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Honourable Speaker, Honourable Members,

Thank you for the opportunity to respond to the questions raised by the Honourable member of this August House.

I would like to begin by giving some background information in response to the questions raised.

## Background

The Namibian Broadcasting Corporation (NBC) was appointed by the Ministry of Information, Communication and Technology (MICT) as the official executor and implementer of the Digital Migration Project in Namibia, known as DTT (Digital Terrestrial Television). The Digital Migration project was approved in 2011 by GRN for the implementation of DTT Migration and the expansion of the radio (FM) network infrastructure. To that effect, an agreement was signed between the NBC and Huawei. Furthermore, the Namibian Communications Commission (NCC) then commissioned ICT Consultants (Pty) Ltd (ICT), a Botswana-based company to assist the NBC with the design and implementation of the DTT infrastructure.

In addition to the ICT Consultants, the NCC appointed a local Engineering and Consultancy firm called Jacobs Engineering Consultancy cc (JEC) to assist the NBC with the electrical and mechanical related work within the project. As it was part of JEC to assist the NBC in that respect, by default the tender process

for the acquisition of the five (5) standby generators in question was then handled by JEC cc. The needed generators are/were mainly used as a means to support our tower networks in the event of a National Grid power failure in order to ensure continuous broadcast. What is important to note is that these generators were to be deployed in areas where there were already Transmission towers as identified by the DTT Project. Therefore, there were already running transmission towers comprised of masts, electrical, air-conditioning, containers for the transmitter equipment, standby generators, battery rooms, plant rooms and security fencing.

In June 2015, the NBC switched off most of the Analogue broadcasting stations around the country and the television broadcasting delivered on the digital platform known as DTT. The NBC has through this process and project achieved television network coverage of 74.5% on DTT and 78 percent on the FM Network. The DTT migration project has since been stalled/put on hold in 2015 due to budgetary constraints and no further network expansion was carried out to date.

## How did NBC end up with Scania generators as opposed to John Deere?

In 2014, the NBC published civil work associated tenders for the fabrication of structural steel, superstructures for the FM/TV station containers at Impalila Island, Corridor (Pos) 13 and Eiseb (Pos) 10. In the same vein a tender to supply, deliver and install diesel generators for Opuwo, Gobabis, Corridor 13, Eiseb 10 and Signalberg transmitter sites was advertised as well. This specific tender was advertised in the context of the DTT Migration process to provide backup power to the transmission equipment in the event of a grid power outage/failure. This is an important aspect of the DTT transmission, as a power outage could result in interruptions to the broadcast signal and could impact the quality of the television signal received by the viewers.

Hon. Speaker, Hon. Members,

JEC compiled all the tender documentations, including specifications, evaluation, and recommendations to the successful tenderer. Procast Engineering was awarded the tender to supply, deliver, install the diesel generators for Opuwo, Gobabis, Corridor 13, Eiseb 10 and Signalberg Transmitter sites to the amount of N$3,668,417-70 (inclusive of VAT). *(Please refer to annexure A – Tender Award letter).*

Procast Engineering delivered, installed, and commissioned the generators for the following three Transmitter sites namely:

1. Opuwo
2. Gobabis, and
3. Stampriet (later transferred to Signalberg) – Please refer to Annexure D1 - NBC (Generator and Aircon Status) report from JEC Consulting.

JEC conducted inspections to ensure that the delivered generators met the specifications and requirements, this process was signed off by the NBC. The generators that were delivered, installed, and commissioned were indeed Scania as opposed to the John Deere branded engine as per the initial tender specifications and requirement. The change was only effected after mutual understanding by all parties involved, after consultations (Please refer to annexure B – Email message containing the change on the engine Generator brand). As a matter of principle, most of the Standby Generators currently used at the NBC are Volvo, Penta and Perkins which are family of Scania engine brand and have been working effectively. Therefore, Scania Generators were procured instead.

Hon. Speaker, the two (40kva) of the five Generators that were paid for are accounted for. These two remaining Generators are still in the possession of Procast Engineering (Please refer to annexure C – Confirmation email message regarding the availability of the two Generators). The reason why they could up to now not be taken into commission, is because the NBC has not been in a position to build the needed towers at Eiseb 10 and Corridor 13 at which they are to be deployed, due to a lack of funding as it relates to the DTT Project. The Generators will be delivered, installed and commission once the

NBC finalizes the transmission sites in those two locations (Corridor 13 and Eiseb 10) and or could be used for possible repurposing should the need be there.

**Why was there no repair and maintenance on various generators of NBC despite payments having been made to Procast Engineering in 2015 and 2016?**

Following the installation and commissioning of the new standby Generator at Gobabis transmission site, the old standby Generator was serviced and re-assigned to the transmission site in Katima Mulilo. The reassigning of the old standby Generator proved cost-effective, and the NBC had to make sure that the Generator was fully utilized and not left unused or under-utilized. Hon. Speaker, as already alluded to, JEC was the consulting company that was responsible for the electrical and mechanical related work, therefore, they managed the installation and commissioning of the old standby Generator. *(Please refer to Annexure D - Payment Certificate - Katima Mulilo Generator Service and Installation).*

As rule, all equipment that happen to have technical breakdowns, are either serviced by our in-house Technical Staff or will be outsourced to an outside entity depending on the complexity. Therefore, maintenance does take place depending on the need at the time.

**Will the Minister launch a comprehensive forensic audit into the financial operations of the Infrastructure and Maintenance Department of the NBC and into NBC in general?**

I believe that the books and accounts of the NBC are audited annually and in this case, were already audited for the FY2015/2016 – FY2019/20 and no substantive fraudulent activities where highlighted. .

However, if our office, as has been the case in previous instances, if our office is provided with information warranting investigation, the Ministry would launch an investigation. Further, as part of my response, I have included several annexures to provide additional information and details of what transpired. I believe these annexures will assist in clarifying the questions posed. These annexures include:

- Annexure A - Tender Award letter
- Annexure B - Email message containing the change on the engine Generator brand
- Annexure C – Confirmation email message regarding the availability of 2 Generators
- Annexure D - Payment Certificate - Katima Mulilo Generator Service and Installation
- Annexure D1 - NBC (Generator and Aircon Status) report from JEC Consulting
- Annexure D2 - Payment Certificate for the work done
- Annexure E - NBC Requisition for Purchases 10028
- Annexure F - Tax invoice No. 236 - Generator Installations at Signalberg
- Annexure G - Signalberg Genset payment variation report - JEC Mar 2016

As a ministry that would like to be environmentally friendly and more impotantly one that would like to encourage digital literacy in the nation, I'll make these annexures available to the table office in soft copy for the perusal of the member who posed the said questions.

That concludes my intervention Hon. Speaker, Hon. Members. Thank you.