

Republic of Namibia

# National Rural Development Strategy 2013/14 - 2017/18

Technical Assistance to the Preparation of a  
Rural Development Sector Programme in Namibia

## **FOREWORD**

I am pleased to present the National Rural Development Strategy (NRDS) which is the operative document for the implementation of the Rural Development Policy in the period 2013/14 to 2017/18. Our Government has, since Independence, made substantial efforts in supporting rural development, especially in the areas formerly marginalized by the apartheid regime. There has, however, never been an agreed overall policy or strategy for rural development and, in spite the continued efforts by all stakeholders and progress made in many fields, poverty in rural areas remain high. The rural economy continues to lag behind and unemployment has been increasing and is reaching unsustainable levels.

The Government has therefore been working with stakeholders on formulating the National Rural Development Policy (NRDP) to address these issues. The Policy was earlier this year approved by Cabinet and endorsed by Parliament. The “Rural Development Universe” comprises all relevant actions in rural areas performed by the involved stakeholders. Sixteen line ministries, thirteen regional councils and a large number of private sector representative organizations and non-governmental organizations (NGOs) are active in rural areas. The strategy consultation and formulation process has been going on over a year since late in 2011. It involved discussions with all the mentioned stakeholders. It also involved visits and focus group discussions with the main target groups for the strategy, the rural poor and rural businesses.

The findings in the Situation Analysis leading up to the formulation of the Strategy, point to weaknesses in the way support to rural development has been carried out. Very often line ministries have carried out their work independently from other ministries and regional authorities (the “silo” approach). The present Strategy therefore proposes to make government service delivery in rural areas more coherent and efficient, using an integrated approach with an improved balance between an increased decentralization of work to regional councils and traditional line ministry implementation through own channels. A key feature in this process is increased financial resources being channelled through the regional councils. A comprehensive monitoring and evaluation system will contribute to more relevant and effective sector programmes with higher impact on rural development. The Strategy focuses on a number of key strategic objectives/interventions of a cross-sector nature, which are expected to make a real difference in rural development over the medium term, especially for the rural poor and unemployed and for small and medium sized rural businesses.

The Strategy goes wider than focusing on public service delivery only. It includes increasing use of Non State Actors such as NGOs, private sectors representative organizations and the private sector per se as vehicles for providing more relevant and effective services to the rural poor and rural businesses. The strategy focuses on rural economic development and empowerment of the population so that they become employable or able to create their own income generating activities/business. They will thereby be able to secure the livelihood of their families. The Strategy has a strong gender element and addresses environmental and climate change problems too.

Through building on existing institutions and good practices developed in the past and at the same time drawing on proven international experience, we expect to scale up support to the rural poor and rural businesses. We hope, with this Strategy and complementary actions on key sector policies, that we, over a 5 year period, can reduce the present rural unemployment level of around 50% by half. Over a 10-15 year period the ambition is to achieve a reduction to under one third of the present levels. By doing so we envisage also to reduce the poverty rate in rural areas far below the present 31%.

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**Minister**

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## ABBREVIATIONS AND ACRONYMS

<b>AACS:</b>	Affirmative Action Credit Scheme
<b>ARV:</b>	Anti-retroviral (Medicine)
<b>CBO:</b>	Community-Based Organization
<b>CDC:</b>	Constituency Development Committees
<b>COSDEC:</b>	Community Skills Development Centre
<b>DFI:</b>	Development Finance Institution
<b>DRDC:</b>	Directorate for Rural Development Co-ordination
<b>DRM:</b>	Disaster Risk Management
<b>GDP:</b>	Gross Domestic Product
<b>GIS:</b>	Geographical Information System
<b>HIV/AIDS:</b>	Human Immunodeficiency Virus/ Acquired Immune Deficiency Syndrome
<b>IFMS:</b>	Integrated Financial Management System
<b>IGA:</b>	Income-generating Activity
<b>LEDA:</b>	Local Economic Development Agency
<b>LM:</b>	Line Ministry
<b>M&amp;E:</b>	Monitoring and Evaluation
<b>MAWF:</b>	Ministry of Agriculture Water and Forestry
<b>MET:</b>	Ministry of Environment and Tourism
<b>MGEWCW:</b>	Ministry of Gender Equality and Child Welfare
<b>MICT:</b>	Ministry of Information and Communication Technology
<b>MLR:</b>	Ministry of Land and Resettlement
<b>MME:</b>	Ministry of Mines and Energy
<b>MOE:</b>	Ministry of Education
<b>MOF:</b>	Ministry of Finance
<b>MOHSS:</b>	Ministry of Health and Social Services
<b>MOL:</b>	Ministry of Labour
<b>MRLGH:</b>	Ministry of Regional and Local Government and Housing (former name)
<b>MRLGHRD:</b>	Ministry of Regional and Local Government, Housing and Rural Development
<b>MTEF:</b>	Medium Term Expenditure Framework
<b>MTI:</b>	Ministry of Trade and Industry
<b>MWT:</b>	Ministry of Works and Transport
<b>MYNSSC:</b>	Ministry of Youth, National Service, Sport and Culture

<b>NamVAC:</b>	Namibia Vulnerability Assessment Committee
<b>NCCI:</b>	Namibian Chamber of Commerce and Industry
<b>NDP4:</b>	National Development Plan 4
<b>NGO:</b>	Non-Governmental Organization
<b>NIMRES:</b>	National Integrated Monitoring, Reporting and Evaluation System
<b>NPC:</b>	National Planning Commission
<b>NRDP:</b>	National Rural Development Policy
<b>NRDS:</b>	National Rural Development Strategy
<b>NREF:</b>	National Rural Enterprise Fund
<b>NSA:</b>	Non-state Actors
<b>NTA:</b>	Namibia Training Authority
<b>OAG:</b>	Office of the Auditor General
<b>O/M/A:</b>	Offices, Ministries and Agencies
<b>OPM:</b>	Office of the Prime Minister
<b>PFM:</b>	Public Finance Management
<b>RC:</b>	Regional Councils
<b>RD:</b>	Rural Development
<b>RDC</b>	Rural Development Centre
<b>RDCC:</b>	Regional Development Co-ordination Committee
<b>ROM:</b>	Result Oriented Monitoring
<b>TIPEEG:</b>	Targeted Intervention Programme for Employment and Economic Growth
<b>TWGs:</b>	Thematic Working Group

## EXECUTIVE SUMMARY

Namibia has since Independence made substantial efforts in supporting rural development. However, the Situation Analysis carried out as part of the preparation of this Strategy and summarised in the context chapter of the strategy shows, that in spite the continued efforts by all stakeholders and progress in many fields, poverty in rural areas remain high. The rural economy continues to lag behind with unemployment increasing and reaching unsustainable levels. A number of sector interventions have been found to be insufficiently oriented to support rural development and improvements for the rural poor. The National Rural Development Strategy (NRDS) is designed to address these issues. It will be implemented within the framework of the National Development Plan 4 (NDP4) and the National Rural Development Policy (NRDP).

The Policy provides the following **vision** which is guiding the formulation of NRDS: ***“The National Rural Development Policy is designed to realize a vision that will attain; “social cohesion, stable rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract and retain skilled and knowledgeable people, who are equipped to contribute to growth and development”.*** The Policy further provides the following **overall objective**: ***Achieve a sustainable economic and social advancement in rural areas.***

Rural development has been defined in a broad scene in Namibia and it comprises all relevant actions in rural areas performed by the involved stakeholders. Sixteen Line Ministries, thirteen regional councils and a large number of private sector representative organizations and NGOs are active in rural areas. Both the National Rural Development Policy and the Strategy are therefore by nature highly complex to provide for this large number of sectors and stakeholders.

To deal with this complexity the NRDS has been structured around the following four dimensions each with related intermediate **objectives** drawn from the NRDP:

- I. ***Coordination and Institutional Capacities:***
- II. ***Rural Economic Development:***
- III. ***Social and Employment Development:***
- IV. ***Spatial Planning, Environment and Climate Change:***

The Strategy further has two main streams of work. The first stream relates to all relevant sectoral interventions in rural areas performed by line ministries. It involves actions at central and regional level related to improving policies, coordination and the legal and regulatory environment. It involves assessment of sector strategies for their impact on rural economic development and on the rural poor and redesign of sector policies to be more responsive to rural development needs. This is combined with capacity building in the related institutions for improved policy evaluation and formulation. The Strategy is expected to improve the relevance, efficiency, effectiveness and impact of a number of key sector policies for rural businesses and for the rural poor. Three strategy components under the coordination and capacity dimension of the programme cover these activities and it covers improved communication with citizens of public service opportunities in rural areas.

The second stream of interventions will concentrate on a number of key cross sectoral programmes (components) within the three strategy dimensions (economic, social and environment and climate change). The objectives and contents of these components are further outlined below. It will be ensured that these components will be complementary to and not overlap existing sectoral strategies.

The NRDS will keep a focus on rural economic development and empowerment of marginalized groups to be employable or to create their own income generating activities/business to secure the

livelihood of their families. The Strategy will have a strong poverty reduction focus with a special emphasis on improving the situation for particularly vulnerable groups such as unemployed rural youth, women headed households and vulnerable ethnic minorities. The Strategy will further focus on improving the situation of subsistence farmers and assist them in improving their efficiency, enabling them to produce for the market and access finance.

Implementation of the Strategy will be split between many line ministries, regional councils and non-state actors, but coordination will remain with the Directorate for Rural Development Coordination (DRDC) in close co-operation with the National Planning Commission (NPC), when it comes to inter-ministerial coordination and sector policy dialogue. The intention is increasingly to use non-state actors (NSA) as NGOs, the private sectors representative organizations (e.g. the Namibian Chamber of Commerce and Industry (NCCI) and the farmers unions) and the private sector per se as vehicles for providing more relevant and effective services to the rural poor and rural business. The NRDS includes in this context measures to strengthen these institutions and funding mechanisms to use these institutions for service delivery.

The full programme structure including programme dimensions, components and broad strategic initiatives/sub-components is as follows: Three strategic objectives/components are related to **Coordination and Capacity Development**, which include measures related to public finance management (PFM), monitoring and evaluation (M&E) and improvements of the impact of sector policies at rural level, as well as improved communication around services in rural areas:

- C1: Effective rural development (RD) policy and strategy coordination and management
- C2: Effective planning, coordination and implementation of RD initiatives at regional level
- C3: Improved communication related to life skills and social and economic service and support opportunities

Four strategic objectives/components are related to **Rural Economic Development**:

- E1: Improved business and investment climate in regions
- E2: Rural finance and value chain development
- E3: Improved land tenure and rural land management
- E4: Farming as a Business: Improved farm and rangeland management in communal areas

Three strategic objectives/components are related to **Social and Employment Development**, covering large parts of the vulnerable persons in rural areas with a view to integrate them in the fabric of modern society:

- S1: Functional literacy and basic technical skills of the rural unemployed enhanced
- S2: Empowerment of marginalised and vulnerable rural populations
- S3: Reduced unemployment through short-term rural employment opportunities

Two strategic objectives/components are related to **Improved and Pro-active Spatial Planning, Disaster Risk Management and Climate Change Adaption**.

- PC1: Integrated and pro-active spatial plans developed in regions and planning and management of settlements/growth points improved
- PC2: Best practice in climate adaption and disaster risk management

The estimated cost of the strategy is approximately N\$1.53 billion, with N\$123 million for Coordination and Capacity Development, N\$443 million for Rural Economic Development, N\$752 million for Social and Employment Development and N\$210 million for Planning, Environment and Climate Change. Over N\$100 million is further intended to be provided as credits by the Development Bank of Namibia (DBN) or other development finance institutions through credit line and credit fund arrangements. (See the full budget in Chapter 6.)

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## 1 CONTEXT

Namibia has made great efforts in developing rural areas since Independence. Approximately 26 per cent of overall public spending goes to services in rural areas. This has led to important improvements in the situation for the rural population; however, many problems remain to be addressed.

The improvements in the lives of the rural population have taken place against the background on a hard handed colonization. A large part of the population in the centre and south of the country lost their lives in the colonial wars or were pushed to the north or the east of the country. This was followed by an era of apartheid which brought further segregation, repression and marginalization of the black and coloured majorities.

At Independence, poverty was widespread and the social situation of the black majority was dire. High levels of illiteracy and poor health conditions prevailed in communal areas (former homelands) which were also characterized by limited social, road and communication infrastructure. The economy had a dual character with highly developed and productive agriculture in commercial areas in the south and subsistence agriculture in the communal areas which are primarily in the north and northeast of the country. Similarly, there was a modern industrial, mining and service sector in the centre and south, while the communal areas were characterized by very little economic activity, except for subsistence farming. Further, the communal areas had suffered the devastating damages of the protracted independence war.

### ***Assessment of poverty, marginalization and social issues in rural development***

Poverty in Namibia has in the period since Independence been reduced by half – from 38 per cent at Independence to 19 per cent in 2009/10. Extreme poverty has been reduced to less than one third in the same period, i.e. to less than 2 per cent today. Rural poverty, however, continues to remain high at 31 per cent and this percentage does not fully reflect the deprivation and marginalization of large parts of the population in communal areas and in rural areas across the country. Transfer incomes from the state to 21 per cent of rural households, primarily the elderly, plays an important role in reducing rural poverty.

Among the most disadvantaged groups are female headed households, households headed by people over the age of 50 and households headed by disadvantaged ethnic minorities e.g. the San, Nama, Damara, Ovahimba and Setswana. The root causes for persistent high poverty levels have been identified as low levels of economic growth in rural areas - especially in communal areas - gender inequalities, incapacity, the impact of the HIV/AIDS pandemic and inadequate access to education opportunities.

The social aspects of rural poverty include that many are still illiterate or functionally illiterate and that just half of the rural population has completed primary education. Government spends a large proportion of its budget on education and important advances have been made in this field. However, vocational education in Namibia has been neglected in favour of the academic stream of education. This affects especially rural areas as technical skills and abilities are more important in rural than in urban settings. The possibilities for accessing vocational education and shorter skills training are extremely limited in rural areas.

The social aspects of poverty also include the significant impact of HIV/AIDS which is higher in some regions and rural communities than in the rest of the country (nationally an average of 19 per cent is infected). Despite the fact that the country has a strong programme of ARV treatment, with a national coverage rate of about 84%, full coverage in rural areas proves to be more difficult to achieve because of long distances to hospitals and health centres and lack of money to pay for

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transport. The anticipated improvement in the Human Development Indicator (HDI) continues to be eroded by the AIDS pandemic.

Child malnutrition appears as a serious issue, but has been somewhat neglected, although there has been an increasing coverage of school feeding programmes. Nearly one third of the children in rural Namibia are stunted in growth, indicating that they did not receive sufficient nutrition, while their mother was pregnant and until 2 years of age. That has severe implications on the development of the brain and later learning abilities.

Rural water supply has improved dramatically with nearly 90 per cent of the rural population having access to safe water. However the sanitation situation is very poor with 78 per cent of the population having no access to improved sanitation. Only 14 per cent of the rural population use electricity for lightening. This has serious implications for the ability of children to study and learn. On the other hand, access to telecommunication and the mobile phone system has dramatically improved with over 90 per cent of rural inhabitants having a cell phone.

Other social related issues include lack of awareness, access, voice and social pathologies. Poor communication of opportunities for support related to livelihood opportunities such as social welfare grants, skills training and support to income generating activities (IGA) for the rural poor remains a challenge. Similarly insufficient information dissemination affects the spreading of messages about healthy lifestyles and community participation issues, etc. On the other hand there is a relatively strong communication and information infrastructure supported by the Ministry of Communication and Information Technology (MCIT). The mentioned social pathologies include alcohol and drug abuse, domestic violence, sexual promiscuity and exploitation, child abuse and high levels of crime in the communities. This has severe implications like apathy, depression, high levels of suicide and no vision and hope for a better life.

Unemployment has always been high in rural areas. In spite of economic growth in the country as a whole, rural unemployment has been increasing dramatically to over half of the population of working age. An estimated 75 per cent of rural youth is unemployed. During the regional consultations, stakeholders indicated clearly that young people do not see a future for themselves in the rural areas, much less in agriculture and therefore try to migrate to the cities or abroad. This leaves the countryside and agriculture without the most productive labour force; mainly the children and elderly people remain behind. A total of approximately 140 000 of the rural population are estimated to be unemployed in the strict sense (searching for job) with women constituting the major part of this. Strict youth employment in rural areas is estimated to be in the range of 100 to 110 000. A further around 40 000 from ethnic minorities are estimated to be unemployed and vulnerable.

Namibia has an active new National Gender Policy (NGP) covering 2010-20. It highlights the point that the continuous inequalities affects women and girls more than men and boys, when it comes to accessing opportunities in decision making, access to resources and skills development and unequal gender-power relations. There is therefore a renewed focus on women's and girls' needs in order to close the inequality gap. The social dimension of the situation analysis confirms these observations and gives a detailed assessment of gender issues. Gender issues are further assessed in the other parts of the situation analysis in a crosscutting manner.

### ***Assessment of rural economic development***

As mentioned above, Namibia inherited at Independence a dual economy which, to a large extent, has remained so in spite of the Government's efforts to resettle and integrate the communal areas in the national economy. Economic activities in rural areas continue to rely on the subsistence sector which in spite of substantial agricultural extension inputs has not increased its productivity since

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Independence. Although 44 per cent of all enterprises (subsistence agriculture not included) are located in rural areas, economic activity remains low, since most of the businesses are very small. Ninety per cent of the rural businesses are concentrated in the categories 1) wholesale and resale trade, 2) accommodation and food serving and 3) manufacturing. Manufacturing constitutes only 12 per cent of the total. Of the businesses in the “accommodation and food serving” sector 90% are beverage serving activates or local bars - shebeens as they are locally known. Because of cumbersome registration procedures as much as 78 per cent of all rural businesses remain unregistered.

Although major parts of the rural population are engaged in agriculture, its contribution to the Gross Domestic Product (GDP) has fallen from 11.7 per cent before Independence to the current 5.1 per cent, even if certain parts of the commercial agriculture have been doing well. New high value products such as table grapes and game meat have been developed in recent years and locally grown green horticultural products have to a significant extent replaced imported products. Beef production in the commercial areas used to be the strongest sub-sector within agriculture, but beef production south of the veterinary cordon fence has been falling, while production in the north has not improved.

While Government through the Ministry of Agriculture Water and Forestry (MAWF) allocate substantial resources to agricultural development, crop productivity in communal areas has not increased since 2001. The present Agricultural Policy dates back to 1995 and has not been updated. The impact of current agricultural policies seems not to have been properly evaluated. Extension services advice is outdated and concentrate on technical issues only, without assisting transforming farming into market oriented businesses.

Large scale investments – 35 per cent of the investment budget for agriculture – is made in green schemes that occupy fertile ground with availability of water in the northern communal areas. The political intention was that these schemes would include small scale farmers. However in practice their inclusion in the schemes is minor. The schemes are in practical terms co-operations between state farms and organisations with large capital funds. Similar large scale development of marketing and storage facilities are primarily oriented to the need of the state farms. The existing agricultural policy responds to a priority of achieving food self-sustainability and indeed some progress has been achieved to this respect. However, for Namibia it would probably be more cost efficient to buy food on the open market, when needed, as the country has the necessary resources. The capital tied up in state farms and food storages could instead be used to support communal farmers’ productivity and transformation into market oriented businesses.

Access to critical inputs as seeds, fertilizers, business advisory services, financial services and agro insurances remains a challenge. In communal areas, where the large majority of farmers live, traditional authorities control the land and security of tenure is limited. The Ministry of Lands and Resettlement (MLR) is implementing reforms related to land tenure, but it has not improved farmers’ access to credit, as commercial banks require fixed assets as collateral. The network of microfinance institutions in the country is quite large, but very few provide credits to small scale farmers. However, there are a few good initiatives under way that may prove to enhance farmers’ access to financial services. Farmers’ savings and credit associations have been tested, but are at an infant stage. The establishment of commercial supply of fertilisers and pesticides is hampered by the MAWF’s supply of subsidised fertilizers which makes it difficult for private suppliers to operate with a profit. Poor access roads in communal areas also remain a bottleneck for development of agriculture in many areas.

Government is operating a resettlement programme which was intended primarily for former disadvantaged farmers from the communal areas who now have a potential to transform in

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commercial farmers. They are being resettled on commercial farms in the south acquired by Government under a willing buyer willing seller scheme. The programme has been implemented parallel to the Affirmative Action Credit Scheme (AACS) which is part of Government's black empowerment drive. The resettlement scheme has been plagued with problems which a recent evaluation reveals. The AACS has also had many problems and has been contested publically as land and credits to some degree have been given to powerful non-farmers. It would seem important that the policies are thoroughly evaluated to be sure that the implemented policies have a positive impact on farming and the rural poor.

Other important sectors in the rural economy are small scale mining, fisheries and tourism. Tourism especially is a sector with large potential which already is an important contributor to employment and the rural economy. Conservancies are an innovative creation characteristic to Namibia which seems to be representing international best practice. The concept offers both possibilities for improved livelihood for their inhabitants/members and improved conservation of the fragile fauna and ecosystems. There seems, however, to be scope for development of the sector with improved regional promotion efforts and new product development.

Rural businesses and rural manufacturing is hampered by many constraints as lack of business skills, lack of technical skills, long distances, poor access to markets and lack of access to financial services. These deficiencies and a general adverse business environment in rural areas have been demonstrated by different business environment assessments. Access to land is also a major bottleneck for business development.

Overall, however, Namibia has many comparative advantages with a small but comparatively well educated population, rich natural resources, a developed urban economy and financial services. The situation analysis finds that removing important constraints to the national and regional business environment, including improving business registration procedures, land tenure, etc. together with well-targeted support measures, could help release the large dormant potential in the rural economies and businesses.

#### ***Planning, environment and climate change issues***

Regional planning has been attempted during the last decade but due to lack of planning capacities at regional level and lack of willingness to coordinate regional plans on the part of line ministries (LMs), the developed plans have not always been used. Regional spatial planning is now emerging as a more appropriate instrument for effective regional planning and coordination than the former general blueprints with broad development goals. The MLR has successfully developed and piloted a new Geographical Information System (GIS) based regional spatial plan model, which is to be rolled out to all regions. There have, however, been both conceptual and institutional differences between different spatial planning concepts such as structure plans, land use plans, etc. There has also been a lack of clarity on whether Ministry of Regional and Local Government, Housing and Rural Development (MRLGHRD) or MLR has the responsibility for spatial planning. These differences are, however, in the process of being solved. There is, however, need for capacity development at Regional Council (RC) level for spatial planning to fill its function.

Development of growth points has been hampered by current management practices. While declared villages and towns have independent administrations, where inhabitants are given either freehold or 30 or more years of lease of land, leases in settlements is only given for up to 20 years and the settlement administrations are part of the RC administration. This does not allow land in settlements being used for collateral or for investing on the land and the settlement administrations do not have own incomes and cannot borrow. Consequently it is difficult for businesses to develop and settlements cannot finance their own infrastructure, but must depend permanently on scarce Government financing.

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Most of the rural land in Namibia is of marginal capability due to water scarcity, poor soil, and variability of grazing resources and livestock carrying capacities. Yet a large proportion of the rural people continue to depend on agriculture for their livelihoods. Consequently they are often hit by regular crop failure and must in periods rely on government subsidies and drought relief. Widespread land degradation (deforestation, soil erosion, bush encroachment and soil salinization) reduce agricultural production and food security. Namibia has experienced significant biodiversity loss due to habitat loss, unsustainable harvesting practices and indirect causes like population pressure, poverty and insecure land tenure. The establishment of communal wildlife conservancies and community forests has converted increasing land areas to indigenous biodiversity production systems, including wildlife, tourism and forestry, thus extending the country's large conservation network beyond state protected areas and diversifying rural livelihood sources.

Current climate conditions in Namibia are characterised by often unpredictable changes in weather patterns and periodic extreme weather events leading to floods, droughts and other climate hazards. Vulnerabilities to climate hazards remain high among many rural households and there is need to strengthen the climate resilience of rural livelihood systems as an integral part of rural development. Long-term climate change is projected to lead to a warmer, even drier and even more variable climate for Namibia. This is expected to increase current climate risks, thus making the current need for better climate adaptation and strengthened climate resilience even greater.

The management and use of the rural natural resource base in Namibia is affected by a number of weaknesses and there are a range of threats to environmentally (as well as economically and socially) sustainable rural development. The main short to medium term opportunities for natural resource related rural development lie in the dissemination of best practices in crop conservation agriculture and sustainable rangeland management as well as the further expansion of mixed agriculture-wildlife land use and production systems. Additionally important is improved (decentralised) integrated rural land use planning as an integral part of regional spatial planning.

#### ***Assessment of coordination and institutional capacities***

The situation analysis shows that rural development takes place in a multi-sector and multi-stakeholder environment, involving a wide range of Government Offices, Ministries and Agencies (O/M/A) at both central and regional level. Other stakeholders are non-state actors, development partners, the private sector and the beneficiaries themselves. While a range of government institutions, from Cabinet Standing Committees, NPC, Ministry of Finance (MOF), OPM and line ministries have important stakes in rural development in their capacities as either regulators, enablers, monitors or service providers, the Situation Analysis has revealed fundamental weaknesses in the current institutional arrangement, as well as in the modalities for inter-sectoral information sharing and collaboration. Most critically, the analysis has revealed an almost complete lack of horizontal and vertical co-operation and consultations across sectors. This has resulted in disintegrated and cost-ineffective interventions in rural areas and, at the same time, erosion of the regional councils' planning and development mandate.

Non-state actors, including NGOs and the private sector serve as service providers, process facilitators, lobbyists and advocates for rural communities. Community-Based Organizations (CBOs) and farmers' associations play a significant role at the implementing level. However, the analysis indicates that non-state actors and the private sector play an inferior role when it comes to policy and strategy formulation, programme design and budgeting. The main reason behind this is a general lack of dialogue with Government entities. Moreover, the analysis shows that coordination between international donors and between Government and donors in the area of rural development is very weak to the point of being virtually non-existing.

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While these shortcomings in part can be attributed to the absence of a policy and strategic framework for rural development, the lack of coordination structures and dialogue platforms can be attributed to weak institutional capacities and a general unwillingness to cooperate both across Government and with external partners. Institutional capacity gaps have been noted primarily in the Directorate for Rural Development Coordination. MOF has also shown little commitment to implement much needed fiscal and PFM reforms in relation to the decentralisation process. Moreover, NPC and MOF have not had the capacity to ensure integrated, harmonised and cost-effective sector programmes and budgets related to rural development.

The absence of a National Rural Development Policy and Strategy has weakened the coordinating role of the MRLGHRD and, in particular, the Directorate of Rural Development Coordination. The analysis shows that the directorate staffs spends most of their time on monitoring of programmes which are insignificant in terms of funding, outreach and impact and often duplicate efforts made by other ministries. More seriously, this focus of its operations leaves the key functions of cross-sectoral consultations, information sharing and capacity development unattended. The analysis suggests that, in order for the current staff to be able to fulfil its mandate, comprehensive capacity building is needed. The analysis further suggests that the placement of the Directorate of Development Co-ordination (DRDC) as a line function within a ministry at par with other line ministries makes it difficult for the Directorate to fulfil its coordinating mandate.

At the regional level, coordination structures are in place, but not functioning effectively. While this can be attributed to many factors, the analysis has singled out four critical factors, namely lack of incentives to participate; negative attitudes towards information sharing and collaboration among Government stakeholders; exclusion of private sector and non-state actors and lack of legal backing for the structures in place.

The analysis, furthermore, reveals serious underutilisation of collective human resources in the regions, partly as a result of the slow decentralisation process and the “silo” like interventions by line ministries, partly caused by attitudinal and cultural factors. The analysis suggests that the above mentioned negative attitudes towards cross sectoral collaboration and coordination has led to considerable waste of collective resources and missed opportunities in terms of economies of scale, synergies and complementarities between programmes and activities in rural areas.

The slow decentralisation of key rural development functions to regional councils, including rural water supply and sanitation, natural resources and land management have left part of the regional structures undermanned. This applies notably to Division Rural Services which was created to accommodate line ministerial functions related to rural development. Furthermore, the regional councils have experienced difficulties in attracting staff in categories like physical planners, engineers and economists. Qualified staff to deal with important issues at regional level, such as local economic development, environment and climate change, does not exist.

Apart from the inefficiencies related to use of human resources there are, as mentioned above, numerous overlaps by line ministries in their support to rural development. Examples are the proliferation of rural development centres with overlapping functions, tiny and poorly managed micro finance schemes with high administrative costs, food for work schemes, etc. There is therefore scope for merging some of these schemes under the umbrella of the regional councils and at the same time scaling them up and making them more comprehensive.

#### ***Rural development spending, Regional Financial Management and M&E***

It is difficult to establish the overall budget for Government’s support to rural development. The mid-term expenditure framework (MTEF), which Namibia has adopted for years, is not used very actively and does not provide good information to calculate and project rural development

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expenditures. However, using the ordinary budget of the 16 ministries that support rural development, Government's spending on rural development can be estimated at approximately 26 per cent of overall Government spending. Spending by regional councils is, however, still only 4.4 per cent of the overall budget. With the on-going decentralization process this will increase to above 20 per cent over a few years.

Public financial management at regional level is not geared to manage the challenges at this stage. Regional councils operate their own simple PFM systems which are not connected to the Integrated Financial Management System (IFMS) of MOF. The internal audit functions of the regional councils are dysfunctional. MOF does not put much emphasis on decentralized PFM and audit reports for the regional councils are delayed for several years. With a projected quadrupling of decentralized expenditure by regional councils there is urgent need for the MOF and MRLGHRD to strengthen the regional councils PFM systems.

Namibia has a well-designed Performance Management System. However, a review of the relevant ministries' and RCs' M&E functions and practices revealed that while a few ministries as the MOE has good M&E systems, the M&E functions at Line Ministry (LM) and RC level is in most cases very deficient and there is little or no statistics over the situation in sectors or regions produced and available. In very summary form the key issues are:

- Absence of a culture to use M&E data
- Lack of an integrated M&E structure
- Lack of willingness to share data and to coordinate M&E
- Lack of a common understanding and commitment to use M&E as a management tool
- Lack of resources and skills for data-collection and management
- Lack of monitoring of outcome and impact level indicators
- Confusion of Monitoring & Evaluation with Control & Inspection
- Lack of Baseline Data and data-sources for verification

Further there is no evaluation practice of outcomes of sector policies except where donors are involved. This implies that sector and regional development policies are rarely assessed for their relevance and effect. With other words: Currently, performance monitoring may answer the question: "Are we doing the job right?" but it is not raising or answering the question: "Are we doing the right job?"

NPC is strengthening its M&E capacities, but there is an urgent need for decisive action by the NPC and OPM for rolling out improved procedures to LMs and RCs and for a substantial capacity building effort across ministries and regional councils.

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## 2 CRITICAL ISSUES THE RURAL DEVELOPMENT STRATEGY WILL ADDRESS

### 2.1 Key definitions and conceptual model

**Rural areas** follow the definition in the NRDP as follows: “all of the countryside other than those Municipalities and Townships proclaimed by the government”. It should be noted however, that the concept is broader as the NRDP also states that: “rural development involves strengthening linkages between rural and urban areas”. The Strategy uses this concept and sees rural development in the broader sense where settlements and smaller towns in practice are included in the Strategy, especially related to the economic dimensions, since such centres also are the basis for rural economic development and a large part of rural related enterprises are located in settlement and towns.

**Rural development:** “refers to actions which aim at improving rural peoples living conditions by providing basic social and economic services and by creating a political, legal, economic and social environment which empower them to take charge of their own development”. The present document takes note of this definition, but uses it rather as a definition of support for rural development. In the present document rural development is also and primarily understood as improvement in the key social, economic and environmental indicators agreed to monitor rural development.

**Stakeholders** are all public institutions and NSA (NGOs, Private sector and private sector interest organizations) who hold interest in and have activities related to RD.

**Target groups** inhabitants in rural areas, inclusive subsistence farmers and MSMEs in rural areas or in neighbouring settlements, villages and towns, linked to rural areas through inputs/markets.

The methodology and terminology followed in the strategy further adhere to the definitions by OPM in its guidelines for performance management and strategy development from 2011 which is used across the Government. The key terminologies used are:

**Strategic themes are:** “key performance areas in which O/M/A must excel in order to achieve its Vision and Mission statement and deliver value to customers/stakeholders. ... Typically in the public sector, the strategic themes will be formulated around broad service areas”.... “Strategic theme” will be used in this Strategy in accordance with the definition, but should be seen primarily as covering the ideas and objectives, while at the same time – in parallel - the expression “Strategy Dimensions” will be used when referring to what the strategy will actually do within the field covered by the strategic theme.

**Strategic objectives are:** “specific (definable), concrete (measurable) and short statements of a desired result, condition or accomplishment towards the achievements of the strategy. ....” A strategic objective describes what you must do well in order to effectively achieve the strategy.” In this strategy the expression strategic Objective will be used as defined by the OPM, but at the same time, in parallel, the expression Strategy component will be used, when referring to the concrete strategy component designed to achieve the strategic objectives.

**Strategy Sub-Component** will refer to groups of related strategic initiatives under a strategic objective/strategy component

Strategies often contain mission statements and core values. As the NRDS is a multi-stakeholder strategy, these concepts are not defined in this Strategy. Instead reference is made to the O/M/A

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and other stakeholders' core values and mission statements. Mission statement and core values will be elaborated by the Directorate for Rural Development Coordination when the strategy is approved.

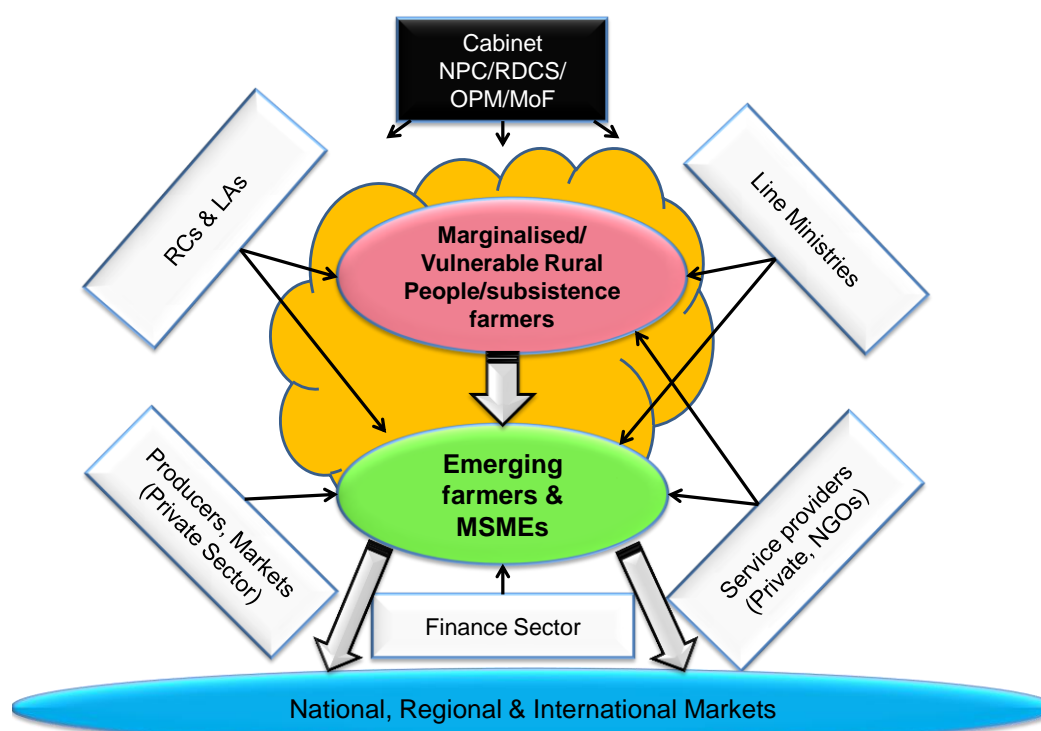
The National Rural Development Strategy needs to address the key issues found in the situation analysis in the four dimensions:

- Coordination of rural development initiatives and capacities of stakeholders
- Poverty, social and employment issues
- Economic and business development issues
- Spatial planning, environment and climate change issues

The figure below illustrate the “universe” of rural development stakeholders and the relations between the target groups in the centre and the public regulators and public and NSAs service providers in a circle around them.

The figures illustrate that the strategy will concentrate on empowerment of the rural poor in order to make **them employable or able to develop their own income generating activities**. Similarly, the strategy will **focus on the rural enterprises by strengthening them, creating an improved business environment and linking them to markets**.

It also illustrate that capacities and systems of service providers supporting both the poor and businesses need to be strengthened to provide more relevant and improved inputs and services to these target groups.





Summarized in a few bullet points below are the key issues to be addressed. The issues emerge from the situation analysis. It should be noted that all the issues are complex and the bullet points below do not give a covering picture of the issues, but rather serve as illustration.

## **2.2 Key issues to be addressed within the social dimension**

- It is important to assist the rural unemployed, most of whom are youth, in acquiring skills so that they can access the labour market or create their own income generating activities.
- It is important to empower the most vulnerable of the group of unemployed, particularly women, the youth and ethnic minorities through training in life skills, creation of mutual support groups and savings and credit associations.
- As a temporary measure, it is vital to create short term employment opportunities so the rural poor and unemployed can have a minimum income until more long term business development support, skills and empowerment activities take effect.
- There is need to improve the functioning of the social safety nets. This can be done through improved information about support opportunities and through decentralization of services so they become more accessible to the poor and vulnerable.
- To ensure that pregnant mothers and children during early childhood get sufficient healthy nutrition to avoid stunting with its severe impact on child development, there is need for introducing a social safety net that supports this group.

## **2.3 Key issues to be addressed under the economic dimension**

- There is need to improve the regional and local business environment and the dialogue between businesses and the public authorities.
- There is need to improve the support opportunities to rural businesses through:
  - incorporation in value chains,
  - improved inputs markets,
  - improved finance opportunities,
  - improved business advice and training.
- There is need to address elements of sector policies and practices such as:
  - cumbersome and centralized business registration procedures resulting in 75% of all businesses being unregistered,
  - land tenure policies and practices that make it difficult for rural businesses to invest and obtain loans,
  - agricultural policies and practices which are inefficient in supporting communal farmers to transform them into more efficient producers and managing agriculture as a business,
  - the part of the agriculture budget to support small producers in communal areas has been decreasing,
  - resettlement policies which do not have the intended effects in relation to the underlying policies.
- There is need to improve the information flow concerning markets and public support opportunities.

While support to rural economic development needs to be broad and include linking small businesses with large businesses and the market, the target group for the economic dimension must primarily be the approximately 200 000 subsistence farmers in communal areas and the 25 000 rural businesses.

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## **2.4 Key issues related to spatial planning, environment and climate change**

- Spatial planning in Namibia has traditionally been centred on cities and towns and planning for rural areas has been rudimentary. There has been some lack of clarity around the responsibility for spatial planning in the government and spatial planning has not been proactive in supporting emerging opportunities for economic development. The MLR has developed new land use and spatial planning methodologies and practices. Spatial planning supported by new legislation is emerging as a future instrument to secure better coordination of rural development projects and programmes.
- Development of growth points/settlements has been hampered by inadequate administrative and land tenure practices which make it difficult for business to establish and invest. It also makes the development of infrastructure dependent on scarce public financial resources, instead of being financed through the market.
- There are various initiatives under way to address climate change issues in Namibia, including the increasing frequency of emergencies as a consequence of these changes. These initiatives, however, need to be better coordinated. At regional level there is need to include climate change issues as part of the basis for spatial planning.
- There is need to improve rural household resilience and preparedness for climate change and related emergencies.
- Inadequate farming practices and overgrazing have a negative impact on the rural environment and results in loss of biodiversity. This should be addressed through improved farming practices, especially in rural areas.

## **2.5 Key issues to be addressed related to coordination and institutional capacities**

- Efficiency of public sector service delivery is low due to overlaps and lack of use of opportunities for joint implementation and decentralization to regional authorities.
  - There are serious problems with co-ordination of rural development initiatives at both central and regional levels as line ministries are reluctant to be coordinated by the MRLGHRD and RCs.
  - There is also a lack of openness to dialogue and coordination with the private and NSA sectors.
  - There is a lack of structures at the level of central government for the coordination of rural development programmes and initiatives. This applies to both the Cabinet level and the more technical level. With the new National Rural Development Policy approved and the Strategy developed, it is now urgent to establish these structures.
  - There is need to re-orient the activities of Rural Development Coordination more towards coordination and policy issues and to include central government institutions as the NPC in the co-ordination of ministries involved with rural development.
  - The RDCCs are reportedly not fulfilling their roles, participation in meetings is low and the private sector is not involved. There is therefore need to re-orient and revive the regional coordination mechanisms by redefining functions and build capacities among stakeholders;
  - There are a number of issues related to regional financial management and there is need to build PFM capacities primarily at regional level for the RCs to be able to support decentralization and scaling up of rural development support.
  - There are a number of issues related to M&E at both central and regional level which need to be addressed thorough sensitization and capacity development.
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## 3 THE STRATEGY APPROACH

### 3.1 The vision and overall objective

“The National Rural Development Policy is designed to realize a **vision** that will attain; **“social cohesion, stable rural communities with viable institutions, sustainable economies and universal access to social amenities, able to attract and retain skilled and knowledgeable people, who are equipped to contribute to growth and development”**.”

Drawing on the situation analysis and the identified key issues to be addressed, the NRDS is moulded closely on the NRDP and its vision. It uses the overall and specific objectives of the Policy as a starting point and covers practically all the desired outcomes of the policy in one way or another, even if the policy has a longer perspective than the strategy.

The policy provides the **overall objective as follows:**

**“Achieve a sustainable economic and social advancement in rural areas.”**

### 3.2 Themes or dimensions of the strategy

The Strategy has the following **four dimensions/themes**, each with related intermediate objectives derived from the NRDP<sup>1</sup>:

- I. **Coordination and institutional capacities:** Ensure improved capacities and mechanisms for coordination and participation of all players in the formulation, planning, implementation, monitoring and evaluation of rural development and rural development support activities;
- II. **Rural economic development:** Accelerate broad-based rural industrialization and economic growth through enhanced rural infrastructure development, research and appropriate technology development, income generation and employment creation;
- III. **Social and employment:** Ensure a diversified, competent and highly productive human resource and institutions in rural areas, fully utilizing human potential and achieving efficient and effective delivery of costumer focused services;
- IV. **Spatial planning, environment and climate change:** Ensure improved special planning and land management and the sustainable management and development of natural resources found in Namibia’s rural areas and its sustainable utilization for the benefit of the country’s social, economic and ecological wellbeing;

While the situation analysis started with an analysis of the situation of rural people and businesses, the sequence of the components in the strategy firstly addresses the central and local institutional environment and secondly rural business related issues. Thirdly follows the social issues and finally the spatial planning and climate change are addressed.

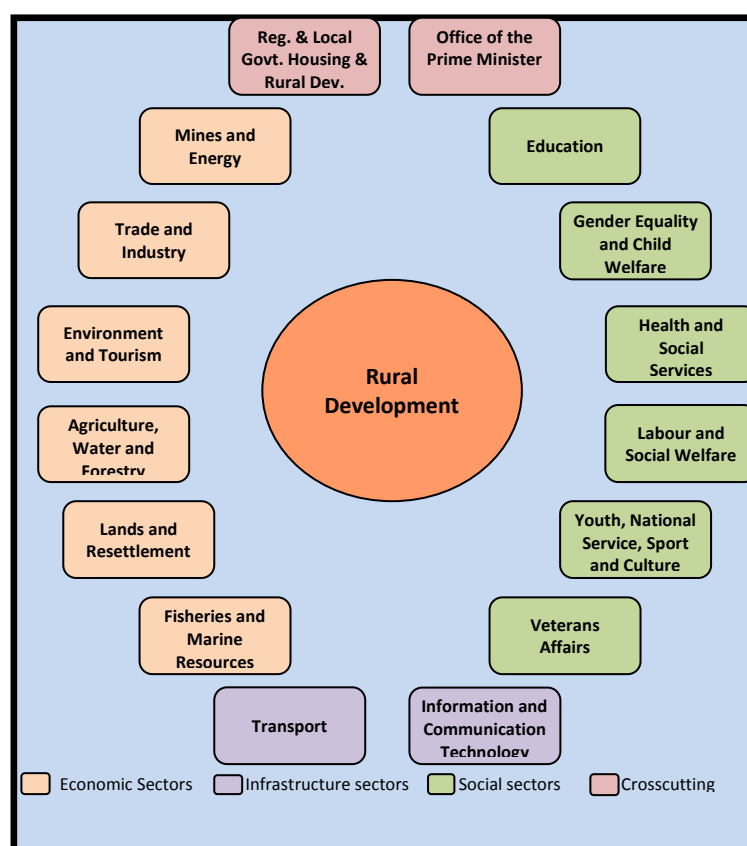
### 3.3 Strategy scope and approach

The “NRDS universe” comprises all relevant actions in rural areas performed by the involved stakeholders.

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<sup>1</sup> A few editorial amendments have been made to also capture capacity building and spatial planning issues

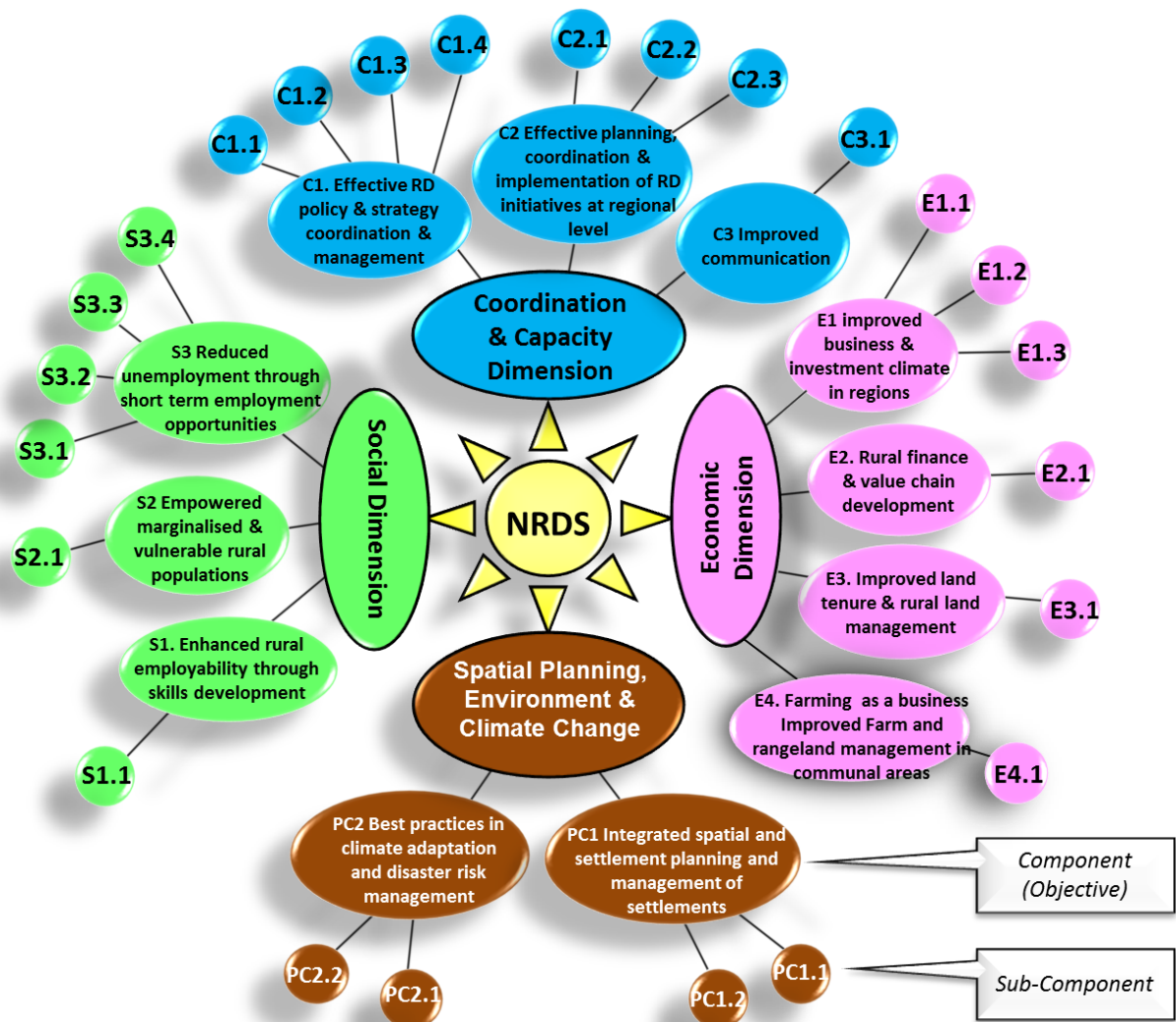
**The Strategy has two main streams of work. Stream A** include three interventions under the dimension ‘Coordination and Capacities’ designed to contribute to higher rural development related relevance, efficiency and effectiveness of the government’s 16 line ministries with impact in rural areas covering 26% of the national budget. This will be achieved through improved coordination, consolidation and harmonization of all rural development interventions as well as through the proposed improved public financial management and accountability measures. The proposed improved M&E systems, to be applied broadly in all key sectors involved in rural development, are also expected over time to contribute to higher relevance, effectiveness and efficiency of the sectoral rural development interventions. A communication component will support information to rural citizens of the services the public sector provide and interactive feedback to sectors and service providers of the rural population’s opinion of their services. The figure below shows the relevant ministers with services in rural areas.



The Strategy at the same time, through a **Stream B**, focuses on 9 key strategic objectives/interventions in the economic, social and spatial planning and climate change dimensions which are of a cross sectorial character. These strategic objectives/interventions are expected to make a real difference for the rural poor, rural business and the environment over the medium term since they directly address some of the key issues outlined above. These interventions will build on international and Namibian best practices and try to absorb scattered small projects and programmes implemented by different line ministries. The interventions are planned to be taken to scale so that they cover important parts of the defined target groups in order to have a significant impact.

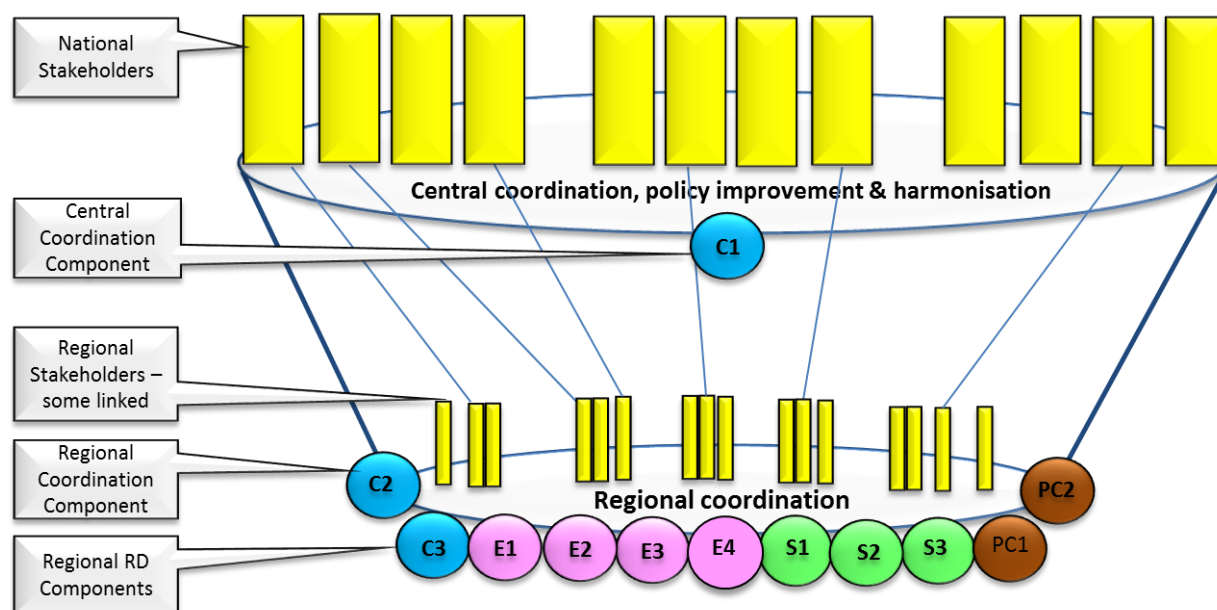
The Strategy will be national in scope, with actions related to improving policies, coordination and the legal and regulatory environment. The proposed national focus is combined with regionally specified strategies and regional implementation of rural development support actions within the key lines of strategic actions.

The Strategy will - as mentioned above - have strategic objectives and initiatives within the four dimensions of the NRDP to contribute to the four related specific objectives. The dimensions, components and sub-components are shown in the figure below:



Gender issues are mainstreamed into all strategy components. Environmental and climate change issues are also mainstreamed as they are addressed specifically in the fourth dimension of the strategy.

The coverage of the Strategy, its linkage to sector interventions and NSA activities as well as to regional level service delivery and the level at which the strategic objectives/components will be implemented, is illustrated in the figure below:



As can be seen from the figure, central coordination and policy related issues are covered by C1. Regional coordination and capacity issues are covered by C2. The economic, social and environment/climatechange related components primarily function at regional and local levels. C3 relates to communication primarily at regional and local level.

### 3.4 Economic growth and poverty reduction focus

The NRDS will retain a focus on rural economic development and empowerment of people to be employable or create own income generating activities/businesses to secure the livelihood of their families. The Strategy will also have a strong poverty reduction focus with a special focus on improving the situation for especially vulnerable groups such as unemployed rural youth, woman headed households and vulnerable ethnic minorities.

The Strategy will further have a focus on improving the situation of subsistence farmers and assisting them in enhancing their efficiency, produce for the market and accessing finance. This is primarily envisaged through linking the farmers to value chain development initiatives that will facilitate their transition to perform farming as a business.

### 3.5 Key targets

The strategy aims at the end of the five year period:

- To have **reduced unemployment in the strict sense in rural areas from the present 130 000 to half** through skills training and support to creation of own income generating activities for the unemployed, through empowerment of the most vulnerable and through the employment opportunities created through development of rural enterprises.
- To have **created short term temporary employment (4 months a year) for part of the rural unemployed for them to be able to support their families**. The temporary employment will increase gradually from year 2 and reach 60 000 persons in year five.
- To substantially have improved the business environment and the support to rural businesses. The aim is to:
  - Achieve significant improvement in regional business environments in at least 8 regions
  - Develop 5-7 value chains incorporating large numbers of MSMEs and create employment/livelihood opportunities for a minimum of 10.000 rural inhabitants and increase/make more stable the incomes of others

- **That effective coordination and implementation systems and capacities have been developed** within Government at central and regional level and across other service delivery stakeholders which can sustain the rural development strategy.

### 3.6 Relation to NDP4

The relationship between NDP4 and NRDS is significant and important in the sense that NRDS supports and provide clear guidelines for the roll out of key aspects of the NDP4.

Among the *Basic Enablers* of NDP4, the NRDS provides an input for strengthening the following:

- *Institutional Environment* (e.g. reducing the high cost of doing business, improving labour market and access to finance)
- *Education and Skills* (e.g. significant support for eradication of functional literacy and strengthening the skills upgrading for young people)
- *Health* (e.g. empowerment of vulnerable and marginalised groups of people)
- *Reduction of Extreme Poverty* (the overall focus of the NRDS is poverty reduction and support for the rural economy)

Among the *Economic Priorities* the NRDS provides support in the following areas:

- *Agriculture* (e.g. support to range land management, introduction of value chains, training of farmers through mentor schemes)
- *Tourism* (e.g. support to the regions' branding efforts and improvement of investment climate)
- *Manufacturing* (e.g. establishment of Rural Enterprise Fund)

Finally extensive support is envisaged to *Execution, M&E and Progress Reporting*:

- *Execution* (e.g. creation of coordination mechanisms at government and regional levels, review of policies in rural sector and extensive capacity building)
- *M&E* (e.g. establishment of an M&E system for rural development)

In the below table, the relationship between NRDS and NDP4 is shown. Dark green indicates the strong impact of the NRDS on the implementation of NDP4. Light green indicates some impact.





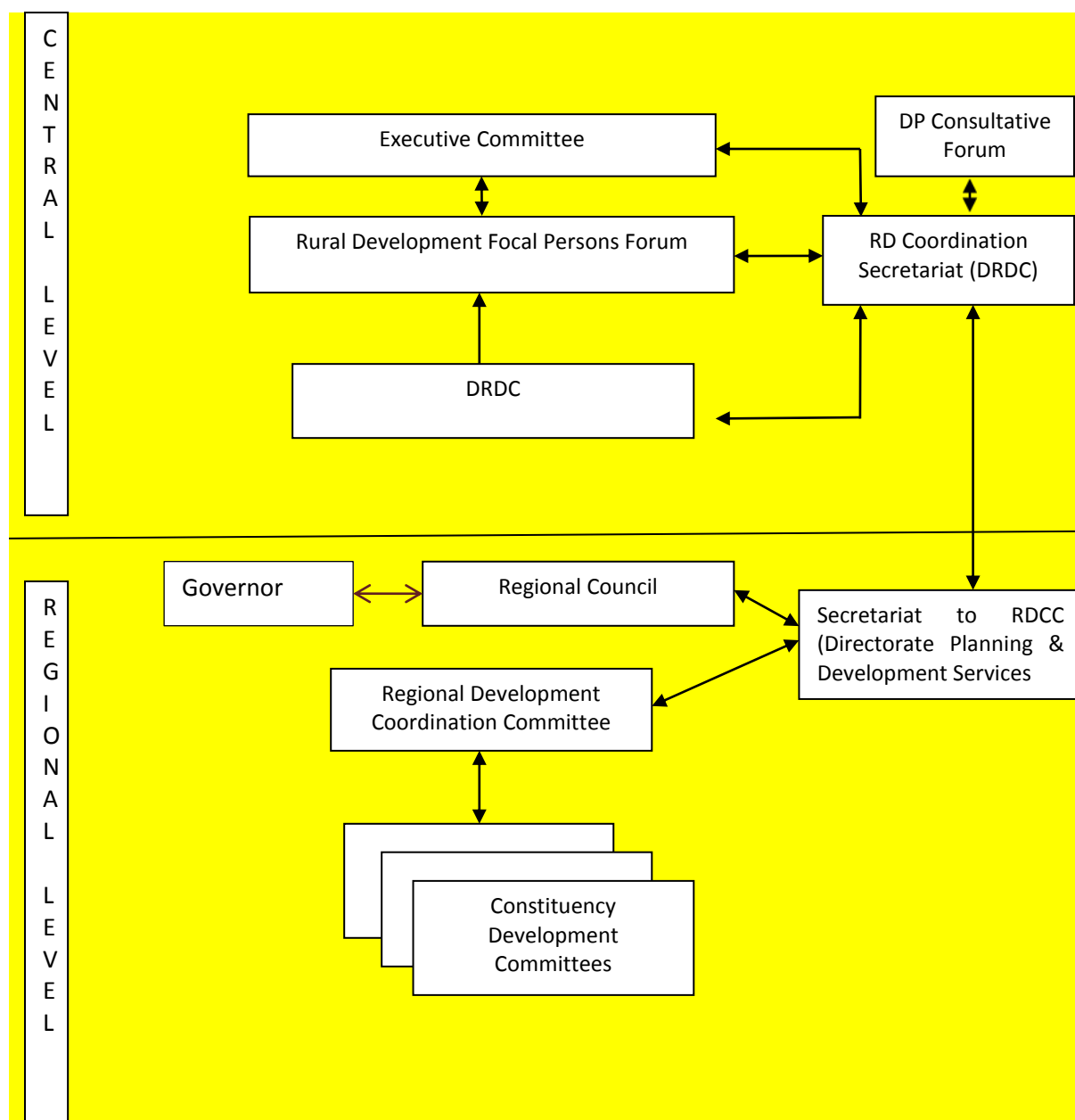
## 4 DESCRIPTION OF THE DIFFERENT STRATEGY DIMENSIONS AND COMPONENTS

### 4.1 Capacity development and coordination dimension

The following **intermediate objective** from the National Rural Development Policy is adopted for the capacity development and coordination dimensions of the NRDS: ***“Ensure improved capacities and mechanisms for coordination and participation of all players in the formulation, planning, implementation, monitoring and evaluation of rural development support activities.”***

This dimension of the Strategy will address the current weaknesses in rural development coordination at both central and regional level and the poor interaction between the private sector and non-state actors. The legislative and regulatory framework will be strengthened where needed. The Strategy will also re-orient the focus of the DRDC towards coordination and policy issues and actively involve the NPC in the coordination of relevant O/M/A to ensure that sector policies are more relevant and effective in supporting the rural poor and rural businesses. Strengthening of the capacities of both the DRDC and the regional councils in order to improve coordination structures and procedures form part of this component. It will also strengthen regional financial management for the RCs to be able to support decentralization and scaling up of rural development support and it will strengthen M&E at both central and regional level thorough sensitization and capacity development. A communication and information component under this dimension will help to bind the stakeholders together and secure effective links to the target groups within an interactive communication approach.

The agreed coordination structures and the links between them are outlined below. Annex I provide details on the functions and links between the actors. For more details regarding the coordination mechanisms, please refer also to separate reports with the situation analysis on coordination and institutional capacities including proposals for improved coordination structures and necessary capacity building.



The strategy components under this dimension are the following:

#### **4.1.1 Strategic Component C1: Effective RD Policy and Strategy coordination and management**

**STRATEGIC OBJECTIVE C1:** The necessary RD related legislation policies and procedures evaluated and amended or established as appropriate and coordination mechanisms and capacities for effective coordination and management of the RD process created and functional

This objective is supported through four sub-components:

This first sub-component will investigate the possibility and need for developing a Rural Development Act and Regulations and review the legal framework for RDCCs and Community-Based Organizations (CBOs) and clarify questions in respect of mandate, budget provisions, responsibilities and relationship between the governor and the committees and between the RCs and committees. It will further develop Rural Development coordination mechanisms, including an Executive

Committee of Key PS'es, a cross-sectoral and multi-stakeholder Rural Development Focal Persons Forum and an Annual Conference for Rural Development and a Development Partners working group. The sub-component will further build capacity in line ministries in order to familiarise LM staff with the contents of the NRDP and NRDS. Change management training will be provided to LMs, RCs, LAs and the DRDC concerning attitudinal/cultural challenges on information sharing and collaboration. Capacity development will be provided to the DRDC to strengthening competencies to enable current staff to change from implementation of small projects to the more complex tasks of coordination and policy harmonization and to increase planning, M&E and reporting capacities.

The second sub-component will further support evaluation of key sector strategies and related sector regulations to review their relevance for the rural poor and rural business development. This will include reviewing Agricultural Policies, Resettlement Policies, land expropriation legislation, land tenure rules in settlements and rules for registration of rural businesses with the ministry of Trade and Industry (MTI).

There is also need to improve the functioning of the social safety nets. This can be done through improved information about support opportunities and through decentralization of services so they get more accessible for the poor and vulnerable. There is also need for introducing a new support opportunity for poor pregnant women and for children up to the age of 2 and preferably age 5 from poor families to secure that these children get sufficient healthy nutrition so that stunting with its severe impact on child development is avoided.

The third sub-component includes strengthening the MTEF process to facilitate a more policy-led approach to planning; review the preparation of medium-term (expenditure) plans by LMs; revise the budget calendar; and prepare changes to published budget documents. It proposes to establish a public expenditure analysis unit in either MOF or NPC. The initial work of the unit will be to define its functions, establish working programmes and to become engaged in carrying out wider public expenditure studies of major sector and cross-cutting programmes. The component will further support implementation of programme based budgeting (PBB) in areas related to Rural Development with the intention of supporting a more strategic policy-led approach to budget planning.

The fourth sub-component includes development and implementation of integrated planning and M&E methodology and systems among the DRDC, RCs & LMs. It will also roll out systems for rapid reviews of relevance, efficiency, effectiveness, impact and sustainability of more complex programmes and it will support external evaluations for year 4 of the Strategy and its components. The information and experience gained will be used in the design of a successor strategy (NRDS2). The sub-component will strengthen the planning and M&E capacities of units in LMs involved in RD and improve the quality and timeliness of information flow from LMs. It will further streamline procedures; promote informed planning and policy making and use of M&E data across LMs through capacity building.

#### **4.1.2 Strategic Component C2: Capacities and structures at regional level**

Strategic objective C2: RD Coordination improved through strengthening of regional planning; coordination and management structures and capacities

This objective is supported by three sub-components. The first sub-component includes the roll out of the NRDS and its Coordination and Management Framework as well as information about the different components of the Strategy and their implementation modalities. The roll out will include orientation courses to political leaders and RC management and other stakeholders and process support to regional staff and other implementation partners. The work further includes a review of

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regional coordination structures including the RDCCs and proposals for new approaches and establishment of technical working groups under the RDCCs. The possibility for creating a conducive environment for members of the RDCCs and CDCs through incentives will be looked into. Based on the agreed new structures and procedures, capacity building will be provided for all parties. The capacity building will, inter alia, aim at addressing negative attitudes towards cross-sectoral and RC-LM information sharing and collaboration.

The second sub-component include building capacities in statistics and data management, M&E and reporting and streamline the related processes and the CDC-RDCC-RC links in planning and monitoring. The intention is to assist regions in more informed planning and policy making and in improving capacities to evaluate relevance, efficiency, effectiveness, impact and sustainability of regional programmes and initiatives. Reporting capacities will also be enhanced.

Sub-component three contains a number of measures to strengthen regional financial management. It includes:

- Review of the legal and regulatory framework for PFM in RCs and issuing a comprehensive set of new regulations and updated explanatory guidelines and manuals.
- Assessing whether to establish an inter-governmental finance management unit in MOF.
- Improve inter-governmental financing arrangements to provide greater predictability and transparency in the allocation of resources to RCs, including (i) medium-term ceilings/forecasts and (ii) transparent criteria and formula based system for recurrent and development grants to RCs.
- Upgrading of the computerised financial management systems in RCs to handle the substantially increased level of transactions that will arise from the further decentralisation and the implementation of the RD strategy considering using the MOF's IFMS platform in RCs.
- Strengthen the RC PFM oversight and technical support roles of MRLGHRD and funding for PFM capacity building support in RCs.
- Launch of a regional budget transparency and accountability initiative.
- Office of the Auditor General (OAG) to eliminate the current backlog and ensure the timely completion of future audits.

#### ***4.1.3 Strategic Component C3: Improved communication related to life skills and social and economic service and support opportunities.***

Strategic objective C3: Good communication and knowledge sharing, including social, economic, business, climate change, ecological and gender issues and opportunities

This component involves a comprehensive communication & information strategy implemented in partnership with MITC, the regional units of MITC, the MRLGHRD and the RDCs. The strategy activities would be:

- Campaign for healthy life styles and against alcohol and drug abuse and intra family violence.
- Information on available public service offers and opportunities in the social and economic fields and on appropriate technologies
- Possibility for an interactive exchange where consumers can give feedback or their opinion on public service delivery

The Strategy will include campaigns in local languages in areas such as social issues, gender, environment & climate change, appropriate technology and opportunities linked to LED.

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## 4.2 Economic dimensions of the NRDS

The following **intermediate objective** from the National Rural Development Policy is adopted for the economic dimension of the strategy: ***Accelerate broad based rural industrialization and economic growth through enhanced rural infrastructure development, research and appropriate technology development, income generation and employment creation.***

The activities under this dimension aim to improve the regional and local business environment and the dialogue between businesses and the authorities through creation of local co-operation and support structures and through improving the information flow concerning markets and public support opportunities. The activities also include actions to improve the support opportunities to rural businesses through a rural enterprise support program with one of the national development finance institutions with a view to support small producer's incorporation in value chains and improved inputs markets, finance opportunities and improved business advice and training for rural producers.

This dimension will also include a component working on improved land tenure policies and practices which have made it difficult for rural businesses to invest and obtain loans. Another component will support a "Farming as a Business" programme for communal farmers to support them in transforming into more efficient producers and managing agriculture as a business. This programme will include elements of conservation culture and improved and environmentally friendly rangeland management.

While support to rural economic development need to be broad and include linking small businesses with large businesses and the market, the target group for the economic dimension must primarily be the approximately 200 000 subsistence farmers in communal area and the 25 000 rural businesses.

The Rural Development Policy also provides for the establishment of Rural Development Centres in all regions. The Centres will promote the development of appropriate technologies that enhance agricultural production and other economic activities in rural areas. The RDCs shall serve as Centres of excellence in terms of designing and developing appropriate technology, information dissemination to rural communities' provision of community outreach programme, providing necessary services to rural communities, and create employment especially to rural youth. The RDCs shall be equipped with necessary facilities to enable them to play their crucial role of providing goods and services to rural communities. The centres will cooperate closely with other Centres and support facilities managed by other LMs as Youth, Agriculture and MTI. In addition to the existing centres, 7 new centres will be established by the MRLGHRD.

### 4.2.1 Strategy Component E1: Improved business and investment climates in regions

STRATEGIC OBJECTIVE E1: Regions have become vibrant places to invest and do business in and private sector employment has increased. Regional governments are responding to business concerns.

To improve the regional and local public-private dialogue, Regional Investment Forums will be established in all regions with membership drawn from the region's business community. These forums will serve as a dialogue platform and also establish the regional business development vision and plans and monitor their implementation. The Local Economic Development Agency (LEDA) in MRLGHRD will further provide technical advice, training and facilitation for the development and operation of various forms of Public Private Dialogue Platforms (PPD) at local and regional levels. A funding mechanism will be established with to support the private sector to collect and present

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information that can be used to promote the case for reform of the business environment at national, regional or local levels.

The national LEDA will support the establishment of small administratively autonomous regional LEDAs in all the regions. The aim of these regional LEDAs will be to support local economic development by establishing programmes and services responding to specific regional economic needs and opportunities. Regional LEDAs can e.g. provide an administrative base for the management of national programmes in the regions and also develop programmes and services of their own. Regional LEDAs will also support NSA intermediary business service delivery organizations in implementing small programmes related to rural business support, e.g. local value chain development, rural finance, etc.

NCCI will be supported with the Regional Business Investment Climate Survey producing separate regional reports and a consolidated report providing a basis for identifying and addressing key factors that constrain business development.

#### **4.2.2 Strategy Component E2: Rural finance and value chain development**

STRATEGIC OBJECTIVE E2: Rural economic activities increase through entrepreneurial, market-oriented farming and improved productivity in small, medium and micro-enterprises.
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This component will be an important pillar in the support to rural business. It will provide assistance to the design and establishment of a Rural Enterprise Facility (REF) and provide technical support to enhance agricultural and non-agricultural value chains.

The Facility will support commercial, microfinance and NGO finance providers in extending their services to rural areas. The facility will further assist in the development of additional loan products and a rural finance guarantee scheme.

It will further, via the financial institution that will host the Facility, have access to loan financing of investments and marketing activities of companies involved in the value chains. Finally will the Facility provide access to credit lines for finance institutions involved in rural finance to boost their outreach

The support to value chains will include the identification of viable value chains, support to coordination of the co-operation between the different participants in the value chain and support to the provision of key elements such as technology support, extension and mentorships programmes, marketing support etc. The Facility will have a grant fund mechanisms to support the identification of the “soft elements” of value chains..

#### **4.2.3 Strategy Component E3: Improved land tenure and rural land management**

STRATEGIC OBJECTIVE E3: Improved Agricultural and SME development through improved rural land management and land tenure rules.
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This component will address the land issues identified during the situation analysis related to rural businesses. It includes revising and harmonising the laws and regulations affecting land management in communal and settlement areas, including the harmonisation of legal frameworks affecting allocation of land titles and leases to ensure land tenure which is conducive for rural businesses and better land management. This primarily includes giving land tenure contracts which exceeds 30

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years and can be used as collateral for credits. The programme will also support the revision of laws and regulations governing expropriation of land for public benefit to facilitate the development of settlements. This includes settlement in the southern commercial areas, where settlement development is hindered by resistance to avail land for their development.

The component will also support building capacity in regional and local land administrations in regional councils and local authorities to improve local land management and establish a process that integrates land use profiles and maps into the management and administration of communal lands to facilitate their sustainable development. Traditional authorities and communal land boards will be supported with land management in communal areas, helping these authorities with planning and administrative functions, management of communal lands as well as governance and accountability with regard to communal land management.

#### **4.2.4 Strategy Component E4: Farming as a Business – Improved farm and rangeland management in Communal areas.**

STRATEGIC OBJECTIVE E4: The transition of subsistence farmers to commercial farmers facilitated and environmental degradation halted through support to improved and integrated approaches farm and rangeland management

Since independence Namibia has placed significant emphasis on support to agriculture in the communal areas of the country. In addition, a significant number and range of donor funded projects have focussed on communal agriculture. However, the desired effect of increased productivity particularly in small-holder dryland crops and off-take from livestock in communal areas is not yet evident in national production data.

Across Africa there is a new approach to supporting Farming as a Business that is achieving results in several countries. Core to the approach is the provision of extension and mentoring support to the development of financial and farm management planning by small farmers integrated with technical advisory and mentoring services that focus on supporting farmers to implement current Good Agricultural Practices of conservation agriculture, crop production and livestock and range management. The goal is to foster the development of small farms as small agricultural businesses producing for formal and informal markets and connected to national agricultural value chains. This approach aligns very well to the developing mahangu, livestock and fresh produce marketing opportunities being created by the MAWF, Meat Board, NAB and Meatco; and will require a highly collaborative, open and innovative effort among all public and private stakeholders.

To prepare the way for such an integrated approach a broad evaluation of agricultural services and support by MAWF and donor projects is proposed that compares inputs over several years with demonstrable impact in communal area productivity. The evaluation will identify effective components of MAWF program, current mentorship projects, rangeland management projects, and former and current donor projects and projects and approaches in other African countries with a view to proposing a reformed and holistic style of support in a blend of public and private and public-private components. As the MAWF is expected to develop its next five year strategic plan in 2013 the recommendations from such an evaluation will be well-timed to provide input to that strategic plan.

### 4.3 Social and employment dimensions of the NRDS

#### 4.3.1 Issues related to sector strategies that will be addressed through dialogue with the specific sector for policy and programme reform

The following specific objective has been derived from the National Rural Development Policy: *“Ensure diversified, competent and highly productive human resources and institutions in rural areas, fully utilizing human potentials and achieving efficient and effective delivery of costumer focused services”.*

The Strategy will, under this dimension, assist the approximately 130 000 rural unemployed who are actively looking for employment. Approximately 75 000 youth will be assisted in acquiring skills so that they can access the labour market or create their own income generating activities.

For the especially vulnerable groups, particularly the unemployed women, the youth and the ethnic minorities, where skills may not be enough for integrating them in the labour market or creating their own employment, it is important to empower them also with training in life skills. This includes, inter alia, the creation of mutual support groups and savings and credit associations. Through group action they will be supported in finding employment or creating their own IGA. The number of these especially vulnerable is estimated to be in the range of around 165 000<sup>2</sup>. The coverage of this programme is envisaged to reach 1/3 of the group after five years amounting to a number of 55 000.

As a temporary measure, the Strategy will create short term employment opportunities so that the rural poor and unemployed can have a minimum income while the more long term skills and empowerment activities take effect. It is envisaged to provide temporary jobs for four months per year to rural poor over the five years starting from a low level and reaching 60 000 jobs in year five. This corresponds to 1/3 of the people actively seeking jobs, who have given up seeking or who would take a job if there was a possibility (unemployed in broad sense)<sup>3</sup>.

#### 4.3.2 Strategy Component S1: Functional literacy and basic technical skills of the rural unemployed enhanced

Strategic Objective S1: Skills of youth and women and other unemployed persons in rural areas improved, thereby making them employable or able to start own businesses

There is only one sub-component to this component. It includes the design of a skills development programme, which includes undertaking an update of existing skills needs assessments for the unemployed in rural areas, defining the skills that will be offered and the outreach delivery methods, the organizational set up, budgets and action plans. The programme will provide functional literacy training and English language skills integrated with skills training by expanding on the existing adult literacy programme. Preferably skills and functional literacy will be included as step 3 in the literacy programmes. For people with basic literacy skills, the courses will not include literacy training.

The skills training will provide short-term (6 months) demand-driven technical and basic business skills training and include 3 months practical attachments after the theoretical skills training is completed. Building on the Ministry of Education (MOE) adult literacy programmes and the Community Skills Development Centres (COSDEC) programmes complemented with private skills

<sup>2</sup> 75 000 Unemployed women, 100 000 unemployed youth, 40 000 unemployed from ethnic minorities, all unemployed in strict sense, i.e. actively searching employment. The total number of 165 000 is corrected for overlaps (women's in all groups).

<sup>3</sup> The total number of unemployed in rural areas according to the broad definition is approximately 180 000.

education providers, this programme will be offered primarily at constituency level as an outreach programme. It is expected to include following skills: Hospitality (waiters, cooks, basic lodge/hotel management), Office (computers, admin assistants/secretaries), Construction (carpenters, masons, basic plumbing), Beauty (hairstyling, nail sculpting, etc.), Basic Mechanics and Basic Agricultural and Livestock skills. As to the latter discipline an appropriate agricultural training authority shall be identified.<sup>4</sup> The practical attachment is an important part of the training and for finding jobs. Attachment facilitators will be located either at the regional education office (adult education unit) or at the s. This activity area includes establishing links to the MOL Directorate of Employment Services, relevant NGOs and the private sector on formal employment search and placement.

The infrastructure required to support the outreach programme include the establishment of community and skills development centres at constituency level (equipping and upgrading existing premises or school classes) to be base for the literacy and skills programme. This will also include establishing two new COSDECs in the centre and south of the country to support the outreach programme in these regions.

The overall target is to provide proficiency in basic English, basic technical skills and job placements to 65 000 of the 130 000 unemployed persons (strict sense). This involves boosting the annual output of the COSDECs and smaller institutions from an output in the range of 2 000 - 3 000 a year to 15 000 - 20 000 trainees a year.

#### **4.3.3 Strategy Component S2: Marginalised and vulnerable rural population empowered**

Strategic Objective S2: Marginalised and vulnerable rural population empowered in the areas of knowledge/awareness, life skills, technical and business skills, access, voice, power and participation, so they can cater for themselves and their families, support each other and help to develop their communities

The component will in the first instance develop a detailed programme concept relevant to the marginalised and vulnerable target groups in rural areas. This will include implementation modalities, implementation plan, the budget and the M&E system, based on best national and international practices and needs assessment. The programme will include training/coaching in knowledge/awareness, life skills, technical and business skills, access, voice, power and participation. The programme will be built around local mutual savings and credit groups of members of the target groups. The programme implementation will be contracted to NGOs or a consortium of NGOs that have a track record in these kinds of activities.

The implementers will support establishment of integrated empowerment, savings and credit groups from the targeted marginalised and vulnerable categories; train them in life skills; organise members' savings mechanisms; empower members in accessing support and resources and support members in establishing income-generating activities. Due to the complexity and innovative nature of this programme there is need for continued evaluation of effectiveness and impact on the target group. A credit program will be established to supplement group members' savings for income generating activities. The program will be managed by an established finance institutions or micro finance institutions with good presence in the regions.

The target group for these activities are the approximately 165 000 rural poor belonging to vulnerable groups such as unemployed women, unemployed youth and unemployed from the ethnic minorities. Group membership will gradually build up to reach around 50 000 at the end of the five year period, covering 30% of the target group.

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<sup>4</sup>Since the COSDECs do not offer skills training in agriculture and livestock

#### 4.3.4 Strategy Component S3: Unemployment reduced through short-term rural employment opportunities

Strategic Objective S3: The unemployment situation in rural areas has been reduced on a temporary basis through the creation of short-term employment opportunities in the regions

Work on this component will start with development of the programme concept and implementation modalities, including the identification of partners (in the public and private sector), development of mechanisms for identifying projects and project beneficiaries, considering subsidies to private sector operators for adapting labour intensive methods e.g. clearing invader bush. The implementation modality is expected to model the Targeted Intervention Programme for Employment and Economic Growth (TIPEEG) where different ministries are responsible for funding and implementing employment creation activities within their field of responsibility. Overall coordination will be with NPC as for TIPEEG or with MRLGHRD. The programme is planned to start when TIPEEG expires. The programme will have four key sub-components in addition to the management and M&E part:

- I) Labour intensive rural roads programme to be implemented through the Roads Authority in close co-operation with RCs.
- II) RC implementation of labour-intensive projects, including various infrastructure projects in settlement areas and sanitation and rural housing projects. This component will be financed through MRLGHRD and executed by the works departments of the RCs.
- III) Labour intensive projects in the field of forestry, sanitation and agriculture. This sub-component will be financed through MAFW and managed by MAWF in co-operation with RCs. It will include removal of invader bush, water harvesting, small irrigations schemes, rural sanitation, local markets, etc.
- IV) Implementation of environment and tourism related labour intensive works. This sub-component will include labour intensive work in conservancies, national parks, rehabilitation of degraded land, etc. and be financed through THE Ministry of Environment and Tourism (MET) and managed by MET in co-operation with RCs.

Where possible, works will be contracted out on conditions of use of labour intensive methods. Starting slow and increasing to 60 000 employed a year. This will amount to one third of all rural unemployed (broad definition). Work will, on average, cover 4 months a year outside the agricultural season.

#### 4.4 Spatial planning, environmental and climate change (PC) dimension of the NRDS

The following specific objective has been derived from the NRDP<sup>5</sup>: *“Ensure pro-active regional spatial planning, including land use, environmental and climate change adaption as a basis for improved settlement development and the sustainable management and development of natural resources found in Namibia’s rural areas and its sustainable utilization for the benefit of the country’s social, economic and ecological wellbeing”*

The MLR has developed and tested new land use and spatial planning methodologies and practices and spatial planning supported by new legislation is emerging as a future instrument to secure better coordination of rural development projects and programmes. This dimension of the strategy will address the issue that spatial planning in Namibia traditionally was centred on cities and towns

<sup>5</sup>with the addition of Spatial Planning, Environment and Climate Change

and planning for rural areas has been rudimentary. It will attempt to make spatial planning pro-active in supporting emerging opportunities for economic development. Support will be provided for extensive capacity building for spatial planning in RCs combined with development of GIS based spatial plans for all regions which have not done so yet.

The component will also, through pilot initiatives, support development of settlements/growth points using new administrative practices based more on self-administration and better land tenure. This is expected to facilitate the development of the growth points and their independence from treasury financing based on financing from the market or DBN both for business development and settlement infrastructure.

The component will support initiatives under way to address climate change issues in rural areas. This support will include support to better coordination and regional capacity building and climate change issues as part of the basis for spatial planning. It will also include support to improve rural household resilience and preparedness for climate change and related emergencies.

#### **4.4.1 Strategy Component PC1: Integrated and pro-active spatial plans developed in regions and management of settlements/growth points improved**

STRATEGIC OBJECTIVE PC 1: Integrated and pro-active spatial and land use planning initiated. More investment friendly and sustainable settlement development implemented

This component will improve the coordination and harmonisation of spatial planning methodologies across central LMs through the provisions of the new Urban and Regional Planning Bill and it will support co-operation across the planning directorates of the MRLGHRD, MLR, MET, MME and MAWF. It will further strengthen the roles and capacities of RCs, RDCCs and their future Planning, Environment and Climate Change Committees (PECCCs) to implement regional spatial plans. It will build capacity in RDCCs and CDCs in spatial planning and establish mechanisms to effectively involve NSAs. The programme will integrate regional social, economic, ecological and climate risk profiles and patterns as the basis for regional spatial planning and support preparation of a manual for integrated regional and local spatial planning.

Development of integrated spatial development plans will be supported in all regions which have not yet developed them. This will be done combined with an extensive capacity development plan for spatial and climate change planning at regional level.

The second sub-component will develop new modalities for settlement management and for land tenure in settlements. This will include new administrative and financing modalities for more efficient and self-sustainable development and administration. The new approaches will be piloted in a selection of declared and undeclared settlement. A total of eight settlement development programmes will be developed over the first five years of the strategy.

#### **4.4.2 Strategy Component PC2: Best practices in climate adaptation and disaster risk management**

Strategic Objective PC2: Improve climate and disaster risk management to strengthen the resilience of rural households and communities

The first sub-component will support the efforts of the Namibia Vulnerability Assessment Committee (NamVAC), under the Office of the Prime Minister, to assess and monitor, on an on-going basis, levels of vulnerability of households throughout the country's rural areas. It will also support the NamVAC's training activities, specifically those focused on training regional planning officers in

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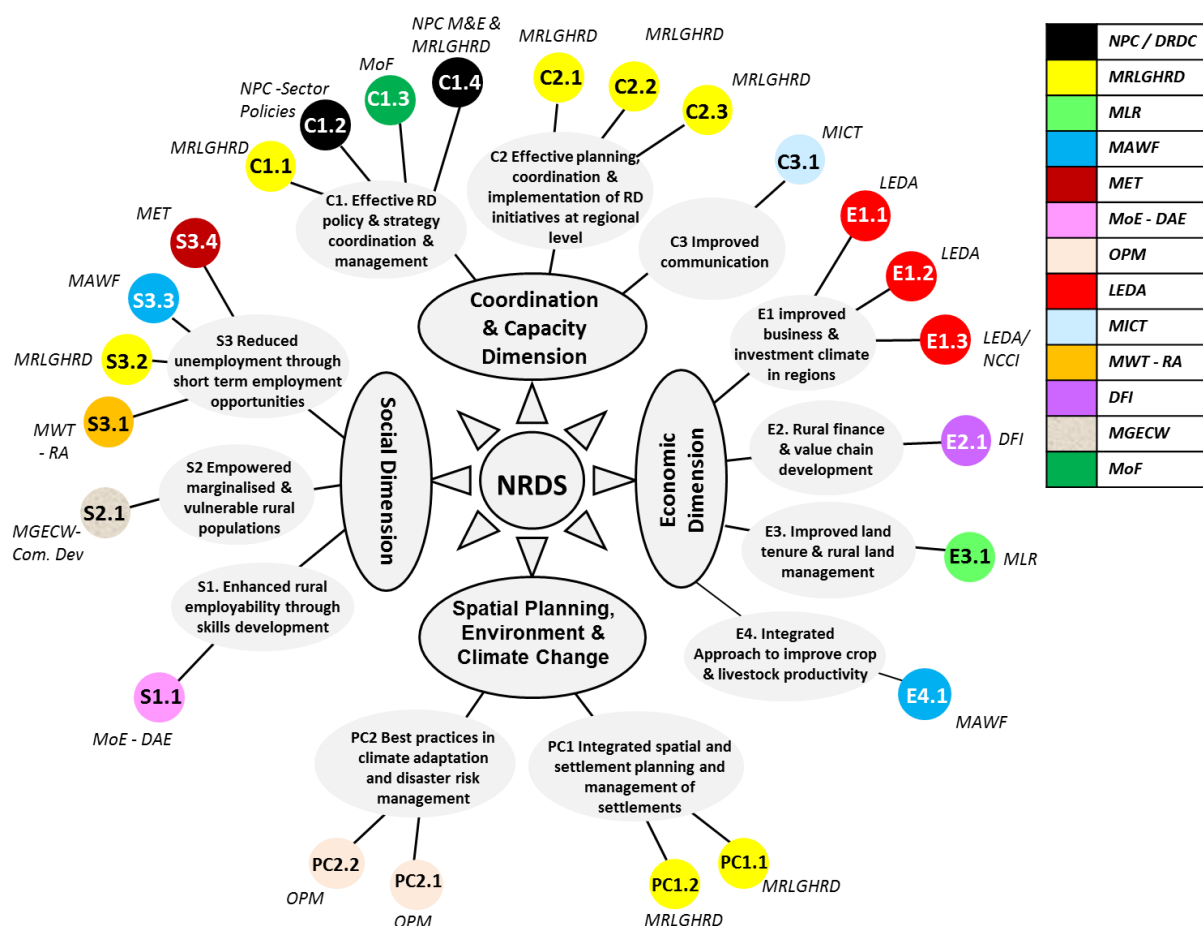
vulnerability assessment methods and monitoring early warning information. This intervention is further aimed at strengthening the role and capacity of RCs, RDCCs and their Planning, Environment and Climate Change sub-committees to implement regional climate and disaster risk and vulnerability assessments and monitoring for applications in regional disaster risk management (DRM) and climate adaptation planning. In this connection the intervention will support the development of a first generation of combined DRM plans and updating of these plans. The intervention will also support training of regional planning officers.

The second sub-component will support a nation-wide programme under which a range of pilot initiatives will be implemented across different regions and rural locations in Namibia and in different sectors to test the feasibility, effectiveness and appropriateness of options for improved climate adaptation, disaster risk reduction and disaster preparedness, with a view to later up-scaling. The focus will be on local-level community-based adaptation and risk reduction measures, as the impacts of climate hazards and disaster risks are generally felt most acutely at the household and community level. The programme will build on accumulated experience with community-level climate adaptation and disaster risk reduction gathered to date in Namibia.

## 5 IMPLEMENTATION MODALITIES

Implementation of the Strategy will be split between many LMs, RCs and NSA partners. At Government level capacity building and policy improvements across LMs will be the responsibility of NPC, while the MRLGHRD will maintain the coordination with LMs, RCs and regional stakeholders. The PS MRLGHRD will serve as Chair to the Executive Committee, while DRDC will function as Secretariat. DRDC will also chair the Focal Persons Forum and be responsible for the overall coordination and monitoring of the specific programmes to be implemented as part of the strategy. DRDC will receive technical assistance and training for executing its critical coordination role.

The figure below shows the institutions overall responsible for implementation coordination by components and subcomponent. The table in Annex III provides additional details on the institutional set-up. With a few exceptions sub-components have been designed so only one central entity has the budget responsibility (e.g. funding will be on the vote of that entity), while there may be many technical as well as implementation partners.



- The components related to coordination and capacity building will be managed by the MRLGHRD in co-operation with relevant central ministries and local partners, primarily the regional councils.
- The social components will primarily be managed jointly by MRLGHRD, MOE, MGECW, MYNSSC, MWT, MAWF and the regional councils.
- The economic components will primarily be managed jointly by MRLGHRD, MLR, MET, MTI, and regional councils.



- The planning, environment and climate change components will primarily be managed with MRLGHRD, OPM, MLR, MET and RCs.

For each component and in some cases sub-component, it is envisaged to establish a steering committee with a component manager, technical/policy partners and implementers.

Regional Councils will have a central role in actual implementation of most of the programmes as it appears from the table below. The intention is further to increasingly use NSAs as NGOs, the private sectors representative organizations (NCCI and the farmers unions) and the private sector per se as vehicles for providing more relevant and effective services to the rural poor and rural business. The NRDS includes, in this context, measures to strengthen these institutions and initiatives to develop funding mechanisms for using these institutions for service delivery.

## **6 MEDIUM TERM BUDGET FOR PUBLIC SECTOR SUPPORT TO RURAL DEVELOPMENT**

There are two key facets to public spending under the rural development strategy: (i) broad spending on rural development derived from all O/M/A programmes and budget plans targeting rural areas; and (ii) the specific initiatives and interventions that have been identified under each of the four dimensions of the strategy. A third facet is the decentralisation of key public service delivery programmes to regional councils and the budget that entails. The NRDS will focus on the first two facets.

### **6.1 Broad spending on rural development**

The current MTEF forecasts cover the period 2012/13 to 2014/15 and are based on a significant fiscal consolidation that will see total public spending remaining virtually unchanged in nominal terms at around N\$ 40 billion annually and falling to 30 per cent of GDP. Broad spending on rural development is forecast to remain at around 26 per cent of total operational and development spending although falling slightly in nominal terms from N\$9.9 billion in 2012/13 to N\$9.4 billion in 2014/15. See the table below

Because of the wide scope of rural development spending with budget allocations being determined primarily through a sectoral and O/M/A driven budget planning process, it is not currently possible to provide a forecast of broad rural development spending allocations beyond 2014/15. Rural development spending requirements and plans post 2014/15 will be reviewed and evaluated against other competing demands on budgetary resources through the annual updating and rolling forward of the MTEF.

To support the implementation of the National Rural Development Strategy, it will be important to further refine the definition of public spending on rural development and to monitor and analyse spending trends and performance as an input into the MTEF and budget planning process. This should be seen as a part of a broader strengthening of the underlying analytical and policy basis of public spending programmes under the MTEF. Specifically this will require:

- Analysis of both inter-sectoral and cross-cutting public spending policies, strategies and priorities as part of the MTEF discussion and presentation. Rural development related spending should be a key cross-cutting element of this analysis, with broad spending on rural development monitored through the MTEF and budget reporting processes.
- An explicit emphasis in the MTEF on improving the effectiveness and efficiency of rural development related public spending in order to maximise impact and free up resources to finance priority new spending measures. This could be part of a broader initiative to improve public spending performance involving the establishment of a public expenditure analysis unit in MOF or NPC.

Broad Spending on Rural Development -2012/13-2014/15 MTEF					
Sector/OMA	N\$ million				
	2010/11	2011/12	2012/13	2013/14	2014/15
	Actual	Estimate	Estimate	Estimate	Estimate
<b>Social Sectors</b>	<b>4,465</b>	<b>5,907</b>	<b>6,640</b>	<b>6,422</b>	<b>6,022</b>
Education	2,608	2,984	3,515	3,657	3,614
Gender Equality and Child Welfare	218	252	259	289	282
Health and Social Services	782	1,246	1,452	1,241	1,294
Labour and Social Welfare	585	609	685	710	492
Youth, National Service, Sport and Culture	138	140	138	146	152
Veterans Affairs	135	676	592	380	189
<i>Sector Group as % of Total Op. and Dev. Budget</i>	16.8%	16.5%	17.6%	16.8%	16.5%
<i>Sector Group % of Total RD Slice Expenditure</i>	65.8%	59.4%	67.9%	65.2%	64.3%
<b>Economic Sectors</b>	<b>1,201</b>	<b>1,822</b>	<b>1,559</b>	<b>1,389</b>	<b>1,542</b>
Mines and Energy	49	71	47	39	46
Environment and Tourism	118	222	210	213	200
Trade and Industry	0	0	0	0	0
Agriculture, Water and Forestry (excl RWS)	874	1,338	1,076	941	1,097
Fisheries and Marine Resources	59	60	53	55	40
Lands and Resettlement	100	132	173	141	159
<i>Sector Group as % of Total Op. and Dev. Budget</i>	4.5%	5.1%	4.1%	3.6%	4.2%
<i>Sector Group % of Total RD Slice Expenditure</i>	17.7%	18.3%	15.9%	14.1%	16.5%
<b>Infrastructure Sectors</b>	<b>641</b>	<b>1,487</b>	<b>1,166</b>	<b>1,591</b>	<b>1,326</b>
Agriculture, Water and Forestry (RWS only)	282	726	606	1,000	902
Transport	359	761	560	592	424
Information and Communications Tech.	0	0	0	0	0
<b>Sub Total</b>	<b>1,688</b>	<b>3,491</b>	<b>3,406</b>	<b>3,513</b>	<b>3,241</b>
	<b>641</b>	<b>1,487</b>	<b>1,166</b>	<b>1,591</b>	<b>1,326</b>
<b>% of Total Op. and Dev. Budget</b>	<b>6.4%</b>	<b>9.7%</b>	<b>9.0%</b>	<b>9.2%</b>	<b>8.9%</b>
<i>Sector Group as % of Total Op. and Dev. Budget</i>	2.4%	4.1%	3.1%	4.2%	3.6%
<i>Sector Group % of Total RD Slice Expenditure</i>	9.5%	15.0%	11.9%	16.1%	14.2%
<b>Administration Sectors</b>	<b>475</b>	<b>727</b>	<b>420</b>	<b>452</b>	<b>474</b>
Prime Minister	2	14	15	15	12
Reg. and Local Govt. Housing and Rural Dev.	473	713	405	437	463
<i>Sector Group as % of Total Op. and Dev. Budget</i>	1.8%	2.0%	1.1%	1.2%	1.3%
<i>Sector Group % of Total RD Slice Expenditure</i>	7.0%	7.3%	4.3%	4.6%	5.1%
<b>All RD Ministries</b>	<b>6,782</b>	<b>9,943</b>	<b>9,785</b>	<b>9,854</b>	<b>9,364</b>
<b>% of Total Op. and Dev. Budget</b>	<b>25.5%</b>	<b>27.7%</b>	<b>25.9%</b>	<b>25.7%</b>	<b>25.7%</b>
Memorandum Item					
Total Operational and Development Expenditure	26,550	35,871	37,761	38,318	36,405
Source: Data for total ministry spending from 2012-15 Estimates of Revenue and Expenditure. List of RD slice by main division and share of expenditure attributed to rural development shown in Support Document C Attachment II.					

## 6.2 Budget for interventions identified in the NRDS

The total cost of the initiatives and interventions identified under each of the four dimension of the National Rural Development Strategy over the period 2012/13 to 2016/17 are estimated at N\$ 1.5 billion with over N\$ 100 million coming from loans from DBN or other finance institutions. The annual funding requirements, broken down between each of the main dimensions, components and sub-components are shown in the table below:

The table below provides an indicative costing of the different components. A full costing should be made as part of the O/M/A budget process for 2013/14.

Total Expenditure on NRDS Initiatives by Dimension, Component and Sub-Component						
Dimension/Component/Sub-Component		N\$ million (to one decimal place)				
		2013/14	2014/15	2015/16	2016/17	2017/18
<b>C. Coordination and Institutional Capacities</b>		<b>20.1</b>	<b>33.1</b>	<b>23.4</b>	<b>23.3</b>	<b>22.7</b>
<b>C1.</b>	<b>Effective RD Policy and Strategy Coordination and Management</b>	<b>6.7</b>	<b>9.9</b>	<b>3.6</b>	<b>4.2</b>	<b>3.9</b>
	<i>C1.1 RD Legislation, Coordination and Management</i>	2.0	1.7	0.7	0.4	0.4
	<i>C1.2 Harmonized and More RD Relevant Sector Policies and Regulations</i>	3.1	2.5	0.8	0.8	0.8
	<i>C1.3 Strategic Basis for Expenditure Planning in the RD Sectors</i>	0.5	2.6	1.9	1.9	1.9
	<i>C1.4 Evidence Based Planning, Management and M&amp;E of RD Trends and Strategy Implementation</i>	1.1	3.1	0.3	1.2	0.8
<b>C2.</b>	<b>Effective Planning, Coordination and Implementation of RD Initiatives at Regional Level</b>	<b>11.0</b>	<b>13.2</b>	<b>9.8</b>	<b>9.1</b>	<b>8.9</b>
	<i>C2.1 Improved Regional Council Coordination and Management Systems</i>	4.1		0.2		
	<i>C2.2 Improved Regional Planning, Data Management and M&amp;E Systems</i>	2.1	2.7	0.5	0.2	0.2
	<i>C2.3 Strengthened PFM Framework for Fiscal Decentralisation</i>	4.8	10.6	9.2	8.9	8.7
<b>C3.</b>	<b>Improved Communication Related to Healthy Lifestyles and Social and Economic Services and Support Opportunities</b>	<b>2.4</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>	<b>10.0</b>
<b>E. Rural Economic Development</b>		<b>31.7</b>	<b>83.8</b>	<b>100.1</b>	<b>115.9</b>	<b>111.5</b>
<b>E1.</b>	<b>Improved Business and Investment Climate in Regions</b>	<b>1.6</b>	<b>12.3</b>	<b>20.5</b>	<b>30.4</b>	<b>30.4</b>
	<i>E1.1 Improved Regional and Local Public-Private Dialogue</i>		3.1	3.7	3.7	3.7
	<i>E1.2 Regional Local Economic Development Agencies (LEDAs)</i>	0.3	7.5	14.7	23.7	23.7
	<i>E1.3 Improved Private Sector Capacity for Dialogue and Information on Regional Business Environment</i>	1.3	1.7	2.1	3.0	3.0
<b>E2.</b>	<b>Rural Finance and Value Chain Development - Namibia Rural Enterprise Facility</b>	<b>27.2</b>	<b>19.3</b>	<b>17.3</b>	<b>13.2</b>	<b>9.1</b>
<b>E3.</b>	<b>Improved Land Tenure and Rural Land Management</b>	<b>1.7</b>	<b>2.3</b>	<b>2.3</b>	<b>2.3</b>	<b>2.0</b>
<b>E4.</b>	<b>Farming as a Business - Improved Farm and Rangeland Management in Communal Areas</b>	<b>1.2</b>	<b>50.0</b>	<b>60.0</b>	<b>70.0</b>	<b>70.0</b>
<b>S. Social and Employment</b>		<b>45.9</b>	<b>119.1</b>	<b>163.4</b>	<b>189.6</b>	<b>234.1</b>
<b>S1.</b>	<b>Functional Literacy and Basic Technical Skills of the Rural Unemployed Enhanced</b>	<b>32.2</b>	<b>89.8</b>	<b>78.3</b>	<b>61.1</b>	<b>60.8</b>
<b>S2.</b>	<b>Empowerment of Marginalised and Vulnerable Rural Populations</b>	<b>0.9</b>	<b>4.2</b>	<b>10.0</b>	<b>15.8</b>	<b>23.2</b>
<b>S3.</b>	<b>Reduced Unemployment Through Short-Term Rural Employment Opportunities</b>	<b>12.9</b>	<b>25.1</b>	<b>75.1</b>	<b>112.8</b>	<b>150.1</b>
<b>PC. Spatial Planning, Environment and Climate Change</b>		<b>10.2</b>	<b>44.5</b>	<b>48.6</b>	<b>58.7</b>	<b>48.2</b>
<b>PC1.</b>	<b>Integrated and Pro-Active Spatial Plans Developed in Regions and Management of Settlement/Growth Points Improved</b>	<b>1.5</b>	<b>30.1</b>	<b>33.8</b>	<b>44.3</b>	<b>40.3</b>
	<i>PC1.1 Integrated and Pro-Active Spatial Plans Developed and Regional Capacities Strengthened</i>	1.0	8.5	12.2	12.2	8.2
	<i>PC1.2 Improved Growth Point/Settlement Management</i>	0.5	21.6	21.6	32.1	32.1
<b>PC2.</b>	<b>Best Practice in Climate Adaptation and Risk Management</b>	<b>8.6</b>	<b>14.5</b>	<b>14.8</b>	<b>14.5</b>	<b>7.9</b>
	<i>PC2.1 Regional Climate Change and Vulnerability Assessment and Disaster Risk Planning and Capacity Building in RCs</i>	3.6	4.3	4.8	4.3	3.8
	<i>PC2.2 Pilot Climate and Disaster Risk Management Methodologies</i>	5.0	10.2	10.0	10.2	4.1
<b>Total Expenditure on NRDS Initiatives</b>		<b>107.9</b>	<b>280.6</b>	<b>335.5</b>	<b>387.5</b>	<b>416.4</b>

### 6.3 Financing modalities for identified key strategic programmes

The table below shows the planned spending on NRDS targeted interventions broken down by the major destination of spending (O/M/A programme expenditures, regional council spending and cash and in-kind benefits). It emphasises the focus on implementation through regional councils which

are projected to handle around 26 per cent of planned spending on the NRDS targeted interventions. The cash benefits refer to the short term employment creation which, also to a high degree, will go through regional councils.

Expenditure by Destination							
		N\$ million (to one decimal place)					
		2013/14	2014/15	2015/16	2016/17	2017/18	Total
	Central Government Programme Expenditures #	41.6	152.5	155.3	145.3	129.3	624.0
	Grants to Regional Councils	31.3	81.5	82.8	96.7	103.3	395.5
	Subsidies						0.0
	Cash Benefits	12.5	25.0	75.0	112.5	150.0	375.0
	Credit to the Private Sector	22.6	21.6	22.3	33.1	33.8	133.3
	<b>Total Expenditure</b>	<b>107.9</b>	<b>280.6</b>	<b>335.5</b>	<b>387.5</b>	<b>416.4</b>	<b>1 527.9</b>
# Excludes (i) transfers to RCs; (ii) cash and in-kind benefit programmes and funding of credit programmes.							

A key financing modality will be the use of special purpose grants to regional councils. These grants will be additional to the general purpose and sector grants that are the major source of funding for regional councils. The special purpose grants will be linked to specific interventions with funding provided for a limited period. Some interventions will be piloted in a small number of regions before being extended across all regions. The conditions applying to each special purpose fund will be determined when the detailed funding proposal for the intervention is developed.

The NRDS also provides for funding facilities through which NSAs will be able to access funding to implement initiatives aimed at supporting rural enterprise development on a competitive basis. The specific arrangements applying to these funds will be determined during preparation of the detailed proposal for the particular intervention.

Finally the NRDP stresses the need to mobilize additional resources for financing of the strategy from local and external sources to address rural development challenges. Once the Rural Development Strategies and Programmes are in place, Development Partners and other Stakeholders will then be expected to invest in the Rural Development Programmes identified and sector budget support will be the preferred modality for channelling funding to the Rural Development Sector. In addition, as specified in the NRDP, individual citizens under full employment are expected to make financial contributions towards the Rural Development Intervention Fund. Specific amounts shall be defined in terms of low income and high income earners. The Ministry responsible for Rural Development Coordination shall establish a Trade Account for the management, control and allocation of rural development funds. The specific modalities for operating of this fund will be developed by the appropriate authorities

## 7 M&E SYSTEMS

Effective performance monitoring is a crucial and integrated part of the NRDS. Rural development is a crosscutting issue involving numerous sectors. The system will build on the Performance Management System (PMS) system being constructed for NDP4 with adaptations to accommodate the complexity of the RDRS. The components of the system will be:

### *Planning practices:*

The Strategy will contain elements where sector planning processes are strengthened through capacity building across key stakeholders in improving use of baseline data and statistics, use of in depth situation analysis and of ex-post evaluations of past programs. Furthermore use will be made of Poverty and Socio-Economic Impact assessment (PSIA) methodology, which can help assess whether sector policies are rural development relevant to an adequate degree.

### *Monitoring functions:*

For the overall monitoring of key Rural Development trends in the social, economic and planning and climate change dimension a set of key-indicators have been chosen in line with the MDGs and indicators used for NDP4 to assess development in Namibia's rural areas. The indicators are included as annex II to this strategy.

Monitoring of Rural Development related sector strategies will be done by working with sector ministries to try to secure that their sector monitoring systems and statistics are rural/urban sensitive and include reporting on RD relevant data in sector progress reports.

The monitoring of the specific NRDS components which is the core of the monitoring system for the NRDS includes semi-annual/annual monitoring (as appropriate) of the key outcome indicators included in the Strategy Matrix (annex IV to this strategy) on a component and subcomponent basis.

### *Evaluations:*

Due to the delay in improvement of livelihoods in rural areas and to indications that some sector policies do not have the expected impact on the rural poor, it is proposed that the NRDS evaluation program include ex post evaluations of some key sector programmes as e.g. the agricultural program, the resettlement program and the functioning of the existing social safety nets. The result of these evaluations would ideally feed into the sector programs to be updated and aligned to the NDP4 over the coming years. Where the evaluation is more related to relevance, efficiency, effectiveness, impact and sustainability of policies, it is foreseen to use standard ex-post forward looking evaluation methodologies. However where the issues are more a question of the relevance of spending in the given sector, e.g. in agriculture, it is proposed to use Public Expenditure Review methodologies.

As part of the management of the NRDS the specific NRDS components will be reviewed on an annual basis, or have an on-going evaluation system. For S1 and S2 it is proposed to establish an on-going M&E systems, which not only monitor output indicators on a current basis, but also monitor beneficiaries to give early feedbacks on the impact of the program on their social and economic situation. For the annual it is proposed to use a methodology for rapid standardised reviews of

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Relevance, Efficiency, Effectiveness, Impact and Sustainability based on an adapted and simplified version of the 'Result Oriented Monitoring' (ROM) approach<sup>6</sup>.

It is proposed to undertake in depth evaluations of the service oriented dimensions of the program in year 4, i.e. there will be 3 separate independent evaluations of the components in the social dimension, the economic dimension, and the planning and climate change dimensions. In the fifth year it is planned to undertake an evaluation of the coordination dimensions and of the Strategy as a whole. This will feed into the formulation of the next Strategy from 2018.

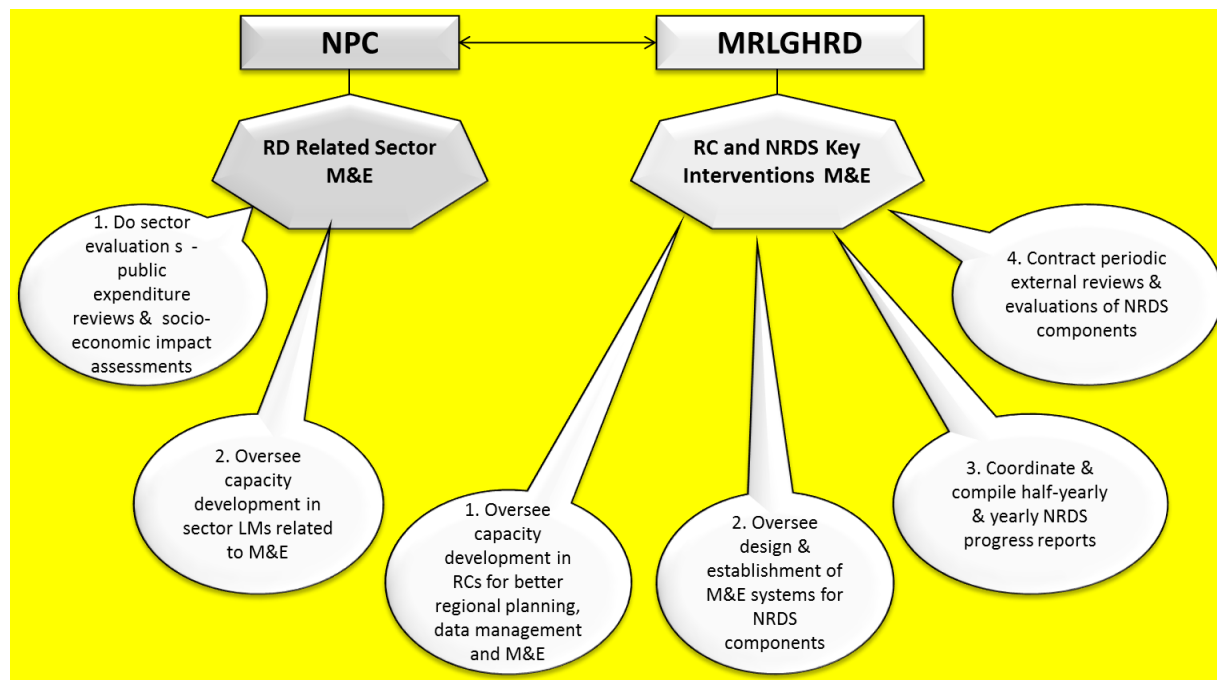
#### *Reporting procedures:*

The main monitoring report for the NRDS will be the Annual Progress Report produced by DRDC for the RD Focal Person Forum and for the annual Rural Development Conference based on annual reports from the different components and on a follow up of the RD impact indicators. Where in depth evaluations have been conducted, their results will be reflected in the annual reports. There will also be half yearly progress reports from component managers to the DRDC. DRDC will on that basis produce summary semi-annual reports which will be in a briefer format than the annual report.

NSAs who implement important RD relevant projects financed from non-government resources, and development partners who provide off budget support to RD, will provide brief annual reporting to the DRDC with a view to get a full overview of RD support activities.

#### *Institutional responsibilities and capacity development:*

Both NPCs M&E department and DRDC will be involved in design and coordination of the NRDS M&E systems at the National level. The division of responsibilities is as shown in the figure below in accordance with the broader mandates of the two institutions:



<sup>6</sup> The ROM-methodology was developed for EuropeAid. It has been modified for the purpose of this RD-Strategy.



The responsibility at implementation level for performance assessment of the specific NRDS components and sub components will be undertaken by M&E focal points located either at central LM level or in autonomous bodies following the program structure shown in the implementation figure above.

RCs and de-concentrated LM departments in regions will have the function to collect implementation data at field level and report to the component M&E focal points.

Line Ministries continue to do M&E for their own policies, programmes and initiatives. However, M&E related to rural development initiatives and issues should secure data and reports which are rural/urban-sensitive. The MoF should in the future conduct public expenditure reviews of sector policies linked to the National Rural Development Strategy to allow “value for money” and RD relevance assessments. Such public expenditure reviews should play an important role in the Strategy Management Circle when seeking approval (and funding) for new strategies and programmes.

Capacity building will be broad and include: *planning and policy development, logical framework approach, statistics, monitoring, evaluation, quality control, research, etc.* Capacity development will be provided as diploma courses in M&E for up to 60 staff from DRDC, LMs and RCs and as ad hoc technical assistance.

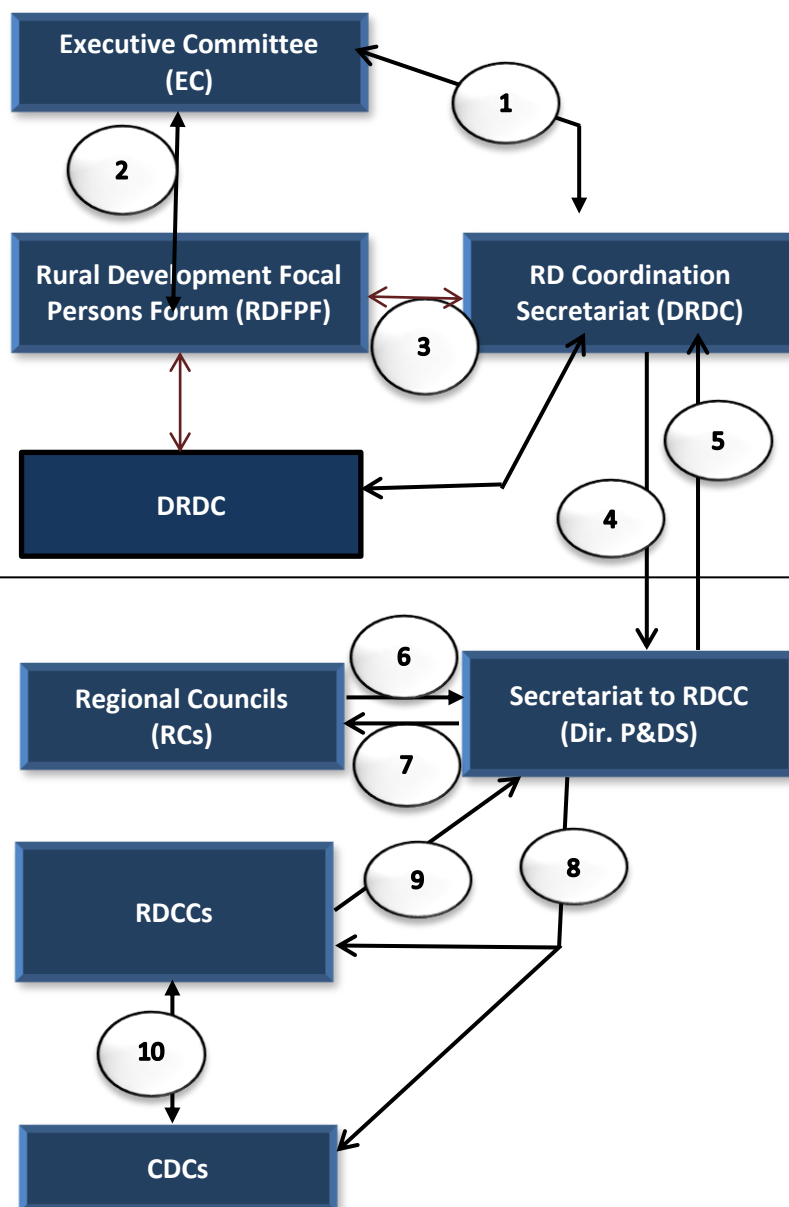
#### *Electronic Data-Bases and IT-Environment:*

The recently launched ‘National Integrated Monitoring, Reporting & Evaluation System’ (NIMRES) based in the NPCS is the data-pool and hub for data-exchange related to NDP4 and related sector strategies. The MRLGHRD is further in the process of developing a computerised Monitoring system linked to RCs that will cover monitoring of relevant Rural Development Programmes supported by MRLGHRD.

As the number of indicators for each component of the strategy is limited and reporting to DRDC and the Focal Person Forum half yearly, most monitoring will be internal in the institutions and covered by the LM systems including MRLGHRDs system with no need for large data infrastructure for the central monitoring and reporting process.

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## Annex 1 Interaction between the institutions in the coordination structure



### Executive Committee:

1.
  - A) Receives secretariat assistance and biannual and annual progress reports, annual work plan, strategic inputs and requests for conflict resolution from the RD Secretariat
  - B) Identifies cross-sectoral synergies and areas of collaboration and instructs RD Secretariat accordingly
  - C) Approves TORs for TWGs and directs the RD Secretariat accordingly
2. Receives technical advice and strategic inputs from RDFPF and provides backing to the work of the RDFPF

### Rural Development Focal Persons Forum:

3. Receives secretariat assistance and biannual and annual progress reports, annual work plan and strategic inputs from the RD Secretariat and provides advice and technical inputs to the RDCC
4. Submits regular progress and outcome reports to the RDCC

### Secretariat to RDCC (Directorate Planning & Development Services):

4. Receives region-specific planning and budget information and any other important information from the RD Secretariat
5. Submits biannual progress reports and annual work plans to the RD Secretariat
6. Receives planning & budget information and information about decisions taken from the RC for sharing with the RDCC

### Regional Councils:

7. Receives minutes and planning inputs from the RDCC for decision making

### RDCC/CDC:

8. Receives planning information and secretariat services from the RDCC Secretariat
9. Provides planning and prioritisation input to RDCC secretariat
10. Receives plans, priorities, project proposals and recommendations from the CDCs and communicates result of RDCC prioritisation process to the CDC

Annex II Proposed Key National Rural Development indicators to trace overall impact of national rural development support, incl. NRDS					
Theme	Specific Indicator	Source	Proposed frequency (years)	who does it currently; how frequent	Value of Baseline <sup>7</sup>
<b>Poverty &amp; Income</b>					
1. Poverty	<ul style="list-style-type: none"> <li>% of households below Namibian poverty line in RA,</li> <li>% of the households in extreme poverty in RAs</li> </ul>	NSA, Ministry of Labour & Social Services	5	Every 5 years in NHIES <sup>8</sup> (NSA)	31.2% 3.3%
2. Hunger	<ul style="list-style-type: none"> <li>Prevalence of Stunting (Height for-age) under 5 in rural areas</li> <li>Prevalence of Wasting (Weight-for-height) under 5 in rural areas</li> </ul>	Ministry of Health, NSA	2	Every 2 years (MoHSS)	31% 8%
3. Employment	<ul style="list-style-type: none"> <li>Rural unemployment rates (broad) (%)</li> <li>Rural people who take active steps to find employment, but fail to do so (strict) (%)</li> </ul>	NSA, Ministry of Labour & Social Services	2	MoLSS: every 2 years, NSA: 5 years (NHIES)	64.9 46.6%
<b>Education</b>					
4. Literacy rate in rural areas <sup>9</sup>	<ul style="list-style-type: none"> <li>Literacy rate, adult total (% of people ages 15 and above)</li> <li>Youth literacy rate (%)</li> </ul>	Ministry of Education	1	MoE (yearly)	82.1% 93%

<sup>7</sup> In some cases these data are not split on rural/urban in the official published statistics. NPC and DRDC would need to work with the relevant statistics producers to have them split the data on urban/rural. Some of the indicators giving rural data are calculated by the team (details in relevant background documents produced by the team).

<sup>8</sup> National Household Income and Expenditure Survey, done by NSA every 5 years

<sup>9</sup> The baseline data provided are not split on rural/urban.

5. Improved education efficiency <sup>10</sup>	<ul style="list-style-type: none"> <li>Net enrolment ratio in RA</li> <li>Proportion of pupils starting grade 1 who reach last grade of primary (grade7)</li> <li>Survival rate grade 8 (%)</li> </ul>	Ministry of Education	1	MoE (yearly)	92.3% 85.5%  81,3%
6. Vocational Education and Training	<ul style="list-style-type: none"> <li>VET graduates (% of high school graduates)</li> </ul>	Ministry of Education	1	Not collected <sup>11</sup>	
<b>Health</b>					
7. Child mortality	<ul style="list-style-type: none"> <li>Rural Under-five mortality rate</li> <li>Rural Infant mortality rate</li> </ul>	NSA, Ministry of Health	1	NSA (5 years NHIES) (MoHSS, yearly)	76 per thousand 52 per thousand
8. Maternal Health	<ul style="list-style-type: none"> <li>Maternal mortality rate<sup>12</sup></li> <li>Birth attendance by trained health personnel (%) in rural areas</li> </ul>	Ministry of Health, NSA	2	MoHSS (every 2 years)	449 per 100.000  73%
9. HIV infections	HIV prevalence rate in RA	NSA, Ministry of Health, NGOs	1	MoHSS: (Quarterly)	19.1%
10. Access to ARVs	% of people infected with access to ARVs in RAs	NSA, Ministry of Health, NGOs	1	MoHSS: Quarterly	Adults 88%, Children 91%
<b>Infrastructure</b>					
11. Access to Electricity	% of Rural Households connected to electricity	NSA, Ministry of Mines & Energy	5	NSA (5 years in NHIES)	14,3%
12. Access to Internet	Internet users (per 100 rural people)	NSA	5	NSA (5 years in NHIES)	NPC/DRDC to work with NSA to produce these data

<sup>10</sup> Baseline data not split on rural/urban

<sup>11</sup> The NRDS will request the MOE to calculate his indicator annual. At present the indicator would seem to be below 5% compared to > in industrialized countries.

<sup>12</sup> Not split on urban/rural.

13. Access to communication facilities	% of Rural Households with (access to) cell-phones	NSA, Ministry of Information & Communication Technology, Telecommunication Companies	5	NSA (5 years in NHIES)	81.9%
14. Access to Drinking Water	% of Rural Population with access to safe/portable water	NSA, Ministry of Agriculture, Water & Forestry	5	NSA (5years in NHIES)	88%
15. Access to improved sanitation	% of the rural population with access to improved sanitation facilities.	Ministry of Agriculture, Water & Forestry/ NPC	2	MAWF (Yearly)	21.7%
<b>Gender</b>					
16. Gender equality <sup>13</sup>	• Ratios of girls to boys in primary, general secondary education	Ministry of Education	1	MoE: (yearly)	104%
	• Share of women in wage employment in the non-agricultural/agricultural sector	NSA, Ministry of Labour & Social Services	2	MoLSS: every 2 years, NSA: 5 years (NHIES)	52%
<b>Security</b>					
17. Crime statistics	<ul style="list-style-type: none"> <li>Violent offenses (Numbers in rural areas per year per 100,000 rural population)</li> <li>Property-related offenses (Numbers in rural areas per year per 100,000 rural population)</li> </ul>	Ministry of Safety and Security	1	MSS (yearly) <sup>14</sup>	NPC/DRDC to work with NSA and sector authorities to produce these data
<b>Economic</b>					
18. Agricultural productivity	<ul style="list-style-type: none"> <li>Agriculture, value added (% of GDP)</li> <li>Productivity of mahango in</li> </ul>	Ministry of Agriculture, Water & Forestry/ NPC	1	MAWF (yearly)	7,1%  NPC/DRDC to work with NSA and

<sup>13</sup> The baseline data provided are not split on rural/urban

<sup>14</sup> Not published at present. NRDS to promote the calculation and publishing of these data

	communal areas(kg/ha)				MAWF to produce these data
	<ul style="list-style-type: none"> <li>Annual Livestock production value index - communal and commercial areas</li> </ul>				
19. Non Agricultural production	<ul style="list-style-type: none"> <li>No. of Operational rural Enterprises</li> <li>Annual production increase in rural SME sample</li> <li>Annual employment increase in rural SME sample</li> <li>Annual Increase in profits in rural SME sample</li> </ul>	Ministry of Trade & Industry	5	MTI in 10 years (census) and occasionally	NPC/DRDC to work with NSA and MTI to produce these data
Other					
<ul style="list-style-type: none"> <li>Environmental sustainability</li> </ul>	Areas under sustainable natural resource management	NACSO	Annually	NACSO	39.7%

## Annex III Overview over NRDS dimensions, components and sub-components and responsible lead agencies and policy and implementation partners

	Lead/Co-ordinating Agency	Policy/Technical Partners	Implementation Partners
C: Coordination and capacity building			
C1. Effective RD policy and strategy coordination and management			
C1.1. RD Legislation, Coordination and Management	MRLGHRD	OPM, NPC, Cabinet Secretary	
C1.2. Harmonised and more RD relevant Sector Policies and Regulations	NPC	OPM/MRLGHRD	RD related LMs
C1.3. Strategic Basis for Expenditure Planning in the RD sectors	MOF	NPC/MRLGHRD/RD related LMs	
C1.4. Evidence Based Planning and Monitoring and Evaluation of RD trends and of strategy implementation	NPC	OPM/MRLGHRD	RD related LM’s M&E units
C2. Effective planning, coordination and implementation of RD initiatives at regional level			
C2.1. Improved Regional Council Coordination and Management Systems	MRLDHRD	OPM	RCs
C2.2. Improved regional planning, data management and M&E systems	MRLGHRD	NPC/MLR	
C2.3. Strengthened public finance management framework for fiscal decentralization	MRLGHRD	MOF/QAG/NPC	
C3. Improve communication related to life skills and social and economic service and support opportunities			
C3.1. Regional level public information services and campaigns	MICT	DRDC, LMs	RCs



<b>E. Economic development</b>			
<b>E1. Improved business and investment climate in regions</b>			
E1.1. Improved regional and local public-private dialogue	MRLGHRD	MTI/MAWF/MET/NFU/NNFU/NCCI	RCs/Governors
E1.2. Regional local and economic development agencies (LEDAs)		MTI/MAWF/MET/NFU/NNFU/NCCI	
E1.3 Improved private sector capacity for dialogue and information and data on regional business environment.	NCCI(MTI)	NFA/NNFU/NMA	NCCI
<b>E2. Rural finance and value chain development</b>			
E2.1. Namibia Rural Enterprise Facility	DFI (MOF)	MTI/MAWF/MET/MME/NCCI/NFA/NNFU	Private enterprises /NGOs/Finance inst.
<b>E3. Improved land tenure and Rural Land Management</b>			
E3.1. Improved land tenure and rural land management	MLR	DRDC/MRLGHRD/MET	RCs
<b>E4. Farming as a Business – Improved farm and rangeland management in Communal areas</b>			
E4.1. Farming as a Business – Improved farm and rangeland management in Communal areas	MAWF		NFU/NNFU?NAB/Meatboard/AGRA
<b>S. Social development and employment development</b>			
<b>S1: Functional literacy and basic technical skills of the rural unemployed enhanced</b>			
SD1.1 Functional literacy and basic technical skills of the unemployed enhanced	MoE Directorate Adult Education	MYNSSC/MGECW/NTA/COSDEC/DRDC	RCs/NGOs
<b>S2. Empowerment of marginalised and vulnerable rural populations</b>			
S2.1. Empowering marginalised and vulnerable rural populations	MGECW-Com. Dev.	MYNSSC/DRCS/OPM	RCs/NGOs
<b>S3. Reduced unemployment through short-term rural employment opportunities<sup>15</sup></b>			
S.3.1 Implementation of labour intensive rural roads programme	Roads Authority	MRLGHRD/RCs	RCs/NGOs
S.3.2 RC Implementation of labour-intensive projects, including various infrastructure projects in settlement areas, sanitation and housing projects	MRLGHRD	MET/MAWF/MOLSW/Road Fund	RC/NGOs

<sup>15</sup> NPC will be the overall coordinator

S3.3 Implementation of labour intensive in the field of forestry, sanitation and agriculture	MAWF	MET/MAWF/MOLSW/MRLGHRD/Road Fund	RCs/NFU/NGOs
S3.4 Implementation of environment and tourism related labour intensive works	MET	MET/MAWF/MOLSW/MRLGHRD/Road Fund	RCs/NGOs
<b>PC. Spatial planning, environment and climate change</b>			
<b>PC1. Integrated and pro-active spatial plans developed in regions and planning and management of settlements/growth points improved</b>			
PC1.1 Integrated pro-active spatial plans developed and regional capacities strengthened	MRLGHRD&MLR	MET/OPM	RCs
PC1.2. Improved growth point/settlement management	MRLGHRD	DBN	RCs
<b>PC2. Best practice in climate adaption and disaster risk management</b>			
PC2.1 Regional climate change and vulnerability assessment and disaster risk planning and capacity building in RCs	OPM	MET/MRLGHRD	RCs
PC2.2 Pilot climate and disaster risk management methodologies			RCs/NSAs

## Annex IV NRDS Strategy Matrix

## Dimension C: Coordination &amp; Capacity

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
<b>C1. EFFECTIVE RD AND STRATEGY COORDINATION AND MANAGEMENT</b>  The necessary RD related legislation, policies and procedures evaluated and amended or established as appropriate and coordination mechanism and capacities for	a) Degree [%] to which improvement & harmonisation of legislation are implemented according to plan, incl. RDCC & CDC	NA	Establish plan	100%	100%	100%	100%	<b>C1.1 RD LEGISLATION, COORDINATION AND MANAGEMENT:</b>	5100	MRLGHRD/DRDC
	b) % of CDP initiatives for the year implemented for DRDC & LMs	NA	90%	90%	90%	90%	90%	<b>C1.1.1 Improve &amp; harmonise rural development legislation &amp; regulations:</b> Investigate the possibility and need for developing a Rural Development Act and Regulations and legal framework for RDCCs and CDCs, clarify questions in respect of mandate, budget provisions, responsibilities, relationship between the governor & the committees and between the RCs & committees	1500	
	c) Extent that new institutional structures for RD Coordination created & operational, based on annual	NA	ToRs for Secret. function and committees approved	RD Secretariat operating as per mandate	Good <sup>16</sup> Perf.	Good Perf.	Good Perf.	<b>C1.1.2 Develop a RD coordination mechanism,</b> incl. Executive committee, Cross-sectorial and Multi-stakeholder Focal Persons Forum, central Rural Development Coordination Secretariat function, and the Annual Conference	300	
								<b>C1.1.3 Build Capacity in DRDC for Coordination Secretariat Role,</b> based on a Capacity Development Plan for DRDC; the RD Coordination Secretariat function calls for substantial capacity development and strengthening of certain competencies in DRDC to enable current staff to perform new, highly technical and sophisticated secretariat functions	2500	

<sup>16</sup> For measuring performance the following grading is used: excellent for above 75% performance related to tasks, Good for above 50 up to 75%; Problematic for above 25% up to 50% and not performing for up to 25% performance.

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
effective coordination and management of the RD process created and functional	surveys**							<b>C1.1.4 Conduct change management training</b> to LMs, RCs, LAs and the DRDC concerning attitudinal/cultural challenges regarding information sharing and collaboration [training details in the CDP]	900	
								<b>C1.2 HARMONISED AND MORE RD RELEVANT SECTOR POLICIES, RULES AND REGULATIONS:</b>	8000	
	d) % overlaps in Rural Service delivery by O/M/As eliminated	TBD	Establish no of overlaps	20%	60%	80%	90%	<b>C1.2.1 Review, improve &amp; harmonises sector policies related to RD</b> Evaluate selected key sector strategies, develop an inventory of overlaps & gaps in sector policies and develop a harmonization and improvement plan for RD related sector rules and regulations, incl. land expropriation legislation, land tenure rules in settlements, rules for registration of rural businesses with MTI and rules of decision on Pensions to OVIs and others	7600	NPC
								<b>C.1.2.2 Build capacity in line ministries:</b> Conduct sensitisation and awareness programme for LMs to familiarise LM staff with the contents of the RD Policy, Strategy, PFM framework, M&E system, CDP & CM	400	DRDC
								<b>C1.3 STRATEGIC BASIS FOR EXPENDITURE PLANNING IN THE RD SECTORS:</b>	8700	
	e) Number of new public sector expenditure reviews performed	NA	2	3	3	3	3	<b>C.1.3.1 Strengthen and create a more Strategic MTEF Process</b> Strengthen the MTEF process to facilitate a more policy-led approach to planning; review the preparation of medium-term (expenditure) plans by LMs, revise the budget calendar & prepare changes to published budget documents	600	MoF
								<b>C.1.3.2 Establish a Public Expenditure Analysis Unit</b> Establish the unit in either MOF or NPC with initially three economist/budget analyst with its initial work to define its functions and establish working programmes and to become engaged in carrying out wider public expenditure studies of major sector and cross-cutting programmes	7400	
								<b>C.1.3.3 Roll out of programme based budgeting.</b> Implement programme based budgeting (PBB) with its potential for	700	

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
								supporting a more strategic policy-led approach to budget planning, based on clear criteria for the definition of budget programmes and an effective gatekeeper function for the evaluation of programme specification proposed by O/M/As		
								<b>C1.4 Evidence Based Planning and M&amp;E of RD trends and of strategy implementation:</b>	6500	
	f) % compliance to M&E plan for reporting	No System	Develop system & plan	70%	80%	90%	100%	<b>C.1.4.1. Implement and operationalize a central M&amp;E System for RD</b> Develop and implement an integrated planning, M&E methodology & system for improved coordination of M&E and communication amongst DRDC, RCs & LMs. Create an Information Hub, based on the NPC systems	600	NPC /DRDC
	g) M&E performance in LMs, according to plan	NA	Build capacity & develop M&E Plan	Build capacity & develop M&E Plan	Good	Good	Good	<b>C1.4.2 Annual result oriented monitoring &amp; NRDS Evaluations</b> Use a system for rapid assessment of relevance, efficiency, effectiveness, impact and sustainability. Undertake external evaluations for year 4 to inform the design of a successor strategy (NRDS2)	2100	
								<b>C1.4.3 Strengthen the capacity &amp; streamline the Planning, M&amp;E Units in LMs:</b> Improve quality & timeliness of information flow from LMs; streamline procedures, promote informed planning & policy making & use of M&E data in LMs through capacity building. Adapt & use relevant assessment tools.	3900	

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
<b>C2. EFFECTIVE PLANNING, COORDINATION AND IMPLEMENTATION OF RD INITIATIVES AT REGIONAL LEVEL</b>  RD Coordination improved through strengthening of regional planning; coordination and management structures and capacities  Structure are the RCs, RDCCs, CDCs and TWGs	a) % of CDP* initiatives for the year implemented for RCs, RDCCs & CDCs	NA	90%	90%	90%	90%	90%	<b>C2.1. IMPROVED REGIONAL LEVEL COORDINATION AND MANAGEMENT SYSTEMS:</b>	4300	
	b) No of regions performing 'Good' according to compliance to Coordination Manual operational manual, based on annual survey **	NA	5/13	10/13	13/13	13/13	13/13	<b>C2.1.1 Roll out the NRDS Orientation, Coordination and Management Framework:</b> Provide orientation courses and process support to regional staff, local political leaders and other stakeholders	700	MRLGHRD
								<b>C2.1.2 Review and strengthen Regional coordination structures</b> Review of Regional coordination structures inclusive the RDCC and propose new approaches, implement capacity building for all parties. Create a conducive environment for members of RDCCs and CDCs through incentives.	1700	
								<b>C.2.1.2 Change Management:</b> address negative attitudes towards cross-sectorial & RC-LM information sharing and collaboration, incl. sensitisation, teambuilding and networking; offer to regional council staff, de-concentrated line ministries staff, non-state actors and the private sector	2000	
	c) % compliance to CDP in regions on M&E	NA	Establish E&M system & CDP	90%	90%	90%	90%	<b>C2.2 IMPROVED REGIONAL PLANNING, DATA MANAGEMENT AND M&amp;E SYSTEMS:</b>	5600	
	d) Performance rating of M&E in regions	NA	NA	Ave	Good	Good	Good	<b>C 2.2.1 Strengthen RC capacities:</b> This includes a thorough review of existing capacities and system weaknesses related to policy making, planning, statistics and data management, M&E and reporting, definition of tasks and links between the different elements and different RC and central government agencies etc. Following that it includes building capacities in other public agencies at regional level giving input to the process (e.g. line ministry regional staff collecting admin data).	4400	NPC
								<b>C 2.2.2 Streamlining of processes and the CDC-RDCC links to the RCs related to policy making, planning and M&amp;E.</b> This includes reviewing existing processes and relations, designing improves and build capacity of CDCs and RCs	1300	MRLGHRD

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
	e) % compliance to CDP in regions on PFM, based on comprehensive PFM plan related to fiscal decentralisation	NA	Establish PFM system & CDP	90%	90%	90%	90%	<b>C2.3 STRENGTHENED PUBLIC FINANCIAL MANAGEMENT FRAMEWORK FOR FISCAL DECENTRALISATION:</b>	42000	MRLGHRD
								<b>C.2.3.1 Review the legal and regulatory framework</b> Review the legal & regulatory framework for PFM in RCs; decide on whether to introduce a separate RC Public Finance Act; issue a comprehensive set of regulations & updated explanatory guidelines & manuals.	300	
	f) Performance rating of PFM in regions	NA	NA	Ave	Good	Good	Good	<b>C2.3.2 Establish an inter-governmental financing unit in MoF</b> Assess the implications of further decentralising the MoF role in inter-governmental financial management and monitoring of sub-national financial operations and decide whether to establish an inter-governmental finance management unit in MoF with detailed functions and work programme.	2200	
	g) % of regions whose audits are up to date	Audits not up to date	50%	65%	75%	85%	95%	<b>C.2.3.3 Improve inter-governmental arrangements</b> Improve inter-governmental financing arrangements to provide greater predictability and transparency in the allocation of resources to RCs, incl. (i) medium-term ceilings/forecasts for transfers to RCs and (ii) transparent criteria and formula based system for determining recurrent and development grants to RCs	1000	
								<b>C.2.3.4 Upgrade regional financial management systems</b> Plan, design and upgrade computerised financial management systems in RCs to handle the substantially increased level of transactions that will arise from the further decentralisation of core public services functions, considering using the MoF's IFMS platform in RCs.	26400	
								<b>C2.3.5 Strengthen the PFM oversight and support</b> Strengthen the RC PFM oversight and technical support roles of MRLGHRD involving a review and restructuring of these functions and funding for PFM capacity building support in RCs	2000	
								<b>C.2.3.6 Provide RC transparency and accountability support</b> Launch a regional budget transparency and accountability initiative,	6500	



Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
								involving (i) publication of RC budgets, expenditure reports and annual accounts on the RC website, (ii) posting of facility level budgets for individual schools and other community facilities at CDC offices and (iii) the introduction of public consultations on RC budgets		
								<b>C2.3.7 Conduct audits of RCs</b> OAG contract out, where necessary, external audits of RCs to eliminate the current backlog and ensure the timely completion of future audits	3600	

\* Note: indicators for performance enhancement will form part of CDP; CDP will consist of various initiatives, phased with annual activities

\*\* Assumed that structures and procedures be followed to trigger release of development budgets

Note: Targets are based on assumption that performance based (formula based) grant system will be in place; so that funds would only be released when score is above minimum required

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
<b>C3. IMPROVED COMMUNICATION RELATED TO LIFE SKILLS AND SOCIAL AND ECONOMIC SERVICES AND SUPPORT OPPORTUNITIES</b>  Good regional & local communication and knowledge sharing incl. social, economic , business, climate change, ecological and gender issues and opportunities	a) % Compliance to Communication Strategy & Plan, based on annual survey	NA	Establish plan	90%	90%	90%	90%	<b>C3.1 REGIONAL LEVEL PUBLIC INFORMATION SERVICES AND CAMPAIGNS:</b>	42400	
								<b>C3.1.1 Conduct campaign for healthy life styles in rural areas.</b> This include messages against alcohol and drug abuse and against intra family violence, teenage pregnancies etc.	42400	MICT
								<b>C3.1.2 Make available information on public service offers and opportunities</b> in the social and economic fields, and on emergency preparedness and climate change issues.		
								<b>C3.1.3 Explore the possibility for an interactive exchange</b> where consumers can give feedback on their opinion on public service delivery		

## Dimension E: Economic Development

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
<b>E1: IMPROVED BUSINESS &amp; INVESTMENT CLIMATE IN REGIONS</b>  Regions have become vibrant places in which to invest and do business and private sector employment has increased. Regional governments are responding to business concerns.	a) No. of functioning PPD platforms at regional and local levels	0	At least 2 PPD in 2 regions	Y1 + at least 2 PPD in 3 regions	Y2 + at least 2 PPD in 3 regions	Y3 + at least 2 PPD in 3 regions	Y4 + at least 2 PPD in 3 regions	<b>E1.1. IMPROVED REGIONAL AND LOCAL PUBLIC-PRIVATE DIALOGUE:</b>	14200	
								<b>E1.1.1 Establish Regional Investment Forums:</b> Regions will establish an Investment Forum within their region with membership drawn from the region's business community to establish the regional business development vision and plans and monitor their implementation	4600	LEDA with MRLGHRD
								<b>E1.1.2 Public Private Dialogue Platforms (PPDs):</b> LEDA in MRLGHRD will provide technical advice, training and facilitation for the development and operation of various forms of PPD at local and regional levels.	9600	
	b) No of established regional LEDAs	0	2	4	7	10	12*	<b>E1.2 REGIONAL LOCAL ECONOMIC DEVELOPMENT AGENCIES (LEDAs):</b>	69900	
	c) No of NSA projects supported by region-targets to be established (TBE) in year one.		TBD	TBD	TBD	TBD	TBD	<b>E1.2.1 Establishment of regional LEDAs.</b> The national LEDA will support the establishment of small administratively autonomous Regional LEDAs in all the regions which have an interest with a view to support Local Economic Development.	69900	LEDA with MRLGHRD
								<b>E1.2.2 Regional LEDAs will establish programmes and services responding to specific regional economic needs and opportunities:</b> LEDAs can provide an administrative base for the management of national programmes in the regions and also develop programmes and services of their own.		
								<b>E1.2.3 Regional LEDA support to NSA intermediary business service delivery organizations.</b> The NRDS will through this mechanisms support independent service providers in implementing small programmes related to rural business support.		

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
	d) Number of regions covered with a Regional NamBIC <sup>17</sup>	0	0	70%	80%	90%	100%	<b>E1.3 IMPROVED INFORMATION AND DATA ON REGIONAL BUSINESS ENVIRONMENT:</b>	11100	
	e) Development in Consolidated Business investment climate indicator		Develop consolidated indicator	TBE	TBE	TBE	TBE	<b>E1.3.1 Regional Business Investment Climate Survey.</b> NCCI will be supported in testing producing separate regional reports and a consolidated report providing a comparative analysis across all regions providing a basis for identifying and addressing key factors that constrain business development. On this basis a programme of regular assessments will be designed.	2200	NCCI
								<b>E1.3.2 Business Advocacy support mechanism</b> A funding mechanism will be established with the NCCI to support the private sector to collect and present information that can be used to promote the case for reform of the business environment at national, regional or local levels	8900	NCCI

- Khomas will be covered from National LEDA

<sup>17</sup> When a composite indicator and the baseline has been established in the first year, this indicator and related targets should be included in the matrix.

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
<b>E2. RURAL FINANCE AND VALUE CHAIN DEVELOPMENT</b>  Rural economic activities increase through entrepreneurial, market-oriented farming and improved productivity in small, medium and micro-enterprises.	a) N° of grants in Facility: No of grants: N° private sector clients Amount of grants in Facility [N\$]	NA	Establish Facility and targets	TBD	TBD	TBD	TBD	<b>E2. 1. NAMIBIAN RURAL ENTERPRISE FACILITY:</b>	<b>86100</b>	
	b) N° of value chains developed	NA	0	TBD	TBD	TBD	TBD	<b>E2.1.1 Design and establish the NREF</b> , incl. governance, management and partnership arrangements of the Facility, covering both the technical assistance and investment lending components as well as a M&E system	11000	DBN )/MTI
	c) Turnover: Profit: Employment in Sample Firms (say 30) by sector and gender	NA	Establish baseline & targets	TO: P: E	TO: P: E	TO: P: E	TO: P: E	<b>E2.1.2 The NREF will Provide technical support services and funding to enhance Agricultural and non-agricultural Value Chains</b> – The support will include identifying viable value chains, support to coordination of the cooperation between the different participants in the value chain and support to key elements as technology support, extension and mentorships programs, marketing support etc.	49800	
								<b>E2.1.3 Extending Rural Finance Services.</b> The facility will support commercial, microfinance and NGO finance providers in extending their services to rural areas. The facility will also support development of additional loan products and a guarantee scheme.	25300	

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
<b>E3. IMPROVED LAND TENURE AND RURAL LAND MANAGEMENT</b>  Improved Agricultural and SME development through improved rural land management and land tenure rules	a) Indicators and targets will be established by the MLR during the preparation phase in the first year of strategy implementation	TBE	TBE	TBE	TBE	TBE	TBE	<b>E3.1. IMPROVED LAND TENURE AND RURAL LAND MANAGEMENT:</b>	10400	MLR
								<b>E3.1.1 Revise and harmonise the laws and regulations affecting land management in communal and settlement area</b> , incl. the harmonisation of legal frameworks affecting allocation of land titles & leases to ensure land tenure which is conducive for rural businesses and better land management. Revision of laws & regulations governing expropriation of land for public benefit	1200	
								<b>E3.1.2 Build capacity in regional and local land administrations, regional councils and communal land boards</b> to improve local land management; establish a process that integrates land use profiles and maps into the management and administration of communal lands. The initiative will further provide capacity building to helping the land boards and their members to understand their roles as well as governance and accountability with regard to communal land management.	1000	
								<b>E3.1.3 Fund for NSA work on communal land management accountability.</b> Under this activity a fund will be established to finance calls for proposals for NSAs to implement programmes related to governance and accountability in Communal land administrations.	8200	

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
<b>E4. FARMING AS A BUSINESS – IMPROVED FARM AND RANGELAND MANAGEMENT IN RURAL AREAS.</b>  The transition of subsistence farmers to commercial farmers facilitated and environmental degradation halted through support to improved and integrated approaches to farm and rangeland management	a) Process Milestone		Eval. Under-Taken					<b>E4.1 FARMING AS A BUSINESS – IMPROVED FARM AND RANGELAND MANAGEMENT IN RURAL AREAS.</b>	251200	
	b) To be established under program preparation in first year of implementation							<b><i>E.4.1.1 Evaluation of existing policies</i></b> The program will initially undertake an evaluation of past and existing policies of agricultural services and support by MAWF and donor projects. The evaluation will identify effective components of MAWF program, current mentorship projects, rangeland management projects, and former and current donor projects and projects and approaches in other African countries with a view to proposing a reformed and holistic style of support in a blend of public and private and public-private components.	1200	MAWF
								<b><i>E.4.1.2 Development and implementation of identified program.</i></b> Based on the evaluation a program will be formulated as stipulated under E.4.1.1	250000	



## Dimension S: Social Development

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Initiatives	Total Est Cost (000s)	Lead Resp
<b>S1: Functional literacy and basic technical skills of the rural unemployed enhanced.</b>  Skills of youth and women and other unemployed persons in rural areas improved, thereby making them more employable or able to start own IGA	a) Programme management milestones	NA	Programme developed	Internal evaluation done	Internal evaluation done	External evaluation done	Results incorporated in new program	<b>S1.1 Design a skills development programme, coordination and M&amp;E system at central Level.</b> This includes undertaking an updating of existing skills needs assessment, defining the skills that will be offered, outreach delivery methods, the organization set up, budgets and action plans.	1800	MOE DAE
	b) % of TG of 130,000 strictly unemployed who received skills training (accumulative)	NA	5%	15%	25%	35%	45%	<b>S1.2 Provide functional literacy training and English skills integrated with skills training by expanding on adult education in literacy.</b> This program will be fully linked to the skills component. Preferably skills and functional literacy will be given as step three in the literacy programs. For people with basic literacy skills the courses will not include the first year's literacy training.	92500	
	c) % of people trained who received practical attachments	NA	0%	40%	50%	60%	70%	<b>S1.3 Provide short-term (up to 12 months) demand-driven technical and basic business skills training incl. practical attachments.</b> Building on the MOE adult literacy programs, COSDECs & Agricultural training authorities; focused at constituency level as outreach programmes; incl. skills in hospitality (waiters, cooks, basic lodge/hotel management), office (computers, admin assistants/secretaries), construction (carpenters, masons, basic plumbing), beauty (hairdressing, nail making), basic mechanics & agricultural & livestock	169200	
	d) % of people trained who found jobs	NA	0%	20%	30%	40%	50%	<b>S1.4 Establish Short term apprenticeship programs through practice attachments</b> – Practical attachment is important part of the training and for finding jobs. Attachment facilitates will be located either at the regional office (adult education unit) or at the COSDECs. This activity area includes establishing links to MOLSW's Directorate of Employment Services, relevant NGOs and the private sector on formal employment search and placement.	17500	
								<b>S 1.5 Establish community &amp; skills development centres at constituency level</b> to form base for literacy and skills programmes; incl. establishing two new COSDECs to support the outreach programmes	38000	

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Initiative	Total Est Cost (000s)	Lead Resp
<b>S2: EMPOWERMENT OF MARGINALISED AND VULNERABLE RURAL POPULATIONS</b>  Marginalised and vulnerable rural population empowered in the areas of knowledge/awareness, life skills, technical and business skills, access, voice, power and participation, so they can cater for themselves and their families, support each other and help to	a) Programme management milestones	NA	Programme developed	Internal evaluation done	Internal evaluation done	External evaluation done	Results incorporated in new program	<b>S.2.1 Develop a Programme Concept and Implementation Modalities, incl. a M&amp;E system</b> , based on best national and international practices and a needs assessment; programme relevant to the marginalised & vulnerable target groups in rural areas; incl. training/coaching in knowledge/awareness, life skills, technical and business skills, access, voice, power & participation; built around local mutual savings & credit groups	1500	MGECW
	b) % coverage of groups' membership of TGs (strictly unemployed) – Youth: Women: Minority [Youth TG =100,000] [Women TG =75,000] [Minority TG= 40,000 <sup>18</sup> ]	0%	0%; 0%; 0%	5%: 5% 5%	12.5% : 12.5% : 12.5%	20% : 20% : 20%	30% : 30% : 30%	<b>S.2.2 Implement the program</b> : Contract out to NGOs with track record in similar activities; implementers will support establishment of integrated empowerment, savings and credit groups from targeted marginalised & vulnerable categories, train them in life skills, organise members' savings mechanisms, empower members in accessing support and resources and support members in establishing income-generating activities	44500	
	c) % of group members who implemented IGA	0%	0%	20%	40%	60%	80%	<b>S.2.3 Undertake on-going monitoring</b> . Due to the complexity and innovative nature of this program there is a need for continued evaluation of effectiveness and impact on the target group.	Covered under S.2.1.	

<sup>18</sup> This number is based on the approximate % of minority groups thought to be residing in rural areas and unemployed (strict).

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Initiative	Total Est Cost (000s)	Lead Resp
develop their communities.	d) % of IGAs based on credit (or savings) (Based on no. of IGAs started per annum)	0%	0%	50%	60%	70%	80%	<b>S.2.4 Establish and operate a Credit Fund:</b> A fund will be established for each separate implementer to supplement group member savings for income generating activities. The fund will be managed by a private finance institution or one of the operating micro finance institutions with presence in the specific region.	8000	
	e) % increase in income of group members year by year, based on member survey	0%	0%	50%	30%	30%	20%			
	f) Average % of improvement in personal empowerment assessment survey <sup>19</sup>	0%	0%	10%	25%	50%	80%			

<sup>19</sup> At the start-up of each group, a psycho-social, economic, health personal empowerment self-perception assessment instrument will be administered to each member examining such empowerment indicators as: levels of awareness, skills, access, voice, and participation, for example, on a scale of 1 to 5.

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component/Initiative	Total Est Cost (000s)	Lead Resp
<b>S3: REDUCED UNEMPLOYMENT THROUGH SHORT TERM EMPLOYMENT OPPORTUNITIES</b>  The unemployment situation in rural areas has been reduced on a temporary basis through the creation of short-term opportunities in the regions	a) Programme management milestones	NA	Program-me develop-ed	Internal evalua-tion done	Internal evalua-tion done	External evalua-tion done	Results incorporated in new program	<b>S.3.1 Implementation of labour intensive rural roads program.</b> Under this sub-component the strategy will support building and/or rehabilitation of rural access roads, primarily in communal areas using labour intensive methodologies already developed and tested by the Roads Authority. The subcomponent will be implemented by the roads authority.	376000	NPC
	b) No. of TG members employed at least 4 month per year [TG=180,000-unemployed broad def]	NA	5,000	10,000	30,000	45,000	60,000	<b>S.3.2 RCs implement labour-intensive projects,</b> incl. various infrastructure projects in settlement areas and sanitation and housing projects. This component will be financed through MRLGHRD and executed by RCs.		
	c) % improvement in household income of members employed, based on survey	NA	0%	20%	20%	20%	20%	<b>S3.3 Implement labour intensive projects in the field of forestry, sanitation and agriculture.</b> This subcomponent will be financed through MAFW and managed by MAWF in cooperation with RCs. It will include removal of invader bush, water harvesting, small irrigations schemes, Rural sanitation, local markets etc. Where possible works will be contracted out on conditions of use of labour intensive methods.		
								<b>S3.4 Implement environment and tourism related labour intensive works.</b> This subcomponent will include labour intensive work in conservancies, national parks, rehabilitation of degraded land, etc. and be financed through MET and managed by MET in cooperation with RCs.		

## Dimension PC: Spatial Planning, Environment & Climate Change

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
<b>PC 1: INTEGRATED AND PROACTIVE SPATIAL PLANS DEVELOPED BY REGIONS MANAGEMENT OF SETTLEMENTS/GROWTH POINTS IMPROVED</b>  Integrated and proactive spatial and land use planning initiated. More investment friendly and sustainable settlement development implemented.	a) Process milestones & degree of application of guidelines	NA	Bill passed	Guide-lines developed	90% usage	90% usage	90% usage	<b>PC1.1 INTEGRATED APPROACH TO SPATIAL PLANNING AND STRENGTHENED REGIONAL CAPACITIES:</b>	42100	
	b) % compliance to Regional CDP	NA	Develop CDP	90%	90%	90%	90%	<b>PC 1.1.1 Improve the coordination and harmonisation of spatial planning methodologies across central LMs</b> through the provisions of the new Urban and Regional Planning Bill and better cooperation amongst MRLGHRD, MLR, MET, MME and MAWF MRLGHRD & MLR; convene annual planning coordination council for planning harmonization & coordination	1500	MRLGHRD
	c) No of new regional spatial development plans developed annually	TBD	0	2	3	3	3	<b>PC 1.1.2 Strengthen the roles and capacities of RCs, RDCCs &amp; their PECCCs to implement regional spatial plans:</b> build capacity in RDCCs and CDCs in spatial planning; establish PECCCs subcommittees; provide technical advice and establish mechanisms to effectively involve NSAs.	600	
								<b>PC 1.1.3 Integrate regional social, economic, ecological and climate risk profiles and patterns as the basis for regional spatial planning:</b> Prepare a manual for integrated regional and local spatial planning and develop regional social, economic and environment/climate change profiles and maps that identify the use of land	40000	
								<b>PC 1.1.4 Develop integrated spatial development plans in all regions:</b> Support development of integrated regional development plans in remaining 12 regions incl. Structural Plans and local Land Use & Climate Change Adaption Plans; combine with extensive capacity development and enhancement plan for spatial and climate change planning at regional level	Incl. in PC1.1.3	
	d) No of pilot settlement development programmes implemented annually	0	0	2	2	2	2	<b>PC 1.2 IMPROVED GROWTH POINT/SETTLEMENT MANAGEMENT:</b>	7800	
								<b>PC1.2.1 New administrative modalities for settlement management &amp; land tenure in settlements:</b> develop new administrative and financing modalities for more efficient & self-sustainable development & administration.	2600	MRLGHRD

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
	e) New outcome PI to be developed in first year of implementation	TBD	TBD	TBD	TBD	TBD	TBD	<b>PC1.2.2 Design &amp; implement a pilot settlement schemes/ programmes</b> through consultations with relevant ministries and the DBN, based on the experiences of a selection of declared and undeclared settlements; pilot a total of eight settlement development programmes over the first five years of the strategy (i.e., two per year, beginning in Year 2) based on the new modalities developed.	5200 (plus 100000 in loans)	

Component (Objective)	KPI	BL	Y1	Y2	Y3	Y4	Y5	Sub-component / Initiative	Total Est Cost (000s)	Lead Resp
<b>PC 2: BEST PRACTICES IN CLIMATE ADAPTATION AND DISASTER RISK MANAGEMENT</b>  Improving climate and disaster risk management to strengthen the resilience of rural households and communities	a) % compliance to the CDP, based on developed methodologies and systems	NA	Establish methods & systems & CDP	90%	90%	90%	90%	<b>PC2.1 CONSOLIDATE REGIONAL CLIMATE (CHANGE) AND DISASTER RISK &amp; VULNERABILITY ASSESSMENT &amp; MONITORING, SYSTEMATISE CLIMATE &amp; DISASTER RISK MANAGEMENT PLANNING, AND BUILD RELATED CAPACITY WITHIN RCs:</b>	20800	
	b) Performance rating, based on annual survey	NA	Establish perf criteria & weights	Ave	Good	Good	Good	<b>PC2.1.1 Consolidate vulnerability assessment and monitoring methods and procedures for early warning of potential disasters:</b> in support of the consolidation of the efforts of NamVAC in OPM; to offset the impending loss of funding, ensuring the continuation and consolidation of NamVAC's vulnerability assessment and monitoring activities	10800	OPM
	c) No of combined CRM & DRM plans developed and updated by RCs	NA	Establish Methods & formats	3/13	7/13	10/13	13/13	<b>PC2.1.2 Strengthen the role and capacity of RCs, RDCCs and their PECCCs to implement regional climate &amp; disaster risk and vulnerability assessments &amp; monitoring:</b> combine the functions of the existing RDRMC & the proposed RCCC; appoint additional regional technical officers; support the training of RC/PECCC officers; build institutional capacity within the RCs in approaches and methods of vulnerability management	1300	
								<b>PC2.1.3 Develop, update &amp; implement regional climate and disaster risk management plans and build related capacity within the RCs:</b> Develop and regularly update and implement both DRM plans and CRM plans in all regions; integrate methods used for DRM and CRM plans; train regional planning (RC/PECCC) officers in the development, updating, and implementation of DRM and CRM plans	8700	
	d) No of projects successfully completed in all regions, also considering achievement of objectives	NA	Establish criteria & weights	7	13	19	25	<b>PC2.2 REFINE AND TEST APPROACHES AND METHODS FOR EFFECTIVE CLIMATE AND DISASTER RISK MANAGEMENT THROUGH THE IMPLEMENTATION OF PILOT PROJECTS:</b>	39400	
								<b>PC2.2.1 Implement a nation-wide programme of rural pilot-scale projects to explore &amp; test different approaches &amp; methods for improved climate adaptation &amp; disaster preparedness at the local community level:</b> based on pilot initiatives with a view for up-scaling; focusing on local-level community-based adaptation and risk reduction measures through initiatives such as CPP-ISLM and AAP-NAM	39400	OPM



