



## REPUBLIC OF NAMIBIA

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### OFFICE OF THE PRIME MINISTER

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#### **MEDIA STATEMENT FOR IMMEDIATE RELEASE**

The Office of the Prime Minister has learned about a version of the New Equitable Economic Empowerment Framework (NEEEF) being circulated in the social media. The public is hereby informed that the NEEEF document circulating is outdated and does not reflect the Government position on NEEEF. The revised NEEEF Bill will be released officially and the final public consultations will be held. The Government's current position on NEEEF is as reflected in the media release below, issued on 3 August 2018.

1. The conversation on national economic empowerment framework has been ongoing for a considerable period of time and has consisted of various rounds of consultations.
2. The team consisting of the Office of the Prime Minister (OPM) and the Law Reform and Development Commission (LRDC) continued targeted stakeholder consultations to strengthen understanding of public views to address persistent concerns about the viability of the National Equitable Economic Empowerment Framework (as it is now known).

3. A benchmarking exercise with the Department of Trade and Industry in South Africa was undertaken to provide additional context and scope for improving the textual and substantive provisions of the NEEEF and also to draw lessons from their experience that may help us improve our framework and its implementation.
4. Earlier this year and pursuant to the above referred consultations, proposals for possible revision of the equitable economic empowerment bill were considered by Cabinet. The highlights of these were to address concerns pertaining to the definition of previously disadvantaged persons, the scope of business enterprises and the ownership equity provisions.
5. The proposals among others sought to: (1) ensure that the empowerment legislation concerns itself with enhancing a positive investment climate; (2) ensuring that the beneficiaries are broad based; and (3) the initiative supports growing the economy while changing the pattern of distribution of economic benefits, innovation and value addition. More generally, the empowerment framework is intended to transform ownership of productive assets and meaningful participation of the majority of Namibians in the control of the economy, but also to promote higher and sustainable economic development
6. Cabinet has since considered the proposals and has among others, refined the definition of PDP to ensure clarity and de-emphasized the equity provision to be on par with other pillars. In particular, all the pillars including education and skills development, enterprise development and market access, technology and innovation and corporate social responsibility will be considered as part of a holistic approach to NEEEF compliance, and compliance will be assessed by scoring performance against each of the pillars and providing a rating based on an aggregate score.

7. There is no doubt that the impact of systematic colonialism and apartheid which deliberately disadvantaged segments of our society economically, socially and educationally, continues to manifest itself 28 years into independence. The wealth gap and income disparity remains glaring.

The proposed empowerment legislation is an attempt to reduce this gap by creating an environment in which no Namibian should feel left out, while optimizing opportunities for further sustainable economic growth. It is an opportunity for Namibians to create an environment of solidarity and unity and increased prosperity for all.

8. Over the next few months, the team is expected to produce a revised draft Bill, consult with stakeholders, develop empowerment standards and scorecards and initiate discussions on sector specific charters. The intention is to exhaust internal discussions with government players and private sector stakeholders to ensure that the information that is returned to the broader public, is clear and thoroughly consulted on.
9. It is intended to have the Bill tabled in the National Assembly before the end of the financial year.
10. Empowerment is a collective responsibility of all Namibians and it is beneficial for the entire country and the economy. It is our hope that all Namibians will embrace the spirit and intent of the proposed empowerment legislation which is to increase the effective participation of the majority of Namibians into the economy and help our economy to prosper.

11. We reaffirm that the process of empowerment will be pursued within the parameters of the Namibian Constitution and that its implementation will safeguard and promote economic growth and stability.

**Issued by the Public Relations Department of OPM**

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