

# NATIONAL ASSEMBLY

---

## NOTICE OF QUESTION

BY

Hon. Nico Smit

(Signature: \_\_\_\_\_)

I give notice that on **Thursday, 24<sup>th</sup> of February 2022** I shall ask the **Minister of Finance, Hon lipumbu Shiimi** the following:

According to Procurement Tracker, Methealth Namibia has been awarded the Psemas administration contract worth some N\$300 million six times over the past 18 years. This contract is renewable every four years. In the last round of bidding in 2020 questions were raised around the bid specifications, which appeared to have been designed to favour Methealth, thus raising the spectre of bid design corruption. This lead to an investigation and an extended bidding process, and the eventual disqualification of all bidders in November 2020.

Although Methealth did not bid for the PSEMAS administration contract in 2020, it, however, still remains the administrator at this time. This matters because state organs headed by the ruling party, such as the Ministry of Finance, adjudicate and hand contracts to ruling party owned and affiliated commercial entities, raising threats of conflicts of interest and political capture of strategic state resources such as PSEMAS by ruling party affiliated persons and entities.

I thus ask the following:

1. Can the Honourable Minister tell this august House how far the mentioned investigation into the 2020 bidding process for the administration contract has progressed?
2. Why was the contract handed to the ruling party-connected Methealth for 18 years in a row?
3. Will the Hon Minister agree with me that the ruling party and/or its affiliates have been lining its pockets from this contract for the past 18 years?

4. Can the Hon Minister explain to this August House why the ruling party and/or its affiliates should be allowed to benefit from the state-run PSEMAS at the cost of similar administrators in the private sector?
5. How much money has the ruling party and/or its affiliates garnered from this contract to run the affairs of the party over the past 18 years and what percentage of the N\$300 million per annum does this represent?
6. Why should this state of affairs not be judged to be state capture as well as a clash of interest?
7. Why should the ruling party and/or its affiliates not be required to repay the money paid to it via its affiliated entities connected to Methealth?
8. Will the Hon Minister agree with me that this process undermines the credibility, fairness and competitiveness and decision-making processes of strategic state resources by ruling party affiliated persons and entities such as Zebra Holdings?

I so submit