



**Republic of Namibia**

**MINISTRY OF POVERTY ERADICATION AND SOCIAL WELFARE**

**BUDGET MOTIVATION  
FOR  
VOTE 33  
ON THE  
APPROPRIATION BILL, 2016**

Presented by

**ZEPHANIA KAMEETA, MP  
MINISTER**

06 April 2016

## Honourable Chairperson of the Whole House Committee

### Honourable Members:

1. I rise to present the budget motivation for Vote 33, Ministry of Poverty Eradication and Social Welfare. Let me take this opportunity to echo the sentiments of my colleagues in this August house, by congratulating the Minister of Finance Honourable Calle Schlettwein for tabling a poverty sensitive budget for the year 2016/17 financial year, **THE YEAR OF IMPLEMENTATION**. I would further like to thank Hon. Tom Alweendo, Minister of Economic Planning for the preparation and tabling of a well-thought budget estimates for the 2016/17 to 2018/19 MTEF through the National Planning Commission.
2. Allow me to underscore the significance of the declaration of this year as a year of implementation by His Excellency the President, Dr. Hage G. Geingob. During the national dialogue on wealth redistribution and poverty eradication, lack of implementation of Government projects and programmes was a cross-cutting concern in all the fourteen regions, and was equally blamed for the rampant poverty in Namibia. I therefore would like to take this opportunity to applaud His Excellency for declaring 2016/17 and beyond as years of implementation, and it is my sincere hope that we will all rally behind this call, if we have to successfully usher Namibia to prosperity.

**Honourable Chairperson of the Whole House Committee**

**Honourable Members,**

3. It is now my distinct honour to present the total budget allocation to the Ministry of Poverty Eradication and Social Welfare for the financial year 2016/17, which amounts to **Two Billion, Nine Hundred Twenty Six Million Five Hundred and Forty Four Thousand Namibian Dollars (N\$2,926,544,000.00)**, representing a 7.3% increase from the 2015/16 allocation.
4. Before effecting the details of the budgetary allocations, I will like to remind this August house about the mandate of the Ministry of Poverty Eradication and Social Welfare. The Ministry is mandated with an overarching task of the promotion of the social wellbeing of all Namibians as per Article 95 of the Namibian Constitution.
5. Our key remit is to eradicate poverty in Namibia, by coordinating, advocating, initiating, implementing, monitoring and evaluating all poverty eradication programmes and initiatives, executed by all Government Offices/Ministries/Agencies and State-Owned Enterprises.
6. I would like to further inform this August house that the Ministry has completed its five years Strategic Plan in which we have defined our mission, which is, ***“to initiate, coordinate, advocate for and implement measures to eradicate poverty and enhance social welfare”***. The mission will lead us to our vision where we aspire for ***“a nation where equal distribution of wealth, opportunities and privileges are prevalent and each citizen enjoys a prosperous life”***
7. It is also important to note that the task ahead of us requires special core values, which can be distinguished from the general values of most organisations. The most important of these core values are empathy, servanthood and result-oriented, as enshrined with other values in the Ministerial strategic plan and other key documents.

## **Honourable Chairperson of the Whole House Committee**

### **Honourable Members,**

8. Due to huge expectations rightly placed on the Ministry of Poverty Eradication and Social Welfare, I will fail in my duties if at this juncture, I do not highlight the progress made during our inaugural year.
  - Completion of the Ministerial Statement of Intent.
  - Facilitation of the National Dialogue on wealth redistribution and poverty eradication
  - Drafting of a National Blueprint on poverty eradication and reduction of inequality (Key strategic interventions include a)Ending hunger; b) Access to basic needs and amenities; c) Strengthening of Social Safety Nets; and d) Sustainable employment creation.
  - Securing a plot for the construction of a Food Bank in Windhoek.
  - Completion of the Ministerial organisational structure.
  - Collaborating with various stakeholders in the distribution of food and other items to the poor and vulnerable.
  - Establishment of a Ministerial Fund where donations can be made towards the fight against poverty. So far the Chinese Embassy and a local fishing company, Cavema Fishing have reached out to this fund, by donating **NS\$760,000.00 and NS\$300,000.00** respectively.
  - Securing of Satellite offices in the regions for effective distribution of the social grants.
  - Completion of a five years Strategic plan.
9. Despite some of these highlighted progress, the Ministry of Poverty Eradication and Social Welfare still experiences gross staff shortages, as the recruitment process appears to be too cumbersome and not compatible with the urgent mandate of the Ministry.



**Honourable Chairperson of the Whole House Committee**

**Honourable Members,**

10. Allow me now to outline the programmes for which the Ministry seeks funds for the 2016/17 financial year in order to execute its mandate. The activities of the Ministry are grouped into three main programmes as follow:

**PROGRAMME 1: COORDINATION AND SUPPORT SERVICES**

11. Under this programme, the Ministry ensures that it provide policy supervision and administrative support to other functional activities of the Ministry. Specifically, provisions are made to ensure policy coherence and to ensure that our mandate is executed within the government policies framework.
12. As a new Ministry, and in line with our strategic and annual plans, mission, vision and core values, we will ensure the recruitment of suitably competent staff members, a process that is currently underway.
13. The Ministry is currently represented in 35 locations nationwide, as part of our service to the senior citizens and persons living with disabilities. Since the detachment of this service from the then Ministry of Labour and Social Welfare, we will invest in administrative systems and ensure resources for these offices to operate independently, but as units of this Ministry. These existing offices will also cater poverty eradication programmes across the country.
14. As a requirement for O/M/As and SOEs to have performance agreements, the Ministry has implemented the performance management system, and conducts regular reviews of such performance agreements, in order to track progress and ensure effective

implementation of the programmes. We shall ensure that such function is enhanced at all the levels of the Ministry, and all staff members will have performance agreements.

15. The Ministry is also in the process to consolidate its infrastructure both at head office and in the regions. The Ministry of Poverty Eradication and Social Welfare will require resources and infrastructure to cater for its expanded structure and to further operationalize the inherited social welfare function. I would like to take this opportunity to thank the new Ministry of Labour, Industrial Relations and Employment Creation for its support and shared resources during the transitional period.
16. The scarcity of offices to house the entire Ministry remains a challenge. We therefore operate in different locations in the city as a result. Despite this, we have a place where we operate from as a Head Office in Mutual Platz Building. The setting up of the Head Office will also require resources, apart from personnel, additional office equipment, furniture and IT equipment will be acquired for new staff members. This programme includes expenditures of the Office of the Minister.
17. In order to execute the aforementioned functions, the Ministry allocated an amount of **Twenty Four Million and Seventy Nine Thousand Namibian Dollars, NS\$24,079,000.00.**

## **PROGRAMME 2: PROVISION OF SOCIAL ASSISTANCE TO THE MOST VULNERABLE**

18. The Ministry of Poverty Eradication and Social Welfare undertakes as one of its core function, the payment of social grants to all Namibian citizens and holders of permanent residence permits who have attained the age of 60 years; disability grants to persons living with disability, older than sixteen years as certified by medical practitioners, and the provision of a dignified funeral for both beneficiary groups as outlined above.
19. The payment of social grants has helped very much in assisting families, and thereby contributing to poverty eradication. These social grants do not only benefit the recipient beneficiaries, but also assist other vulnerable and poor members of their families. These grants make life easier for senior citizens and persons living with disabilities and their families.
20. The Ministry will effect increases to social grants under this programme, from N\$1,000 to N\$1,100 per month. We will also continue to investigate the most effective and convenient way in which to provide social grants to beneficiaries as outlined in the Ministerial Strategic Plan.
21. The total number of beneficiaries for social grants increased from 177,594 to 194, 532 of whom 159,315 are the senior and 35,217 are people living with disabilities. This represents a coverage of 99.7% and 71% for pensioners and people living with disabilities, respectively. Although the coverage indicated here for the senior citizens grant is relatively large coverage for the old age grant, we found during the National dialogue it that there are still a number of people not benefiting from these grants, due mainly to the lack of national documents.

22. The Ministry plans to increase the overall coverage through outreach programmes in collaboration with the Ministry of Home Affairs and Immigration. We thank the Ministry of Home Affairs and Immigration for their cooperation in this regard. The total number of beneficiaries of the Funeral Benefit to date, stood at 5,874. The funeral benefit is N\$3,200 per beneficiary.
23. The Ministry utilises different payment modes for the payment of social grants, predominantly bank and cash payments. Currently, 49.8% of the beneficiaries receive their grants on through cash payments, and the remaining 50.2% receive their grants through banking institutions.
24. The Ministry has budgeted a total amount of **Two Billion Seven Hundred and One Million, Five Hundred and Thirty Thousand Namibian Dollars, N\$2,701,530,000.00** for the administration and payment of social grants. This leaves the Ministry with only **Two Hundred Twenty Million and Fourteen Thousand Namibian Dollars, N\$220,014,000.00** to execute the rest of its programmes.

**Honourable Chairperson of the Whole House Committee**

**Honourable Members,**

25. Allow me to emphasise that the bulk of the budget we are asking goes to the payment of social grants. Because our Ministry since its inception has been inundated with financial requests for the development of mainly individual projects. I would therefore like to once again make it categorically clear before this august house that the budget of the Ministry of Poverty Eradication and Social Welfare does not make provisions for other cash grants and loans for projects.
26. In the same vain, I would like to urge the relevant line Ministries who are given budgets for projects development, especially income generating projects to make such funds readily available to qualified beneficiaries. As a Ministry tasked with the coordination of poverty eradication initiatives and programmes, we will work closely



with you to ensure that such funds are channelled to the rightful beneficiaries within the required laws and regulations.

27. One of the key strategic objectives of the Ministry of Poverty Eradication and Social Welfare is to end poverty hunger in line with national development goals and the United Nations Sustainable Development Goals, most specifically SDG 2, which aims at “*ending hunger, achieve food security and improved nutrition and promote sustainable agriculture*”. Therefore the provision of food through the establishment of Food Banks, is just one immediate measure towards achieving the goal of ending poverty hunger.

28. The Ministry will further collaborate with relevant key stakeholders, to ensure sustainable food provision strategies, these include among many, The Office of the Prime Minister, Ministries of Agriculture, Water and Forestry, Urban and Rural Development and Land Reform.

### **Honourable Chairperson of the Whole House Committee**

#### **Honourable Members,**

29. As alluded to earlier, the Ministry has secured a land from the City of Windhoek to construct the first Food Bank in Windhoek. The Ministry has finalised all the necessary documentation and construction is scheduled to start in phases, during the first quarter of this financial year. While construction is underway, the Ministry will start operating immediately from existing, suitable warehouses for the distribution of dry food and other donated items.

30. The budgetary provision under this programme will cater for the overall poverty eradication and special programmes coordination, including sustainable food provision and the introduction of other poverty eradication programmes. The Ministry has allocated an amount of **One Hundred Ninety Seven Million, Six Hundred Eighty Five Thousand Namibian Dollars, N\$ 197,685,000.00** for the implementation of activities under the subdivision food provision, for the 2016/17 financial year.

## **PROGRAMME 4: PLANNING AND STRATEGIES**

### **Honourable Chairperson of the Whole House Committee**

#### **Honourable Members,**

31. Poverty eradication initiatives and programmes are not new on the Namibian socio-economic development agenda. Equally, the declared “all out” war against poverty is multifaceted and will require a holistic approach, with all on board, pulling together in the same direction in the spirit of “Harambee”. Therefore, one of the key responsibility of the Ministry of Poverty Eradication and Social Welfare is to ensure that the relevant initiatives and programs that relates to poverty eradication and social welfare, inclusive of those executed by Offices/Ministries/Agencies and State Own Enterprises are properly coordinated, synchronized and implemented.
32. Under this programme, the Ministry will undertake planning and research activities to support policy formulation, review and implementation. I learnt during the national dialogue, that there are over 100 laws that are hindering development and poverty eradication initiatives in Namibia; and our colleagues at the Law Reform Commission are busy with the revision of such laws. Another reality is the fragmentation of poverty eradication and social assistance programmes. The Ministry therefore plan to introduce a singly registry or database for effective coordination, implementation and monitoring of all these programmes.
33. Accordingly, the Ministry will establish an inter-sectoral coordinating forum with an overall mandate to track impact of all our programmes, and to assess the effectiveness of various implemented programmes. The Ministry will also establish a fully-fledged planning and monitoring unit under this programme. Through this function, new proposals to improve urgent service delivery of our programmes, will be identified and implemented. The Ministerial Strategic Plan will be coordinated, monitored and evaluated under this programme.

34. The Ministry has allocated an amount of **Three Million, Two Hundred and Fifty Namibian Dollars, N\$ 3,250,000** for the implementation of activities under this programme during the 2016/17 financial year.

**Honourable Chairperson of the Whole House Committee**

**Honourable Members,**

35. Before I conclude, allow me to reiterate what I have been saying during my first year at the helm of the Ministry of Poverty Eradication and Social Welfare, **THAT THIS SHOULD NOT BE BUSINESS AS USUAL**, Because for some officials, business continues to be as usual and the instruction by His Excellency that this is a year of implementation is falling on deaf ears or is it a deliberate move to make this Government fail?
36. I further deem it appropriate to highlight some of these unfortunate situations, while seeking for budget approval from this august house. Because, when Hon. Schlettwein tabled the budget earlier this year, he did so with strong emphasis on prudent financial management. How then does one for example justify high cost estimates for the construction of a single Food Bank, or the partitioning of offices on a single floor for a cost of more than **One Million Namibian Dollars (NS 1 Million)**? Despite these very high amounts quoted, the work to be done drags on for months, and at the end of the day it is the Political head of the Ministry that will bear the blame for non-performance and making of empty promises.
37. With these type of attitudes, we are working against the spirit of Harambee and the call for implementation will not happen. Therefore for the sake of progress in the implementation of our decisions, we urgently need timely investigation and correction of these unfortunate and discouraging situation.

38. I have adequately spoken about the values, principles, attitudes and actions required if we have to win the war against poverty. As this year is rightly declared a year of implementation, and notwithstanding the status of the Ministry as a new entity, we will adopt a twin-track approach to our programmes, whereby implementation and planning processes will run parallel. I strongly believe that such an approach will be critical for accelerated implementation and ensuring the eradication of hunger and poverty by the year 2025, achieving the Sustainable Development Goals and Namibia's Vision 2030.

**Honourable Chairperson of the Whole House Committee**

**Honourable Members,**

39. I now humbly present to this august house the expenditure request for the Ministry of Poverty Eradication and Social Welfare for the 2016/17 financial year that amounts to Two Billion, Nine Hundred Twenty Six Million, Five Hundred and Forty Four Thousand Namibian Dollars (N\$2,926,544,000.00), for its kind consideration and approval.

**I thank you**