

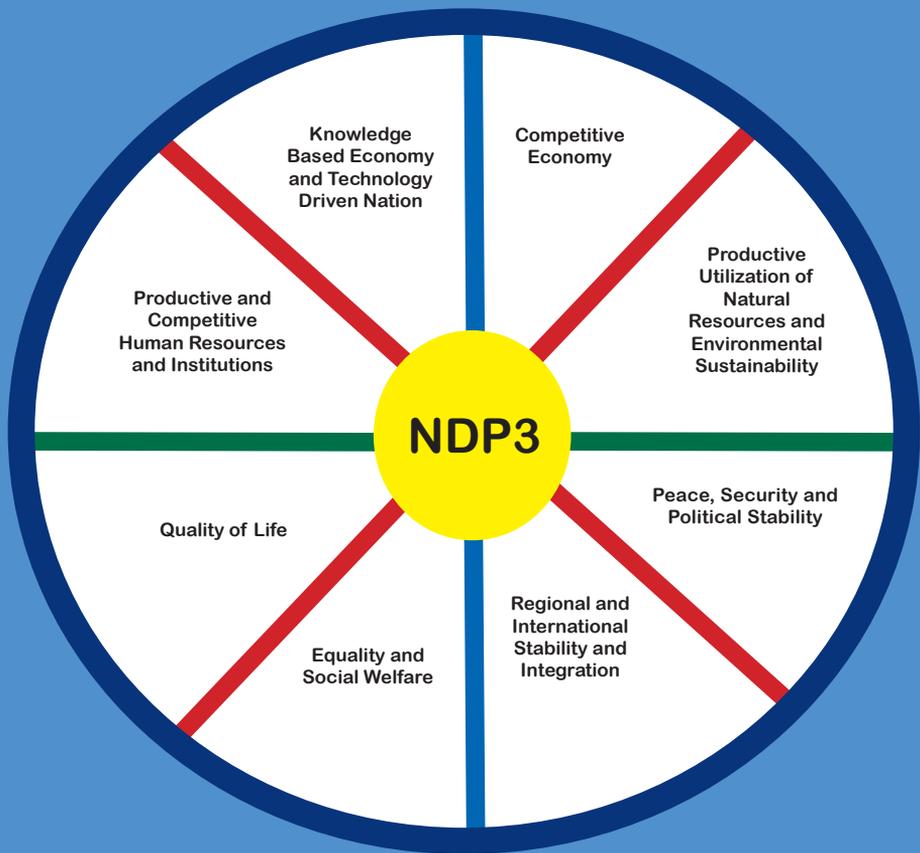


**Republic of Namibia**

# **Third National Development Plan (NDP3)**

**2007/2008 - 2011/12**

## **Volume I Executive Summary**



**WINDHOEK  
2008**

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## Foreword

The Third National Development Plan (NDP3) is another major step on our long journey to achieve Our Nation's Vision to be a prosperous industrialised country by 2030, developed by our people, and enjoying peace, harmony and political stability. Like the Vision, NDP3 is the product of the efforts of a wide range of Namibian and international stakeholders in Windhoek and the 13 Regions that participated in the identification of the needs, priorities, opportunities and challenges facing our people, and prepared responsive policies and programmes following the National Consultation Conference in October 2007.

The Right Honourable Prime Minister and the Honourable Cabinet Ministers; the Honourable Speaker of the National Assembly and Members of Parliament; the Honourable Governors, Mayors and Councillors from all 13 Regions; captains of industry; leaders of civic organisations and communities; and esteemed representatives of our international development partners should be commended for their participation and contributions. The National Planning Commission is to be congratulated for organising and steering the Plan preparation to a successful conclusion with the involvement of all major stakeholders.

NDP3 projects an average growth rate of 5 percent per annum in the gross domestic product (GDP) under the Baseline Growth Scenario with no new policy interventions, and 6.5 percent per annum under the Higher Growth Scenario with redoubled efforts. These growth rates are higher than the average annual growth rates of 4.7 percent achieved during NDP2 and the 3.5 percent recorded during NDP1. A total investment of N\$76.3 billion is required from all public, private and international stakeholders over the five-years to achieve the NDP3 targets and realise the baseline average growth rate of 5 percent per annum. This compares with the actual investment of N\$55.3 billion during NDP2, which resulted in an average annual growth rate of 4.7 percent. In order to achieve the higher average growth rate of 6.5 percent per annum, a higher investment of about N\$94.6 billion will be required to implement NDP3.

NDP3 is a plan for Our Entire Nation to make progress towards achieving our long-term National Vision. Formulation of the Plan is only the first step. We will realise the benefits only if we implement the Plan effectively. As many of you are aware, private investors - including Namibian and foreign businesspersons with large, medium and small companies, traders, farmers, artisans and ordinary

citizens - account for about two-thirds of the total production in our economy. The Government at the national and sub-national levels and the parastatals with the assistance of our international development partners account for the balance. The Government will continue to be an important actor in creating and maintaining favourable economic, social, environmental and political milieu to facilitate the implementation of the Plan and achieving the projected results.

I urge Namibian investors, traders, farmers, artisans and ordinary citizens to exert their best efforts to help Our Nation to achieve and sustain the higher GDP growth rate of 6.5 percent per annum which is essential to create the new jobs required to reduce the high rate of unemployment and poverty in our country.

I implore our international development partners and private foreign investors to redouble their efforts to help us move on to and continue on the higher growth trajectory. The state actors in both political and administrative positions are directed to ensure the effective delivery of public services to our citizens and realise “value for money” in public expenditures and maintain a positive development environment for the private sector and other stakeholders to contribute to Our Nation’s progress.



***H.E. Hifikepunye Pohamba***  
***President***  
***Republic of Namibia***

## Preface

Namibia's Vision 2030 provides the long-term development framework for the country to be a prosperous and industrialised nation, developed by her human resources, enjoying peace, harmony and political stability. The National Development Plans are seen to be the main vehicles to translate the Vision into action and make progress towards realising the Vision by 2030. The Third National Development Plan (NDP3) is the first systematic attempt to translate the Vision 2030 objectives into action.

The policy directions for the Plan are drawn from: i) the Vision 2030; ii) the 2004 SWAPO Party Election Manifesto; iii) the guidance from the November 2005 Special Cabinet Retreat; iv) the Millennium Declaration and the constituent Millennium Development Goals (MDGs); and v) the lessons learned from implementing the Second National Development Plan (NDP2). The overall theme of NDP3 is "Accelerated Economic Growth and Deepening Rural Development."

NDP3 is based on eight Key Result Areas (KRAs), each corresponding to one of the eight main objectives of Vision 2030. Due to their complexity and wide scope, two of the eight KRAs – Competitive Economy and Productive Utilisation of Natural Resources and Environmental Sustainability – are sub-divided into two Sub-KRAs each, giving a total of ten KRAs/Sub-KRAs; and the 21 NDP3 Goals are grouped under them. Each of the KRAs/Sub-KRAs is assigned to a Thematic Working Group (TWG) coordinated by a Government Ministry/Office; and comprising Government officials at the Centre and in the Regions, and representatives of the private sector, civic organisations and international development partners.

NDP3 has been prepared through the broad participation of all stakeholders utilising an Integrated Results Based Management (IRBM) Approach. The Plan has been formulated by the ten TWGs, each coordinated by a Ministry or Office. Within each TWG, NDP3 Goal Groups, Sub-Sector Task Teams and Regions worked on the NDP3 goal targets (results) and strategies; and sub-sector goals and strategies; and formulated programmes to achieve the results. The TWGs prepared their NDP3 submissions consolidating the inputs of the NDP3 Goal Groups and the Sub-Sector Task Teams and the 13 Political Regions. The preliminary NDP3 submissions of the TWGs have been reviewed by the National Planning Commission Secretariat (NPCS), which prepared the

first draft of the NDP3 document. The first draft of the NDP3 document was discussed with stakeholders at a National Consultation Conference held during 26–30 October 2007; and their feedback was incorporated appropriately in the revised final draft of NDP3. The final draft has been considered and approved by Cabinet.

The NDP3 document contains two volumes: Volume I comprises the main chapters and Volume II includes the Public Sector Investment Programme (PSIP). Volume I is organised in three parts:

- Part I: Review of Implementation of the Second National Development Plan (2001-2006);
- Part II: Third National Development Plan (2007/08 – 2011/12); and
- Part III: NDP3 Implementation, Monitoring, Reporting and Evaluation Arrangements.

Chapters 4A, 4B, 5A, 5B and 6 to 11 on the Sub-KRAs/KRAs in Volume I summarise the TWG submissions following the format approved in the Guidelines for Preparing NDP3 (issued in December 2006). Each chapter begins with a presentation on the Thematic Area Description, its performance during NDP2, and its strategies. This is followed by the NDP3 goal description, its performance during NDP2, its indicators, baselines and targets; its strategies; and the Sub-Sectors that are relevant for the goal. The concluding portion of each chapter presents for each Sub-Sector, the Sub-Sector description and background, its performance during NDP2, its mission, goals, indicators, baselines and targets; its strategies; and the programmes that contribute to achieving the Sub-Sector goals (which, in turn, contribute to achieving the NDP3 goals). The numbering system in these Chapters is explained in the note following the table of contents.

Volume II is made up of a summary and details of all the programmes presented in Chapters 4A, 4B, 5A, 5B and 6 to 11 of Volume I of the NDP3 document. It constitutes the PSIP for NDP3.

NDP3 differs from NDP2 and NDP1 in a number of ways. First, it is based directly on the eight broad objectives of Vision 2030. Second, it is formulated by ten TWGs through teamwork utilising the Integrated Results Based Management (IRBM) Approach with a central focus on development results, building on the ongoing initiatives on Public Sector Management and Public

Financial Management. Third, it presents for the first time in Namibia, an overall resource required to implement the Plan by all State and non-State stakeholders in order to achieve the projected Plan targets. Fourth, the Plan spells out the Implementation Arrangements and puts in place a Monitoring, Reporting and Evaluation Arrangements to continuously monitor and report on progress in achieving the targeted results.

Preparation of the NDP3 was a complex and difficult task undertaken by the National Planning Commission. However, the NPC worked as a team and played its due role constructively and fruitfully with exceptional dedication, devotion and vigour. Indeed, this is the beginning of our road map ahead to accelerate economic growth and sustainable development leading to welfare improvement of our people. For this effect, a mammoth task is ahead; it is the strategic and systematic implementation of the NDP3.

In this respect, the NPC as a team again must play its due role with renewed interest, will and spirit to ensure that our limited resources are utilized to generate the expected outcomes in an effective, efficient and accountable manner for successful implementation of the plan for its logical and rational conclusion.



***Hon. Prof. Peter H. Katjavivi***  
***Director General***  
***National Planning Commission***

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# **NDP3 Volume I: Executive Summary**

As in other National Development Plans (NDPs), the formulation of the Third National Development Plan (NDP3) began with a stock-taking of progress achieved during the NDP2, the challenges faced and the lessons learned, which is summarised in Part I of this volume. The details on the progress achieved during the NDP2 are included under each of the Key Result (Thematic) Areas (KRAs), NDP3 goals and sub-sectors in other relevant chapters in Part II of this Volume. These details provide the background for the formulation of the targets and strategies for the NDP3 goals; the corresponding targets and strategies for the sub-sector goals; and the sub-sector programmes. The third and final part of this Volume (Part III) comprises the two chapters on the NDP3 implementation arrangements and the NDP3 performance monitoring, reporting and evaluation system. This Executive Summary is organised in the order in which this volume is presented.

## **1. NDP2 Implementation Performance and Lessons Learned**

The NDP2 targeted GDP to grow at an average of 4.3 percent per annum. The actual performance shows that GDP grew at about 4.7 percent per annum during 2001-2006. This growth was largely driven by secondary and tertiary industries, while primary industries - with the exception of Mining and Quarrying - performed below target. This growth was helped by favourable international demand and high prices for Namibia's main exports including diamonds and other minerals.

There was a decline in the total number of people employed in the economy from 431,849 persons in 2000 to 385,329 persons in 2004, with virtually all the job losses occurring in the rural areas. Thus, during 2001-2004, employment actually declined at an average of 2.7 percent per year in contrast to the 2.6 percent annual increase visualised in the NDP2. Simultaneously, overall unemployment (broadly defined) rose from 33.8 percent in 2000 to 36.7 percent in 2004 with rural unemployment rising from 35.9 percent to 44.7 percent. In other words, the NDP2 witnessed job-less growth, which seems to have benefited primarily the non-poor and urban centres. The NDP2 also saw progress in reducing macroeconomic instability and establishing fiscal discipline. However, capital efficiency, as measured by the incremental capital-output ratio, remained virtually the same as that in the NDP1.

Poverty incidence declined from 38 percent of households in 1993/94 to 28 percent in 2003/04 while the inequality in the distribution of consumption expenditure (a proxy for income) was reduced. School enrolment rates achieved were close to the NDP2 targets with gender parity. The proportion of seats held by women in the Parliament rose from 19 percent in 2000 to 27 percent in 2004. The infant mortality rate rose from 38 per 1,000 live births in 2000 to 46 in 2006 while the mortality among children below five increased from 62 per 1,000 in 2000 to 69 in 2006. The maternal mortality rate jumped from 271 per 100,000 live births in 2000 to 449 in 2006. Life expectancy at birth reached a post-independence low of 49 years in 2006. The HIV/AIDS pandemic and other communicable diseases such as tuberculosis and malaria contributed to the significant increases in mortality rates and the decline in life expectancy. Access to potable water increased well above the NDP2 target while that for adequate sanitation under-performed.

Significant progress was made on land reform and resettlement but the achievements on support for housing were below target. The equity in provision of public services improved. Significant efforts were made to improve the efficiency and responsiveness of the public sector to the needs of the people while promoting good governance.

Certain progress was made in restructuring Central Government through the reorganisation of some existing ministries, the redistribution of functions and the establishment of new ministries and agencies. Progress on decentralisation has been slower than expected.

Namibia further strengthened its internal role in the Southern African Development Community (SADC) Region and Africa and on the global scene. Economic diplomacy was enhanced; and foreign direct investment (FDI) flows increased on average in spite of large annual fluctuations.

Overall, the NDP2 achieved significant results and successes. Review of its implementation brought to light a number of important lessons including the following: (i) economic growth should facilitate growth in jobs; (ii) rural-urban disparities in poverty incidence should be reduced; (iii) the early signs of stabilisation of the HIV/AIDS prevalence rate needs to be consolidated and the momentum to reduce the rate should be maintained; (iv) the significant rural-urban disparities in economic growth and employment need to be addressed; (v) greater integration of service delivery between government entities and

between them and the private sector, civil society organisations and Namibia's international development partners is required; (vi) the Government needs to more effectively utilise the limited supply of skilled personnel and formulate and implement a comprehensive human resources development plan as a priority; and (vii) a strengthened and integrated national monitoring and evaluation system is critical to monitor progress on the implementation of laws, development policies, programmes and projects; and evaluate the results and impacts.

## **2. NDP3 Development Framework and Targets**

Namibia's Vision 2030 provides the overall framework for the development of the country; and the NDP3 is the first systematic attempt to translate the Vision into actionable policies and programmes. The NDP3 adopted an Integrated Results Based Management (IRBM) Approach to help improve: (i) strategic planning, coordination, and implementation of the Plan; (ii) results from the use of scarce resources through the budgetary process; (iii) human resource capacity and performance for successful service delivery and development management; and (iv) monitoring, reporting and evaluation systems to provide timely, accurate, and reliable performance information to support and improve programme and policy decision-making.

The development directions for the NDP3 including the 21 NDP3 goals are derived from the Vision 2030; the 2004 Election Manifesto of the SWAPO Party; guidance from the November 2005 Special Cabinet Retreat; the Millennium Declaration and the constituent Millennium Development Goals (MDGs); and the lessons learned in implementing the NDP2. Based on these directions, the main theme of the NDP3 is *“Accelerated Economic Growth and Deepening Rural Development.”*

*GDP Growth Targets:* As Namibia is a trade-dependent country, the NDP3 takes into account the recent performance and emerging trends in the world economy and its major partner countries, which continue to be favourable in spite of some slowdown in growth in the developed economies. The Plan also considers the domestic context that continues to be positive notwithstanding the risks associated with high interest rates, high petroleum prices and the uncertain electricity supply situation in the short-term. Based on these and other factors and the potential of sectors such as agriculture, fisheries, mining, manufacturing, construction, transport and communications, hotels and restaurants and

financial services, the NDP3 presents a Baseline GDP growth target averaging 5 percent per annum with no new policy interventions and a Higher GDP growth target averaging 6.5 percent per annum predicated on a number of new policy interventions and actions. As in the NDP2, secondary and tertiary industries are projected to be the main drivers of growth during NDP3.

*Socio-Economic Targets:* The NDP3 also presents targets for other socio-economic indicators as well as a qualitative assessment of the progress towards achieving the MDGs by 2015. Good progress is being made on reducing the incidence of poverty; increasing the enrolment in primary schools; achieving and maintaining gender parity in school enrolment at all levels; improving adult literacy; and enhancing access to potable water. Progress has been slower in reducing child malnutrition; increasing secondary school enrolment rates; and improving the proportion of women in Parliament. Infant, child and maternal mortality rates have been on the increase with a significant decline in the life expectancy at birth from 62 years in 1990 to 49 years in 2006. Also, the HIV prevalence rate has worsened compared to the baseline situation in 1990, although there are signs of stabilisation of the pandemic. The overall unemployment situation and that among the youth is deteriorating. Finally, the amount of foreign aid received per person has been on a downward trend, in part due to the classification of Namibia as a middle income country.

*Employment:* An indicative estimate of total employment has been compiled using assumptions based on past experience and informed judgements. The results show that employment would grow on average at 2.6 percent per annum under the Baseline GDP growth rate of 5.0 percent per annum, and at 3.2 percent per annum under the Higher GDP growth rate of 6.5 percent. However, these estimates require further refinement.

### **3. Total Investment Required and Sources of Investment**

The total investment required to implement the NDP3 by the Offices, Ministries and Agencies including the parastatals (O/M/As) and the Regional Councils and Local Authorities (that are collectively classified as the public sector), domestic and foreign private investors, civil society organisations, communities including farmers and small and micro entrepreneurs, and international development partners is estimated to be N\$76.3 billion to achieve the Baseline GDP growth rate of 5.0 percent per annum and N\$94.6 billion to achieve the Higher GDP growth rate of 6.5 percent per annum. The sources of investment

are both domestic and foreign. The domestic sources are: (i) the Government from domestic revenues; (ii) the parastatals from domestic sources; and (iii) the domestic private sector including individuals (such as farmers, fishing and micro, small, medium and large entrepreneurs) and groups or institutions such as civil society organisations. The main foreign sources are: (i) official development assistance (ODA) including that channelled through NGOs; and (ii) foreign direct investment (FDI). The investments likely to be available from domestic sources are approximately N\$54.6 billion (or 72 percent of the total) under the Baseline GDP growth rate of 5 percent and N\$61.6 billion (or 65 percent of the total) under the Higher GDP growth rate of 6.5 percent. The amounts likely to be available from foreign sources is approximately N\$15.7 billion (or 21 percent of the total) and N\$22.0 billion (or 23 percent of the total) under the two scenarios. This leaves a potential gap of N\$6.0 billion (or 8 percent of the total) and N\$11.0 billion (or 12 percent of total) respectively under the two scenarios. Mobilisation of additional investment over and above that projected to be likely to be available from domestic and foreign sources is necessary to fill the projected gaps in the investments required to implement the NDP3.

The NDP3 goals, strategies and targets and the corresponding sub-sector goals, strategies, targets and programmes under each KRA and sub-KRA are summarised in the following section.

#### **4. Key Result Area: Competitive Economy**

The KRA on Competitive Economy is derived from the Vision 2030 objective of transforming Namibia into an industrialised country of equal opportunities, which is globally competitive, realising its maximum growth potential on a sustainable basis, with improved quality of life for all Namibians. It is linked to the sub-visions on an enabling macroeconomic environment, transport infrastructure, and employment and unemployment, and the reduction of poverty and inequality.

As Namibia is a heavily trade dependent country, improving its regional and global competitiveness is crucial for its successful and sustained economic advancement. The 2006-2007 World Competitiveness Report provides the ranking of the relative competitiveness of countries based on the assessment of three areas: economic performance, government efficiency and business efficiency. The Report ranked Namibia 84th among 125 countries, five places

down from the previous year. Namibia therefore needs to redouble its efforts to regain lost ground and improve its competitiveness.

Considering its complexity and broad scope, the KRA on Competitive Economy is divided into two sub-KRAs: (i) Macro-Economy, and (ii) Infrastructure.

#### **4a. Sub-Key Result Area: Macro-economy**

Of the total of 21 NDP3 goals, four inter-related goals are grouped under this sub-KRA: (i) Increased Equality in Income Distribution; (ii) Increased and Sustainable Economic Growth; (iii) Increased Employment; and (iv) Smart Partnerships and Private Sector Development. Inequality in the distribution of wealth and income in Namibia is one of the highest in the world. Increased equality in income distribution is critical not only from social and human development perspectives but also from the point of view of economic efficiency and competitiveness. Experience all over the world has shown that a more equal distribution of income contributes to more rapid, stable and sustained economic growth. Thus, increased equality in income distribution (the first goal) contributes to and benefits from increased and sustainable economic growth (the second goal); which, in turn is a key to and is influenced by increased employment (the third goal). As in most other market economies, a major share of investment and production in Namibia is generated by the private sector, through partnerships between and among the key non-State and State economic actors. Therefore, the fourth goal on smart partnerships and private sector development is critical for the Namibian economy to grow rapidly and sustainably (the second goal), increase employment (the third goal) and increase equality in income distribution (the first goal).

The NDP3 targets for increased equality in income distribution include: (i) raising the ratio of per capita income of the poorest income group to that of the richest from 3.7 percent to 10 percent; (ii) increasing the share in total income of the poorest 25 percent of the population from 6.6 percent to 12 percent; (iii) reducing the proportion of subsistence farming households from 28.9 percent to 25.9 percent and raising the proportion in commercial agriculture from 0.7 percent to 5 percent of the total; (iv) increasing the ratio of rural to urban per capita income from 34 percent to 40 percent; and (v) improving the ratio of per capita income in the poorest region to that of richest region from 14 percent to 20 percent by the end of the NDP3.

To make progress on the NDP3 Goal on Increased Equality in Income Distribution, the strategies to be implemented during the NDP3 include: (i) increasing access to productive assets such as land and capital for the previously disadvantaged; (ii) increasing employment opportunities through the promotion of rapid economic growth, enhancing the enabling environment in existing towns and the proclamation of new towns; (iii) increasing investment in education and human resources development in the previously disadvantaged; (iv) improving the delivery of public services to the previously under-served and un-served; (v) pilot testing a formula-based grant system to the Regions; and (vi) implementing a progressive tax system including the tax on land.

The NDP3 provides for: (i) the compilation of accurate information on income distribution in the country in a timely manner through the 2008/09 Namibia Household Income and Expenditure Survey (NHIES); (ii) the facilitation of a more equitable distribution of land through the land reform and resettlement programme; (iii) the enhancement and implementation of a progressive land tax on commercial farms; (iv) the provision of appropriate training, mentoring and facilitation services, with special emphasis on livestock (rangeland management) and crop production for all resettlement beneficiaries; and (v) the strengthening of the implementation of the tax laws to mobilise more revenues to increase funding for the programmes aimed at improving equality in income distribution. Furthermore, the NDP3 includes provision for pilot testing the implementation of a formula-based system of grants from Central Government to the Regions in order to promote decentralisation and reduce the regional disparities.

As indicated in the section on the NDP3 Development Framework and Targets, the GDP growth targets for the NDP3 goal of increased and sustainable growth are an annual average of 5 percent under the Baseline Scenario (with no new policy interventions) and 6.5 percent under the Higher Growth Scenario (with several important policy interventions). Inflation is targeted at 7.0 percent under both GDP growth scenarios while the Namibia Dollar is projected to depreciate on average at 3 percent per annum against the US Dollar. The ratio of investment to GDP is targeted to increase from 24.9 percent during the NDP2 to 32 percent and 33 percent respectively under the Baseline and Higher GDP Growth Scenarios respectively. Namibia's exports are targeted to increase on average at 7 percent per year under the Baseline Growth Scenario and at 9.0 percent under the Higher Growth Scenario.

Strategies to achieve increased and sustainable economic growth under the two scenarios include: (i) strengthening the institutional foundations for macroeconomic stability; (ii) promoting agricultural development-led industrialisation; (iii) enhancing market efficiency; (iv) improving the competitiveness of public sector service delivery; and (v) promoting pro-poor economic growth.

All sub-sectors and actors in the economy contribute to reaching the targets and achieving the goals of NDP3. The sub-sector strategies and programmes are included under the respective KRAs/sub-KRAs. In addition, improved macroeconomic policy research, sound management of public finances, and the transformation of the financial services sector through the implementation of the Namibian Financial Sector Charter, enhanced financial support to SMEs, further development of the money and capital markets and expansion of the youth credit scheme will be pursued during the NDP3 with a view to improve the ownership, participation and access of financial institutions to formerly disadvantaged groups.

The overall target for the NDP3 Goal on Increased Employment is to raise the proportion of the labour force employed from 63.3 percent in 2004 (the year of the last Namibia Labour Force Survey) to 66.7 percent by 2012. The strategies to achieve the goal include: (i) the provision of demand-driven educational programmes to equip the youth with the skills demanded by the economy and mainstreaming youth as a priority in all employment creation initiatives; (ii) improving the education system; (iii) transforming and diversifying the economy; (iv) implementing well-balanced resettlement schemes; (v) promoting timely and efficient implementation of development and capital projects; (vi) ensuring adequate investments in labour intensive sub-sectors; (vii) optimising the use of Namibian unskilled labour through exploring employment opportunities in other countries; and (viii) establishing a Productivity Centre to improve productivity in the economy.

The sub-sector strategies and programmes to achieve the NDP3 Goal on Increased Employment include the enactment or amendment of legal and regulatory frameworks; providing improved labour services; further improving industrial relations; setting up a comprehensive labour market information system; and establishing a Productivity Centre.

The targets for the NDP3 goal on Increased Smart Partnerships and Private Sector Development are: (i) to strengthen mutually beneficial smart partnerships between the public and private sectors and civil society organisations; and (ii) reduce the number of steps (such as bureaucratic procedures involved in obtaining documents or permits), the time and costs involved in setting up a business and/or conducting business in Namibia.

The strategies include: (i) the finalisation and implementation of the Public-Private Partnerships policy; (ii) the operationalisation and implementation of the Government-Civic Organisations Partnership Policy approved in 2006; (iii) encouraging increased private investment and higher firm-level productivity; (iv) improving the business environment including through reducing the legal and regulatory costs of doing business; (v) increasing access to economic opportunities and resources to previously underserved groups; (vi) offering attractive, effective and transparent investment incentives; (vii) ensuring fair competition and a level playing field for informal sector enterprises and SMEs; and (viii) aligning labour markets with the needs of the growing private sector.

The sub-sector strategies and programmes to achieve the NDP3 goal are: (i) to create a favourable enabling environment for increased Smart Partnerships between the public and private sectors and civil society organisations; and (ii) to improve the enabling environment for private sector development through reducing the time and cost of setting up and conducting business in Namibia and expanding the infrastructure, facilities and services required by the private sector.

#### **4b. Sub-Key Result Area: Infrastructure**

The NDP3 Goal under the Infrastructure sub-KRA (which belongs to the Competitive Economy KRA) is to establish and sustain a highly developed and reliable infrastructure, which is a prerequisite for improved productivity, reduced production costs and enhanced competitiveness. This infrastructure comprises of road, railway, air and maritime transport; telephone, Internet, broadcast and postal communications; meteorology; and housing and works and management of public property. The NDP3 Goals are to maintain, improve and expand infrastructure in the country to provide safe, secure and effective infrastructure required for the development of the country and its integration with the southern African region.

The transport sub-sector strategies include: (i) reinforcing and improving the financial capacity of public entities in the sub-sector; (ii) developing and strengthening partnerships with the private sector and international development partners for funding, construction, maintenance and operation of the transport infrastructure; (iii) enhancing SADC inter-regional transport connectivity and links to other important destinations outside southern Africa; (iv) ensuring safety and security in transport; and (v) strengthening Namibia's capacity for construction, maintenance and operation of its vast transport infrastructure.

The transport sub-sector programmes contributing to achieving the goal of highly developed and reliable infrastructure are: (i) road construction and upgrading; (ii) road rehabilitation, maintenance, management of the road network, and road safety; (iii) non-motorised infrastructure development; (iv) railway network development, maintenance and rehabilitation; (v) air transport infrastructure development; (vi) maritime and inland water transport infrastructure development and safety; and maritime cadet training

In the communications sub-sector, the NDP3 aims to: (i) increase the tele-density; (ii) enhance access to reliable and affordable communication services; (iii) improve the availability of reliable and affordable postal services; and (iv) expand access to reliable and affordable broadcasting services during the NDP3 period through the adoption and implementation of a clear and strong communications policy and regulatory framework.

The communications sub-sector strategies include: (i) improving the policy and regulatory framework; (ii) expanding the physical infrastructure including equipment and communication lines and channels; and (iii) strengthening financial and human capacities.

The programmes encompass: (i) the expansion of the telecommunications backbone infrastructure; (ii) the establishment and roll-out of high speed/broadband access networks; (iii) the expansion of the Post Office network; and (iv) roll-out of broadcasting services country-wide.

The housing sub-sector will strive to meet the current and emerging housing needs of middle and low-income Namibians during the NDP3 by facilitating the increased supply of serviced housing plots (erven) and the construction of houses under the various public, private and community schemes. Furthermore, it will facilitate the completion of the construction of the Habitat Research and

Development Centre, the decentralisation of urban and regional planning, the maintenance through the Namibia Housing Enterprise of a conducive financial system for housing financing for the middle and lower income groups, and the development and implementation of a national participatory land and shelter information system and database.

The housing sub-sector programmes to be implemented during the NDP3 are: (i) the construction of sewage, water, electricity and road networks in the 13 Regions; (ii) the continued implementation of the Habitat Country Programme; (iii) the construction of houses and services through savings schemes targeting the poor; (iv) an expanded Build Together Housing Programme; and (v) improving the access to affordable and quality housing to lower income groups.

During the NDP3, the meteorological services sub-sector aims to complete the institutional reforms started during the NDP2 by: (i) recruiting and training more Namibians to professional meteorologist and technician levels; (ii) undertaking meteorological station network relocation, upgrading and replacement of obsolete equipment; (iii) replacing and modernising the national climate database system to international standards; (iv) setting up a Climate Analysis Unit to support the multi-disciplinary National Climate Change Committee; and (v) setting up systems for detecting and monitoring hazardous weather. The programme in this sub-sector involves the improvement and expansion of the country's meteorological infrastructure and services.

The main focus of the works and public property management sub-sector during the NDP3 is to provide support services to other sub-sector public entities in the construction of physical facilities and management of public property and physical assets. The sub-sector programmes are: (i) support for the implementation of public works and public property/asset management; and (ii) construction of constituency and town council offices.

## **5. Key Result Area: Productive Utilisation of Natural Resources and Environmental Sustainability**

The Productive Utilization of Natural Resources and Environmental Sustainability KRA corresponds to and is derived from the Vision 2030 objective of ensuring the development of Namibia's natural capital and its sustainable utilisation for the benefit of the country's social, economic and ecological well-being. The associated sub-Visions focus on land and agricultural production; fisheries

and marine resources; freshwater and associated resources; non-renewable resources; wildlife and tourism; production technology; and biodiversity. The economy of Namibia continues rely heavily on the exploitation of renewable and non-renewable natural resources. The optimal and sustainable utilisation of these resources is essential for the continued advancement of the country for the foreseeable future.

Considering the complexity and broad scope of the KRA, it is divided into two sub-KRAs: (i) Sustainable Utilisation of Natural Resources; and (ii) Environmental Sustainability. The summaries on each of the two sub-KRAs are presented below.

### **5a. Sub-Key Result Area: Sustainable Utilisation of Natural Resources**

The NDP3 Goal under this sub-KRA is Optimal and Sustainable Utilisation of Renewable and Non-Renewable Resources. The Goal targets are to maintain the shares of production from the exploitation of natural resources at sustainable levels during the NDP3. The sub-sectors contributing to achieving the NDP3 goal are: (i) agriculture, (ii) forestry, (iii) fisheries, (iv) water, (v) lands, (vi) mining, (vii) energy, (viii) wildlife and (ix) tourism. The NDP3 goal strategies focus on the sustainable utilisation of natural resources through (i) the harmonisation of laws, regulations and policies; (ii) monitoring the use of the resources; (iii) the adaptation of improved technologies; (iv) the adoption of appropriate mechanisms and processes including community and stakeholder participation in the management and exploitation of the resources; (v) strengthening indigenous capacities; and (vi) ensuring efficient and sustainable utilisation.

The **agriculture sub-sector** focus is on increasing crop and horticultural production through sustainable improvements and the optimal and sustainable utilisation of soils as well as increasing livestock production through sustainable improvements and the optimal and sustainable utilisation of rangeland. The sub-sector strategies include: (i) the promotion of improved farming and livestock production practices; (ii) the creation and strengthening of the marketing of the products including those from indigenous plants; (iii) halting and reversing soil erosion and nutrient depletion; (iv) developing new virgin lands; (v) livestock disease control and trans-location of the Veterinary Cordon Fence to the North to the Namibian-Angolan border; and (vi) the promotion of meat exports.

The agriculture sub-sector programmes are: (i) crop and horticulture improvement; (ii) production and marketing of indigenous plant products; (iii) soil management; (iv) improving livestock productivity; (v) agriculture infrastructure including irrigation development; and (vi) human resources development and capacity strengthening in the agriculture, water and forestry sub-sectors.

The focus of the **forestry sub-sector** during the NDP3 is on the sustainable management and utilisation of forest resources. The sub-sector strategies cover (i) the involvement of communities and other stakeholders in the sustainable management and utilisation of forest resources; (ii) the utilisation of research results to increase the benefits from forest resources; (iii) conducting forest resources assessment; (iv) improving law enforcement to control illegal harvesting; and (v) strengthening the capacities of actors in the sub-sector. The sub-sector programmes are: (i) forest management and utilisation; and (ii) invader bush utilisation.

The **fisheries sub-sector** objective is to sustainably utilise the living aquatic resources and develop aquaculture. The sub-sector strategies include: (i) the effective and efficient monitoring and management of the living aquatic resources promoting fish stock recovery; (ii) setting annual Total Allowable Catch (TAC) quotas at sustainable levels; (iii) strengthening the joint management of shared fish stocks through the Benguella Current Commission (BCC); (iv) promoting the joint management of perennial rivers including the co-management of inland fisheries resources; (v) the strengthening of market research in fishing; (vi) creating incentives to fishing rights holders to increase value addition in Namibia's fish products; (vii) encouraging entrepreneurship and investment in fishery resources; (viii) developing aquaculture; and (ix) safeguarding genetic biodiversity.

The fisheries sub-sector programmes to be implemented during the NDP3 are: (i) survey and stock assessment; (ii) monitoring, control and surveillance; (iii) promotion of aquaculture; and (iv) human resources development and capacity building.

During the NDP3, the focus of the **water sub-sector** is on ensuring the sustainable and efficient use of water resources through joint management with the stakeholders. The sub-sector strategies include: (i) the promotion of Integrated Water Resources Management (IWRM); (ii) the harmonisation of laws, regulations and policies; (iii) making more water available for the

satisfaction of basic needs and for the development of the country; and (iv) adopting the principles of integrated water resources planning and development of water resources when allocating water for different uses. The sub-sector programmes are: (i) water resources management; (ii) strategic water supply infrastructure development; (iii) rural water supply infrastructure development; and (iv) forestry water supply infrastructure development.

The **lands sub-sector** will strive to improve the equitable distribution of and access to land and improved income through sustainable land use. The sub-sector strategies include: (i) the compulsory acquisition (expropriation) of land for redistribution and resettlement; (ii) the strengthening and expansion of the Affirmative Action Loan Scheme (AALS) for financing the purchase of land by the previously disadvantaged; (iii) the development of under-utilised and under-developed communal land into small-scale commercial farming units and its allocation to the previously disadvantaged to engage in commercial farming; (iv) the development of suitable post-settlement support packages and the provision of appropriate training, mentoring and facilitation services; (v) the implementation of a progressive land tax on commercial farms; and (vi) the merging of the Commercial (Agricultural) Land Reform Act and the Communal Land Reform Act so that all previously disadvantaged farmers can benefit from the Land Acquisition and Development Fund. The lands sub-sector programmes to be implemented during the NDP3 are: (i) the land usage programme; (ii) land acquisition, distribution and resettlement; (iii) research on land reform and resettlement and development; (iv) land valuation and land tax; and (v) security of tenure to real property.

The **mining sub-sector** focus during the NDP3 will be on the sustainable and optimal utilisation of the country's mineral resources. The sub-sector strategies include: (i) the promotion of the development of new mines through the provision of comprehensive geological information on mineral resources; (ii) the promotion of downstream processing and value addition activities; (iii) the encouragement of Namibian entrepreneurs in the mining sub-sector and mineral processing; (iv) support to small-scale mining and small and medium enterprises; (v) the development of regional marketing centres for small-scale miners' products; (vi) the provision of an enabling legal and regulatory environment and the enforcement of the Mineral Act and Health and Safety Regulations; and (vii) the strengthening of Namibia's capacity in mining and mineral processing. The sub-sector programme will involve increased support to improved mining output by large, medium and small-scale miners.

The **energy sub-sector** will aim to provide an adequate, secure and efficient supply of energy that is environmentally friendly and leads to a reduction in the country's reliance on energy imports. The sub-sector strategies include: (i) increasing the local energy generation with conventional and renewable technologies and strengthening distribution networks; (ii) improving the regulatory framework through the establishment of a strong regulatory body for the whole energy sub-sector; (iii) establishing a commercial electricity trading centre and enforcing regionally harmonised tariffs for cost recovery; (iv) implementing the Rural Electricity Distribution Master Plan and providing remote areas with off-grid renewable energy; (v) extending the urban electricity network and promoting renewable energy in the urban areas; (vi) promoting the efficient use of energy by introducing special technology programmes and public awareness campaigns; and (vii) increasing local capacity.

The energy sub-sector programmes to be implemented during the NDP3 are: (i) the regulation of the energy sub-sector; (ii) electricity generation and supply/distribution including rural electrification; (iii) the exploration, exploitation and efficient use of fossil fuels; (iv) the promotion of the use of renewable energy; and (v) improved energy efficiency.

The **wildlife sub-sector** aims to achieve the sustainable utilisation of wildlife resources and the maintenance of bio-diversity in and outside of protected areas. The sub-sector strategies include: (i) the promotion of sustainable utilisation of wildlife in communal and commercial areas; (ii) mitigating human-wildlife conflict; (iii) proclaiming and managing protected areas; and (iv) adopting appropriate policies and regulations and implementing them. The sub-sector programme will facilitate wildlife management in and outside the protected areas.

The **tourism sub-sector** will focus on expanding tourism through community participation, and ensuring economic and ecological sustainability. The sub-sector strategies include: (i) promoting tourism as a viable vehicle for poverty reduction, rural development, bio-diversity protection and overall economic growth; (ii) creating a favourable environment for rapid and sustained growth of the tourism sector by developing an appropriate regulatory framework, institutions and guidelines; (iii) coordinating training and skills development programmes and materials that are particularly aimed at illiterate and semi-illiterate rural communities; (iv) sourcing financial and technical assistance to facilitate the entry into mainstream tourism of previously disadvantaged

Namibians through community-based tourism initiatives; (v) creating new tourism investment opportunities focusing on proclaimed conservation areas and cultural heritage sites; (vi) intensifying tourism promotion and marketing, market diversification and destination management; (vii) developing a central data and information management system for planning and monitoring the industry; and (viii) strengthening the capacity of the sector. The sub-sector programme will facilitate the development of the different facets of tourism in the country.

## **5b. Sub-Key Result Area: Environmental Sustainability**

The NDP3 Goal under the Sub-KRA is to ensure environmental sustainability by strengthening the management of natural resources and bio-diversity. The activities in all sub-sectors affect either directly or indirectly the environmental sustainability and the details of these are provided under the respective KRAs/Sub-KRAs.

Environment is the key sub-sector contributing to achieving the NDP3 goal under this Sub-KRA. The targets include: (i) increasing the area covered by conservancies from 8.0 million hectares in 2006 to 8.8 million hectares by 2012 and that under community forestry from 1.19 million hectares to 1.8 million hectares during the same period; (ii) reducing the area encroached by invader bush from 26 million hectares to 22.1 million hectares; (iii) stabilising and increasing the proportion of targeted key wildlife species from 50 percent to 80 percent; (iv) improving the target marine species; (v) establishing at least one new marine and wetlands park; (vi) increasing the number of partnership agreements with communities managed according to approved management plans; (vii) improving the enabling conditions including laws, regulations and policies for enhanced environmental sustainability; and (viii) developing and implementing a National Strategy on Climate Change.

The environment sub-sector strategies include: (i) the prevention of overexploitation of natural resources; (ii) improving understanding of the Benguella Current system; (iii) improving optimal land use and livelihood options; (iv) increasing recreational facilities (including parks, monuments and museums); (v) extending community-based natural resources management (CBNRM); (vi) protecting Namibia's unique tourism product focus on low impact, high quality and nature-centred tourism; (vii) ensuring healthy, diverse and productive wildlife populations and economically important species outside

State-owned lands; (viii) integrating parks into economic activities on farmland; (ix) mainstreaming climate change adaptation and mitigation; (x) strengthening the management of natural resources and bio diversity; (xi) mitigating the effects of pollution, waste, urban and industrial development on the environment; (xii) increasing people's participation in environmental planning and management; and (xiii) improving environmental awareness and education.

The NDP3 programmes in the environment sub-sector are: (i) integrated sustainable land management; (ii) conservation measures and Community-Based Natural Resource Management; (iii) policies, laws and research; (iv) control of pollution, safe disposal of waste and improvement of the urban environment; (v) adaptation to climate change and mitigation of its effects; and raising awareness, education and capacity building on Environmental Impact Assessments and Social and Environmental Assessments.

## **6. Key Result Area: Productive and Competitive Human Resources and Institutions**

Vision 2030 of "*A prosperous industrialised Namibia, developed by her human resources, enjoying peace, harmony and political stability,*" puts the people at the centre and emphasises the key role of human resources in realising the Vision. It specified the broader strategic framework of transforming the country into a knowledge-based economy (KBE). Thus, Namibia's transition to a KBE demands a skilled and competitive workforce. Education and Training and Early Childhood Development are the Sub-Visions associated with the human resources and institutional capacity building Vision.

Productive and competitive human resources and institutions are critical for Namibia to accelerate economic growth and compete effectively in global markets. Without acceleration in economic growth, it is difficult for the country to create additional jobs, especially jobs that signal productivity growth, reduce poverty and attain equitable social development. Productivity growth is therefore a critical factor for the realisation of the country's strategic development goals. Productivity growth – particularly higher value-added productivity – is expected to increase Namibia's gains from the export of its natural resources in processed form. It is also expected to improve local investment returns, thereby reducing domestic capital outflows.

Shortage of skilled workers of various types and levels is one of the key impediments to growth in productivity and accelerating economic growth. An effective education and training system is fundamental to generating the skills and knowledge that are critical for the country to prosper and compete in the international economy. In addition to economic gains, such a system has broader benefits that are crucial to development.

In 2005, the adult literacy rate was recorded at 82 percent for women and 83 percent for men. However, as in the case of poverty, this finding at the aggregate level obscures the regional disparities with some political regions recording that less than 40 percent of women were able to read and write. The primary net enrolment rate was recorded at 92 percent and survival rate in primary schools at 77 percent. Improvement has also been made with regard to Early Childhood Development (ECD) whereby more girls (59.5 percent) than boys (40.4 percent) were enrolled in ECD centres throughout the country.

During the NDP2, enrolment at the Polytechnic of Namibia and the University of Namibia (UNAM) has grown significantly. Teachers' training in the country is being complemented by training of qualified mathematics and science teachers in Zimbabwe.

Educational services have been decentralised down to school level with more powers given to communities through school boards as provided for in the Education Act (Act 16 of 2001). The National Council for Higher Education was established to advise the Minister of Education. The legislation governing the Advisory Council on Teacher Education was passed and structures to enable its implementation are being put in place. The unprecedented Education and Training Sector Improvement Programme (ETSIP), has been developed, the primary objective of which is to substantially enhance the sub-sector's contribution to the attainment of strategic national development goals and to facilitate the transition to a knowledge-based economy.

The country is fully cognisant of the unique threat that the HIV/AIDS pandemic poses to its human resources and overall development. It has been recognised as a cross-cutting issue. Focussed policy and institutional mechanisms have been in place with activities to address threat mainstreamed into education programmes.

The main education sub-sector strategies are to see an expansion of opportunities for high quality senior secondary education; high quality and market responsive vocational education and training; and pre-entry programmes for tertiary education and training. Enhanced creation and application of knowledge and technology is to be pursued to improve the range and value of products from Namibia's rich natural endowments. An operational Human Resources Plan is to be formulated and implemented to achieve and maintain the match between human resources supply and demand.

The specific programmes include: (i) the expansion in general education including adult literacy and lifelong learning; (ii) the expansion of vocational education and training, (iii) the management of tertiary education and training leading to increased production of undergraduates and postgraduates with information and communication technology; and (iv) HIV/ AIDS mainstreamed in education curricula and the education professionals capacity development programmes. A human resources planning programme will be implemented to keep track of human resources utilisation to maintain the match between human resources supply and demand.

## **7. Key Result Area: Knowledge-Based Economy and Technology Driven Nation**

This KRA complements other KRAs and cuts across all development themes. It is based on the Vision 2030 objective of transforming Namibia into a knowledge-based, highly competitive, industrialised and eco-friendly nation, with sustainable economic growth and a high quality of life. Thus, it is concerned about the innovative use of both tacit and codified forms of knowledge and technology to help the country leapfrog from a resource-based into a knowledge-based economy. Improvement of the people's access to information, technology and knowledge are key factors in accelerating economic growth and enhancing the competitiveness of Namibia.

The overall performance of this thematic area during the NDP2 was encouraging, despite a shortage of necessary change agencies and the absence of qualified and experienced personnel in the fields of innovation and ICT. For example, the value added research projects such as the pearl millet (mahangu) and drought resistant crop varieties developed at the Okashana Research Station and the Dr Sam Nujoma Marine and Coastal Research and Resource Centre at Henties Bay (SNMCRRC) received recognition as a NEPAD node for Biosciences with its

mushroom project while the Gobabeb Desert Research Centre is now a SADC Centre of Excellence on Desertification. Furthermore, the Office of the Prime Minister has facilitated several initiatives, which have had a commendable impact on the utilisation of ICT in the public service.

On the policy and institutional fronts, a number of NDP2 targets were achieved. These include the adoption of the National ICT Policy for Education (2005), the Namibia Information and Communication Technology Policy (2004) as well as the E-Governance Policy. In telecommunications, mobile telephony has expanded rapidly and the number of Internet subscriptions increased, particularly in major towns. However, most rural communities are still without adequate access to both the mobile phone network and the Internet.

The major barriers to Namibia's transition to a knowledge-based and technology driven nation are: (i) the lack of adequate numbers of qualified personnel; (ii) low disposable household income; and (iii) a lack of access to electricity in rural areas which limits access to ICT. Another aspect is the lack of an enabling environment that allows private initiatives and entrepreneurs to deliver technology solutions that suit low-income groups.

In order to enhance people's access to economically viable knowledge, the Government will develop affordable and accessible ICT services, provide adequate ICT training and awareness, improve ICT Security, implement five phases of e-Governance, create a National Commission on Research, Science, Technology and Innovation (RSTI), ensure nationwide demand and diffusion of economically viable knowledge for RSTI, enhance media development, establish National Spatial Data Infrastructure ensure the timely production of statistics, consolidate the integrated results-based planning, implementation, monitoring and evaluation system, implement the Performance Management System (PMS) for the Public Service and establish the Namibia Institute of Public Administration and Management.

## **8. Key Result Area: Quality of Life**

The Quality of Life KRA is derived from the Vision 2030 Objective that targets a healthy and food-secure nation in which all preventable, infectious and parasitic diseases are under secure control; and in which people enjoy a high standard of living with access to quality education, health and other vital services, in an atmosphere of sustainable population growth and development.

Namibia has 30 public district hospitals, providing institutional medical and nursing care, including preventive, promotive, primary and secondary curative health care. These also provide technical and referral support to 37 health centres and 259 clinics. The costs of providing the health services are very high because of the dispersion of Namibia's relatively small population over a wide area. This makes it difficult to get facilities close to the people. The Government has established 1,150 outreach services/mobile clinics managed by district hospitals and health centres to communities lacking access to fixed health facilities. Private for-profit health facilities include nine private hospitals with a bed complement of 473 (7 percent of total of hospital beds in the country) and several clinics that cater mainly for the urban population.

Communicable diseases constitute the largest share of the disease burden of Namibians, with a relatively high incidence of HIV/AIDS, tuberculosis and malaria. In 2006, the prevalence of HIV was 19.9 percent and the incidence of TB is on the increase partly as a result of co-infection with HIV/AIDS. Malaria also remains a major problem, especially in the North where it is endemic. Non-communicable diseases are also on the increase. Malnutrition among children under-five is also one of the major health problems requiring attention.

The proportion of the population with sustainable access to safe water sources in urban areas was 97 percent while that in rural areas improved from 45 percent in 1992 to 80 percent by 2006. The proportion of people with access to improved sanitation in rural areas improved from 15 percent in 1992 to 18.9 percent in 2006, compared to 85 percent in urban areas.

Exposure to HIV/AIDS is mainly through heterosexual contact and its prevalence has continued to rise. Prevalence among pregnant women peaked at 22.3 percent in 2002, showed a small but not yet significant decline to 19.7 percent in 2004 and a slight increase to 19.9 percent in 2006. The major concern is that the current prevalence rate of 19.9 percent is still too high. The number of orphans and vulnerable children (OVC) infected and affected by HIV was estimated to be 126,000 in 2005/06. There has been a successful rollout of anti-retroviral treatment (ART) to all 36 hospitals countrywide, with about 58,775 people receiving ART in 2005/06.

The Namibia Household Income and Expenditure Surveys (NHIES) of 1993/94 and 2003/04 measured the incidence of poverty in Namibia. The results show that relative poverty has declined from about 38 percent in 1993/94 to about 28

percent in 2003/04 while extreme poverty has declined from around 9 percent to around 4 percent during the same period. There are significant differences in the incidence of poverty between rural and urban areas, between Regions and among population groups. Thus, relative poverty in rural areas declined from 49 percent in 1993/94 to 42 percent in 2003/04 while that in urban areas declined from 17 percent to 7 percent during the decade. The Northern Regions of Kavango (50.4 percent), Oshikoto (47.0 percent), Omusati (46.7 percent) and Caprivi (43.5 percent) had the highest incidence of poverty, while the highly urbanised Khomas Region had the lowest (4 percent). The poverty incidence is higher among female-headed households (30.1 percent) than among male-headed households (26.4 percent).

The strategies include commitment to total quality management with continued emphasis on: (i) primary health; (ii) increased training of health professionals and improvements in the distribution of health facilities to ensure service provision in all areas; (iii) improvements in health data collection, management and dissemination; (iv) a scaling up of support and protection of rights for people living with HIV/AIDS, women, OVC and other vulnerable populations; (v) increased involvement of all stakeholders in the fight against HIV/AIDS; (vi) the strengthening of reproductive health and family planning programmes; (vii) ensuring that the rural poor are able to broaden their income base by participating in non-farm activities; and (viii) strengthening Namibia's safety nets for the protection of the temporarily and chronically vulnerable, including those affected by HIV/AIDS.

The Government is committed to ensuring sustainable human development and will implement programmes on: (i) health system planning and management; (ii) disability prevention and rehabilitation; (iii) public and environmental health; (iv) the control of communicable and non-communicable diseases; (v) family health services; (vi) tertiary and clinical health care services; (vii) monitoring water quality; (viii) sanitation in rural, urban, peri-urban areas, integration of population in development, and management and coordination of the National HIV/AIDS Response; and (x) poverty reduction.

## **9. Key Result Area: Equality and Social Welfare**

The KRA Equality and Social Welfare is derived from the Vision 2030 objective that aims to "Ensure that Namibia is a fair, gender responsive, caring and a committed nation in which all citizens can realise their full potential in a safe and decent living environment."

Equitable access to basic social and welfare services plays an important role in achieving equality and enhancing welfare. In particular, provision of access to these services to the previously under-served and un-served vulnerable and marginalised segments of society is critical. Also, reducing inequalities in social welfare, instilling culture and morality (especially among the youth), and gender equality will contribute to a more equitable society. Vulnerable and marginalised groups include: the elderly (aged 60 years and above); people with disabilities; orphans and vulnerable children (OVC); females; the youth; and those affected by substance abuse (particularly alcohol abuse).

The 2001 Population and Housing Census showed the population to be 1.86 million with a growth rate of 1.96 percent per year. Of the total population, 52 percent were female and 48 percent male and more than 60 percent were below the age of 24 with the youth forming approximately one-third of the total population.

The NDP2 set the target of 95 percent coverage for Government assistance to the elderly, but only 82 percent coverage of social grants was attained. The coverage of people with disabilities was 40.8 percent which also fell short of the NDP2 target of 95 percent. In addition, about 1,800 war veterans benefit while the funeral benefit covers on average about 500 persons per month. Government assistance to OVC has been provided in the form of foster parent allowances, subsidies to welfare organisations and children's homes and places of safety, as well as maintenance grants. About 65,000 grants were paid out in 2007; with an increasing number of children placed in foster and residential care. The number of OVC is growing faster than the public and private interventions can cope with.

Youth development during the NDP2 focused on the realities of high youth unemployment. However, no significant progress was made, and the number of unemployed youth is still increasing. Furthermore, the HIV/AIDS pandemic exacerbated the performance of youth development as they have been the most infected and affected. A lack of facilities also hampers service delivery and constrains the acquisition of qualifications.

Namibia national teams in various sports codes have qualified and participated in many international events. The Sport Act was reviewed and amended to better guide and provide policies for Namibia's sporting community. Two sports stadium were built in Oshakati and Swakopmund during the NDP2

period bringing the total nationally to nine. The establishment of a division for Women and Marginalised People under the Directorate of Sport in the Ministry of Youth, National Service, Sport and Culture (MYNSSC) is another milestone to promote women in sport as well as programmes for people with disabilities and other marginalised people.

Namibia's population comprises of a diversity of cultures and languages spread across the 13 Regions. Traditional cultural festivals were organised to promote understanding between diverse groups. During national and state events, the performing arts of all Namibians create a sense of pride in people and build a strong nation. Multiculturalism has been encouraged through school culture clubs, bringing to the fore mutual respect through combining the knowledge and skills in programmes leading to unity in diversity.

Affordable arts education was rendered and opportunities continued to be created for Namibian artists to practise and showcase their arts, to develop audiences that can appreciate artistic expression, and to support the development of the arts industry and the creation of employment. The Government continued to nurture Namibian identity and unity through diversity through its programmes and activities and managed to perform quite well in spite of the limited infrastructure and deficient operational structure.

The family structure in Namibia is based on the extended family as the source of power and income as well as the safety net for the members. In rural Namibia, extended families often with more than five family members and only one breadwinner are preponderant. It is estimated that almost a fifth of all families depend on social welfare as the sole source of income. According to the Population and Housing Census of 2001, pensions constituted about 11 percent of total household income in Namibia. Grandparents sometimes take care of children whose parents are either working, infected with HIV/AIDS or deceased, often using their pensions to pay for the sustenance and education of the children.

Experimentation with alcohol among 13-16 year olds is high at 50 percent. About 39 percent of all Namibian adults smoke, 2.6 percent use dagga (marijuana) and 0.4 percent uses other substances including mandrax. Current treatment responses in Namibia range from residential rehabilitation facilities (public, private and faith-based), social work support, community-based counselling services, faith-based support groups, self-help and medical interventions. There are gaps in services with many communities lacking local access to any form of support.

Gender inequality is still persistent with low representation of women in the political, social and economic spheres. Some of the cultural practices including gender stereotyping are major challenges to achieve gender equality. During the NDP2, progress on gender equality has been made in education, power, decision-making, legislative development and employment in both the public and private sectors. However, the status and recognition of women in the household and in the community still require significant further improvement.

Namibians want to see full participation of the elderly in socio-economic and political spheres. They want to be assured that: (i) all persons, including those with disabilities, receive equal access and opportunities, irrespective of sex, to social welfare through affirmative and corrective actions to eliminate the stereotyping; (ii) incidences and worst forms of child labour will be reduced, prohibited and eliminated; and (iii) the plight of war veterans will be addressed. People also want to see: (i) family and life empowerment interventions; (ii) the promotion of youth empowerment; (iii) the nurturing of young people for responsible lives in a free society that promotes culture, tradition, morality peace, tolerance, dialogue, mutual respect and friendship across all groups and among nations; and (iv) an expansion of opportunities for sport and the creation of accessible and friendly infrastructure.

In order to forge equality and social welfare, the Government will implement welfare development programmes tailored to the needs of men and women who are aged, the war veterans, the youth, children, people with disability, the marginalised, drug addicts and substance abusers, families in general and those with low income in particular. Government will continue to support not-for-profit welfare organisations, enhance mass participation and high performance in sport and support education, training and promotion in the arts.

## **10. Key Result Area: Peace, Security and Political Stability**

This thematic area is based on the second major objective of Vision 2030, which aims to “create and consolidate a legitimate, effective and democratic political system (under the Constitution) and an equitable, tolerable and free society that is characterised by sustainable and equitable development, and effective institutions, which guarantee peace and political stability.”

Namibia’s Constitution is the cornerstone of the country’s multi-party democracy, which establishes the country as a sovereign, democratic and unitary state

founded on the principles of “democracy, the rule of law and justice for all.” It contains a comprehensive guarantee of human rights and freedoms and obliges the State to strive for the welfare of the people. Also, it provides for an executive presidency with widespread powers balanced by those of the legislature and the independent judiciary. The President heads the Cabinet and appoints its members, who must be drawn from the elected 72-member National Assembly. Elections take place every five years.

Democracy and development are not sustainable unless peace and a common purpose among the populace are ensured. So far, the Government has been successful in promoting a peaceful democracy with political stability, within the framework of constitutionally-guaranteed rights and democratic principles, bringing about national reconciliation through affirmative actions.

However, the crime rate and domestic violence mainly against women and children has increased over the past few years. Unemployment has been on the increase, especially in rural areas and among the youth. Access to basic social and essential economic services and opportunities are unevenly distributed with some areas and groups left behind. This situation constitutes a violation of the human, social and economic rights and has adverse effects on their development.

During the NDP2, important gains were made in consolidating the multi-party democracy, accompanied by a free, fair and transparent election in 2004. A Decentralisation Implementation Plan (DIP) was adopted which paved the way for significant de-concentration and delegation of some functions from the centre to the Regional Councils and the Local Authorities.

The rule of law and constitutional governance was maintained by instilling confidence in the administration of justice. One of the setbacks experienced was a shortage of legal experts and a high turnover of experienced legal experts. This resulted in a significant backlog of cases.

There were positive developments in the civic arena, with communities empowered to exercise their rights through the registration of births, the acquisition of national documents such as IDs and passports, and the exercise of their rights to vote and elect leaders to represent them at the local, regional and national levels.

Internal security was maintained with safety assured for persons and property, supporting the rule of law. Namibian prisons, as an integral component of internal security institutions, played a very important role in providing safe custody of offenders and their subsequent rehabilitation.

To maintain democracy, peace, security and political stability, Namibians want: (i) political awareness to be further enhanced; (ii) acceleration of the decentralisation process; (iii) enhanced nationwide voter and civic education; (iv) improved and responsive delivery of justice; (v) effective offender rehabilitation programmes; (vi) a well trained defence force with adequate infrastructure; and (vii) effective national security strategies.

The Government will implement programmes to (i) strengthen and sustain multi party democracy; (ii) improve governance at sub-national level; (iii) improve the administration of justice, civil registration, immigration and border control and refugee administration; (iv) improve the provision of forensic services and the combating of crime; (v) implement prison reform; (vi) enhance and ensure state security; and (vii) strengthen territorial protection.

## **11. Key Result Area: Regional and International Stability and Integration**

The KRA on Regional and International Stability and Integration is derived from the Vision 2030 objective of achieving stability, full regional integration and democratised international relations with the transformation of Namibia from an aid-recipient country to that of a provider of development assistance. The associated Sub-Visions focus on international relations, development cooperation, peace and security, regional integration and globalisation. Three inter-related NDP3 goals are grouped under the KRA, which are: (i) promote regional and global integration; (ii) strengthen international partnerships for development; and (iii) contribute to regional and global peace and political stability.

The targets for the NDP3 Goal to promote regional and global integration include: (i) the enhancement of competitiveness of the SADC; (ii) the achievement of macroeconomic convergence and monetary integration including the launching of a single currency for SADC by 2012; (iii) the harmonisation of laws and policies on labour and employment in the Region; (iv) establishing a single economy market in the Region; (v) maintenance of regional infrastructure; (vi)

improving the tele-communications density in the Region; and (vii) improving human resources development. The associated strategies include: (i) trade integration through SADC and Southern African Customs Union (SACU) reforms; (ii) macroeconomic convergence; and (iii) multi-sectoral integration through SADC protocols and harmonisation. International relations, trade and water sub-sectors contribute to achieving the NDP3 goal targets.

The international relations sub-sector focuses on the consolidation of regional integration. The sub-sector strategies are: (i) to negotiate, ratify, and implement key SADC Protocols and Agreements; (ii) to establish a national Early Warning System to cooperate with the parallel SADC structure; (iii) to establish a SADC election monitoring system/structure; (iv) to achieve consensus on the SADC free trade area and customs union; and (v) to effectively manage high level state visits. The NDP3 programme in the sub-sector will facilitate training in other foreign languages and conflict resolution skills for the actors involved.

During the NDP3, the trade sub-sector will pursue regional and global economic integration that is beneficial to Namibia. The sub-sector strategies include: (i) advocating deeper regional economic integration by meeting SADC milestones as contained in the Regional Indicative Strategic Development Plan (RISDP); (ii) playing a leading role in ensuring the establishment of effective and operational supra-national regional institutions; (iii) implementing and observing all the SADC protocols in order to benefit maximally; (iv) strengthening the effective functioning of SADC and SACU; (v) contributing to the creation of a more equitable and fairer global trading environment through the conclusion of the WTO Doha Development Round; (vi) concluding well-balanced trade agreements with major trading partners such as the EU, US, China, India and Kenya; (vii) enhancing South-South economic and trade cooperation; and (viii) implementing the Free Trade Area in SADC by 2008 and the SADC Customs Union by 2012. The NDP3 programme in the trade sub-sector focuses on promoting investment and trade.

The water sub-sector aims to increase the availability of water to Namibia from its perennial (border) rivers. The sub-sector strategies are: (i) to secure for Namibia a reasonable and equitable share of water from its international shared rivers; (ii) to develop joint integrated water resources management plans; and (iii) build human and institutional capacities to solve international water sharing problems. The NDP3 programme in the water sub-sector will facilitate the improved management of shared rivers and equitable allocation of water to Namibia.

The targets for the NDP3 goal on strengthened international partnerships for development are: (i) to sustain the official development assistance (ODA) inflows during NDP3 at the same ratio (35 percent of the Public Sector Investment Programme) as that under NDP2; and (ii) to increase Namibia's contribution to international development programmes in other countries to about 0.1 percent of GDP by 2012. The NDP3 goal strategies are: (i) to strengthen and diversify the relations between Namibia and its international cooperating partners; (ii) to formulate and implement policies on development cooperation in line with the Paris Declaration on Aid Effectiveness; (iii) to vigorously promote free trade and investment flows and the transfers of appropriate technologies; and (iv) to encourage FDI into Namibia and promote the re-investment of capital proceeds in Namibia's own industries. The international relations and ODA sub-sectors contribute to achieving the NDP3 goal targets.

The international relations sub-sector aims at further strengthening Namibia's partnerships with other countries both in and outside the SADC Region. The sub-sector strategies are: (i) to improve the representation of Namibian interests abroad; (ii) to improve the communication between the National Planning Commission and Namibian missions abroad for the purpose of harmonised and updated ODA mobilisation and coordination campaigns; and (iii) to review the operations of the existing missions in line with the planned Performance Management System (PMS), and implement the recommendations of the review. The sub-sector programme focuses on strengthening international partnerships by improving office and residential accommodation for Namibian missions abroad.

The ODA sub-sector aims to increase the mobilisation of ODA, especially grants, and to manage and utilise this assistance effectively. The sub-sector strategies are: (i) to create a development cooperation environment that is favourable to ODA mobilisation and broader cooperation and its implementation; (ii) to strengthen economic and technical cooperation; (iii) to continue maximising development grant funds as the preferred form of external assistance and optimise ODA flows; (iv) to tailor and channel ODA inflows to productive projects and programmes especially in rural areas; (v) to ensure efficient and effective utilisation of ODA; and (vi) to strengthen the capacity of the National Planning Commission Secretariat for more effective mobilisation and management of ODA. The NDP3 programme in the ODA sub-sector focuses on the mobilisation of increased amounts of ODA, and its effective management and utilisation.

The targets for the NDP3 goal on contribution to regional and global peace and political stability are to maintain Namibia's participation in the number of regional peacekeeping operations at one and increase the number of global operations from four during the NDP2 to nine during the NDP3; and increase Namibia's participation in regional election observation missions from 70 percent to 90 percent, and in the global missions from 10 percent to 30 percent. The strategies to be pursued include: (i) the provision of assistance for the consolidation of democratic values and practices that are the foundation of SADC; (ii) the maintenance of peace and cooperation necessary for development in the region; and (iii) the development of human and state security cooperation mechanisms.

The international relations sub-sector will contribute to achieving the above NDP3 targets. The sub-sector focus will be on achieving and maintaining peace and security in the region and the world. The sub-sector strategies include: (i) active participation in the activities and peace and security architecture of the SADC and the African Union; (ii) the promotion of regional peace and security through bilateral arrangements and agreements such as the various Joint Commissions between Namibia and other SADC Member States; (iii) participation in election monitoring under SADC and AU mandates; (iv) actively encouraging regional economic integration as a means of strengthening peace and security through the pursuit of economic diplomacy; (v) encouraging inter-ministerial and inter-agency cooperation in the provision of information on foreign policy, SADC and the AU to the Government, foreign governments, investors and the Namibian public; and (vi) discharging the responsibilities under the SADC, African Union and international mandates in the domains of regional and global peace and stability. The international relations sub-sector programmes related to participation in international peace-keeping and election monitoring are included in Chapter 10 on the KRA on Peace, Security and Political Stability.

## **12. NDP3 Implementation Arrangements**

Each NDP3 programme in the public sector will comprise of several activities or projects. It will be implemented by one or more institutions. The implementation of each programme will be led by a Lead Programme Implementing Institution (LPII) which has been identified based on its overall contribution to the programme. The LPII will coordinate the implementation of all activities and projects under the programme. It will also coordinate the preparation of

annual budgets for the programme with attention to proper sequencing of the activities or projects. The programme budgets will include all funding from the Government and parastatals as well as development partners. The Sub-Sector Lead Entities (O/M/As) in each Thematic Working Group (TWG) will coordinate the relevant Votes and Regions participating in the programmes in their respective sub-sectors. The Sub-Sector Lead Entities and Regional Councils will ensure that implementation of the programmes in the sub-sectors and Regions are proceeding smoothly. The Lead Ministries and Office of the TWGs will coordinate the Sub-Sector Lead Entities in their respective TWGs on relevant aspects, including the preparation of annual budgets, to ensure that funds have been requested for all the priority programmes under the TWGs. They will ensure that implementation of the programmes under the TWGs is proceeding smoothly. The National Planning Commission Secretariat (NPCS), the Ministry of Finance (MoF) and the Office of the Prime Minister (OPM) will appraise the budget allocation proposals and coordinate the development budget allocations and implementation of the budgeted programmes. The other members of the TWGs, including the representatives of the private sector, civic organisations and donors, as well as community associations and user groups, will participate in the implementation of the NDP3, report on their activities, as appropriate, to the LPIIs, O/M/As and Regional Councils, Sub-Sector Lead Entities and TWGs.

The NDP3 implementation tools will include: (i) *budgeting* utilising the medium term expenditure framework (MTEF) and the integrated financial management system (IFMS); and (ii) *institutional and personnel management* utilising the strategic plans including the balanced score card and human resources management.

### **13. NDP3 Performance Monitoring, Reporting and Evaluation System**

The NDP3 planning focuses on systematic monitoring of performance at all levels on an integrated basis and incorporates programme implementation plans and results matrices for each programme, sub-sector goal and NDP3 goal to facilitate the monitoring of progress on their implementation. It contains indicators, baselines and targets at the programme (programme output and outcome), sub-sector (sub-sector goal) and national (NDP3 goal) levels to evaluate the results and impacts.

*The NDP3 Implementation Monitoring, Reporting and Decision-Making System* begins from the grassroots programme implementation level. It will involve monitoring progress on implementation of the NDP3 programmes utilising the associated indicators by the LPIIs in coordination with other implementing institutions and other Government and non-government stakeholders, with the participation of the beneficiaries. Based on the information, some corrective actions could be taken by the implementing institutions together with other stakeholders and beneficiaries at the grassroots level to improve the implementation of the programmes. Each quarter, the LPIIs will report to the sub-sector lead entities (O/M/As) and Regional Councils on the progress in implementation, corrective actions formulated and being implemented at the implementation level, and remaining challenges that require decisions to be made at higher levels.

The O/M/As and Regional Councils will review the information; decide on corrective actions to improve the implementation of programmes, provide feedback to the programme implementing institutions, and report to the TWGs every six months on progress made and remaining challenges that require decisions at higher levels. The TWGs will review the information submitted, decide on the issues they could address, formulate actions to be taken at the lower levels, and provide feedback to the O/M/As and Regional Councils, the implementing institutions and other stakeholders and beneficiaries. The TWGs will report to the NPC on the progress on implementation, corrective actions formulated and being implemented at the lower levels, and the remaining problems to be addressed at higher levels. The NPC will review the information and prepare and submit the NDP3 implementation progress reports with the remaining problems and recommended actions to the Commissioners of the NPC. The NPC Commissioners will review and decide on the issues they can address, formulate actions to be taken at the lower levels, and provide feedback to the TWGs including the sub-sector lead entities (O/M/As) and Regional Councils, the implementing institutions and other stakeholders and beneficiaries.

The NPC will report to Cabinet on the progress on implementation of the NDP3, challenges faced, actions taken and being implemented and remaining constraints that require the attention of Cabinet. Cabinet will review the information, decide on the constraints and actions to be taken at the lower levels to improve NDP3 implementation, and provide feedback to the NPC, TWGs including the Sub-Sector Lead Entities (O/M/As) and Regional Councils.

*The NDP3 Performance Evaluation and Decision-Making System* will entail: (i) evaluations of individual programmes led by the LPIIs; (ii) evaluations of two or more interrelated programmes by a sub-sector and/or Region, which will be the responsibility of the Sub-Sector Lead Entity (O/M/A) or the Regional Council; and (iii) evaluations of the implementation of the NDP3 as a whole, which will be the responsibility of the NPCS. The NPCS will coordinate the overall NDP3 evaluations at the mid-term (mid-2009/10) and at end-of-plan (mid-2011/12). The information for undertaking the evaluations will come from, among others: (i) the results of the evaluations of individual programmes at the grassroots and the evaluations of programmes undertaken at the sub-sector and regional levels; (ii) the NDP3 Monitoring, Reporting and Decision-Making System; (iii) the performance results from the MTEF and Strategic Plans; (iv) other administrative data generated by the sub-sectors and/or Regional Councils; (v) specific reviews and surveys undertaken for the NDP3 programmes; (vi) other reviews, surveys and studies commissioned by the NPCS; and (vii) other periodic surveys undertaken by the sub-sectors.

A dedicated sub-entity within the NPCS will facilitate the Monitoring, Reporting and Evaluation (MRE) process in cooperation with the O/M/As, Regional Councils and other stakeholders. The NPCS will manage the MRE process in collaboration with MoF and OPM. The MRE system will be computerised utilising the existing e-Government infrastructure with some augmentation, especially in the Regions. It will link with other existing Management Information Systems and databases.

It will be the responsibility of top management in the relevant O/M/As and Regional Councils to ensure that due attention is given to the process of NDP3 implementation performance monitoring, reporting and evaluation at the different levels to ensure the successful implementation of the NDP3 and achieve the planned results. Therefore, the top management in these institutions must be directly involved in the monitoring and reviews during implementation to ensure that the agreed-upon programme activities and output targets are met and progress on the implementation of the NDP3 is reported in a timely, accurate, and reliable manner to key stakeholders. The periodic NDP3 implementation monitoring reports and the evaluation reports will be shared with all the stakeholders and the public at large.



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