

**REPUBLIC OF NAMIBIA**



**OFFICE OF THE PRESIDENT**

**MEDIA RELEASE**

**(FOR IMMEDIATE RELEASE)**

23 April 2017

WINDHOEK

## **Namibian Presidency responds to some recent media reports on the New Equitable Economic Empowerment Framework (NEEEF)**

Following the Namibian President's 2017 State of the Nation Address (SONA), there appears to be some concerns amongst some media-houses on the current status of the New Equitable Economic Empowerment Framework (NEEEF). In particular some media reports have created the impression that the draft law is creating a division amongst black and white business owners and that the proposed twenty-five (25%) percent ownership transfer will be without compensation. The Bill is still in a draft form and will be resubmitted to Cabinet following recent consultations and the suggestions made by various stakeholders, therefore this impression is wholly inaccurate and misleading.

It is regrettable that in flagrant disregard of basic reporting and media standards none of the authors, reporters and/or editors of the print and electronic media have sought comment or an update on the current status of the bill. This is particularly unfortunate given that it dilutes the noble objectives of the bill and also misinterprets the call for unity and support for how the draft law can be improved to serve the Namibian people collectively.

It is a fact that Namibia was subjected to systemic colonialism and apartheid rule that deliberately disadvantaged sectors of our society economically, socially and educationally. This has led to a gross income inequality that still continues to create uneasiness among all its citizens 27 years after independence.

In a nutshell: There remains anxiety about –

- Continuing income disparities,
- Skewed ownership of productive assets;
- Low level of participation in business by previously disadvantaged persons;
- Lack of socio-economic transformation in traditional and communal communities;
- High level of youth unemployment;
- Continuing racial imbalance in the management and control of private sector enterprises;

- Continued economic exclusion of particularly racially disadvantaged women, youth and persons with disabilities;
- And the slow development of rural areas that cannot be left to chance.

President Hage G Geingob has made the point on numerous occasions that The NEEEF is designed to partially respond to this national problem that every Namibian citizen and all friends of Namibia with a conscience should support and embrace.

The continuing divisive tone and deliberate misinformation to scare off investors and pit Namibians against each other should not be tolerated by any peace loving Namibian. Government has consulted widely on NEEEF and the members of the public and representatives of various stakeholder groups have had their say to be reflected in the revised draft document.

Since the public-wide consultations, an inter-ministerial committee consisting of the Office of the Prime Minister (OPM), the Law Reform and Development Commission (LRDC), the Labour Commissioner's Office, the Ministry of Industrialisation, Trade and SME Development, the Office of the President and the National Planning Commission (NPC) considered the public proposals. Following that process the LRDC was tasked to reproduce a fresh draft and recommendations to the Prime Minister. Among the highlights of issues that were considered for possible revision are:

1. The 25% compulsory divestment,
2. Importance of skills development,
3. The composition of the council,
4. The definition of previously disadvantaged persons,
5. And the concerns raised about the definition and scope of the private sector enterprise

These matters have all been revisited in the light of the provisions of the Namibian constitution and to address some of the further concerns that were raised during the public consultations.

### **Next Steps**

The next step involves the Prime Minister resubmitting the new proposals to Cabinet for principle approval during May 2017. Once Cabinet approves the proposals, a revised version of the draft will be subjected to the Cabinet Committee on Legislation and possibly for further targeted stakeholder consultations before it will be submitted to the Legislative Drafters. Once the drafters are satisfied with the text of the draft law it will be submitted to the Attorney General and then to Parliament for consideration.

Given that this bill is in most parts very technical as in with the provisions dealing with the development of the empowerment standards and the accompanying score-card, it will require many more processes and discussions for refinement of the implementation modalities. The road to NEEEF becoming law will therefore depend on how fast we can get through these processes but the public can be assured given the nature of income inequalities the bill is intended to address that government sees this bill as a priority. We, however, wish to ensure that it is done right at first attempt. We therefore call on all media houses to be positive ambassadors of the process and the intentions of the bill. It does not help anyone or the country when there is deliberate negative hype and misinformation created around the NEEEF. We can discuss all matters without scaremongering or deliberate distortion of facts.

Finally, we still ask: what is the alternative to the NEEEF? It certainly can't be the maintenance and entrenching of the status quo. The Law Reform and Development Commission (LRDC) stands ready to provide any further details on the draft bill to all Namibians and friends of Namibia of good conscience or to consider other alternatives being proposed.

**/END/**

---

**Media Contact:**

Albertus Aochamub  
Press Secretary, State House  
Republic of Namibia  
[aochamub@op.gov.na](mailto:aochamub@op.gov.na)