



MINISTRY OF INTERNATIONAL RELATIONS AND COOPERATION

BUDGET SPEECH

VOTE 07

FOR THE 2021/2022 FINANCIAL YEAR

BY

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DEPUTY PRIME MINISTER AND MINISTER**

20 APRIL 2021

NATIONAL ASSEMBLY

MOTIVATION FOR THE 2021/22 FINANCIAL YEAR

Honourable Chairperson of the Whole House Committee

Honourable Members

1. It is a privilege for me to motivate Vote 07, the budget of the Ministry of International Relations and Cooperation (MIRCO) for the Financial Year 2021/2022. Firstly, allow me to applaud the Minister of Finance, Honourable Ipumbu Shiimi, Director General of the National Planning Commission, Honourable Obeth Kandjoze and their teams, for an excellent budget presentation bearing in mind the current economic challenges the country is facing.
2. During the tabling of the budget for the year 2020/2021, this August House was informed about the impact and effects of COVID-19 on the global economy, which would in turn have devastating effects on economies like ours. Namibia has indeed felt the effects, which have led to a significant budget reduction in the ceilings recently tabled. MIRCO is no exception, and like other Government Offices, Ministries and Agencies (O/M/As), finds itself in a situation that has compelled the Ministry to make serious adjustments to the way it carries out activities to ensure the continuation of programmes and maintain the visibility of Namibia abroad and in line with Vision 2030, as elaborated in NDP 5 and operationalized in the Harambee Prosperity Plan II.
3. As I motivate Vote 07, I wish to emphasise that Namibia's Policy on International Relations and Cooperation cannot be effectively pursued independent of the cooperation with other O/M/As. I extend my appreciation to His Excellency Dr. Hage G. Geingob, President of the Republic of Namibia, and my fellow Honourable members for the support I continue to receive as I shoulder the

responsibility of promoting and protecting Namibia's national interest in the world. I further thank Honourable Jennelly Matundu, Deputy Minister, Ambassador Tuliameni Kalomoh our former Special Advisor who retired in February, the Executive Director and the entire staff of MIRCO for their hard work and unwavering dedication to the Ministry and the Namibian people.

4. Namibia will continue to stand by its commitment to implement the African Union (AU) Agenda 2063 and its ten-year implementation plan. The continental Agenda is closely linked to the UN Agenda 2030, and the SADC Vision 2050, and its Regional Indicative Strategic Development Plans, which are responsive of our National Development Plans.
5. As a member of the African Union, Namibia will also benefit from cooperation between Africa and her other partners. During the forthcoming financial year, the following meetings are expected to take place; the Africa-Turkey Summit, the AU-EU Summit, the Africa-Arab Summit, the Tokyo International Conference of African Development (TICAD) and the Forum on China-Africa Cooperation (FOCAC) Ministerial Meetings. The Ministry will also continue to explore new opportunities through the Permanent Joint Commissions of Cooperation to optimize bilateral cooperation and trade.
6. Namibia has a lot to gain in promoting regional integration, and to be a role player in international affairs as the country has positioned itself to become a regional logistics hub. What is required during this time of economic recovery from the impact of COVID-19, is aggressive and effective engagement with regional and international partners in order to harness the potential of trade and investment opportunities. The just launched Harambee Prosperity Plan Two (II) has given us a clear mandate in this regard, including to work with local business communities to advance economic diplomacy. The next theme of the Dr. Theo Ben-Gurirab

Lecture Series will focus on the African Continental Free Trade Area (AfCFTA) and the business community, with emphasis on young entrepreneurs will be the main target for participation.

7. The opportunities under the Free Trade Area Agreement, as we all know, will go a long way in augmenting efforts to diversify our economy and to strengthen our manufacturing sector to reach new markets. The Africa Continental Free Trade Area will increase our access to a market across Africa, with a combined GDP of 3.4 trillion US dollars. Therefore, our Mission in Accra, Ghana (the host of AfCFTA Secretariat) has become one of our major economic post, which is to advise us on how best we can benefit from that trade agreement.
8. In line with the strategic objectives of the Ministry to pursue economic diplomacy with special emphasis on creating market access for our products, the Ministry will seek niche markets for Namibian products. To mention the Namibian salt is in demand in many parts of Africa and beyond for household and industrial purposes. Therefore, MIRCO will endeavour to capitalise on this demand by linking local suppliers with these regional and international markets, the aim is to increase trade and investment in order to grow our economy, create jobs and eradicate poverty.
9. Namibia is a coastal state renowned for its well-developed fishing industry. Therefore, time has come to take advantage of the blue economy in its totality. To that end, the Ministry will facilitate and initiate engagements to strengthen cooperation between the Namibia Port Authority and other port authorities and also the Namibian Fishing industry to share experience with others, to bring up mutual benefit.

REVIEW OF THE 2020/2021 FINANCIAL YEAR INCLUDING ACHIEVEMENTS AND CONSTRAINTS

Honourable Chairperson of the Whole House Committee

Honourable Members

10. During the year under review, eight (8) Foreign Heads of Diplomatic Missions presented their Letters of Credence. Eleven (11) Namibian Heads of Mission were commissioned, and Three (3) Honorary Consuls were appointed by the Namibian Government to assist in advancing Namibia's interest abroad. They also assist to safeguard the welfare of Namibian Nationals in their respective countries of accreditation.
11. The Ministry of International Relations and Cooperation has on the 20th anniversary of the adoption of the United Nations (UN) Security Council Resolution 1325 on Women, Peace and Security officially launched the International Women's Peace Centre in Windhoek. The UN Security Council Resolution 1325 is the first instrument that recognized the central role played by women, as agents of change, for the contribution to peace and security architecture in the world. The Resolution was initiated by Namibia during the Presidency of the United Nations Security Council.
12. Namibia's initiation of this landmark resolution was to reaffirm our Government's full commitment to gender equality and the empowerment of girls and women. Therefore, putting women at the helm of the peace building, conflict resolution and prevention and mediation efforts while striving to increase the number of women peacekeepers, remains a key priority for our government., the establishment of the International Women and Peace Centre is testament to Namibia's firm commitment and resolve to fully implement the Women, Peace and Security Agenda.

13. Through our Policy on Economic Diplomacy, during the period under review, the following investments have been realised.
 - i. The Karibib Municipal Council has offered land for purchase to the Marble Graniti Technica Group for the construction of the factory with an initial investment of N\$50 million, which is expected to increase in the coming years and is anticipated to commence during this financial year and will employ an estimated 100 workers.
 - ii. Another successful project is the Aquaponics Farming with a capital investment of N\$5 million and subsequent creation of 50 employment opportunities in Karibib and has already delivered fresh vegetables to the local market.
 - iii. Following the Namibia Economic Summit in 2019, a South African investor, Precision Agri-Africa invested N\$40 million in buying shares in the business, leading to the establishment of 100 jobs.
14. Namibia stands a chance to benefit from the extension of the Africa Growth and Opportunity Act of the USA (AGOA). Indications from the new US Administration are that more support will be availed to providing access to African Countries for cooperation in a wide range of areas, including trade and investment and tourism, among others and foster stronger diplomatic ties as well as people-to-people contact. As a country we are now working to conclude the National Strategy to make us eligible for the extension of AGOA.
15. Namibia successfully commenced the exporting of beef to the United States of America. It is also engaged in negotiations to expand market access for beef exports to West Africa, and started scaling up the export of Windhoek Lager to the same countries.

Honourable Chairperson of the Whole House Committee,

Honourable Members,

16. You might recall that in the traditional National New Year’s Message, on December 31 last year, His Excellency Dr. Hage G. Geingob, President of the Republic of Namibia underscored Agriculture as one of the priorities of the Government of the Republic of Namibia. Also, the COVID-19 pandemic has taught us several lessons on the importance of self-sufficiency, most specifically in the context of food security. To that end, MIRCO has undertaken to attract the International programmes, which can support agriculture and food production in Namibia. With this in mind, the 10th Edition of the Dr. Theo Ben-Gurirab Lecture Series was held under the theme “How Multilateralism can Increase Food Security”. This will serve as a contribution to Namibia’s preparations for the 2021 Food Systems Summit, to be held on the margins of the 76th Session of the United Nations General Assembly, thus enabling Namibia to derive maximum benefits from it.

17. Together with the World Food Programme (WFP), the Government of the Federative Republic of Brazil and MIRCO has been engaging in a trilateral cooperation on the issue of food security with a particular goal to obtain support for achieving Namibia’s developmental objectives, in line with the second UN Sustainable Development Goal on achieving Zero Hunger. This culminated in Brazil donating USD 100 000 (One Hundred Thousand United States of America Dollars) to Namibia, which will be used to establish a stronger partnership with the local agricultural value chain, such as a farm-to-school feeding approach and enabling more communities to grow fruit and vegetables to improve their intake of a nutritious diet.

18. Furthermore, in support of Namibia's Food Security Programme, Namibia received a generous donation of 500 tons of potatoes from the Republic of Malta, which were distributed to the most vulnerable of the Namibian population through the disaster risk division in the Office of the Prime Minister. Namibia and Malta are in discussions on further cooperation in the area of food security among others.
19. Similarly, the Government of Japan and MIRCOS signed notes of exchange, whereby Japan pledged to donate 4,000 (Four Thousand) tons of rice to support Namibians. The rice will reach Namibia in March 2022. These efforts will collectively make an impact in supporting our approach to food systems.
20. Under the Economic and Social Development Program Japan will provide equipment for the Zambezi Vocational Training Centre, specifically its new workshops for auto mechanics, air conditioning and refrigeration. This cooperation is to support the Namibian Government's continued efforts in expanding quality vocational education and enhancing the employability of Namibian people, especially the youth.
21. Having received communication from the Ministry of Health and Social Services on Namibia's needs to curb the impact of COVID-19, MIRCOS bolstered her engagements on Socio-economic diplomacy, to mobilize the international community for support. Subsequently, Namibia received donations from numerous countries and organizations, such as Brazil, China, Egypt, the European Union, Germany, India, Japan, Republic of Korea, Russia, Turkey, Saudi Arabia, United Arab Emirates, the United States of America, and the various international organizations accredited to Namibia. Most recently, generous donations of COVID-19 vaccines were received from the Governments of China and India. We thank all countries and organisation who came to our aid

during this difficult time. We thank our Missions abroad who worked so hard for all this to be realised.

22. The Government of Japan equally funded the construction of new school blocks to A. I. Steenkamp Primary School in Katutura, the Bet-el Primary School in Katutura, the M.H Greeff Primary School in Khomasdal, David Shingo and Egambo in Ondobe, Ovikange Combined School in the Ruacana Constituency, and Eddie Bowe Primary School in Khorixas respectively.
23. The Ministry played an important role in facilitating dialogue and coordinating efforts between the Ministry of Finance and the European Union (EU) regarding the EU's list of non-cooperative jurisdictions for tax purposes. The fact that Namibia has been removed from the EU list of non-cooperative jurisdictions for tax purposes should be regarded as a positive outcome.
24. Our neighbours form a buffer between us and the rest of the world, in other words they are our defence line. In recognition of this, the government has undertaken to elevate relations with her neighbours by entering into Agreements establishing Bi-National Commissions with Angola, Botswana, Zambia and Zimbabwe, in order to further consolidate our bilateral relations and cooperation.

Honourable Chairperson of the Whole House Committee

Honourable Members

25. I would like to formally inform the August house that on 14 November 2020, the Board of Trustees of Kemet Boutros Boutros Ghali Foundation for Peace and Knowledge (KBBG) in Egypt conferred on H.E. Dr. Sam Shafiishuna Nujoma, Founding President and Father of the Namibian Nation the annual award for

“Outstanding Achievements” in the field of diplomacy for peaceful conflict resolutions and strengthening of cooperation and peace between civilizations.

26. H.E. Dr Sam Nujoma and I along with a number of other SADC leaders were awarded the Francisco de Miranda Order (First Class), which was bestowed upon us by the Government of the Bolivarian Republic of Venezuela, to recognize its citizens and foreigners who have contributed to the sciences, to the progress of the country, to the humanities or who have exemplified outstanding merit.
27. These awards are testimony to the positive image Namibia has on the African continent and in the world. The awards represent the collective efforts of the Namibian people in ensuring positive representation at international fora.
28. At this stage, allow me to Congratulate H.E. Dr. Sam Nujoma our Founding President and Father of the Namibian Nation for always making Namibia one of the most outstanding countries of the world.

Honourable Chairperson of the Whole House Committee

Honourable Members

29. A total budget of **N\$ 827 698 000 (Eight Hundred and Twenty-seven Million, Six Hundred and Ninety - Eight Thousand Namibia Dollars)** is proposed to Vote 07 for the 2021/2022 financial year of which **N\$ 745 742 000 (Seven Hundred and Forty Five Million, Seven Hundred and Forty Two Thousand Namibia Dollars)** translating to **90 %** is allocated for the operational budget whereas **10%** of the total budget which is **N\$ 81 956 000 (Eighty One million Nine Hundred and Fifty-Six Thousand Namibia Dollars)** is earmarked for

developmental expenditure. The allocated amount will be utilized for the various programmes of the Ministry as follows:

Programme 1: Bilateral Relations and Cooperation

30. An amount of **N\$ 23 129 000 (Twenty-Three Million, One Hundred and Twenty-nine Thousand, Namibia Dollars)** is estimated for this programme. Excellent bilateral relations are the backbone for effective bilateral cooperation. As such, the missions will continue to strengthen bilateral relations by cultivating people to people contact between Namibia and the people of the concurrently accredited countries.

Programme 2: Multilateral Policy Co-ordination

31. With regards to this programme, a total amount of **N\$ 118 080 000 (One hundred and Eighteen Million and Eighty Thousand Namibia Dollars)** is allocated inclusive to the payment of membership to the various international bodies Namibia belongs too, to ensure that we continue to participate in Regional and International for a, to derive maximum benefit geared towards the implementation of our National Development Plans.

Programme 3: Protocol and Consular

32. An amount of **N\$ 13 985 000 (Thirteen Million Nine Hundred and Eighty-Five Thousand Namibia Dollars)** is proposed for this programme which is responsible for State and Diplomatic Protocol matters as well as ceremonial events.

Programme 4: Foreign Missions Representations

33. This programme takes up **N\$ 589 740 000 (Five Hundred and Eighty-Nine million Seven Hundred and Forty Thousand, Namibia Dollars)** translating to **71.25% of the total allocated budget of the Ministry.**
34. The financial resources allocated to this programme would be utilized to enhance economic diplomacy at all our Missions.

Programme 5: Coordination and Support Services

35. An Amount of **N\$ 82 764 000 (Eighty-Two Million Seven Hundred and Sixty-Four Thousand Namibia Dollars)** is allocated to this programme.
36. The financial resources allocated towards this programme will be utilized towards the effective rendering and coordination of support services at both the Headquarters and the promotion of Namibia's image at its Missions worldwide, with the main aim of transforming MIRCO as an institution of excellence.
37. MIRCO had intensive cost cutting measures, which include the reduction of its staff at most Diplomatic Missions, and through streamlining its operations and harnessing technology, we are committed to do more with less.
38. Last year in motivating Vote 07, I indicated that the Government was going to establish diplomatic missions in Turkey and the United Arab Emirates. This plan is still in place and a Cabinet Decision has been taken. However, as you all know COVID-19 pandemic has put pressure on the Treasury, the opening of those two Missions will be implemented at an appropriate time.

39. I present to this Honourable House, budget Vote 07, a total amount **N\$ 827 698 000 (Eight Hundred and Twenty-Seven Million, Six Hundred and Ninety-Eight Thousand Namibia Dollars)** for the financial year 2021/2022, for consideration by this Honourable House, and I count on your support.

I THANK YOU.