



Republic of Namibia

MINISTRY OF WORKS AND TRANSPORT

MOTIVATION STATEMENT;

VOTE 24: DEPARTMENT OF TRANSPORT

BY JOHN MUTORWA, MP

Minister of Works and Transport

Date: 27 April 2021

**FINANCIAL YEAR
2021/22**

1. Introduction

Honourable Chairperson of the Whole House Committee, Honourable Members of the National Assembly!

1. Let me thank the Honourable Members of this House, for affording me the opportunity, to present the funded programs for the Department of Transport, Vote 24.
2. I now wish to present to you, Honourable Members, programmes that will be dealt with by the Ministry through the Department of Transport during the Financial Year 2021/2022 to ensure modern and reliable Transport Infrastructure.

3. **Programme 01: Planning and Development of Transportation Infrastructure**

- (a) The purpose of this programme is to develop world class transportation infrastructures and to maintain them. The programme includes the construction of gravel roads, upgrading of gravel roads to bitumen standard rehabilitation of roads and the construction and maintenance of State Owned Aerodromes.
- (b) The Ministry of Works and Transport continues in its efforts to maintain Namibia's status of having good transportation infrastructures. The Ministry seeks to ensure that Namibia has modern and reliable transportation infrastructures that are well maintained and cost effectively managed. Our objective is to guarantee access to economic and social centres by all Namibians, as well as to link Namibia with Neighbouring Countries and other parts of the world.
- (c) *I therefore request for an amount of One billion, three hundred and nineteen million, fifty thousand Namibia dollars **(N\$1,319,050,000)** to be allocated to Planning and actual Construction or Development of Transportation Infrastructure programme.*

3. **Programme 02: Railways Network Development, Maintenance and Rehabilitation.**

- (a) **Honourable Members**, our national desired outcomes is to develop the railway transportation infrastructures. With combined efforts from all economic sectors, we can put our economy on a sustainable growth trajectory. The purpose of this program is to ensure the provision of railway transportation services or logistics by rehabilitating, upgrading and developing new infrastructure that guarantees seamless, efficient, affordable, customer-friendly and environmentally responsive integrated railway transportation solutions.
- (b) The specific objectives of this programme are: planning and constructing new railway lines, maintaining, upgrading and rehabilitation of the existing aged railway network to the SADC Standards for Railway Lines (18,5 ton/axel with a minimum speed of 100km/h).
- (c) *Honourable Members, I request for an amount of Seven Hundred Eighty Two Million, Nine Hundred and Ninety Two Thousand Namibia (N\$782,992,000) to be allocated to railway network development, maintenance and rehabilitation programme.*

4. **Programme 03: Formulation of Transportation Policy and Regulation Oversight**

- (a) The purpose of this program is to formulate and implement transport policies to ensure: safe, efficient and effective mobility and universal access to Namibian Citizens and Foreigners alike. The programme is also responsible for the regulation of Transportation Services in the Transport Sector and for the development, review and administering relevant transportation legislation.
- (b) The Ministry of Works and Transport owns all Vehicle and Driver Testing Centres Countrywide managed by the Roads Authority.
- (c) In previous financial years Government made funds available, to construct new standard testing centres at places such as Ongwediva, Rundu, Katima Mulilo, Opuwo, Outapi, Eenhana and Luderitz as well as upgrading testing centres in Windhoek, Grootfontein, Outjo, Okahandja and Karasburg.

- (d) However, for the last six years little or no funding was available to continue with this project. Most testing centres still need upgrading to comply with the international testing standards and at some towns new centres still need to be constructed from scratch.
- (e) Pilot Implementation for Non-Motorized Transport (NMT) facilities are on-going. However, the challenge remains a lack of sufficient budget to fast track the whole process of implementation. The Ministry has plans to enhance the Steering Committee for both Central and Northern Regions to give solid direction to the technical teams for this project.
- (f) The core mandate of the WBCG is the effective promotion, marketing, business development, trade facilitation and managements of the Walvis Bay Corridor which consist of the Ports of Walvis Bay-Ndola-Lumbumbashe Development Corridor
- (g) The Walvis Bay Corridor Group Walvis Bay Corridor Group (WBCG) is funded by its Members through Annual Membership Fees contributions. With this funding, WBCG has managed to facilitate successfully over 4 330 258 tonnages of import and export cargo, through the corridors with the neighbouring countries. Movement of cargo volumes contribute immensely to the Namibian economy by creating business opportunities.
- (h) The Government contribution budget will be utilized to fund operational expenditures, promotion and business development of the Corridors, to attract more business for the Walvis Bay and Luderitz Ports and Trade facilitation activities. Despite the impact of Covid-19 on trade, WBCG anticipate to increase movement of cargo through the corridors.
- (i) ***Honourable Members, the Ministry is requesting for an amount of Fifty-two million, five hundred and twenty four thousand Namibia dollars (N\$ 52 524 000) to be allocated to the Formulation of Transportation Policy, Regulation Oversight, Construction and maintenance of Vehicle and Driver Testing Centres, including the development of the Transport Corridors.***

5. Programme 04: Air Transport Administration

This programme caters for (i) Aircraft Accident Investigations, (ii) Government Air Transport Services and (iii) Civil Aviation Air Navigation Services sub-programmes.

5.1 Sub programme - 04:01 Aircraft Accident Investigations

The purpose of this sub-programme is to:

- Fulfil the State's obligations towards Civil Aviation Act No 6 of 2016 and Annex 13 to the Chicago Convention, to which Namibia is a signatory.
- To promote Aviation Safety, through the conduct of independent and objectified investigations into aircraft accident and incident in conpliance of the Civil Aviation Act no 6 of 2016 and Annex 13, of the Convention on International Civil Aviation.
 - (a) The Directorate of Aircraft Accident Investigations has recorded notable reduction in aircraft accidents and Incidents in Namibia during the past financial year. This reduction of accident occurrences was attributed to intensive stakeholder engagements, monitoring and evaluation of safety recommendations generated by the Directorate of Aircraft Accident and Incident Investigation. The outbreak of the Covid-19 epidemic worldwide had also a negative impact on the operations of the Directorate of Aircraft Accident and Incident Investigations tasked to maintain a Safe Air Transport System in Namibia. Investigators were unable to maintain proficiency due to travel restriction to undergo recurrent training thus is envisaged to be finalized during the new financial year.
 - (b) *I therefore request for an amount of Seven Million, Four Hundred thirty Eight Thousand Namibia Dollars (N\$ 7 438 000) to be allocated to the Aircraft Accident Investigations Programme.*

5.2 Sub programme - 04:02 Government Air Transport Services

- (a) The purpose of this sub-programme is to provide safe, secure and efficient air transport services to the most Senior Leaders of and in the Government of the Republic of Namibia (GRN). The Department no longer has access to the Trade Account, hence, additional budget was requested to fulfil its obligations effectively and efficiently.

- (b) *Honourable Members, I request for an amount of Sixty-eight million, four hundred and fifty thousand Namibia dollars (N\$ 68 450 000) to be allocated to Government Air Transport Services*

5.3 Sub programme - 04: 03 Civil Aviation Air Navigation Services

- (a) The objective of this sub-programme is to ensure an international compliant safe, secure and efficient Civil Aviation infrastructures and skills that also contribute to the national security. A significant amount is already gone into the upliftment of skills needed to build regulatory oversight capacity as well as to provide service to the Industry. The Namibia Civil Aviation Authority (NCAA) provides Safety Oversight and Air Navigation Services, throughout Namibia. The challenges experienced with the transformation of the Namibia Civil Aviation Authority (NCAA) are with respect to the shortage of skilled human resources in most technical areas such as Airworthiness, Air Traffic Control and Flight Operations. I am pleased to mention that the NCAA has offered bursaries to 12 Navigation Services Students, 6 Air Information Services students and 33 Air Traffic Control students.
- (b) During the FY 2020/21 the Ministry has completed the rehabilitation works of Eros Airport runway & apron. The Ministry is also currently expanding the terminal buildings at Hosea Kutako International Airport (HKIA) to alleviate congestion and the rehabilitation of Katima Mulilo (Mpacha) Airport runway.
- (c) With the establishment of the NCAA in November 2016, it is required capitalization which was not provided for. I have to inform you that: the NCAA has experienced a decline of over 80% of air traffic, due to reduced air travel and therefore a decline in the collection of aeronautical fees caused by COVID 19. Therefore, there is need to recapitalize the NCAA financially, in order to sustain the Namibian State Obligations, towards the Chicago Convention; while slowly recovering from the COVID and possibly at a later stage introducing new complementary charges that will help reduce dependency on Treasury in the future.
- (d) *Honourable Members, to achieve these objectives, I request an amount of One hundred and twenty five million, six hundred and sixty-one thousand Namibia dollars (N\$ 125,661,000) to be allocated to Air Transport Administration.*

6. Programme 05: Maritime Legislation Administration

- (a) The programme is to fulfil the Ministry's mandate and objectives, regarding safety of life and property at sea, protection of marine environment from pollution by ships and to promote our national maritime interests to the International Community.
- (b) The programme is delivered in line with the International Maritime Organization (IMO) instruments relating to flag, Port and coastal State obligation and comprises the following main activities:
- Registration and licensing of ships and seafarers;
 - Maritime Safety and Security Administration;
 - Marine pollution Control and Marine Search and Rescue (SAR) Coordination.
- (c) Lastly this programme is responsible for budgetary allocation related to maritime infrastructure projects that are aimed at making Namibia a regional maritime logistic hub.
- (d) *I am requesting the approval and support of this august House for an amount of Twenty-seven million, two hundred and five thousand Namibian dollars (N\$27,205,000) to be allocated to Maritime Legislation Administration, sub-programme.*

7. Programme 06: Meteorological Services Administration

- (a) The purpose of this program is to provide timely and quality weather, climate and early warning services to all sectors such as aviation, disaster risk reduction, agriculture, transport, health, energy, fisheries, environment and construction whose operations are sensitive to the vagaries of extreme meteorological hazards and disasters.
- (b) To ensure Namibia's compliance to national, regional and international standards, regulations and protocols particularly those related to SADC, World Meteorological Organization (WMO) and Annex3 of International Civil Aviation Organization (ICAO)

dealing with the provision of aviation meteorological service for international air navigation.

- (c) The aviation meteorological infrastructure at all the airports, procured and installed in the early 2000's, has served its purpose economically and otherwise and therefore needs urgent replacement as the associated software and various critical components of these systems are obsolete can no longer be maintained or repaired even by the suppliers.
- (d) Aviation meteorological services for international air navigation are declared as critical services in accordance with the **PROCLAMATION, No. 9 State of Emergency - Covid-19 Regulations**: Namibian Constitution. These services which cover a wide range of sectors are also declared as essential services in terms of the Labour Act, Act 11 of 2007 and the Civil Aviation Act, Act 6 of 2016. Hence, it is of cardinal importance to replace all this outdated equipment to avoid systems failure that could lead to non-compliance to local and international standards and regulations and in the worst case scenario loss of lives and property.
- (e) International and local regulations and standards require that Member States must be ISO certified. Compliance to this requirement and standards will ensure that meteorological services are geared towards meeting the needs and requirements of stakeholders and therefore improved service delivery..
- (f) *Honourable members, I request for an amount of Fifty-two million, seven hundred and six thousand Namibia dollars (N\$52,706,000) to be allocated to Meteorological Services Administration.*

8. PROGRAM NO 07: Centralised Support Services Administration

Purpose of this programme:

- The purpose of this program in the current FY under discussion is not to acquire new fleet, but to maintain the Government Garage Fleet, in costs-effective manners possible; that will enable the O/M/A's to carry out official activities. Through this program funds are availed to manage fuel provision, maintain – scheduled servicing, 24/7 recovery services and upkeep of Government Garage premises, repairs and servicing of ageing vehicles and other machineries and licencing of vehicles.
- Honourable Members, in this FY, the Ministry of Works and Transport cannot operate against the directive of His Excellency the President of the Republic of Namibia as well as the Administrative circular/directive , No. 1/2017:01 February 2018, which prevents O/M/As from procuring new vehicles for the appointed Political Officer Bearers, should the need arise.
- In lieu of the foregoing, I would like to submit that the requested budgeted amount for this programme remains excluding the procurement of new vehicles. Such need will be only accommodated in the Mid-term budget review if the Administrative direction is reviewed.
- The allocation is to carry all activities stock-taking is an annual activity, specialized training for artisans that are needed to keep up in the fast advancing vehicle technology and towing of vehicles country wide.

Honourable members, although the allocation to this programme is inadequate, for the Ministry to be able to provide Government with required transport under the current situation, I request for an amount of Seventy million, Six Hundred and Eighteen Thousand Namibia dollars (N\$ 70,618,000) to be allocated to Government Garage Centralized Support Services Administration.

Honourable Members, I now present the Budget summary of Vote 24: TRANSPORT, allocations for FY 2021/22.

9. Budget summary of Vote 24

PROGRAMME	DESCRIPTION	OPERATIONAL	DEVELOPMENT	TOTAL AMOUNT N\$
01	Planning and Development of Transportation Infrastructure	6,825,000	1,312,225,000	1,319,050,000
02	Provision and Upgrading of Railway Network	3,217,000	779,775,000	782,992,000
03	Formulation of Transportation Policy and Regulation Oversight	43,100,000	9,424,000	52,524,000
04	Air Transport Administration			
04:01	Aircraft Accident Investigations	7,438,000	0	7,438,000
04:02	Government Air Transport Services	68,450,000	0	68,450,000
04:03	Air Transport Administration: Civil Aviation Air Navigation	67,085,000	58,576,000	125,661,000
05	Maritime Legislation Administration	27,205,000	0	27,205,000
06	Meteorological Services Administration	17,706,000	35,000,000	52,706,000
07	Centralized Support Services Administration	65,618,000	5,000,000	70,618,000
GRAND TOTAL ALLOCATION FOR VOTE 24		306,644,000	2,200,000,000	2,506,644,000

In conclusion Honourable Chairperson of the Whole House Committee, Honourable Members: it is now my pleasure to present to you Vote 24: Transport, to the amount of Two billion, five hundred and six million, six hundred and forty-four thousand Namibia dollars (N\$2,506,644,000) for your consideration and approval.

I Thank You
for your attention