Early Warning System

AFDB-P-NA-KA0-004

Namibia - Economic Governance and Competitiveness Support Programme- Supplemental Financing

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Quick Facts

Countries	Namibia
Financial Institutions	African Development Bank (AFDB)
Status	Approved
Bank Risk Rating	U
Voting Date	2020-03-11
Borrower	Government of Namibia
Sectors	Finance, Industry and Trade, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	$ 116.58 million

Namibia - Economic Governance and Competitiveness Support Programme- Supplemental Financing

Project Description

According to bank documents, the goal of EGCSP Supplemental Financing operation is to promote inclusive growth and economic competitiveness and diversification through improved economic management and business environment reforms. It will support the implementation of the government's medium-term development agenda aimed at building a strong foundation for inclusive and sustainable economic growth, while leveraging the achievements of EGCSP I and II. Consistent with this goal, the operation aims specifically to: (i) Advance fiscal consolidation through improved revenue collection, and enhanced efficiency in public spending; (ii) Strengthen public financial management and public sector efficiency, with particular emphasis on improving the governance framework for SOEs; and (iii) Improve the business environment through enhancement of the investment facilitation framework, and improving the framework for industrial and MSME development.

The proposed operation is an AfDB Loan of two billion, eleven million South African Rand (2.011 billion ZAR), equivalent to UA 97 million, to the Republic of Namibia as supplemental financing for the Economic Governance and Competitiveness Support Program (EGCSP). The EGCSP is designed as a programmatic series of two consecutive General Budget Support (GBS) operations covering the fiscal years 2017/18-2018/19, for a total indicative financing of ZAR 6 billion (UA 336.70 million). After two years of program implementation, despite the numerous achievements of the EGCSP, Namibia requires additional support to confront emerging challenges. The contraction of the economy in recent years has exacerbated the country's development challenges. Tough reforms are required to further enhance macroeconomic stability, improve public financial management and improve the business environment, while protecting the poor and most vulnerable groups. The proposed supplemental financing operation is carefully designed to build on the policy measures and achievements of EGCSP I and II by consolidating the gains already recorded. It will avail the required resources to implement economic and social development programs and traction necessary to achieve the unfulfilled Outcome and Impact level targets of the program. The proposed reform measures are carefully selected to ensure proper sequencing. The program will also continue to complement other Bank Group funded operations in Namibia, in particular the three infrastructure investment projects approved in 2017 (covering transport infrastructure, agricultural mechanization and seed improvement and education). This supplemental financing brings the total loan to ZAR 8.011 billion over three years.

Investment Description

- African Development Bank (AFDB)

Contact Information

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ACCOUNTABILITY MECHANISM OF AfDB

The Independent Review Mechanism (IRM), which is administered by the Compliance Review and Mediation Unit (CRMU), is the independent complaint mechanism and fact-finding body for people who have been or are likely to be adversely affected by an African Development Bank (AfDB)-financed project. If you submit a complaint to the IRM, it may assist you by either seeking to address your problems by facilitating a dispute resolution dialogue between you and those implementing the project and/or investigating whether the AfDB complied with its policies to prevent environmental and social harms. You can submit a complaint electronically by emailing crmuinfo@afdb.org, b.kargougou@afdb.org, b.fall@afdb.org, and/or s.toure@afdb.org. You can learn more about the IRM and how to file a complaint at https://www.afdb.org/en/independent-review-mechanism/