



REPUBLIC OF NAMIBIA

MINISTRY OF URBAN AND RURAL DEVELOPMENT

MOTIVATION SPEECH

2019/2020 FINANCIAL YEAR BUDGET

VOTE 17

BY

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MINISTER

NATIONAL ASSEMBLY

29th APRIL 2019

Hon. Chairperson of the Whole House Committee

Hon. Members

I stand before you to introduce, motivate and seek your support for the allocation of a **total budget of N\$ 1,982,234,000 (One Billion, Nine Hundred and Eighty Two Million, Two Hundred and Thirty Four Thousand Namibia Dollar)** for Vote 17, Ministry of Urban and Rural Development, for the financial year 2019/2020.

The allocation consists of an Operational Budget in the amount of One Billion, Two Hundred and Eighteen Million, Two Hundred and Twenty Three Thousand Namibia Dollar (N\$ 1,218,223,000) and a Development Budget of Seven Hundred and Sixty Four Million, and Eleven Thousand Namibia Dollar (N\$ 764,011,000). This allocation represents an overall increase of 6.15% in comparison to the 2018/2019 Budget allocation.

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As per our assigned mandate, the specific activities to be funded with this allocation are support to regional councils and local authorities to continue to provide and scale up the provision of serviced land, housing, improved sanitation both in rural and urban areas as well as the enhancement of governance and service delivery capacity at sub-national levels.

As the honourable members of this August House are aware, our country is faced with a persistent backlog in serviced land and housing, a situation that is attributed to a combination of causal factors and is manifesting itself in urban sprawl and the growth of informal settlements. These settlements are generally characterised by lack of tenure security and access to basic services such as water, electricity, access roads and proper sanitation. The conditions in **informal settlements are worsening to a “Humanitarian crisis” level** as per the declaration of His Excellency the President, and require urgent collective action.

I must mention that the provision of serviced urban land and housing is a very costly process and involves a multitude of role players in Government and also the private sector. This process involves among others Local Authorities **acquiring communal land and compensating the affected communities**; the planning and subdivision of the land into plots; the designing and construction of the services; and the final disposal and registration of the land to the community. Each of these input processes that I have just outlined consists of many role players who render services at costs that make up the final cost to the beneficiaries or end users.

As it is the case elsewhere in the economy, the **cost of inputs** is ever increasing, while, on the other hand as we all know, the **levels of growth of our economy and revenue to the State are low.**

This reality, Hon Members, points to the serious challenges that we as a country in general and in particular my Ministry as well as Regional Councils and Local Authorities are faced with in our efforts and desire to scale up the delivery of and access to serviced land and housing in the country. Given the huge backlog, more resources and investment are required in urban and rural and development sector. But we recognise that our country and economy is generally going through trying times and we will have to do with what is available.

In this context, our success in meeting our target of addressing the challenge of informal settlements and the backlog in the supply of housing that is affordable to large section of the needy section of our population requires unity of purpose and the involvement all of us – the Government at all levels, the private sector, civil society and entire citizenry.

Through combined investment and efforts from the central, regional and local government, Government Agencies, the private sector and community-led initiatives, we were able to deliver the following during the previous financial year:

- The proclamation of 89 newly townships;
- The servicing of some **3,690 erven/plots**;
- The construction of some **1,427 houses**;
- In the area of improved sanitation, we recorded the following:
 - Construction and handing over of some **401 ventilated pit latrines** in rural areas namely Khomas Rural, Omaheke, and Otjozondjupa Regions;
 - The construction of 1,427 houses with proper sewer and sanitation facilities has not only provided proper shelter but has also contributed to our goals of proper sanitation.
- An additional **29 proper toilets** were also constructed in Kalkfeld Settlement, Otjozondjupa Region as part of our ongoing **bucket toilets elimination strategy**;
- We renewed our gratitude to this August House for having passed **the Urban and Regional Planning Act, 2018 (Act No.5 of 2018)** which law provides a legal framework and standards for integrated spatial planning in the country;
- The past year also saw the decentralisation of the functions of rural water supply by the Ministry of Agriculture, Water and Forestry (MAWF) as well as those of community and early childhood development by the Ministry of Gender Equality and Child Welfare.

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I will now present the budget allocations per programme.

PROGRAMME ONE: RURAL DEVELOPMENT

A budget amount of **One Hundred and Twenty-One Million, Seven Hundred and Thirty-Three Thousand Namibia Dollar (N\$ 121,733 000)** is earmarked for our ongoing Rural Development initiatives, which are aimed at improving the livelihood of our fellow country men and women who reside in the rural areas.

Our interventions are largely target the **improvement of sanitation** in rural areas well as the **creation of opportunities for poverty eradication and self-help employment initiatives** by rural communities. In this regard we will continue with our rural development initiatives such as **Food/Cash for Work**, support to **rural youth and farmers' employment schemes** and building the productive capacity of rural communities through **technology and training support by rural development centres**.

Let me move on to the next Programme.

PROGRAMME TWO: SUPPORT TO HABITAT AND HOUSING DEVELOPMENT

An amount of Six Hundred and Seventy-Five Million, Six Hundred and Seventy-Nine Thousand Namibia Dollar (N\$ 675, 679, 000) is earmarked for this Programme. This Programme consists of the various interventions by the Government that are aimed at ensuring the availability of basic municipal infrastructure and services as well as the provision of housing in the country.

This allocation is aimed at funding our ongoing interventions on urban and regional planning, **land servicing and support to housing development initiatives by the Central Government, local authorities and regional councils**. I am thankful to the Hon. Minister of Finance for giving my Vote an additional allocation of Fifty Million Namibia Dollar (N\$ 50,000,000) towards **informal settlement upgrading**. Under this Programme, we will also continue our **support to community-led housing development initiatives**, such as Shack Dwellers Federation of Namibia (SDFN), which have demonstrated their valuable contribution to the delivery of affordable serviced land and housing for the low-income section of our population.

**Honourable Chairperson of the Whole House Committee
Honourable Members**

Our next Programme is that of Decentralisation.

PROGRAMME THREE: ENHANCEMENT OF PUBLIC PARTICIPATION IN DEVELOPMENT PLANNING AND DECISION MAKING (DECENTRALISATION)

As a Government of the people and for the people, we have adopted the policy of **decentralization as an important tool for bringing Government and services closer to the people** and to empower our citizens to actively participate in the process of planning and meeting their development needs.

An amount of Fourteen Million, Six Hundred and Thirty-Five Thousand Namibia Dollar (N\$ 14,635, 000) is earmarked to fund activities related to decentralisation of functions from Ministries to Regional Councils. The functions to be decentralised during this financial year are:

- Agriculture extension services and forestry management (Ministry of Agriculture, Water and Forestry);
- Arts and culture (Ministry of Education, Arts and Culture);
- Social pension (Ministry of Poverty Eradication and Social Welfare);
- Case management, employment services, labour and occupational health and safety services (Ministry of Labour, Industrial Relations and Employment Creation);
- Primary health care and curative services (Ministry of Health and Social Services); and
- Youth empowerment and sport development (Ministry of Youth and National Services).

I wish to renew my appreciation to the Ministers of these ministries and their teams for their commitment towards bringing Government and services closer to the people. I also wish to thank the Right Hon. Prime Minister for her continued stewardship and support to our decentralisation agenda. In same vein, I wish to call other decentralising Ministries who are still in the process of finalising their decentralisation plans to move with renewed deal and a sense of urgency.

**Honourable Chairperson of the Whole House Committee
Honourable Members**

Let me move to the next Programme.

PROGRAMME FOUR: REGIONAL AND LOCAL GOVERNMENT AND TRADITIONAL AUTHORITIES

Regional Councils and Local Authorities serve an important role as transmission belts of Government programs and services to the populace. It is acknowledged that in order for these sub-national Government structures to effectively perform their assigned public mandates, they require continuous adequate resourcing from the Central Government and the support of this August House.

In this regard, a budgetary allocation of Eight Hundred and Ninety One Million, Four Hundred and Twenty Five Thousand Namibia Dollar (N\$ 891, 425, 000) is to support and enhance the operational and service delivery capacity of Regional Councils and Local Authorities as well as recognised Traditional Authorities.

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The fifth and last Programme is Policy supervision as well as financial, technical and administrative support to the four core functional areas and programmes of the Ministry that I just outlined above. Budgetary allocation for the Offices of the 14 Regional Governors is part of this Programme. An amount of One Hundred and Sixty-Seven Million, One Hundred and Sixty-Six Thousand and Five Hundred Namibia Dollar (N\$ 167,166, 500) has been allocated for this Programme.

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CONCLUSION AND ACKNOWLEDGEMENTS

It is now my pleasure to submit, for your support and approval, the budget allocation to Vote 17 for the Financial Year 2019/2020 totalling to **One Billion, Nine Hundred and Eighty Two Million, Two Hundred and Thirty Four Thousand Namibia Dollar (N\$ 1,982,234,000)**.

Let me take this opportunity to thank my colleagues, the Ministers responsible for Finance and National Economic Planning and their teams for their continued support and resource allocation towards urban and rural development.

I equally wish to recognise the continued commitment and hard work by the team that I am so proud to lead consisting of my Deputy Minister, Hon. Derek Klazen, my Executive Director, Mr. Nghidinua Daniel and entire staff of the Ministry, the Hon. Regional Governors, Regional Councils, Local and

Traditional Authorities as well as the National Housing Enterprise and all other stakeholders.

Hon. Chairperson of the whole House Committee

Hon. Members

I am hereby submitting Vote 17 for consideration and approval. And I thank you.