



*Republic of Namibia*

***Ministry of Urban and Rural Development***

*Tel: 061-297-5241*  
*Fax: 061-2975279*

*Government Office Park*  
*Luther Street*

*Private Bag 13289*  
*Windhoek*

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***BRIEF ON THE STATUS OF DECENTRALIZATION  
POLICY IMPLEMENTATION***

***DEBATE IN PARLIAMENT  
ON DECENTRALIZATION***

***JUNE 21, 2016***

### **3. LEGAL FRAMEWORK FOR DECENTRALIZATION**

Namibia being cognizant of the importance of people centered development prioritized the development of a supporting environment in the form of legislation and policy which favors decentralization.

#### **3.1 REGULATORY FRAMEWORK**

##### **3.1.1 Constitutional basis**

- Chapter 12 of the constitution provides for the establishment of the Regional and Local governments. The regional and Local governments have councils as principal governing bodies freely and directly elected by the constituents.– a foundation for a decentralized government system.
- Article 1 describes Namibia as a democratic and unitary state, which is a key element for public participation.

##### **3.1.2 Regional Councils Act, 1992 (Act 22 of 1992) and Local Authority Act, 1992 (Act 23 of 1992)**

- They form basis of regional and local government system. In terms of section 28 (1) (a) Regional Councils are mandated with the planning and the development of the Regions in relation to physical, social and economic characteristics of the region. This mandate includes the planning and development of natural and other resources, infrastructure such as water, electricity, communication networks and transport systems in the region among others.
- The two Acts form the legislative basis of regional and local government system in Namibia and establishes the relationship between these sub-national levels as well as between them and the state, and their role vis-à-vis the citizenry.

##### **3.1.3 Decentralization Enabling Act, 2000 (Act 33 of 2000)**

- Provides and regulate decentralization of functions vested in Line Ministries to RCs & LAs.

##### **3.1.4 Decentralization Policy 1997**

- The policy provides the overall policy perspective and implementation guidelines of the decentralization reform.
- Decentralisation, as the State's approach to guarantee democratic participation and achieve sustainable development, is so important in Namibia that it is provided for the Chapter 12 of the constitution, the supreme law of the country.

#### 4. THE OBJECTIVES OF DECENTRALIZATION ARE SUMMARIZED AS FOLLOWS:

- ✓ 4.1 To extend, enhance and guarantee participatory democracy.
- 4.2 To ensure and safeguard rapid sustainable development.
- 4.3 To transfer power to the Regional Councils and Local Authority councils based on national laws and ideals.
- 4.4 To improve capacity of Regional Councils and Local Authority councils to plan, implement, manage and monitor the delivery of services for their constituents.

#### 5. SUMMARY STATUS OF DECENTRALIZATION IMPLEMENTATION TO DATE

##### 5.1 ENABLING ENVIRONMENT

##### 5.1.1 MAINSTREAMING OF THE DECENTRALIZATION REFORM IN THE STRATEGIC PLANS OF OFFICES/MINISTRIES AND AGENCIES (O/M/A)

The Ministry of Urban and Rural Development enlisted Consultancy Services in 2007 to mainstream the preparation and the implementation of the Decentralization Reform in the Strategic Plans of Offices/Ministries and Agencies to ensure that the reform is properly planned for, funded and staff are specifically allocated for the assignment and are held accountable for the implementation of the reform.

##### 5.1.2 CAPACITY BUILDING INTERVENTIONS FOR SUB-NATIONAL GOVERNMENT

##### (i) Training on Regional Development Planning and Management Practices

*URBAN & R*  
Regional Development and Planning is one of the primary responsibilities of regional councils. The Ministry of ~~Regional and Local Government, Housing and Rural Development~~ facilitates annual training in collaboration with the United Nations Centre for Regional Development, based in Kenya, targeting Chief Regional Officers, Regional Planners, members of the different Development Committees, as well as identified technical personnel from decentralizing line ministries. The aim of this program is to strengthen the capacity of the Namibian Government in key areas pertaining to decentralization, Regional Development and Planning, Project Management, as well as Administration.

*mead* (ii) The ~~MRLGH&RD~~ <sup>mead</sup> in collaboration with the United Nations Centre for Regional Development also conducted a training programme, namely Training of Trainers, in Regional Development Planning targeting regional and decentralizing line ministries planners.

(iii) The Ministry facilitated the installation of PASTEL Premier, an Accounting System, at all the regional councils and the System was up graded to PASTEL Evolution during 2010. Training interventions in this regard are ongoing. This is aimed at ensuring improved financial management System for regional councils with capacity to generate required transaction and financial management reports.

(iv) The Ministry periodically review the organization and establishment of regional councils to enhance the institutional capacity thereof in terms of staff provision. Among the notable ones were creation of IT units, creation additional posts at constituency level, additional posts in the Human Resources and Finance divisions, creation of Engineering and Town Planning posts in the Technical Divisions and posts for Statisticians in the Planning Directorates. These were aimed at enhancing the capacity of regional Councils to carry out their mandate and also to manage decentralized functions.

### 6.1.3 GUIDELINES AND MANUALS DEVELOPED AND ROLLED OUT

(i) Procurement Manual in terms of the Tender Board Act and State Finance Act were developed to improve the procurement processes at sub-national government level.

(ii) The following Delegation Manuals and Procedure Guidelines were developed, and rolled out distributed to stakeholders:

- Financial Accounting policies and procedure manual,
- Budgeting Guidelines (Volume I & II),
- Human Resources Management of Ministerial staff manual,
- Secendment of staff to Regional Councils and Local Authorities manual,
- Assets Transfer and Management manual; and
- Development Planning and Budgeting manual.

(iii) The popular version of the Decentralization Enabling Act was also developed to ensure reader friendliness and ease of understanding.

6.1.4 Housing and Office Accommodation for the Decentralized Functions is one of the major challenges in implementing the reform. The Ministry, with the Finnish support to the Decentralization Process in Namibia, contracted a consultancy to carry out a study of the office accommodation needs for decentralization purposes. The study was completed and the findings are available for planning and budgetary purposes, or to source funding from development partners.

6.1.6 The <sup>MURA</sup> ~~MPREGARD~~ drafted a Policy Framework Paper for the Implementation of the Recurrent and Development Grant System. This policy document advances the decentralization by devolution through the introduction of a formula-based grant system that is envisioned to improve the efficiency, equity, transparency, and predictability of public sector finances in Namibia.

The policy is based on extensive consultations between stakeholders from both central government as well as Regional Councils. From the discussions, a consensus has been formed with respect to the structure of the transfer system, which seeks to balance sectoral ring-fencing on the recurrent side with regional discretion on the development side as the most appropriate structure of intergovernmental transfer system for Namibia, as it moves forward to implement decentralization by devolution.

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The ~~MRLGH&RD~~ is currently in consultation with the Ministry of Finance to take the process forward.

## 6.2 READINESS OF SUB-NATIONAL GOVERNMENT

6.2.1 The Ministry with support from the Finnish Support to the Decentralization process in Namibia, facilitated the development of Strategic Plans for all regional councils and some local authorities. This was aimed at enhancing improved planning and service delivery. Currently Regional Councils are capable of developing appropriate strategic plans and management of the implementation of such plans.

6.2.2 Regional Council Generic Readiness Criteria for Devolution were developed, consulted on and consensus was reached with the major stakeholders on the use of the criteria in 2012. It still has to be adopted by the Decentralization Policy Implementation Committee (DPIC).

6.2.3 A High Level Generic Readiness Audits of the Regional Councils to determine their readiness to receive and execute the delegated functions were conducted. The audits were done prior to the delegation of the education and maintenance functions. All thirteen regional councils audited met the generic readiness criteria. *at that time*

6.2.4 In order to ensure that Regional Councils maintains the state of readiness to receive and execute decentralized functions, Readiness Audits on all Regional Councils were undertaken during April and May 2013.

*Look at other document*

## 6.3 READINESS OF DECENTRALIZING LINE MINISTRIES

### 6.3.1 MINISTRIES WHICH HAVE DELEGATED FUNCTIONS

#### a) MINISTRY OF EDUCATION

The identified Education Functions, Primary and secondary education, Adult education and Library Services were gazetted in May 2009 and delegated to the thirteen Regional Councils with effect from 1 April 2009. In line with Cabinet Decision No 3<sup>rd</sup>/17.02.09/007 and the Decentralization Enabling Act, 2000 (Act 33 of 2000), the delegated functions were handed over to the thirteen Regional Councils in 2009 and 2010. Special accounts were opened for decentralized functions by each Regional Council into which the Ministry transfers funds for the functions on a quarterly basis.

The progress of the Ministry is attributed to the fact that decentralization is an objective that is embedded in their strategic plan and in Annual Plans.

#### HIGHEST POST AT REGIONAL LEVEL

The Ministry is headed by the Directors in all 13 regions and efforts are being made to ensure proper integration of education staff in the regional structures..

#### OFFICE ACCOMMODATION