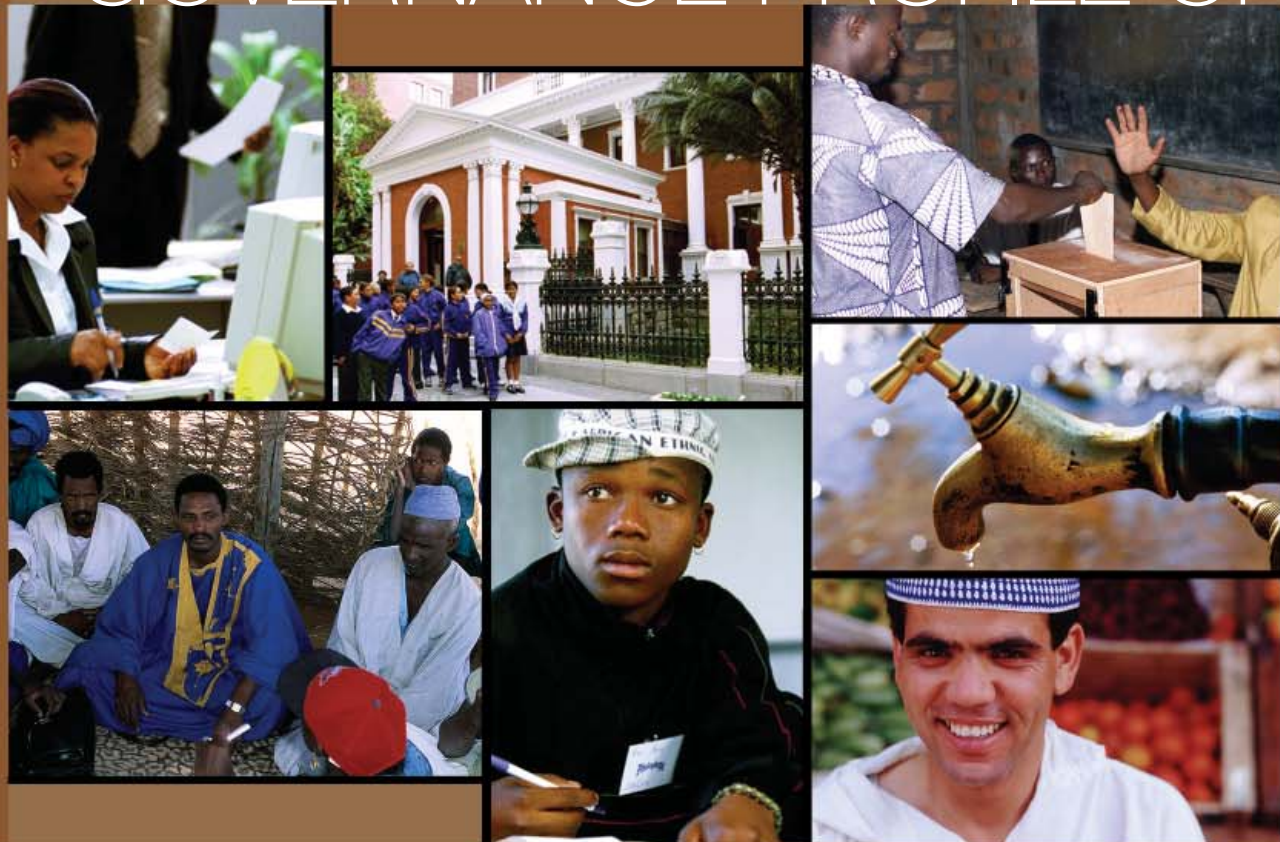




Economic Commission for Africa

# GOVERNANCE PROFILE OF



# NAMIBIA

MEASURING AND MONITORING PROGRESS  
TOWARDS GOOD GOVERNANCE IN AFRICA

Southern Africa



Economic Commission for Africa

# GOVERNANCE PROFILE OF **NAMIBIA**

Produced by Stéphane Oertel  
Development Policy Management Division

September 2004

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# Table of Contents

<b>Preface</b> .....	<b>v</b>
<b>Political and Socio-economic Background (1990-2002)</b> .....	<b>1</b>
Major political developments since 1990.....	1
Economic developments .....	1
Social developments .....	3
<b>Political Representation</b> .....	<b>4</b>
Legitimacy of the political framework .....	4
Political parties .....	5
Legitimacy of the electoral process .....	6
<b>Economic Management and Corporate Governance</b> .....	<b>7</b>
Enabling policy environment and regulatory framework .....	7
Public financial management and accountability .....	9
Integrity of monetary and financial systems .....	9
Private sector development and corporate governance .....	10
Accounting and auditing systems .....	11
<b>Institutional Effectiveness and Accountability</b> .....	<b>11</b>
The Constitution and checks and balances .....	11
The Legislature .....	12
The Judiciary .....	13
The Executive .....	14
Human rights, the rule law and enforcement .....	16
Access, affordability, quality and pro-poor and gender orientations of service delivery institutions .....	18
Non-state actors .....	20
<b>Institutional Capacity Building and Governance</b> .....	<b>21</b>
Major capacity gap areas identified in the country study .....	22
Measures to address capacity gaps within state and non-state actors .....	23
<b>Annex I. ECA Project on “Measuring and Monitoring Progress towards Good Governance in Africa”</b> .....	<b>24</b>
<b>Annex II. Basic Data</b> .....	<b>26</b>

## Preface: Overview of Project Methodology

This profile is excerpted from the June 2003 “National Country Report” on governance in Namibia contracted by the United Nations Economic Commission for Africa (ECA) to Multidisciplinary Research and Consultancy Centre (MRCC) of the University of Namibia as part of a large-scale project on “Measuring and Monitoring Progress towards Good Governance in Africa” involving 28 African countries. The National Country Report covers the year 2002 during which the household survey and Expert Panel study were conducted and the data analyzed by the authors. All information and data presented in this profile are extracted directly from the report unless otherwise indicated.

The project was conducted with a view to apply objective criteria for measuring and monitoring good governance in Africa, and, in the long run, to assist member countries in developing, sustaining and internalizing the norms of good governance within the public and private realms. To achieve these objectives three separate research instruments were designed and applied in each project country. The first used an Expert Panel to collect data on the perceptions of governance from a group of national experts providing knowledge-based responses to a total of 83 indicators pertinent to the structure, capacity and operation of all governance actors; the second instrument consisted of a national household survey collecting data on public perceptions regarding the accessibility, adequacy and quality of services; and, finally, desk research was conducted on the laws, rules, procedures, capacities and governance practices in the project country.

In order to standardize the caliber of the Expert Panel members across the project countries, and in view of the demanding nature of the expected outcomes in terms of optimizing the reliability, accuracy, and stability of the responses, the composition of the Expert Panel was carefully defined to ensure a fair representation of all stakeholders, whilst stringent quality control was applied to ensure the consistency and reliability of the responses. In order to obtain a balanced representation, the panel members, usually totaling around 100 national experts, were selected on the basis of a number of characteristics, including age, social status, education/field of training and occupation, level of interest in national affairs, political party membership, citizenship, as well as ethnic, gender, religious, and regional representation.

In the case of Namibia, the Expert Panel was composed of 100 individuals representing government ministries and institutions, political parties, traditional governance institutions, the private sector, nongovernmental organizations, community groups, academia, religious organizations, the media, public financial institutions, and the judiciary.

For all countries, the nation-wide sample surveys of households, on the other hand, were carried out by the collaborating research institutions in close co-operation with the National Statistical Office in each project country. Using the household as the ultimate sampling unit, and covering the entire population of households in the country, the study populations were suitably stratified using administrative regions and levels of urbanization, whilst parameter estimates would exclusively relate to the entire nation.

Finally, desk-based research gathering factual data and information on the prevailing political, social and economic conditions of the country was conducted by the collaborating research institutions to complement the perceptions obtained from the national experts and the general population.

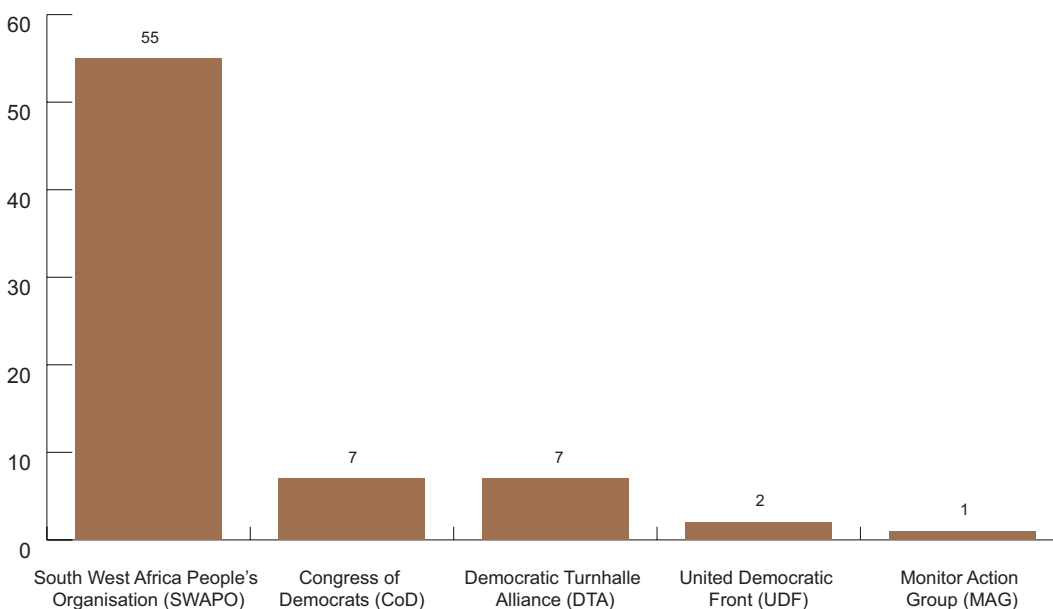
## Political and Socio-economic Background (1990-2002)

### Major political developments since 1990

Namibia is one of Africa's youngest democracies, gaining independence on 21 March 1990 when the Constitution of the Republic of Namibia came into force, marking the birth of a sovereign, secular, democratic, and unitary Namibian state. According to Article 1 of the Constitution, all the state powers are vested in the people of Namibia, and exercised on their behalf by the democratic institutions of the state through the Executive, Legislature and the Judiciary.

Constituent assembly elections were held in November 1989, whilst parliamentary and presidential elections were held in both 1994 and 1999 (Figure 1). All three elections were won by the South West Africa People's Organization (SWAPO), whose parliamentary majority altered the Constitution in 1998 to allow the President, Mr. Sam Nujoma to stand for a third term, which he won with a clear majority of 76.8%.

Figure 1. Seat distribution in the National Assembly following the December 1999 elections



A major political challenge concerns land distribution, as Namibia still experiences inequality issues in terms of land ownership, with a minority owning almost half of Namibia's land area, and traditional leaders allocating grazing rights on communal land without legal basis. Citizens are becoming impatient with the limited progress made in implementing the government's land purchasing programme, which has been slow due to the fact that the government is constitutionally bound to pay compensation at market prices for farms acquired.

### Economic developments

Namibia is a middle-income country and its export-oriented economy is largely based on the exploitation of natural resources, such as diamonds, agriculture and fishing. As part of a diversification strategy, the government is trying to develop the manufacturing and agricultural sectors with the aim of creating employment opportunities and addressing socio-economic imbalances inherited from the colonial times.

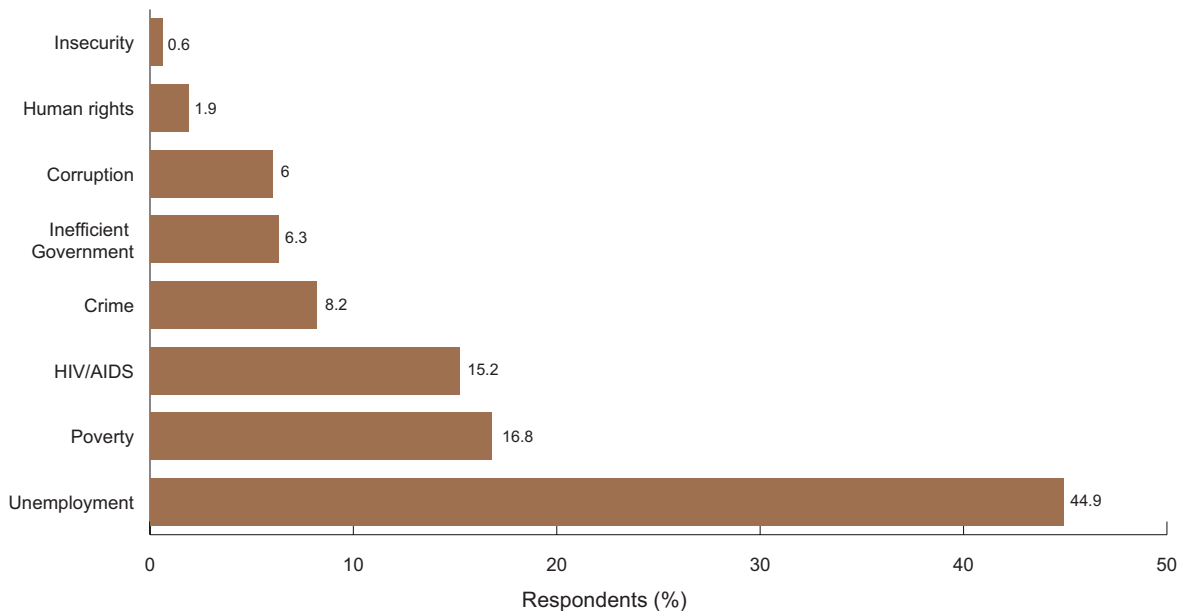
Despite a relatively stable macroeconomic environment, Namibia experienced a continuing decline in its economic growth from a high of 5% on average during the 1990-95 period to 3.5% in 1995-2000 (Figure 2). This decline is due to negative growth rates in the agricultural sector following a drought, as well as a contraction in the non-diamond mining sector, a fall in fish processing and slower growth in the financial services sector.

Figure 2. Real GDP growth of the Namibian economy, 1990-2000



As reflected in the National Development Plans (NDP1 for the period 1995/6-1999/2000, and NDP2 for 2001/2-2005/6), the government’s economic policies have been geared towards achieving sustainable economic growth, the reduction of income inequalities, diversification of the economy, and expanding employment opportunities. National unemployment, however, remains high reaching approximately 34.5% of the labour force, including stark regional and gender disparities. About 29% of males are unemployed, compared to 40.5% of females. Unemployment was also perceived to be the biggest national problem by the households surveyed (Figure 3).

Figure 3. The most serious national problems in Namibia, as perceived by households



Since 1997 the government has recognized the importance of the informal sector and small- and medium-sized enterprises (SMEs) for Namibia’s socio-economic development and has set out new policies to support the sector in terms of deregulation, incentives and institutional support helping businesses exploiting market opportunities. Furthermore, several investment packages for manufacturing and export-oriented activities have been introduced, including tax reductions or exemptions for manufacturing activities and exports, and the creation of export processing zones (EPZs).

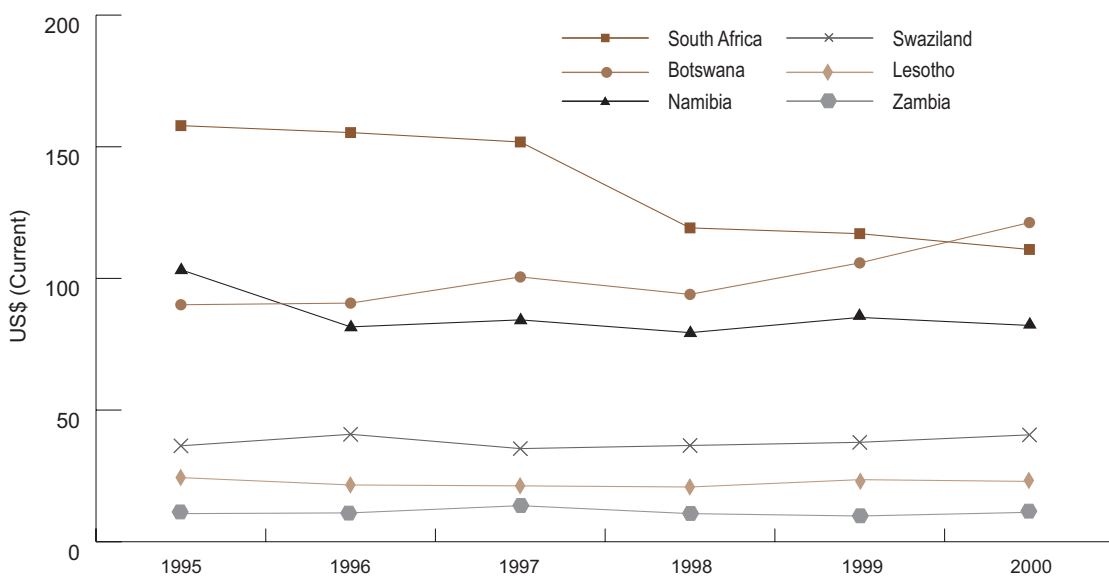
### Social developments

At independence Namibia inherited a social services system that was ethnically fragmented and characterized by regional inequalities. Since then budgetary expenditure has been geared more equitably towards education, health and other social services, which together now absorb about 40% of the national budget.

The country has made significant progress in making primary education for all a reality, as some 95% of all children of school-going age are in schools. The number of teachers has doubled since 1990, new schools and classrooms have been built, and new curricula are in place. There is a clear shift in emphasis towards improving the quality of instruction, expanding literacy programmes, secondary school facilities, vocational training, and tertiary education.

Similarly, health provision improved dramatically over recent years. By 1999, over 72% of children below one year of age were fully immunized, compared to 40% before independence. Incidences of measles, diarrhea, malnutrition, and other preventable childhood diseases have decreased. Better health care facilities and accessibility to women have improved pre- and post-natal care for women, with maternal mortality rates declining from 117 per 100,000 in 1993 to 77 per 100,000 live births in 1999.

Figure 4. Public expenditure on total health sector per capita, 1995-2000



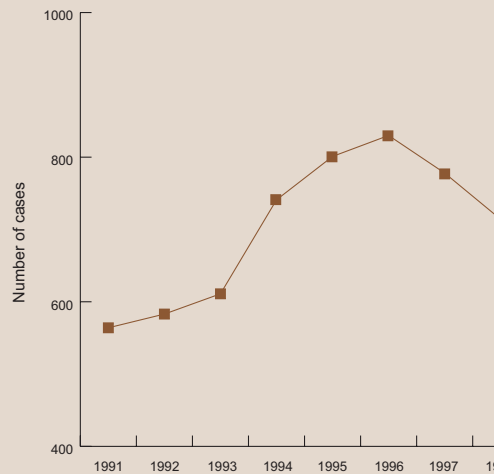
Source: World Bank Africa Database, 2001.

However, many of the gains made in health care have been lost due to the increased incidence of HIV/AIDS infections. In 1996, HIV/AIDS overtook tuberculosis as the most common cause of death in the country, and UNAIDS estimates that some 22.5% of the population was infected by the end of 2001.

### Box 1. Namibia's Combating of Rape Act

Gender-based violence is a serious concern in Namibia (Figure below). The Combating of Rape Act enacted by Parliament in April 2000, however, is one of the most advanced laws on rape in the world. It contains a new, gender-neutral definition of rape, and moves away from the concept of "consent" that made the rape survivor feel as if she was the one on trial. The new law has a range of provisions aimed at meeting the needs of rape survivors, such as increased protection for privacy and new procedures ensuring that more information can be released at the bail hearing.

Reported and attempted rapes, 1991-98



The Namibian Constitution explicitly forbids discrimination based on gender. It is one of the few constitutions in the world that uses gender-neutral language, providing for equality in all aspects of marriage, and giving special emphasis to women in a provision authorizing affirmative action.

A major development for rural women in Namibia is the Communal Land Reform Bill stating that men and women are equally eligible for individual rights of tenure on communal land. The Bill still needs to be voted into legislation by the National Assembly, though.

## Political Representation

### Legitimacy of the political framework

The overall political framework in terms of the legitimacy of the Constitution and the institutions it establishes seems to be accepted by the stakeholders and the public at large (Figure 5a). Furthermore, experts agree that the political system includes mechanisms that facilitate a relatively wide public participation in the political decision-making process (Figure 5b).

Figure 5a. Expert Panel opinion on the acceptance of the democratic framework

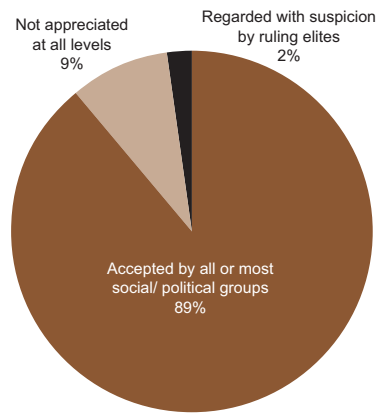
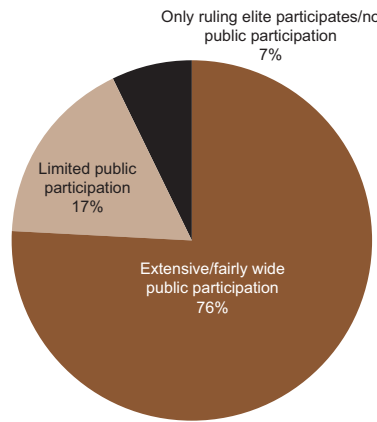
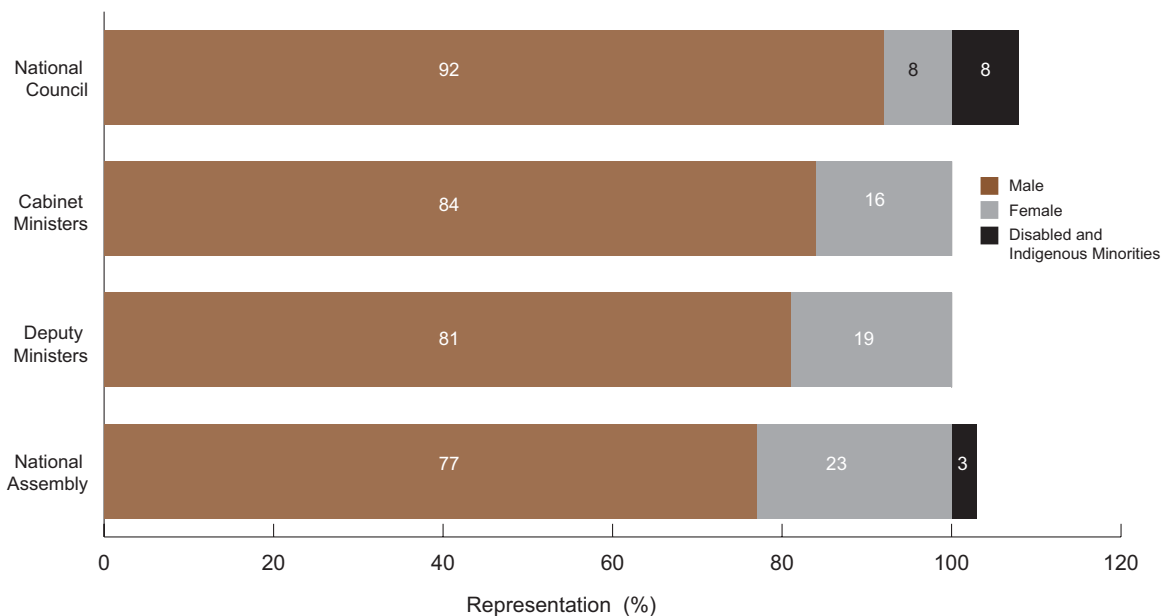


Figure 5b. Expert Panel opinion on the political decision-making mechanism



Even though women’s representation remains negligible in all three branches of government, the Constitution provides a favorable legal framework for women in general and for the increased participation of women in politics in particular. A new electoral law, for instance, requires that 25% of candidates in local elections be women. Meanwhile in 1992 and 1998, women won 32% and 40% respectively of local council seats. Women are also well represented in the public service, with almost half of all civil servants being female. Yet the number of women in the Executive is still insignificant, and Namibia lags behind the stated South Africa Development Community (SADC) objective of 30% of women in political decision-making structures by 2005 (Figure 6).

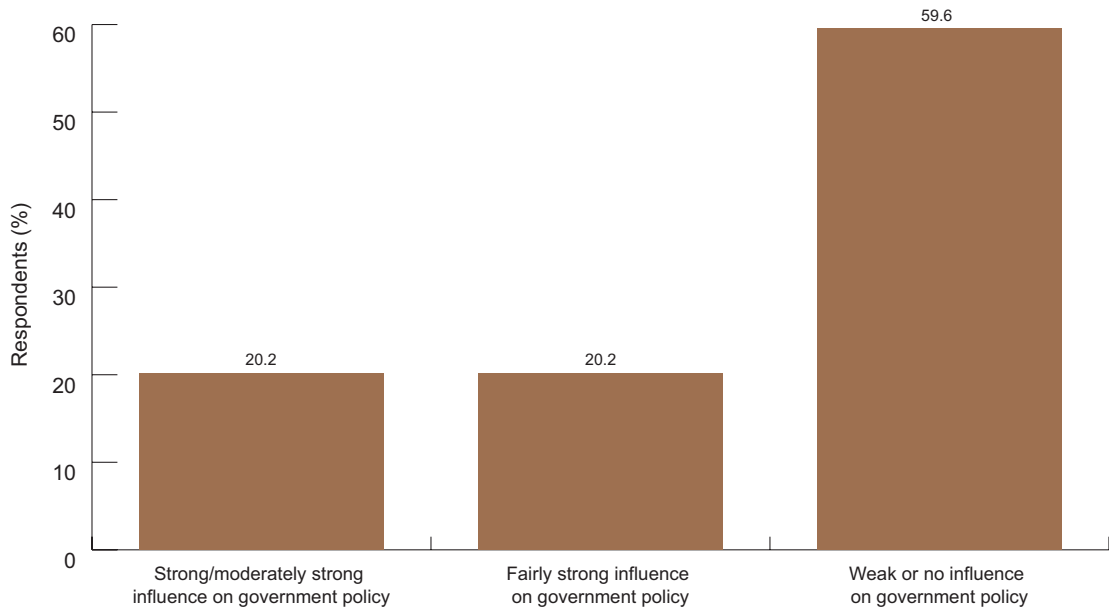
Figure 6. Gender balance and minority representation in the Executive and Legislature



**Political parties**

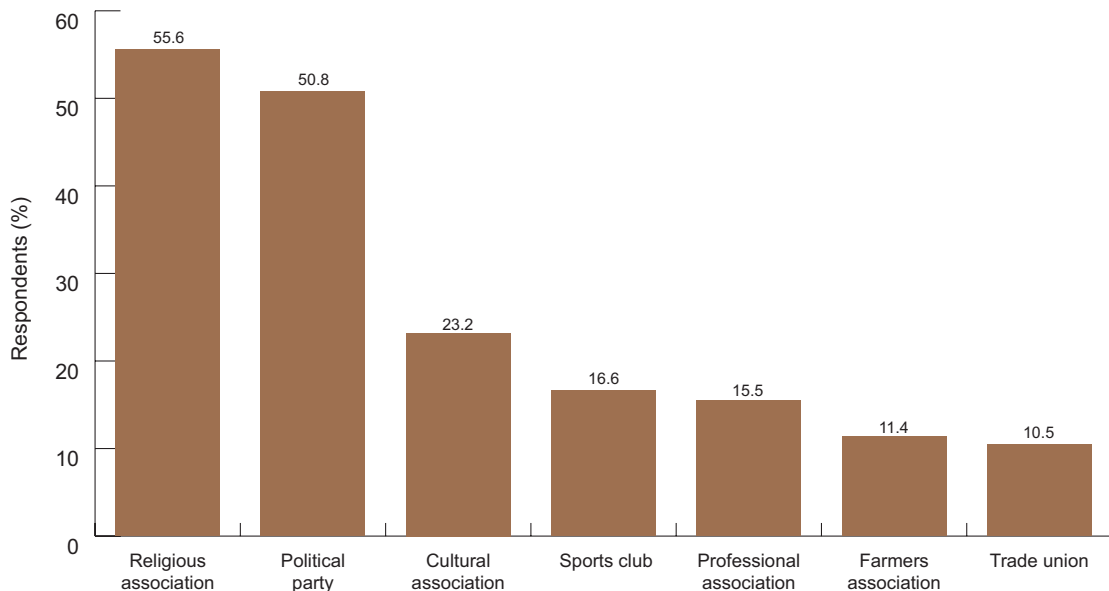
Namibia is characterized by a stable and competitive system of political parties. It is often felt, however, that a single party, SWAPO, dominates the political spectrum (Figure 7). Other major political parties in Namibia are the Democratic Turnhalle Alliance (DTA), which is a coalition of ethnically based parties, and the Congress of Democrats (CoD) created in 1999 by a former SWAPO party member.

Figure 7. Expert Panel opinion on the strength of the parliamentary opposition



Despite the weak influence of opposition parties in the National Assembly, political parties represent a very important instrument of civic association in Namibia as over half of the household survey respondents indicated that they were members of a political party, representing the second most frequent type of association after religious associations (Figure 8).

Figure 8. Association membership among individual households surveyed



### Legitimacy of the electoral process

The official electoral oversight body for elections in Namibia is the Electoral Commission, which has the responsibility for the fair and impartial directing, supervising, and controlling of all aspects of official elections. According to the vast majority of the Expert Panel members, the Electoral Authority and Electoral Law of Namibia are credible, independent, and fully acceptable to all political parties. Similarly, election transparency, voter registration and election control mechanisms are adequate, guaranteeing that the parliamentary and executive formation modes are through a competitive, electoral process.

However, some experts believe that the system of proportional representation in Namibia elects

members into the National Assembly with no direct constituencies and therefore no direct accountability to their electorates. Accordingly, some experts feel that this can lead to a gradual erosion of democratic principles and practices as elected members tend to be more loyal to their political party than to the electorate.

In addition to the formal electoral oversight mechanisms, there are also avenues for independent monitoring and observation of elections by various actors ranging from interstate entities to local non-governmental organizations, as well as international research and academic institutions.

## Economic Management and Corporate Governance

### Enabling policy environment and regulatory framework

Since independence in 1990, Namibia's overall macro-economic performance has been broadly satisfactory. The country boasts a relatively stable government, an attractive domestic and foreign investment environment and a modern communications network.

As part of its economic strategy outlined in the National Development Plans 1 and 2, as well as the draft Vision 2030 Macro-economic Framework, the government is attempting to diversify the economy from being dependent mainly on South African manufactured imports and primary export commodities to an expanded manufacturing-based and modernized agricultural sector-led economy.

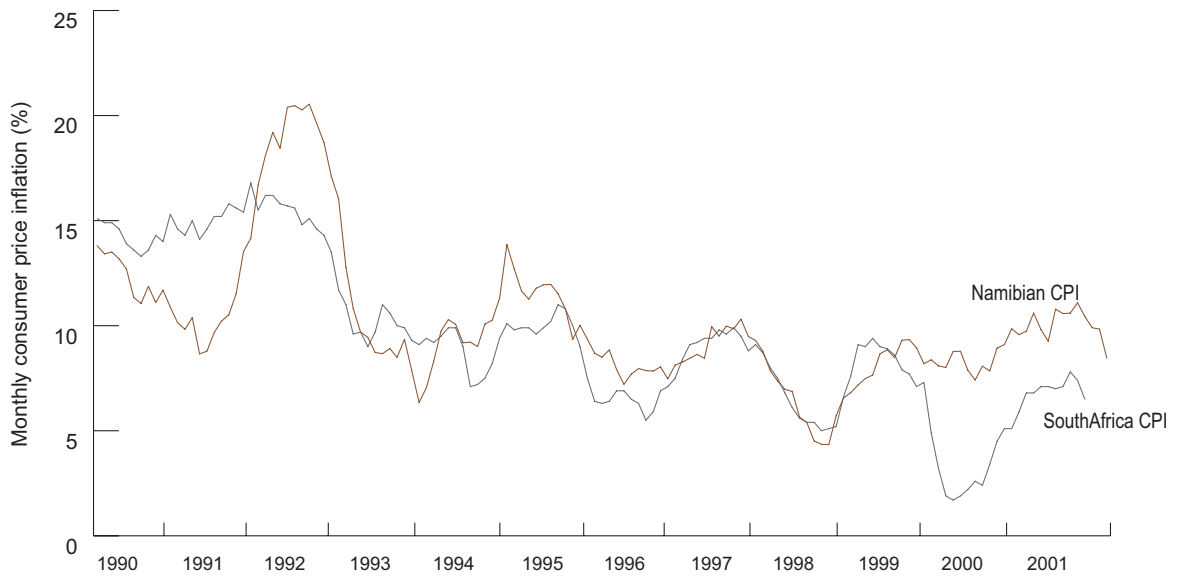
#### Box 2. Namibia's modern telecommunications sector

Namibia has one of Africa's most modern and efficient telephone networks; there is a core fibre-optic network linking most centers, and most connections are now digital. The telecom sector is scheduled to open for full competition in 2004. Telephone penetration is high by African standards, at 1 per 63 inhabitants in 2000, compared to a regional average of 14. Growth in Internet usage has expanded rapidly in the past five years, and a mobile phone network, one of the first in Africa, was launched in 1994, now covering most of the country with extensive roaming agreements facilitating widespread international usage.

*Source: Economist Intelligence Unit, Country Profile 2003*

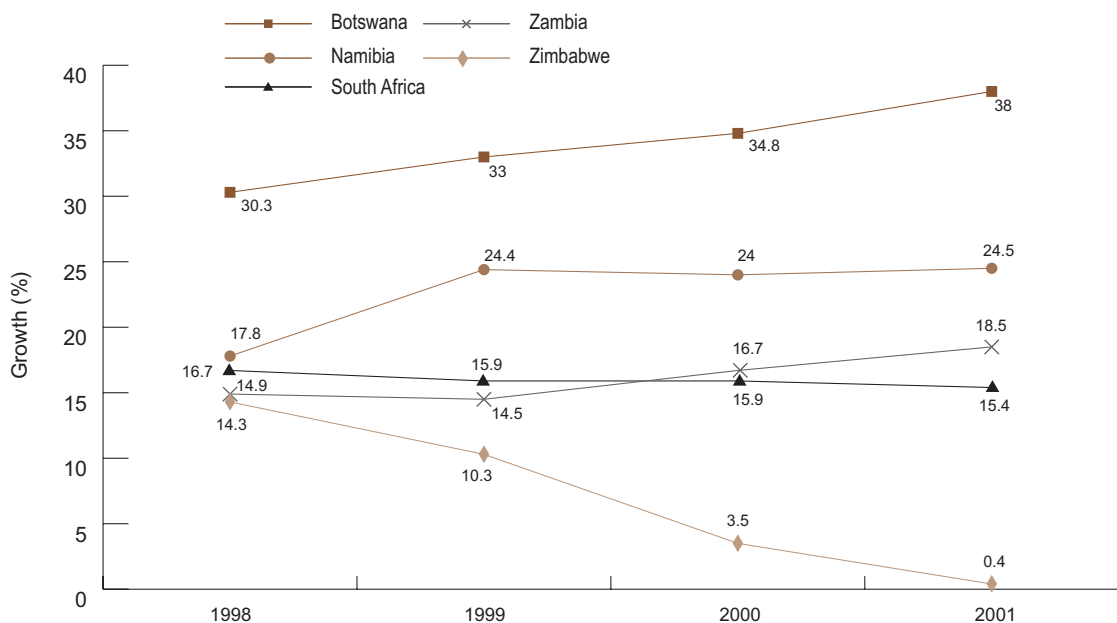
Namibia's membership in the Common Monetary Area (CMA) together with South Africa, Swaziland and Lesotho, promotes financial stability and investor confidence, easing trade and investment flows and avoiding volatility of the exchange rate. The key monetary objective of the CMA, however, is to achieve and maintain low inflation and price stability through a pegged exchange rate arrangement with South Africa. Thus, inflation on an annual average basis has declined from an all time high of 18% in 1992 to a level of about 9% on average for the first five months of 2002 (see Figure 9).

Figure 9. Annual percent change in Namibian Consumer Price Index and South African Consumer Price Index, 1999-2001



The most important macroeconomic policy instrument that Namibia has at its disposal to ensure stabilization and growth, however, is its fiscal policy and since 1990, the government has reoriented Namibia's fiscal policy towards prudence and discipline. Fiscal policy has indeed been satisfactory in terms of contributing to Namibia's macro-economic objective of increased growth and macro-economic stabilization. The tax system encourages foreign direct investment (FDI), which represents almost a quarter of Namibia's GDP (Figure 10), and has been generally effective in creating opportunities for local business development.

Figure 10. Total foreign direct investment as percentage of GDP, selected Southern African countries, 1998-2001

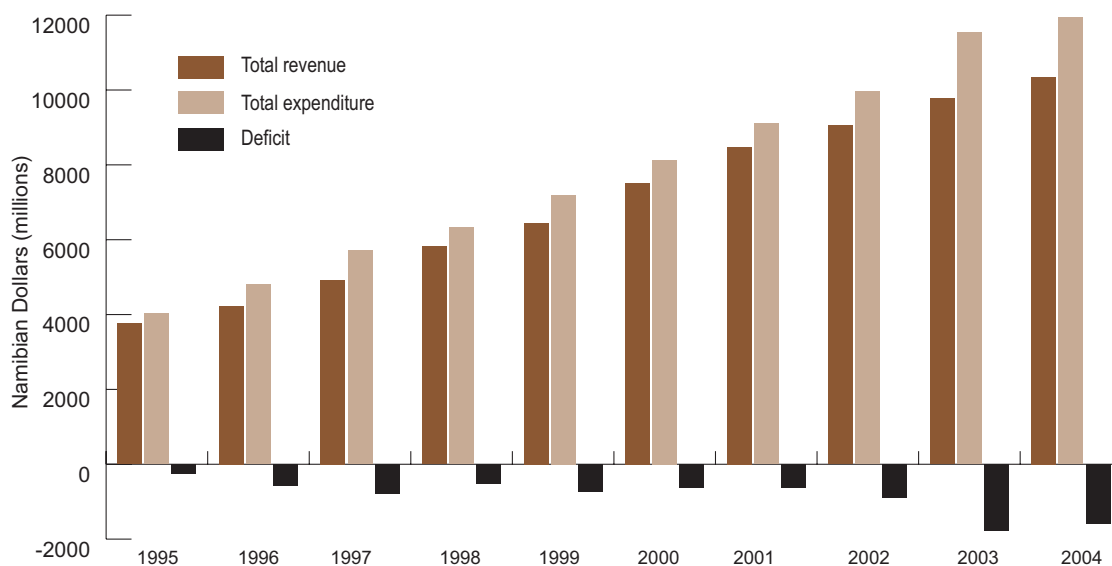


Namibia's nearly 30% tax burden is considered to be high compared to other countries in the region, which is twice the unweighted average of all Sub-Saharan African countries. At the same time, the tax system is perceived to be equitable and transparent, and after the introduction of the value-added tax in November 2000, tax collection has significantly improved.

### Public financial management and accountability

Whilst total revenue has grown substantially over the past decade, total expenditure has consistently outstripped total revenue, resulting in an increased budget deficit from less than 1% in 1990/01 to over 4% in 2002/03 (Figure 11).

Figure 11. Government revenue, expenditure and deficit, 1995-2004



External and internal debt accounts average 4.6% and 13.3% of gross domestic product (GDP) respectively, and total public debt stood at an average ratio of about 20% of GDP. Interest payments on domestic debt rose from N\$20.9 million in 1991 to N\$520 million in 2000, raising fears that macro-economic stability would be threatened if this trend continued; scarce capital was misallocated away from economic services that enhance growth.

In an attempt to control budget spending more efficiently, the government has adopted a rolling three-year Medium-Term Expenditure Framework (MTEF), with medium-term targets being implemented for each ministry. It is doubtful, though, whether the target of holding the deficit at 3% of GDP will be met, due to political difficulties in reducing increases in public sector personnel costs, already accounting for approximately 40% of total spending.

### Integrity of monetary and financial systems

The transparency of the monetary and financial system in Namibia is governed by adhering to the code of good practice in monetary and financial policies as advocated by the International Monetary Fund.

The Central Bank of Namibia, established in 1990 and legally founded in the Constitution, is moderately independent, allowing it to exercise certain policy-making decisions without external interference. The Bank of Namibia Act (1990), as amended in 1997, provides the legal framework for the Bank of Namibia. The independence of the Bank is not explicitly stated in the Act, however, and tends to be compromised by the President appointing the Governor and Deputy Governor on the recommendation of the Minister of Finance.

The foundation of modern commercial banking regulation in Namibia is to be found in the Banking Institutions Act (1997), providing the legal framework for the conduct of banking business in Namibia, based on international best practices, and containing the principal types of regulations required for the establishment of a sound financial system.

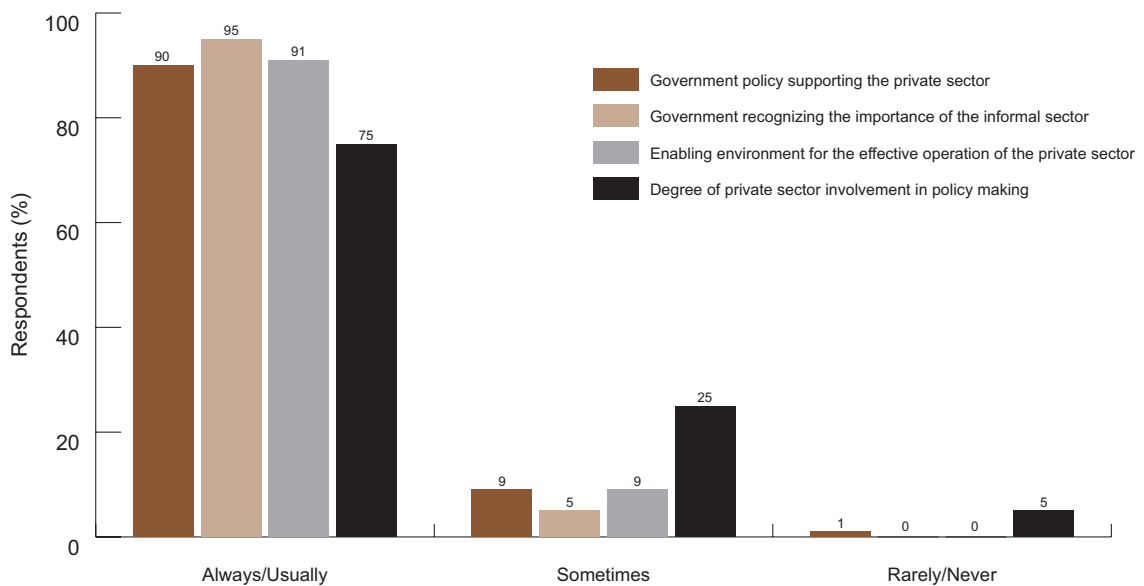
One very important regulation that influenced the development of the commercial banking in-

dustry is the liquid asset ratio, which requires commercial banks and building societies to keep 10% of their deposits and certain other liabilities in the form of liquid assets. Permissible liquid assets include government-issued and government-guaranteed securities. In addition to this requirement, commercial banks are also mandated to hold 1% of their deposit liabilities as mandated reserves with the Central Bank.

### Private sector development and corporate governance

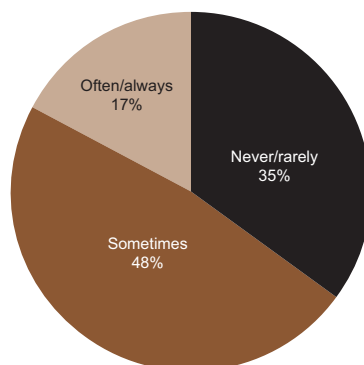
The government generally encourages the development of the private sector and the informal sector (Figure 12). Government initiatives include deregulation and incentives, proactive programmes and institutional support for small- and- medium-sized enterprises (SMEs). Investment packages for manufacturing and export-oriented activities have been introduced including an export-processing zone, the Foreign Investment Act, and manufacturing as well as export incentives. The mechanisms for partnerships between public and private institutions, however, are perceived to be partly ineffective, as they tend to be informal and ad-hoc rather than formal and institutionalized.

Figure 12. Expert Panel opinion on the degree of government support to the private sector



The development of the private sector in general, and SMEs in particular, tends to be hampered by increasing crime in the country, creating an environment that is not always conducive to conducting business, as indicated by the Expert Panel (Figure 13).

Figure 13. Expert Panel opinion on whether crime and insecurity are forming obstacles to conducting business



### Accounting and auditing systems

Namibia uses legitimate accounting and auditing principles that are internationally practiced in the public and private sectors. However, the continuous revisions of the budget, and increasing budget deficits recorded over recent years, suggest a lack of fiscal discipline and weak budgetary controls.

The Office of the Auditor General is established by the Constitution and is responsible for auditing the accounts of all ministries and agencies of central government, local and regional authorities, parastatals and statutory bodies. It is entitled to seek explanations from employees of the institutions undergoing an audit to assist in fulfilling its functions.

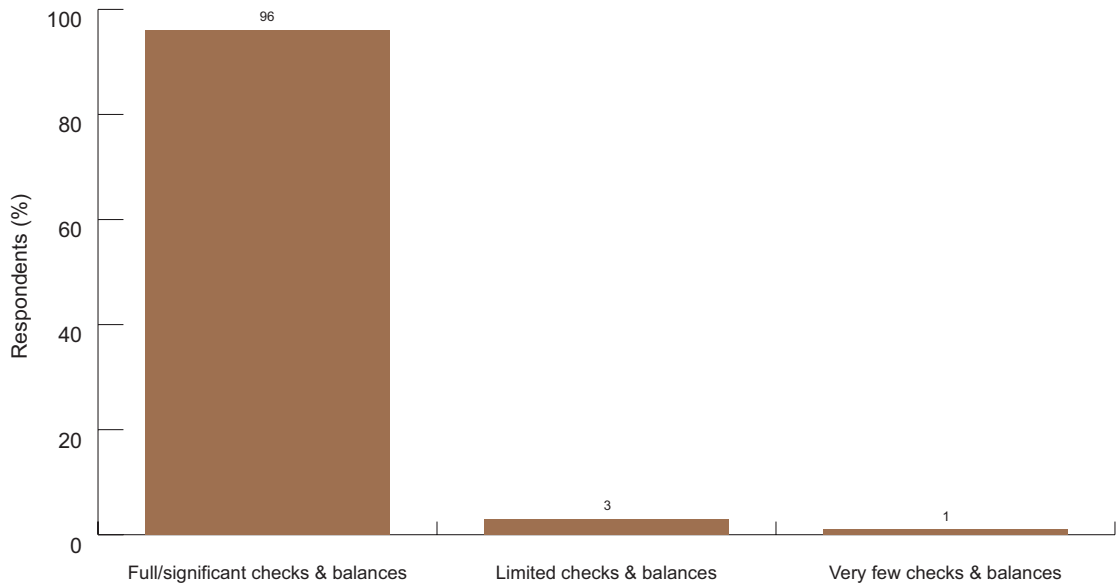
In 1998/99 the Auditor General reported in its annual report to the National Assembly that there was a significant amount of unauthorized expenditures but it has little power to rectify and enforce its recommendations to the Parliament, although government has taken note of some of the issues raised in recent years. Although budgetary allocations of resources are often not properly controlled, a computerized control system to control expenditure lines and ceilings on remuneration is now in place.

## Institutional Effectiveness and Accountability

### The Constitution and checks and balances

The vast majority of experts interviewed agree that the Constitution of Namibia provides for full checks and balances between the different branches of government (Figure 14).

Figure 14. Expert Panel opinion on the status of constitutional checks and balances



### The Legislature

Namibia's Parliament comprises the National Assembly and the National Council. Whilst the Legislature has extensive powers to initiate, scrutinize and amend legislation, and is generally perceived to be highly effective in this regard (Figures 15 and 16), concerns have been raised about the growing influence of the Executive over the National Assembly and the National Council.

Figure 15. Expert Panel opinion on the Legislature's effectiveness and ability to hold the Executive accountable

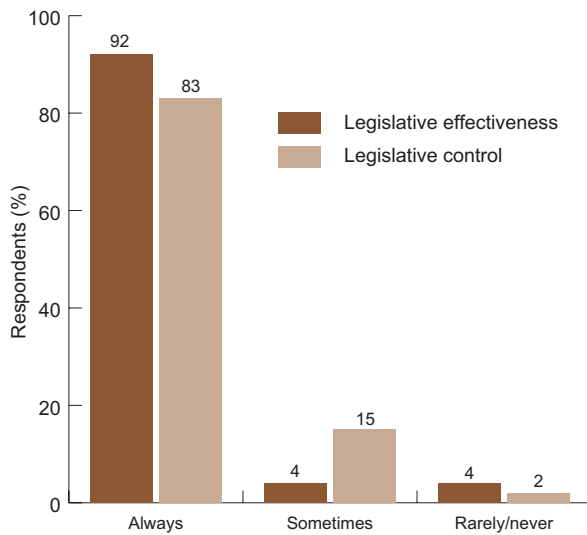
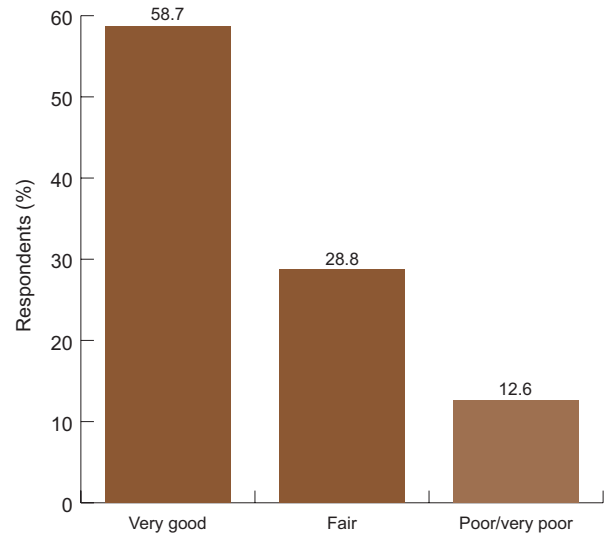


Figure 16. Household survey results on the perception of parliamentary performance



The Constitution makes provision for permanent parliamentary Standing Committees. At present, there are 10 Standing Committees in the National Assembly, which force greater accountability by making the policy and administrative functions of government more open and accountable to the general public.

Committees have the constitutional power to request officials from a government office, ministry, or agency to appear before it to account for its activities. It is difficult, however, to gauge how many of the recommendations made by the Committees are eventually incorporated into law since there is no control mechanism.

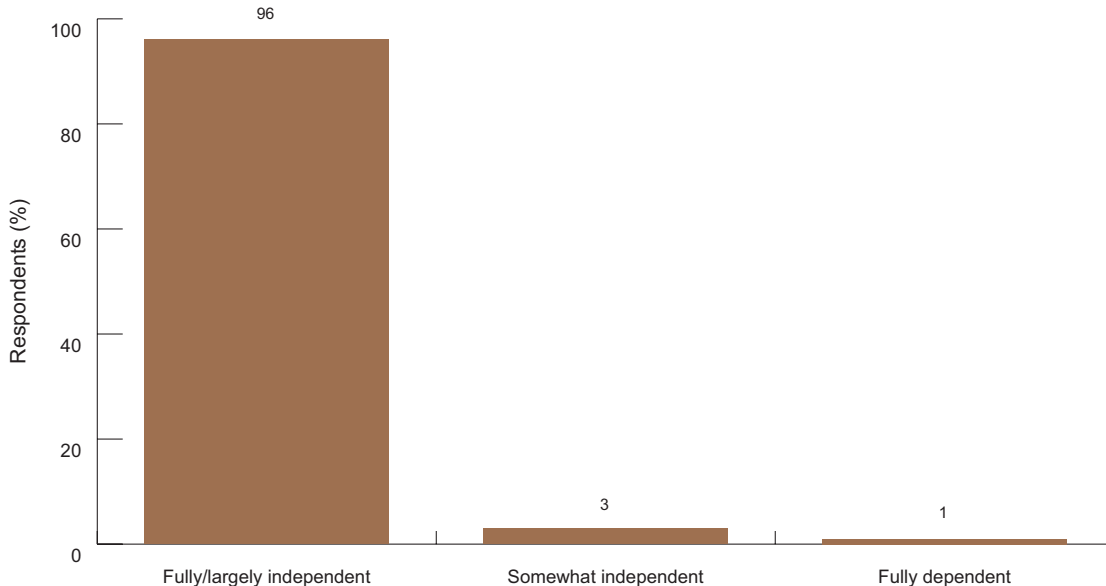
Whilst bills can be initiated from outside the government, the proportion of these passed into legislation compared with government-sponsored bills is negligible: only one non-governmental sponsored private member's bill has been tabled since 1990.

### The Judiciary

The judiciary consists of a Supreme Court, a High Court, and Lower Courts. The higher courts have the power to interpret the Constitution and adjudicate matters between individuals inter se, and between individuals and the State.

The Judiciary is empowered to review the constitutionality of Executive acts and the Legislature. Judicial powers are vested in the Courts of Namibia, whose independence is constitutionally guaranteed and relatively uncontested among the Expert Panel members (Figure 17).

Figure 17. Expert Panel opinion on the Judiciary's independence from other branches of government



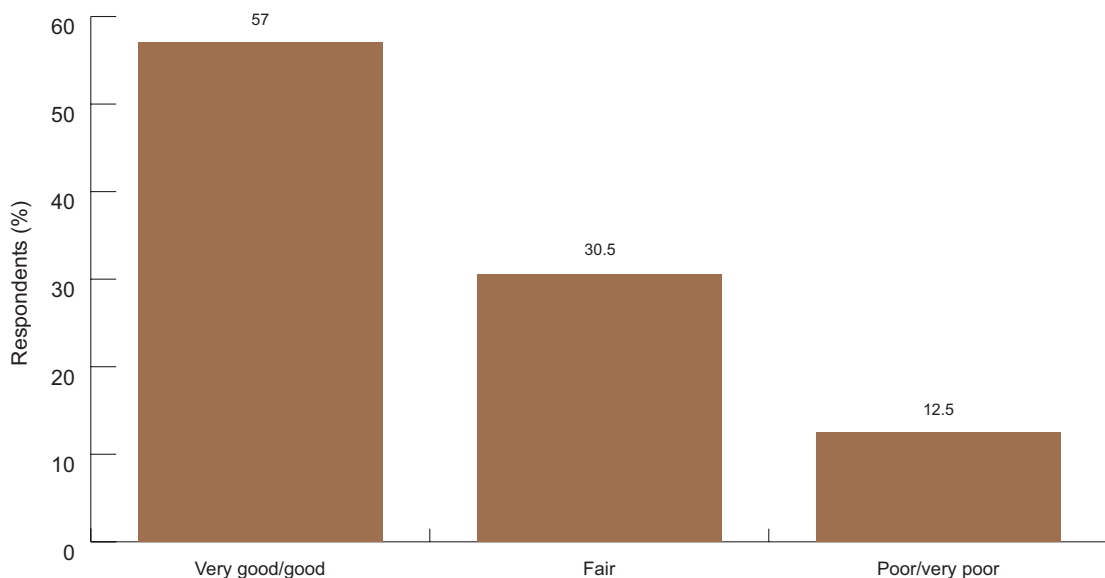
The independent status of the Judiciary is further demonstrated by the procedures governing the appointment, tenure, and dismissal of judges and magistrates. In the Namibian context, the President, on the recommendation of the Judicial Service Commission, appoints judges for life tenure. Some 94% of the experts interviewed indicated that judges are always or usually appointed and promoted on their own merits and qualifications.

In terms of effectiveness, some 73% of the experts indicated that lower courts can always or usually be accessed by citizens within three days. Further, 82% agreed that citizens can always or generally obtain full justice in court, irrespective of their economic or social status. Those observations are supported by the household survey results, whereby 57% of households responded that they expected to get fair treatment by the government courts, as opposed to nearly half expecting fair treatment from traditional courts.

### The Executive

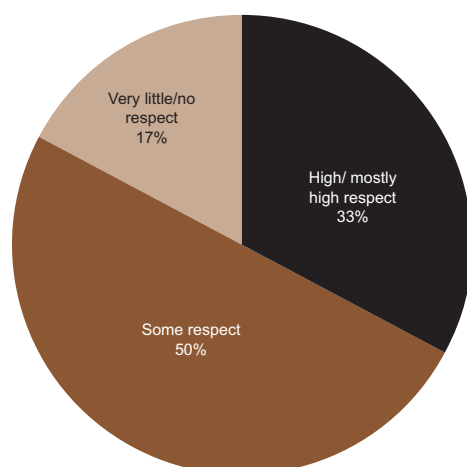
When prompted to describe the overall performance of the government, some 41% of the households surveyed ranked it as 'very good' or 'good' (Figure 18). Similarly, some 61% thought that the management of public affairs was better than it was two years ago.

Figure 18. Household survey perception on government performance



Public accountability, credibility and integrity of the civil service is perceived to be reasonably effective by the members of the Expert Panel, perhaps leaving some room for improvement in terms of ethical professional standards as reflected in the perception citizens have for the integrity of the civil service (Figure 19).

Figure 19. Expert Panel opinion on the level of citizen respect for the integrity of the civil service



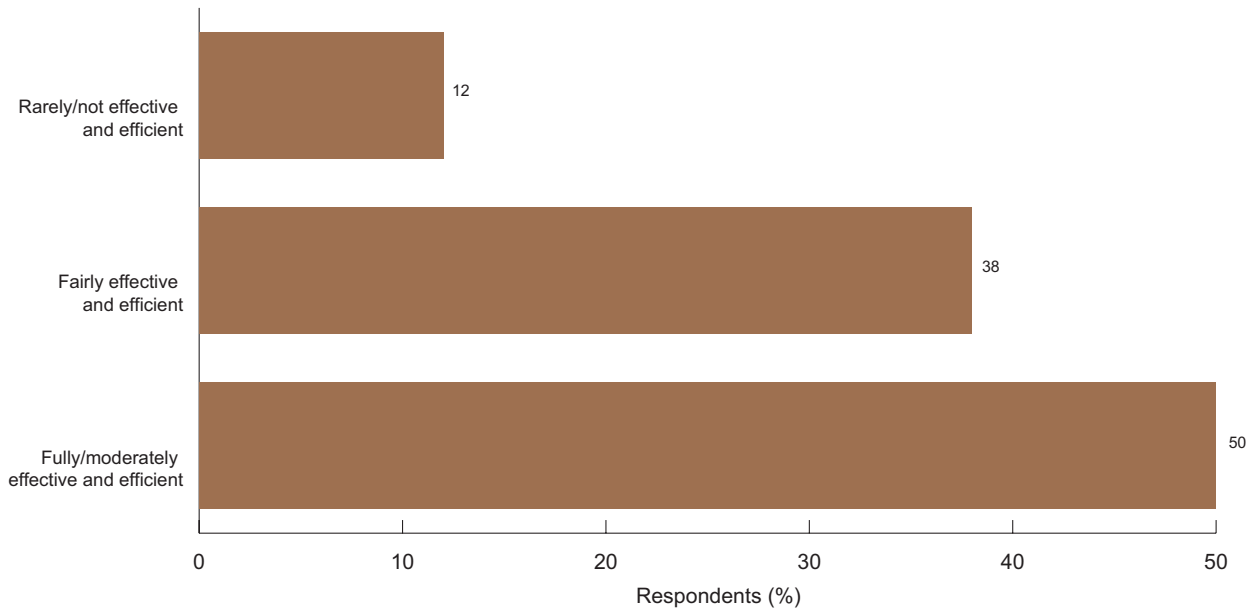
Regional councils and local authorities have become the focus for Namibia's decentralization policy, as reflected in amendments to the Local Authority Act and Regional Council Act. The Ministry of Regional Local Government and Housing (MRLGH) has been tasked with the formulation and implementation of the decentralization policy, and the regional councils are responsible by law for the overall development planning at the regional level and overseeing proper local authority development planning and implementation.

In the absence of clear decentralization guidelines, however, the role played by those councils is unclear and they de facto have only very limited powers. At the same time, most local authorities in Namibia function in communities with low incomes, insufficient housing and employment opportunities, underdeveloped infrastructure and services, and a weak economic base, whilst being faced with increasing demands on their scarce financial, managerial, administrative and planning resources.

Thus, the central government allocated only about 4% of its financial resources to local government in 2001/2, while local government expenditure made up 0.4% of the total government budget (2001/2002). Accordingly, 46% of the experts interviewed indicated that local governments have only limited capacity to manage decentralized responsibilities.

In 2001, regional councillors were granted the status of full-time politicians in an attempt to increase their accountability vis-à-vis their electorate. However, the general perception among the Expert Panel regarding the levels of effectiveness and efficiency of mechanisms to ensure accountability and transparency in local administrations is rather moderate (Figure 20).

Figure 20. Expert Panel opinion on local government mechanisms to ensure accountability and transparency in local government administrations



### Human rights, the rule of law and enforcement

The key government institutions of accountability include the two Houses of Parliament, Office of the Ombudsman, Office of the Auditor General, and the Public Service Commission. Expert respondents felt that watchdog organizations are independent of the Executive, even though perceptions of their effectiveness in promoting the protection of citizen rights are mixed (Figures 21a and 21b).

Figure 21a. Expert Panel opinion on the independence of watchdog organizations from the Executive

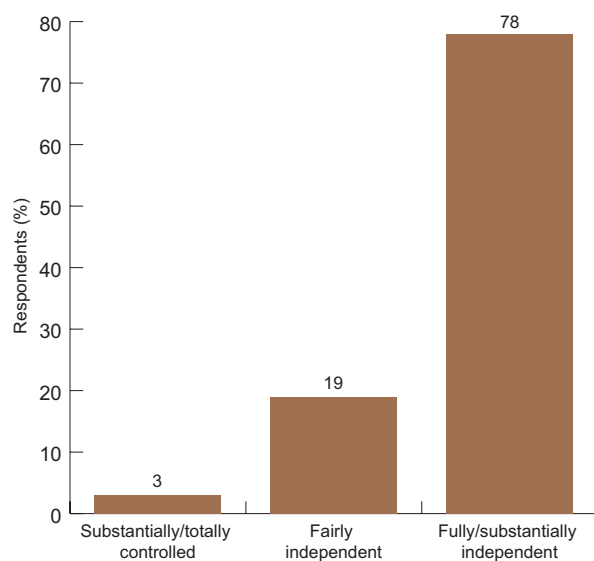
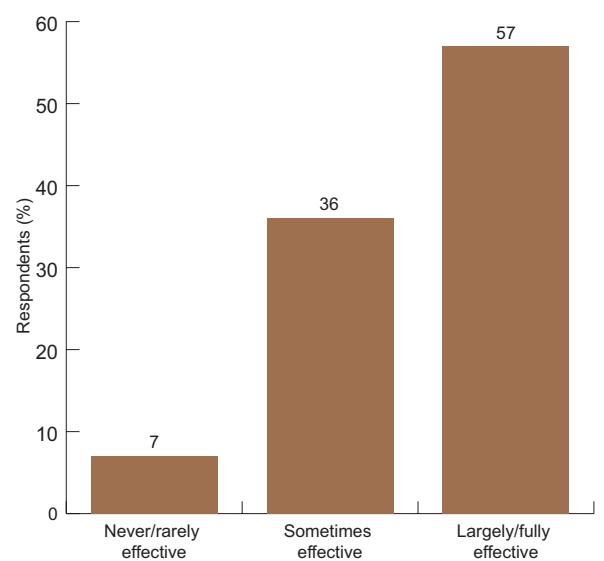


Figure 21b. Expert Panel opinion on the effectiveness of watchdog organizations in promoting citizen rights

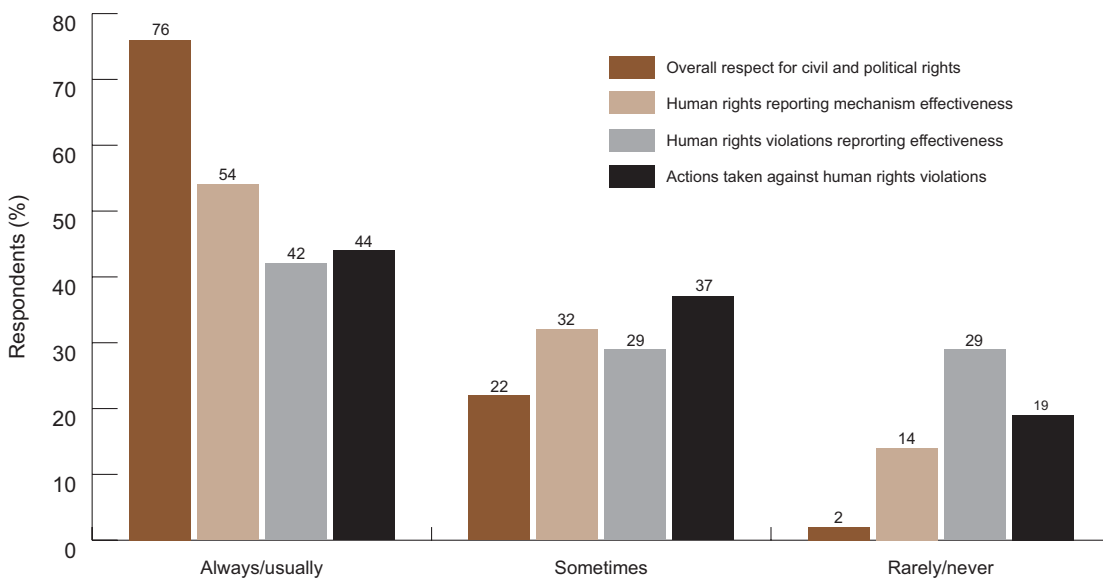


One of the most important provisions in the Namibian Constitution is enshrined in Article 10 of the non-amendable Chapter 3 of the Bill of Fundamental Human Rights and Freedoms. The article contains two provisions stating that “all persons shall be equal before the law,” and that “no persons may be discriminated against on the grounds of sex, race, colour, ethnic origin, religion,

creed, or social or economic status.”The Constitution also makes provisions for the protection of freedom of expression, association, assembly, and movement, including limitations on their exercise and how these are adjudicated.

The National Society of Human Rights monitors human rights violations with a view to strengthening democratic governance in Namibia. There are no vulnerable sections of the population systematically being excluded from the law’s protection, human rights are usually respected, and violations reported and acted upon promptly (Figure 22). There are reports, however, that the involvement of the Namibian security apparatus along the politically volatile Angolan border have led to human rights abuses and violations.

Figure 22. Expert Panel opinion on the respect for human rights



The household and expert surveys indicate that police and leadership mostly adhere to the rule of law, and that there is general confidence in law enforcement agencies (Figure 23a). The Expert Panel also indicated that law enforcement agents substantially reflect a cross-section of society, and are usually recruited on transparent and merit-based principles. They are reasonably well trained to carry out their duties efficiently and usually respect and monitor the violation of human rights. In terms of police equipment, however, especially transport, there is some room for improvement, which the government is attempting to address (Figure 23b).

Figure 23a. Expert Panel opinion on the level of confidence citizens have in the ability of the police to protect them from crime

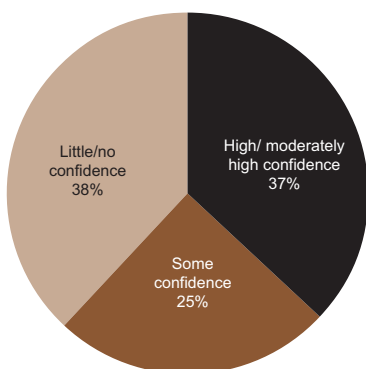
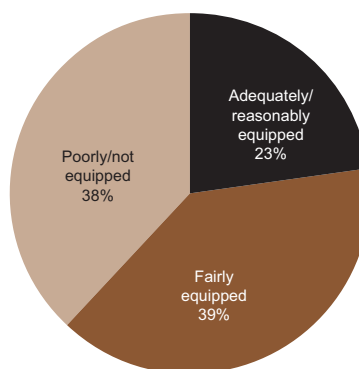


Fig 23b. Expert Panel opinion on the adequacy of police equipment

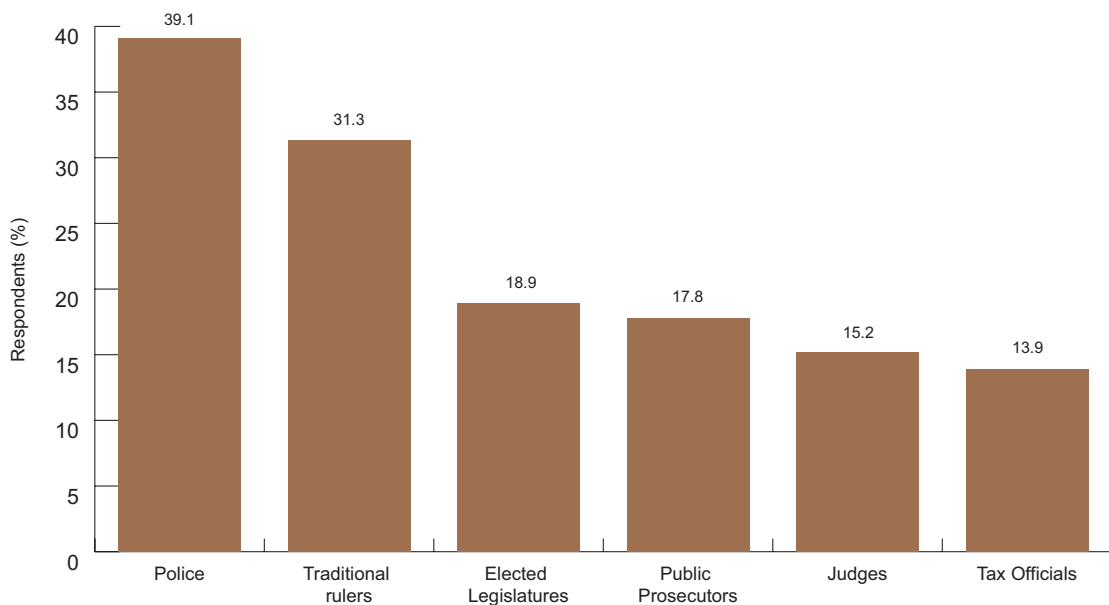


Generally speaking, corruption is not a serious problem in Namibia and Transparency International has consistently ranked Namibia as one of the least corrupt countries in Africa (Table 1). The household survey indicated, however, that the police and traditional rulers sometimes seek bribes (Figure 24). The need for effective anti-corruption measures was highlighted by a succession of reported scandals involving National Council members. In 1999 a decision to establish an anticorruption unit in the Prosecutor General's office was announced, but the Cabinet has since rescinded that decision. An anti-corruption bill was tabled in the National Assembly in September 2001 but has not yet been adopted.

Table 1. Transparency International Corruption Perception Index of selected countries, 2001

Country	Rank	Score
Denmark	1	10
Botswana	24	6.1
Belgium	29	5.3
Namibia	29	5.3
Hungary	31	5.2
South Africa	34	5.0
Zimbabwe	45	4.1
Mozambique	56	3.5
Zambia	56	3.5
Ghana	63	3.3
Uganda	87	2.2
Kenya	90	2.0
Nigeria	98	1.6
Cameroon	99	1.5

Figure 24. Household perception on bribe seeking in the public sector



### Access, affordability, quality and pro-poor and gender orientations of service delivery institutions

There is growing consensus that the government has succeeded in ensuring increased access to social services for the majority of the Namibian population, although regional disparities persist. Access to a reliable commercial energy supply remains a problem, however, as close to two thirds

of Namibian households surveyed do not have full access to a reliable supply of electricity, especially in remote rural areas. Similarly lack of access to agricultural services, land and credit affects the majority of the population.

In order to target poverty reduction, the government adopted primary health care as a guiding policy for restructuring health services. To date, the health system has commanded substantial resources (about 15% of the budget on average since 1990) to address the priority of ensuring health care for all. Community health services represent around 60% of those expenditures, although close to 80% of households surveyed felt that medical services were not readily available.

Distance to clinics, affordability and health service quality, on the other hand, seem to be broadly satisfactory (Figures 25a and b).

Figure 25a. Household perception on medical costs

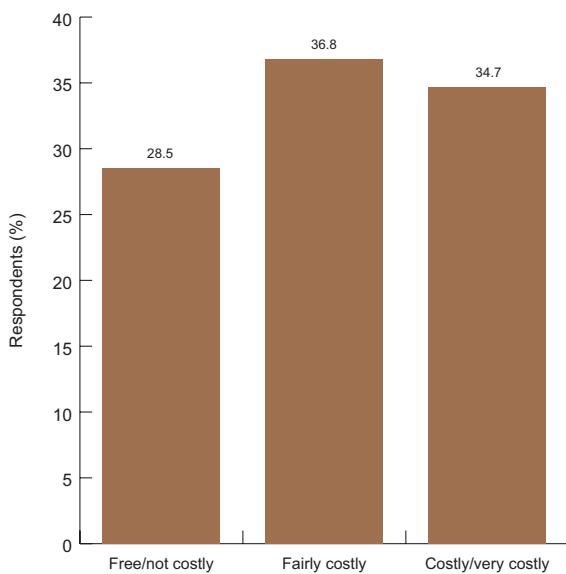
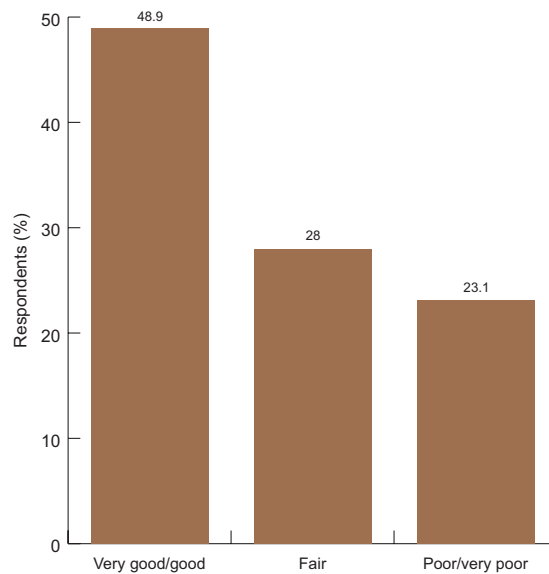


Figure 25b. Household perception on health quality

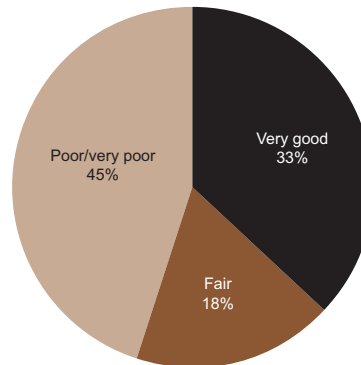


Namibia has the third highest budget allocation for education in the world, with 28% in 2002/3 as compared to a global average of about 12%. Education reform was a priority of the government after independence, even though the results and its role in poverty reduction remain to be seen. The system is characterized by high dropout rates, poor teaching quality, and major regional inequities to the detriment of the poorest regions. At the same time, there has been significant progress in making primary education for all a reality, as some 95% of all children in schools.

Public services, such as the issuing of national documents, are generally perceived to be accessible and reliable, but are often not delivered on time. In order to improve the accessibility and reliability of basic public services, the Office of the Prime Minister has taken a number of initiatives, such as the introduction of the General Principles of the Public Service Charter, as well as individual service charters for the different government offices, ministries and agencies. Moreover, public service targets are announced each year through Customer Service Charters, and each year the Prime Minister sets out targets during the annual public service statement.

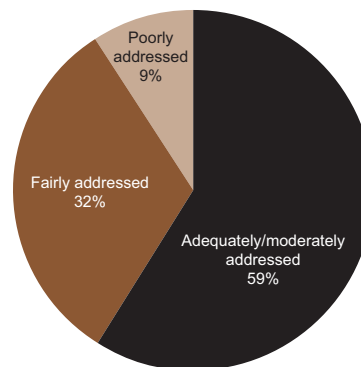
The relevance of public services to women is only moderately or fairly addressed according to the expert survey (Figure 26). It appears that although national policies addressing the plight of women, such as the National Gender Policy, are in place, they have yet to take effect at the grassroots level.

Figure 26. Expert Panel opinion on services' relevance in addressing the needs of women



Infrastructure development has been concentrated around areas targeted for commercialization and industrialization (urban centers, industrial parks and export processing zones), thereby neglecting the rural infrastructure as reflected in the results of the household survey (Figure 27).

Figure 27. Household survey perception on road availability

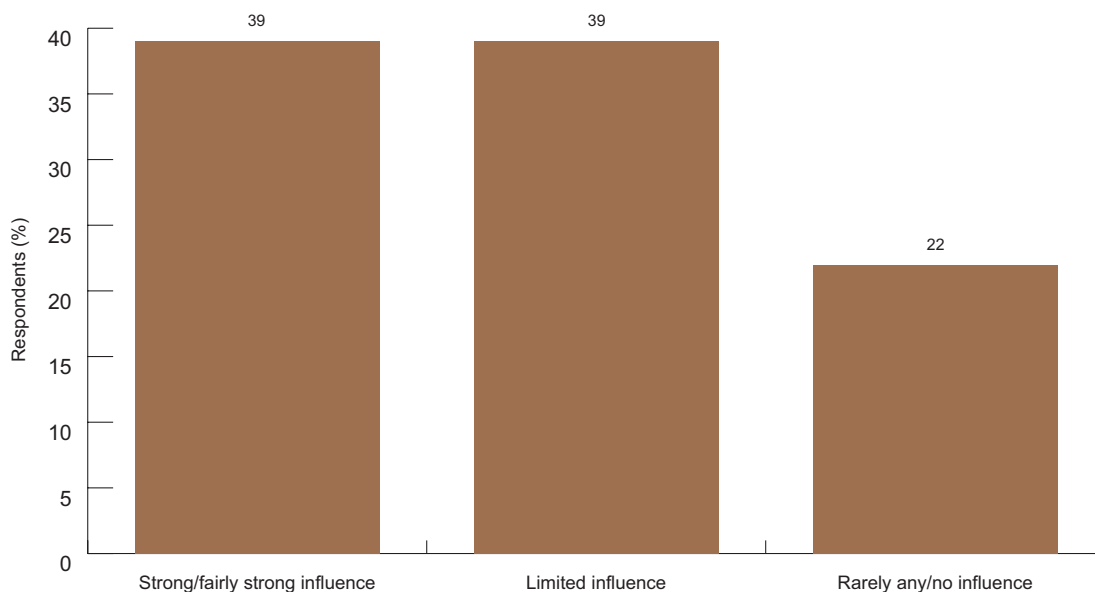


### Non-state actors

Civil society actors have grown in visibility and influence over recent years. This trend is reflected by the growing importance of organizations such as the Namibia NGO Forum (NANGOF), an umbrella for some 60 NGOs, and legal assistance centers, which play a vital role in monitoring the performance of government. Other important roles played by NGOs include monitoring elections and providing civic education to citizens.

However, on the whole their influence on government policy remains limited (Figure 28), even though civil society seems eager to engage with the state, despite resistance from some political leaders. The National Planning Commission is supposed to liaise with NANGOF on the government's behalf, but there was a breakdown of relations between the institutions. NGOs generally have become disillusioned with the slow pace of government delivery and lack of consultation, whilst the government continues to be concerned about NGO accountability, capacity and orientation.

Figure 28. Expert Panel opinion on the degree of civil society influence on government policies



Most of the printed media in Namibia are privately owned and operate in a free and competitive environment. Owing to the weakness of credible opposition parties, several newspapers have increasingly started to play a watchdog role over the government's activities. Thus, they are often criticized by government officials for their negative coverage or the leaking of confidential state documents. The relationship between the media and government can therefore be described as tense.

The government recognizes the role of traditional leaders as the custodians of traditions and customs of their respective communities. They are expected to represent their communities in the regional development planning process and the constitution provides for a Council of Traditional Leaders to advise the President on the control and utilization of communal land. The Traditional Authorities Act of 1995 sets out the mandates of traditional authorities in relation to the powers of the modern state, which prevail over the former if they are in conflict.

## Institutional Capacity Building and Governance

The relation between strong, capable institutions and good governance has been clearly acknowledged by most African governments over recent years. Efficient and effective institutions are indeed understood to be essential prerequisites for establishing and entrenching a culture of accountability and transparency in the management of national affairs. Therefore, capacity in the context of the ECA project "Measuring and Monitoring Progress towards Good Governance in Africa" is about capacity to promote democratic governance, to improve the structures and institutions of economic policy making, invigorate the strength of civil society to contribute to national development, and create a context of social empowerment for the people – in which they can contribute meaningfully to decisions that affect their life chances and the developmental process.

Capacity has been described as representing the 'missing link' in the African development and democratization process, and this view is indeed amply supported by the evidence collected throughout the project countries. Despite the differing contexts and circumstances, certain capacity gaps appear to be cross-cutting, affecting both state and non-state actors and institutions throughout the continent. Without being exhaustive, some of the most critical capacity gaps that need to be addressed include the following:

- Most legislatures in Africa lack the necessary institutional capacities to perform their con-

stitutionally mandated functions. Some of the most common deficiencies identified include inadequately educated legislators, who lack relevant knowledge, access to information, sophistication, freedom and independence that would enable them to perform their mandated duties efficiently and effectively.

- Judiciaries in many African countries do not enjoy operational independence as the Executive determines the appointment, promotion and remuneration of judicial officers. The prospects of career mobility for judges therefore largely depend on how well they can court and patronize the Executive. In most cases, the budget and funds of the Judiciary are controlled by the Ministry of Justice, creating lengthy bureaucratic procedures and often resulting in discriminatory funding used against 'erring' courts and judges.
- The capacity gaps cutting across the institutions of the Executive, including the central and regional/local government tiers, the civil service, public parastatals and the electoral authority, generally concern the employment of inadequately trained, remunerated and motivated human resources, which often results in corruption, misuse of office and poor government service delivery, especially at the decentralized levels of government.
- Capacity gaps also affect civil society organizations in Africa, which often fail to fulfill their role of expanding the political space and enhancing participation. Weaknesses include their internal organization, poor management and leadership skills, limited resources and human capacity, and concentration in African capitals, which limits their presence in rural areas where they are sometimes most needed.
- Many political parties across Africa are also largely failing to mobilize and aggregate public opinion. This is partly due to adverse regulations and practices imposed by ruling parties, and partly due to their weak leadership and internal governance structures, which limits their capability to effectively articulate issues, engage in meaningful and organized debates, and promote their political principles or visions of society.
- Finally, the private sector contribution to good governance remains inadequate across many African countries, which is often a consequence of unstable policy frameworks and unpredictable regulatory enforcement capacities. Furthermore, existing mechanisms for consultations and partnerships between the public and private sectors remain weak and unstructured, whilst only few African countries have adopted policies acknowledging the existence and promoting the development of the rapidly growing informal sectors towards the formal sector.
- Whilst these are some of the most commonly observed shortcomings affecting the capacity of African states, each country also has its own, specific capacity issues to address and prioritize in light of both, the differing stages of development with regards to the capacities of institutions of governance, and of existing resource constraints. Therefore, there must be flexibility and a considerable degree of local ownership in the identification and prioritization of capacity building requirements. In the case of Namibia, some of the specific capacity gaps identified in the study are being discussed below.

### **Major capacity gap areas identified in the country study**

Generally, there is a need for training and capacity-building for Namibians in good governance at the following levels:

- Politicians and party leaders;
- Regional and local councils at regional levels; and
- Administrative staff of both public and private institutions.

There is also a need to build capacity at the three levels set out above in understanding the constitutional rights and guarantees of the country. This might entail republishing the Constitution in local languages and simpler terms for semi-literate and illiterate members of society.

It is becoming widely recognized in Namibia that the achievement of democratic governance will depend on an intensive and effective empowerment and capacity-building process at the regional and local state levels. The target is to localize democracy and simultaneously develop the capacity at the sub-national level to compliment central government developmental efforts.

Civic education programmes are among the measures required to strengthen democratic institutions and promote participatory decision-making in Namibia. The electorate should appreciate the essence of the devolution of state powers, the need for competitive recruitment of political office bearers through the mode of universal and free elections, and the importance of institutionalized, free and vibrant civil societies.

Civic education stakeholders can be divided into two groups, namely government institutions (public watchdogs, judicial organs, and the Directorate of Publications) and non-governmental organizations, including political parties, NGOs and the media.

### **Measures to address capacity gaps within state and non-state actors**

There is a growing awareness within Namibia of the essential roles of governing institutions, private sector organizations, and civil society in promoting good governance. To address existing capacity gaps and promote further economic growth, emphasis has been placed on regulatory frameworks that encourage business opportunities, trade, and new investment for public and private sectors alike. Without consensus and support for major reform initiatives from the principal political agents of the state, however, governance programmes have no hope of success. Capable institutions are therefore key.

Public sector reform initiatives, which critically examine the appropriate roles, capabilities, and resources of the central government, have given rise to major decentralization processes and an enhanced role by local authorities in management of public resources and policies. Programmes are more frequently encompassing the mutually reinforcing processes between the need to strengthen central mechanisms for planning and delivery of government services and programmes, and the advantages that accrue from participatory processes, which enhance local-level decision-making, project design, and implementation.

## Annex I: ECA Project on “Measuring and Monitoring Progress towards Good Governance in Africa”

The Economic Commission for Africa conceived of this project in the late 1990s in response to the emerging consensus that good governance is central to Africa’s development agenda and progress, as well as to the growing demand for sustained improvements to Africa’s governance situation.

The project has been conducted in phases; by the end of 2003, it encompassed the following 28 countries:

Benin, Botswana, Burkina Faso, Cameroon, Chad, Egypt, Ethiopia, Gabon, Gambia, Ghana, Kenya, Lesotho, Malawi, Mali, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, South Africa, Swaziland, Tanzania, Uganda, Zambia, and Zimbabwe.

Plans for 2004–2006 include adding some 12 additional countries to the study.

### Project Groundwork

In order to conceptualize the project, ECA convened a series of workshops in 1999, tapping on expertise from within the continent and outside, consulting widely with relevant universities, research institutions and organizations, such as the Organization of Economic Co-operation and Development (OECD), the United Nations Development Program (UNDP), and the African Development Bank (ADB), Organization of African Unity (OAU), and many others with the following objectives in mind:

- To agree on the components of good governance, in all its dimensions, taking into account the disparate cultural, historical, and other socio-political factors across the African continent. A call for the development of a list of qualitative and quantitative indicators to measure governance emerged.
- To establish criteria for measuring and monitoring governance in the face of the disparate historical, socio-political, and economic disparities among African states. The need to create a dynamic mechanism for periodic cross-national assessment of the performance of African states thus became a central element to the advancement of good governance on the continent.
- To identify ways and means to create and sustain Africa’s ownership and commitment to good governance norms and practices in the context of African realities. Consensus building among the various stakeholders, especially between civil society and the state, was deemed essential.
- To build research capacity in the area of governance.

### Methodology

A research instrument with three components was designed to obtain information on the state of governance in Africa, as reflected by the political, economic, and social affairs in each country. The three research components consist of:

- An opinion-based study using a national Expert Panel, comprised of a group of national experts whose numbers ranged from about 70 to about 120 across project countries. In each of the 28 project countries, members of the Expert Panel were carefully drawn to ensure representation with regard to age, social status, education and field of training, political orientation, the private sector, civil society organizations, and ethnic, regional and religious background as

well as gender balance.

The research instrument was in 'cafeteria' format, and it was formulated and fine-tuned by distinguished groups of experts on Africa in conferences held at ECA in September 1999, March 2000 and April 2001, and then subjected to a pre-test in South Africa and Benin before the final project launch in October 2001. The subject matter of the research encompassed: (i) Political Representation, which included the political system, distribution of power, political party freedom and security and the credibility of the electoral process; (ii) Institutional effectiveness and accountability, which included the effectiveness of the three branches of government, with some emphasis on the Executive branch; (iii) Human Rights and Rule of Law; (iv) Civil Society Organizations, which looked into their independence, operational environment and their effectiveness; and (v) Economic Management, which looked into investment policies, the tax system and the impact of corruption. Once collected, the data from each Expert Panel study were further subjected to rigid quality control to ensure that they were consistent and reliable.

- A national sample survey using a stratified two-stage probability sample ranging from some 1,300 to 3,000 households across Africa to represent a cross-section of the population (i.e., rural and urban, poor and middle class, the educated and the illiterate) to gauge perceptions of principal national problems and the accessibility, adequacy, and efficiency of government services.

The questionnaire for the national household surveys was in closed form. It was jointly designed by experts at ECA and by external partners who have had rich research experience in related studies in several countries. However, the implementation of the household surveys was left entirely to research collaborators in each project country, but close quality control was undertaken by ECA to ensure that all surveys had national coverage and were sound in scientific design and implementation.

The household sample survey in each project country was carried out either in close collaboration with the National Statistical Office, or with the principal sampling experts of the same office, to ensure that it utilized the official sampling frame, stratification, and survey infrastructure so as to enhance the credibility of the final outcome. Consistent with sound scientific survey practice, details on sampling methodology, measures of error, copies of all research instruments and other relevant information are provided in appendices of all country reports.

- Desk-based research of factual information and hard data to supplement and complement the Expert Panel perceptions and national household surveys.

## **Project Implementation**

### **Preparation and pre-testing of research instruments**

The preparation of the research instruments was completed by mid-2001. The instruments were then pre-tested in Benin in August 2001 and South Africa in September 2001. As a result, minor modifications were made to ensure validity and technical soundness.

### **Selection of collaborating institutions**

Only national organizations were considered to conduct the studies. Capacity assessment missions were undertaken to identify research institutions to partake in a highly competitive bidding process, which resulted in the selection of a single collaborating partner or consortium per country.

### **Pre-launch workshops**

Selected research institutions were invited to a 3-day Pre-launch Workshop at ECA in August 2002 to familiarize them with the methodology to ensure cross-national comparability of research implementation, and to agree on the work plan for each country based on a master work plan proposed by ECA.

### National launch workshops

Each country held a National Launch Workshop with representatives of government, civil society, and other stakeholder groups to introduce the project, promote a suitable implementation environment and ensure the development of national ownership. The National Launch Workshop for Namibia was held on 15 November 2000 in Windhoek.

### National country reports

The collaborating institutions collected the data, obtained ECA's quality control clearance, analyzed it, and produced the National Country Report. ECA provided technical oversight to ensure conformity with its detailed instructions and agreed-upon work plans and report formats, and reviewed the final results.

### National stakeholders and subregional workshops

The National Country Reports were presented at National Stakeholders Workshops in each country and subsequently at three Sub-regional Workshops (North Africa and the Horn, Southern and Eastern Africa, and West and Central Africa) during the months of November and December 2003.

### African Governance Report (AGR)

The inaugural issue of the African Governance Report, a new ECA biennial, is being produced as a synthesis of the first 28 National Country Reports. The Overview will be presented to African Heads of State and all key stakeholders at the Fourth African Development Forum (ADF IV), 11-16 October 2004, in Addis Ababa, Ethiopia.

## Annex II: Basic Data

	1998	2001	2002
Land area ('000 square kilometers)	824	.....	.....
Population (millions)	1.7	1.8	1.8
Life expectancy (years)	.....	44.3	41.5
Infant mortality (rate per 10,000 live births)	.....	55.0	.....
Illiteracy total (% aged 15 and above)	19.4	17.3	16.7
Illiteracy female (% aged 15 and above)	71.4	67.6	66.2
GDP (current US\$ billions)	3.4	3.1	2.8

Source: <http://www.worldbank.org/data/countrydata/countrydata.html>.