

REPUBLIC OF NAMIBIA



THE PRESIDENCY

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No new vehicle fleet for Government will be purchased, President Hage G. Geingob directs

As part of deepening Effective Governance, the Government reform agenda and reducing expenditure, President Geingob has directed that the vehicle fleet of the Namibian Government will not be renewed for the period 2020-2025. No new vehicles will be purchased for members of the Executive and Public Office Bearers in the Namibian Government. This decision by President Geingob, expressly during this difficult period of COVID-19, will translate into an approximate saving of 200 Million Namibian Dollars. President Geingob has also directed a cap on monthly fuel consumption by Public Office Bearers.

After becoming President of the Republic of Namibia in 2015, President Geingob undertook a major Government reform agenda in order to deal with declining Government revenue as a consequence of an unprecedented global economic downturn, falling commodity prices and exchange rate fluctuations. Recurrent droughts over the past five years, of which the last was in 2019, have also affected the fiscal position of Government. In 2019 alone, an amount of 557 million Namibian Dollars was redirected to drought relief, reaching 622,444 Namibians in all 14 regions.

By constantly directing Government Offices, Ministries and Agencies to do more with less, major savings across the Government system have been achieved over the past five years under President Geingob. Government spending has been reduced by 9%; annual travel and subsistence allowances have been cut by 62%. Moreover, President Geingob has ensured greater transparency in Government procurement by most notably cancelling the inflated Hosea Kutako International Airport tender. As a consequence, scarce Government resources (41% of the national budget) have been directed to social sectors, including health, housing, and increments for the old age pension grant by over 100%, and the rollout of countrywide Food Banks (reaching over 42 000 Namibians). This bouquet of decisions has had the desired effect in the fight against poverty, with Namibia receiving praise from international organizations, including OXFAM and the World Bank.

Since 21 March 2020, President Geingob has continued with major Government reforms for Effective Governance, reducing significantly the size of Cabinet and terminating the positions of special advisors to 14

Regional Governors. The savings from these ongoing reforms amount to millions of Namibian Dollars.

The decision by President Geingob not to renew the Government fleet, saving 200 Million Namibian Dollars is a crucial segment in redirecting public resources to urgent priorities, specifically at a time when the country is dealing with the health and economic implications of COVID-19.

ISSUED BY THE PRESIDENCY OF THE REPUBLIC OF NAMIBIA

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