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## Regional Councils and Decentralisation: At the Crossroads

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Regional Councils have been in existence for 12 years, yet their activities and plans have received little attention outside the confines of government. Constrained by limited powers, a lack of funds, and a longstanding view among some leading politicians that they are political 'experiments' which may one day be abolished, Regional Councils have been waiting for the policy of decentralisation to give them a more meaningful *raison d'être*.

Yet the decentralisation project has moved slowly, held back by non-cooperative ministries, a lack of staff and resources across the board, and the complex details of the policy itself. Five years after the Decentralisation Enabling Act (Act 33 of 2000) decentralisation, at least in terms of the Regional Councils, has yet to be 'enabled'. However, much groundwork has been completed in anticipation of the delegation and later devolution of central government functions and it is possible that, with the necessary political backing, the process could speed up considerably. Decentralisation is a means of creating participatory democracy in which the grassroots can have a direct say in the decisions that affect their lives. Regional Councillors, as the only elected politicians in Namibia who have clear links with constituents, can play a huge role in this process.

The decentralisation of powers to the Regional Councils is now at a crossroads. The government of President Hifikepunye Pohamba (2005-) could give new impetus to the process or it could be allowed to run out of steam. The onus is also on the Regional Councils to demonstrate they are both capable and accountable enough to accept delegated responsibilities. This will mean establishing exemplary records on financial accountability and ensuring that consultative committees are working effectively down to village and settlement level. If decentralisation plods along at a similar rate to the last nine years, then the system of regional government will not achieve anywhere near its potential, and its usefulness in an era when wasteful spending is being targeted, is bound to be questioned.





## 1. INTRODUCTION

Twelve years after Namibia's system of regional government was put in place, the 13 Regional Councils have very little meaningful power. The Regional Councils Act (Act 22 of 1992) stated that Regional Councils are responsible for planning the development of regions, but otherwise gave them mainly advisory powers. At the end of 1996 the Cabinet adopted a decentralisation policy and this was launched as a Decentralisation Programme for Namibia in March 1998. The policy was given legal force through a series of new laws introduced in 2000, most notably the Decentralisation Enabling Act (Act 33 of 2000). Nearly five years since this Act became law, and despite much groundwork being undertaken, no function of central government has been decentralised in the manner envisaged by the Act.

In 2000 the then Deputy Minister of Regional and Local Government and Housing (MRLGH)<sup>1</sup>. Professor Gerhard Töttemeyer (2000-2004) (2000a:95) wrote: "Namibia's history of democratic decentralisation is still in its infancy. Any value judgement on its possible success would be premature. Comments can thus only be made on its contents, intentions, objectives and feasibility." In an interview with the Institute for Public Policy Research in August 2001, then Minister of Regional and Local Government and Housing, Dr Nickey Iyambo (1996-2002) (Keulder 2001:1) predicted that the introduction of legislation would speed up the decentralisation process. When asked about the time lapse between the launch of the policy and its implementation, he said: "The reason for it taking so long was that at the time of formulating

the policy, the law that will govern and administer the implementation of the policy in terms of legislative procedures was not in place." The legal framework for decentralisation has now been in place for nearly five years, yet policy implementation is still widely seen as proceeding at a slow pace. In an article published to mark Namibia's 15<sup>th</sup> Independence anniversary, the MRLGH concluded that the lack of a timeframe for decentralisation "seems to lead to some relaxation and lack of commitment to implement the policy as a whole" (MRLGH 2005b:68). Some seven years after the launch of Namibia's Decentralisation Programme, the time would now seem opportune to begin the process of analysing how the decentralisation debate fits into Namibia's broader political context, how far decentralisation has progressed, and what impediments may still be blocking the way.

The paper begins with an overview of the historical context of decentralisation, since events prior to Namibia's independence have shaped the regional governance system in Namibia and defined the parameters of public debate about it. The implementation of decentralisation since the inception of Regional Councils in 1992 is then considered, focussing on the progress made and the obstacles that remain. The prospects for effective decentralisation of powers to Regional Councils are then considered in terms of Namibia's current political situation, particularly Swapo's dominance and the recent commitment to clamping down on wasteful government spending. Finally, some conclusions are offered concerning both the discourse about decentralisation and the practical implementation of the policy.

<sup>1</sup>On March 21 2005 the name of the Ministry was changed to the Ministry of Regional and Local Government, Housing and Rural Development. In this paper, the Ministry is referred to by the abbreviation MRLGH in connection with its activities before March 21 2005 and by the new title in relation to its programmes and plans after this date.



## 2. HISTORICAL CONTEXT

Any analysis of the development of regional governance in Namibia cannot be divorced from the country's painful history of colonialism and apartheid. Imperial Germany occupied what was then known as South West Africa in 1884, as European powers scrambled to carve up sub-Saharan Africa. During 29 years of German rule, parts of the indigenous population were forced out of their traditional areas (particularly in central and southern Namibia), most notoriously during the 1904-07 war against the Herero and the Nama people. The German occupation ended with military defeat in 1915, as South Africa, representing the allied forces in World War I, took over the territory. South Africa continued the practice of seizing farmland in central and southern Namibia, while restricting the indigenous population to 'native reserves'. In 1962, Pretoria established the Odendaal Commission, which followed the apartheid thinking of the time and recommended dividing Namibia along racial and ethnic lines into ten 'homelands'. The recommendations were implemented from the late 1960s onwards, partly through the forced removal of communities. In 1966 the South West Africa People's Organisation (Swapo), which had been formed six years earlier, launched an armed struggle for the independence of Namibia (accepted by the United Nations as the name of the country in 1968). Swapo consistently campaigned for Namibia to become an independent unitary state and opposed the policy of setting up homelands (also known as bantustans) through the popular slogan 'One Namibia, One Nation'. Many of the homeland 'governments' were dominated by tribal chiefs or headmen. The homeland system was replaced

by eleven ethnic administrations in 1980, known as second tier authorities. The legislative assemblies of these authorities were dominated by political parties such as the Democratic Turnhalle Alliance (DTA), which would become the official opposition in 1990. In December 1988 South Africa agreed to withdraw from Namibia and allow a United Nations peace plan to be implemented. After a century of colonial occupation and a 23-year liberation war, Namibia held its first democratic elections, under the auspices of the United Nations, in November 1989. A Constituent Assembly (CA) consisting of 72 members was elected, with Swapo gaining the majority of seats but not a two-thirds majority that would have enabled the party to write the constitution on its own. In February 1990 the Constitution was unanimously adopted and Namibia became independent on March 21 1990. The system of Regional Councils, set out in the Constitution, was established through the Regional Councils Act (Act 22 of 1992) and the first Regional Council elections were held from November 30 to December 3 1992. Swapo has dominated every election – at local, regional and national levels – since independence, and since 1994 the party has held a two-thirds majority in the National Assembly (NA), giving it the power to change the Constitution. The second chamber of parliament, the National Council (NC), which reviews legislation after it has passed through the NA, is made up two Regional Councillors from each of the 13 regions. They are nominated to serve in the NC by their fellow Regional Councillors.

Namibia is constituted as a "sovereign, secular, democratic and unitary state" (Republic of Namibia 1997: 1). A unitary state is run by a centralised, national



government and any decentralisation of powers, responsibilities and functions to lower tiers of government can be revoked by the central government. A federation, in contrast, consists of self-governing regions operating under a central government. The governing powers of the regions are usually constitutionally entrenched and cannot easily be overridden by central government. The homeland policy of the South African apartheid government designated areas for black people, usually along ethnic lines. These bantustans, as they became known, were reviled by the indigenous population and never recognised internationally even though some were given an 'independent' status by Pretoria. In Namibia, South Africa's homeland policy transmuted into the creation of 11 ethnic administrations in 1980. Swapo's antipathy for these creations of apartheid partly accounts for the lingering doubts about the role of Regional Councils and the policy of decentralisation.

To understand the ambivalence and suspicion that still exists in some quarters about the policy of decentralisation, it is necessary to examine how Namibia's system of regional government came about. The Regional Councils were born out of the spirit of compromise that characterised the sittings of Namibia's CA in late 1989 and early 1990. In 1989 the Swapo Manifesto (Swapo 1989:18) stated: "Under a Swapo government independent Namibia will have democratically elected local authorities, both in rural and urban areas, in order to give power to the people at grassroots level, to make decisions on matters affecting their lives." However, the powers of such local authorities were not spelled out. During debate in the CA there was little direct discussion of Regional

Councils. Instead the debate was framed by two concerns. Firstly, whether Namibia should have a unicameral or bicameral system, and secondly, that the administration of Namibia's future regions should not resemble the much hated bantustan system of ethnic government imposed before independence. In his seminal work, *Namibia's Post-Apartheid Regional Institutions: The Founding Year*, Joshua Bernard Forrest (1998:4) notes that: "As a consequence of the history of apartheid in Namibia, the notion of a regional division of power or regional political structures carries a negative, pro-apartheid connotation for most post-independence government officials and for most Namibian citizens."

Swapo went into the CA with commitments to a unicameral system and the holding of national elections based on single member constituencies, which would have put regional representation at the heart of the NA. However, uppermost among Swapo's concerns was the need to create a strong executive presidency. As a result, the party was prepared to compromise with the DTA and other opposition parties, which wanted a bicameral system and Proportional Representation (PR) for the NA election. Early in the constitution-making process, on December 12 1989, the Standing Committee on Standing Rules and Orders and Internal Arrangements on Constitutional Matters reported to the CA that common ground had been reached on several issues, including the setting up of Regional Councils. On January 29 1990 Swapo's then Secretary for Legal Affairs, Ngarikutuke Tjiriange, told the CA that Swapo would not press the issue of single member constituencies and would instead accept PR as the electoral system for the NA. He also indicated that the party was prepared



to compromise on the issue of the NC, saying: “We can live with the idea of a second house in spite of its obvious shortcomings” (Republic of Namibia 1990a:163). On January 31 1990 the CA passed the sections of the Constitution that deal with local and regional government (Chapter 12) with little discussion. In one of his rare contributions to CA debate, Swapo President Sam Nujoma sought to clarify the role of the chairpersons of Regional Councils by saying (Republic of Namibia 1990a:325): “There is a need for a governor to be appointed from Windhoek to the region or we can have a regional commissioner who will interpret the laws as they are passed here in parliament to the regions.” Nujoma’s comment underlined the thinking at the time that central control would be all-important for the new governing party and that concepts such as decentralisation, never mind devolution, were far from the policy agenda.

Regional Councils were established through Chapter 12 of the Constitution, although the details of how they might function and their powers were left to future Acts of Parliament. Article 108 of the Constitution states that Regional Councils shall have power to “exercise for the region within which they have been constituted such executive powers and such duties as may be assigned by an Act of Parliament” (Republic of Namibia 2002:55). Article 108 also gives Regional Councils the power “to raise revenue or share in the revenue raised by central government within the regions for which they have been established (Republic of Namibia 2002:55).

The policy of decentralisation was never explicitly discussed during any of these debates and although commentators such as Töttemeyer argue that a commitment to decentralisation

is embedded in Chapter 12 of the Constitution (Töttemeyer 2000a:95), such a concept was not included in Chapter 11, which outlines the Principles of State Policy. Forrest (1998:8) comes to the conclusion that it was unclear whether any kind of meaningful decentralisation was intended: “The policy outputs regarding the creation of regional institutions in Namibia during the 1989-90 Constituent Assembly do not make clear whether the government had in fact adopted a policy of decentralisation.” Decentralisation first entered Namibia’s political parlance in 1991, when the First Delimitation Commission, set up under the Constitution (Article 104) to establish regional boundaries, delivered its report. The First Delimitation Commission, which proposed 13 regions and 96 constituencies, made it clear that it had sought to promote decentralisation when demarcating the 13 regions. The report, which was accepted by Cabinet in July 1991, attempted to create regions that moved away from the pre-1990 carve-up of Namibia along ethnic lines by incorporating factors such as transport and economic integration. As a result, Kunene region incorporated Ruacana, which had traditionally been seen as part of Ovamboland, while the Oshikoto region bound communal farming areas to the heartland of white commercial agriculture. The First Delimitation Commission (Republic of Namibia 1991:29) said decentralisation was “not only desirable but inevitable to ensure that administration is responsive to the real needs and aspirations of the people”. It defined decentralisation as the “devolution of greater responsibility to the local administration”. It is pertinent to note that one of the three members of the First Delimitation Commission was Gerhard Töttemeyer, who from 2000 to 2004 would spearhead the policy



of decentralisation as Deputy Minister of Regional and Local Government and Housing.

Despite the talk of decentralisation, the new regional bodies were given very limited powers in the Regional Councils Act (Act 22) of 1992. Most significantly, Regional Councils were given the task of planning development in their region. Otherwise most of the envisaged roles were advisory or vague. They included:

- To perform duties and function delegated by the President
- To establish, manage and control settlement areas
- To make recommendations to the Minister of RLGH
- To make submissions to the Cabinet and/or Ministries
- To assist Local Authorities in the performance of any of their duties

The limited powers were indicative of the scepticism in central government about the function of Regional Councils. Even the Minister of Local and Regional Government and Housing, Dr Libertina Amathila (1990-96), made no attempt to hide her doubts, telling the NA in 1992 "half of these councils will have nothing to do" (cited in Forrest 1998:70). Suggesting that local authorities should have been strengthened instead, she added: "Maybe after five years we will scrap the whole Regional Council story" (cited in Forrest 1998:70). Even with the lack of clarity about the role of Regional Councils, Namibians leapt at their second chance to vote in free and fair elections when the first Regional Council and Local Authority elections were held simultaneously at the end of 1992. Some 81 percent of registered voters turned out for the election. Despite predictions that the first-past-the-post, single member system used might favour the DTA, Swapo won 67 percent of the votes and 71 of

the 95 constituencies. The party controlled nine councils, while the DTA took three. In the Kunene region there was no overall majority. To some extent Swapo started to warm to the regional government system after the party's strong performance in the 1992 elections (and at subsequent regional elections), but the MRLGH remained convinced that it had to lay down clear parameters on regional governance. The lowly status of Regional Councils was confirmed when the Ministry ruled in 1993 that Councillors were only considered as 'part-time' politicians and were to receive allowances rather than salaries. In March 1994 Minister Libertina Amathila (1990-96) was quoted in *New Era* as saying she regarded Regional Councils as "experiments" that still had to prove their worth (cited in Forrest 1998: 85). By the mid-1990s there was a sense that more needed to be done on decentralisation and a policy review was initiated with the intention of advancing the process. Dr Nickey Iyambo was appointed as Minister of Regional and Local Government and Housing in September 1996 and two months later the decentralisation policy was published. Cabinet approved the policy in December 1996 and in the following year it was tabled in and subsequently adopted by the NA. The Decentralisation Programme for Namibia was officially launched in March 1998. The policy documents produced in 1996 and 1997 set out in great detail how the decentralisation process would proceed, but significantly no timeframe was attached. Instead, there were repeated warnings about the slow and potentially difficult nature of the process. It was also clear that central government would control the speed and nature of implementation (MRLGH 1997:14): "How much decentralisation is contemplated, what form it is envisaged to take and at



what pace it should proceed, are not established in the Constitution or the Act of Parliament, leaving it in the domain of the executive policy process.”

Clearly, a long haul was anticipated, but would the lack of deadlines make it even longer? The documents also contained an essential contradiction – that the process of decentralisation would be tightly controlled from the centre. Forrest (1998:57) described the system of regional government in Namibia as “decentralisation reform with a strongly centralist character”. The justification for this central control as the need to proceed within the framework of a unitary state. Fears of federalism and the return of bantustanisation appeared to fuel suspicion about Regional Councils – a suspicion that could only be quelled by a strong emphasis on central control. Minister Nickey Iyambo (1996-2002) proved a far more enthusiastic champion of decentralisation than his predecessor, but he also expressed his doubts at times. In 1997 he said at the Association of Regional Councils (ARC) meeting that the Khomas and Erongo regions probably did not require Regional Councils as they operated in urban areas where their functions were mainly carried out by local authorities. According to former Deputy Minister Gerhard Töttemeyer (2000-2004), the Minister of Regional and Local Government and Housing “walks a tight-rope trying to satisfy both supporters and opponents of decentralisation in his own party ranks” (2000a:100). In October 1998, Minister Iyambo surprisingly introduced a proposal that the President should directly appoint Regional Governors, who would then be answerable to the head of state. Until then, Regional Councillors had chosen

Governors from their own ranks. Iyambo later withdrew the amendment, saying the time available for debate on the change was too short (at the time the National Assembly was pre-occupied with a proposal to change the constitution to allow President Sam Nujoma to stand for a third term in office). But the very fact that the idea had been raised indicated once again that Namibia’s decentralisation process sometimes veers towards becoming a centralisation process. Despite the tensions within Swapo over the issue of centralised control<sup>2</sup> by 1998 it was clear that the decentralisation process had gained significant momentum. Speaking shortly before the launch of the Decentralisation Programme, Minister Nickey Iyambo said, “the policy for decentralisation in Namibia is one that has been endorsed by the highest political will in this country. Therefore there is no turning back” (Inambao 1998). In the 1998 Regional Council elections the ruling party Swapo maintained its dominance<sup>3</sup>, but perhaps more significantly turnout slumped to 40 percent of registered voters. While turnouts at local and regional elections are usually lower than national elections, the lack of clarity about the role of Regional Councils and their limited powers was unlikely to convince the majority of voters that this was a tier of government worth supporting.

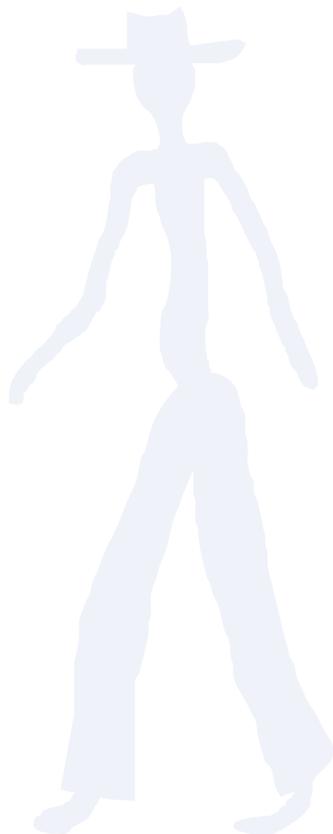
The activity of 1996 and 1997 produced a raft of legislation in 2000 when a series of bills were passed with the aim of facilitating the decentralisation process including the Decentralisation Enabling Act (Act 33 of 2000); the Trust Fund for Regional Development and Equity Provisions Act (Act 22 of 2000); and the Regional Councils Amendment Act (Act 30 of

<sup>2</sup>Most pointedly illustrated in a clash between Nickey Iyambo and then Minister of Higher Education Nahas Angula in parliament in 2002 when Angula stated that the subject of “regionalisation” reminded him of the former ethnic administrations in Namibia. Iyambo said Angula’s comments were unfair and unpatriotic (Amupadhi 2002).

<sup>3</sup>Swapo’s dominance at regional elections largely followed the trend in national elections. The party had won a two-thirds majority in the 1994 national elections and would go on to increase its number of votes in elections in 1999 and 2004.



2000). The Decentralisation Enabling Act (Act 33 of 2000) provides for and regulates the delegation and devolution of functions vested in line ministries to regional councils and local authority councils. The Trust Fund for Regional Development and Equity Provisions Act (Act 22 of 2000) sets up a fund to provide regions and local authorities with technical and financial assistance for development projects. The Regional Councils Amendment Act (Act 30 of 2000) gives the regional administrator the status of Chief Regional Officer while paving the way for other new appointments.



### 3. THE IMPLEMENTATION PHASE

According to former Deputy Minister Töttemeyer (2000b:112), “Decentralisation shifts decision-making power, of no matter what degree, to sub-national administration and political units”. Decentralisation is often seen as closely connected with democratisation, and this is often how it has been portrayed in Namibia. The concept was articulated by former RLGH Minister Nickey Iyambo (1996-2002) when he introduced the Decentralisation Policy to Parliament in 1997 (MRLGH 1997:1): “Decentralisation therefore provides an opportunity for people to have access to relevant participative decision-making, extending democracy to people as a right: based on national ideas and values.” Decentralisation is generally seen as having three stages of development:

1. Deconcentration
2. Delegation
3. Devolution

Under deconcentration the powers of the central authority are spread to the regions, where agents of centre remain in control of decentralised functions. In Namibia this happens when ministries decentralise their staff to regional levels ostensibly to be closer to the people they serve. This may allow greater contact between citizens and government, but does not necessarily entail grassroots participation in decision-making. At its worst deconcentration has been criticised as a means of central government extending its power base but not creating greater accountability. Authoritarian governments are unlikely to go beyond the deconcentration stage of decentralisation. Under delegation, the central authority allocates some of its functions to sub-national levels but retains ultimate responsibility. The Decentralisation Implementation Plan (DIP) issued in



September 2001 states: “Delegation means the decentralisation of a function from a line Ministry to enable and empower Regional Councils of local authorities to perform the function as an agent on behalf of the line Ministry. This means that the Ministry is still accountable for the performance of the decentralised function, including all aspects of budgeting and planning” (Republic of Namibia 2004a: 13). In Namibia’s decentralisation policy the delegation stage is seen as a stepping-stone towards full devolution of powers. With devolution, the central authority gives full responsibility and public accountability for certain functions to the sub-national level. Regional Councils and Local Authorities will have full decision-making, budgeting and planning powers and the line ministries will become the responsible agencies for policy making, setting of standards, monitoring and evaluation, and providers of technical assistance and training. Unlike a federal system, where devolved powers are usually constitutionally enshrined, in Namibia, devolved powers can be withdrawn by the central government.

### 3.1 Progress since the year 2000

The laws<sup>4</sup> passed in 2000 prepared the legislative platform for decentralisation. Since then, significant progress has been made on a number of complex administrative issues, particularly concerning finance and coordination. In 2004 Regional Councils were given the funds to expand their staff complements in anticipation of the transfer of central government functions. The process is guided by the DIP, which was adopted in 2001 and revised and updated in 2004. The DIP is overseen by the Decentralisation Policy Implementation Committee, which consists of Permanent Secretaries

chaired by the Secretary to Cabinet. However, it remains the case that so far no function has yet been decentralised in terms of Decentralisation Enabling Act (Act 33 of 2000). One senior official in the MRLGH who prefers to stay anonymous commented: “No Ministry has decentralised in terms of the legal framework set down. What we have seen is a deconcentration not within the legal framework” (interview with author, April 2005). The MRLGH’s Directorate of Decentralisation has been working with other ministries on the preparation of their Decentralisation Action Plans (DAPs). By April 2005 eight DAPs have been received from – the Ministry of Agriculture, Water and Forestry; Ministry of Education, Ministry of Lands and Resettlement; Ministry of Labour and Social Welfare; Ministry of Gender Equality and Child Welfare; Ministry of Information and Broadcasting; Ministry of Health and Social Services; and Ministry of Environment and Tourism. Functions earmarked for early delegation include early childhood development, the administration of pensions for the elderly, forestry, community development, rural water development, resettlement, and rehabilitation. Cross-Ministerial Task Forces have been set up to iron out a series of potential problem areas including personnel issues, training, financial management, development planning, harmonisation of legislation, and housing and office matters. These Task Forces are developing a number of guidelines and manuals on issues such as delegation of staff and budgeting. In addition, the Ministry of Regional and Local Government and Housing has set up special bank accounts into which funds for decentralised functions will be paid. It was hoped that an integrated National Decentralisation Action Plan, incorporating the different ministries’

<sup>4</sup>The Decentralisation Enabling Act (Act 33 of 2000); the Trust Fund for Regional Development and Equity Provisions Act (Act 22 of 2000); and the Regional Councils Amendment Act (Act 30 of 2000).



DAPs, would be ready to present to Cabinet in 2005, but due to delays in finalising the plans and the re-organisation of government in March this might not be possible.

The Regional Development and Equity Provision Fund has been set up and a board of trustees appointed with the aim of financing equitable development across the 13 regions. Regional Tender Boards are being set up in all 13 regions to procure goods and services for Regional Councils. These structures are intended to give Regional Councils more control over their capital projects and boost local contractors. The status and remuneration of Regional Councillors and Regional Council employees has also been improved ahead of the delegation and devolution of central government functions. Regional Councillors have been salaried and regarded as full-time politicians since 2001; Chief Regional Officers were appointed at the end of 2003; and the status of Regional Governors was elevated in 2001. The appointment of Chief Regional Officers and other top officials was not without controversy. Initially the incumbent Chief Executive Officers in the regions opposed the plans for their posts to be abolished and took the government to court (Maletsky 2003). The matter was settled amicably, but there was also disagreement in Hardap and Omaheke regions over the MRLGH's imposition of successful candidates for top posts against the Regional Councils' wishes (Maletsky 2004 and Kuteeue 2004). The dispute again underlined central government's desire to keep a tight control on the decentralisation process and its lack of trust in Regional Councils. The staffing structure of Regional Councils was expanded in 2003/04 to include 13 Chief Regional Executive Officers, 13 Directors of General Services,

26 Deputy Directors of Finance and Personnel, and six Directors of Development Planning. The increased capacity of Regional Councils means they are now more likely to be in a position to take on delegated functions, although it is difficult for the Directorate of Decentralisation to assess their readiness when many ministries have yet to submit Development Action Plans.

Sub-national levels of government in Namibia have been dogged by reports of maladministration and corruption. While poor financial management at local authorities has received most of the media attention, Regional Councils may only have received less coverage because of their low profile. The last reports by the Auditor-General on Regional Council finances were published in late 2004 but only cover the 1997-98 financial year. In several cases the financial statements of Regional Councils for 1997-8 were only finalised in 2002 or 2003 – leaving a worrying (and illegal) four- or five-year time lag. According to the Regional Councils Act (Act 22 of 1992), the accounting officers of Regional Councils are supposed to submit their reports to the Auditor-General within three months of the end of the financial year. The findings of the Auditor-General were perhaps more worrying than the delays. Of the latest reports available, the Auditor-General declined to express an opinion on the accuracy of accounts from the Regional Councils in Hardap and Ohangwena regions due to serious accounting errors or omissions (Auditor-General's Office 2004c and 2004d). These included Councils making payments without invoices, failing to keep a fixed assets register, and a basic lack of income and expenditure records. The Auditor-General also only gave qualified opinions of the accounts of the Erongo and Caprivi Regional Councils as basic



accounting principles were ignored (Auditor-General's Office 2004a and 2004b). The Auditor-General points out that the Caprivi Regional Council did not keep minutes of its meetings for the whole year under review (Auditor-General's Office 2004b). Unfortunately the Auditor-General's reports for later years are not yet available, making it impossible to say whether the situation has improved or worsened.

Central government transfers to Regional Councils have increased significantly in recent years, particularly in 2004-5 when the new staffing structures came into effect. Current MRLGH Permanent Secretary, Erastus Negonga indicated in early 2005 that financial controls in Regional Councils had improved after the Ministry approved Regional Council budgets for the first time in 2004. In contrast to the often disparaging comments from the Ministry about the performance of Regional Councils, Negonga went on to say, "the Ministry has expressed its satisfaction in the able manner Chief Regional Officers are managing and controlling their funds since their appointments in December 2003" (MRLGH 2005a).

### 3.2 Impediments in the way

Despite the progress made in the five years since the Decentralisation Enabling Act (Act 33 of 2000) came before parliament, significant impediments remain in the way of decentralisation. One of the main problems, which is referred to in almost all the official literature about decentralisation is a lack of cooperation from Ministries. The Vision 2030 document (Republic of Namibia 2004b:206) is fairly blunt about this: "Despite line ministries having been asked by the Secretary of Cabinet way back in 1998 to identify the precise operations to be decentralised,

and the staff and resources to accompany delegation, only very few ministries have prepared themselves for the implementation process." The slowness of the ministries to respond can be explained by at least two factors: the long standing scepticism among some Ministers and top officials about the decentralisation project and the inevitability that officials find it difficult to draw up arrangements that effectively cede their powers to another agency. Officials are unlikely to be enthusiastic if the lines of command are not clear. For example, in a devolved structure is a Chief Regional Officer accountable to central government (which is not real devolution) or the Regional Councils (which may not have the expertise to play a supervisory role)?

The MRLGH has no special powers to force ministries to comply with Cabinet decisions. Ultimately only Cabinet and the President himself can do this. It may be that a more vigorous enforcement of Cabinet decisions is required. At the same time, the functions to be decentralised may need prioritisation if the process is to be efficacious. While some of the capacity issues have been addressed by the expansion of Regional Councils structures, the staffing issue remains a concern. The MRLGH recently stated (2005b:66): "There is insufficient human resources capacity to cope with the multiplicity of tasks that have to be carried out more or less simultaneously. This picture applies to the Ministry of Regional and Local Government and Housing, line ministries across the board as well as Regional Councils." Despite a recent upsurge in subsidies to Regional Councils, funding remains a problem area. Ultimately Regional Councils are supposed to raise a significant portion of their own income, but for the moment this remains a distant



and potentially unpopular prospect. The Pohamba administration's determination to clamp down on wasteful spending, as made clear in the new President's address on Independence Day (Maletsky 2005), will create an extra but necessary pressure on Regional Councils to create sound financial management systems. The MRLGH has already indicated that it will adopt a 'carrot and stick' approach by releasing funds to Councils that are well-managed, but holding back support when there are reports of mismanagement and corruption (MRLGH 2005c). The timeframe for decentralisation sometimes appears non-existent and at other times extremely elastic. Former Deputy Minister Gerhard Töttemeyer comments (2000a:101): "The timeframe for completion of the implementation process varies between the year 2005, as announced by the Minister of RLGH, and 2030 as indicated by the Deputy Minister of RLGH." While 2005 is clearly unrealistic, the deadline of 2030 may be too far away to generate a sense of urgency and commitment to the policy.

#### 4. POLITICAL CONSIDERATIONS

Much of the case for Regional Councils is pinned on the claim that they strengthen and deepen Namibia's democracy. Regional Councils do, after all, have the only representatives in the country that are directly elected by constituents. However, the power of Regional Councils has been so circumscribed that to some extent this undermines the potential benefits of a Regional Councillor's ties to his or her community. The authentic democratic nature of Regional Councils does not simply depend on the fact that they are elected. Regional Councillors must be able to work for improvements and development for their constituencies and regions. With Regional Councils having primarily planning and advisory roles, it is certainly not easy for Regional Councillors to be effective on a broader level. Even those Regional Councillors who are selected for the NC seem to have little opportunity (or possibly inclination) to advance the case for development in their region on the national political stage.

While Regional Councillors might be expected to keep close contact with their constituents for reasons of political survival (certainly in areas where there is some contestation between parties), there is also need for workable structures that promote grassroots participation. So far, the successful implementation of Regional Development Coordinating Committees, Constituency Development Committees and Settlement Committees appears to have been patchy.

Of all Namibia's political institutions, Regional Councils have the potential to be the closest to the country's citizens and their aspirations, but this 'closeness' will not be significant unless Regional



Councils have structures that reach the grassroots and perceptible power to effect improvements for local communities.

As such it would seem the decentralisation of functions and power is necessary, if only to give a greater degree of legitimacy to Namibia's system of regional governance. The obvious alternative would be to abolish Regional Councils altogether (and it seems that in the first five years of independence this was a consideration) and replace them with regional development bodies that would be accountable to central government and linked to local authorities for administration and consultative purposes. While such bodies do exist in countries such as the United Kingdom, they are often criticised for being undemocratic and unresponsive to grassroots sentiment. If democratisation is a core principle of the decentralisation project, then the system of Regional Councils is fundamental to the implementation of the policy. As such, as former Minister Nickey Iyambo (1996-2002) said in 1998, there can be no turning back (Inambao 1998).

However, there are still potential threats that could undermine the case for decentralisation to Regional Councils. While it has been argued that in the long run the decentralisation of functions to sub-national levels will be cost-effective<sup>5</sup>, for the moment the process is a costly one for central government. In the 2004/5 national budget an amount of N\$141 900 000 was set aside as a subsidy to the regions, a massive increase over the N\$20 000 000 appropriated in 2003/4 (Republic of Namibia 2004c: 234). The level of subsidy for Regional Councils will be maintained in 2005/6 when N\$141 144 000 is budgeted

and then increased to over N\$150 000 000 for the next two financial years (Republic of Namibia 2005a: 246 and 2005b:238). With revenue forecasts down and President Hifikepunye Pohamba declaring a war on wasteful spending, it is inevitable that subsidies to Regional Councils will come under closer scrutiny. If Regional Councils are found to have poor financial accountability and ineffective service delivery outputs, then the argument for meaningful decentralisation will be weakened.

The second challenge to the existence of Regional Councils may become a factor only in the longer term. When Regional Councils were first posited, some opposition politicians felt such a system would give their parties a greater political role and a base from which to challenge Swapo's dominance. This also might explain why some Swapo politicians did not want a second chamber of parliament drawn from regional representatives. In fact, Swapo confounded the pundits and did extraordinarily well in Regional Council elections in 1992, 1998 and 2004. As a result Swapo has also dominated the regional government system and the number of Councils controlled by the opposition has dwindled from three in 1992 to none in 2004. The fact that Swapo dominates both the national and regional levels of government has meant that conflicts between Regional Councils and central government have been minimal. Regional Councils have largely been quiescent in the face of criticism from the MRLGH about their shortcomings. On a political level, Regional Councils have not mounted serious challenges to central government on policies they feel might be detrimental to their regions. However, if the scenario was different

<sup>5</sup>While many of the decentralisation policy documents take this as a given, there appears to have been no attempt to work out the exact costs of decentralisation and how savings could be made.



and some Regional Councils did become power bases for opposition parties or heterodox elements of the ruling party, would ruling party enthusiasm for decentralisation be much reduced? The financial dependence of Regional Councils on central government inevitably tends to limit the scope for establishing separate positions on policy. But if Regional Councils start raising significant amounts of their own revenue, as is envisaged in decentralisation policy, this is likely to bring an end to the 'he who pays the piper, calls the tune' mentality. All long-term policies such as decentralisation should stand the test, not only of the immediate political environment, but also of fluctuations in political support over time. Otherwise, the strata of regional government could simply be done away with at some point in the future by a ruling party that does not like the political complexion of sub-national levels. This kind of issue will have an early examination when it is decided to whom officials handling decentralised functions will be responsible – the Chief Regional Officer operating under the Regional Council or the line ministry? At the moment it would seem that potential conflicts between central authority and regional units have not been fully considered, partly because the current pliant nature of Regional Councils does not throw up such contradictions.

The successful implementation of policies can often be attributed to backing from a charismatic political personality or an influential power-broker. Does decentralisation have a champion who is prepared to reach out to the unconverted on the issue and push government to keep to the Cabinet commitment to the policy?

Once again the Ministry of Regional and Local Government, Housing and Rural Development will have to take a leading role, especially since it is now headed by former Regional Governor John Pandeni who has years of practical experience concerning the issue. However, other figures who could act as driving forces for the policy may be lacking. Former Deputy Minister Gerhard Töttemeyer (2000-2004), who has been the most articulate spokesman for decentralisation since the early 1990s, has now retired from government. President Hifikepunye Pohamba noticeably did not refer to decentralisation in any of the major speeches he made in the first twenty days of his rule. In addition, Prime Minister Nahas Angula is known to be sceptical of what he terms "regionalisation" (cited in Amupadhi 2002). Without some strong backing from Cabinet members, it is possible that the decentralisation process could stall. However, the Swapo Manifesto of 2004, which government has adopted as its programme, made clear that the ruling party remains committed to decentralisation (Swapo Party 2004:12): "The Swapo Party and its government are fully committed to developing a number of functions and services from the central government to the lower levels of state authority in order to maximise participation of our communities in planning for development, decision making and the running of government affairs that affect their lives on a daily basis."

Decentralisation has not proven to be an election issue so far, even though some opposition parties want to see decentralisation speeded up. The National Unity Democratic Organisation (Nudo) has been the most outspoken on the issue. Nudo leaders have called



for Namibia to become a federal state (Kuteueu 2003), although in its 2004 election manifesto, the party did not urge constitutional change, calling instead for decentralisation to be speeded up and Regional Councils to be given more powers (Nudo 2004:22).

After Nudo, the United Democratic Front (UDF) has been the most outspoken party on the issue of decentralisation. In its 2004 manifesto the UDF called for ministries to be moved out of Windhoek to regional centres and for “full rights and responsibilities” to be devolved to Regional Councils and Local Authorities (UDF 2004:4). The DTA also called for the transfer of more powers to Regional Councils (DTA 2004:3), but the Congress of Democrats (CoD), which became the official opposition in 2005, did not mention decentralisation or Regional Councils in its 2004 manifesto (CoD 2004). It is pertinent to note that two parties with the most pronounced positions on decentralisation are both ethnic parties – with Nudo widely seen as a party for Hereros and the UDF depending on its Damara support base. The fact that both were participants in ethnic administrations before independence (Nudo, through its affiliation to the DTA) tends to undermine the credibility of their stances on decentralisation, as they can easily be accused of wanting to take Namibia back to the ‘bad old days’ before 1990. With weak opposition political parties unlikely to force the pace on decentralisation, it may well be left to Regional Councils themselves to do much of the running – in both calling for functions to be decentralised and demonstrating they have the capability to take on new responsibilities.

While much of the administrative groundwork completed for decentralisation to proceed in terms of the Decentralisation Enabling Act (Act 33 of 2000), the process faces a number of immediate and longer-term challenges. How these are dealt with could determine the ultimate success of the policy.

## 5. CONCLUSIONS

Decentralisation is at a crossroads. The next five years could see the status of Regional Councils enhanced through the gradual transfer of central government functions, which could in turn improve service delivery and grassroots participation. However, the process could also become stymied with little decentralisation taking place and, as a result, the credibility and the purpose of Regional Councils being brought into question. Thirdly, functions could be delegated but the process could be undermined if Regional Councils are not efficient and effective in the way they handle their new tasks. As a result, the devolution stage of decentralisation could be delayed indefinitely.

The following suggestions, while by no means comprehensive, are intended to aid the successful implementation of decentralisation to Regional Councils.

While a hard and fast timetable for such a complicated policy may be impossible, it would seem advisable to attach some deadlines to the consolidated national DAP so that there is at least a prioritisation of the functions to be delegated.

Regional Councils will have to articulate their own case for decentralisation in a much clearer and more forceful way. This will mean



raising their media profile and being transparent about their achievements, capabilities and plans for the future.

Regional Councils will have to demonstrate their financial accountability if they want the devolution stage of decentralisation to proceed. The decentralisation policy could stumble at the delegation phase if government and public confidence in the Councils' ability to take on devolved functions is lacking.

The NC needs to do more to promote debate about development in the regions. Regional Councils should produce annual reports, which could be presented and discussed as part of NC business. Governors could be brought into NC sessions to answer questions on regional development.

The structures of Regional Councils, such as Regional Development Coordinating Committees, Constituency Development Committees, and Village and Settlement Committees need to be working effectively – so that the democratisation component of decentralisation is reality rather than rhetoric.

As the former Minister of RLGH, Joel Kaapanda, has stated (Barnard 2005) Regional Councillors should be “pro-active” in initiating programmes and projects in their regions. Former Deputy Minister Gerhard Töttemeyer's proposal that Namibia looks at introducing a unicameral system in which elected regional Members of Parliament sit in the National Assembly alongside those chosen through the party list system

should be widely debated. While the idea has been received negatively in some quarters because it would mean the abolition of the NC, it would bring direct regional representation into the NA, which could act as spur to development in the regions and aid the decentralisation process.





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