# Mally Likukela

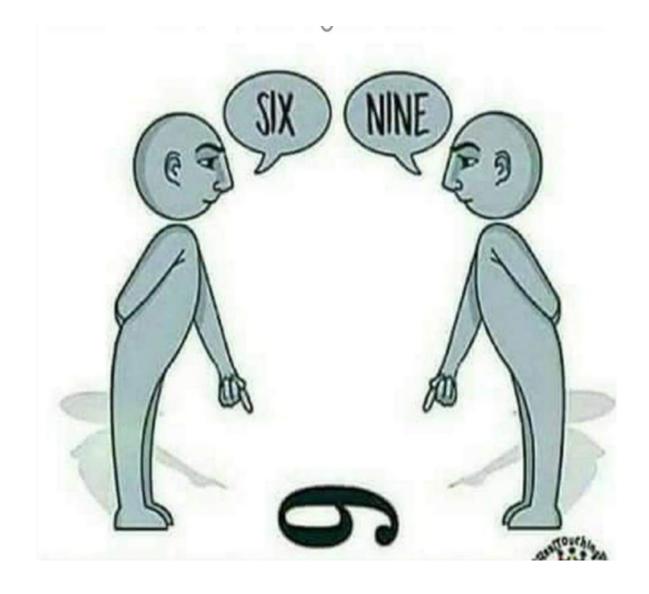
# **National Consultant**

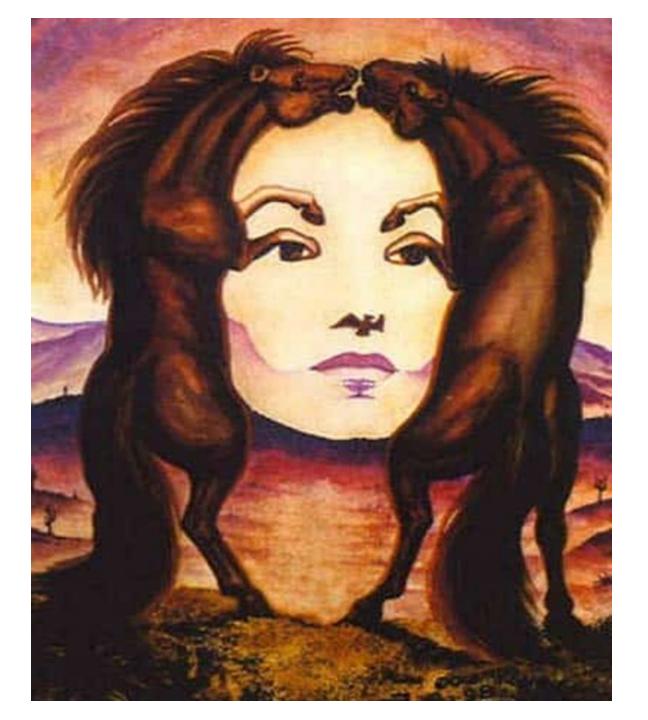
mmlikukela@gmail.com

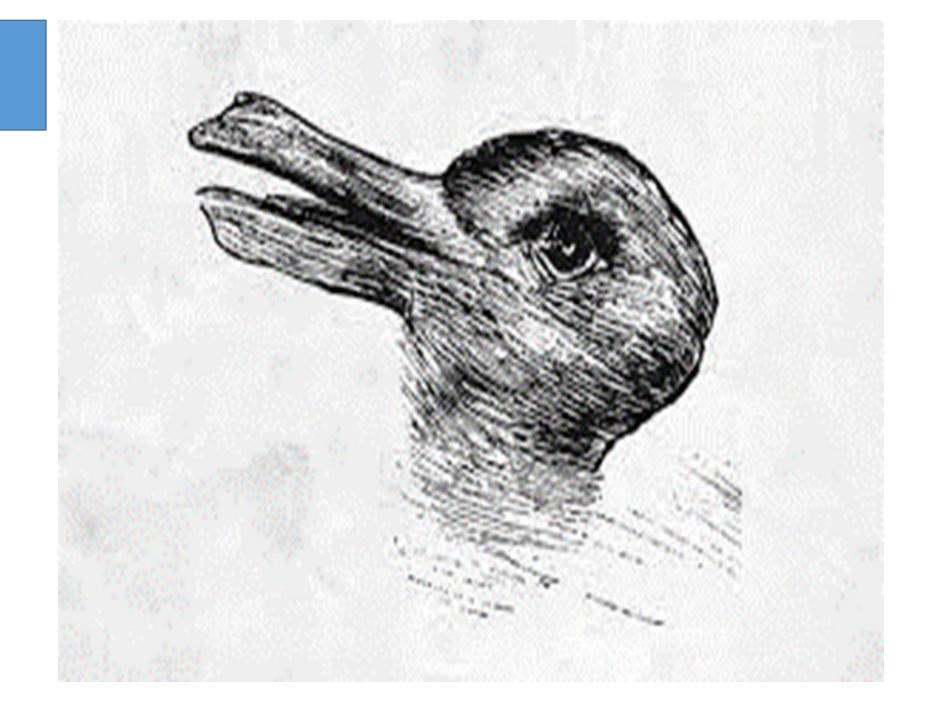
# NAMIBIA CASE STUDY: PRELIMINARY FINDINGS & OBSERVATION

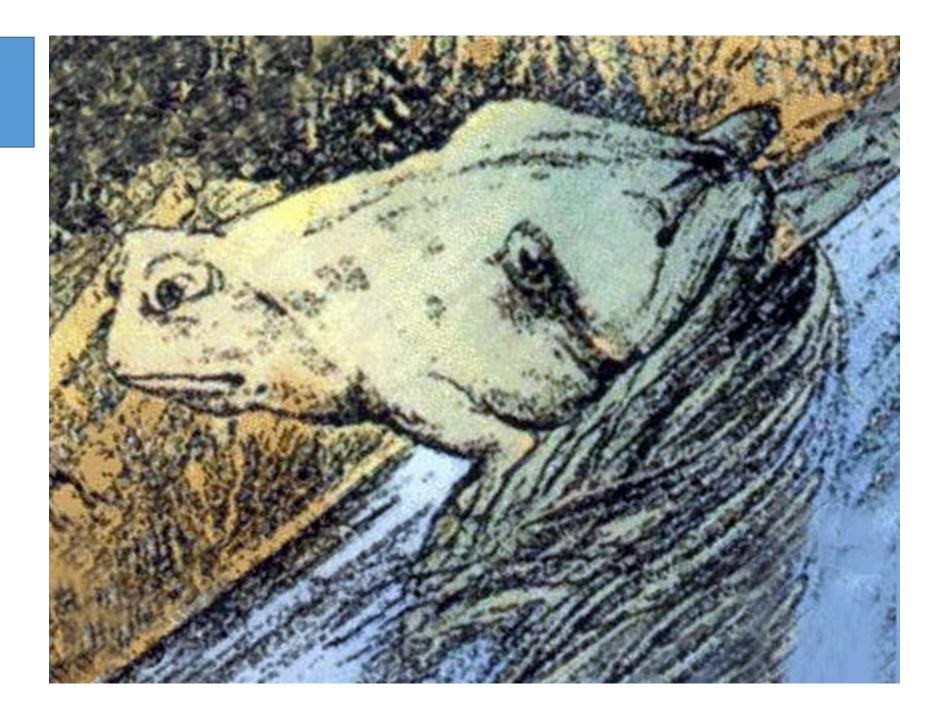
Interregional training workshop on strengthening capacity for evidence based social protection policies for responding to the triple global crisis in fuel, food and finance











### SITUATION ANALYSIS

# The Economy

The national cake is big enough for every Namibian – that is why for the past 10 years Namibia is classified as an upper-middle income country. (Was downgraded on the **1**<sup>st</sup> **July 2025** to Lower middle-income status by the World Bank.



# **GDP** per capita

The overall per capita GDP in a developing country like Namibia is greatly affected by the dualistic nature of the economy.

### Source of Income

Overall, 47.4 percent of households in Namibia indicated that Salaries and/or wages are their main source of income. This is followed by Subsistence farming accounting for 19.8 percent of all the households in Namibia.





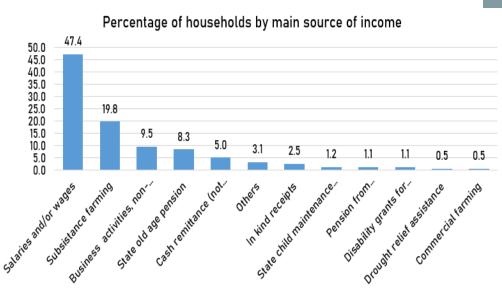
NAMIBIA MULTIDIMENSIONAL POVERTY INDEX (MPI) REPORT 2021











### SITUATION ANALYSIS



# **Demographic characteristics**

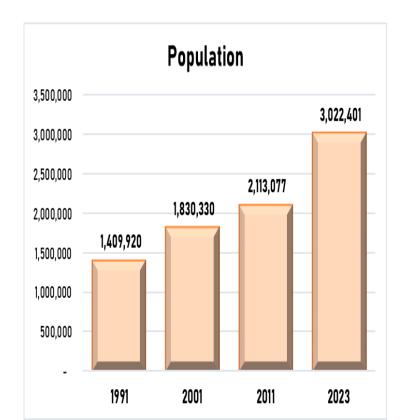
Total population of Namibia stands at 3,022,401. This figure shows that Namibia's population has been increasing since the 1991 Census, from 1,409,920 to 3,022,401 in 2023, representing an increase of 114.4 percent over a period of 32 years.

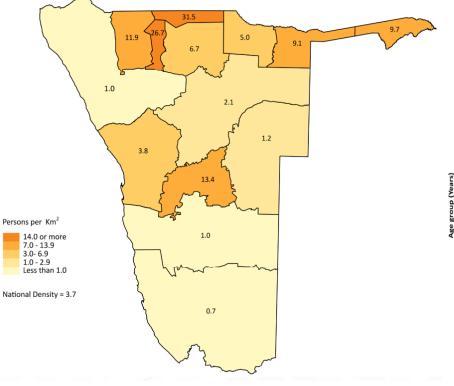
## **Population Density**

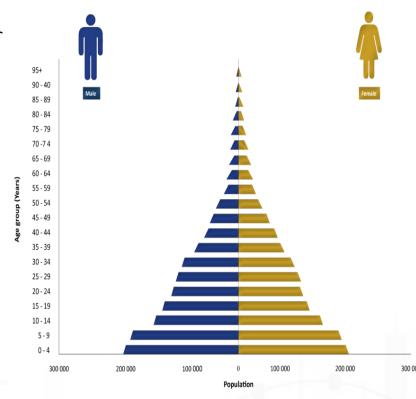
The National population density was 3.7 persons per square kilometer

# Age distribution

The national population pyramid presented in the figure below shows a very broad base illustrating young people and a very narrow apex representing a small proportion of elderly people who are aged 60 years and older









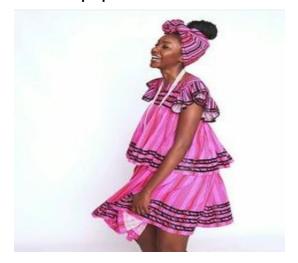
# .....Namibia is a Diverse country......

Main language

There are many languages spoken in Namibia and many Namibians are multilingual. The most common main language is Oshiwambo, which is the main language for half of the Namibian population









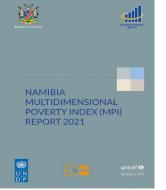












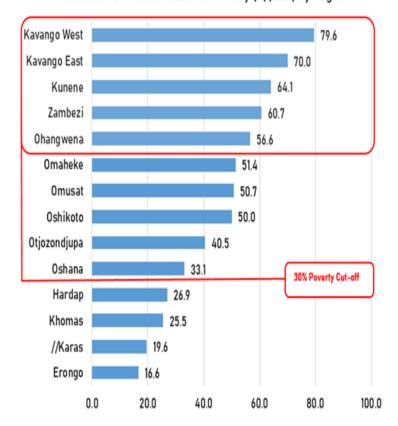
### SOCIO-ECONOMIC PROFILE

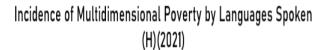
Namibia's number one challenge is Poverty.

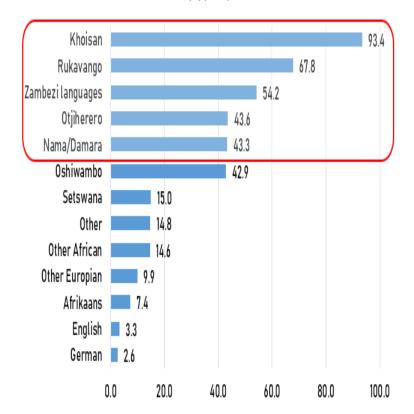
Poverty is reported at 43.3 percent, meaning that 43.3 percent of the population of Namibia are multidimensionally poor.



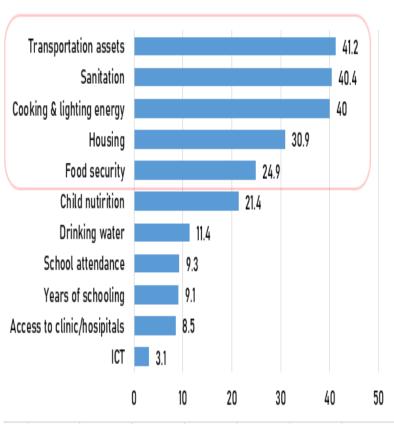






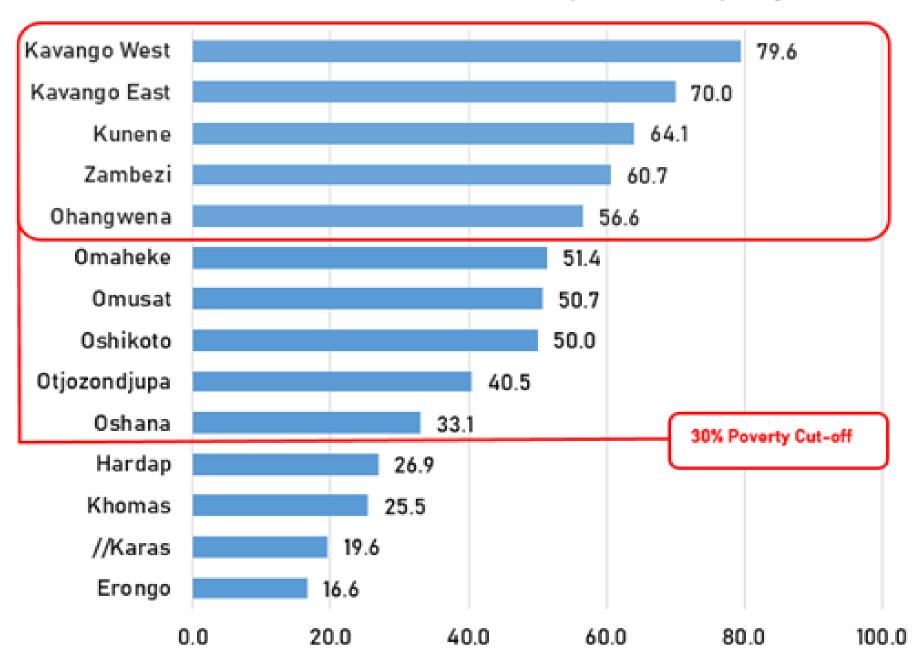


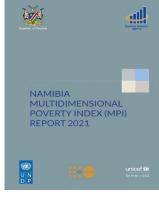
# MPI Indicators



# NAMIBIA MULTIDIMENSIONAL POVERTY INDEX (MPI) REPORT 2021

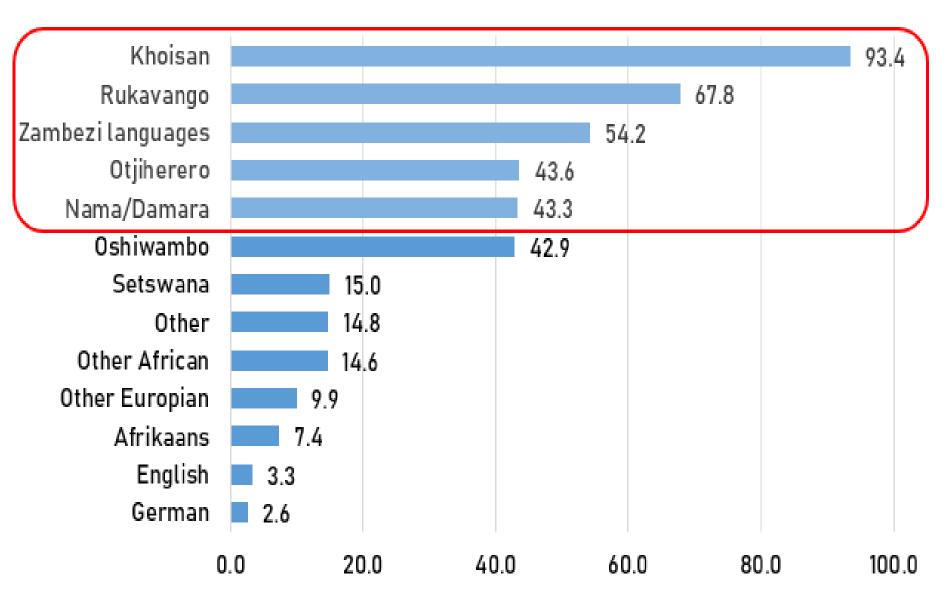
# Incidence of Multidimensional Poverty (H)(2021) by Region

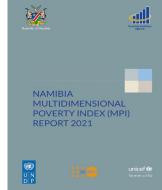


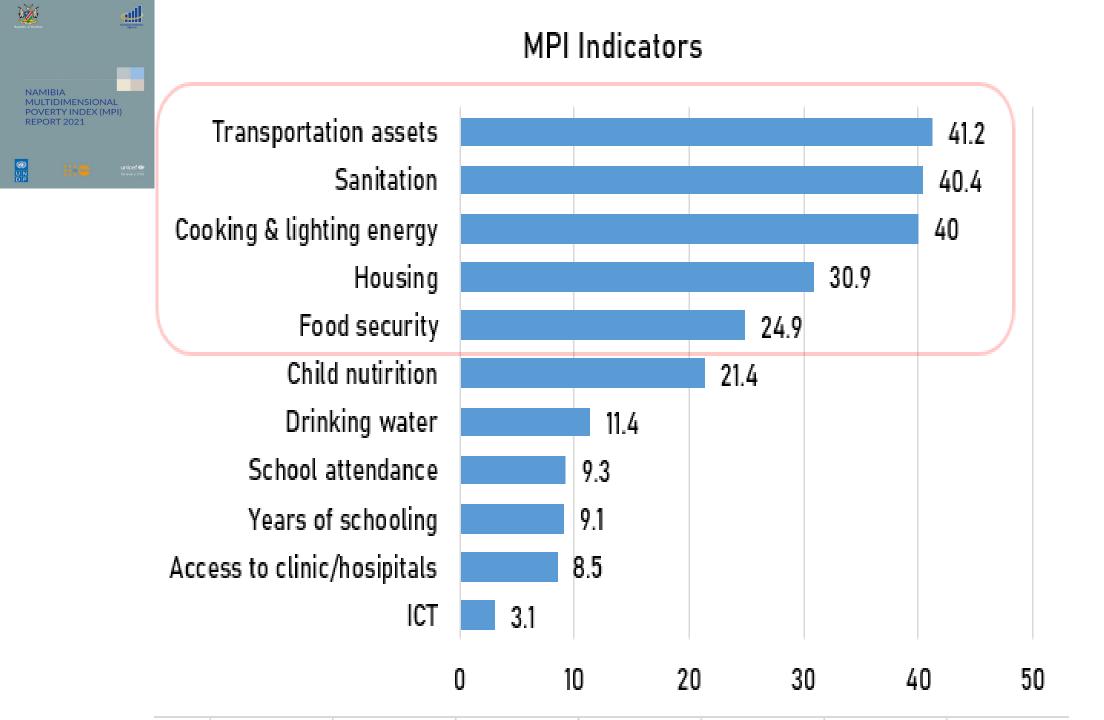


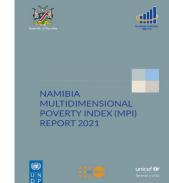
# NAMIBIA MULTIDIMENSIONAL POVERTY INDEX (MPI) REPORT 2021

# Incidence of Multidimensional Poverty by Languages Spoken (H)(2021)

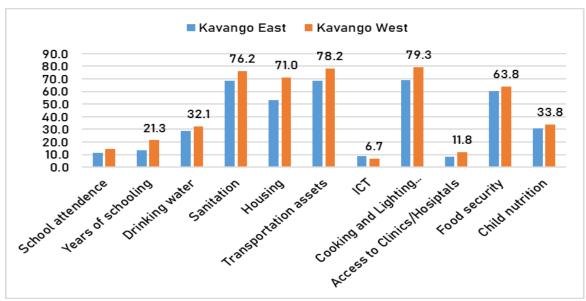


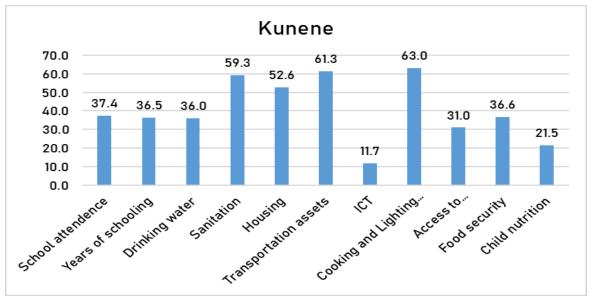


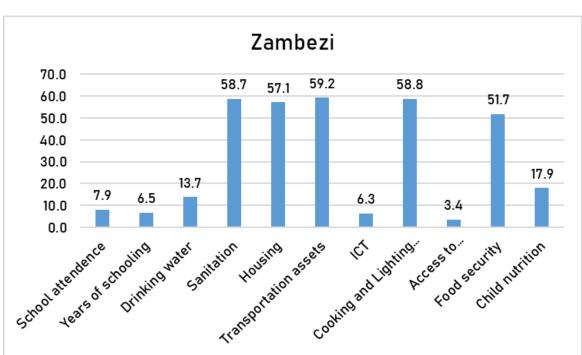


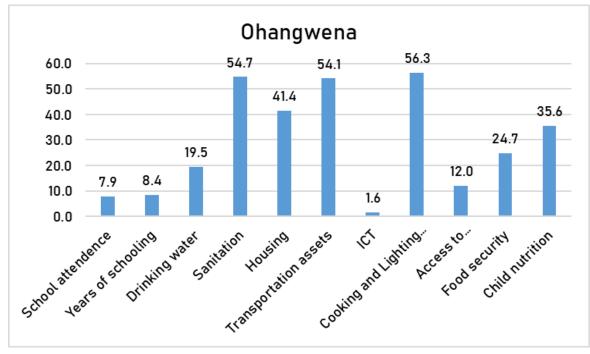


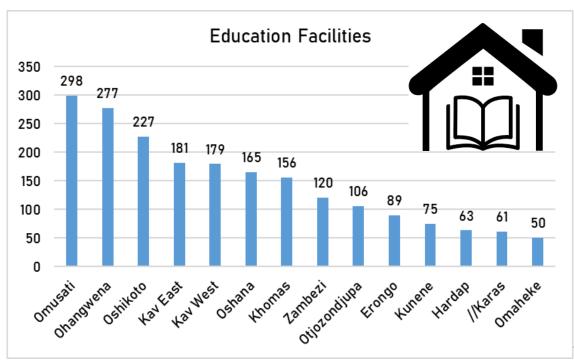
# Regional Poverty Profile

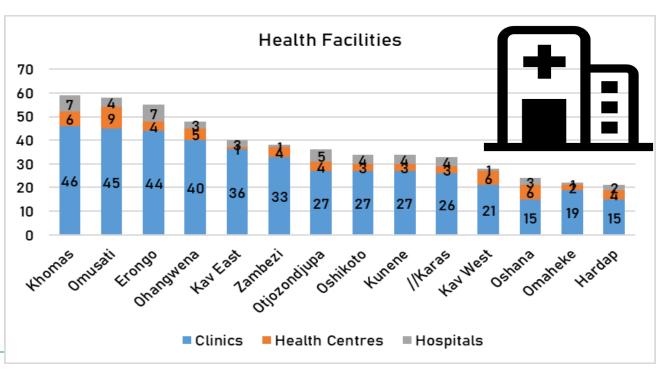


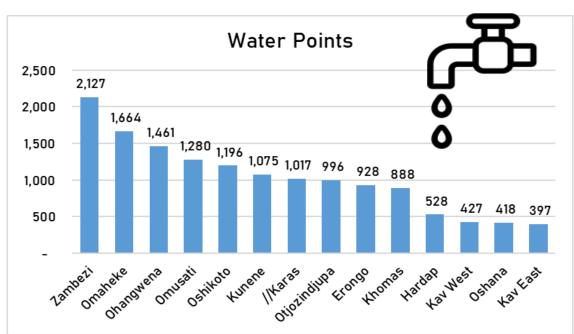


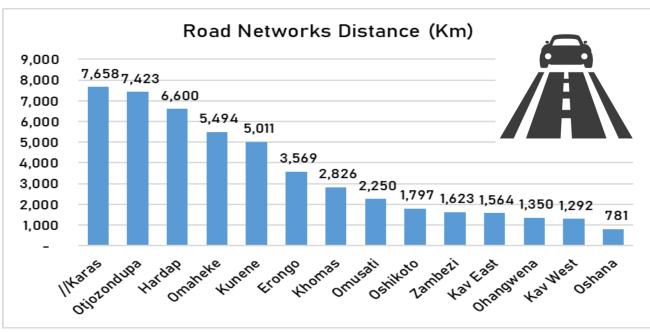












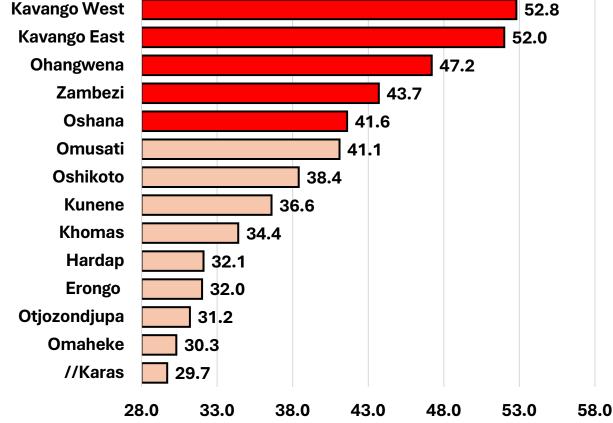
# Unemployment

# Structural Features And Causes Of High Unemployment in Namibia

Limited Size of Domestic Market; Economic Dualism and Labour Market Segmentation; Declining Productivity in Agriculture; Weak Performance of the Manufacturing Sector; Other Factors. Industrialization; Small Scale Industries; Development of Agriculture.



Top 5 Regions with the higest Unemployment Rate (%) in 2023



# 1. High Youth Unemployment:

# 2. Limited Access to Education and Skills Development:

# 3. Socioeconomic Inequality and Poverty:

# 4. Challenges in Rural Areas:

## **PROBLEM**

Namibia has a high youth unemployment rate, with many young people struggling to find jobs after completing their education.

# **CAUSES**

Limited job opportunities, a mismatch between skills and labor market demands, and a lack of entry-level positions contribute to this problem.

# **CONSEQUENCES**

High unemployment can lead to frustration, social unrest, and increased crime rates.

### **PROBLEM**

Many Namibian youth lack access to quality education and skills development programs, hindering their ability to enter the job market.

# **CAUSES**

Limited resources, infrastructure, and opportunities in rural areas, as well as the high cost of education, are major barriers.

# **CONSEQUENCES**

A lack of education and skills can lead to lower earning potential and increased vulnerability to poverty and unemployment.

### **PROBLEM**

Namibia has a high level of socioeconomic inequality, with a significant portion of the population living in poverty.

# **CAUSES**

Unequal distribution of income, wealth, and land ownership, as well as limited access to basic services, contribute to this problem.

# CONSEQUENCES

Poverty and inequality can lead to social unrest, crime, and limited opportunities for youth.

### **PROBLEM**

Youth in rural areas face additional challenges, including limited access to education, healthcare, and economic opportunities.

### **CAUSES**

Lack of infrastructure, limited job opportunities, and remoteness contribute to these challenges.

# **CONSEQUENCES**

Rural youth are more likely to be unemployed and face limited opportunities for advancement. Measures to addressing these challenges through Adaptive Social protection

# Investing in Education

Investing in quality education and skills development programs can help equip young people with the skills they need to succeed in the labor market.

# Promoting Economic Opportunities

Creating economic opportunities for young people, such as through job creation and entrepreneurship initiatives, is crucial.

# Improving Healthcare Access

Ensuring access to quality healthcare services, including mental health services, is essential for the well-being of youth.

# Addressing Inequality

Tackling inequality and poverty is crucial for creating a more just and equitable society where all young people have the opportunity to thrive.



# Social Protection [Policy and Legal Framework]

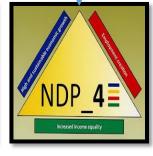
Namibia's social protection system is embedded in Vision 2030 - the country's guiding development strategy. The vision was crafted to, amongst other goals, ensure that: "Poverty is reduced to the minimum, the existing pattern of incomedistribution is equitable, and disparity is at the minimum." Vision 2030 is being implemented through a series of five-year National Development Plans, currently in its fifth edition - National Development Plan (NDP5) and a New NDP(6) will soon be unveiled.

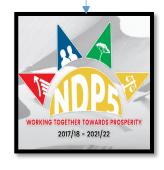


NDP2















1995/96 - 2000/01

2001/02 - 2005/06

2006/07 - 2011/12

2012/13 - 2016/17

2017/18 -2021/22

2016/17-2019/20

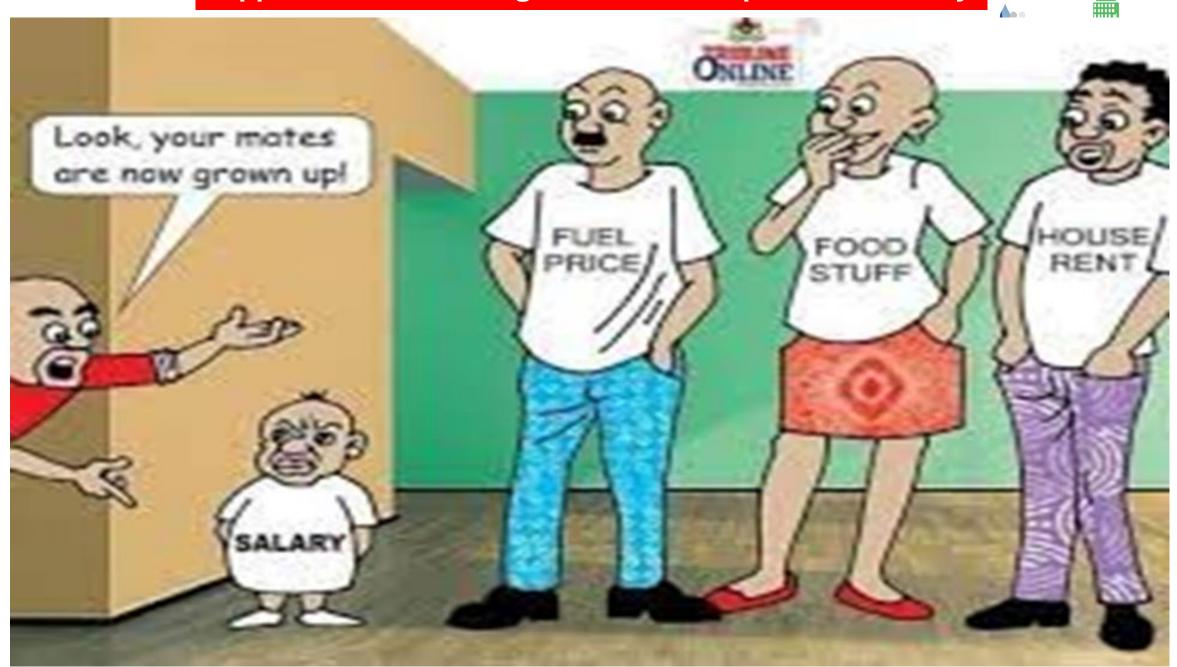
2021/22-2024/25

2025/26 - 2030/31



- The Harambee Prosperity Plan (I) and (II), which call for the implementation of the national policy framework on social protection. The country's social protection system, built on a comprehensive life-cycle approach,
- Many elements of social protection are further discussed within the **Blueprint on Wealth Redistribution and Poverty Eradication**, based on Namibia's ratification of relevant international and regional Conventions and Treaties on social protection, including from the ILO and AU.
- The concept and scope of 'Social Protection' is understood differently in different contexts. The Namibian Government has emphasized the importance of a broad, comprehensive approach to social protection, or, rather, 'comprehensive social policy approach' that emphasizes the need for social and equity considerations in all sectors of society.

# **Tripple Crisis worsening... SPS must respond sufficiently**



# SPS Have evolved and expanded in all aspects...

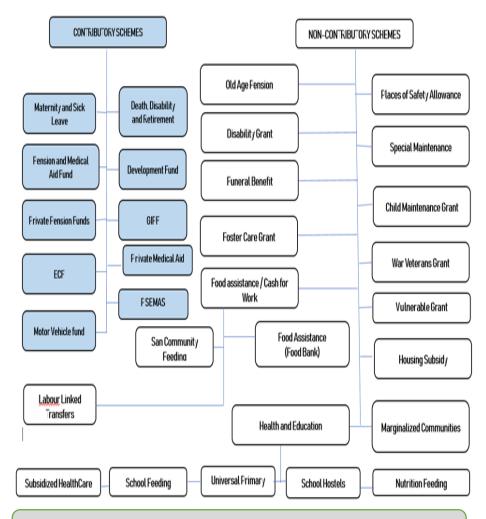
# **Early 2000s**

# **Late 2000s**

# **Late 2000s**

### Main social protection schemes at a glance

Name of programme	Funding type	No. of beneficiaries / claims paid; members
Child grants: Maintenance, Special Maintenance, Foster care grant, Place of safety	Tax-funded	146,249 as at 03/2013; NA
Funeral benefit	Tax-funded	Approx. 20,000 for 2011/12;NA
Basic/OAP and Disability pension	Tax-funded	170,319 as at 03/2013;NA
Veterans' subvention	Tax-funded	24,682 for 2012/13;
Medical expenses	Contributory	8,167; 23,869 employers for 2009/10
Compensation claims	Contributory	1,271; 23,869 employers for 2009/10
Capital pensions – APF	Contributory	; 23,869 employers for 2009/10
Pensions – APF	Contributory	649 for 2011/12; 23,869 employers for 2009/10
Maternity	Contributory	17,483; 348,141 employees & 37,585 employers for 2009/10
Sick Leave	Contributory	4,513; 348,141 employees & 37,585 employers for 2009/10
Death	Contributory	2,128; 348,141 employees & 37,585 employers for 2009/10
Retirement / Disability	Contributory	1,719; 348,141 employees & 37,585 employers for 2009/10
Compensation payments	Contributory	Total claims were at 133,893
Hospital and medical fees	Contributory	for 2010/11 for all MVA benefits
Medical management	Contributory	
Pension benefits	Contributory	98,304 contributors in 2011/12
Lump sum on retirement	Contributory	98,304 contributors in 2011/12
Death benefits	Contributory	98,304 contributors in 2011/12
Withdrawal benefits	Contributory	98,304 contributors in 2011/12
Funeral benefits	Contributory	98,304 contributors in 2011/12
Private pensions	Contributory	37,948; 251,741 contributors in 2012
Medical schemes	Contributory	1,057,830 claims in 2009;



Social Protection System 56

MINISTRY OF GENEER EQUALITY.
POVERTY ERADICATION AND SOCIAL WELFARE

Social Protection
Programmes Booklet

2024

20+ Programs

30+ Programs

50+ Programs

# SPS Have evolved and expanded in all aspects...

Old Age Grant Foster Parent Grant Maintenance Grant Vulnerable Children's (VC) Grant Child Disability Grant (special maintenance Grant) Short Term Emergency Grants
Maintenance Grant Vulnerable Children's (VC) Grant Child Disability Grant (special maintenance Grant) Short Term Emergency Grants
Vulnerable Children's (VC) Grant Child Disability Grant (special maintenance Grant) Short Term Emergency Grants
Child Disability Grant (special maintenance Grant) Short Term Emergency Grants
Grant) Short Term Emergency Grants
Short Term Emergency Grants
Conditional Basic Income Grant (CBIG)
Veterans Subventions Grants
Veterans Improvement Grant
Emergency Assistance Grant

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П										

Marginalized Communities- Special Feeding Programme

Marginalized Communities- Burial Services

Marginalized Communities - Education

Support Programme

Marginalized Communities- Livelihood

Empowerment Programme

Marginalized Communities- Housing &

Sanitation Provision

Community Forest Programme

### **PUBLIC WORKS PROGRAMMES**

Food/Cash for Work Programme

Rural Sanitation Programme

### **IN-KIND ASSISTANCE**

Namibian School Feeding Programme (NSFP)

Drought Relief Programme

National Resettlement Programme

Income Generating Activities

Funeral Benefit Grant

Veterans Funeral Service

Disability Individual Support Programme

Disability Education Support Programme

Disability Case Management

Equipment Aid Scheme Programme

Technical Vocational Education and training

TVET Programme

Namibian Correctional Service-Vocational

Programme.

Social Welfare Services for Tertiary Institions

Namibia College of Open learning- Scholarship

Programme

Namibia Agriculture Mechanization and Seed

Improvement Project

Environmental Investment Fund Grant facilities

Namibia Student Financial Assistance Fund

Loan Programme

Micro-Finance Scheme Programme

Regional Specific Action Plans Programme

Rural Development Centres Programme

One Region One Initiative

Support Resource for Poor Farmers Programme

### **SOCIAL CARE SERVICES**

ECD-Educarers Allowance Scheme

Subsidies and Grants for Residential Child Care Facilities for Children

Housing Saving Schemes Programme

Free and/or Subsidized Health Care Services

Reclassification of Private Patients to State Patients

Housing Units for Independent Low-Income Older

Treatment to Clients Addicted to Alcohol and Other Drugs

**Build Together Programme** 

Provision of Legal Aid Programme

Family Strengthening Programme - SOS Children Village

Family Strengthening Programme - Project Hope

### **SOCIAL INSURANCE PROGRAMMES**

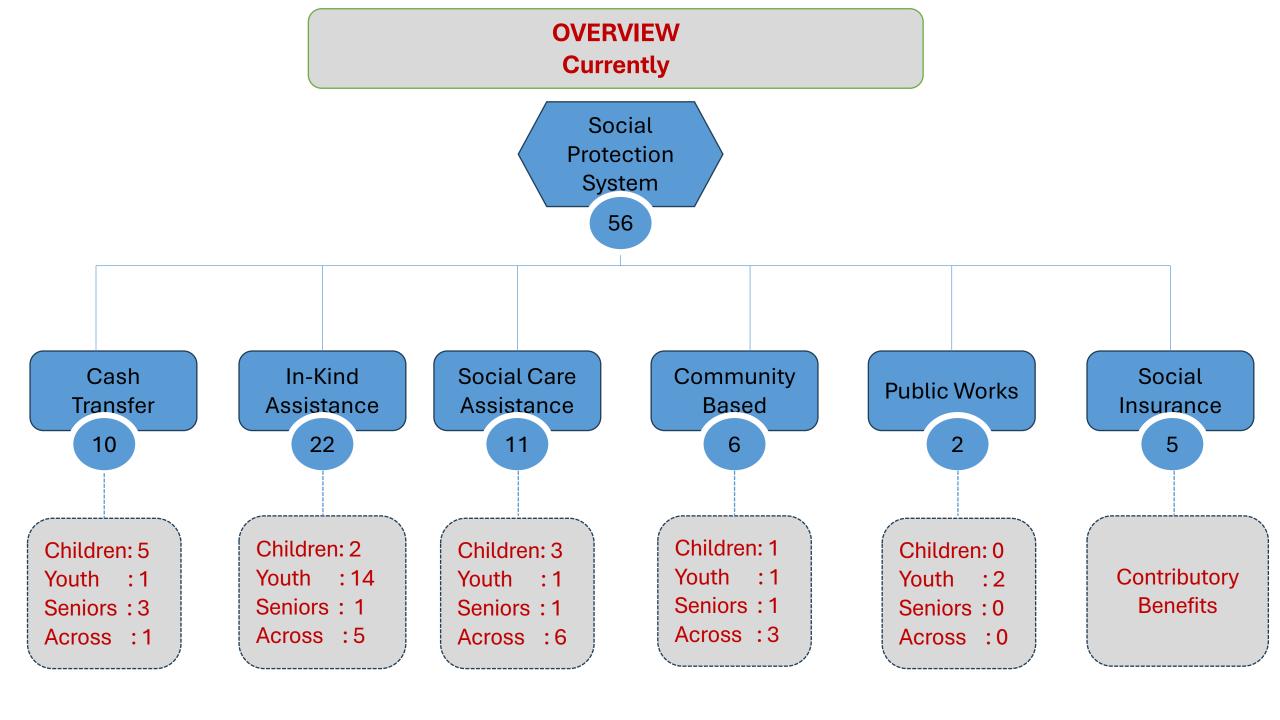
**Employee Compensation Fund** 

Maternity Leave, Sick Leave, and Death Benefit Fund (MSD)

Public Service Employees Medical Aid scheme (PSEMAS)

Government Institutions Pension Fund (GIPF)

Motor Vehicle Accident Fund (MVA FUND)

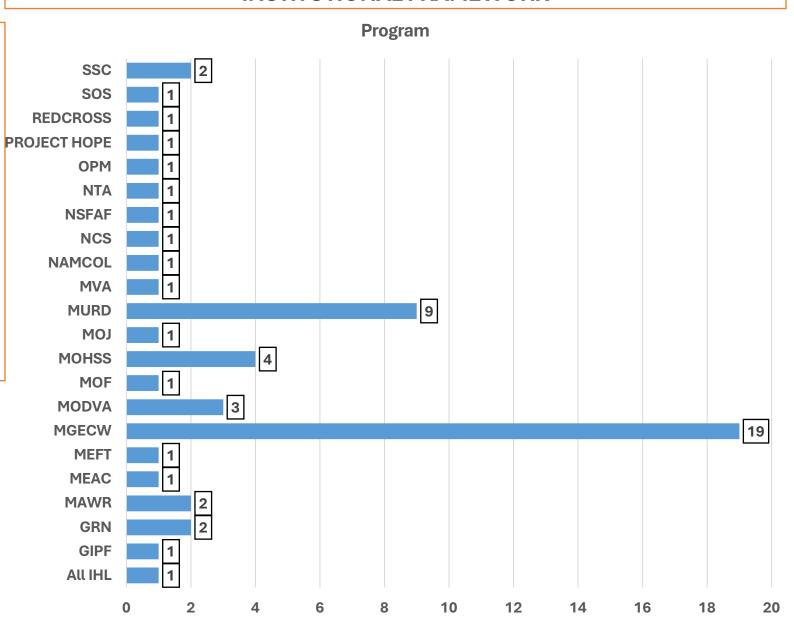


# SOCIAL PROTECTION SYSTEM INSTITUTIONAL FRAMEWORK

# GOVERNANCE ARRANGEMENTS FOR SOCIAL PROTECTION IN NAMIBIA

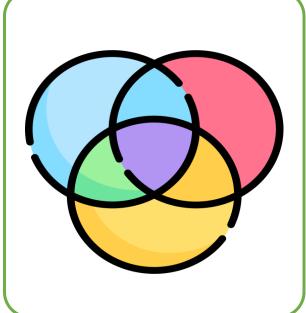
- Namibia's social protection system is governed by a multi-faceted approach.
- ☐ The mandate for social protection is embedded within the Ministry of Gender Equality and Child Welfare, which plays a central coordination body.
- ☐ The Ministry plays a crucial role in social protection governance by **developing and implementing policies**.
- There are **more than 22 entities** that implements SPP across the country.





# **IMPLEMENTATION**

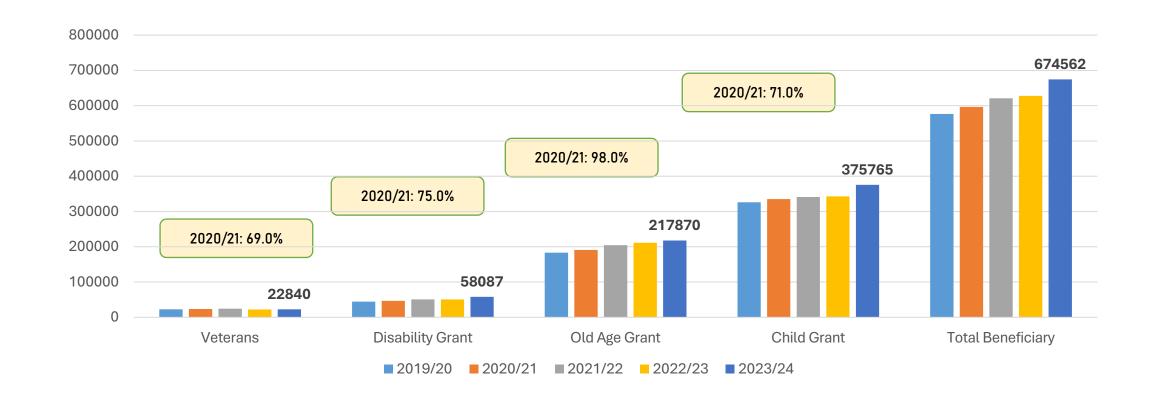
# **Programmes Implemented by Multiple Entities**



Programmes	Entities
1. Social Welfare Service for Tertiary Institutions	All IHL
2. Environmental Investment Fund Grant facilities	GRN/EIF
3. Equipment Aid Scheme Programme	GRN/MIT
4. Disability Education Support Programme	MGECW/ NSFAF
5. Public Service Employees Medical Aid scheme (PSEMAS)	MOF/MOSS/OPM
6. Build Together Programme	MURD/RC
7. Namibian Correctional Service- Vocational Programme	NCS/NTA

# **COVERAGE**

- Coverage expansion has been a **priority over the past decades**, with regular increases in the number of beneficiaries for key programs.
  - There is a **strong increase in coverage across** the social assistance system and
- The **two largest programs in terms of coverage** are The Child Grant and Old Age Pension Grant and their total beneficiary have increased faster.
  - The combined number of beneficiaries for child grants has overtaken coverage of old age and disability grants

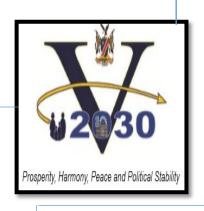


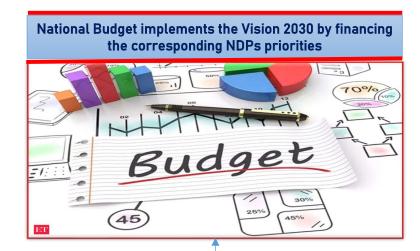
### FINANCING OF SOCIAL PROTECTION

How priorities are set in Government....

Development Planning Framework of Namibia

TNDP: 1991/92 to 1993/94



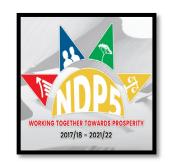




NDP2











1995/96 - 2000/01

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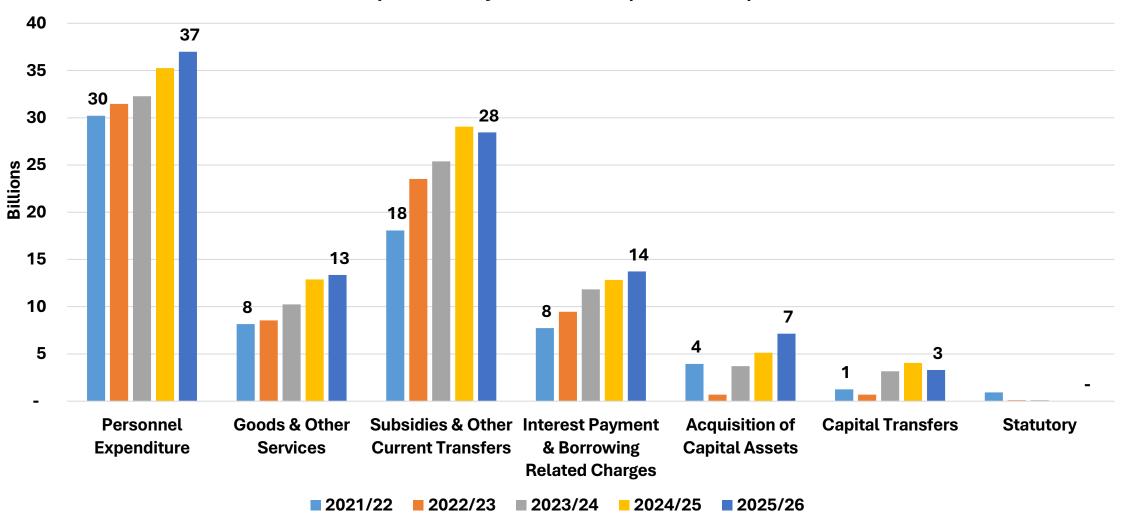
2017/18 -2021/22

2016/17-2019/20

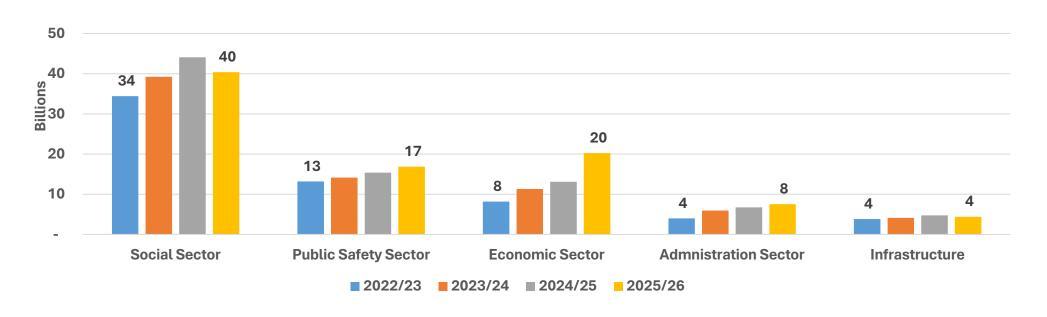
2025/26 - 2030/31

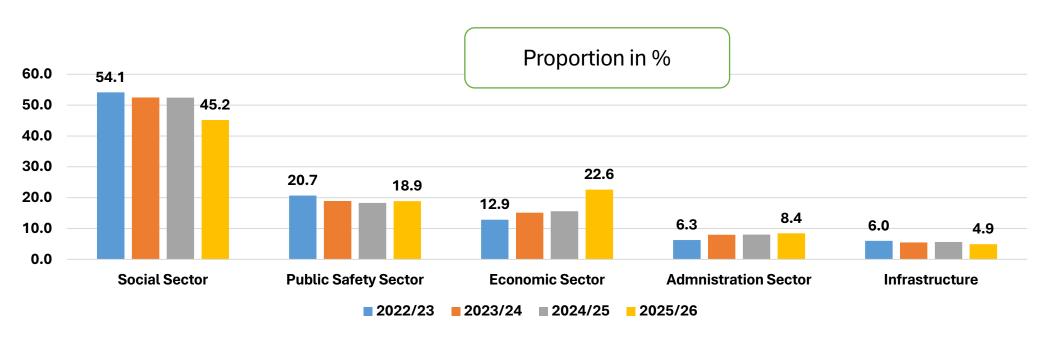
# **Expenditure by Sub-Division**

# **Expenditure by Sub-Division (Inc. Interest)**



# **Expenditure by sectors**





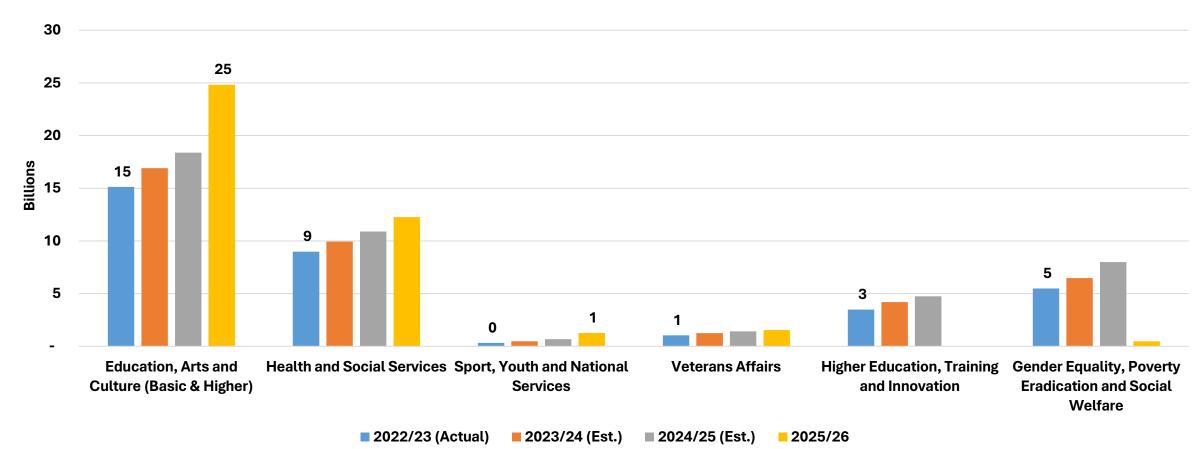
# **SOCIAL SECTOR**







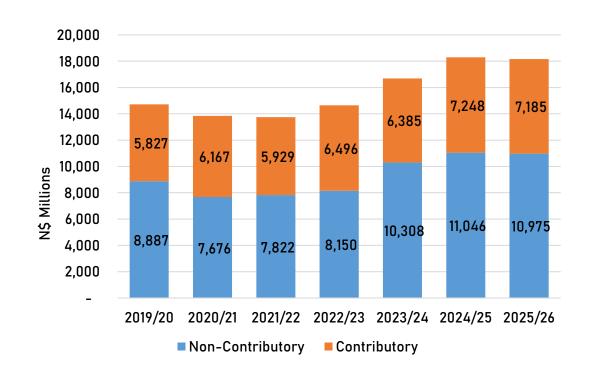
# **Social Protection**

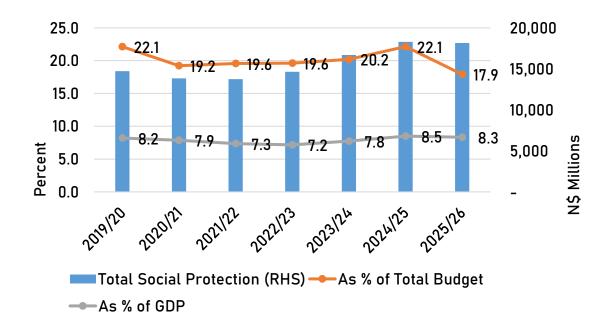


### SIZE OF THE SPS PROGRAMME SPENDING.....

- Public spending on social protection has increased significantly, in absolute terms, over the period 2019 2025.
- Over the same period, total social protection spending averaged 7.7 % of GDP.
- On average, more than 50.0% of all social protection spending is towards non-contributory schemes.

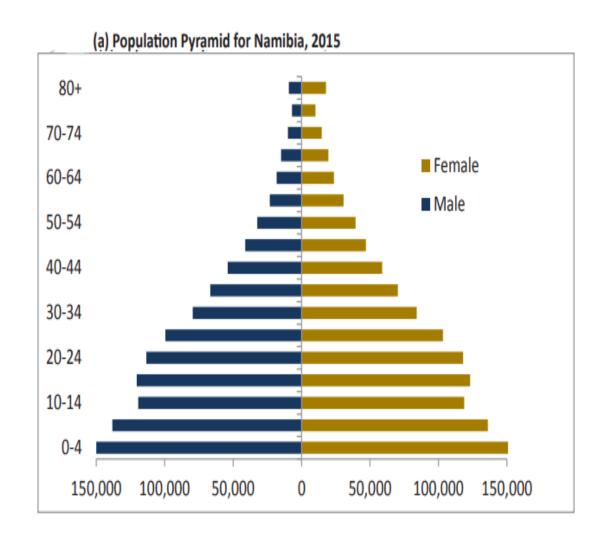
### TRENDS IN SOCIAL PROTECTION SPENDING

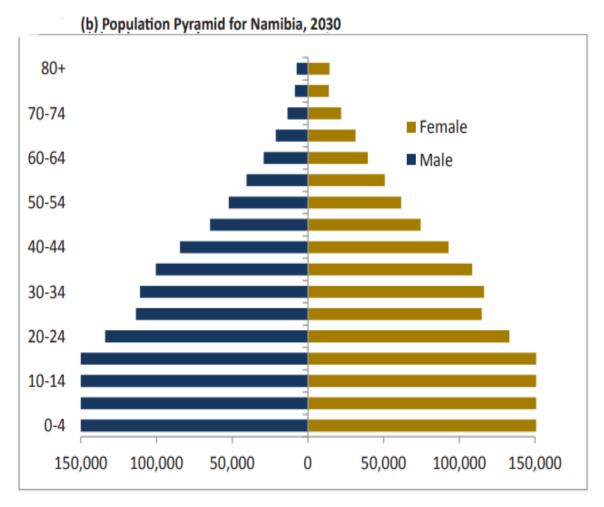




# COMPOSITION OF SOCIAL PROTECTION SPENDING MUST BE SEEN IN THE CONTEXT OF THE POPULATION DYNAMIC [DEMOGRAPHIC PROFILE

# **Population Structure**





### COMPOSITION OF SOCIAL PROTECTION SPENDING

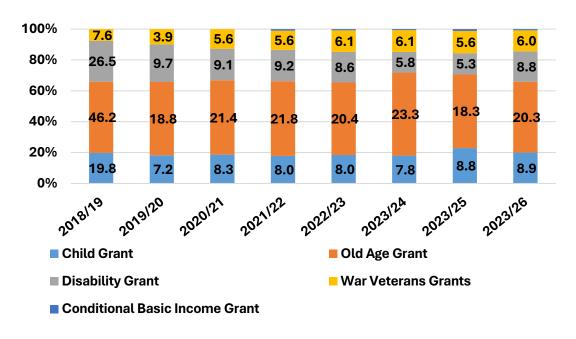
- Composition of social protection spending is unequal: a disproportionately low proportion of budget is spent on social care services as compared to Cash transfer and In-kind Assistance.
- Social protection spending in Namibia is largely skewed towards the elderly, raising concern over its overall contribution to early childhood development.
- In the 2025/26 budget, morethan 20% (N\$3.6 billion) of the non-contributory social protection spending is allocated towards the OAG.
- When combined with the Veterans' benefits (16.0%) + all in-kinds for war veterans, which directly benefits the elderly, total spending for the two accounts for morethan 50%, compared to less than 10.0% for the Child Grants.

Composition of Non-contributory programs 9,000 8,000 7,000 25.5% on 6,000 Average 5,000 73.5% on 4,000 Average 3,000 2,000 1,000 Cash Transfers In-Kind Assistance Social Care Services **■** 2018/19 **■** 2019/20 **■** 2020/21 **■** 2021/22 **■** 2022/23 **■** 2023/24 **■** 2024/25 **■** 2025/26

The largest proportion of public fund allocated to social protection program are earmarked for Cash Transfer.

Within the in-kind category the tertiary bursary (NASFAF) remain the single largest program absorbing a large amount of spending

## Composition of the Cash Transfer



# **Key Messages and Recommendations**

- 1) Fragmentations, Dis-integrated programmes and inadequacy. Currently, there are significant gaps and overlaps caused by system fragmentation and weak program design, which generates costly inefficiencies, causes gaps or duplications in coverage, and makes it difficult for the population to understand their entitlements. These gaps and bottlenecks, compounded by a weak institutional framework, have reduced the SPS's impact.
  - Recommendation: Namibia should consider implementing a cash-transfer flags-ship program that is able to replace other programs and that, eventually, becomes part of an integrated social insurance system. This would entail (i) Implementing a Universal basic income UBI, (ii) Phasing out overlapping social assistance programs, (iii) Integrating subsidies within the social assistance and social insurance programs.

# **Key Messages and Recommendations**

2) Weak administrative systems and lack of an integrated registry of beneficiaries. Currently, automation is limited to payment systems of several programs, application processes are mainly paper based, and eligibility determination is manual. Lack of an integrated SPS database in the country hampers programme delivery and weakens coordination efforts.

• **Recommendation:** Government must expedite on-going processes to establish and operationalize an Integrated Social Registry, which can serve as a platform to link across social protection programs and information systems and help address this issue, among several others.

# **Key Messages and Recommendations**

3) Fiscal Sustainability. Government face the challenge of insufficient funding to invest in a fully inclusive system. Sustainability of the fiscus to support the various social protection programs is expected to come under heavy pressure in as the number of beneficiaries rise. The deterioration of the fiscal space will negatively impact the entire social protection system.

• **Recommendations:** the main recommendation in this regards is to embark upon a Reallocation of public expenditures exercise. This includes assessing on-going budget allocations through Public Expenditure Reviews (PERs) and other types of thematic budget analyses to minimize wastage and increase efficiency gain.