

NAMIBIA BUSINESS REVIEW

Where Business meets ideas

EDITION 33 | VOLUME 33 | 18 - 25 MAY 2026

Most SOE bosses earn more than the President

• TIRI MASAWI

Board members and executives running state-owned enterprises (SOEs) in Namibia are among the country's highest earners. This is despite ongoing concerns over poor corporate governance, weak service delivery, and recurring financial losses in several parastatals.

According to Ministry of Finance gazetted remuneration guidelines, Chief Executive Officers of SOEs earn between N\$660 000 and N\$2.5 million a year, depending on classification. SOEs are grouped into three tiers. Profit-making entities are generally placed in higher tiers, while most service-oriented parastatals fall under tier one and tier two.



> Parastatals CEOs rake in millions while entities struggle with poor service delivery, weak governance and repeated losses

The ministry says salary adjustments must be approved by the board in consultation with the relevant line minister. This is in line with the Public Enterprises Governance Act, 2019. It also states that annual inflation adjustments must consider affordability and whether the entity can remain a going concern. "Some CEOs and board members just do as they wish and give each other high salaries and sitting fees without following the Act," a Ministry of Finance source said.

PRESIDENT VS SOE PAY

According to the April 2026 proclamation on Public Office Bearers remuneration structure, the President earns about N\$2.182 million a year.

CONTINUE ON PAGE 2

TVET trained electricians interning as cleaners



• TIRI MASAWI

Some Technical Vocational Education and Training (ProTVET) students are struggling to break into Namibia's emerging green hydrogen sector.

The ProTVET programme, implemented with financial and technical support from GIZ, is aimed at strengthening vocational training systems and aligning them with industry needs.

Instead of working in their trained fields, some students are deployed to unrelated tasks during internships.

"Some of the challenges we see on the ground are that some students who are on work related industrial learning are not being trained in the

actual field they are being trained in. Some are in instances working as cleaners because of a lack of a follow up and follow through mechanism from the vocational training centres," said Professor Zivayi Chiguvare, head of the Green Hydrogen Institute at the University of Namibia.

The concerns were raised during a panel discussion hosted by GIZ at the Namibia-EU Business Forum last week. The session examined skills gaps in green hydrogen and renewable energy.

The graduates are trained as electricians, welders, boiler makers and other technical trades meant to position them for jobs in the planned green hydrogen economy.

CONTINUE ON PAGE 2

Qaurtile
Debt Collection

Tailored Debt Collection Solutions

083 330 2100

www.qaurtile.com



“The Vice President earns about N\$1.897 million, while the Prime Minister takes home about N\$1.65 million annually”

The Vice President earns about N\$1.897 million, while the Prime Minister takes home about N\$1.65 million annually.

But some SOE executives are earning at the same level – and in some cases more.

CEOs who earn more than the President are found in several major State-owned enterprises. These include August 26 Holdings Company (Pty) Ltd, Meat Corporation of Namibia (Meatco), Namibia Ports Authority (Namport), Namibia Post, Namibia Power Corporation (NamPower), Namibia Water Corporation (NamWater), Roads Contractor Company (RCC), Telecom Namibia, TransNamib Holdings Ltd, and Mobile Telecommunications Company (MTC), among others.

Their salaries range from about N\$1.8 million for lower-end executives to more than N\$2.5 million for top earners, depending on classification and tier.

The structure also provides for non-executive directors in tier three SOEs, who earn about N\$127 629 in annual board sitting fees.



> Vice President Lucia Witbooi



> Prime Minister Dr. Elijah Ngurare

TIER TWO AND MID-RANGE SOEs

Companies in tier two include the Agricultural Bank of Namibia, Development Bank of Namibia, Namibia Airports Company, Namibia Development Corporation, Namibia Institute of Pathology, Namibia Wildlife Resorts, Communications Regulatory Authority of Namibia, and the Fishery Observer Agency.

In this category, executive pay ranges from about N\$762 000 for the lowest-paid executives to about N\$1.6 million for the

highest-paid.

The Ministry of Finance also sets non-executive directors' fees in this tier at about N\$86 000 per year.

The same remuneration structure places other SOEs in the average earning bracket. These include the Namibia Com-

petition Commission, National Petroleum Corporation of Namibia, Motor Vehicle Accident Fund, Namibia Standards Institution, National Youth Service, Roads Authority, Social Security Commission, National Housing Enterprise, and the Roads Fund Administration.

At the bottom of the structure, tier one SOEs pay executives between N\$450 000 and N\$885 000 per year.

mance-based add-on paid only after results are measured and achieved.

“That is, a salary will be aligned to performance,” he said.

Public policy analyst Ndumba Kamwanya says SOE executives should not be paid like private-sector CEOs unless they deliver measurable public value.

He says in many cases, executive pay has become disconnected from performance.

“In many cases, remuneration has become disconnected from performance, which weakens accountability and public trust,” he said.

Kamwanya says it is difficult to justify high salaries in SOEs that continue to underperform, rely on government bailouts, accumulate debt, or fail to deliver reliable services.

He says the current system is not sustainable in a tight fiscal environment.

“Executive pay in public enterprises must reflect both financial outcomes and developmental impact, not simply position or political influence,” he said.

He proposes a performance-based model with clear targets.

A reasonable structure is a moderate fixed salary combined with performance incentives tied to measurable indicators such as profitability, service delivery, operational efficiency, debt reduction, governance compliance, and customer satisfaction,” he said.

He adds that bonuses should not be paid if targets are not met.

Kamwanya also calls for stronger oversight of SOE remuneration.

He warns that boards should not be left alone to approve high salaries without results.

“Public enterprises exist to serve citizens and support economic development, so executive compensation must reflect public value and accountability, not only market comparisons,” he said. **NBR**

TVET TRAINED FROM PAGE 1

The sector promises to create about 30 000 jobs across its value chain.

But experts say weak monitoring systems between vocational training centres and host institutions are undermining industrial learning.

The forum brought together TVET experts such as Sybil Ferris, Professor Chiguvare, and Professor Samuel John, head of Mechanical Engineering and dean of the Faculty of Engineering at the Namibia University of Science and Technology.

They warned that many vocational training centres lack structured monitoring systems to track students during internships and apprenticeships.

“There are no proper structures and processes to make sure that the vocational institutions can follow up and monitor progress being made by the graduates while they are on internships and work related learning,” Chiguvare said.

Chiguvare called for urgent reforms in training capacity.

“It is common knowledge that if someone is to train for example a level three vocational graduate they must have a higher qualification. This is the challenge that we saw when we visited most of the vocational training centres.”

He added that a “train-the-trainer” programme is needed to improve skills delivery.



> Professor Zivayi Chiguvare

Professor John said despite the challenges, cooperation between industry and training institutions is improving.

“I was particularly impressed to see that despite the challenges that are faced by the vocational training institutions, there is a push to work together between the industry and the institutions,” he said.

Former Namibia Training Authority CEO Jerry Beukes said the system can still be fixed.

“We need to focus on the future and find ways of improving as well as dealing with all these challenges,” he said. “The important thing is that work towards this is happening and we need to continue. The time to improve is now.”

Questions sent to the Ministry of Education Innovation Youth Sport Arts and Culture last week were not answered.

NBR

LIVING BEYOND MEANS

Corporate governance expert Ntelamo Ntelamo says many SOEs cannot justify the high salaries paid to executives.

He says most parastatals rely heavily on government support or public funding to survive.

“SOEs, generally, are expected to manage their finances prudently to be able to discharge their mandate primarily which means deploying most of their resources to achieve their objective,” he said.

He argues that executive pay must be linked to performance.

According to him, it makes no sense to pay high salaries in institutions that still depend on bailouts or loans to operate.

“What value do the executives bring to justify high salaries? When the institutions they govern plod along, saddled with overdrafts and other loans for human resources' expenses.

This is unsustainable by any standard,” he said.

Ntelamo says even where CEOs are highly qualified, high salaries should not come automatically at appointment.

He says performance must come first.

“Preferably, a high salary should not be upon hiring the CEO. It can only be after the CEO has proven themselves financial year after another,” he said.

He proposes a system where executives earn a base salary with a perfor-

Informal traders call for more markets in Windhoek



• VERIPUAMI KANGUMINE

Windhoek's informal markets are full to the limit. Vegetable sellers, Kapana traders, hairdressers, barbers, locksmiths and food vendors all crowd into the available spaces across the city. Those who cannot find space move to street corners, highways and the entrances of shopping centres just to survive.

It is a crowded economy, visibly overflowing and tightly packed. But it is also one of the country's biggest economic engines.

In November last year, Namibia launched a Diagnostics of the Informal Sector report which showed the sector contributes 26.5% (about N\$40 billion) to the national GDP. It also employs 58% of Namibia's labour force.

Despite this economic importance, many traders say they face daily pressure, uncertainty and are often moved away from where they try to sell their goods.

"What seems to be apparent is that informal markets are, in general terms, treated with a certain degree of disdain by municipal authorities," sociologist Ellison Tjirera said.

He says many traders operate under constant pressure and fear of removal by City Police.

Informal traders who spoke to Namibia Business Review over the weekend say they live in constant pressure from City Police. They say they are often told to dismantle their stalls, even when they have nowhere else to go.

Windhoek currently has more than 18 established open markets across Katutura, Soweto, Okurangava, Otjomuise and Khomasdal.

The city also has open trading and industrial facilities with lockable kiosks, barbecue stands, food preparation areas, barber shops and car wash facilities.

But traders say these facilities are not enough. They say the spaces are overcrowded and many are forced to trade outside the designated areas.

They say this exposes them to harsh conditions. They also say there is no proper water, sanitation, electricity or security in many of the places where they end up.

For many, the struggle is not only about space. It is about survival.

Ndimbi Mpingana sells fresh produce at the informal market in front of Khomasdal Hyper. She says traders have been asking for basic services for years.

"The City of Windhoek told us that they will bring toilets, water, electricity and shelter from the rain for three years now but nothing has happened," she said.

She says traders continue to work in difficult conditions while waiting for promised upgrades.

Mpingana says some vendors have now resorted to sharing costs to cope. She says they pay a combined N\$1 000 to rent a storeroom near the shopping centre to store their goods after trading hours.

This, she says, is the only way to keep stock safe.

She also says traders must leave their stalls unattended when they go to use toilets inside the shopping centre. In doing so, they lose customers and sales.

She says promises from the municipality have been made since 2023.

"The municipality said they will provide us with electricity, water and toilets in 2023 but we want them to build us a proper market so we are exposed to the rain and cold," she said.

The lack of water is another daily challenge.

Iyaloo Herman (24) sells fruits and vegetables in front of a mall. She says she buys water for N\$6 every day because there is no water at her trading spot.

She says she turned to informal trading to save money for her studies.

Herman plans to study computer classes next year.

"No one is coming to help us, so I decided to start selling fruits and vegetables to help me when I start my classes next year," she said.

She says life at the market is difficult. She also says the lack of security is a major concern for vendors.

Bernhard Kudumo sells socks, sunglasses and shoes at an informal market in Soweto. He says he is constantly chased away by City Police.

"I have to sell my things here but the police officers say I must move or they will confiscate my goods. But there is nowhere else for me to go and Soweto Market is full," he said.

He says he cannot leave his goods unattended. He fears they will be confiscated or stolen.

LACK OF FUNDING

City of Windhoek spokesperson Lydia Amutenya says the municipality is aware of the complaints raised by informal traders. She says the challenges are linked to phased development and limited funding.

"The City is aware of concerns raised by traders at Khomasdal Hyper regarding exposure to weather conditions and access to basic services such as water, sanitation, electricity, and shelter," she said.

She says while some markets have infrastructure, not all facilities are fully serviced.

"While some markets across the city

already provide varying levels of infrastructure, it is acknowledged that not all facilities are uniformly serviced, largely due to phased development and funding limitations," she said.

Amutenya says the City is assessing needs across all trading sites. She says some traders operate in areas like parking spaces where space is already limited.

She says planned upgrades, including shelter, toilets and basic services, depend on available funding.

The City is also working on a Market Development Masterplan. The plan aims to expand trading spaces in line with city growth and demand.

Amutenya said the City faces several

challenges. These include rapid growth in informal trading, limited financial resources, vandalism and maintenance problems.

Amutenya said the demand for trading spaces continues to rise across Windhoek.

"The City faces several challenges, including rapid growth in the informal trading sector, which is not regulated at entry level, and increasing demand for trading spaces across the city," she said.

She said improvements must go through Council approval and be prioritised within the Integrated Development Plan.

Beyond infrastructure, the City says it is also reviewing informal trading regulations with stakeholders.

It also says it is working to improve access to basic services at designated markets.

"The City also continues to promote structured and lawful trading environments that balance livelihood opportunities with safety, hygiene, and urban management," she said.

But experts say the issue goes deeper than planning and policy.

Sociologist Ellison Tjirera says informal traders are often treated unfairly.

Tjirera said some trading spaces are tolerated while others are not, depending on how they developed.

"This creates inequality in how traders are treated. He also calls for proper services such as water, electricity and sanitation to be provided in informal markets so traders can work safely and with dignity," he said.

Labour researcher Herbert Jauch said the City of Windhoek must take traders' demands seriously.

"The call by the informal traders is justified as this would be one way to improve their livelihoods," he said.

He said the informal economy is not a choice for many people.

"The City has an obligation towards its residents and in the light of huge levels of unemployment, the informal economy is the only option to survive for many. The City must therefore create conditions that improve their livelihoods. This is not charity but a supportive developmental task." **NBR**

"Traders have been asking for basic services for years"

Govt clarifies fuel container rules amid panic buying



"For the next three (3) months, fuel will only be dispensed directly into vehicles"



• STAFF WRITER

The Ministry of Industries, Mines and Energy says its temporary fuel measures are aimed at preventing panic buying and artificial shortages, not restricting legitimate users.

In a statement issued by Minister Modestus Amutse on 11 May 2026, the ministry said Namibia has sufficient fuel stocks and supply remains stable.

"The ministry wishes to reassure members of the public that Namibia has sufficient fuel stocks for the next three (3) months and the national fuel supply system remains stable," Amutse said.

Last week's clarification comes after the Government earlier this month had said it was temporarily barring service stations from filling fuel into drums, jerry cans and other containers for three months to curb panic buying.

The restriction took effect on 8 May 2026 following recent fuel price increases, with petrol rising to N\$23.48 per litre and diesel to N\$28.36 per litre.

The ministry said the measures followed signs of panic buying after recent fuel price adjustments.

Service stations have been instructed to exercise discretion when selling fuel in drums and jerry cans, particularly where customers do not hold Consumer Installation Certificates.

"Fuel retail outlets are hereby instructed to request satisfactory explanations and use proper discretion before filling fuel drums or jerry cans," the minister said. He said the aim is to prevent hoarding while still accommodating legitimate users such as farmers, contractors and tourism operators.

Fuel dealers have also been directed to educate customers on the temporary restrictions, which will remain in place for three months.

"Marketing managers at each outlet must be able to identify bona fide users by requesting explanations or proof of activities where necessary," he said.

Amutse warned that enforcement action will be taken against those who violate the directive.

"Anyone found in violation of this directive will be dealt with in terms of the relevant laws," he said.

He added that the public should report suspected hoarding and unfair practices.

He said motorists should avoid buying more fuel than they need.

"Motorists are encouraged to purchase fuel according to their normal consumption patterns," he said.

He said the restriction is temporary and applies to all fuel filling into containers, except for holders of Consumer Installa-



> The Ministry of Industries, Mines and Energy Modestus Amutse

tion Certificates. "For the next three (3) months, fuel will only be dispensed directly into vehicles," he said.

BILLIONS TO STABILISE PRICES

Amutse said the Government is cushioning consumers through the National Energy Fund.

About N\$1.3 billion will be used in April and May 2026 to absorb fuel cost pressures and limit price increases at the pump.

"The Government acknowledges the impact that fuel price increases have on households and the broader economy," he said.

The Road Fund Administration says the 50% fuel levy reduction will cost about N\$300 million per month.

The Motor Vehicle Accident Fund is expected to lose about N\$24 million monthly, affecting road maintenance and accident compensation funding. **NBR**



FOOD • PARTY • LIVE

Now Open!

At **Roads Authority Cafeteria**



Open From: **07h00-19h00**



Corner of Mandume Ndemufayo Avenue
David Hosea Meroro Road, Southern Industrial Area

Visit Us Today & Enjoy a Great Meal!

FOR ORDERS |0858092283

Green hydrogen sentiment improving – Neulinger



“Namibia is making steady progress in developing a green hydrogen industry”

> Michael Neulinger

• STAFF WRITER

Market sentiment around the viability of Namibia’s green hydrogen industry is improving, although securing future offtakers remains one of the sector’s key challenges.

This is according to the senior advisor at GET.invest and the Green Hydrogen Business Alliance (H2BA) Michael Neulinger.

Neulinger said the investor confidence in Namibia’s green hydrogen sector has strengthened in recent years as projects continue to take shape.

Speaking on the sidelines of the ongoing Namibia-EU Business Forum on Wednesday, Neulinger told **Namibia Business Review** that Namibia is making steady progress in developing a green hy-

drogen industry.

“We have seen an improvement in the past few years in terms of market sentiment and we are funding different initiatives and mechanisms to make sure that the industry takes off,” he said.

He added that “we have so far worked with the government to establish a policy framework for the green hydrogen industry, which is vital in moving the industry forward.”

The Green Hydrogen Business Alliance is an initiative supported by the German Federal Ministry for Economic Cooperation and Development (BMZ) and implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). The initiative aims to support a market-driven and socially inclusive transition to green hydrogen and Power-to-X products in

countries including Namibia, Brazil and South Africa.

Meanwhile, Namibia Green Hydrogen Industry acting head Joseph Mukendwa said several green hydrogen projects are currently under development in Namibia, helping to build confidence in the sector’s long-term prospects.

“There are several green hydrogen projects that are developing in Namibia. The industry is part of the country’s development programmes like Vision 2030,” Mukendwa said during the Namibia-EU Business Forum last week.

Mukendwa said “this is where we are coming from and the focus is to move Namibia into a developed country. We continue to make progress on most of the projects that are being developed.”

However, he acknowledged that securing long-term offtakers remains a challenge for the sector. “Currently challenges are still in finding key offtakers in the future, but there is an ongoing process to deal with this in future,” Mukendwa said.

National Planning Commission executive director I-Ben Nashandi said stronger alignment between policy frameworks, financing instruments and implementation timelines will be critical

for Namibia to achieve its green hydrogen ambitions.

“The Government of the Republic of Namibia has approved the establishment of the Green Industries Council, which will serve as the principal inter-ministerial coordinating body, facilitating cross-sectoral collaboration and policy harmonisation within the broader green economy,” Nashandi said.

He urged European partners to accelerate the development of demand-side support mechanisms that can provide bankable offtake commitments needed to support investment decisions.

Nashandi also called for deeper technical and financial partnerships to help move projects into implementation.

“The time for feasibility is passing. The time for implementation has arrived,” he said.

“Let us use this Business Forum not as a conclusion, but as a catalyst for structured follow-up engagements, a catalyst for bankable projects and a catalyst for a renewed and reinvigorated partnership that delivers at scale and with impact. Namibia is ready to be a reliable, large-scale, and competitive supplier of green hydrogen and its derivatives.” **NBR**



OTE SECURITY SERVICES

December Holidays Are Around the Corner!



24-HOUR Security



Armed Guarding



24-HOUR Patrols



Rapid Armed Response

Keep Your Property Safe This Festive Season

"Your Safety, Our Priority."

Secure peace of mind with OTE Security Services.

Contact Us Today:  081 398 9809  admin@otesafety.com

ADVERTISE YOUR BUSINESS WITH US

- WIDE NATIONAL COVERAGE
- AFFORDABLE RATES
- TAILORED ADVERTISING PACKAGES



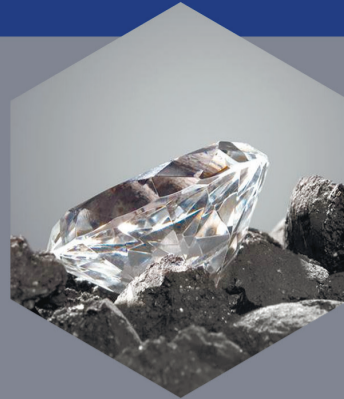


CONTACT US

Tel: +264 813 369 483
editor@namibiabusinessreview.com



www.namibiabusinessreview.com



Namibia, EU partner on critical raw materials strategy



• STAFF WRITER

Namibia has partnered with the European Union (EU) to develop a national critical raw materials strategy aimed at increasing value addition, attracting investment and creating jobs in the country's extractive sector.

Minister of Industries, Mines and Energy Modestus Amutse said the "strategy will establish a national framework for exploration, mining competitiveness, local processing, skills development, environmental, social and governance (ESG) standards, and strategic investment attraction."

He was speaking at the Namibia-EU Business Forum attended by about 300 delegates last week in Windhoek.

The partnership follows President Netumbo Nandi-Ndaitwah's announcement during her State of the Nation Address that Namibia is moving towards a national value-addition strategy aimed at limiting the export of raw materials and promoting local processing.

Amutse told potential European investors that mining remains one of the

pillars of Namibia's economy, contributing 14% to gross domestic product (GDP) in 2025, 51.3% of total exports and 6.8% of formal employment.

"This process will help establish a coherent national framework for exploration, mining competitiveness, local processing, skills development, ESG standards, and strategic investment attraction," Amutse said.

However, Amutse said "our objective is not only to export minerals, but to create greater value within Namibia through processing, manufacturing linkages, technical skills, and industrial growth."

He said the global transition to clean energy, electric mobility, digital technologies and advanced manufacturing is driving demand for minerals such as lithium, graphite, rare earth elements, copper, manganese, cobalt and uranium. "These resources are no longer viewed simply as commodities. They have become strategic assets linked to economic security, industrial competitiveness, and energy resilience," Amutse said.

"For Europe, the priority is secure, diversified and sustainable supply. For Namibia, the opportunity is to use our mineral wealth to advance industrialisation, employment creation and long-term development. For both of us, the path forward is partnership."

Amutse said Namibia aims to increase the share of processed mineral exports from 46.6% to 57% by 2030, while increasing foreign direct investment stock from N\$207 billion to N\$254 billion over the same period.

"This means more refining, upgrading and transformation taking place domestically. We aim to integrate Namibia into European and global supply chains linked to batteries, renewable energy technologies, advanced manufacturing and nuclear fuel markets," he said.

He added that Namibia is seeking stronger skills and technology transfer to develop local capabilities in engineering, metallurgy, environmental management and digital mining systems.

"Lastly, we want inclusive growth. Mining must benefit communities, youth, women and local enterprises, while pro-

tecting the environment and supporting future generations," Amutse said.

He said Namibia offers Europe resource diversity, political stability, strong governance, logistics access through Walvis Bay and renewable energy potential that can support green industrial development.

"The global energy transition cannot be built on outdated extractive models. It must be built on co-investment, local value creation, technology transfer, sustainability and shared prosperity," he said. According to Amutse, investor interest in Namibia's uranium sector continues to grow, while lithium and graphite projects have advanced and exploration activity in rare earths, copper and other strategic minerals has expanded. "At policy level, Namibia has intensified its focus on beneficiation, industrial development and investor facilitation," he said.

Amutse said Namibia and the EU have also deepened cooperation through the Strategic Partnership on Sustainable Raw Materials Value Chains and Renewable Hydrogen. **NBR**



"European investors that mining remains one of the pillars of Namibia's economy"





EDITORIAL

Urgent help needed for TVET graduates

Revelations that some Technical Vocational Education and Training (TVET) students are struggling to break into Namibia's emerging green hydrogen sector, and are instead settling for whatever opportunities come their way, including cleaning jobs during internships, are quite worrisome.

Even more concerning are reports that some vocational training institutions in the country do not have qualified personnel to teach higher levels between four and six.

This comes at a time when Namibia is driving towards the creation of a green hydrogen industry, which is being marketed as an opportunity for these students to find jobs.

It clearly points to a broken system.

Perhaps those responsible should convene urgently and find solutions to address this challenge.

Many graduates enrolling at these vocational training institutions have realistic dreams of one day working as electricians and in other roles within the envisaged green hydrogen industry.

If nothing is done early, those dreams may turn into nightmares in a country already struggling with high unemployment among the youth population.

It is imperative that the missing monitoring and evaluation processes needed to ensure young graduates successfully complete their studies and are adequately prepared for industry demands be put in place.

While it is commendable that a study has been conducted to highlight challenges faced by vocational institutions countrywide, it is important to note that most of these problems are not new and deserve urgent attention.

It is also important for the education minister to dispatch teams to investigate the challenges faced by these institutions and work towards finding lasting solutions.



"Many graduates enrolling at these vocational training institutions have realistic dreams of one day working as electricians and in other roles within the envisaged green hydrogen industry"

When 'Best Interest of Members' Becomes a Convenient Phrase



• VINCENT SHIMUTWIKENI

In pension fund governance, few phrases carry as much weight or pass with as little resistance as "in the best interest of members."

It is the standard against which decisions are justified, strategies are defended, and outcomes are explained.

Yet, precisely because of its authority, it has become a phrase that is rarely examined. Increasingly, it risks being used not only as a guiding principle, but as a convenient conclusion invoked at the end of a decision, rather than tested throughout its making.

The obligation itself is not in question. The requirement to act in the interests of members is deeply rooted in fiduciary law, a doctrine that developed over centuries within English common law.

At its core, fiduciary duty requires those entrusted with managing the affairs of others to act with loyalty, good faith, and an appropriate degree of care, skill, and diligence. Pension funds, by their nature, embody this relationship.

Those who oversee them do so not for themselves, but for the benefit of members and beneficiaries whose financial security depends on the decisions made.

Over time, courts, regulators, and governance frameworks have interpreted this fiduciary obligation as requiring decision-makers to act in what has come to be understood as the "best interest of members." Importantly, however, this phrase is not always explicitly defined in legislation.

Rather, it is derived from a broader legal standard. Even within the Pension Funds Act, the emphasis is placed on the proper administration of funds, adherence to rules, and the protection and distribution of benefits, without prescribing a singular, fixed definition of what constitutes the "best interest" in every context.

Similarly, the Financial Institutions and Markets Act, 2021, particularly in Chapter 5 dealing with retirement funds, imposes clear duties on boards to act honestly and with due care, skill, and diligence in managing fund affairs, thereby reinforcing the same underlying obligation, albeit through governance language rather than a defined phrase.

This distinction is subtle, but significant. The duty is unquestionably legal and enforceable. The phrase through which it is commonly expressed, however, remains interpretive. It is shaped not only by statutory provisions, but by practice, judgment, and the evolving norms of governance. It is precisely this interpretive nature that creates both its strength and its vulnerability.

When the Phrase Becomes Convenient

The difficulty arises when the phrase "best interest of members" shifts from being a standard that guides decision-making to one that simply concludes it. In many instances, it is introduced not at the beginning of deliberations, where it might serve as a

framework against which options are rigorously tested, but at the end, as a justification for decisions already taken.

Its invocation, in such cases, can have the effect of closing discussion rather than inviting it. Once a decision is framed in those terms, it acquires an inherent legitimacy that is rarely challenged.

This is not necessarily the result of bad faith. On the contrary, most decision-makers operate with a genuine intention to serve the members whose interests they are entrusted to protect.

However, the structure within which decisions are made allows the phrase to assume a level of authority that can obscure the complexity of those decisions. Every governance determination involves trade-offs, whether between cost and return, risk and security, or short-term outcomes and long-term sustainability. Yet these trade-offs are seldom articulated in a manner that allows members to fully appreciate the basis upon which decisions are made.

The Problem of Definition and Accountability

In this context, the phrase can begin to function as a form of institutional shorthand. It simplifies what are often complex considerations into a single, seemingly definitive conclusion. It also has the effect of diffusing accountability. Because it is inherently difficult to argue against what is presented as being in the "best interest," the space for meaningful interrogation becomes limited.

The question is no longer whether the decision was optimal among available alternatives, but whether it can be reasonably framed within the broad and flexible contours of the phrase itself.

The real issue, therefore, is not misuse, but the absence of a clearly defined and consistently applied standard. What constitutes the "best interest" of members is not self-evident. It is contingent on a range of factors, including the objectives of the fund, the profile of its membership, prevailing economic conditions, and the time horizon within which decisions are made. In the absence of a structured approach to defining and testing this standard, it remains sufficiently elastic to accommodate a wide range of outcomes.

This has particular implications for the ordinary member. For most, the governance of their retirement savings remains distant and opaque. They do not participate in deliberations, nor are they exposed to the competing considerations that shape final decisions. What they receive is the outcome, often accompanied by an assurance that it has been reached in their best interest. While this assurance may well be correct, it is rarely accompanied by the level of transparency that would allow it to be independently understood, let alone assessed.

*** Vincent Shimutwikeni is a Retirement Funds Author and Pension Industry Professional.**

Ngurare calls for stronger accountability in public service



> Prime Minister Dr. Elijah Ngurare

• STAFF WRITER

P rime Minister Elijah Ngurare has called on African states to anchor public service governance in transparency, accountability and ethical leadership.

Addressing delegates at the ongoing African Management Development Institute Network (AMDIN) conference in Windhoek on Monday, Ngurare said development cannot be achieved without these foundational pillars.

He said Africa's development path requires leaders who are not only competent but also principled, and who understand that public office is a sacred trust and never a source of self-enrichment.

"This means we must strengthen accountability systems, reinforce oversight institutions, and promote performance driven public service cultures. Citizens must be able to trust that public resources are managed responsibly, decisions are made transparently, and leaders are answerable for outcomes," Ngurare said.

He said Namibia recently convened a national public sector reform workshop attended by IT experts from Kenya, Ethi-

opia, and South Africa, among others, to push digital transformation and artificial intelligence in the public service.

"As much as we want to utilise AI to improve efficiency and expand access to services, we should always keep in mind that human intelligence remains the most dominant intelligence ever created. No other intelligence can replace it. We must, therefore, approach this transformation responsibly," he said.

Ngurare said AI has transformative potential in areas such as data-driven decision-making, predictive service delivery, fraud detection, and citizen engagement.

"As Africa's public service, we expect that Artificial Intelligence must be informed by indigenous knowledge of our continent through our cultural norms and traditions. Governments should be able to practically collaborate and construct adequate infrastructure to support the development of AI, tailored for our respective countries and peoples," he said.

He said Africans must create environments where experimentation is encouraged, failure is treated as a learning opportunity, and successful innovations are scaled across the continent.

"Africa's youthful population must, therefore, be recognised as a strategic asset that can break this chain. Young people bring creativity, energy, and technological fluency that are essential for public sector renewal," he said.

He added that vulnerable groups must not be excluded from development processes.

"Our political independence should reverse this exploitative trend. Africa needs economic independence. Our rich mineral resources must be processed here and exported as finished products to add value and create jobs. In our bilateral relationship with other continents and peoples we must not be beggars but as proud owners of the raw materials others so desperately need," he said. **NBR**

Hengari demands stronger accountability in public spending



> Inna Hengari

• STAFF WRITER

C hairperson of the Southern African Development Community Organisation of Public Accounts Committees (SADCOPAC) Sub-Committee Inna Hengari has called for stronger accountability in the management of public funds across the region.

Hengari was speaking at the official opening of the SADCOPAC Sub-Committees Workshop in Swakopmund on Monday, held under the theme "Strengthening Oversight Capacities for Sustainable Development: Enhancing Accountability and Transparency in Public Financial Management."

She said SADCOPAC serves as an autonomous and independent association and represents Public Accounts Committees (PACs) across the region, with a mandate to strengthen oversight of public sector finances.

"SADCOPAC stands as an autonomous and independent association, serving as the recognised voice of Public Accounts Committees across our region. Our mandate is clear: to empower our Member States to effectively carry out their functions as oversight committees over public sector finances," she said.

Hengari said effective parliamentary oversight of public resources is not only administrative, but a moral responsibility.

She outlined key priorities for the workshop, including finalising the organisation's draft strategic plan for 2026 to 2030.

"We will review and finalise the Draft

Strategic Plan for 2026 to 2030, a blueprint that will dictate our goals, objectives, and key performance indicators for the next half-decade," she said.

She added that participants would also assess proposed partnerships to ensure they strengthen the organisation's mandate.

"We will also conduct thorough due diligence on proposed partnerships, ensuring that every alliance we forge strengthens our capacity to deliver on our mandate," Hengari said.

The workshop will further lay the groundwork for upcoming Public Accounts Committees training sessions and the SADCOPAC Conference scheduled to be held in Eswatini.

Hengari said the challenges facing the SADC region are significant but manageable through cooperation and institutional strength.

"The challenges facing SADC are complex, but not insurmountable. The strength of SADCOPAC lies in unity, shared experiences, and unwavering commitment to accountability and transparency," she said.

She emphasised that the work of the organisation must outlive individual leadership terms.

"The work we undertake here must transcend the tenure of any individual leader or chairperson. We are not building monuments to personalities; we are constructing institutional frameworks that will endure long after we have departed from our respective offices," Hengari said. **NBR**



SUBSCRIBE WITH US

Get your subscription of the Namibia Business Review e-edition at

N\$1040 annually.



Send your requests to editor@namibiabusinessreview.com and enjoy the best business news at the palm of your hands.



www.namibiabusinessreview.com

