

VOTE 26: NATIONAL PLANNING COMMISSION

INTRODUCTION

The mandate of the Vote

The mandate of the NPC is to plan and spearhead the course of national development. The NPC mandate is derived from Article 129 (1) of the Constitution of the Republic of Namibia and the National Planning Commission Act, 2013 (Act no. 2 of 2013).

EXECUTIVE SUMMARY OF THE VOTE

Achievements 2014/15

National Planning Commission has been fulfilling its mandate through various programmes which emerge to notable achievements, during the year under review;

NPC has produced quality and timely statistics, and ensured the transformation of statistics into understandable information that can be used to inform policies and assist the national decision-making processes. Capacity building was also enhanced in areas such as statistical analysis, GIS survey methodologies, poverty and social impact analysis and research methodology.

The agricultural census, covering both the communal and commercial agriculture sectors in all the 14 regions of the country, was launched during the reporting period. The communal sector census, which was conducted via face to face enumeration, commenced in early February 2014 and was successfully concluded by the end of June 2014.

Furthermore, the 2014 Annual Economic Development Report was produced and printed. Poverty mapping and Namibia Index of Multiple Deprivation reports were presented and disseminated to the public. The report on employability of Vocational Training Centre (VTC) students was completed and presented to the Tender Board of Namibia.

In order to maintain national integrated monitoring and evaluation system, a diagnostic review of current planning, monitoring, evaluation and reporting systems were conducted and a draft Monitoring and Evaluation Framework was produced. Capital project monitoring site visits were conducted and a site visit report was produced.

To ensure the implementation of NDP4, annual sectoral execution plans (ASEPs) were formulated and two NDP4 biannual reports were presented to cabinet during the year under review. NPC has also developed a structure and guidelines for the assessment and reviewing of public policies and successfully coordinated the preparation of the development budget for the current MTEF.

Challenges

Regardless of the achievements, NPC has experienced some barriers, such as low staff satisfaction, lack of data to update the economic models which is caused by the late release of national account statistics.

In addition, capacity constraints for undertaking researches hampered speedy progress this is as a result of staff turnover. Lack of commitments by M&E units within the O/M/As and late submission of progress reports which hinder the NPC activities progress.

In terms of policy formulation and review there were no clear guidelines to lead O/M/As in the formulation and review of policies. The existing policies do not have action plans for the implementation of such policies; as a result public policies appear in different formats and structures. This has resulted in some policies not being clear and/or not fully implemented.

Despite the efforts by NPC to assist sectors in formulating the sectoral execution plans, lack of cooperation was experienced from some sector lead ministries and their stakeholders, a situation that resulted in some sectors not having the sectoral implementation plans for 2015/16 financial year.

Another challenge experienced with regard to mobilisation of development assistance was the shift in aid modalities with donors moving from grant funding to trade and investment as well as concessional loan financing due to Namibia's Upper Middle Income Status. Namibia's status as an Upper Middle Income Country continues to prove challenging during negotiations with development partners.

Lastly, the inadequate of human resource in the regions to collect and collate the required data for the development of Regional Development Profiles as well as lack of budgetary provision by the regions to carry out this activity.

The main objectives of the Vote

The objective of the National Planning Commission is to plan, prioritise and direct national development through effective coordination, monitoring and evaluation by providing advisory services to achieve sustainable socio-economic development.

This is done by taking into consideration international best practices, and Namibia's developmental needs enriched in Vision 2030 and the National Development Plans. To give effects to its mandate, NPC administers various result-based programmes and strategic initiatives aimed at achieving the following objectives:

- To build organisational credibility;
- Ensure implementation and monitoring of NDP4;

- Coordinate National development planning priorities;
- Improve Socio-economic Research for national development;
- Ensure the implementation of the national Human Resource Plan;
- Improve accountability in public sector by monitoring execution rate on NDP4;
- Build a high performance culture;
- Ensure an enabling environment.

Overall Vote actual performance

The total budget provision for National Planning Commission for 2014/15 financial year was N\$233,749,000 of which N\$208,416,992 was spent, equating to a budget execution rate of 89.2 % and a budget variance of N\$25,332,008.

Breakdown	Year	2014/15	
		N\$	
		Estimate	Actual
Operational Budget		233,749,000	208,411,042
Development Budget		0	0
Development Partners		0	0
Total		233,749,000	208,411,042

Overview of the of ministerial targets

NPC had six ministerial targets; during the year under review three (3) targets were successfully met.

Name of the Ministerial Targets	2013/14 Actual	2013/14-2015/16 Target	2014/15 Forecast	2014/2015 Actual
Ensure implementation of NDP4 by 2016/17	0	0	50%	42%
Conduct socio economic research for national development planning	4	3	5	4
Achieve an average real GDP growth of 6.4% over the MTEF period (2014/15-2016/17)	0	0	6.4%	4.5%
80% Statistics user satisfaction by 2016/17	88%	60%	60%	79%
100% of core statistics delivered on time by 2016/17	100%	60%	70%	70%
90% overall corporate governance score according to King III principles	80%	60%	70%	70%

Target 1: Ensure implementation of NDP4 by 2016/17

This target is designed to ensure that all sectors develop their sectoral execution plans that are geared to achieve the goals, desired outcome and strategic initiatives set in NDP4 and that these

plans inform the medium term plans. The National Planning Commission will develop a robust monitoring and evaluation framework. As a result of such robust monitoring and evaluation strategy, a bi-annual report will be produced and used to report on the progress made on the overall performance of the NDP4. To augment government resources, NPC will continue to mobilise external resources in the form of grants and technical assistance. During the MTEF period, through commissioning a study, the NPC will look at options to mitigate effects of diminishing external resources on development financing.

Targeting: The programme is targeted at all sectors identified in the fourth National Development Plan and lead ministries of sectors are required to prepare sectoral execution plans.

Effectiveness: Twelve (12) out of 17 ASEPs representing 70% were formulated by sectors. In terms of the sixth biannual report only 22% of the NDP4 strategic initiatives are on track to be fully implemented by 2017/2018. In terms of mobilisation of resources to complement the Government's development agenda, NPC has mobilised resources in the form of grants and technical assistance from both Multilateral as well as Bilateral Development Partners amounting to 3% of the National Budget predominantly in the form of budget support.

Efficiency: Inputs were adequate to assist sectors in formulating and reviewing their sectoral execution plans. The World Bank has also provided a grant to support the development of a monitoring and evaluation framework. The programming processes of negotiations and consultations with Development Partners in formulation of the new cooperation frameworks has gone well and the target was achieved without any input constraints.

Impacts: The O/M/As and sector stakeholders are implementing NDP4 programmes and projects using the ASEPs as implementation tools to report on NDP4 progress on a six monthly basis. Recommendations of the biannual report have been taken up and incorporated in policy decisions.

Target 2: Conduct socio economic research for national development planning

This target is aimed at stimulating research to provide appropriate advice on socio-economic issues to the Government.

Targeting: The programme has reached its target group the O/M/As, RC, LA through researches, dialog forums and targeted interventions were put in place.

Effectiveness: The programme has produced four research papers (Poverty mapping, Namibia index of multiple deprivation, 2014 annual economic development report and VTC employability report) however it fell short of one output to reach its target.

Efficiency: The efficiency needs to be improved especially in terms of human capacity and skill development for quality research outputs. However, the allocated financial resources were sufficient.

Impacts: The target groups among other the O/M/As, RC, LA currently uses the outputs for their planning purposes, as the directed interventions were incorporated in planning.

Target 3: Achieve an average real GDP growth of 6.4% over the MTEF period (2014/15-2016/17)

The NPC through the coordination of NDP4 implementation aims to achieve the average real GDP growth of 6.4% over the current MTEF period. It coordinated the activities of OMAs and private sectors through the sectoral planning to achieve maximum impact and grow the economy.

Targeting: Developmental efforts were coordinated throughout the country towards achieving the targeted GDP growth rate.

Effectiveness: The programme coordinated developmental interventions that contributed to the achievement of the 4.5% GDP growth rate.

Efficiency: In terms of financial resources allocated to developmental projects were sufficient to achieve the same output; however skilled human resource was lacking to implement some development projects.

Impacts: The impact of the GDP growth is of a long term nature, and therefore, cannot be determined in one year period. The per capita income of the Namibian population has increased, which is a measure of the standard of living of the Namibian people. In addition due to increase GDP, the Government revenue collection increased and Namibia budget expenditure per capita in 2014 was the highest in SACU.

Target 4: 80% Statistics user satisfaction by 2016/17

This target is aimed to achieve user satisfaction by ensuring that statistics that are produced are relevant, high quality and timely.

Targeting: The target has reached the Government, other stakeholders and civil society through dissemination of quality statistical information, which is important to policy decision makers for national policy formulation at governmental level that contributes to the welfare of the Namibian nation and the country as a whole.

Effectiveness: The programme has achieved its target in terms of positive result; this was demonstrated by the result from an online users and stakeholders satisfaction survey that produced 79 % excellent satisfaction rating.

Efficiency: It would have not been possible to achieve the 79% with less resource, but certain projects were not carried out during the financial year. Although there has been lack of capacity, a consultant was hired to ensure that quality outputs have been achieved.

Impact: NSA has experienced an increase of users requesting statistical information for decision making and reporting. Statistic informations are also being used by other countries to compare Namibia to the rest of African countries and the world at large.

Target 5: 100% of core statistics delivered on time by 2016/17

This target is aimed to achieve user satisfaction by ensuring that statistics are timely produced. The purpose of producing statistics on time to Government and civil society is to ensure their validity for decision making, as the outdated information will lead to irrelevant and unreliable decision making for decision makers such as government and civic society

Targeting: The core statics have reached the target groups on time in accordance with the predetermined release calendar.

Effectiveness: NSA produced all its core statistics on time, including its socio-economic reports and the Labour Force Survey.

Efficiency: It would not have been possible to achieve the 70% output with a stringent budget allocated to NSA during the reporting financial year, but with strict financial controls and prioritising and deferring certain projects to the next financial year, thus managed to achieve the 70% rate. More staff will need to be hired to ensure that statistics are delivered on time as per the release calendar.

Impact: The availability of core statistics have a positive impact on disseminating correct information on labour matters for government, labour unions and the Namibian society. The stakeholders have developed various labour practices that will enhance the productivity of the Namibian Labour Force. Civil society has the information at hand and they can now use it for decision making.

Target 6: 90% overall corporate governance score according to King III principles

This target aimed to achieve 90% of corporate governance score according to King III principles

Targeting: NSA follows the King III principles of Corporate Governance when formulating the organisations policies and procedures.

Effectiveness: Complying with King III principles allows the agency to have strong and reliable internal controls which reduce and mitigate risks associated with the agency mode of operations. The agency has achieved its target of 70% during 2014/15 financial year.

Efficiency It would not have been possible to achieve the 70% output with less resources, as we had to invest funds to ensure that the King III principles are followed.

Impact: NSA audited financial statement have received an unqualified report from the external auditors during the 2014/2015 financial year. NSA ensured that they are able to proactively manage the relationships with all their stakeholders. The annual report for 2014/15 financial year has been released and distributed to stakeholders in order for them to understand the purpose of NSA and how they have complied with King III principles.

Description of Programs and Activities

The Vote's functions are executed through its four Programmes. The table below reflects amount allocated and the actual expenditure by each of the programmes. Further, the main outputs achieved per programme are provided below the table.

*P-Code	Programme Name	*A-Code	Activity Name	*MD in Charge	2014/15		
					Estimate	Actual	Execution rate(%)
01	Supervision, Coordination and Support Services	01-01	Managerial oversight	MD01	160,669,000	155,038,750	96.50
		01-02	Maintaining and safe keeping of computerized information system	MD05	9,064,000	5,566,593	61.41
Sub-Total					169,733,000	160,605,343	94.62
02	Macroeconomic planning	02-01	Macroeconomic analysis and modelling	MD02	15,660,000	8,978,052	57.33
Sub-Total					15,660,000	8,978,052	57.33
03	Regional and sectoral Planning and policy Coordination	03-01	Regional and Sectoral Planning	MD03	16,521,000	12,754,607	77.20
Sub-Total					16,521,000	12,754,607	77.20
04	Monitoring & Evaluation and Development Partners Coordination	04-01	Monitoring and Evaluation	MD04	31,835,000	26,073,039	81.90
Sub-Total					31,835,000	26,073,039	81.90
Vote-Total					233,749,000	208,411,042	89.16

*P-code: Programme Code
A-code: Activity Code
MD: Main Division

Programme 01: Supervision, Coordination and Support Services

Programme objective

The objective of this programme was to provide supervision and coordination of NPC support services by rendering human resources management and development function, auxiliary services, financial services, maintaining and safe keeping of computerized information system, public relation services and facilitate funding for NSA to be able to produce and disseminate national statistics.

Main activities

The main activities that fall under this programme are managerial oversight with the objective to provide supervision and coordination of NPC support services by rendering human resources management, development function and IT master plan that maintaining and safekeeping of computerised information system and public relation services.

The main output achieved during the year under review

- The production of quality and timely statistics;
- Capacity building was enhanced mainly in areas such as statistical analysis, GIS, survey methodologies;
- Internal audits were conducted and report was produced;
- Effective and efficient ICT services provided;
- Effective and efficient administrative support services provided;
- The agricultural census covering both the communal and commercial agricultural sectors in all the 14 regions of the country was launched during the reporting period;
- The communal sector census, which was conducted via face to face enumeration, commenced in early February 2014 and was successfully concluded by the end of June 2014;
- The 2014 Labour Force Survey was conducted and a report was produced.

Programme 02: Macroeconomic Planning

Programme objective.

The main objective of this programme is to conduct socio-economic research to inform national development through knowledge creation and evidence based planning. The department is charged with the responsibility of spearheading the identification of Namibia's social-economic development priorities, as well as to formulate short, medium and long term development goals.

Main activities

The main activity that fall under the programme is the Macroeconomic analysis and modelling, which include conducting economic research for knowledge foundation and evidence based planning. The research agenda is informed by the components of NDP4 and priority areas identified thereof.

The main output achieved during the year under review

Economic research and policy brief papers:

- 2014 Annual Economic Development Report;
- Namibia Index of Multiple Deprivation report;
- Namibia Poverty Mapping Report;
- VTC Employability Analysis Report.

Programme 03: Regional & Sectoral Planning & Policy Coordination

Programme objective.

The objectives of this department are to ensure the implementation of NDP4 through the formulation and implementation of Annual Sectorial Execution Plans (ASEPs) in addition to strengthening regional planning and to coordinate the formulation and review of development policies.

Main activities

The main activity under this programme is Planning and Policy Coordination which aims to ensure the formulation of the five year Sectoral Execution Plans and the Annual Sectoral Execution Plans by all sectors. The SEPs and ASEPs are the tool for the implementation of NDP4. It also entails the formulation of the Regional Development Profiles for all the regions, coordinate the formulation of new socio-economic policies to ensure consistency with other policies and evaluate existing policies to establish their effectiveness in addressing socio-economic challenges facing the country

The main output achieved during the year under review

- The preparation of the Five Year Sectoral Execution Plans (SEPs) and Annual Sectoral Execution Plans for sectors were coordinated. Out of 17 sectors, 12 finalized and submitted their plans. These are: Education, Housing, Tourism, Transport and Logistics, Security, Agriculture and Forestry, Water and Sanitation, ICT, Energy, Fisheries, Mining and Financial intermediation;
- Development Budget preparation was completed successfully;
- Ten (10) draft Regional Development Profiles were submitted, reviewed and feedbacks were given to the regions;
- Officials from all the regions and regional Councillors were trained on national development planning, implementation, monitoring and evaluation and preparation of the development budget.

Programme 04: Monitoring, Evaluation and Development Partners Coordination

Programme objective.

The objective of this programme is to mobilize, coordinate and manage external development resources and to develop and maintain a national integrated monitoring and evaluation system for the whole government.

Main activities

The main activities that fall under the programme is Development Cooperation partnership and monitoring and evaluation.

The main output achieved during the year under review

- A diagnostic review of current planning and M&E practices was conducted and a draft Monitoring and Evaluation Framework was produced;
- Two Bi-Annual Reports were produced during the reporting covering the periods 1 April 2014 to 30 September 2014 and 1 October 2014 to 31 March 2015;
- Capital progress monitoring report was produced and disseminated to relevant O/M/A's;

- Staff members were trained in Monitoring and Evaluation as part of the World Bank Consultancy to support performance management and monitoring and evaluation;
- The NPC mobilises additional external development assistance through grants and concessional loan financing to augment government resources to implement NDPs. Negotiations and consultations took place with the Governments of Germany, Japan, United Nations and the European Union to mobilise additional resources;
- Completion of different projects in 24 Constituencies supported under Phase 2 of the NGSIP;
- A Joint Commission was held with the Government of Zimbabwe and four (4) joint Memoranda of Understanding were signed in the fields of meteorology, youth affairs, agriculture and tourism;
- The 2014 International Volunteers Day (IVD) celebration was held in Katima Mulilo, Zambezi region and was a resounding success with over 300 participants from the region;
- The draft volunteerism policy has been reviewed by the office of the Attorney General; however, the final version is yet to be approved;
- The ODA system is in place, however, it has not been used for reporting purposes due to stringent licensing requirements.

EXPENDITURE FROM CONTINGENCY 2014/15

NONE

EXPENDITURE BY STANDARD ITEMS

Breakdown \ Year	2014/15	
	Estimate	Actual
Personnel Expenditure	49,449,000	43,638,431
Goods and Other Services	53,071,000	33,585,422
Subsidies and Other Current Transfers	126,223,000	126,181,188
Acquisition of Capital Assets (Operational)	5,006,000	5,006,000
Capital Transfers (Operational)		
Operational Budget	233,749,000	208,411,042
Operational Capital		
Acquisition of Capital Assets (Development)		
Capital Transfers (Development)		
Development Budget	0	0
Total State Revenue Fund Appropriation	233,749,000	208,411,042
Development Partners		
Grand Total	233,749,000	208,411,042

Explanations of variances

The underspending on personnel expenditure was attributable to overestimation and non-filling of vacancies across the various departments and related cost that goes with the appointment of staff members. Other contributing factor to under spending was caused by none payment of leave gratuity as no resignation took place.

Under goods and other services, the variance was mainly caused by some activities which were not carried out as planned, such as study tours and familiarization visits, printing of policy briefs and research papers, National Development Dialog Forums, NODSOM consultancy and training.

Furthermore, the municipal accounts were budgeted and not paid as Ministry of Agriculture paid the full amount, as well the delay in issuing invoices for the services rendered by the Government garage.

Licensing fees for ODA system and NIMRES was budgeted for, but was not renewed due to the insufficient availability of data and termination of the support agreement respectively.

NON-TAX REVENUE

Revenue Source	Year	2014/15	
	Estimate	Actual	Variance %
Sale of planning Report	40 000	11 900	-70
Miscellaneous	223 786	445 873	99
Private Telephone call	0	1 812	
Total	263 786	459 585	74

Explanation for variances under each revenue head:

Sale of Planning Reports:

Less revenue was collected for the period under review than anticipated due to the decrease on the sale of NDP4 document, as it can be downloaded for free from the NPC website.

Miscellaneous:

This collection is from unforeseen transactions. This category is also unpredictable and is considered to be an accounting provision. The over-collection under this revenue head was as a result of a refund on the employer/employee contribution from GIPF for a contractual employee who resigns, air ticket, financial assistance as well as cell phone top up by management.

Private Telephone Calls:

It was not foreseen that money will be collected from the above mention revenue head, but an amount of N\$ 1 812 has been collected.

HUMAN RESOURCES CAPACITY

No of Staff	2014/15
Approved	134
Funded	134

Summary of movable assets as submitted in the final stock taking report to Treasury before the end of 31 March 2015

Furniture and equipment: Worn and damages

	Description	Quantity	Average estimated market unit value (N\$)	Toal Value (N\$) BiXCi	Quantity available to date	% of items not take for auction(current stock level of individual items)
	A	B	C	D	E	F
1	Printers	16	100	1,600	18	1.1
2	Monitors	3	100	300	40	13.3
3	Cpu	27	90	2,430	41	1.7
4	Mouse	2	20	40	7	17.5
5	Laptops	3	100	300	3	1.0
6	Student Tables	0		0	13	0.0
7	Teacher Tables	0		0	3	0.0
8	Book shelves	0		0	6	0.0
9	Cabinets	0		0	4	0.0
10	servers	0		0	7	0.0
11	Switches	0		0	3	0.0
				0		0.0
				0		0.0

Reasons for the stock levels

Some stocks are still available waiting for the Ministry of works and Transport to create enough space at the auction yard (Government stores). The other available worn and damage stock will only be transferred to Government Stores after Treasury authorization granted for 2015/16 financial year.

Furniture and equipment: Obsolete and redundant

Reasons for the stock levels

Some stocks are still available waiting for the Ministry of works and Transport to create enough space at the auction yard (Government store). The other available obsolete and redundant stock will only be transferred after the Treasury authorization has been obtained for the current financial year.

Vehicles: Obsolete and redundant

Description	Quantity	Average estimated market unit value (N\$)	Total Value (N\$) BIXCI	Quantity available to date	% of items not take for to auction(current stock level of individual items)
A	B	C	D	E	
1 2WD Pick-ups	0	0	0	0	0.0
2 4WD picks-up	0	50000	0	7	0.0
3 4WD double cab	0	69000	0	0	0.0
4 Sedans vehicles	0	60000	0	1	0.0
5 Station Wagon	0	65000	0	1	0.0
			0		0.0

The obsolete and redundant vehicles will be only taken to Ministry of Woks and Transport Government Stores auction yard after stock-taking has been conducted for 2015/2016 financial year.