



**Remarks by Musinga T. Bandora, UN Resident Coordinator at the opening of the Cabinet Ministers
Induction Seminar under the theme:**

“Promoting Innovative Approaches and Synergies for Sustainable Economic Growth in Namibia”

Country Club Resort -Windhoek-9 March 2015

Your Excellency the President of the Republic

Your Excellency the Vice President of the Republic

The Right Honorable Prime Minister

Deputy Prime Minister

The UN-Under Secretary General and Executive Secretary of ECA

Honorable Ministers and Deputy Ministers

Permanent Secretaries and other senior Government Officials

Ladies and gentlemen

It is indeed an honor and privilege to have been invited to attend and deliver a few remarks on this historic occasion of the opening of the Ministerial Induction Seminar for the Third Phase Government of Namibia. My presence here and that of the ECA Executive Secretary underlines the enduring historical ties of close cooperation between Namibia and the United Nations-which ties and cooperation I hope will continue to grow and deepen. We recently had a twin celebration-of twenty five years of Namibia's independence and of the presence of the UN in the country. I wish to reiterate the congratulations of the UN Secretary General and his good wishes for continued prosperity of Namibia. On 21 March we witnessed not just the celebration of independence, but equally significant the inauguration of the third President of Namibia-President Dr. Hage Geingob. The smooth transfer of power consolidated the treasured political tradition of this country and the example of good governance that Namibia continues to show. Mr. President, Congratulations once more.

After the victory, now the hard work follows. The overwhelming electoral victory was a mandate to govern and a challenge to meet the great expectations of the people of this country. What was clear in the electoral outcome is that people continue to have confidence in SWAPO and its leadership. But for that confidence to endure, the government must deliver on the promises the Party made-promises of more jobs, land and housing, of better social services and improved livelihoods. I realize these are monumental- given especially the historical context of Namibia. However, with greater political determination, better planning and implementation of programmes, more capacity outlay, with creative partnerships as well as targeted resources allocation, it is possible to achieve them.

Mr. President

I wish to commend the holding of this seminar. It is timely and gives the ministers, outside the formal protocol of cabinet, the opportunity to reflect on the larger issues of Africa's transition as well as on social policy challenges before settling into the minutia of day-to-day governing. It equally gives the cabinet a chance to hear through a key UN institution-ECA the experiences of other countries in tackling challenges-such as transformation and reducing poverty, land reform and managing diversity-looking at what worked and what did not and the pitfalls to avoid.

Mr. President

Africa is going through transformation. There is new-found optimism in an Africa that is rising! Africa's economies are growing at an average growth rate of 5% per year. Reports indicate that foreign direct investment is the largest source of private capital and that overall Africa now depends less on aid than it did a decade ago. This is good news!

Notwithstanding challenges, democracy and good governance are consolidating. We recently saw, the example of political maturity and consolidation of democracy in the ready acceptance of the election results in Nigeria.

There is greater resolve of Africa to tackle the conflicts on the continent. The contribution made by Namibia in the search for peace in Madagascar, DRC and Lesotho stand in testimony to that resolve.

There is renewed momentum for deeper regional integration as exemplified, for example, by the efforts to create an expanded Economic Community bringing together SADC, COMESA and the East African Community.

The African Union has set for itself an ambitious agenda 2063 underpinned by the vision to build an integrated, prosperous and peaceful Africa, an Africa driven and managed by its own citizens. Africa is playing an active role in shaping of the Post 2015 Development Agenda-with Namibia serving on the AU Committee of 10 that elaborated Africa's Common Position.

Mr. President

Indeed, while overall the future looks bright, there are risks and challenges. The risks of reversal resulting from failures in governance and inability to address deepening inequality are real. Africa's economic growth, mostly fueled by extractive industries has not created jobs in the numbers sufficient to reduce poverty-including here in Namibia. Unemployment-especially of the youth stands to undermine peace and social harmony.

Even with improvements in governance in Africa, there are still pockets of political marginalization, that are sustaining conflicts, undermining peace and stability and proving grounds for politics of extremism and terrorism. We have borne witness to and strongly condemned the atrocities of Boko Haram and Al Shabab-including recently in Garissa-Kenya where 152 innocent students were gunned down in cold blood. In addition to terrorism,

there are other shared challenges such as money laundering, poaching, human trafficking, cyber and environmental crimes which require more determined collective African and global response.

Mr. President

For Namibia to sustain the process of transforming, it must learn from the mistakes that other African countries made. Many African countries are emerging from decades of economic stagnation, brought about by failures in governance and mismanagement including corruption. Happily Namibia has been able to avoid that, so far. Certainly, entrenching good governance through, inclusive political and economic participation, greater transparency and accountability including fighting corruption will put this country on a stable path to transformation.

Another lesson that Namibia should draw from the mistakes of Africa is avoidance of dependence. Happily, Namibia is free from foreign aid that drove African countries into loss of autonomy of decision. Namibia should maintain this independence and not allow dependence to creep in. Only if Namibia is able to retain the initiative and autonomy of view and of action, will it ensure its true independence.

Mr. President

We all know that land is an emotive issue in Namibia and elsewhere. The continued skewed land ownership structure in the country undermines the principle of equality and in the long run is not sustainable. The land conference of 1994 set forth strategies for dealing with the issue. My understanding is that there is agreement that if the recommendations of that conference were fully implemented, much progress would have been made by now. It is perhaps time for the country to retrace its footsteps and begin from where it veered course.

Apart from the skewed land ownership of land there also other aspects of the land question that need urgent attention. The first is the increasing pressure for urban housing and the associated phenomenon of shack dwellers. For the urban dwellers especially, the pressing issues are jobs, housing and services such as water, sanitation, health, education and infrastructure. Therefore access to urban land is critical to avoid the institutionalization of the informal settlements. The mass housing programme is a very commendable start. The more sustainable strategy is to free up more urban land for proclamation, ease access to ervens, and regulate prices to avoid speculation as well as provide financial support to low income earners so that they can realize the dream of decent home ownership.

The second aspect relates to the over 70% of Namibians who live in rural areas and depend on agriculture for sustenance. If the poverty eradication strategies are to succeed, they should target the rural poor through improving their livelihoods where they live. Increasing investment in agriculture is essential to achieving the MDGs. Investments in agriculture has proved more effective in lifting people out of poverty than investments in many other sectors. Investments in agriculture drive economic growth and set the stage for sustainable development. They pay high dividends in terms of quality of life and dignity for the rural poor. Therefore investing in agriculture and raising farm productivity, ensuring security of land tenure, titling of land to give it financial value, better water

management, provision of extension services and support, improving access to capital for agricultural development for cooperatives and individual small scale farmers as well as facilitating access of local products to the local market are some of the urgent measures needed.

In this country, irrigation is critical to moving beyond subsistence agriculture. Irrigation was the driver of the Green Revolution in Asia. We also see it here where the green schemes exists that it is possible to transform lives through improving agricultural output including inland fisheries. I commend the government for a substantial allocation to Green Schemes under the new budget.

Mr. President

A daunting challenge and one of the priorities you have set for your government is poverty eradication. We recognize that the country has made tremendous progress in terms of poverty reduction, with the proportion of the population classified as poor declining to 28.7 per cent in 2009/10 while the proportion of those classified as severely poor declining to 15.3 per cent over the same period. This has been possible due to a mix of strategies of sustaining economic growth, substantial social investments, economic empowerment, grant transfers and pensions. In order to sustain the gains made and build the foundation for the elimination of poverty, more creative strategies are required.

A useful starting point would be a deeper understanding of perceptions of poverty and knowing who the poor are. In this respect, UNDP has been working with government on two strategic initiatives. The first is Poverty Mapping-that is looking at the regional and constituency level and understanding where poverty resides and trends in poverty in the last decade. The second is the Multiple Deprivation Study-looking pockets of deprivation as well as trends of deprivation at the sub-constituency level. Through these studies, we are now able to pinpoint who the poor are and where they are in the country. For example we know that poverty in Namibia has a distinct spatial and gender dimensions with female-headed households, which account for 44% of all Namibian households being poorer on the average that male-headed households. The next step is trying to understand why those people are poor and develop strategies for addressing those reasons. We hope to work with the new Ministry of Poverty Eradication to take the initiative forward.

Mr. President

There is general agreement that while countries have made economic strides without good governance, for that progress to be sustainable it needs to be underpinned by good governance. Good governance is therefore both a means to and an end. Governance is both a goal in itself that fosters a climate of respect for universal rights and promotes political and social inclusion for citizens, especially women and the youth. It also provides the political and institutional context for realizing development outcomes, including poverty reduction, inclusive growth and tackling inequality. This is why, Namibia must entrench the culture of good governance, integrity, transparency and accountability. Happily corruption is still contained in Namibia but the fight against it must continue so that it does not degenerate to unmanageable levels as we see in many African countries. Corruption suppresses economic

growth by driving up costs, corrodes the regime of rights, increases inequality, drives away investments and ultimately undermines development.

Mr. President

My next remark is a general one and it is eloquently addressed in NDP 4 and Vision 2030-that is the imperative of transformation. In order for Namibia to achieve the development goals it has set, it must transform- transform in the way government is run, the way politics are conducted and the way the economy is managed. Deeper governance improvements and empowering women economically-building on the very commendable 50-50-gender equality policy will be necessary to strengthen the foundations of the already vibrant democracy in the country.

Government must aim to strengthen its capacity to oversee the implementation of the various programmes. It has to work smarter and embrace technology. The need to update state and government rules and regulations, processes and procedures to bring them to modern standards cannot be gainsaid. Government can learn from the private sector and adopt some of its best practices in order to facilitate faster and efficient service delivery. The UN Country Team is encouraged by the measures being taken to roll out Performance Management training across the civil service.

Continued investments in social sectors – health and education- to ensure the continuous supply of healthy, educated and appropriately skilled personnel to participate in all spheres of economic development is a necessary condition for transformation.

So too is transforming of the Namibian economy, with labour gradually moving from the agricultural sector, currently characterised by low factor productivity, to industrial manufacturing, which accounts for only 4 percent of total employment and an estimated 12 percent of GDP. Industrialization is the key driver to transformation. It develops skills drives and innovation; it generates jobs and creates wealth. In its 2014 Africa Transformation Report, the African Centre for Economic Transformation underscores that African economies need more than just growth- if they are to transform. They need to grow with “DEPTH”-that is-they need to diversify, make exports competitive, increase agricultural productivity, invest in technology and innovate and above all to improve its human capital. This is what Namibia also requires.

Designing and affecting an innovative social protection system – that does not just transfer cash-conditionally or otherwise, but also empowers the poor to harnesses their capacities and resources to move from dependence to self-sufficiency. This is the only way to make social protection sustainable in the long term.

Equally, addressing gender inequality, investing in women’s empowerment, providing accessible and quality education for girls will impact positively on the transformation agenda.It is now conventional logic that empowering women is smart economics. Gender equality can enhance economic productivity, improve development outcomes

Mr. President

Planning is another challenge that Namibia has to address in a comprehensive manner. I am happy a new Ministry of Planning has been created and I hope it will be given the policy and political space as well as the human and financial resources to address the planning challenges. In this regard, there is urgent need to rationalize the planning process and link it integrally to the national development plans and to the budgetary allocations. Achievement of better development outcomes and certainly of Vision 2030 hinges on better planning, better coordination, more robust monitoring and evaluation as well as resource allocation. In doing so, the new Ministry of Planning must play the central role-coordinating planning, and programme development-working with the sector ministries.

Mr. President

Let me now speak on an issue I consider critical-and that is Capacity. Namibia has had stability and continuity of government. It has considerable resources and strong political disposition of its leadership to improving the livelihoods of the people. That disposition is manifested in the successive big budgetary allocation to the social sector. Only the other week we witnessed the largest allocation to the social sector in the 2015/2016 national budget. Yet judging from the state of health and education in the country, it is clear that the returns in terms of improvements in access and quality are not commensurate with the heavy financial investment being made. In terms of per capita expenditure on health for example, Namibia far outspends most of the countries on the continent but the country is failing to achieve the Maternal and Child health MDGs. The report of the Presidential Commission on Health of 2013 is very instructive in the challenges identified.

Mr President

In addition to the low returns on the social investments made, there is also the perennial challenge of under expenditure especially in the development budgets of Ministries. The Honorable Prime Minister, in her previous capacity has spoken about the challenge before in Parliament. Inability to absorb resources, against so much social need, undermines delivery of programmes and distorts the reality. At worst, it creates the erroneous impression that there are excess resources, when perhaps if they were fully utilized, they would have proved insufficient. But we will never know the truth until the government is able to overcome the bottlenecks of service delivery and resource absorption.

In both cases, the underlying challenge is the lack of adequate capacity-in terms of people with the right skills and in sufficient numbers, in terms of efficient institutions and of systems that work. In my view, the lack of capacity is the greatest obstacle to Namibia's transformation. I have said it before that, for now at least, availability of resources, is the least of Namibia's problems. I have also said it before that pushing more money into the social sectors without downstream capacity to implement the resources effectively and fully, will not deliver strong development results. Ultimately this means Namibia needs people with the right skill sets to oversee the government machinery, run the institutions and man the systems that deliver better returns on the social investments. In short, more capacity and skills is what Namibia urgently needs.

And efforts have not lacking. So far Namibia is implementing a Human Resources Capacity Development Policy. It has tertiary and technical training institutions. The government also hires foreign experts especially in the medical, education and engineering fields. We are all confident that in the medium to long term, Namibia will be able to source all its human resource needs locally.

What is however evident is that in the immediate to short term, Namibia will have to accept the reality that it needs to import more experts in a systematic manner commensurate with the development trajectory of the country. The government needs to move away from the piecemeal individualized ministerial approach to hiring of experts, to a coordinated system-wide policy. I suggest that the Government studies the possibility of adopting a "Comprehensive Foreign Expertise Acquisition and Utilization Policy" that will be indexed to the National Development Plans and Vision 2010. This can work- provided the hiring is time-bound, is monitored for delivery of results and linked to capacity development of Namibians. In this, Namibia will not be the first country to do so. Countries in Asia, the Arabian Peninsula and the Gulf, facing similar shortage of skills have engaged foreign experts who have made huge contribution the development we now see there.

Mr. President

What do I see as the role of the UN system in Namibia in all this? The answer is found in our current Namibia Development Partnership Framework (UNPAF) which was launched by you Mr. President on 24 October 2013. UNPAF was a result of a conversation with NPC and other stakeholders in government that resulted into a strategic shift in the content and context of UN support to the country. That strategic shift is contained in an Aide Memoire that was finalized in 2013. The Aide Memoire brought in an innovative approach to the UN system's engagement founded on the principles of government ownership and leadership of national development processes; use of existing government systems; full alignment of UN country programmes with the NDP 4. It also stipulates that where appropriate and at the request of Government, the UN system can, with government funding, support implementation of government sector programmes and project.

The Aide Memoire is the strategic underpinning of UNPAF which focuses on four Pillars-namely Health, Education and Skills, Poverty Reduction and Food Security, as well as the Institutional Environment as areas of UN system support. That Aide Memoire still awaits government approval and adoption as the strategic framework guiding UN-Namibia development cooperation.

Through UNPAF, we are working across agency mandates to deliver support to NDP 4 focusing especially on the enablers of development, with capacity development centre staged as the critical path. We adapted our Partnership Framework, working methods, processes and tools to the new strategic imperative in Namibia and anchoring that partnership in the real strengths of the UN. Our strengths and contribution focuses on providing upstream policy support; capacity and skills development; technical expertise, availing the UN proven systems and institutions that work, using our global reach to connect Namibia to knowledge and best practices. This is what we bring to that table of partnership.

I thank you for listening to me.

