

Republic of Namibia

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**MINISTRY OF PUBLIC ENTERPRISES**

**PERFORMANCE AGREEMENT 2020/21**

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**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;

**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;

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**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:

**Part I: Undertaking by the First Party**

THE FIRST PARTY, the GOVERNMENT, undertakes to provide the necessary resources needed in line with MTEF to fulfill 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.



## **Part II: Undertaking by the Second Party**

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

- (a) PE Contribution to the Economy;**
- (b) Good Governance;**
- (c) 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:

### **Key deliverables**

- Oversee effective governance and monitoring of performance of public enterprises and the restructuring of public enterprises to deliver value for the Shareholder;
- Complete the SOE reform process (transform, repurpose, recapitalize) and unlock the economic potential of SOE;
- Establish and refine the criteria/indicators for the monitoring and evaluation of public enterprises;
- Provide technical advisory services (to Portfolio Ministers) on the budget of each Public Enterprise;
- Ensure a well-managed CPEs Portfolio;
- Rationalize the remuneration of board members and management of PEs;
- Facilitate the training and development of PEs board members;
- Monitor, evaluate and report on the performance/productivity of Public Enterprises; and
- Formulate and ratify governance agreements with the Boards of restructured public enterprises.

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**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;

**Overarching Principles**

- Strong, honest and principled leadership;
- Driving a performance culture within your Ministry through leading by example and applying a hands-on approach;
- Focus on fast implementation of policy decisions and timely interventions;
- Ensure maximum output within the context of limited financial resources;
- Enhance political and administrative interface in your Ministry;
- Reviewing any law, policy, regulation or institution which hampers the effective implementation of plans and programmes of Government;
- Ensuring coordination with Offices, Ministries and Agencies, especially those which are closely related to your line functions;



- Promote, facilitate and strengthen measures to implement the empowerment and industrialisation policies of the Government by sourcing of local goods and services, with particular emphasis on job creation and the empowerment of the Youth and Women;
- Engaging and listening to the voices of civil society, particularly grass-root organizations, with the understanding that the ultimate goal is to improve the living standards of all Namibians; and
- Continuous monitoring, evaluation and regular reporting on progress being made in your ministry.

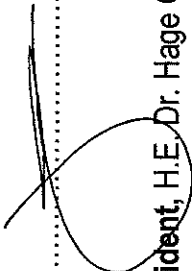
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**Part V: Duration of the Performance Agreement:**


This PA will run for 12 months coinciding with the *financial year* starting 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2021

**Part VI: Ratification of the PA Signed:**

**Cabinet Minister, Hon Leon Jooste.**


Sign.....  ..... Date... 15/7/2020

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

Sign.....  ..... Date... 27-07-20

**Witness**

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

Sign.....  ..... Date... 27/07/2020

**ANNEXURE A: PERFORMANCE MATRIX FOR MINISTERS:**

OFFICE, MINISTRY OF AGENCY		Ministry of Public Enterprises									
NAME OF OFFICE HOLDER		Hon Leon Jooste									
PERFORMANCE AGREEMENT PERIOD		1ST APRIL 2020– 31ST MARCH 2021									
FORM 1: Minister's Performance Agreement Matrix (1st April - 31st March of every Financial Year)											
Strategic Objective / Ministerial Commitments	Weight (distributed across between 1% - 100%)	Expected Results	Indicator of Performance	Indicator Definition	Indicator Type	Quarterly Targets				Annual Target	
						Q1	Q2	Q3	Q4		
Strong Pillars of our Economy	10%	PE Portfolio well Managed	% of progress towards the finalization of Transformation Strategy	The extent to which the PEs Transformation strategy has been developed	Incremental	10	15	30	45	70	70
			% progress made toward finalisation of Ownership Policy	The extent to which the Ownership Policy is finalized	Incremental	80	80	85	100		100

				<b>and approved by Cabinet</b>							
<b>Good Governance</b>	30%	Corporate Governance Compliance enforced	<p>% of CPEs portfolio analyzed</p> <p>% of overall weighted compliance to the Governance Scorecard</p>	<p>The extent to which CPEs portfolio are analyzed and profiled.</p> <p>The extent to which PEs are complying to the Weighted Governance Scorecard</p>	Incremental	20	20	40	60	80	80
<b>Good Governance</b>	30%	Corporate Governance Compliance enforced	<p>% of progress made toward revision of the new Remuneration Guideline</p> <p>% of overall PEs Board Performance</p>	<p>Extent to which the new PE Remuneration Guideline are developed</p> <p>The extent to which Board performance is improved</p>	Incremental	0	50	30	50	60	60
<b>Board Performance and Governance Improved</b>		Board Performance and Governance Improved	% of overall PEs Board Performance	The extent to which Board performance is improved	Incremental	10	30	50	60	70	70



Public Enterprises Performance Improved	30%	PEs Performed Enhanced	% Progress made on the development of the Integrated Performance Management framework and system	The extent to which the IPMS approved project plan in implemented	Incremental	10	30	60	80	100	100
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