



APPROPRIATION BILL 2024/2025 RESPONSE ON THE 2024/2025 NATIONAL BUDGET AND THE MID-TERM EXPENDITURE FRAMEWORK UP TO 2026/27

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Hon. Speaker, Hon. Members

Allow me to congratulate the Hon Minister of Finance and Public Enterprises, Hon Ipumbu Shiimi for tabling a N\$100 billion budget for the 2024/25 financial year but I really need to inform the Minister and this August House that yes a can see the N\$74,6 billion for the operational budget and the N\$12,7 billion for the Development budget, but still tracing the N\$2.8 billion and thus ask the Minister to please indicate that clearly to me.

On the Domestic Economic Outlook the Minister states that strong growth is anchored by upbeat activities in the natural resources sector, coupled with residual impact of ongoing petroleum exploration activities and the surge in uranium production followed by price increases. We are as leaders having a statutory obligation to improve only the lives of Namibians regardless of any investor inputs or interest and I really believe that Namibia needs to review all Extractive Licence Contracts with our investors and negotiate for

farming-in clauses 1. To increase the shareholding of the state of Namibia by also benchmarking from other countries who were some fifty years back very poor but is now driving extractive explorations in their countries like Norway.

2. Inculcate understudy clauses to develop the capacity of Namibians in the respective fields of our extractive industries, and to

3. Ensure that such clauses for the establishment of value-addition and other secondary industries to fortify employment of Namibians and thus balance the inequalities of income and living standards of our people are adhered to.

For us as policymakers should really act in the best interest of the Namibian people since they are putting us in positions of power to do it for them. Therefore, I believe that the key cornerstone of economic policy framework does not include the above points and our projected economic recovery as stated will remain only a lipservice to our people.

Furthermore, Hon Speaker, Hon Members,

The statement that our debt is stabilizing remains incomplete as long we are not given the percentage ratio between our revenue and our debt since any debt ratio above 40% of GDP is by global standards regarded as critical and our debt is currently 62% of our GDP which is severely critical.

Hon Speaker, Hon Members,

We cannot continue to profess stimulating economic activities to benefit investors without securing job creation for the nation and especially the youth while we are entrusted constitutionally to develop economic policies that should benefit the entire Namibian Nation.

Hon Speaker, Hon Members

The Hon Minister is talking about policy actions to stimulate domestic household incomes but due to the current drought experienced in parts of Southern Africa, we have to import 162 000 tonnes of maize from Zambia since South Africa, our usual supplier, is also affected by the same drought, coupled with it the price of on the hoof sales of livestock which has declined very much and we may experience more lay-offs of farm workers which might increase the unemployment figure and that in my view will surely put an extra burden on all Namibian households and their dream for investments will have to require serious considerations.

Hon Speaker, Hon Members,

The Minister is telling us that a 1,2billion Namibian Dollars is expected from NPTH at its anticipated dissolution. Could the Minister tell us the assets and cash value of NPTH seeing that he has already made a forecast of what we could get from the dividends only as well as what the current investment is that would possibly pay those dividends of N\$1,2 billion to the Fiscus.

Hon Speaker, Hon Members,

I would further request the Hon Minister of Finance and Public Enterprises to please avail the detailed Borrowing Plan for the issuance of domestic securities also to Parliament of Namibia to have an insight.

Hon Speaker, Hon Members,

Our Minister of Finance and Public Enterprises is further telling us under the Tax Policy and Administration Reforms that in conjunction with the Ministry

of Industrialization and Trade, a Special Economic Zone regime is to be introduced and that participants in it will be zero rated from VAT.

Hon Speaker, Hon Members,

I would just like to submit through this August House that the participants in the Special Economic Zone should please be scrutinized to not benefit foreign state-owned companies and zero rate them from VAT because in the past we were having Areva in our Export Processing Zone accorded with similar benefits while it is in reality a company owned by the Government of French. This simply implies that we are giving such benefits to first world countries while we are ourselves a developing third world country. What a paranoid state of affairs it was.

Hon Speaker, Hon Members,

Hon Minister, you are mentioning the greylisting of Namibia by the Financial Action Task Force just in the passing, but we are going to be greylisted until January 2025 and it will surely have an impact on our trade for daily consumables and other items from any other country apart from surely being more costly and cumbersome to do business, together with the fact that it will hinder and slow down the economic growth of Namibia. I am therefore of the opinion that we as Legislators and Policymakers should work on rectifying this situation to comply to the required framework but our Hon Minister of Finance and Public Enterprises has so far not yet express himself in this House on it.

Lastly Hon Speaker, Hon Members,

The Namibian Dollar is pegged to the South African Rand and there are rumours that by 1 April 2024 the BRICS currency, to which South Africa is a member is to be rolled out.

Could the Hon Minister of Finance and Public Enterprises please give more clarity on this issue and what the approach of Namibia is going to be as a way forward.

I so submit and support the Appropriation Bill as tabled.