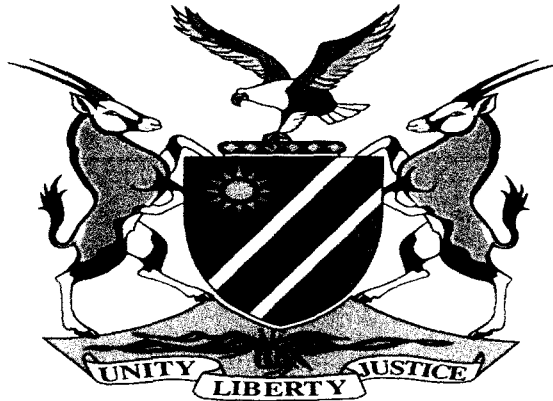
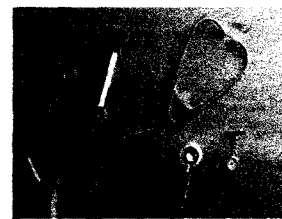


REPUBLIC OF NAMIBIA



MINISTRY OF HEALTH AND SOCIAL SERVICES



STATEMENT BY DR. KALUMBI SHANGULA, MINISTER OF HEALTH AND SOCIAL SERVICES ON THE OCCASION OF THE INTRODUCTION OF VOTE 13: HEALTH AND SOCIAL SERVICES FOR THE 2019/2020 FINANCIAL YEAR.

**29 APRIL 2019
NATIONAL ASSEMBLY**

**Check Against Delivery.*

Hon Chairperson of the Whole House Committee!

Hon Members!

1. I would like, first and foremost, to commend Hon. Minister of Finance, Comrade Calle Schlettwein, and Hon Minister of Economic Planning and Director General of the National Planning Commission, Comrade Obeth Kandjoze, for a well-articulated budget. This budget, while providing for medium-term fiscal consolidation, allows for modest increased allocations to the health sector. This will make it possible for the Ministry of Health and Social Services to consolidate gains made in this sector and further enhance access to affordable and reliable public health services by the Namibian people.
2. Investments through the Medium-Term Expenditure Framework (MTEF) in the social sector are central to long-term productive capacity of our national economy and in protecting our people from vulnerabilities. The health sector is critical to the achievement of our short, medium and long-term national development goals. A healthy nation is a productive nation! It is my pleasure, Hon Chairperson of the Whole House Committee, to present Vote 13: Health and Social Services to this august House.

Hon Chairperson!

3. For the 2019/2020 Financial Year, the Ministry of Health and Social Services is allocated an amount of **Six billion, Eight hundred and Sixty-eight million, Two hundred and Seventy-one thousand Namibia dollars (N\$6 868 271 000)**. Of this amount:-
 - **Six billion, Four hundred and Sixty-three million, Eighty hundred and Forty-five thousand Namibia Dollars (N\$ 6,463,845,000)** is for operational expenditure, and
 - **Four hundred and Four million, Four hundred and Twenty-six thousand Namibia Dollars (N\$404 426 000)** is allocated to development budget.

The Ministry's total allocation represents **10.17%** of overall government budget in the current Financial Year. This is less than the 15% contained in the Abuja Declaration.

4. The budget allocation will, amongst others, address the procurement of pharmaceuticals and equipment; recruitment of additional health personnel; combating public health outbreaks and maintaining health infrastructure.

Table 1: Budget 2019/2010: Ministry of Health and Social Services

Description	Amount	% of budget
Operational budget	6 463 845 000	94.11
Development budget	404 426 000	5.89
Total	6 868 271 000	100.00

Hon Chairperson!

5. During the execution of the budget of the 2018/2019 Financial Year, the Ministry faced several challenges. I wish to point out a few:

5.1. Restructuring of the Ministry establishment

The restructuring process of the Ministry of Health and Social Services is being pursued within the constraints of compensatory reduction principle and the wage bill management of the entire public sector. Of importance is the fact that the delivery of health care services is human resource intensive. It is human resource driven. We need the boots on the ground. In other words, there is a constant need for frontline health work force which is currently inadequate in the public health sector. As a young country, Namibia has experienced human resource deficits especially in the health-related fields. Due to the limited training capacity in Namibia, especially during the first two decades of independence, many Namibians sought training opportunities outside the country. Many of these graduates are currently serving the nation in different capacities. The returning graduates need to be accommodated in positions in the public service. This will greatly address the human resource deficits currently experienced in the public health sector.

5.2. Procurement of pharmaceutical items and other supplies

The implementation and capacity challenges are being experienced at the service levels. The capacity situation at the Central Medical Store (CMS) has been less than ideal, achieving a service level of only 75%. The absence of long-term supply contracts for pharmaceuticals resulted in long procurement lead-times which impacted negatively on the availability of pharmaceuticals in public health facilities because of irregular replenishment of stock.

5.3. Implementation of Capital Projects

The Ministry continues to establish new clinics and to renovate and upgrade existing health facilities in different parts of the country. The aim is to improve efficiency in health care delivery and accessibility to health care facilities by bringing services closer to our communities. Although there have been some delays in the execution of capital projects, efforts are being made to finalize capital projects timeously.

5.4. Management of Malaria Response

Namibia has experienced a transition in malaria epidemiological situation due to significant decline in both malaria morbidity and mortality. However, over the past two years the country has experienced an upsurge in malaria morbidity and mortality. The malaria control programme has therefore recalibrated and redirected its interventions to achieve greater efficiencies in indoor residual spraying (IRS), distribution of insecticide-treated bednets to vulnerable communities as well as the acquisition of new management technologies to counter resistance to both antimalarials and to insecticides in some districts in the malaria endemic regions.

5.5. *Disease outbreaks*

The Hepatitis E outbreak was declared in the country in December 2017. The most affected areas are the informal settlements of Havana and Goreangab in Windhoek and DRC in Swakopmund. The outbreak has spread to other parts of the country. Only the Zambezi and !Kharas regions have been spared of the diseases. The Ministry of Health and Social Services has since re-committed to the response efforts through the involvement of various stakeholders and partners. As at 31 March 2019, a total number of 740 laboratory confirmed cases of Hepatitis E cases and forty-two deaths have been recorded. About 17% percent of these are pregnant women and women in postpartum period. Hepatitis E is a disease of poor hygiene and bad handwashing habits but is preventable.

5.6. *Increasing burden of non-communicable diseases*

Another challenge is the increasing burden of non-communicable diseases in Namibia. These include heart diseases (cardio-vascular), hypertension, chronic lung diseases, cancers, diabetes mellitus, accidents, trauma and mental diseases. This increased burden of diseases contributed to increased workload of the existing workforce.

5.7. *Shortage of medical equipment*

Some of our medical equipment for diagnosis, monitoring and treatment of diseases are ageing and are costly to operate and maintain. We are looking at innovative approaches that ensures that our health facilities are properly equipped. Going forward, the Ministry plans to implement such innovative way in order to provide better care for patients and improve health outcomes.

Hon Chairperson!

Hon Members

6. Despite the challenges outlined above, important milestones were achieved during the 2018/2019 Financial Year. These include:

6.1. *Human Resource Development and Utilization*

The Ministerial Fellowship Committee approved 83 applications for long term training of health professionals in various fields. During the period, eleven (11) staff members successfully completed studies in Advanced Midwifery at the University of Johannesburg, eleven (11) completed various nursing specialization at the University of Namibia, and forty-two (42) completed Bridging Courses at the University of Namibia. Four of them passed with cum laude (distinction).

In an effort to build management and leadership skills, requisite for the execution and monitoring management decisions, 21 staff members are enrolled as the fourth cohort at the African Leadership Institute (ALI).

6.2. *Mother-to-child HIV transmission*

The coverage for the prevention of mother-to-child HIV transmission (PMTCT) services now stands at 96%. The rate of mother-to-child HIV transmission has declined from 12% in FY2010/11 to 1.4% in FY2018/19.

6.3. *HIV/AIDS Control Programme*

Data from the Namibia Population based HIV Impact Assessment (NAMPHIA) released in August 2018 show that our interventions are working. In terms of reaching the UNAIDS 90:90:90 targets, Namibia is now estimated to have reached the 94-96-95 targets. This means that 94% of our people who are HIV positive know their status. Of those who know their status, 96% are on ARV treatment. Of those who are on treatment, 96% of them are virally suppressed.

6.4. *TB Control Programme*

I wish to bring to the attention of this august House that the bulk financing of around 70% for the TB control programme is from domestic sources, with complementary funding from the Global Fund to Fight HIV/AIDS, TB and Malaria and the United States PEPFAR. Community Health Workers involvement in care and treatment of TB patients greatly contributed to treatment success rates of 90%. The Global TB Caucus for Parliamentarian, which is a global platform for parliamentarians was launched in the National Assembly in September 2018. The Hon Dienda is its chairperson.

6.5. *Paediatric Cardiac Unit*

Highly sophisticated medical services are now being offered at the Paediatric Intensive Cardiac Unit (PICU) at the Windhoek Central Hospital, under the stewardship of young Namibian doctors. These young specialists and several others in the Departments of Oncology, were trained by our government to treat our patients locally. We are now able to treat specialized cases in Namibia, instead of sending them to foreign countries at great expenses as was the case in the past.

6.6. *Provision of Maternal Shelters*

Safe motherhood is an important priority for our Government. Thus, resources have been made available to construct maternal shelters at various locations around the country. In the past financial year, maternity shelters were completed at Opuwo and Gobabis with funding from the European Union and the World Health Organization as well as at Usakos with funding from Namibia Port Authority. A groundbreaking ceremony for the construction of a Maternity Shelter at Katima Mulilo took place in December 2018. The project is funded by the Social Security Commission and is expected to be completed in August, this year. Bidding for the construction of a maternity waiting shelter at Outapi has closed and construction will start soon. Currently, expectant mothers at Outapi Hospital make use of a temporary shelter and ablutions facilities, funded by the Bank of Namibia.

6.7. *Infrastructure development*

On infrastructure development, the Ministry achieved practical completion for staff accommodation at the following clinics: Itomba, Mbalasinde, Chetto, Sesheke and Muyako, Nzinze, Sikarasompo, Mahenene, Omundaungilo, Onawa, Ehafo and Onamutayi.

Other projects with practical completion status are: Oshakati Maternity theatres, Central Medical Stores Bulk Earthworks, Kaenda clinic, Omatjete clinic, Sesfotein Health Center, Engela Hospital Isolation Unit, Rundu Hospital Isolation Unit, Maltahohe Clinic, Okatope Clinic, Okaku Clinic and Hosea Kutako International Airport Airside Isolation Unit.

It should be pointed out however, that some of the planned capital projects could not be completed as planned due to systemic deficiencies in the implementation units and capacity constraints on the part of the contracted service providers.

Hon Chairperson!

Hon Members!

7. I now have the honour and privilege to present for your kind consideration and approval Vote 13: Health and Social Services for the 2019/2020 Financial Year.
 - An amount of **Six billion, Eight hundred and Sixty-eight million, Two hundred and Seventy-one thousand Namibia Dollars (NS6 868 271 000)** is allocated to the Ministry of Health and Social Services. The allocation reflects an increase of **One Hundred and Fifty-six million and Ninety-five thousand Namibia Dollars (NS156 095 000)** which represents a **2%** increase in comparison with the 2018/2019 Financial Year revised budget allocation.
 - The allocation for salaries and related expenditure for **2019/2020** Financial Year has decreased from 57% during 2018/2019 to **54%** as a proportion of the budget. The total allocation for 2019/2020 is **Three Billion Seven hundred and Five million Two hundred and Twenty-one thousand Namibian Dollars (NS3 705 221 000)**. The amount caters for the **thirteen thousand, six hundred and fifty-one (13 651)** employees.
 - The Ministry estimates that revenue collection for the 2019/2020 FY will amount to **Ninety-five Million and two hundred and Seventy-nine thousand and One hundred Namibian Dollars (NS95 279 100)**. The details of the revenues to be collected can be seen on page 4 of the Estimates of Revenue, Income and Expenditure 01 April 2019 to 31 March 2020.
8. Our development cooperation partners continue to provide financial resources and technical assistance through bilateral and multilateral agreements as well as project agreements towards the execution of programmes in the health sector. These funds are mainly 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. In this regard, I take this opportunity to acknowledge the invaluable financial and technical support from our all partners in the health sector. Their support has had an immense positive impact on the lives of thousands of Namibians.

I now turn to individual programmes for which the resources are allocated.

9. Programmes

Programme 1: Health System Planning and Management:

An amount of **Eight Hundred and Eighty-Six Million Six Hundred and Nine Thousand** Namibia Dollars (N\$886 609 000) is allocated.

This programme aims to develop the capacity for planning and management of health and social services in order to optimally and efficiently utilize the available resources 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 and Forty-Nine Million, Nine Hundred and Fourteen Thousand Namibia Dollars** (N\$5 849 914 000) is allocated.

This programme aims to deliver a broad range of services for in-patient and outpatient health care. The main activities are services provided by one national referral hospital, two intermediate hospitals, a number of regional and district hospitals as well as clinical services, such as diagnostic radiology services, laboratory services and pharmaceutical services.

Programme 3: Public Health

An amount of **Seventy-Eight Million, Four Hundred and Fifty-Nine Thousand Namibia Dollars** (N\$78 459 000) is allocated.

The programme ensures that Namibia has an efficient public health system with programmes aimed at reducing the incidence of diseases and disability, preventing communicable and non-communicable diseases, improving maternal and child health, food and nutrition, promoting environmental and occupational health while contributing to the reduction and control mortalities. Public health is also responsible for prevention and management of outbreaks of diseases.

Programme 4: Developmental Social Welfare

An amount of **Twenty Million, Five Hundred and Twenty-Five Thousand** Namibia Dollars (N\$20 525,000) is allocated.

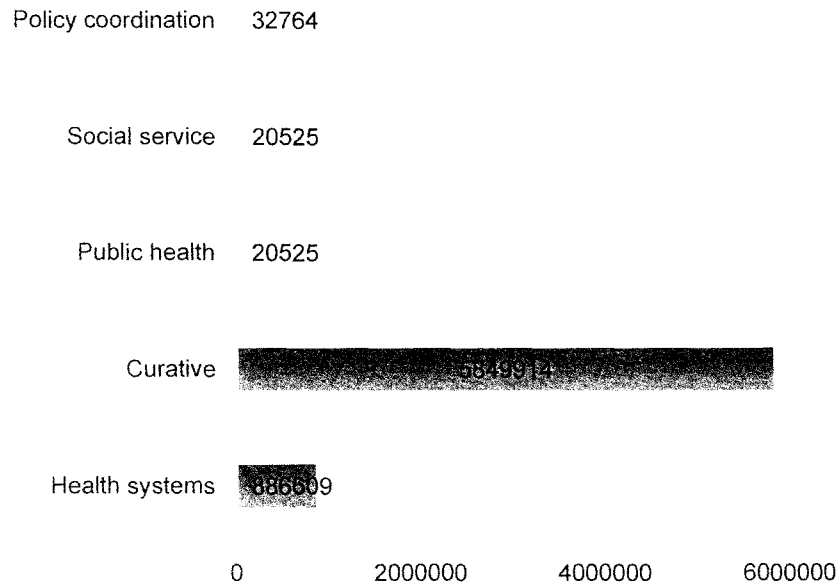
The programme aims to ensure delivery of quality social care that enables people to retain their independence, control and dignity. It includes activities such as promotion of family wellbeing, prevention of substance abuse, administering policies and legislation for the registration and operations of welfare organizations and other bodies that provide institutional care.

Programme 5: Policy Coordination and Support Services

An amount of **Thirty-Two Million, Seven Hundred and Sixty-Four Thousand Namibia Dollars** (N\$32 764,000) is allocated.

The objective of this programme 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.

Figure 1: Distribution of programme budget



Hon Chairperson!

- Although the Ministry of Health and Social Services is allocated an amount of **Six billion, Eight hundred and Sixty-eight million, Two hundred and Seventy-one thousand Namibia dollars (N\$6 868 271 000)**, the amount falls short of the financial resources necessary to fully implement several of our activities within our programmes. The restructuring process offers a good opportunity to realign the establishment of the Ministry to its mandate.

11. In 2012, the Ministry of Health and Social Services embarked on “Project 2013” as per Cabinet Decisions to accelerate the training of required health professionals for the health sector. More than 1200 trainees are expected to graduate in various disciplines and cannot be recruited during the 2019/2020 due to lack of funds though their service is needed.
12. The Ministry intends to embark on an integrated electronic system for the collection, management and storage of health information to ensure speedy and secure access, and sharing of such information in real time across geographic and health sector boundaries. This can be achieved through the implementation of the Electronic-Health Solutions. However, this project cannot be implemented without the necessary financial resources.
13. The lack of some specialized services and equipment in public health facilities continues to be a challenge and has resulted in patients being referred to private facilities locally and abroad at great cost. During the past Financial Year, the cost for the treatment of state patients for chronic haemodialysis in private facilities amounted to N\$58 138 957.08. The cost was met mainly through the Special Fund for Patients with Uncommon Diseases. No additional funding is provided in the new Medium-term Expenditure Framework.
14. The Ministry is refocusing its strategic direction to the achievement of Universal Health Coverage, through the renewal of primary health care. Universal Health Care implies that every person receives quality promotive, preventive, curative, rehabilitative and palliative services he or she needs without suffering financial hardship in doing so. Primary Health Care ensures that the Namibia health system meets the citizen’s health needs through comprehensive and integrated health services; systematically address the broader determinants of health and empowers individuals, families and communities to optimize their health.
15. The Ministry, in collaboration with its critical stakeholders will implement a model that will ensure the availability of medicines, vaccines and other pharmaceutical products at all health facilities and at fair and reasonable prices.
16. The Ministry will continue to identify and eliminate wastages within the system. The Ministry will continue to improve and perfect structures, systems and strategies in the implementation of the allocated financial resources and instill a sense of shared value among our workforce.

Hon Chairperson!

Hon Members!

17. Allow me to conclude by thanking my Team, the Hon Deputy Minister, the Executive Director, and the entire staff at the Ministry of Health and Social Services for their tireless efforts towards the provision of integrated, affordable, accessible, quality health and social welfare services that are responsive to the needs of the population.

18. I now have the honour and privilege to ask you, Hon Members, to approve an amount of **Six billion, Eight hundred and Sixty-eight million, Two hundred and Seventy-one thousand Namibia dollars (NS6 868 271 000)** for Vote 13: Health and Social Services.

I thank you.