



Republic of Namibia

**Motivation For
Vote 13
To the National Assembly**

By

**Dr B. Haufiku, MP
Minister of Health and Social Services**

April 2018

Honourable Speaker

Honourable Members

Allow me first of all to thank the Honourable Minister of Finance, Cde. Calle Schlettwein as well as Honourable Obert Kandjoze, Minister in the Presidency for Economic Planning, for a well-articulated budget that focuses on the aspirations of shared prosperity and making an impact where it matters.

It is noteworthy that, as in the past, the thrust of the budget allocation for the Medium Term Expenditure Framework (MTEF) period focuses on priority areas such as education and health. The Government, thus, continues to spend appropriately on social sectors, translating its commitment from the SWAPO Manifesto into concrete actions aimed at eliminating the existing social deficits. Needless to say, we will only reach the intended objectives of Vision 2030 and the Harambee Prosperity Plan when we will have a nation which is educated, able-bodied and in good health.

Honourable Speaker

For the FY 2018/19, the Ministry of Health and Social Services has been allocated an amount of **six billion, five hundred and thirty-seven million, one hundred and two thousand Namibian dollars (N\$6,537,102,000)** of which:

- **Six billion, thirty-seven million, one hundred and two thousand (N\$ 6,037,102,000 or 92.4% of total allocation)** is for operational expenditure and
- **Five hundred million (N\$500,000,000)** representing **7.6%** of total allocation is for development expenditure.

- The Ministry's total allocation represents **11.29%** of the overall government budget. The budget allocation will, amongst others, address the emerging challenges of communicable and non-communicable diseases, mother and child health, developmental social welfare, human resource development and management, supply of pharmaceutical and related medical products, infrastructure development and management as well as medical equipment. And more crucially, our move towards Universal Health Coverage as highlighted in Goal 3 of the Sustainable Development Goals.

Honourable Speaker
Honourable Members

During the FY 2017/18, the Ministry faced some major challenges some of which I wish to highlight as follows:

i. Staffing norms for public health facilities:

The Ministry has been working on the restructuring of its staff establishment within the ambits of the policy of compensatory reduction as directed by the Office of the Prime Minister. Towards the end of 2017 and early 2018, the Ministry received 169 applications for employment of recently graduated registered nurses from local academic institutions, in addition to the 174 registered nurses trained under the Ministry's Project 2013 in response to the recommendations of the Presidential Commission. But the Ministry could not absorb these graduate nurses. Not that we do not need them or do not want to employ them, but simply because the Ministry did not have positions for these nurses then but subsequently created positions through compensatory reduction by converting managerial and administrative posts into professional posts. Now that we have the positions, we do not have funds to employ them. This is not particular to nurses but cuts across all the professional cadres.

If this august house, which is the law-making house, agrees that more funds be allocated to health, we shall, in the shortest possible period employ these graduate nurses, dentists, pharmacists and many others.

I personally believe that as long as the Ministry remained faced with critical shortage of staff, lack appropriate and basic medical equipment and physical infrastructures that are dilapidated or critically lacking, such as the Renal Dialysis units, for which Namibia is paying so much both in monetary and importantly, in human lives, this Ministry in particular and the government in general will always be making headline news and always for the wrong reasons.

Honourable Members

- ii. **The sharp reduction in development partner** funding in particular the Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM) to the health sector will have an additional negative impact on programmatic service delivery areas such as HIV/AIDS, TB and Malaria elimination by 2020.
- iii. **Shortage of medical equipment** for diagnosis, and monitoring the treatment and recovery of patients is another challenge faced by the Ministry. We are of the view that only partnership with private manufacturing or supplying companies on the principles of Public Private Partnership may lift us out of this perpetual deficiencies and lack of equipment in the Ministry. We are saying this while fully aware that PPP in itself is not necessarily a panacea to public health problems. But if well managed, it can go a long way in providing leverage for healthcare issues in Namibia as proven elsewhere.
- iv. The Central Medical Store (CMS) has been struggling to fulfil its mandate of ensuring that **adequate medicines** are available in all health facilities. A turn-around strategy is being implemented for the supply and distribution chain

management as well as provision of a safer storage facility to replace the existing storage facility.

- v. There is a **lack of space at health facilities** taking into account new and additional services introduced for emerging needs, as well as a shortage of staff accommodation at all health facilities. In trying to improve accessibility to health care services, the Ministry continues to build new clinics as well as the renovation and upgrading of clinics, health centers, district hospitals and referral hospitals.

Although some resources were allocated for infrastructure development, many projects could not be completed on time due to the lack of financial and technical capacity of some contractors, poor management of projects by consultants which rendered projects difficult to determine or conclude as well as the slow response from the Ministry of Works and Transport on issues such as the approval of variation orders; extension of time claims; requests for determination of projects and related technical issues. We hope these hurdles shall be soon things of the past as we continue to engage the Ministry of Work and Transport in this regard.

- vi. **Disease outbreaks:** Since 2015, many regions experienced a rise in **Malaria** cases and in early 2017, a malaria outbreak was declared by the Ministry, with Kavango East and West, Oshana and Oshana Namalandwena and Zambezi regions being the most affected. The most affected regions are bordering neighboring Angola whose malaria transmission is very high compared to Namibia.

A total of 13 909 Malaria cases were reported this year for the past three months (January – March) with Kavango East and West regions contributing (77.3%) out of the total cases reported so far; followed by Zambezi at 11.1% and Oshana at 7.6% . A total of 22 deaths were reported from January-March 2018, less than 37 deaths reported in the same period in 2017.

The **Hepatitis E** outbreak was another challenge we faced in the last five months. This occurred mainly in informal settlements in Windhoek for obvious reasons such as poor sanitation, poor hygiene and lack of running water. So far 1186 cases of Hepatitis E have been reported in Namibia with 12 lives lost at the time of getting the information.

Crimean Congo Hemorrhagic Fever is another deadly disease outbreak we faced over the last few months. So far two lives have been lost to this tick borne disease in Namibia: one from Gobabis in 2017 and recently one from Keetmanshoop.

Infections due to **Listeria Monocytogenes** bacteria was also reported in Namibia and I am pleased to inform the house that, thanks to the great efforts by our health personnel, no life was lost due to Listeriosis.

The Anthrax and Cholera outbreaks further put a strain on our resources but loss of life was averted.

Much of the successes in controlling these outbreaks and limiting its impacts are attributable to the effective and efficient coordination of stakeholders, through a multi-sectoral approach in tackling the outbreaks. Our appreciation therefore goes to all stakeholders who were involved, directly or through other means, such as the Office of Prime Minister; Ministry of Agriculture, Water and Forestry; Ministry of Environment and Tourism; Ministry of Defense; City of Windhoek; local and regional authorities and our development partners (WHO, UNICEF, UNFPA and others) and some private sector entities.

On disease outbreaks, Honourable Members, only a stronger and resilient national disease surveillance system will solve or at least mitigate our future problems. This is why I call upon this august house to support our efforts to establish, without delay, the Namibia Institute of Public Health (NIPH). This will

be the agent (not parastatal) to be tasked with the long outstanding implementation of the International Health Regulations in Namibia.

The Namibia Institute of Pathology (NIP) should be transformed and changed from its current status of being a parastatal to a Department providing laboratory services under the auspices of the Namibia Institute of Public Health. NIPH itself shall not be an SOE. It will be an agency tasked with Disease Surveillance; Outbreak Prevention and Preparedness; Medical Disaster Management; Research and Development and Training of public health experts including field epidemiologists. I believe the training of public health experts component of the NIPH could suitably be placed at the UNAM School of Public Health. The technical consultations that are currently ongoing will determine the modalities and scope.

Honourable Speaker
Honourable Members

Despite the challenges alluded to above, important milestones have been achieved during the 2017/18 FY. To mention but a few:

- i. Implementation of the Human Capital Management System continued and the situation of the Ministry's staffing has been monitored through monthly human resources data collection and analysis. The Ministry had 90% posts filled rate at the end of the third quarter.
- ii. One hundred and fifty-six (156) graduates from the Ministry' nursing Diploma project, and 51 Medical interns completed internship and are appointed as registered nurses and medical officers respectively while 106 medical interns have been appointed during January-February 2018. Three medical doctors completed their medical specialization successfully and are serving in the Ministry in the specific area of specialization.

- iii. The TB program incorporated the use of the newly recommended optimal paediatric fixed dose combination of first line anti-TB medication to replace the current sub-optimal formulation used in paediatrics. In the previous year 98% of TB patients were tested for HIV, 94% of TB/HIV, co-infected patients were on antiretroviral therapy (ART) and 99% were put on cotrimoxazole preventive therapy.
- iv. The coverage for PMTCT services stands at 96% and the rate of mother-to-child transmission has declined from 12% in 2010/11 FY to 4% in 2017/18 FY.
- v. The percentage of persons living with HIV receiving ART increased from 70% in FY 2016/17 to 76% in FY 2017/18.
- vi. On infrastructure development, the Ministry achieved practical completions for Usakos Hospital Out-Patients Department (OPD); Iipandayamiti clinic; Andara Oxidation Ponds; Onamutayi, Muyako and Ehafo Primary Health Care Staff accommodation, extension of Engela OPD and Maternity Shelters at Opuwo and Gobabis as well as renovation to the Oncology Department at Oshakati Hospital. Maternity Shelters at Opuwo, Engela and Gobabis are also completed while construction of the one in Katima Mulilo is about to start. Here we must thank the EU, WHO and Social Security Commission for their support.
- vii. Namibia currently has more than 1 500 nurse outreach posts in all regions; 284 clinics; 44 Health Centres; 31 District hospitals and only one Academic Referral Hospital in Windhoek. Financial resource allocations currently follows this skewed pathway in favour of secondary and tertiary care with 64% of all public health expenditures going for these levels of care . This is in contrast to Alma Ata declaration of 1978 and WHO declaration of 1948 as well as section 95 of the Namibian constitution.

To rectify this anomaly, the Ministry has embarked upon the training and deployment of Community Health Workers (CHWs) who will be our first line of defense in healthcare. So far, 1640 CHWs have been trained and deployed. Another 649 graduated in 2017 and our intention is to deploy all of them - in different regions but budget constraints have not permitted the Ministry to effect this.

- viii. Medical outreach services have been provided to reduce the waiting times for specialized services as well as referrals to the national hospital. Outreach will therefore continue until district hospitals are capacitated in all aspects of service delivery.
- ix. To further strengthen access to quality healthcare services at district level, the Ministry has a draft MoU currently under negotiation with private Medical Practitioners and Institutions to help the Ministry with provisions of critical services at some of our district hospitals in areas such as Anaesthetics, Obstetrics and Gynecology, General and Orthopedic Surgery.

We will be endeavouring to undertake the following projects under Private Public Partnerships:

- Medical Equipment leasing to replace the old and obsolete medical equipment;
- Establishment of Renal Dialysis Centres at Windhoek Central Hospital, Rundu State Hospital and Oshakati State Hospital;
- eHealth Project,
- Level 2 Trauma Centre,
- Paediatric ICU Unit and Burn Unit as well as a Snakebite ward for Windhoek Central Hospital.

The process of implementation of the PPP projects are under various stages of development and are being undertaken in consultation with the Ministry of Finance PPP Unit.

Although the PPP legislation is in place, the requirements do not provide for speedy procurement of the services so as for the health sector to provide cost effective services. For example, the Ministry is sourcing for dialysis service from private service providers and annually we spent an amount of N\$ 44,180,052.03 for FY 2017/18 on 278 patients. The initial cost for the renovation of available space at the Windhoek Central Hospital was estimated at N\$ 16,425,164 in FY 204/15. This state of affairs cannot be allowed to continue.

- All these long-standing projects are crucial for the health and well-being of the broader masses of Namibians of all ages and in all regions. Renal Dialysis services and a Paediatric Intensive Care Unit are particularly crucial as Namibia continue to export funds to South Africa for services that Namibia can have on its soil at a lesser financial and human cost.

Honourable Speaker
Honorable Members

I now have the honour and privilege to present before you Vote 13 for FY 2018/2019 for your consideration and approval.

An amount of **six billion, five hundred and thirty-seven million, one hundred and two thousand dollars (N\$6,537,102,000)** has been allocated to the Ministry of Health and Social Services.

The above mentioned allocation reflects a reduction of **Four hundred and twenty-four million, five hundred and ninety-six thousand Namibian Dollars (N\$ 424 596 000)** which represents **6.10%** reduction in comparison with the 2017/2018 Financial Year budget allocation.

The allocation for salaries and related expenditure for the 2018/2019 financial year represents **57.89%** of total allocation translating to an amount of **three billion four hundred and ninety-four million and nine hundred and ninety-two thousand Namibian Dollars (N\$ 3 494 992 000-00)** for the **13,651** employees on the payroll. Unfortunately, no provision is made for the filling of critical vacancies in the 2018/2019 financial year.

With regard to revenue collection for the 2018/2019 FY, the Ministry estimates to collect an amount of **seventy-two million and two hundred and thirty-nine thousand and seven hundred Namibian Dollars (N\$ 72 239 700)**. The details of the revenues to be collected can be seen on page 4 of the Estimates of Revenue, Income and Expenditure 01 April 2018 to 31 March 2019.

Honourable Speaker
Honourable Members

Let me outline for you, individual programmes for which this money is allocated.

Programme 1: Health system planning and management: An amount of thirty million, five and hundred and forty-nine thousand (**N\$ 30,549,000**) is allocated.

This programme intends to develop the capacity for planning and management of health and social services in order to optimally and efficiently utilize the available resource dedicated to the sector. Particular attention is to be given to Financial and Resource Management, Human Resources and Performance Management, Policy Planning, Infrastructure development and maintenance.

Programme 2: Curative and clinical health care: An amount of five billion, eight hundred and twenty-five million and seventeen thousand (**N\$ 5,825,017,000**) is allocated.

This programme aims to provide services for in-patient and outpatient health care services by referral hospitals, regional and district hospitals as well as clinical services (diagnostic radiology services, laboratory services and pharmaceutical services).

Programme 3: Public Health: An amount of seventy-six million and two hundred and ninety-four thousand (N\$ 76,294,000) is allocated.

The programme is to ensure that Namibia has an efficient public health system with programs aimed at reducing the incidences of disease and disability; improvement of maternal and child health; food and nutrition; prevent non-communicable and communicable diseases; promote environmental and occupational health as well as the reduction/control of mortalities.

Programme 4: Developmental Social Welfare: An amount of twenty-five million and two hundred and fifteen thousand (N\$ 25,215,000) is allocated.

The programme aims to ensure quality delivery of social welfare services equally for all while enabling people to retain their independence, control and dignity. This programme include activities such as the promotion of family wellbeing; substance abuse treatment and prevention; administering policies and legislation for the registration and operations of welfare organizations and institutions for the care, protection of the vulnerable and rehabilitation of those in need.

Programme 5: Policy Coordination and Support Services: An amount of five hundred and eighty million and twenty-seven thousand (N\$ 580,027,000) is allocated.

The objective of this program is to provide administrative support to all other programs of the Ministry in the development of relevant policies in accordance with legislative requirements and national objectives and to facilitate the implementation of the operations of the Ministry.

Honourable Speaker
Honourable Members

Our development partners continue committing resources through various mechanisms such as bilateral, multilateral and project agreements towards programmes in the health sector which are funded outside the State Revenue Fund. The funds committed by the development partners are targeted towards the prevention of communicable diseases in particular HIV/AIDS, TB and Malaria, human resource development, strengthening of health systems management mechanisms and family health services. These contributions will therefore continue to make a significant contribution to the development of the health and social welfare sector.

In this regard, I wish to acknowledge the financial and technical support from the Government of the United States of America through the President's Emergency Programme for AIDS Relief (PEPFAR). We are also grateful for the substantial resources received from the Global Fund to fight AIDS, Tuberculosis and Malaria (GFATM). Our appreciation goes to the European Union for availing resources in the implementation of the Programme for Accelerating the Reduction of Maternal and Child Mortality (PARMaCM) where the interventions were aimed at addressing the health of our mothers and children.

Furthermore, I acknowledge the support received from the United Nations partners, in particular the World Health Organization (WHO), UNICEF, UNFPA and UNAIDS for their ongoing support in child health, reproductive health, HIV/AIDS, health systems strengthening as well as disease outbreaks. Similarly, my appreciation goes to all our bilateral partners for their ongoing financial and technical support in various projects.

Honourable Speaker,

I also wish to thank members of my team; the Honourable Deputy Minister, the Acting Permanent Secretary, and the entire staff of the Ministry of Health and Social Services for their tireless efforts towards

the realization and the provision of an integrated, affordable, accessible, quality health and social welfare services that is responsive to the needs of the population despite the many challenges we are facing especially in these difficult economic times.

I now have the honour and privilege to ask you, Honourable Members, to approve **six billion, five hundred and thirty-seven million, one hundred and two thousand dollars (N\$ 6,537,102,000)** for Vote 13.

I support the Appropriation Bill 2018/2019.

Thank you.