

REPUBLIC OF NAMIBIA



STATEMENT OF THE BUDGET ESTIMATES FOR VOTE 08: DEFENCE FOR THE FINANCIAL YEAR

2024/25

BY HONOURABLE FRANS KAPOFI, MEMBER OF
PARLIAMENT, MINISTER OF DEFENCE AND
VETERANS AFFAIRS

04 APRIL 2024

Honourable Chairperson of the Whole House Committee
Honourable Members of this August House

1. It is my distinct honour and privilege to present to this August House the budget allocation for Vote 08: Defence, for the Fiscal Year 2024/25. This opportunity, as it has always been the case in the past, affords this House a moment to assess, evaluate and validate the implementation of the activities the Ministry of Defence and Veterans Affairs (MODVA) had promised to carry out during the previous Financial Year in fulfilment of its contract with the Namibian people as well as to understand the programmes put in place by the Ministry to conduct national defence and guarantee national sovereignty in the current year.

2. In fulfilment of this task, please allow me to start my statement with a reflection on our late President's envisioning of the year 2024. On the eve of the New Year, Dr Hage G. Geingob declared 2024 as the **“Year of Expectations; the Year of Elections, and it will be a new beginning for the Namibian House”**. He had made this declaration after he had earlier expressed his pleasure with the giant steps his government has made towards collective prosperity, and underscored that **“We are now on course in our ambition to leave Namibia in better shape, come March 2025”**. We all knew and, of course, expected that there would be elections towards the end of this year. However, nobody expected that we would lose our President and Commander-In-Chief on 4 February 2024. May His Precious Soul continue Resting in Eternal Peace!

3. The events that followed, most especially the 20 days of mourning, ushered in a new experience at the Ministry of Defence and Veterans Affairs. Starting from the 4th of February 2024, it dawned on us that when the dark cloud of the loss of a sitting Head of State envelopes a country, much of the pressure rests on defence.

It was never our expectation that Namibia would experience such a serious challenge in our lifetime and as such we were not prepared for such eventuality. We were however only able to manage - thanks to the systems, processes and institutions that were put in place by our Founding Fathers and Mothers at independence and by the government over **thirty-four (34)** years of our freedom and independence. At this juncture, therefore, allow me to sincerely thank the leadership and the staff of MODVA as well as the officers and the men and women of the Namibian Defence Force for the role they played in the preservation of security, peace and stability in the country during the period of mourning as well as the spectacular and deserving sending off accorded our late President and Commander-In-Chief.

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4. During the last financial year, MODVA was allocated **Six Billion, Three Hundred and Thirty-Four Million, Seven Hundred and Forty-Seven Thousand Namibia Dollars (N\$ 6,334,747,000.00)**. The biggest pie equivalent to approximately **67%** went into **Personnel Expenditure**, while about **21%** went into **Goods and Other Services** while **12%** was spent on the **Acquisition of Capital Assets and Infrastructure Development**.

5. The last Financial Year was the most promising after two years of drought (2018 and 2019) and the COVID-19 pandemic years (2020 to 2022). In FY2022/23, we were allowed to recruit for the NDF after almost five years of financial challenges. That intake of close to **One Thousand and Three Hundred (1300)** recruits successfully produced **One Thousand, Two Hundred Sixty-Four (1264)** soldiers who graduated on 10 August 2023.

After the successful conduct of that recruit training, another intake of **One Thousand Six Hundred (1600)** which included **One Thousand Four Hundred and Seven (1407)** for the non-commissioned officers' stream and **One Hundred and Ninety-Three (193)** for the Cadet stream commenced their training on 07 December 2023. With every recruit intake, there is always also an intake of Officer Cadets who undergo **eighteen (18)** months of officers' commissioning training. The recruit intake of 2022 included about **Two Hundred (200)** cadets who have since reduced to **One Hundred Forty-Eight (148)** whilst the **Officers Cadet** intake for 2023 started with **One Hundred and Ninety-Three (193)** and has now reduced to **One Hundred and Fifty-Three (153)** cadets due to natural attrition. Basic military training is very demanding as it is deliberately designed to be rigorous and tough to test and mould the **characters** of aspiring soldiers.

6. The recruitment of soldiers is a very expensive undertaking. The selection process is intensive, laborious and costly as it involves the deployment of recruitment officers in every Region, conducting both physical and medical tests, verification of criminal records with the Police as well as the verification of qualifications. After the selection process has been concluded, the successful candidates report to the training centres where they are issued with uniforms, bedding, daily meals, and basic amenities such as toiletries during the first three months. Recruits are also entitled to monthly allowances throughout their period of training. Everything else that aids the successful conduct of training such as transportation means, training aids, tents and others comes at a cost. On average the Ministry spends an amount of **Eighty thousand Namibia Dollars (N\$ 80,000.00)** per recruit per intake.

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7. The Chief of Defence Force (CDF) as the Executive Commander of the NDF is responsible for the organisation, training, discipline and efficiency of the Defence Force in terms of Section 4 (1) and (2) of the Defence Act, Act No 1 of 2002. That is to say, the past and future budget allocations were and are meant to enable the CDF to ensure that the NDF is fit for its role by putting in place proper structures, providing professional training, enforcing discipline and being equipped with the necessary materiel and equipment to carry out its mandate efficiently and effectively.

8. The efficiency, effectiveness and discipline of the Defence Force are acquired and maintained through professional training to uphold the necessary standards. Training is therefore the preoccupation of the NDF all year round. During the last two financial years (2022/23 and 2023/24), MODVA spent **Sixty-Eight Million, Seventy-Six Thousand and Seven Hundred Namibia Dollars (N\$ 68,076,700.00)** on training. This allocation catered for all the ministerial training needs for both the civilian staff members and the members of the NDF. Apart from the collective training conducted through training exercises, a total number of **Five Hundred Thirty-Two (532)** personnel completed different individual training courses both inside and outside of Namibia, while **One Hundred Seventy-Two (172)** personnel are continuing with their education and training at home and away.

9. Regarding the development, rehabilitation and maintenance of infrastructures, MODVA spent an amount of **One Hundred and Eighty-One Million, Six Hundred and Seventy-Seven Thousand, Four Hundred and Forty-Two Namibia Dollars (N\$ 181,677,442.26)**.

The major consumer of this allocation was the MODVA Head Office which took up **One Hundred and Ten Million, Nine Hundred and Thirty-Nine, Four Hundred and Eighty-Six Namibia Dollars (N\$ 110,939,486.34)**. Other costs went to the rehabilitation and renovation of kitchen facilities and other installations in some military bases.

10. In terms of participating in Bilateral engagements, the Ministry participated in bilateral meetings with Zambia under the auspices of the Zambia/Namibia Joint Permanent Commission on Defence and Security, held in Livingstone, Zambia and with South Africa within the framework of the Bi-National Commission between Namibia and South Africa, held in Windhoek. In both meetings, issues of common security interests were discussed ranging from cooperation in training to joint border management. We are making progress with our Zambian counterparts in the implementation of the African Union Border Management Programme as a result of our bilateral meetings.

11. Even though the meeting of the Bi-National Commission (BNC) between Namibia and Botswana did not take place last financial year, our Defence Forces have made progress in the implementation of the decisions of the inaugural meeting of the BNC held in Gaborone in 2022. The two Chiefs of the Defence Force met last year and there were also three meetings at the Technical level. These meetings resulted in the establishment of radio communication among the deployments along the common border as well as the refinement of modalities for the conduct of coordinated patrols and civil-military relations with the civilians living in the border area. We also hosted the bilateral battalion-size joint training exercise “Exercise HANGANEE II” in Omaheke Region in June 2023.

12. The Ministry, because of Namibia's tenure as the Chair of the SADC Organ on Politics and Defence Cooperation, hosted over five (05) meetings related to the work of the Inter-State Defence and Security Committee (ISDSC) in Windhoek. It is worth highlighting that such undertaking costed the Ministry over **Eleven Million, Five Hundred and Fifty-Seven, and Nine Hundred Namibia Dollars (N\$ 11,557,900.62)**. The highlight of those meetings is the resultant holding of the quadripartite meeting (bringing together stakeholders from SADC, East African Community, African Union and United Nations) in Luanda, Angola in June 2023, and the establishment of the SADC Mission in the Democratic Republic of Congo (SAMIDRC). MODVA also maintained its deployment to the SADC Mission in Mozambique (SAMIM) in the fight against terrorism in the Cabo Delgado Province of that country. We must hence appreciate the strides and gains made by SADC in solving conflicts in those countries especially since Namibia is an active participant.

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13. All in all, I am confidently reporting to this House that MODVA has prudently executed its budget. It is also worth mentioning that the Ministry has for the last four years received unqualified audit reports. I would therefore like to thank my Accounting Officer and her staff for executing their fiduciary duty effectively. The Accountability Report for the FY2022/23 and the Execution Report for the FY2022/23 were presented during the Mid-Term Budget Review by the Hon. Minister of Finance and Public Enterprises. The estimate of expenditure for 2024/25 – 2026/27 Medium Term Expenditure Framework is hereto attached as APPENDIX 1 for the Honourable Members' scrutiny and consideration.

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14. On 28 February 2024, the Hon Ipumbu Shiimi tabled in this house the budget proposal for the FY2024/25 and the Medium Term Expenditure Framework for FY2024/25 – FY2026/27 under the theme: *“Continuing the legacy of His Excellency Dr Hage G. Geingob by caring for the Namibian child”*. He said that the budget was built on three reinforcing policy pillars, namely: stimulating domestic demand, accelerating investment in productive public infrastructure and cultivating fiscal prudence. These pillars speak to national needs and therefore respectively to the Namibian soldier. The Namibian soldiers will also be beneficiaries of improved household incomes and expanded business investments, they will also benefit greatly from serviceable and upgraded public infrastructures. Correspondingly, the reduction of the debt burden will enable the government to adequately invest in the defence and security of our country. This budget certainly reflects the government’s commitment to caring for and ensuring a bright future for the Namibian child.

15. I would therefore like to sincerely thank Hon Ipumbu Shiimi and Hon Obeth Kandjoze, and their staff for coming up with a balanced budget that not only echoes our Late President’s hope for **“a new beginning for the Namibian House”**, but also responds to our President, Dr Nangolo Mbumba’s reminder during his first State of the Nation Address, that we are facing an expectant nation. **“From the old to the young, from every region, town and village, Namibians are looking to their government for economic relief, prospects for job opportunities and to live in a country that is safe and secure”**. Indeed, the proposed budget sets the government on course to leave Namibia in better shape at the end of its term in 2025 as well as to pave the way for a new beginning for the Namibian House.

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16. Taking a long view into the future, MODVA's roles will continue revolving around the protection and advancement of Namibia's security interests through the promotion of security and stability, provision of military capabilities for the defence of Namibia and its national interests, and aid to civilian authorities and communities as directed by the government. We will have to develop and implement the National Defence Strategy from 2025 going forward, which will encompass a comprehensive outline of Defence policy planning, capabilities and resourcing. This will also include a review of the Military Doctrine.

17. Acquisition of modern equipment will be a prerequisite, to enhance Namibia's ability to deter threats to its security and contribute to the security and stability of the SADC region and the world over. Acquiring conventional arms will however require a whole-of-nation effort for decades to come as the allocation to the Development Budget has never been sufficient over the years.

18. Concerning Human Resources matters, MODVA plans to grow its workforce by 2034. We will continue to shape the workforce to be more capable, agile and resilient. The Implementation of the National Defence Strategy will drive the priority of investment in Defence capabilities and assess the MODVA structure, posture and preparedness to meet the nation's security challenges in the long term. To meet these requirements, there is a focus on growing and skilling the servicemen and women from different sectors of the Force to support the transformation of Defence's capabilities.

19. The ability of MODVA to recruit and retain its workforce is a critical element of managing workforce risk and ensuring the achievement of required workforce growth.

With such a high unemployment rate for both graduates and high school leavers, we will create a compelling employee value proposition to attract educated personnel and retain them. The finalisation of the Human Resource Policies will therefore be of utmost importance.

20. Defence personnel are the most important element of capability for the defence of Namibia and its national interests. We will continue to deliver the required workforce and support. We have already re-engineered our recruitment process to reduce wastages as well as develop a more diverse and inclusive workforce, drawing from across all spectrums of the Namibian community, to ensure we can attract and retain the critical skills needed to achieve our mission now and into the future. This national building approach will be maintained. We have also, over the years established training institutions and partnered with local tertiary institutions to run defence and security-specific related programmes. Our Command and Staff College has now opened up to receive students from other Offices, Ministries and Agencies within the Defence and Security cluster as well as from friendly countries. This trend will continue for as long as the Staff College exists.

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21. This financial year, MODVA has been promised an amount of **Six Billion, Seven Hundred Forty-Three Million, Eight Hundred and Ninety-Seven Thousand Namibia Dollars (N\$ 6,743,897,000)**. These resources will enable us to execute our mandate with the following expected outputs:

Output 1: Defend the Republic of Namibia and its national interests.

22. Section 5 of the Defence Act (Act No.2 2002) provides that the Defence Force or in portion or any member thereof may be employed

(a) on service in defence of Namibia,

(b) on service in the prevention or suppression of terrorism,

- (c) on service in the prevention or suppression of internal disorder in Namibia,
- (d) on service in the preservation of life, health or property,
- (e) on service in the maintenance of essential services, or such other service as may be determined by the President.

Consequently, under Output 1, MODVA continues to plan for, develop and maintain the capability to deter and defeat armed aggression on Namibia and its interests. This includes planning for, conducting, controlling and evaluating MODVA contributions to Government-directed operations. We will also continue to support the neighbouring countries and the SADC Region in emergency and disaster assistance as directed by the Government.

23. In particular, the NDF will continue to conduct operations and provision of support to Civil Authorities and Communities as per Government direction. The training of the soldiers in both combat and non-combat functions, conducting border patrols using all the necessary platforms available, and safeguarding both the air and maritime spaces will continue to be the day-to-day activities of the NDF. It will continue to assist the Namibian Police in anti-poaching operations and combating other criminal activities.

This is despite that some of the soldiers are alleged to be perpetrators of poaching. The perpetrators of this crime face the wrath of the law like everybody else. The NDF will also assist the Civilian Authorities and Communities in disaster relief operations against both natural and man-made disasters, as well as in other areas as will be requested from time to time.

24. We have taken note and are following with keen interest the utterances, through audio messages, that are doing rounds on social media threatening instability after the forthcoming Presidential and Parliamentary Elections in our country, if a certain political party fails to win. Such utterances take the peace and stability that we have jealously guarded over the years for granted. Cognisant of the fact that it is easy to break but difficult to build, the MODVA is taking these utterances seriously and will commit the NDF to ensure that our peace and tranquillity continue to prevail.

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Outputs 2: Advance and protect Namibia's strategic interests and the promotion of regional and global security and stability.

25. MODVA was established to maintain and employ the Defence Force as provided for by the Constitution and the Defence Act. The maintenance function comprises recruiting, training, research and development, procurement, administration, logistical support, maintenance, and medical care. On the other hand, the employment part includes assessing the hostile threat and evaluating the warfighting capabilities of friends and allies. It also includes strategic, operational, and logistics planning and exercising command and control over operational forces.

26. The tasks above are spearheaded by myself assisted by my Deputy, the Executive Director and the Chief of Defence Force. MODVA's strategy, policy and capabilities strengthen Namibia's security and ability to shape the strategic environment, deter hostile actions against our interests and respond to current and future challenges when required.

The policy must be agile and adaptive and must be able to respond flexibly to the identified strategic risks in a rapidly changing environment.

27. In this regard, international engagement as the core function of MODVA will be enhanced. Partnerships with friendly countries within the Region and beyond help build confidence and foster cooperation to improve collective responses to common security challenges. We will therefore continue to implement existing agreements while pursuing other areas of common interests through bilateral engagements as well as participating in multilateral engagements including upholding our Stand-by arrangement commitments.

28. The modernisation of the Defence Force for the future is critical. MODVA will seek the implementation of the Defence Development Plan (DDP) for 2024 to 2034 to deliver capabilities across all domains, including, Land, Air, Maritime, Information Technology and Cyber supported by critical enabling capabilities. This capability will provide the Government with a flexible range of options to deliver on Defence's strategic objectives.

29. Last year, I expressed our express need to reimage the NDF by equipping it with the right equipment. Even though nothing much happened in this area due to financial constraints, MODVA remains hopeful that the future is promising especially since the economy has shown prospects for growth. We have however taken care of our strategic airlift capability for which delivery is expected before the end of 2024.

We have also made progress in the revitalisation of the Defence Industry. The Windhoeker Maschinen Fabrik is showing signs of a new life and has rekindled the confidence of some government institutions which have sought its services and have expressed their satisfaction with the services rendered. The gun carriage which transported our late President's casket was produced by them within a space of five days, which is a sign of their ability to innovate.

30. A strong partnership with the Defence Industry will be critical in delivering Defence capabilities. We will develop a Defence Industry Development Strategy (DIDS). The DIDS will set out the strategic rationale, framework, direction and principles underpinning the direction of defence industry policy and initiatives. The Windhoeker Maschinen Fabrik will be turned around to its original production capacity to provide the necessary mobility and protection to the NDF. The ammunition production capacity will also be enhanced with new production lines.

31. One of our promising companies in the Industry is Sat-Com. They design and manufacture state-of-the-art military communication equipment, systems and add-on accessories. Their multiband radio systems provide seamless secure communication across the High Frequency (HF), Very High Frequency (VHF) and Ultra High Frequency (UHF) bands in a single radio system in various configurations simplifying training, implementation, operation, mission planning, maintenance and logistics which saves the end user lots of money. Their brand is unique and is sought after by many countries in the world. It is thus our intention to enhance Sat-Com's capacity to especially satisfy both the local and the international markets.

32. Efforts will also be made to fully operationalise the Agro-Tour Initiative to bolster self-sufficiency in terms of food production. The Agro-Tour Initiative project is being run on Nine (09) farms of a total size of Fifty-Seven Thousand (57,000) hectares in the Mangetti area in Kavango West Region. The area is infested with wild animals, including elephants, which have over the years caused damage to the infrastructure on the farms as well as to the livestock. To ward off the elephants, we have created for them an earth dam (water point). We have currently employed Eighty-Two (82) workers from the local community.

During the past year, we have replaced the old fence. We have also rehabilitated the old boreholes and installed new ones such that each farm is now equipped with two boreholes. Five hundred (500) hectares of land have been de-bushed while Two hundred (200) hectares have been cleared. The purpose is to venture into the production of animal fodder and vegetables. The partitioning of camps is ongoing while the kraals for handling the cattle have also been erected. Serious farming activities are expected to kick off in earnest.

33. Hon Iipumbu Shiimi, while appreciating the positive impact of economic growth, stated that the Government can utilise the boost in public revenues to address the acute infrastructure backlog. This is a welcome development because infrastructures enable Defence Force operations and contribute to Defence outcomes. Efforts should be made to complete the construction of the MODVA Head Office and to construct and rehabilitate accommodation and other facilities in bases to improve the living conditions of the soldiers. The August 26 Construction (Pty) Ltd has grown in leaps and bounds and has demonstrated its effectiveness through the speedy delivery of school infrastructures.

Last year, they constructed about **Five Hundred and Twelve (512)** classrooms and **Seventy-Four (74)** ablution facilities. Currently, they are busy with **Five Hundred and Twenty (520)** classrooms to be delivered by August this year. They have thus proven their worth to become the government's trusted institution to deliver emergency projects timely and in a cost-effective manner, hence they will be at the forefront of our infrastructure development initiatives.

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34. As we look forward to the fulfilment of the prophecy of “**a new beginning for the Namibian House**”, we are also thinking about how best we can beat the fact that the projected economic recovery is not expected to address the pervasive and entrenched national challenges such as high unemployment, poverty and income inequality. We are wary of the fact that the lack of employment breeds poverty and inequality and may result in internal strife, all of which hurt the Namibia child.

35. MODVA, therefore, seeks to expand the scope and operations of the Defence Industry as its contribution to employment creation, poverty eradication and ultimately creating a conducive environment for the caring and wellbeing of the Namibian child. We would hence solicit your support in making this dream a reality.

36. In conclusion, it will be remiss of me if I do not sincerely thank my deputy, Hon Hilma Ndinelago Nicanor, Dr Wilhelmine Iyaloo Shivute, the Executive Director, Air Marshall Martin Kambulu Pinehas, the Chief of Defence Force, and the entire staff of the Ministry of Defence and Veterans Affairs for their all-round support, all year through, and their commitment to delivering on our mandate.

37. Having laid our planned projections bare, it is now my honour to request you, **Honourable Members**, to approve the allocation of **Six Billion, Seven Hundred Forty-Three Million, Eight Hundred and Ninety-Seven Thousand Namibia Dollars (N\$ 6,743,897,000)** to Vote 08: Ministry of Defence.

I thank you!