



VOTE 18

MINISTRY OF ENVIRONMENT AND TOURISM

2019/2020 FINANCIAL YEAR

BUDGET SPEECH

BY

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NATIONAL ASSEMBLY, 2019

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Honourable Speaker

Honourable Members

I thank you for the opportunity to present to you today the budget for the Ministry of Environment and Tourism for the 2019 / 2020 financial year. During this presentation, I will also highlight the main achievements and results of this Ministry in the implementation of our various programmes during the 2018/19 financial year, while also touching on some of the challenges we have faced. Our operational motto for this year is a “dual strategy of increasing revenue and cutting costs”.

Let me at the outset state that this Ministry is an important contributor to economic growth, poverty reduction and employment creation. While other sectors have been hit hard by the economic recession, the environment and tourism sectors have remained resilient.

The main programmes of the Ministry of Environment and Tourism are:

1. Wildlife and protected area management
2. Protection and management of key species and natural habitat
3. Tourism Growth Development and Gaming Regulations
4. Environment and Natural Resources Protection
5. Infrastructure and development, Maintenance, Monitoring and Evaluation
6. Policy Supervision and Support Services

This broad mandate brought the Ministry face-to-face with a number of substantive challenges during the period under review ranging from illegal harvesting of timber and sand mining in many of our communal areas to

continued cases of poaching of our rare and high valued species; human wildlife conflict, and the declining state of infrastructure in our protected areas.

Hon. Speaker, Hon. Members

In these difficult times for our economy, the tourism industry continues to show remarkable resistance and continues to grow its contribution to the economy. The Tourist Statistical Report for 2017, which was launched in December 2018, showed an increase of tourism arrivals of 2.2% during 2017. Further evidence of the strength of this sector is the increasing employment that is being generated – the Namibia Labour Force Survey of 2016 estimated that the population employed in “accommodation and food service activities” increased by some 63% from 29,265 in 2014 to 47,840 in 2016.

Our wildlife resources and protected areas are critical pillars of the tourism sector. We continue to strengthen collaboration and coordination for the protection and conservation of our wildlife resources. In order to tackle the urgent problem of human wildlife conflict, the Revised National Policy on Human Wildlife Conflict Management was approved. Its implementation has started with elephant and lion conflict mitigation measures being established in Erongo and Kunene Regions, respectively.

Three more communal conservancies were also established and gazetted during the period under review, bringing the total number of conservancies to 86. In order to strengthen governance practices in communal

conservancies, Guidelines and Standard Operating Procedures for the management of communal conservancies were developed.

Hon. Speaker

2018/19 was a significant year in the implementation of the Environmental Management Act, 2007 (Act No. 7 of 2007). A number of high profile cases, such as the illegal timber harvesting in the north-eastern regions and the illegal sand mining taking place in the northern regions, have raised the importance of environmental sustainability and the need for our communities to benefit fairly from the use of these natural resources. This includes the present and future generations and we have developed new procedures and conditions to ensure that communities do benefit from the utilization of natural resources taking place in communal areas.

In spite of the difficult financial situation, we have stepped up with our inspection programmes and issued 39 compliance orders to proponents found to be contravening the Environmental Management Act, 2007 (Act No. 7 of 2007). As awareness of the Act increases, we are also seeing now an increasing number of appeals cases. These are important for giving communities, but also proponents and other stakeholders, access to environmental justice.

2018/19 was also a landmark year in the area of waste management. The clean up campaign, called for by His Excellency President Dr. Hage Geingob, has put waste management issues on the national agenda and inspired operations across the length and breadth of the country. We are proud to mention that the Hon. Minister, Pohamba Shifeta gazetted the first

11 waste disposal sites in terms of Section 5 of the Environmental Management Act, 2007 (Act No. 7 of 2007). The Ministry is continuing to implement the National Solid Waste Management Strategy for 2018-2028 and I am confident that we are on the right path of progress to ensuring that Namibia becomes the leading country in Africa in terms of solid waste management by 2028.

Hon. Speaker, Hon. Members

I would fail in my duty if I do not report to this august house that we are experiencing major challenges to maintain and upgrade infrastructure in our protected areas. The decline in this budget is creating a huge challenge for the MET to maintain and upkeep park infrastructure to required standards with maintenance costs far outweighing available funds. In the long run this will seriously harm Namibia's reputation and competitiveness as a tourism destination. There are already many complaints from tourists in this regard.

Nevertheless, I am pleased to report that we are busy devising innovative approaches that will allow us to tackle this challenge in a manner that is both cost effective and efficient. This will be an important priority focus area during 2019/20 and we will strive to implement the resolutions from the 2nd National Land Conference on this matter.

Hon. Speaker

With regard to policy supervision and support services, consultative processes on several important pieces of legislation and policy were finalized. These included for the:

- Amendment of the Environmental Management Act, 2007 (Act No. 7 of 2007) and its regulations;
- Gaming and Entertainment Control Bill enacted, 2018 (Act No. 13 of 2018) and its regulations;
- Protected Areas and Wildlife Management Bill;
- Access and Benefit Sharing Act and its regulations;
- Waste Management Regulations;
- Regulations on the import and export of live game species; and
- National Concessions Policy.

In view of the prevailing economic circumstances, the Ministry continued its dual strategy of increasing revenue and cutting costs. Environmental levies are now being collected for Carbon emissions, incandescent light bulbs and tyres. I am pleased that N\$7 million from these proceeds were allocated to the Environmental Investment Fund for re-investment into environmental protection measures during the period under review. We look forward to the introduction of levies on batteries, lubricant oil and plastic bags and the increased capitalization of the Environmental Investment Fund through these measures.

In line with its role as the focal Ministry on issues of climate change, biodiversity and land degradation, the Ministry also continued to coordinate the development of project proposals to secure financial resources through bilateral and multilateral financing windows. It is pleasing to report that three Green Climate Fund financed projects are currently under implementation in the country through the Environmental Investment Fund and these are worth

a total of US\$20.3 million (approximately N\$283 million). I am confident that a further three Projects worth US\$39 million (approximately N\$545 million) will be launched in this financial year. Two of these projects will be financed by the Green Climate Fund, and one by the Global Environment Facility. We will also continue to develop new project proposals in support of national development priorities.

With regard to cost-cutting measures, the Ministry is cognizant of the high wage bill and has made concerted efforts to re-assign and re-allocate duties among our staff members. Many of our vacancies have not been filled, and we have taken steps to spread the workload among the existing staff members. Training programmes have been suspended and we have taken measures to reduce utility costs such as for telephones.

The Ministry also continued its business re-engineering processes to improve service delivery and to make efficiency gains. The online application system for environmental clearance certificates has been opened to external clients on a trial basis and will very shortly be formally launched. The Wildlife Utilisation Permit Online System, to enable clients to apply for permits online, is also under development with the Office of the Prime Minister. This system will facilitate a greater ease of doing business for the approximately 10,000 stakeholders that apply for these permits per year.

Hon. Speaker, Hon. Members

Turning to 2019/20 financial year, I would wish to inform this august house that the Ministry has been allocated an amount of **Four Hundred and Sixty-**

one million, Seven Hundred and Thirty-one Thousand Namibian dollars (N\$461,731,000). This amount includes:

- **Three hundred and sixty-nine million, three hundred and thirty-one thousand Namibian dollars (N\$369,331,000)** for the Operational Budget and
- **Ninety-two million and four hundred thousand Namibian dollars (N\$92,400,000)** for the Development Budget.

With your permission Hon. Speaker, I would wish to present a break down of this amount per programme area and indicate some of our key main priorities during 2019/20.

An amount of **One hundred and ninety-five million, four hundred and twelve thousand, eight hundred and sixty-seven Namibian dollars (N\$195,412,867)** is allocated to **Programme 1: Wildlife and Protected Area Management.** Key priorities in this area during 2019/20 shall be:

1. The implementation of intensified measures and strategies for the protection and conservation of wildlife to reduce wildlife crimes.
2. Ensuring the long-term sustainability, good governance and proper management of the Community-Based Natural Resource Management programme, for the benefits of our people.
3. Management of Human Wildlife Conflict in a way that reduces incidents of human wildlife conflict and mitigates the impacts where incidences occur.
4. Reform of the financing of protected areas in line with the Resolutions of the 2nd National Land Conference so that revenue generated by protected areas is re-invested into their management.

Hon. Speaker

A total of **twenty-five million, one hundred and fifty-six thousand, eight hundred and four Namibian dollars (N\$25,156,804)** is allocated to **Programme 2: which is: Protection and Management of Key Species and Natural Habitat.** The main purpose of this programme is to improve the efficiency in protecting and managing key species and natural resources, the sustainable utilization of wildlife resources and other scientific services aimed at improving the natural resource base for economic development.

Important priorities during 2019/20 will be:

1. Wildlife research and monitoring to inform policy making on matters such as anti-poaching and human wildlife conflict prevention.
2. The implementation of the Wildlife Breeding Stock Scheme. The aim of this scheme is to translocate common game species to Previously Disadvantaged Namibian Farmers so as to diversify farm level opportunities and to create further opportunities for employment creation in rural areas.
3. The awarding and operationalizing of at least two Community Tourism Concessions in Protected Areas to communities living in close proximity to wildlife, and protected areas. Concessions related to trophy hunting of wildlife bring in much needed foreign revenue to Namibia, and have multiplier effects on the national economy through the provision of goods and services to the visiting clients.

Hon. Speaker

A total of **nineteen million, six hundred and four thousand, four hundred and fifty Namibian dollars (N\$19,604,450)** is allocated to **Programme 3 on Tourism Growth Development and Gaming Regulations.**

These funds will be utilized to ensure the continued expansion of the Tourism and Gaming sectors and to ensure the inclusion of disadvantaged groups into these sectors. It will also ensure that these sectors are effectively regulated and contribute to the socio-economic development of the nation. The implementation of the Lotteries Act and the National Gaming and Entertainment Act to improve effective revenue collection from Lotteries and Gambling will also be a key focus area.

These funds will also be used for tourism marketing, promotion and awareness, to improve the geographic spread of tourists and the benefits from tourism through the implementation of the National Sustainable Tourism Growth and Development Strategy.

Hon. Speaker

A total of **thirty-one million, nine hundred and seventy-five thousand, two hundred and eighty-two Namibian dollars (N\$31,975,282)** is allocated to **Programme 4 on Environment and Natural Resources Protection.** Key priorities under this Programme area for 2019/20 are:

1. Monitoring and enforcing compliance with the Environmental Management Act, 2007 (Act No. 7 of 2007).

2. Implementation of the National Solid Waste Management Strategy (2018) with respect to ensuring the environmentally sound management of waste.
3. Coordination of efforts, including resource mobilization, to conserve biodiversity, adapt to and mitigate climate change and to combat land degradation.
4. Communication, education and public awareness raising activities regarding environmental issues.

Hon. Speaker

An amount of **nine million, two hundred and nine thousand, four hundred and thirteen Namibian dollars (N\$9,209,413)** is allocated to **Programme 5 on Infrastructure and development, Maintenance, Monitoring and Evaluation**. These funds are prioritized for the maintenance, upgrade and development of new infrastructure that are critical for our protected area network, especially in terms of mitigation of human wildlife conflict and anti-poaching. Particular focus areas in this regard will be the fencing of protected areas and maintaining and developing new water points. These funds will also target the maintenance of other essential infrastructure for tourism in protected areas such as roads, signage, sewerage systems and entrance gates. We will seek to develop innovative approaches to supplement these resources and to ensure that all maintenance and upgrading measures are undertaken in a cost-effective and most efficient manner.

Lastly Hon. Speaker, an amount of **eighty-seven million, nine hundred and seventy-two thousand, one hundred and eighty-four Namibian**

dollars (N\$87,972,184) is allocated to **Programme 6 on Policy Supervision and Support Services**. The main focus of this programme area during 2019/20 will be policy coordination and the administration of finance and human resources. Of key priority will be the introduction of further measures to increase revenue and to reduce costs while focusing on improved service delivery through continued business process re-engineering and other measures to reduce administrative bottlenecks.

Honourable Speaker, Honourable Members

Before I conclude, allow me to thank Honourable Minister Pohamba Shifeta who leads the Ministry of Environment and Tourism, the Executive Director, the Management and the entire staff of this Ministry for their commitment and hard work that enable us to live up to our mandate. I also thank all the stakeholders for the roles they have played in supporting the Ministry of Environment and Tourism in the execution of the Ministry's mandate.

Finally, I thank the Honourable Calle Schlettwein, Minister of Finance, for allocating the amount of **three hundred and sixty-nine million, three hundred and thirty-one thousand, Namibian dollars (N\$369,331,000)** for the Operational Budget.

I also thank the Honourable Obeth Kandjoze, Minister of Economic Planning, for allocating **ninety-two million and four hundred thousand Namibian dollars (N\$92,400,000)** for the Development Budget.

I now kindly ask this august House to approve the allocation of **four hundred and sixty-one million, seven hundred and thirty-one thousand**

Namibian dollars (N\$461,731,000) for the execution of the mandate of the Ministry of Environment and Tourism during the 2019/2020 financial year.

I thank you.