



Republic of Namibia

**CONTRIBUTIONS ON THE BUDGET STATEMENT FOR 2024/25
FINANCIAL YEAR
BY
HON. NATHALIA /GOAGOSES (MP)
DEPUTY MINISTER OF HIGHER EDUCATION, TECHNOLOGY AND
INNOVATION**

12 March 2024

^{Deputy}
I RISE HON SPEAKER, HON MEMBERS, FELLOW NAMIBIANS to add my voice in support of the recently tabled Budget. Allow me, at the outset, to express my deepest sympathy to the Deputy Minister of Finance and Public Enterprises, Honorable Maureen Hinda Mbuende, who lost her dear father ^{Pappa} ~~Tate~~ Emmanuel Josef Hinda ¹⁹²⁰⁻²⁰²⁴ last night. May the Almighty be with you and grant you strength to endure this difficult time, together with your siblings and the entire family.

Honorable Speaker, with enthusiasm and confidence, I hereby extend my congratulations to the Minister of Finance and Public Enterprises, Honorable Iipumbu Shiimi, for presenting one of the best budget statements titled: 'Continuing the Legacy of His Excellency, President Hage G Geingob, by Caring for the Namibian Child' on the 28th February 2024. The two key messages in the title, namely, continuing the legacy of President Hage G Geingob and caring for the Namibian child, are timely and most appropriate during this year, designated as the year of Expectation by our late President. May the soul of President Hage G Geingob continue resting in power.

Honorable Minister, has eloquently instilled hope in the Namibian populace through ~~your~~ your comprehensive 28-page speech. It is my prayer that the late President may rest peacefully, witnessing the prevalent smiles on the faces of Namibians. Furthermore, the second key objective in your theme is nothing short of reality, as the provision of quality education for each and every Namibian child cannot be overemphasized.

As a result, for the financial year under review, I welcome the appropriation of 18.4 billion Namibian dollars to Education, Arts, and Culture, as well as 4.8 billion Namibian dollars, a 13 percent increase from the preceding year, to HIGHER EDUCATION, TRAINING, and INNOVATION. The additional allocation of 108.3 million for a 5 percent salary increment to UNAM Staff is heartily welcomed, and an additional allocation of 200 million Namibian dollars is designated to NASFAF (NAMIBIA STUDENTS ASSISTANCE FUND).

Certainly, considering the quick analysis cited above, Honorable Minister, the allocation ^{to} in the education sector, which resonates with the theme of the 2024/2025 budget statement, speaks perfectly well. Thank you once again, along with all those who assisted you in compiling this balanced budget.

Hon. Members,

Hon. Speakers,

Fellow Namibians

Having said the above, allow me at this juncture to reflect upon the observations made by Hon. Shiimi during his visit to schools on January 23, 2024. Hon. Shiimi remarked, *"Because I was traveling in the opposite direction of the morning traffic flow, it was a blissful drive for me; traffic was not a problem at all. For those who were driving towards the town center and other places on the eastern side of the city, however, it was a nightmare, as I noticed a long queue of cars."*

Honorable Members, let us pause to comprehend this statement. It is indeed a fact that the majority of people living in Katutura are employed in the town center and the eastern side of the city, which constitutes the majority of upmarket suburbs where many of us here can likely afford to live. Furthermore, due to the lesser traffic flow to the western side/Katutura, it implies that fewer affluent individuals go to Katutura. Consequently, the presumed less privilege in our society understand how the affluent are living, yet the affluent do not fully comprehend the challenges faced by the presumed less privilege. We are cognizant that there is significant development in Katutura since 1990, however much can still be done especially for those living in informal settlement. It is disheartening to be employed in a household or restaurant where leftover food is discarded, while we are aware that there are people living off dumpsites. In the 2023 Global Hunger Index, Namibia ranks 78th out of the 125 countries with sufficient data to calculate 2023 GHI scores. With a score of 18.0 in the 2023 Global Hunger Index, Namibia has a level of hunger that is moderate. With all ~~are~~^{our} natural resources endowment and less populated country, such statistics should be unacceptable and motivate us to urgently intervene in solving the root cause.

This reality is evident in our Medium-Term Expenditure Framework (MTEF), from which this budget is derived. It has become clear that inequality is on the rise in Namibia, prompting a focus on a pro-social budget, primarily aimed at addressing challenges rather than fostering local economic growth that would empower Namibians to own the economy. This sentiment is supported by statistics, as per a

World Bank report indicating that Namibia's Gini coefficient stood at 59.1, ranking as the second-most unequal country in the world.

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We appreciate the positive feedback from the Honorable Minister regarding the significant improvement in the domestic economic outlook, as indicated by the latest quarterly GDP statistics released by the Namibia Statistics Agency (NSA). Additionally, we have been informed of our estimation of GDP growth at 5.6 percent in 2023, moderating to 4.0 percent in 2024 and 3.9 percent in 2025. If we were to conduct a situational analysis, on ownership of businesses that contributed the most to our GDP, we will understand that our economy is in the hands of the formerly advantaged and foreigners who export the profits out of Namibia. Hence why we can conclude that the GDP projections, I am consistently persuaded that these figures may not accurately reflect the on-the-ground realities, making it challenging to address real-time challenges.

Honorable Members, you may recall a time when Namibia was classified as upper-middle-income. During this period, the late President Geingob delivered a statement at a United Nations meeting on financing for sustainable development. The President remarked, *“Namibia’s classification as an upper middle income country presents challenges with regards to mobilizing resources to finance our development goals,”*

“The World Bank formula, which divides our GDP [gross domestic profit] by our small population, thereby deriving a high per capita income, places us at a disadvantage as this classification fails to account for historic injustices that have resulted in highly skewed income distribution,”

While we welcome the anticipated ^{positive growth} trajectory in our GDP, it is essential Hon. Members to engage in a critical analyzing to ascertain whether it genuinely reflects the contribution of previously disadvantaged Namibians entities or if it primarily benefits a minority of elites, consequently disadvantaging the majority of Namibians. Hon. Speaker, many of us present here were fortunate to attend the

launch of the inaugural African Peer Review Mechanism (APRM) Country Review Report for Namibia on March 7, 2024, by His Excellency President Nangolo Mbumba. The launch of the APRM report, alongside other policy documents such as the National Development Plans (NDP) and the Harambee Prosperity Plan (HPP), serves as a tool to critically assess our developmental progress.

Allow me, therefore, to highlight some of the key analyses contained in the APRM report:

INTRA AND INTER-STATE CONFLICT (ROMAN XXXV)

Despite commendable efforts by the Government, previously disadvantaged Namibians are still being deprived of their land rights through encroachment by more powerful neighbours and elite. It is advisable for the Government to urgently address the matter so that previously disadvantaged Namibians should feel that they are fully part of the Namibian nation with the same rights as the rest of the population.

Page 35, clause 101 The elite and a small white land-owning class are reportedly the main beneficiaries of the State's resources and the outputs of production. It is no surprise that Namibia today ranks as the second (only to South Africa) most unequal country in the world in terms of wealth, with a Gini Index of **0.610 in 2021/20** The majority black population living in poverty and in informal settlements is growing frustrated and resenting the State and its processes.

The APRM report, along with all our policy documents, provides recommendations on how best we can assist our citizenry. Namibia has consistently faced criticism for having sound policies to address inequalities, yet the implementation is perceived as slow. The slow progress should not solely be attributed to the government but to every Namibian involved in policy implementation. Numerous factors contribute to delayed projects, including abandoned ones by contractors, prompting the need for decisive action against such individuals. I am reliably informed in the period under review, uncompleted projects have costed government approximately NAD 5 Billion.

In light of this loss to government, we should improve in monitoring and evaluation, where we as politicians demand monthly reports from executive directors vis-à-vis being accountable to parliament and the nation. This proactive step aims to ensure accountability in the implementation of national projects and services. It is high time

we take severe actions against those hindering progress and prioritize efficient execution to uphold the objectives of our policies. The importance of aligning our budgets with the real-time needs outlined in our SWAPO Manifesto, NDP5, and HPP2 when we receive our budget allocations, will result in us reaching our desired goals.

Hon. Members,

Hon. Speakers,

Fellow Namibians

As lawmakers, it is essential for us to engage in continuous deliberation and enact precise laws, implement regulations, and formulate structural policies that facilitate the meaningful participation of previously disadvantaged Namibians in large-scale companies across all sectors. The aim is to witness more success stories like that of David Namalenga, the founder of Dinapama Manufacturing and Supplies, which currently employs close to 400 individuals. Our vision is to see banks, insurance companies, hospitals, mines, breweries, fish processing factories, and other critical sectors being 100% owned by previously disadvantaged Namibians. This commitment underscores our dedication to fostering economic inclusivity and empowerment within our nation.

Furthemore, also a deliberate targeted policy that encourage foreign-owned companies to invest in local communities, industries, and development. These measures serve to complement government efforts in promoting economic growth, job creation, and overall social welfare. A notable example is Namibia's commendable ban on the export of unprocessed lithium and other critical minerals, leading to the construction of a lithium plant in my hometown area UIS. This illustrates the effectiveness of pressuring businesses to invest locally, ^{related} ~~akin~~ to the success of Regulation 13 of the Pension Fund Act, compelling pension funds to invest locally.

Hon. Speakers, I am pretty sure many of us have encountered challenges when claiming insurance for damaged properties, life covers, or private medical insurance. Notably, the majority, if not all, of these insurance companies are managed from South Africa denying us of employment opportunities and local investment thus, directing the collected revenue outside Namibia. Similarly, local commercial banks

and numerous other businesses in fishing, trading, mining, etc., export their investments abroad.

Honorable members, we express gratitude for the significant contribution of the Namibia Revenue Agency (NAMRA), amounting to approximately N\$90.4 billion in the ongoing financial year. However, we need to interrogate why a quota of Namibians that went to demonstrate at China Town still feels that NAMRA is lenient to foreign owned businesses such as Chinese shops and many others sited.

I propose a shift in our focus from maximizing tax collection to implementing measures that specifically target foreign-owned businesses across all sectors. Strongly and legally discouraging their participation in businesses reserved for Namibians could be a strategic step.

In conclusion, as we support this budget, I emphasize the importance of research and initiatives that empower previously disadvantaged Namibians. We need to develop a culture and policies that serve as a corrective measure of the indisputable socio-economic inequality produced by past discriminatory laws and practices, it is imperative that we implement targeted policies and initiatives aimed at empowering marginalized communities and promoting economic inclusivity. **I thank you**

