



Republic of Namibia

MINISTRY POVERTY ERADICATION AND SOCIAL WELFARE

**MOTIVATION FOR VOTE 33
ON THE
APPROPRIATION BILL, 2019**

Presented by

**Bishop *Emeritus* Dr. Zephania Kameeta, MP
Minister of Poverty Eradication and Social Welfare**

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Our vision

A caring and inclusive nation which ensures access to basic social services and dignity for all Namibians.

Our mission

To initiate, implement and coordinate social development programmes to promote the well-being of the poor and the vulnerable in a dignified manner.

Honourable Chairperson of the Whole House Committee

Honourable Members:

1. I rise this afternoon to introduce to this august House the budget for **Vote 33, Ministry of Poverty Eradication and Social Welfare for the 2019/20 Financial Year** for support, consideration and approval.
2. Vote 33 budget appropriation for 2019/20 Financial Year, amounts to **Three Billion, Five Hundred Ninety Two Million, Six Hundred and Fifty Three Thousand, Namibia Dollars (N\$3,592,653,000)**; And over the 2019/20–2021/22 MTEF period, the estimated allocation for Vote 33 amounts to **Ten Billion, Seven Hundred and Seventy Six Million, One Hundred and Seventy Five Thousand Namibia Dollars (N\$10,776,000)**.
3. I want to thank Honourable Calle Schlettwein, Minister of Finance and Hon. Obeth Kandjoze, Minister of Economic Planning and Director General of the National Planning Commission; and your teams, for the preparation and presentation of the Budget, against the backdrop of huge fiscal challenges.

Honourable Chairperson of the Whole House Committee,

4. Given the adverse global economic environment that also has a negative bearing on the local economy, I believe we can continue to “*do more with less*” resources and focus on the effective implementation of programmes that are essential to lift our people out of extreme poverty.

5. The budget allocation of the Ministry of Poverty Eradication and Social Welfare takes into consideration the national call to eradicate poverty in line with the National Development Plan 5 (NDP 5) the Harambee Prosperity Plan (HPP) and the Implementation Plan of the Blueprint on wealth redistribution and poverty eradication. The Ministry of Poverty Eradication and Social Welfare remains committed to the noble course of freeing Namibian citizens from the burdens of extreme poverty. I therefore want to echo the sentiments of His Excellency Dr. Hage G. Geingob, President of the Republic of Namibia that it is indeed possible to eradicate extreme poverty in Namibia; and this can only happen once we all commit ourselves to vigorously fight the war against poverty and inequality.

Honourable Chairperson of the Whole House Committee

Honourable Members,

6. The Budget of the Ministry of Poverty Eradication and Social Welfare is clustered under three MTEF programmes, as follow:
 - Programme 1: Provision of Social Protection
 - Programme 2: Strategy Formulation and Monitoring, and
 - Programme 3: Policy Co-ordination and Support Services;
7. I will now present the 2019/20 budget allocation to the Ministry of Poverty Eradication and Social Welfare, while elaborating on activities and key achievements attained during the 2018/19 financial year and the requested allocation for each of the above mentioned programmes.

Programme 1: Provision of Social Protection

8. Social protection is one of the core programmes of the Ministry of Poverty Eradication and Social Welfare. The main purpose of this programme is to administer social grants to eligible Namibians who have attained the age of 60 and Namibians with disabilities who are between the age of 16 and 59.
9. The Ministry is committed to increase the coverage for the social grants in order to reach all eligible beneficiaries. In this regard, the Ministry recorded an overall increase in the number of social grant recipients from 211, 447 beneficiaries in 2017/18 to 218 586 during the 2018/19 financial year, representing a 3.2% increase. The Ministry maintained a reasonable coverage of 97% and 70% for pensioners and disability grant beneficiaries respectively during the year under review. The Ministry further implemented the increment of the social grants from N\$1,200 to N\$1,250 per month, for the 2018/19 financial year.
10. As the result of the announced increase in the budgetary allocation for social assistance by the Minister of Finance, the social grants administered by the Ministry of Poverty Eradication and Social Welfare will be increased by N\$50 per month to reach N\$1,300 per month, during the 2019/20 financial year.
11. In order to effect the social grant payment to the eligible recipients, the Ministry utilizes three different payment modes; through the banks,

Nampost and cash distributor, which is Epupa Investment Technology. In the quest to bring services closer to our people, the number of active pay-points for the cash payment mode presently stand at 1,388. The Ministry has therefore allocated an amount of **Eighty Two Million, Two Hundred and Fifty Five Thousand Namibian Dollars, N\$ 82, 255, 000 Million** for the 2019/20 financial year, to facilitate the provision of these services.

12. The Ministry pays a maximum of **N\$3,200** funeral cover per beneficiary, to ensure that social grant beneficiaries are accorded a dignified burial. A total of 6915, funeral claims were registered during the 2018/19 financial year. These claims amounted to **Fifty Six Million Namibian Dollars (N\$56 million)** for the year under review. An amount of **Seventy Eight Million Namibian Dollars (N\$78 Million)** for the provision of these services during the 2019/20 financial year.

13. The Ministry with the assistance of its developmental partners has developed a National Social Protection Policy. The social protection policy has been developed to address all risks and vulnerabilities, as an instrument to fight against poverty and inequality. The Social Protection Draft Policy is at an advanced stage and we plan to present the draft to our stakeholders before tabling it to Cabinet and Parliament by the middle of this financial year.

14. The Ministry is allocated an amount of **Three Billion, Four Hundred Forty Million, Three Hundred and Eleven Thousand Namibia Dollars (N\$3,440,311,000)** for the payment and administration of social grants to

senior citizens and citizens with disabilities during the 2019/20 Financial Year. This represents a 97% of the total budget allocation to Vote 33, leaving only 3% towards operational costs. The Government of the Republic of Namibia is therefore cognisant of the great contribution of social assistance to poverty eradication.

Honourable Chairperson of the Whole House Committee

Honourable Members

15. The second main activity under Programme one (1) is poverty eradication programmes coordination and implementation, which includes food provision to the extremely needy citizens in urban and peri-urban areas.

16. The food provision programme of the Ministry which started as a pilot in the Khomas region has now been rolled out to six more constituency during the period under review. These are Hardap, //Karas, Ohangwena, Kavango East, Kavango West and the Kunene region respectively. The Ministry plans to cover the remaining seven regions during the 2019/20 financial year. As we are being called upon to do more with less, the Ministry has streamlined the eligibility criteria for food bank beneficiaries to only include those in dire need of food. Furthermore, the Ministry in partnership with the World Food Programme has introduced a computer based management system known as SCOPE, for the effective registration and monitoring of the food bank programme.

17. The Ministry utilized **Sixty Two Million Five Hundred and Ninety Thousand One Hundred and Ninety Four Namibian Dollars (N\$ 62,590,194.00)** during 2018/19 Financial Year of which **Four Million Nine**

Hundred and Seventy Eight Thousand Four Hundred (N\$4,978,480.00) was paid from the State Contingency Fund. The shortfall which the Ministry experienced under this programme was due to budget cuts, from Seventy Million Namibian Dollars (N\$70million) in the 2017/18 financial year to **Sixty Million Namibian Dollars (N\$60 million)** during the year under review.

18. As I have alluded to earlier, given the stringent eligibility criteria for the selection of food bank beneficiaries, the Ministry hope to cover only those faced with absolute hunger, in urban and peri-urban areas across all fourteen regions of the country. The Ministry has allocated an amount of **Seventy Five Million Seven Hundred and Seventy Four Thousand Namibian Dollars (N\$75 774 000.00)** for the activities under Poverty Eradication Programme Coordination and Implementation, for the 2019/20 financial year, of which **Sixty Million Namibian Dollars (N\$60 Million)** is allocated to food provision to those faced with hunger poverty in urban and peri-urban areas.

Honourable Chairperson of the Whole House Committee

Honourable Members

19. In accordance with Finance Act and Treasury Instructions, the Ministry of Poverty Eradication and Social Welfare has opened a Ministerial Donation Account in 2015. The Ministry receives donations in cash and kind from generous individuals and organizations. During the 2018/2019 Financial Year the monetary value of the account stood at **Four Million and Five Hundred Thousand Namibian Dollars (N\$4.5Million)**, while the donations in kind was valued at **One Million Two Hundred and Forty-Seven Thousand and Forty-One Namibian Dollars (N\$1,247,041.00)**.

20. Through the donation account, the Ministry assist the poor and vulnerable with several projects such as water infrastructure, community gardens, provision of decent shelters and any other small projects upon request. The Ministry has committed over **Four Million Namibian Dollars (N\$4 Million)** to community projects in the Omaheke, Ohangwena, Kunene and Zambezi regions during the 2018/19 financial year. The Ministry is planning to broaden the scope of this account, to include contributions from the country's natural wealth, as part of wealth redistribution strategies to arrest poverty.

21. In this regard the Ministry will develop a resource mobilization strategy for the donation account and we will require the unwavering support from all in order to ensure that all Namibians have a share in the riches of this country. The in-kind donations, mainly food items are channeled to the

needy people through soup kitchens, kindergartens and other charity organizations; as we value and recognize their contribution to poverty eradication efforts in the country.

Honourable Chairperson of the Whole House Committee

Honourable Members:

Programme 2: Strategy Formulation and Monitoring

22. Under this programme, the Ministry oversees the coordination of the implementation of activities under the Blueprint on wealth redistribution and poverty eradication and the Zero Hunger Strategy Roadmap. The Directorate of policy and strategy is equally responsible for monitoring and evaluation of the implementation of poverty eradication programmes. The Directorate further coordinates the process of the development of the National Social Protection Policy.

23. During the 2018/2019 Financial Year the Ministry developed and presented the Blueprint Monitoring and Evaluation (M&E) template, in order to ensure full and responsive implementation of the Blueprint on wealth redistribution and poverty eradication.

24. Furthermore, the Ministry finalized the report on the annual implantation plan of the Blueprint for the 2017/18 financial year. The Ministry also conducted a desk review study on Old Age homes and Residential Childcare Facilities (RCCF), to identify gaps and the need for the provision of suitable shelter to the poor and vulnerable.

25. With regards to the strengthening and expansion of the country's Social Protection Systems, the Terms of Reference (ToR) for a Basic Income Grant Framework have been developed. The Terms of Reference (ToR) aims to guide the feasibility study on the possibility of introducing a grant system to ensure a much more inclusive social protection system for the country. Once agreed upon and finalized, the proposal will be incorporated in the Social Protection Policy for implementation.

26. Furthermore during the year under review the Ministry developed a concept note for backyard and community gardens mainly in urban and peri-urban areas, as one of the possible graduation models for the beneficiaries of the Food Bank programme. Moreover, the Monitoring and Evaluation framework and reporting tools for Zero Hunger Road Map (ZHRM) was developed.

27. The Ministry has allocated an amount of **Six Million, Seven Hundred and Seven Thousand Namibia Dollars (N\$6,707,000)** for the activities under Programme 2 for the 2019/20 financial year.

Honourable Chairperson of the Whole House Committee
Honourable Members

Programme 3: Policy Coordination and Support Services

28. This programme includes activities related to policy supervision, administration of support services, financial and human resources management, and other auxiliary services to other functions of the Ministry. The Ministry together with the Public Service Commission will ensure that key positions are filled during the current financial year to ensure effective service delivery.

29. For the execution of the activities under this programme, an amount of **Thirty Nine Million Two Hundred and Ninety Nine Thousand Namibia Dollars (N\$39,299,000)** is requested during the 2019/20 financial year.

Honourable Chairperson of the Whole House Committee

Honourable Members

30. As I conclude, I want to agree with His Excellency the President, Dr. Hage G. Geingob, that this year should be indeed a year of accountability, a year

in which practical implementation should be the order of the day and a year in which our people should start to see tangible results and administrators being accountable for the activities they had planned and envisioned to deliver prosperity for all Namibians. I therefore want to call upon those tasked with the implementation of the programmes under this budget Vote, that implementation is long over-due and there is no more room for complacency, we need to renew and reassure our commitments and intentions to our people.

31. Allow me to thank the Deputy Minister of Poverty Eradication and Social Welfare, Hon. Aino Kapewangolo, the Food Bank Special Advisor Ambassador Angel Dalmau, The Executive Director Mrs. Esther Lusepani and the entire staff of the Ministry for making the motivation of this budget vote possible.

Honourable Chairperson of the Whole House Committee

Honourable Members,

32. It is now my distinct honour to present to this august House, the expenditure request for the Ministry of Poverty Eradication and Social Welfare for the

2019/20 financial year, which amounts to **Three Billion, Five Hundred Ninety Two Million, and Six Hundred and Fifty Three Thousand, Namibia Dollars (N\$3,592,653,000)** for its kind consideration and approval.

I thank you for your attention.