



Welcoming Speech, by Mr. Ali Ipinge, Chief Executive Officer, Road Fund Administration (RFA), at the Occasion of the Official Opening of Stakeholder Consultation on the Amendments of RFA ACT 18, Of 1999.

Date: 07 February 2019

Venue: NIIPAM

Mr Penda Ithindi, RFA Board Chairman

Representative from RFA Stakeholder Ministries: Ministry of Finance,  
Ministry of Public Enterprise, and Ministry of Works

Representatives from RFA Stakeholders Associate Entities: Roads  
Authority, Motor Vehicle Accidents Fund, and National Road Safety  
Council, Walvis Bay Corridor Group and Private Sector Organisations

Representatives from the Khomas Regional Council and the City of  
Windhoek

Members of the RFA Board of Directors

RFA Executive Management

Distinguished Invited Guest

Ladies and Gentlemen

Good Morning,

1. I am pleased to welcome you at this occasion, it took us a journey of two and half years, assessing the possibilities of proposing amendments to the governing Act that establishes the Road Fund Administration (RFA). The amendments to be consulted, are aimed at ensuring that the RFA expands and improves on its mandate for current and future road users.
2. The RFA is mandated by the Act to manage the Road User Charging System (RUCS), and to manage the funds collected. These funds are collected from the road users through various methods, and therefore the road users have an expectation from the RFA to provide funding to approved authorities and obtain value from the funds, towards the betterment of roads. Hence, the consultations on the

amendments to be recommended are for the benefit of the road users, and to ensure a resilient organisation against turbulent economic times, and to be best prepared to meet the needs and demands of the future, filled with optimism, innovation and technology.

3. RFA will consult widely and in-depth with all affected parties, especially stakeholders who are directly impacted by the proposed legislative amendments. Eventually, it is our wish that these changes will become part of the new amended RFA Act. The consultations will commence as from today 07<sup>th</sup> February and is anticipated to conclude by the 05<sup>th</sup> of March 2019 at the Coast. The organisation's need to change and adapt to dynamic times, and the proposed amendments and contributions through the consultation period should be such that they are constructive and contribute to the sustenance and resilience of the Road Fund.
4. When Namibia, gained independence in 1990, the government adopted the functions of administering the road network, although the road user charges were levied, they were not necessarily apportioned to road maintenance, because of other socio-economic priorities within government's domain.
5. The implementation of the transformational road sector reform agenda in the late 1990's resulted in the necessity for government to establish autonomous institutions that will address the developmental needs of the roads; such as administering the national road network,

and an institution that should manage the collection of road user charges, manage the Fund and ensure sustainable funding towards safer roads in the country.

6. RFA, has managed this mandate well, with revenue totalling **N\$ 2,3 billion** collected through Road User Charging System in the 2017/2018 financial year, of which **N\$ 1,7 billion** was channelled to the maintenance and preservation of the national road network during the same financial year. RFA has also increased its funding for traffic-related road maintenance of urban, village and settlement roads to Local Authorities and Regional Councils with **39.5%** overall, which translates to **N\$ 118.3 million** during the current 2018/2019 financial year.
7. The allocations from the RFA, contributes to job security, and employment creation within stakeholder institutions and to Approved Authorities (Local Authorities and Regional Councils), and the sustenance of small and medium enterprises. Funding for the maintenance of our national roads, urban roads and streets (*that requires pedestrian walkways, bicycle lanes, and bus lanes*) is covered in the current Road User Charging System and is in line with RFA's user pay principle. Although this fundamental principle has been instrumental in the sustainability of the Fund, low levels of road user charges levied over the years could NOT yield sufficient revenue for the optimal funding of Namibia's road network as required by the Act, including assigned additional commitments by the Shareholder.
8. The Amendments should be infused with fresh ideas and future innovative funding strategies. Hence, while at this juncture the

amendments process opens up this unique window that calls upon our harmonised efforts to identify and ascertain these new approaches and options that will bring about increasing the revenue streams, and expanding on the operational mandates of the RFA, for the benefit of serving the modern road users' needs better.

9. Ladies and Gentlemen, RFA Leadership and Executive Management, takes the inputs, opinions and ideas that will be gathered during the consultation process seriously, and we expect participants to make full use of this opportunity by making innovative, meaningful contributions that will take our institution further and contribute to improved service delivery, for the betterment of our roads, and eventual socio-economic advancement of our people.
  
10. The anticipated amendments will drive the RFA's Integrated Strategic Business Plan, lead to improved operational efficiencies. I believe this platform, and the deliberations thereof will lead to positive fruition, and hereby welcome you to the RFA Bill Amendment Consultation Process.

**I thank you for your attention**