

## Statement

**Presented by Minister of Finance, Honourable Saara Kuugongelwa-Amadhila at the 10<sup>th</sup> Anniversary  
Gala Dinner of the RFA, RA and RCC, 9<sup>th</sup> April 2010**

**Distinguished Chief Executive Officers of the Tripartite Institutions,**

**Captains of the Industry,**

**Ladies and Gentlemen,**

**Distinguished Audience**

I am delighted to have been invited here today to address you on your 10<sup>th</sup> anniversary. We are here this evening to celebrate a decade of dedicated service to the nation, 10 years of achievements in the road sector, but also to take stock of current and future challenges. On my own behalf and that of my Deputy Minister, I wish to congratulate you, *our triplets*; The Roads Authority, Roads Contractor Company and Road Fund Administration on your 10<sup>th</sup> anniversary.

### **THE ROLE OF ROAD NETWORK INFRASTRUCTURE**

The mandate entrusted upon the three institutions is critical to the performance of the national economy. The provision and maintenance of the road infrastructure does not only ensure connectivity, but it also gives rise to diverse economic activities. It enhances trade and allows business to undertake their activities with relative ease. We should congratulate ourselves that Namibia is one of the countries with world-class road network infrastructure. This is one of our strength and competitive advantage. Our infrastructure outlay does not only strategically situate Namibia as a preferred service centre, but also positions Namibia as a preferred destination for foreign investors. This record achievement places on us, as partners in this sector, the responsibility to maintain and improve the standard of our road infrastructure.

### **THE ROLE OF GOVERNMENT IN THE PROVISION OF ROAD NETWORK INFRASTRUCTURE**

Government takes pride in playing the key role in the development and maintenance of the road infrastructure. In our budgets significant amounts are allocated to the provision of the road and railway infrastructure. In addition, we receive contribution by Development Partners through targeted sector support and budget support. I thus wish to seize this opportunity to extend my sincere gratitude to our development partners for their assistance. In the same vein, I invite our development partners to continue their valuable financial and technical support in this key sector as Namibia continues for accelerated economic growth, job creation and poverty reduction.

The Government wishes to reassure stakeholders of its commitment to the provision of road infrastructure development through the development budget.

### **THE ROLE OF SOEs IN THE PROVISION AND MAINTENANCE OF ROAD NETWORK INFRASTRUCTURE**

State Owned Enterprises in the road sector, together with local authorities are the custodians of our national roads. While Government and donor community remain important partners, SOEs are expected to play a significant role in generating funds necessary to maintain the infrastructure network. I call upon the RFA to continue implementing innovative ways of raising funds needed to maintain and expand the road network outlay.

Our SOEs are encouraged to raise development finance in the capital market. In this regard, I would like to recognize the achievements of, among others, the Road Fund Administration and Nampower in doing so and urge for emulation by other SOEs of this example.

I take note that fuel levy has increasingly provided for revenue of our Roads Infrastructure development and maintenance. There is however, a need for an optimum funding model which equates charges to utilization such as Mass Distance Charges as it is a more equitable model.

I am aware that the Inter-Ministerial Committee has been at work as mandated by Cabinet to develop recommendations for an optimum funding model for the road sector. We look forward with optimism to the conclusion of this process so that we can urge industry to embrace this approach and size the manifold infrastructure development opportunities.

It is also important to note the role that can be played by RCC in promoting equitable growth and job creation by developing capacity among local SME's to optimize the opportunities in Road infrastructure development through training and subcontracting. I urge the SME's sector to venture into road infrastructure development.

***Ladies and gentlemen,***

With these few words, allow me to reiterate the Government commitment to the development of the road infrastructure as an important node in the national development continuum. As we celebrate the 10<sup>th</sup> anniversary, of our Road Sector Development Institutions let us remain loyal and focused to the boundless mission and vision of our Road Sector and contribution to vision 2030 attainment.

**Thank you**