



REPUBLIC OF NAMIBIA

MINISTRY OF AGRICULTURE, WATER AND FORESTRY

2018/2019 FINANCIAL YEAR BUDGET MOTIVATION STATEMENT

BY

HONOURABLE ALPHEUS G. INARUSEB, MP
MINISTER OF AGRICULTURE, WATER AND FORESTRY

VOTE 20



19 April 2018

A. PROGRAMMES AND ALLOCATION FOR 2018/2019 FINANCIAL YEAR

**Honourable Chairperson of the Whole House Committee,
Honourable Members,**

In line with the Ministerial Medium Term Plan, the Ministry of Agriculture, Water and Forestry is implementing four Programmes, namely:

1. AGRICULTURE;
2. WATER;
3. FORESTRY;
4. SUPERVISION AND SUPPORT SERVICES.

Guided by these four programmes, I would like to introduce and motivate the budget allocations for the 2018/19 financial year. In doing so, the Honourable Members are referred to the Technical Paper containing detailed information on the previous year's achievements and planned activities for the coming year.

I am motivating a total budget of **Two Billion, One Hundred and Thirty Seven Million, and Seventy Five Thousand Namibia Dollars (N\$ 2 137 075 000)** for the financial year 2018/19 for the Ministry of Agriculture, Water and Forestry.

Of this total, **Nine Hundred and Ninety Seven Million, Four Hundred and Forty Five Thousand (N\$ 997 445 000) or (46.7%)** is for the **Operational Budget**, while the remaining **One Billion, One Hundred and Thirty Nine Million, Six Hundred and Thirty Thousand (N\$ 1 139 630 000) or (53.3%)** is allocated to the **Development Budget**.

The breakdown of the total budget allocated to the Ministry for the financial year 2018/19 is as follows:

- ✓ **Nine Hundred and Ninety One Million, Six Hundred and Ninety Three Thousand, Three Hundred and Fifty Two (N\$ 991 693 352) or 46.4%** is devoted to the development of the water sector and to supply water to rural communities in communal areas, of which **Six Hundred and Twenty Three Million, Six Hundred and twenty Eight Thousand (N\$ 623 628 000)** is for the Neckartal Dam while **N\$ 108 million** is for the Technical Committee

on Water Supply Security to the Central Area of Namibia (CAN) to refund City of Windhoek, thus leaving a meagre **Two Hundred and Sixty Million, Six Five Thousand, Three Hundred and Fifty Two (N\$ 260 065 352)** for other water related development activities.

- ✓ **Seven Hundred and Twenty Nine Million, Three Hundred and Fifty Two Thousand, Six Hundred and Thirty Two (N\$ 729 352 632) or 34.1%** is for the development of the agriculture sector;
- ✓ **One Hundred and Forty Nine Million, Two Hundred and Seventy Two Thousand, Five Hundred and Ninety Six (N\$ 149 272 596) or 7.0%** is for the development of the forestry sector; and
- ✓ **Two Hundred and Sixty Six Million, Seven Hundred and Fifty Six Thousand, Four Hundred and Twenty (N\$ 266 756 420) or 12.5%** has been allocated to the supervision and support services.

The budget I am motivating is for basic needs for human kind sustenance namely; food and water, without which life comes to a standstill and for sustainable socio-economic development. However, it is disheartening to note that despite the centrality of agriculture, water and forestry to the nation's livelihood and to the country's economic development, and despite the commitments Namibia has made at global, continental and regional levels, the allocations to this crucial sector of the economy is continuously on a decline having dropped from an average of 4.6% over the past 10 years to now 3.7%. **This is contrary to our commitment as a country under the frameworks of the Sustainable Development Agenda 2030 at global level, the Comprehensive Africa Agriculture Development Programme (CAADP) at continental level as articulated in the Maputo and Malabo Declarations where we committed ourselves to allocate not less than 10% of national budget to agriculture.**

Furthermore, at national level, the agriculture sector has an obligation to ensure that there is food at all times to feed the growing population and that no one dies of hunger which is attributed to lack of food as outlined in the country's Vision 2030, NDP5 and Harambee Prosperity Plan.

It is worth noting that agriculture remains a strategic sector as it supports about 70% of the Namibian population and employs about 135 832 individuals which

represents 20.1% of the total workforce (NSA 2016). It is further worth noting that for Namibia to attain the noble objectives of Vision 2030, NDP5 and Harambee Prosperity Plan, agriculture that supplies water, food and raw materials required for industrialization need to be accorded the priority it deserves in our national budget allocation. This is because agriculture is inextricably interlinked with, and is key for the attainment of 14 of the Sustainable Development Goals namely; Goal 1 – No Poverty; Goal 2 – Zero Hunger; Goal 3 - Good Health and Well-being; Goal 4 – Quality Education; Goal 5 - Gender Equality; Goal 6 – Clean Water and Sanitation; Goal 8 – Decent Work and Economic Growth; Goal 9 – Industry, Innovation and Infrastructure; Goal 10 - Reduced Inequality; Goal 12 – Responsible Consumption and Production; Goal 13 – Climate Action; Goal 14 – Life Below Water; Goal 15 – Life on Land; and Goal 16 – Peace, Justice and Strong Institutions.

**Honourable Chairperson of the Whole House Committee,
Honourable Members,**

With this general overview, I shall now elaborate Vote 20's motivation programme by programme:

1. AGRICULTURE PROGRAMME

In order for the agriculture sector to achieve these desired outcomes set in the NDP5 and HPP, an amount of **Seven Hundred and Twenty Nine Million, Three Hundred and Fifty Two Thousand, Six Hundred and Thirty Two (N\$ 729 352 632)** is requested for this programme for the ministry to carry out the following activities:

- 1.1.** Implementation and monitoring of the Rain Fed Crop Production Programme (RFCPP) including the components of “Conservation Agriculture” and “Draft Animal Power” that is implemented in all 10 crop growing regions. This programme is important to build farmer's resilience through adaptation and mitigation of climate induced risks. In addition, the Ministry will procure additional tractors and implements to ensure

effective and efficient service provision to farmers in crop growing regions.

- 1.2.** The Ministry will finalise the construction of Uvungu-Vungu Dairy Project and initiate the construction of Musese, Zone, Katima/Liselo Farm, and Orange River Irrigation Projects. We will also continue to expand and upgrade irrigation infrastructure at the existing Green Scheme Projects which includes procurement of machinery and equipment for the existing Schemes.
- 1.3.** MAWF will continue to increase seed production in the form of foundation and certified seeds.
- 1.4.** The Ministry has achieved a major milestone in developing, listing and releasing mutant varieties of sorghum and cowpea. However, to ensure that these varieties are indeed new, a DNA profiling exercise will be run by an independent laboratory. The outcome of the profiling activities will further enable property right ownership claim/registration and patenting of the new seed varieties by Namibia.
- 1.5.** The Ministry will continue with the step by step construction of the Windhoek Fresh Produce at Wanaheda. In addition to Rundu and Ongwediva fresh produce hubs, the Windhoek Fresh Produce hub is aimed at facilitating market access for fresh produce.
- 1.6.** The Ministry will forge ahead with the completion of the construction of the Ongwediva Agricultural Technology Centre.
- 1.7.** The Ministry will continue disseminating information and providing advice to emerging, resettlement, and Affirmative Action Loan Scheme farmers.
- 1.8.** The Ministry will strengthen border control inspection capacity to ensure that all agricultural products entering and leaving the country are in conformity with the acceptable standards and are recorded.
- 1.9.** The Ministry will continue to implement the policy aimed at creating conditions which will allow farmers in the Northern Communal Area (NCA) to access local, regional and international markets for their

animals and animal products. The implementation the OIE endorsed Official Control Programme for Foot and Mouth Disease and Lungsickness for the Northern Communal Areas for eventual eradication of FMD from Protection Zone and Lungsickness from the entire NCA will continue.

- This will involve strengthening of veterinary services by bolstering staff capacity through recruitment of competent staff and skills development, development of surveillance and response guidelines, construction of veterinary infrastructure, procurement of equipment and vehicles, community mobilization. International collaboration in the management of Trans-boundary Animal Diseases will also be strengthened. It will also entail the erection of a livestock fence between Namibia and Angola and the relocation of livestock relying on grazing in Angola to grazing areas within Namibia.
- Routine preventative vaccination against Foot and Mouth Disease, Lungsickness, Anthrax and Rabies will continue during 2018/19.
- The Livestock Identification and Traceability System will continue in the NCAs focussing on the tagging of cattle. A pilot project on tagging of sheep and goats will be implemented in some parts of the NCA during 2018/19.

1.10. The Ministry will continue to implement animal disease surveillance by undertaking activities such as: farm inspections, community visits, ante- and post-mortem inspections at abattoirs, supervision of livestock auctions, export certification and inspection of imported animals and animal products, in order to provide evidence and assurances to our trading partners at regional and international markets with regard to the animal health status and the quality and safety of our meat and meat products.

1.11. The Ministry will continue with the construction of veterinary clinics, offices and accommodation as follows: Traceability Office and Chief Veterinarian Office for Central Regions in Windhoek, Veterinary Clinic and Laboratory at Ondangwa, Offices and accommodation at Tses in //Kharas, Ndiyona in Kavango East, Ncaute in Kavango West and

Sangwali in Zambezi, construction of State Veterinarian house at Kamanjab and renovation of State Veterinary Office at Walvis Bay.

- 1.12.** The Ministry will continue with the beef value chain development project by focussing on the completion of the Meat processing facility at Ongwediva Fresh Produce Hub in Oshana Region; Outapi Abattoir in Omusati Region; construction and equipping of Rundu abattoir in Kavango East Region; renovation of Katima Mulilo (Zambezi) and Oshakati (Oshana) abattoirs and by conducting the feasibility study on the Bukalo abattoir and Meat Processing facility in Zambezi region.
- 1.13.** The Ministry will continue with infrastructure development for sanitary and phyto-sanitary facilities to prevent the introduction of exotic plant and animal diseases into Namibia. The following entry points are targeted for completion during 2018/19: Oronditi, Swartbooisdrift, Katwitwi and Dobe.
- 1.14.** MAWF remains at the forefront in conserving genetic material for future use, particularly those of indigenous origin. In this regard, efforts will continue to be expended to conserve and promote various livestock breeds and ecotypes that are well adapted to the local conditions, but are under threat of extinction due to uncontrolled cross breeding.
- 1.15.** The Ministry will continue with training programme for the development of critical human resources capacities in the respective technical fields of agriculture, water and forestry to the Ministry's staff as well as to non-staff beneficiaries. While no new funding is requested for 2018/19, the Ministry will only continue providing funding to the existing beneficiaries as per our existing obligations and no new funding is requested for 2018/19 financial years .
- 1.16.** As part of meeting our objectives set out in the Harambee Prosperity Plan on Vocational Education and Training (VET), the Ministry will continue supporting the development and the conversion of Tsumis Arid Zone Agricultural Centre (TAZAC) and Mashare Agricultural Development Institute (MADI) into Vocational Training Centres that offers (1) year certificates in Livestock Husbandry, and Crop Husbandry & Horticulture at NQF Level 2.

1.17. To fast-track the implementation of NDP5 and HPP, the Ministry is proud to have developed the Harambee Comprehensively Coordinated and Integrated Agriculture Development Programme (HACCIADEP) with a view to give practical, tangible and visible meaning to policy intentions of the Government that seeks to direct our effort towards programmes and projects that would help achieve our long term goal of Vision 2030. The HACCIADEP programme is aimed at stimulating economic activity in the agricultural sector in a manner that contributes to a high and sustained economic growth, development of agricultural value chains, decreased income inequality and increase employment creation. The Programme is encompasses the following schemes:

- a. Flood water irrigation and infrastructure development scheme;
- b. NCA Beef value chain development scheme;
- c. Small stock value chain development scheme for small and medium scale Agricultural producers and agro-processors in the Southern Region of Namibia;
- d. Agricultural mechanization scheme;
- e. Cereal value chain development scheme;
- f. Horticulture value chain development scheme;
- g. Poultry value chain development scheme;
- h. Dairy value chain development;
- i. Seed System development
- j. De-bushing and bush value chain development scheme.

The above pragmatic schemes are to be undertaken in a flexible manner. While some of the initiative will be implemented during the 2018/19 financial year, the majority of these activities are due to commence during the 2019/20 financial year. It is worth noting that we have already secured funds for the implementation of three of the schemes under HACCIADEP namely; Agricultural Mechanization Scheme and Seed System Improvement to be funded by Africa Development Bank (AfDB) and the NCA Beef Value Chain Development Scheme to be funded by the European Union under EDF11.

That leaves us with seven (7) unfunded schemes that have the potential to significantly contribute to the country's economic growth, erosion of unemployment and reduction of income inequality. Hence my plea to this August House to consider availing budgetary resources to these initiatives.

**Honourable Chairperson of the Whole House Committee,
Honourable Members,**

2. WATER PROGRAMME

The purpose of this programme is to improve water security, by ensuring coordinated planning and implementation of the rural and bulk water supply infrastructure and the sanitation policy and programme.

NDP5 and Harambee Prosperity Plan identifies water sector as one of the focus areas under the economic progression pillar and has the following Desired Outcome: "By 2022, Namibia have a sustainable production and consumption of water resources resulting in improved access to safe drinking water for human consumption, agriculture and for industrial use. The water sector endeavour to attain the following strategies: Upgrade Existing Water Infrastructure; Construct New Water Supply Infrastructure; Improve Management of Existing Water Sources and Enhance Transboundary Water Cooperation.

In order to achieve the objectives of this programme and stated desired outcomes, an amount of **Nine Hundred and Ninety One Million, Six Hundred and Ninety Three Thousand, Three Hundred and Fifty Two (N\$ 991 693 352)** has been allocated to carry out the following activities:

- 2.1.** The construction of Ondangwa – Omuntele pipeline extension and King Kauluma - Omutsegwonime Water Supply Scheme in Oshikoto region as well as the Construction of water supply scheme for the displaced communities of Kavango East (Shamvhura to Shamangorwa pipeline) will continue in the 2018/2019 Financial Year.
- 2.2.** The construction of Iitapa – Okeeholongo Water Supply Scheme Phase 1 and the Katima Mulilo – Kongola Water Supply Pipeline Phase 2 was completed and will be handed over during 2018/19 financial year.
- 2.3.** Continue with the construction of Neckartal Dam in the //Kharas Region that will be completed during the 2018/2019 financial year. The forecasted date for commissioning is June 2018, while the completion date for monitoring and reporting is expected to be in August 2018.
- 2.4.** With regard to sanitation coordination, the Ministry will continue to create health awareness, through community education and participation, in sanitation and hygiene practices. This will lead to an increase in coverage and use of improved sanitation facilities in both urban and

rural areas of the country. The Ministry plans to construct 176 improved latrines under the Namibia Water and Sanitation Program (NAWASA) during this financial year.

- 2.5.** The implementation of the Water Resources Management Act, 2013 (Act No.11 of 2013), which includes national water resources monitoring and investigations, conducting nation-wide public awareness campaigns, continuing with compliance monitoring and strengthening human resources capacity, operationalizing the Water Regulator and the Water Advisory Council as well as Basin Management Committees.
- 2.6.** The Ministry will continue engaging with the neighbouring countries in bilateral, multilateral, regional and international co-operation in the sharing of water from international shared Rivers and transboundary aquifers, through the various River Basin Organisations (RBOs) of the Okavango/Cubango, Zambezi, Cuvelai, Kunene and Orange Rivers. Government will also continue to engage on issues of common interest at regional (SADC) continental (AMCOW) and international (UNESCO-IHP) level.
- 2.7.** Namibia and Botswana agreed to cooperate on cross border water supply. To this effect, the two member states are finalizing the Memorandum of Understanding (MoU) on water cooperation and a Joint Technical Team is established with its terms of reference highlighting modalities of the envisaged cooperation.
- 2.8.** Following the approval of the Terms of Reference (ToR), the full feasibility study of the Noordoewer/Vioolsdrift dam at the Lower Orange River jointly carried out by Namibia and South Africa will be completed during the 2018/19 financial year and thereafter, funding for the construction of the dam will be needed.
- 2.9.** The Ministry through the Technical Committee of Experts (TCE) for the Cabinet Committee on water Supply Security (CCWSS) will continue with the implementation measures aimed at addressing water supply security in the country by undertaking the following activities namely; Upgrading of the Gammams Direct Potable Reclamation, Kombat - Berg Aukas power supply and the refurbishment of the Von Bach pump stations to enhance water supply to the Central Areas of Namibia (CAN); refurbishment of the Kuiseb collector 2 and replacement of the Schwarzekuppe-Swakopmund, and Omdel-Wlotzkasbaken pipelines to improve water supply at the Central Coastal Areas, coupled with upgrading and extension of the Oshakati Water Treatment Plant (OWTP),

and the Rundu Purification Plant to improve water supply in the central northern areas and Kavango East particularly in Rundu town and surrounding areas.

**Honourable Chairperson of the Whole House Committee,
Honourable Members,**

3. FORESTRY PROGRAMME

The purpose of this programme is to develop and manage the forestry resources; to enhance socio-economic development and environmental sustainability, in order to ensure that forestry activities are undertaken countrywide. In order to execute this programme, the Ministry request an amount of **One Hundred and Forty Nine Million, Two Hundred and Seventy Two Thousand, Five Hundred and Ninety Six (N\$ 149 272 596)** for the financial year 2018/19, to carry out the following activities:

- 3.1.** Continue to implement the de-bushing programme in order to increase the land's carrying capacity and improve livestock production in the country. The programme further involves value addition to the harvested bush in order to create the much-needed jobs for our citizens. In this regard, the Ministry will also incentivise private land owners and communities in the Northern Communal Areas to address bush encroachment by developing a market for forest products removed from the farm lands.
- 3.2.** Continue with the maintenance of the botanical garden and herbarium, as well as preservation of plant genetic materials at the National Botanical Research Institute (NBRI).
- 3.3.** Continue implementing the Forest Protection and Conservation programme, through which fire equipment and tools including fire beaters, high-pressure pumps, firebombs, drip torches, wind-driven knapsack sprayers and fire signboards will be acquired. The equipment will be distributed to the Fire Management Committees at Constituency level, in the fire prone areas. Local communities will be capacitated on the use of the equipment and will also be engaged in clearing fire breaks (fire cut lines) in fire prone areas.
- 3.4.** In order to enhance forest fire management at the local level, the Ministry will continue to undertake forest fire awareness campaigns countrywide. In this regard, extension messages will be developed in

local languages and broadcast through the local radios during the fire season to better understand the fire problems in their areas.

- 3.5. Continue to support bee farming within communities in order to diversify income-generating opportunities while enhancing pollination for both the forest and crop fields. In this regard the Ministry intends to help communities establish bee keeping farms by trained them on bee keeping management to ensure safety of the people and promote economic contribution of honey bees.
- 3.6. The Ministry will continue with the national tree planting campaign aimed at putting 500 ha under tree planting. in this regard we plan to produce 500 000 seedlings at Ministerial nurseries as part of the tree planting and orchard development initiative. The seedlings will be used to establish orchards, sold to the general public and donated to public institutions.
- 3.7. Continue to support communities on sustainable management and utilisation of forest resources, through the establishment and maintenance of the community forests in rural areas of the following Regions: Otjozondjupa, Omaheke, Kunene, Omusati, Oshana, Oshikoto, Ohangwena, Kavango East, Kavango West and Zambezi. In this regard, Eleven Community Forestry Centres will be furnished with necessary equipment and tools during the 2018/19 financial year to enable these communities to manage and sustainably utilise forest resources in their areas.

**Honourable Chairperson of the Whole House Committee,
Honourable Members,**

4. SUPERVISION AND SUPPORT SERVICES

The purpose of this programme is to facilitate policy formulation, leading to the creation of legal framework for the Ministry; the implementation of policies; the promotion of agricultural and agro-industrial development; the mobilization of technical and financial resources; the development and maintenance of an agricultural information system; the administration of the Co-operatives Act; and the promotion of marketing of agricultural products. It also provides administrative support to the programmes and ensures proper financial management, optimal deployment of resources, acquisition and development of physical infrastructures, Information Communication Technology services,

transport and communication, consumables, employee safety and wellness, utilities, legal costs, asset management and protection, public relations, publications, capacity building and staff development. Furthermore, the programme caters for emergency relief assistance in the agricultural, water and forestry sector. In order to implement these activities, an amount of **Two Hundred and Sixty Six Million, Seven Hundred and Fifty Six Thousand, Four Hundred and Twenty (N\$ 266 756 420) is allocated:**

- 4.1.** The Ministry will continue to provide support to Co-operatives in the country and provide business development services to strengthen cooperative movement in Namibia. These services are provided in the form of annual monitoring visits to Co-operatives and training through the Co-operative College.
- 4.2.** Continue to collect production and marketing statistics in Agriculture, Water and Forestry sectors and also monitoring the food security situation in the country on quarterly bases.
- 4.3.** Other activities under this programme includes market research and development, as well as ensuring Namibia's compliance to the agricultural trade regulations and membership contributions to the agricultural related organisations and institutions to which Namibia is a member such as Food Agriculture Organisation (FAO) and International Cooperative Alliance (ICA).

**Honourable Chairperson of the Whole House Committee,
Honourable Members,**

5. Drought and Flood situation and Government Relief Measures

Allow me to inform this August House that climate change continues to affect our existence as the country remains threatened by drought and flood conditions, as a result of late rainfall in some part of the country and late heavy rains in other parts of the country experienced during the 2017/18 rainfall season. Overall, the country experienced poor rainfall performance in the first half of the season (October – December 2017) stretching toward January and February in most places. As a result, the agricultural production as well as water supply is affected. However, after good rainfall received between March and April, crop harvest and grazing conditions might change for the better.

It is also important to note that, since last season, maize production continued to be affected by the Fall Army Worms, and the impact is felt more in the Green Scheme Projects and the Dry-land Commercial farms where large amount of maize is produced. Furthermore, some areas in the Zambezi region are affected by flood as a result of river overflow and crop production in the affected area including Kalimbeza Rice Project is expected to be low. With just over a month before winter sets in, crop production is likely to be affected negatively by the weather for the majority of late farmers.

It is our expectation that the drought and flood situations will be experienced in some parts of the country, albeit much lower than experienced during the 2016/17 rainfall season. The Ministry of Agriculture, Water and Forestry together with the Office of the Prime Minister and other stakeholders, will remain prepared to implement drought mitigating measures, as well as develop new measures, to deal with the consequences and effects of drought, in the affected areas of our beloved Country. Furthermore, the Ministry commits to identify medium to long-term adaptation mechanisms to Climate Change by finalizing the revision of the 1997 National Drought Policy and implement its strategies among other interventions.

6. CONCLUDING REMARKS

**Honourable Chairperson of the Whole House Committee,
Honourable Members,**

The policies and strategies of Government require commitment by all role players for its success. I would therefore like to thank Honourable Anna Shiweda, Deputy Minister of Agriculture, Water and Forestry, Mr. Percy Misika, Permanent Secretary of Agriculture, Water and Forestry, Deputy Permanent Secretaries in the Ministry and all the stakeholders i.e. GRN offices, Ministries, Agencies (O/M/A), SOE's, private Sector, Farmers' Organizations, Non-Governmental Organizations and Development Partners for their support and display of confidence in the role and contribution of the Agriculture sector to the sustainable socio-economic development of our country.

Last but not least, may I finally inform this August House that: what I have presented is our planned activities for 2018/19 financial year in a nutshell. I therefore advise the Honourable Members to refer to the **Technical Paper** for detailed and comprehensive information on the 2017/18 financial year achievements as well as planned activities for the 2018/19 financial year.

Additionally and as usual, Honourable Members should also read the important documents, presented by the Honourable Minister of Finance, as they also provide sufficient factual information, regarding the various programmes and the allocated funding thereof.

With this motivation, I now call upon Honourable Members to discuss, consider and finally approve the allocations to **Vote 20**, for the 2018/19 financial year, amounting to **Two Billion, One Hundred and Thirty Seven Million, and Seventy Five Thousand Namibia Dollars (N\$ 2 137 075 000)**.

I thank you for your kind attention.



Ministry of Agriculture, Water & Forestry

Government Office Park

Luther Street

Private Bag 13184, Windhoek

Tel: +264 61 208 7684/7688

Fax: +264 61 208 7767

Website: www.mawf.gov.na