

REPUBLIC OF NAMIBIA



**STATE OF THE NATION ADDRESS
BY HIS EXCELLENCY DR. HAGE G. GEINGOB,
PRESIDENT OF THE REPUBLIC OF NAMIBIA**

WINDHOEK

17 APRIL 2019

Check against delivery

- **Honourable Professor Peter Katjavivi, Speaker of the National Assembly and Madam Katjavivi;**
- **Honourable Margaret Mensah-Williams, Chairperson of the National Council and Mr. Williams;**
- **Right Honourable Saara Kuugongelwa-Amadhila, Prime Minister and Leader of Government Business in Parliament;**
- **Honourable McHenry Venaani, Leader of the Official Opposition;**
- **Honourable Sophia Shaningwa, Secretary General of the Governing Party & Member of Parliament;**
- **Honourable Members of Parliament;**

- **Special Guests:**
- **Comrade Nangolo Mbumba, Vice President of the Republic of Namibia & Madame Mbumba;**
- **Madame Monica Geingos, First Lady of the Republic of Namibia;**
- **Your Lordship, Chief Justice Peter Shivute;**
- **Your Excellencies, Members of the Diplomatic Corps;**
- **Distinguished Invited Guests;**
- **Members of the Media;**
- **Fellow Namibians**

2019 - THE YEAR OF ACCOUNTABILITY

It is my honour to stand before you today to deliver my 4th State of the Nation Address, an accountability report which reinforces the essence of our Constitutional democracy and remains true to the concept of 'representative government' and in the words of President Abraham Lincoln - the Government of the People, by the People and for the People.

The People, the ultimate Sovereigns, elected us to govern on their behalf. By so doing, they ceded their right to administer, by endorsing our election Manifesto and bestowing that responsibility to us. By sending you to Parliament and sending me to State House, they charged us, saying, "Go and implement your manifesto as promised." This is the social contract entered into between the People and the Government of the Republic of Namibia.

My task as a leader has been to dream; vividly and without limitation. In my inaugural address, I cast forward the vision of an "inclusive, united and prosperous Namibian House", calling upon all citizens and patriots of this great Nation, to join hands,

in the spirit of "Harambee" and construct a social compact where "No One Should Feel Left Out" and where citizens live in harmony as "One Namibia, One Nation".

These concepts of 'Harambee' and 'No One Should Feel Left Out' have found resonance in the hearts and minds of Namibians, and have become entrenched in Namibian society.

Our declaration of all out war against poverty was fuelled by a single-minded goal: to eradicate poverty in Namibia by 2025. This noble Cause to achieve a truly inclusive society, where men and women, young and old, boys and girls, black and white, where different tribes and ethnicities, can all enjoy equal access to opportunity, remains our greatest motivating force.

Honourable Speaker,

Fellow Namibians,

Every journey has a beginning and an end, with key milestones set along the way as indicators of progress. In April 2015 I undertook nationwide consultations, to inform planning priorities. During that period we covered over 14 thousand

kilometres by road and air, conducted 16 Town Hall meetings, where we engaged in a total of 93 hours of dialogue. I listened attentively to questions, recommendations and aspirations of Namibians, from all walks of life.

Inspired by the “bottom up” approach to priority setting from the Town Hall Meetings, I declared 2015 “The Year of Planning”. The consultations resulted in the formulation and launch of the Harambee Prosperity Plan in 2016. At this juncture I would like to acknowledge Dr. John Steytler in particular and all other Advisors, who contributed immensely to the construct of the Harambee Prosperity Plan, of which I am the chief architect. 2016 was subsequently declared “The Year of Implementation”. Valuable lessons were learnt during this period.

In recognizing the need for greater urgency, we declared 2017 “The Year of Re-dedication”, where all Namibians, Political Office Bearers and Civil Servants were implored to rededicate themselves to the full implementation of developmental Plans, so as to deliver on our mandate.

The year 2018 was declared “The Year of Reckoning” where Public Servants were called upon, to account on the realization of electoral promises and implementation of national development Plans.

The high expectation to deliver “Prosperity to all Namibians” is a tall order. I have maintained that the overwhelming mandate received during the 2014 National Elections is indicative of trust bestowed upon us. Today, four years into Office, it is time to report how we have lived up to those expectations and outline this Government’s agenda for the remainder of its term. It should come as no surprise therefore, that 2019 is “The Year of Accountability”.

In democratic governance, “Accountability” is the principle that holds officials, both elected or appointed, responsible to the Nation, the Electorate and their respective Parties, for their decisions and actions. In the words of Henry J. Evans, “When accountability is present, people keep their eyes on a very clear prize.” Our prize is prosperity and therefore accountability is one of our most effective tools to ensuring that we remain focused on that prize.

With National Legislative and Presidential Elections scheduled to take place later in the year, this SONA fulfills both a Constitutional obligation and serves to provide feedback on progress made.

Honourable Speaker,
Fellow Namibians,

At the outset, there is need for common understanding on the essence of the Promise of 'Prosperity for All', so as to evaluate whether or not we have lived up to our mandate. The Promise of Prosperity for All was not intended to create opulence and excess, in other words, we are not trying to create instant millionaires. Instead, it strives towards building an inclusive Namibia, where those who have been disproportionately marginalized are included into the mainstream of our economy. A Namibia where every citizen has access to the basic amenities to live a decent life. We are talking about shelter, access to potable water, quality education, primary healthcare and sustainable income to afford the necessities of life.

As the Head of this House, I remain committed to ensuring these basic needs are met and to do so, we developed a Plan of Action. The Harambee Prosperity Plan is the Namibian Government's roadmap, towards accelerated development and Prosperity for All. By fast-tracking implementation in the short term, HPP complements the NDPs towards the achievement of Vision 2030.

Changing realities since the adoption of the targeted Plan in 2016, presented downside risks that negatively affected our ability to fully implement planned activities. Subdued and slow economic growth led to GDP contractions since 2016/17, and at the same time we were confronted with unprecedented headwinds, caused by the global economic downturn, falling commodity prices and exchange rate fluctuations. According to the Ministry of Finance, Government also recorded a budget deficit of 12.4 billion Namibian Dollars in 2015/16, owing to steep revenue shortfalls and expenditure pre-commitments from 2014/15.

All these factors, coupled with one of the worst droughts in recent history, severely affected Government's cash flow and

this has been one of the greatest challenges to this Government.

Honourable Speaker,
Fellow Namibians,

For the purpose of this Address I will highlight key accomplishments and challenges encountered, under the thematic areas of Administration, Socio-Economic indicators and Regional and International Engagements, during my fourth year in Office. A detailed implementation report will be appended to and released with this Statement.

Effective Governance is a Critical Success Factor in the attainment of sustained socio-economic progression. In all respects, effective governance forms the basis of our developmental agenda. Ineffective governance on the other hand, presents bureaucratic bottlenecks that undermine accelerated implementation efforts. It is for this reason we continue to attach importance to the principles of accountability and transparency, in order to enhance public service delivery, improve levels of trust and mitigate corrupt practice. Visionary

leadership is required to entrench the principles of effective governance.

To borrow from Samuel P. Huntington's book, 'Third Wave – Democratization in the late twentieth century', the milieu of African leadership has evolved to what I hypothesize to be the "Three Waves of African Leadership".

The 'First Wave' was characterised by extraordinary liberators and Founding Fathers: such as Kwame Nkrumah of Ghana, Gamal Abdel Nasser of Egypt, Julius Kambarage Nyerere of Tanzania, Modibo Keita of Mali, Ahmed Sékou Touré of Guinea Conakry, Jomo Kenyatta of Kenya, Antonio Augustinho Neto of Angola, Samora Machel of Mozambique, Kenneth David Kaunda of Zambia and Robert Mugabe of Zimbabwe.

The 'Second Wave' surfaced during the Cold War Era, when geopolitics divided the world into the East and West. This was a dispensation characterized by coups d'état and One Party States. Towards the end of the Cold War, which ushered in Namibia's Independence and eventually led to South Africa's democratisation, we had our own Comrade Sam Nujoma and

Nelson Mandela of South Africa among this league of extraordinary personalities.

Africa and Namibia has now entered into the 'Third Wave', a democratic dispensation characterised by establishing and cementing sound governance architecture. The focus in this Third Wave is to strengthen processes, systems and institutions, so as to accountably and effectively deliver public services and build trust, in line with my mantra: Accountability plus Transparency equals Trust.

A key initiative undertaken during the period under review to strengthen accountability of public officials, was the introduction of the Performance Management System, based on annual Performance Agreements and quarterly reviews with all Political Office Bearers and Management Cadre. This Management System is our key tool to entrench a culture of efficient thus effective service delivery. It is pleasing to report that the Performance Management System has been embraced within public sector. During the period under review, an average performance score of 74 percent on the implementation of sectoral annual plans was attained. The

Performance Agreements have been availed for public scrutiny via the Office of the Prime Minister website, while Quarterly Reviews are used as a platform to provide feedback.

Namibia's position for Governance in Africa, as measured by the Mo Ibrahim Index improved from 6th position in 2016, to 4th position in 2018.

Namibia's ranking on Transparency International improved from number 6 in 2016, to number 4 in Africa, in 2018. The implementation of the National Anti-Corruption Strategy and Action Plan, and the declaration of income and assets by Public Office Bearers, Parliamentarians and Management Cadre are some of the key initiatives that could have contributed positively to our ranking.

When we declared all-out war against poverty and inequalities, we also declared war against corruption. Bold steps have been taken to fight corruption, during the period under review.

In 2018 I issued letters to a number of Cabinet Ministers following reports of maladministration and alleged corruption.

This was done to provide fair opportunity for those concerned to give their side of the story. Based on the responses, letters were referred to the Anti-Corruption Commission for determination, whether further investigation was warranted.

In all instances and contrary to demands to “see the Big Fish caught”, a due legal process must be followed and permitted to run its course. In line with the Third Wave leadership approach, where there are no arbitrary actions, I believe that credible processes, systems and institutions must be upheld.

Furthermore, the confidential process of lifestyle audits, which started in 2017/18, to determine possible tax evasion, money laundering and illicit proceeds, was broadened during the reporting period. Of the 26 cases handled, 19 have been completed and a total of 40 entities (individuals and companies) have been reviewed, to date. Of the 49.8 million Namibian Dollars assessed to be due to the Receiver of Revenue, 12.8 million Namibian Dollars has been recovered to date.

According to the Financial Intelligence Centre (FIC), 7 813 reports were submitted during the period under review, of

which 329 cases were referred to law enforcement agencies, for further action. The value of these cases was 9.2 billion Namibian Dollars, involving the top five offences of tax evasion, fraud, corruption, drug trafficking and illicit wildlife products.

Furthermore, the Anti-Corruption Commission investigated 701 cases in 2018, of which 156 have been referred to the Prosecutor General, with recommendation to prosecute. 49 of these have been finalized.

In addition, practical measures have been taken to enhance transparency and mitigate corruption, including the promulgation of the Public Procurement Act of 2016. Regulations and Guidelines to the Act were passed and relevant institutions operationalized. Since commencement, the Central Procurement Board of Namibia has awarded 15 contracts to the value of 1,74 billion Namibian Dollars and has issued 46 extensions of contracts and price variations, to the value of 4,32 billion Namibian Dollars.

Contrary to widespread perceptions that Government is not doing enough to fight corruption, we took a principled decision to cancel the Hosea Kutako International Airport upgrading

tender, which was inflated from 3 billion to 7 billion Namibian Dollars. This was despite the urgent need to upgrade the airport.

We also launched an investigation into alleged irregularities in the implementation of the National Oil Storage Facility. The contract was denominated in US Dollars instead of the Namibian Dollar thereby exposing the project to currency fluctuations. Those implicated were subjected to disciplinary hearings.

Honourable Speaker,
Fellow Namibians,

The public wage bill has increased and become, rightly so, an issue of concern to all of us and I am on record having stated that it needs to be addressed. Given the current economic environment, we believe we can do more with less. The Wage Bill is comprised of Political Office Bearers, Civil Servants and Uniformed Personnel. In some countries, teachers and uniformed personnel are excluded from the public service wage bill.

The rise in the Wage Bill is attributable to annual inflationary adjustments, the filling of critical vacant posts, an increase in public entities and job evaluation and re-grading conducted in 2016/17.

Government is currently the largest employer and I should caution that in an environment characterized by high levels of unemployment, attempts at downsizing should be treated with utmost care. It would be unreasonable to downsize overnight, as rapid reductions in the public service would only exacerbate the already high unemployment rate in the country.

However, contrary to popular belief, the Total Wage and Benefits of Political Office Bearers represents N\$160 million out of the 29 billion Namibian Dollar Wage Bill. Said differently this is 0.06 percent of the Public Service Wage Bill, including both houses of Parliament.

As a measure to lead by example, during these trying economic times, Political Office Bearers are agreeable to a once-off, voluntary salary contribution of 2 percent of Nett, for this year.

If Parliamentarians, who are being consulted, are agreeable,

contributions will be deducted as a payroll deduction, with the potential to raise the sizeable amount of approximately 3.2 million Namibian Dollars. The funds will be channeled towards identified social programmes, as a demonstration of our personal commitment.

We are aware that the salary of civil servants cannot be adjusted without mutual consent. To this end, the Prime Minister is tasked to spearhead these consultations and eventual implementation of this intervention, if agreed.

Honourable Speaker,
Fellow Namibians,

In a recent media report, the Anti-Corruption Commission Director General, stated that citizens remain reluctant to report cases of alleged or perceived corruption, due to the fear of retribution. This is despite the enabling legislative framework, including the Whistle Blower and Witness Protection Acts. The fight against corruption requires a zero tolerance stance and concerted efforts from all of us, including the Fourth Estate.

The Media plays a pivotal role in shining the light on the

processes, systems and institutions within a democracy and should view itself as an integral component of our governance architecture. In this Year of Accountability, the Media has an important role to fulfill, in transmitting accurate information that will educate, inform and empower the Sovereigns. Every democracy requires a healthy dose of scrutiny and discourse, and in this regard our free press has played an important role, in holding public officials accountable.

During the period under review, Government undertook important reforms to enhance public access to relevant government information. These include, but not limited to:

- The approval and implementation of the Social Media Policy has contributed positively to the enhanced levels of engagement. Several OMAs have embraced Social Media as an effective tool for public information dissemination. I commend public communication practitioners who are increasingly making themselves accessible for public enquiry and urge others to follow suite.
- We recognize that access to information is a critical component of the electorate's ability to hold elected leaders

to account. To that end, the anticipated Access to Information Bill will be tabled in Parliament during 2019.

To increase public levels of trust, public officials must demonstrate more accountability and more transparency, in their dealings. To this end, I endeavoured to keep communication channels open, as attested by the frequent number of press conferences conducted at the State House and the frequent media statements issued. All my meetings are open to the Media, unless the visiting guest requests otherwise.

As long as the electorate put us here, our Government will guarantee the freedom of the Fourth Estate, who play a constructive role in building the Namibian House. We further commit to upholding the principle of Transparency.

Namibia has embraced the Information Age, which brings with it online media and round-the-clock breaking news, bringing information to the fingertips of the masses and making it easier for Government to account to all Namibians. We are a responsive Government and are leveraging this "New Normal" to enhance public access to information. At the same time, we

are concerned that social media has become a tool to spread disinformation and weaponised lies.

It is regrettable that during the period under review, Namibia lost her position as the country with freest press in Africa, to Ghana. The argument that Namibia lost her coveted position because of the absence of an Access to Information Law, is debatable. Our decline may be attributable to the cynical public discourse and damaging headlines. We should be reminded that these ranking indices are perception based and we are collectively responsible for the image that we project. The Media and Civil Society particularly have a key role to play and must be mindful of the information they convey and the impact it has on society.

Honourable Speaker,

Fellow Namibians,

As I move towards the end of the first section of the Governance Architecture; we remain committed to enhancing the quality of public service delivery. The provision of e-Services remains a strategic priority to bring government closer to the

People. The rollout of e-Governance continues with the following e-Services, implemented during the period under review:

- Introduction of the e-Birth and e-Death online system which now enables nurses in all State Health facilities, Private Hospitals and Police Mortuaries countrywide, to send online notifications of new births and deaths, to the Ministry of Home Affairs and Immigration, significantly speeding up the process of registration and much to the convenience of citizens.
- The Online Tax Administration System (ITAS) to broaden the domestic tax base and improve tax administration;
- The Online Business Registration, rendering the convenience of online business name reservation and access to relevant information required to speed up investment decision making. Investors are frustrated by bureaucrats who sit on applications and cause unnecessary

delays. Investors should be provided with answers and clarity to inform decision-making.

Honourable Speaker,
Fellow Namibians,

Socio-Economic Progression

Human development is central to realizing our goal of prosperity and is the hallmark of effective social and economic policies. From the onset, this Government has pursued measures aimed at ensuring the representation of all social groupings into the mainstream of the economy. Out of necessity, our growth must be inclusive and prosperity shared, so that our development can be sustainable.

Namibia today, is in a better position than it was a year ago. This is primarily because underlying economic fundamentals have been strengthened.

The fiscal consolidation strategy has adjusted expenditure downwards over the term, from 42 percent of GDP in 2014/15

to 34.9 percent of GDP in 2018/19; this is a 7.9 percent reduction. Although such deep budgetary cuts triggered other forms of economic implications, the intervention helped to stabilize the fiscal position and steer the economy onto a path of sustainable growth. To illustrate the positive effect, total spending on Subsistence and Travel Allowance was reduced by 62.3 percent over the period, from 634 million Namibian Dollars in 2015/16, to 221 million Namibian Dollars in 2018/19.

In 2018, we maintained international reserves, sufficient to cover 4.5 months of imports, which is the highest level of import cover Namibia has had, since independence. The economy is emerging from a protracted technical recession, and is forecasted to grow by 0.2 percent in 2019 and a further projected growth of 2.2 percent by 2020.

In 2015/16 our public debt stock was 25 percent to GDP, rising to 49.2 percent of GDP in 2019/20. This high-debt stock has been channeled to stimulate economic recovery and job creation. Although we have exceeded our self-imposed ceiling of 35 percent debt to GDP, we remain below the SADC benchmark of 60 percent debt ratio.

Namibia's improved ranking as the 4th most competitive economy in Africa, is indicative that current regulatory reforms are taking shape.

Government has provided certainty on key policy areas, including land ownership by foreigners, economic transformation framework and manufacturing incentives. Reforms to conduct a public service Bureaucratic Bottleneck Audit; business-registration-process reengineering and the establishment of a labour productivity centre, will over time, improve efficiencies, build trust and boost overall investor confidence.

Investment is picking up and our sustained promotional efforts are paying off. According to the Namibia Investment Centre, a minimum of 34 domestic and foreign direct investment projects were secured over the term, worth a total 2,65 billion Namibian Dollars and generated 1,601 new jobs.

According to the Namibia Statistics Agency, a total of forty-eight-thousand-eight-hundred-and-fifty-seven (48,857) new

jobs were created nationally in 2018, with the greatest contribution coming from the Agricultural sector, which saw modest recovery during the 2017 rainy season. Regrettably, the recurring drought threatens to reverse these gains.

In March 2019, I appointed a 'High Level Panel on the Namibian Economy', tasked to identify opportunities for economic recovery and mass employment creation, by leveraging private sector capital. An immediate deliverable for this eminent Panel will be to coordinate the hosting of a one-day Economic Growth Summit in July 2019.

The Presidential Economic Advisory Council (PEAC) has been reconstituted into the High Level Panel, to reflect changing priorities and emerging opportunities.

One enabling legalisation to leverage private capital investment into development projects, is the Public Private Partnership framework, which has been in force since December 2018.

Honourable Speaker,
Fellow Namibians,

Last year's SONA placed emphasis on Youth, and committed to implement targeted support programmes, with the potential to create new economic opportunities and facilitate pathways for young Namibians.

We heard the cry of the Youth for improved access to finance and have supplemented the plethora of Micro-Small and Medium Enterprise (MSME) funding instruments, with a Venture Capital Fund, a Credit Guarantee Scheme, Skills Based Lending facility and Training and Mentorship Programmes including EMPRETEC (Spanish acronym for entrepreneurship and Technology); to respond to your greater aspiration for self-employment.

121 regional youth enterprises have been identified, registered and are currently in the process of Business Planning, to secure seed capital and commence operations. In addition, the Student Entrepreneurship Programme trained 141 graduates. Both programmes are supported with mentorship and coaching, to ensure growth, sustainability and gainful employment.

Over the period, Government through the Development Bank of Namibia has funded 101 SMEs, at a total cost of 165 million Namibian Dollars, and through this, facilitated 850 permanent jobs and 682 temporary opportunities.

I have faith that these interventions will yield a greater impact on the unemployment scenario.

Honourable Speaker,
Fellow Namibians,

Our war against wealth and income inequalities must be multifaceted, to redress the historical imbalances. There is correlation between our national poverty level and the Gini-Coefficient measure for inequality. According to the Namibia Statistics Agency, within a period of 22 years, we reduced poverty from a baseline of 70 percent in 1994, down to 37.7 percent in 2003 and now 18 percent in 2016. In terms of social mobility, we have lifted more than 400,000 Namibians out poverty, since independence. The sharp decline in our national poverty level is testament of an effective social policy

framework to reduce poverty and gives me confidence that it is possible to eradicate poverty in Namibia.

Although income disparity declined from 0.70 to 0.56 over the same period, inequality remains high, attesting to the deeply embedded structural nature of our problem. Wealth redistribution is therefore non-negotiable in our work to build a more inclusive and balanced growth model.

We are therefore working towards the finalisation of the Namibia Equitable Economic Empowerment Framework, which will be Namibia's overarching economic transformation policy. Given the need for broad consultation, the draft legislation is undergoing internal review, after which a final round of public consultations will be conducted, before the Bill is presented to Cabinet and re-tabled in Parliament this year.

Our redistributive, progressive tax agenda is being implemented with focus to broaden and deepen the revenue base, protect tax base erosion and implement tax administration reforms. Enabling legislation for the Namibia Revenue Agency has been passed and will become operational in October 2019; while

amendments to the Income Tax Act to broaden the tax base, have commenced.

The number of Private Sector organisations that have heeded my call for economic empowerment through Employee Share Schemes, including most recently, Standard Bank, Hangala Group and TrustCo. These schemes affirm that we have indeed understood our shared obligation and I urge more companies to voluntarily follow-suite.

The October 2018 Second National Land Conference has given us fresh impetus to resume our quest for Land Justice with greater urgency and courage of conviction. I am proud of the manner in which we conducted ourselves and brokered this difficult dialogue. We did so with maturity, tolerance and empathy. This potentially divisive subject, united us, by creating a common understanding of the challenges and injustices suffered by fellow countrymen and women. Let us continue to place a high premium on what binds us together; as One, United, Namibian Nation.

The Conference laid challenges bare and also highlighted, in some instances, the lack of accountability that has resulted in the high levels of mistrust on the Land Question. Key outcomes have been captured in the Post-Conference Implementation Plan. However I will highlight few pertinent outcomes, here:

- In February 2019, I appointed a Commission of Enquiry into the claims of ancestral land rights and restitution.
- The line Ministry is tasked to lead the Upgrading of Informal Settlements, pursuant to my declaration of the situation of Informal Settlements as a humanitarian crisis.
- The dwelling of Chief Hosea Kutako at Aminius has been declared a National Heritage Site and renovations will commence once the budget is approved.
- Historic sites shall be identified and monuments erected, in honour of the heroic contributions made towards the Namibian struggle.

In furtherance of our fight against inequality, we have identified the promotion of gender equality and women's empowerment as an integral part of achieving inclusive, shared and sustainable growth. Gender equality is enshrined in the

Namibian Constitution and since independence government has initiated various programmes aimed at reducing gender discrimination within our society. Besides tremendous progress made in ensuring equal participation by women in politics, we have also sought to promote increased participation of women in the economy and other sectors of our society.

These efforts have not gone unnoticed and last year, Namibia was recognised by the African Union with the 2018 Gender is My Agenda (GIMAC) award for outstanding progress in championing Gender Equality. I affirm this Government's continued commitment to achieving even greater milestones in this regard.

Honourable Speaker,
Fellow Namibians,

Turning to the social indicators, I have established from the onset, that the Promise of Prosperity commits to meeting the basic needs of our People.

Greek biographer Plutarch spoke to the conscious of humanity and delivered a warning when he said, "*An imbalance between rich and poor is the oldest and most fatal ailment of all republics.*"

It is not only morally incorrect to tolerate a society in which there are huge disparities between rich and poor, but as history has taught us, economic inequality places the peace and stability of nations in a precarious situation. All over the world, we have and continue to witness the collapse of nations, because certain groups feel left out and lose hope.

It is incumbent of this government therefore, to meet the basic needs of those most vulnerable among us, while creating an environment where those with ability can thrive. In so doing, we enable every Namibian to realize potential and prosper; each according to their need and ability.

Over the term, Government has sustained and even intensified social spending. A total allocation of 41 percent of the 2019/20 national budget, or 29.6 billion Namibian Dollars, has been allocated towards education, health and social protection.

We have committed ourselves to Zero Deaths from Hunger Poverty out of the conviction, that one life lost to hunger, is one life too many. We employed a multi-pronged approach to stemming hunger poverty, estimated to affect 5.8 percent of Namibians in 2015/16, and assist the food insecure. To this end the following actions were undertaken:

- Government spent 557 million Namibia Dollars on drought relief during the period under review, reaching six-hundred-and-twenty-two-thousand-four-hundred-and-forty-four (622,444) Namibians in all 14 regions. Adverse weather conditions caused by Climate Change have affected rainfall in 2018/19, thus necessitating the mobilization of additional resources towards drought relief, this season. We are assessing the situation, which is expected to worsen, with a view to declare a Drought National Emergency.
- The Food Bank was launched in 2016 to increase household food security in Urban and Peri-Urban areas. Operations expanded from Windhoek to the following additional 8 towns:

Keetmanshoop, Luderitz, Mariental, Rundu, Nkurenkuru, Khorixas, Opuwo and Eenhana.

- Over the period, seventeen-thousand-two-hundred-and-sixty (17,260) households were registered as Food Bank beneficiaries in 7 regions, translating into broader impact reaching seventy-seven-thousand-nine-hundred-and-ten (77,910) food insecure Namibians, each month.
- I have stated that the Food Bank is not the panacea and is part of a multi-faceted approach, responding to the plight of the food insecure in urban areas. For the rural areas, government has subsidized agricultural services through which it avails tractors for harvest, so as to complement household food security for those who live off the land.
- 162 tractors were deployed to provide subsidized agricultural ploughing services to communal farmers. Furthermore, additional tractors are to be acquired to ensure each crop-producing constituency is serviced by a minimum of 4 tractors, from the current average of 2 tractors per constituency.

- Government sustained the School Feeding Programme, to improve school attendance and mitigate attrition. Coverage continues to increase, from three-hundred-and-thirty-thousand (330,000) learners in 2016, to three-hundred-and-seventy-seven-thousand-five-hundred-and-twenty-one (377,521) learners in 2018.

Honourable Speaker,

Fellow Namibians,

To enhance the quality of life of Namibians and to restore and safeguard the dignity of the individual within society, we have implemented a number of policy programmes aimed at improving the living standards of our people. In this regard, we guarantee every Namibian's dignity. I wish to highlight notable steps in this regard, as social indicators of progress:

Despite the recurring drought, we ensured water supply security.

- Water is life and we are proud that access to potable water has increased from 50 percent to 95 percent of households countrywide, during the period under review. Community water points are built along pipelines. Those who need to walk to a water source, water is available within a radius of 2.5 kilometers. In 1990 for example, residents of Omusati region walked approximately 10 kilometers to the nearest water source.
- The gravity of the water situation in 2018 necessitated Government to mitigate severe water shortages in Windhoek and the Central Areas of Namibia. As a result, water supply for central areas is now guaranteed, even in a no-rain scenario, up to the end of 2019.
- Of the 1,856 Bucket Toilets that existed in 2016, 65 percent have now been replaced with 1,213 functioning sanitation units. In addition, a total of 2,153 rural toilets have been constructed in 13 regions.
- Our Constitution guarantees the free movement of people to reside anywhere in the country and as a result, and people

settle in all areas, including unserviced, peri-urban areas. The lack of sanitation facilities in these areas has contributed to the rise of communicable diseases, such as Cholera and Hepatitis. Hepatitis E continues to be a public health challenge and in response, a Special Advisor has been appointed to coordinate national efforts to contain this epidemic.

We are working relentlessly to ensure all inhabitants of the Namibian House have access to decent and affordable shelter. Over the term we prioritised the provision of serviced land and residential housing and are able to report the following progress:

- 10,584 houses have been constructed and handed over to new homeowners. Of these 1,885 units were financed by the Government Institutions Pension Fund (GIPF) and the 8,699 by central government. A further 2,734 houses are currently under construction at Windhoek, Keetmanshoop, Opuwo and Swakopmund.

- In addition 14,694 residential plots have been serviced countrywide; and
- The Shack Dwellers Federation of Namibia constructed 219 houses countrywide. Through a social partnership, the Private Sector made laudable contributions towards the efforts of the Shack Dwellers Federation.

The economic merits of social safety nets are far reaching. In addition to the immediate reduction in poverty, social grants provide regular and significant cash injections into micro-economies, stimulating activities at remote rural areas. We can report the following progress for the period under review:

- In 2016 the Old Age Social Grant was increased from N\$600 to N\$1,100 per month, and further increased in 2017, to the revised monthly grant value of N\$1,250.
- To date, two-hundred-and-eighteen-thousand-five-hundred-and-eighty-six (218,586) senior citizens and persons living with disabilities receive monthly grants nationwide;

- Coverage for Old Age Social Grant and disability stand at 93 percent and 70 percent respectively, for total eligible population.
- Monthly spend on Old Age Social Grants amounts to 273 million Namibian Dollars.
- A Social Protection Policy has been developed to address all risks and vulnerabilities, as an instrument to fight against poverty and inequality.
- Namibia is recognized within SADC, as a model when it comes to the protection of people with albinism. There have been no documented cases of attacks on people with albinism.
- A draft White Paper on the Rights of Indigenous People in Namibia has been developed and is due for Cabinet approval.

Honourable Speaker,
Fellow Namibians,

The provision of health services is central to our socio-economic development agenda. Our focus is to facilitate access to a comprehensive, preventive and curative health service system, with primary health care as the base. To this end, the following programmes were undertaken:

- 2,400 Community Health Extension Workers and 12 Midwives were trained and 1,646 deployed to the regions to perform basic health promotion activities and assist expecting mothers.
- 353 Registered Nurses, 327 Enrolled Nurses and 53 Doctors and Dentists were recruited and deployed to hospitals and clinics at Windhoek, Keetmanshoop and Rundu.
- To mitigate staff shortages at regional hospitals, Government deployed 168 medical officers and 28 Specialists, to 33 health centers countrywide.
- Maternity Ward Theatres were upgraded at Oshakati State Hospital, while construction of Maternity Wards at Rundu, Onandjokwe and Katutura State Hospitals is due for

completion during 2019. The construction of Maternal Shelters at Opuwo and Gobabis has been completed.

- The mother to child transmission of HIV, has been reduced from 20.7 percent in 2002, to 1.9 percent in 2018, while Namibia's HIV response stands at 94:96:95, exceeding the global triple 90 target. This means that 94 percent of people who are HIV positive know their status; of those who know their status, 96 percent of them are on ARV treatment, and of those who are on ARV treatment, 95 percent of them are virally suppressed and unlikely to transmit the virus. This means that Namibia is on the verge of achieving total epidemic control.

Honourable Speaker,

Fellow Namibians,

Access to opportunity is an important predictor of future outcomes. Expanding access to an inclusive and integrated education system from pre-primary to tertiary, provides an individual the opportunity to advance and develop the requisite skills to compete in the 21st Century. Inasmuch as technological

advancements in the 4th Industrial Revolution threaten mass labour, the technologies also bear potential to unleash unprecedented levels of job creation. We can report the following progress:

- Government has introduced technical subjects at secondary level, creating opportunity to choose an education stream.
- Improving the qualifications of lecturers in Higher Education, has positively impacted the quality of teachers. Corresponding efforts have been made to improve research capacity at institutions of higher learning.
- Job attachments are a crucial component of tertiary education, but undermined by the lack of industry attachment opportunities within the labour market. In response an Apprenticeship Pilot Programme is being implemented to facilitate Work Integrated Learning, with a total of 321 student apprentices.

I appreciate all employers who have participated in this Pilot, including but not limited to Etuna Guest House at

Ongwediva, Pupkewitz and NamPort. I also encourage more companies to scale up industry attachments, so as to enhance work-readiness of our youth.

- Production Units were established at Eenhana and Zambezi VTCs to provide students industry experience, while supporting the maintenance and upkeep of government physical infrastructure, by fixing broken school desks and hospital beds. This is indeed a pragmatic approach to skills training.
- Furthermore, the 'Namibia-at-Work' employment matchmaking facility has, during 2018, facilitated permanent employment placements for 703 registered Jobseekers.
- Additionally, thirty-two-thousand-one-hundred-and-twenty (32,120) trainees were enrolled into TVET programmes countrywide, against a set target of twenty-five-thousand (25,000); and
- To improve quality of teaching outcomes, 1,667 trainers were trained against a target of 200 for the period.

Honourable Speaker,
Fellow Namibians,

Modern, reliable infrastructure is critical for high and sustained economic growth. Without it, almost everything in the economic value chain tends to be slower, less reliable and more expensive.

Namibia strives to achieve Energy Supply Security through a mix of economically competitive and reliable sources, with emphasis on the development of its own generating capacity, based primarily on renewable sources. To this end, the National Integrated Resource Plan, National Energy Policy and National Independent Power Producer policy were developed. The following activities were undertaken during the period under review:

- The Single Buyer Model was reviewed to enable the distribution of power supply, generated by Independent Power Producers (IPP). De-regulation of the Single Buyer

Model has been approved by Cabinet, permitting IPPs to generate and distribute electricity to the end user.

- As at December 2018, Namibia's electricity demand stood at 652 Megawatts excluding Skorpion Mine. The country increased local generating capacity from 400 Megawatts in 2015, to 557 Megawatts in 2018 - by NamPower and IPPs. In addition to locally generated power, we continue to import 318 Megawatts from the SADC Power Pool.

- Namibia generates 40 percent of its own electricity demand from renewable sources, which contribute a total 189 Megawatts to national supply. The unbundling of distribution are key reforms that have opened up the sector for investment, to tune of 3 billion Namibian Dollars.

- Rural Electrification and Access: The rural electrification coverage has increased from approximately 18 percent in 2015 to, 20 percent in 2018. A total of 970 rural schools, health facilities and public institutions have been electrified during the period.

Transport infrastructure: Namibia has well-established road infrastructure, comprising of more than 44,500 kilometers of national networks and ranked Number 1 in Africa for Road Infrastructure, in 2018.

- During the period under review, 819 kilometers of bitumen standard road have been added to the national road network and 373 kilometers of gravel roads were completed under the period under review.
- Upgrading of Windhoek-Okahandja dual carriage road has commenced and the current phase is due for completion in 2019; Swakopmund-Walvis Bay dual carriage road has commenced and due for completion 2020 and Windhoek-Hosea-Kutako-International-Airport dual carriage road has commenced.
- The Port of Walvis Bay was deepened and the New Container Terminal constructed at a cost of 4 billion Namibian Dollars, and is expected to be commissioned mid 2019.

Honourable Speaker,
Fellow Namibians,

Allow me now to give an account of what transpired on the Diplomatic Engagements during the period under review.

The Namibian Government remains committed to the principles of solidarity, freedom and justice. As a respected and trusted member of the international community, we are keen to maintain and further our regional, continental and international relationships.

Namibia's new Foreign Policy was adopted in 2018, with a key focus on economic diplomacy as opposed to traditional political diplomacy. As a Child of International Solidarity, we place a high premium on maintaining mutually beneficial relations with other countries. The support of the international community was integral to the attainment of our political independence and remains critical in our pursuit for economic independence.

At a continental level, we are in the process of establishing "The Africa we Want", under our strategic framework for socio-

economic transformation - Agenda 2063 of the African Union (AU). Infrastructure development has been identified as one of the flagship projects of our Agenda, since poor infrastructure is an impediment to economic growth and productivity. To address the challenge of infrastructure, African Heads of State and Government adopted the Programme for Infrastructure Development in Africa (PIDA), as the continental strategic infrastructure framework.

Furthermore, in an effort to boost intra-African trade, the AU Commission has earmarked the African Continental Free-Trade Area (ACFTA) as a major force for continental integration. The ACFTA will cover an African market of 1.2 billion people and a gross domestic product of 2.5 trillion USD across all 55 Member States of the AU. However, integration cannot take place in the absence of industrialization and in this regard, African nations, including Namibia, are industrializing their economies, in order to increase capacity for trade of finished goods.

Our Regional Economic Communities (RECs) are the vehicles through which we will initiate the harmonisation of policies and practices, as building blocks for continental integration. As a

Member State of the AU and the Southern African Development Community (SADC), Namibia is dedicated to playing its role in ensuring that these aspirations are realized.

Honourable Speaker,

Fellow Namibians,

Africa can only move forward when the people of Western Sahara decide their fate, through a free and fair referendum. We reaffirm our full and unequivocal support for the democratic rights of the People of Western Sahara, to self-determination, in line with the Resolutions of the AU and United Nations Security Council.

In this regard, we welcome and commend the efforts by His Excellency Horst Kohler, former President of Germany and Personal Envoy of the UN Secretary General for Western Sahara, who has initiated negotiations between the Kingdom of Morocco and the POLISARIO Front. We support his efforts and endeavour to continue working with him, in line with the UN settlement plan on Western Sahara.

I am proud to report that the SADC Solidarity Conference on Western Sahara, which took place in Pretoria in March 2019, was a resounding success; an indicator of the resolve of the people of SADC to ensure all of Africa's people are completely free.

As a nation that has experienced the deprivation caused by oppression, we reaffirm our solidarity with people across the world who are denied their rights to self-determination and who are still reeling under the overbearing policies of aggression. It is in this spirit that we reaffirm our support for the people of the Occupied Territory of Palestine, in their pursuit of self-determination, justice, freedom and independence.

Furthermore, we renew our call for the lifting of the decades old, economic and financial embargo on Cuba, which is outdated.

We further call on the lifting of the sanctions on Zimbabwe, a key partner that has opened a new chapter in the pursuit of economic development, national unity and prosperity.

In my capacity as the Chairman of SADC, I wish to reiterate our firm commitment to democratic processes. Since foreign policy is an extension of domestic policy, SADC does not and will not support undemocratic attempts to seize power, whether in our region or beyond. We therefore express our support for the democratically elected government of the Bolivarian Republic of Venezuela and reject all attempts at undermining its legitimacy.

Namibia hosted the 38th SADC Summit, in August 2018, in Windhoek, adopting the theme, "Promoting Infrastructure Development and Youth Empowerment for Sustainable Development". We attach a premium to the development, empowerment and inclusion of young people, who are the future custodians of the social, political, economic and governance infrastructure of our countries.

A Kenyan proverb teaches that "Peace is costly, but worth the expense." In Africa, we understand that we must be willing to pay whatever the cost, to maintain peace. For this reason, our Namibia Defense Force has established itself over the years, not only as a defender of our territorial integrity and sovereignty, but a defender of peace, participating in various peacekeeping

missions across Africa. Namibia continues to participate in UN sponsored peacekeeping operations in South Sudan.

As Commander-in-Chief, I am proud of the men and women of our Defense Force, who continue to display utmost bravery, unity and professionalism. Indeed, these brave sons and daughters are the pride of our Namibian House.

As Chair of SADC we have played a constructive role in promoting peace in the region. The Democratic Republic of the Congo (DRC) today is in a better place. In recent bilateral talks, I reminded President Felix Tshisekedi of the importance of reaching out to adversaries. I said to him that, "*One does not make peace with a friend. One forgives and makes peace with an enemy.*" I commended the leadership of the DRC, for holding elections and re-affirmed our commitment to the Government of the DRC, to assist, as they take the reassuring step towards peace, stability and eventual prosperity.

Moreover, Namibia celebrated alongside the People of Madagascar, as they inaugurated their democratically elected leader and fashioned a peaceful transition of power.

Ofcourse no democracy is perfect, however, I have during my

term as Chairman of SADC, observed that the democratic credentials of the region are becoming entrenched.

Honourable Speaker,

Fellow Namibians,

The impacts of Climate Change have never been as pronounced, as witnessed in the aftermath of Cyclone IDAI. We regret the loss of life and immense human suffering, and convey our most sincere condolences to the bereaved Nations of Mozambique, Malawi and Zimbabwe. In response, Namibia is donating food to the affected countries and SADC launched an international appeal for humanitarian assistance, during this climate change tragedy.

Namibia being one of the countries vulnerable to climate change was one of the first parties to sign the Paris Agreement in 2016. Furthermore, Namibia is a board member of the Africa Renewable Energy Initiative (AREI), that aims to help African countries leapfrog towards renewable energy systems, that

support low-carbon development strategies, while enhancing economic and energy security.

The Ocean Economy is an emerging concept, encouraging better stewardship of the ocean resources. The ongoing global discourse highlights the close linkages between the ocean, climate change and the wellbeing of the nations. Ocean Resources present huge opportunity to boost economic growth and tackle unemployment. Namibia has been singled-out for best practice in leadership and sustainable governance of its ocean resources. Namibia is a member of the High Level Panel on Sustainable Ocean Economies, which has the key objective to shape the global debate on the Ocean Economy.

We have just returned from Portugal, where we participated in the Horasis Global meeting, which focused on a world out of balance and the benefits of globalization. I reaffirmed Namibia's commitment to an equitable and multilateral world order, as a guarantor of world peace.

Honourable Speaker,
Fellow Namibians,

In peroration, with all missions in life, there are setbacks, there are mistakes and there are failures. Although we have achieved many milestones over the past four years, there have also been some disappointments and areas in which we could have done better. The detailed HPP Report, which is available for your perusal, highlights our successes and setbacks over the period. However, I am not one to dwell on failures because I am reminded by the author Augustine Mandino who said, "Failure will never overtake me, if my determination to succeed is strong enough."

We will not allow failure to overtake us because we are driven by a strong will, by a unique Legacy, a trinity of leadership [Comrades Nujoma, Pohamba, Geingob] which is pivotal to delivering prosperity. The Namibian House remains intact, it continues to grow and we remain committed to the Vision.

Thus, we must continue to nurture and develop our narrative of national unity, denoted by concepts such as One Namibia, One Nation; Harambee and No Namibian Should Feel Left Out - unless they leave themselves out. This is not mere rhetoric but

a clarion call for all Namibians to uphold the intrinsic values that have helped us emerge and overcome historical trials and tribulations, during and after our struggle for independence. We emerged as a people from a legacy of deliberate segregation of the populace, under the cruelty of Apartheid. Ethnic and tribal strains were engrained into our nation's psyche and we are in danger of slipping back into the abyss of racial, tribal and ethnic intolerance if we do not hold hands and pull in the same direction. As the Head of this House, I cannot and will not allow these retrogressive tendencies to manifest themselves in our Namibian House.

National unity is an incremental prerequisite to peace, stability and economic development. Without unity, there is no nationhood, without nationhood there is no social cohesion and without social cohesion, there can be no possibility of shared economic wealth and prosperity. We must be patriots and the best way to demonstrate patriotism is by persevering in the face of adversity; hand in hand, step by step, one stride at a time, towards the attainment of our dreams and goals.

We must continue to inculcate attitudes that will further our quest to bridge ethnic divisions and ensure there is widespread recognition of the need for national unity in Namibia. It is therefore incumbent on all Namibians to develop a common tapestry of trust and work hand-in-hand, to uproot from our society, the scourges of crime, alcohol and substance abuse, Gender Based Violence and road accidents.

I wish to reassure the nation that no matter how challenging the task, no matter how demanding the assignment, we will leave no stone unturned, to ensure that every Namibian is able, to not only see light at the end of the tunnel but emerge into the radiant promise of shared prosperity. It is true that the economic situation that has prevailed over the past several years has exacted a heavy toll on many of our citizens. However, we are a resilient people, a proud people, a hopeful people and a united nation. We have weathered the storm and if we maintain our commitment to nationhood and take charge of our destiny, then we will emerge victorious.

This is not the time to waiver; this is not the time to doubt. For we have come too far, invested too much, sacrificed and endured too much - to give up the fight for prosperity.

Let us pull together, strengthened by unity, galvanized by liberty and fortified by justice.

Long live the Republic of Namibia.

Long live the People of Namibia.

I thank you.