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STATEMENT IN MOTIVATION OF MOTION ON EXTENSION OF PAYMENT MORATORIUMS TO FARMERS UNDER THE AGRIBANK LOAN BOOK

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CHECK AGAINST DELIVERY

" **Moratorium** is defined as a legally authorized period of delay in the performance of a legal obligation or the payment of a debt ...
(a) waiting period set by some authority: a delay officially required or granted "

Allow me to start as follows: in the interest of transparency, and given the motion at hand, I hereby refer to article 59(2) of the Namibian Constitution, read with the Parliamentary Standing Rules and accordingly declare that I indeed own a farm, however as will become evident this issue is of national concern and my own interests are insignificant in comparison to the importance of the broader Agricultural Sector to feeding well in excess of 40% of all Namibians, as we remain a largely rural society reliant on subsistence farming and herding.

Over 40% of the Namibian population depends either on subsistence farming or crop and livestock production- both of which are highly reliant on rainfall. When the rain fails, the most devastating and visible impact is manifested in the agricultural sector: lack of rain leads to poor harvest, poor pasture and grazing, and lack of drinking water resulting in loss of livestock or alternatively, farmers are left with emaciated livestock which is incapable of reproducing at the normal rate and further, due to the emaciation and volatile nature of the meat market during a drought period, farmers are forced to sell off their cattle at very low prices.

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Namibia's climate is distinctly arid throughout the greater part of the country, with the exception being the in the north and north-eastern part of the country. Annual rainfall in Namibia is highly variable, in that the inter-annual variability ranges from 30% in the relatively wetter north-eastern parts of the country to up to 100% in the south and western parts of Namibia. This variability and unreliability of rainfall means that the very nature of rainfall in our country is such that Namibia is inherently always threatened by; primarily droughts, but also floods.

The 2012/2013 rain season was the driest in the country in the last 30 years and affected all 14 regions. The former President of the Republic of Namibia, H.E Hifikepunye Pohamba declared a State of Emergency on 17 May 2013 as a result of the widespread drought and the accompanying threat to food security.

Just as farmers-both commercial and rural-were beginning to recover from the devastating effects of the 2012/2013 drought, Namibia is now in the midst of another drought and just to compound matters, farmers and the meat industry also need to contend with the threat of Foot and Mouth Disease (FMD)...given the importance of the Agricultural Sector to food security in the country, we simply cannot afford to let the whole industry collapse.

Thus one must ask: what measures can be put in place to aid farmers? Is it realistic to expect farmers who have bought farms via the Affirmative Action Scheme to not only spend money on upgrading the mostly poor infrastructure which is found on these farms, but also to budget for drought related costs like cattle supplementary nutritional feed and cattle migration to other areas that may have received slightly better rainfall? Additionally, in the midst of a drought, even when it is declared a National State of Emergency, commercial and AA Farmers ~~are still~~ ^{cannot} expected to make their regular payments to AgriBank as if nothing has changed, surely this situation is counter intuitive. And this brings me to the crux of my motion.

My proposal in short is as follows:

1. I propose that commercial and AA Farmers be granted a moratorium pertaining to payments required to be made under the AgriBank Loan Book;



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2. I further propose that during the drought period farmers are only required to bear or pay for the interest and not the capital sum on their loan repayments. (Similar to the situation commonly found in the administration of student loans during the period of study, and sometimes a year or 6 months after completion of study.);
3. I further propose that this motion be referred to the Cabinet, under the guidance and direction of the Prime Minister, the Right Hon. Saara Kuugongelwa-Amadhila and the Minister of Finance, Hon. Calle Schlettwein to negotiate and establish avenues of cooperation with AgriBank in order to prevent the collapse of the invaluable Agricultural Sector.

Lastly, I conclude by saying that as a nation we need to start planning ahead and stop being reactionary. It is high time we started being more aware of the impacts of climate change and stop being surprised by a drought each time it happens. Surely given the frequency with which Namibia is faced with a drought we now need to migrate from post-drought reactionary measures (by the Office of the Prime Minister) to an ongoing pre-emptive methodology which prepares farmers to be able to bear and survive the harsh drought conditions, and ideally where possible, without the need for governmental intervention.

