



REPUBLIC OF NAMIBIA

Ministry of Finance

Notice of Question by Hon. Josef Kauandenge

Responses by

Ipumbu Shiimi, MP

Minister of Finance

04 March 2021

RESPONSES TO QUESTIONS BY HON. JOSEF KAUANDENGE TO THE MINISTER OF FINANCE

1. Are you aware of the findings of the Ombudsman?

Yes, Hon Kauandenge, I am aware of the findings of the Ombudsman as contained in his Report of December 2020.

2. Have you perused through this report. If yes, what did the Board do to rectify these mistakes and told hold those responsible for these irregular appointments accountable?

Hon Speaker, Hon. Members, I can confirm that I have perused through the report and subsequently engaged the Board on this partial report.

In this regard, the Board has taken decisive actions to address the findings of the report in the following manner:

- a) during December 2020 and January 2021, the Board made several changes to its recruitment strategy. For example, the Board revised its recruitment strategy to bring it in line with the Employment Equity Act, to be more inclusive of diversity.

b) In addition, the legal and human resources units of the Board were tasked to assess whether the recommendation to charge employees because of anomalies highlighted in the report should be implemented or not.

3. If nothing has been done so far to rectify this issue, are we to infer that the CPBN is an institution of state with only one objective to employ Namibians from one ethnic group while disregarding due process of law and personnel recruitment policies?

Hon Speaker, Hon. Members, as alluded to previously, the Board has started to address the findings of the Ombudsman's report and certain actions were already implemented, such as the revision of the recruitment strategy to ensure diversity in its recruitment to align it to the Employment Equity Act.

Further, I am informed that the outcome of the recruitment process was rather unintended and unfortunate as all Namibians, irrespective of race or ethnicity were invited to apply for the advertised positions.

4. Is there a deliberate policy at CPBN to empower Namibians from only one ethnic group above the rest of the Namibians?

Hon Speaker, Hon. Members, The Public Procurement Act Objects (section 2) is aimed at the implementation of Empowerment Policies and Industrialization Policies of Government. As such, CPBN is not implored to empower ethnic groups.

The catering bid under question is a very important national bid that deliberately targeted all Namibians from all walks of life and all 14 Regions of the country. In fact, 88 primary hostels which accommodate about 16,935 primary school learners, 150 secondary hostels accommodating 45,725 learners and 4,881 staff members as well as 18 special school hostels accommodating 1538 learners will be catered for under this bid for a period of 3 years. The bid was widely advertised in the local print media, as well as on the website of the Central Procurement Board.

Hon Speaker, Hon. Members, the Board had a strong view on empowering Namibian entities and as such, reached consensus with the Ministry of Education, Arts and Culture, that only Namibians should take part in this bid, so much so that it required

bidders to have a 100% Namibian ownership, of which no less than 51% of that ownership was required to vest in previously disadvantaged Namibians.

*Further, Cde Speaker, what is of crucial importance is the fact that that the bid was set up in such a way that it requires bidders to be **based and operate in the regions under the lots they were bidding for**. The bidders that were selected for awards were bidders that could prove, amongst others, that they were based and operated in the regions that they were bidding for.*

Hon Speaker, Hon. Members this was done in line with the directive issued by the Minister of Finance on 23 May 2019 and re-issued on 26 November 2020 on reservation to local suppliers. Paragraph 6.2 of the directive reads that: “Reservation shall be given to service providers based and operating from the 14 regions in Namibia”. This directive intends to support regional economic activities.

The evaluation criteria that was used in this bid, was well known to all participating bidders through a fair and transparent process of evaluation, by an independent Bid Evaluation Committee.

However, several bidders were disqualified for the following reasons, amongst others:

- Some bidders did not submit supply agreements or letters of intent from Meat Board registered Abattoirs in those areas.
- Some bidders did not provide supporting documents to prove 100% ownership of which 51% ownership is by previously disadvantaged Namibians.
- Some bidders did not meet the 80% Survey Schedule for school hostels in the region that they are bidding for, and
- Others did not provide letters of intent for the supply or sourcing of fresh produce in line with the Ministerial Directive on Local Sourcing.

According to the Bid Evaluation Report, 69 of 96 bidders failed the first stage in which the above-mentioned criteria featured, **irrespective of their origin.**

In conclusion Cde Speaker, Hon. Members, this bid is not just beneficial to the awarded bidder but will also benefit the regional economy through local purchasing that particular region.

