

- Contributing to poverty alleviation, particularly in rural areas, through direct and indirect employment; and
- Improving the earning ability of rural women and enhancing traditional Namibian culture by stimulating trade in basketry, pottery and other traditional crafts.

Land–use for tourism in parts of Namibia, outside protected areas, has extremely high economic potential. Through the CBNRM program, communities in communal areas invest in wildlife and benefit from the resulting tourism development opportunities.

Since Independence, tourism has grown rapidly from 254,978 international tourist arrivals in 1993 to 757,201 in 2002, representing a growth rate of almost 200 percent. It is also predicted that within a few years tourism will become the leading economic sector in our country. According to the World Tourism Organization (WTO<sup>2</sup>), the number of international tourist arrivals world-wide grew by 2.7% in 2002 after a decrease of 0.5% in 2001. In contrast, Namibia experienced a healthy tourist increase of 12.9% for 2002, indicating a competitive advantage. WTO<sup>2</sup> forecasts indicate that by 2010, Africa’s share of international tourists will have more than doubled, taking 1995 as the base year. Globally, tourism accounts for one in every 12 jobs. According to a visitor survey conducted in Namibia by the Ministry of Environment and Tourism at the end of 2002, tourist expenditure in Namibia for that year amounted to approximately N\$4 billion.

Almost all tourists visiting the country expect a wildlife-centred experience – either through game-viewing, bird-watching, hiking, sport fishing or trophy-hunting. Namibia’s biggest attraction is undoubtedly its sparsely populated, spectacular arid scenery and wide-open spaces. In today’s over-crowded, rapidly developing world, natural environments are disappearing fast. Consequently, the solitude, silence and natural beauty that many areas in Namibia provide are becoming sought after commodities that must be regarded as valuable natural assets. Preserving these assets is fundamental to developing tourism as a sustainable economic sector and helping Namibia to maintain a comparative advantage within the global market.

A total of 29 conservancies have been registered on State land by 2003, amounting to about 7, 405, 200 ha or nine percent of Namibia’s total land mass. Approximately 40,000 people, usually above the age of 18, are currently signed up as registered conservancy members. However, the number of beneficiaries triples once people below the age of 18 are added. These registered conservancies are distributed across the Caprivi, Kunene, Erongo, Otjozondjupa, Omusati, Hardap and Karas regions, while additional ones are emerging in the Kavango, Oshikoto and Omaheke regions. A systematic approach towards the registration of communal conservancies is needed to halt the uncoordinated mushrooming of these conservancies.

Recovering wildlife populations on land outside State-owned parks, present economic opportunities. Conflicts between people and wildlife might increase, especially species that damage crops and predate on livestock. Innovative ways are needed to address such conflicts, principally by creating and facilitating opportunities for generating economic value out of such wildlife rather than the payment of compensation.



Community-based tourism (CBT) offers significant potential for economic development in rural areas. The benefits of CBT result from the employment of community members and cash income from tourism enterprises (which increased from N\$0.73 million in 1998 to N\$12.02 million in 2003). Tourists visiting CBT enterprises increased from 30,000 in 1999 to over 70,000 in 2002 and are projected to grow to more than 90,000 by 2004.

There is a growing interest among tourists not just in both marine and inland sport-fishing, but also to visit the seal colonies and to watch whales and other marine cetaceans.

Like all other economic activities, tourism uses resources, produces wastes and creates environmental, social and cultural costs and benefits in the process. Rapid growth in tourism aiming at short-term economic benefits, can easily result in more negative than positive impact - including the degeneration of traditions and cultural values, and environmental damage to tourist sites and natural settings.

Namibia's tourism sector operates in extremely arid and ecologically sensitive areas. Thus, it is essential that attention is paid to all potential environmental and social impacts that can result from tourism activities. These are summarised as follows:-

- Scarring of landscapes and damage to wildlife habitats through off-road driving and careless behaviour;
- The unsustainable use of scarce resources (e.g. water and wood);
- Pollutants from sewerage, domestic waste, chemical cleaners and litter;
- Intrusions on local cultures and values; and
- Economic distortions.

In many parts of the world tourism products have been ruined in a very short period of time as a result of *ad hoc* planning. To avoid a similar situation, a sustainable Tourism Master Plan was developed. This Master Plan seeks to increase high quality tourism activities with low impact on the environment. It implies an increase in the volume of high spending tourists who stay longer and travel to most parts of the country. Tourism products and benefits would be spread throughout the country to relieve pressure on some of the key attractions such as Etosha National Park, the coastal regions, Namib Desert and the eco-tourism products of the Northwestern regions. Cultural tourism will become a prominent product since it does not disrupt economic activities or invade the personal space of local people.

Tourism is already playing a very important role in economic development. However, its full potential has neither been explored nor exploited.

#### ***Sub-Vision***

***The integrity of Namibia's natural habitats and wildlife populations are maintained, whilst significantly supporting national socio-economic development through sustainable, low-impact, consumptive and non-consumptive tourism.***

## WILDLIFE AND TOURISM

### **Things to do**

- Provide tourists with information on ecological and cultural values within the country of destination.
- Take effective steps to reduce the volume of waste associated with travel and tourism activities.
- Design tourist enterprises using low impact designs, materials and technologies, so as not to damage the environmental or cultural assets that tourists seek to experience and that sustain the local community. In other words, to maintain *a sense of place*.
- Distance publicly from any illegal, abusive or exploitative forms of tourism.
- Meet and preferably exceeding relevant national labour standards.
- Extend conservancies to new areas.
- Update State-owned park management and development, and diversify tourism development while placing strong emphasis on high value-low impact tourism.
- Promote the training of persons engaged in or entering the tourism industry, to ensure that they are adequately trained to provide quality services.
- Improve and accelerate income generation on conservancies to lessen dependence on Government and other providers of support.

### **Current situation**

- Excellent progress made on CBNRM initiatives and private tourism enterprises.
- Sustainable Tourism Master Plan was developed and is ready for implementation.
- State-owned park management systems and tourism facilities need to be upgraded to reflect the modern standards of tourism and park management.

### **Things to avoid**

- Poor tourism planning and a lack of a clear vision for the tourism industry.
- Declining standards of park management and land management in prime tourism areas
- Uncontrolled low quality mass tourism
- Tourists who negatively affect the experience and enjoyment of other tourists
- Anything that threatens Namibia's unique *sense of place*
- Uncontrolled water use and waste generation.
- Political instability, crime and regional problems that might threaten the tourism industry.
- Inadequately trained staff, poor service and poorly maintained facilities
- "Leakage" of tourism-generated foreign exchange.

### **Where we want to be (2030)**

- Well managed parks and nature reserves.
- Well maintained camps in National Parks with excellent services.
- Strong partnerships between government and private sector.
- CBNRM extended into all viable rural areas to improve livelihoods.
- Protection of Namibia's unique tourism product-focus on low impact, high quality nature centred tourism.
- Strategic approach to tourism planning.
- Discerning tourists.
- Equity participation and distribution of benefits to enhance socio-economic empowerment of the previously disadvantaged communities.
- A multifold increase in contribution to our GDP, and will remain one of the key leading economic sectors in our country. Enterprise development on communal land (e.g. community-owned lodges, tourism information centres, tourism related infrastructure, high quality craft products, improved tour guiding systems).
- An efficient system of registering, licensing tourism enterprises and maintaining high quality standards, will be in place and funded by the collection of levies.
- Tourism and wildlife increasingly contributing to economic growth for sustainable development of Namibia.
- Ownership and management of the tourism and wildlife industry are representative of all Namibians.
- Namibia, as a tourist destination, offers a high quality experience, with high economic value to the country and low negative impacts on the environment and society.
- Healthy, diverse and productive wildlife populations of economically important species on land outside State-owned parks, integrated into economic activities on farmland, and making a significant contribution to the national economy.
- Modern and sustainably managed State-owned parks with diversified and regionally competitive tourism.
- Conservancy system that is self-sufficient through income-generation and dependency on Government only for technical advice and assistance.

### **Worst-case scenario**

- Poor land-use planning and zoning result in prime tourism areas that have low direct-use value and/or ecologically sensitive (e.g. biodiversity hotspots) used for other activities (e.g. inappropriate agriculture).
- Loss of Namibia's unique tourist product and a "sense of place" due to mass.
- Poor service and maintenance of facilities.
- Over-utilization of wildlife due to uncontrolled offtake.

*Targets for Community Based Natural Resources Management*

Table 5.1 sets out the expected future growth and development of the CBNRM programme under two different scenarios. In the first, the programme remains focused largely on wildlife and tourism. In the second, the programme provides for a holistic, integrated approach to renewable natural resources, with conservancies being empowered to manage and hold group tenure over also their rangeland, woodland, water, freshwater fish and the land itself. Both scenarios show excellent results and returns, but the integrated and holistic approach offers far greater opportunities, and the basis for a truly innovative, empowering and appropriate form of sustainable rural development. The financial benefits to conservancies, from just the wildlife and tourism components of CBNRM, projected to 2030 and calculated on conservative figures, is shown in the chart below.

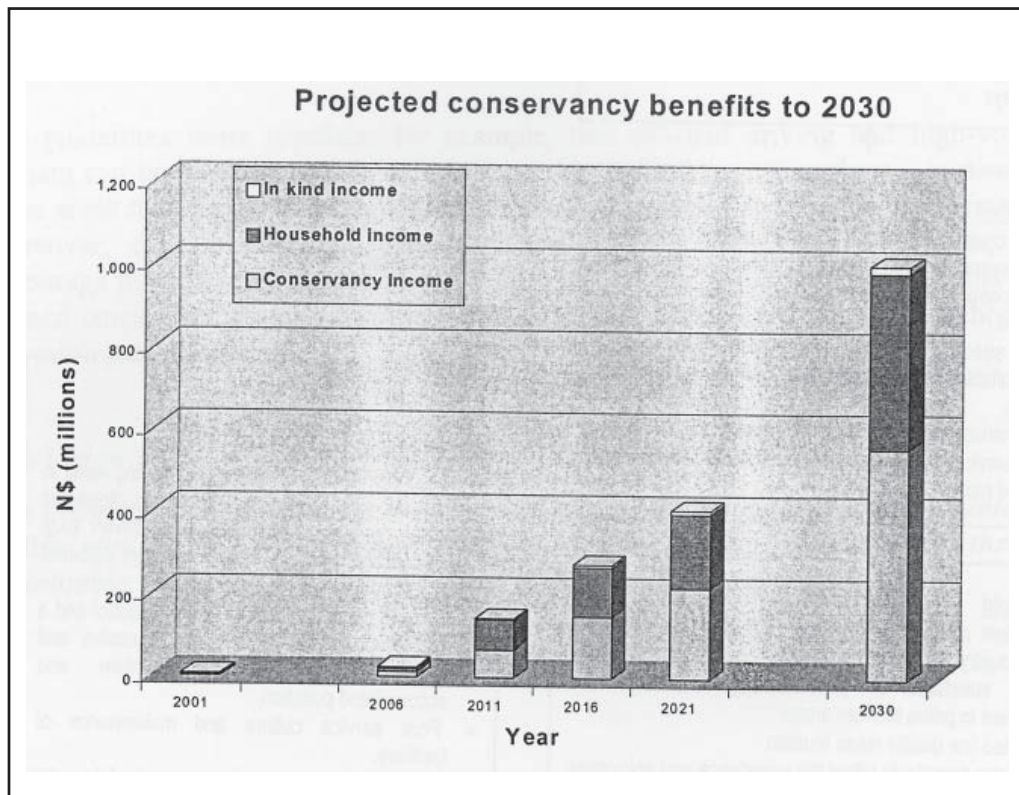


Figure 5.3: Projected Conservancy Benefits 2030



**Table 5.1 Targets for Communal Area Conservancies**

KEY INDICATORS	2003 Current Situation	2030 Scenario No. 1: Conservancy legislation primarily supports development of wildlife & tourism resources	2030 Scenario No. 2: Conservancy legislation expanded to allow management of other common resources (i.e. rangelands, community forests, water, etc.)
Number of registered conservancies	A total of 29 communal area conservancies have been registered as of December, 2001, while an additional 33 are at various stages of formation.	It is estimated that approximately 65 communal area conservancies could be registered for the specific purposes of developing and managing wildlife and tourism resources.	Should the GRN recognise conservancies as a common property management mechanism for other communal resources (i.e. rangelands, community forests, water, fresh water fisheries, etc.), then it is estimated that more than 160 conservancies could form on communal lands.
Number of hectares of land & natural resources managed through communal conservancies	7,405,200 hectares	It is estimated that 15,000,000 hectares of communal area would be suitable for management of wildlife & tourism resources. This is equivalent to 18.2% of Namibia's land mass (or 44% of communal lands).	It is estimated that a total of 24,000,000 hectares would be suitable for a conservancy common property management mechanism if rangelands & community forests were managed by conservancies. This is equivalent to 29.2% of Namibia's land mass (or 71% of communal lands).
Number of people benefiting from conservancies	40,000 are presently benefiting in registered conservancies, while more than 75,000 people are currently participating in the communal area conservancy movement.	Given a conservative population growth rate of 2.0% per annum (taking into consideration the impact of HIV-AIDS) and expansion of the conservancy movement to other parts of the country, it is estimated that over 250,000 communal area residents would benefit from conservancies by 2030 under the current legislation.	Given the same projected growth rate and, should the legislation be expanded to include other common property resources, then it is conceivable that more than 900,000 communal area residents could benefit from better managed natural resources by 2030.
Expansion of conservancy programme and wildlife habitats	Currently, conservancies are predominantly forming in parts of the Hardap, Karas, Kunene, Erongo, Caprivi, Omusati and Otjozondjupa regions.	Given the sparse settlement patterns and potential wildlife habitat, conservancies should cover many portions of the Oshikoto, Ohangwena, Kavango, Oshana, and Omaheke regions as well. As a consequence, wildlife (as an income generator and drawcard for tourism) will be more widely dispersed and supported throughout all of these regions.	Conservancies would be established in all regions under this scenario.



<p>Links and partnerships between communal conservancies and commercial game farmers.</p>	<p>Very limited contact, with freehold conservancies now covering some 4 million ha and expressing an interest in closer collaboration</p>	<p>Close links and cooperation, resulting in sharing of expertise, translocation of wildlife, partnerships around trophy-hunting, capture and live sale, cropping and tourism; linked marketing, joint training, etc.</p>	<p>Expansion of natural resource management and enterprises to all natural resources. Close cooperation around agriculture, marketing, tourism, wildlife and forestry management, significant sharing of skills and opportunities, etc.</p>
<p>Income &amp; benefits being generated in communal areas through tourism activities.</p>	<p>Presently, it is estimated that tourism enterprises in communal areas are generating approximately N\$58,233,000 in gross revenues, of which only N\$4,732,885 are documented as returning to community members.</p>	<p>Given the anticipated growth of the tourism industry (which is very conservatively calculated in the attached Annex), the anticipated increased in the number of joint ventures &amp; community tourism enterprises, it is estimated that employment and cash benefits from tourism will exceed N\$3,978,450,000 by year 2030, of which more than N\$795,691,000 will be directly benefiting communities.</p>	<p>In addition to the massive benefits reflected in the previous column, the subsistence benefits to community members from better managed resources, will be reflected in improved livelihoods and reduced support costs to the GRN in managing its national resource base and the people dependent upon it.</p>
<p>Income &amp; benefits generated from trophy &amp; subsistence hunting and live game sales.</p>	<p>Presently, hunting concessions in communal areas are generating in excess of N\$3,217,000 of hunting fees. It is estimated that total revenues generated from hunting operations in these concessions generated more than N\$9,000,000 of which N\$1,350,362 was returned to conservancies in 2001. However, there is immense scope for increasing the number of concessions and the current off-take rate (which in nearly all instances is less than 3% of the huntable game populations.</p>	<p>Should conservancy game populations continue to expand, then it is possible to project increases of 20% per annum in returns for trophy hunting (i.e. through increased supply and exchange rate savings) and other subsistence uses of wildlife, bring the annual projected returns by 2030 to N\$844,893,255, of which conservancies and their members would directly receive N\$340,212,802 in benefits.</p>	<p>Should the veterinary red line be moved further northwards and eastwards, thereby allowing the conservancies in the Kunene and Otjozondjupa to sell live game, then estimated additional benefits of N\$62,000,000 could be realised by conservancies by the sale of live game by 2030.</p>

### **Objective**

To advance sustainable management of wildlife and tourism for the social and economic well-being of the people of Namibia.

### **Strategies**

- Improving and accelerating income-generation on conservancies to lessen dependency on Government and other providers of support.
- Facilitating opportunities for people to derive economic value from wildlife species that impact on farming and livelihoods.
- Updating State-owned park management and tourism development, while placing strong emphasis on high-value, low-impact tourism.
- Providing adequate training for persons involved in the tourism industry, to ensure quality services.
- Developing and enforcing appropriate environmental and tourism legislation.

## **5.2.4 Fisheries and Marine Resources**

Namibia's entire coastal zone falls within the Namib Desert and is characterised by low rainfall and limited freshwater resources. The inshore marine environment provides valuable migration and nursery habitats for many marine organisms.

Namibia's marine ecosystem is dominated by the Benguela Current, and supports vast populations of commercially exploitable fish species, some of which are shared with Angola and South Africa. The climatic conditions that determine prevailing winds, ocean currents, water temperature and fish stock distribution vary with temporary changes in the earth's atmosphere. As a result, the maximum sustainable yields of fish stocks fluctuate from one season to the next.

The marine fisheries sector is an important foreign exchange earner, and a significant employment generator for Namibia. Prior to Independence, the country's fishing industry was subject to open access and, as a result of poor management, overexploitation of some of the most productive fisheries occurred. After Independence, Namibia took firm control of the country's territorial waters and the marine fisheries sector grew rapidly - largely as a result of an increase in fish processing which adds value to landed fish. Since 1990, considerable improvements have been made regarding the monitoring and regulation of Namibia's fish stocks and the country's post Independence marine fisheries management policies have been commended internationally for their effectiveness and efficiency.

In order to prepare a long term vision for Namibia's natural resources, it is useful to look at the lessons learnt from global trends. At least 70% of the world's commercially important marine stocks are reported to be either in a state of depletion, in the process of collapsing or slowly recovering. Furthermore, many marine ecosystems throughout the world have begun to display signs of irreversible damage. The causes and consequences of declining fisheries and marine environment degradation are summarised as follows:

- Variable environmental conditions, which are difficult to predict and could increase in response to atmospheric changes linked to global warming.



- Poor management and overexploitation of fish stocks.
- Coastal degradation is currently limited in Namibia. However it is likely to increase with growing coastal development over the next 30 years. Human activities responsible for coastal degradation include: The draining and clearing of lagoons and estuaries; upstream dams, deforestation and agricultural and urban pollution, which have had a detrimental effect on water quality entering the river mouths, reducing their potential as a fish-nursery area; marine pollution, caused when seagoing vessels accidentally or purposefully deposit sewerage, oil and other wastes into the ocean.
- Fishermen inadvertently kill and waste large numbers of marine species when they target one economically valuable species.

An increase in exports of high value fish products to overseas markets is likely. In addition, more efficient trade and improved export markets for marine products to landlocked countries within the SADC region, are expected. Mariculture and low impact nature centred tourism are two areas where there is great potential for expansion.

Currently, there is limited aquaculture in Namibia, but it is a sector with great potential. Aquaculture can contribute towards sustained food security, income and employment for many Namibians.

Commercial marine aquaculture is limited to oysters, mussels and seaweed production in Lüderitz harbour and in salt-ponds around Walvis Bay and Swakopmund. Commercial freshwater aquaculture of tilapias and cat fishes is undertaken in the Hardap Dam. There are also small-scale operations raising fingerlings for sale to small scale aquaculture ventures at Ongwediva Rural Development Centre, Omahenene and Katima Mulilo. It is anticipated that culture-based fisheries will develop to complement and enhance the production of freshwater fish.

***Sub-Vision***

***Namibia's marine species and habitats significantly contribute to the economy without threatening biodiversity or the functioning of natural ecosystems, in a dynamic external environment.***





## Fisheries And Marine Resources

### **Things to do**

- Encourage local value-adding through domestic processing of fish products.
- Create marine reserves especially in areas suspected to be important for fish breeding,
- Improve access to knowledge regarding the marine environment.
- Ensure that data collection is standardised, stored adequately, and made easily available to technicians, managers and the public.
- Secure regional cooperation that enables access to and joint management of shared fisheries resources, including information exchange and joint research; harmonization of policies; coordinated policy implementation.
- Develop human capacity for the industry.
- Ensure that access to marine stocks continues to be regulated by quota allotments and strict fishing rights.
- Develop marine and freshwater aquaculture.

### **Where we want to be (2030)**

- Sustainable yields reached and managed effectively to prevent overexploitation.
- Improved understanding of the dynamics of the Benguela system.
- Strict pollution control leading to increased exportation of high value fish and increased mariculture opportunities.
- Marine reserves and an increase in high earning, low-impact nature centred tourism activities.
- Intensive commercial marine and freshwater aquaculture.

### **Current situation**

- Good monitoring and regulation of fish stocks by Government.
- Improved value-adding.
- Limited but increasing marine pollution.
- Limited understanding of Benguela ecosystem dynamics.
- Limited aquaculture.

### **Things to avoid**

- Subsidising the fishing industry, creating tax breaks and market interventions that could encourage unsustainable fishing practices.
- The targeting of by-catch species and any activities that threaten marine biodiversity or cause pollution.
- All impact resulting from increased numbers of visitors to the coast (including litter, sewerage, water demand, traffic and noise).
- Avoid any new developments that do not have an acceptable Environmental Management Plan. Such developments could be harmful to human health and/or the environment, and threaten sustainable development.

### **Worst-case scenario**

- Increasing pollution, coastal degradation and biodiversity loss.
- Industry becomes too powerful and exerts pressure on Government to allocate TACs that are unsustainable.
- Overexploited and declining fish stocks
- Reduced economic development and employment options.

### *Targets for Marine Resources*

One optimistic scenario for fish harvesting predicts good recovery of fish stocks to maximum sustainable yields by 2016. On the basis of this scenario, the fisheries sector could experience a growth rate of 6-9% between 1998 and 2017.

Once maximum sustainable yields are reached, no further growth in harvesting can be expected, but if managed properly, and concerted efforts are made to ensure the value adding of harvested fish, this sector could remain a high earner on a sustainable basis beyond 2030.

The industry foresees an increase in exports of high value fish products to overseas markets. In addition, the opening of the Trans-Caprivi and Trans-Kalahari highways are expected to result in more efficient trade and improved export markets for marine products to landlocked country's within the SADC region.

In addition, there is considerable potential for expanding mariculture and diversifying the marine resources sector. In particular, nature centred tourism activities (for example, low impact whale/seal watching and visits to the offshore islands for bird-watching) provide ideal opportunities for economic growth.

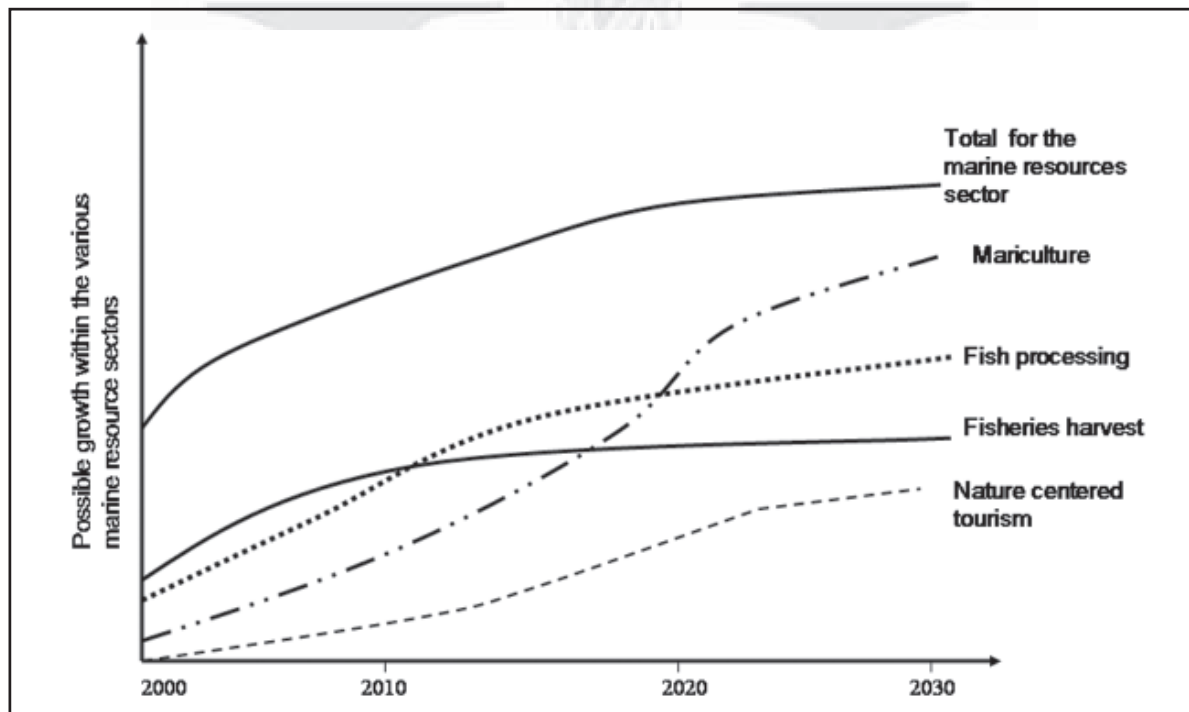


Figure 5.4: Possible Growth Within the Marine Resource Sectors (2000-2030)

It is important to note that Namibia's post Independence marine fisheries management policies have been commended internationally for their effectiveness and efficiency.

**Objective**

To achieve increasing and sustainable yields of fisheries and marine resources for the development of the economy and the benefit of the people of Namibia.

**Strategies**

- Setting TACs at conservative levels in order to promote the sustainability of resources and to enhance the recovery of depleted stocks.
- Adopting and implementing all the policies and programmes in support of sustainability and equity.
- Utilizing the services of expert consultants to assist Government fisheries scientists in setting their estimates for TACs.
- Developing new ways of adding value to Namibia's marine products.
- Improving awareness of market requirements for marine produce, and monitor market responses to Namibian products.
- Adopting and implementing a well researched ICZMP in an attempt to limit unnecessary coastal degradation, without restricting coastal development. This ICZMP aims to reduce conflict of interests in resource utilisation and ensures co-ordination and co-operation between the many stakeholders involved with coastal development, including sectors involved with fishing, urban development, tourism, offshore oil and shipping.
- Planning with care any future coastal developments (including those pertaining to tourism, town expansion and industry), and using of tools such as Environmental Impact Assessment, in order to avoid threats to communities and damage to natural areas and marine life.
- Developing strategies that create incentives for fishing companies to adopt more sustainable fishing practices (e.g. the introduction of by-catch fees).
- Enforcing regulations set by MARPOL which counteract all forms of marine pollution.
- Ensuring that all port authorities provide facilities for the retrieval and correct disposal of oily ballast water and other waste matter that accumulates on board ships.
- Continuing research, involving outside researchers, into the functioning of the marine environment and marine biodiversity.
- Establishing and maintaining mechanisms that secure financial resources that can feed directly into the marine fisheries sector and will boost the funds available for the maintenance and improvement of Namibia's marine capital (e.g. the Fisheries Investment Fund).
- Encouraging entrepreneurial drive and redirect investment so that environmentally friendly economic and livelihood options are opened up for the poor - e.g. promote small scale mariculture enterprise development.
- Identifying cost-effective, flexible and adaptable management approaches and national disaster response strategies to the potential impact of sea-level rise and other impact linked to climate change, that could affect the marine resource sector. Once identified, such impact must be incorporated into Namibia's national development plans.



### 5.2.5 Non-renewable Resources

Namibia is endowed with a rich variety of mineral resources. Diamonds remain the country's premier mining commodity, although uranium, gold, copper, salt, zinc, lead and fluorspar. semi-precious stones, industrial minerals and dimension stone are also produced. Mining related activities, other than formal mines include mining claims, NEPLs, EPLs, and formal mines. Currently there are only 15 active mines in Namibia.

Virtually all mining output is exported. In 1998, minerals represented approximately 36% of Namibia's merchandise exports, but contribution to GDP has fallen from approximately 28% in the 1980's, to current levels of between 12%-14%. In addition to its national importance, mining has stimulated significant infrastructure development, and has been responsible for supporting a variety of community initiatives, conservation projects, training and skills-development programmes and various other social causes in Namibia.

Despite rising costs, uncertain prices and variable labour relations, mining is likely to maintain its significant contribution towards Namibia's socio-economic development over the next three decades. The small-scale mining sector is expected to grow in relative terms and there is the possibility for the development of "mining tourism", where operating mines provide tourism experiences, such as going underground or searching for diamonds. In the case of the Swakopmund salt mine, the idea of mining-linked tourism can be developed further – to embrace a nature centred experience, as this mine is also a registered private nature reserve and one of the best localities in Namibia for observing shorebirds.

If poorly planned or badly managed, mining can result in a great variety of impacts which threaten human health and environmental integrity. However, with modern Environmental Assessment applied during planning and the implementation of EMP during the operational phase, mines in Namibia are increasingly better planned, and negative impacts can usually be mitigated and localised. Moreover, mines are under increasing pressure to obtain ISO certificates which would enhance their chances of selling their commodities to Western markets. Despite these recent improvements, a century of mining with little or no planning to reduce environmental damage, has impacted heavily upon large areas in Namibia, especially in the Namib Desert. There are currently approximately 40 abandoned, unrehabilitated mines in Namibia, of which 40% are in nature reserves.

#### *Sub-Vision*

*Namibia's mineral resources are strategically exploited and optimally benefited, providing equitable opportunities for all Namibians to participate in the industry, while ensuring that environmental impacts are minimised, and investments resulting from mining are made to develop other, sustainable industries and human capital for long-term national development.*

## NON-RENEWABLE RESOURCES

### **Things to do**

- Develop land-use plans that identify the most economically viable land-use options for Namibia's thirteen regions, and which set clear guidelines for zoning (i.e. setting aside specific areas where mining should be restricted).
- Enact the Environmental Management Bill and ensure that all mining activities are preceded by an EA study, and that EMPs are developed and implemented.
- Affected communities must be informed about the potential environmental impacts of mining activities in their area.

### **Where we want to be (2030)**

- Mining well planned, resulting in minimal, if any, impacts on human health and the environment.
- All mines fully rehabilitated after closure.
- Investments resulting from mining are used to develop other sustainable industries and human capital for long term national development.
- Strong small-scale mining sector.

### **Current situation**

- Mining contributes significantly towards Namibia's socio-economic development.
- Mining companies have stimulated infrastructure development and supported a variety of community initiatives, training and skills-development programmes.
- Currently there are approximately 40 abandoned, unrehabilitated mines in Namibia, of which 40% are in nature reserves.
- Mines are increasingly better planned and mining management shows improved awareness of environment and human health issues.

### **Things to avoid**

- Inappropriate prospecting and mining activities, especially for low value minerals within protected areas and areas of high ecological sensitivity and/or tourism potential.
- Abandonment of prospecting sites and mines without appropriate rehabilitation.

### **Worst-case scenario**

- Poorly managed mining activities result in a variety of hazardous impacts that threaten human health and environmental integrity.
- No mine rehabilitation.
- Mines established in ecologically sensitive areas in absence of zoning.
- No investment made to support other sustainable economic activities.

### **Objective**

To exploit Namibia's non-renewable resources optimally and equitably for the benefit of all.

### **Strategies**

- Setting targets in the EMP to be met by management, and indicators that track progress towards a more sustainable mine. It is the responsibility of the mine managers to ensure that every staff member understands the goals of the EMP
- Enacting and implementing Namibia's Pollution Control Bill.
- Ensuring that hazardous waste is handled and disposed of in the safest way possible, and that
- Ensuring that mines hold the ultimate responsibility for cleaning up their own polluting wastes. This will encourage a reduction in the amount of waste that is produced.
- Ensuring that mines obtain ISO 14001 certificate, because this will enhance their chances of selling their commodities to Western markets in future decades.

## **5.2.6 Biodiversity**

### *Namibia's biodiversity and wildlife resources*

Biodiversity may be defined as the variety and variability among living organisms and the natural environments in which they occur. Namibia's biodiversity includes innumerable species of wild plants and animals, which inhabit the country's six major biomes. Only a small number (possibly as little as 20%) of Namibia's wildlife species have been described to date. Of the 13 637 species that have been described, almost 19 % are endemic or unique to Namibia. This high prevalence of endemic species is most pronounced in the Namib Desert and pro-Namib transition zone.

### *The critical importance of Namibia's wildlife resources*

Despite the fact that only some species are directly useful to humans as sources of food, fibre, medicine or tourism, all species, even those that are too small to see, are of ecological importance. Natural ecosystems provide vital genetic material (an invaluable resource that is regularly required to enhance domestic crop and livestock species), as well as the indirect benefits associated with certain ecosystem functions. These include the provision of life sustaining air, water and productive soils.

### *Biodiversity loss*

Although it may not always be obvious, no environmental crisis will have a more lasting impact on future generations than the widespread loss of biodiversity. Each time a species is lost, our ecosystems become less complex. As ecosystems lose complexity, outbreaks of pests and disease become prevalent and essential ecological functions become disrupted. Ultimately, the loss of wild species increases vulnerability to drought, floods and other extreme events like global climate change. In turn, these impacts threaten food supplies, sources of wood and medicines, and the ability of rural communities to sustain themselves. Direct causes of biodiversity loss include:

- The loss, fragmentation and conversion of natural habitats (due to deforestation, land degradation, urban development, etc). Most severely

threatened habitats are riparian forests along the banks of the perennial rivers, wetlands, woodland and savanna biomes.

- The unsustainable harvesting of wild plants and animals and wildlife products
- Air, soil and water pollution
- The introduction of alien invasive organisms that threaten the survival of indigenous species
- Water management schemes and the regulation of perennial river flow by dams.

Human population pressure, poverty, the lack of secure and exclusive tenure and insufficient intersectoral policy co-ordination are the most important indirect causes of biodiversity loss in Namibia. It can be assumed that those areas in Namibia that have the highest human population and livestock densities, and which have been subjected to extensive land clearing, are those that have suffered the highest losses in biodiversity.

Many wetland sites are parts of larger systems, usually with significant components in unprotected areas or in other countries. This means that transboundary and multisectoral approaches are usually needed for their effective management. Other transboundary biodiversity conservation challenges exist. For example, the extensive wildlife herds that migrate seasonally between northern Botswana, north-eastern Namibia, Zimbabwe and parts of Zambia and Angola must be considered as valuable shared resources – together with certain ecosystems (particularly those associated with rivers). The successful conservation of this entire area within SADC, and the ultimate survival of its tourism industry, will depend to some extent on the establishment of a cross-boundary conservation zone, linking unspoiled habitats and some of the established parks in these five countries.

#### *The importance of wildlife harvesting to subsistence economies*

Currently about 67% of Namibia's population live in rural areas. At a national level it is estimated that 33% of total household consumption in rural areas comes from wild foods. The most important wild products that are harvested include: firewood, wood for construction and woodcarvings; thatching grasses; medicinal products and veld foods (from nuts, fruits, leaves, roots and bark, meat from game animals and fish).

There is no conflict between using natural resources and the notion of conservation, provided that resources are used sustainably and equitably.

#### *Contribution of protected areas to wildlife conservation and biodiversity protection*

Namibia's national parks and reserves remain the principal means of maintaining essential ecological functions and conserving biodiversity and scenic areas. The wildlife resources within the parks are used for tourism, capture for resale, research and education. Despite this, Namibia's parks and reserves face many challenges including:

- Lack of linkages to local, regional, and national planning and management systems, which sometimes leads to inappropriate development within protected areas
- Increasing pressure for protected areas to be used for emergency grazing or reallocation due to land reform
- Communities generally see parks as land that only benefits government and foreign visitors



- Parks are extremely expensive to run and maintain. Only a small percentage of the funds generated by Namibia's National Parks are put back into park management.

It is now generally accepted that to make conservation efforts sustainable, they must contribute in some meaningful way towards rural development. Conservancies and CBNRM initiatives have had much success in this regard since 1996.

*Conservation outside protected area: Conservancies and CBNRM initiatives*

Namibia's conservancy programme meets most of Namibia's National Development objectives – it has created employment, provides economic and managerial empowerment, enhanced rural development, helps to alleviate poverty and, at the same time, has contributed to biodiversity conservation.

Conservancies offer opportunities for communities in remote communal areas to generate cash revenues and employment. At present, conservancies have legal rights over a narrow resource base that includes wildlife and tourism. However, eventually conservancies could become common property management bodies responsible for managing all natural resources, including land, rangelands, forests, fresh water fisheries, and water. To date, 29 communal conservancies have been registered and an additional 33 are under development. The registered conservancies encompass approximately 4 million hectares of prime wildlife habitat, while the emerging conservancies cover an additional estimated 5-7 million hectares. Currently, more than 30,000 people benefit directly from improved resource management in registered conservancies, and an additional 60,000 – 80,000 will soon fall under the conservancy umbrella.

Conservancies receive the majority of their income from the tourism industry. The comparative advantages of this industry over other subsistence uses of natural resources (e.g. livestock grazing) is immense. Most tourists are willing to pay for high quality, low impact nature-centred experiences with foreign exchange. In addition, anticipated growth in the world tourism industry is high. Provided it looks after its unique tourism product, Namibia is likely to be the chosen destination for many affluent tourists seeking a nature centred experience, in the decades to come.

A direct result of devolving rights and responsibilities to communities over wildlife has been a dramatic increase in wildlife numbers outside of protected areas. This in turn has led to community empowerment and local management of the resource.

Despite these successes, certain policy constraints threaten the conservancy programme's long-term potential. In summary,

- Wildlife tourism is not yet recognised as a valid land-use option that can replace other direct land-uses (like agriculture) in certain areas.
- Supportive legislation to assist conservancies with integrated resource management plans has not yet been developed.
- NGO's and the private sector are vital partners in the CBNRM programme. Private sector investment incentives in communal conservancies must be developed.





### ***Projections to the year 2030***

By 2030 approximately 65 communal area conservancies covering approximately 15,000,000 hectares (44%) of communal land, could be registered for the specific purposes of developing and managing wildlife and tourism resources. It is estimated that over 250,000 communal area residents could benefit from these conservancies. However, if group tenure within conservancies is extended to rangeland, woodland, water, freshwater fish and the land itself, many more opportunities and benefits will arise. This will, however, demand strong partnerships and significant sharing of skills and opportunities between agricultural, marketing, tourism, wildlife and forestry management personnel from the GRN, private sector and NGOs. Under this scenario, projections to 2030 may be summarised as follows:

- Approximately 160 conservancies could be established on communal lands, covering an estimated 24,000,000 hectares (equivalent of 29.2% of Namibia's land mass or 71% of communal land)
- More than 900,000 communal area residents could benefit from better managed natural resources under this scenario
- There will be improved livelihoods and reduced support costs to the GRN in managing its national resource base and the people dependent upon it
- Should conservancy game populations continue to expand, then it is possible to project increases of 20% per annum in returns for trophy-hunting (i.e. through increased supply and exchange rate savings) and other subsistence uses of wildlife, bring the annual projected returns by 2030 to N\$844,893,255, of which conservancies would directly receive N\$340,212,802 in benefits.

### ***Sub-Vision***

***The integrity of vital ecological processes, natural habitats and wild species throughout Namibia is maintained whilst significantly supporting national socio-economic development through sustainable low-impact, high quality consumptive and non-consumptive uses, as well as providing diversity for rural and urban livelihoods.***



## Biodiversity

### Things to do

- Combat poverty and population growth.
- Recognise that wildlife tourism on communal land is a valid land-use option with high potential to combat poverty, stimulate rural development and conserve biodiversity.
- Create incentives for landowners and managers to diversify into wildlife and tourism in more efficient and cost effective ways.
- Continue to extend conservancies into all viable areas on communal land.
- Encourage and develop private sector investment incentives in communal conservancies. NGOs and the private sector are vital partners in the CBNRM programme.
- Enforce legislation regarding the illegal export of indigenous species and the import and/or propagation of alien invasive species.
- Ensure that all important Namibian ecological diversity are represented in State-owned parks;
- Strengthen management and biodiversity conservation-value of State-owned parks by improving management planning and the financial resources for implementation;
- Update the management and tourism infrastructure in parks to maintain Namibia's competitiveness as a tourism destination

### Where we want to be (2030)

- Diminished rates of biodiversity loss.
- Rehabilitated and productive riparian forests, woodland and savannah biomes.
- CBNRM extended into all viable rural areas.
- Equitable access to and appropriate tenure over all natural resources through CBNRM initiatives.
- Strong partnerships and significant sharing of skills and opportunities between GRN, private sector and conservancy stakeholders.
- Extended and well managed protected areas network to include biodiversity "hotspots" and trans-boundary areas.
- Improved land-uses and optimal livelihoods achieved.
- Vibrant, productive rural areas.

### Current situation

- Habitat loss due to human population pressure, poverty, the lack of secure and exclusive tenure and insufficient inter-sectoral policy co-ordination.
- Insufficient understanding of the importance of Biodiversity to human and economic health.
- Inadequate network of protected areas and poor management of parks.
- Excellent progress made on conservation efforts outside of protected areas as a result of CBNRM initiatives.

### Things to avoid

- Sectoralism, which results in limited co-ordination between the various sectors that deal with natural resources.
- No land-use planning and zoning off of certain areas for different economic activities.
- Deforestation, and other unsuitable land management practices that cause land degradation, to continue.
- Inadequate protection of natural wetlands and riverine systems and their accompanying flora and fauna;
- Over-exploitation of freshwater fish, riverine vegetation and all other natural resources.
- Failure to protect Namibia's threatened and endangered species.
- Preventing NGOs and the private sector continuing their support of the CBNRM programmes.
- Inadequate and/or inconsistent implementation of Namibia's Environmental Management Bill, Waste Management and Pollution Control Bill and other legislation that aims to ensure sustainable development with minimal costs to human health and the natural environment.

### Worst-case scenario

- Rapid rates of biodiversity loss resulting in outbreaks of pests and threats to human health.
- Increased vulnerability to drought, environmental change and loss of productivity.
- Threats to food supply, sources of medicines and wood.
- Reduced livelihood options and increasing rural poverty.
- Decline in Namibia's tourism potential.

### **Objective**

To achieve diminished rates of biodiversity loss and ensure equitable access of all Namibians to and appropriate tenure over all natural resources.

### **Strategies**

- a) Improving the policy environment regarding land-use management by:
- Developing economically and ecologically viable land-use plans that identify the most suitable land-use options for Namibia's thirteen regions, and which set clear guidelines for zoning (i.e. setting aside specific areas for low impact, high quality tourism and others for direct use activities like agriculture and mining).
  - Implementing the Environmental Management Act. This will help to reduce threats to human health, ecosystems and resources from poorly planned development activities.
  - Developing supportive legislation to assist conservancies with integrated resource management plans.
  - Including representative parts of all important Namibian biodiversity in State-owned parks;
  - Strengthening management and biodiversity conservation value of State-owned parks by improving management planning and the financial resources for implementation;
  - Updating the management and tourism infrastructure in parks to maintain Namibia's competitiveness as a tourism destination.
- b) Introducing as many economic instruments as possible, which can be used to help finance sustainable development options and/or discourage environmentally unfriendly practices that threaten human health and limit long-term economic prosperity. These include:
- Introducing tax reforms and environmental taxes by taxing environmentally unfriendly or pollution-generating imports and inappropriate land use practices;
  - Reducing subsidies that encourage environmentally unsound practices (for example the use of pesticides, water and coal which threaten biodiversity and environmental health in general);
  - Establishing and maintaining the EIF to help ensure that at least some of the revenue generated from tourism activities in state owned parks, will be used to help conserve the environmental resource base;
  - Providing loans, grants or subsidies that will encourage sustainable, environmentally friendly practices (for example, the use of solar and other renewable energy resources; Integrated Pest Management practices, instead of highly polluting pesticides); and
  - Implementing strict "polluter pays" principles through the Waste Management and Pollution Control Bill.
- c) Improving the knowledge base regarding natural resources and biodiversity in Namibia through:
- Training and improved finances for relevant research and monitoring; and
  - Recognizing and utilizing local (indigenous) knowledge held by rural communities about their environment.
- d) Developing and implementing initiatives aimed at the transboundary management of north-eastern Namibia and the Namib Desert.



e) Combating deforestation and loss of habitat through land degradation, by providing rural communities with electricity and/or renewable energy sources.

### 5.3 THE URBAN ENVIRONMENT

Urban environments play a vital role in the provision of employment, shelter, services and as centres of education. They hold promise for sustainable development because of their ability to support a large number of people, while limiting their *per capita* impact on the natural environment. However, the rapid amassing of people in towns and cities can have tremendous impact and managing the urban environment sustainably has become a major global challenge. An important part of meeting this challenge is *planning*. The locality of a town, and the way in which it is built and managed, will ultimately affect the quality of life of its residents.

In Namibia, rapidly growing informal settlements on the outskirts of towns are generally associated with localised deforestation, increasing waste management problems, increasing crime, poverty, limited access to adequate sanitation and isolated incidents associated with the spread of communicable, waterborne diseases. There is also the growing problem of unemployment. Unemployment in Namibia's urban areas is currently estimated at 31.5 %; about 37% of women and 27% of men in the labour force are unemployed.

Rapid urbanisation in Namibia has occurred largely as a result of high rates of population growth, drought, a decline in the ability of the land to support growing populations and the perception that there is an easier and better life in towns and cities. Namibia's current rates of urbanisation are high and 75% of the country's population could be living in towns and cities by 2030.

Local Authorities in the larger towns are autonomous in most aspects of their management. However, skills and expertise are concentrated in the Windhoek and Walvis Bay municipalities, whilst smaller municipalities have to rely on external consultants and/or the Ministry of Regional, Local Government and Housing for their human resources.

While Environmental Assessment has been seen as a means of reducing unnecessary impact upon human health, the land and resources, legislation has yet to be passed and this planning tool is inconsistently implemented during urban developments.

Thus far, only two local authorities in Namibia (the Windhoek and Walvis Bay municipalities) have introduced Local Agenda 21 initiatives. There is insufficient public awareness of Agenda 21 and environmental issues in general. Environmental issues appear to be a relatively low priority on personal and political agendas in Namibia, in both rural and urban environments.

Since Independence, the formation of parastatal organisations for electricity and water supply has provided the opportunity to improve service provision and efficiency. The establishment of Namibia's Water and Sanitation Committee in 1990 has led to an improvement in access to potable water and sanitation facilities. At Independence less than 50% of the rural population had adequate access to a reliable source of safe water. The 2001 census report shows that about 98 % of



urban and 80% of rural households have access to safe water. The report also shows that over 70% of the households in the urban areas use flush toilets, compared to less than 10% in rural areas.

Despite these notable improvements, declining water quality is a problem even in many improved water supply systems. Although the spread of waterborne diseases in Namibia's growing squatter areas is low, problems periodically emerge even in the dry, desert towns. For example, during May 2001 an outbreak of diarrhoea in the squatter area outside Swakopmund caused 25 people to be hospitalised during the east wind period.

While equitable access to health facilities and health education has improved considerably since the early 1990's, medical services are still affected by a shortage of adequately trained medical doctors. Health services are expected to deteriorate as the health care system becomes over-burdened with HIV/AIDS patients, and there is a brain-drain of well-qualified doctors and nurses.

Although local authorities in some of the major towns (in particular Walvis Bay and Windhoek) and the private sector have made efforts to improve waste management, there has been inadequate commitment to provide incentives for improved waste management and pollution control – particularly the reduction, recycling and re-use of waste materials and the adequate handling and disposal of hazardous wastes. Illegal dumping in green spaces and dry river beds has developed into an immense problem in all urban areas.

Regardless of Namibia's problems relating to waste management, some exciting zero emission (ZERI) projects have been proposed by NGOs and the private sector. The UNAM Integrated Bio-system project provides an excellent example.

There has been improved access to urban land and incentives to invest in and develop land through the systematic proclamation of smaller towns and the adoption of the National Housing Policy. The self-help *Build Together Programme* (BTP) provides low interest rate loans to individuals. This programme has helped many families in peri-urban areas to build their own homes. Despite these efforts, the BTP has managed to redress only less than 3% of Namibia's housing backlog per annum – a figure which, due to population growth and the increasing number of informal settlements in urban areas, has begun to decline.

There has been good progress in road development. In particular, there has been a dramatic upgrading of roads and infrastructure in formerly neglected parts of Namibia.

Despite Namibia's trends regarding increasing crime and domestic violence, services to protect civilians, provide support to victims of violent crime or shelter for the growing numbers of AIDS orphans, remain inadequate. Namibia's Police Force suffers from limited resources, and the small numbers of victim shelters that exist are inadequate and mostly run by volunteers and NGOs, with a shortage of funds and little or no support from the authorities.

### ***Sub-Vision***

***Despite high growth rates, Namibia's urban areas will provide equitable access to safety, shelter, essential services and innovative employment opportunities within an efficiently managed, clean and aesthetically pleasing environment.***



## The Urban Environment

### **Things to do**

- Maintain population growth at sustainable levels
- Slow down rates of urban migration aim for economically sound and environmentally safe sustainable rural development options (e.g. CBNRM initiatives)
- Practice responsible architecture – design buildings around the environment, not bulldoze through it.
- Develop Youth Clubs run by trained adults, in all areas, and create recreation centres.
- Make Windhoek and all of Namibia’s large towns “Cyclist friendly”. This will reduce traffic congestion and contribute to mitigating the effects of Global Warming.
- Identify and implement cost-effective, flexible and adaptable management approaches and national disaster response strategies to the potential impact of sea-level rise for each coastal settlement.
- Reduce the spread of HIV/AIDS.

### **Where we want to be (2030)**

- Healthy, self-sufficient rural populations and reduced rates of rural-to-urban migration.
- Well planned, well managed, clean, safe and aesthetically pleasing urban areas.
- Recreation facilities (parks, monuments, museums, etc) available in cities.
- Equitable access to land and essential services.
- Opportunities for innovative and sustainable employment.
- Pro-active, citizens with high levels of civic pride, involved in decision-making.

### **Current situation**

- High rates of urbanisation, unemployment and increasing urban crime.
- Improved provision of essential facilities and services (shelter, water, sanitation, roads and health) to all urban areas since Independence.
- Poor knowledge of Local Agenda 21 initiatives.
- Insufficient sharing of knowledge and experience between the larger more established local authorities and smaller ones.
- High incidence of peri-urban deforestation and illegal dumping.
- Poor hazardous waste-control and limited efforts at reducing and recycling wastes.
- Inadequate services to protect civilians, provide support to victims of violent crime or shelter for the growing numbers of AIDS orphans.

### **Things to avoid**

- No effort to enhance sustainable rural development and land-use options.
- A lack of planning which paves the way for environmental degradation, overburdening of existing infrastructure, a lack of access to suitable land, adequate shelter and essential services.
- Urbanisation spilling over in an ad hoc manner into:
  - Sensitive coastal areas, causing the destruction of valuable ecosystems and their resources.
  - Reclaimed wetlands
  - Areas that could be used for agricultural purposes.
- No effort to develop Local Agenda 21 initiatives
- Discouraging decentralisation and public participation
- Limited waste management and hazardous waste control especially in green spaces and informal urban areas.
- Uncontrolled crime
- Negligent governance, which ignores vital issues pertaining to sustainability; decentralisation; efficiency; accountability; public participation; and security.
- A loss of green spaces in urban areas, noise pollution and aesthetically unpleasant sights and smells which can erode civic pride, lower morale and result in a loss of well-being amongst urban residents.

### **Worst-case scenario**

- Aesthetically unpleasing, uncontrolled urban sprawl and informal areas.
- Increasing poverty and uncontrolled crime.
- Health hazards associated with poor waste management and limited access to adequate water supplies and sanitation services.
- Citizens with low morale, limited civic pride and minimal involvement in decision-making.

### ***Objective***

To achieve integrated urban and rural development in which there are opportunities for innovative and sustainable employment, with well planned, well managed, clean, safe and aesthetically pleasing urban areas.

### ***Strategies***

- a) Incorporating a clear urban development plan into the national development plans, to reduce the need for land conversion, improve infrastructure for water supply, provide opportunities for water and energy savings and to make recycling of waste and water more cost effective.
- b) Implementing HIV/AIDS reduction policies, plans and programmes.
- c) Improving urban environmental management by:
  - Developing more effective waste collection systems through public/private partnerships (especially those that encourage to use of informal labour).
  - Implementing strict legislation for the treatment of hazardous wastes
  - Adopting sustainable energy policies that are cost effective and environmentally friendly.
- d) Harmonising objectives and policies and ensure close coordination of actions between GRN and the private sector on issues to do with pollution control, child welfare and crime prevention.
- e) Improving urban governance through:
  - Drafting Local Agenda 21 Action Plans for each Urban Settlement – thus aiming for social, economic and environmental sustainability.
  - Decentralising responsibilities and resources to the lowest appropriate level;
  - Developing effective partnerships with and among all actors of civil society (particularly the private and community sectors);
  - Making local authorities accountable to their citizens, improving access to Government information;
  - Encouraging public participation in all decisions regarding urban development;
  - Striving to create and maintain safe public spaces (e.g. involve citizens in crime prevention or developing a public awareness campaign to encourage gender awareness and tolerance of diversity).
- f) Developing suitable and caring shelters for victims of violent crime, domestic violence, street children and the growing number of AIDS orphans.
- g) Encouraging town-to-town co-operation and exchange of experiences, and lessons learnt.



## 6. CREATING THE ENABLING ENVIRONMENT

Creation of an enabling environment is essential for the attainment of sustainable development. Such an environment is complex, and embraces broad issues such as democratic governance; peace and political stability; national, global and regional security; regional integration; international relations; development cooperation; and globalisation.

These various tenets are internal and external factors that constitute the enabling environment, and are regarded as necessary conditions for the realization of sustainable development. It is, therefore, imperative for Namibia to work towards the creation and maintenance of an enabling environment, which ensures peace and political stability, for development to be realised.

Peace has been conceived as the absence of war in the western political discourse. This 'negative' definition (negative, because it defines by negation) has since been questioned by many authors who prefer a 'positive' approach in which peace is viewed as the attainment of security, justice, welfare, freedom, and self-fulfilment. This Vision takes the positive approach to the meaning of peace.

Peace cannot exist outside political stability and acceptance by the citizens of the existing institutions and economic structures and their products. It is a compromise among citizens susceptible to agitation by any situation that provokes social, political and economic woes. Therefore, it exists in a society with stratified obligations and responsibilities, and with a power structure supported by a collective desire to respond to both internal and external aggression. There is a direct relationship between peace and development; while war does not necessarily prevent economic growth, it is inimical to development.

Political stability presupposes the absence of conflicts of whatever nature within the broad civil society. It is a product of broad consensus on national policies and principles, and is an embodiment of tolerance. Both the leaders and those who are led must internalise and practice democracy in order for it to be sustained, and the national Constitution must provide clear guidelines that purposively articulate how government intends to achieve specific levels of desired life quality. Most importantly, the national leadership must be genuinely committed to it, and the government administration must adhere to the principles of justice.

In addition, for political stability to be sustained the environment in and surrounding the country must be devoid of destabilising activities, for these could undermine the prevailing peace. Therefore, political stability manifests only in a society where the individual's interests succumb to those of the majority, and fundamental rights and freedoms are given their cardinal role as pillars of democracy and development.

The goals of the Namibian struggle for Independence were framed in terms of social justice, popular rule and socio-economic transformation, thus the legitimacy of the post apartheid system of governance rests on its ability to deliver transformation or, at any rate, to redirect resources to address the socio-economic causes of poverty and potential conflict. And since attaining independence,



Namibia has enjoyed peace and political stability over the last decade. This is owed mainly to the democratic governance framework that accommodates civil and political rights of citizens.

However, the sustenance of this atmosphere of peace to the year 2030 requires concerted efforts for the expansion of democracy beyond the confines of the formal procedures of political practices, so that it is also felt in the socio-economic arena. Continued prevalence of widespread poverty would, in the eyes of those affected, imply government's unwillingness to change the status quo, or its inability to improve their economic conditions. Therefore, the challenge calls for a functioning social-democratic framework, underpinned by a robust and sustainable system of equitable social provisioning for the basic human needs of all citizens, in terms of, among others, education, health, housing, water, sanitation, land, etc.

## 6.1 Sustainable Development

Sustainable development is the type of development that meets the needs of the present, without limiting the ability of future generations to meet their own needs. It encourages people to take responsibility for their own development and promotes development activities that address the actual needs of the people, and require increasing community contributions to development services and infrastructure. Sustainable development calls for the following:

- Partnership (between government, business, communities, NGOs and CBOs, academic institutions, international community and donors, rural and urban communities, etc.);
- Capacity enhancement (human and institutional);
- Good governance, accountability and transparency;
- Democracy and human rights;
- Environmental protection;
- Peace and political stability.
- Gender equality.

The concept of sustainable development arises, in part, from the realization that it is impossible to separate economic and social issues from environmental issues. In order to pursue sustainable development, strategies that result in a minimum amount of damaging impact but which promote social and economic development must be adopted. Namibia's Ideal Vision for 2030 is one that fully embraces the idea of sustainable development.

The key threats to sustainable development in Namibia

- Population growth and settlement patterns:* Population growth directly affects future demand for natural resources, rates of urbanisation and poverty.
- Increasing water stress.* Namibia's limited freshwater resources are being placed under increasing stress due to population growth, rapid urbanisation and economic growth.
- Poorly planned development and inappropriate industrialisation:* A lack of strategic planning can lead to inappropriate developments that do not make optimal use of Namibia's comparative advantages, and place unnecessary pressure on limited resources such as water.



- iv) *The loss of biodiversity*: The loss of biodiversity impacts on our development options. It disrupts ecosystem stability and the functions that underpin our very survival (e.g. the provision of clean air and water, the control of soil erosion and floods, and the assimilation of wastes).
- v) *Unresolved land issues*: Low land capability means that Namibia's soils are easily degraded. In addition, the unequal distribution of land, if not resolved in the near future, will lead to conflict that could destabilise our entire society and economy. The lack of secure group tenure does not provide incentives for people to care for the land and invest in its improvement. The "open access" problem in Namibia is economically and environmentally unsound as it leads to environmental degradation, dissipation of net benefits and reduced production.
- vi) *Widespread poverty and inequality*: Namibia has one of the most highly skewed income distributions in the world. This means that there is significant poverty and inequality in the country. Poor people have few options but to depend on primary production for food and energy and, therefore, can result in tremendous strain on natural resources.
- vii) *Wasteful consumption patterns*: Wealth can also threaten sustainable development. Wealthy people and communities often choose to have resource intensive lifestyles. If they do, they become responsible for high rates of energy and raw material consumption, and for producing large amounts of polluting waste. Policy incentives are vitally important to dissuade the wealthy members of society to reduce their excessively consumptive lifestyles.
- viii) *Poor governance*: Governance affects efficiency within the civil service, equity, political stability and democracy. Equity and transparency have been highlighted as the most important aspects of governance which need to be addressed in Namibia. In addition, the slow adoption of decentralisation, the lack of intersectoral planning and co-ordination between ministries and stakeholders, and low levels of public participation in decision-making, on some key issues, threaten good governance in Namibia.
- ix) *Unhealthy competition with neighbouring countries for shared natural resources*: Improved and sustained co-operation and co-ordination regarding policies and policy-implementation is essential to avoid future inequitable use, pollution and conflict over shared water, marine fisheries and wildlife resources.
- x) *Underdevelopment of human resources*: Inequalities (particularly by race and gender) in education levels, skills training and capacity-building still exist in Namibia, despite efforts to redress past injustices. The resulting lack of skilled labour and limited human resources restricts private sector development and public sector functioning. Current trends of a declining skills-base (e.g. parks and wildlife management) are of great concern, and Namibia needs to decide on the road ahead in terms of management systems and partnership arrangements. While the creation of parastatals and agencies is based on sound principles and should continue, in some cases they have not performed well

and have resulted in negative perceptions.

- xi) The HIV/AIDS epidemic:* The prevalence of the HIV/AIDS epidemic undermines human well-being and economic prosperity by reducing the quantity and quality of the labour force. In addition, it wipes out past investments in education and training and places a strain on communities and households that need to care for orphaned children, the sick and dying.
- xii) Limited research for development:* Rapid modernisation threatens the survival of valuable traditional knowledge and practices in Namibia. Traditional knowledge is seldom acknowledged as providing any contribution to development - despite the fact that it is often better suited, than Eurocentric technology, to conditions in Namibia. Even though a lot of useful information currently exists, there are significant gaps in our knowledge regarding many issues relating to sustainable development and environmental issues.
- xiii) Unstable macroeconomic environment:* A stable macroeconomic environment is vital for economic growth and poverty reduction. Despite some positive macroeconomic trends since the early 1990's (for example, a steady reduction in the inflation rate, Namibia's macroeconomic environment is not considered stable as yet.
- xiv) The adverse impacts of global atmospheric change:* Under climate-change conditions there is the possibility that Namibia's climate will become hotter and drier, with increased variability and more frequent and prolonged periods of drought. These conditions will exacerbate current problems regarding water management, food production and human health. Superimposed over the major issues that threaten sustainable development in Namibia are the country's harsh climatic conditions, which increase vulnerability to land degradation, water resource depletion and restrict development activities.

#### ***Sub-Vision***

***Namibia develops a significantly more equitable distribution of social well-being, through the sustainable utilization of natural resources in a mixed economy, characteristic of higher income countries, primarily through stronger growth and poverty-reduction.***



## Sustainable Development

### Things to do

- Establish domestically determined procedures that integrate environment and development issues into decision-making at all levels.
- Develop or improve mechanisms that facilitate the involvement of all concerned individuals, groups and organisations in decision-making.
- Namibians must work together and government should facilitate and embrace the contributions of civil society.
- Promote actions that can effectively reverse unwelcome trends, and reduce threats to Namibia's natural resource capital.
- Allocate more resources to the previously neglected areas (regions).
- Support household level income generating self-help projects (e.g., brick-making, sewing, etc.).
- Support and encourage diversification of agricultural projects in communal areas
- Encourage the establishment and provide support to agricultural cooperatives.
- Create more credit opportunities for low income borrowers.
- Accelerate the smooth redistribution of land.
- Accelerate the process of removing the 'Red Line'.
- Develop aquaculture.

### Where we want to be (2030)

- Partnership is maintained between government, private sector and civil society.
- Partnership is upheld between urban and rural societies and, ultimately, between all members of Namibian society, males and females.
- All Namibians are unified around their long-term development needs and initiatives, and promote and nurture partnerships.
- Poverty and income disparities are significantly reduced.
- All Namibians have access to economic opportunities.
- Land is fairly distributed.
- Economic development is sustainable.
- Government continues to assist the poor with a spending emphasis on the provision of public goods.
- Healthy, productive land with effective water and mineral cycling, leading to infrequent, low-level drought and flooding.
- Farms and natural ecosystems are productive, diverse, stable and sustainable – socially, economically and ecologically.
- Forests, savannas, deserts, wetlands, coastal and marine ecosystems are open, diverse, stable and productive.

### Current situation

- Low land capability means that Namibia's soils are easily degraded.
- Issues of equity and transparency, the slow adoption of decentralization, are outstanding.
- Inequalities in education levels, skills training and capacity-building still exist in Namibia, despite efforts to redress past injustices.
- Namibia's macroeconomic environment is not yet considered stable.
- Namibia has a harsh climatic conditions, which increase vulnerability to land degradation
- The threat of HIV/AIDS remains.
- Gender inequality in access to productive resources

### Things to avoid

- Ignore the effect of population dynamics
- Unhealthy competition with neighbouring countries for shared natural resources.
- Underdevelopment of human capital
- Poor governance
- Wasteful consumption patterns
- Leave land issues unresolved over a long period of time

### Worst-case scenario

- Government acts alone without much input from private sector and non-Governmental organisations;
- Neglect of the land issues, leading to widespread public discontent and agitation;
- Widespread environmental deterioration;
- Highly unstable macroeconomic climate;
- Underdeveloped human resources;
- Increasing poverty and inequality.

### **Objective**

To achieve the development of Namibia's 'Natural Capital' for the benefit of the country's social, economic and ecological well-being.

### **Strategies**

- Harmonizing population dynamics and the impact of rapid urbanisation with social and economic development factors;
- Reducing poverty and inequality, particularly gender-based inequality.
- Solving Namibia's land issues by choosing the most viable land-use options, implementing appropriate land distribution and resettlement policies, developing and maintaining economically and ecologically sound systems of tenure over all natural resources and, combating land degradation;
- Reducing water stress, through management of human, agricultural and industrial water demand; and by improving access to potable water for the rural poor;
- Improving development planning and reducing the negative impact of industrialization, by preparing economically and ecologically rational development plans;
- Ensuring progress on the Environmental Management Act (EMA) to prevent the erosion of Namibia's renewable natural resource capital, and to optimise the benefits from Namibia's non-renewable natural resources (i.e minerals);
- Enhancing biodiversity conservation through improvements in the policy environment, extension of the protected areas network, and improvement of biodiversity information;
- Improving governance by speeding up the devolution process, improving service provision and resource management efficiency, upholding principles of human rights, civil liberties and multi-party democracy, and by maintaining and improving peace, stability and political commitment;
- Improving co-ordination and planning with neighbouring countries for shared natural resources
- Building up Namibia's human capital through education, training and capacity-building, including meeting Namibia's HIV/AIDS epidemic and other health challenges;
- Improving access to existing knowledge and filling in knowledge gaps through improving access to knowledge, research and development;
- Creating a more stable macro-economic environment and stimulating private entrepreneurship; and
- Preparing for the adverse impacts of climate change.

## **6.2 International Relations**

Since Independence in 1990, Namibia has occupied a high international profile. This high profile has contributed towards countering the widely perceived marginalisation of the African continent. Namibia exemplified to the international community a model African country with democratic governance, peace, political and civil stability, the rule of law and low level of corruption.

Namibia hosted the SADC Summit that transformed SADCC into SADC. It was also in Windhoek in August 2000 that SADC was restructured in order to reflect an organisation that responds best to the needs of the new millennium.



In 1991, the task of co-ordination of the sector for Marine Fisheries and Resources within the SADC region was given to Namibia. Through its efforts Namibia developed the SADC Fisheries Protocol which was signed by the Heads of State and Government of all the SADC member states, in 2001. The Protocol has the objective to promote responsible and sustainable use of the living aquatic resources and aquatic ecosystems within the SADC region.

Namibia agreed to a proposal to peacefully resolve the potentially explosive issue of the Kasikili Island with Botswana. Both countries agreed to refer the matter to the ICJ in The Hague, with the express undertaking to accept whatever verdict was reached.

As a mid-wife for Namibia's birth (Independence), the UN became a forum where Namibia played some significant roles. Namibia was elected as Africa's Non-Permanent member of the Security Council for the period 1999 to 2000; Namibia held a rotating Presidency of the Security Council in August 2000 and led the Security Council's fact-finding mission to East Timor, which paved the way for an independence referendum and UN peacekeeping intervention; an assumption by Namibia of the Presidency of the 54<sup>th</sup> Session General Assembly in 1999, for 12 months.

African Heads of State and Governments, in June 2001, launched the successor of the OAU, the A.U. This step represents, historically, the closer political, economic and institutional integration of the African continent. NEPAD has also been formulated to be implemented within the AU framework. It is an African Recovery blueprint for development strategies for the entire continent. Africa stands a better chance with NEPAD in realising its ideals, because NEPAD serves as a pillar of the African Union. NEPAD would contain projects and programmes, well formulated and properly costed, that would be marketed to donor countries for financial support.

In the long run, the AU will more or less resemble the EU. While espousing the Pan-Africanist ideal of a united Africa, the building blocks of the AU should be the existing regional organisations, such as SADC, COMESA, ECOWAS, East African Community, etc. It is easier to unite a number of large regional blocks that have achieved important internal integration milestones, than to unite 51 disparate countries.

Namibia's primary political, diplomatic and security arena is the African continent. What happens in Africa would affect Namibia's vital interest to varying degrees. Namibia operates a coherent national policy response to counteract any negative external factors and accentuate the positive factors. The 'Foreign Policy Response Model' presented in Fig 6.1, is used to illustrate how Namibia could deal with the external challenges which will impact on the country in the years up to 2030, and which will impact, to a greater or lesser degree, on the attainment of the objectives set by Vision 2030.



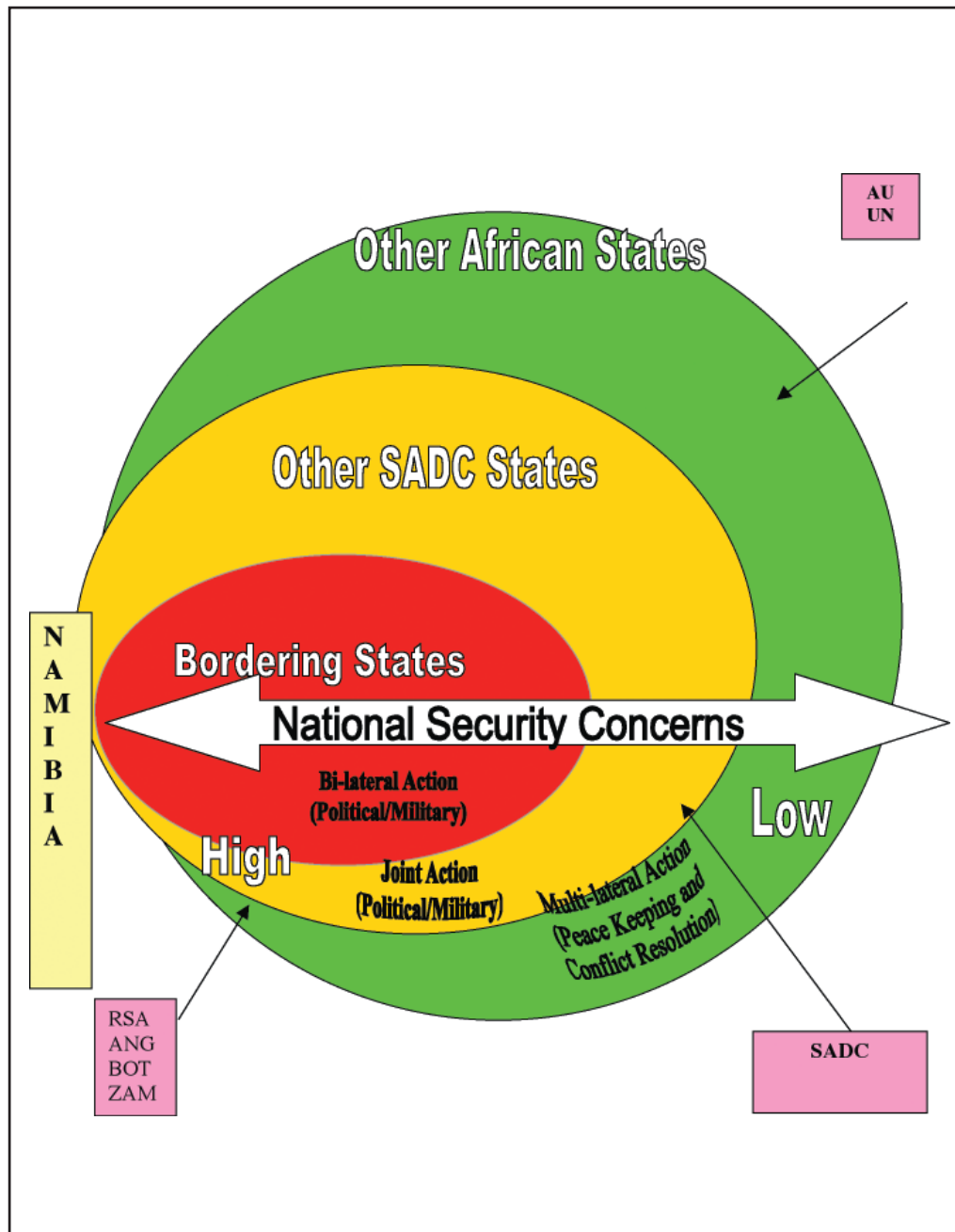


Figure 6.1: Foreign Policy Response Model



The point of departure of the model is the assumption that Namibia's primary political, diplomatic and security arena is the African continent. What happens in Africa affects Namibia's vital interest to varying degrees, and there is a need for a coherent national policy response to counteract the negatives and accentuate the positives. The intellectual point of departure of the model is a so-called "concentric circle of interests". Fig. 6.1 illustrates the policy inter-relationships between Namibia (represented by the rectangle on the left of the model) and the rest of Africa.

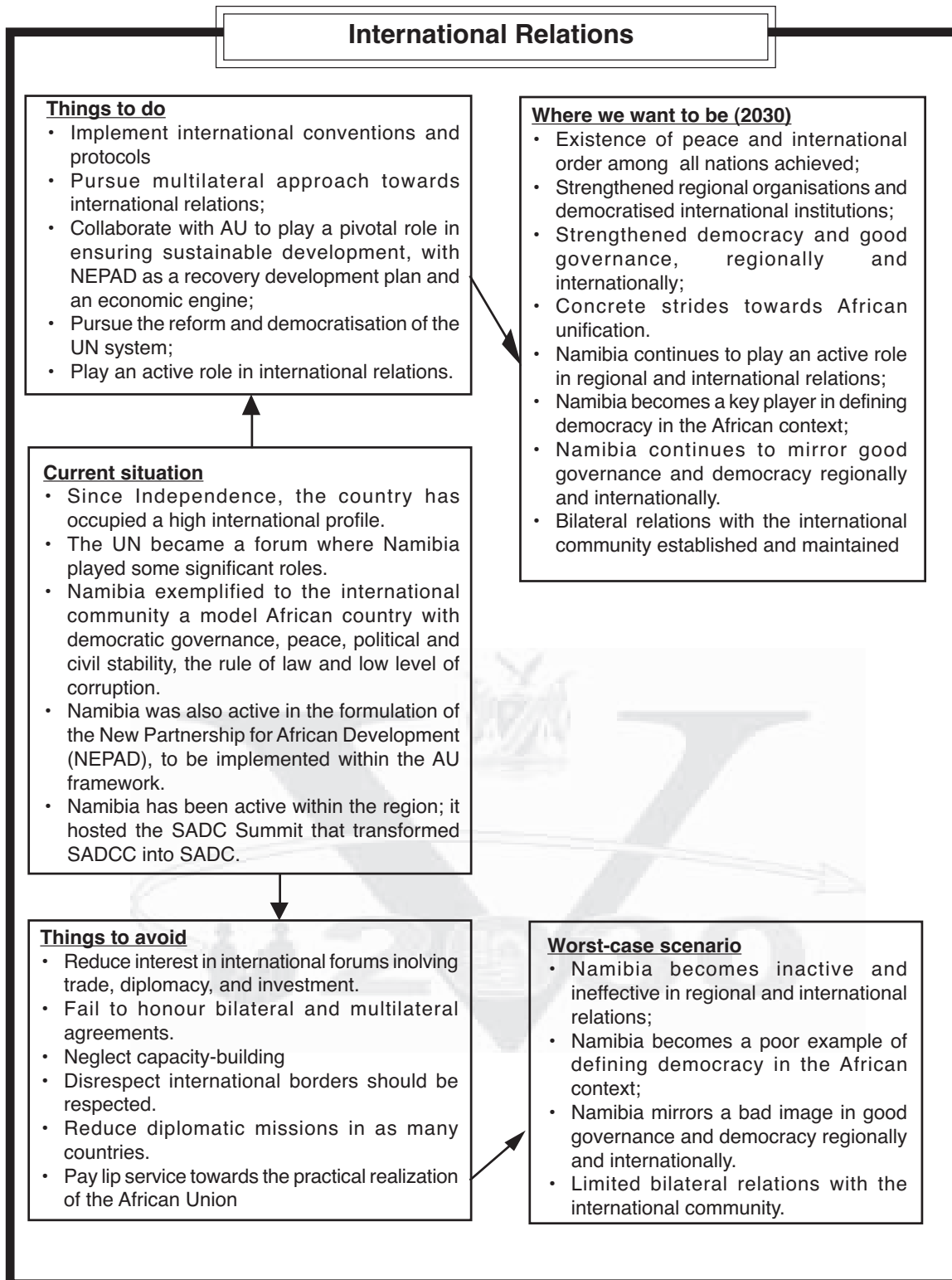
*The smallest circle* represents the four bordering states with which Namibia has developed bilateral security management systems in the form of Joint Commissions on Defence and Security. *The middle circle* represents the rest of the SADC nations not bordering Namibia. *The outer concentric circle* in the model represents the rest of the African continent beyond the SADC region. *Outside of the concentric circles* is the rest of the world, where Namibia's interaction would be conducted within the context of the UN and its institutions and resolutions.

Namibia will continue to play an active role in international relations. The Namibian Government will campaign for an increased role of a multilateral approach towards international relations. For this reason, Namibia will continue to pursue the reform and democratisation process of the UN system. At a continental level, Government will support the full functioning of the AU so that the Union can play a pivotal role in ensuring sustainable development. NEPAD will serve as a recovery development plan and an economic engine.

#### ***Sub-Vision***

***A new international order, has been established based on sovereign equality of nations, where sustainable development, peace and human progress is ensured***





**Objective**

To strive towards a new international order based on sovereign equality of nations where sustainable development, peace and human progress is ensured.

**Strategies**

- Focusing Namibia’s primary political, diplomatic and security efforts on the African continent.
- Ensuring harmony between Namibia and the four bordering countries that share bilateral security management systems of Joint Commissions on Defence and Security.

- Seeking international cooperation to reduce the spread of HIV/AIDS.
- Upholding, with the SADC nations, the regional approach as mandated by the Protocol on Politics, Defence and Security (Namibia would act in concert with other SADC member states).
- Following the UN and AU mandates in Namibia's relationships with the rest of Africa beyond the SADC region, with emphasis on conflict prevention/resolution and peacekeeping.
- Upholding international conventions in relationships with the rest of the world, where Namibia's interaction is within the context of the UN and its institutions.

### 6.3 Development Co-operation

Development Co-operation is the process through which aid is provided by External Funding Agencies (EFAs) to recipient countries in order to achieve a mutually agreed goal. Each sovereign and equal partner realises the objectives that it has intended to achieve. The development partners' relationship should be co-ordinated and managed very carefully. Aid should be supplementary to the recipient country's own domestic resources and should not supplant them.

Between 1990 and 1998, grants to Namibia doubled (from N\$ 283 million to N\$ 780 million). During the same period, grants and soft loans represented, on average, about 12.5% of the revenues of the Government of Namibia. It can, therefore, be stated that Namibia is not aid-dependent as is the case with a number of African countries where aid constitutes more than 50% of the government budget.

Bilateral donors have provided the bulk of development assistance. Since 1991, bilateral donors have contributed about 75% of the total aid while multilateral donors have provided about 25%. Assistance from the UN Agencies has dramatically decreased since Namibia's independence (UNDP is a case in point). In 1990, UN Agencies contributed some N\$ 12.5 million that accounted for 20% of multilateral development assistance, while in 1998, that figure dropped to N\$ 9.3 million, representing 5.1% of multilateral development assistance. The assistance from the bilateral donors has steadily increased.

About 50% of the development assistance has gone to finance human resources development and social sectors (potable water, housing and sanitation). Some 17% of the aid resources were invested in natural resources sectors (agriculture, forestry and fisheries), while 16% went to transport and communication sectors. The rest were invested in administration (development) and regional development.

External development assistance should be guided by the national development priorities and geared towards institutional and human resources and capacity-building, poverty reduction, employment creation and income-generating projects. External assistance should also improve the status of marginalised groups, promote environmental sustainability, revive and sustain the economic growth and development of rural areas and the provision of essential services. It should also promote democracy, human rights, good governance, participatory development, transparency and accountability.

However, external assistance should not perpetuate dependency or undermine national priorities, development efforts and policies. The main priority of



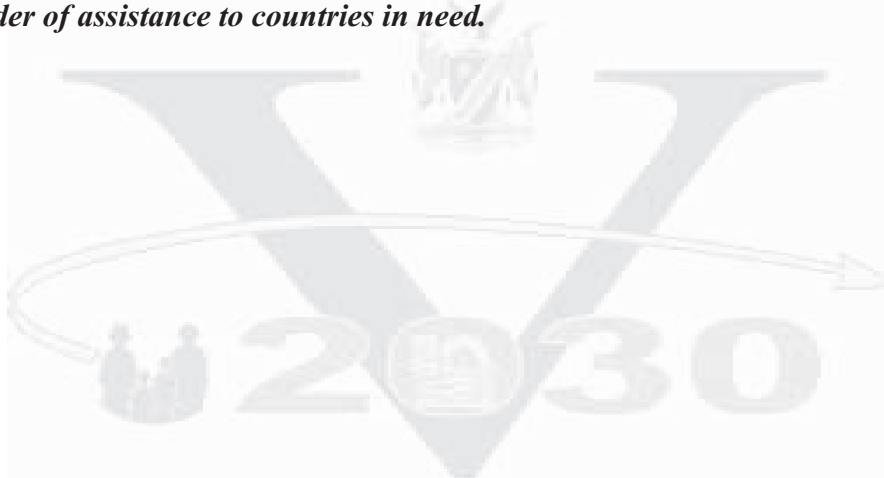
development cooperation remains poverty reduction through economic growth. This can only be achieved in the long run through sustainable development that is socially balanced and where local/grassroots people participate.

Environmental preservation is a new interest of the 1990's. It is now integrated with development issues for commitment to sustainable development. Emphasis is now put on rural and urban development as an integrated approach. Incorporation of the rural-urban link in development assistance is a long process. Another trend is the move towards decentralised cooperation, a political instrument that also creates a new financial approach. Government spending for development cooperation is then organised on a local rather than a central lever.

There is increased cooperation between government and NGOs whereby the role that NGOs play in the development process is recognised by the government. To this end, the Partnership Policy between Government and Civil Society is to be finalised in 2004.

### ***Sub-Vision***

***Namibia has achieved a level of transformation in the flow of development co-operation resources, and has advanced from a recipient of grant assistance to a provider of assistance to countries in need.***



## Development Co-operation

### Things to do

- Develop medium term plan for development programs to develop guidelines for the acceptance of donor support.
- Strengthen relations/cooperation between Namibia and its development cooperating partners.
- Assign diplomatic representatives in as many countries as possible
- Increase industrial and trading base;
- Balance the utilisation of Namibia's natural resources between Namibia and investors who exploit our natural resources;
- Have a conscious policy that ensures that foreign experts impart skills and knowledge to Namibians so that local people replace the foreign experts when they leave the country;
- Maintain harmonious relations with development partners.

### Where we want to be (2030)

- Development cooperation with all friendly nations is strong and is based largely on trade and mutual exchange of opportunities;
- Dependency on foreign development aid is eliminated;
- Protocol signed with donors in accordance with the aims and objectives of Vision 2030.
- Namibia continues to be a member of the global village.
- Namibia is playing an effective role in regional and international organizations.
- Peaceful negotiation with other countries achieved.

### Current situation

- Between 1990 and 1998, grants to Namibia doubled (from N\$ 283 million to N\$ 780 million); but grants and soft loans represented, on average, about 12.5% of the revenues of the Government.
- Namibia is not aid-dependent as is the case with a number of African countries.
- The main priority of development cooperation remains poverty reduction through economic growth.
- About 50% of the development assistance has gone to finance human resources development and social sectors (potable water, housing and sanitation).
- Some 17% of the aid resources were invested in the natural resources sectors (agriculture, forestry and fisheries) while 16% went to transport and communication sectors.
- The rest were invested in administration (development) and regional development.

### Things to avoid

- Dependence on donor support.
- Conflict of interest on the part of the external organization such as donors.
- Initiate unsustainable small and medium income generating projects.
- Overexploitation of natural resources.
- Replace internal resources with external resources.

### Worst-case scenario

- Over-dependence on foreign aid.
- Weak natural resource base.
- Unsustainable development programmes in place.

### **Objectives**

- To ensure that Namibia becomes a donor country and does not receive foreign aid any longer;
- To achieve qualitative change in relations between Namibia and industrialised countries, which transforms Namibia from an aid-recipient country to a trading state and business partner.

### **Strategies**

- Sensitising Namibian business people and utility companies to exploit the opportunities that exist in the African market;
- Through regional and international fora, Namibia vigorously promotes free trade and investment flows and the transfers of appropriate technology;
- Encouraging more foreign direct investment (FDI);
- Strengthening and diversifying relations between Namibia and its development partners;
- Gradually replacing external resources with internal resources.
- Maintaining peaceful coexistence with neighbouring countries.
- Formulating and implementing policies on Development Cooperation

## **6.4 Peace and Security**

The 1990's was a decade that witnessed great events taking place around the world, and have had a direct influence on Namibia and other African countries. The decade marked the end of the Cold War with the breaking up of the Soviet Union into independent states. In the midst of all these, Namibia became an independent, sovereign and democratic state. Many African countries also started to embrace democratic rule and free-market economic policies, thereby paving a genuine way for the fight against poverty and under-development. Apart from internal socio-economic factors that usually influence Namibia's development, other external factors that influence the course of our socio-economic development would have to be highlighted. Among such factors are those of peace and security.

On the African continent, armed conflicts and civil unrests are the main threats to peace and security. Armed conflicts have occurred in many ways. They either come in a form of civil wars or territorial disputes between two countries. The African continent has also witnessed a number civil unrests, normally characterised by student and labour unrests; ethnically motivated violence or *coup d'etat*.

All these actions may lead to devastating effect on the local population and the most vulnerable being women and children. Armed conflicts and civil unrests lead to the displacement of populations, destruction of property, the breakdown of civil authority and, ultimately, impedes socio-economic development.

Since Independence, Namibia has enjoyed peace and political stability. The security of the country had so far not been under any serious threat. Prior to the cessation of civil conflict in Angola, Namibia had to deal with some cross border hostilities on the part of Unita. The secessionist attempts in the Caprivi Region in August 1999 provided an impetus for vigilance against possible civil strife.



The security of Namibia also impinges upon its active involvement in regional and international peace initiatives. Since Independence, Namibia has been involved in a number of peace-keeping efforts.

International Syndicates are posing serious and credible threats to Namibia through organised crime. Money laundering, drug trafficking, human trafficking, arms smuggling and natural resource exploitation are the focus of international crime syndicates. Namibia's rich diamond resources and well-established financial services industry could entice the syndicates to set up their operations in Namibia. This would create a serious political and socio-economic destabilising situation in Namibia.

***Sub- Vision***

***Collective regional and international peace and security have been accomplished.***



## Peace and Security

### Things to do

- Formulate and implement a coherent modernisation plan for the procurement of modern military hardware.
- Maintain a credible defence posture that is qualitatively on par with the best defence force in the region.
- Improve Namibia's capacity for gathering intelligence information to avoid the repeat of the Caprivi Secessionist movement anywhere else and the Kasikili Island surprise.
- Employ Regional Security Arrangements to create collective security framework based on the SADC Protocol on Politics, Defence and Security.

### Where we want to be (2030)

- Regional peace and security guaranteed.
- Namibia's capacity for gathering intelligence information is strong and effective.
- Namibia has a well-trained and well-equipped army, and adequate infrastructure for the entire Defence Force.
- Namibia operates a modernised Defence Force.

### Current situation

- Namibia is partially a product of international solidarity that forced the defeat of the Apartheid system.
- Namibia was quick to claim its rightful place in the international arena by partaking in the UN Peacekeeping missions in Cambodia and Angola.
- Namibia participated in initiatives that were aimed at strengthening SADC regional security.
- Namibia also played a significant role in the peaceful transition of South Africa to a democratic dispensation, a process which influenced positively the return of Walvis Bay to Namibia.
- Namibia enjoys internal peace and stability, but a number of external threats come from non-traditional forms of conflicts.
- Caprivi Secessionists attempted to cause political confusion in 1999, but were quickly contained.
- International Syndicates are posing serious and credible threat to Namibia through organised crime.

### Things to avoid

- Incoherent defence plan
- Poor training and equipment for the Defence Force
- De-emphasise intelligence-gathering
- Limited cooperation in regional peace Protocols

### Worst-case scenario

- Regional instability and disunity
- Armed conflicts/insurrection

### **Objective**

To achieve peace and security within the nation and the international community.

### **Strategies**

- Using collective security as an instrument of national security.
- Employing Regional security to thwart destabilising elements by denying them succour and sanctuary in SADC member states.
- Operationalizing Protocols in terms of military doctrine, sharing of intelligence information, regional security institutions and joint intervention procedures.
- Providing military training for all youth, with emphasis on military discipline.
- Ensuring professionalism in the defence mechanism by having a well-trained and well-equipped army, and adequate infrastructure for the entire Defence Force.
- Reducing HIV/AIDS infection.
- Modernizing the Namibian Defence Force to ensure the effective participation of Namibia in regional, continental and international conflict resolution and peacekeeping missions.

## **6.5 Regional Integration**

Regional integration refers to agreements between groups of countries in a geographic, regional attempt/effort to reduce and remove tariff and non-tariff barriers to the free flow of goods, services and factors of production between each other. It has been perceived as a vehicle for overcoming the constraints of small economically size of nations. The ability to industrialise has been hampered by the small economic size, especially in the area of import substitution, a concept that many African countries adopted soon after their Independence. Regional integration was, therefore, perceived as a means to facilitate the structural transformation of African economies.

Trade creation and trade diversions are two concepts of regional integration. Regional integration should foster trade creation and avoid trade diversion. Trade creation occurs when an economic union leads to the growth of intra-union trade (when union members experiencing expanded trade have lower costs than the rest of the world suppliers). Trade diversion occurs when an economic union leads to an expansion in intra-union trade in which the costs are higher than those in competitor countries in the rest of the world. Currently, Namibia belongs to about four regional blocks, namely SADC, SACU, CMA and ACP.

*i) Southern African Development Community (SADC):* SADC has a membership of 14 Southern and Eastern African countries. The Windhoek Treaty of 1992 changed the Southern Africa Development Co-ordinating Conference to the Southern Africa Development Community. In August 2000, the Windhoek Summit approved the restructuring of SADC in order to make its structures and institutions appropriate to carry out its mandate successfully.

*ii) Southern African Customs Union (SACU):* The Southern African Customs Union (SACU) Agreement was concluded in 1969 between South Africa, Botswana, Lesotho and Swaziland, replacing the Customs Union Agreement of 1910. Namibia became part of the Agreement formally in 1990, after her independence. Under the 1969 Agreement, the Union aims to maintain free exchange of goods and services between member countries. It provides for a Common Excise Tariff (CET), which is set unilaterally by South Africa. Under



the old Agreement (1969), South Africa is the custodian of the SACU revenue pool, therefore, all customs and excise duties collected are paid into South Africa's national Revenue Fund. The revenue is shared among the members states, according to the formula as stipulated in the 1969 Agreement. Each member state's share is therefore calculated accordingly, except for South Africa, which receives the residual. For the BLNS countries, SACU revenue constitutes a greater share of their revenue. For Namibia, the SACU Revenue accounts for about 30 per cent of its total revenue.

With the CET being set unilaterally by South Africa, this arrangement is viewed to be undemocratic and non-transparent. Amongst others this called for the re-negotiation of the 1969 SACU Agreement. The re-negotiation process started off in 1994 with the objectives of democratising the governance of SACU, setting of new institutional arrangements, and deciding on a new revenue formula, amongst others. After a lengthy and protracted re-negotiation process, the new Agreement was finally signed in October 2002.

*iii) Common Monetary Area (CMA):* In 1986, the CMA agreement between South Africa, Lesotho, and Swaziland replaced the Rand Monetary Area Agreement. The currency of South Africa circulates in these countries.

The CMA is divided into 3 categories: definitional; operational; and economic. The definitional category provides legal interpretation of the agreement. The operational category outlines the operational procedures, such as the collection and exchange of monetary statistics. It deals with the provision of consultation on matters of common interest, procedures for settling disputes and procedures for terminating/amending the agreement. The economic category deals with issues such as legal tender, intra-CMA transfer of funds, access to capital markets, foreign exchange transactions and compensatory agreements and payments to LNS countries for using the Rand (on par with their own currencies).

Monetary policy in CMA implies that the convertibility requirement means that foreign exchange assets back the domestic currency issued. Membership of the CMA also implies that Namibia, Lesotho and Swaziland lose control over the nominal exchange rate as an instrument of economic policy.

*iv) African Caribbean and Pacific (ACP):* In 1975, nine members of the EU and 45 African, Caribbean and Pacific countries signed the Lome Convention I in Togo. The EU was interested in securing the supply of raw materials and export markets for their products. ACP countries were interested in aid in order to boost their economic development. This included Stabex and Sysmin facilities to soften the impacts arising from uncertainty in weather conditions; fluctuations in prices of minerals; and dependency on a single or few export commodities.

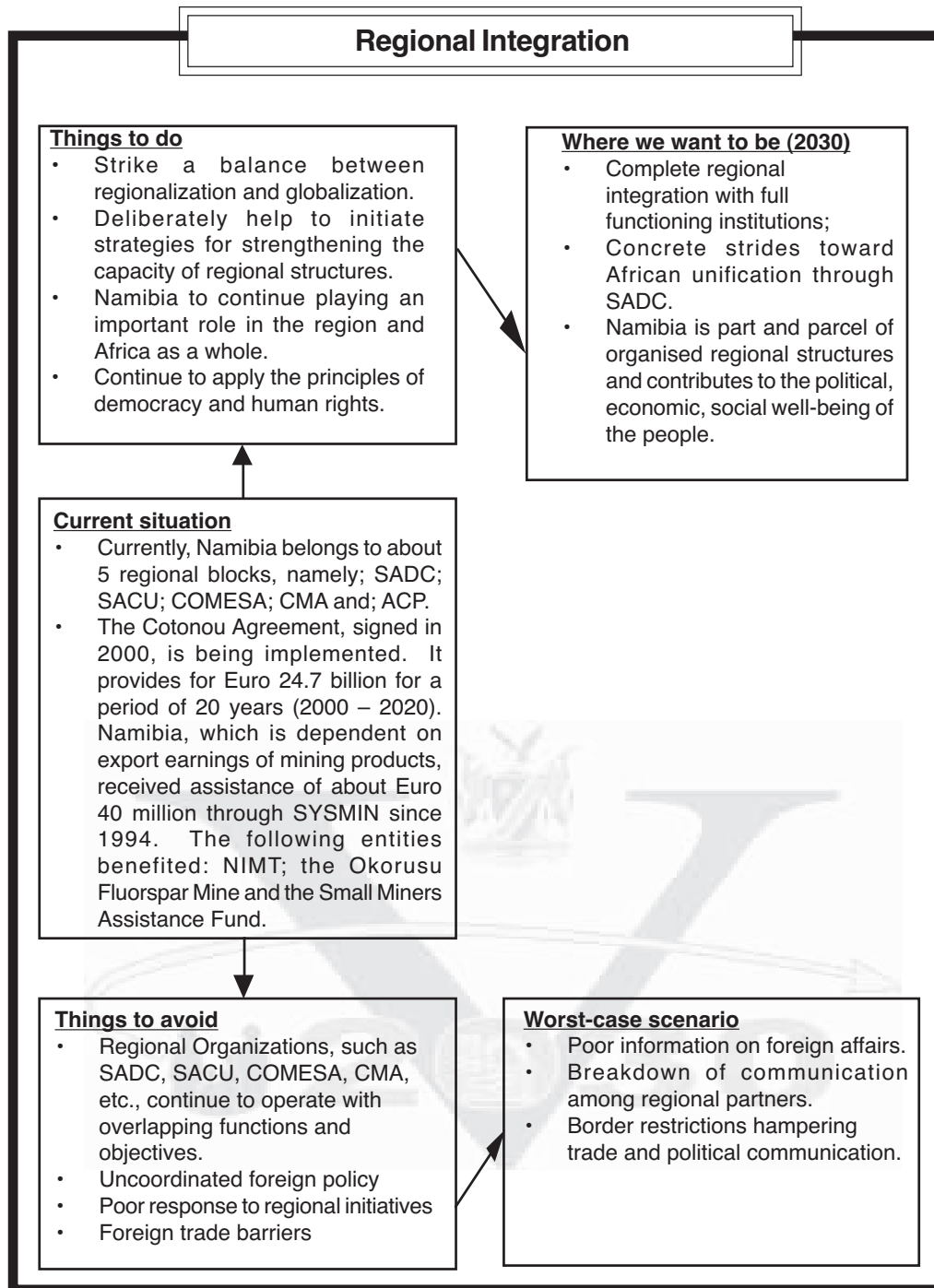
Currently, the Cotonou Agreement is being implemented. It was signed in Benin in June 2000. It provides for Euro 24.7 billion for a period of 20 years (2000 – 2020). Namibia, which is dependent on export earnings of mining products, received assistance of about Euro 40 million through Sysmin since 1994. The following entities benefited the Namibia Institute of Mining and Technology: the Okorusu Fluorspar Mine; and the Small Miners Assistance Fund.



***Sub-Vision***

***Namibia enjoys full regional integration in terms of socio-economic and political structures through effective supra-national organisations.***





**Objective**

To ensure that Namibia is part and parcel of organised regional structures in which it can contribute effectively to the political, economic, social well being of the people.

**Strategies**

- Playing a leading role in ensuring the establishment of effective and operational supra-national regional institutions;
- Implementing and observing all the SADC Protocols in order to benefit maximally.
- Strengthening the effective functioning of the AU.

### *Targets for the External Environment*

The approach to forecasting the future external environment is to sub-divide the 29-year timeframe of Vision 2030 into 5-yearly intervals. The assumption is that the present events in the external environment shall play out *mutatis mutandis* from their present forms till approximately 2005, hence the selection of the 2006-2010, as the point of departure of the model. Within these 5-yearly periods, the external environment has been forecasted, using scenario techniques based on best case, and worst case. The best case scenario is chosen for Vision 2030 as follows:

2006 – 2010

- UNITA has laid down arms and is now part of the political landscape of Angola. The Angolan government continues with the implementation of a multi-billion dollar reconstruction and development plan, with support from the international community. An important component is a national re-integration scheme and small-arms buy-back programme supported by the UN, AU and SADC.
- The Inter-Congolese Dialogue has culminated in a new democratic constitution and free and fair elections. The new democratically elected president is committed to national reconciliation, unity and economic reconstruction. The international community, in exchange for wide-ranging economic reforms, cancels Mobuto-era debts.
- Zimbabwe is on a steady course of economic development. The land reform exercise is completed to the satisfaction of all stakeholders, and significant foreign investment is flowing into the country.
- South Africa's third democratically elected president has been sworn in, and the results of the GEAR policy are being manifested through higher GDP growth rates, increased foreign direct investment and significant job creation in the economy.
- Stronger regional institutions have been created that are better able to help member states resolve internal conflicts, and plans are under consideration for supra-national institutions like the SADC Court of Appeal, SADC Court of Arbitration, SADC Monetary Policy Commission, etc.
- SACU Secretariat is established, with a Council of Ministers, a Commission composed of senior officials as an advisory body to the Council, Technical Committees, and as a sanctioning authority.
- Namibia has implemented the visa requirements for AGOA and enjoys the benefit of access to the United States of America market. Namibia reaps the benefits of AGOA by exporting its goods (textiles) to the United States free of duties. This will contribute to the diversification of the Namibian exports away from the traditional mineral exports.
- More countries implement the SADC Trade Protocol. Member countries start reducing tariffs among each other. Category A product tariffs are immediately phased out, while those on products in category B, are gradually removed.
- Namibia continues to enjoy non-reciprocal access to the EU markets, thus increasing its beef and grape exports to the Union.
- Debt-relief has been affected in a significant number of AU member states, including Nigeria, Algeria and Kenya, allowing previously highly indebted



poor countries, to undertake comprehensive economic reforms with a “clean slate”.

- A joint AU-UN-EU-World Bank conflict-resolution framework is created to provide an effective African conflict early-warning system, conflict resolution framework and intervention procedures/mechanisms/capabilities.
- Namibia and its relevant neighbouring SADC states have reached a binding agreement on their mutual borders, both on land and maritime.
- Namibia has become actively involved in the implementation of NEPAD and has been invited to become part of its steering mechanism.

#### **2010 – 2015**

- Regional institutions are being strengthened. A common regional currency and central bank is in the process of being created. Several accretions of national sovereignty and state power are transferred to SADC, and a SADC Constitution- that overrides or supersedes national constitutions- is agreed upon. More SADC countries begin to converge their macro-economic indicators.
- Angola proceeds on a path of democratic governance, reconstruction and development. New oil discoveries are made in deep-water areas, providing an impetus to further economic recovery. Anti-bandit operations are finally concluded with the surrender of the last armed bandit gangs.
- The UN Security Council is reformed with the status of permanent member state being enlarged to include one regional power from each of the continents. This provides for a more democratic form of regional representation. The powers of the reformed Security Council in terms of international peace and security are increased.
- Two major transmission systems from Grand Inga in the Democratic Republic of the Congo are to deliver cheap power to Southern Africa and Europe, one line down through Angola and Namibia to South Africa and another north through the Sahara to Western Europe.
- Conflict resolution mechanisms are firmly in place at the regional and continental levels, allowing for effective rapid response to emerging conflicts in or between member states of the AU.
- SADC Trade Protocol ratified and implemented by all member states, which leads to the expansion of intra-SADC trade.
- SACU renegotiations complete, and relevant institutions solving disputes and determining common external tariffs, have been set up. The BLNS countries reviewed their taxation base in order to forestall themselves from the effect of the EU-South African Free Trade Agreement.
- SADC establishes a common external tariff, a move that will lead to the formation of the customs union.

#### **2015 – 2020**

- A regional central bank is fully established and a core group of states, including Namibia, introduce the new regional currency. The SADC central bank is responsible for the monetary policy in the SADC monetary area, covering the initial core states.
- A directly elected SADC regional parliament is established with powers to review, harmonise and veto national legislation.
- The AU continues with efforts at continental unity through the creation of



- various supra-national political, economic, judicial and legislative bodies.
- SADC member states implement policies that will lead to convergence in macro-economic indicators as an important criterion for monetary integration.
  - SACU renegotiations completed and relevant institutions established. These are Boards of Trade and Tariffs to set up the common external tariffs for SACU. South Africa Board of Trade and Tariffs is no longer the sole institution to set up the common external tariff. The revenue sharing formula of SACU revisited to give fair share of revenue to the BLNS.

#### 2020 – 2025

- SADC Protocol on Politics, Defence and Security is upgraded to the SADC Mutual Defence Treaty.
- All SADC member states adopt a common regional constitution with key provisions such as abolishing the death penalty, protection of human rights and democratic governance.
- A common regional foreign policy framework and institutions are created, allowing the member states to better meet the challenges and uncertainties of an evolving world order.
- More states adopt the common currency after meeting macro-economic eligibility criteria.

#### 2025 - 2030

- Concrete steps are taken by the regional bodies (SADC, ECOWAS, Maghreb Union, and East-African Community) to harmonise political, economic and institutional arrangements as the precursor to continental unity.
- The AU establishes the African Monetary Stabilisation Fund with the assistance of the Bretton Woods institutions to provide balance of payments and macro-economic stabilisation support to AU member states in need.
- More legislative powers are devolved by member states to the SADC regional parliament.
- Namibia's development co-operation relationship with its international collaboration partners shifts from the weighted association of donor/recipient towards the balanced connection between sovereign trading partners.
- Achievement of regional peace and stability in region.
- Regular democratic, free and fair elections are held throughout the Southern African Region.
- Land in the Southern African Region is equitably redistributed.
- Absence of crime in Namibia and armed conflicts in the region.
- The Southern African Region has established a collective response towards bringing to an end the illegal trafficking of small arms.

- Namibia contributes actively towards the attainment of strengthened regional organisations and democratised international institutions;
- Namibia continues to serve, both regionally and internationally, as an example of a strong democracy and a model of good governance.
- Namibia continues to further the strides towards African unification.
- Namibia benefits significantly from investments in economic and infrastructural development in order to compete globally.
- Namibia is fully integrated into the global trading and financial system.
- The Namibian economy becomes lucrative, to such an extent that there is net inflow of capital from other countries into Namibia's economy.

## 6.6 Globalisation

Globalisation is the integration of national economics throughout the world through trade, capital flows, the exchange of technology and information and movement of people. Since the 1990's, globalisation has become a major topic of discussion and concern in economic circles. The move towards a more integrated world has opened up a wide potential for greater growth, and it presents opportunity for developing countries to raise their living standards. However, concerns about the risks of marginalisation of developing countries have given rise to a sense of misgiving among developing countries. Globalisation benefits consumers and producers in the form of increasing trade, which will give them wider choice of low cost goods, often incorporating more advanced technologies. Access to world markets allows countries to exploit their comparative advantages more intensively, while being exposed to the benefits of increased international competition. The rapid increase in capital and private ventures/opportunities available to Namibia, has accelerated the pace of its development beyond what it could otherwise have achieved. The benefits of globalisation outweigh the costs of that free trade results in countries that specialise in the production of those goods efficiently, while importing goods that they cannot produce efficiently, from other countries.

However, the risks of globalisation include the following: the investment capital seeks out the most efficient markets, while producers and consumer seek the most competitive suppliers. This would expose and intensify existing structural weaknesses in individual economies.

The economic globalisation and restructuring through new technologies has created many options for capital flight, for instance, relocation of production and outsourcing. Critics of globalisation assert that global economic power is shifting away from national governments towards supra-national institutions (WTO, WB/IMF). Globalisation is characterised by the fact that decisions that affect a lot of people are no longer made by national governments, but instead by a group of unelected bureaucrats in the supra-national institutions.

Globalisation would not bring Namibia to the level of the USA and Japan overnight. As globalisation progresses, we should focus on the development of our own



resources, otherwise globalisation in some sense could be suicidal. We need to identify a competitive edge upon which Namibia's position in the world economy will be based. We should strengthen our industrial capacity in order to pursue realistic goals dependent on our natural endowment.

There has been an enormous increase in global trade and in private capital flows to developing countries. However, Africa has not kept pace with this growth. Foreign direct investment, for instance, has increased to all developing countries, but Africa's share is below 5%. Such development points to a trend towards Africa's marginalisation in world trade and FDI. The challenge facing Vision 2030 for Namibia is to design public policies that maximise the downside risks of destabilisation and marginalisation.

With regard to investment promotion, we should also encourage investors who are already in Namibia. By the year 2030, local human resources should be adequate for development promotion.

Tourism offers Namibia a huge opportunity for development of our economy. To enjoy this opportunity in the long run, peace and stability should be our partner. Consequently, tourism should be promoted in order to contribute to our economy. Less privileged people should also be involved in this sector. For Namibia to succeed in the tourism industry, the country should be marketed extensively abroad.

Globalisation on its own would not bring us to the level of the developed countries. We should simultaneously focus on the development of our own resources. Namibia should identify a competitive edge upon which her position in the world economy will be based.

#### ***Sub-Vision***

***The benefits of technology, trade, investment and capital flows have contributed to a significant reduction in poverty in most regions of the world, and Namibia enjoys optimal participation and integration in the global village.***





## Globalisation

### **Things to do**

- Establish and maintain structures (roads, telecommunications media and health services) that can compete with the rest of the world.
- Create positive atmosphere and incentives for foreign direct investments.
- Create awareness of Namibia's potential.
- Promote human and institutional capacity-building.
- Assess and capitalise on the country's comparative advantage in the sectors such as, Agriculture, Tourism, Fishing and Mining.
- Train Namibians to acquire skills and knowledge to be able to compete in the context of globalisation. Design public policies that maximise the downside risks of destabilisation and marginalisation.
- Encourage investors who are already in Namibia.
- Develop local human resources for development promotion.
- Promote tourism in order to contribute to our economy.
- Focus on the development of our own resources.
- Identify a competitive edge upon which Namibia's position in world economy will be based.

### **Where we want to be (2030)**

- Namibia has achieved significant investments in economic and infrastructural development, and is competing globally;
- Namibia is fully integrated into the global trading and financial system;
- The Namibian economy is very lucrative so that there is net inflow of capital from other countries into the country's economy.
- Access to world markets allows Namibia to exploit their comparative advantages more intensively, while being exposed to the benefits of increased international competition.
- The rapid increase in capital and private ventures/opportunities available to Namibia, has accelerated the pace of its development beyond what it could otherwise have achieved.

### **Current situation**

- Globalisation is the integration of national economics throughout the world through trade, capital flows, the exchange of technology and information and movement of people.
- Globalisation would not bring Namibia to the level of the USA and Japan overnight.
- There has been an enormous increase in global trade and in private capital flows to developing countries. However, Africa has not kept pace with this growth.
- Foreign direct investment, for instance, has increased for all developing countries, but Africa's share is below 5%.
- Such development points to a trend towards Africa's marginalisation in world trade and FDI. The challenge facing Vision 2030 for Namibia is to design public policies that maximise the downside risks of destabilisation and marginalisation.

### **Things to avoid**

- Namibia's potential is unknown to the global village
- Underdevelopment of human capacity.
- Creating barriers against international transfer of technology.
- Trade barriers.
- Policy lapses.

### **Worst-case scenario**

- Namibia's share in the global economy remains small;
- Namibia experiences large-scale movement of capital across national boundaries.

### ***Objective***

To ensure that Namibia enjoys optimal participation and integration in the global village.

### ***Strategies***

Namibia's strategic response to globalisation include the following:

- Ensuring good governance;
- Maintaining quality and efficiency of infrastructure, industrial production and services;
- Improving productivity of labour and promoting harmonious labour relations.
- Remaining competitive in the international market.

