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Acronyms and Abbreviations

ARV	Antiretroviral
AU	African Union
CBNRM	Community Based Natural Resource Management
CBO	Community Based Organisation
CGO	Central Government Agency
CMA	Common Monetary Area
CoD	Congress of Democrats
COMESA	Common Market for East and Southern Africa
COSDEC	Community Skills Development Centres
CPI	Corruption's Perceptions Index
DFID	Department for International Development
DRC	Democratic Republic of Congo
DTA	Democratic Turnhalle Alliance
EC	European Commission
EPZ	Export Promoting Zones
GDP	Gross Domestic Product
HDI	Human Development Index
HPI	Human Poverty Index
LAC	Legal Assistance Centre
LLS	Level of Living Survey
MAG	Monitor Action Group
MBESC	Ministry of Education, Sports and Culture
MHETEC	Ministry of Higher Education, Training and Employment Creation
MoHSS	Ministry of Health and Social Services
MoF	Ministry of Finance
MTP 2	Medium Term Plan on HIV/AIDS
NABCOA	Namibian Business Coalition on HIV/AIDS
NAD	Namibian Dollars
NAMCOL	Namibian College of Open Learning
NBC	National Broadcasting Co-operation
NCCI	Namibia Chambers of Commerce and Industry
NDP 1	National Development Plan 1
NDP 2	National Development Plan 2
NEPAD	New Partnership for Africa's Development
NGO	Non Governmental Organisation
NHE	National Housing Enterprise

NHIES	Namibia Household Income and Expenditure Survey
NPC	National Planning Commission
NPRAP	National Poverty Reduction Action Programme
NSHR	National Society for Human Rights
OAU	Organisation of African Unity
OVC	Orphans and Vulnerable Children
PMTCT	Prevention of Mother-To-Child-Transmission
PRS	Poverty Reduction Strategy
PSIP	Public Sector Investment Programme
SACU	Southern African Customs Union
SADC	Southern African Development Community
SARB	South African Reserve Bank
STI	Sexually Transmitted Infections
SWAPO	South West Africa People's Organisation
TI	Transparency International
UDF	United Democratic Front
VAT	Value Added Tax
VET	Vocational Education and Training
VTC	Vocational Training Centres

1 Poverty – a Remaining Challenge

1.1 Poverty in Namibia

Namibia, 13 years after independence, is still characterised by a high proportion of the population living in poverty. GDP per capita was USD 1669 in 2001, which classifies Namibia as a lower middle-income country. On the other hand, income distribution is extremely skewed and the GDP per capita indicator conceals contrasting wealth and poverty. The Gini-coefficient, measuring inequality in the country, is one of the highest recorded worldwide.

A comprehensive and multidimensional poverty analysis has so far not been carried out in Namibia. However, certain dimensions of poverty have been studied in the Namibia Household Income and Expenditure Survey (NHIES) from 1993/1994[1] and the Level of Living Survey (LLS) from 1998. Data from the NHIES suggests that 38 percent of the Namibian households are relatively poor and 13 percent extremely poor[2]. According to the survey 85 percent of the consumption-poor households were located in rural areas, primarily making their living from subsistence farming in the northern and northeastern communal areas. However, pockets of poverty exist in the southern regions, where income inequality is higher than in other regions.

An estimated 10 percent of the households with the highest per capita income consume about 44 percent of the total private consumption, while the other 90 percent of households consume 56 percent. The LLS sets a poverty line of national mean expenditure at NAD 462, with an average national cash income per household of NAD 662 per month. However, while urban male and female-headed households generate average cash incomes of NAD 1047 and NAD 678 respectively, rural female-headed households earned NAD 210 per month and male-headed households NAD 328. Thus the rural households were much worse off compared to urban households, and the gap between the cash income of female-headed households and their male counterparts is considerable.

1 A new NHIES will be carried out in 2003, with Swedish support.

2 In this study, households classified as being "relatively poor" devote more than 60 percent of their expenditure on food, while those classified as being "extremely poor" devote more than 80 percent.

Table 1: Key socio-economic indicators (UNDP 2000)

Average life expectancy at birth:	45 years
Maternity mortality rate per 100 000:	230
Under-five mortality rate per 1000:	69
HDI index 2000:	0,610
HDI World ranking 2002:	122
HPI 1998:	24,7
HPI 2000:	34,5
Gini-coefficient:	0,7
Adult Literacy:	82%
Average life expectancy at birth:	45 years
Maternity mortality rate per 100 000:	230

UndAccording to the Human Development Index (HDI), Namibia ranks above the average in comparison with other sub-Saharan African countries. The ranking takes into account the relatively high GDP per capita, high education index (0,81), adult literacy rate (82 percent) and a low life expectancy index (0,42). Namibia's overall social indicators are not significantly above sub-Sahara average despite the impressive expenditure patterns in the social sectors. It should be noted though, that the HDI obscures marked differences amongst segments in society. The San communities are by far the group with the lowest HDI, with a particular low index for adult literacy and school enrolment. The Human Poverty Index (HPI) measures the proportion of the population being deprived of certain standards in the different regions. Namibia ranked 57 out of 174 in the 2002 HPI measurement. The ranking was based on the national non-survival rate to age 40 (46 percent), adult illiteracy rate (18 percent), people without access to safe water (23 percent), population with insufficient nutrition, water and health (24 percent) and underweight children under age five (26 percent). The Omaheke region recorded the highest score in poverty (25 percent) with the Okavango and Kunene regions following immediately after with 20 percent and 11 percent respectively. The dimensions of poverty also vary by region. The Omaheke and Okavango regions for example, have recorded the highest number of households (25 percent and 20 percent respectively) spending over 80 percent of their income on food, suggesting that those households are chronically living under the national poverty line.

Poverty in Namibia is largely concentrated to communal rural areas of the former homelands and among commercial farm workers. Increasingly, poverty is also found in unplanned settlements in peri-urban areas on the outskirts of major urban centres. Female-headed households are generally worse-off than male-headed counterparts. More than 20 percent of Namibia's children live in poverty and the growing problem of orphans due to AIDS will outstretch the extended family capacity to give adequate care. For many households the impact of HIV/AIDS will be the transition from poverty to destitution. High levels of poverty is also found among groups that have historically been disadvantaged, due to the Apartheid past of ethnic segregation and prevention of free movement in the country for the majority of the population. The disabled are also disproportionately represented among the poor and it is suggested that poverty among the elderly population is on the rise, as it becomes increasingly difficult to meet their needs through existing pension schemes and family networks.

Unemployment in Namibia is estimated to 35 percent if using the broad definition of unemployment (i.e if the criterion of actively seeking work is relaxed). The figure may in reality be higher, especially in certain areas of the country. Of the total unemployed population, 90 percent are in the youth age group. The combined unemployment and under-employment rate in this group is estimated at between 60–70 percent. Youth is also considered an at-risk group for attracting HIV. It is estimated that 48 percent of the Namibian households depend on wages and salaries for their main source of income. Food security remains a serious problem in rural areas as well as low-income urban areas. For urban households food insecurity is often related to unemployment, low-paid employment or underemployment. In rural areas poor people usually depend entirely on access to natural resources for their survival and livelihood. They are often unable, or reluctant, to make investments in their livelihood, due to lack of resources or because of insecurity of land tenure. Thus, the only option is to overuse the environment and the natural resources available to them. Land reform in Namibia has so far not been able to address this situation. Lack of water is a serious health problem in most of the country. Other dimensions of poverty highlighted by the poor themselves, are the overall workload, especially for women, in the struggle to survive day by day and keeping the family together, often in combination with malnutrition and ill health.

1.2 The impact of HIV/AIDS

The main challenge for development, which hampers poverty reduction efforts in Namibia today, is the HIV/AIDS pandemic. The estimated prevalence rate among the adult population (15–49 years) is 23 percent and Namibia is ranked among the top-five most affected countries in the region. The pandemic cuts across all segments of society, but women are over-represented in the group of newly infected individuals and become infected at a younger age. It should be underlined that the full effects of HIV/AIDS on society still have to be experienced.

The demographic pattern has changed due to HIV/AIDS as a result of the great number of people in the age-group 25–50 years dying from aids. Life expectancy at birth, which had climbed to over 62 years in 1995, is now estimated to have fallen to 45 years. AIDS and AIDS-related conditions have become the major causes of death (26 percent) besides pneumonia (11 percent), TB (10 percent), gastro-enteritis (8 percent) and malaria. This trend is likely to continue over the next 10–15 years. It is estimated that one-fourth to one-third of the children born to HIV-positive mothers are likely to acquire infection from their mothers. A significant proportion of them will probably die in the first year of birth. The increased adult mortality has caused a dramatic rise in the number of orphans that will have an immense impact on the under-five children and younger generations. Currently estimated at 82 000 it is predicted that Namibia will have 118 000 orphans by 2006.

Stigma and discrimination against people living with HIV/AIDS is not uncommon in Namibia. This has resulted in fewer people wanting to take an HIV tests. For some, it may seem like a better option not knowing if they carry the virus, than exposing him or herself to discrimination and exclusion. While programmes have been successful in raising awareness, the process of behavioural change with regard to sexual practices and the overall stigma in society has been slow. Denial compromises an effective response to the pandemic. Access to voluntary testing and counselling services (VTC) are limited.

It is evident that poverty has an impact on the individual- and family resilience level to cope with the disease. The growing number of aids-related cases creates tremendous pressure for the extended family support system. Low-income households are less able than others to cope with the medical expenses and loss of income as a result of HIV/AIDS. Due to local inheritance traditions, women and children often lose the family property when a male head of household dies, to the benefit of the husband's relatives. Children orphaned by AIDS usually face both economic and social discrimination. Children in HIV/AIDS-affected households are known to be pulled out of school due to lack of funds or in order to take care of the household, their younger siblings or ailing parents. In other cases they become the main breadwinners for the family, which leaves especially the young females vulnerable to sexual exploitation.

It is also true that HIV/AIDS has a direct impact on development and efforts to reduce poverty. From the macro-economic perspective, HIV/AIDS is likely to reduce the amount of capital (both public and private) available for investments and economic growth levels may be significantly reduced. A point in case is the large expenditure in the health sector related to HIV/AIDS, which diverts resources away from other important investments. It is estimated that more than one-fifth of the health budget is directed towards the management of AIDS. Caring for AIDS-patients could account for as much as 10 percent of the GDP.

Even though there is a surplus of unemployed and under-employed persons in the labour market, there is a skills-shortage in the labour force. The prevalence of HIV/AIDS is particularly high in the productive workforce and the projected gap in the labour force as a result of AIDS related mortality is estimated to be nearly 20 percent by 2015. The high prevalence of HIV/AIDS among skilled and educated staff in all sectors may exacerbate this problem. In the education sector, for example, there is a shortage of trained teachers and close to 35 percent of all teachers are likely to be HIV-positive.

In the agricultural sector, HIV/AIDS has reduced labour input on various farm enterprises and operations on communal as well as some commercial farms, according to FAO. The consequences of reduced labour input may be reduced area cultivated, increased use of child labour, change in crops grown and less intensive husbandry practices. The sale of livestock to cover medical bills arising out of HIV/AIDS illnesses is likely to reduce export.

The private sector is understudied and therefore the impact cannot be established. Nevertheless it is likely that HIV/AIDS will increase costs for local business. These may include increased absenteeism, higher pension payouts and medical costs for employees, and loss of trained staff. It is possible that private companies adopt strategies to avoid costs of the epidemic, and transfer them to households and governments. On the other hand, some companies in Namibia have acknowledged this problem and have responded with pro-active workplace policies on HIV/Aids. To mitigate the impacts of the pandemic on the sector, the Namibia Chamber of Commerce and Industry (NCCI) has established the Namibia Business Coalition on HIV/AIDS (NABCOA). The NCCI on behalf of the private sector also entered into partnership with the public sector in 2003 to ensure effective networking.

1.3 Government Development and Poverty Reduction Policy

The overall development goals of Namibia as reflected in the current National Development Plan 2 (NDP 2) for 2001/2002–2005/2006, are to promote sustained economic growth, create employment opportunities, reduce inequalities in income distribution, and to reduce poverty. The specific targets for poverty reduction are to reduce the proportion of the poor and severely poor households by 5 percent respectively in 2006. Hence, the goal is to reduce the HPI by 10 percent and in the process reduce regional differences.

Poverty alleviation was one on the major goals for development in the first National Development Plan (NDP 1) 1995/1996–1999/2000, but a mid-term review showed that this aim was poorly conceptualised within the various line ministries. No sector reported on poverty alleviation as such, implying that it was not considered a sectorial matter. NDP1 did not emerge as a successful policy instrument for significantly reducing levels of poverty. Some analysts hold that poverty increased during this period.

The National Planning Commission took the initiative of formulating an Integrated Poverty Reduction Strategy (PRS) for Namibia in 1998, mid-way through implementation of the NDP 1. With the elaboration of the PRS, the Government stated more clearly that poverty reduction is a national priority. In 2001 a National Poverty Reduction Action Programme (NPRAP) was elaborated for the period 2001–2005 to ensure the implementation of the PRS. The priorities and strategic areas identified in the PRS, are further developed in the NPRAP and the importance of transparency, accountability, good governance, gender sensitivity and public participation in poverty reduction efforts, are highlighted.

The HIV/AIDS problem and measures to respond to the pandemic is given significant attention in the NPRAP, together with the complementary role of non-government and community-based organisations, and the positive contributions of the private sector to addressing poverty and HIV/AIDS. Even though Namibia's civil society is still considered to be relatively weak, the number of national organisations such as non-

[3] In 1999, an estimated 160 NGO's and 60 CBO's existed in the country. It is estimated that around 20 International NGO's are presently working in various fields in Namibia.

governmental organisations (NGO) and community-based organisations (CBO) have grown considerably since independence[3]. Civil society organisations play a crucial role in the development process and in Namibia the experience is that they often facilitate closer relationships between the grass-root level on the one hand, and local-regional-, and national authorities on the other.

It can be concluded that there are many factors undermining attempts to reduce poverty in Namibia. The HIV/AIDS pandemic is of course of main concern. However, it is Sida's view that the political will to implement policies aimed at reducing poverty has increased over the last years and that a more concerted effort in fighting poverty is expected in the future. However, it is fair to say that the challenge to effectively reduce poverty and the persisting large income inequalities in the medium term requires a combination of extremely high annual economic growth levels and quite radical pro-poor policies and redistribution mechanisms.

It is not likely that the present government will advocate a rapid redistribution of property and resources that threatens economic and political stability in the country and discourage international investment and business. At the same time, persisting inequalities and continued marginalisation of certain groups in society, in combination with economic advancement of the country's elite, may lead to an increase of violence, crime and eventually political dissent. The government therefore needs to strike a balance between the long-term objectives of national development and short-term gains for vulnerable and at-risk groups in society.

The government has made some progress in this regard, as can be demonstrated by the following interventions:

- The government has made strategic infrastructure investments to establish Namibia as and attractive and competitive investment location. Namibia has attracted more foreign direct investment (FDI) since the mid-1990s, which is expected reduce poverty through increased income opportunities (further elaborated in sections 2 and 5).
- Namibia continues to invest in, and develop the social sectors (education, health, grants and pensions) by committing over 40 percent of the budget annually (further elaborated in section 4).
- The government aims to establish a comprehensive framework for the development of rural areas. This will be achieved through promoting agricultural diversification and provision of extension services, community-based tourism and conservancies, investments in industry and creating employment opportunities, as well as providing lending facilities for entrepreneurs in rural and peri-urban areas (further elaborated in section 2).
- Through the launch of the second Medium Term Plan on HIV/AIDS (MTP 2) in March 1999, covering the period 1999–2004, the government and its partners aim to create a broad national response to combat HIV/AIDS (further elaborated in section 4). Namibia has been successful in obtaining a grant of USD 113 million from the

Global Fund on HIV/AIDS, Tuberculosis and Malaria. The main bulk of the funds received will be used to mitigate the social and economic impact of the HIV/AIDS pandemic. The MTP 2 will be used as a guideline for the usage of the funds received from the Global Fund. It should be pointed out that even though the government spends considerable amounts on fighting the HIV/Aids pandemic and despite a successful Global Fund proposal, the financial gap remains at approximately USD 25 million per year and severe shortfalls are experienced at the community and civil society level[4].

In addition, the government needs to implement a number of other painstaking reforms. A land reform is needed to address the historically unequal distribution of ownership of land, and to increase the productivity of available natural resources. In addition, the government needs to elaborate a tax- and trade policy that puts poor people first in order to provide income opportunities and a safety net for poorer strata in society. A public sector reform is also needed to increase efficiency and productivity in the public sector. Last, but not least, is the necessity to solve the problem of the loss-making and inefficient enterprises in order to improve public finances.

1.4 Development Co-operation in Namibia

As described in the previous section, the Namibian government has developed national strategic plans for development and poverty reduction. The main instruments for the implementation of a development policy focused on poverty reduction are the NDP 2 and the NPRAP. The overall responsible body for planning and directing the course in accordance with the plans is the National Planning Commission (NPC). The line ministries are responsible for implementing development activities that falls within their respective areas. Experience has proved it difficult for the NPC to mainstream how in practice the ministries should address essential national goals such as poverty reduction. Moreover, several crosscutting issues, such as democratic governance, gender equality, and environmental concerns, do not fall within one particular line ministry's responsibility.

Namibia has two concurrent budgets, an operational and a development budget. The Ministry of Finance (MoF) administers the operational budget and the development budget is administered by NPC. Only the development budget is included in the NDP 2 and presently the funding gap is NAD 8,5 billion. It does not seem likely that Namibia will secure funds in that range in the near future. Therefore, the order of prioritisation and method of sequencing must be clearly defined with regards to both overall and sector goals.

Since Independence, Namibia has received significant levels of external assistance. The European Commission (EC) is the single largest donor to Namibia followed by Germany. Sweden, Finland and the United States are other important bilateral donors, together with Nor-

[4] According to data from UNAIDS.

[5] Norway is phasing out its support by the end of 2003.

way, Dfid and the Netherlands[5] (see also appendix 3). The UN organisations have a strong representation in Namibia. The World Bank and the IMF are not represented in Namibia.

Indicators and figures however, suggest that aid has declined steadily during recent years. A number of donors are in the process of phasing out development assistance to Namibia, due to the country's relatively high GDP per capita and relatively low aid dependency in relation to GDP. The foreign development assistance in the form of grants and soft loans in 1998 was close to NAD 1 billion. A major part of this, NAD 780 million was grants and constituted 4,2 percent of GDP. In 2001 the grants assistance had decreased to around NAD 450 million, constituting 1,6 percent of GDP. Bilateral donors have provided a majority, 60 percent, of the grants.

Approximately half of the total development assistance flows have financed human resources development (education and health) and social sector projects (housing, potable water and sanitation). The remaining part of assistance has been directed towards the natural resource sectors, communication and transport sectors and development administration and regional development. Generally, most donors are satisfied with their co-operation with Namibia and there is a consensus that results have been achieved. There is however, a concern that poverty and the large income inequalities in the country are not being reduced.

The gradual phasing out of donor assistance is clearly a concern for the government. Furthermore, the reduction of international funding will most likely affect civil society organisations, especially those that rely on external assistance and have few alternative sources of income. Some Namibian non-governmental organisations have already established supportive networks with the private sector and others have found innovative ways of generating funds through selling their services, consultant work etc.

2 Imperative of Sustainable Development

2.1 Economic Growth and the Environment

As pointed out earlier in the report, Namibia is a country in the lower middle income group of countries, according to World Bank classifications. In terms of per capita, Namibia is the fourth richest country in SADC after South Africa, Mauritius and Botswana. The GDP/capita fell in 2001 for the first time since 1993[6]. Growth over the last three-year period was 3,0 percent annually. The NDP 2 projects an average GDP growth 2001–2006 of 4,3 percent a year. According to the Namibia Vision 2030, which is laid down as the long-term development plan for Namibia and to which the NDP 2 should be related, Namibia aims to be a high-income country by the year 2030. But reaching this goal within the given time frame will require an average per capita income growth of over 5 percent per year. There are currently few signs indicating that Namibia will be able to reach such a high annual growth and the HIV/AIDS pandemic reduces the probability of higher growth levels.

Table 2: Key macro-economic indicators

GDP (in current prices for 2001):	NAD billion 27,2 (H" USD billion 3,5)
GDP per capita (in current prices for 2001):	NAD 14176 (H" USD 1900)
Average GDP growth during last 3 years:	3,0% per year
Growth of real per capita income (measured in 1995 prices):	0,7% per year
Government actual spending as part of GDP in 2000/2001:	36%
Total public debt 2000/2001:	NAD 7,5 billion
Public debt as percentage of GDP 2001/2002:	27%, out of which 6% is foreign debt
Inflation rate:Interest rate:	9,5% in 2001 and 11.3% in 2002
Unemployment rate:	Estimated at 35% in 2000

6 One should also note that the national accounts seem to be using outdated estimates of population growth. Namibia's population was thought to be growing by 3,1% a year, but recent estimates using figures from the latest population census suggest it to be nearer 2,6%. Namibia's economy does in any case appear to be growing slightly faster than its population.

The economic development of Namibia is strongly dependent on its renewable and non-renewable natural resources. Commercial mining, fishing, agriculture and nature-centred tourism sustain the country's national economy. The bulk of the country's exports are either raw materials or primary products directly derived from natural resources. The formal economy is dominated by a select number of primary industries (mining, fishing and livestock) that account for a significant share of GDP as well as the majority of export and foreign exchange earnings. Export earnings come from diamonds and other minerals (40 percent), fishing products (22 percent), services including tourism (20 percent) and livestock (12 percent).

Sectoral growth between 1993 and 2001 can be divided into three categories: high-, medium- and low-growth sectors. High growth sectors consist primarily of services but also include manufacture of food and beverages, construction, as well as electricity and water. Public corporations are principal actors in many of these sectors. The medium-growth sectors include fishing and mining, with a growth potential depending greatly on physical limitations such as stocks of fish and mineral reserves. The low-growth sectors include agriculture and fish and meat processing. Grouping sectoral value added together by primary, secondary and tertiary industries confirms the marked difference in performance. While primary sectors have grown by 25 percent over the period, secondary value added has grown by 30 percent and tertiary value added by 37 percent.

Namibia is the driest country in sub-Saharan Africa and water scarcity is considered to be the principal limiting factor for development. Rainfall ranges between 15 mm and 700 mm, with only eight percent of the country (in the northern and northwestern regions) receiving more than 500 mm per annum, the minimum considered necessary for rainfed agriculture. Rainfall is highly variable in space and time, and evaporation rates exceed mean annual rainfall by up to 18 times. Namibia's interior rivers are all ephemeral (i.e only flowing after rain). A number of storage dams impound upstream ephemeral river flow, supplying farms and towns with water, but at the same time causing the lowering of the water table further downstream and reducing downstream underground aquifer recharge. Namibia's only perennial rivers are located on the northern and southern borders. This is not only far from the areas of highest demand, it also indicates the importance of a regional dimension since Namibia is sharing this water with neighbouring countries. Because of shortages in surface water, Namibia relies heavily on groundwater reserves, from where more than half of all water consumed comes from. Recharge rates for groundwater from rainfall and periodic ephemeral floods are very small, and groundwater reserves are considered to be near full exploitation.

The renewable natural resource base is characterised by low productivity and high variability. The nutrient-rich Benguela current endows Namibia with one of the richest fishing waters in the world. Although heavily exploited by foreign fleets until independence, substantial efforts are made today to manage Namibia's marine resources with the aim of regenerating the fish stocks and maintaining them at sustainable levels. On the contrary, pervasive water scarcity, generally poor and easily degradable soils, and the resulting low capability of the land to support more intensive forms of agriculture are important limiting factors for the productivity of natural resources. For example, agriculture through crop irrigation and livestock watering is responsible for 70 percent of the water used in Namibia, but contributes only 10 percent of GDP. Subsequently, the value added to water used in agriculture, especially irrigation, is very low. Furthermore, unpredictable fluctuations in marine resource availability (due to sudden shifts in the Benguela marine ecosystem) and highly variable rainfall, range-land carrying capacity, and rain-fed crop production attest to the variable uncertain nature of natural resource availability.

NDP 2 recognises that sustainable natural resource use and sound environmental management is not only a national priority per se, but is also required to achieve other national priorities, in particular sustaining economic growth and creating employment on the one hand and reducing poverty and inequalities on the other.

Long-term economic growth, income and employment creation, and the standard and quality of life depend on maintaining clean air, clean water, productive land and a healthy and productive natural resource base. It also depends on ensuring that renewable natural resources are used sustainably, i.e. that they are not used now in a way that compromises the ability of future generations to make use of these resources.

If current patterns of natural resource intensive national development and local livelihoods continue, any additional economic growth and associated employment creation would put immediate extra pressure on the limited and variable natural resource base. It is essential to increase income and employment creation per unit natural resource input, by enhancing the economic value of natural resource uses and applications. This implies that economic activity needs to be shifted away from the primary (natural resources) sector, its current mainstay, to the secondary sector (manufacturing/processing) and tertiary sector (services).

In addition, it is essential to emphasise recycling, re-use, minimisation of pollution and water consumption in all economic activities and industrial production processes. This draws attention to options of keeping pollution and waste generation from economic activity as small as possible by systematically integrating environmental assessment into all project, programme and policy cycles. As a rule, Namibia is emphasising that environmental impact assessments should be done before any new initiative gets off the ground, but in practice this is not always the case. As a result of population growth, urbanisation, agriculture and economic growth, water demand in Namibia is expected to increase rapidly in the future, particularly in expanding urban areas typically located far from readily available water sources. The cost of developing new water supply infrastructure will be increasing, and the recovery of this cost will become increasingly difficult. The traditional supply-side approach – expanding water supplies to meet projected water demand – leads to over-exploitation and cannot be sustained any longer.

In order to ensure that development can be realised in the future, NDP 2 highlights integrated water resource management as one of the water sector strategies. As part of this strategy is the phasing out of subsidies, adopting a stricter economic approach to water pricing and tariffs, improving the efficiency of water service delivery, reducing water losses and leakage, promote water conservation and improving catchment, river and aquifer management. How, in practice, to implement this strategy remains a challenge, especially so as not to negatively affect the poorer segments of society. However, in the long run this will probably promote a more sustainable use of a very scarce resource, water.

A crucial crosscutting dimension of recent policy reform directed at Namibia's natural resource sector has been the devolution of rights and responsibilities over natural resource management to the local communities. This trend has been part and parcel of broader change toward more general political and administrative decentralisation in the country. The rationale for devolving user rights, decision-making, management and planning of natural resources is that those who bear the costs of, and gain the benefits from, these resources should have concomitant rights and responsibilities. Namibia's quickly expanding conservancy programme and the broader national Community Based Natural Resource Management (CBNRM) programme are manifestations of the increasing adoption of this principle and practice. This initiative may not provide for fast economic growth nationally, but it holds a great potential for environmentally sustainable local and national long-term growth, poverty reduction and enhancing the democracy at local levels.

2.2 Public Finances

Since independence, Namibia has pursued relatively conservative economic policies that have succeeded in stimulating modest overall economic growth. The government has tried to encourage foreign trade and investments, commercialised government departments, kept the budget deficit under control, limited foreign borrowings, spent heavily on education and health and generally tried to create a conducive climate for private business. This has been accomplished with the support of large sections of the international community.

Namibia is a member of the Common Monetary Area (CMA) with South Africa, Lesotho and Swaziland. Under its bilateral monetary arrangement with South Africa, Namibia's currency the, Namibia dollar, is pegged 1.1 to the South African Rand, which is legal tender in Namibia. Under this arrangement Namibia's monetary policy is largely determined by the South African Reserve Bank (SARB). Hence, inflation in Namibia has also generally followed inflation rates in South Africa although some divergence has been apparent during recent years. Since 1999 South African monetary policy has been determined largely by the policy of inflation targeting. The original inflation target of 3–6 percent for the average inflation rate during 2002 excluding mortgage payments was not met, primarily because import prices surged following the dramatic reduction in the external value of the Rand towards the end of 2001. Namibian interest rates rose four times during the course of 2002 and the original inflation target for 2004 has been revised upwards. Inflation was 9,5 percent in 2001 and 11,3 percent in 2002. The recent equally dramatic strengthening of the Rand improves the chances of interest rate cuts into 2003. International credibility has been restored with only a minor pragmatic tweak to inflation target framework. It looks as if Namibia's monetary policy framework is defined into the medium to long-term.

Since 1992/1993 up to 2000/2001, public revenue has amounted to between 30–35 percent of GDP. Over 90 percent of public revenue come from taxes. These include taxes from the Southern African Customs Union (SACU), indirect taxes on goods and services[7], and taxes on incomes and profits. The income from SACU is officially projected to rise in 2003, to remain stable in 2004, and may thereafter diminish somewhat. There is invariably a difference between the amount of revenue estimated in the main budget at the beginning of the fiscal year and the amount of revenue actually collected. Original estimates are always conservative. This appears to lead to over-borrowing one year followed by the running down of cash balances the next. Mining revenues have been highly variable. Corporate taxes have fallen short of expectations in recent years.

The overall export as a proportion of GDP has declined from 51 percent in 1996 to 44 percent in 2001, but the composition of exports has hardly changed during the last eight years. This reflects a lack of structural change in the economy and the so far limited success in exploiting trade. The export of goods has declined as a proportion of GDP from 44 percent in 1993 to 37 percent in 2001, while the export of services has risen slightly from 8 percent in 1993 to 10 percent in 2000. The terms of trade were 120 for the same year, while the foreign direct investments were 3 percent of GDP.

Foreign development assistance to Namibia has decreased gradually over the last years. Even if external assistance in the form of grants is decreasing, Namibia still receives quite a substantial support if put in relation to the small population. In fact, Namibia receives more aid per person than many other countries in Africa.

Table 3: development assistance in figures

	NAD million	% of GDP	% of total expenditure	% of development budget
2002/2003				
Grants[8]	272	0,9	2,0	14
Loans	459	1,4	3,5	24
Total	732	2,3	5,5	38
1999/2000				
Grants	674	3,1	7,5	44
Loans	94	0,4	1,0	6
Total	768	3,6	8,5	50

7 Value Added Tax was introduced in 200

8 In the figures for 2002/03, the grant of USD 113 000 from the Global HIV/AIDS Fund has not been included, since it is approved only in principle. But it is most likely that this five-year grant will be approved in full.

Public expenditure was 36 percent of GDP in 2000/2001. This can be divided into operational and development spending, where the operational expenditure was 32 percent and the development spending almost 5 percent in the same year. Generally speaking, actual operational spending is normally higher and actual development spending lower than budgeted for. Public spending can be divided into four categories: personnel, goods and services, interest payments and subsidies. If looked at over the time period 1992/1993 to 2000/2001, spending on personnel has remained around 45 percent, spending on goods and services has declined while spending on interest payments and subsidies has increased. Nevertheless, by international standards, Namibia spends a large proportion of current spending on personnel and a small proportion on interest on public debt.

The government has run a budget deficit every year since Independence. Since current revenues have generally exceeded operational spending, borrowing has mainly taken place to finance the development budget. This has gone hand in hand with the development of a market for domestic bonds and treasury bills. The regular budget deficit has led to growing domestic and foreign debt and growing interest payments. However, a large part of the debts incurred are domestic and the government has resorted to foreign borrowing only for specific projects and on highly concessional terms. Public debt as a percentage of GDP in 2001/2002 was 27 percent, out of which 6 percent constitutes foreign debt, the rest being domestic. This can be compared to 2000/2001 when the debt was 22 percent of GDP out of which the foreign debt was 4 percent. The total debt was NAD 7,5 billion in 2001/2002, compared to 5,4 billion in 2000/2001. Interest payments in 2000/2001 amounted to 6 percent of the total expenditure. In addition to the stock of public debt, the stock of public contingent liabilities should also be added. The scope of public contingent liabilities could be a very wide one. The latest estimate of loan guarantees is contained in the Bank of Namibia's Quarterly Bulletin for September 2002 and totals some NAD 3,5 billion.

There is a need privatise at least part of the parastatal and loss-making entities. Air Namibia, in particular, has become a great burden. Over the last five years, more than NAD 1 billion has been allocated to Air Namibia. In the budget presented in 2003, a sum of NAD 400 million had to be allocated to the company for debt servicing. This is only slightly less than what was allocated to the Ministry of Agriculture, Water and Rural Development as a whole, which gives an indication of the size of the allocations. Other enterprises have been receiving large sums from the national budget and all of them need to become much more efficient. Many in Namibia are against privatisation, for example the trade union, but economic necessity will probably force the government to sell at least part of the state-owned entities.

2.3 Employment and Urbanisation

No annual official estimate of employment and unemployment is available in Namibia. Employment trends are estimated using the 1991 Population and Housing Census, the 1993/94 Household Income and Expenditure Survey, and the Namibia Labour Force Surveys 1997 and 2000 respectively. The available estimates indicates that between 1993–

1997 the rate of unemployment in Namibia rose from 33 percent to 35 percent using the broad definition of unemployment, that is when the criterion of actively seeking work is relaxed. The figure may in reality be higher, especially in certain areas of the country.

Agricultural employment appears to have declined steadily during the last eight years, which appears to have come about as a result of a decrease in employees on private farms and an equally sharp fall in unpaid family workers on subsistence farms. Mining employment has also declined sharply. Although there is an informal mining sector, for which employment is harder to quantify, there can be little doubt that Namibia's formal mining sector has shed jobs whilst at the same time increased output. In addition, there is little to suggest manufacturing has been an essential factor in creating new employment. The service sector appears to account for virtually all the new jobs created in the economy since 1991.

Public sector employment in education and health has contributed to the rise in service sector employment. The service sectors experiencing the largest growth in employment have been real estate, business services, community and personal services. This may be due to higher levels of informal rather than formal employment[9]. Namibia has a very small informal sector.

The last estimates of the income situation in Namibia was made in 1993/1994.The results indicate that Namibia's Gini-coefficient is about 0,7, the highest measured in any country. A second NHIES will be conducted later in 2003, which should yield a more up-to-date estimate of employment and incomes. This study will also make it possible to assess to what extent income differences may have changed. Given the limited growth in incomes and employment since then, it is unlikely that income inequality has improved much. Another challenge that has strong implications for the social development of the country, is the need for creating more jobs, especially for the youth. Unemployment rates are high for youth and unskilled (56 percent and 40 percent respectively). The increase in unemployment has far-reaching implications for the government's strategies to reduce poverty and inequalities. 48 percent of the Namibian households depend on wages and salaries for their main source of income. The percentage is even higher in urban areas (76 percent) as to rural areas (28 percent).

In efforts to reduce poverty, the private sector plays an important role. There is a generally recognised need to substantially reduce the size of government's pay roll and therefore the public sector will not be able to absorb large numbers. As a result, new job opportunities will need to be created in the private sector. Namibia has a small domestic market, and its historical trade and economic relations with South Africa (with Namibia exporting raw materials and depending on imports of almost all consumer and producer goods) have precluded the development of manufacturing geared toward serving the local market.

The domestic private sector in Namibia is small, and Namibia has few significant companies which are not foreign owned. South Africa has a

[9] The suspicion that employment growth has been mainly from informal employment growth finds some support in the lower levels of unionisation and social security coverage to be found in these sectors.

dominating influence that is difficult to break. The government is encouraging investments from abroad and, overall, the investment climate is conducive to foreign investors. The government promotes investment, trade and industrial development through Export Promoting Zones (EPZs). Tax incentives are given together with an opportunity to take advantage of duty-free exports to the United States. So far, only few major investors have come to Namibia, but it is clear that Namibia is gradually gaining in attractiveness[10]. An encouraging initiative that already has increased business opportunities is the Walvis Bay Corridor Group. The intention is to make use of the improved and under-utilised port facilities in Walvis Bay to bring more goods in and out of this facility, not only for Namibia but also for parts of the SADC-region.

An ongoing and increasing trend in Namibia, like in many countries in southern Africa, is migration from rural to urban areas. The main reason is search of income and better access to education, health and other social services. This puts an increasing strain on public infrastructure and services, and can also lead to increased poverty and social conflict in urban areas. The populations in Namibia's urban areas (Windhoek, Swakopmund, Oshakati, and Walvis Bay) have grown substantially over the past decade. Nationally, the percentage of the population living in urban areas grew from 20 percent to 30 percent over the past 25 years. The urban population is expected to grow to 40 percent of the total over the next 15 years.

Absorbing these rural-urban migrants poses a great challenge. The situation is most problematic in Windhoek, which has the greatest influx of migrants from rural areas, as well as smaller groups from neighbouring countries (Angola, Democratic Republic of Congo and Rwanda). The scarce natural resources put pressure on growing towns. The local authorities must not only find ways of providing water to an increasing number of households, they must also find ways and means of making water resources available to investors and employers for the necessary creation of jobs. The recent setting up of a Malaysian textile factory, Ramatex, in Windhoek, illustrates the dilemma. The factory gives jobs to more than 5.000 people, but it also consumes large quantities of the precious water. It may also have other harmful environmental effects, but since no environmental impact assessment was done prior to the setting up of the factory, these effects cannot be properly evaluated today.

[10] The reallocation of fishing rights in 2001 indicated that the domestic political agenda may sometimes take over the necessity to provide security for investors, and this may have hampered interested financiers to consider Namibia as a possibility.

3 Promoting Democracy and Human Rights

3.1 The Democratisation Process

Namibia fulfils the requirements of a formal democracy. These include free and fair elections, an open and relatively free economy, a functional judicial system and widespread support for democracy. At Independence, Namibia adopted a constitution that guarantees all basic human rights. The Constitution also makes provision for an independent judiciary, the principles of democracy, rule of law and an independent electoral commission.

The overall satisfaction with and mass support for democracy is increasing. In 2002, close to 64 percent of the population showed preference for democracy in relation to other forms of government, which can be compared to the 58 percent feeling the same way in 1999. Furthermore, some 78 percent were in 2002 fairly or very satisfied with the way democracy works in Namibia, compared to 64 percent in 1999. The challenge ahead is how to further develop the Namibian democracy. In this process, aspects such as enhancing political pluralism, further deepening the notion and respect for human rights, and increasing the normative commitment to democracy by both the elite and the average citizen, is going to be crucial.

Namibia was ranked 28th out of 102 countries in Transparency International's (TI) Corruption's Perceptions Index (CPI) in 2002, suggesting that it is the second least corrupt country in Africa after Botswana[11]. Less than 10 percent of the population has stated that they had to pay a bribe to someone in a position of power. Despite this, popular perception on the level of corruption appears to be higher and the government and the police are seen as most corrupt.[12]

This may be explained by the detailed coverage of corruption in the press. One incident involves a number of senior government officials and managers of the National Housing Enterprise (NHE). Currently, a much-publicised probe into social pensions is underway, involving senior management[13]. Although these perceptions can be turned around, it

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11 Namibia's score was based on only five surveys out of a total of 15 used by TI from nine independent institutions (three is the minimum requirement) and had the highest standard deviation of all the countries surveyed. This means it is subject to the greatest uncertainty. Namibia's score ranged from 3.6 (which would have placed it 57th) to 8.9 (which would have placed it 10th).

12 Keulder C, Progress toward consolidated democracy in Namibia; A Report for SIDA Namibia, Prepared by Christian Calder, January 2003

13 bid

would involve a much more transparent approach to corruption by the government and its anti-corruption agencies. The 'public relations' exercises must be backed up with real, substantive reforms and in this regard the new Anti-corruption Act passed in 2002 is most welcome. Also, public watchdog agencies should be strengthened and their autonomy protected[14].

Namibia has not had an alteration in power since Independence. The dominance of SWAPO (South West Africa People's Organisation) is present at all three levels (national, regional and local). Thus, the party system has remained unfragmented since the introduction of multi-party democracy, and at both the regional and national levels, the effective number of parties has for most part not exceeded two. All six elections held to appoint representatives at both national and sub-national levels of government have been declared (locally and internationally) free and fair. The dominance of SWAPO therefore reflects voter preferences (at least for the ones who voted) and is not the product of electoral manipulation or fraud. In fact, a number of legislative reforms have been introduced since 1992 to enhance the autonomy of the Electoral Commission and to improve the quality of the electoral process. Perhaps the most significant of the reforms was to move the Directorate of Elections from its previous location within the Office of the Prime Minister to its current status as part of a far more autonomous Electoral Commission resorting under Parliament.

The trend is that SWAPO has increased its dominance, both in terms of votes and seats. In the general elections in 1999, SWAPO received as many as 55 of the 72 seats in Parliament. The remaining seats were divided between Congress of Democrats (CoD) and Democratic Turnhalle Alliance (DTA) with seven seats respectively, United Democratic Front (UDF) with two seats, and one seat to Monitor Action Group (MAG). As SWAPO holds more than two-thirds of the total number of seats in the National Assembly, it can produce unilateral changes to the Namibian Constitution. SWAPO's electoral dominance can be explained by a number of factors, including its status as liberator and afterwards governing party; its own superior capacities to mobilise and maintain a loyal support base; an incapacitated and ineffective opposition; and the legacies of the colonial period.

The trend in electoral participation is a downward one. For each of the two elections held since Independence at each of the three levels of government, overall turnout declined sharply. In 1989 some 98 percent of registered voters cast a vote, whereas in 1999 this figure was down to 58 percent. For the two sub-national level elections, the decline in turnout was even more dramatic: down 50 percent for regional council elections and down 55 percent for local authority elections. The survey data raises concerns about the large sections of society that have either become cynical or have failed to vote because they lack the administrative requirements, such as birth certificates, ID documents and registration cards, or claim physical incapacity to vote. The decrease in electoral participation might also be explained by the weak vertical links between representatives and their constituencies. Without regular contact with

[14] ibid.

representatives, vertical accountability is reduced and so is public input into the policy process. These are conditions that could work against further democratisation for they reduce opportunities for participation and space for self-expression. Parties often lack the financial and human resources to have a regular contact with their constituency, and out-reach programmes are mostly limited to election times.

The limited public participation (non-electoral) raises another concern. In 1999, between 25 and 50 percent of the population indicated that they are not willing to participate in political activities that include: solving community problems, attend election rallies, work for candidates or parties or write letters to newspapers[15]. Civic participation is equally low with one fifth or less of Namibians regularly attending meetings by church groups, co-operatives or self-help organisations, schools/housing/rates groups, commercial organisations, community groups or trade unions. A second survey confirms a corresponding low participation level among youth[16].

Two immediate issues may test the government's commitment to democracy. The first is finding a successor for the incumbent president, and the second is the issue of land reform. In 1999, the Constitution was amended to allow President Nujoma another (third) term in office until 2004. In early 2002 the issue of a fourth term in office resurfaced, despite early statements that another constitutional amendment would not be contemplated. There are two likely scenarios of succession. Either another amendment of the Constitution will allow a fourth (or even longer) term for the President, or the President remains head of the ruling party whilst hand-picking a successor to head the state. The formal splitting of the highest offices could cause serious tensions between the State and the Party if the two offices pursued different objectives. Indirectly it could also cause tensions between the Executive and the Legislature, as the two bodies technically would account to different agencies. To avoid such tensions, the president might decide to appoint a successor that would allow him indirect control over the State and the Executive from his position as head of Party. The new Head of State would thus have no real autonomy from Party leadership and would be likely to pursue the goals and objectives of his predecessor. It needs to be pointed out, though, that both the President and SWAPO have officially stated that President Nujoma will not stand for a fourth term.

The second pressing issue is related to land ownership and redistribution. Since Independence, 'land' as a political issue has always featured in the public debate. Land is associated with liberation, empowerment and national identity, why it in many respects it is more of a political than an economic issue[17]. Namibia's land policy is based on a willing seller – willing buyer principle. The government has committed itself to land reform whilst at the same time relying greatly on the market to supply farms for land reform. The government has been criticised for the slow pace of reform and the issue of who the real beneficiaries of the current

[15] Keulder C, 2002 (a) Public Opinion and the Consolidation of Democracy in Namibia, IPPR Research Report 2. Windhoek: IPPR

[16] Van Zyl and C Keulder, 2002, Youth and Democracy in Namibia: Results of the Youth and Politics 2000/1 Survey, IPPR Research Report No. 1. Windhoek: IPPR

[17] Keulder C, Progress toward consolidated democracy in Namibia; A Report for SIDA Namibia, Prepared by Christiaan Keulder, January 2003

programme are. People classified as 'previously disadvantaged' also have the right to apply for land, which implies that those disadvantaged during colonial times are entitled to land even if they belong to the elite today. Nevertheless, it is interesting to note that in 1999 only 1,8 percent of the population listed land as one of the three most important problems government should address. The figure for 2002 was 1,1 percent. Viewed as far more important were employment opportunities, education and HIV/AIDS[18].

3.2 The Respect and Notion of Human Rights

Namibia has ratified most international conventions on human rights (listed in appendix 4). As a state party, the government generally complies with the ratified conventions. However, in recent years (or at least since 1999) human rights abuses increased from previous years. This came mainly as a result of the attempted succession in Caprivi, as well as the decision to allow the Angolan government to use Namibian territory in its military campaign against the UNITA rebel forces. The scope and extent of human rights abuses stemming from these events are well documented[19] and they are largely a reflection of the increased militarisation of specific areas of the country. Thus, human rights abuses will probably decline as a result of the re-introduction of peace and reduced militarisation. An important issue is access to legal recourse by those whose rights were violated, in order to redress their position. There are several instances over the past years in which rights violations have led to successful legal recourse and in a prominent case, government was forced to introduce legislation to supply legal aid to the alleged secessionists. Civil society agencies, most notably the National Society for Human Rights (NSHR) and the Legal Assistance Centre (LAC), continue to play a crucial role in both the monitoring and enforcement of human rights.

The notion of human rights is only to a limited extent entrenched in the Namibian society, both at mass and elite level. Recent focus group analysis on youth perceptions on human rights reveals that tolerance levels are relatively low, and so are the levels of understanding and awareness of rights. It also shows that especially minorities see little benefits from rights and freedoms. The analysis concludes that "…not only should awareness be raised about such rights, there is also a need to explain the very notion of rights. In addition, there is a need to explain how these rights relate to duties, liberties and obligations and where rights originate."[20].

Poverty affects access to both political and civil rights in Namibia. The poor often lack the power and opportunities to make independent decisions, to take part in the governance of their country, and to seek legal advice if and when their rights have been violated. Furthermore, poverty reduces access to economic and social rights, such as food, shelter, health services and education. It affects the ability to effectively demand these rights, both at local and national levels. The poverty,

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18 ibid.

19 National Society for Human Rights, Human Rights Report 2001 and United States Department of State, 2002, Country Reports on Human Rights Practices 2001 – Namibia. Washington, DC: US Department of State. www.state.gov

20 Keulder C, 2002 ©, Perceptions of Human Rights and Rights-Related Issues among Namibian Youth: Results from Focus Group Discussions. IPPR Research Report 3. Windhoek: IPPR

stigmatisation and discrimination experienced by many HIV/AIDS victims have robbed them of their self-esteem and personal integrity and their human rights are being continuously violated.

Poverty remains the single most important reason why children's right to survival and development are not being met. A critical indicator of the low health and nutrition status is the national low birth weight prevalence of 16 percent, and 40 percent of children malnourished in the northern regions of the country. As a contrast to the right to survival and health, the right to education is being met to a larger degree in Namibia. Primary school enrolment is now 89 percent with virtually no disparities between boys and girls at the primary level. On the other hand, the dropout and non-completion rates are high, which prevents children from higher learning as well as higher income levels as adults. Behind these national averages lie disparities among groups with low levels of literacy and school enrolment in some ethnic/language groups, such as the San. National gender distinctions in school enrolment are not clear as they obscure regional disparities. It is however known that female enrolment in some educational regions declines at secondary level and there is a lower rate of promotion for girls in the higher grades.

Women constitute 51 percent of the population and are slightly more in the rural area (52 percent). The ratio between women and men varies considerably between regions due to mainly the migratory patterns in which men seek employment in urban areas. Females head 39 percent of all households, out of which 43 percent are in the rural areas and 32 percent in urban areas. The female-headed households average approximately half the income levels of their male counterparts. Women make up more than 40 percent of all local councillors with many being mayors, deputy majors and council chairpersons. Women also make up 29 percent (21 of 72) of all voting members of the National Assembly[21]. Agriculture employs 47 percent of all those over 15 years, of whom women constitute 51 percent. There is also a substantial number of women employed in private households, health and social work, and in the education sector. Since 1997 when the National Gender Policy was passed, a significant measure of representation has been attained in the field of decision-making, education, politics, and economics.

However impressive the formal representation of women, this reveals less information on account of women's actual power base in society. Violence against and abuse of women, adolescent girls and young children remains widespread throughout urban and rural areas. Violence against women contributes directly to their vulnerability to HIV and their ability to cope, and is deep-rooted in stereotypical gender beliefs and roles. The role of gender relations in the spread of HIV cannot be over-emphasised. The low social, economic and cultural status of women often make it difficult for women to negotiate for safer sex even when they know their partner is being unfaithful.

More than 20 percent of all violent crime is domestic violence, and at least 2,000 cases of domestic violence are reported to the police annually, of which about 300 cases are cases of child abuse. Each year about 600

[21] Keulder C, Progress toward consolidated democracy in Namibia; A report for SIDA Namibia Prepared by Christiaan Keulder, January 2003

cases of rape and 150 cases of attempted rape are reported to the police. Newspapers carry daily accounts of women and children being violated in all parts of the country, and the reported cases are probably only a fraction of violence against the rights of women. As it is believed that only one in every 20 rapes are reported to the authorities, as many as 15,000 people could be victims of rape or attempted rape each year. There has been progress in responding to the issue of violence against women and children through law reform. It includes the passing of the Combating of Rape Act, drafting of the Namibian HIV/AIDS Charter of Rights, drafting the law on domestic violence that has recently been approved by the National Assembly, and the law on vulnerable witnesses. The effectiveness of these legal instruments in reducing violence against women and children remains to be seen.

Freedom of speech is one of the human rights guaranteed in the Constitution. The government generally respects the independence of the media, but government criticism against independent media has grown the last few years. In 2001 the government put a ban on advertising in the independent English daily, *The Namibian*. The reason for this was, according to government sources, that the paper had publicised anti-government and anti-President articles. The ban has been heavily criticised by human rights organisations and opposition parties. The President and representatives of the ruling party have, on a few occasions, accused independent media for not acting in the best interest of the nation but to side with the enemy. These verbal attacks do not, however, seem to have affected the reporting of the independent media.

4 Investments in Social Development

4.1 Social Protection

The majority of the Namibian couples are married under customary law, although civil marriages are on the rise. Polygamous marriages are declining in number, while informal relationships and adultery are common and possibly on the rise. The fertility rate is 5,4 per woman, with significant variations between the rural (6,39) and urban (4,0) areas, and between some regions. The dominant family pattern in Namibia is still the extended family. But due to HIV/AIDS, urbanisation and overall social change, it is coming under increasing strain and many families are under stress. The following statistics indicate the seriousness of the situation:

Table 4: Vulnerability of children

50 percent of children are not raised by their biological mother
37 percent of biological mothers are either sick or passed away
33 percent of mothers are still under the care of another person acting as their guardian
16 percent of mothers are seeking employment somewhere else
19 percent of mothers are living with another man, who does not want the child(ren)
50 percent of children are raised by unmarried mothers, or have stepfathers
33 percent of mothers have biological children that do not share the same father
50 percent of mothers raise their children with the father elsewhere for at least six months/year
20 percent of these mothers do not receive any financial assistance from the fathers

Fathers, who do not provide financially to the upbringing of their children, are also largely absent from childrearing and do not provide emotional support. Existing methods of obtaining maintenance through courts are not effective. It is common that the older generation (especially in rural areas) live in households together with their grandchildren, while the parents (the "missing middle") are away in urban areas or deceased due to AIDS. This has led to a breakdown of the extended family system and increased economic and emotional stress for children who are left with few opportunities and resources. Studies in Southern Africa have shown that because of the "missing middle", the transfer of skills and knowledge (both social and technical) from one generation to the next are negatively affected. This may lead to a reduction of the productive capacity in the area of agriculture for example. In the worst case scenario children who do not benefit from this transfer of skills and knowledge may fall into a sub-group category of persons living outside the formal society.

Elderly are becoming a new group of excluded poor. The Social Welfare Policy has four main categories for national pensions or state grants – Old age grants, Disability grants, Child maintenance grants and Foster parents' grants. Coverage in the old age category is estimated at 95 percent, whereas coverage especially in the maintenance and foster parent grants are very low. One reason for this seem to be that few people know about these grants and/or how to apply for it. The National Pension scheme is based on a flat rate; non-contributory and non-taxable grant transfers regardless of other income, for rich and poor alike. Government is presently reforming its Pension Schemes. Particularly the dramatic increase in orphans and vulnerable children due to HIV/AIDS will present huge difficulties in order to ensure adequate social protection coverage.

4.2 Education sector development

The international convention for human rights, to which Namibia is a signatory, stipulates that basic education is a human right and that it should be free and compulsory. Article 20 of the Constitution asserts the right of all residents in Namibia to primary education, with children not being allowed to leave school until they have completed their primary education or have attained the age of sixteen, whichever is the sooner. The formal education system consists of seven years of free compulsory primary education (grades 1 to 7), three years of junior secondary (grades 8 to 10) and two years of senior secondary education (grades 11 and 12). The Namibian College of Open Learning (NAMCOL) provides study opportunities at Grade 10 and 12 levels for learners that have dropped out of the formal education system. The National Literacy Programme is central to the reduction of the adult illiteracy rate. Early childhood development is the responsibility of the Ministry of Women's Affairs and Child Welfare.

Since 1990, the government has placed considerable emphasis on the improvement of the education system, with the ultimate goal of meeting the basic learning needs of all children, youth and adults in the country. Government devotes a large part of its budget to the social sectors. In recent years, investment in education and training has averaged some 9 percent of GDP, which is twice the average for sub-Saharan Africa. Within the education sector, roughly 48 percent and 22 percent of the recurrent expenditure is allocated to primary and secondary education respectively, 3 percent to adult education, 2 percent to vocational and technical education and training, 9 percent to higher education and 16 percent to administration and other programmes.

Within the education sector the main challenge for the government is how to reach out to the educationally marginalised, the impoverished, and those living in the most remote areas. Although the provision of education has made significant gains since Independence, considerable challenges remain. Whilst enrolment rates for primary education are high (98 percent), the drop out rate before attaining secondary schooling levels is 50 percent, which tend to erode the educational achievements. The high expenditure on basic education does not necessarily correspond to equally positive advances in outcomes. With high spending on salaries and related operating costs, the overall quality of services and capacity of those providing the services is still low.[22]. There is serious shortage of qualified teachers and a wide discrepancy in the teacher-learner ratio. In addition, it is estimated that approximately 25 percent of the teaching staff are unqualified and have poor basic teaching skills. Many of these teachers are found in the rural areas, where the teacher-pupil ratio is as high as 1:40. The HIV/AIDS pandemic is having a considerable impact on the education system. A new study released by the education authorities predicts that around 20 percent of Namibia's total teaching staff could be lost due to AIDS-related illnesses by 2010. Furthermore, many schools report absenteeism due to illness or funeral attendance as being a major and increasing problem.

Other factors behind the high drop out rates are often directly related to poverty. They include inability to contribute towards the school development and maintenance funds and/or pay uniform; long distances to schools; schools without water; opportunity costs (seasonal working on farms and looking after life-stock); girl pregnancies; low motivation from parents and communities; and poor governance of schools. The effects of HIV/AIDS will also most likely impact negatively on the enrolment of children, with new entrants expected to decrease by 14 percent in the next seven years. The increasing number of orphans are at risk of not entering or dropping out of school. Pupils affected by HIV/AIDS often lack sufficient food and money for school related costs.

Access to secondary education is limited. Of the total numbers of learners who enter school at first grade, only about 66 percent continue to grade 8 (the start of secondary education). However, as they move on to the 12th grade, only around 18 percent actually reach that level. As universal enrolment in primary education is progressively achieved, a high priority for the government is to improve access to junior and senior secondary education and to skill development opportunities. Reasons identified for not reaching the senior secondary level are: low standards of achievements at primary and junior secondary level, lack of system capacity, ineffective leadership, lack of motivations among teachers and lack of qualified teachers in the field of mathematics and physical science. The most recent data indicates that there were around 16 000 places in public tertiary institutions. A crucial factor that affects the quality of tertiary education is the unsatisfactory quality of the secondary school graduates. Many of the most qualified students chose to apply to university abroad, particularly in South Africa.

Opportunities for skill development are currently provided through a network of seven Community Skills Development Centres (COSDEC's), six Vocational Training Centres (VTC) and the Polytechnic of Namibia.

[22] According to SACMEC –SADC Quality assessment forum, which is assessing the quality and output of the education system of the SADC countries.

COSDEC's offer short courses that were initially meant to cater for skills needs for people with little to no general education. VTC's train artisans in a variety of trades and VTC entrants must have completed grade 10 or 12 while the Polytechnic mainly admit those with grade 12. Employers offer other skill development opportunities. After the promulgation of the National Vocational Training Act of 1994, which essentially provides for co-operative training through apprenticeship schemes, it has been experienced that apprenticeship arrangements fall dramatically short of expected outputs. This has been mainly due to the poor commitment demonstrated by the private sector which continues the practice of "skilling" rather than training required human resources and thereby retards essential advancements in labour mobility, higher incomes, recognition of qualifications and further training opportunities. There is a lack of post school access to training with completion rates of Vocational Education and Training (VET) courses are very low. This is a central concern of the government as expressed in the NDP 2, where the target is to provide relevant training leading to a 20 percent reduction in youth unemployment over five years.

The two ministries of education, the Ministry of Basic Education, Sport and Culture (MBESC) and Ministry of Higher Education, Training and Employment Creation (MHETEC), has drawn up Strategic Plans for the period 2001–2006. The Strategic Plan is organised into eight national priority areas: equitable access, education quality, teacher education and support, physical facilities, efficiency and effectiveness, combating HIV/AIDS, life-long learning, sport, culture and art. Although the plans focus on several areas of national priority, the ministries have in various ways included cross-cutting issues such as democracy, decentralisation, gender, mathematics, science and technology, educational development, sustainable resource management and commercialisation.

4.3 Health Sector Development

In Namibia, the provision of health services includes three main providers – the government (70–75 percent), churches (15–20 percent) and private sector (5 percent). The Ministry of Health and Social Services (MoHSS), provides public health services, while private health services are offered by private practitioners, hospitals, and clinics and by traditional healers. Since Independence the number of health facilities has increased throughout the country, and in 2001 a total of 332 facilities were recorded. The majority of the facilities are in northern Namibia and in the larger towns. Many clinics and health centres have one or more outreach points in more remote places. Health workers periodically visit these points to provide preventive and promotion services, and to attend to illnesses and other conditions amongst people living there.

Government allocations are the main source of revenue for Namibia's health system. MoHSS's budget comprises around 14–16 percent of total government expenditure annually since Independence. International aid agencies have contributed between NAD 50 and NAD 67 million annually over the past five years. Some NAD 16 million is obtained annually from fees paid by patients receiving treatment at hospitals and other health facilities, which is channelled to the State Revenue Fund. The

MoHSS acknowledges that while overall finance for the health sector has been reasonable, relatively large and growing personnel costs have crowded out funding for other necessary support functions such as drugs, equipment and transport.

The overall orientation of the public health service is towards the provision of primary health care, where the predominant focus is on community health, preventive measures and on treatments that can be provided relatively easily, cheaply and quickly and closer to people. Despite the improvements, some people in remote areas and especially in the Omaheke and Kunene regions still do not have ready access to health facilities. This is mostly due to the fact that the population lives in scattered and small settlements with relatively few people. As the provision of a fixed facility would be too costly, outreach points have been developed as an alternative of supplying health services.

There is a high degree of variation in rates of attendance at the health facilities as well as bed occupancy at hospitals between the regions, depending mainly on the type of disease or condition being treated.

Certain health indicators have improved since Independence, especially in the fields of child immunisation and malaria control. Apart from the routine programme on immunisation, national immunisation days are organised annually in all regions of the country. Namibia was declared neonatal tetanus free in August 2001 and since 1995 no laboratory confirmed polio cases have been reported. The MoHSS has introduced successful interventions geared towards the control of malaria, which include the strengthening of awareness and information campaigns for the general public, an extensive spraying programme, and improvements in the diagnosis and treatment of patients suffering from malaria.

The challenge in addressing HIV/AIDS lies in responding to the pandemic in such a way that immediate needs as well as long-term effects on development are addressed. This would need to include curative as well as preventive measures, and in NDP 2 both reduction of transmission as well as minimising the impact of HIV/AIDS on infected individuals and their families are highlighted in the sector mission statement.

Nevertheless, general life expectancy rates and mortality rates for women and children have deteriorated. This is primarily a result of AIDS and AIDS-related conditions. In 2000, the Maternal Mortality Rate was 230 per 100 000 women and infant mortality 56 per 1000. Child mortality was 69 per 1000, with higher mortality in rural areas than in urban. While Namibia has achieved major gains in reducing mortality among children, life expectancy in general has not improved as outlined in the table below:

Table 5: Life expectancy rate 1991–2000

1991	61 years
1998	52 years
2000	45 years

A Prevention of Mother-To-Child-Transmission (PMTCT) programme for pregnant women and their partners was initiated at the Katutura and

Oshakati Hospitals, with the possibility of a nation-wide expansion. The aim is to reduce the transmission of HIV to babies and also provide Antiretrovirals (ARV's) to the parents infected with HIV in order to improve the quality of life for both the parents and children. The second component of the programme has not taken off as planned due to the unavailability of ARV's and the consequent low turn out by especially the male partners.

About 77 percent of all households had access to safe water in 2000. The majority live in urban areas, whereas only 67 percent of the rural homes had safe water. The great majority of households using unsafe water were in the northern, rural areas. Differences in the use of hygienic sanitation follow the same pattern of water supply. Approximately 41 percent of all Namibian households have adequate sanitation, 85 percent of them represent urban households and 19 percent rural households.

Alcohol production and consumption has increased significantly in Namibia. It is reported that up to 30 percent of the population abuses alcohol, especially during weekends. Alcohol-related hazards accounted for as much as 30 percent of the annual operational budget of the MoHSS. The most prominent are the motor vehicle accidents. The medical costs of alcohol use and abuse go beyond accidents. It is estimated that about 8 percent of the adult population suffer from alcohol-related illnesses that increase the cost of hospitalisation and treatment. There is also increasing evidence of the significant role of substance use, including alcohol, in the transmission of Sexually Transmitted Infections (STI's) and HIV.

5 Namibia from a Regional Perspective

5.1 Regional Security

Namibia continues to be a peaceful country in an otherwise conflict-ridden region. Although inequalities between different ethnic, language, and social groups are large, the situation has not resulted in violent conflicts. There is little to date to suggest that the situation will deteriorate in the near future. However, a secessionist attempt in the Caprivi region in 1999 was violently put down. A number of people fled to Botswana and other countries. More than 120 people are still awaiting trial (see also section 3). Regional stability is essential for Namibia, as it offers opportunities for increased intra-regional trade, investments, and co-operation. Alternatively, regional conflicts and instability constrain such opportunities and divert scarce resources due to disruptions of day-to-day activities and the creation of an atmosphere of uncertainty which inhibit discussions on regional issues and drives away foreign investors.

Three key conflicts have dominated the Southern African region over the past years; civil war in Angola, civil war in the Democratic Republic of Congo (DRC) and the economic and political crisis in Zimbabwe. Namibia has been directly involved in the DRC conflict by sending troops to assist the government as well as being indirectly involved in the Angola conflict by opening borders to assist the Angolan government.

Since the Angolan army and UNITA rebels signed a formal cease-fire in Luanda in April 2002 to end the conflict, the level of political stability has increased for Namibia. Some 18 000 Angolan refugees under the UNHCR mandate are hosted by Namibia and UNHCR estimates that a clear majority of these wants to return to Angola. A formal repatriation scheme has started this year. The Angolan peace is still in its wake, with the Angolan Government facing severe challenges including reintegration of some 300 000 former UNITA soldiers, and nearly half a millions of Angolans facing serious malnutrition and/or starvation. Nevertheless, if lasting peace is achieved in Angola the recovery of economic growth could open up a sizeable market for Namibian goods. Peace will most likely also enhance the co-operation on regional issues such as for example shared natural resources.

The deteriorating political and economic situation in Zimbabwe is a threat both to the political stability and the economic situation in the region. It is a well-known fact that the Namibian government has unreservedly given political support to the government and President Mugabe. The crisis in Zimbabwe has not resulted in internal problems in Namibia, in the form of large groups of incoming refugees or Zimbabwean traders severely affecting the Namibian markets. However, the Namibian position vis-à-vis Zimbabwe may have deterred foreign investments in Namibia.

5.2 Regional Co-operation

Namibia is seldom viewed as an important actor on the global scene. However, its regional and sub-regional importance should be underlined. Compared to its southern African neighbours, Namibia is a relatively large country geographically and relatively small in terms of population and economic output. Namibia is also more vulnerable to external factors determining the development of the country. Consequently, regional relationships are important to Namibia, and existing intra-regional trade and investment flows strongly influence Namibia's activities and performance. Namibia's economic relations are governed by a number of arrangements. The most significant of these are the Common Monetary Area (CMA), the Southern African Customs Union (SACU), the Southern African Development Community (SADC) and the Common Market for East and Southern Africa (COMESA).

Namibia's economy is highly integrated with that of South Africa. In 2000, 86 percent of Namibia's imports came from South Africa and 26 percent of its exports went to South Africa. As a member of CMA, Namibia's currency is pegged to the South African Rand. With certain exceptions, money flows freely between the two economies and common exchange controls are maintained vis-à-vis the rest of the world. The monetary union has provided stability and easy access to South Africa's larger market, but prevents Namibia from setting its own interest- and exchange rates. In the short- to medium term there are few signs that this situation will change.

Within SACU, goods and services can be traded freely within its borders and a common external tariff applies to imports from outside the union. External tariffs are paid into a revenue fund and redistributed to member countries, this being one major source of revenue for Namibia. Planned movements towards greater trade liberalisation will most likely decrease this income, but it is still unclear how this will affect Namibia, as it could be expected that increased trade will outweigh at least some of this decrease. Namibia acknowledges SADC, a political and economic entity, as being an important regional co-operation body in order to enhance Namibia's development, especially with regard to trade and the opportunities for the country to become a veritable gateway to regional markets. SADC has however become more institutionalised in some areas and the economic integration is moving forward somewhat slowly. Namibia is a member of COMESA, but views it as more of an alternative regional framework and has been granted exemptions from implementing specific COMESA programmes. It seems that Namibia, in the short- to medium term, has more to gain in a common external tariff system with other members of SACU.

The Namibian government has shown mixed reactions towards the recently launched New Partnership for Africa's Development (NEPAD) initiative. Lack of information, participation, and representation are issues being highlighted. However, Namibia has fully supported the reformation of the Organisation of African Unity (OAU) and the establishment of the African Union (AU). Namibia holds the view that the AU should have the full responsibility for the implementation of NEPAD.

Water is a critical development issue in Southern Africa, due to the arid climate in large parts of the region, the resulting scarcity of water, and periodic droughts and floods. Namibia is at the dry extreme of the regional spectrum. Throughout the region, upstream-downstream water interdependency amongst countries sharing international river basins (all major rivers in the SADC region are shared between two or more countries) raises difficult questions on how to ensure equitable water access among the neighbouring countries. In a context of water scarcity, competing water uses across sectors and/or countries may give rise to potential conflict and hence require complex negotiations and decisions on inter-sectorial and inter-country water allocation. Namibia is still discussing arrangements on the Orange River with South Africa.

Namibia has become a party or signatory to various bilateral, multilateral and international transboundary water agreements. These have resulted in the establishment of various institutional mechanisms tasked with developing and implementing principles and procedures for co-ordinated action and similar agreements and institutional mechanisms are being set up between other countries in the region. The feasibility and prospects of co-ordinated efforts and joint action however, depends on the political will and institutional capacity of all involved countries, which often vary significantly. Nevertheless, one encouraging sign for Namibia is that Angola is moving towards peace and political stability, which opens up for discussions and collaboration between the riparian states concerning the Okavango river, of crucial importance to Namibia.

National water sector reforms are being developed and implemented to address the increasingly crucial and complex water challenge throughout the region. Namibia is undergoing such a reform process, having instituted the Namibia Water Resources Management Review, formulated a new Water Policy (National Water Policy White Paper, August 2000), and drafted a new Water Bill (not yet passed by parliament).

In the future it will be of importance to strengthen Namibia's capacity as negotiator and representative within the above mentioned institutional mechanisms so as to fully participate in the dialogue and decision-making around initiatives such as the transboundary management of the Okavango River Basin. Other shared rivers are Zambezi and Orange River.

HIV/AIDS is another transboundary issue and a regional problem. Recent data suggests that communities along the border of the Kaprivi Strip have an HIV-prevalence rate up to 50–60 percent (according to a study carried out by IFRC). This constitutes a serious risk that results achieved in one country can be eroded by another country unless the pandemic is addressed on a regional scale. To make Namibia more attractive to investors and trade, the challenge is not only to nationally estimate impacts of action on HIV/AIDS infection rates, but also how other countries and the region as a whole address the pandemic. Regional coherence in terms of approaches and strategies are going to be essential, and currently the EU and DFID are supporting SADC to prepare a framework policy document on HIV/AIDS. With such a framework, the possibilities for regional co-operation around this issue look promising.

Sustaining democracy and upholding the respect for human rights have a regional dimension and should also be addressed on a regional scale. Some of the conflicts in Namibia's neighbouring countries (Angola and Zimbabwe) have already affected Namibia and its population. The fact that Namibia sent armed forces to assist in the conflict in the Democratic Republic of Congo also shows that Namibia has an impact on populations of other countries. Regional NGO networks already exists to a certain extent, including a few Namibian NGO's. These networks aim at, amongst other things, providing meeting places for organisations working in the same area. This includes exchanging knowledge and experiences as well as organising joint training sessions. Regional democracy and human rights networks could, if well developed and maintained, have a stabilising effect on the whole region. Strong enough networks could also be of great assistance to populations in countries with a weak or even a non-existent civil society.

Appendix 1:

Fact Sheet Namibia

Country:	The Republic of Namibia
Capital:	Windhoek
Area:	825 000 km2
Regions:	Karas, Hardap, Khomas, Omaheke, Erongo, Otjozondjupa, Oshana, Kunene, Oshikoto, Okavango, Caprivi, Ohangwena, Omusati
Form of Government:	Republic
Head of State:	President Sam Nujoma
Head of Government:	The President
Prime minister:	Theo-Ben Gurirab
Foreign minister:	Hidipo Hamutenya
Major political parties:	SWAPO (ruling party), DTA, UDF, CoD
Upcoming elections:	Local and regional elections in 2003, parliament and presidential elections in 2004
Population:	1,8 million
Official language:	English
Currency:	Namibian Dollar (pegged 1:1 to the South African Rand)
% of women in Parliament:	29%
% of women at ministerial level:	16,3%
GDP in current prices 2001:	US$ 3,2 billion
GDP/capita in current prices 2001:	US$ 1,669
GDP/capita in PPP 2000:	US$ 6,410
Average GDP growth:	3% (during last 3 years)
Consumer Price Inflation 2002:	11,3%
Gross savings/GDP 2001:	23,6%
Investments/GDP 2000:	18,6%
Donor funds per capita 2001:	US$ 29
Debt repayment/exports 2000/01:	4,6%
Population growth:	1,8% (UNDP estimate between 2000–2015)
Average life expectancy at birth:	45 years (2000 UNDP)

Under five mortality rate per 1000:	69 (2000 UNDP)
Adult Literacy:	82% (2000 UNDP)
Public education expenditure:	24% of total Government expenditure (2002)
Public Health expenditure:	14% of total Government expenditure (2002)
HIV adult prevalence rate	23%
Number of HIV-infected men	90 000
Number of HIV-infected women	110 000
Population accessing fresh water:	77%
Carbon dioxide emissions per capita metric tons:	0
Energy efficiency in GDP per unit of commercial energy use 2000:	9,6PPP$/kg
HDI index 2000:	0,610
HDI World ranking 2002:	122
HPI 2000:	34,5
GDI 2000:	0,604
Freedom House Index:	2,3 Free (2001–2002)
Corruption Perception Index:	5,4 (2001)

Appendix 2:

Key Policy Documents

Vision 2030	Vision 2030 presently consists of 8 research-reports covering different sectors and areas. A workshop attended by various stakeholders was held in May 2002. Efforts are undertaken to mainstream the reports into a common vision for Namibia.
NDP 1	National Development Plan covering the years 1995/1996–1999/2000. Published by the National Planning Commission.
NDP 2	The second National Development Plan covering the years 2001/2002–2005/2006. Published by the National Planning Commission.
PRS	A Poverty Reduction Strategy for Namibia passed by Cabinet in 1998. The experiences from implementing the NDP 1, showed that the goal poverty reduction was poorly conceptualised within ministries. As a response, the PRS was elaborated.
NPRAP	National Poverty Reduction Action Programme for 2002. The programme was developed to provide a short-term strategy for the implementation of the PRS.
MTP 2	Second Medium Term Plan on HIV/AIDS covering the period 1999–2004. The plan is intended to create a broad national response to the pandemic, and it includes major stakeholders in a nation-wide multi-sectorial approach.

Appendix 3:

Outline of Main Donors

In 2002 the European Commission signed a new five-year agreement in the order of Euro 91 million, based on a National Indicative Programme. The focal areas will be Rural Development and Human Resource Development. Germany's assistance has an annual financial volume of Euro 12 –13 million. Under these two headings, Germany is involved in several areas and some can be mentioned in particular: advisory services to Namibian ministries, infrastructure development, small enterprise promotion, legal capacity building programme, AIDS control project, and environment protection.

Finland's support to Namibia is focused on health, rural water supply, the environment and decentralisation. The financial volume is around Euro 8–9 million annually. Finland has supported Namibia since independence but is now in the process of transforming its development relations with Namibia and the grant aid is scheduled to come to an end by 2007. USAID has recently decided to extend its presence in Namibia for an additional period to 2010 (instead of the planned closeout in 2005). Focal areas are community-based natural resource management, education and democracy programmes, HIV/AIDS, and private enterprise development. It is at this stage not clear what will be their financial commitment.

Several other donor countries (apart from Finland) have over the last years taken decisions to reduce their assistance to Namibia. The most recent example is Norway, which is phasing out its support by the end of 2003. DFID is in the process of changing its support to Namibia from a bilateral relation to a regional partnership, focusing only on a few specific areas such as education. The Netherlands has gradually concentrated its programme and will in the future only support activities in the field of democratic governance.

Appendix 4:

International Conventions on Human Rights

Namibia has ratified the following international human rights conventions:

- *CAT* Convention against torture and other cruel, inhuman or degrading treatment or punishment.
- *CCPR* International covenant on civil and political rights.
- *CCPR-OP1* Optional protocol to the international covenant on civil and political rights.
- *CCPR-OP2-DP* Second optional protocol to the international covenant on civil and political rights, aiming at the abolition of the death penalty.
- *CEDAW* Convention on the elimination of all forms of discrimination against women.
- *CEDAW-OP* Optional protocol to the convention on the elimination of discrimination against women.
- *CERD* International convention on the elimination of all forms of racial discrimination.
- *CESCR* International covenant on economic, social and cultural rights.
- *CRC* Convention on the rights of the child.
- *CRC-OP-AC* Optional protocol of the convention on the rights of the child on the involvement of children in armed conflict.
- *CRC-OP-SC* Optional protocol to the convention on the rights of the child on the sale of children, child prostitution and child pornography.

Halving poverty by 2015 is one of the greatest challenges of our time, requiring cooperation and sustainability. The partner countries are responsible for their own development. Sida provides resources and develops knowledge and expertise, making the world a richer place.

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