



Republic of Namibia

Statement on National Defence Budget

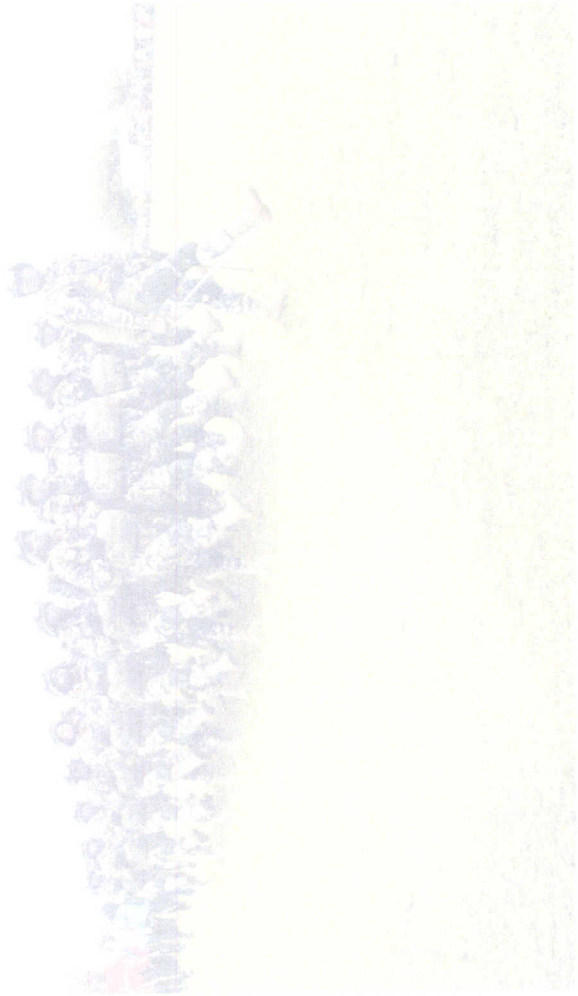
by:

Hon. Penda Ya Ndakolo

Minister of Defence

Vote 08: Defence Appropriation Bill 2018/2019

13 April 2018



**VOTE 08: DEFENCE-INTRODUCTORY BUDGET STATEMENT BY
HONOURABLE PENDA YA NDAKOLO, MINISTER OF DEFENCE
OF THE REPUBLIC OF NAMIBIA, IN THE NATIONAL ASSEMBLY
ON 13 APRIL 2018**

**Honourable Chairperson of the Whole House Committee
Honourable Members of this August House**

1. It is my honour to present before this August House Vote 08: Defence, for the 2018/2019 Financial Year. At the same time, I shall update the Honourable Members and the public about the performance of the Ministry of Defence (MoD) during the previous Financial Years 2016/2017-2017/2018 and indicate what is to be expected from the Ministry in 2018/2019 Financial Year.
2. Certainly, I will then request the Honourable Members of this August House to approve the Defence Budget Allocation for 2018/2019 Financial Year.
3. At the onset, allow me Honourable Members on behalf of the Ministry of Defence, the Namibian Defence Force (NDF) and on my own behalf express our deepest gratitude to His Excellency Comrade Dr. Hage G. Geingob, the President of the Republic of Namibia and Commander-in-Chief of the Namibian Defence Force, Comrade Calle Schlettwein, Minister of Finance and his Team, and definitely to the Government of the Republic of Namibia as a whole for their continuous support and special attention paid to the Defence Sector of our country over the years.
4. Notwithstanding the goodwill of our Government to allocate significant amounts of money to the Ministry of Defence in the past years, which is an indication that Defence is a priority for Government, we acknowledged that the current economic performances of our country has placed significant pressure in allocating resources to competing national needs.
5. The Ministry of Defence and the NDF have significant roles to play in the socio-economic development agenda of our country and

the Government is required to resource the Defence programmes with appropriate budget allocations so that it can achieve its Constitutional mandate to *defend the territory and national interests of Namibia* as stipulated in Chapter 15, Article 115 of the Namibian Constitution.

6. While it is understood that Namibia is a “**friend to all and enemy to none**”, and is at peace with its neighbours, the Namibian Defence Force must be ready to defend the territorial integrity of our country, a mission which could only be achieved if we have a combat ready force which can withstand and suppress any conflict, that can fight and win wars. Preparations for the defence of the nations are not cheap. It requires time and efforts and that can only be achieved with sufficient resources allocations.

7. We should remind ourselves that unlike our Forefathers, the Morengas, Witbooi, Maharero, Mandume, Nehale and Ipumbu ya Shilongo who defended our country with spears, arrows and bows, these are not applicable in the 21st century. Therefore, the Namibian Defence Force should be prepared in all phases of war





and resourced to be able to respond to any situation that may arise.

“Okambwaihakakolwaesikulyonilema.” (Makehaywhilethesunshine)

Hon Chairperson of the Whole House Committee, Hon Members

8. The secondary role of the Namibian Defence Force in peace time is to provide support to Civil Authorities and Civil Power. The NDF continues to support the Namibian Police Force and other law enforcement agencies in the maintenance of law and order. These include amongst others, participation in anti-poaching operations, assist in disaster management, including the transportation and distribution of drought relief food and portable water to the affected communities fighting wildfires, both in commercial and communal areas and evacuate flood victims.
9. In terms of airlifting, the Namibian Air Force assists in transportation of health workers to inaccessible remote areas and evacuation of flood-affected communities. Similarly, the Air Force played



significant roles in anti-poaching operations.

The Ministry of Defence continues building and promote peace with neighbouring countries in SADC, through Joint Permanent Commissions on Defence and Security with a view to establish close rapport with other defence and security institutions. We will also continue to maintain and bolster Defence Diplomacy through the deployment of Defence Attachés to key and friendly countries to keep us abreast of international security situation.

Hon Chairperson of the Whole House Committee, Hon Members

10. The Ministry of Defence and the Namibian Defence Force have the responsibility to contribute to the maintenance of national and international peace and security. Therefore it has to engage, not only at the level of SADC, but also at African Union (AU) and the United Nations (UN). We continue to be part and parcel of SADC, AU and UN standby arrangements. We have members of the Namibian Defence Force serving in the United Nations peace support and peace keeping missions in Liberia, Sudan (Darfur Region) and South Sudan

as Staff Officers and Military Observers. This is one of Namibia's contribution to the maintenance of international peace and security.

11. As part of SADC standby arrangements, to which Namibia pledged a Battalion, the Ministry of Defence hosted SADC Regional Air Force Exercise **Code named Exercise Blue Kunene** last year from August to September 2017 where all SADC member states participated. The exercise was aimed to drill on humanitarian/disaster relief operations. **I am pleased to announce to this August House that Exercise Blue Kunene was a resounding success. It was successful because our Air Force demonstrated excellent planning, coordination and effective execution involving the transportation of over 250 tonnes of relief items without a single incident. In addition to providing much-needed medical services to remote communities of the Great Kunene Region.**

12. Notwithstanding the above, the Namibian Defence Force continues to ensure that the pledged Battalion is ready at any time for deployment either to SADC, AU or UN.

Hon Chairperson of the Whole House Committee, Hon Members

13. Namibian Defence Force is a national security assurance that we cannot do without. It should therefore be resourced to be ready to defend Namibia and its national interests at any given time. We should not wait for the security situation to become dangerous to react. We need a responsive Defence Force.

Honourable Chairperson of the Whole House Committee, Honourable Members of this August House

14. In past Financial Years, the focus of the Ministry of Defence has been on ensuring that soft and hardware defence systems, assets, structures and infrastructures are put in place. We will continue on that path to improve and upgrade the existing systems and structures in the Ministry of Defence and the Namibian Defence Force, including looking after the welfare and wellbeing of members of Force.

15. This August House appropriated an allocation of **Five Billion Nine Hundred Forty Six Million, Seven Hundred and Forty-Five Thousand Namibia Dollars (N\$5,946,745,000)** in 2016/17 Financial Year. Due to budget suspension the Ministry overspent its appropriation with 3.12%.
16. The Ministry was also allocated an amount of **Six Billion Forty Five Million, Five Hundred and Thirty Nine Thousand Namibia Dollars (N\$6,045,539,000)** for Financial Year 2017/18. The Accountability Report for 2016/17 Financial Year, the summary of the Defence Budget execution for the Financial Year 2017/18 and the Medium Term Plan are attached hereto as **APPENDIX 1 AND 2** for Honourable Members scrutiny and consideration.

Honourable Chairperson of the Whole House Committee Honourable Members of this August House

17. Allow me to quote George Orwell who wrote **“People sleep peacefully in their beds at night only because rough men stand ready to do violence on their behalf”** The Namibian Defence Force is those men. It must not be forgotten that today's security threats, conflicts and wars are asymmetrical and unpredictable and are initiated and spread at lightning speed. Therefore, we need to remain vigilant and continue improving our defence systems and architectures internally to be at par with the best in the region and to be ready to defend our Country and its people.
18. It is important to note that in order to be able to defend a large landmass and an extensive coastline Namibia has to compensate for the numeric size of its Defence Force with mobility, manoeuvrability and possession of powerful means of monitoring, surveillance, and lethal firepower, without which the country cannot talk of any effective defence of the national territory.
19. Therefore, it is important to understand that modern warfare is expensive because it requires highly trained personnel and state-of-the-art military soft and hardware. Nowadays military

competition is on cyber warfare and the domination of space. Contemporary armed forces require sophisticated weaponry and communication systems in order to detect and prevent potential threats and acts of aggressions aimed at them and their nation states.

20. It is now my honour to request the Honourable Members to support and approve the allocation of **Five Billion, Nine Hundred and Fifty - Nine Million, Six Hundred and Fifteen Thousand Namibia Dollars Only (N\$5,959,615,000)** to invest in the programmes of the Ministry of Defence during the 2018/2019 Financial Year.

21. May I conclude Hon Members by quoting unknown writer who said that **“everybody wants to go to heaven but nobody is ready to die”.**

I THANK YOU FOR YOUR KIND ATTENTION.



Accountability Report 1. Mandate of the Vote

The Ministry of Defence (MOD) is mandated to coordinate and administer the operations of the Namibian Defence Force (NDF) as provided for in the Constitution of Namibia (1990, Chapter 15, Article 115). Defend the territory and national interests of Namibia as per the Defence Act, Act 1 of 2002.

1.2 Financial Resources (Standard Expenditure Summary)

Breakdown	Year	
	Estimate	Actual
Personnel Expenditure	3 719 600 000	4 187 341 225
Goods and Other services	1 245 659 000	1 044 209 787
Subsidies and Other Current Transfers	18 221 000	16 770 639
Acquisition of Capital Assets (Operational)	481 914 000	421 062 408
Capital Transfers (Operational)		
Operational Budget	5 465 394 000	5 669 384 059
Operational Capital		
Acquisition of Capital Assets (Development)	481 351 000	462 605 257
Capital transfers (Development)		
Development Budget	481 351 000	462 605 257
Total State Revenue Fund Appropriation	5 946 745 000	6 131 989 316
Development Partner		
Grand Total	5 946 745 000	6 131 989 316

2. Programmes

*P Code	programme Name	*A. Code	Activity Name	*MID in Charge	2016/17		
					Budget Allocation as per corresponding Appropriation	Actual Expenditure	Execution Rate (%)
01	Training and Development	01	Training	MID03	515,606,599	554,268,119	107.50
Sub-Total					515,606,599	554,268,119	107.50
02	Land Operation	01	Army	MID04	3,129,315,503	3,229,065,791	103.19
		02	21 Brigade	MID05	426,096,265	456,005,828	107.02
Sub-Total					3,555,411,768	3,685,071,619	103.65
03	Airspace Protection	01	Air Force	MID06	420,550,570	400,044,796	95.12
Sub-Total					420,550,570	400,044,796	95.12
04	Military Health Support	01	Military Hospital	MID07	108,034,507	102,413,880	94.80
Sub-Total					108,034,507	102,413,880	94.80
05	Offshore Defence	01	Navy	MID08	351,035,727	386,196,132	110.02
Sub-Total					351,035,727	386,196,132	110.02
06	International Deployment	01	Defence Attache	MID09	78,112,107	78,054,549	99.93
Sub-Total					78,112,107	78,054,549	99.93
07	Supervision and Support Services	01	Office of the Minister	MID01	4,036,022	3,816,465	94.56
		02	Administration	MID02	913,957,932	922,123,756	100.89
Sub-Total					917,993,954	925,940,221	100.87
Vote-Total					5,946,745,232	6,131,989,316	103.12

Explanation for the variances

Main Division 01: Office of the Minister: 5.44%

The saving under Main Division 01 is a result of the provision made for the appointment of a Special Advisor to the Minister of Defence. The Special Advisor to the Minister is appointed by His Excellency the President, and the Ministry is unaware when the appointment will be made. The Ministry is obliged to make budgetary provision for this appointment, hence the saving of 4.91% on the personnel expenditure category against the total budget of the main division 01.

Main Division 03: Training: -7.50%

The over spending under Main Division 03 was the result of the budget suspensions done by the Ministry of Finance for the 2016/2017 financial year, over and above the amount proposed by the Ministry of Defence. The total amount suspended by the Ministry of Finance on the Personnel Expenditure category of the Ministry of Defence amounts to N\$ 355,131,695.00, resulting in a -7.75% over expenditure on the personnel expenditure category against the total budget for this main division 03.

Main Division 04: Army: -3.19%

The over spending under Main Division 04 was the result of the budget suspensions done by the Ministry of Finance for the 2016/2017 financial year, over and above the amount proposed by the Ministry of Defence. The total amount suspended by the Ministry of Finance on the Personnel Expenditure category of the Ministry of Defence amounts to N\$ 355,131,695.00, resulting in a -4.93% over expenditure on the personnel expenditure category against the total budget for this main division 04.

Main Division 05: 21st Guard Battalion: -7.02%

The over spending under Main Division 05 was the result of the budget suspensions done by the Ministry of Finance for the 2016/2017 financial year, over and above the amount proposed by the Ministry of Defence. The total amount suspended by the Ministry of Finance on the Personnel Expenditure category of the Ministry of Defence amounts to N\$ 355,131,695.00, resulting in a -7.17% over expenditure on the personnel expenditure category against the total budget for this main division 05.

Main Division 06: Air Force: 4.88%

Main Division 06 under spend with 4.88% mainly as a result of the delay in the recruitment process as recruits could not report in the month they were supposed to report to the different services, and for which budgetary provision was already made. Therefore an under expenditure of 5.19% on the personnel expenditure category against the total budget for the main division 06 was realised.

Main Division 07: Military Hospital: 5.20%

The highly specialised careers in the field of Medicine made recruitment and appointment of medical professionals very difficult to replace outgoing professionals at the Military Hospital because of retirements, resignations, inter-ministerial transfers and deaths. Therefore, the under spending of 4.77% on the personnel expenditure category against the total budget for the main division 07 was realised.

Main Division 08: Navy: -10.02%

The over spending under Main Division 08 was the result of the budget suspensions done by the Ministry of Finance for the 2016/2017 financial year, over and above the amount proposed by the Ministry of Defence. The total amount suspended by the Ministry of Finance on the Personnel

Expenditure category of the Ministry of Defence amounts to N\$ 355,131,695.00, resulting in a -10.21% over expenditure on the personnel expenditure category against the total budget for this main division 08.

You are alerted to the observation that the total budget on the Appropriation Account differ from the total budget on the Standard Subdivisions with an amount of N\$ 1,103,510.00, and therefore a variance of 0.02% between the two statements.

Furthermore, it is important that Treasury should analyse and understand the explanations given by budget holders to avoid unnecessary overspending. The Ministry of Defence advised Treasury on the ministry's projected / forecasted expenditure on Personnel Expenditure as it was clear that the funds were not enough and that suspensions will result in over expenditure.

3. Programmes Achievements (Targets As Provided In The Corresponding MTEF)

Specialization of at least 60% of MOD personnel by 2018/2019

Carry out research on modern equipment and acquire 16,5% of Defence equipment by 2018/2019

Replace obsolete and outdated equipment with at least 16,5% latest technology by 2018/2019

To improve existing infrastructure at least 50% by 2018/2019

4. Non-Tax Revenue

Year	2016/17		
	Estimate	Actual	Variance %
Ministerial Fines(714)	360,000	477,749	33%
Sale of Serviceable Stor	110,000	0	-100%
Lost Equipment and Stor	60,000	8,062	-87%
Private Telephone Calls	5,000	0	-100%
Miscellaneous	123,081,588	17,257,764	-86%
Total	123,616,588	17,743,575	-86%

EXPLANATION OF VARIANCE EXCEEDING N\$ 200,000

Miscellaneous revenue:

The reduced revenue collected on the miscellaneous revenue heading was mainly because the Ministry of Defence expected increased participation in United Nations Peace Keeping Operations (UNIMAG) for the provision of staff officers and military observers, however only limited participation was possible during the financial year.

MTEF FY2018/2019



Vote 08 Defence

Vote Mandate

The Ministry of Defence is mandated to coordinate and administer the operations of the Namibian Defence Force (NDF) as provided for in the Constitution of Namibia (1990, Chapter 15, Article 118 as amended). Defend the territory and national interests of Namibia as per the Defence Act, Act 1 of 2002. The Ministry of Defence is required to maintain a small but well trained, well equipped and highly mobile Defence Force.

Harambee Prosperity Plan

"Defend the territory and national interests of Namibia as per the Defence Act, Act 1 of 2002. It is outlined in the Harambee Prosperity Plan under Pillar five, International Relations, that Namibia has a well-trained and highly professional army, which has a proven track record and has made contributions to international peacekeeping operations, relative to our means. Namibia will continue to contribute to peacekeeping operations of the UN and AU to make the world more peaceful and secure."

National Development Plan 5

Maintenance of peace, security and rule of law is link to goal four , Good Governance, in the NDP 5.

Medium Term Allocations by Program

Programme Allocations	2016-17 Actual	2017-18 Revised	2018-19 Projection	2019-20 Projection	2020-21 Projection
01 Training and Capacity Building	554,270,000	770,512,000	378,761,000	390,125,000	401,829,000
02 Land Operation	3,685,072,000	3,620,378,000	3,428,385,000	3,455,137,000	3,635,357,000
03 Airspace Protection	400,045,000	333,983,000	336,179,000	339,054,000	349,225,000
04 Military Health Hospital	102,414,000	90,754,000	100,010,000	102,495,000	105,571,000
05 Offshore Defence	386,197,000	315,583,000	357,949,000	361,477,000	372,322,000
06 International Deployment	78,056,000	63,707,000	46,707,000	29,568,000	30,455,000
99 Policy Co-ordination and Support Services	925,938,000	850,722,000	1,311,624,000	1,206,961,000	1,098,458,000
GRAND TOTAL	6,131,992,000	6,045,639,000	5,959,615,000	5,884,817,000	5,993,217,000



Vote 08 Defence

Ministerial Key Performance Indicators (KPIs) by Program

Ministerial KPI Actual/Targets	2016-17 Actual	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target
01 Training and Capacity Building					
3000 Recruits over the MTEF period	0%	0%	0%	0%	0%
02 Land Operation					
To improve existing infrastructure at least 45% by 2019/2020	42%	20%	20%	21%	22%
03 Airspace Protection					
Replace obsolete and outdated equipment with at least 17% latest technology by 2019/2020	16%	10%	8%	8%	7%
04 Military Health Hospital					
Carry out research on modern equipment and acquire 19% of Defence equipment 2019/2020.	16%	10%	8%	8%	7%
05 Offshore Defence					
06 International Deployment					



Vote 08 Defence

Programme 01 Training and Capacity Building

Programme Objectives

The aim is to train qualified staff members for self-sustainability and to recruit new group and maintain the ongoing training of soldiers, to be ready for combat and peacekeeping operations, emergencies and disasters all the times.

Programme Activities

Civilian and military training for Officers, Cadets and Recruits. To feed, dress, equip and supply technical and other services to the members. Day to day maintenance of bases.

Medium Term Planned Expenditures

Programme Allocations	2016-17 Actual	2017-18 Revised	2018-19 Projection	2019-20 Projection	2020-21 Projection
01 Training and Capacity Building					
010 Personnel Expenditure	472,457,000	717,541,000	378,761,000	390,125,000	401,829,000
030 Goods and Other Services	80,903,000	52,971,000	0	0	0
110 Acquisition of capital assets	910,000	0	0	0	0
GRAND TOTAL	554,270,000	770,512,000	378,761,000	390,125,000	401,829,000

Past and Planned Performance

Ministerial KPI Actual/Targets	2016-17 Actual	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target
1 3000 Recruits over the MTEF period	0%	0%	0%	0%	0%

Past Performance: More than 1800 recruits were trained during 2016/17 FY. Future Plans: Ongoing training for soldiers to be ready for combat and peacekeeping operations and also be prepared for emergencies and disasters at all times.



Vote 08 Defence

Programme 02 Land Operation

Programme Objectives

Guaranteeing sovereign and territorial integrity. Provide assistance to other Ministries and the civil community as required. It also provides assistance to their Ministries and the civil community as required.

Programme Activities

Protection of territorial integrity and national key points. Training, Protection of the Capital City and provision of ceremonial duties. Combating of environmental threats

Medium Term Planned Expenditures

Programme Allocations	2016-17 Actual	2017-18 Revised	2018-19 Projection	2019-20 Projection	2020-21 Projection
02 Land Operation					
010 Personnel Expenditure	2,668,158,000	2,879,455,000	2,980,405,000	3,069,816,000	3,161,911,000
030 Goods and Other Services	539,027,000	299,000,000	12,500,000	0	0
110 Acquisition of capital assets	477,887,000	441,923,000	435,480,000	385,321,000	473,446,000
GRAND TOTAL	3,685,072,000	3,620,378,000	3,428,385,000	3,455,137,000	3,635,357,000

Past and Planned Performance

Ministerial KPI Actual/Targets	2016-17 Actual	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target
1 To improve existing infrastructure at least 45% by 2019/2020	42%	20%	20%	21%	22%

Past Performance: Healthy and combat ready force. Improved living conditions of the soldiers. Improved peace and stability in the region and beyond. Future Plans: Protect the Territorial Integrity and National Key Points. Continue to provide assistance to other Ministries and the civil community as required. Day to day maintenance of bases and equipment.



Vote 08 Defence

Programme 03 Airspace Protection

Programme Objectives

Safeguarding the Namibian airspace. Enhance air capacity of the MDF. Assist other government departments and civil authorities with air support operations.

Programme Activities

Protection of the Namibian Airspace. Ensure airspace security and protect national key points. Day to day maintenance of Aircraft and Military Airports.

Medium Term Planned Expenditures

Programme Allocations	2016-17 Actual	2017-18 Revised	2018-19 Projection	2019-20 Projection	2020-21 Projection
03 Airspace Protection					
010 Personnel Expenditure	293,333,000	305,134,000	329,179,000	339,054,000	349,225,000
030 Goods and Other Services	98,452,000	28,849,000	7,000,000	0	0
110 Acquisition of capital assets	8,260,000	0	0	0	0
GRAND TOTAL	400,045,000	333,983,000	336,179,000	339,054,000	349,225,000

Past and Planned Performance

Ministerial KPI Actual/Targets	2016-17 Actual	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target
1 Replace obsolete and outdated equipment with at least 17% latest technology by 2019/2020	16%	10%	8%	8%	7%

Past Performance: Protected airspace. Well trained soldiers. Improved living conditions of soldiers. Future Plans: Protect Namibian Airspace and national key points. Training of Pilots and Technicians. Day to day maintenance of Aircraft and Military Airports.



Vote 08 Defence

Programme 04 Military Health Hospital

Programme Objectives

Ensure comprehensive, efficient and quality medical services to military personnel. Administering the Military Health component of the Ministry of Defence.

ProgrammeActivities

Provision of health services: Provision of counselling and medical testing: HIV/AIDS awareness campaigns. Rehabilitation of soldiers: Procurement of medical equipment.

Medium Term Planned Expenditures

Programme Allocations	2016-17 Actual	2017-18 Revised	2018-19 Projection	2019-20 Projection	2020-21 Projection
04 Military Health Hospital					
010 Personnel Expenditure	81,485,000	87,749,000	99,510,000	102,495,000	105,571,000
030 Goods and Other Services	16,828,000	3,005,000	500,000	0	0
110 Acquisition of capital assets	4,101,000	0	0	0	0
GRAND TOTAL	102,414,000	90,754,000	100,010,000	102,495,000	105,571,000

Past and Planned Performance

Ministerial KPI Actual/Targets	2016-17 Actual	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target
1 Carry out research on modern equipment and acquire 19%of Defence equipment 2019/2020.		16%	10%	8%	8%

Past Performance: Guaranteed welfare of personnel; Future Plans: Acquiring of modern medical equipment. Provision of counselling and medical testing; Participation in national immunization campaigns; Train qualified Military Health workers; HIV/AIDS awareness campaigns; antiretroviral support and home based care for soldiers.



Vote 08 Defence

Programme 05 Offshore Defence

Programme Objectives

Defend Namibia's maritime domain and coastline. Provide training and operates routinely as part of an of an offshore protection force to develop capacity.

Programme Activities

Protection of Namibia's Maritime and coastline. Design force strength and table of equipment. Provide training.

Medium Term Planned Expenditures

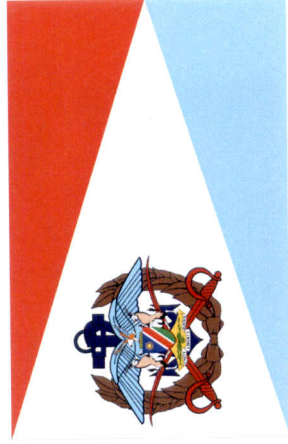
Programme Allocations	2016-17 Actual	2017-18 Revised	2018-19 Projection	2019-20 Projection	2020-21 Projection
05 Offshore Defence					
010 Personnel Expenditure	278,094,000	286,039,000	350,949,000	361,477,000	372,322,000
030 Goods and Other Services	105,328,000	29,544,000	7,000,000	0	0
110 Acquisition of capital assets		0	0	0	0
GRAND TOTAL	386,197,000	315,583,000	357,949,000	361,477,000	372,322,000

Past and Planned Performance

Ministerial KPI Actual/Targets	2016-17 Actual	2017-18 Target	2018-19 Target	2019-20 Target	2020-21 Target
1					

Past Performance: Guaranteed Maritime security. Well trained force. High level of staff competency. Combat ready Naval Force. Future Plans: Continue to feed dress,equip and supply technical and other services to the members. Military training for Officers, Cadets and Recruits. Day to day maintenance of bases and Equipment.





*Design and Layout by:
Public Relations Division
Defence Headquarters
Windhoek*