



Republic of Namibia

MINISTRY OF PUBLIC ENTERPRISES

PERFORMANCE AGREEMENT 2021/22

The Contracting Parties

This **Performance Agreement** (hereinafter referred to as "PA") is entered into between the Government of the Republic of Namibia (hereinafter referred to as GRN), represented by the President H.E. Dr. Hage G. Geingob, on the one part, and the Ministry of Public Enterprises (hereinafter referred to as the Ministry), represented by the Minister, Hon. **Leon Jooste**, on the other part.

PREAMBLE

WHEREAS The People of Namibia overwhelmingly and willingly gave the Government the mandate to consolidate past gains and to pursue the lofty ideals set out in Vision 2030 and the Harambee Prosperity Plan;

WHEREAS The Government is determined to remain faithful to the People's mandate and to build the Namibian House in which all its residents have a sense of shared identity;

WHEREAS The Parties to this Performance Agreement are not only committed to the attainment of the strategic objectives outlined in Vision 2030 but are also fully conscious of the necessity to serve the People of Namibia promptly, diligently, and without regard to the ethnic origin, socio-economic status, gender, religious, ideological, or political affiliation of the service beneficiary;

WHEREAS The Performance Agreement represents the Minister's avowed commitment to the realization of national strategic objectives, and signifies the Government's determination to support the Ministry's efforts;

NOW, THEREFORE, the parties hereto agree as follows:

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Part I: Undertaking by the First Party

THE FIRST PARTY, the GOVERNMENT, undertakes to provide the necessary resources needed in line with MTEF to fulfil the Ministry's statutory mandate and attain national strategic objectives, including but not limited to, those set out in Vision 2030, the NDP 5, and the SWAPO Manifesto and Harambee Prosperity Plan. The national strategic objectives will also be informed by the SADC Revised Regional Indicative Strategic Development Plan and the African Union Agenda 63.

His Excellency the President undertakes to facilitate clearance of obstacles that might be beyond the capacity of the ministry to resolve, and which must be brought to the attention of the President by the Minister. The President further undertakes to:

1. Preside over a two-day quarterly Ministerial Retreat to receive briefings on achievements of strategic objectives from individual Cabinet Ministers;
2. Facilitate resolution of structural challenges to performance, brought out at the retreat;
3. Support and facilitate realization of the Minister's commitments, obligations, and strategic intention.

Part II: Undertaking by the Second Party

In consideration of the Government's undertakings and assurances, THE SECOND PARTY, the Minister agrees to:

- PE Contribution to the Economy;
- Good Governance;
- Public Enterprises Performance Improved.

(See Annex A for a matrix depicting the deliverables, performance indicators and annual targets)

Part III: Notes on Strategic Directions

In specific terms, the Minister will in the short- to medium-term record measurable achievements in the following areas:

- Oversee effective governance and monitoring of Public Enterprises (PEs) performance;
- Enter into Governance and Performance Agreements with the Boards of Commercial Public Enterprise (CPEs);
- Ensure a well-managed Commercial Public Enterprise Portfolio;
- Facilitate the ongoing PEs reform/restructuring process (transform, repurpose, recapitalize) and unlock their economic potential to deliver value for the Shareholder;
- Develop and/or refine the criteria/indicators for the monitoring and evaluation of PEs;
- Provide advice to Relevant (Portfolio/Line) Ministers on the ISPB, Annual Business Plan and Board appointment of each PE;
- Rationalize the remuneration of board members and management of PEs;
- Ensure capacity building and development of PEs boards; and
- Monitor, evaluate and report on the performance of PEs.

Part IV: Reporting lines and requirements:

- I. The ED will be required to submit quarterly performance progress reports to the Minister;
- II. Minister will submit Quarterly Progress reports on performance of the ministry for submission to, and discussion with, H.E. the President, through the Rt. Hon. Prime Minister;
- III. The Minister undertakes to give feedback to the Deputy Minister and ED on the quarterly performance report;
- IV. The Minister further undertakes to provide leadership to ensure that annual performance report is prepared and submitted to the President a month after the end of the financial year;

Part V: Duration of the Performance Agreement:

This PA will run for 12 months coinciding with the **financial year** starting 1st **April 2021** to 31st **March 2022**

Part VI: Ratification of the PA Signed:

Cabinet Minister, Hon. Leon Jooste (MP)

Sign..... Date...18/06/2021

President, H.E. Dr. Hage G. Geingob

Sign..... Date...29/06/2021

Witness

Right Hon. Prime Minister, Dr. Saara Kuugongelwa - Amadhila

Sign..... Date...29/06/2021

ANNEXURE A: PERFORMANCE MATRIX FOR MINISTERS:

OFFICE, MINISTRY OF AGENCY	MINISTRY OF PUBLIC ENTERPRISES
NAME OF OFFICE HOLDER	HON. LEON JOOSTE (MP)
PERFORMANCE AGREEMENT PERIOD	1ST APRIL 2021 – 31ST MARCH 2022

Strategic Objective	Weight (distributed across between 1%	Expected Results	Indicator Performance of	Indicator Definition	Indicator Type	Baseline	Quarterly Targets				Annual Target
							Q1	Q2	Q3	Q4	
Strong Pillars of our Economy	20%	PE Portfolio well managed	% of progress on the development of the Reform/Restructuring Plan	Progress towards the finalization of the Reform/Restructuring Plan of PEs	Incremental	5	20	40	80	100	100
			% of progress on the finalisation of the Draft Ownership Policy	The extent to which the Ownership Policy is finalized and approved by Cabinet	Incremental	80	90	100			100
			% of CPEs portfolio analyzed	The extent to which CPEs portfolio are analyzed and profiled	Incremental	15	20	25	50	55	55
Good Governance	40%	Legislative framework strengthened	% of progress on the finalization and Gazetting of the PE Categorization Framework	The extent to which the Categorization Framework is finalised, approved by Cabinet and gazetted	Incremental	60	70	80	100		100

Strategic Objective	Weight (distributed across between 1%	Expected Results	Indicator Performance of	Indicator Definition	Indicator Type	Baseline	Quarterly Targets				Annual Target
							Q1	Q2	Q3	Q4	
			% of progress made on the harmonization of PE legislations to PEGA, 2019	The extent to which PE constituent legislations are harmonized to PEGA Act, 2019	Incremental	25	50	70	80	100	100
		Corporate Governance compliance enforced	% of overall PEs compliance	The extent to which PEs are compliant to the PEGA and the Weighted Governance Scorecard	Incremental	10	40	60	90	100	100
			% of progress on the development of the New Remuneration Guideline	The extent to which the new PE Remuneration Guideline is developed, consulted upon, and approved by Cabinet	Incremental	15	20	50	70	80	80
		Board Performance and Governance improved	% of PE Boards on the signed Governance Agreements(GAs) and Performance Agreements(PAs)	The total number of PE new Boards with PAs and GAs signed	Incremental	25	30	80	90	100	100
Public Enterprises Performance Improved	40%	PEs Performance enhanced	% Progress made on the development of the Integrated Performance Management Framework (IPMF) and system	The extent to which the IPMF is finalized approved by Cabinet and implemented in 7 piloted PEs	Incremental	20	30	50	60	70	70
Total Weight	100%										