



REPUBLIC OF NAMIBIA

MINISTRY OF URBAN AND RURAL DEVELOPMENT

MOTIVATION SPEECH

BY

ERASTUS UUTONI, MP

MINISTER

2020/2021 FINANCIAL YEAR BUDGET ALLOCATION

VOTE 17

NATIONAL ASSEMBLY

Hon. Chairperson of the Whole House Committee

Hon. Members

I stand before you to introduce, motivate and seek your support for the Budget Allocation to Vote 17 totalling **One Billion, Seven Hundred and Thirteen Million, One Hundred and Sixty One Thousand Namibia Dollar (N\$ 1,713,161,000)**.

The allocation consists of an Operational Budget in the amount of One Billion, One Hundred and Sixty Three Million, One Hundred and Sixty One Thousand, Namibia Dollar (N\$1,163,161,000) and a Development Budget of Five Hundred and Fifty Million, Namibia Dollar (N\$ 550,000,000).

The allocation resources will be utilised to fund the operational and developmental activities of the Ministry, the 14 Offices of Regional Governors, 14 Regional Councils, 57 Local Authorities and 52 recognised Traditional Authorities during the 2020/2021 financial year. The core developmental areas to be funded are the provision of serviced land and 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 the supply of serviced land and housing, a situation that has resulted from 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, proper sanitation, electricity and access roads. As per the declaration of His Excellency the President, the hygiene and welfare situation in informal settlements, which are a common feature in our urban areas, is very worrisome and is a crisis that requires urgent action.

Another reality is that the processes of land and housing delivery are very capital-intensive and costly and involve a multitude of role players in and outside the Government, including the private sector. The land delivery process in urban areas for one involves among others Local Authorities acquiring communal land and compensating the affected communities; the surveying and planning of the land into townships and its subdivision into plots; the designing and installation of the bulk services; and the ultimate registration and disposal of the land to the community. Each of these processes that I have just outlined consists of many role players whose input services are provided at a cost which in the end translate into the final cost to the end user.

This overview is meant to highlight to this August House the ongoing challenges that my Ministry and Regional Councils and Local Authorities are faced with in our efforts towards delivering on our assigned land and housing development mandate. In particular, I wish to point out that our level of delivery as a country is still below targets, and that our success in meeting our targets requires unity of purpose and the involvement all of us – the Government at all levels, the private sector, civil society and entire citizenry.

Hon. Chairperson of the Whole House Committee

Hon. Members

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

- 84 newly proclaimed townships;
- 3,210 erven/plots serviced with water, sewer, electricity and roads. A total of N\$383 million was spent for the construction of basic services in the various localities and regions of the country;
- Given the prominence of informal settlements in Windhoek, the capital city, a N\$50 million allocation was given to and used by the Municipality for planning and facilitating tenure security as well as the construction of water, sewer and electricity reticulation networks and roads in Tobias Hainyeko, Moses /Garob and Samora Machel and Khomasdal Constituencies as well as Mix Settlement and Groot Aub in Windhoek Rural. Some components of these projects are ongoing and are due for completion in the current fiscal year;
- During the previous financial year, we recorded the construction of a total 1,449 houses;
- Under the stewardship of His Excellency the President and the Right Hon Prime Minister, the Ministries of Urban and Rural Development and Agriculture, Water and Land Reform and the Oshakati Town Council facilitated the issuance and handing over of land hold titles to residents of Onawa informal settlement. The settlement is home to some 362 people. The flexible land tenure system is also being piloted at Gobabis and in Windhoek, plans are under way to roll it out to other local authorities.
- In the area of improved sanitation, some 1,456 ventilated pit latrines were constructed in the rural areas of //Kharas, Kavango East, Kavango West, Kunene, Khomas, Ohangwena, Omaheke, Omusati, Oshana,

Oshikoto and Zambezi Regions during 2010/2020. In addition to this, the Government through the Ministries of Agriculture, Water & Land Reform and Urban and Rural Development, in partnership with UNICEF, have undertaken advocacy and triggered residents in some 885 villages in Kavango East, Kavango West, Ohangwena and Zambezi Regions to construct their own toilets through the Water and Sanitation and Hygiene (WASH) and Community-led Total Sanitation initiatives. We are grateful to UNICEF, the Ministry of Agriculture, Water & Land Reform and the communities of the listed regions for their partnership;

- In our continuous efforts to boost the capacity of local authorities to effectively respond to and manage fire and related emergencies that pose a risk to property and lives of residents, the Ministry procured four (4) rapid intervention fire-fighting vehicles for Tsandi, Okongo, Divundu and Bukalo Village Councils
- On decentralisation, we finalised the process of decentralising the functions of Arts and Culture from the Ministry of the Basic Education, Arts and Culture to Regional Councils. I wish to thank the Basic Education, Arts and Culture Ministry for its ongoing commitment to bringing services closer to the people.

Hon. Chairperson of the Whole House Committee

Hon. Members

I will now present the allocation of the 2020/2021 budget per Programme.

PROGRAMME ONE: REGIONAL AND LOCAL GOVERNMENT AND TRADITIONAL AUTHORITIES

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

In this regard, a budgetary allocation of Nine Hundred and Sixty Million, Six Hundred and Seventy Nine Thousand Namibia Dollar (N\$ 960, 679, 000) is subsidy and will go towards supporting and enhancing the operational and service delivery capacity of Regional Councils and Local Authorities as well as recognised Traditional Authorities.

Hon. Chairperson of the Whole House Committee, Honourable Members

Our next Programme is Decentralisation.

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

The Government remains committed to the **decentralisation** of decision-making and service delivery to the local and grassroots levels.

An amount of Twelve Million, Five Hundred and Nine Thousand Namibia Dollar (N\$ 12,509,000) is earmarked to fund activities related to the decentralisation of further functions from the Ministries of Health and Social Services; Sport, Youth and National Service; Environment, Forestry and Tourism; and Agriculture, Water and Land Reform as well as for building the capacity of Regional Councils to effectively perform the decentralised functions.

Honourable Chairperson of the Whole House Committee Honourable Members

Let me move on to the next Programme.

PROGRAMME THREE: SUPPORT TO HABITAT AND HOUSING DEVELOPMENT

An amount of Five Hundred and Twenty-Three Million, Six Hundred and Seventy-Two Thousand Namibia Dollar (N\$ 523, 672, 000) is earmarked for this Programme, which consists of 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 makes up a large percentage of our Development Budget and will go towards funding ongoing interventions on urban and regional planning, land servicing and support to housing development initiatives that are carried out by the Ministry, Regional Councils and Local Authorities. Our interventions on land delivery will largely focus on increasing tenure security and the provision of basic municipal services as well as low-cost housing especially in informal settlements. We will do this following insitu, flexible and incremental approaches such as the Flexible Land Tenure System as well as pre-allocation of land, which is planned but may still have to be serviced or is only partially serviced.

As part of our ongoing efforts to scale up the provision of affordable housing, allocations in the amounts of N\$5 million and N\$10 million have made for the National Housing Enterprise (NHE) and the Shack Dwellers Federation of Namibia (SDFN) respectively.

Hands-on oversight will be provided by the Ministry, with the technical support of the Ministry of Works & Transport, to ensure that, from now on,

- Firstly, any houses funded with State money is priced in a manner that is truly affordable to the target communities and that special focus will be given to the ultra-low and low income groups and
- Secondly that ownership of the houses will be sorted out right in the beginning of the construction to avoid or minimise houses standing unoccupied and exposed to vandalism.

Back in 2015 and 2016 during the tenure of Hon SG Shaningwa, directives were issued to Regional Councils and Local Authorities, who had funds in their Build Together Revolving Fund accounts, to reactivate their schemes. A few were able to do so largely due to lack of funds. As such, we are exploring ways to boost the re-activation of Build Together housing schemes.

PROGRAMME FOUR: RURAL DEVELOPMENT

A budget amount of **Eight Six Million, Nine Hundred and Forty Six Thousand, Namibia Dollar (N\$ 86,946 000)** 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 rural areas.

The specific interventions to be funded with the allocation are:

- Improved rural sanitation for which an amount of N\$10 million has been allocated;
- A sum of N\$12 million of is earmarked as support towards self-help income and employment generating initiatives by rural communities, while a budget in the amount of N\$28 million is to finance ongoing work at the six (6) rural development centers that are under construction, namely at Rupara in Kavango West Region, Masokotwane in Zambezi Region, Eembaxu in Ohangwena Region, Ogongo in Omusati Region, Snyfontein in //Kharas Region and Gibeon in Hardap Region.

Hon. Chairperson of the whole House Committee

Hon. Members

The fifth and last Programme is overall 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 as well as to Regional Governors. An amount of One Hundred and Twenty Nine Million, Three Hundred and Fifty-Five Thousand, Namibia Dollar (N\$ 129,354, 542) has been allocated for this purpose.

Hon. Chairperson of the whole House Committee
Hon. Members

Let me take this opportunity to thank the Minister of Finance and Director General: National Planning Commission and their teams for their continued support and resource allocation towards urban and rural development amidst various competing demands and challenges.

I wish to conclude by paying tribute to my predecessor, Comrade Dr. Peyavali Mushelenga for his leadership and stewardship, and to the remaining team consisting of my Deputy Minister, Hon. Derek Klazen, the Executive Director and 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, for their continued commitment to serve.

Hon. Chairperson of the whole House Committee
Hon. Members

I now submit Vote 17 in the amount of **One Billion, Seven Hundred and Thirteen Million, One Hundred and Sixty One Thousand, Namibia Dollar (N\$ 1,713,161,000)**, for consideration and approval of this August House. And I thank you.