 1:250.000 topographic maps by 2003	100% complete by 2006

Targets	Achievements
Complete conversion of hard copies of 1:50,000 for selected features by 2005	Digital copies of topographic maps of Oshana, Omusati, Ohangwena, Oshikoto, Kavango, Caprivi and parts of Karas, with 50% in regional spread and about 33% in area spread completed.
Revision of 1:250,000 topographic maps by 2004	100% by 2006
70% completion of the revision of the 1:50,000 topographic maps for selected areas by 2005	60% of the selected areas have been completed, representing about 50% in regional spread and about 33% in area spread
Existence of a digital metadata by 2002	Digital metadata exists for the revised maps
Establishment of a cartographic database by 2002	Cartographic database exists for all revised maps by 2006
Capacity to provide data in most common formats by 2001	The DSM can provide spatial data in most common formats
Availability of data over internet by 2003.	0%
Availability of data at all regions by 2003	Only two regions, Oshana and Kavango, are covered so far
Qualitative information on all data provided by the DSM by 2002	Qualitative information on all data provided by the DSM
Brochure of prices with price differentiation by 2001	Brochure of prices exists, but without price differentiation
Training manual by 2002	Training manual exists for data capture and cartographic editing

The development of **official statistics** in Namibia is regulated by an Act of Parliament and guided by National Statistical Plans. Implementation of the second National Statistical Plan (NSP2) has overlapped to a great extent with the implementation of NDP2. Considerable progress has been made in the implementation of NSP2 and a multitude of NDP2 indicators were indeed monitored through various major statistical undertakings, including the 2001 Census, NHIES 2003/04, other surveys, and the periodic production of statistics on various subject matter areas. The last include: the National Accounts produced quarterly and bi-annually; the extension of the Consumer Price Index (CPI) to enable the collection of price data using a nation-wide representative sample; and the production and dissemination of monthly trade statistics. At the same time, the master sample was maintained and technical services were rendered by CBS to the various producers of official statistics.

The statistics produced were disseminated extensively and the design of more effective statistical dissemination tools has been started and will be consolidated during implementation of the NSP3. The NSP2 had envisaged the transformation of the National Statistical Service (NSS) and the restructuring of the CBS into a fully autonomous state agency. Cabinet approval in principle has been granted and it is foreseen that NSP3 will ultimately witness the realisation of these targets.

7.3.4.3. Geo-Spatial Information and Statistics Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To ensure the efficient production and accessibility of high quality geo-spatial and statistical information for evidence-based planning and decision-making.

Goal 1: Improved production and accessibility of geo-spatial information and statistics for results-based management.

Table 7.11: Geo-Spatial Information and Statistics Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators	Baselines	Targets
% area covered with Digital images of 1 m resolution	0	100 (2011)
% area covered with fundamental data sets that fall within the mandate of the DSM, which could be used with 90% confidence	0	50 (2012)

7.3.4.4.1. Geo-Spatial Information and Statistics Sub-Sector Goal 1 Strategies

- Strengthen national spatial data infrastructure coordination;
- Increase data sharing among data producers and users; and
- Harmonise statistical and geo-spatial standards and methods in data processes and dissemination.

Goal 2: Fundamental datasets suitable for developing a national spatial data infrastructure developed and maintained.

Table 7.12: Geo-Spatial Information and Statistics Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	Baselines	Targets
2011 Population and Housing Census executed	2001 Population and Housing Census	2011Census enumeration and post enumeration survey completed (2011)
NHIES 2008/09 executed	2003/04 NHIES	Fieldwork completed (2009) Report (2012)
Integrated databases in place	No baseline	Integrated databases developed (2012)
Web GIS in place and functional	No baseline	Web GIS developed and updated (2009)
NamInfo web in place and functional	No baseline	NamInfo developed and updated (2009)
CBS restructured		CBS Restructured (2009)
Statistical legislation reviewed	Statistics Act No. 66 of 1976 as amended	Statistical Act reviewed and in place by 2010

7.3.4.4.2. Geo-Spatial Information and Statistics Sub-Sector Goal 2 Strategies

- Increase data sharing among data producers and users;
- Harmonise statistical and geo-spatial standards and methods in data processes and dissemination;
- Review statistical legislation;
- Restructure CBS;
- Strengthen effective NSS coordination; and
- Recruit and develop staff.

7.3.4.5. Geo-Spatial Information and Statistics Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
National Spatial Data Infrastructure (NSDI) and Establishment of Fundamental Datasets	Development	8,350	8,160	8,160	8,160	6,930	39,760
	Operating	1,450	1,164	1,280	1,408	1,020	6,322
	Total	9,800	9,324	9,440	9,568	7,950	46,082
Statistics Production and Integrated Information Management	Development	12,518	21,153	25,746	13,135	94,250	166,802
	Operating	604	2,554	2,554	2,954	2,954	11,620
	Total	13,122	23,707	28,300	16,089	97,204	178,422
Geo-Spatial Information and Statistics Sub-Sector Total	**Development**	**12,518**	**21,153**	**25,746**	**13,135**	**94,250**	**166,802**
	Operating	**604**	**2,554**	**2,554**	**2,954**	**2,954**	**11,620**
	Total	**13,122**	**23,707**	**28,300**	**16,089**	**97,204**	**178,422**

7.3.5. Sub-Sector 5: Public Sector Management

7.3.5.1. Sub-Sector Description and Background

Public sector management is an integral part of good governance. It is the critical element which ensures that innovative services and products are delivered to the satisfaction of the users of public services according to the needs of society. It is the enabling factor for the realisation of the aims and objectives of the public sector. Public Service Management is regulated through the Public Service Act, 1995 (Act No.13 of 1995) and the Public Service Commission Act, 1990 (Act No.2 of 1990). The Acts provide for two main role players, namely the Prime Minister, as the manager of the public service, and the Public Service Commission, as an independent and objective arbiter, with powers to recommend and advise.

Article 129 of the Constitution established the National Planning Commission (NPC), with its Secretariat (NPCS) in the Office of the President with the task to plan and coordinate national development. The tasks of the NPC, its Director-General and the NPCS are set out in the National Planning Commission Act, 1994 (Act No.15 of 1994).

7.3.5.2. Public Sector Management Sub-Sector Performance during NDP2

The NDP2 targets under Public Sector Management were:

- All areas and functions within Offices, Ministries and Agencies (O/M/As) to be developed into individual charters by 2005;
- All non-core areas and functions in all O/M/As to complete the Performance Management Programme (schedules) by 2005, with objectives, targets, management information and measurable outputs to be consistent with those of NDP2;
- The National Planning Commission Secretariat was to continue playing an important role in monitoring the implementation of the Plan; and
- The Mid-Term Review of NDP2 was to be undertaken in 2003 and the Terminal Review at the end of NDP2 to establish the physical and the non-physical achievements of the Plan.

The PMS was initiated in the Public Service in 2005 to provide a systematic approach, among others, to:

- Articulate a shared understanding of organisation objectives, priorities, and values;
- Cascade, integrate, circulate and share the purpose and objectives of the O/M/As in terms of unit (team) objectives and individual results;
- Manage and enhance individual and unit (team) performance to achieve organisational objectives;
- Assess, verify and manage organisational performance at various levels;
- Create a performance oriented culture that values achievement, sustains motivation and supports calculated risk taking, rather than that seeks blame and find fault;
- Achieve results by planning, developing, monitoring and assessing staff performance; and
- Attract and retain skilled staff.

The mid-term review of NDP2 was conducted in 2003/04 and focused on the progress made in achieving the set objectives. Where necessary, the review reconsidered and modified strategies and targets based on two years' experience and on the changes in internal and external factors. The NDP2 terminal review was conducted in 2006 including a special study on macroeconomic performance. The results of the reviews are presented in part I of this document.

At operational level, the review of implementation of the NDP2 indicated that there was poor coordination between the Line Ministries, the Regional Councils and local Authorities. Many of the final review submissions by the O/M/As and Regional Councils referred to the relatively weak institutional framework and the generally low human resource capacity in the Government. This manifests itself in terms of too few qualified staff to spearhead successful implementation to produce high quality results. Furthermore, the major contributing factors to staff shortages are the loss of trained personnel through high staff turnover and the impact of HIV/AIDS. The overall problem is exacerbated by poorly integrated programmes, which strained the existing staff capacities.

Furthermore, the NDP2 review identified the urgent need for the national monitoring and evaluation system to be integrated and improved, in order to provide up-to-date and complete information for planning and decision making on the efficiency and effectiveness of implementation of the national, sub-sectoral and regional programmes. This implies structural adjustment of the NPCS, the O/M/As and the Regional Councils to include monitoring, reporting and evaluation units as well as planning units where they do not exist. With these capacities the NPCS will be able to establish a repository of performance data on development programmes and activities and systematically monitor, report and evaluate the results.

The National Long Term Perspective Plan, Vision 2030, was finalized during the NDP2 (2004) and provides context to the short and medium term plans. As a matter of fact, in accordance with Vision 2030 new ways of thinking and working, an Integrated Results-Based Management (IRBM) approach to ensure integrated planning, implementation, monitoring, and evaluation processes has been adopted during the NDP2, and employed during the formulation of the NDP3. This approach will be further consolidated under this Sub-Sector.

7.3.5.3. Public Sector Management Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To improve the performance and integrated planning by the public sector, with the aim of optimising service delivery

Sub-Sector Goal 1: Performance and service delivery of all O/M/As and Regional Councils (RCs) improved to meet national targets and a performance and service delivery culture across all government institutions entrenched.

Table 7.13: Public Sector Management Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators	Baselines	Targets
PMS rolled out in O/M/As & RCs	PMS currently initiated in the majority of O/M/As and the 1st milestone achieved in five O/M/As	PMS fully rolled out in 50% of the 27 O/M/As and 75% of the 13 RCs

7.3.5.4.1. Public Sector Management Sub-Sector Goal 1 Strategies

- Raise awareness and provide training and technical support to implement the PMS; and
- Establish a performance culture across the public service.

Sub-Sector Goal 2: An integrated planning system that is responsive to the developmental needs at central and regional levels and provides timely information for decision-making established.

Table 7.14: Public Sector Management Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	Baselines	Targets
Integrated Planning Manual	Planning Manual of 1995	Integrated Planning Manual produced in 2008
Integrated Monitoring, Reporting and Evaluation System	No Integrated Monitoring, Reporting and Evaluation System in existence	• Integrated Monitoring, Reporting and Evaluation System functional by 2010/11 • NDP3 annual review reports starting in 2008/09; mid-term review in 2009/10; and final review report in 2011/12

7.3.5.4. Public Sector Management Sub-Sector Goal 2 Strategies

- Develop capacity of national and regional planners in integrated planning;
- Promote participatory development planning; and
- Ensure that planning and decision-making are evidence-based.

7.3.5.5. Public Sector Management Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
A Performance Management System (PMS) for the Public Service of Namibia	Development	14,432	24,251	25,797	76,623	0	141,103
	Operating	0	0	0	0	0	0
	Total	14,432	24,251	25,797	76,623	0	141,103
Consolidation of an Integrated Results Based Planning, Implementation, Monitoring and Evaluation System	Development	400	8,000	12,135	9,280	7,780	37,595
	Operating	325	650	650	650	650	2,925
	Total	725	8,650	12,785	9,930	8,430	40,520
Public Sector Management Sub-Sector Total	**Development**	**14,832**	**32,251**	**37,932**	**85,903**	**7,780**	**178,698**
	Operating	**325**	**650**	**650**	**650**	**650**	**2,925**
	Total	**15,157**	**32,901**	**38,582**	**86,553**	**8,430**	**181,623**

Chapter 8: QUALITY OF LIFE

8.1.1. Thematic Area Background and Description

The Key Result Area on Quality of Life is derived from the Vision 2030 Objective that aims to ensure a healthy, food-secure and breastfeeding nation, in which all preventable, infectious and parasitic diseases are under secure control and in which people enjoy a high standard of living, with access to quality education, health and other vital services, in an atmosphere of sustainable population growth and development. The associated Sub-Visions under this objective are:

- *Population Size and Growth:* A healthy and food-secure nation in which all preventable, infectious and parasitic diseases are under secure control; and people enjoy a high standard of living and good quality life with access to quality education, health and other vital services; thus, leading to long life expectancy and sustainable population growth;
- *Healthy Living for Longevity:* Namibia is free of diseases of poverty and inequality; and the majority of Namibians are living healthy lifestyles, provided with safe drinking water and a comprehensive preventive and curative health service, to which all have equal access;
- *Promoting Healthy Human Environment:* All the people of Namibia have equitable access to high quality and affordable health care services; with a strong health infrastructure that is equitably distributed and being supported by adequate human, material and financial resources;
- *Poverty and Inequality:* Poverty is reduced to the minimum, with the existing pattern of income distribution equitable and disparity reduced to a minimum;
- *Migration, Urbanisation and Population Distribution:* There is free movement of the population within the country and population distribution is maturely adjusted to the location of resources for livelihood; with Namibia becoming a highly urbanised country with about 75 percent of the population living in proclaimed urban centres; while the predominance of Windhoek has been considerably reduced as a result of growth of other urban centres throughout the country; and
- *The Urban Environment:* Despite high growth rates, Namibia's urban areas will provide equitable access to safety, shelter, essential services and innovative employment opportunities within an efficiently managed, clean and aesthetically pleasing environment.

Health is both a resource for and an outcome of sustainable development. The health of a population cannot be maintained without a responsive health system and a healthy environment. The Government of the Republic of Namibia put in place an integrated National Health Service that would meet the needs of all Namibians and committed itself to achieving health for all Namibians, by making health care accessible, affordable and equitable. This has meant the re-orientation of the health system towards preventative care for the majority of the population, and an increasingly decentralised approach to the implementation of health services.

Communicable diseases constitute the largest share of disease burden, with relatively high incidence of HIV/AIDS, tuberculosis and malaria. AIDS became the leading cause of death in Namibia in the late 1990s, with a lot of variation in HIV prevalence rates by gender and by Region. More women seem to be infected than men. The 2006 Sentinel Survey shows that among pregnant women, HIV prevalence stands at 19.9 percent which is a major cause for concern. Many factors seem to contribute to the high HIV prevalence rate. They include poverty, gender inequality, gender-based violence, high sexually transmitted infection (STI) burdens, migration and lack of education. HIV/AIDS treatment costs imply that the epidemic may be drawing resources away from other health services, including primary health care. Many of the people succumbing to AIDS related deaths are young to middle aged adults who are very productive. Their deaths have devastating consequences for their families, communities and economies. HIV/AIDS is creating thousands of orphans and vulnerable children. It is also contributing to the spread of tuberculosis and other diseases. It has adversely affected life expectancy.

Evidently, HIV/AIDS is reversing development gains and Namibia cannot hope to achieve economic growth and development without scaled-up and comprehensive efforts to deal with the HIV/AIDS pandemic across all sub-sectors. In this context, the prevention of new infections and treatment of people living with HIV/AIDS (PLWHAs) must be the top national priority followed by treatment of those who have AIDS as well as basic care for those infected or affected, especially orphans and vulnerable children who need food, clothing, shelter, education and nurturing.

Namibia with a TB case notification of 735 is recorded as the country with the second highest notification rate (number of TB patients per 100,000 population) in the world after Swaziland. The most affected groups are those between the ages of 25 and 34 years. Not coincidentally, this is also the age group most affected by HIV/AIDS.

Malaria is a major public health problem in Namibia and is the leading cause of illness and death among under-five children and the third leading cause among adults. Approximately 67 percent of Namibians live in malaria endemic areas. Nine out of the 13 administrative Regions and 22 of the 34 health districts in the north-western, central and north-eastern part of the country are endemic for malaria. Annually, an average of 400,000 outpatient, 30,000 inpatient cases and 1,000 deaths are reported nationwide due to malaria. The incidence of the disease varies from Region to Region, with an average of 242 per 1,000 population for the whole country in the year 2003. This dropped to 140 per 1,000 population in the year 2006. Pneumonia is also one of most common cause of death of those presenting at health facilities in Namibia responsible for 11 percent of all deaths. Among childhood diseases, diarrhoea and gastro enteritis and acute respiratory infections are major health problems for under-fives.

Just over three-quarters of all households in Namibia have access to safe drinking water. This is almost 100 percent for urban households and two-thirds for rural households. Coverage is highest in the Erongo and Karas Regions, followed by Hardap and Khomas, all of which have substantial urban populations. Coverage is lowest in Kavango Region at only 52 percent, followed by three of the four North Central Regions. While the rapid expansion of safe water supplies has certainly been a contributory factor in improving the health status of the population (and probably features importantly in reducing infant and under-5 mortality rates, as there is strong correlation between levels of service coverage by region and levels of diarrhoea diseases), it is likely that many households still consume unsafe water due to contamination introduced at the point of collection, during transit, or in storage at home.

Poverty: In 2003/04, about 28 percent of households were classified to be in relative poverty while 4 percent were in extreme poverty with the latter common in rural areas and in the Northern Regions (which are also predominantly rural). Efforts should therefore be intensified to eliminate extreme poverty. While Namibia may be food secure at the national level, the situation is far from satisfactory at the household level. Many rural households are vulnerable to chronic or acute food insecurity due to low agricultural production, recurrent drought, low incomes and limited off-farm employment opportunities. Food insecurity and malnourishment are not only problems that confront rural households but also affect poverty stricken urban dwellers. Household food insecurity is evident in the fact that under-nutrition remains widespread among children under five years of age.

8.1.2. Thematic Area Performance during NDP2

Quality healthcare: According to the data from the Health Information System (HIS), there was a reduction in malaria morbidity from 238 per 1,000 population in 2000 to 140 per 1,000 population in 2006. TB treatment success rate improved from 58 percent in 1996 to 69 percent in 2002. The TB programme posted a treatment success rate of 75 percent for new smear positive PTB cases starting on treatment in 2005 compared to 70 percent in 2004 cohort.

HIV/AIDS: Exposure to HIV/AIDS is mainly through heterosexual contact and its prevalence has continued to rise. It peaked at 22.3 percent in 2002. The national prevalence rate showed a small but not yet significant decline to 19.7 percent in 2004 and a slight increase to 19.9 percent in 2006,according to the 2006 Sentinel Survey. The major concern is that the current infection rate of 19.9 percent is still too high. The number of children (OVC) infected and affected by HIV is estimated to be 126,000 in 2005/06. About 40,685 social welfare grants covering 32 percent of the HIV-related OVC were issued in 2005/06.

There has been a successful rollout of anti-retroviral treatment (ART) to all 36 hospitals countrywide, targeting the people living with HIV/AIDS (PLWHAs) eligible for support as assessed through the MoHSS. In 2005/06, the number of people in the public and private sector that received ART was estimated to be 58,775 and it is projected to increase to 140,399 by 2012.

The UN Common Country Assessment (CCA) revealed that the proportion of the population with sustainable access to **safe water source** in urban areas was almost 100 percent while that in rural areas improved from 45 percent in 1992 to 80 percent by 2003. The proportion of people with access to **improved sanitation** in rural areas improved from 15 percent in 1992 to 21 percent in 2003. Only one in five rural households has access to safe sanitary means of human waste disposal, compared to 85 percent in urban areas. Data on the incidence of diseases due to poor sanitation and water-borne diseases in urban and rural areas are not available but recently Namibia has recorded incidences of diseases such as cholera, which could be related to poor sanitation. There have been considerable improvements recorded with regard to immunisation, with the national immunisation coverage in 2005/06 at 94.9 percent for BCG, 85.5 percent for OPV3, 85.5 percent for DPT3, and 75.1 percent for measles. The causes of preventable diseases that especially affect children relate to lack of education and poverty of parents, distances to health facilities, environmental factors and the HIV/AIDS epidemic.

Eradication of extreme poverty and hunger: Namibia has been using the food consumption ratio to measure poverty in terms of share of expenditure on food in total expenditure. According to the results of the National Household Income and Expenditure Surveys (NHIES) conducted in 1993/94 and 2003/04, the relative poverty (defined as the proportion of households spending more than 60 percent of their total expenditure on food) declined from 38 percent in 1993/94 to 28 percent in 2003/04 while severe poverty (defined as those households spending more than 80 percent of their total expenditure on food) had declined by more than half from 9 percent in 1993/94 to 4 percent in 2003/04. The root causes of persistently high levels of income poverty are slow economic growth, dependence on subsistence farming, high levels of income inequality, pervasive gender inequality, incapacity and death due to HIV/AIDS and other diseases, lack of access to and quality of education, and widespread environmental degradation.

8.1.3. Thematic Area Strategies

- Ensure commitment to total quality management with continued emphasis on primary health, increasing training of health professionals and improving the distribution of health facilities to ensure service provision in all areas;
- Prioritise improved access to health care and health facilities in previously under-served regions and target more resources towards the poor in urban areas;
- Upgrade and improve the Health Information System (HIS) data collection, management and dissemination;
- Protect the rights of PLWHA, women, OVC and other vulnerable populations;

- Mainstream HIV/AIDS in sub-sectors so that programmes incorporate HIV/AIDS relevant actions in their regular functions and annual institutional budgets;
- Scale-up support to PLWHA including provision of anti-retroviral drugs;
- Strengthen reproductive health and family planning programmes to ensure that women gain more control over their reproductive health;
- Ensure integration of population factors into development;
- Strengthen and diversify the agricultural base on which poor and rural communities rely through measures that improve agricultural production, thereby ensuring food security;
- Ensure that the rural poor are able to broaden their income base by participating in non-farm activities;
- Strengthen and sustain Namibia's safety nets for the protection of the temporarily and chronically vulnerable, including those affected by HIV/AIDS;
- Enforce wage, quality guidelines and standards; and
- Establish an integrated sanitation programme at national, regional and local levels, with clear shared or delegated responsibilities amongst Government agencies, civic organisations and the private sector.

8.2.1. NDP3 Goal: Affordable and Quality Health Care

8.2.1.1. NDP3 Goal Description and Background

Health is a basic need that is crucial to the achievement of Vision 2030. Improving life expectancy from the recent 49 years to the previous 61 years and higher can only happen if quality health and social care services are provided to citizens. Lack of basic health care facilities and services may lead to inefficiency in production, declining productivity and an increased infant mortality rate that translate into reduced life expectancy. Access to quality healthcare is an important component of the overall health system, and improved access facilitates overall development and enhances the quality of life.

More health care facilities have been constructed during NDP2. However, high transport costs, long travel times, limited financial means and other factors continue to influence access to health care. Thus, even though physically accessible, health care services may not be affordable for many due to low income and lack of insurance cover to guard against high out-of-pocket payments at health clinics and other health care facilities. As a result, poor patients may not get beneficial services and may suffer long-term personal financial hardships leading to loss of assets and indebtedness.

8.2.1.2. NDP3 Goal Performance during NDP2

According to EQUINET/MoHSS (2005) there are 30 public district hospitals, providing institutional medical and nursing care, including preventive, promotive, primary and secondary curative health care. These also provide technical and referral support to 37 health centres and 259 clinics. The costs of running a health facility are very high given Namibia's low population density of about 2 persons per km^2. This makes it difficult to get facilities close to the people. Government has responded to this issue by establishing 1,150-outreach services/mobile clinics managed by district hospitals and health centres to communities lacking access to fixed health facilities. The private for-profit health facilities include nine private hospitals with a bed complement of 473 (7 percent of total of hospital beds in the country) and several clinics that cater mainly for the urban population.

The 2006 NDHS reported that 21.1 percent of households live close to hospitals, 7.3 percent close to health centres and 68.3 percent close to clinics. (In distance, close means less than 5 km, while in time it means less than 15 minutes to reach the facility.)

8.2.1.3. NDP3 Goal Indicators, Baselines and Targets

Table 8.1: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Life expectancy at birth:		
National	49	51
Male	50	TBC
Female	48	TBC
Infant mortality rate (per 1,000 live births)	46	38
Maternal mortality rate (per 100,000 births)	449	337
No. of people with advanced HIV infection receiving ART (public and private sector)	23,138	81,686
Malaria mortality in the population per 100,000 population	42	21
TB mortality rate of case started (%)	9	7
Population with sustainable access to safe water (%):		
National	88.5	95
Rural	80.4	92
Urban	97.0	100
Population with access to improved sanitation (%):		
National	41	65
Rural	18.9	50
Urban	61.4	77

TBC – To be compiled during implementation of NDP3.

8.2.1.4. NDP3 Goal Strategies

- Make quality health care accessible, affordable and equitable;
- Prioritise improved access to health care, health facilities, safe drinking water and improved sanitation in previously under-served regions;
- Maintain sound population and health information systems; and
- Target more resources towards the poor in rural and urban areas.

8.3.1. Sub-Sectors

8.3.1.1. Sub-Sector 1: Health

8.3.1.1.1. Sub-Sector Description and Background

The overall orientation of the public health service is towards the provision of primary health care, with a predominant focus on community health, preventative measures, and on treatment that can be provided relatively easily, cheaply and quickly. Most primary health care is delivered through outreach points, clinics, health centres and district hospitals. More serious health conditions are generally referred to and treated at higher (secondary and tertiary) level facilities. Health centres and district hospitals offer secondary level care, while the specialised and tertiary level care is

offered at the main referral hospitals in Rundu, Oshakati, and Windhoek. This hierarchy allows for different facilities to be staffed and equipped appropriately to provide different kinds of health services. Greater cost-effectiveness is also achieved by channelling problems to levels where they are best treated.

Health System Structures and Staffing: The trend of diseases in the present world necessitates equipment with high accuracy and efficiency. This calls for new technology in the fight against diseases. Government has done fairly well in improving and maintaining health facilities and especially medical equipment. However, there are new developments in disease trends that require accelerated efforts in the construction of new facilities. For example, the HIV/AIDS pandemic and the outbreaks of other diseases require easier access to health facilities and services.

Service provision suffers from a shortage of health personnel in all cadres at all levels. The system also lacks adequate career progression and development mechanisms for some professional categories such as Clinical Psychologist, Orthopaedic Technologist and Technician, Optometrist, Ophthalmic Assistant and Medical Rehabilitation Worker. In addition, the health system has not made structural provisions at secondary and tertiary levels of service delivery or provided for supervisory structures at national and regional levels. Reviewing the health system structure and staffing is therefore necessary to address these deficiencies.

Decentralisation of Health Services: The health sub-sector has adopted decentralisation with the aim of improving service provision and management by devolving authority to the 13 MoHSS Regional Directorates. The national level supports service provision and management development for the whole health sub-sector while the 13 regional directorates oversee service delivery in the 34 health districts. It was expected that decentralising health services would be completed by 2005. However, due to technical difficulties such as ensuring that the capacity to deliver the services is built to an adequate level before transferring the mandate to the Regions, there is a delay in the process. Although information has been generated at all levels, the systems are not harmonised and integrated to provide information for management decision-making. This includes systems such as HIS, TIS, SWIS, FIMS, HRMIS, PIS, procurement and supply management systems.

Human Resources Development: The number of health professionals by major category and their ratio to the population are presented in Table 8.2. The data shows that deployment and retention of health professionals at all levels remains a problem in the health sub-sector and career marketing strategies are lacking.

Table 8.2: Health Workers and Population Ratios

Category	Number	Population per Worker
Doctors	687	2,952
Pharmacists	202	10,039
Dentists	101	20,078
Registered Nurses	2,880	704
Health Inspectors	71	28,562
Social Workers	150	13, 519
Medical Laboratory Technologists	160	12,674
Prosthetist/Orthotist	5	366,600
Physiotherapists	61	30,050
Occupational Therapists	29	63,207
Speech Therapist/Audiologists	6	305,500

Source: Ministry of Health and Social Services.

Medical equipment and technology: Health services make use of specialised machines and equipment such as X-ray machines, theatre machines and equipment. The current equipment is old and based on analogue technology and needs to be replaced by new equipment based on digital technology, because the availability of safe and reliable health care technology is a precondition for an effective health care delivery system. During NDP2, the maintenance and replacement of medical equipment made a positive impact on service quality, staff morale, patient satisfaction and general efficiency of health care services.

A major constraint posing a threat to the provision of health care services in this area is the shortage of qualified technicians and engineers working in public health facilities. Most of the health professionals working in the public service are foreigners and there is hardly any continuity after they leave the service.

Medication and materials: The essential drugs used in public hospitals are procured through government medical stores and regional medical stores maintain the stock. The main focus area for MoHSS has been the development of a comprehensive Pharmacy Management Information System (PMIS) and the revision of the National Medicines Policy. Certain ophthalmic medications, laboratory, surgical and optical materials are not included in the Namibia essential medicines list (NEMLIST) and/or Medical Store list for government subsidy. The laboratory materials, chemicals/resins and components for the fabrication of orthopaedic appliances are all imported, because there is no local manufacturer of orthopaedic technical supplies. Appliances like SOMI braces, neck collars, wheel chairs and walking frames can be produced easily in the country thereby creating employment opportunities.

Disease burden: Communicable diseases constitute the largest share of the disease burden, with the relatively high incidence of HIV/AIDS, tuberculosis and malaria. In 2006, the prevalence of HIV was 19.9 percent and the incidence of TB is on the increase partly as a result of co-infection with HIV/AIDS. Malaria also remains a major problem, especially in the north where it is endemic. The leading causes of death in government and mission health facilities are HIV/AIDS, diarrhoea, pulmonary tuberculosis, pneumonia and malaria. The leading causes of death in infants were pneumonia, gastroenteritis, HIV/AIDS, premature birth and slow foetal growth. Non-communicable diseases are also on the increase. Hospital statistics indicate that conditions such as cancer and cardiovascular problems are among the top causes of death (MoHSS/EQUINET, 2005). Malnutrition among children under-five is also one of the major health problems requiring attention.

The HIV/AIDS prevention programmes include prevention of mother to child transmission (PMTCT), prevention of STI, safe injection needles and blood, post exposure prophylaxis, condom promotion and distribution, and counselling and testing. The health sub-sector is in charge of the treatment, care, and support through interventions such as ART provision, PMTCT+, home-based care, palliative care, and psychosocial support. The implementation of programmes and projects in the health sub-sector are guided by a range of policies, guidelines and strategies.

8.3.1.1.2. Health Sub-Sector Performance during NDP2

Performance of the health sub-sector has in some areas been negatively affected by HIV/AIDS. For instance, life expectancy seems to have dropped from a high of almost 61 years in 1991 to a low of around 49 years by 2005. The TB burden is fuelled by the HIV/AIDS epidemic in Namibia. Case notifications have increased steadily with the advance of HIV infection. On the other hand, rates of immunisation have increased and infant mortality rates have been falling from 67 per 1,000 births in 1992 to 52 per 1,000 births in 2000. According to MDG targets they were expected to fall to 36 per

1,000 in 2006, but was recorded at 46 the same year. The table below illustrates progress on NDP2 targets.

Table 8.3: Health Sub-Sector Targets and Achievements in NDP2

Indicators	NDP2 Targets	NDP2 Achievements
Health Facilities with trained health workers (%)	60	35
Coverage of all immunisable diseases of children under one year (%)	80	64.8
Tetanus toxoid (TT) vaccination coverage during pregnancy (%)	80	46.1
OPV3 coverage of children (%)	90	77.0
Increase TB detection rate by	25% per year	88%
TB cure rate (%)	85	75
Health facilities with DOTS (%)	100	100
Bed Net coverage of Households in affected areas amongst pregnant mothers and children under five (%)	60	67
Malaria case fatality rate (%)	2.4	2.2
Malaria morbidity (number of cases)	825	571
National Spraying Coverage (%)	90	86
Reduce HIV prevalence rate by 25%: 15-19 year olds 20-24 year olds	 12 (2000) 11 (2000)	 10.2 (2006) 16.4 (2006)
Access to affordable quality condoms (million condoms)	28	27.8
Increase access to Femidom condoms	1 million	0.6 million
Employers implementing national code on HIV/AIDS (%)	90	Only 62 mainly large corporations of the more than 28,000 registered employers have HIV/AIDS workplace programmes
No. of Registered Nurses trained in prevention, early diagnosis and treatment and referral of occupational diseases	75	20
No. of health inspectors and/or environmental health assistants and safety officers trained in basic inspection and measuring techniques in Occupational Health	50	30 Health Inspectors and 15 medical doctors trained
Households with adequate sanitation (%): National Rural Urban	 50	 65 18.9 85
Schools with adequate sanitation (%)	100	N/A
No. of Regions with eye care units	13	9
Facilities with trained in mental health worker (%)	80	10
No. of facilities with fully equipped permanent laboratories	3	2

Indicators	NDP2 Targets	NDP2 Achievements
Maintenance of current stock of plant/equipment (%)	6	55
Replacement of current stock of medical equipment (%)	10	45
Proportion of health institutions with functional quality improvement programmes (%)	60	84% of nursing assistants were upgraded to Enrolled nurses
No. of regions with decentralized personnel information system	13	Installing LAN to 25% of the regions
Proportion of regions and districts with decentralized computerized HIS (%)	100	100
Regional management teams (RMTs) and districts with at least 3 staffs trained in research	100%	49 staff trained in research methodology in seven regions
No. of enrolled nurses trained (upgraded from Nursing assistants)	900	936
No. of managers undergoing Certificate training	300	264
No. of sub-professional cadres (Pharmacist assistants, environmental assistants, medical laboratory technicians) trained	100	140
No. of clinics renovated	80	6
No. of health centres renovated	15	6
No. of district hospitals upgraded and renovated	15	16
No. of referral hospitals renovated and upgraded	4	4
No. of training centres renovated and extended Regional National	 3 1	 0 0
No. of regional offices renovated and extended	10	4 (and 3 newly constructed)
No. of new clinics constructed nationwide (with focus on Khomas, Oshana, Ohangwena, Karas, Hardap, and Omaheke regions)	15	37

N/A – Not available
Source: Ministry of Health and Social Services.

8.3.1.1.3. Health Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To eliminate the main causes of physical ill health as well as mental and social ailments in order to provide Namibians the opportunity to lead normal fulfilling lives.

Goal: Affordable and Quality Health Services accessible to all.

Table 8.4: Health Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Under five mortality rate (per 1000 live births)	77	45
TT2 coverage of women (%)	69	80
OPV3 coverage of children (%)	77	80
Measles vaccination coverage of children 9 months to 1 year (%)	79.1	85
No. of cataract surgical operations (per million population per year)	1,880 (2004)	1880
Treatment success rate of notified TB cases (%)	85	90
ART coverage by public and private sector of people with advanced HIV infection (number and %)	23,138 (38%)	84,556 (77%)
Percentage of HIV-positive pregnant women receiving ARVs to reduce the risk of mother to child transmission	38	55
No. and % of new STI cases treated in public and private sector	82,725 (69%)	76,450 (95%)

8.3.1.1.4. Health Sub-Sector Strategies

- Create an enabling environment for the provision of affordable and quality health and social care; and
- Provide affordable and accessible quality health and social care services.

8.3.1.1.5. Health Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
1. Health System Planning and Management	Development	98,444	248,100	301,800	311,650	284,670	1,244,664
	Operating	78,029	87,080	96,742	94,950	103,794	460,595
	Total	176,473	335,180	398,542	406,600	388,464	1,705,259
2. Disability Prevention and Rehabilitation	Development	700	6,647	6,200	8,765	6,499	28,811
	Operating	5,518	7,740	7,173	7,247	6,754	34,432
	Total	6,218	14,387	13,373	16,012	13,253	63,243
3. Public and Environmental Health	Development	412	492	3,092	4,092	5,090	13,178
	Operating	1,440	3,810	4,200	4,200	4,200	17,850
	Total	1,852	4,302	7,292	8,292	9,290	31,028
4. Control of Communicable and Non-Communicable Diseases	Development	13,812	13,852	13,827	13,857	13,832	69,180
	Operating	29,673	29,680	29,646	29,631	29,757	148,387
	Total	43,485	43,532	43,473	43,488	43,589	217,567
5. Health Promotion	Development	710	3,080	2,710	710	510	7,720
	Operating	254	254	254	254	254	1,270
	Total	964	3,334	2,964	964	764	8,990

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
6. Family Health Services	Development	0	0	0	0	0	0
	Operating	84,809	119,680	114,414	109,523	121,113	549,539
	Total	84,809	119,680	114,414	109,523	121,113	549,539
7. Tertiary and Clinical Health Care Services	Development	0	0	250	4,250	0	4,500
	Operating	441,690	929,019	1,484,130	1,654,811	1,827,011	6,336,661
	Total	441,690	929,019	1,484,380	1,659,061	1,827,011	6,341,161
8. Hospital Services	Development	0	400	440	484	533	1,857
	Operating	13,635	15,745	17,233	19,218	21,461	87,292
	Total	13,635	16,145	17,673	19,702	21,994	89,149
9. Youth Friendly Reproductive Centres	Development	4,025	6,295	4,378	2,070	4,250	21,018
	Operating	222	234	248	237	237	1,178
	Total	4,247	6,529	4,626	2,307	4,487	22,196
Health Sub-Sector Total	**Development**	**118,103**	**278,866**	**332,697**	**345,878**	**315,384**	**1,390,928**
	Operating	**655,270**	**1,193,242**	**1,754,040**	**1,920,071**	**2,114,581**	**7,637,204**
	Total	**773,373**	**1,472,108**	**2,086,737**	**2,265,949**	**2,429,965**	**9,028,132**

8.3.1.2. Sub-Sector 2: Research

8.3.1.2.1. Sub-Sector Description and Background

According to population projections, it is estimated that Namibia currently has a population of 2 million as compared to 1.8 millions in 2001. Like other countries, Namibia's population is determined by three demographic factors, fertility, mortality and migration, which determine the population growth rate, and its age and sex structure, rural and urban composition, population distribution and density, as well as the size and growth rate of the labour force. The population dynamics are therefore crucial elements to take into consideration in development planning.

The aim of the 1997 National Population Policy for Sustainable Human Development is to contribute to the standard of living and quality of life of the people of Namibia through the harmonisation of the dynamics of Namibia's population with the country's resource potential in order to achieve the development objectives. It has the specific objectives of alleviating poverty, promoting sustainable development, improving the health and welfare of the people, reducing population growth, ensuring balanced development between rural and urban areas, promoting human resource development, ensuring proper utilisation of resources, achieving integration of population factors in development planning, and safeguarding the welfare of the people.

8.3.1.2.2. Research Sub-Sector Performance during NDP2

The Population and Housing Census was conducted in 2001 and the results were analysed and disseminated during NDP2. The Inter-Censal Survey was canvassed in 2006. Also, the Demographic and Health Survey (DHS) was carried out in 2006 to update the results of the 2000 DHS. The results of the Census and the DHSs show a decline in population growth rate and life expectancy at birth and increases in maternal infant and child mortality rates. It is strongly suspected that the deteriorating trends are the result of high HIV/AIDS prevalence rate. Needless to mention, they are below the Population Policy targets and to some extent contradict them. For

example, the Policy targeted a decline in the population growth rate based on the high rate of 3.2 percent per year recoded during 1981-1991. Therefore, it is necessary to review the Population Policy targets and strategies in accordance with the prevailing situation.

8.3.1.2.3. Research Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To contribute to the standard of living and quality of life of Namibians through harmonisation of the dynamics of population with the country's resource potentials.

Goal: Sustainable human development.

Table 8.5: Research Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Review Population Policy	1997 Population Policy	Policy reviewed and revised by 2009

8.3.1.2.4. Research Sub-Sector Strategies

- Ensure the integration of population factors in the development process.

8.3.1.2.5. Research Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Population and Development	Development	0	280	120	30	30	460
	Operating	0	25	25	25	25	100
	Total	0	305	145	55	55	560
Research Sub-Sector Total	**Development**	**0**	**280**	**120**	**30**	**30**	**460**
	Operating	**0**	**25**	**25**	**25**	**25**	**100**
	Total	**0**	**305**	**145**	**55**	**55**	**560**

8.3.1.3. Sub-Sector 3: Water

8.3.1.3.1. Water Sub-Sector Description and Background

The water sub-sector sets water quality standards and guidelines, monitors compliance at water schemes (such as water treatment facilities) and water points, engages in policy development and compiling of regulations.

The supply of safe drinking water to the people of Namibia is a continuous process. The Ministry of Agriculture, Water and Forestry (MAWF) is the water regulatory body in the country that has to make sure that the water supplied to communities by NamWater, Local Authorities and Rural Water Supply is of good quality to improve health. "Safe drinking water" means the water that is supplied from a pipe, borehole or closed tank is treated and its chemical and biological properties are within the limits set in the water quality standards and guidelines. The MoHSS, Local Authorities, NamWater and mines work together with the MAWF to monitor water quality and operate and maintain water and treatment facilities. Different industries do water quality spot checks on the

water they use during the manufacturing process to make sure that the end product is not affected by the water quality.

The MoHSS is responsible for monitoring water-related diseases that can emanate from the unsafe disposal of human faeces. It approves and recommends technical reports prior to issuing water permits for the Water Purification Works. Most Local Authorities are responsible for operating and maintaining water treatment facilities within their area of jurisdiction. They are required to take an active and direct role in public health matters associated with providing safe water within their boundaries. Cities, towns and villages have a responsibility to set up water quality monitoring programmes within their areas of jurisdiction. Some municipalities do not have water quality monitoring programmes but only do spot checks whenever it is required. Local Authorities, as the end supplier of water to residents, in many cases have no capacity to test water quality. In most instances they have no infrastructure to treat and improve water received from the bulk supplier. Most can only add chlorine.

NamWater manages water resources for the purpose of bulk water supply. The company is required to abide by set water quality standards and guidelines and therefore strives to supply good quality water to local authorities and make sure that the chemicals that are used to treat the water do not have any negative health impacts on consumers. It carries out routine water quality monitoring at terminal reservoirs and also at each water treatment facility. It has different water schemes, boreholes and surface water (dams or rivers). There are about 257 water supply schemes of which 16 are water purification treatment plants and the rest are water supply schemes from boreholes. Each scheme is treated differently as far as water quality monitoring programmes are concerned. In 2005, about 95 percent of the water purification treatment plants met the required water quality standards, with the remaining water treatment facilities being upgraded.

Some of the mines supply water to the mining industries for both domestic and industrial purposes. Some of the mines have set up desalination plants on site to treat water for industrial and human consumption. However, most mines have their own boreholes and the water is monitored on a regular basis to check whether it is suitable for human consumption.

8.3.1.3.2. Water Sub-Sector Performance during NDP2

The sub-sector was responsible to ensure the promulgation of a Water Resource Management Bill by 2005 and water quality standards and guidelines for Namibia during NDP2. The country had been using South African water quality guidelines and standards for many years. In 2006, the numerical water quality guidelines and standards were revised and finalised in 2007. The water sub-sector addressed inequalities in access to water through targeting rural areas and providing access to water to those who did not have it. This must be seen as making a qualitative difference to the lives of thousands of people by not only providing potable water; but also providing water for livestock and therefore contributing to rural development and poverty reduction. Access to water increased from 79.9 percent in 2001 to 90.9 percent in 2006 for the rural communities as a result of establishing 1,407 new water points. Water access was maintained at a level of 98.4 percent for the urban population. This data only relates to access to drinking water in rural and urban areas, but not specifically to the quality of that water. The drinking water quality monitoring network still does not exist. The MAWF and MoHSS will have to identify the allocation of responsibilities. NamWater, local authorities and the mines do test their own water but there is a need for MAWF as a regulator to check and facilitate the process of monitoring drinking water supply.

The functions and activities in the water sub-sector have been governed by the Water Act of 1956 (Act No. 54 of 1956). Among others, the Act makes provision for the promotion of the maximum beneficial and sustainable use of the country's water resources and to safeguard these from

avoidable pollution. The water sub-sector has to make sure that water users comply with the General Standard Quality restrictions as laid out in the Government Gazette R553 of 5 April 1962. The water sub-sector is also governed by the National White Paper Policy of 2000 and NamWater Act of 1997. The Water and Sanitation Policy of 1993 also needs to be revised for clear delineation of responsibilities among relevant stakeholders.

8.3.1.3.3. Water Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission statement: To set and enforce water quality standards and guidelines and ensure good quality water is provided to promote the health and social well being of the people of Namibia.

Sub-Sector Goal: To ensure that potable water supplied to the people of Namibia is suitable for drinking purposes.

Table 8.6: Water Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
% rural population supplied with safe drinking water	80.4	92
% urban population supplied with safe drinking water	97	100
% of water purification treatment/ Plants producing water that complies to set water quality standards and guidelines 90 % of the time	90.9%	91%
% of water samples at the distribution systems complying with set water quality standards and guidelines	N/A	85%

N/A – Not available

8.3.1.3.4. Water Sub-Sector Strategies

- Enforce water quality guidelines and standards; and
- Monitor water schemes (such as water purification treatment and plants), water points and distribution networks for compliance.

8.3.1.3.5. Water Sub-Sector Programme: Monitoring water quality

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Monitoring Water Quality	Development	0	0	0	0	0	0
	Operating	100	100	100	100	100	500
	Total	100	100	100	100	100	500
Water Sub-Sector Total	**Development**	**0**	**0**	**0**	**0**	**0**	**0**
	Operating	**100**	**100**	**100**	**100**	**100**	**500**
	Total	**100**	**100**	**100**	**100**	**100**	**500**

8.3.1.4. Sub-Sector 4: Sanitation

8.3.1.4.1. Sanitation Sub-Sector Description and Background

Rural sanitation, coupled with sound hygienic practices, remains a global challenge in many developing countries. Globally, it is estimated that about 2 million children die each year from sanitation-related/diarrhoeal diseases. In Namibia, about 80 percent of rural residents do not have access to acceptable means of sanitation, including good hygiene practices. Provision of adequate sanitation to all Namibians has been one of the top priorities of the Government since Independence. This has been demonstrated with the development of the Water and Sanitation Policy (WASP) in 1994 and the National Environmental Health Policy in 2002. The development and implementation of the environmental health policy is intended to provide a framework and guidelines to prevent and control environmental health hazards and risks which may adversely affect the health and quality of life of all Namibians.

About 41 percent of the population has access to sanitary means of excreta disposal. However, this disguises large variations in access across the country. For example, less than 10 percent of the people in the Caprivi and Ohangwena Regions have access, compared to more than 80 percent of the people in the Erongo, Karas, and Khomas Regions. Other regions ranged between 15 percent and 68 percent, possibly reflecting the presence of well-developed urban areas and some poorly developed rural areas. Similar urban-rural disparities are apparent, where the access to adequate sanitation averages at 85 percent in urban centres and 18.9 percent in rural areas.

The Government policy recognises that sanitation services should be universally available to all Namibians at an affordable cost. The different options and choices on the types of sanitation depend on the setting of the urban or rural serviced versus non-serviced land, the availability of water resources and the economic status of the various parts of the country. The service delivery options for sanitation that can be considered in the localities include: (i) flush toilets with connection to sewer line; (ii) flush toilets with no connection to sewer line; and (iii) pit latrines or dry toilets. The responsibilities for delivery of sanitation services in the country are divided between the MoHSS (responsible for rural sanitation) and the MRLGHRD (responsible for sanitation in urban, per-urban and incorporated rural areas, often through the Local Authorities).

The MRLGHRD designed a draft pro-poor programme on housing, sanitation, microfinance and capacity building in Namibia, with the objective to improve the livelihoods of the poorest segment of the population through provision of appropriate shelter, sanitation and employment opportunities.

8.3.1.4.2. Sanitation Sub-Sector Performance during NDP2

NDP2 targeted to increase the percentage of rural households with access to adequate sanitation through promotion and facilitation of the availability of affordable sanitation options and encouraging hygienic behaviour at the household level, while ensuring the protection of ground water sources; and maintain the existing coverage levels (92.6 percent) in urban areas. The achievements during NDP2 included the following:

- About 897 ventilated improved pit (VIP) latrines were constructed;
- Activities to create public awareness on rural sanitation were carried out before construction of the VIP latrines;
- The National Rural Sanitation Strategy was developed in 2004 and implemented; and
- Regional staff from the Kunene, Erongo and Otjozondjupa Regions were trained in participatory rural appraisals for use in hygiene promotion.

The proportion of people with access to improved sanitation in rural areas, improved from 15 percent in 1992 to 18.9 percent in 2006. The Government commitment to rural sanitation is demonstrated through the allocation of financial resources and the establishment of institutional mechanisms for implementation of these services. However, the impact was limited, and the lack of sanitation facilities in rural areas in Namibia remains a major public health problem.

The Government, with the assistance of the European Union, has improved the sanitation situation in Otavi, Karibib, Outjo, Karasburg and Lüderitz. However, a number of other towns and other agglomerations continue to rely on pit/dray latrines and the bucket system of sanitary disposal.

8.3.1.4.3. Sanitation Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To increase access to adequate sanitation to Namibian households, especially in the rural areas.

Goal: Adequate sanitation available to all.

Table 8.7: Sanitation Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Percent of households with adequate sanitation facilities:		
National	41	65
Rural	18.9	50
Urban	85	92.6
No. of VIP latrines constructed	TBC	TBC
Percent of rural residents with increased awareness of safe sanitary practices	TBC	TBC
Percent of rural residents with increased levels of personal hygiene	TBC	TBC
Decrease in incidence of water-borne illnesses and diarrhoeal diseases	TBC	TBC

TBC – To be compiled during implementation of NDP3.

8.3.1.4.4. Sanitation Sub-Sector Strategies

- Ensure the provision of adequate standardised rural sanitation services;
- Ensure that all rural sanitation materials are utilised for the benefits of rural areas and are recorded in accordance with Government record keeping procedures and regulations;
- Empower and motivate communities to improve their living environments and health status;
- Strengthen the capacities and technical competencies of personnel involved at every level of implementation of rural sanitation interventions;
- Ensure that rural sanitation is allocated priority at the execution levels, in terms of a fixed time frame for implementation with adequate staff, both permanent and temporary; and
- Establish an integrated sanitation programme at national, regional, district and local levels, with clearly delegated shared responsibilities between relevant government agencies, civic organisations and the private sector.

8.3.1.4.5. Sanitation Sub-Sector programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Rural Sanitation	Development	0	21,100	59,161	124,525	125,125	329,911
	Operating	0	0	0	0	0	0
	Total	0	21,100	59,161	124,525	125,125	329,911
Sanitation in Urban, Peri-Urban and Incorporated/ Declared Rural Areas	Development	680,000	60,133	93,637	97,307	97,132	1,028,209
	Operating	0	0	0	0	0	0
	Total	680,000	60,133	93,637	97,307	97,132	1,028,209
Sanitation Sub-Sector Total	**Development**	**680,000**	**81,233**	**152,798**	**221,832**	**222,257**	**1,358,120**
	Operating	**0**	**0**	**0**	**0**	**0**	**0**
	Total	**680,000**	**81,233**	**152,798**	**221,832**	**222,257**	**1,358,120**

8.2.2. NDP3 Goal: Reduced Spread of HIV/AIDS and its Effects

8.2.2.1. NDP3 Goal Description and Background

Namibia is in the third year of implementation of its Third Medium Term Plan (MTP III 2004-2009) on HIV/AIDS. Since the launch of MTP III in 2004 a number of important initiatives impacting on Namibia's expanded response have commenced in the country and globally. At a global level, these include the Universal Access decisions of the 2005 G8 Summit and the subsequent Universal Access Initiative of the UN System, as well as the Political Declaration of the UNGASS+5 high level meeting in New York during June 2006. At a continental level, the African Union's Abuja Summit Declaration on Universal Access of May 2006 and the declaration of 2006 as the year for acceleration of HIV/AIDS prevention by African Ministers of Health have been important milestones.

The HIV/AIDS epidemic in Namibia has seen dynamic changes during recent years which include: (i) considerably increased levels of funding; (ii) the engagement of growing numbers of public, private and civil society organisations; (iii) expanding geographic coverage of services and programmes implemented; and (iv) increasing coverage of needs and beneficiary demands. The monitoring and evaluation system utilised in Namibia has likewise further evolved and a considerable volume of data is being gathered currently.

Namibia has a generalised HIV/AIDS epidemic with HIV contracted primarily through heterosexual transmission. HIV prevalence rose was recorded at 19.9 percent in 2006. HIV/AIDS has a considerable impact on GDP which cannot be ignored in a high prevalence country. However, Namibia still needs to conduct a study to get a dollar value of this impact. Increasing morbidity and mortality in the most productive age groups of the labour force leads directly to a fall in national output and income. National savings decline (as is currently being observed with the pension funds), and investment in physical capital also declines, leading to a further decline in the productive capacity of the economy. The pandemic also affects food security and the quality of education. The Government of the Republic of Namibia has acknowledged HIV/AIDS as a serious developmental challenge and is therefore scaling up the response. The fight against HIV/AIDS is a

Government priority and is central to Namibia's achievement of national goals of poverty reduction, macro-economic growth, sustainable development, and the realisation of Vision 2030.

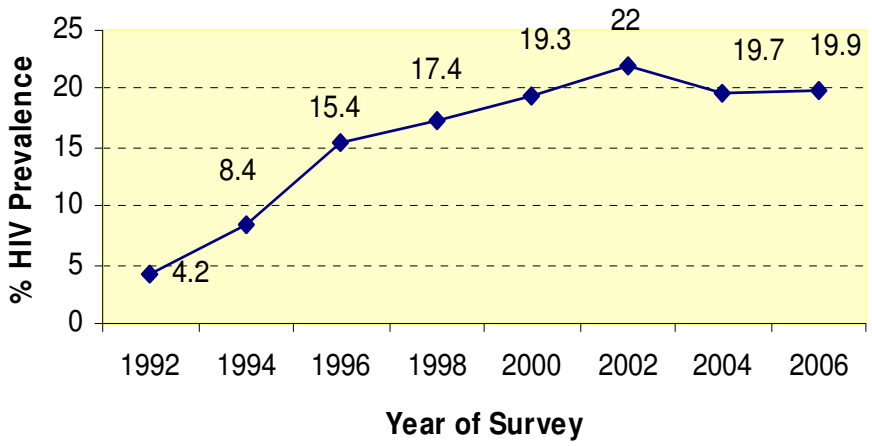
8.2.2.2. Goal Performance during NDP2

The HIV prevalence rate rose to a peak of 22.0 percent in 2002, but declined to 19.7 percent in 2004 with a slight increase to 19.9 percent in 2006. The prevalence rates by years of survey are presented in Chart 8.1.

Results of the 2006 National HIV Sentinel Survey show that HIV prevalence by age group rises from 10.2 percent for 15-19 year olds to 16.4 percent for 20-24 year olds and 26.9 percent for 25-29 year olds. It peaks at 29.5 percent for 30-34 year olds and declines gradually for older groups (see Chart 8.2).

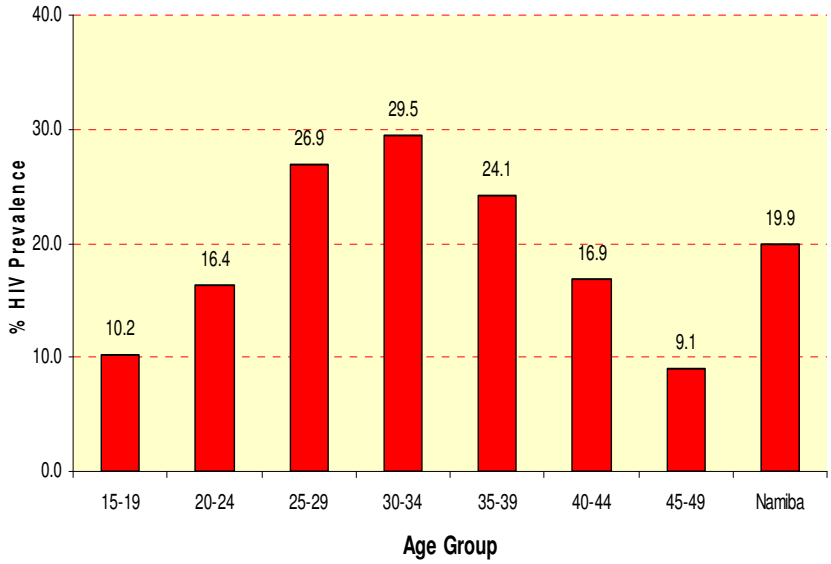
Data on the HIV prevalence rate by Sentinel Site in 2006 shows that the prevalence rate was highest in Katima Mulilo (39.4 percent) and lowest in Gobabis and Opuwo (7.9 percent). The results on the prevalence rates by age group and Sentinel Site indicate that a continued, strengthened, increased prevention focused and decentralised multi-sectoral response is needed to effectively contain the further spread of HIV and to drastically reduce the impact of AIDS.

Chart 8.1: HIV Prevalence by Rate by Year of Survey



Source: Report of the 2006 National HIV Sentinel Survey, MoHSS, 2007

Chart 8.2: HIV Prevalence by Age Group



Source: Report of the 2006 National HIV Sentinel Survey, MoHSS, 2007

The main drivers of the epidemic and most important exacerbating factors that contribute to HIV infections are: (i) multiple and/or concurrent partners; (ii) migrant/seasonal labour systems (leading to both partners working and living far away from each other for most of the year, which at times result in casual sex with others); (iii) widespread alcohol and drug abuse (leading to unsafe sexual practices and violence); (iv) gender inequality (low status of women and gender-based violence); (v) traditional and religious practices, values, norms and beliefs that taboo education and open discussions on human sexuality, reproductive health and sexual practices in Namibia, to ensure safe sexual practices and correct and consistent condom use; (vi) poverty, which encourages transactional sex to which young women are most vulnerable; (vii) not knowing one's HIV status (there is an uptake in HIV testing but many still do not know they are infected); (viii) stigma and discrimination (this is slowly decreasing but still many people do not seek testing as they fear discrimination and confidentiality issues); and (ix) a lack of visible (political, traditional and religious) role models. More research is needed under NDP3 to guide and make the HIV and AIDS response strategies effective.

The multi-sectoral HIV/AIDS response is unlikely to succeed without functional partnerships between the public sector, the private sector, civil society and the development partners. Effective partnerships and coordination between the relevant stakeholders is central to the successful multi-sectoral response to the HIV/AIDS epidemic in Namibia.

8.2.2.3. NDP3 Goal Indicators, Baselines and Targets

Table 8.8: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
HIV prevalence rate among pregnant women (%):		
National average	19.9	TBC
15-19 year olds	10.2	8
20-24 year olds	16.4	12
25-29 year olds	26.9	TBC
30-34 year olds	29.5	TBC
Access to ARVs by PLWHAs (%):		
Children (0-14 years old)	91	91
Adults (15 years and older)	57	75
Contraceptive use prevalence rate	23	50
Orphans and vulnerable children	170,000	TBC

TBC – To be compiled during implementation of NDP3.

8.2.2.4. NDP3 Goal Strategies

The overall strategies for the Goal are derived from those in the MTP III.

- *Enabling environment:* Ensure that people infected and affected with HIV/AIDS enjoy equal rights in a culture of acceptance, openness and compassion through strengthened capacity building for leadership and increasing political commitment, greater involvement of PLWHAs, policy and law reform, and interventions to reduce stigma and discrimination;
- *Prevention:* Reduce new infections of HIV and other STIs through strengthening capacity to deliver HIV prevention programmes by targeting vulnerable populations in order to achieve behaviour change among the general population, young people and other vulnerable groups, and by paying strong attention to gender issues and reduction of vulnerability;
- *Treatment, care and support:* Provide access to cost effective and high quality treatment, care and support services for all people living with or affected by HIV/AIDS;
- *Mitigation:* Strengthen and expand capacity of local responses to mitigate socio-economic impacts of HIV/AIDS by developing the capacity of local responses, services for OVC and PLWHAs, and addressing poverty and food insecurity; and
- *Management and coordination:* Promote effective management structures and systems, optimal capacity and skills, and high quality multi-sectoral programme implementation at national, sub-sectoral and regional levels through developing HIV/AIDS management capacity and coordination, programme monitoring and evaluation and surveillance and research.

8.3.2.1. Sub-Sector 1: Governance (of the multi-sectoral HIV/AIDS response)

8.3.2.1.1. Sub-Sector Description and Background

A substantial part of the sub-sector description is already presented under the description of the NDP3 Goal 14 on Reduced Spread of HIV/AIDS and its Effects. The governance of the multi-sectoral HIV/AIDS response comprises all actors and mechanisms involved in the response, as well as the instruments, which guide the response, such as policy and legal frameworks and guidelines.

Political, traditional and religious leaders have an important role to play in creating the enabling environment for the HIV/AIDS response at national, regional and local levels. The private sector and civil society organisations play major roles as well. For example, Lironga Eparu plays a central role in promoting the participation of PLWHAs and combating stigma and discrimination. The Legal Assistance Centre contributes to the review and revision of legal frameworks. Namibia is signatory to a wide range of international and regional agreements, treaties, declarations and commitments. Of particular relevance for HIV/AIDS are the UN Millennium Development Goals (2000), the UNGASS Declaration and Commitment on HIV/AIDS (2001 and 2006), and the African Union Ministerial Meeting on Universal Access (2007) and is obliged to report progress to the international community.

As HIV/AIDS needs a multi-sectoral response, there are many partners. Their mandate is clearly outlined in the MTP III in accordance with their area of expertise. The role of the Office of the Prime Minister (OPM) is to promote the implementation of work place programmes in the public sector, while the National Planning Commission (NPC) supports HIV/AIDS mainstreaming in all sub-sector development plans and projects. The Ministry of Information and Broadcasting (MIB) coordinates the Take Control Task Force that leads mass and targeted HIV prevention media campaigns while the Ministry of Education focuses on Information, Education and Communication (IEC) in schools. The Ministry of Gender Equality and Child Welfare (MGECW) has strengthened its guiding and implementation role related to Orphans and Vulnerable Children infected and affected by HIV. The Ministry also contributes on female condom promotion, reproductive health and HIV, and against gender based violence. The Ministry of Regional and Local Government and Housing and Rural Development (MRLGHRD) increasingly take up the coordination for regional support. The Ministry of Agriculture, Water and Forestry (MAWF) is strengthening its role in the area of food security. The Namibia Network of AIDS Service Organisation (NANASO) fulfils a crucial role in coordinating the civil society sector involved in HIV/AIDS. The Namibia Business Coalition on AIDS (NABCOA) is active in establishing work place programmes in the private sector. There are also many international development partners that are coordinated through the Partnership Forum (PF).

The main mechanisms managing the national HIV/AIDS response are: National AIDS Committee (NAC); National Multi-sectoral AIDS Coordinating Committee (NAMACOC); National AIDS Executive Committee (NAEC); Sub-Sectoral Steering Committees (SSCs); Regional AIDS Coordinating Committees (RACOCs) and Constituency AIDS Coordinating Committees (CACOCs). The NAC is highest policy decision-making body on matters related to HIV/AIDS. Its members are Cabinet Ministers and Regional Governors to ensure that policy and resource mobilisation and allocation are adequate.

The NAMACOC provides the leadership for multi-sectoral and regional planning, implementation, monitoring and evaluation. Its membership consists of Permanent Secretaries and includes Chief Regional Officers and Chief Executive Officers or Managing Directors from the private sector, NGOs and other civil society organisations. It reviews progress made by the different sub-sectors in the implementation of their sub-sectoral obligations as outlined in MTP III and adopt annual work plans and budgets.

The NAEC provides the technical secretariat and is responsible for coordinating the detailed implementation of the multi-sectoral response. Its membership reflects the hands-on experience required to deal with implementation issues. It is attended by key sub-sectors and key technical people to cover the five components of the Third Medium Term Plan (MTP III). The Sub-Sectoral Steering Committees (SSCs) will involve all key actors working in that sub-sector and will be thus wider than most current Ministry HIV/AIDS Committees. The SSC will be responsible for the implementation of sub-sector-specific HIV/AIDS interventions and for mainstreaming HIV/AIDS into all aspects of their organisations' core functions.

The RACOC in each region coordinates civil society and government at the regional level and also links up with the national institutions. The Constituency AIDS Coordinating Committee (CACOC) takes responsibility to coordinate and manage the multi-sectoral response at the local level.

8.3.2.1.2. Governance Sub-Sector Performance during NDP2

Prevention: Namibia has made good progress in the areas of information, education and communication (IEC); behaviour change communication (BCC); and social mobilisation (SM), covering 70 percent of the youth in schools with HIV/AIDS education and life skills training (*My Future My Choice* and *Windows of Hope*). Capacity building efforts have been strongly intensified for prevention programmes such as VCT, PMTCT, IEC in schools and out of school, and social mobilisation. Knowledge on HIV/AIDS in the country is relatively good. However, the sero-surveillance results of 2006, as well as the results of KAP surveys indicate that there is no significant impact on sexual behaviour.

Advocacy, stigma and discrimination: The SADC Parliamentarians Forum, Namibia Democracy Support Centre, MIB and the National Democratic Institute have supported several organisations to build the capacity of political leaders with regards to HIV/AIDS. The political commitment needs to be translated into administrative commitments in terms of funding and human resources. The involvement of People Living with HIV/AIDS (PLWHAs) through the national coordinating body Lironga Eparu (LE) is crucial to combat stigma and discrimination. Although many organisations have been involved in the fight against stigma and discrimination, there still remains a lot to be done in terms of better understanding of how stigma is affecting Namibia's HIV/AIDS response and how this can be reduced.

Programme Management Structures: The leadership of the response has been with the MoHSS, with the Directorate of Special Programmes in the Ministry providing secretarial functions to the NAC, NAMACOC and NAEC. Also, the Directorate supported the public sector's health and multi-sectoral responses at national and regional levels. All the regions have functioning RACOCs with plans and budgets. Further focus will be on making the CACOCs operational. Over the years, the coordination of the HIV/AIDS response in the regions has intensified considerably. The Government is scaling up its coordination of the regional and local response together with other partners such as AMICAALL and ALAN. The local response is still fragile and needs more dedicated and facilitation support to the communities that are starting initiatives.

Many civil society organisations are involved in the local response planning, development, implementation, monitoring and evaluation. The Namibia National Non-Governmental Organisations Forum (NANGOF), Council of Churches of Namibia (CCN) and Namibia Network of AIDS Services Organisations (NANASO) have been given the responsibility to coordinate civil society HIV/AIDS mainstreaming and responses. Civil society organisations contributed heavily to the national response. Monitoring of civil society was strengthened through the annual exercise conducted by NANASO. The Lironga Eparu plays a major role as a network for PLWHAs, who are represented in both the NAC and NAMACOC.

The main role of the Namibia Business Coalition Against AIDS (NABCOA) is to mobilise the private sector to implement HIV/AIDS prevention, care, treatment and support as well as impact mitigation policies and programmes in the workplace in line with MTP III. NABCOA increased the coordination of workplace programmes and awareness on HIV in the private sector targeting 69 private sector companies out of an estimated 5,500 companies that have between 20-50 employees or more during NDP2.

National and international support: An increasing number of partners including bi-lateral and multi-lateral development partners and international NGOs have become involved in HIV/AIDS, with many partnerships established and strengthened among the public sector, civil society and the development partners. The funding for 2005/06 increased in all areas. In general, partner coordination needs to improved to align planning and implementation with national efforts, in the areas of resource mobilisation and resource tracking, and focus on providing technical assistance to Government and other national and regional stakeholders in the response. Also, improved coordination between planners and implementers is crucial for decentralising the response, especially in the areas of OVC, IEC/SM and BCC, HBC and food security.

8.3.2.1.3. Governance Sub-Sector Mission, Goals, Indicators, Baselines & Targets

Mission Statement: Reduce the HIV prevalence and HIV/AIDS morbidity and mortality rates; and mitigate the socio-economic impact of the epidemic.

Goal: The incidence of HIV infection reduced.

Table 8.9: Governance Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
HIV prevalence rate	19.9	TBC
Percentage of young women aged 15-24 who had higher risk sexual intercourse with men 10 + years older	4.3%	3.6%
Percentage of young women and young men age 15-24 who had sexual intercourse in the past 12 months when drunk	women 0.8% men 4.5%	women 0% men 3.83%
Percentage of young women and young men age 15-24 who have been tested for HIV and received results in the past 12 months	women 31.3% men 12.9%	women 38% men 16%
HIV/ AIDS impact assessment system	No effective system in place	System operational by 2010/11

TBC – To be compiled during implementation of NDP3.

8.3.2.1.4. Governance Sub-Sector Strategies

- Enabling Environment: Ensure that people infected and affected with HIV/AIDS enjoy equal rights in a culture of acceptance, openness and compassion through strengthened capacity building for leadership and increasing political commitment; greater involvement of PLWHAs; policy and law reform; mainstreaming of HIV/AIDS in sub-sectors and main development projects, and interventions to reduce stigma and discrimination;
- Management and Coordination: Promote effective management structures and systems, optimal capacity and skills, and high quality multi-sectoral programme implementation at national, sub-sectoral and regional levels through developing HIV/AIDS management capacity and coordination, programme monitoring and evaluation and surveillance and research;
- Prevention: Reduce new infections of HIV and other STIs through strengthening capacity to deliver HIV prevention programmes, including through work place programmes, by targeting vulnerable populations in order to achieve behaviour change among the general population,

young people and other vulnerable groups and by paying strong attention to gender issues and reducing vulnerability;

- Ensure mainstreaming of HIV/AIDS in development planning process at national and regional levels;
- Provide information on the socio-economic impact of HIV/AIDS to inform resource allocation and decision-making process; and
- Improve capacity, coordination and networking among stakeholders responsible for research and development in the area of HIV/AIDS.

8.3.2.1.5. Governance Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Management and Coordination of the National HIV/AIDS Response	Development	55,948	50,135	49,731	50,233	48,835	254,882
	Operating	22,458	28,580	28,655	27,968	29,721	137,382
	Total	78,406	78,715	78,386	78,201	78,556	392,264
Establishing Workplace Programmes (WPP) in All Sectors	Development	42,464	59,290	76,680	94,499	113,019	385,952
	Operating	10,904	6,783	7,463	8,218	9,047	42,415
	Total	53,368	66,073	84,143	102,717	122,066	428,367
Mainstreaming HIV/AIDS in Development Plans and Programmes	Development	8,755	15,859	26,713	40,391	56,573	148,291
	Operating	3,635	2,261	2,488	2,739	3,016	14,139
	Total	12,390	18,120	29,201	43,130	59,589	162,430
HIV/AIDS Information, Education and Communication/ Social Marketing/ Behaviour Change Communication (IEC/SM/BCC)	Development	31,961	35,185	38,408	39,632	42,855	188,041
	Operating	19,078	20,940	22,809	23,483	25,226	111,536
	Total	51,039	56,125	61,217	63,115	68,081	299,577
Governance Sub-Sector Total	**Development**	**139,128**	**160,469**	**191,532**	**224,755**	**261,282**	**977,166**
	Operating	**56,075**	**58,564**	**61,415**	**62,408**	**67,010**	**305,472**
	Total	**195,203**	**219,033**	**252,947**	**287,163**	**328,292**	**1,282,638**

8.2.3. NDP3 Goal: Eradication of Extreme Poverty and Hunger

8.2.3.1. NDP3 Goal Description and Background

Poverty has many dimensions. It implies the inability to afford the minimum basic necessities of life. It also refers to lack of capabilities necessary to perform optimally in society. The different dimensions of poverty are often interlinked with households suffering from one also suffering from others (so for example those with little or no income suffer ill health and unemployment). HIV/AIDS is a factor in poverty as it can erode existing support mechanisms from within the household, the extended family and the community. The incidence of poverty has links to natural disasters. The combined effects of climate change (natural disasters) and globalisation (economic disasters) tend to undermine the coping mechanisms of the poor and increase their vulnerability.

Poverty in Namibia is defined in monetary terms based on household expenditure. It is measured by using the proportion of total household expenditure spent on food. The rationale is that if a high proportion of the household expenditure is devoted to food, then very little is left to satisfy other essential needs. Households are classified as relatively poor if 60 percent or more of their total expenditure goes to food and extremely poor if the proportion is 80 percent or more.

Most poor households are relatively large and contain orphans. The incidence of poverty is high among households headed by those with no formal education or only primary education. Households headed by those with tertiary education have the lowest poverty incidence. Many poor household heads are unemployed. In urban areas, poor people are found in squatter and shanty settlements that are vulnerable to the vagaries of the weather and environment.

The National Poverty Reduction Strategy (PRS) focuses on equitable and efficient delivery of public services, expansion of agricultural production and strengthening food security, and strengthening non-agricultural and informal sectors. Namibia subscribes to the Millennium Declaration and systematically monitors the MDGs within the context of its national development framework.

Although Namibia has an average per capita income of about US$2,900, it has severe food insecurity at the household level. Many poor households cannot afford to purchase the available food. Households that earn between N$250 and N$350 a month experience serious food deficits and resort to coping strategies such as own production and bartering and exchange of labour. The people disproportionately affected by food insecurity include smallholder farm communities, the rural landless, communities whose livelihoods depend on herding, fishing or forest resources, and poverty stricken urban dwellers. The national food production capacity is seriously constrained by the agro-ecological base that is composed of arid and semi-arid zones with a limited crop production potential.

Namibia has a multi-sectoral institutional framework facilitating and overseeing the country's food security and nutrition, which comprises of the National Food Security and Nutrition Council (FSNC) at the apex, a Food Security and Nutrition Technical Committee (FSNTC) that supports the Council, and the Food Security and Nutrition Secretariat (FSNS) that supports both the Technical Council and the Committee. The overall objective of the National Food and Nutrition Policy is to improve the nutritional status of the population, taking into account the policy initiatives in other sub-sectors, particularly in health and agriculture.

8.2.3.2. NDP3 Goal Performance during NDP2

Data on changes in poverty incidence specific to the NDP2 period (2001/02 to 2005/06) is not available as the NHIES were conducted in 1993/94 and 2003/2004. The 1993/94 NHIES revealed that 38 percent of households were living in relative poverty and 9 percent were living in extreme poverty. Due to lack of data to measure the extent of poverty at the end of NDP1 in 2000, NDP2 set overall targets to reduce the:

- Proportion of poor households by 5 percent by 2006;
- Proportion of extremely poor households by 5 percent by 2006;
- Poverty index by a minimum of 10 percent by 2006; and
- Difference in the (human) poverty index between the three richest regions (Khomas, Erongo and Karas) and the three poorest regions (Omaheke, Ohangwena and Caprivi) from 81 percent to 50 percent by 2006.

The results from the 2003/04 NHIES indicate that the share of households that were poor had been reduced by 26 percent (from 38 percent in 1993/94 to 28 percent) against the target of 5 percent while the share of households that were extremely poor had been reduced by 56 percent (from 9 percent to 4 percent) against the target of 5 percent. This was in line with the first MDG target of reducing the incidence of extreme poverty by half between 1990 and 2015.[22] The changes in poverty levels during 1993/94– 2003/04 by region and rural-urban setting are shown in Table 8.10.

Table 8.10: Distribution of Poor Households by Region and Rural-Urban Setting (%)

Region	Relatively Poor		Extremely Poor		Rural Poor	Urban Poor
	1993/04	2003/04	1993/04	2003/04	2003/04	2003/04
Caprivi	47.1	43.5	7.0	7.1	54.8	14.1
Erongo	26.8	5.7	7.1	0.4	14.4	4.0
Hardap	30.8	27.6	4.7	4.9	39.2	9.5
Karas	32.2	18.5	4.1	3.1	30.0	7.7
Kavango	70.6	50.4	19.6	8.0	58.5	18.4
Khomas	8.7	3.6	1.1	0.6	16.9	2.5
Kunene	40.6	36.9	11.3	11.2	48.1	13.8
Ohangwena	42.3	22.7	9.9	0.2	23	4.7
Omaheke	54.1	40.4	25.1	12.4	47.4	18.3
Omusati	40.1	46.7	9.0	1.8	47.3	12.1
Oshana	41.2	31.3	5.5	6.0	44.9	11.8
Oshikoto	37.8	47.0	9.0	6.1	52.7	8.8
Otjozondjupa	41.2	18.7	10.8	3.4	29.4	6.6
Namibia	37.8	27.4	8.7	3.9	27.4	3.9
Rural	48.7	42.1	11.8	6.1	42.1	6.1
Urban	16.6	6.6	2.6	0.6	6.6	0.6

Source: 1993/04 and 2003/04 National Household Income and Expenditure Surveys, NPC

22 Note that the differences in the results between the two surveys is partly due to improvements in the methodology used including the sample size and a larger number of expenditure items covered in the 2003/04 NHIES. The sample size in the 2003/04 NHIES has more than doubled over that in 1993/94; and expenditures on a larger number of non-food items have been included in total consumption. Also, the NHIES 1993/94 seemed to have under-estimated consumption while the NHIES 2003/04 over-estimated it.

There are significant differences in the incidence of poverty between rural and urban areas, between regions and among population groups. Thus, relative poverty in rural areas declined from 49 percent in 1993/94 to 42 percent in 2003/04, while that in urban areas declined from 17 percent to 7 percent during the decade. The extreme poverty was reduced from 3 percent to 1 percent among the urban households and from 12 percent to 6 percent in the rural households. Thus, poverty remains primarily a rural phenomenon, though there are pockets of poverty in the urban centres as well.
The Northern Regions of Kavango (50.4 percent), Oshikoto (47.0 percent), Omusati (46.7 percent) and Caprivi (43.5 percent) had the highest incidence of poverty, while the highly urbanized Khomas region had the lowest (4 percent). All regions except Oshikoto and Omusati had experienced a decline in overall poverty during the decade. The poverty incidence is higher among female-headed households (30.1 percent) than among male-headed (26.4 percent) households. The Khoisan speaking households suffer the highest poverty (63 percent).

Between 1993/94 and 2003/04, the main source of household income has changed from subsistence farming to salaries and wages. In 2003/04 salaries and wages were the main source of income for about 46 percent of the households while subsistence farming was the main source of income for 29 percent of the households. In the rural areas, 48 percent of the households reported subsistence farming as the main source of income. Ohangwena, Kavango, Oshana and Oshikoto Regions reported a high proportion of households with subsistence farming as their main source of income. Subsistence farming was the main source of income for virtually all poor households.

Additional qualitative information on poverty and its causes was obtained from the Participatory Poverty Assessments (PPAs) that were conducted between 2003 and 2006. In this exercise, the poor and the grassroots level communities described their perceptions of poverty and identified its main causes. HIV/AIDS, unemployment, lack of or inadequate access to social services and their poor quality, lack of or inadequate assets such as livestock and land (including poor soils) and poor road infrastructure seem to be the major problems experienced in the regions. Region specific issues are covered in the Regional Poverty Profiles.

Food Security and Nutrition: In 2003, one-third of the population was identified as in need of humanitarian food assistance.[23] The fulfilment of the first MDG target of reduction of extreme poverty and hunger is becoming increasingly complex due to low and erratic rainfall and poor soil quality that constrain productivity and limit more intensive forms of agriculture. The preliminary nutritional data from the 2006 NDHS indicate that a total of 29.0 percent of under-5 children were stunted, implying long-term chronic malnutrition. Of these, 9.9 percent were severely stunted. Breastfeeding is the key to infant nutritional status with 22.9 percent of all those with children aged 0-3 months exclusively breastfeeding their children and by the age of one year, 68.5 percent are still breastfeeding. Food supplementation begins very early undermining the health benefits of exclusive breastfeeding. However, 93.8 percent of all children are breastfed.

8.2.3.3. NDP3 Goal Indicators, Baselines and Targets

Table 8.11: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets (2012)
Percentage of households living in relative poverty (spending 60% or more on food)	28 (2003/04)	20

23 According to the National Accounts, 1996-2006, the real value of production of subsistence agriculture declined from 2000 to 2003, hitting a low in 2002 and 2003. It was below that in 2000 in 2004 and 2005. Only in 2006, the real value of production of subsistence agriculture rose above that in 2000.

Indicators	Baselines	Targets (2012)
Percentage of households living in extreme poverty (spending 80% or more on food)	4 (2003/04)	2
Percentage of children under-5 wasted	7.5 (2006)	7
Percentage of children under-5 stunted	29.0 (2006)	18
Percentage of children under-5 underweight	16.6 (2006)	19

8.2.3.4. NDP3 Goal Strategies

- Strengthen and diversify the agricultural base of poor rural communities through measures that diversify and improve agricultural production to ensure food security and expanded livelihoods with attention to gender equality;
- Ensure that poor communities, particularly those in rural areas, are able to broaden their income base by participating in non-farm activities while maintaining environmental sustainability;
- Build a critical mass of competitive SMEs through initial promotional efforts on 'location' of selected cost competitive production of goods consumed in the regions, which are currently imported;
- Ensure good health for all citizens through increased access to and improved quality of health services in rural areas;
- Increase access and improve quality of basic/general education in rural areas;
- Expand the access to safe water supply to rural communities including the poor;
- Strengthen and sustain Namibia's safety nets for the temporarily and chronically vulnerable, including people with disability and those affected by HIV/AIDS; and
- Expand employment opportunities.

8.2.3.5. Sub-Sectors

8.3.3.1. Sub-Sector 1: Rural Development

8.3.3.1.1. Sub-Sector Description and Background

Rural development refers to interventions aimed at improving rural livelihoods through the provision of basic social and economic services for rural communities. Such services may be provided by the public sector and the private sector, including both for profit and non-profit organisations. Crucially, it involves creating a political, legal, economic and social service environment which enables and empowers the rural people and communities to take charge of their own development.

The rural development strategy has two-prongs, involving policy makers and service providers and the affected people themselves. Rural development, although focusing on poorer or vulnerable population groups, does not focus exclusively on the poor but on reducing poverty through inclusive approaches where everybody has a chance to participate and benefit from resources and services. Rural development and the reduction of poverty have to face the sometimes very unfavourable natural, social and economic conditions of rural areas (such as land tenure, government services, low productivity of soils, low and unpredictable rainfall, limited availability of potable water, long distance to markets and service centres, lack of electricity). Rural development has to be considered as highly specific to local conditions and potentials. There are also many fundamentals that must be addressed that are common to all of rural Namibia, including limited access to educational and health services, and limited income generating opportunities. All

programmes should address women's needs and real conditions as well as issues of HIV/AIDS as they affect the rural communities, with advocacy for easier access to prevention, treatment and care facilities.

The 2001 Population and Housing Census registered 67 percent of Namibia's population as rural dwellers (down from 72 percent in 1991) with 85 percent of the country's poor people (defined as those living in households that spend 60 percent of their total income on food) in rural areas. Therefore, poverty in Namibia is mainly a rural phenomenon and rural residents across the country are worse off than their urban counterparts. Rural populations are more disadvantaged in terms of income, education, health care, and employment opportunities outside the subsistence-farming arena.

The National Youth policy recognises inclusive development among the majority of young people residing in the remote areas of the countries. About a third of the population of Namibia is youth and the majority live in rural areas. These young people represent the farmers of the future, and it is essential that the nation set in place strategies aimed at preparing them towards that future.

All Government ministries are engaged with rural communities to varying degrees. The Government ministries that have a direct role in promoting rural development include the MRLGHRD (rural development coordination), MAWF (food security, nutrition and rural water supply), MoHSS (food security, nutrition and healthcare), the MLR (resettlement), MoE (education and training), MWTC (rural feeder roads), MTI (rural SMEs promotion), MET (conservancies), the MME (small miners promotion and renewable energy) and MFMR (inland fisheries and aquaculture). The private sector, many non-governmental organisations, community-based organisations and other civic organisations also play a vital role in providing links to rural communities and increasing social capital through their interventions.

Namibia has adopted a number of policies and strategies relevant to the rural development agenda. While a plethora of policy statements are available to guide rural development practitioners, the country has no over-arching rural development strategy. Therefore, this sub-sector addresses firstly the challenge of developing a national rural development policy and strategy including mechanisms to coordinate rural development planning, implementation and monitoring and evaluation at the national and sub-national levels

8.3.3.1.2. Rural Development Sub-Sector Performance during NDP2

Relative poverty in rural areas declined by 14.3 percent from 49 percent in 1993/94 to 42 percent in 2003/04 while relative poverty in urban areas declined by 58.8 percent from 17 percent to 7 percent during the decade. The northern regions have the highest incidence of overall poverty and rural poverty (see Table 8.10).

Further rural-urban discrepancies in other socio-economic indicators are illustrated by the data in Table 8.12, which shows that rural indicators are uniformly below those in urban areas.

Table 8.12: Indicators of Rural and Urban Poverty, 2003/04

Indicator	Rural	Urban	Namibia
Life expectancy at birth (years)	48	52	49
Adult literacy (%)	73.7	91.7	81.0
Mean household income (N$)	10,531	33,117	15,804
Mean per capita income (N$)	1,727	6,838	2,876

Access to safe drinking water (%)	79.9	98.4	87.2
Access to adequate sanitation (%)	20	93	50
Lighting with gas/electricity (%)	7.1	68.5	31.1

Source: CBS, Namibia Household Income and Expenditure Survey, 2003/04.

Rural Development Policy and Strategy: During NDP2, the formulation of a coherent and responsive Rural Development Policy and Strategy supported by national and sub-national coordination mechanisms was initiated. In 2006, the MRLGHRD embarked on a participatory, multi-sectoral approach of consultation throughout the 13 Regions. The involvement of a wide range of regional representatives enabled linkages to be made between bottom-up and top-down planning approaches, reaching a common understanding on the concept of rural development and identifying integrated measures related to the specific problems in each region. The key challenges to sustainable rural development identified by the regions include the lack of access to quality public services such as education, health, water, roads and agricultural extension services. It was also recommended that closer linkages between the institutions responsible for macroeconomic policy formulation be developed and the RDCCs, CDCs and VDCs be strengthened. At the same time, it was realised that it would be appropriate to update and streamline a number of sub-sector policies and strategies developed in the immediate post-independence era. Subsequently, significant work was undertaken to update the National Agricultural Policy and the National Drought Policy and Strategy.

Income Generating Activities: Since 2001, the Income Generating Activities (IGAs) programme coordinated by the Ministry of Gender Equality and Child Welfare (MGECW) has supported 962 communities based IGAs in all the regions with about N$4.5 million. Some of these projects are now self-sustaining in the communities and yielding fruitful results. About 8,622 people have benefited from the programme of whom 6,208 (72 percent) are women. About 3,050 project participants were provided training in different courses on basic project management, including book-keeping and financial management for small-scale business with women comprising 75 percent of the trainees. The training aims to equip project members with entrepreneurial skills that would enable them to run their businesses in a profitable manner. Due to budgetary constraints, the training was provided to limited groups in the Omusati, Karas, Hardap and Omaheke Regions. However, the process is ongoing and other Regions will be covered during NDP3.

Thirteen Community Development Committees were established countrywide with the objective of assisting communities to come up with development initiatives that could help uplift the people's living standards. Some members of these committees are also serving on the RDCCs.

Development Initiatives for the San Communities: The San Community is one of the most vulnerable groups, which does not grow its own food; is wholly depend on the Government relief programme, even during good years (with adequate rain); and is constantly affected by hunger and malnutrition. They are nomads traditionally relying on wild animals for their food. However, things have changed because the new environmental policy forbids the capture and slaughter of wild animals.

According to the 1993/94 Namibia Household Income and Expenditure Survey (NHIES), 75 percent of the San households were living in poverty (defined as spending 60 percent of their total income on food). Although this figure was reduced to 63 percent ten years later in 2003/04, extreme poverty amongst the San remains the highest of all ethnic groups.

In 2005, the Government undertook to investigate the living conditions and assess the development needs, including permanent resettlement and food production of the San people. Inadequate access

to education, health care, safe water and proper shelter were some of the issues that were brought to light during the investigation.

The investigation culminated in the establishment of a dedicated development initiative for the San communities under the guidance of the Office of the Deputy Prime Minister, with the overall objective to identify alternative solutions for the problem of marginalisation of San communities, focusing on access to secure land rights and traditional ways of living, basic services, income generating opportunities and skills, building and recognising San leadership, and addressing the social problems related to marginalisation, including alcoholism. The initiative started towards the end of NDP2 and is ongoing. So far, training in beekeeping was provided to 12 San persons. Some trainees visited the Kenyan apiculture industry in the middle of 2006 to be exposed to the business side of the industry. Four San learners from Caprivi, Omaheke and Otjozondjupa Regions received scholarships from NamPower and Michelle Mclean Children's Trust covered academic costs of their secondary education. A number of draught animals and implements were handed over to 161 San community households in the Caprivi (Chetto and Omega III), Omaheke (Skoonheid), Otjozondjupa (Tsumkwe), Oshikoto and Kavango (Bangani) Regions. An agreement has been signed between the MET and the Karamashyan Association of the San people. The aim is to make the San people free to engage in the community conservancy programme. In 2006, the conservancy paid their first contribution to the MET fund Standard Bank of Namibia has agreed to finance the Okahepe School Project to provide donkey carts and hostel fees, mattresses and the Donkerbos School received an amount of N$96,000. Various other smaller but highly-valued donations have been received for the San people throughout NDP2. Two kiosks were constructed to sell San souvenirs, taking advantage of the tourists using the Trans-Caprivi Highway. A Task Force was established to oversee and manage the implementation and roll-out process of projects earmarked for the San people.

Rural Youth Development: At the Oshakati Multipurpose Youth Resource Centre in the Oshana Region, training manuals on agriculture, food and nutrition were developed and printed for rural youth clubs. Training and demonstrations on how to establish a horticulture training centre were also provided at the Windhoek Multipurpose Youth Resource Centre in the Khomas Region.

Rural Poverty Reduction: The Rural Poverty Reduction Programme (RPRP) is a multi-sectoral programme coordinated by the NPCS and funded by the European Commission. It was designed in 2003/04 based on the principles of integrated rural development, which foresees that a broad range of coordinated development efforts should have a larger impact than separate individual interventions. The RPRP interventions, therefore, cover rural infrastructure (rural water supply and rural access roads), support to land reform, grant funding for on-farm and off-farm rural economic development, as well as institutional support for managing and planning other poverty reduction actions.

During NDP2, the programme has supported the state budget for rural access roads with €3million (N$ 27million) and for rural water supply with €10 million (N$90 million). Support for land reform has been towards strengthening institutional capacities, involving training, bursaries and equipment. Institutional Support to NPCS and Regional Councils has focused on support for other RPRP actions (notably the grants component) as well as support for NDP3 planning, with a focus on rural development, poverty reduction and cross-cutting issues.

Namibia-Germany Special Initiative: In 2005, the Governments of the Republic of Namibia and the Federal Republic of Germany agreed to implement a Special Initiative aimed at developing projects in areas and for communities that have historic ties with the German colonial government. The German Government considers that it has a special moral and political obligation and responsibility towards Namibia and the affected communities. An amount of €20 million

(approximately N$190 million) has been committed by Germany for this purpose. Development of specific activities for funding under this programme is underway.

8.3.3.1.3. Rural Development Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To reduce rural poverty reduced and ensure that rural areas developed through broad-based sustainable growth.

Goal: Rural poverty reduced.

Table 8.13: Rural Development Sub-Sector Goal Indicators, Baselines and Targets

Indicator	Baseline	Target
Percent of rural households living in poverty (spending 60% or more of their expenditure on food).	42% in 2003/04	37% in 2011/12

8.3.3.1.4. Rural Development Sub-Sector Strategies

- Undertake a participatory process in the design of a National Rural Development Policy and Strategy;
- Establish a national level rural development coordination structure involving all stakeholders engaged in rural development initiatives; and
- Implement nationally and regionally coordinated multi-sectoral rural development programmes (the San Development Initiative, the Rural Poverty Reduction Programme – including rural youth and the Namibia-German Special Initiative).

8.3.3.1.5. Rural Development Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Management and Coordination of the National HIV/AIDS Response	Development	55,948	50,135	49,731	50,233	48,835	254,882
	Operating	22,458	28,580	28,655	27,968	29,721	137,382
	Total	78,406	78,715	78,386	78,201	78,556	392,264
Establishing Workplace Programmes (WPP) in All Sectors	Development	42,464	59,290	76,680	94,499	113,019	385,952
	Operating	10,904	6,783	7,463	8,218	9,047	42,415
	Total	53,368	66,073	84,143	102,717	122,066	428,367
Rural Development Sub-Sector Total	**Development**	**139,128**	**160,469**	**191,532**	**224,755**	**261,282**	**977,166**
	Operating	**56,075**	**58,564**	**61,415**	**62,408**	**67,010**	**305,472**
	Total	**195,203**	**219,033**	**252,947**	**287,163**	**328,292**	**1,282,638**

8.3.3.2. Sub-Sector 2: Research

8.3.3.2.1. Sub-Sector Description and Background

This sub-sector focuses on the major research instruments used by the Government to monitor the country's poverty and hunger situation and the impact of its policies and strategies to eradicate these dual scourges. In order to effectively monitor poverty, there has to be a general understanding of what constitutes poverty and how to distinguish the poor from the non-poor. Two main conceptual models of poverty exist: physiological deprivation model (the income/consumption poverty approach) which classifies households as poor if they lack access to resources to acquire commodities that satisfy basic material needs; and the social deprivation model, which goes beyond the money metric measurement of poverty, and includes other dimensions such as human capabilities, social exclusion, participation, and access to services. The National Household Income and Expenditure Survey (NHIES), which is used to determine the levels of living in Namibia, classifies the households as relatively poor if 60 percent or more of their total expenditure goes to food and extremely poor if the proportion is 80 percent or more.

In applying the social deprivation model, the extent of poverty is determined through a Participatory Poverty Assessment (PPA). The PPA is a tool for involving poor people, their non-poor cohorts and their institutions to participate effectively in defining and analysing poverty from their own perspectives. It contributes to a greater understanding of the processes by which people fall into and get out of poverty, the complex coping and survival strategies adopted by the poor, the major priorities as perceived by the poor to bring about positive changes, and the solutions found by them within their local and regional contexts. Generally, the PPAs add to the legitimacy of the Poverty Reduction Strategy (PRS) as they point to interventions that are responsive to the needs of the poor. They also enhance the poverty monitoring process by providing information on such aspects as the perceived quantity and quality of service delivery and social inclusion of the poor.

A large number of Namibians, especially those residing in rural areas and informal urban shanty settlements, live in poverty. The Government has introduced a number of measures to address the plight of the poor such as pro-poor laws, policies and programmes. However, despite these efforts, the general public and the people in positions of authority to provide basic services to the poor do not have regular access to information on the poverty situation in the country either because of the shortcomings in information collection and/or dissemination. Therefore, the current methods of producing, publishing and disseminating information on poverty in the country needs to be revamped to provide timely, accurate and reliable information.

Providing timely poverty related information would arm the poor with knowledge of their entitlements as well as those in positions of power and decision-making to develop and deliver targeted and pro-poor programmes. The main stakeholders responsible for the attainment of this goal are therefore: the beneficiaries (the poor communities) who provide information on their poverty status and coping strategies; the Government, which provides basic services; the private sector and international development partners who provide financial and material support; and the civic organisations, which help to deliver the services to the poor.

8.3.3.2.2. Research Sub-Sector Performance during NDP2

Determining the levels of living: The second Namibia Household Income and Expenditure Survey was conducted in 2003/04. The main objective of NHIES was to describe the living conditions of Namibians using the actual patterns of consumption and income, as well as a range of other social and economic indicators.

Qualitative Assessment of Poverty Levels: Between 2003 and 2006, Participatory Poverty Assessments (PPAs) were conducted in all 13 Regions. The PPA findings underline that people look for less isolation and better access to affordable services in many areas, including health, education, agricultural extension, water supply and sanitation. Therefore, the service institutions need to improve their standards in delivering quality services in adequate quantities to satisfy people's needs. In this regard, the Regional Councils and the RDCCs should play a central role in the Regions in coordinating the flow of information, identifying and addressing people's needs, and setting up the relevant structures at the sub-regional level.

Developing Poverty Monitoring Strategy: In view of the various actors involved in poverty related information gathering, a Poverty Monitoring Strategy (PMS) was adopted in 2004. The PMS serves two main purposes. First, to monitor progress made in poverty reduction in order to continually inform key agents involved in the process and encourage a two-way flow of information between beneficiaries, service providers and policy makers. In this way, the design and implementation strategies can be continually modified to build on what works, and avoid the repetition of mistakes. Second, monitoring will help build accountability in terms of realisation of targets and achievement of goals. The PMS facilitates the development of country-owned indicators and targets and put in place systems to track these indicators. It also ensures that institutional systems and arrangements are in place to integrate the collection, analysis and dissemination of information to promote transparent feedback for policy formulation. Periodic reporting on the poverty indicators is yet to be operationalised.

Measuring Malnutrition Among Children: The Namibia Demographic and Health Survey (NDHS) conducted in 2006 measures the nutritional status of children.

Information Systems: The first Poverty Bulletin was produced in September 2005 and the second one in November 2006. The purpose is to share poverty related information with all relevant stakeholders nationally and globally. The plan is to produce and disseminate the bulletins regularly.

In 2004, Namibia produced the first Millennium Development Goal Report, which recapitulates human development and poverty reduction as the overall development goals of the country. The findings of the report give grounds for both optimism and concern. Much progress has been made, for instance, in providing access to healthcare, education and other basic needs, as well as promoting sustainable development. However, the escalating HIV/AIDS epidemic threatens to set back years of progress and undo many of the achievements.

8.3.3.2.3. Research Sub-Sector Mission, Goals, Indicators and Targets

Mission Statement: High quality, objective and relevant poverty and hunger related information and analysis is produced and disseminated for appropriate use in research, planning and decision-making.

Goal: Information on poverty is guiding policies, strategies and programmes.

Table 8.14: Research Sub-Sector Goal Indicators, Baselines and Targets

Indicator	Baseline	Target
Functional Poverty Information System	Poverty bulletins and reports produced and disseminated regularly	• Poverty Monitoring Strategy operationalised • Produce periodic poverty information bulletins and reports

8.3.3.2.4. Research Sub-Sector Strategies

- Institutionalise the timely production and dissemination of comprehensive qualitative and quantitative data on poverty

8.3.3.2.5. Research Sub-Sector Programme:

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Research on Poverty	Development	0	0	0	15,600	0	15,600
	Operating	1,630	1,500	300	1,000	1,500	5,930
	Total	1,630	1,500	300	16,600	1,500	21,530
Research Sub-Sector Total	**Development**	**0**	**0**	**0**	**15,600**	**0**	**15,600**
	Operating	**1,630**	**1,500**	**300**	**1,000**	**1,500**	**5,930**
	Total	**1,630**	**1,500**	**300**	**16,600**	**1,500**	**21,530**

8.3.3.3. Sub-Sector 3: Health

8.3.3.3.1. Sub-Sector Description and Background

Optimal nutrition is crucial to the realisation of Vision 2030, MDGs and NDP3 Goals. Malnutrition plays a huge role in the global burden of disease and improved nutrition constitutes a good way to improve health. Improving the nutritional status of all Namibians will positively impact on the attainment of better quality life for all. Since 1992, the Food and Nutrition Section in the MoHSS has been focusing on growth monitoring and promotion, breastfeeding promotion, support and protection, prevention, control and treatment of micro-nutrient deficiencies, specifically vitamin A deficiency and iodine deficiency disorders. In response to HIV/AIDS in the country, it has become necessary to extend the focus to include nutrition care for infants, children and PLWHAs.

8.3.3.3.2. Health Sub-Sector Performance during NDP2

Under-nutrition remains widespread among children under five years of age. Preliminary nutritional data from the 2006 Namibia Demographic and Health Survey (NDHS) indicate that a total of 29.0 percent of under-5 children were stunted nationally, referring to long-term chronic malnutrition, with, 9.9 percent severely stunted. Breastfeeding is the key to improved infant nutritional status and 22.9 percent of the mothers with children aged 0-3 months exclusively breastfed their children. Children under-5 who is underweight increased from 24 percent in 2000 to 29 percent in 2006

The following policies and guidelines were developed during the NDP2:

- Web-page on Breastfeeding in Namibia for the MoHSS website developed (2001);
- Pamphlet on Iodine for Better Health, which was also translated into Rukwangali (2002);
- Healthy eating for people living with HIV/AIDS, which was translated into four languages (2002);
- The National Policy on Infant and Young Child Feeding (2003);

- Revision of the Growth Card to make provision for vitamin A to be recorded every six months (2003); and
- Pamphlet on exclusive breastfeeding (2005).

8.3.3.3.3. Health Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To plan, implement, monitor and evaluate food and nutrition activities for the improvement of nutritional status of the communities.

Goals: The nutritional status of the Namibian population, particularly of children, women, and PLWHA, improved and morbidity and mortality due to or associated with malnutrition reduced.

Table 8.15: Health Sub-Sector Goal Indicators, Baselines and Targets

Indicators	**Baselines** (2006)	**Targets** (2012)
Percentage of children under-5 who are wasted	7.5%	7%
Percentage of children under-5 who are stunted	29.0%	18%
Percentage of children under-5 who are underweight	16.6%	19%
Children 9 months to six years who have received a vitamin A capsule within the last six months	51.5%	60%

8.3.3.3.4. Health Sub-Sector Strategies

- Develop capacity for the prevention and control of child malnutrition;
- Promote, support, and protect breastfeeding; and
- Monitor and evaluate nutrition indicators such as stunting, wasting and low weight.

8.3.3.3.5. Health Sub-Sector Programme: Family Health Services programme included under Health Sub-Sector under the NDP3 Goal on Affordable and Quality health Care in this chapter.

Chapter 9: EQUALITY AND SOCIAL WELFARE

9.1.1. Thematic Area Description and Background

The Key Result Area (KRA) Equality and Social Welfare is derived from the Vision 2030 objective that aims to "Ensure that Namibia is a fair, gender responsive, caring and a committed nation in which all citizens can realise their full potential in a safe and decent living environment." The associated sub-Visions are:

- *Population Age and Sex Distribution:* Namibia is just, moral, tolerant and safe society with legislative, economic and social structures in place to eliminate marginalisation and ensure peace and equity between women and men, the diverse ethnic groups and people of different ages, interests and abilities;
- *Senior Citizens:* The elderly citizens are acknowledged and well esteemed for their past contributions to the development of the country, and in their old age they are well cared for and remain happy senior citizens in a safe and loving environment;
- *People with disabilities:* Namibia is a caring state and society, which pays particular attention to vulnerable people and groups, who are unable to utilise capabilities, care for themselves or get assistance from family networks;
- *Fostering and Orphanage:* Families are available and willing to accommodate orphans and are being assisted, when necessary, by the government/community through well a managed public orphanage programme, in which such disadvantaged children are supported to live a meaningful life that prepares them adequately for the future;
- *The Family:* The family is sacred and well respected, and parents fulfil their responsibilities, while children remain obedient and responsible;
- *Youth and Development:* Namibia will be a just, moral, tolerant and safe society with legislative, economic and social structures in place to eliminate marginalisation and ensure peace and equity and a conducive environment for child and youth development;
- *Culture and Tradition:* People and society are tolerant and supportive of a diversity of religious beliefs, cultures and ethnicity, and work to optimise the strengths of diversity; and
- *Gender and Development:* Namibia is a just, moral, tolerant and safe society, with legislative, economic and social structures in place that eliminate marginalisation and ensure peace and equity between women and men, the diverse ethnic groups, and people of different interests.

Equitable access to basic social and welfare services plays an important role in achieving equality and enhancing welfare. In particular, provision of access to these services to the hitherto under-served and un-served vulnerable and marginalised segments of society is critical. Also, reducing inequalities in social welfare, instilling culture and morality (especially among the youth), and gender equality will contribute to a more equitable society.

The vulnerable and marginalised groups include the following:

(i) The elderly, aged 60 years and above, which account for less than 7 percent of the population;
(ii) People with disabilities, who constituted 4.7 percent of the population in 2001; Orphans and vulnerable children (OVC) under the age of 15 who have lost one or both parents; and who numbered approximately 97,000 in 2001. It is estimated that the number of OVC would increase to 250,000 by 2021, mainly due to the death of parents infected with HIV/AIDS;
(iii) Children at risk of the worst forms of child labour, exploitation and abuse;
(iv) Females, accounting for 52 percent of the population, who suffer from gender inequality in virtually every sphere;
(v) The youth aged 15-30 years, who form approximately one-third of the total population. Unemployment among the youth is one of the highest in the region/continent. Also, they are highly vulnerable to sexually transmitted diseases, in particular HIV/AIDS; and

(vi) Those affected by substance abuse, and particularly alcohol abuse.

Three NDP3 goals have been identified to meet the needs of the above vulnerable groups:

- Reduced Inequality in Social Welfare;
- A Society Imbued with Culture and Tradition and Morality; and
- Gender Equality.

9.1.2. Thematic Area Performance during NDP2

The 2001 Population and Housing Census showed the population to be 1.86 million with a growth rate of 1.96 percent per year. Of the total population, 52 percent are female and 48 percent male and more than 60 percent is below the age of 24 with the youth forming approximately one-third of the total population. Life expectancy at birth has declined from 60 years during the early 1990s to 49 years by the end of NDP2 with HIV/AIDS, malaria and TB the contributing factors.

For the **elderly**, a goal of 95 percent coverage for social grants was set in NDP2, with only 82 percent coverage of social grants reached. The coverage of social grants for people with disabilities during NDP2 was 40.8 percent, well below the target of 95 percent coverage. The plan also visualised efforts for rehabilitation of the disabled, creation of employment opportunities, and increase in access to public facilities such as schools and services, which did not materialise.

During NDP2, Government assistance to **OVC** was provided in the form of foster parent allowances, subsidies to welfare organisations and children's homes and place of safety, and maintenance grants. There has been an increase in the number of children placed in foster and residential care. The number of OVC is growing faster than the public and private interventions can cope with.

The **child labour** practices including the worst forms of child labour (WFCL) was not directly included as a specific issue in NDP2. However, various cross-cutting issues relevant to child labour were covered in Vision 2030, NDP1 and NDP2, including the eradication of extreme poverty and hunger, the reduced spread of HIV/AIDS and its effects, and increased gender equality. The performance in these areas during NDP2 is reported under other relevant KRAs and NDP3 goals in this document. Also, the strategies for other sub-sectors overlap with the strategies to reduce child labour and eliminate the WFCL. Some of these include: access to social services and social welfare; access to quality education; support to families to keep them functioning; support to OVC and marginalised children and their families; and increased employment and opportunities for adults to obtain increased income.

The **family structure** in Namibia is based on the extended family as the source of power and income as well as the safety net for the members. In rural Namibia, the extended families often with more than five family members with only one bread winner are preponderant. It is estimated that almost a fifth of all families depend on social welfare as the sole source of income. According to the Population and Housing Census of 2001, pensions constituted about 11 percent of total household income in Namibia. The grandparents sometimes take care of children whose parents are either working, infected with HIV/AIDS or deceased, often using their pensions to pay for the sustenance and education of the children.

The **youth** development performance during NDP2 focused on the realities of high youth unemployment. However, no significant progress was made, and the number of unemployed youth is still increasing. Also, the HIV/AIDS pandemic exacerbated the performance of youth

development as this age group has been the most infected and affected. The youth participation in development programmes and decision-making processes at all levels of society needs to be improved. There is still a lack of opportunities to empower the youth and their effective socio-economic and political development. Lack of facilities hampers service delivery and constrains the acquisition of qualifications.

The Government has strived to ensure the implementation of the **Sport** Policy and Act. The fundamental element of the programme is to provide greater opportunities for marginalised communities and groups that will enjoy, practice and lead positive and healthy lifestyles through the development of people friendly infrastructure and equipment in all regions of Namibia. The positive impact of sport has been increasingly acknowledged in the fields of education, health, youth development, equity and peace. Sport also serves as a means to reduce inequality in social welfare amongst marginalised groups including women, people with disabilities, OVC and the elderly.

Namibia national teams in various sports codes have qualified and participated in many international events. The Sport Act was reviewed and amended to better guide and provide policies for the sporting community. Since Independence, the Government has managed to build nine sport stadiums including two under NDP2 in Oshakati and Swakopmund. The establishment of a division for Women and Marginalised People under the Directorate of Sport in the Ministry of Youth, National Service, Sport and Culture (MYNSSC) is another milestone to promote women in sport as well as programmes for people with disabilities and other marginalised people.

Namibia's population comprises of a diversity of **cultures and languages** spread in the thirteen geo-political Regions. Traditional cultural festivals were organised to promote understanding between diverse groups. During national and state events, the performing arts of all Namibians create a sense of pride in people and build a strong nation. Multiculturalism has been encouraged through school culture clubs for development, bringing to the fore mutual respect through combining the knowledge and skills in programmes leading to unity in diversity.

During NDP2, affordable **arts** education and services of quality were rendered and opportunities continued to be created for Namibian artists to practice and showcase their arts, develop an audience that can appreciate artistic expression, and support the development of the arts industry and the creation of employment. The Government continued to nurture the Namibian identity and unity through diversity through its programmes and activities; and managed to perform quite well in spite of the limited infrastructure and deficient operational structure.

The Liquor Act of 1998 (Act No. 8 of 1998) regulates the selling of liquor. Numerous *shebeens* (local bars) and *cuca*-shops supply **alcoholic** beverages to customers on a 24-hour basis. Although it is illegal to sell alcohol to persons under the age of 18 years, minors have access to alcohol. Experimentation with alcohol among 13-16 year olds was high at 50 percent. About 39 percent of all Namibian adults smoke, 2.6 percent use *dagga* (marijuana) and 0.4 percent use other substances including *mandrax*. Current treatment responses in Namibia range from residential rehabilitation facilities (government, private and faith-based), social work support, community-based counselling services, faith-based support groups, self-help and medical interventions. There are gaps in services, with many communities lacking local access to any form of support. More than half of the in-patients at the Etegameno Rehabilitation and Resource Centre (ERRC) are single and were consumers of mostly alcohol, followed by *dagga* and *mandrax*.

Gender inequality is still persistent with low representation of women in the political, social and economic spheres. Some of the cultural practices including gender stereotyping are major challenges to achieve gender equality. During NDP2, progress on gender equality has been made in education, power decision-making, legislation development and employment in both the public and

private sectors. However, the status and recognition of women in the household and in the community require further significant improvement.

9.1.3. Thematic Area Strategies

- Enhance full participation of the elderly in socio-economic and political spheres through the provision of social grants; increase accessibility to social welfare services; and sensitise them on the legislation and polices on gender, culture and traditions;
- Ensure that persons with disabilities receive equal access and opportunities to social welfare through affirmative/corrective actions;
- Encourage the participation of the people with disability in diverse cultural and socio-economic activities;
- Ensure placement of OVC with foster parents, who should promote strong cultural practices and norms;
- Reduce the incidence of child labour and prohibit and eliminate the worst forms of child labour (WFCL);
- Ensure that the plight of war veterans in Namibia is addressed; Enhance family and life empowerment interventions and programmes to foster stable, disciplined, healthy and growing family units;
- Promote youth empowerment through equal opportunities for young women and young men to access social welfare; and the promotion of cultural and traditional practices through awareness raising;
- Foster respect for human rights and fundamental freedoms;
- Prepare young people for responsible lives in free societies that promote peace, understanding, tolerance, dialogue, mutual respect and friendship across all groups and among nations;
- Expand the opportunities for sport through information, education and communication campaigns and creation of accessible and friendly infrastructure;
- Promote and develop culture so that Namibians can enhance their nation building capabilities with confidence and pride and in unity;
- Promote arts education and professional development and support talented artists and arts institutions; and
- Ensure gender equality through awareness raising/sensitizing/understanding and mainstreaming of gender issues in legislation, policies and programmes and through affirmative /corrective actions.

9.2.1. NDP3 Goal: Reduced Inequality in Social Welfare

9.2.1.1. NDP3 Goal Description and Background

A majority (67 percent) of Namibians reside in the rural areas with subsistence farming as an important occupation, in spite of the arid and semi-arid conditions. The unemployment rate is high (36.7 percent in 2004 based on the broad definition of unemployment), especially among the unskilled and semi-skilled. Should the current unemployment rate prevail, major difficulties will be experienced in sustaining the social welfare interventions. In addition, the HIV/AIDS prevalence rate of 19.9 percent (2006) is of concern. It has become a crisis triggering national emergencies, wiping out human lives and many years of hard-won social and economic gains. In some cases, grandparents take care of children whose parents are infected with HIV/AIDS or deceased, often using their pensions to pay for the sustenance and education of the children. However, as more Namibians are infected with HIV, support from the elders in the extended family will be stretched

thin and the system will break down causing problems such as hunger, increased poverty, child labour and a higher rate of HIV infection.

Namibia has both formal and informal safety net arrangements. The formal Government safety nets include five flagship programmes: (i) basic state grants to the elderly and people living with disability; (ii) grants and allowances to children in need; (iii) subventions to war veterans; (iv) subsidised housing to the elderly in several towns at a very low rental fee; and (v) a funeral benefit for those beneficiaries that are included in the database. Other formal systems include those run by NGOs including faith-based organisations (FBOs). The informal networks include the extended family, clan and community support systems.

The Social Assistance Database shows that payment is being made to 145,666 beneficiaries (of whom 126,919 are the elderly and 18,747 are people living with disabilities) under the ongoing Government programmes. In addition, about 1,800 war veterans benefit while the funeral benefit covers on average about 500 persons per month. The increase in the pension amount from N$300 to N$370 per month was successfully implemented and all registered beneficiaries receive a basic state grant of N$370 per month. The funeral benefit is N$2,200. The war veterans receive N$500 per month. The social welfare interventions demand 27 percent of the national budget with fewer funds available for other development initiatives.

The relatively low levels of existing benefits point to the need to urgently review the social security set up, to ensure that all the necessary components of social welfare are catered for, and that the contributions and benefit structures (including the benefits secured through the Social Security Commission) are adequate to secure maximum benefits with minimum contribution. Moreover, a workable National Pension Fund covering the entire population is to be put in place during NDP3, which will go a long way to ensure equality in social welfare with an increased proportion of the vulnerable population benefiting from the safety net programmes including the vulnerable children who may be victims of exploitation.

Despite substantive efforts from the Government, including the putting in place of relevant enabling legislation, the plight of people living with disabilities has not been fully addressed. Negative and uncaring attitudes including discriminatory practices and exclusion of this specific group still prevail. Although several efforts were made in addressing the situation of the people living with disabilities, many are still not aware of their rights as information is not readily available and there are still a number of institutions (including facilities and buildings) that are inaccessible, hampering the people living with disabilities from enjoying the same lifestyle and benefits as the rest of Namibians. In the same vein, increased focus is to be on the destitute and the marginalised, with specific emphasis on the San, Ovatua and Ovazemba groups, whose special needs are not adequately catered for.

The number of children who can be classified as orphans and vulnerable children (OVC) is also on the increase. These children are increasingly subjected to various types of exploitation including labour exploitation and sexual exploitation. The Government, in accordance with the Children's Act (Act No. 33 of 1960), effects payment of maintenance grants and foster parent allowances to the children in need.

According to the 1999 Namibia Child Activities Survey (NCAS), 23 percent of children living in rural areas were working compared to only 2.3 percent in urban centres. About 40,000 (55 percent) working children were under the age of 14 years and 10 percent of the working children were in paid employment. About 66 percent of all working children were working on subsistence farms with 1.8 percent on commercial farms. A variety of informal sector activities occur in Namibia and a limited number of children are involved in either working independently on their own businesses or alongside adults. Examples are found in retail trade, services, and production.

Children's work activities in Namibia take three forms: child work, child labour and the worst forms of child labour (WFCL). Child work is not harmful and can be beneficial to the development of the child as well as benefiting their family and community. Child labour is considered to be exploitative if it is likely to be hazardous and interferes with the child's education, or harmful to the child's health or physical, mental, spiritual, moral or social development. The WFCL in Namibia include commercial sexual exploitation of children (CSEC), children being used by adults to commit crimes (CUBAC) and children engaged in very hazardous work.

There is a general concern about the limited access to national documents, particularly for rural residents. The difficulties in obtaining the necessary documents result in many problems such as the inability to access welfare grants, enter school, or apply for exemptions to cover school or health costs.

Another major concern is the access to affordable quality housing. The current housing backlog stands at 80,000 in the urban areas and even higher in the rural areas. This rather high figure is a result of various factors. The prices of *erven* (serviced plots) in urban areas are high and are out of the reach of the poorest. Neither the financial institutions nor the housing agencies are willing to assist those living in un-proclaimed settlement areas. Currently a subsidy of N$1 million per year is granted to the Shack Dwellers Federation to assist the poor people in securing housing. Due to the low amount of the subsidy and the high demand, the people are building mainly corrugated iron sheet houses that pose health hazards, given the extremely hot and cold seasons in Namibia.

In addition, different Local Authorities (LAs) have a special 'build together' programme, which caters to the "welfare cases," which are allocated a house on a rental basis. The programme also provides loans to individuals whose income is less than N$3,000 per annum as well as for single quarter transformation projects and informal settlement upgrading projects. All members of the population whose income exceeds N$3,000 per annum have to approach the National Housing Enterprise (NHE) or other financial institutions like banks in order to secure loans to either build or purchase houses.

9.2.1.2. NDP3 Goal Performance during NDP2

The social welfare function is shared among different sub-sector institutions (including the Ministries of Labour and Social Welfare, Health and Social Services, Gender Equality and Child Welfare and Veterans Affairs).

NDP2 set a goal of 95 percent coverage of the elderly (under the old age grant), people with disabilities, children in need of care (registered) and child maintenance and foster parent grants. The actual coverage was 82 percent for the elderly and 40.8 percent for people with disabilities. A total of 65,099 beneficiaries were covered under the children's grant, of which 54,678 were for maintenance and 10,421 foster parent grants. Although more than 80,000 OVC were registered, not all are receiving assistance and the children remain vulnerable to all forms of exploitation.

The current grant amounts are N$370 per month for Old Age and Disability Grants and N$200 per month for the first child and N$100 for every additional child for which a grant application was lodged by the same parent or guardian.

A Funeral Benefit Plan was also established during NDP2 for all the elderly and people with disabilities and its coverage stands at 93 percent. Moreover, accommodation is provided to older people at sub-economic housing units at a very low rent. The qualifying criteria are that the older person must have reached the age of 60 years and be in a position to look after him or herself.

It was anticipated that the subventions to War Veterans would cover 95 percent. However, due to the absence of a proper record of the war veterans, an estimate of the total coverage cannot be given. To date, about 1,800 war veterans have been successfully registered and are receiving N$500 each per month. The Government is also constructing houses for the veterans. The Ministry of Veterans Affairs (MoVA) was established in 2006 to address the plight of the veterans.

On the computerisation of the Social Assistance System (SAS), the target of 70 percent was achieved. The remaining issues are the transfer of the database system from the Office of the Prime Minister and the Internet Connectivity target of 50 percent of all offices which could not be achieved. Another area of intervention was the capacity building of staff in computer literacy where and the target of 60 percent was exceeded, with over 70 percent of staff computer literate. However, only one staff member of the targeted three could be trained in specialised computer technology.

Several pieces of legislation and policies are in place and some are pending, that address the welfare of some of the most vulnerable citizens, including children. None directly cover the issues of child labour, but they link implicitly to child labour by ensuring that children are cared for in an appropriate manner. There are many programmes and projects that can help to address child labour, with most of these falling under the poverty reduction and food security programmes, HIV/AIDS or OVC. Numerous programmes address the social welfare and development of children, including child social welfare grants and the work of various NGOs, faith-based organisations (FBOs) and Community-Based Organisations (CBOs). These organisations are spread throughout Namibia and are running programmes that go a long way, even if indirectly, to prevent child labour in specific geographic locations. However, to fully ensure that the objective of Vision 2030 and the goals of this sub-sector are met, specific programmes are needed in three areas: child labour exploitation, CSEC and CUBAC.

Another aspect of inequality that requires urgent intervention is the acquisition of land and the housing problem that faces a majority of the people. Efforts were to be put in place during NDP2 to make the acquisition of land for housing delivery affordable. However, the price of land both for commercial farming and residential *erven* has increased abnormally and it is hardly affordable to the poor.

During NDP2, it was targeted to build 18,747 housing units. However, only 11,177 units could be erected. In addition, the affordability of building materials need to be addressed, as the inflation rate was to be kept low during NDP2 and imports of building materials (currently standing at 80 percent) was to be minimised. Thus, an urgent intervention is inevitable to promote the development of affordable local building materials. The Government established the Habitat Research and Development Centre (HRDC) in order to demonstrate appropriate technologies in response to the problems of high import costs of building materials. The strengthening of partnerships and securing the greater involvement of stakeholders is essential for success in this and other areas.

9.2.1.3. NDP3 Goal Indicators, Baselines and Targets

Table 9.1: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Percent receiving old age grant	82	95
Percent receiving disability grant	40.8	95
No. receiving maintenance grant	54,678	80,000
No. receiving foster parent allowance	10,421	20,000
No. of war veterans registered	1,741	15,000
No. of housing units erected	11,177	18,747
% of previously disadvantaged accessing sub-economic housing units	15	30

9.2.1.4. NDP3 Goal Strategies

- Synergise all welfare related initiatives through effective coordination in order to ensure better service delivery and avoid duplication of efforts;
- Create and maintain a conducive policy, legal and regulatory framework and environment, where all the social welfare issues could be played out securing equity, affordability and equal access to such services for all;
- Increases the amounts of welfare grants in response to inflation;
- Address the issue of housing deficiency currently experienced and increase subsidies to agents in order to ensure that quality low cost houses are erected;
- Align all social welfare/security activities to complement and supplement each other with specific emphasis on social security programmes and expedite the commencement of the National Pension Fund and Medical Benefit Fund;
- Develop human capacity through training of staff in requisite specialised fields in order to respond to the expressed needs of the communities in a timely manner. Part of this effort should be to simplify the grant application procedures, which are very cumbersome and costly, especially for the rural people;
- Introduce special rates and/or exemptions/subsidies for people that are not able to afford and access basic services, including housing; and streamline the procedures to access these exemptions;
- Make concerted efforts to address the infrastructure issues, especially roads and transport, and water and sanitation; and
- Strengthen and develop stakeholder involvement and smart partnership programmes that will ensure better service delivery.

9.3.1.1. Sub-Sector 1: Social Welfare

9.3.1.1.1. Sub-Sector Description and Background

During NDP2, a number of social welfare functions that used to be housed under the Directorate of Developmental Social Welfare Services (DDSW) in the Ministry of Health and Social Services were transferred to other sub-sector institutions and some of the newly established ministries. The Child Welfare function was transferred to the Ministry of Gender Equality and Child Welfare. In addition, the Social Assistance function was transferred to the Ministry of Labour and Social Welfare and the War Veterans Subvention Administration to the Ministry of Veterans Affairs.

The laws governing the social welfare sub-sector include the following:

- Children's Act (Act No. 33 of 1960),
- National Pensions Act (Act No. 10 of 1992), and
- War Veterans Subvention Act (Act No. 16 of 1999).

Older People: The 2001 Population and Housing Census figures indicated that about 7 percent of the total population of Namibia is over the age of 60 years, with a mean age of 70 years; and 12.2 percent of them are over the age of 80 years. A growing number of older people find themselves outside the traditional (family) support networks, mainly due to "western" lifestyles, care facilities available for the aged, migration, urbanisation and changing attitudes. The scale of marginalisation is more evident in the rural areas where the social protection of older people has eroded because of increasing poverty, and lack of infrastructure such as health care, education and social services.

OVC: The number of OVC in Namibia is increasing and it is projected to reach 250,000 orphans under the age of 15 by 2021. According to the 2001 Census, there were approximately 97,000 children under the age of 15 who had lost one or both parents. The rights of these children to health, education, a caring family environment and full participation in society may be under threat.

The Government has greatly expanded its social assistance support to OVC. Doubling the number of maintenance and foster grant recipients in one year, providing one meal per day to a number of school children for five days a week, and training schoolteachers to act as counsellors. However, these are not entirely sufficient to ensure that OVC grow up with the love, protection and care they need. Basic family units remain the primary care givers to the vast majority of OVC and must be strengthened by targeted poverty alleviation strategies, including skills training for the youth, income generation for women, social assistance grants to the elderly and to care givers, and material and financial support for the education and provision of health care to OVC. Violence and abuse of women and children, especially girls, remains a major obstacle to children reaching their potential and realising their rights.

Child Labour: Other than the Reducing Exploitative Child Labour (RECL) programme of ILO the Reducing Exploitative Child Labour in Southern Africa (RECLISA) programme running in the Caprivi Region under the management of Africare appears to be the only programme in Namibia that directly focuses on child labour issues. The latter programme attempts to address the situation of children not being in school because they must work.

A number of programmes and projects deal with children who have found themselves in trouble with the law, with some falling under CUBAC. These programmes and draft policies, which focus on restorative justice, are overseen by Government under the Inter-Ministerial Committee on Child Justice (IMC), the Juvenile Justice Forum and Arrest Awaiting Trial Committee, with representation from at least five line ministries and three NGOs.

Annual inspections of registered welfare organisation indicated that the majority lack the knowledge and skills to manage their operations and that some organisations are not registered. Social workers promote and render preventative, statutory and rehabilitative services within the community. However, 50 percent of the social worker posts at all levels in Government are vacant. In order to assess the extent and nature of the country's social welfare problems, it is imperative that a functional social welfare information system (SWIS) should be in place.

9.3.1.1.2. Social Welfare Sub-Sector Performance during NDP2

The Ministry of Gender Equality and Child Welfare (MGECW) with the support of international partner organisations agreed to embark upon a joint process of Rapid Assessment, Analysis and Action Planning (RAAAP). The RAAAP was seen to complement and contribute to on-going and planned activities in Namibia, where the OVC programme is well articulated with substantial progress made on the "five pillars" in terms of the UNGASS Declaration. The RAAAP found that despite a very positive policy and legal environment enabling the work in support of OVC, various economic and social factors mitigate the effectiveness of these policies and the implementation of the programme of action for OVC.

Violence and abuse of women and children, especially girls, remains a major obstacle to children reaching their potential and realising their rights. As noted earlier child labour as a specific issue was not directly included in NDP2. Strategies for other sub-sectors also overlap with the strategies to reduce child labour and eliminate the WFCL, and many of these are reported on here and other KRAs.

To fully ensure that Namibia complies with its international obligations and that the goals of this sub-sector are met, specific programmes are needed in three areas: child labour exploitation, CSEC and CUBAC.

Some of the procedural manuals and guidelines could not be completed, since the relevant legislation was not finalized and put in place. For the same reason, the National Social Welfare Council could not be established to ensure coordination in the social welfare sub-sector. However, performance in some isolated areas was measured.

A greater need has been identified to introduce new bills or revise the existing laws in order to be more responsive to the current and emerging realities. A number of enabling laws was to be passed during NDP2: (i) Child Care and Protection Bill; (ii) Non-Profit Welfare Organisations Bill; (iii) Bill for the Rights, Protection and Care of Older People; (iv) Basic State Grant Bill; and (v) the Social Welfare Policy. The Children Status Bill was promulgated. The remaining legislative documents are either in draft form or have not been initiated yet. The Basic State Grant Bill is in its final draft; however, due to the changes in different mandates from one ministry to another, the document needs to be revised accordingly.

9.3.1.1.3. Social Welfare Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To strive towards a socially stable and forward looking Namibia, in which the disparities and inequalities of the past are being corrected, where all human rights and fundamental freedoms are ensured, and where the Government in cooperation with affected communities and all other stakeholders work together to advance the well-being of all Namibians.

Goal: Affordable and accessible social welfare services are provided to eligible members of the society.

Table 9.2: Social Welfare Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Promulgation of acts, approval of policies:	All Bills in draft form	Promulgated by 2012
Child Care and Protection Bill	in draft form	Promulgated by 2008
Child Justice Bill	in draft form	Promulgated by 2009

Indicators	Baselines	Targets
Non-Profit Welfare Organisations Bill	in draft form	Promulgated by 2010
Rights, Protection and Care of Older People Bill	in draft form	Promulgated by 2009
Basic State Grant Bill	in draft form	Promulgated by 2009
Social Welfare Policy	in draft form	Approved by 2009
Number of pay points for funeral benefits	1,200	1,320
% of children involved in CUBAC	30	10
Reduce % of children involved in crime	TBC	by 50%
Child trafficking or abduction cases eliminated	TBC	100%
SWIS developed and piloted in 2000 and 2003		SWIS functional
Staff functionally computer literate	65%	80%
Staff trained/human resource development	65%	80%
Registered and functional welfare organisations	266 (2007)	TBC
Registered welfare organisations receiving financial assistance	31 (2006/07)	TBC
Registered welfare organisations receiving subsidies (quarterly)	5 (2007)	TBC
Registered homes for older people receiving subsidies from government	10 (2007)	TBC
Number of people accessing sub-economic units from previously disadvantaged communities	67	87
Children's homes registered	11 (2007)	TBC
WCPUs functional	15 (2007)	TBC
Places of safety for children registered	3 (2007)	TBC
Social welfare committees in place to improve accessibility of services to grass roots levels	TBC	39
OVC receiving the relevant grants will increase by	TBC	50%
marginalised children and families being supported through various programmes will increase by	TBC	25%
People from previously disadvantaged communities accessing sub-economic housing units will increase by	TBC	30%

TBC – To be compiled during implementation of NDP3.

9.3.1.1.4. Social Welfare Sub-Sector Strategies

- Revise policy, legal and regulatory framework for social welfare functions;
- Streamline social welfare functions and services (MoLSW, MoHSS, MGECW & MoVA);
- Develop and implement the Social Welfare Information System (SWIS);
- Enhance the operations and services delivery of welfare organisations;
- Establish and support Social Welfare Committees;
- Decentralize certain social welfare sector functions to regional level;
- Integrate HIV/AIDS and TB dimension in the social welfare sub-sector plans;
- Strengthen family well-being;
- Strengthen child justice programme;
- Strengthen outreach and prevention services of WCPUs;
- Rehabilitate and sensitise perpetrators of gender-based violence;
- Develop programmes to implement specific action steps for the prevention, protection, removal and rehabilitation of children found in labour exploitation, CSEC or CUBAC;

- Continue to raise awareness around child labour issues and actions;
- Strengthen the capacity of the concerned institutions to sustain child labour action, and to monitor child labour on an ongoing basis;
- Develop systems for gathering new information on causes of child labour, its extent, hazards in particular sub-sectors, and other knowledge essential for guiding services, as well as the sharing and management of this information among agencies active in this field;
- Ensure the rights, protection and care of Orphans and Vulnerable Children (OVC);
- Develop and implement practical, realistic and appropriate social mechanisms on the rights, protection and care of older people;
- Undertake awareness campaign and strict enforcement measures for disability recognition; and
- Carry out awareness campaign for integration of previously disadvantaged people into sub-economic housing units.

9.3.1.1.5. Social Welfare Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
1. Ageing	Development	215	460	310	280	280	**1,545**
	Operating	500	500	500	500	500	**2,500**
	Total	715	960	810	780	780	**4,045**
2. Veterans Welfare	Development	18,893	22,458	23,794	32,621	22,434	**120,200**
	Operating	148,280	225,924	225,924	221,933	232,579	**1,054,640**
	Total	167,173	248,382	249,718	254,554	255,013	**1,174,840**
3. Child Welfare	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	234,750	337,950	439,400	641,850	845,300	2,499,250
	Total	234,750	337,950	439,400	641,850	845,300	2,499,250
4. Reduce Child Labour and Exploitation	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
5. Affordable and Quality Housing for Lower Income Groups	Programme details included under Housing Sub-Sector under the NDP3 Goal on Highly developed and Reliable Infrastructure in Chapter 4B.						
6. Social Protection	Development	10	120	260	140	140	**670**
	Operating	0	0	0	0	0	**0**
	Total	10	120	260	140	140	**670**
7. Social Welfare Information Services	Development	0	257	257	0	0	**514**
	Operating	935	694	669	669	1,619	**4,586**
	Total	935	951	926	669	1,619	**5,100**
8. Non-Profit Welfare Organisations	Development	325	130	358	334	318	**1,465**
	Operating	3,000	3,000	3,000	3,000	3,000	**15,000**
	Total	3,325	3,130	3,358	3,334	3,318	**16,465**
Social Welfare Sub-Sector Total	**Development**	**19,443**	**23,425**	**24,979**	**33,375**	**23,172**	**124,394**
	Operating	**387,465**	**568,068**	**669,493**	**867,952**	**1,082,998**	**3,575,976**
	Total	**406,908**	**591,493**	**694,472**	**901,327**	**1,106,170**	**3,700,370**

TBC – To be compiled during implementation of NDP3.

9.3.1.2. Sub-Sector 2: Disability

9.3.1.2.1. Sub-Sector Description and Background

The purpose of the sub-sector is to promote, protect and ensure the full and equal enjoyment of all human rights and fundamental freedoms by all the people with disabilities in the country and to promote respect for their inherent dignity. It coincides with the goal of the African Decade of Persons with Disabilities, which is the full participation, equality, and empowerment of persons with disabilities in Africa. This goal complements Namibia's National Policy on Disability (1997), which states that "The Government of Republic of Namibia dedicates itself to strive for the creation of a 'Society for All' based on the principles of the United Nations Standard Rules on the Equalisation of Opportunities for Persons with Disabilities."

The United Nations Convention on the Rights of Persons with Disabilities approved by the Cabinet as (Cabinet Decision No. 5th/27.03.07/001) is the guiding tool in building the Namibian Society for All. This would complement the envisaged actions in the National Disability Council Act (Act No. 26 of 2004) and further the implementation of the Affirmative Action (Employment) Act (Act No. 29 of 1998).

Many in Namibia, in the Southern African Development Community, in Africa and internationally still view disability as a health and rehabilitation issue. The medical mode of disability cast people with disabilities in a subordinate role in their encounters with doctors, rehabilitation professionals, governmental bureaucrats and social workers, who often aimed to help the disabled to adjust to a society structured around them at the convenience and interest of those without disabilities.

Traditionally, society has viewed and treated individuals with disabilities as needing assistance to participate in mainstream community activities. The underlying social ethos behind such a response has been one that segregated and excluded people with disabilities from mainstream society, sometimes providing them with special schools, sheltered workshops and separate projects, such as income generating projects for people with disabilities. The philosophy was justified by the pervasive belief that people with disabilities are incapable of coping with either society at large or most major life events/activities. It is acknowledged that people with disabilities are experiencing a broad rage of barriers to their full participation in their communities.

It is important to note that disability is now viewed or reclassified as a human rights issue under international law; hence the adoption of the United Nations Convention on the Rights of Persons with Disabilities on 13 December 2006. Reforms in this area are intended to provide equal opportunities for people with disabilities; and expose their segregation, institutionalisation and exclusion as typical forms of disability-based discrimination. The African Union has adopted the African Decade of Persons with Disabilities (1999-2009) in order to ensure that African States and Governments address disability from the human rights perspective. The Government of the Republic of Namibia is duty-bound to implement the Continental Plan of Action for the African Decade of Persons with Disabilities (Cabinet Decision No. 6th /16.03.04/002). Therefore, actions have to be taken drawing on the Continental Plan of Action, by planning and mobilising funds for disability mainstreaming and empowerment of people with disabilities. Extra efforts and accommodations are required to achieve equal opportunities and equitable outcomes for people with disabilities.

The number of people with disabilities in Namibia has been increasing, growing from 43,823 in 1991 to 85,567 in 2001 (2001 Population and Housing Census). Diseases are the main cause of disabilities (Orthopaedic review, MoHSS 2001); while road traffic accidents and accidents from domestic and farm implements and explosives cause a considerable proportion of disabilities (Orthopaedic review, MoHSS 2001).

9.3.1.2.2. Disability Sub-Sector Performance during NDP2

There have been some attempts to ensure that disability becomes human rights, developmental and cross-cutting issue. The National Federation of People with Disabilities in Namibia (NFPDN) has advocated and lobbied for the adoption of the National Disability Council Act (Act No. 26 of 2004), the establishment of the Disability Unit in the Office of the Prime Minister in 2001, and the appointment of a Member of Parliament with disability in 2005. During NDP2, the Disability Unit in the Office of the Prime Minister facilitated the adoption of the Continental Plan of Action for the African Decade of Persons with Disabilities (Cabinet Decision No. 6th/16.03.04/002), and the United Nations Convention on the Rights of Persons with Disabilities (Cabinet Decision No. 5th/27.03.07/001). The Continental Plan of Action, Objective 8(34)(e) calls to "Allocate overall responsibility for coordination of disability related policies, programmes and services to the President's or Prime Minister' Office, and establish a disability desk in all Government ministries and State organs." This is partly met. The University of Namibia has established a Disability Unit. These activities reaffirm the country's commitment to autonomy, self-representation, full participation, empowerment and equality of people with disabilities. The reallocations of disability affairs need to be critically managed in order not to lose the human capacities of people with disabilities but empower them.

The human rights of people with disabilities in Southern Africa are becoming a priority. There have been various consultations between the Southern African Federation of the Disabled (SAFOD) and the SADC Secretariat in which Namibia took active role during the consultation. Namibia therefore may wish to take the lead in ensuring that the region adopts a SADC Disability Protocol and a SADC Guidelines and Checklist on Electoral process in the region.

9.3.1.2.3. Disability Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: Improve the life of people with disabilities through formulating or reformulating policies, national plans of action and programmes that encourage the full participation of persons with disabilities in political, social and economic development.

Goal: People with disabilities are empowered and fully participating in all spheres of life.

Table 9.3: Disability Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
• National Disability Council is in place.	No Council	National Disability Council established (plus 10% Disability units)
• No. of O/M/As that mainstreamed disabilities.	20	40
• Proportion of People with disabilities with appropriately competitive educational/professional qualifications	TBC	20% increase
• Percentage of budget allocated to disability mainstreaming activities.	TBC	5%
• Proportion of people with disabilities fully participating in socio-economic and political life	TBC	10%

TBC – To be compiled during implementation of NDP3.

9.3.1.2.4. Disability Sub-Sector Strategies

- Ensure that the National Disability Council becomes operational;
- Create an enabling environment for full participation, and empowerment of people with disabilities in all spheres of life;
- Monitor the implementation of the National Policy on Disability and institutionalise the Disability Action Plans in all sectors (Social, Economic, Administration and Security); and
- Adopt the SADC disability Protocol.

9.3.1.2.5. Disability Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Disability prevention and rehabilitation	Programme details presented under Health Sub-Sector under the NDP3 Goal on Affordable and Quality Health Care in Chapter 7						
Social integration of people with disabilities	Development	0	0	0	15,600	0	15,600
	Operating	1,630	1,500	300	1,000	1,500	5,930
	Total	1,630	1,500	300	16,600	1,500	21,530
Disability Sub-Sector Total	**Development**	**0**	**0**	**0**	**15,600**	**0**	**15,600**
	Operating	**1,630**	**1,500**	**300**	**1,000**	**1,500**	**5,930**
	Total	**1,630**	**1,500**	**300**	**16,600**	**1,500**	**21,530**

9.2.2. NDP3 Goal: A Society Imbued with Culture, Tradition and Morality

9.2.2.1. NDP3 Goal Description and Background

Namibia has a population consisting of a diversity of cultures. These cultures are expressed, practiced and lived in all thirteen geo-political regions. Language is an essential carrier of culture, and more than a dozen languages are spoken at home in Namibia.

As a full member of UNESCO, Namibia prescribes to the following definition of culture: "… the whole complex of distinctive spiritual, material, intellectual and emotional features that characterize a society or cultural group. It includes not only arts and letters, but also modes of life, the fundamental rights of the human being, value systems, traditions and beliefs." The Government policy is to create a united nation that strives to flourish, through reconciliation, by respecting each other, as well as practicing understanding and solidarity concerning identity. This will create stability, peace, equality, tolerance and inclusion (see Vision in Arts and Culture Policy, 2001). Also, it is important to strive to use the culture, skills and knowledge to contribute to economic development.

In culture, the biggest post-independence challenge was to heal the wounds that were created through separate development, mistrust, tribalism, racism and inequality. At Independence, there was a need to shift ideas, change values, turn around the belief systems, redefine the normative patterns and move towards an identity redefinition. This process is still ongoing.

The major programme areas embarked upon since Independence in 1990 were geared towards addressing the above challenges. Diversity brought understanding when people from all traditions and backgrounds, male and female, young and old, from all religions and from all languages participate each year in the traditional culture festivals. During national state events, the performing arts of all Namibians take centre stage – thereby creating a positive sense of pride in the people and nationhood.

At schools, multiculturalism has been actively encouraged through school culture clubs for development, bringing to the fore mutual respect through combining the knowledge and skills in programmes leading to unity in diversity. The best musicians of the country participated on world stages sharing their unique contribution to world music. The same can be said of the fine artists, crafts people, fashion designers and culinary experts, who participated in SADC and international exhibitions, trade fairs, fashion shows, and so forth. In short, Namibians are well on the way to achieve their main objectives: (i) to encourage Namibians from all cultural backgrounds to take part in nation building activities and show mutual respect and understanding for each other; and (ii) to establish the processes and networks required to develop Namibia's material and spiritual culture. The people also managed to establish and maintain links beyond Namibia's' borders and contributed towards culture development and international understanding.

Major programme areas have been embarked upon to proceed with culture industries in line with the Arts and Culture Policy (2001). The mandate derives from the Namibia Constitution, Article 19, which stipulates that: "Every person shall be entitled to enjoy, practise, profess, maintain and promote any culture, language, tradition or religion subject to the terms of this Constitution and further subject to the condition that the rights protected by this Article do not impinge upon the rights of others or the national interest."

9.2.2.2. NDP3 Goal Performance during NDP2

Namibia has a young population with over 30 percent of the total population classified as **youth** (between the ages of 15 to 30), with the majority in rural areas. The youth are a valuable asset of the nation. NDP2 recognised the need to facilitate the full participation of youth in the development of the nation; and the need to provide them with financial resources and skills. Unemployment among Namibian youth is one of the highest (at about 60 percent) in Africa. Thus, expanding employment opportunities for the youth has become a major challenge.

During NDP2, good progress was made in **sport** development achieving many of the national sport strategic priorities stipulated in the Plan. Some of the more significant achievements are: (i) qualification and participation of national teams in various sport codes in many world cups and other international events, including the Athens Olympic Games 2004 (5 codes) and the 2006 Commonwealth Games in Australia (7 codes); (ii) review and amendment of the Sport Act to guide and provide policies for the sport community, (iii) since independence, the Government has managed to build nine sport stadiums including two during NDP2 (in Oshakati and Swakopmund); (iv) establishment of the Women and Marginalised people Division under the Directorate of Sport; (v) promotion of Namibian traditional games by the Namibia Sport Commission; and (vi) training and exchange of sport experts through bilateral agreements with other friendly nations.

At the macro level, a lot needs to be done to bring all major stakeholders to the understanding that **Culture** forms the basis for development – whether this is social, political or economic. During NDP2, a lot of effort went into raising the consciousness of key stakeholders in this regard; with the effort directed not only towards those in leadership positions, but also to those at the grassroots. The principle was integrated into the Medium Term Plan (MTP) with two clear objectives: (i) mutual

understanding and tolerance of all cultures in Namibia, and (ii) optimisation of the economic contribution of art and culture.

Arts: The arts were strengthened through professional support by the national arts institutions including the National Theatre of Namibia (NTN) and the National Art Gallery of Namibia (NAGN); as well as the establishment of a funding mechanism for arts projects through the National Arts Council of Namibia. Arts vocational prospects were enhanced through the implementation of the tertiary Applied Arts Diplomas at the College of the Arts, with the first graduation taking place in 2005. About 70 percent of the graduates have secured work in the arts and the media areas. Access to tuition and other support services were increased considerably through the National Arts Extension Programme and by engaging community networks.

9.2.2.3. NDP3 Goal Indicators, Baselines and Targets

Table 9.4: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
No. of national sports events organised	238	TBC
No. of regional/local sports events organised	172	TBC
No. of sports teams/clubs	3,512	TBC
% of youth participating in sports	42%	TBC
% of population participating in sports	53%	TBC
Development of policies and legislation for culture industry and tourism (by 2008)		At least 90% of all stakeholders are reached in order to contribute towards policy, legislation and programme development
Professionalize School Culture Clubs for Development	500	School Culture Clubs for development increase by 10% per annum
Theatre groups address issues like poverty alleviation, HIV/AIDS and a culture of productivity and job creation	TBC	30 theatre networks in many major centres in all regions by 2008 with each serving at least ten satellite towns and villages
Traditional culture festivals are transformed into multicultural festivals – linked to cultural tourism (by 2011)	TBC	The best 130 (10 per region) culture groups are fully inventoried and linked to culture tourism trade as follows: 10 in 2008, 20 in 2009, 50 in 2010, 100 in 2011
Scientific materials on culture knowledge from research distributed to all schools, scholars and other interested stakeholders		Research findings are published by 2008 and further developed into educational materials (2009), inventories (2010) and publications (2011)

TBC – To be compiled during implementation of NDP3.

9.2.2.4. NDP3 Goal Strategies

- Work towards eliminating any obstacles that may have negative implications for the full integration of differently able youth into society including the provision of appropriate infrastructure and services to facilitate easy mobility;

- Strengthen and expand existing youth development initiatives, with outreach service programs to neglected areas, and bring awareness campaigns to all regions;
- Promote leadership skills among young men and women through rural youth clubs;
- Facilitate the creation and strengthening of platforms for youth participation in decision-making at local, national and international levels;
- Encourage the private sector to engage more actively in youth development through partnership, exposure and job attachment;
- Provide information on SMEs and training to youth, as well as more and better opportunities to youth to engage in such activities;
- Promote youth's knowledge and respect for the environment, emphasising environmental sustainability;
- Create opportunities for athletes and experts through bilateral agreements for development, participation and high performance at local, regional, national and international levels;
- Create accessible and friendly infrastructure and build sport facilities where there were none;
- Create the opportunity for marginalized groups in all political regions to participate in sport through mass participation;
- Develop policies and legislation for culture industries in particular culture villages and for culture tourism;
- Revise the Arts and Culture Policy and develop an Arts Policy;
- Develop culture responses to mitigate HIV/AIDS;
- Develop theatre capacity in all Namibian languages and link it to materials and craft development as well as consciousness raising around the nation;
- Provide arts education and training for vocational development and income generation; and
- Engage faith-based organisations in promoting moral values.

9.3.2. Sub-Sectors

9.3.2.1. Sub-Sector 1: Youth

9.3.2.1.1. Sub-Sector Description and Background

Young people in Namibia are a major human resource for development and technological innovation. Developing the capacity of the youth to participate in their personal development and national development will not only have a positive impact on short-term social and economic conditions, but also on the livelihood and wellbeing of future generations.

The Ministry of Youth, National Service, Sport and Culture (MYNSSC) is responsible for youth affairs, as well as the overall coordination of policy and youth-oriented programme implementation, monitoring, review and evaluation. In collaboration with other government Ministries, the MYNSSC will engage NGOs and other stakeholders. The MYNSSC is to empower, encourage and support the full, effective and constructive participation of youth irrespective of race, colour, creed, sex, religion, political affiliation, ethnicity and ability in the process of national development and decision-making in accordance with the National Youth Policy; and the United Nations World Programme of Action for Youth to the year 2000 and beyond, and the Commonwealth Plan of Action for Youth Empowerment, to ensure that youth concerns, needs and aspirations are fully integrated into the mainstream of all government polices and actions. The Ministry is also to provide ready and equitable access by youth to the resources required to fulfil their physical, economic and social needs, which will allow them to make full contribution to society and self development.

Youth empowerment recognises and promotes youth rights as human rights, and is a process whereby young women and men are enabled to gain greater control over their lives. They have the abilities to determine their economic and social development as a critical part of the medium and long-term development of their community, society and nation as a whole. The more young people are empowered, the more the nation is empowered. Given an enabling environment, young women and men are both willing and able to take responsibility for their lives and contribute to the society in which they live.

9.3.2.1.2. Youth Sub-Sector Performance during NDP2

(Please see NDP3 Goal performance during NDP2.)

9.3.2.1.3. Youth Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission: To encourage, empower and support the full, effective and constructive participation of youth in national decision-making in accordance with the National Youth policy and international conventions in this regard.

Goal: Empower the youth by fostering proper upbringing of young women and men to become responsible citizens and enabling the youth to initiate actions which promote their own development and that of their communities and the broader society.

Table 9.5: Youth Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
No. of clubs and forums established from the youth	TBC	TBC
No. of out reach programmes implemented	TBC	TBC
No. of youth leadership workshops	TBC	TBC
No. of exchange programmes	TBC	TBC
No. of youth participating in leadership camps	TBC	TBC
No. of sports and recreation activities conducted	TBC	TBC
No. of youth represented in decision-making in nation building projects	TBC	TBC
No. of programmes engaging youth	TBC	TBC
Formulation of National Action Plan on Youth Employment	TBC	TBC
No. of youth consultations regarding Education and Training programming	TBC	TBC
No. of skills training courses offered	TBC	TBC
% of successful training programme graduates finding decent work	TBC	TBC
No. of youth expos in all 13 Regions annually	TBC	TBC
No. of micro-credit loans in all 13 Regions	TBC	TBC

TBC – To be compiled during implementation of NDP3.

9.3.2.1.4. Youth Sub-Sector Strategies

- Work towards eliminating any obstacles that may have negative implications for the full integration of differently able youth into society including the provision of appropriate infrastructure and services to facilitate easy mobility;

- Strengthen and expand existing youth development initiatives, with outreach service programs to neglected areas, and bring awareness campaigns to all regions;
- Promote leadership skills among young men and women through rural youth clubs;
- Facilitate the creation and strengthening of platforms for youth participation in decision-making at local, national and international levels;
- Encourage the private sector to engage more actively in youth development through partnership, exposure and job attachment;
- Provide information on SMEs and training to youth, as well as more and better opportunities to youth to engage in such activities;
- Promote youth's knowledge and respect for the environment, emphasizing environmental sustainability;
- Facilitate access of the youth to agricultural land and facilities; and
- Provide affordable accommodation through International Youth Hostels.

9.3.2.1.5. Youth Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Youth Training and Development	Development	3,700	4,000	3,500	3,000	3,000	**17,200**
	Operating	4,844	3,351	4,217	4,017	6,434	**22,863**
	Total	8,544	7,351	7,717	7,017	9,434	**40,063**
Youth Exchange Programme	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	5,383	6,702	7,096.00	7,096	7,200	**33,477**
Youth Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	**13,927**	**14,053**	**14,813**	**14,113**	**16,634**	**73,540**

TBC – To be compiled during implementation of NDP3.

9.3.2.2. Sub-Sector 2: Sport Development

9.3.2.2.1. Sub-Sector Description and Back ground

The Government promotes sport development through mass participation from grassroots to international excellence regardless of race, gender, age and ability by providing funding for proper execution of the Sport Policy and Act. It will build sport stadiums in all 13 Regions, provide expertise and exchange programs, create opportunities and support services for able and differently able sportsmen and women from all regions to participate and perform in national and international events.

The Sport Policy and Act is being implemented through provision of greater opportunities for marginalized communities/groups that will enjoy, practice and lead positive, healthy lifestyles through the development of a people friendly infrastructure and equipment in all regions of the country. The sub-sector programmes aim to increase awareness of individuals about the opportunities to build their capacity, learn more about other cultures and create exposure for Namibian men and women, and help perform with excellence in the international arena. They attempt to provide and maintain sports facilities that are user friendly to both able and differently able athletes. The facilities will also serve as community gathering points for local, national and international events.

9.3.2.2.2. Sport Sub-Sector Performance during NDP2

The sport sub-sector was covered in chapter 26 of NDP2 on Youth and Sport. Government made good progress in achieving many of the national sport strategic priorities as stipulated in NDP2, which are to be continued in NDP3.

The following are some of those achievements:

- Namibia National Teams in various sports have qualified for and participated in many international events; including the 2004 Olympic Games in Athens in five categories, the 2004/05 Inline Hockey World Cup in Helsinki, and the 2006 Commonwealth Games in Australia in seven categories. Also, the national teams participated in the 2007 All African Games in Algeria in six categories and the 2007 Rugby World Cup in France. The country hosted and participated in the second edition of the Zone VI of the 2006 SADC Youth Games;
- Reviewed and amended the Sport Act to guide and provide policies for the sport community;
- Constructed two sport stadiums in Oshakati and Swakopmund bringing the total to nine;
- Established the division of Women and Marginalized People under the Directorate of Sport to promote women in sport as well as programmes for people with disabilities and marginalized people;
- The Namibia Sport Commission through its membership has begun to promote Namibian Traditional games; and
- Through bilateral agreements with other nations, the sport sub-sector was able to train and exchange sport experts, notably under agreements with Cuba and NGOs such as Score Namibia and Fredskop set.

9.3.2.2.3. Sport Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: The overall mission of the sub-sector is to have "Sport for All" programmes running in all regions and improve the health of the Namibian nation.

Goal 1: More athletes (men and women including people with disabilities) participate in professional sport at home and abroad.

Table 9.6: Sport Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators	Baselines	Targets
Number of stadiums built		Two new stadiums will be built by 2012
Number of facilities upgraded		Two facilities to be upgraded to international standards by 2010
Number of Youth and community members participating in sport		12,000 youth and community members participating in Sport for All activities in all 13 regions
Number of Regional Sport Leagues running		At least 7 consistent sports leagues running in the Regions.
Increased international donor support to sport programmes		At least 3 sport programmes supported by international donors
Number of sport clubs and community links and partnerships with other countries		TBC

TBC – To be compiled during implementation of NDP3.

9.3.2.2.4. Sport Sub-Sector Goal 1 Strategies

- Create opportunities for athletes and experts through bilateral agreements as stipulated in vision 2030 to lead to development, participation and high performance of athletes in local, regional, national and international events;
- Through mass participation, identify and develop talent that will excel on the world stage; and
- Create job opportunities for athletes that excel on the international stage by signing professional agreements.

Goal 2: Increased participation of women, girls and marginalized people including those with disabilities in sport and sports administration.

Table 9.7: Sport Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	Baselines	Targets
Participation of women and girls in sport increased		5,000 women and girls participating annually 5 regional sport leagues for women through the sport federations and associations
Increased participation of people with disability in sport		6 Regions with credible differently abled sport leaders 25% inclusion of marginalised groups in training workshops
Increased number of publications to raise sport awareness		50 publications per annum
Increase skills and leadership		At least a 50% representation of women leaders in national missions participating in international events

TBC – To be compiled during implementation of NDP3.

9.3.2.2.4.2. Sport Sub-Sector Goal 2 Strategies

- Create accessible and friendly infrastructure and build sport facilities in areas that hitherto lack such facilities (for example in Eenhana and Okakarara Sport complexes as well as the Windhoek Training Centre in Khomas); and
- Create opportunities for marginalised groups in all regions to participate in sport through mass participation leading to a healthy nation with few social evils such as the spread of HIV/AIDS.

9.3.2.2.5. Sport Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Construction, maintenance and Renovation of Sports Facilities	Development	6,950	5,941	22,310	50,000	64,799	**150,000**
	Operating	0	0	0	0	0	**0**
	Total	6,950	5,941	22,310	50,000	64,799	**150,000**
Mass Participation and High Performance	Development	23,750	24,938	26,184	27,494	28,868	**131,234**
	Operating	23,750	24,938	26,184	27,494	28,868	**131,234**
	Total	47,500	49,875	52,369	54,987	57,737	**262,467**

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Sport Exchange and Integration for Athletes	Development	10,000	10,500	11,025	11,576	12,155	**55,256**
	Operating	10,000	10,500	11,025	11,576	12,155	**55,256**
	Total	20,000	21,000	22,050	23,153	24,310	**110,513**
Youth Sport Exchange Programme for Officials and Administrators	Development	0	0	0	0	0	**0**
	Operating	18,200	19,110	20,066	21,069	22,122	**100,566**
	Total	18,200	19,110	20,066	21,069	22,122	**100,566**
Women and Marginalized Groups in Sport	Development	0	0	0	0	0	**0**
	Operating	15,500	16,275	17,089	17,943	18,840	**85,647**
	Total	15,500	16,275	17,089	17,943	18,840	**85,647**
Sport Sub-Sector Total	**Development**	**40,700**	**41,379**	**59,519**	**89,070**	**105,822**	**336,490**
	Operating	**67,450**	**70,823**	**74,364**	**78,082**	**81,986**	**372,704**
	Total	**108,150**	**112,201**	**133,883**	**167,152**	**187,808**	**709,194**

9.3.2.3. Sub-Sector 3: Culture and Arts

9.3.2.3.1. Sub-Sector Description and Background

The mandate for culture derives from the Namibia Constitution, Article 19, which stipulates that: "Every person shall be entitled to enjoy, practise, profess, maintain and promote any culture, language, tradition or religion subject to the terms of this Constitution and further subject to the condition that the rights protected by this Article do not impinge upon the rights of others or the national interest."

At the macro level, a lot needs to be done to bring all major stakeholders to the understanding that **Culture** forms the basis for development – whether social, political or economic. During NDP2, a lot of effort went into raising the consciousness of key stakeholders in this regard; with the effort directed not only towards those in leadership positions, but also to those at the grassroots. The principle was integrated into the Medium Term Plan (MTP) with two clear objectives: (i) mutual understanding and tolerance of all cultures in Namibia, and (ii) optimisation of the economic contribution of art and culture.

9.3.2.3.2. Culture and Arts Sub-Sector Performance during NDP2

The activities in the sub-sector are further guided by certain international instruments including the World Intellectual Property Organisation (WIPO) Conventions, the UNESCO recommendations on culture and the status of artists, the World Report on Culture (Stockholm), the AU policy on culture, the Dakar policy on culture industries development, the SADC Protocol on Culture, Information and Sport, as well as the ACP-EU recommendations on culture. Other national philosophical and policy guidelines according to which the functions are performed include, inter alia: Education For All (1993); Culture guidelines in NDP1 and NDP2; Directions on Culture in Vision 2030; MTEP; Policy on Arts and Culture of the Republic of Namibia (2001) and the Presidential Commission Report on Education, Culture and Training (1999). The Namibia Culture Overview 1990–2004, provides a succinct overview of the accomplishments. The big challenge is now to proceed in such a way that the strengths are improved and the things that are not working are discarded.

Strong processes and networks were built around the stakeholders that include: O/M/As, traditional authorities, independently managed national art and culture institutions, artists and their organisations, the media, non-governmental and civic organisations, churches, the private sector and international partner organisations. The major intervention areas for all projects were policy development, training, institution building, establishment of school culture clubs for development, developing legislation, holding festivals, doing research. In addition, the Policy on Arts and Culture identified two special priorities: (i) establish a solid foundation of education in the arts and culture; and (ii) promote thriving arts and culture industries to address, inter alia, unemployment.

School Culture Clubs for Development (SCCDs): More than 500 SCCDs have been established in the thirteen regions, enabling learners to use traditional and modern culture knowledge to enhance their spiritual and material growth. The clubs, which consists of teachers and learners are active in music, dance, history, science, HIV/AIDS, mathematics, social skills, religion, etc. The biggest challenge was to develop instruments[24] for the SCCDs to consolidate. Strong and vibrant clubs are a must for culture industry development as well as culture tourism. The clubs are envisaged eventually to be incubators to feed the culture business components in culture villages.

Legislation: During NDP2, inputs were provided to legislative developments, in particular with regard to the Acts (laws) pertaining to: the National Arts Gallery of Namibia, the National Arts Council (in bill phase), the National Heritage Council and the Copyrights and Neighbouring Rights Act. The international conventions ratified by Namibia include: the 1972 Convention for the Protection of the World Cultural and Natural Heritage; the 2003 Convention for Safeguarding of the Intangible Cultural Heritage; and the 2005 Convention for the Protection and Promotion of the Diversity of Cultural Expression.

Festivals: During NDP2, the Government organised national, SADC and international culture festivals, with thousands of Namibians participating in the events. A total of 390 culture groups participated in circuit, constituency, district and regional festivals on an annual basis during the NDP2 period. Every year between 35,000 and 50,000 Namibians attended these events. The approximately 80 best groups, each with an average of 15 performers, participate in the National Festival normally held in December. These events are well covered in the media. The political and other leaders strongly support this celebration of Namibia's history, culture, pride and stories. Performers and organisers and the public made friends and are exposed to the diverse cultures transcending racial, ethnic, religious, language, age and traditional lines. Most traditional performing artists are from poor segments of society.

Research: During NDP2, research into traditions, norms, values, belief systems and practices, morals and knowledge systems and the like was continued. The expectation is to publish the research findings during NDP3 in order to assist in scientific education and the broadening of our knowledge base.

State Events: During NDP2 most Namibians participated in State events with a positive sense of building the image of the Nation. Some of the most prominent events are: Independence Celebrations; Heroes Day Celebrations; the Opening of Parliament; international visits by Heads of States and Governments; international inter-ministerial gatherings, and Africa Day Celebrations. State symbols were internalised and institutionalised, with diverse, rich cultures made a part and parcel of this process, strengthening the move towards nationhood and international respect.

[24] Instruments refer to inter alia, manuals, information kits, leadership gatherings, evaluation conferences, recording the new knowledge gained and also to transform it into educational instruments, professional programme development and enhanced organisational capacity.

Bilateral and Multilateral Culture Agreements: During NDP2, the main activities included exchanging culture groups and participating in important events. In SADC, the country exchanged traditional performing culture groups and participated in specialized forums. Also, technical agreements on the levels of policy, integration and knowledge exchange were worked out.

In the African Union, the country participated in the AU launch in Sirte (Libya) and again at a subsequent Heads of State meeting. Some of the country's best artists exchanged ideas and experiences with their counterparts from across the African Continent. The country participated in a ministerial conference in Nairobi (Kenya) and contributed to the Charter development (where Namibia was a co-chair) as well as priority areas in culture to be developed. Also, it attended a specialist meeting in Addis-Ababa (Ethiopia) on strategy development for intangible culture heritage development.

The EU-ACP grouping is busy developing culture policies and programmes for member states. Namibia attended two ministerial meetings in Senegal, Barbados and Egypt. This grouping is still in the initial stages concerning culture policy and programme development but has enormous potential for future global initiatives.

The flagship programme to develop culturally sensitive materials to address the spread of HIV and AIDS has been developed. Through theatre, it is hoped to develop efficient community responses to curb the devastating effects of the virus on the people.

Multi-purpose culture centres and culture villages: The development of multipurpose culture centres was begun during NDP2, with the centres expected to provide a library, a museum, an arts facility, and a culture facility. One multipurpose centre was established at Lüderitz (Karas Region) and the foundation of a multi purpose centre at Omuthiya (Oshikoto Region) has been finalized. The Government is running the Maria Mwengere Culture Centre in Rundu.

Arts: The arts were strengthened through professional support by the national arts institutions including the National Theatre of Namibia (NTN) and the National Art Gallery of Namibia (NAGN); as well as the establishment of a funding mechanism for arts projects through the National Arts Council of Namibia. Arts vocational prospects were enhanced through the implementation of the tertiary Applied Arts Diplomas at the College of the Arts, with the first graduation taking place in 2005. About 70 percent of the graduates have secured work in the arts and the media areas. Access to tuition and other support services were increased considerably through the National Arts Extension Programme and by engaging community networks.

9.3.2.3.4. Culture and Arts Sub-Sector Strategies

- Develop policies and legislation for culture industries in particular culture villages and for culture tourism;
- Revise the Arts and Culture Policy and develop an Arts Policy;
- Develop an Act for Culture;
- Establish more school culture clubs;
- Link cultural festivals to culture tourism, state occasions and culture agreements;
- Conduct professional, scientific research into culture;
- Provide professional training to culture practitioners;
- Develop culture responses to mitigate HIV/AIDS;
- Develop theatre capacity in all Namibian languages and link it to materials and craft development as well as consciousness raising around the nation;

- Provide accessible, affordable formal and non-formal general and vocational arts education and training at primary, secondary and tertiary levels;
- Provide arts education and training for vocational development and income generation;
- Provide quality services in support of artists and the arts industries through promotion, liaison, support, research, production, distribution, marketing and development opportunities at local, regional, and international levels;
- Promote a culture of contemporary artistic and creative expression, innovation and entrepreneurship, through communal/societal awareness, understanding, involvement and appreciation;
- Develop a viable creative arts industry for local and international markets; and
- Engage faith-based organisations in promoting moral values.

9.3.2.3.5. Culture and Arts Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Cultural Activities Programme	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
Arts Education, Training and Promotion	Development	0	100	28,847	26,991	30,803	**86,740**
	Operating	10,794	10,794	10,794	10,794	10,794	**53,970**
	Total	10,794	10,894	39,641	37,785	41,597	**140,710**
Culture and Arts Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

TBC – To be compiled during implementation of NDP3.

9.3.2.4. Sub-Sector 4: Tradition and Morality

9.3.2.4.1. Sub-Sector Description and Performance During NDP2

The **family structure** in Namibia is based on the extended family as the source of power and income as well as the safety net for the members. In rural Namibia, the extended families often with more than five family members with only one bread winner are preponderant. It is estimated that almost a fifth of all families depend on social welfare as the sole source of income. According to the Population and Housing Census of 2001, pensions constituted about 11 percent of total household income in Namibia. The grandparents sometimes take care of children whose parents are either working, infected with HIV/AIDS or deceased, often using their pensions to pay for the sustenance and education of the children.

The Liquor Act of 1998 (Act No. 8 of 1998) regulates the selling of liquor. Numerous *shebeens* (local bars) and *cuca*-shops supply **alcoholic** beverages to customers on a 24-hour basis. Although it is illegal to sell alcohol to persons under the age of 18 years, minors have access to alcohol. Experimentation with alcohol among 13-16 year olds was high at 50 percent. About 39 percent of all Namibian adults smoke, 2.6 percent use *dagga* (marijuana) and 0.4 percent use other substances including *mandrax*. Current treatment responses in Namibia range from residential rehabilitation facilities (government, private and faith-based), social work support, community-based counselling services, faith-based support groups, self-help and medical interventions. There are gaps in services, with many communities lacking local access to any form of support. More than half of the in-

patients at the Etegameno Rehabilitation and Resource Centre (ERRC) are single and were consumers of mostly alcohol, followed by *dagga* and *mandrax*.

9.3.2.4.5. Tradition and Morality Sub-sector Programmes:

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Family Protection	Development	0	0	0	0	0	**0**
	Operating	366	386	386	321	70	**1,529**
	Total	366	386	386	321	70	**1,529**
Family Life Empowerment	Development	0	0	0	0	0	**0**
	Operating	100	395	255	315	325	**1,390**
	Total	100	395	255	315	325	**1,390**
Substance Abuse Prevention and Treatment	Development	250	3,250	3,050	14,050	2,200	**22,800**
	Operating	5,365	5,415	5,415	5,415	5,265	**26,875**
	Total	5,615	8,665	8,465	19,465	7,465	**49,675**
Tradition and Morality Sub-Sector Total	**Development**	**250**	**3,250**	**3,050**	**14,050**	**2,200**	**22,800**
	Operating	**5,831**	**6,196**	**6,056**	**6,051**	**5,660**	**29,794**
	Total	**6,081**	**9,446**	**9,106**	**20,101**	**7,860**	**52,594**

9.2.3. NDP3 Goal: Gender Equality

9.2.3.1. Goal Description and Background

Gender equality is a common principle that cuts across geography, ethnicity, race and power in Namibia. Women in Namibia, as in many other African countries, still face challenges brought about by the effects of gender inequalities. Gender roles are narrowly defined through social institutions that include the family, church and schools. Being a patriarchal society, there are some persistent negative cultural and traditional practices in Namibia that reinforce the subordinate role of women, which hamper the full and equal participation of women in all spheres of life.

To address the issues of gender equality, the Government established the Ministry of Gender Equality and Child Welfare (MGECW) to coordinate, implement and monitor activities and programmes to ensure equitable socio-economic development of women, men and children. The Ministry strives to ensure an enabling environment in which gender equality and the well-being of all children can be realised.

The Government is committed to ensure that gender issues are integrated into all laws, policies and programmes. This has been demonstrated through the National Gender Policy (NGP) and the National Gender Plan of Action (NGPA). The NGP identifies a gender balance in power and decision-making as one of its priority areas. It indicates that an improvement in women's participation in politics and decision-making will assist in achieving transparency and accountability in the government, as well as bring new perspectives and experiences to political agendas; and that equality in political decision-making is necessary for social and economic development. Similarly, the NGPA states that in relation to gender and power sharing, the national goal is to promote and facilitate equal representation of women and men at all levels of the decision-making structures. The NGP further acknowledges that the low proportion of women in decision-making positions at the national, regional and community levels is a reflection of structural

and attitudinal barriers women face in all aspects of life. Among some of the objectives listed for this goal are to: advocate for equal representation at all power sharing levels, build capacity for women in management and leadership positions, change negative attitudes towards gender equality, and increase awareness of negative cultural practices that inhibit women's greater participation in power sharing at all levels of society.

As a way to put in motion the objectives of the NGPA the Namibian Women Parliamentary Caucus (NWPC) was established by Parliamentary Women in 1996, with the main objective of promoting gender sensitive legislation and a greater role for women in the Namibian Parliament. As the first all-party caucus established in the Parliament, the forum has provided an opportunity for elected women from all parties and all levels of government to share their experiences; and explore how to overcome the diverse problems that they experience individually, collectively and at the electorate level.

Several NGOs are involved in promoting women's greater participation in power sharing and decision-making, especially within the political area. One such initiative is the 50/50 Campaign, which began in 1999 as a global effort aimed at achieving gender equality in political representation and was spearheaded by Sister Namibia nationally. Other organisations include the Namibian Women's Network, the Women Solidarity, the Legal Assistance Centre (LAC), and the Women Action for Development (WAD).

The Ministry of Education (MoE) in consultation with other stakeholders has identified children who are at risk of being educationally marginalised. Although inclusion in this group seems to vary, it implies a risk that a child may not attend school in a consistent and appropriate manner. While the disparities in educational attainment between boys and girls are well recognised, no special programmes or policies cater for boys, partly because the reasons for this disparity are not well known.

Improvement has also been made with regard to Early Childhood Development (ECD) whereby more girls (59.5 percent) than boys (40.4 percent) were enrolled in ECD centres throughout the country. Despite these achievements, it was also noted that less attention was paid to the vulnerable children such as those of Ovahimba and San, and children of labourers on commercial farms. There is inadequate information on the total number of the children currently enrolled in schools. However, the MGECW has a programme that is aimed at integrating vulnerable children into Integrated Early Childhood Development (IECD) programme. In 2006, it was indicated that a total of 9,390 children are enrolled in ECD centres throughout the country, with the vast majority girls (6,113), while boys number a mere 3,277. However, this does not cover all children receiving ECD training.

In primary and secondary school enrolment, girls exceed boys. Similarly, the intake rates of females into tertiary education have been consistently higher than those for males. The efforts to close the gender gap in this sub-sector have been particularly successful, lowering the ratio between 1999 and 2005. For instance in 2003, female enrolment in UNAM was 5,633 in all faculties as opposed to 3,149 for males. The female enrolments are more concentrated in the Medical and Health Science (319) and Education faculties (617), which are traditional women's domains. Similarly, 69 percent of the teaching staff with formal teacher training is women; and 60 percent of the teaching staff having more than two years of tertiary education is women.

Adult literacy is also regarded as an important issue in Namibia if both men and women are to contribute meaningfully to the development of the country. By 2003, literacy rates stood at 82 percent for women and 83 percent for men. This is an indication that a majority of men and women in Namibia can read and write. However, this finding obscures the regional disparities; for example,

in Hardap only 37.9 percent of the women can read and write; and in Kunene only 31.2 percent could do so.

HIV/AIDS still poses as a major developmental challenge for the country and its impact is disproportionately felt by women. HIV/AIDS compounds women's poverty as it erodes their capacity to engage in productive activities, and increases their burden of caring for the sick. The burden of caring for HIV/AIDS patients through home-based care programmes is borne mainly by the women. Property grabbing by relatives after the death of a spouse still occurs.

Women who die from HIV/AIDS are on average 5-10 years younger than men. Women are also diagnosed at a younger age than men, with 30 years as the median age of HIV diagnosis for women and 35 years for men. In addition, young women between the ages of 15-24 have an overall infection rate ranging from 18.8 percent to 20.8 percent, compared to corresponding estimates for young men of 7.9 percent to10.4 percent. The proportion of young women living with HIV/AIDS is 29 percent compared to only 8 percent for young men. Although the Government has formulated policies, strategies and programmes to address the effects of HIV/AIDS, these initiatives still do not take gender concerns into account fully. The consequences of gender inequality and patriarchy, such as gender-based violence, women in poverty and women's lack of access to social and economic resources, place them at particular risk. It is therefore imperative that strategies that embark upon fighting HIV/AIDS take gender issues into account.

Formal sector employment still tends to favour men over women in high paying/high profile positions; while women's employment is concentrated in low or unpaid positions. In addition, the classification of domestic duties (work for own family) as economically inactive underestimates women's contribution to the nation's growth. Women continue to be employed in less profitable economic activities than men. In the informal sector, women carry out gender stereotyped activities such as brewing beer (local home brews), cooking food, making baskets and other handcrafts. Women dominate in street market selling, while men dominate in shop-based selling. Due to women's greater likelihood of having dependent children, women often take advantage of all income generating activities, regardless of risk or low profitability.

Statistics show that women constitute 52 percent of rural population and contribute a significant portion of the labour for agricultural production, especially in subsistence farming. Yet most female headed households (43 percent in rural areas) and their income levels are only half that of their male counterparts. Women in health and social work account for 75 percent and education 60 percent. The conclusion is that these are gender stereotype jobs, with less women in found in sub-sectors such as construction 7 percent, and transport, storage and communication 20 percent.

9.2.3.2. NDP3 Goal Performance during NDP2

Among some of the objectives listed for this goal in NDP2 are to: (i) advocate for equal representation of women at all power sharing levels, (ii) build capacity for women in management and leadership positions, (iii) change negative attitudes towards gender equality, and (iv) increase awareness of negative cultural practices that inhibit women's greater participation in power sharing at all levels of society.

The laws and policies that were enacted during NDP2 included: the Communal Land Reform Act (No. 5 of 2002); the Combating of Domestic Violence Act (No. 4 of 2003); the National Policy on HIV/AIDS 2006, the Child Status Act (No. 6 of 2006); the Optional Protocol to the Convention on the Elimination of Discrimination Against Women (OPCEDAW-2004); the Maintenance Act (No. 9 of 2004); the Labour Act (No. 15 of 2004); the Criminal Procedure Amendment Act (No. 24 of 2003); the National Disability Council Act (No. 26 of 2006); and the Protocol to the African

Charter on the Rights of Women in Africa (PACHPRRWA-2004). Despite these achievements, there is a need to speed up the enactment of the bills in process – such as Child Care and Protection, Inheritance, Divorce, and Labour. Equally important, there is a need to develop new policies in areas of Community Development, Rural Development and Teenage pregnancy, which will contribute significantly to the goal of gender equality. Proper assessment of the impact of human rights education to ascertain the understanding and application of these laws by ordinary people is lacking.

The target to reach 30 percent of women representation in politics and decision-making positions was partially met and exceeded in some cases. It is imperative that more work is needed to achieve the revised target of 50 percent by 2015. It is encouraging to note that certain targets and goals set by some of the policies and acts have been met, and in some cases exceeded. The percentage share of women in wage employment is around 44 percent (2004). Also women form a majority of the employed in the public sector, but they lag behind their male counterparts when it comes to employment in the private sector.

About 90 percent of small businesses are owned and run by previously disadvantaged Namibians, with 38 percent of these owned by women. The SME share in total employment was estimated to have increased by 25 percent in 2003. Notwithstanding these achievements, there is a need to take stock of the impact on the lives of the beneficiaries as well as ensuring that there is gender balance in accessing these empowerment schemes.

With regard to women's representation and participation in bodies of power and decision-making, Namibia exceeded the SADC Gender Declaration target of 30 percent by 2005. Significant levels of women's representations have been observed in the following areas: public service 33 percent, private companies 33 percent and local authorities 43 percent. However, women's representation in the Parliament and parastatals lags behind at 27 percent and 22 percent respectively.

Despite the current situation, there is a need to do more if 50 percent women representation in decision-making is to be achieved by 2015, as stated in the draft SADC Protocol on Gender and Development. The assessment of women's participation in decision-making at household level is also crucial in order to facilitate the process of socialisation for transformation.

There has been a remarkable improvement in access to education for both girls and boys, with the enrolment ratio of girls to boys in both primary and secondary education exceeding 100 percent. However, the survival rate for girls is lower at upper primary (76 percent for girls compared to 82 percent for boys) and junior secondary levels (56 percent versus 59 percent). The survival rate for both boys and girls in senior secondary education is 30 percent.

Teenage pregnancy and family demands are among the factors impacting on female learners. There is still a lack of support and negative attitudes towards girls who fall pregnant, and are required to leave school, with few returning. There are other ethnic and regional disparities in education, which range from relative remoteness, traditional lifestyle such as the children of Himba and San ethnic groups that are nomadic, or are relatively less integrated into development processes. Other disparities concern vulnerabilities such as being affected by HIV/AIDS, being orphaned or being disabled.

9.2.3.3. Goal Indicators, Baselines and Targets

Table 9.7: Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Women in politics:		
Parliament	27%	50%
Local Authorities	45%	50%
Women in decision-making positions in:		
Government	33%	50%
Parastatals	21%	50%
Private sector	33%	50%
Women in informal sector	52.6%	60%
Women owning SMEs	38%	45%
Ratio of girls (women) to boys (men) enrolled:		
Primary Education	100% +	100% +
Secondary Education	100% +	100% +
Tertiary Education (UNAM and PoN)	100% +	100% +
Women and girls enrolled and passing science subjects	TBC	33.2%
San and Himba girls enrolled in primary, secondary and tertiary education	TBC	10% at all levels
Ratio of literate females to males in age group 15-24 years	TBC	TBC

TBC – To be compiled during implementation of NDP3.

9.2.3.4. Goal Strategies

- Maintain gender equality in enrolment in primary, secondary and tertiary education;
- Increase the retention/survival and reduce attrition (dropouts) of both girls and boys at all levels of education;
- Advocate reform of the electoral laws and removal of barriers that inhibit the full participation of women;
- Increase women's participation at community, local and national levels;
- Improve and regulate the conditions of service especially for domestic workers; and
- Improve access for women to skills development at tertiary and higher levels.

9.3.3.1. Sub-Sector 1: Governance (Gender)

9.3.3.1.1. Sub-Sector Description and Background

The Government of Namibia is committed to the goal of gender equality and equity; and women's empowerment. This is illustrated in the Constitution, which outlaws all discriminatory practices; and provides for the implementation of affirmative actions and policies that advance women's socio-economic status and roles within society. In line with its commitment to the Beijing Platform of Action, which calls for a gender mainstreaming strategy, the Government is committed to ensure that gender issues are integrated into all policies and programmes. This process is guided by the National Gender Policy (NGP) and the National Gender Plan of Action (NGPA).

9.3.3.1.2. Governance Sub-Sector performance during NDP2

(Presented under the NDP3 Goal Performance during NDP2)

9.3.3.1.3. Governance Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission: To create a conducive environment for equitable access to resources such as education, skills, land, capital, and technology for women and girls and men and boys for sustainable development.

Goal: Improved condition and position of women and men through implementation of gender responsive laws, policies and programmes in public and private sector programmes.

Table 9.9: Governance Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
National Gender Policy (NGP)	1997 NGP	Reviewed and revised by 2008
National Gender Plan of Action (NGPA)	1998 NGPA	Prepared and integrated within sub-sectors by2009
National and Sector Development Laws, Policies and programmes engendered (number)	TBC	23 sector policies, laws and programmes gender responsive
Gender Management Systems (GMS)	GMS	Established and functioning by 2010
Relevant O/M/As having/using Sex-disaggregated data (number)	TBC	27 O/M/As
GBV database systems within the MGECW; MoHSS; and National Planning Commission Secretariat (NPCS)/CBS	Database started	Database systems harmonised by 2012

TBC – To be compiled during implementation of NDP3.

9.3.3.1.4. Governance Sub Sector Strategies

- Strengthen and create national capacity to engage in programming processes including monitoring and evaluation systems that show gendered results;
- Establish a Gender Management Systems for institutionalisation of gender programmes;
- Promote, strengthen and coordinate partnerships with various stakeholders for successful implementation of gender programmes;
- Advocate and undertake policy dialogue for implementation of gender responsive policies and strategies;
- Expand the legal literacy programme at national and community levels;
- Support the national response on HIV/AIDS addressing gender dimensions of enabling environment, prevention, treatment , care and mitigation among women, girls and boys; and
- Utilise the knowledge and information from the gender research and studies.

9.3.3.1.5. Governance Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Capacity Building for Gender Mainstreaming	Development	400	2,000	1,950	1,900	1,950	8,200
	Operating	0	0	0	0	0	0
	Total	400	2,000	1,950	1,900	1,950	8,200
Governance Sub-Sector Total	**Development**	**400**	**2,000**	**1,950**	**1,900**	**1,950**	**8,200**
	Operating	**0**	**0**	**0**	**0**	**0**	**0**
	Total	**400**	**2,000**	**1,950**	**1,900**	**1,950**	**8,200**

TBC – To be compiled during implementation of NDP3.

Chapter 10: PEACE, SECURITY AND POLITICAL STABILITY

10.1.1. Thematic Area Description and Background

The thematic area is based on the second major objective of Vision 2030, which aims to "create and consolidate a legitimate, effective and democratic political system (under the Constitution) and an equitable, tolerable and free society that is characterised by sustainable and equitable development; and effective institutions, which guarantee peace and political stability." The sub-Visions under this objective include the following:

- *Legislative and Regulatory Aspects:* Cross-sectoral, internal and external developments in the field of knowledge, information and technology are constantly monitored to assess their impact on the rights of the individual and the functioning of society and the national economy; and appropriate legislation and regulations are promulgated;
- *Democratic Governance:* Namibia maintains, consolidates and extends the good governance practices of a multi-party democracy with high levels of participation, rights, freedoms and legitimacy (under the Constitution), which continue to serve as a model for other countries;
- *Decentralisation:* Local communities and regional bodies are empowered, and are fully involved in the development process; they actually formulate and implement their respective development plans, while the national government – working hand-in-hand with civil society originations – provides the enabling environment (laws, policies, finance, security, etc.) for the effective management of national, regional and local development efforts;
- *Civil Society and Organisations:* Civil society, its individuals, groups and organisations are highly resourceful and cooperate with Government and its agencies at local, regional and national levels; respect each other and strive to consolidate democratic ideals, and collaborate in social and economic development for the benefit of all;
- *Responsible Decision-making:* Namibia's goal is to promote and strengthen "Smart-Partnerships" for sustainable development, to optimise her comparative and competitive advantages, and to generate and manage good quality information and knowledge by supporting and fostering active and critical science and research through well-structured national institutions, as well as in partnership with institutions abroad;
- *Civic Affairs:* All Namibians have national documents, and there is a smooth and efficient regulative and controlling mechanism for refugees and immigrants into Namibia as well as their residence in the country, supported by a well developed criminal justice system;
- *Public Safety:* Namibia provides a socio-cultural environment which marginalises social evils and creates a society, in which the rule of law and order is respected, and which, to a large extent, is free from violence;
- *Institutional Capacity for Development:* Namibia has well-established democratic institutions that provide the enabling environment for effective participation of all citizens in modern social and economic development. In support of the process of capacity-building, the nation's education system consists of public and private initiatives that, together, respond adequately to the challenges of modern technologically developed and industrial society by producing all the required managerial, technical and professional personnel; and
- *Sustainable Development:* Namibia develops a significantly more equitable distribution of social well-being, through the sustainable utilisation of natural resources in a mixed economy, characteristic of higher income countries, primarily through stronger growth and poverty reduction.

The above Vision and Sub-Visions guide the policies, programmes and interventions under this thematic area.

Namibia's Constitution is the cornerstone of the country's multi-party democracy, which establishes the country as a sovereign, democratic and unitary State founded on the principles of "democracy, the rule of law and justice for all." It contains a comprehensive guarantee of human rights and freedoms and obliges the State to strive for the welfare of the people. Also, it provides for an executive presidency with widespread powers balanced by those of the legislature and the independent judiciary. The President heads the Cabinet and appoints its members, who must be drawn from the elected 72-member National Assembly. Elections take place every five years.

The national policy on decentralisation provides for the delegation of certain Central Government functions to the Regional Councils and Local Authorities. Before this can be done effectively, the Central Government needs to strengthen its Offices, Ministries and Agencies (O/M/As) and prepare them for delegation of the relevant functions to the Regional Councils and Local Authorities. Simultaneously, the Regional Councils and Local Authorities should be strengthened to assume the delegated functions and implement them effectively. It is necessary to delineate the functions to be delegated to the Regional Council and Local Authority levels; and formulate clear, comprehensive and coordinated plans for delegation of the relevant functions from the centre to the lower levels.

Also, it is important to clarify the roles, responsibilities and obligations of the Regional Councils and the Local Authorities, including the coordination, cooperation and reporting arrangements between the Local Authorities in a region and the Regional Council. This would require harmonisation of the Decentralisation and the Local Authorities Acts. The existing Decentralisation Implementation Plan should be re-examined and expanded to cover not only the Centre-Regions relations, but also the Centre-Local Authorities and the Regional Council-Local Authorities relationships, and ensure consistency.

Effective implementation of decentralisation would only be successful if adequate financial resources, personnel and equipment are made available to the O/M/As, Regional Councils and Local Authorities. So far, the decentralisation process has involved significant de-concentration of functions, albeit at a slow pace. It is necessary to improve the understanding of the various parties involved in decentralisation, which often begins with de-concentration, leading to delegation and ultimately to devolution, based on experience including progress on capacity to assume and effectively implement the delegated functions. A phased approach is critical as the implementation capacities, even at the centre, let alone at the Regional Council and Local Authority levels are modest, particularly due to shortage of skilled personnel.

Democracy and development are not sustainable unless peace and a common purpose among the populace are ensured. So far, the Government has been successful in promoting a peaceful democracy with political stability, within the framework of the constitutionally-guaranteed rights and democratic principles; bringing about national reconciliation through affirmative actions. However, the crime rate and domestic violence mainly against women and children has increased over the past few years. Unemployment has been on the increase, especially in rural areas and among the youth. Access to basic social and essential economic services and opportunities are unevenly distributed with some areas and groups left behind. This situation constitutes a violation of the human, social and economic rights and has adverse effects on their development.

Three NDP3 goals are identified under this thematic area:

- Enhanced and sustained participatory democracy,
- Strengthened rule of law and social justice, and
- Internal security and territorial integrity

10.1.2. Thematic Area Performance during NDP2

During NDP2, important gains were made in consolidating the multi-party democracy, accompanied by a free, fair and transparent election in 2004. A Decentralisation Implementation Plan (DIP) was prepared and adopted, which paved the way for significant de-concentration and delegation of some functions from the Centre to the Regional Councils and the Local Authorities.

The rule of law and constitutional governance was maintained by instilling confidence in the administration of justice. A lot was achieved in this regard, despite the fact that no concrete targets were set during NDP2. One of the setbacks experienced was a shortage of legal experts and a high turnover of experienced legal experts, since remuneration in the private sector is more competitive than in the public sector. This resulted in a significant backlog of cases. Thus, despite the achievements, limited capacity remains a critical constraint in this area.

There were positive developments in the civic arena, with communities empowered to exercise their rights through registration of births, acquisition of national documents such as IDs and passports, and exercise of their rights to vote and elect leaders to represent them at the local, regional and national levels.

Internal security was maintained with safety assured for persons and property, supporting the rule of law. Namibian Prisons, as an integral component of the internal security, played a very important role in providing safe custody of offenders and their subsequent rehabilitation.

10.1.3. Thematic Area Strategies

- Enhance political awareness:
- Promote decentralisation;
- Undertake civic and voter education;
- Review policies and legal frameworks;
- Create a gender responsive environment;
- Strengthen the capacities for improved legal justice services delivery;
- Ensure that the legal system is responsive and flexible;
- Promote public legal education awareness;
- Popularise options for alternative disputes resolution;
- Bring legal aid services closer to the people;
- Introduce scientific management of offenders at all institutions;
- Increase capacity to provide effective offender rehabilitation programmes;
- Maintain well trained, equipped and modernised Defence force with adequate infrastructure; and
- Establish national security strategies, intelligence priorities and estimates.

10.2.1. NDP 3 Goal: Enhanced and Sustained Participatory Democracy

10.2.1.1. NDP3 Goal Description and Background

After a prolonged independence struggle against the South African apartheid rule, Namibia gained Independence in 1990. Following the competitive pre-independence elections to the Constituent Assembly in 1989, supervised and controlled by the United Nations, Namibia held its first post-independence Presidential and Legislative elections in December 1994. Only 76 percent of the registered voters participated in the 1994 elections, which was less than the 97 percent recorded in

the 1989 elections. Although nine political parties participated in the 1994 elections, only five won seats in the National Assembly. In the elections for the Regional Councils, eight political parties participated and only five won seats while in the elections for Local Authorities, seven political parties and ten local associations took part. During the 1999 elections, only 62 percent of the registered voters exercised their right, which was well below that in the two previous elections. The declining trend was attributed to lack of voter education, which is an absolute necessity for enhancing voter participation in elections.

Articles 59 and 74 of the Constitution authorise the National Assembly and the National Council to establish committees to assist them in performing their functions and powers. The Committees receive and consider legislative proposals and make recommendations to the National Assembly. By virtue of the nature of their business, these Committees encourage citizens to be part of the decision-making process. The Committees are therefore the key to peoples' participation, which, in turn, is the key to participatory democracy. It is through these Committees that the public is given the opportunity to make their inputs into the Parliamentary process which in turn enables the Committees to fully understand how the Bills might affect individuals and families; and to make recommendations for amendments, where necessary.

Before an election can take place, the Electoral Commission should know the number of citizens that are eligible to vote. The voter registration is conducted through: (i) a general voter registration every ten years when all eligible voters are required by law to register afresh; (ii) continuous registration, when new voters become of age to vote; and (iii) supplementary voter registration prior to an election.

The Namibian Constitution also contains a Bill of Rights enshrined in the Constitution, which provide, amongst others, for the following freedoms: freedom of speech and expression; freedom of association; freedom of thought and belief; and freedom to practice any profession or occupation. It also provides for the right to: life; liberty; human dignity; equality and freedom from discrimination; fair trial; privacy; family; children's rights; political activity; culture; education; and administrative justice.

The Ministry of Home Affairs and Immigration is tasked to manage the national population register; facilitate lawful entry, stay and exit of foreign nationals in Namibia; and aid the criminal justice system. To fulfil the tasks, the Ministry is organised into four programmes:(i) Civil Registration, (ii) Immigration Control, (iii) Refugee Administration, and (iv) National Forensic Science Institute.

10.2.1.2. NDP3 Goal Performance during NDP2

The 2004 Presidential and Parliamentary elections organized by the Electoral Commission of Namibia were observed by SADC PF and other international observers as well as NGOs. The declining trend in participation of registered voters was reversed in the 2004 elections, when the turnout jumped to 85 percent of the registered voters. Five complaints and one court case were reported during the 2004 elections. Nine political parties took part in the 2004 elections and 28 percent of those elected to Parliament were women (against a target of 35 percent). At the regional level, only 12 percent of those elected to the Councils were women, while at the local level, due to the provision in the Local Authorities Act, 43 percent of those elected were women.

10.2.1.3. NDP3 Goal Indicators, Baselines and Targets

Table 10.1: NDP3 Goal Indicators, baselines and Targets

Indicators	Baselines	Targets
Number of political parties participating in free, fair and transparent elections	9 (2004)	More than 1 (2009)
Percentage of seats held by women in Parliament Regional Councils Local Authorities	 28 (2004) 12 (2004) 43 (2004)	 35 (2009) 30 (2009) 50 (2009)
Number of formal election complaints	5 (2004)	2 (2009)
Percentage of relevant central functions decentralized to sub national governments with commensurate resources	0	50

10.2.1.4. NDP3 Goal Strategies

- Review policy and legal frameworks regarding elections and increase civic and voter education;
- Update of and enhance ICT to promote easy access to the electoral process;
- Empower women competing for elected positions (leadership skills training, access to resources);
- Strengthen Parliamentary representational, legislative, and oversight activities at national, regional and local levels;
- Create an enabling environment (legal, policy and institutional framework) to accelerate the implementation of decentralisation;
- Empower development committees at regional and local levels to improve planning and promote sustainable development; and
- Implement comprehensive information and communication strategy at regional and local levels to enhance transparency and accountability.

10.3.1.0. Sub-Sectors

10.3.1.1.0. Sub-Sector 1: Legislature

10.3.1.1.1. Sub-Sector Description and Background

Namibia has a multi-party democracy with free, fair and transparent elections held every five years. Article 1(3) of the Namibian Constitution provides for the separation of powers between the Executive, the Legislature and the Judiciary. The executive power of the Republic of Namibia is vested in the President and the Cabinet by virtue of article 27(2) of the Namibia Constitution, with the judicial power vested in the Courts of Namibia, which comprise the Supreme Court, High Court and Lower Courts.

The Parliament is the main legislative platform for the leadership, practice and demonstration of good governance in Namibia. In accordance with Article 44 of the Constitution, the Parliament houses the ruling party and the opposition. The bicameral Parliamentary system consists of the National Assembly and the National Council. The National Assembly consists of 72 members elected by proportional representation based on the percentage of votes cast for the political parties. The President appoints an additional six non-voting members to the National Assembly. The

National Council consists of 26 members, two from each of the 13 political Regions. Each of the Regional Councils elects their two National Council members. Unlike Members of Parliament, whose normal term is five years, the National Council members usually serve for a term of six years.

10.3.1.1.2. Legislature Sub-Sector Performance during NDP2

NDP2 targets for the sub-sector included: increasing the number of public hearings, increasing the number of public submissions to Committees, improving the media coverage, passing Parliamentary Service Bill, upgrading the Parliamentary Library and Research capacities, enhancing capacities of staff and Parliamentarians, and consolidating the interaction between both Members of Parliament (MPs) and staff in the SADC region.

During NDP2, various capacity building activities have been conducted to improve the knowledge of Parliamentarians, which included: (i) induction workshops on "best parliamentary practices," (ii) budget analysis, and (iii) interpretation of standing rules, orders and functions of Committees. Besides these courses, the Parliamentarians attended other seminars and conferences in the country and abroad to enable them to exercise their oversight functions effectively. By the end of 2006, thirty-four (34) backbench members of Parliament participated in the capacity building activities. Thus, more than 97 percent of the 35 non-executive MPs participated in these activities.

The media coverage of public hearings conducted by the Parliamentary Standing Committees has increased significantly, so much so that the Chairperson of the Committee on Public Accounts won the award of best news maker of 2006. The Parliamentary website also increased the number of content additions with 85 Bills and 78 Minutes of Proceedings of the National Assembly. The outreach programmes by the Presiding Officer and his Deputy, and familiarisation visits to the regions by other committees have also received more media coverage than expected. It is difficult, in the absence of baseline information, to say whether it has surpassed the target, but certainly there was a significant improvement in media coverage.

10.3.1.1.3. Legislature Sub-Sector Mission Statement, Goals, Indicators, Baselines and Targets

Mission Statement: To propose, debate, process, and reform laws that reflect balanced views, effective multiparty representation and frank advocacy; and to oversee their responsible and efficient execution.

Sub-Sector Goal: Sustainable multiparty democracy

Table 10.2: Legislature Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
No. of elections declared not transparent, free and fair	0	0
No. of electoral staff trained	7,434	9,264
Electronic voting system in place	Manual system	1 (2009)
ECN headquarters (1) constructed	Rented facilities	1 (2009)
ECN regional offices constructed	0	13 (2009)
Regional Councils Act amended to ensure representation of women and underrepresented groups in conformity with CEDAW, SADC Declaration on Gender and Development, Norms and Standards for Elections in SADC Region, and	0	3 (2009)

Indicators	Baselines	Targets
Declarations on Principles Governing Democratic Elections in Africa (2002)		
No. of Committee meetings held	17	85
No. of briefings conducted by Committees	10	50
No. of training courses for MPs	15	25
Percentage of bills debated in Parliament following short notice decreased	10	5
No. of parliamentary activities at national, regional and local levels	11	50
No. of Parliament outreach programmes	3	20

10.3.1.1.4. Legislature Sub-Sector Strategies

- Increase civic and voter education;
- Review policies and legal framework regarding elections;
- Review framework for resource allocation for electoral process;
- Undertake education on complaint procedures;
- Review electoral dispute resolution mechanism;
- Update ICT to promote easy access to the electoral process;
- Build capacity and develop skills in electoral processes;
- Propose legislation on the minimum percentage of women and under-represented/vulnerable groups to be represented in elected bodies at the national, regional and local levels;
- Empower women and under-represented/vulnerable groups that compete for elected positions; and
- Strengthen Parliamentary representational, legislative, and oversight activities at national, regional and local levels.

10.3.1.1.5. Legislature Sub-Sector Programme

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Strengthening and Sustaining Multiparty Democracy	Development	7,362	57,472	68,619	29,107	24,465	**187,025**
	Operating	25,779	98,548	145,546	75,903	36,018	**381,794**
	Total	33,141	156,020	214,165	105,010	60,483	568,819
Legislature Sub-Sector Total	**Development**	**7,362**	**57,472**	**68,619**	**29,107**	**24,465**	**187,025**
	Operating	**25,779**	**98,548**	**145,546**	**75,903**	**36,018**	**381,794**
	Total	**33,141**	**156,020**	**214,165**	**105,010**	**60,483**	**568,819**

10.3.1.2. Sub-Sector 2: Governance (Decentralisation)

10.3.1.2.1. Sub-Sector Description and Background

This sub-sector addresses the role of governance in enhancing and sustaining participatory democracy. It is commonly understood as the peoples' involvement in and control of decisions that affect their lives. Therefore, participatory democracy can be better achieved through the use of decentralised bodies of government, which are regional councils, local authorities and traditional

authorities. The sub-sector in this context addresses the structures, mechanisms and actions, such as: (i) efficiency and effectiveness of delivery of public services; (ii) empowerment of citizens to participate in decision-making and development planning through decentralised bodies of government; (iii) ensuring transparency and accountability in the use public resources; and (iv) responsiveness to local needs.

According to Article 102(1) of the Namibia Constitution: "For purposes of regional and local government, Namibia shall be divided into regional and local units, which shall consist of such region and local authorities as may be determined and defined by Act of Parliament." Article 102 (2) further provides that "every organ of regional and local government shall have a Council as the principal governing body, freely elected in accordance with this Constitution and the Act of Parliament".

The legal framework, which provides for the governance and administration of sub-national governments, dates back to 1992 when the Regional Councils Act (Act No. 22 of 1992) and Local Authorities Act (Act No. 23 of 1992) were promulgated. These two pieces of legislation allocate the planning powers and responsibility for the delivery of basic services to the regional councils and local authorities.

The decentralisation policy was approved by the Cabinet in December 1996, and adopted by the National Assembly as a national policy in September 1997. Decentralisation is defined as the transfer of political, financial and administrative powers from the central government to regional councils and local authorities. It is intended to: promote democracy at the local level; foster equal economic, cultural and socio-economic development; and improve public service provision across the country. It is meant to strengthen the role of regional councils and local authorities within the national planning framework; and give sub-national governments discretionary powers to plan, budget, and implement service delivery programmes and to initiate development projects. Through this process, the Government is responding to local needs within the framework of a unitary state. The overall final authority rests with Central Government, which determines the extent and pace of decentralisation.

In the initial phase of decentralisation, functions are delegated from line ministries to sub-national governments to enable and empower them to perform functions as agents of line ministries. Under devolution the political and administrative responsibility for the delivery of services, hitherto vested in the line ministries, become a part of the mandates of the regional councils and local authorities.

During the transition phase from delegation to devolution, the Central Government – through the line ministries – will remain ultimately responsible for the functions like planning and budgeting, in close consultation with the regional councils and local authorities; financial and administrative performance in respect of budget execution, accountability and personnel management; monitoring of service delivery; policy formulation and standard setting; and finally technical assistance to regional councils and local authorities. During devolution, the sub-national governments (regional councils and local authorities) are responsible for planning and budgeting, and their financial, administrative and service delivery performance. Though the line ministries are to transfer most of the functions to the sub-national governments, the following functions remain the responsibility of the line ministries: formulation of national polices; setting national standards for service delivery; monitoring and supervision of service delivery by sub-national governments and their administrative performance; and provision of demand driven technical assistance to and capacity building of sub-national entities.

To facilitate the implementation of the decentralisation policy, two other laws were put on the statute book, namely the Decentralisation Enabling Act (Act No. 33 of 2000) and the Trust Fund for Regional Development and Equity Provisions Act (Act No. 22 of 2000). The Decentralisation

Enabling Act makes provision for the implementation of the phases of delegation and devolution, and aims at enabling a smooth and effective implementation of the policy. Specific issues of a cross cutting nature are dealt with by matrix organisational taskforces composed of staff from ministries, sub-national governments and other relevant stakeholders. A cross-ministerial task force is established whenever a task involves more than one sub-sector or cannot be solved solely by the Ministry of Regional and Local Government, Housing and Rural Development. To date, cross-ministerial taskforces have been established in the areas of financial management and inter-governmental transfers; staffing matters; development planning and budgeting; training; harmonisation of laws; and housing and office matters.

10.3.1.2.2. Governance Sub-Sector Performance during NDP2

As far as the enabling environment and readiness of sub-national governments is concerned, the way is paved for the line ministries to start to discuss and agree on the timing and modalities for the actual delegation of functions and resources as stipulated in the Decentralisation Policy. A Decentralisation Implementation Plan (DIP) was developed and approved by Cabinet in 2001. The DIP guides all stakeholders involved in decentralisation on the various phases of the implementation process. The DIP primarily looks into the stage of delegation as provided for in the Decentralisation Enabling Act of 2000, and the necessary steps to be taken in preparation for devolution. It also assigns responsibilities for the execution of these steps. Amongst others, the DIP recommended the establishment a number of cross-ministerial taskforces, which have been established, with the main objective to ensure that all necessary preparatory work is completed to effect the gradual delegation of functions, staff and funds; and to prepare for devolution.

Regarding progress on implementation of decentralisation, the key results lie in the creation of an enabling environment in the area of finance, human resources, assets, IT, and readiness of regional councils and public participation.

A policy paper on the implementation of a development and recurrent grant system has been drafted. The paper proposes the advancement of decentralisation by devolution through the introduction of a formula-based grant system that is envisioned to improve the efficiency, equity, transparency and predictability of inter-governmental transfers from central to sub-national governments in Namibia. (The policy paper for a pilot grant system due for endorsement by the Cabinet in 2007.)

A practical guide to the Decentralisation Enabling Act of 2000 has been developed to facilitate lay persons' access to otherwise difficult-to-read pieces of legislation. The guide attempts to create awareness and understanding of the legal framework underlying the decentralisation policy.

An assessment of the readiness of the regional councils to receive and implement the delegated functions has been conducted and documented in a report entitled 'Report on the extent to which regional councils meet minimum criteria.' The report also contains identified support needs, which have formed the basis for targeted capacity building interventions during 2005/06.

During NDP2, the Regional Councils and Local Authorities have also been earmarked for the roll-out of the performance management system, including the formulation of Strategic Plans. The roll-out commenced with the some training and information sessions targeting the Regional Councils and Local Authorities by the Office of the Prime Minister and some sub-national entities have commenced the formulation of their Strategic Plans.

During NDP2, the Government embarked upon a Local Government Reform initiative, whose main purpose was to propose ways and means to create viable, efficient, effective and sustainable local

authorities. The Local Government Reform Committee has identified fundamental functional and institutional shortcomings in a majority of the Local Authorities, which need to be addressed urgently in order to re-establish public confidence in the Local Authorities and their administrative and political office bearers. To overcome identified structural and performance related shortcomings in the Local Authorities, the Reform Committee has proposed different solutions that need to be deliberated on and eventually implemented during NDP3.

In 2005, the Government embarked on an innovative process aiming to support Regional Councils in identifying, designing and implementing public participation mechanisms. During NDP2, seven Regional Councils (Erongo, Hardap, Karas, Khomas, Kunene, Omaheke and Oshana) have already implemented their regional surveys, with the Khomas Regional Council formulating its draft strategy on public participation. The other Regional Councils will formulate their strategies and implement them during NDP3.

Serious loopholes and omissions in the current legal framework have led to delays in the implementation of the decentralisation process. This is because the guiding pieces of legislation are unclear on revenue and expenditure assignments of regional councils, which are to receive the bulk of decentralised services. While the Decentralisation Enabling Act does provide guidance on the procedures to be followed by decentralising line ministries, it does not mention the functions to be decentralised and by which ministries and when. The proposed amendments include provisions for the introduction of an intergovernmental fiscal transfer system (grant system), Regional Development Coordinating Committees and Constituency Development Committees, conditions of service for Regional Council staff, the powers of the Minister of Regional and Local Government, Housing and Rural Development to make regulations, and functions to be decentralised to regional councils and local authorities as per the Decentralisation Policy.

One of the major challenges is the entire culture of doing day-to-day business, the management style, the skills and the shared values. Successful decentralisation requires absolute commitment from all stakeholders at all levels and the realisation that decentralisation is a national strategy towards achieving sustainable development.

A second challenge is the scarcity of skilled human resources required to facilitate an efficient and smooth implementation of the decentralisation policy, including the capacity at the receiving end (i.e. Regional Councils and Local Authorities) to ensure and safeguard an effective implementation of the decentralisation policy.

The third challenge pertains to the legal framework for decentralisation. Neither the Decentralisation Enabling Act nor the Regional Councils Act make provisions for the decentralisation of functions as earmarked in the policy document endorsed by the Cabinet in 1996. Such omission is perceived as a loophole and a shortcoming in the legal framework.

The fourth challenge is the need to harmonise the Regional Councils Act (Act No. 22 of 1992) and the Local Authorities Act (Act No. 23 of 1992); with a clear delineation of the responsibilities, accountabilities and coordination and reporting arrangements between the Regional Councils and the Local Authorities and between them and the Line Ministries.

10.3.1.2.3. Governance Sub-Sector Mission, Goals, Indicators and Targets

Sub-Sector Mission Statement: Ensure the effective and efficient implementation of a decentralized system of governance through providing management direction, coordination and training.

Sub-Sector Goal: Participatory democracy and quality governance extended, enhanced and guaranteed.

Table 10.3: Governance Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines (2006)	Targets (2012)
Number of regional councils that have developed and implemented public participation strategies	0	13
Number of local authorities that have developed and implemented public participation strategies	3	25
Number of service delivery plans developed and implemented by decentralising line ministries	0	8
Number of service delivery functions transferred to sub-national governments by decentralising line ministries	0	10

10.3.1.2.4. Governance Sub-Sector Strategies

- Create an enabling environment (legal, policy and institutional framework) to accelerate the implementation of decentralisation;
- Implement approved recommendations in the local government reform position paper;
- Institutionalise good governance principles at all levels, especially at sub-national levels;
- Continue the roll out of the Performance Management System and build the necessary capacities at all sub-national levels of government;
- Develop, approve and implement public participation strategies for all 13 regions, inclusive of local authorities;
- Raise the understanding of civil society on the purpose and nature of the decentralisation reform as well as their roles, duties and rights as development partners;
- Empower development committees at regional and local levels to enhance planning and sustainable development; and
- Implement a comprehensive information and communication strategy at regional and local levels to enhance transparency and accountability.

10.3.1.2.5. Governance Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Improved Governance at Sub-National	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

Programmes Levels	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Governance Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

TBC – To be compiled during implementation of NDP3.

10.2.2. NDP 3 Goal: Strengthened Rule of Law and Social Justice

10.2.2.1. NDP3 Goal Description and Background

The Republic of Namibia is a constitutional state, founded on the principles of democracy, rule of law and justice. The Constitution of Namibia entrenches and guarantees numerous fundamental rights and freedoms to all. It also enjoins State institutions to ensure that the said rights and freedom are promoted and jealously protected. The NDP3 goal is premised on two cardinal principles of justice and good governance: (i) instilling confidence in the administration of justice by making justice more efficient and effective as well as accessible to all (i.e. in terms proximity affordability); and (ii) promotion of the rule of law and good governance through institutional rules, frameworks and practices of officials and citizens, including freedom from abuse and corruption.

A situation analysis of the Goal identified amongst others, the following nation-wide needs: (i) competent personnel in the justice and related sectors; (ii) access to justice available to all by making it affordable and giving legal assistance to the indigents; (iii) speedy delivery of legal services, including speedy finalisation court cases; (iv) coordination of administrative of criminal justice by the role players; (v) adequate staffing and continuous skills improvement training for both professional and support staff; and (vi) providing the necessary infrastructure and systems. Although the Superior Courts do not have a serious problem of skilled and competent personnel, this problem is serious at the Lower Courts, particularly in matters pertaining to criminal justice. There is also an acute backlog of cases. It is fair to say that most of these needs affect the achievement of the NDP3 goal to a very significant degree. If they are not addressed promptly and effectively, they might have serious implications for peace, security and political stability in the country.

10.2.2.2. NDP3 Goal Performance during NDP2

NDP2 objectives included: decentralisation of the administration of justice; provision of legal assistance and representation to the economically disadvantaged in society; promotion of the rule of law and constitutional governance by instilling confidence in the administration of justice; ensuring that Government gets sound legal advice and the best legal services; and dealing with maladministration in State institutions.

The Magistrate's courts buildings were upgraded and extended at Oshakati, Swakopmund, Mariental, Windhoek and Keetmanshoop; new courts were constructed at Opuwo and Noordoewer; and existing court buildings and assigned official houses were renovated at Walvis Bay, Swakopmund, Karibib, Omaruru, Outapi, Oshakati, Mariental, Maltahohe, Tsumeb, Grootfontein and Aranos. . Furthermore, new periodical courts were constructed at Okahao in the Omusati region, Okongo in the Ohangwena region and Ngoma in the Caprivi Region, and these projects were implemented under the development programme of the Ministry of Safety and Security. In

this way, the Ministry of Justice (MoJ) could decentralise and deliver its services in an effective and efficient manner to the targeted regions.

A feasibility study was conducted for upgrading the MoJ headquarters to accommodate all its directorates and offices, to enhance the proper coordination and supervision of operations of the sub-sector. However, the estimated cost of the project was too high (expensive) for the Ministry and the actual upgrading could not be done; but it remains a priority for the Ministry during NDP3. Other feasibility studies and design plans were completed for the High Court at Oshakati. The construction phase of these projects is only expected to be completed during NDP3.

The Namibian Magistrates Courts Information System (Namcis) was designed and is being piloted at the Lüderitz Street Magistrates' Courts in the Khomas Region. The courts handled a number of cases. About 2 percent of the civil cases involved women being assisted in matters relating to property and inheritance. Ninety (90) percent of the divorce cases are initiated by women, who are either physically or emotionally abused by their partners. Where physical abuse is present or threatened, such application is normally prioritized. During NDP2, the Directorate of Legal Aid responded to 13,697 applications out of a total of about 17,646 applications received.

The legal aid services are decentralised to the centres at Oshakati, Ondangwa, Tsumeb, Rundu, Katutura, Mariental, Keetmanshoop, Swakopmund and Otjiwarongo. A total of 2,177 requests for legal opinion were received of which 1,029 were finalised and delivered to the requesting institutions. The remaining 1,148 are yet to be finalised.

Staff from the Legal Advice office served on the following Committees and Commission of Inquiry:

- Presidential Commission of Inquiry into Alleged Irregularities of the Social Security Commission;
- Presidential Commission of Inquiry into the Activities, Management and Operations of the RA and RCC;
- Court of Marine Inquiry into the Sinking of MFV Meob Bay; and
- Ad Hoc Committee for the UN Convention against corruption.

The Legal Advice office was also involved in a number of negotiations, including those related to the Revised SACU Treaty ratified in 2003; and the Investment Protection Treaties with Australia, Italy, Spain and the Netherlands, finalised in 2003.

During NDP2, the office of the Government Attorney handled a total of 5,994 cases. The justice sub-sector drafted 1,527 legislations, including proclamation and notices during the NDP2 period.

The Anti-Corruption Act (Act No. 8 of 2003) was enacted to establish the Anti-Corruption Commission and provide for its functions; to provide for the prevention and punishment of corruption; and to make provision for matters connected therewith entered into force in 2003. The Anti-Corruption Commission was established in 2006 and has since been combating corruption.

In the area civic affairs, considerable progress has been made during NDP2. The issuance of identity cards and passports has been speeded up. The Government participated in setting up a number of roadblocks and cleanup operations, making Namibia a safer place to live in and visit. The issuance of work permits to foreigners has progressed to ensure that Namibia can source skills that are not available in the country from the region and abroad. The NFSI played a vital role in various court cases where the ends of justice were served.

10.2.2.3. NDP3 Goal Indicators, Baselines and Targets

Table 10.4: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Percent of population per court: High Courts Regional Courts District Courts	 100 14.3 3.2	 50 14.3 2.9
Score on Corruption Index	4.1	5.1
Crime Rate (or index) by category and region	TBC	TBC
% of population with national identity documents	TBC	TBC
Percent or number of vulnerable groups having access to social protection/social services	TBC	TBC
No. of protection and service centres for women and children	TBC	TBC

TBC – To be compiled during implementation of NDP3.

10.2.2.4. NDP3 Goal Strategies

- Develop and sustain a network of accessible and service oriented legal/justice system;
- Develop and sustain human and institutional capacities for eradicating corruption and maladministration (good governance); and
- Intensify efforts to issue national identity documents at sub-national levels.

10.2.3.0. Sub-Sectors

10.2.3.1. Sub-Sector 1: Justice

10.2.3.1.1. Sub-Sector Description and Background

The Sub-sector Justice comprises of the entire judiciary, the Attorney-General, the prosecuting authority as well the Office of the Ombudsman and the Anti-corruption Commission. Namibia's legal system is based on Roman-Dutch law as well as elements of the various customary laws. There is a three-tier court system:

- the Supreme Court which is the highest court of appeal, and has jurisdiction in respect of the interpretation of the constitution and constitutional review of the legislation as well matters referred to it by the Attorney-General;
- the High Court which has original jurisdiction over matters pertaining the interpretation of the constitution, all civil and criminal cases, and cases on appeal from the Lower Courts; and
- Lower Courts which are presided over by Magistrates and have jurisdiction over matters provided for by Acts of Parliament.

10.2.3.1.2. Justice Sub-Sector Performance during NDP 2

The Sub-sector performance during NDP2 corresponds to the NDP3 Goal Performance as detailed above, which can be summarised as follows:

- The administration of justice was decentralised;
- Legal advice was rendered to the O/M/As;

- Maladministration in state institutions was dealt with;
- Rule of law and constitutional governance was promoted;
- Magistrate courts were built, upgraded and renovated;
- Legal assistance was rendered to the economically disadvantaged through legal aid; and
- Anti-Corruption Commission was established.

10.2.3.1.3. Justice Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To provide quality judicial and legal services.

Goal 1: An effective network of accessible and service-oriented legal/justice system.

Table 10.5: Justice Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators	Baselines (2006)	Targets (2012)
Average % of population per court (by category):		
High Court (Windhoek)	100	50
Regional Courts (7 courts)	14.3	14.3
District Courts (32 courts)	3.2	2.94

10.2.3.1.4. Justice Sub-Sector Goal 1 Strategies

- Strengthen the human and institutional capacities for improved legal justice services delivery;
- Ensure that the legal system is responsive and flexible;
- Promote public legal education awareness;
- Consider options for alternative disputes resolution;
- Ensure prosecution guided investigation; and
- Bring legal aid services closer to the people.

Goal 2: Combat and eliminate corruption

Table 10.6: Justice Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	Baselines (2006)	Targets (2012)
Number of corruption cases reported annually	TBC	TBC
Number of corruption cases investigated and resolved annually	TBC	TBC
Score on Corruption Index	4.1	5.1

10.2.3.2.4. Justice Sub-Sector Goal 2 Strategies

- Promote integrity and social education against corruption;
- Mobilise communities and civic organisations in combating corruption; and
- Strengthen the capacity of anti corruption institutions.

10.2.3.5. Justice Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Administration of Justice	Development	61,886	31,121	30,955	25,250	31,240	**180,452**
	Operating	1,040	21,195	24,873	24,605	24,817	**96,530**
	Total	62,926	52,316	55,828	49,855	56,057	**276,982**
Good Governance	Development	0	7,125	12,350	11,500	15,300	**46,275**
	Operating	180	1,130	2,210	350	300	**4,170**
	Total	180	8,255	14,560	11,850	15,600	**50,445**
Justice Sub-Sector Total	**Development**	**61,886**	**38,246**	**43,305**	**36,750**	**46,540**	**226,727**
	Operating	**1,220**	**22,325**	**27,083**	**24,955**	**25,117**	**100,700**
	Total	**63,106**	**60,571**	**70,388**	**61,705**	**71,657**	**327,427**

10.2.3.2. Sub-Sector 2: Civic Affairs

10.2.3.2.1. Sub-Sector Description and Background

Through this sub-sector the Government wants to ensure that all its citizens are registered to enable other organs of the state to use that information for planning purposes. Further, when registering to vote, the applicants are required to show proof that they are Namibian citizens, which can be met by showing either an identity card or birth certificate. Equally, all citizens wanting to access social benefits, such as old age pension, benefits for vulnerable children, etc., should be in possession of some sort of identification. The sub-sector also administers the marriage register and death records.

This sub-sector is also charged to ensure that all persons entering into and exiting from Namibia do so in an orderly manner. Also, the sub-sector ensures that foreign nationals residing in Namibia do so legally. It regulates the issuance of permits to ensure that the skills gap in the Namibian job market is filled in a manner that would benefit Namibia, while ensuring the protection of jobs for Namibians.

Another important function performed by this sub-sector is the provision of protection to refugees and asylum seekers. The sub-sector is providing shelter, education and health services at the Osire Refugee Camp near Otjiwarongo and Okakarara. The sub-sector is also conducting activities to promote the voluntary repatriation of refugees.

Scientific evidence is provided to the courts through the National Forensic Science Institute (NFSI). The NFSI provides its entire spectrum of scientific services utilising Namibian human resources, comprising a range of complex scientific skills like forensic DNA, document examination, analytical chemistry, arson investigation, explosives analyses, blood stain pattern analyses and ballistics.

The services rendered by this sub-sector are therefore central not only to the government sector but also benefits the economic sector. As far as law enforcement is concerned, the sub-sector plays a vital role in positive identification of offenders. The tourism industry also benefits from the services of the sub-sector.

10.2.3.2.2. Civic Affairs Sub-Sector Performance during NDP2

The sub-sector performance during NDP2 was satisfactory in some areas, while in the area of construction of facilities not much had been done due to delays. The sub-sector has been able to acquire a new passport system and commission it, which led to smoother retrieval of information on passports issued. The sub-sector was also able to reduce the time from application to collection of passports to 10 days.

Progress has also been made in the area of identity card issuance, which is now issued within 24 working days as opposed to about two years in the past. This success can be attributed to the automation and conversion of all finger print data and the acquisition of the second laser engraver as well as the process reengineering and gingering.

Together with other law enforcement agencies, the Ministry of Home Affairs and Immigration participated in setting up a number of roadblocks and cleanup operations. These efforts have contributed to making Namibia a safer place to live in and visit. In the same vein the issuance of work permits to foreigners is progressing well. This is to ensure that Namibia can source skills that are not available in the country from the region and abroad.

Although the sub-sector had planned to construct more regional offices and staff accommodation at border posts, it managed only one (1) office and one (1) flat at one border post. This had been due to delays in the implementation of capital projects. Other construction projects are continuing into the NDP3 period. Out of the 33 planned ICT system/linkages, 19 were completed.

The end of NDP2 witnessed a tremendous increase in arson, fraud, counterfeiting, computer crime and regional drug smuggling. But, the NFSI has managed to deal with the same in a swift and efficient manner. The enormous increase in crime scene attendance, expert witness testimony in court cases and appointment to investigate insurance fraud bears testimony to the popularity and the value for money of the services provided by the Institute.

The NFSI played a vital role in various sensational and complicated court cases where the ends of Justice were served. These included the human remains discovered in Northern and South Western Namibia, the Florin Murder Saga, The Oamites Farm Murder, Arson at The Langstrand Restaurant, Forensic Fire Investigation of the SADC Tribunal Building in Windhoek, and many more examples of success.

A number of set backs have been experienced during NDP2. One of serious nature is that not all persons crossing the borders have passed at designated border posts. The borderline between Namibia and Angola is not fenced off and the border posts are far from each other. Communities on both sides are thus forced to cross at undesignated places.

10.2.3.2.3. Civic Affairs Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To manage the national population register; facilitate lawful entry, stay and exit of foreign nationals in Namibia; and aid the criminal justice system guided by the principles of efficiency, effectiveness and accountability.

10.2.3.2.3.1. Goal 1: Communities Empowered to Exercise their Rights.

Table 10.7: Civic Affairs Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators	Baselines (2006)	Targets (2012)
Percent of citizens with national documents	65	85
Number of offices built	15	20
Number of staff recruited and trained	180	250

10.2.3.2.4. Civic Affairs Sub-Sector Goal 1 Strategies

- Enhance service delivery capacity and train staff;
- Establish sub-regional offices;
- Decentralise birth registration to maternity wards;
- Acquire mobile centres; and
- Decentralise issuing of death certificates

10.2.3.2.3.2. Civic Affairs Sub-Sector Goal 2: Enhanced Internal Security and Maintenance of Law and Order through border control, facilitation of movements of persons, and protection of Refugees.

Table 10.8: Civic Affairs Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	Baselines (2006)	Targets (2012)
No. of ports of entry	17	27
No. of days taken to issue work permits	90	24

10.2.3.2.4.2. Civic Affairs Sub-Sector Goal 2 Strategies

- Construct new border posts;
- Train staff;
- Renovate existing facilities;
- Acquire new IT infrastructure;
- Encourage voluntary repatriation of refugees;
- Encourage resettlement of refugees; and
- Develop infrastructure at reception centre.

5.2.3.2.3.3. Civic Affairs Sub-Sector Goal 3: Effective Network of Accessible and Service Oriented Legal/Justice System

Table 10.9: Civic Affairs Sub-Sector Goal 3 Indicators, Baselines and Targets

Indicators	Baseline (2006)	Targets (2012)
Percent of cases finalised per annum	87	98
No. of facilities built	0	5

Indicators	Baseline (2006)	Targets (2012)
No. of staff proficiency tested	4	47
% of service spectrum accredited	0	100
Average response time to scenes of crime	48 hrs	3 hrs

10.2.3.2.3.4. Civic Affairs Sub-Sector Goal 3 Strategies

- Establish an effective network of accessible and service oriented legal/justice system;
- Procure additional monitoring and analytical equipment;
- Establish dedicated facilities;
- Train staff;
- Renovate existing facilities;
- Acquire new IT infrastructure; and
- Enhance the capacity of NFSI.

10.2.3.2.4. Civic Affairs Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Civil Registration	Development	43,864	45,817	47,330	51,763	55,784	**244,558**
	Operating	6,746	7,520	4,169	7,224	7,865	**33,524**
	Total	50,610	53,337	51,499	58,987	63,649	**278,082**
Immigration Control	Development	33,549	35,048	31,714	39,616	60,165	**200,092**
	Operating	16,865	18,800	10,422	18,059	19,662	**83,808**
	Total	50,414	53,848	42,136	57,675	79,827	**283,900**
Refugee Administration	Development	1,265	1,605	1,874	2,176	2,374	**9,294**
	Operating	770	770	780	860	926	**4,106**
	Total	2,035	2,375	2,654	3,036	3,300	**13,400**
Forensic Science Services	Development	168,982	218,839	354,502	306,370	363,263	**1,411,956**
	Operating	46,462	57,149	70,292	106,458	126,586	**406,947**
	Total	215,444	275,988	424,794	412,828	489,849	**1,818,903**
Civic Affairs Sub-Sector Total	**Development**	**247,660**	**301,309**	**435,420**	**399,925**	**481,586**	**1,865,900**
	Operating	**70,843**	**84,239**	**85,663**	**132,601**	**155,039**	**528,385**
	Total	**318,503**	**385,548**	**521,083**	**532,526**	**636,625**	**2,394,285**

NDP 3 Goal: Internal Security and Territorial Integrity

10.2.3.1. NDP3 Goal Description and Background

The goal is to achieve peace and security within the nation through collective security as an instrument of national security. The goal informs Defence, Internal Security and State Security sub-sectors. The three sub-sectors have worked out effective mechanisms for dealing with armed conflicts and crime. These sub-sectors are able and effective in dealing with prevention of disorder and maintaining the security of the nation.

The police are well equipped and motivated in maintaining public security; and the national armed forces are modernised to be effective in facing the challenges of a rapidly globalising world. Prisons

reform has contributed to improved role of correctional services in achieving effective rehabilitation of offenders; and community participation in the process has reduced the crime rate considerably. State security structures render advice and intelligence on threats to the security of Namibia.

Namibia considers collective security to be the best and most effective instrument of national security. Therefore, the defence, internal security and state security sub-sectors have the primary responsibility for ensuring national security.

10.2.3.2. NDP3 Goal Performance during NDP2

The defence and security sub-sectors achieved the following during NDP2:

- SADC Tribunal Office established in Windhoek.
- Services were extended to the remote areas of the country, through the construction of new police stations and accompanying housing units, as well as the deployment of human and technical resources. Amongst the major projects completed were Omungwelume, Ohangwena, Okongo, Okahao and Ngoma police stations and the Ohangwena Police Regional Headquarters. Housing units were constructed at various centres, such as Tsumkwe, Sesfontein, Outapi, Oshakati, Otavi, Okahandja, Opuwo, Okatope, Eenhana, Katima Mulilo and Khomasdal in Windhoek.
- Infrastructure rehabilitation and upgrading projects were undertaken at, inter alia, (rehabilitation) Hoachanas, Möwe Bay, Terrace Bay, Bergsig, Fransfontein, (upgrading) Dordabis, Du Plesis Plaas, Eenhana, Hochfeld, Maltahöhe, Leonardville, Mariental, Ondangwa, Otjiwarongo, Osire, Ongwediva, Outjo, Tsumeb, Walvis Bay, Windhoek, Witvlei and the Pius Joseph Kaundu Training Centre (PJKTC) in Omaheke Region.
- The sub-sector staff have been trained and exposed to various fields of specialisation, thereby enhancing and strengthening capacity in the security sub-sector. The staff continued to play important roles in the regional and global security systems and contribute immensely towards the continental and global security agenda through the security architectures of SADC, AU, and the UN.
- Seven Prison institutions projects were under construction during NDP2; and two of them were completed, while five are on-going through NDP3.
- The National Defence Force (NDF) has become an active troop contributor to the UN peace support operations in many parts of the world. In 2007, the NDF had around 900 peace keepers deployed either as contingents or individuals in various AU and UN mandated peace support operations. The largest deployment undertaken by the NDF so far is that of UN Mission in Liberia (UNMIL) where Namibia since 2004 had maintained the strength of a battalion on a rotational basis.
- The Otjiwarongo and Osona military bases were completed, while the construction and renovation of Leopardsvilley, Keetmanshoop, Walvis Bay and Karibib military bases, and Research and Development have been ongoing.
- In the areas of cross-cutting issues, the sub-sectors focused on HIV/AIDS and gender mainstreaming. In terms of poverty reduction, the sub-sector has been recruiting eligible and able bodied young Namibians into their ranks and files. This exercise has greatly assisted the Government with its poverty reduction policy.

The sub-sectors experienced the following setbacks and challenges during NDP2: (i) the defence and security sub-sectors were affected by the low budget ceilings in various ways. The slow process of formal tender procedures, which resulted in the delay of commencement and or completion of some projects, and even the return to Treasury of allocated funds at the end of the each financial year, was a constraint; (ii) acute shortages of skilled personnel and inflation made it difficult to

acquire the quality and quantity of the required commodities, such as fuel and utilities; (iii) high staff turnover, largely resulting from competitive conditions of service elsewhere, were encountered during NDP2; and (v) limited capacity to respond to natural disasters.

The members of the sub-sectors have to cope with rapid changes that characterised the national and international environment requiring adoptability, flexibility and sensitivity to emerging developments. These factors will demand members of the sub-sector to seek constant improvement in the nature and qualities of operations, and the development and utilisation of both human and technical resources.

10.2.3.3. NDP3 Goal Indicators, Baselines and Targets

Table 10.10: NDP3 Goal Indicators, Baselines and Targets

Indicators	**Baselines** (2006)	**Targets** (2012)
No, of threats and violations to national security and territorial integrity	5	0
No. of crimes reported	424,028	421,907

10.2.3.4. NDP3 Goal Strategies

- Enhance law enforcement capacity and intelligence driven policing;
- Introduce scientific management of offenders at all institutions;
- Increase capacity to provide effective offender rehabilitation programmes;
- Identify available core services in the community to be an integral part of programme delivery;
- Construct and upgrade Prison Infrastructure;
- Recruit, train and deploy staff appropriately;
- Develop human resources and maintain well trained, equipped and modernized force with adequate infrastructure;
- Establish national security strategies, intelligence priorities and estimates; and
- Enhance Information and Communication Technology (ICT).

10.3.3.1. Sub-Sector 1: Internal Security

10.3.3.1.1. Sub-Sector Description and Background

The sub-sector comprises of police and prisons, whose main functions are to preserve internal security and the territorial integrity.

The fundamental function of policing is protecting and serving all the people in Namibia by reducing all kinds of crime, in partnership with the community and other law enforcement agencies. NamPol was established to secure the internal security of Namibia and to maintain law and order. Its mandate derives from Article 115 of the Namibia Constitution and its functions, as provided for in the Police Act, 1990 (Act No. 19 of 1990), as amended.

In fulfilling its mandate, NamPol, is structured according to political regions and is composed of Divisions, Specialised Units and Police Stations. Some of the Divisions and Specialised Units are located at both the Police National Headquarters and the Police Regional and Station levels, in order to ensure efficient and effective management of NamPol's operations in combating crime and ensuring the preservation of internal security, peace and stability. The Force has three institutions of training through which its members can be better equipped with the requisite knowledge and skills to properly carry out their duties. The Force also has a Training and Development Unit which coordinates all training matters involving other institutions especially tertiary institutions. Currently, NamPol has numerous members studying in tertiary institutions in various subjects such as law, human resources, IT and public administration. The NamPol Research and Development Unit is responsible for the coordination of all research related activities. The emphasis of research and development in the Force is to attain operational efficiency, customer satisfaction and administrative efficiency; and the development of policies and systems aimed at mainstreaming policing in the country.

The HIV/AIDS pandemic has adversely affected the productivity of NamPol, and has immensely contributed to a high staff turnover. Therefore, NamPol has established a Departmental HIV/AIDS Committee and a Police Action Plan (Pol-Action). Disasters, both man-made and natural, undermine the country's development efforts and place communities at risk of displacement, hunger and poverty. In terms of the National Emergency Management System (NEMS), Nampol has put in place structures to respond to any kind of natural or man-made disasters, through its Emergency Unit, Special Reserve Force and Water Wing. The Air Wing is currently being set-up.

The existence of the Namibian Prison Service (NPS) is provided for in Articles 121 to 123 of the Namibia Constitution and it is established under Section 2 of the Prison Act, 1998 (Act No. 17 of 1998). The NPS is responsible for providing safe custody to offenders, rehabilitating them and ensuring their successful reintegration into community as law abiding citizens. By doing so, the NPS makes the communities (i.e. the public in general, prison staff and offenders) safe and ultimately contributing to internal security and territorial integrity.

In order for the Service to fulfil this mandate as required in accordance with Namibian laws and international conventions and standards, the safe custody of offenders should be humane. There should be effective rehabilitation/treatment programmes, proper reintegration mechanisms as well as competent staff. Consequently, major reforms/changes in this sub-sector are inevitable. Some reforms began during NDP2, which should be reinforced during NDP3. These include introducing several correctional needs oriented programmes to effectively rehabilitate and successfully reintegrate offenders into society; and staff development or capacity building that improves the quality of leadership to deliver.

10.3.3.1.2. Internal Security Sub-Sector Performance during NDP2

Some NDP2 objectives related to this sub-sector were to: facilitate the safeguarding of national security; ensure a stable and peaceful society by protecting and respecting the fundamental human rights; and prevent crime and protect life and property.

In pursuit of the above objectives, the Police services were extended to the remote areas of the country, through the construction of new Police Stations and accompanying housing units and deployment of human and technical resources. Amongst the major projects were the completion of the Omungwelume, Ohangwena, Okongo, Okahao and Ngoma Police Stations and the Ohangwena Police Regional Headquarters. Also, housing units were constructed at various centres, such as Tsumkwe, Sesfontein, Outapi, Oshakati, Otavi, Okahandja, Opuwo, Okatope, Eenhana, Katima Mulilo and Khomasdal in Windhoek.

Rehabilitation projects were undertaken, inter alia, at Hoachanas, Möwe Bay, Terrace Bay, Bergsig, Fransfontein; and upgrading at Dordabis, Du Plesis Plaas, Eenhana, Hochfeld, Maltahöhe, Leonardville, Mariental, Ondangwa, Otjiwarongo, Osire, Ongwediva, Outjo, Tsumeb, Walvis Bay, Windhoek, Witvlei and the Pius Joseph Kaundu Training Centre (PJKTC) in Omaheke Region.

The Police Force has been able to train and expose its members and those of other law enforcement agencies (local and foreign) to various fields of specialisation, thereby enhancing and strengthening capacity in the security sub-sector. The members of the Police Force did and continue to participate in international peace-keeping operations, in countries such as Sierra Leone, Liberia, Somalia, Sudan, Haiti and East Timor.

NamPol has established a Departmental HIV/AIDS Committee and a Police Action Plan (Pol-Action) is being implemented. Two (2) social workers, thirteen (13) HIV/AIDS regional coordinators, one hundred (100) home-based care personnel and peer educators were appointed. Twenty six (26) national and sixty (60) regional HIV/AIDS awareness campaigns were conducted annually.

As a contribution to employment creation and poverty eradication, NamPol employed and trained a total of 3,898 men and women in its ranks during the NDP2 period. Partnerships have immensely contributed to human capital development of the NamPol through the provision of training and technical resources by its cooperating partners. This has provided an environment conducive to leveraging sub-sector resources, in reducing crime and rendering efficient services. Fifty-nine (59) Police Public Relations Committees have been established countrywide. The cooperating partners contributed a grand total of N$3.941 million, for human and technical resources development. Moreover, NamPol signed memorandums of understanding with some national tertiary education institutions, so as to train and enhance the capacity of its personnel in various fields of study.

NamPol, in conjunction with the Electoral Commission of Namibia, has been coordinating the policing responsibilities in the conduct of National, Regional and Local Authority elections and by-elections. Despite the scarcity of well-trained personnel and resources, NamPol has ensured that all 13 elections held during NDP2 were conducted in an environment free from bias. NamPol's Explosives Division conducted six unexploded ordnance (UXOs) clearance projects. NamPol issued 933 licenses and permits for imports and exports of explosives, and handled the transportation of commercial explosives.

During NDP2, NamPol could only construct four (4) posts along the border, where it deployed 1,400 members, which is still insufficient.

NamPol's Traffic Division and its Regional Units are responsible for enforcing the Road Traffic and Transport Act, aimed at minimising road traffic accidents and ensuring road safety. During NDP2, 335,621 road traffic offences were recorded, 229,715 summonses were issued, and 52,978 road accidents were recorded.

Under the Prison Services, seven projects were under construction during NDP2, with two of them completed, while five are continuing into the NDP3 period.

There is a need to speed up investigations and court cases; finalisation of legislation on Public Order Policing; and operationalising relevant legislation on emerging crimes. Also, the means to detect some emerging crimes (such as white collar, cyber and crimes of passion) should be acquired.

10.3.3.1.3. Internal Security Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To strengthen the rule of law, social justice and territorial integrity

Goal 1: Strengthened Internal Security and Maintenance of Law and Order

Table 10.11: Internal Security Sub-Sector Goal 1 Indicators, Baselines and Targets

Indicators	**Baselines** (2006)	**Targets** (2012)
No. of infrastructure constructed and upgraded	39	47
No. of cross-border joint operations	16	32
Percent reduction in road traffic accidents	52,928	30%
Percent crime rate detection	46%	50%
No. of members trained for VIP protection	140	850
Personnel strength	11,298	16,425
Training courses	182	364
Size/strength of the road traffic control officers	151	486

10.3.3.1.4. Internal Security Sub-Sector Goal 1 Strategies

- Enhance law enforcement capacity and intelligence-driven policing;
- Recruit and train sufficient staff;
- Acquire specialised skills and means to detect emerging crimes;
- Improve conditions of service to retain competent staff; and
- Operationalise the Prevention of Organised Crime Act.

10.3.3.1.2.3. Internal Security Sub-sector Goal 2: Lawful Detention and Reduced Re-offending

Table 10.12: Internal Security Sub-Sector Goal 2 Indicators, Baselines and Targets

Indicators	**Baselines** (2006)	**Targets** (2012)
Percent of offenders reintegrated as law-abiding citizens	10	25
Percent of offenders set at proper security level	10	45
Percent of new, modernised and upgraded correctional facilities	10	30

10.3.3.1.2.4. Internal Security Sub-Sector Goal 2 Strategies

- Introduce scientific offender management at all institutions;
- Increase capacity to provide effective rehabilitation programmes to offenders;
- Identify available core services in the community to form an integral part of programme delivery;
- Construct and upgrade Prison Infrastructure;
- Recruit, train and deploy staff appropriately; and
- Procure equipment, goods and services.

10.3.3.1.5. Internal Security Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Combating Crime	Development	51,890	160,201	178,261	192,587	211,156	**794,095**
	Operating	9,200	48,585	53,020	58,222	63,945	**232,972**
	Total	61,090	208,786	231,281	250,809	275,101	**1,027,067**
Border Control	Development	0	36,336	58,070	63,817	70,138	**228,361**
	Operating	0	24,076	26,483	29,132	32,619	**112,310**
	Total	0	60,412	84,553	92,949	102,757	**340,671**
Very Important Persons' (VIP) Protection Services	Development	0	1,302	1,432	1,575	1,733	**6,042**
	Operating	0	1,371	1,013	1,084	1,193	**4,661**
	Total	0	2,673	2,445	2,659	2,926	**10,703**
Traffic Control	Development	0	9,922	1,856	9,691	2,036	**23,505**
	Operating	0	19,209	21,169	23,244	25,570	**89,192**
	Total	0	29,131	23,025	32,935	27,606	**112,697**
Prisons Reforms	Development	22,200	34,531	62,000	80,765	139,300	**338,796**
	Operating	29,160	42,571	47,260	41,928	45,331	**206,250**
	Total	51,360	77,102	109,260	122,693	184,631	**545,046**
Internal Security Sub-Sector Total	**Development**	**74,090**	**242,292**	**301,619**	**348,435**	**424,363**	**1,390,799**
	Operating	**38,360**	**135,812**	**148,945**	**153,610**	**168,658**	**645,385**
	Total	**112,450**	**378,104**	**450,564**	**502,045**	**593,021**	**2,036,184**

10.3.3.2.0. Sub-Sector 2: State Intelligence

10.3.3.2.1. Sub-Sector Description and Background

State intelligence implies inter-alia, ensuring the actual and perceived peace, harmony and stability in the relationships between the nation and its government, state institutions, the inter-state and multilateral relations (international systems) and the capacity of the state to secure against threats to these dimensions. The State Intelligence sub-sector does not contribute in a quantifiable way to the GDP. Its contribution is fundamentally enabling and cross-sectoral, impact on some or all economic, ecological/environmental, social, political, military, and human security dimensions.

Vision 2030 commits Namibia to peace, political stability and security, and sets out the conditions that embody these. It foresees the country enjoying internal peace and stability, with the numerous threats that have the potential to disrupt and derail the country's economic progress easily identified and acted upon. Vision 2030 includes, as one of the broad strategies, the ensuring of an atmosphere of peace, security and hope for a better life. Further, it foresees Namibia having in place a strong and effective capacity for gathering intelligence information.

In dealing with security threats, Namibia cannot afford to spread thin its resources into complicated national security systems and structures that may be resource ineffective and inefficient. Pre-knowledge and early warning or intelligence about real and potential threats to national security therefore becomes essential for Namibia's state security doctrine.

The legal instruments that guide the work of the sub-sector are, inter-alia, the Constitution of Namibia and the Security Intelligence Policy and the Namibia Central Intelligence Service Act, 1997. The latter established the Namibia Central Intelligence Service (NCIS), and assigned to it in

addition to the core mandates, the roles of coordinating government intelligence functions and assisting on request, the gathering of intelligence that constitute ministerial intelligence.

Apart from the provisions made in the Security Intelligence Policy of 1997, the functions of the other role players in the sub-sector are provided for, amongst others, under the Police Act, 1990, the Defence Act, 2002, the State Finance Act, 1991, the Public Service Act, 1995, and the Financial Intelligence Act, 2007.

It is the mandate and mission of the State Intelligence sub-sector to give sufficient and timely warning, achieved through intelligence gathering, analysis, assessments and estimates that make it possible for the country to timely respond and deal with threats or potential threats before they manifest and escalate.

10.3.3.2.2. State Intelligence Sub-Sector Performance during NDP2

The intelligence community contributed significantly to regional, continental and global security, under the SADC Protocol on Politics, Defence and Security Cooperation and the Strategic Indicative Plan of the Organ (SIPO), the Committee of Intelligence and Security Services of Africa (CISSA) and the AU Peace and Security Council (PSC), and the UN Global Security Agenda. During NDP2, two (2) Regional Offices were constructed and some operational properties were acquired in Namibia and abroad.

As the sub-sector advances in the pursuit of its mandate, it will have to cope with changes and challenges in the national and international environment. It will require the actors in the sub-sector to be adaptable, flexible and sensitive to emerging developments, and seek constant improvement in the nature and qualities of its operations as well as to the development and utilisation of both its human and technical resources.

10.3.3.2.3. State Intelligence Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To establish national Intelligence strategies, intelligence priorities and formulate intelligence estimates

Goal: Improved provision of intelligence by improving the quality and enhancing service delivery to the clients.

Table 10.12: State Intelligence Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines (2006)	Targets (2012)
Percent improvement of capacity of security services	30	70
Percent improvement of client and beneficiary satisfaction	55	70
Percent of units of security infrastructure developed/ improved	20	50
Pieces of legislation/ policies harmonized/reviewed (% of identified needs)	10	50
Coordination and support mechanisms expanded (% of identified needs)	30	50

10.3.3.1.3.4. State Intelligence Sub-Sector Goal Strategies

- Increase level of capacity building of security services in acquiring, processing and providing intelligence;
- Review and harmonise legislative and regulatory frameworks; and
- Expand coordination and mutual support among stakeholders in national security

10.3.3.1.3.5. State Intelligence Sub-Sector Programme

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
State Security Programme	Development	TBC	TBC	TBC	TBC	TBC	**443,466**
	Operating	TBC	TBC	TBC	TBC	TBC	**226,389**
	Total	TBC	TBC	TBC	TBC	TBC	**669,855**
State Intelligence Sub-Sector Total	**Development**	**TBC**	**TBC**	**TBC**	**TBC**	**TBC**	**443,466**
	Operating	**TBC**	**TBC**	**TBC**	**TBC**	**TBC**	**226,389**
	Total	**TBC**	**TBC**	**TBC**	**TBC**	**TBC**	**669,855**

TBC – To be compiled during implementation of NDP3.

10.3.3.3.0. Sub-Sector 3: Defence

10.3.3.3.1. Sub-Sector Description and Background

The sub-sector is responsible for the implementation of Government policies on Defence. Its mandate is derived from Chapter 15, Article 118 of the Constitution of the Republic of Namibia.

The beneficiaries include Namibia, Governments and people of SADC, African Union (AU) and the UN. Within Namibia, the beneficiaries include the state machinery, local and civil authorities, business community, ordinary citizens, foreign diplomatic personnel, foreign investors, refugees, immigrants, tourists, travellers, non-governmental organisations and security forces.

10.3.3.3.2. Defence Sub-Sector Performance during NDP 2

The National Defence Force (NDF) has become an active troop contributor to the UN peace support operations in many parts of the world. In 2007, the NDF had around 900 peace keepers deployed either as contingents or individuals in various AU and UN mandated peace support operations. The largest deployment undertaken by the NDF so far is that of the United Nations Mission in Liberia (UNMIL), where Namibia had maintained strength of a battalion on a rotation basis since 2004.

In 2001/02, there were four (4) new military bases. Although the target was to have seven (7) bases by the end of NDP2, the actual achievement by 2005/06 was an additional two (2), with one old military base renovated. The NDF has been recruiting eligible and able bodied young Namibians into the rank and file of the Force. This has greatly assisted the Government with its employment generation and poverty reduction policies.

The following steps were taken in order to contribute to HIV/AIDS prevention and mitigation:

- Ministerial HIV Committee was established;

- Military Action and Prevention Programme (MAPP) was introduced in June 2002;
- HIV/AIDS Coordinators for the Ministry of Defence and Army, Air Force and Navy were appointed;
- HIV/AIDS Counsellors and home-based care givers were trained for all NDF units;
- Two (2) workshops for commanders on HIV/AIDS awareness were conducted;
- Awareness campaigns on HIV/AIDS in all NDF units were conducted;
- ARV training of 50 NDF nurses was conducted;
- Rapid test training on HIV for seven (7) NDF members was conducted; and
- Voluntary counselling and testing centres (VCTC) were established at Rundu and the Army headquarters in Grootfontein.

The Ministry of Defence made provisions for gender main-streaming in all institutional undertakings and reaffirmed gender related Constitutional imperatives in the Defence Policy and Defence Act. The Ministry appointed a Gender Focal Point to direct and oversee the development and implementation of mainstreaming in all avenues of the institution. A Gender Plan of Action that guides and regulates the mainstreaming process was adopted. Sensitisation and awareness courses for all ranks were conducted and a substantial number of women were promoted to senior ranks of the NDF echelons.

In terms of ICT development, the Ministry introduced an Integrated Logistics Management System (SAP platform) for the NDF. The pilot phase of this system has been successfully completed. The roll-out to NDF units commenced in 2007. In addition, the Ministry planned to establish SAP based Human Resource and Health Care Systems from 2007/08.

The Ministry experienced some setbacks in implementing projects on time, due to long periods of feasibility studies and low budgetary allocations. Late delivery of spare parts and other equipment also affected the pace of implementation.

10.3.3.3.3. Defence Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To defend the territorial integrity and national interest of Namibia; assist civil agencies and local authorities in domestic support operations when required; and contribute to SADC, AU and UN peace support missions.

Goal: Enhanced territorial integrity.

Table 10.13: Defence Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines (2006)	Targets (2012)
Number of threats detected and neutralised	3	0
Number of violations detected and neutralised	2	0

10.3.3.3.4. Defence Sub-Sector Strategy

- Maintain well trained, equipped and modernised force with adequate infrastructure.

10.3.3.3.5. Defence Sub-Sector Programmes

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Professionalized Force	Development	60,588	65,450	65,450	75,267	86,558	**353,313**
	Operating	4,212	4,550	4,550	5,233	6,017	**24,562**
	Total	64,800	70,000	70,000	80,500	92,575	**377,875**
Research and Development	Development	0	0	0	20,000	20,277	**40,277**
	Operating	154,463	160,919	200,000	230,000	264,500	**1,009,882**
	Total	154,463	160,919	200,000	250,000	284,777	**1,050,159**
Defence Sub-Sector Total	**Development**	**60,588**	**65,450**	**65,450**	**95,267**	**106,835**	**393,590**
	Operating	**158,675**	**165,469**	**204,550**	**235,233**	**270,517**	**1,034,444**
	Total	**219,263**	**230,919**	**270,000**	**330,500**	**377,352**	**1,428,034**

Chapter 11: REGIONAL AND INTERNATIONAL STABILITY AND INTEGRATION

11.1.1. Thematic Area Description and Background

The Key Result Area on Regional and International Stability and Integration is derived from the Vision 2030 objective of achieving stability, full regional integration and democratised international relations; with the transformation of Namibia from an aid-recipient country to that of a provider of development assistance. The Sub-Visions associated with the Vision objective are:

- *International Relations:* A new international order has been established based on sovereign equality of nations, where sustainable development, peace and human progress is ensured;
- *Development Cooperation:* Namibia has achieved a level of transformation in the flow of development cooperation resources, and has advanced from a recipient of grant assistance to a provider of assistance to countries in need;
- *Peace and Security:* Collective regional and international peace and security have been accomplished;
- *Regional Integration:* Namibia enjoys full regional integration in terms of socio-economical and political structures through effective supra-national organisations; and
- *Globalisation:* The benefits of technology, trade, investment and capital flows have contributed to a significant reduction in poverty in most regions of the world, and Namibia enjoys optimal participation and integration in the global village.

Within the above framework, Namibia emphasises the promotion of positive international relations in order to enhance its global interests and domestic well-being, with emphasis placed on Namibia's "high international profile." In diplomatic terms, Namibia enjoys a favourable reputation as a principled and responsible country. As a trading nation with the economy predominantly engaged in regional and international trade, it is important for Namibia to have favourable international partnerships, and the maintenance of regional and international peace, stability and cooperation. As is true in other regions, collective self-reliance as a partial development path adopted in Southern Africa is predicated on the expectation of greater material benefits (including accelerated economic growth) from collective actions than the individual national efforts alone could produce. Non-material benefits such as consolidation of democracy, peace, and political stability also feature in the drive for regional integration. The three NDP3 goals under the KRA on Regional and International Stability and Integration are:

- Promote Regional and Global Integration;
- Strengthened International Partnerships for Development; and
- Contribution to Regional and Global Peace and Political Stability.

Active participation in SADC, SACU, and the Common Monetary Area (CMA), the main institutional bodies in Southern Africa, reflects Namibia's commitment to regional integration, particularly in trade and related economic activities and the drive towards economic convergence in the region. Similarly, just as Namibia's Independence was supported by international assistance, its development too requires international partners to share in the process of advancing social and economic progress during the medium term. Peace and stability across the boundaries of Namibia would assist the neighbours to maintain their own as well as Namibia's peace, stability and progress. Namibia has done this through bilateral agreements with neighbouring countries, SADC/SACU level cooperation, and AU/UN peacekeeping responsibilities.

In terms of international relations, Namibia pursues active participation in the United Nations and African Union contributing to the Sub-Vision of establishing (by 2030) a new international order based on sovereign equality of nations, where sustainable development, peace and human progress is ensured. Further, the relations with bi-lateral and multi-lateral international cooperating partners (ICPs) have been dynamic and positive. Through deliberate policy, Namibia is neither overly dependent on outside resources nor excessively indebted to the international community. Although current external financing needs remain substantial, in the longer term, the Sub-Vision anticipates a reversal of flows at some point beyond the next decade.

In the security arena, peace and stability among neighbours also forms a vital part of the environment of Namibia's peace and stability as indicated in the corresponding Sub-Vision on Peace and Security.

11.1.2. Thematic Area Performance during NDP2

The past five years have seen several significant transformational changes in the structures of regional organisations, with Namibia in the forefront of the activities. After several years of negotiations, the structural reforms of SACU culminated following the ratification of the new treaty by the member countries, with Windhoek chosen as the new headquarters of the SACU. In addition, new formulas were adopted for allocation of the resources in the Common Revenue Pool (CRP) based on three principles. The CRP amount allocated to a country will be: (i) proportional to the country's share in the region's international trade, (ii) inversely proportional to the nation's GDP (i.e. poorest countries receive more), and (iii) the allocation from the excise tax collection will be based on the per capita income of the country (i.e. poorest countries receive more). The former two-year delay in revenue calculation is largely removed (except for recalculations based on more complete data at a later date) and the formula is now regarded as reflecting greater fairness, though declining revenue for some smaller states. The transition process temporarily generated exceptionally large revenues (windfalls) for Namibia that will contribute to an unusual budget surplus in 2007/08. Namibia's new share seems to be stable at about 14 percent of the total CRP and contributing about 30 percent of the state revenues.

At the same time, negotiations with the EU on a new economic partnership agreement (EU-EPA) were initiated as the WTO waiver on reciprocity in trade for the Cotonou trade agreement of the ACP countries with the EU is to expire at the end of 2007. The negotiations for the EU-EPA were (and are) being conducted under a common SADC platform, with South Africa participating as a full member and Angola, Mozambique, and Tanzania joining the SACU countries.

Namibia, South Africa, Swaziland, and Lesotho continue in a Common Monetary Area (CMA) in which the smaller countries issue their own currencies, which are linked to the South African Rand on a one-to-one basis, with the Rand circulating side by side with the local currencies. The arrangement offers currency stability for the main trading partners, while providing some insulation from external shocks. Under this arrangement, the South African Reserve Bank makes the key monetary policy decisions including on interest and exchange rates.

SADC also underwent significant restructuring following an agreement reached at a Special Summit of Heads of State and Government in Windhoek in 1999. This process was formally completed during 2001-2003, but the initial efforts and performance are still in the early phases, especially in terms of staffing, while capacity deficits are still impacting negatively on integration. Four structures [(i) Food, Agriculture and Natural Resources (FANR); (ii) Trade, Investment and Finance (TIFI); (iii) Infrastructure and Services (IS); and (iv) Social and Human Development (SHD)] are based at the headquarters in Gaborone to coordinate the activities and resource mobilisation for the main SADC Programme of Action under a "troika" leadership formula. These

were accompanied by a substantial increase in staffing and the development of a RISDP and an interlinked SIPO. Contact meetings with the donors were largely suspended until a major 2006 conference in Windhoek brought SADC governments and ICPs together for the first time under the new structure. A new Cooperation Framework (the Windhoek Declaration) was agreed to at the Windhoek meeting, though the preparations were uneven for different segments of SADC. The OPDS was a parallel structure created during NDP2 with its own troika leadership and secretariat. A political sub-committee and a military one are operational under this framework.

Most of the specific NDP2 targets focused on 2001 only; and did not reflect the longer planning horizon currently practiced within Namibia and at the SADC level. The NDP2 period coincided with very significant rethinking of ICP relations with developing countries. Several major international conferences (such as the UN Conference on Financing for Development held in Monterrey, Mexico in 2002 and the Aid Effectiveness meetings held in Rome in 2003 and Paris in 2005) as well as the G-8 commitments to reverse the decline in developing country assistance resulted in new parameters for donor activities and relations between aid givers and aid recipients.
Namibia has done well among African countries in terms of donor assistance on a per capita basis. Around 50 percent of the official development assistance (ODA) has been devoted to capacity development through human resources improvements such as education, health, water and sanitation. External assistance constitutes about 10 percent of the Development Budget inside the State Revenue Fund assuring that Namibia does not become overly dependent on such finance. External debt has also remained well within manageable levels. Increasingly, ODA is being directed toward trade promotion components, especially infrastructure improvements, which constituted about 60 percent of the SADC Programme of Action (PoA). The emphasis on mobilising additional external resources fits in well with the New Economic Partnership for African Development (NEPAD) agendas in the larger continental context.

In the security sub-sector, much of the planning for enhanced regional cooperation coincided with NDP2, but was not included in it, as the SADC Organ on Politics, Defence and Security (OPDS) launched its Strategic Indicative Plan for the Organ (SIPO) and several new initiatives. Also, the Regional Indicative Strategic Development Plan (RISDP) was adopted during the period.

During NDP2, internal conflicts in DRC, Angola, and Lesotho were brought under control or ended (as were a quarter of Africa's conflicts in the past ten years). The settlement of the conflict in Angola was especially important for Namibia, because it removed a constraint on economic relations with a big neighbour and provided land access to countries beyond Angola such as the DRC.

(Chapter 10 on the KRA on Peace, Security and Political Stability presents in detail the performance on national, regional and international security and the interventions on legislative and defence aspects that are geared towards the maintenance of national and international peace and security.)

11.1.3. Thematic Area Strategies

- Vigorously pursue regional trade cooperation and macroeconomic convergence;
- Engage ICPs and strengthen partnerships; and
- Cooperate with global and SADC initiatives on peace and security.

11.2.1. NDP 3 Goal: Promote Regional and Global Integration

11.2.1.1. NDP3 Goal Description and Background

The political and security integration agenda is framed within the SIPO of OPDS, with the central objective of creating a peaceful and stable political and security environment to enable the region to realise its socio-economic potentials. The SIPO is regarded as an enabling instrument for the implementation of the SADC development agenda embodied in the RISDP. The areas of cooperation under the SIPO include: (i) peace support and humanitarian operations; (ii) democracy and good governance; (iii) disaster management; (iv) combating organised crime including drug trafficking, money laundering and human trafficking; (v) post-conflict reconstruction and social reintegration programmes; (vi) (land) mine action programmes; (vii) HIV/AIDS programmes; (viii) small arms and light weapons control; (ix) drug trafficking control programmes; (x) joint training exercises; and (xi) food security.

The economic integration agenda, in the context of SADC**,** was initiated at the signing of the SADC Protocol on Trade in August 1996. The prime objectives of the Protocol include the following: (i) liberalising intra-SADC trade in goods and services; (ii) ensuring production efficiency within SADC; (iii) improving the climate for domestic, cross-border and foreign investment; (iv) enhancing economic development, diversification, and industrialisation in the region; and (v) establishing a free trade area (FTA) within SADC. Implementation of the tariff reduction process officially began on 1 September 2000 with a plan to complete it by January 2008, when the FTA status is expected to be attained. This will mark a point in time at which 85 percent of intra-SADC trade will be conducted on a duty and quota-free basis.

The 15-year SADC (RISDP was launched by the organisation in February 2003 to promote regional integration. It provides the overall framework for aligning the strategic objectives and priorities of SADC with those of the member states and provides the strategic directions for SADC's programmes and activities for achieving the long-term goals. The RISDP has set time-bound targets for achieving the goals in the various areas of cooperation with the objective of deepening the region's integration by providing consistent and comprehensive programmes of long-term economic and social policies.

The priority areas for cooperation outlined in the RISDP are: (i) poverty eradication; (ii) combating the HIV/AIDS pandemic; (iii) gender equality and development; (iv) science and technology; (v) environment and sustainable development; (vi) private sector development; and (vii) statistics. The sub-sectoral cooperation and integration areas are: (i) trade, economic liberalisation and development; (ii) infrastructure support for regional integration and poverty eradication; (iii) sustainable food security; and (iv) human and social development. Fifteen annual and five-year plans have been developed for implementation of the RISDP.

11.2.1.2. NDP3 Goal Performance during NDP2

Namibia continued to play an important role in SADC during NDP2. Some of the key activities included chairing the organ, hosting important meetings, and being a constant supporter of the common agenda. During NDP2, several significant changes took place with respect to the SADC and SACU that were important to the operation of the O/M/As in Namibia.

Namibia hosts the new SACU Headquarters and was an active participant in the treaty negotiations that led to the new structure that was agreed, ratified, and launched during NDP2. Namibia continues to derive benefit from the new SACU, though the exact impact will only unfold as the

rollout of the new body takes form. The bulk of Namibia's trade still comes under the umbrella of SACU and its rules and regulations. Trade revenue through SACU continued to provide about 30 percent of total government revenue during NDP2.

Perhaps the most important change for Africa was the launching of the AU, NEPAD and the African Peer Review Mechanism (APRM) processes. Although Namibia has been a minor player in these continental developments (Namibia has yet to join the APRM process despite strong democratic performance according to other measures), the Government has assented to these processes. Support for these Africa-wide initiatives is incorporated in Vision 2030.

One of the major regional integration issues in NDP2 and beyond has been to achieve the targets set for macroeconomic convergence within SADC, the targets for which are set out in Table 11.1; and the performance of the member states on these targets are shown in Table 11.2.

Table 11.1: Macroeconomic Convergence Targets

Item	Targets		
	2008	2009	2010
Core Inflation (%)	9	5	3
Budget Deficit (% of GDP)	5	3	1
External Debt (% of GDP)	60	60	60
Current Account Deficit (% of GDP)	9	9	3
Growth Rate (%)	7	7	7
External Reserves (Import Cover in Months)	3	6	6
Central band Credit to Government	10	5	5
Domestic Savings Rates (% of GDP)	25	30	35

Source: SA Reserve Bank

Extracted from *Monitoring Regional Integration,* 2006:283

Table 11.2: Macroeconomic Convergence Performance

Country	Inflation (CPI) % 2005	Govt. Budget Balance /GDP % 2005	Public Debt /GDP % 2005	Current Account /GDP % 2005	Growth Rate /GDP % 2005	Lending Rate, % 2004/05 (EIU)	Total Net ODA US$ million 2004 (EIU)
Angola	17.6	-2.7	73.5 (EIU)	7.8	20.6	82.0	498.7
Botswana	11.4	1.2	8.9	13.3	8.4	15.7	39.0
DRC	21.3	-1.2	3.3	-3.5	6.5	N/A	5,381.0
Lesotho	3.4	1.5	50.5	1.4	1.2	11.7	102.1
Madagascar	18.4	-10.1	87.0	-12.1	4.6	27.0	1,236.0

Country	Inflation (CPI) % 2005	Govt. Budget Balance /GDP % 2005	Public Debt /GDP % 2005	Current Account /GDP % 2005	Growth Rate /GDP % 2005	Lending Rate, % 2004/05 (EIU)	Total Net ODA US$ million 2004 (EIU)
Malawi	15.4	-2.9	189.0 (EIU)	-26.8	2.1	36.8	1,236.0
Mauritius	4.9	-5.0	66.2	-5.0	2.5	21.0	37.9
Mozambique	6.4	-2.3	70.0	-1.1	6.2	21.9	1,228.4
Namibia	2.3	-1.1	33.6	8.4	3.2	10.6	179.1
South Africa	3.4	-0.4	13.3 (EIU)	-4.2	4.9	10.6	617.3
Swaziland	4.8	-4.3	16.8	0.6 (EIU)	1.8	10.6	116.6
Tanzania	4.4	-5.0	79.1	-7.9	6.8	15.1	1,669.0
Zambia	15.9	-2.6	137.3 (EIU)	-9.6	5.0	28.2	1,081.0
Zimbabwe	585.8	-5.8	165.0	-19.0	-4.3	N/A	N/A

N/A – Not available

Sources: Bank of Namibia: Integrated Paper on Recent Economic Developments in SADC (Oct. 2006) with data sourced from SADC Members, Central Banks and, where not available, from the IMF; and Economist Intelligence Unit Country Reports and Profiles (EIU)

Extracted from *Monitoring Regional Integration.* 2006: 213.

A second priority for regional integration that has been underway is the negotiation for a SADC Gender Protocol focusing on the realisation of greater gender balance and empowerment. SADC has also been developing an HIV/AIDS Protocol to more adequately deal with this issue. Further, some progress has been made on the SADC Free Trade Protocol/Customs Union.

One of the more important institutional developments is the establishment of an Early Warning System for both Namibia and SADC. These institutions are to create predictive measures for security challenges to allow timely national government and regional interventions before a crisis situation unfolds. They will cover both State security and human security dimensions; and form a parallel to the early warning system in food security.

In addition to the large regional bodies, several sub-regional organisations are also important to Namibia's security and well-being. One of the more important ones is the Southern Africa Power Pool, which will be at the centre of negotiations to deal with regional power shortages in the coming years, if the present high growth in demand continues. At issue will be the development of new energy supply capacity, equitable allocation of available supplies under existing agreements, and negotiation of new power sharing arrangements. These negotiations will involve state-owned enterprises (SOEs) and other participants in addition to the state-centred ones. Another area of negotiations at sub-regional level is the multiple **"**shared watercourses**"** agreements. Additionally, an agreement between SADC as an organisation and an umbrella body representing organised civil society mother bodies in the member countries has been under negotiation. Similarly, a new election monitoring body under SADC has been under consideration.

11.2.1.3. NDP3 Goal Indicators, Baselines and Targets

Table 11.3: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Enhance economic competitiveness of SADC	Individual country strategies	SADC competitiveness strategy
Achieve macroeconomic convergence and deep monetary cooperation	Multiple currencies	Single currency for SADC launched
Enhance employment creation capacity	Labour movement restricted	Amend laws and regulations
Increase employment and income generating opportunities	Divergent national policies	Policies on labour and employment harmonised
Improve security and reliability of energy supply	Multiple suppliers	Single regional energy market
Establish UNIVISA	Multiple visa requirements	Yes
Transport infrastructure	Average/good	Well maintained
Develop regional capacity in human resources development	Member States have own programmes	Yes
Promote the development and harmonisation of Science and Technology (S&T) policies in the region	Agreement on principles	Implementation
Leverage international support for and cooperation in research and development initiatives	Negotiations ongoing	Funds secured
Develop research capacity in key areas	Centres identified	Training
Technology development, transfer and diffusion	Efforts ongoing	1% or more of GDP by 2015
Average tele-density: National Regional	 <5% <5%	 8%-12% 8%
SADC Environmental protocol	Under consideration	In place
Develop capacities for environmental assessments and reporting	Limited capacity	Yes
Promote participation of private sector in regional integration process	SADC policy on PPP and development	PPP and development structure in place
Develop legal framework for statistics	Under consideration	Legal framework adopted and implemented
Promote utilisation of shared water courses	Efforts underway	yes
Improve food availability	Efforts underway and monitored through EWS	yes
Transform subsistence agriculture to commercial production	Member states are subsistence based	yes
Improve access to quality education, training, welfare and social development, nutrition, health,	Variant access and levels	yes

culture, sport, information including ICT		
Increase media diversity	Limited media houses	yes
Reduce production, trafficking and abuse of illicit drugs and related criminal activities including money laundering	High levels of production, trafficking and abuse	yes

11.2.1.4. NDP3 Goal Strategies

- Trade integration through SADC and SACU reforms;
- Macroeconomic convergence; and
- Multi-sector integration through SADC protocols and harmonisation

11.3.1. Goal Sub-Sectors

11.3.1.1. Sub-Sector 1: International Relations

11.3.1.1.1. Sub-Sector Description and Background

Since Independence, Namibia's foreign relations have been characterised by the twin approaches of active collaboration or engagement and economic diplomacy. On the former, Namibia has actively sought cooperation through a variety of multi-lateral and bi-lateral partnerships. The multilateral ones included those with the United Nations and its various bodies, the Commonwealth, the Non-aligned Movement, OAU, SACU, SADC, WTO, IMF and others. On bi-lateral cooperation, Namibia retained strong relations with its liberation supporters such as Cuba, China, and the Palestine (West Bank and Gaza), while extending friendly relations with the USA, the UK and Germany, among other new partners.

On the diplomatic front, Windhoek is home to 43 resident foreign embassies/high commissions, 16 resident consulates, and 13 international non-governmental organisations (INGOs). Another sixty embassies or high commissions are represented on a non-resident status, mostly based in South Africa. Namibia has 22 embassies and high commissions abroad, with two new ones scheduled for establishment in the near term (in Tanzania and Egypt); 25 Honorary Consulates abroad and four separate trade offices. Within the SADC Region, Namibia has six missions, with Tanzania as a seventh forthcoming.

A second thrust of the country's foreign relations is the increasing emphasis on economic diplomacy as the central concern of international engagement. Namibia belongs to a multitude of organisations and is regarded as a cooperative member without difficulty in paying dues or in organising meetings. However, for a long time having too many overlapping memberships has been considered a weakness in regional groupings. After careful consideration of costs and benefits, Namibia withdrew from membership in the COMESA in 2004.

Namibia was the President of the United Nations General Assembly in 2000, when the Millennium Declaration and the constituent MDGs were unanimously adopted by all members of the Assembly; and it served a term on the UN Security Council. Important diplomatic postings also feature in multi-lateral settings such as New York for the UN, Addis Ababa for the African Union, and Brussels for the European Union.

Namibia also participates in the Pan-African Parliament, International Parliamentary Union (IPU) and the Commonwealth Parliamentary Association, with some Namibian members regularly elected to leadership positions and meetings hosted in Namibia. Namibia's position globally is sometimes reflected in diplomatic visits by heads of state or reciprocal visits of Namibia's President abroad. Recently, these have included some of the most powerful countries (China, France, USA, UK and Germany) and some of the most active in South-South cooperation (Malaysia, Singapore, Brazil, Venezuela and India).

11.3.1.1.2. International Relations Sub-Sector Performance during NDP2

Four specific regional integration targets were set in NDP2, which were:

- Finalisation of the SACU negotiations by the middle of 2001;
- Completion of the restructuring of SADC by the first quarter of 2001;
- Fast-tracking of the three different stages of liberalisation of trade in goods as a way of operating the SADC Free Trade Area; and
- Conclusion of negotiations with COMESA Authority about market access for Namibia and Swaziland by October 2001.

The first two targets were accomplished during NDP2. The third on trade liberalisation is continuing and the process is being accelerated with free trade and customs union targets set within the time frame of NDP3. Namibia withdrew from the COMESA based on a careful scrutiny of the costs and benefits of sustaining three regional memberships.

The results for regional integration during NDP2 were challenging and substantial restructuring of the regional organisations and formulation of a strategic plan for moving forward more effectively with operationalisation and implementation of the policies and programmes during NDP3. This marks a critical turning point for the region to actually deliver on the promise of regional integration.

Additional contributions toward regional integration were made through the diplomatic efforts of the Office of the President and other Cabinet Ministries, through regular consultations among peers at different diplomatic functions in what is referred to as "personal diplomacy". Regular bi-lateral Joint Commission meetings also take place among representatives of neighbouring countries such as Botswana, Angola, South Africa, Zambia and Zimbabwe among others under existing agreements. Other exchanges take place through ministers meetings at the AU or UN, in addition to other settings. Regular meetings also take place under the functional auspices such as central bankers, police chiefs, power pool representatives, joint river commissions, trade fairs, as well as others detailed elsewhere. Such regular contacts reinforce the regional bonds and collaborations.

11.3.1.1.3. International Relations Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To promote regional integration across multiple sectors and to harmonise Namibian laws and practices to conform to the country's agreed international commitments.

Goal: Regional integration consolidated.

Table 11.4: International Relations Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Number of Protocols signed and ratified	20	26 (6 pending)
Number of Protocols implemented (%)	75%	100%
Support SADC Organ - Frequency and speed	Total compliance	Total compliance
Number of countries in SADC FTA & CU	0	14
Support regional initiatives -Frequency and speed	Compliance	Leadership and compliance
Diplomatic leadership - Number of embassies/High Commissions	6/1	7/2
Annual state visits effectively managed (number)	5	7
Annual Joint Commissions/Technical Meetings (number)	6	7

11.3.1.1.4. International Relations Sub Sector Strategies

- Negotiate, ratify, and implement key SADC Protocols and Agreements;
- Establish a national Early Warning System to cooperate with similar SADC structure;
- Establish a SADC election monitoring system/structure;
- Achieve consensus on the SADC Free Trade Area (FTA) and Customs Union (CU); and
- Effectively manage high level state visits.

11.3.1.1.5. International Relations Sub-Sector Programme

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Language and Conflict Resolution Training	Development	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC
International Relations Sub-Sector Total	**Development**	TBC	TBC	TBC	TBC	TBC	TBC
	Operating	TBC	TBC	TBC	TBC	TBC	TBC
	Total	TBC	TBC	TBC	TBC	TBC	TBC

TBC – To be compiled during implementation of NDP3.

11.3.1.2. Sub-Sector 2: Trade

11.3.1.2.1. Sub-Sector Description

The principal line of contribution to the regional trade and integration process is Namibia's well-developed infrastructure including its port facilities and the Trans-Kalahari and Trans-Caprivi highways, which will continue to be in the service of the region. Through economic integration, the ability of the region is facilitated to operate as a single market, with rewarding benefits which include: enlarged markets and increased economic efficiency, enabling production and market economies of scale, and expansion of trade and investment.

Namibia's economic interactions within SADC/SACU are based on its resource endowments and exports of processed/manufactured products including diverse minerals, textiles, other cotton-based products, cement, fish, livestock and livestock products, other farm products, as well as tourism. In order to create the economic space for industrialisation, economic growth, poverty reduction and sustainable development, the Government adopted Regional Economic Integration as a vehicle for overcoming the constraint of the small local market; and as a means to facilitate the structural transformation of the country's economy. To avoid the continuation of overlapping functions and objectives of regional organisations, uncoordinated economic and foreign policies, poor response to regional initiatives and foreign trade barriers, Namibia committed itself, amongst others, to:

- Strike a balance between regionalism and globalisation;
- Help initiate strategies for strengthening the capacities of regional structures to ensure their effective operation; and
- Continue playing an important role in the region and Africa as a whole.

11.3.1.2.2. Trade Sub-Sector Performance during NDP2

The sub-sector continued to contribute to the achievement of economic growth and development, alleviation of poverty, enhancing the standard and quality of life of the people of Namibia, and support the socially disadvantaged through regional integration in the SACU and SADC, and through complementarity between national and regional strategies and programmes. Namibia, together with other SACU Member States, transformed SACU through the 2002 Agreement from being a vehicle for revenue collection and sharing, to a Customs Union with orientation towards economic integration among member states through trade and industrial development.

11.3.1.2.3. Trade Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To pursue regional relations with a view to achieving the best political framework to give effect to regional economic initiatives that are in the best interest of Namibia.

Goal: Regional and global economic integration that is beneficial to Namibia.

Table 11.5: Trade Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Exports growth rate per annum: Baseline GDP growth scenario Higher GDP growth scenario	6.7% (NDP2 average)	 7% 9%
Imports growth rate per annum: Baseline GDP growth scenario Higher GDP growth scenario	5.7% (NDP2 average)	 6% 8%
Import trade diversification away from South Africa	83%	TBC
Free trade within SACU by	TBC	TBC
Free trade within SADC by	TBC	TBC
Foreign direct investment (FDI) in million US$: Baseline GDP growth scenario Higher GDP growth scenario	269 (NDP2 average)	 270 430

TBC – To be compiled during implementation of NDP3.

11.3.1.2.4. Trade Sub-Sector Strategies

- Advocate deeper regional economic integration by meeting SADC milestones as contained in the RISDP;
- Play a leading role in ensuring the establishment of effective and operational supra-national regional institutions;
- Implement and observe all the SADC protocols in order to benefit maximally;
- Strengthen the effective functioning of SADC and SACU;
- Contribute to the creation of equitable and fairer global trading environment through the conclusion of the WTO Doha Development Round;
- Conclude well-balanced trade agreements with major trading partners such as the EU, USA, China, India and Kenya;
- Enhance south-south economic and trade cooperation; and
- Implement FTA in SADC by 2008 and Customs Union by 2012.

11.3.1.2.5. Trade Sub-Sector Programme

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Investment and Trade Promotion	Development	200	200	200	200	200	**1,000**
	Operating	22,140	27,400	31,400	41,600	46,100	**168,640**
	Total	22,340	27,600	31,600	41,800	46,300	**169,640**
Trade Sub-Sector Total	**Development**	**200**	**200**	**200**	**200**	**200**	**1,000**
	Operating	**22,140**	**27,400**	**31,400**	**41,600**	**46,100**	**168,640**
	Total	**22,340**	**27,600**	**31,600**	**41,800**	**46,300**	**169,640**

11.3.1.3. Sub-Sector 3: Water

11.3.1.3.1. Sub-Sector Description

[The general description on the Water Sub-Sector is provided in Chapter 5B (TWG5) on Infrastructure. The presentation here covers the riparian (international) relations dimensions of the sub-sector only.]

Namibia has no perennial rivers within its territory. A large proportion of the nation's perennial water is found in the trans-boundary rivers that form the Northern and Southern borders of the country, far from the main centres of water demand. As water sources in the interior of Namibia are becoming virtually fully exploited, the country's future economic development will increasingly be dependent on long distance water transfers from shared watercourses.

The shared watercourses are governed by various bilateral, regional and international instruments, which provide for integrated management and sustainable development of the shared resources. With the advent of these instruments of cooperation as well as other general framework international agreements and conventions, new concepts, guidelines, approaches and requirements have come into being. Namibia's international obligations under these instruments need to be taken into account in the management, development and regulation of the shared water resources.

Existing Multilateral and Bilateral Agreements include the following:

- The Permanent Joint Technical Commission (PJTC) between Angola and Namibia on the Cunene River Basin was established in 1990. The major priority for the PJTC is the development of the Baynes Dam hydroelectric power scheme and water supply in the Cuvelai basin;
- The Joint Operating Authority between Angola and Namibia was also reinstated in 1990 in Lubango. It deals specifically with the operation of the regulating dam on the Cunene River at Gove in Angola, and with the infrastructure for the Ruacana hydropower station on the same river in Namibia;
- The Joint Permanent Water Commission between Botswana and Namibia concerning the development and utilisation of water resources of common interest was established in November 1990, specifically with regard to activities on the Okavango River and the Kwando-Linyanti-Chobe river system in the Zambezi River basin;
- The Permanent Okavango River Basin Water Commission (OKACOM) between Angola, Botswana and Namibia, established in September 1994, recently commenced with its activities;
- The Permanent Water Commission between Namibia and South Africa was established in September 1992. The Commission has concentrated its activities on the Orange River Basin;
- The Treaty of the Vioolsdrift and Noordoewer Joint Irrigation Schemes between Namibia and South Africa was also signed in September 1992. This established a parastatal Joint Irrigation Authority to operate the irrigation project located on both sides of the Orange River at Vioolsdrift and Noordoewer; and
- An Agreement to establish a River Basin Organisation on the Zambezi River was reached in 2004 and was signed by Angola, Botswana, Malawi, Mozambique, Namibia, Tanzania and Zimbabwe, but not Zambia. Subsequently, Namibia has ratified the Agreement and participates in activities of the Zambezi River Action Programme (ZACPRO).

In addition, other international framework agreements drive Namibia's integration with the SADC region and the rest of the world including the UN Convention on the Law of the Non-Navigational

Uses of International Watercourses (1992) and the Revised SADC Protocol on Shared Watercourses.

The MAWF coordinates the shared water commissions, with the Ministry of Justice and the Attorney General providing legal advice on the international agreements. The main functions of MAWF in this regard include: (i) water planning at international and national levels; (ii) supporting water resources management organisations at basin level; and (iii) administering the water allocation system.

11.3.1.3.2. Water Sub-Sector Performance during NDP2

One of the sub-sector objectives in NDP 2 was to manage and allocate the water resources in an equitable and efficient manner with due consideration to environmental sustainability. Its strategies included different studies that indirectly contributed to the theme of regional and international stability and integration during NDP2. These included the: (i) delimitation of the border with Botswana along the Kwando/Linyanti/Chobe River, which has been finalised; (ii) completion of the Lower Orange River study under the guidance of the Permanent Water Commission, which recommended the undertaking of a feasibility study into the construction of a re-regulating dam on the Orange River at Noordoewer; (iii) agreement to establish a River Basin Organisation on the Zambezi River in 2004; (iv) decision by the Permanent Joint Technical Committee on the Kunene River to prepare a basin-wide Integrated Water Resources Management Plan. It has also been agreed and confirmed that a hydropower project is to be planned at the Baynes site on the Lower Kunene in the border area between Angola and Namibia; and (v) finalisation of a desk study on the Congo River pipeline feasibility, which concluded that it was physically and technically possible to transfer water from the Congo River basin to the Zambezi River Basin and form there to the Okavango River Basin.

The main challenge is to negotiate with partners on Namibia's equitable share in the international shared rivers. Considering the long-term annual runoff of the perennial rivers, Namibia should be in a position to abstract much more water from the rivers. As a result, there would be more water available, although it will not move Namibia out of the category of countries with chronic water scarcity.

11.3.1.3.3. Water Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: Co-manage and utilise shared water in an equitable, efficient and sustainable manner for long-term social and economic benefits for all users in Namibia.

Goal: More water from perennial rivers available to Namibia.

Table 11.6: Water Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baseline (2006)	Target
No. of agreements to allocate equitable share of water to Namibia	2	3
No. of signed agreements to establish river basin commissions (Cuvelai, Zambezi, Kunene)	7	10
No. of IWRM Plans/SAP	0	3
No. of competent staff on international water issues	2	5

11.3.1.3.4. Water Sub-Sector Strategies

- Secure Namibia's reasonable and equitable share on international shared rivers;
- Develop joint integrated water resources management plans; and
- Build human and institutional capacity to solve international water problems.

11.3.1.3.5. Water Sub-Sector Programme

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Management of Shared Rivers and Equitable Allocation of Water to Namibia	Development	0	150	80	80	20	330
	Operating	1,031	1,831	1,301	2,095	2,095	8,353
	Total	1,031	1,981	1,381	2,175	2,115	8,683
Water Sub-Sector Total	**Development**	**0**	**150**	**80**	**80**	**20**	**330**
	Operating	**1,031**	**1,831**	**1,301**	**2,095**	**2,095**	**8,353**
	Total	**1,031**	**1,981**	**1,381**	**2,175**	**2,115**	**8,683**

11.3.2. NDP3 Goal: Strengthened International Partnerships for Development

11.3.2.1. Goal Description and Background

Namibia wishes to achieve stability, full regional integration and international relations for various reasons including that of fostering development cooperation, which remains a key vehicle for addressing socio-economic deficits and accelerate rural and national development. In order to mobilize sufficient external assistance, the Government needs to effectively cultivate and strengthen international partnerships to maintain existing international cooperating partners (ICPs) and attract new ones to assist Namibia's development efforts.

The contemporary partnership transformation issues, such as the mix of grant and loan assistance, including through regional entities experienced over the NDP2 period, requires applying innovative measures to optimise existing opportunities and modalities; and seize new ones. Some of the changes may have been a result of Namibia's relatively higher average income per capita that places it in the category of middle-income countries, despite the country's high inequality in income distribution, widespread poverty and relatively high prevalence of HIV/AIDS.

11.3.2.2. Goal Performance during NDP2

The NDP2 targets and achievements are summarised in Table 11.7.

Table 11.7: Goal Performance during NDP2

NDP2 Targets	NDP2 Achievements
Mobilisation of external resources (grants and loans) to the tune of 41% of NDP2 PSIP	35% of NDP2 PSIP expenditure requirements committed
Grants to constitute 33% and loans 8% of the PSIP expenditure requirement of NDP2	Committed grants constituted 22% and loans 8% of NDP2 PSIP expenditure requirement
At least 20% of external resources channelled through the State Revenue Fund (SRF)	11.4% of external assistance channelled through the SRF.
Central Government's total external debt to be maintained below 5% of GDP	External debt averaged 5.3% of GDP
Approval of Development Cooperation Policies and Procedures by the end of 2004	Draft Development Cooperation Policies and Procedures handbook prepared and to be ready for submission to the Cabinet in July 2007
Approval of Sovereign Debt Management Strategy by the end of 2004	Approved by the Cabinet in April 2005
From 2005 onwards, Inter-Agency Committee on Development Cooperation and Debt Management meets at least four times per year	Debt and Cash flow Management Working Group, comprising MoF, BoN and NPC, meets bi-monthly
At least three Sectoral Committees established and programmes for the sectors identified by the end of NDP2.	Committees on the Education and Rural Water Supply sub-sectors established. Efforts are being made to establish sectoral committees for transport and rural development. For education sector a sector programme, ETSIP, was approved by the Cabinet in 2005
Revised monitoring and evaluation policy for development programmes / projects and framework in place by 2005	A committee was established to come up with a new monitoring and evaluation (M&E) policy. A directorate of M&E is to be established in NPC during NDP3
Increase coverage of information provided by ICP's for entry into the Development Cooperation Database from 50% to 70% of total development assistance flows (2004/05) by 2005/06	New Division of Development Cooperation Resources Management was established in NPCS and is improving the coverage of information on ODA in the database

Table 11.8 provides data on the ODA grant and loan assistance to Namibia during NDP2.

TABLE 11.8: ODA Flows into Namibia during NDP2

(N$ million)

Item	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07
Total ODA	**924**	**920**	**1316**	**921**	**1238**	**3,510**
Total Grants	786	678	857	590	938	1,105
Multilateral Partners	245	137	297	97	166	238
Bilateral Partners	541	541	560	493	772	981
Total Loans	138	242	459	331	300	2,405

Sources: Bank of Namibia Annual Reports 2000–2006; MTEFs 2000/01-2006/07; and NPC Database

11.3.2.3. Goal Indicators, Baselines and Targets

Table 11.9: Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Value (N$) of ODA inflows received through development assistance	35% of NDP2 Public Sector Investment Programme (PSIP)	35% of NDP3 PSIP
Namibia's contribution to international development programmes	Emergency relief provided to several countries	0.1% of Government Budget

11.3.2.4. Goal Strategies

According to Vision 2030, Namibia should in the long-term strive to achieve a transformation and advance from a recipient of external assistance to a provider of assistance to other countries in need. Thus far, Namibia has participated in regional programmes to assist other developing countries that were faced with emergency situations like floods or droughts. However, Namibia will continue to need significant external assistance/ODA to support its development efforts over the next decade and beyond. To strengthen international cooperation and partnerships between Namibia and industrialised and other countries, it is necessary to:

- Strengthen and diversify the relations between Namibia and its international cooperating partners;
- Formulate and implement policies on development cooperation in line with the Paris Declaration on Aid Effectiveness;
- Vigorously promote free trade and investment flows and the transfers of appropriate technologies; and
- Encourage foreign direct investment into Namibia and promote the re-investment of capital proceeds in Namibia's own industries.

11.3.2.3. Goal Sub-Sectors

11.3.2.3.1. Sub-Sector 1: International Relations

11.3.2.3.1.1. Sub-Sector Description and Background

See description under the Goal on Promote Regional and Global Integration in this Chapter.

11.3.2.3.1.2. Sub-Sector Performance during NDP2

See performance under the Goal on Promote Regional and Global Integration in this Chapter.

11.3.2.3.1.3. **International Relations Sub-Sector Mission, Goals, Indicators, Baselines and Targets**

Mission Statement: Mobilise, maintain and foster international relations to strengthen Namibia's international partnerships for the fulfilment of Namibia's development needs for the present and the future.

Goal: Strengthened international partnerships

Table 11.10: International Relations Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Number of resident/non-resident missions accredited to Namibia	43 resident missions 60 non-resident missions	Maintain status quo
Number of accredited Namibian missions abroad	22 permanent missions abroad 25 honorary consulates abroad	24-29 permanent missions 30 honorary consulates

11.3.2.3.1.4. International Relations Sub-Sector Strategies

- Improve representation of Namibian interests abroad;
- Improve communication between NPC and Namibian missions abroad for the purpose of harmonised and updated ODA mobilisation and coordination campaigns, and
- Review the operations of the existing missions in line with the planned Performance Management System (PMS), and to act according to recommendations of the review.

11.3.2.3.1.5. International Relations Sub-Sector Programme

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
Partnerships	Development	34,803	48,108	59,648	49,648	50,000	242,207
	Operating	52,735	18,872	19,797	22,145	2,000	115,549
	Total	87,538	66,980	79,445	71,793	52,000	357,756
International Relations Sub-Sector Total	**Development**	**34,803**	**48,108**	**59,648**	**49,648**	**50,000**	**242,207**
	Operating	**52,735**	**18,872**	**19,797**	**22,145**	**2,000**	**115,549**
	Total	**87,538**	**66,980**	**79,445**	**71,793**	**52,000**	**357,756**

11.3.2.3.2. Sub-Sector 2: Official Development Assistance (ODA)

11.3.2.3.2.1. Sub-Sector 2 Description and Background

See the background and description for the Goal on "Strengthened International Partnerships for Development" presented in the preceding section.

11.3.2.3.2.2. ODA Sub-Sector 2 Performance during NDP2

See the Performance during NDP2 the Goal on "Promote Regional and Global Integration" presented in the preceding section.

11.3.2.3.2.3. ODA Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: To efficiently cultivate external partnerships to mobilise, manage and utilise ODA to augment Namibia's development efforts.

Goal: Increased amounts of ODA, especially grants, mobilised, managed and effectively utilised.

Table 11.11: ODA Sub-Sector Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Establishment of ODA coordination mechanism	• The inter-agency committee on ODA coordination did not effectively operate during NDP2 • Development Cooperation Resources Management Division established	• A revised mechanism and modus operandi to be found • The already established Inter-Agency Committee on ODA and Debt Management needs to meet at least four times per year from Sept. 2007 onwards. • Increase coverage of information provided by ICPs for monitoring and evaluation of ODA • ODA Database fully functional by end of fiscal year 2007/08 • At least 5 sector forums set-up, fully functional and led by the Government • Bi-annual Government-ICP forum set-up and fully functional • Annual Development Cooperation Report published in conjunction with Quarterly Development Cooperation Bulletins starting 2007/08
ODA mobilised	35% of NDP2 Public Sector Investment Programme (PSIP)	35% of NDP3 PSIP

11.3.2.3.2.4. ODA Sub-Sector Strategies

- Create a development cooperation environment that is conducive to ODA and broader cooperation and its implementation;
- Strengthen economic and technical cooperation with cooperating partners;
- Mobilise external resources in support of national and regional development especially with regard to pro-poor and pro-growth programmes that need supplementary funding;
- Continue maximising development grant funds as the preferred form of external assistance, given Namibia's limited capacity to service debt;
- Optimise external official development flows;
- Tailor and channel ODA inflows to productive projects and programmes so as to enhance the country's capacity to produce more goods and services using local raw materials and skills, especially in rural areas;
- Ensure efficient and effective utilisation of ODA; and
- Strengthen capacity of NPCS in aid mobilisation and management.

11.3.2.3.2.5. ODA Sub-Sector Programme

Programmes	Type of Budget	Programme Costs /Budget Plan (N$ '000)					
		FY 2007/08	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	Total NDP3
ODA Mobilisation, Management and Utilisation	Development	350	3,350	1,500	30	40	5,270
	Operating	1,000	1,500	650	550	550	4,250
	Total	1,350	4,850	2,150	580	590	9,520
ODA Sub-Sector Total	**Development**	**350**	**3,350**	**1,500**	**30**	**40**	**5,270**
	Operating	**1,000**	**1,500**	**650**	**550**	**550**	**4,250**
	Total	**1,350**	**4,850**	**2,150**	**580**	**590**	**9,520**

11.3.3. NDP3 Goal: Contribution to Regional and Global Peace and Political Stability

11.3.3.1. NDP3 Goal Description and Background

Namibia has been participating in electoral monitoring in the SADC region and beyond; engaging in Peace Support Operations (PSOs) under the SADC, African Union and UN mandates; practicing pre-emptive and economic diplomacy as a means of building a more stable and peaceful region and world; using existing bilateral defence and security agreements as a means of confidence building and conflict resolution; assisting in natural and human disasters; and participating fully in the life of SADC and the African Union. Namibia regards regional integration in its various dimensions, such as political, economic and security, as one of the principal strategies for accelerating economic growth and contributing to regional and global peace and stability.

The goal of contributing to regional and global peace and ensuring political stability is informed by the national priorities that give thrust to making progress towards achieving Vision 2030, including in the defence, security, foreign investment and trade policies. It recognises the interconnectedness of the countries in the region, continent and the world. As indicated in the preceding Chapters, the main priorities of Namibia are: accelerated and sustainable economic growth and development, employment creation, poverty reduction, controlling the further spread of HIV/AIDS and mitigation of its effects, land reform and resettlement, human resource development, gender equality and equity, economic empowerment, democratic governance, and peace and security. Government pursues these priorities not only nationally, but bilaterally and multilaterally and trans-sect orally. Thus, membership of and cooperation with regional, continental and global organisations such as the SADC, SACU, African, Caribbean and Pacific (ACP) countries and the European Union (EU), the African Union (AU), the Commonwealth, the World Trade Organisation (WTO), and the United Nations (UN).

11.3.3.2. NDP3 Goal Performance during NDP2

During NDP2, as indicated under the previous two NDP3 goals, regional organisations and activities were marked by extensive restructuring and strategic policy developments, with both the SADC and the AU, which are the two principal forums of Namibia's foreign relations, undergoing significant reconfiguration. The regional and the continental environments have changed significantly.

During NDP2, the principal defence activities related to this goal was the initiation of dramatic new regional engagement. During the same period, the Ministries of Foreign Affairs and Broadcasting

and Information pursued economic diplomacy and concentrated on long-standing diplomatic and trade relations. Other sub-sectors also witnessed increasing regional engagements and preparations under RISDP and SIPO.

Since its formation in 1992, SADC through its subsequent enlargement and institutional reform has put in place many of the building blocks for a nascent Security Community. This is evident not only in SADC's security architecture, but more importantly, in its acceptance of the link between human security, democratic governance and human development. Since the crafting of the SIPO in 2001, and the RISDP with its 12 priority intervention areas in 2004, the regional development and security agendas have become inter-linked, at least at the conceptual level. At the policy level and in terms of actual implementation, articulation with national member state agendas needs strengthening and considerably more work awaits the member states.

The establishment of the OPDSC represents a significant effort on the part of SADC and its members to harmonize their values, policies and operational practices at the political and defence/security levels. Since the 2004/05 institutional reform of SADC that brought the OPDSC under the control of the annual Summit and introduced a troika as the leadership structure of SADC, the SIPO as well as the Mutual Defence Pact (MDP), became keys to the development of a future security community.

Augmented by various protocols, as provided for in the 1992 Treaty of SADC, notably the Protocol on Combating Illicit Drugs that came into force in 1999, the Protocol on the Control of Firearms, Ammunition and other Related Material that came into effect in 2004, the Protocol on Legal Assistance in Criminal Matters (not yet in force), the Protocol on Politics, Defence and Security Cooperation that came into effect in March 2004, the Protocol on the SADC Tribunal and the Rules of Procedure Thereof that came into force in August 2001, and the SADC Mutual Defence Pact (not yet in force), SADC took significant steps in the direction of a nascent security community.

It is equally important to emphasize that SADC has a key role under the Constitutive Act of the African Union (2001) and the security architecture of the AU – notably the Protocol on the Peace and Security Council (PSC) and the Common African Defence and Security Policy – to engage in peace support operations on the Continent. In terms of International Law, the UN Charter recognises in Chapter VIII, the arterial role of regional organisations such as the AU in global peace making and peace support, provided their role is supportive of the provisions of Chapters VI and VII of the UN Charter.

Given SADC's comprehensive and collaborative approach towards security and defence cooperation, as embodied in the SIPO and the RISDP, by the Southern African Regional Police Chiefs Co-operation Organisation (SARPCCO), the various protocols and the Regional Early Warning Centre (REWC) based in Gaborone, Botswana, SADC is a security community in the making. Capacity for peace support too has been strengthened following the Harare-based Regional Peacekeeping Training Centre (RPTC) becoming a SADC institution and the establishment of the SADC Standby Force Brigade (SADCBRIG). As outlined above, the SADCBRIG is meant to augment the African Union Standby Force (AUSBF) if requested to do so.

SADC also cooperates on Public Safety and Security, particularly on drug trafficking, corruption and firearms through the work of the SARPCCO and the relevant protocols, as well as on state security and intelligence. The SADC intelligence chiefs meet regularly, while the SADC REWC provides for the exchange of intelligence information. Diplomatic interaction takes place through the annual Summit, the Council of Ministers that provides policy advice and oversight to the Summit, and the Inter-State Politics and Diplomacy (ISPDC) and the Inter-State Defence and Security Committee (ISDSC), among others.

Namibia has several bilateral diplomatic and security agreements with some of the SADC member states. These include Joint Commissions with Angola, Botswana, South Africa, Tanzania and Zambia. Namibia has also gathered valuable experience in regional, continental and global peace-keeping and peace support operations, notably in Angola, Cambodia, Democratic Republic of the Congo (DRC), Liberia, Darfur (Sudan) and Sierra Leone; and regularly conducts training for peace support operations.

Regional peace and security has to be seen against a wider global context. An important part of this context relates to the role of the UN and the provisions of the UN Charter, especially those contained in Chapters VI, VII and VIII that deal with global peace and security. As a member of the UN, Namibia pursues policies that support the objectives and mandate of the international organisation. Another important part of the global context of peace and security is Namibia's membership of the Non-Aligned Movement and the G77 as specific platforms for the promotion of South-South Cooperation.

The principal political and security threats and challenges to the states and people of SADC imply complementary roles for various sub-sectors of the Government including Foreign Affairs (diplomacy and international relations), Defence, Internal Safety and Security, the Legislature (Parliament) and Justice (criminal justice system). The sub-sectors will be briefly examined with emphasis on their mutually reinforcing roles in regional peace, integration and international stability.

11.3.3.3. NDP3 Goal Indicators, Baselines and Targets

Table 11.12: NDP3 Goal Indicators, Baselines and Targets

Indicators	Baselines	Targets
Participation in regional and global peacekeeping:		
Regional	1	1
Global	4	9
Participation in regional and global election observation missions:		
Regional	70%	90%
Global	10%	30%

11.3.3.4. NDP3 Goal Strategies

- Assist in the consolidation of democratic values and practices that are the foundation of SADC;
- Maintain peace and cooperation necessary for development in the region; and
- Develop human and state security cooperation mechanisms.

11.3.3.3. NDP3 Goal Sub Sectors

The sub-sectors under this NDP3 Goal include Legislature, Justice, Defence and Security, which have been described in Chapter 10 on Peace, Security and Political Stability. Only the relevant aspects that were not presented in the preceding chapters and sections of this document are presented in the following.

11.3.3.3.1. Sub-Sector 1: International Relations

11.3.3.3.1.1. Sub-Sector Description

See description under the Goal on "Promote Regional and Global Integration" in this Chapter.

11.3.3.3.1.2. Sub-Sector Performance during NDP2

Though NDP2 did not include this goal and sub-sector as specific items, the pursuance of peace and security has been a constant activity of the Government. The country has participated in activities in the region and beyond aimed at maintaining peace and stability in the SADC, the continent and the world at large. During NDP2 the Ministries of Foreign Affairs and Broadcasting and Information pursued principally economic diplomacy and concentrated on long-standing diplomatic and trade relations.

11.3.3.3.1.3. International Relations Sub-Sector Mission, Goals, Indicators, Baselines and Targets

Mission Statement: Pursue regional and international relations in line with the Constitution of Namibia with a view to achieving peace and security as prerequisites for development across the globe.

Goal: Peace and security in the region and the world achieved and maintained.

Sub-Sector Goal Indicators, Baselines and Targets: See Table 11.4 in this Chapter.

11.3.3.3.1.4. International Relations Sub-Sector Goal Strategies

- Active participation in the activities and peace and security architecture of the SADC and the African Union;
- Promotion of regional peace and security through bilateral arrangements and agreements such as the various Joint Commissions between Namibia and other SADC Member States;
- Engaging in election monitoring under a SADC and AU mandate;
- Actively encouraging regional economic integration as a means of strengthening peace and security through the pursuit of economic diplomacy;
- Encouraging inter-ministerial and inter-agency cooperation in the provision of information on foreign policy, SADC and the AU to Government, foreign governments, investors and the Namibian public; and
- Discharge the responsibilities under the SADC, African Union and International mandates in the domains of regional and global peace and stability.

11.3.3.3.1.5. International Relations Sub-Sector Programmes

The programmes related to participation in international peace keeping and elections observation are included in Chapter 10 on the KRA on Peace, Security and Political Stability.

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PART III:

NDP3 Implementation and Monitoring, Reporting and Evaluation Arrangements

Chapter 12: NDP3 IMPLEMENTATION ARRANGEMENTS

This chapter elaborates on the arrangements for implementation of NDP3. It covers the institutional arrangements and the tools that would be available for implementation of the Plan. These are discussed briefly in the following sections.

12.1. Institutional Arrangements

12.1.1. Programmes Implementing institutions

As indicated in the preceding Chapters, each NDP3 programme in the public sector will comprise one or more activities/projects under each programme output. These will be implemented by one or more institutions (O/M/As including parastatals, Regional Councils, donors, civic organisations and private entities). From among the institutions, an O/M/A or Regional Council has been identified by the TWGs as the coordinating (programme) implementing institution (CPII) based on its overall contribution to the programme. The CPII will coordinate the implementation of all activities/projects under the programme. The CPII will also coordinate the preparation of annual budgets for the programme output(s) with attention to proper sequencing of the activities/projects. The programme budgets will include all funding from the Government and parastatals as well as the development partners. Each quarter, the CPII will monitor and report on progress on implementation of the programme.

12.1.2. Votes (Offices/Ministries/Agencies) and Regional Councils

Since the programme implementing institutions may not always be the Votes, the programme implementing institutions determine the projects to be implemented under the programme during the next fiscal year. The relevant Votes and Regional Councils, where appropriate, will budget for the programme outputs (and associated activities). They will monitor and report the progress on the relevant programme activities/projects to the concerned CPIIs each quarter.

12.1.3. Sub-Sector Coordinating Entities

The Sub-Sector Coordinating Entities in each TWG will coordinate the relevant Votes and Regions on the programmes in their respective sub-sectors including on preparation of annual budgets to ensure that funds have been requested for all the programme outputs, with the latter (programme output budgets) forming an integral part of the Votes. The sub-sector coordinating entities and Regional Councils will ensure that implementation of the programmes in the sub-sector and region is proceeding smoothly. They will monitor and report on progress on implementation of the programmes to the Coordinating Ministry/Office of the TWG every six months (semi-annually).

12.1.4. Coordinating Ministries/Office of Thematic Working Groups

The Coordinating Ministries/Office of the Thematic Working Groups will coordinate the Sub-Sector Coordinating Entities in their respective TWGs on relevant aspects, including the preparation of annual budgets, to ensure that funds have been requested for all the priority programmes under the TWGs; and implementation of the programmes under the TWGs is proceeding smoothly. The TWGs will monitor and report on progress on implementation of the programmes under the respective TWGs to the NPCS every six months (semi-annually).

12.1.5. Policy Entities

The policy entities are the National Planning Commission (NPC), the Ministry of Finance (MoF) and the Office of the Prime Minister (OPM). They will appraise the budget allocation proposals and coordinate the development budget allocations and implementation of the budgeted programmes. The individual and joint roles of the policy entities in coordinating and monitoring, reporting and evaluating progress on NDP3 implementation is described briefly in the following:

a) NPC Secretariat

The NPC Secretariat (NPCS) will appraise the development budget proposals and coordinate the development budget allocations. It will oversee the implementation of the budgeted programmes by Votes, Regions, Sub-Sectors and TWGs. Also, it will ensure that the development budget allocations comply with the NDP3 Public Sector Investment Programme (PSIP) and are in line with current national priorities. The NPCS will review the annual reports for the previous year and the semi-annual progress reports for the current year and the budget requests for the next three years under the Medium Term Expenditure Framework (MTEF), to inform budget resource allocations. It will consolidate the budget submissions and forward them, with its recommendations to the Ministry of Finance (MoF).

b) Ministry of Finance

The MoF will ensure that the Medium Term Expenditure Framework (MTEF) is harmonised with the NDP3 programmes in the context of the programme output budgets, following the Programme Budgeting approach already being implemented by the Ministry.

c) Office of the Prime Minister

The OPM will ensure that the improvement of institutional and personnel performance under the Strategic Plans is harmonised with NDP3 and the MTEF.

d) Policy Entities Jointly

The NPC, MoF and OPM will jointly ensure that the national priorities are taken care of both in terms of finance and personnel provision in determining Vote ceilings under operational and development budgets. This will require the review and updating of the Public Service rules; identifying and addressing gaps to include the re-allocation of staff and/or positions from lesser priority to higher priority areas.

12.1.6. Other Stakeholders

These are the other members of the TWGs including the representatives of the private sector, civic organisations and donors, as well as community associations and user groups. They will participate in the implementation of the NDP3; report on their activities, as appropriate, to the CPIIs, O/M/As and Regional Councils, Sub-Sector Coordinating Entities and TWGs. They will participate as appropriate in the monitoring and evaluation of progress on NDP3 implementation by the public sector entities at the various levels. They will continue to participate in and contribute to the deliberations of the Sub-Sector Task Teams and TWGs.

12.1.6. The Cabinet

The NPC will report semi-annually to Cabinet on the progress made in implementing NDP3. Cabinet will discuss the reports, provide advice, decide on outstanding issues and issue directives to implement the decisions by the appropriate authorities/stakeholders.

12.1.7. The Parliament

The annual progress reports that form a part of the annual Budget submission to the Cabinet[25] will be discussed in detail by the Parliament and their decisions will be reflected in the approved Budget.

12.2. Some Implementation Tools

Several tools will be utilised in translating NDP3 into actions. NDP3 implementation tools will include the following:

12.2.1. Medium Term Expenditure Framework (MTEF)

The MTEF is a three-year rolling budget framework, with the budget for the current year fairly firm (subject to approval by the Parliament) and the budgets for the following two years in the form of estimates, which would be subject to adjustment based on further developments. It is adopted to provide some degree of stability and predictability for the budget and to achieve and sustain fiscal discipline and macroeconomic stability.

The MTEF covers allocations by Votes for both the operational and development budgets. The MTEF will be harmonised with the NDP3 programmes in the MTPs and the funding for these programmes in the MTEF submissions of the O/M/As and the Regional Councils, as appropriate. The budget information in the MTEF will be informed by the Project Identification Form (PIF) and fixed costs.

It has been observed that there are significant discrepancies in the programme categories in the operational budget and those in the development budget under which the projects are listed. Under NDP3, there is a need to harmonise the operational and development budgets using the Medium Term Plans. This will also facilitate better allocation of operational expenditures and personnel to the implementation of development programmes.

12.2.2. Medium Term Plans (MTPs)

The MTPs are an important means to link plans with budgets under the Programme Budgeting approach within the framework of the MTEF. . The MTPs are prepared by the O/M/As and the Regional Councils, as appropriate, as the basis for preparation of their MTEF submissions. Now,

[25] The Government's Accountability Report for 2006/07 includes a brief overview of the fiscal outturn for 2006/07; and substantial information on the performance of each of the Votes assessed against the targets set in the 2006 MTEF. The annual progress reports on implementation of the NDP3 could form an integral part of the Government's Annual Accountability Reports to the Parliament.

NDP3 contains the programmes of the O/M/As and the Regional Councils, as appropriate, for the five-year period 2007/08 to 2011/12. The O/M/As and the Regional Councils should include their NDP3 programmes in their MTPs, and ensure that the funding for these programmes is included in their MTEF submissions.

12.2.3. Strategic Plans

The strategic plans are the critical links between the national goals and the institutional/organisational (O/M/As and Regional Councils, as appropriate) purposes and objectives. They connect the Vision 2030 objectives, the NDP3 goals and the MTPs with the institutional/organisational objectives and strategies. The formulation of strategic plans by O/M/As and Regional Councils was introduced in 2004 and eight draft Strategic Plans have been completed so far, with a further eighteen under preparation.

The preparation of NDP3 drew upon the draft strategic plans of the O/M/As and Regional Councils, where available, in the formulation of sub-sector goals and programmes. Thus, harmonisation between NDP3 and the available draft strategic plans has already occurred. What is necessary now is to incorporate the relevant portions of NDP3 in the finalisation of the draft strategic plans already completed; in those being prepared; and those yet to be formulated. This should cover the inclusion of relevant NDP3 indicators in the strategic plans.

12.2.4. Balanced Score Card

The Balanced Score Card is an integral component of the strategic plan. It comprises a strategy map (which is the management's best estimate of what is required to implement the strategy) and the measures the organisation is using or will use to track its progress towards achieving its strategic objectives. It sets out the performance targets, the lists of strategic initiatives (activities) under way to reach the targets, and the measures to gauge the actual performance (success) against the objectives.

12.2.5. Project (Programme) Identification Forms (PIF)

The Project Identification Form (PIF) has been used in the preparation of the development budget submissions by the O/M/As and Regional Councils. The PIF has been revised to conform to NDP3.

Chapter 13: NDP3 PERFORMANCE MONITORING, REPORTING AND EVALUATION SYSTEM

13.1. Introduction

As indicated in the preceding chapters, NDP3 formulation utilised the Integrated Results-Based Management (IRBM) approach and is based on the systematic and strategic identification and performance planning for achieving *results* at every step from the grassroots to regional and O/M/A levels. Under the IRBM approach, all KRAs and NDP3 goals, and sub-sector goals and programmes under them are results-oriented. Thus, the approach ensured that NDP3 programmes at all levels are identified and prepared with the end results in mind, building on the traditional focus on expenditure performance and physical activity completion.

Past experience with NDP2 has shown that the Plan implementation monitoring, reporting and evaluation were weak, incomplete and irregular because there was no regular/continuous, consistent and reliable system to carry out the performance monitoring, reporting and evaluation tasks. As a result, decision-making at different levels was also very difficult due to the lack of adequate, timely and reliable information on the implementation of the programmes (including their policy components) from the implementation entities and the results (outcomes and impacts) achieved. Consequently, many of the NDP2 Final Review Reports prepared and submitted to the National Planning Commission Secretariat (NPCS) by the Offices, Ministries and Agencies and the Regions suffered from a lack of adequate information to assess the achievements, the challenges faced and the lessons learned.

To avoid a repetition of the NDP2 situation on weak monitoring, reporting and evaluation, and as an integral part of NDP3 planning and implementation using the IRBM approach, an integrated Monitoring, Reporting and Evaluation (MRE) System is being put in place to continuously monitor and report on progress on implementation of NDP3 programmes and the evaluation of their outcomes and impacts. Thus, NDP3 will see a special focus on reviewing and strengthening the existing MRE using the IRBM approach to become an integrated results-based MRE system. The integrated MRE system will be computerised to make the monitoring, reporting and evaluation processes much more efficient in providing reliable information in a timely manner to facilitate decision-making by managers from the grassroots to the Cabinet in order to strengthen the Plan implementation and improve the outcomes and impacts.

13.2. Planning for NDP3 Performance Monitoring, Reporting and Evaluation

In the past, monitoring, reporting and evaluation were often introduced as an after thought following the formulation of the programmes, goals and plans with the identification of indicators and baselines to asses progress to be accomplished during NDP implementation. NDP3 planning focuses on systematic monitoring of performance at all levels on an integrated basis and incorporates programme implementation plans and results matrices for each programme, sub-sector goal and NDP3 goal to facilitate the monitoring of progress on their implementation and it contains indicators, baselines and targets at the programme (programme output and outcome), sub-sector (sub-sector goal) and national (NDP3 goal) levels to evaluate the results and impacts. Thus, NDP3 submissions by the TWGs include performance monitoring information at the programme level [Programme Results Matrix or PRM (Form L3)], the sub-sector level [Sub-Sector Results Matrix or SSRM (Form L2)], and the NDP3 goal/KRA level [KRA Results Matrix (Form L1)]. These matrices/forms are described briefly in the following:

a) Programme Results Matrix or PRM (Form L3)

For each programme identified under a sub-sector within a TWG/KRA or Sub-KRA, a Programme Results Matrix or PRM (Form L3), has been prepared and submitted by the coordinating implementing institution of the programme. The PRM is a detailed performance plan for the programme and will be used for monitoring the implementation performance of each programme during NDP3. The information presented in the PRM includes, among others, the following:

- NDP3 goal, indicators, baselines and targets,
- Sub-sector goal, indicators, baselines and targets,
- Programme outcomes, outputs, indicators, means of verification and assumptions and risks,
- Programme activities under each of the outputs; and
- Programme costs by output categorised into development and operating costs on an annual basis.

Thus, the PRM contains detailed information on each programme outcome, output, activity and costs on an annual basis for the duration of the NDP3 period. For each outcome and output indicator, the annual targets are also stated, which will assist in systematic performance monitoring and reporting. The programmes are summarised and presented by Regions and O/M/As including parastatals.

b) Sub-Sector Results Matrix or SSRM (Form L2)

For each sub-sector, an integrated Sub-Sector Results Matrix or SSRM (Form L2) has been prepared and submitted by the concerned Sub-Sector Coordinating Entity under each TWG. For example, the Ministry of Agriculture, Water and Forestry coordinated and prepared the SSRM for the Agriculture sub-sector under TWG7. The SSRM is prepared by consolidating the outcomes, outputs and budgets for each programme proposed in the sub-sector, which will serve as the monitoring plan for the sub-sector under the NDP3 goal in the TWG. The SSRM contains a Sub-Sector Performance Framework (SSPF) with information on the sub-sector outcomes and outputs (and the associated indicators, baselines and targets with data sources) for each programme under it for the duration of the NDP3 period on an annual basis. Also, it includes the sub-sector policies.

c) KRA Results Matrix (Form L1)

For each KRA/Sub-KRA, a KRA/Sub-KRA Results Matrix (Form L1) has been prepared by the Coordinating Ministry/Office of the TWG for that KRA/Sub-KRA. The KRA/Sub-KRA Results Matrix provides, among others, the following information:

- All NDP3 goals that come under the TWG/KRA/Sub-KRA;
- Sub-sector goals that are applicable for each of the NDP3 goals under the TWG/KRA/Sub-KRA;
- Performance indicators and baselines for each NDP3 goal and sub-sector goal;
- Annual targets for each NDP3 goal and sub-sector goal for the duration of the NDP3 period;
- A summary of programmes with budgets under each sub-sector goal; and
- Relevant sub-sector policies.

Thus, the KRA Results Matrix represents a consolidation of the NDP3 goals, sub-sector goals and programmes.

Evaluations will be carried out at three levels. At the first level are evaluations of individual programmes at the implementation level, which will be the responsibility of implementing institutions. At the second level are evaluations of two or more interrelated programmes in a sub-

sector and/or region, which will be the responsibility of the sub-sector coordinating entity (O/M/A) and/or the Regional Council. They will evaluate simultaneously several programmes that contribute to a sub-sector goal. For example, a sub-sector evaluation might assess together four different programmes to develop small and medium enterprises, rather than examining the programmes individually. At the third level are evaluations of the implementation of NDP3 as a whole, which will be the responsibility of the NPCS.

Thus, NDP3 planning has been carried out to achieve results incorporating appropriate performance monitoring, reporting and evaluation at relevant levels to facilitate decisions on improving the Plan implementation performance and its results and impacts.

13.3. NDP3 Implementation Monitoring, Reporting and Decision-Making System

NDP3 implementation monitoring reporting and decision-making system at different levels comprises the following:

a) Programme Implementation Institutions Level

(i) Monitoring progress on implementation of NDP3 programmes utilising the associated Programme Results Matrices or PRMs (Forms L3) by the CPIIs in coordination with other implementing institutions and other government and non-government stakeholders, with the participation of the beneficiaries, as appropriate;

(ii) Based on the information collected through monitoring progress, formulating corrective actions by the implementing institutions together with other stakeholders and beneficiaries at the grassroots/implementation level to improve implementation of the programmes or decision-making at the implementation level (such as consultations with the stakeholders and intended beneficiaries on the location of the facilities to be constructed, participation of beneficiaries in the construction including cash and/or in kind such as labour contributions, and participation of beneficiaries in maintaining and operating the completed facilities;

(iii) Reporting to the sub-sector coordinating entities (O/M/As) and Regional Councils, as appropriate, the progress on implementation; corrective actions formulated and being implemented at the implementation level; and remaining challenges that require decisions at higher levels (such as coordination between sub-sectors, cooperation with traditional leaders and Regional Council Members, release of funds by the Regional Councils and/or O/M/As);

b) Sub-Sector (O/M/A)/Region Level (Regional Council)

(iv) Decisions by the sub-sector coordinating entities (O/M/As) and/or Regional Councils as appropriate on the challenges that could be addressed at the sub-sector and/or Regional Council levels;

(v) Feedback to the implementing institutions and other stakeholders and beneficiaries as appropriate, on the decisions by the sub-sector coordinating entities (O/M/As) and/or Regional Councils and the actions to be implemented;

(vi) Reporting by the sub-sector coordinating entities (O/M/As) and/or Regional Councils (Regional Development Coordinating Committees or RDCCs) to the TWGs on the progress on implementation, corrective actions formulated and being implemented at the implementation level; decisions taken by the sub-sector coordinating entities and/or Regional Councils; and remaining issues that require attention and action at higher levels (such as reallocation of funds/virement between programme components, cost escalations, inputs/services from inter-linked programmes, and conflicts among sub-sector policies/regulations);

c) TWG Level

(vii) TWGs review the information submitted by the sub-sector coordinating entities with the participation of all TWG members; take decisions on the issues they could address; and formulate actions to be taken at the lower levels to improve NDP3 implementation;

(viii) TWGs provide feedback to the sub-sector coordinating entities (O/M/As) and/or Regional Councils, the implementing institutions and other stakeholders and beneficiaries as appropriate, on the decisions by the TWGs and the actions to be taken at the lower levels;

(ix) TWGs report to the NPCS on the progress on implementation, corrective actions formulated and being implemented at the lower levels, and the remaining problems to be addressed at higher levels (such as the need for a shift in priorities to cater for new developments, reallocation of funds between programmes and/or sub-sectors, reallocation between Regions, and systemic problems such as corruption, incentives and penalties);

d) NPC Level

(x) NPCS reviews the information submitted by the TWGs and submitsNDP3 implementation progress reports with the remaining problems and recommended actions to the Commissioners of the NPC for consideration and approval as appropriate;

(xi) The NPC Commissioners review the information , decide on the issues they could address, and formulate actions to be taken at the lower levels to improve NDP3 implementation;

(xii) The NPC Commissioners (through NPCS) provide Feedback to the TWGs including the sub-sector coordinating entities (O/M/As) and/or Regional Councils, the implementing institutions and other stakeholders and beneficiaries as appropriate, on the decisions taken by the NPC Commissioners and the actions to be taken at the lower levels;

(xiii) The NPC report to the Cabinet on the progress on implementation of NDP3, challenges faced, actions taken and being implemented, and remaining constraints that require the attention of the Cabinet;

e) Cabinet Level

(xiv) The Cabinet review the information submitted by NPC; and decide on the constraints and actions to be taken at the lower levels to improve NDP3 implementation; and

(xv) The Cabinet provide feedback to the NPC, TWGs including the sub-sector coordinating entities (O/M/As) and/or Regional Councils, the implementing institutions and other stakeholders and beneficiaries as appropriate, on the decisions taken by the Cabinet and the actions to be taken at the lower levels.

In case of emergencies such as disasters and other serious events, some of the above steps could be bypassed and the issues brought forth to the attention of the Regional Councils and/or O/M/As or even the Cabinet, depending on the type of decisions required to address the eventualities.

13.3.1. Frequency of Reviews: The reviews at different levels will be undertaken as follows:

- At the programme implementation level, the reviews of implementation of NDP3 programmes will be undertaken at least once each quarter or more frequently as required:

- The O/M/As and/or Regional Councils will undertake the sub-sector/regional reviews on a quarterly basis; and

- The TWGs and NPC will review progress on NDP3 implementation semi-annually, with the progress reports sent to the Cabinet for information and/or action as appropriate.

13.4. NDP3 Performance Evaluation and Decision-Making System

As presented in the preceding sub-sections, NDP3 evaluations will be carried out at three levels:

(i) Evaluations of individual programmes at the implementation level, which will be the responsibility of the implementing institutions led by the coordinating implementing institution;
(ii) Evaluations of two or more interrelated programmes in a sub-sector and/or region, which will be the responsibility of the sub-sector coordinating entity (O/M/A) and/or the Regional Council; and
(iii) Evaluations of the implementation of NDP3 as a whole, which will be the responsibility of the NPCS.

Due to capacity limitations, the evaluations of individual programmes at the implementation level will be undertaken as exceptions by the implementing institutions at the grassroots level, with the participation of stakeholders and beneficiaries, with the O/M/As and/or Regional Councils carrying out such evaluations of individual programmes. In addition, the O/M/As and/or Regional Councils will carry out evaluations of two or more interrelated programmes in a sub-sector and/or region. Under this arrangement, all NDP3 implementing institutions, O/M/As and/or Regional Councils will carry out internal, external, end-of-programme and ex-post evaluations of at least a representative sample, if not all, of their programmes. The information for undertaking the evaluations will come from, among others, the results of the evaluations of individual programmes at the grassroots implementation level, NDP3 Monitoring, Reporting and Decision-Making System, other administrative data generated by the sub-sectors and/or Regional Councils, and specific reviews and surveys undertaken for evaluation of the programmes.

The NPCS will coordinate the overall NDP3 evaluations at the mid-term (mid-2009/10) and end-of-Plan (mid-2011/12). The information for undertaking the evaluations will come from, among other sources, the results of the evaluations of individual programmes at the grassroots implementation level and the evaluations of programmes undertaken at the sub-sector and/or regional level; NDP3 Monitoring, Reporting and Decision-Making System; the performance results from the MTEF and Strategic Plans; other administrative data generated by the sub-sectors and/or Regional Councils; specific reviews and surveys undertaken for the programmes; other reviews, surveys and studies commissioned by the NPCS (including the Namibia Household Income and Expenditure Survey, Consumer Price Surveys and the National Accounts) and other organisations (such as the Bank of Namibia and UNAM); and other periodic surveys undertaken by the sub-sectors such as the agricultural surveys, surveys of manufacturing enterprises, Demographic and Health Survey and the Namibia Labour Force Survey.

13.5. Institutional Arrangements

The proposed institutional arrangements for NDP3 implementation performance monitoring and reporting for decision-making and for performance evaluation, reporting and decision- making are described in the following:

13.5.1. NDP3 Implementation Performance Monitoring and Reporting for Decision-Making

- NDP3 implementation performance monitoring will begin with the compilation of information on progress on implementation of NDP3 programmes by the coordinating implementing institutions together with other stakeholders and intended beneficiaries, utilising the Programme Results Matrix or PRM (Form L3). The coordinating implementing institution of each programme will enter the data on the electronic NDP3 Implementation Performance Monitoring and Reporting System, if accessible; or send the data collected to the Regional and sub-sector MRE focal persons for them to enter the data on the electronic NDP3 Implementation Performance Monitoring and Reporting System. The coordinating implementing institutions shall provide explanations for any deviations from the schedules and costs in the PRM;
- The Regional and sub-sector MRE focal persons will check the performance data for the programme entered or sent to them by the coordinating implementing institution for compliance with the indicators, units and time periods specified in the PRM (Form L3); adequacy, accuracy and reliability; and the validity of explanations for any deviations from the schedules and costs in the PRM. If there are omissions or errors, the focal persons will contact the coordinating implementing institutions to remedy them. After satisfying themselves of the adequacy and reliability of the information, they will revise (or enter the data in) the PRMs (Forms L3); and enter the programme implementation performance data in the relevant Sub-Sector Results Matrix or SSRM (Form L2);
- If there is more than one NDP3 goal in a KRA/Sub-KRA, the MRE focal person in the NDP3 goal coordinating entity will examine the data in the relevant SSRMs for accuracy and completeness and enters the data in the KRA Results Matrix (Form L1). Thereafter, the MRE focal person in the TWG Coordinating Ministry/Office will examine the data in the relevant KRA Results Matrices (Forms L3) completed by the NDP3 Coordinating Entities and consolidates them into a single KRA Results Matrix (Form L1);
- If there is only one NDP3 goal in a KRA/Sub-KRA, the MRE focal person in the TWG Coordinating Ministry/Office will examine the data in the relevant SSRMs for accuracy and completeness and enters the data in the KRA Results Matrix;
- The NPCS will regularly review the information entered in the electronic NDP3 Implementation Performance Monitoring and Reporting System; and generate periodic reports (quarterly, semi-annual and annual) on NDP3 implementation progress for consideration of and action by the NPC and Cabinet.

The O/M/As and Regional Councils will appoint/designate their MRE focal persons. The NPCS will provide appropriate orientation and training to the representatives of the coordinating implementing institutions and MRE focal persons in the collection and scrutiny of the data on progress on implementation of NDP3 programmes and its entry on to the electronic NDP3 Implementation Monitoring and Reporting System. Also, orientation/training will be provided to relevant functionaries at the Regional Council, O/M/A and TWG levels to access the electronic System and extract the information needed to undertake periodic reviews of progress on NDP3 implementation.

A dedicated sub-entity within the NPCS will facilitate the MRE process in cooperation with the O/M/As, Regional Councils and other stakeholders. The NPCS will manage the MRE process in collaboration with the Ministry of Finance and the Office of the Prime Minister.

The electronic MRE system will incorporate the necessary protocols for data entry, modification/updating and access to the data. During the first several months of operation, the NPCS will continuously review the information entered on the electronic system at different levels

to identify problems, evolve corrective measures and implement them to facilitate the smooth operation of the System.

13.5.2. NDP3 Performance Evaluation and Decision-Making

As indicated in the preceding section, NDP3 performance evaluations will be undertaken by the Regional Councils (RDCCs) for programmes within each region; sub-sector coordinating entities (O/M/As) for programmes within each sub-sector; and the NPCS for the overall NDP3; with the participation of relevant stakeholders and beneficiaries at the respective levels. The electronic NDP3 Implementation Monitoring and Reporting System will include a provision for inclusion of the drafts and final versions of all NDP3 performance evaluation reports as they become available. This is to ensure that all NDP3 performance evaluation reports are accessible to the decision-makers as soon as they are ready, even in draft form.

13.6. Infrastructure

The existing e-Government infrastructure managed by the Office of the Prime Minister will be utilised for NDP3 Implementation Performance Monitoring and Reporting and Performance Evaluation Systems, with some expansion (especially in the Regions) and strengthening as appropriate. The software design of the Systems will be undertaken in the first half of 2008 in cooperation with the Office of the Prime Minister and the Ministry of Finance.

13.7. Links with Existing Database Systems

NDP3 Implementation Performance Monitoring and Reporting and Performance Evaluation Systems will interface with the Integrated Financial Management System implemented by the Ministry of Finance and the (institutional and personnel) Performance Management System pioneered by the Office of the Prime Minister. It is visualised to undertake a study to integrate the three systems into a single system in due course.

NDP3 Implementation Performance Monitoring and Reporting and Performance Evaluation Systems will also link with the existing management information systems operated by the O/M/As (such as the Education Management Information System operated by the Ministry of Education, the Health Information System operated by the Ministry of Health and the Labour Market Information System operated by the Ministry of Labour and Social Welfare), and the Geographic Information Systems being set up and proposed to be established in all the regions. Also, they will link with the national, sub-sectoral and regional databases managed by the Central Bureau of Statistics.

13.8. Dissemination Arrangements

It will be the responsibility of top management in the relevant O/M/As and Regional Councils to ensure that due attention is given to the process of NDP3 implementation performance monitoring, reporting and evaluation at the different levels to ensure the successful implementation of NDP3 and achieve the planned results. Therefore, the top management in these institutions must be directly involved in the monitoring and reviews during implementation to ensure that the agreed-upon programme activities and output targets are met; and NDP3 implementation performance is reported in a timely, accurate, and reliable manner to the key stakeholders. The periodic NDP3

implementation monitoring reports and the evaluation reports will be shared with all the stakeholders and the public at large.

ANNEX 1

STATE-OWNED ENTERPRISES

As of April 2007, there were some 57 state-owned enterprises (SOEs) in Namibia classified as follows: (a) regulatory type; (b) potentially self-funding; and (c) partially or not self-funding.[26]

The **regulatory SOEs** comprise such entities as the Bank of Namibia, Namibian Financial Institutions Supervisory Authority, Law Reform and Development Commission, Board of Legal Education, Legal Practitioners Disciplinary Committee, Namibian Competition Commission, Security Enterprises and Officers Regulation Board, Electricity Control Board, Namibian Agronomic Board, Meat Board, Karakul Board, Namibian Trust for Maritime Fisheries, and Diamond Board. They perform primarily a regulatory function, with a very few such as the Bank of Namibia generating revenue.

The second category of **potentially self-funding SOEs** has been sub-divided into: (i) natural monopolies such as NamPower, TransNamib (Railways), NamWater, Namibia Airports Company and NamPost; (ii) those with few potential competitors such as Namcor (natural gas and petroleum), Roads Authority, Namibia Ports Authority, Telecom Namibia and Namibia Broadcasting Corporation (NBC); (iii) those with many potential competitors such as the National Housing Enterprise, Windhoek Machinenfabrik and the Roads Contractor Company; and (iv) those that operate in a competitive environment such as Air Namibia, National Fishing Corporation, Meat Corporation, Namibia Press Agency, New Era Publication Corporation, Namibia Wildlife Resorts, Namibia National Reinsurance Corporation, Offshore Development Company, Namibian Bricks Enterprise, Mobile Telecommunications, National Transport Service Company, Windhoek Country Club Resort and Casino and Namibia Institute for Pathology.

The third category of **SOEs that are either partially self-funding or not self-funding** include the Agricultural Bank of Namibia, Social Security Commission, Trust Fund for Regional Development and Equity Provisions, War Veterans' Trust Fund, Namibia Fish Consumption Trust, Namibia Development Corporation, Development Fund of Namibia, Development Brigade Corporation, Environmental Development Fund of Namibia, Namibia Tourism Board, Minerals Development Fund, Namibia Schools Sports Union, Motor Vehicle Accidents Fund, Guardian's Fund, Road Fund Administration, National Monuments Council, National Theatre of Namibia, National Art Gallery of Namibia, Namibia Maritime and Fisheries Institute, Polytechnic of Namibia, University of Namibia, Namibian College of Open Learning, Rundu College and Windhoek, Ongwediva and Caprivi Colleges of Education.

[26] Report on a Governance Policy Framework for State-Owned Enterprises in Namibia, submitted to Cabinet on 25 October 2001.

ANNEX 2

NDP3 PLANNING APPROACH

A2.1. Development Directions for NDP3

The development directions for NDP3 including the 21 NDP3 goals are derived from both domestic and international sources that include the following:

- The country's long-term aspirations under **Vision 2030** to become "*A prosperous industrialised Namibia, developed by her human resources, enjoying peace, harmony and political stability*," and transforming the country into a knowledge-based society, which provides the long-term development framework for the country; the new ways of thinking and doing things; partnerships between different branches of Government, with the private sector (the business community), non-governmental organisations, community-based organisations and the international community; and partnerships between the urban and rural societies and, ultimately, between all members of Namibian society;

- The **2004 Election Manifesto of the SWAPO Party**, with its commitment to peace, unity, security, economic growth, sustainable development, and prosperity with equity and social justice, which were also drawn from Vision 2030; as the people returned the SWAPO Party to power with an overwhelming majority in the 2004 National Elections;

- The guidance from the **November 2005 Special Cabinet Retreat**, which directed that strategies to stimulate economic growth in NDP3 should include: (i) encouraging domestic and foreign investment, (ii) improving productivity and innovation, (iii) enhancing technological development; (iv) developing quality human resources; (v) accelerating the transition to a knowledge-based economy; and (vi) intensifying rural development to reduce urban-rural discrepancies;

- The **Millennium Declaration** emphasising sustainable development, good governance, peace, security and human rights; **and** the constituent **Millennium Development** Goals (MDGs) that underscore the commitment of both developing and developed countries to reduce poverty in its different manifestations through stronger partnerships;

- The **lessons learned in implementing NDP2**, which include the need for: (i) accelerated productivity increases in agriculture, particularly in subsistence agriculture; (ii) diversification of the rural economy from reliance on subsistence agriculture; (iii) rapid rural development; (iv) expansion of remunerative employment; (v) improved coordination between Government entities and between them and non-government stakeholders; (vi) better (strengthened) human resources and institutional capacities; (vii) a stronger monitoring, reporting and evaluation system; and (viii) a focus on results in addition to expenditures and activities.

Based on these directions, the main theme of NDP3 is "*Accelerated Economic Growth and Deepening Rural Development***."**

A2.2. Integrated Results Based Management Approach

The Government took a number of initiatives during NDP2 to enhance the efficiency of the public service and improve the results. Prominent among these are the Strategic Plans of Government institutions and the (Civil Service) Performance Management System, which focus on improving the performance of Government institutions and their staff in achieving results; and the adoption of the Medium Term Expenditure Framework (MTEF) and the constituent Programme Budgeting that emphasise "value for money" in public expenditure and achievement of results. NDP3 formulation adopted an Integrated Results Based Management (IRBM) Approach incorporating the relevant elements of these initiatives. The IRMB is intended to help:

- Improve the strategic planning, coordination, and implementation of NDP3;
- Improve the results from the use of scarce resources through the budgetary process;
- Improve the human resource capacity and performance for successful service delivery and development management; and
- Improve the monitoring, reporting and evaluation system to provide timely, accurate, and reliable performance information to support and improve the programme and policy decision-making.

The IRBM is based on the systematic and strategic identification and performance planning for results at all levels from the national to sector (economic, social, security and administrative sectors), sub-sector (such as agriculture, education, health, mining, trade, industry, labour, water and welfare), Offices/Ministries/Agencies (O/M/As) and Regional Councils. The IRBM requires that all NDP3 goals and programmes under them be results-oriented. The approach ensures that programmes at all levels are identified and prepared with the end results in mind building on the traditional focus on expenditure performance and physical activity completion.

NDP3 preparation integrated the inputs of different sub-sectors (such as agriculture, education, health, mining, trade, industry, labour, water and welfare) under a common framework to achieve specific NDP3 goals. This minimises duplication of efforts and enhances the synergies between different inputs to achieve maximum benefits. It integrated the (top-down) cascading of the Vision 2030 objectives to the NDP3 goals, with the incorporation of the priorities from the grassroots (bottom-up) in the sub-sector policies and programmes through regional, ministerial and other stakeholder inputs. It incorporated the participation of not only government officials, but also representatives from the private sector, civic organisations and international development partners.

The implementation of NDP3 under the IRBM approach foresees continued coordination and partnerships between the various stakeholders on the one hand and with the communities (beneficiaries) on the other. Also, the implementation progress and the results achieved at every level will be monitored continuously to facilitate timely corrective actions to improve implementation performance and improve the results. The partnerships and team work arrangements between the stakeholders adopted in the formulation of NDP3 will be continued during the Plan implementation to ensure that all stakeholders contribute to the successful implementation of the Plan.

A2.2.1. The IRBM Approach in NDP3

The NDP3 framework utilised the eight (8) major Vision 2030 objectives and the associated sub-visions, as the highest hierarchal desired results to guide the country's performance towards a *"prosperous and industrialised Namibia."* Using the eight Vision 2030 objectives, the National

Planning Commission (NPC) identified national priorities as the Key Result Areas (KRAs), which are listed in Table A2.1.

Table A2.1: Vision 2030 Objectives and Key Result Areas

Vision 2030 Objectives	Key Result Areas
1. Ensure that Namibia is a fair, gender responsive, caring and committed nation in which all citizens are able to realise their full potential in a safe and decent living environment.	**KRA 1**: Equality and Social Welfare
2. Create and consolidate a legitimate, effective and democratic political system (under the Constitution) and an equitable, tolerable and free society that is characterised by sustainable and equitable development; and effective institutions, which guarantee peace and political stability.	**KRA 2**: Peace, Security and Political Stability
3. Develop diversified, competent and highly productive human resources and institutions, fully utilising human potential; and achieving efficient and effective delivery of customer-focused services, which are competitive not only nationally, but also regionally and internationally.	**KRA 3**: Productive and Competitive Human Resources and Institutions
4. Transform Namibia into an industrialised country of equal opportunities, which is globally competitive, realising its maximum growth potential on a sustainable basis, with improved quality of life for all Namibians.	**KRA 4**: Competitive Economy
5. Ensure a healthy, food-secured and breastfeeding nation in which all preventable, infectious and parasitic diseases are under secure control; and in which people enjoy a high standard of living, with access to quality education, health and other vital services, in an atmosphere of sustainable population growth and development.	**KRA 5**: Quality of Life
6. Ensure the development of Namibia's natural capital and its sustainable utilisation for the benefit of the country's social, economic and ecological well-being.	**KRA 6**: Productive Utilisation of Natural Resources and Environmental Sustainability
7. Accomplish the transformation of Namibia into a knowledge-based, highly competitive, industrialised and eco-friendly nation, with sustainable economic growth and high quality of life.	**KRA 7**: Knowledge Based Economy and Technology Driven Nation
8. Achieve stability, full regional integration and democratised international relations, the transformation from an aid – recipient country to that of a provider of development assistance.	**KRA 8**: Regional and International Stability and Integration

Due to their complexity, two of the eight KRAs – **KRA 4**: Competitive Economy and **KRA 6**: Productive Utilisation of Natural Resources and Environmental Sustainability – have been further divided into two Sub-KRAs each and the 21 NDP3 goals have been grouped under the KRAs/Sub-KRAs according to their contribution (see Table 2.2). For each NDP3 goal, a set of performance indicators and targets have been established along with baselines to facilitate systematic performance monitoring and reporting. Each KRA and the associated NDP3 goals have been assigned to a Thematic Working Group consisting of several sub-sectors.

Table A2.2: NDP3 Goals by KRAs/Sub-KRAs and TWGs

KRAs/Sub-KRAs	TWG No.	NDP3 Goals
KRA1 – Equality and Social Welfare	**1**	1. Reduced Inequality in Social Welfare 2. A Society Imbued with Culture, Tradition and Morality 3. Gender Equality

KRAs/Sub-KRAs	TWG No.	NDP3 Goals
KRA2 – Peace, Security and Political Stability	**2**	4. Enhanced and Sustained Participatory Democracy 5. Strengthened Rule of Law and Social Justice 6. Internal Security and Territorial Integrity
KRA3 – Productive and Competitive HR and Institutions	**3**	**7.** Adequate Supply of Qualified, Productive and Competitive Labour Force
KRA4 – Competitive Economy		Divided into two Sub-KRAs
KRA4A – Macro-economy	**4**	8. Equality in Income Distribution 9. Increased and Sustainable Economic Growth 10. Increased Employment 11. Increased Smart Partnerships and Private Sector Development
KRA4B – Infrastructure	**5**	12. Highly Developed and Reliable Infrastructure
KRA5 – Quality of Life	**6**	13. Affordable and Quality Healthcare 14. Reduced Spread of HIV/AIDS and its Effects 15. Eradication of Extreme Poverty and Hunger
KRA6 – Productive Utilisation of Natural Resources and Environmental Sustainability		Divided into two Sub-KRAs
KRA6A - Sustainable Utilisation of Natural Resources	**7**	16. Optimal and Sustainable Utilisation of Renewable and Non-renewable Resources
KRA6B - Environmental Sustainability	**8**	17. Environmental Sustainability
KRA7 – Knowledge Based Economy and Technology Driven Nation	**9**	18. Innovative and Productive Usage of Technology , Research and Development
KRA8 – Regional and International Stability and Integration	**10**	19. Promote Regional and Global Integration 20. Strengthened International Partnerships For Development 21. Contribution to Regional and Global Peace and Political Stability

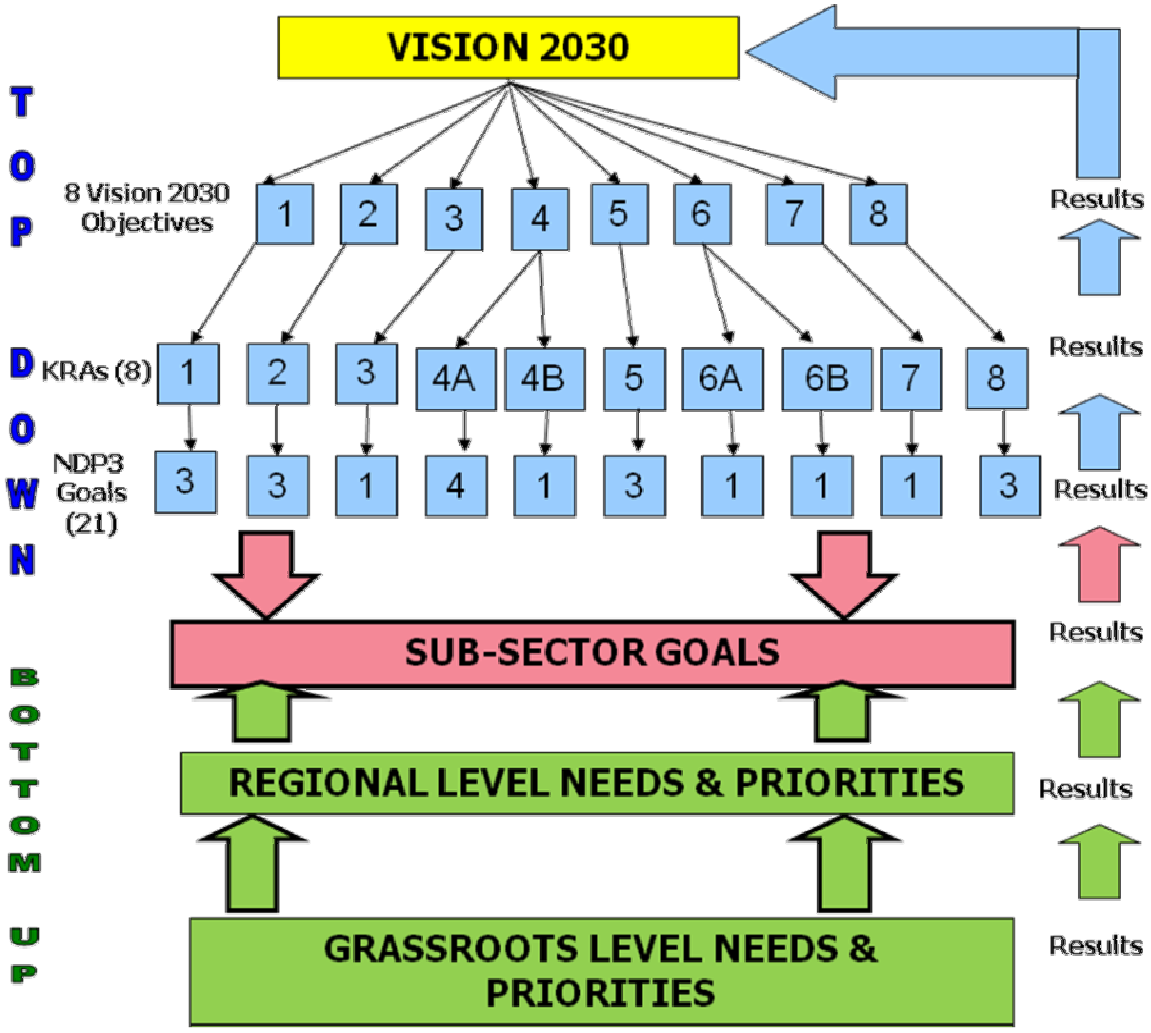
Thus, the Vision 2030 and its eight overall objectives have been translated into the KRAs/Sub-KRAs and NDP3 goals; with several sub-sectors (such as agriculture, education, health, mining, trade, industry, labour, water and welfare) contributing to achieving each NDP3 goal (see Chart A2.1). Although this process appears to be top-down, it is important to remember that the Vision 2030, its sub-Visions and the overall objectives are themselves the result of a long and extensive bottom-up consultative process involving all Namibian stakeholders and the international development partners.

Each sub-sector has then identified the sub-sector goals, indicators, baselines and targets under the relevant NDP3 goal. The priorities and needs at the grassroots levels have been identified through a consultative process involving the various representative entities at the regional and lower levels, including the Regional Development Coordinating Committees (RDCCs), Local Authorities, Constituency Development Committees (CDCs), Village Development Committees (VDCs) and Settlement Committees (SCs). Also, a wealth of information on the needs and priorities at the grassroots has been captured through such instruments as the Participatory Poverty Assessments, Poverty Profiles, Regional Rural Development Reports and other reports based on consultations with the peoples at the grassroots and other stakeholders in and outside the government in the localities. Based on these, the Regions have identified their needs and priorities as well as the interventions and programmes to be implemented during NDP3; and fed these into the respective NDP3 sub-sectoral and TWG submissions that form an integral part of NDP3.

Thus, while the integrated development planning from the national level identified and integrated all major priorities at the macro level, the priorities and needs at the grassroots and other implementation levels are also catered for and systematically linked to the macro priority areas at the sub-sectoral levels. Hence, NDP3 activities at the grassroots and at all implementation levels are

logically and systematically linked with the national policies, priorities and programmes. The results of the interventions and programmes from the grassroots or bottom-up will contribute to achieving the sub-sector goals, the NDP3 goals, and the Vision 2030 objectives. These will be monitored at every level and reported and fed into the management information system to facilitate timely decisions on improving implementation and adjusting policies as required.

Chart A2.1: Illustration of Top-Down and Bottom-Up Processes in NDP3



A2.2.2. Sectors and Sub-Sectors Approach

In NDP2, the word sector is used for broad sectors such as economic sector and social sector. It is also used for agriculture, mining, industry, construction, energy, transport, education, health, etc.; and for chapters in the NDP2 document. In NDP3, the word sector is used for broad sectors such as economic sector and social sector; with agriculture, mining, industry, construction, energy, transport, education, health, termed sub-sectors. Thus, all programmes that are economic in nature will be categorised under the economic sector; and programmes that are social in nature will be categorised under the social sector; and so on.

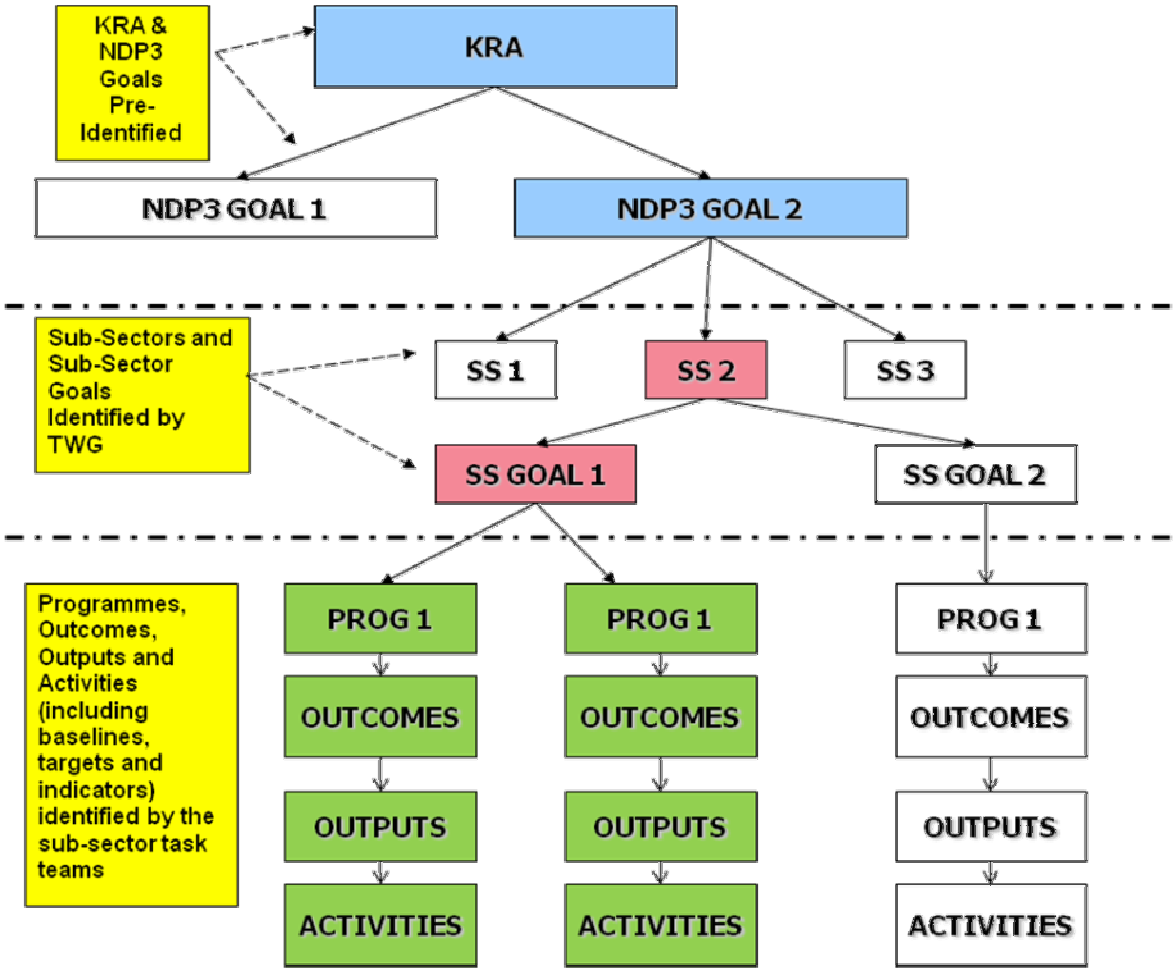
NDP3 planning identified four major broad sectors that represent the macro programme focus clusters, which are: (i) economic sector, (ii) social sector, (iii) security sector, and (iv) administrative sector. These correspond to the SADC classification of sectors. The sectors and sub-sectors approach under NDP3 puts emphasis on results with the use of a programme-activity approach.

A2.2.3. Programme-Activity Approach for NDP3

Under this approach, the specific programmes of intervention have been identified under each sub-sector directly linked to the sub-sector goals and the corresponding NDP3 goals under the KRAs. The programmes are a set of interventions under a sub-sector goal that produce the desired results under that sub-sector goal, which in turn contribute to achieving the corresponding NDP3 goal and KRA (see Chart A2.2).

The formulation of the programmes entailed the identification of sets of activities under each programme that are expected to contribute to achieving the desired outputs of that particular programme, including the estimated costs. The programme outputs in turn are expected to help produce the specific programme outcomes (results) that address the sub-sector goal and the corresponding NDP3 goal. The sets of activities under a programme may resemble one or more projects. Thus, each programme has identified one or more sets of activities to help the programme achieve the desired outputs and outcomes (results) that contribute to achieving the sub-sector goal and the corresponding NDP3 goal under the KRA.

Chart A2.2: Cascading from KRA to Programmes and Activities



A2.2.4. Teamwork Approach

Each KRA/Sub-KRA is assigned to a Thematic Working Group (TWG) coordinated by a Coordinating Ministry (LM). The KRAs/Sub-KRAs, the TWGs and the Coordinating Ministries are listed in Table 3.The TWGs include government and non-government (e.g. private sector, civic organisations and international development partners) support institutions under the relevant sub-sectors. A coordinating entity has been designated for each NDP3 goal under a TWG, with one or more sub-sectors contributing to the NDP3 goal. A Sub-Sector Task Team (SSTT) has been formed for each sub-sector under an NDP3 goal, with a SSTT coordinator. The SSTTs coordinated/prepared the NDP3 programmes under each sub-sector that contribute to the achievement of the corresponding sub-sector and NDP3 goals.

Table A2.3: KRAs, TWGs and Coordinating Ministries

KRA Number	KRAs	TWG Number	Coordinating Ministry
1	Equality and Social Welfare	**1**	Ministry of Labour and Social Welfare
2	Peace, Security and Political Stability	**2**	Ministry of Justice
3	Productive and Competitive Human Resources and Institutions	**3**	Ministry of Education
4	Competitive Economy		Divided into two Sub-KRAs
4.A	Macro-economy	**4**	Ministry of Finance
4.B	Infrastructure	**5**	Ministry of Works, Transport and Communication
5	Quality of Life	**6**	Ministry of Health and Social Services
6	Productive Utilisation of Natural Resources and Environmental Sustainability		Divided into two Sub-KRAs
6.A	Sustainable Utilisation of Natural Resources	**7**	Ministry of Agriculture, Water and Forestry.
6.B	Environmental Sustainability	**8**	Ministry of Environment and Tourism
7	Knowledge based Economy and Technology Driven Nation	**9**	Office of the Prime Minister
8	Regional and International Stability and Integration	**10**	Ministry of Foreign Affairs

The Regional Councils and Local Authorities (via RDCCs) participated in the TWGs, including in the identification of sub-sector goals. They prepared their programmes that contribute to the sub-sector goals and submitted them to the SSTTs, NDP3 goal coordinating entities and TWGs. The regional needs and priorities and the programmes to address them were identified by the RDCCs and the resultant regional inputs were submitted to the SSTTs, TWGs and the NPCS. The TWGs prepared their NDP3 submissions by consolidating the inputs from the NDP3 goal coordinating entities, SSTTs and the RDCCs. The NPCS further consolidated the NDP3 submissions by the TWGs including the regional submissions, which form several key chapters of this Plan document.

ANNEX 3

NAMIBIA'S MILLENNIUM DEVELOPMENT GOALS AND TARGETS

At the Millennium Summit during the UN General Assembly Session in September 2000, the Heads of States and Governments of the 189 member countries and other entities adopted the Millennium Declaration. (Switzerland and Timor-Leste became members of the UN subsequent to the Summit and they too endorsed the Declaration.) The eight Millennium Development Goals (MDGs) to be achieved by 2015 are an integral part of the Millennium Declaration. The goals and targets relevant to Namibia are listed in Table A3.1. The base-year for the indicators is 1990 and the target year is 2015, except for the target on "achieving significant improvement in the lives of at least 100 million slum dwellers by 2020." The Table presents data available on the indicators for 1990, 2001 and 2006; and targets for 2012 and 2015. The targets for 2012 are drawn from NDP3. The 2015 targets are based on the data for 1990 where available; and those for the years closest to 1990 in other cases.

Table A3.1: Millennium Development Goals, Indicators, Baselines and Targets

Goals and Indicators	1990	2001	2006	2012 Target	2015 Target
Goal 1. Eradicate extreme poverty and hunger	**Targets:** 1. Reduce by half the proportion of people living on less than a dollar a day 2. Reduce by half the proportion of people who suffer from hunger				
% Population in relative poverty (devoting 60% or more of total expenditure to food)	38 (1993/94)	28 (2003/04)		20	19
% Population in extreme poverty (devoting 80% or more of total expenditure to food)	9 (1993/94)	4 (2003/04)		2	4.5
Note: Namibia does not yet have poverty estimates based on the proportion of people living on less than a US dollar a day. As Namibia is classified as a middle income country, it is necessary to use the proportion of people living on less than two US dollars a day as the benchmark. The estimates presented above are based on the NHIES in 1993/94 and 2003/04, which are not strictly comparable due to significant methodological differences between the two surveys.					
% Children malnourished/stunted		23.6 (2000)	29.9	18	
Goal 2. Achieve universal primary education	**Target:** Ensure that all boys and girls complete a full course of primary schooling				
Net primary enrollment ratio (% of relevant age group)	83.2	78.1	92 (2005)	99.1	100
% of cohort reaching Grade 5	63.9	94.7			
Youth literacy Rate (%)		92.3			100
Goal 3. Promote gender equality	**Target:** Eliminate gender disparity in primary and secondary education preferably by 2005, and at all levels by 2015				
Ratio of girls to boys in primary and secondary education (%)	111.4	103.7	100+	100+	100
Ratio of young literate females to males (% ages 15-24)		102.8			100
Share of women employed in the non-agricultural sector (%)	39.2	49.0			50
Proportion of seats held by women in national parliament (%)	7	25	27	50	50
Goal 4. Reduce child mortality	**Target:** Reduce by two thirds the mortality rate				

Goals and Indicators	1990	2001	2006	2012 Target	2015 Target
	among children under five				
Under 5 mortality (per 1,000)	87 (1992)	62 (2000)	69	45	29
Infant mortality (per 1,000 live births)	67 (1992)	38 (2000)	46	38	22
Immunisation, measles (% of children under 12 months)		58	64.8		
Goal 5. Improve maternal health	**Target:** Reduce by three quarters the maternal mortality ratio				
Maternal mortality (per 100,000 live births)	227 (1992)	271 (2000)	449	265	57
Births attended by skilled health staff (% of total)					
Goal 6. Combat HIV/AIDS, malaria and other diseases	**Targets:** 1. Halt and begin to reverse the spread of HIV/AIDS by 2015 2. Halt and begin to reverse the incidence of malaria and other major diseases by 2015				
% Prevalence of HIV among females ages 15-19	6 (1994)	12 (2000)	10.2	8	
% Prevalence of HIV among females ages 20-24	11 (1994)	29 (2000)	16.4	12	
% Contraceptive prevalence among women ages 15-49					
Number of children orphaned by HIV/AIDS		33,000			
Malaria mortality (per 100,000 persons)			428	210	
Incidence of tuberculosis (per 100,000 persons)	251	658	722		
Tuberculosis mortality among cases started			9	7	
Goal 7. Ensure environmental sustainability	**Targets:** 1. Integrate the principles of sustainable development into country policies and programmes 2. Reverse loss of environmental resources 3. Reduce by half the proportion of people without sustainable access to safe drinking water 4. Achieve significant improvement in lives of at least 100 million slum dwellers, by 2020				
Forest area (% of total land area)	10.7				
Nationally protected areas (% of total land area)	9.4 (1995)	10.4			
GDP per unit of energy use (PPP $ per kg oil equivalent)					
CO2 emissions (metric tons per capita)					
Access to an improved water source (% of population)	58	80 (2002)	88.5	95	79
Access to improved sanitation (% of population)	24	30 (2002)	41	65	62
Access to secure tenure (% of population)					
Goal 8. Develop a Global Partnership for Development	**Targets:** 1. Develop further an open trading and financial system that is rule-based, predictable and				

Goals and Indicators	1990	2001	2006	2012 Target	2015 Target
	non-discriminatory. Includes a commitment to good governance, development and poverty reduction—nationally and internationally 2. In cooperation with the developing countries, develop decent and productive work for youth In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries 3. In cooperation with the private sector, make available the benefits of new technologies—especially information and communications technologies				
Youth employment rate (% of total labor force ages 15-24)		37 (2000)	39 (2004)		
Fixed line and mobile telephones (per 1,000 people)	39	119			
Personal computers (per 1,000 people)		55			
ODA per capita (US Dollars)	130 (1992)	70	90 (2005)	90	
Other Indicators	No specific targets mentioned in the MDGs				
Adult literacy rate (%)		81.9 (2000)	83.9 (2005)	91.8	
Life expectancy at birth (number of years)	62		49	51	

Sources: The information presented is drawn from a wide range of national sources, including the Population and Housing Censuses, Namibia Household Income and Expenditure Surveys (NHIES), and the Namibia Demographic and Health Surveys, as well as the targets in NDP3 and international sources including the UNDP and the World Bank.

The data show a mixed picture of the performance of Namibia on the MDGs. The country seems to be on track to achieve the MDG targets on the proportion of population in extreme poverty and relative poverty, as defined in the Namibia Household Income and Expenditure Surveys; while the attaining the target on hunger as measured through reducing the percentage of children malnourished or stunted will be a challenge. Achieving universal primary enrolment is very likely by 2015 as is gender parity at all levels of education. However, achieving gender parity in representation in the Parliament would require concerted efforts. The picture on reducing infant, child and maternal mortality rates and attaining the MDG targets is discouraging, as a complex of factors including HIV/AIDS, TB and malaria, as well as inadequate nutrition need to be tackled simultaneously to make progress in the remaining period to the target year of 2015. It would be difficult to bring down the HIV prevalence rate to the 1990 level by 2015. The prospects for tackling the incidence of TB are clouded by treatment dropouts and increase in the number of multi-drug-resistant (MXDR) TB cases, whose spread would be disastrous. On the environmental MDG, Namibia made considerable progress in managing biodiversity and protecting the environment, with the participation of communities. The access to potable water is likely to exceed the MDG target, while that for sanitation could be achieved with renewed efforts. Unemployment in general and youth unemployment in particular are continuing causes for concern.