



REPUBLIC OF NAMIBIA

MINISTRY OF URBAN AND RURAL DEVELOPMENT

BUDGET MOTIVATION FOR VOTE 17 FOR THE 2026/2027 FINANCIAL YEAR

By
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MINISTER



07 APRIL 2026

NATIONAL ASSEMBLY



Hon. Chairperson of the Whole House Committee

Hon. Members

I rise to present the budget for the Ministry of Urban and Rural Development, Vote 17, for the financial year 2026/2027.

I table this budget against a global backdrop that remains complex and challenging. Developing economies continue to navigate post-pandemic recovery, geopolitical tensions, and supply chain disruptions. Growth prospects, while positive, remain modest and are often constrained by tight financial conditions and volatile commodity prices. These external factors remind us that national aspirations must be built on resilience and self-reliance.

Domestically, Namibia is charting a steady course. Our expenditure performance is carefully managed in tandem with our revenue outlook. As the Hon. Minister of Finance emphasized: “People, Productivity, and Prudence.” This should not be a mere slogan, but the compass guiding our national expenditure, balancing our growth ambitions with affordability, and safeguarding the needs of future generations.

I take this opportunity to sincerely thank and applaud the Honourable Minister of Finance and the Director General of the National Planning Commission, and their teams, for crafting a budget, which although not adequate, aims to improve the nation’s development needs and available resources.

It is within this framework of responsible fiscal management that the Ministry of Urban and Rural Development has crafted its 2026/2027 budget, fully aligned with the pillars of the National Development Plan (NDP), ensuring that every dollar spent translates into tangible progress for our people.



Honourable Chairperson of the Whole House Committee,

Honourable Members,

Achievements – 2025/2026 Financial Year

Despite a constrained fiscal environment, the Ministry has delivered meaningful and measurable progress. These achievements demonstrate our capacity and commitment to improving the lives of Namibians.

At the heart of our work performance rests a flagship initiative that embodies our vision for inclusive development, the Formalisation of Informal Settlements Programme. This programme is a game-changer as underscored in the Minister of Finance’s budget statement. It is a critical step for poverty reduction and sustainable urban development geared towards restoration of human dignity, once formalised. Informal settlements in all our local authorities equally and urgently require infrastructure services such as water, sanitation, electricity and waste collection.

This transforms dead capital into productive assets allowing residents to use their properties as collateral for affordable bank loans. It also provide the Local Authorities with accurate spatial data which will allow for better planning, fairer land policies and broader revenue base through taxation.

Through upgrading informal areas and providing secure land tenure, we are not merely constructing houses, we are building sustainable communities and unlocking economic opportunities. A title deed is more than a legal document; it is a gateway to financial inclusion, enabling access to credit, encouraging private investment, and integrating households into the formal economy.



Honourable Members,

Through coordinated efforts between Central Government, local authorities, the National Housing Enterprise (NHE), and key partners such as the Shack Dwellers Federation of Namibia, Alternative Building Technologies, Development Workshop as well as strategic public-private partnerships, the Ministry has recorded the following achievements:



The recently handed over MHDP housing units at Otjomuise, Windhoek

Housing and Urban Development

- Thirty-Three (33) townships were declared across various local authority areas, covering both greenfield (30) and brownfield (3) developments. However, the establishment of townships requires the identification of the economic source of survival of such township, as a result establishment of future township will be guided by economic consideration which should serve as the backbone for survival



- Part of the Forty-Two (42) informal settlements commenced in Windhoek, Walvisbay Rundu, Keetmanshoop, Oshakati, Mariental, Swakopmund, Katima Mulilo, Bukalo, Usakos, Tsumeb and Otjiwarongo for the formalization of informal settlements.
- The building of all the housing units commenced through collaborative programmes and partnership with National Housing Enterprises (NHE), the Mass Housing Development Programme (MHDP) as well as Shack Dwellers Federation of Namibia (SDFN) in all 14 Regions.

Honourable Chairperson of the Whole House Committee,

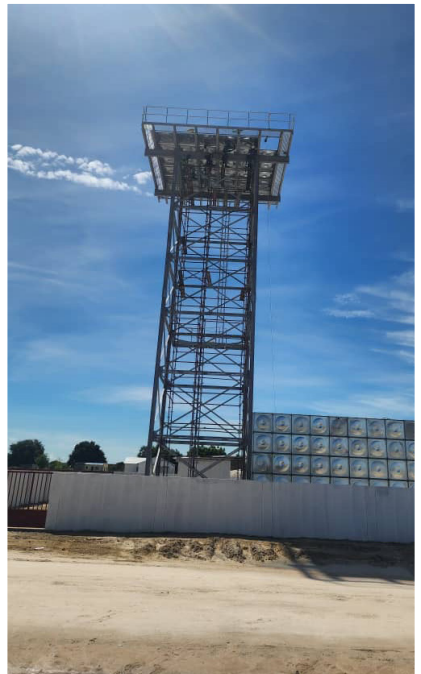
Honourable Members,

Although the directive given by Her Excellency, President Netumbo Nandi Ndaitwa was to construct three thousand (3000) houses during the previous financial year, the Ministry did not make good strides, because both the servicing of land and building of houses are being challenged by aging sewer infrastructure, where 80% of our 59 local authorities sewer infrastructure cannot accommodate new housing constructions because of the incapacity of the existing dilapidated sewer infrastructure in most local authorities. The sewer capacities of local authorities such as Okahandja, Rundu, Grootfontein, Ongwediva, Oshakati, Ondangwa, Katima Mulilo, Eenhana, Mariental, Tsumeb, Okahao, Opuwo, Windhoek, Henties Bay, Omaruru, Usakos and Walvis Bay all urgently require bulk infrastructure (sewer and new water treatment plants).

The current estimated costs for such upgrading of bulk infrastructures are estimated at N\$2.5 billion, none of which is funded in this financial year. As a country we need to appreciate that most of our sewer systems in local authorities were constructed during the colonial period for a smaller number of residents which populations size has now in some cases tripled, thereby, overwhelming the sewer capacity of such local authorities.



It is worth stating that the construction of new house units and upgrading of informal settlement, which is a MUST for our development, highly rests upon the much-needed upgrading of the sewer system to avoid health hazardous situations in our local authorities. The Ministry will, however, continue to encourage local authorities to look at other alternative funding outside the State revenue fund, while equally engaging the National Planning Commission and Ministry of Finance for such required extra funding.



Progress on the construction of Water and sewer reticulation in Rundu; and water towers on brownfield in Oshakati under the Informal Settlement Upgrading Affordable Housing Programme (ISUAHP)



In advancing sanitation and public health in rural areas:

- Sixteen (16) communal toilets were constructed in Mix Settlement and Babylon informal areas in Windhoek.
- An additional 2,664 ventilated improved pit latrines were constructed and delivered nationwide accumulative from the 2024/2025 financial year, creating 815 temporary employment opportunities in the process.

These achievements in housing, sanitation, and economic empowerment are a clear demonstration of the Ministry's unwavering commitment to people, productivity and prudence. Through targeted and impactful interventions, we are expanding access to affordable housing, improving basic sanitation, and restoring dignity to our most vulnerable communities. Against this background all government serviced land will not be available to private investors in the housing as such investors can service their acquired land.

Government serviced land will be made available to individual citizens and development partners through the flexible land tenure system. In doing so, the government is not only building infrastructure, but bringing hope and opportunities to our citizens and further creating a more inclusive Namibia.

Honourable Members,

Our commitment to economic empowerment and job creation, particularly in rural areas, remains unwavering:

- A total of 235 income-generating activities were supported across regions, benefiting 2,521 individuals and strengthening rural livelihoods.



- A total of 149 temporary jobs were created through the manufacturing of appropriate technology equipment and the provision of hospitality services at the rural development centres.

Furthermore, Rural Development Centres (RDCs) continue to play a vital role in skills development and strengthening livelihoods:

- On improving food security, RDCs have supported over 240 individual farmers and entrepreneurs through training, poultry and horticulture initiatives, thereby enhancing food self-sufficiency and improved income at the household level.
- Through the Ben Hur RDC, the United Nations World Food Programme (WFP), have established opportunities for youth enterprises in the Omaheke region by providing 23 young individuals with fully equipped greenhouses and business stalls, which are now leased at an affordable fee.



Some of the products manufactured at Okashana Rural Development Center



In the quest to enhance public service delivery and public participation through the implementation of government Decentralisation Policy, the Ministry recorded the following achievements;

- In collaboration with the Ministry of Health and Social Services, Primary Health Care functions, disease prevention, health promotion, disease control, curative services, pharmaceutical services, and resource management were successfully decentralised to all 14 Regional Councils.
- Working with the Ministry of Agriculture, Fisheries, Water and Land Reform, Agriculture Production, Extension, and Engineering Services functions were equally decentralised to all regional councils.

I am also happy to report that Namibia commemorated the Annual African Day of Decentralisation, bringing together Regional and Local Authority Councils, decentralising line ministries, and other key stakeholders to strengthen governance in line with the African Charter on decentralisation.



Handing over of the Ministry of Health and Social Services decentralised functions to Regional Councils



Honourable Chairperson, Honourable Members,

Progress has been made in legislative reforms, by drafting amendments of the Regional Councils Act, Act No 22 of 1992, Local Authorities Act 23 of 1992, Traditional Authorities Act of 2000, as well as the Council of Traditional Authorities Act aimed at strengthening governance of the relevant institutions. The Regional Councils Bill has been tabled in the National Assembly but it is, however pending awaiting Parliamentary consideration and approval. The Amendment of the Local Authorities Act 1992, (Act No 23 of 1992) Traditional Authorities Act of 2000, and the Council of Traditional Authorities Act are being finalised with the legal drafters.

- Fourteen (14) Traditional Authorities disputes were investigated, mediated and two (2) resolved to date. The ever-increasing chieftainship disputes results from the fact of the incorrect implementation of both the Kozonguizi Report of 1991 in Traditional Matters and the resultant current Traditional Authorities Act of 2000 which equally hinges on the fringe benefits seen to be enjoyed by the recognised Traditional Leaders. The delays in resolving and managing traditional authority's disputes results from the fact that majority of our people have abandoned the African cultural ways of dispute resolution and embraced the foreign Roman-Dutch law which relies on technical methodology of dispute resolution than our customary law and traditions which have served our forefathers and mothers.
- The Ministry conducted a training on the legal framework for Two-hundred and Twelve (212) Traditional Authorities Leaders, with the aim to improve governance and service delivery for their communities.
- Although the Ministry made budgetary provision for pre-paid water and electricity meters for the most indebted local authorities, during



2023/2024 book-year for Rundu, Maltahöhe, Rehoboth, Khorixas, Mariental, Gobabis, Gibeon, Aranos, Keetmanshoop Henties Bay and Karasburg, some of these local authorities neglected to implement such prepaid metres resulting in an ever-increasing debt to these government entities. However, procurement processes are now underway to address this situation.

- The Ministry has also successfully conducted a country-wide induction training for all newly elected Regional and Local Authority Councillors from January to March 2026 under the theme ***“Accountability is the bedrock for effective governance to achieve service delivery in Regional and Local Authority Councils”***.



Induction Workshop of Regional and Local Authority Councillors, CROs, CEOs and administrators in Ondangwa



During the 2025/2026 Financial Year, the Ministry was allocated an amount of **Two Billion Six Hundred Seventy-Four Million, Seven Hundred and Fifty Namibian Dollars** (N\$2,674,750,000). From this amount, the operational budget had an allocation of **One Billion Four Hundred and Forty-One Million, One Hundred and Eighty-Five Thousand Namibia Dollars** (N\$1,441,185,000), while the development budget was allocated an amount of **One Billion Two Hundred and Thirty-Three Million, Five Hundred and Sixty-Five Thousand Namibia Dollars** (N\$1,233,565,000). The Ministry's execution rate as at 31 March 2026, stands at 99.8%.

Hon. Chairperson of the Whole House Committee

Hon. Members

Against this background, allow me to motivate the budget allocation for **Vote 17** for the 2026/2027 financial year.

The Ministry of Urban and Rural Development has received an overall budget allocation of **One Billion, Nine Hundred and Forty-Nine Million, Three Hundred and Thirty-Seven Thousand Namibia Dollars** (N\$ 1,949,337,000) for the 2026/2027 financial year, compared to the **Two Billion Six Hundred Seventy-Four Million, Seven Hundred and Fifty Namibian Dollars** (N\$2,674,750,000) for 2025/2026.

This allocation provides for both operational and development budgets as follows:

- **One Billion, Two Hundred and Five Million Namibia Dollars** (N\$ 1,205,000,000) for the operational expenditure; and
- **Seven Hundred and Forty-Four Million, Three Hundred and Thirty-Seven Thousand Namibia Dollars** (N\$ 744,337,000) for the development expenditure.



This year's allocation represents a 16.39% reduction in the operational budget and a 39.66% reduction in the development budget compared to the previous financial year, yet the formalisation of informal settlements through infrastructure water and sanitation remains a priority.

Despite the budget reductions, the Ministry remains committed to executing its mandate of managing regional and local governance structures in terms of Articles 102–111 of the Namibian Constitution. The Ministry is further mandated to formulate and coordinate policy, legal, regulatory, and institutional frameworks, as well as support mechanisms for effective and sustainable urban and rural development in Namibia.

In addition, an amount of **One Billion, Five Hundred and Eight Million, Eight Hundred and Three Thousand Namibia Dollars** (N\$ 1,508,803,000) has been allocated from **outside the State Revenue Fund** towards the construction of houses in Namibia under the National Housing Enterprise (NHE). This additional funding will significantly contribute to accelerating the delivery of affordable housing and contribute meaningfully to addressing the national housing backlog.

Hon. Chairperson of the Whole House Committee

Hon. Members

The core mandate of this Ministry is to build both physical and institutional infrastructure to improve the quality of life for all Namibians. Our budget is therefore structured to deliver on three key National Development Plan pillars:

Economic Growth, Transformation, and Resilience: By investing in infrastructure and formalisation, we create an enabling environment



for business, unlock the economic value of land, and build resilient communities.

Human Development and Community Resilience: Access to adequate housing and sanitation is essential for upholding human dignity and enabling development. When families are healthy and secure, they are better positioned to pursue education and economic opportunities.

The Ministry's initiatives particularly the large-scale formalisation of informal settlements aim to integrate communities into the broader urban landscape by providing secure land tenure and access to essential services, thereby strengthening social cohesion and long-term resilience.

Good Governance and Public Service Delivery: We remain committed to efficient, transparent, and results-oriented service delivery for all programmes during the medium-term expenditure framework.

Hon. Chairperson of the Whole House Committee

Hon. Members

The resources allocated to Vote 17, while reflective of the current fiscal constraints, will be managed with the utmost responsibility to maximise efficiency and effectiveness. In this regard allow me to thank my team starting with the Deputy Minister, Honourable Evelyn !Nawases-Taeyele, Accounting Officer, Dr Wilhelmine Iyaloo Shivute, Management and staff for trying their best albeit limited resources.



The management team of the Ministry

The Vote's budget is allocated to the following five (5) Ministerial programmes:

Programme 1: Coordination of Local Authority and Regional Councils Affairs

An amount of **One Billion, One Hundred and Sixteen Million, Two Hundred and Eighty-Six Thousand Namibia Dollars (N\$ 1,116,286,000)** is allocated to this programme.

The programme objective is to improve sub-national government performance, service delivery and focuses on providing support and oversight on financial management for regional and local development.



Through this programme, the Ministry will:

- Conduct feasibility studies on the community demanded establishment of new Local Authority settlements to strengthen governance and service delivery in such localities;
- Provide subsidies that will go towards supporting and enhancing the operational/developmental and service delivery capacity of the Regional Council, Local Authorities and Traditional Authorities. The support is geared towards Fourteen (14) Regional Councils inclusive of Forty-Five (45) Settlements Areas and Fifty-Nine (59) Local Authorities inclusive of Village Councils and Fifty-four (54) recognised Traditional Authorities.

Programme 2: Enhancement of Public Participation

An amount of **Fourteen Million, Eight Hundred and Twenty-Five Thousand Namibia Dollars** (N\$ 14,825,000) is allocated to this programme.

The programme objective is to enhance decentralization governance, improving service delivery, promoting local development and empowering Regional Councils and Local Authorities. The activities include continued decentralization of national government functions, capacitating of Regional Councils and Local Authorities and reviewing and developing of regulatory frameworks.

The programme activities include the:

- Delegation of eight (8) functions to Regional Councils and Local Authorities to enhance service delivery;
- Conducting of ten (10) capacity-building interventions to strengthen institutional performance and accountability; and
- Reviewing and adopting one (1) legal and administrative framework at regional and local levels.



Programme 3: Support to Planning, Infrastructure and Housing

An amount of **Five Hundred and Eighty-Seven Million, Nine Hundred and Eighteen Thousand Namibia Dollars** (N\$ 587,918,000) is allocated to this programme.

The programme aims to accelerate the delivery of serviced urban land, adequate housing and expand equitable access to secure land tenure, particularly for ultra-low and low-income households. The main activities include the declaration of townships in informal settlements, servicing of plots (prioritizing brown fields), construction of houses targeting the commenced-but-not-completed Mass Housing Development Programme houses. The challenges which the mass housing development project experienced is the legal battle in court since 2017. However the situation is being presently arrested.

This programme will focus on the:

- Continuation of the formalisation of informal settlements in five priority towns; Windhoek, Walvis Bay, Rundu, Keetmanshoop, Oshakati, as well as other identified towns; Mariental, Swakopmund, Katima Mulilo, Bukalo, Usakos, Tsumeb and Otjiwarongo.
- Prioritisation of the decongestion of informal settlements and servicing of land through brownfield developments;
- Support the Community-Based Organisations (including Shack Dweller Federation of Namibia) to deliver affordable housing; and
- Promoting the use of alternative and sustainable building materials to reduce construction input costs.



A demonstration house constructed with alternative building material in Okahandja Park, Windhoek

Programme 4: Rural Development

An amount of **One Hundred and Twenty-Three Million and Fifty-Five Thousand Namibia Dollars** (N\$ 123,055,000) is allocated to this programme.

The programme is to coordinate the implementation of rural development initiatives aimed at contributing to food production and security, employment, improved sanitation and welfare of rural communities. The activities include the implementation, monitoring and evaluation of rural development initiatives, managing Rural Development Centres (RDC's), conduct research on adaptive approaches and contemporary issues affecting rural areas.



This funding will support:

- Self-help and income-generating projects, including Micro-Finance Programme, such as the One Region One Initiative, the Rural Employment Scheme, Food-and-Cash-for-work programmes, as well as Regional Specific Action Plans;
- The development and expansion of Rural Development Centres, including new centres and infrastructure at Okashana and Ben Hur; and
- Rural sanitation initiatives implemented through Regional Councils.

Programme 5: Policy Coordination and Support Services

An amount of **One Hundred and Seven Million, Two Hundred and Fifty-Three Thousand Namibia Dollars** (N\$ 107,253,000) is allocated to this programme.

The programme objective is to continuously provide support services to improve governance and service delivery to the Ministry through public serviced performance management. The activities include policy supervision, administrative support services in financial and human resources management, information technology, procurement and training in terms of compliance requirements of the Namibian public service.

This programme will ensure:

- Effective supervision and coordination;
- Efficient administrative and support services; and
- Strengthened ICT systems.



Hon. Chairperson of the Whole House Committee

Hon. Members

The budget I present today is an honest reflection of our national priorities. It is a budget that seeks to restore balance, harmonizing our undeniable ambition for growth with the reality of affordability; the urgency of immediate service delivery with the imperative of long-term fiscal sustainability.

This budget is not merely a financial allocation, it is a commitment to restoring dignity, expanding opportunity, and building inclusive communities where every Namibian has a place to call home. It is designed to safeguard the future of this vital sector by investing in durable solutions, strengthening institutional capacity, and laying a solid foundation for inclusive and sustainable development.

In conclusion, I take this opportunity to formally present and seek the support of this August House for the consideration and approval of the budget allocation to Vote 17, amounting to: **One Billion, Nine Hundred and Forty-Nine Million, Three Hundred and Thirty-Seven Thousand Namibian Dollars ONLY (N\$ 1,949,337,000)** for the 2026/2027 financial year.

I thank you.



REPUBLIC OF NAMIBIA

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