



Republic of Namibia

MINISTRY OF MINES AND ENERGY

PERFORMANCE AGREEMENT 2017/18

The Contracting Parties

This **Performance Agreement** (hereinafter referred to as “PA”) is entered into between the Government of the Republic of Namibia (hereinafter referred to as GRN), represented by the President **H.E. Dr. Hage G. Geingob**, on the one part, and the Ministry of Mines and Energy, (hereinafter referred to as the Ministry), represented by the Minister, **Hon. Obeth Kandjoze**, on the other part.

PREAMBLE

WHEREAS The People of Namibia overwhelmingly and willingly gave the Government the mandate to consolidate past gains and to pursue the lofty ideals set out in Vision 2030;

WHEREAS The Government is determined to remain faithful to the People’s mandate and to build the Namibian House in which all its residents have a sense of shared identity;

WHEREAS The Parties to this Performance Agreement are not only committed to the attainment of the strategic objectives outlined in Vision 2030 but are also fully conscious of the necessity to serve the People of Namibia promptly, diligently, and without regard to the ethnic origin, socio-economic status, gender, religious, ideological, or political affiliation of the service beneficiary;

WHEREAS The Performance Agreement represents the Minister's avowed commitment to the realization of national strategic objectives, and signifies the Government's determination to support the Ministry's efforts;

NOW, THEREFORE, the parties hereto agree as follows:

Part I: Undertaking by the First Party

THE FIRST PARTY, the GOVERNMENT, undertakes to provide the necessary resources needed in line with MTEF to fulfil the Ministry's statutory mandate and attain national strategic objectives, including but not limited to, those set out in Vision 2030, the NDP 5, and the SWAPO Manifesto and Harambee Prosperity Plan. The national strategic objectives will also be informed by the SADC Revised Regional Indicative Strategic Development Plan and the African Union Agenda 63.

His Excellency the President undertakes to facilitate clearance of obstacles that might be beyond the capacity of the ministry to resolve, and which must be brought to the attention of the President by the Minister. The President further undertakes to:

1. Preside over a two-day quarterly Ministerial Retreat to receive briefings on achievements of strategic objectives from individual Cabinet Ministers;
2. Facilitate resolution of structural challenges to performance, brought out at the retreat;
3. Support and facilitate realization of the Minister's commitments, obligations, and strategic intention.

Part II: Undertaking by the Second Party

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

- a) Increase local participation in mining and energy activities;
- b) Improve energy infrastructure to ensure security of supply, accessibility and affordability;
- c) Strengthen stakeholder engagement to improve participation & cooperation;
- d) Implement commitments to local and international agreements and obligations;
- e) Develop, consolidate and amend fragmented and outdated Policies and Legislations



f) Improve Performance and Service Delivery.

(See Annex A for a matrix depicting the deliverables, performance indicators and annual targets)

Part III: Notes on Strategic Directions

In specific terms, the Ministry will in the short- to medium-term record measurable achievements in the following areas:

- Increase Local generation capacity;
- Increase Namibian equity in Mining companies with exploration, mining and beneficiation licences;
- Complete Geological Survey Bill ;
- Implement commitments to local and international agreements and obligations;
- Petroleum legislations Reviewed.

Part IV: Reporting lines and requirements:

- I. The PS will be required to submit quarterly performance progress reports to the Minister;
- II. Minister will submit Quarterly Progress reports on performance of the ministry for submission to, and discussion with, H.E. the President, through the Rt. Hon. Prime Minister;
- III. The Minister undertakes to give feedback to the Deputy Minister and PS on the quarterly performance report;
- IV. The Minister further undertakes to provide leadership to ensure that annual performance report is prepared and submitted to the President a month after the end of the financial year;
- V. H.E. the President commits to personally preside over the performance evaluation sessions of Ministers within two (2) months after the end of the financial year.

Part V: Duration of the Performance Agreement:

This PA will run for 12 months coinciding with the *financial year* starting 1st **April 2017** to 31st **March 2018**


Part VI: Ratification of the PA Signed:

Cabinet Minister, Hon. Obeth Kandjoze,

Sign.....

Date.....1st Sept 2017

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

Sign.....

Date.....1st Sept 2017

Witness

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

Sign.....

Date.....01/09/17

ANNEXURE A: PERFORMANCE MATRIX FOR MINISTERS:

MINISTRY		MINISTRY OF MINES AND ENERGY									
NAME OF OFFICE HOLDER		HON. OBETH M. KANDJOZE									
PERFORMANCE AGREEMENT PERIOD		1ST APRIL 2017 – 31ST MARCH 2018									
FORM 1: Minister's Annual Performance Agreement Matrix (1st April - 31st March of every Financial Year)											
Strategic Objectives	Weight (distributed across between 1% - 100%)	Outputs	Indicator of Performance	Indicator Definition	Indicator Type	Baseline	Quarterly Targets				Annual Target
							Q1	Q2	Q3	Q4	
(P1.5) Increase local participation in mining and energy activities	20%	Namibian equity in petroleum licences increased	% of Namibians equity in petroleum licences issued	Namibian equity (as opposed to foreign) in petroleum licences	Incremental	15	17	18	19	20	20
		Namibian equity in Mining companies with exploration, mining and beneficiation licences increased	% of Namibian Equity in mining companies with exploration and mining licences	Namibian equity (as opposed to foreign) in mining companies with exploration, mining and beneficiation licences in percentage	Incremental	2.7	2.7	2.8	3	3.5	3.50
(P1.3) Improve energy infrastructure to ensure security of supply, accessibility and affordability	20%	Local generation capacity increased	Local generation capacity in Megawatts (MW)	Installed generation capacity measured in Megawatts (MW)	Incremental	484	489	499	509	629	629
(P3.1) Strengthen stakeholder engagement to improve	10%	Stakeholder Engagement Plan developed and implemented	% Stakeholder Engagement Plan developed	Progress towards the development of the Stakeholder Engagement Plan	Incremental	0	50	100			100

participation & cooperation			% Stakeholder Engagement Plan implemented	Progress towards the implementation of the Stakeholder Engagement Plan	Incremental	0					10	10	
(P3.2) Implement commitments to local and international agreements and obligations	20%	Ministerial agreements implemented	% of viable agreements implemented	Namibia Ghana MoU, Namibia Cuba Bilateral Agreement, Bilateral Gas Trade commission between Namibia and South Africa, UNEP (SSFA), UNFCCC	Incremental	0	10	20	30	40	40	40	
		Ministerial obligations honoured.	% of ministerial obligations honoured	Progress in honouring of ministerial obligations	Absolute (-)	0	95	95	95	95	95	95	95
(P4.1) Develop, consolidate and amend fragmented and outdated Policies and Legislations	20%	Geological Survey Bill completed	% of the Geological Survey Bill completed	% of the Geological Survey Bill completed for submission to cabinet	Incremental	80	80	85	85	90	90	90	
		Geoscience Data and Information Policy developed	% of geoscience data and information policy completed	% completion of policy on handling of geoscience data and information	Incremental	0	5	20	35	50	50	50	
		Petroleum legislations Reviewed	% Petroleum Legislations reviewed	Percentage of progress towards the amendment of Petroleum Exploration and Production Act, Petroleum products and Energy Act, Petroleum Products Regulations	Incremental	0	40	60	80	100	100	100	100
		Diamond Act 13, 1999 reviewed	% the Diamond Act reviewed	Percentage progress in reviewing the Diamond Act	Incremental	30	30	60	80	100	100	100	100

		Minerals Bill reviewed	% the Minerals Bill reviewed	Percentage progress in the reviewing of the Minerals Bill	Incremental	55	56	57	58	60	60
		Energy Funds Regulations developed	% of Energy Funds Regulations developed	Percentage progress towards the development of energy funds regulations	Incremental	0	0	5	30	60	60
		Energy Policy approved	% Energy Policy reviewed	Percentage progress towards the review of Energy Policy	Incremental	95	95	97	97	100	100
		Renewable Energy Policy approved	% Renewable Energy Policy developed	Percentage progress towards the development of Renewable Energy Policy	Incremental	95	95	97	97	100	100
		National Integrated Resources Plan (NIRP) approved	% of National Integrated Resources Plan (NIRP) finalised	Percentage progress towards the finalization of National Integrated Resources Plan (NIRP)	Incremental	90	100	100	100	100	100
(P4.3) Improve Performance and Service Delivery	10%	Performance Management System (PMS) implemented	% PMS score attained	Percentage of actual PMS score attained	Incremental	78	85	85	85	85	85
		Customer Service Charter developed and implemented	% progress of Customer Service Charter developed	Percentage progress towards the development of the Customer Service Charter	Incremental	0	95	95	95	95	95
			% progress of Customer Service Charter implemented	Percentage progress towards the implementation of the Customer Service Charter	Incremental	0	80	80	80	80	80
Total Weight	100%										