



STATEMENT

BY

**HON. BISHOP (EM.) DR. ZEPHANIA KAMEETA, MP
MINISTER OF POVERTY ERADICATION AND SOCIAL WELFARE**

AT

**FESP CONFERENCE ON SOCIAL PROTECTION FOR THE INFORMAL
ECONOMY**

***“TOWARDS COMPREHENSIVE SOCIAL PROTECTION FOR THE INFORMAL
ECONOMY IN NAMIBIA”***

SAFARI HOTEL AND CONFERENCE CENTRE, WINDHOEK, NAMIBIA

7 NOVEMBER 2018

Director of Ceremonies, Mr. Kenandei Tjivikua

Your Excellency Dr. Nangolo Mbumba, Vice President of the Republic of Namibia

Hon. Cabinet Ministers, Deputy Ministers and Members of Parliament here present;

Hon. Reverend Aino Kapewangolo, Deputy Minister of Poverty Eradication and Social Welfare;

Mr. Heiner Naumann, Resident Representative: Friedrich-Ebert Stiftung;

Ms. Hopolang Phororo, International Labour Organization (ILO) Country Director for Zimbabwe and Namibia;

Prof. Marius Olivier, Chairperson of Board of Trustees: Southern African Social Protection Experts Network (SASPEN);

Prof. Jairos Kangira, Dean: Faculty of Humanities & Social Sciences, University of Namibia (UNAM);

Ms. Esther Lusepani, Permanent Secretary of the Ministry of Poverty Eradication and Social Welfare;

Other Permanent Secretaries or their Representatives here present;

Distinguished invited conference dignitaries in your respective capacities;

Members of the Media;

Ladies and Gentlemen;

Director of Ceremonies

1. Allow me at the onset to extend my outmost gratitude to the Forum for Experts on Social Protection (FESP) and its partners for convening such a Conference, at these crucial times when Namibia and the rest of the World are battling two opposing phenomena, that is huge economic recessions and extreme poverty. It is therefore essential that we bring experts together to see how we together can fight poverty with the limited financial resources at our disposals, due to the current unfavourable fiscal environments.

2. Namibia is a dual-economy country with formal and informal sectors. The formal sector is characterized by large capital outlay, formal structure, and documentation of the business entities. It is included in the economic statistics of the nation. The informal sector entities, on the other hand, are small, mostly one person, and without formal structures and documentation. They are hardly in the national statistics and, hence, their roles are not recognized.

3. As Namibia continues on its remarkable journey to fulfil its vision of eradicating poverty, reducing inequality and addressing the challenge of unemployment, we are faced with a daunting challenge of addressing the structural and social imbalances carried over from the pre-democracy era.

Director of Ceremonies,

4. Some may query the importance of the informal sector, especially its contribution to the mainstream economy. While some people choose to be in the informal sector, many fall in the category because of unemployment. The informal sector plays a very important role in every country, as it gives opportunities to people who are not employed to earn money through their various skills and businesses.

5. According to Namibia's Social Protection Floor Assessment Country report, the majority of Namibian people operate in the informal sector; many are migrants from the rural areas. The report says that close to 70 percent of the population is in the informal sector.

6. The majority of our people therefore work in the informal economy and are therefore vulnerable to job insecurity, low and erratic income, and lack basic social protection. Given the gendered structure of our societies, and their low status, women and girls are more severely affected by the scourge of poverty and other social ills.

7. Moreover the challenges bring into sharp focus the issues of inequity, inequality and social exclusion. They touch on the very core of our societies which are the human dignity and the human rights of those most vulnerable.

8. Furthermore, when we adopted the Namibian Constitution we committed to set our people on a path that would lead them from a society based on inequality to a society that promotes social justice and restores the human dignity of the Namibian people particularly the poor and marginalized.

Director of ceremonies,

9. I will leave the in depth explanations of what the informal sector entails and its importance to the economy to the experts who will be speaking for over the two days of the Conference. Allow me therefore to bring to the fore, what Namibia is doing, specifically the Ministry of Poverty Eradication and Social Welfare towards ensuring a comprehensive social protection system for the Citizenry.

10. The Ministry of Poverty Eradication and Social Welfare is tasked through the Social Progression Pillar of the Harambee Prosperity Plan, to investigate the feasibility of consolidating the social grants in a more effective coordinated safety net.

11. It was while undertaking this task and through consultative engagements with various social protection experts and stakeholders; that the Ministry embarked upon a much broader exercise that will ensure a comprehensive social protection system for Namibia, including the development of a National Social Protection Policy Framework.

12. The Social Protection Policy has been developed because of the recognition that current social protection programmes have an impact on poverty reduction but there are Namibians who are not adequately covered and are exposed to risks and vulnerabilities that keep them in poverty.

13. One key reform being proposed to be provided for under the Social Protection Policy with the direct benefit to the informal economy is the introduction of a Basic Income Grant for the poor and vulnerable who are not covered by the current systems.

14. The proposal is to first start with the unemployed between the ages of 30 and 59, because as statistics reveal, the majority of unemployed in this age group are women; who are equally the majority players in the informal economy.

15. The Policy further aims to provide for the introduction of a National Pension Fund, which should facilitate participation of informal workers and self-employed persons through incentives such as easy registration regulations.

Directors of Ceremonies,

16. Undertaking the whole exercise of social protection reform, the Namibian Government aims at developing well-designed social protection systems, which are powerful to protect the most vulnerable and marginalized groups against shocks like severe weather, pandemics, and economic crises that can push them into or back into poverty.

17. Eradicating poverty requires economic growth which is inclusive and sustainable. It needs well-designed social protection systems which enable people to sustain basic living standards even when shocks occur. These systems also help children stay in school, enable families to get enough nutritious food, and provide a stable foundation on which people can build a better future.

18. In Conclusion, I would like to thank you once again for coming together during this three day conference; and it is my sincere believe that the conference will find ways as to how our men and women in the informal workforce can be assisted and be included in the mainstream economy, to ensure prosperity for all.

19. Let us remain committed to advance a social development agenda which is human centered and promotes the human rights based on the principle of social justice and integrity.

20. I wish you success in your deliberations and thank you very much for your attention.