



Republic of Namibia

**NATIONAL ASSEMBLY**

**NOTICE OF QUESTIONS BY THE HONOURABLE HENNY H. SEIBEB**

**NOTICE OF QUESTION NO. 178**

**RESPONSE ON: 12 October 2023**

Hon. Speaker

Hon. Members

I rise to respond to the Questions that have been asked by Honorable Henny Seibeb (LPM) in the order that I am going to read hereafter.

**Question 1**

**What is the rationale of MURD submissions to the Ministry of Finance and Public Enterprises with regards to the bulk municipal servicing and sanitation to local authorities?**

**Answer:**

Honourable speaker, this question is not so clear to me and would like to seek more clarity as to what the “rational” is being referred to by the Honourable member. But be as it may the overall rationale for the Ministry of Urban and Rural Development submission to the Ministry of Finance and Public Enterprises with regards to the bulk municipal services and sanitation to local authorities is to ensure that priorities in allocation of funds is given to ongoing projects that will be at various stages of completion at a given time, hence the wide range of allocation. The funds required during a specific Financial Year are determined and provided by the local authorities through submission of a Project Identification Form.

## **Question 2**

**Are the plans to make adjustment during the mid-term review in October 2023?**

**Answer:**

Of course, we are always given an opportunity by the Ministry of Finance to make some adjustment but again we must be considerate of availability of funds at the disposal of treasury.

## **Question 3**

**What is the purpose of allocating a mere N\$9000 to a municipality such as Keetmanshoop? How can they effectively utilize such a limited budget?**

**Answer:**

As we might be aware, various projects will be at various stages during a given time and the cash flow required will equally be at different intervals. The purpose of allocating N\$9,000.00 is to keep the vote for that specific project open to ensure that once the retention funds and any contingency is required, there will be a vote available in the National Development Budget to which funds can be viremented and paid from during the specific Financial Year.

## **Question 4**

**Is it not shameful to allocate figures below N\$100 000 to local authorities? Does this truly qualify as capital projects?**

**Answer:**

I have provided an answer to this question when I was answering question number three (3) and based on that reason it is not shameful at all because even the release of retention funds to qualifying service providers irrespective of the amount, part of Capital Project at that specific stage of the project and is funds due to a supplier.

## **Question 5**

**Why is there a consistent reduction in capital projects budget for local authorities' south of the Red Line?**

**Answer:**

It is not accurately correct that the Ministry of Urban and Rural Development and/or my selves continue to cut the budgets of local authorities south of the red line. If any budget cut is to be implemented, it should be done for all Local Authorities in the country, irrespective of their location. One example is that Tsumeb is South of the red line and due to the emergency and the crisis of water contamination, Tsumeb was allocated about N\$20 million as reflected in the briefing given by the Honourable member. And I will go back again to my earlier explanation under the response I provided under question number two (2) and repeated under question number (3) that projects at various stages of completion, execution and cash flow requirement will be allocated funds differently because the allocation is project based and not locality based.

**Question 6**

**Could you explain the allocation strategy that appears to promote inequality, poverty and unemployment by dividing and ruling when distributing budgets for certain municipalities?**

**Answer:**

Based on my previous response, this statement and question is unfounded and there is no divide and rule at play but projects allocated funds based on the various stages and cash flow requirements when funds so permits.

**Question 7**

**Do local authorities have a say or are consulted in the unilateral decision-making process that leads to such allocation?**

**Answer:**

Yes the Ministry of Urban and Rural Development do consult local authorities at various platforms and the budget needs are submitted by the local authorities to

the Ministry for allocation within the available budget ceiling whereby priorities are given to ongoing projects.

### **Question 8**

**Have any formal complaints been lodged with the Minister of Finance and Public Enterprises and the Director-General of the National Planning Commission?**

**Answer:**

Honourable speaker I think we are all aware of the current challenging economic situation. There is no need for me to complain because the process of budgeting is an inclusive process whereby budget consultations are held with the Minister of Finance and Public Enterprises and the Director-General of the National Planning Commission, and the ceiling set based on the availability of funds to the Government of the Republic of Namibia. Once the economic situation improves I will also be privy to the resources available and request a larger allocation thereof.

### **Question 9**

**Is there a plan to submit a revised budget to address the underfunding of local authorities south of the red line, which is indicative of early warning signs of ethnic cleansing?**

**Answer:**

There is no need for a revision because according to the records, local authorities on the South of the red line received a total of N\$160,508 million out of a total of N\$297.977 million and that is equivalent to fifty three point eight seven percentage (53.87%) and still counting if I include the funds dedicated to informal settlements upgrading to which Keetmanshoop and Oranjemund Local Authorities are beneficiaries to the amounts totalling N\$5.8 million and N\$10 million respectively and that, Honourable Speaker, is in addition to the current allocation that the Honourable member is referring to. Once the aforementioned

amounts are added the total allocation to the local authorities on the South of the red line is N\$176,308 or fifty six percent point nineteen percent (56.19%) of N\$313,777 million available budget.

Honourable Speaker, in conclusion it is worth noting that the local authorities in the Erongo, Khomas, //Kharas and Hardap Regions combined forfeited a combined total of N\$16.747 million to Treasury during the 2022/23 Financial Year due to poor performance. I therefore urge those regions to perform before the Midterm Budget Review of the 2023/24 Financial Year is conducted to avoid budget cuts.

I so submit Hon. Speaker

Local Authorities that forfeited funds to Treasury during the 2022/23 Financial Year

Windhoek		1,304,413.00
Windhoek		1,236,934.00
Windhoek		1,178,592.00
Windhoek		994,348.00
Eiseb 10		7,863.00
Eiseb 10		290,865.00
Eiseb 10		217,297.00
Eiseb 10		193,196.00
Eiseb 10		170,169.00
Eiseb 10		164,280.00
Eiseb 10		159,917.00
Eiseb 10		149,206.00
Eiseb 10		133,696.00
Eiseb 10		91,939.00
Eiseb 10		55,767.00
Eiseb 10		1,241,330.00
Wlotzkasbaken		1,892,000.00
Eiseb 10		1,182,000.00
Kalkfeld		946,000.00

Aus		140,508.00
Kalkrand		243,977.00
Grunau		455,043.00
Aroab		70,556.00
Grtoot Aub		493,112.00
Oranjemund		145,332.00
Swakopmund		275,902.00
Henties Bay		107,365.00
Karasburg		64,346.00
Noordoewer		60,372.00
Stampriet		1,375,101.00
Gibion		60,000.00
Klein Aub		318,711.00
Hoachanas		473,000.00
Oranjemund		64,346.00
Tses		57,079.00
Aranos		732,720.00
<b>Total</b>		<b>16,747,282.00</b>