

REPUBLICAN PARTY OF NAMIBIA

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Budget Statement Contribution for FY 2024/25

By
Hon. M.S. MBUNDU, MP

12 March 2024

*Honourable Speaker,
Honourable members,
Namibians at Large,*

Introduction

1. The nature of mankind has always been "self-preservation" which could be good or bad, depending on the end result. And this Budget Speech by the Honorable Minister of Finance and Public Enterprise needs to be viewed in that sense, as one that can alleviate the struggles or entrench the current sense of hopelessness many Namibian citizens faces. Is it a budget for the benefit of the greater good or one crafted to preserve the interest of but a few? Allow me to start by saying that I would like to have a different view of being a "dreamer" as the concluding remarks of the Minister; because we live in times where the reality of extreme poverty and hardship makes it difficult to believe in dreams alone.

2. There is much to criticize in this Budget Statement of the Honorable Minister, which we as the Republican Party believe to be of no material benefit apart from providing constructive criticism to. But we must consider the underlying realities of what this Bill means to the ordinary civil servant and unemployed grassroots of our country, in a language they can relate to.

3. Honorable Minister, allow me to begin by acknowledging your wisdom in listening to advice as was motivated by my colleague in our previous year's Budget Speech contribution.

- It is with great relief to read the allocation of funds for the commencement of the long-awaited Windhoek District Hospital¹ in Havana which was envisioned as early as 2016 in the time of the former Minister of Health and Social Services, and we anticipate that this project will materialize into bringing quality healthcare to our people who need it. We are certain that this Capital Project will not only create jobs but equally alleviate the burden our public healthcare system is facing at present, to relieve operational and infrastructural stress the Katutura state hospital is faced with.

¹ <https://www.namibiansun.com/news/new-district-hospital-for-havana>

- The other area for positive acknowledgement is the budget allocation towards the Ministry of Gender, Poverty Eradication and Social Welfare. Our position continues to remain that the targeted N\$170 million for food distribution to the marginalized communities could have better served the needs of not only the marginalized but a broader impoverished population through a universal Basic Income Grant². Allow me to quote from the Basic Income Grant website ***“The impact of the BIG was nothing short of spectacular: poverty levels and child malnutrition declined dramatically while school attendance and utilization of the local clinic improved. Likewise, economic activities increased significantly while crime levels dropped.”*** The poverty levels are not decreasing but continuing to increase at an alarming rate with the statistics indicating that Rural areas experience multi-dimensional poverty more than urban areas, at 59.3% and 25.3%, respectively³ in a 2021 finding. So, the science does exist that the majority of our people are dying of hunger, what is needed is the *political will* to implement a radical poverty alleviation programme like the universal Basic Income Grant.

² http://www.bignam.org/BIG_pilot.html

³ <https://ophi.org.uk/namibia-mpi-report-2021/>

- Lastly, are we pleased to see that the appeal of my comrade, Honorable Tjiveze made last year to invest in our educational infrastructure, has been heard and the Minister has given us proof of this in his Budget Speech! We know that this investment in our educational sector will have a ripple effect on the quality of education and particularly if educators & learners can be hosted in conducive environments, making this a commendable start from the side of the government. We also know that the Government cannot solve all problems in our education sector in one instance but what matters is to prioritize the areas of great concern which are infrastructure and teacher compensation schemes.

Budgetary Contributions

4. The RP takes stock of the bold undertakings of your Ministry and this government to settle our international debt obligations currently at 70.1%⁴ as indicated by an IPPR Report, thus we seek clarity on what fiscal legacy your Ministry is leaving behind for the following Administration to come, after the Presidential and National Assembly elections of 2024. It would be naive to believe that you have not worked on a fiscal exit plan as we are rounding up business of the 7th National Assembly.

⁴ https://ippr.org.na/wp-content/uploads/2023/03/Namibias-National-Budget-2023_24.pdf-web.pdf

- Having studied your Speech are we concerned whether you aggressively engage the best economic minds in our country in crafting policies & identifying priority spending areas. This is because very little reference is made to how local enterprises are directly going to benefit from the vast amount of funds to be spent on Capital Projects such as government infrastructure, critical Social & Economic facilities and others. A simple example of this is the Walvis Bay - Kupferberg pass road upgrade which ideally should have preferably gone to local contractors, however; I have it on good authority that Chinese companies are in cahoots with a local contractor by the name of *Adaptive Building Land Construction* who got the tender for constructing that specific road. *Honorable Speaker*, such practices not only undermine the economic growth of our country but ultimately speaks to the subversion of policy objectives in the Finance and Public Enterprise Ministry through the siphoning off of our national wealth by Chinese multinationals at the expense of our local SMEs. As long your ministry fails to create a fairly competitive & conducive economic environment for local businesses to thrive in, should you consider rephrasing the term Capital Projects to "China Cash cows" because they

serve these Chinese companies' interests more than that of the Namibian SMEs.

- The recent tax collection successes of NamRA surely indicate the potential to raise internal revenue through taxation, however; this could also be misleading if one had to review the highly unfavourable concessional loan agreements the Namibian government signs with China in exchange for giving preferential treatment to Chinese-owned companies who at times don't fully comply with our taxation laws. The pertinent question remains however whether these concessional loans and Chinese companies actually benefit the Namibian citizens because we have heard of incidences of gross labour law & tax evasion violations by these companies who pocket huge government tenders. Whether they are rumours or truth, is it still the responsibility of the Ministry of Finance and Public Enterprise to ensure that these foreign companies meet fiscal compliance of our land. Because as much as NamRA can enforce taxation laws from local SMEs & private citizens, so should they do the same with foreign-owned companies.
- The above is but a few of the concerns I raise and believe to be corrected if we are to see any real economic transformation. However, I must add that there is a dire need to make genuine efforts to resolve the housing crisis

through realistic solutions as opposed to the present deadlock that was created by the Mass Housing Project. It has been confirmed that the cost of building a standard 3-bedroom house in Namibia can go up to amounts of no less than N\$388 000⁵ in 2021, which could be more at present. It is with this said that we encourage your Ministry to reconsider the implementing body to oversee the lump sum of N\$700 million, to prevent the misuse of funds for such a crucial National project.

5. Allow me to indulge your attention in this esteemed august House as I draw towards the end of my contribution by taking note that this specific budget is a very important one for the governing Swapo Party because it's an election year; where I would like to believe the needs of the electorates should be taken care of by the Swapo led government. As much as a 5% salary increase and tax breaks are good for the ordinary Namibian; should we also understand that this does not necessarily need to only happen during election years. We should not only favour the interests of the worker during an election year while we have vast natural resources to provide for each & every Namibian as was once mentioned by one of our parliament colleague. Honorable Minister, I

⁵ <https://www.namibian.com.na/to-build-or-to-buy/#:~:text=The%20total%20cost%20of%20building,seven%20months%20ending%20April%202021>

believe it is time that your ministry acts in the interests of all Namibians by enabling institutions like NamRA, ACC, NamPort, NamDia, Namcor and many others to either function autonomously & efficiently according to their mission statements or face the consequences of budget cuts in the 2024 MTEF and beyond. Accountability in these institutions can only materialize when your Ministry starts to push for administrative excellence Honorable Minister, and I believe; that is what the Namibian people want to see in all organs of government.

6. The importance & oversight responsibility of both Houses can't be overstated more than what I say because last year showed how proactive our Committee works was in bringing the issues our people face to this august House, and I speak on behalf of most of us who would agree that the Budget allocation for National Assembly should be reconsidered with realistic amounts. This I say towards the limitations we face in doing Committee work, which influences the quality of debate and passing of legislation here in this chamber. As one of the 3 branches of government, so should our importance be reflected in our Vote and as such I request that you reconsider increasing the Vote for the National Assembly & National Council, especially in light of this being our final

year where we have to conclude on many obligations within the various Standing Committees.

7. Honorable Minister, the challenges Namibia faces are not only Swapo challenges even though one could argue that they are created by misaligned Swapo policies, but they are every MPs challenge as part of this august House ; so we need to be practical on how we come together to resolve them and make sure that the incoming 8th National Assembly finds a stronger foundation to build upon. We as the Republican Party won't make any promises to the electorate apart from committing to working together with any political force willing to improve the living standards of our people, because that's what the ordinary folk wants to see...a better Namibia that they can take pride in; irrespective of what political party they affiliate to. So, allow me to be the 1st to ask that we commit to making this year a progressive year, in the interests of all Namibians.

Honorable Speaker,
Honorable Members,

8. My humble contribution to this Budget Speech of Honorable Shiimi can't carry enough weight without the support of my Party leadership and the electorate I present, therefore must I thank them for the show of faith in me standing up

in the interest of all Namibians at such a crucial time when moral decay & greed is eating away at our social fibre. I must also acknowledge the wonderful work our sisters and mothers are doing to empower themselves & everyone around them; as I wish them a belated International Women's Day; the RP indeed has a home for them all.

9. And on a somber note must I end this Budget Contribution with a heavy heart as I extend once more heartfelt condolences to the former 1st Lady Madam Monica Geingos, the Geingob family and all Namibians for the untimely loss of our beloved late President of the Republic of Namibia; His Excellency Dr. Hage Godfried Geingob; may his soul rest in eternal peace. We salute him for being the visionary he was and bid farewell to him, not forgetting the good foundation he laid towards nation-building & reconciliation. The Namibian nation will forever be indebted to him for his affectionate leadership, and the least the RP can do is to acknowledge the great role he played in creating a just society. What we hope for is to see that all these natural resources truly benefit us all as equals because that was his vision when the recent oil & gas discoveries were made. I salute him by asking you Honorable Minister to continue his legacy of love for those unable to provide for themselves; let your work reflect his love for the Namibian Nation with this budget that has increased under 15% from the previous one.

With these few words, I thank you very much for your undivided attention.

I so submit.