



**Standard Bank**

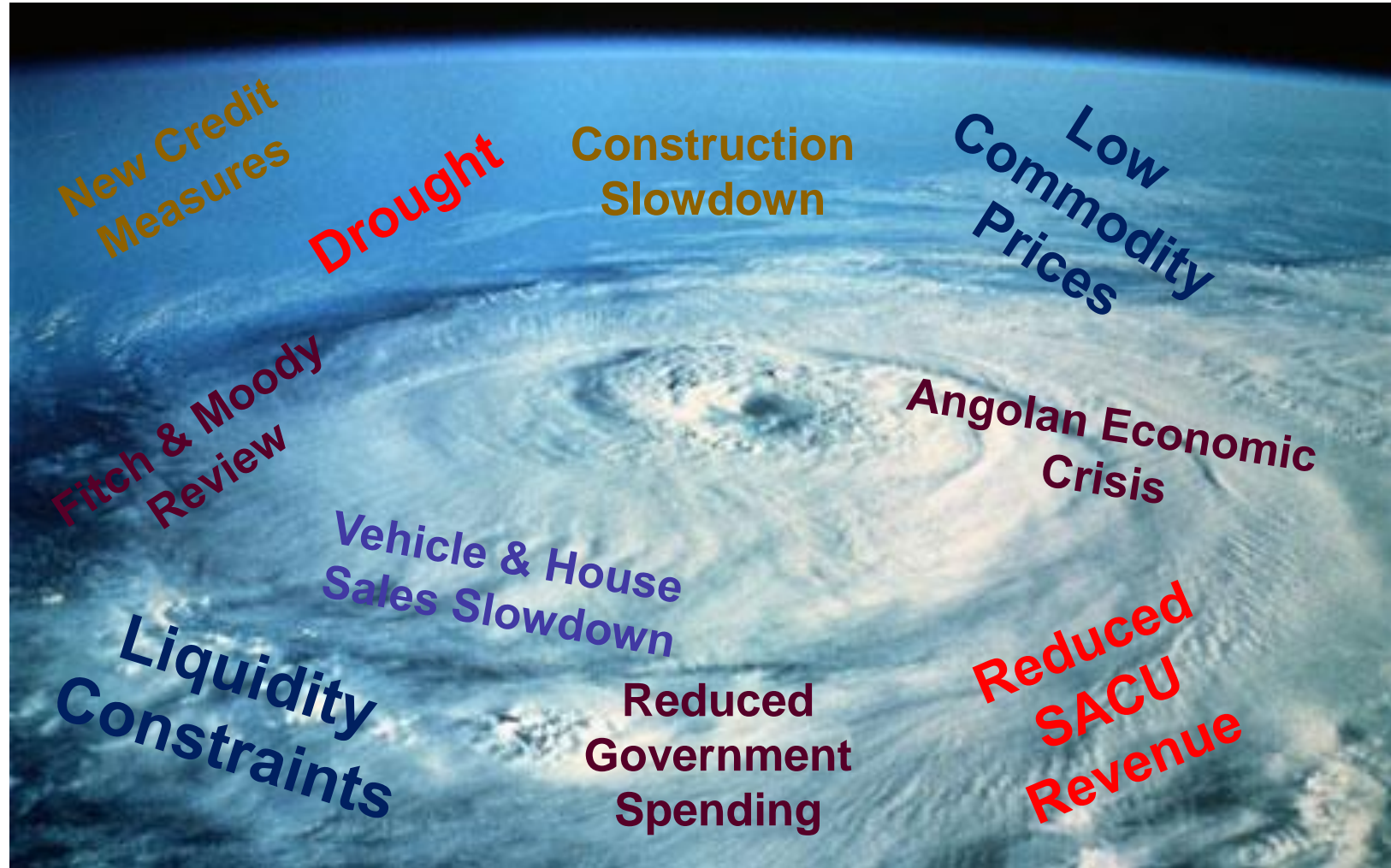
**Budget Presentation**

*March 2017*

*Vetumbuavi Mungunda  
Naufiku Hamunime*

**Standard Moving Forward™**





# MACROECONOMIC

# OVERVIEW



Standard Moving Forward™



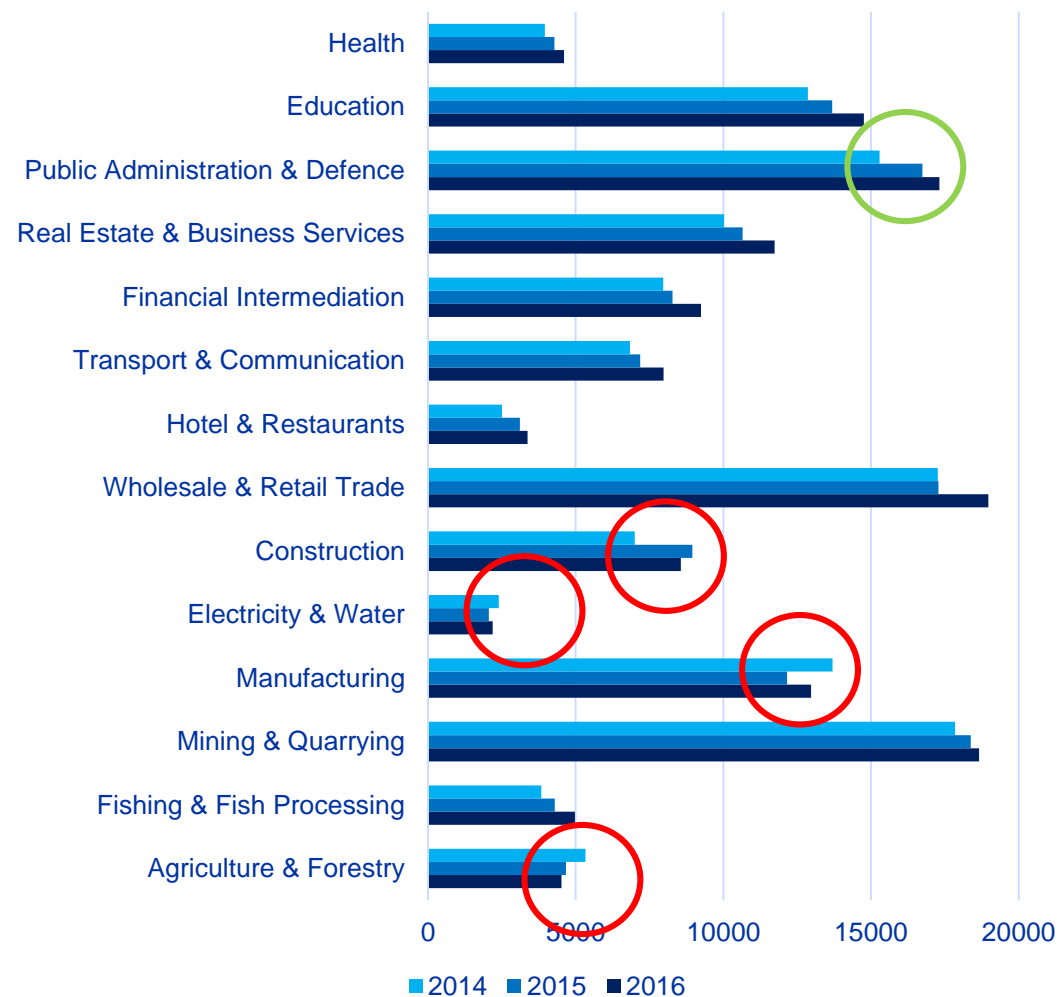
# ECONOMIC GROWTH



## Real GDP Growth (%)



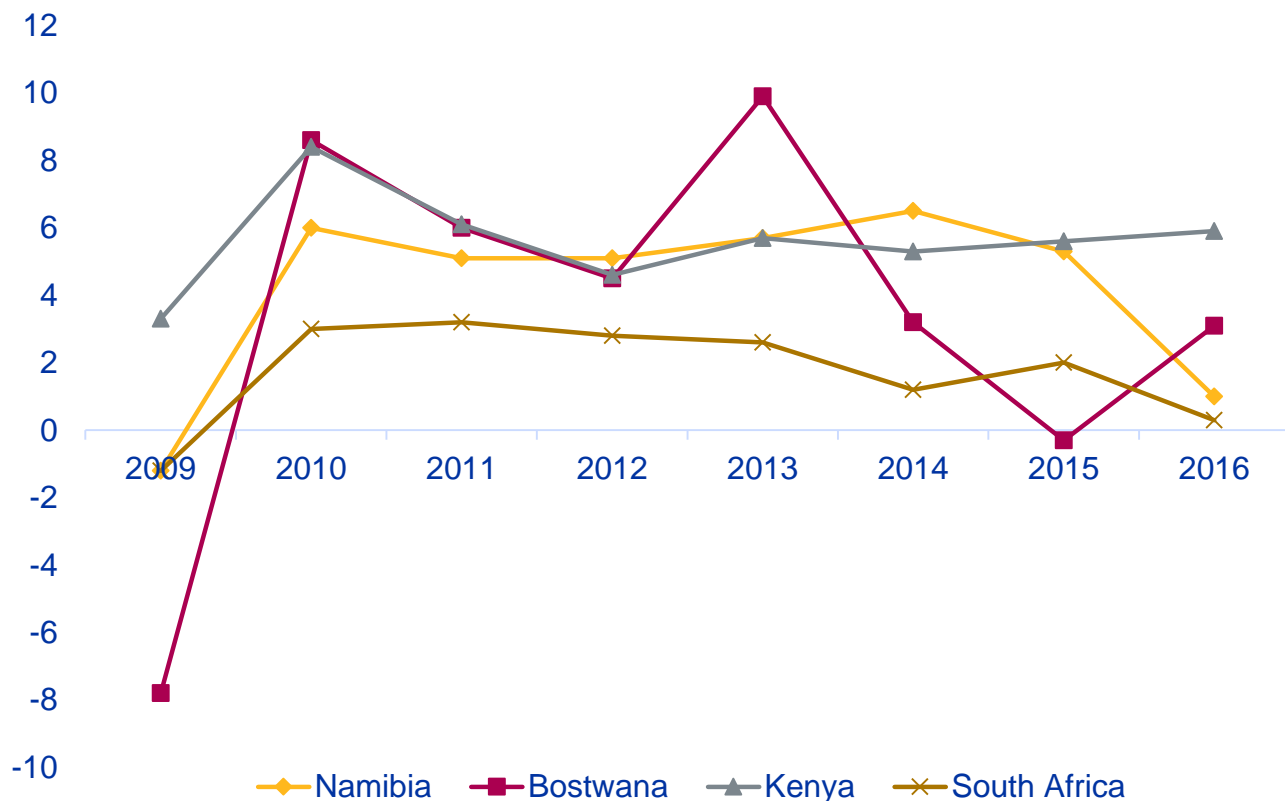
## GDP by sector at Current Prices (N\$ millions)



# ECONOMIC GROWTH VS. PEERS



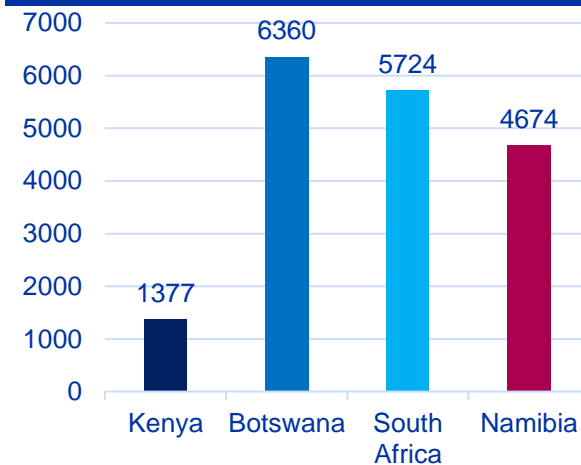
## Regional GDP Growth (%)



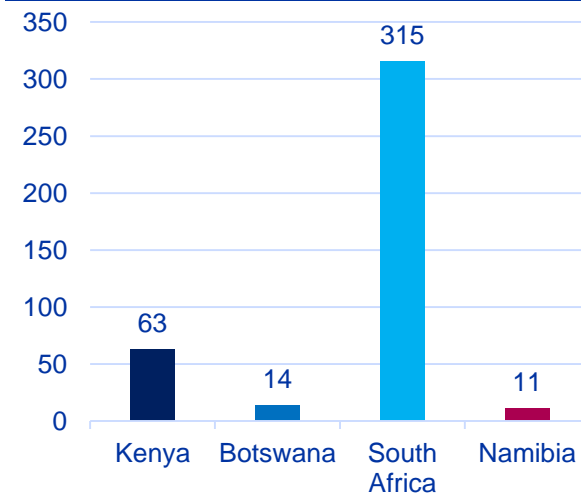
◆ Namibia 
 ■ Botswana 
 ▲ Kenya 
 ✕ South Africa



## GDP per capita 2015 (USD)



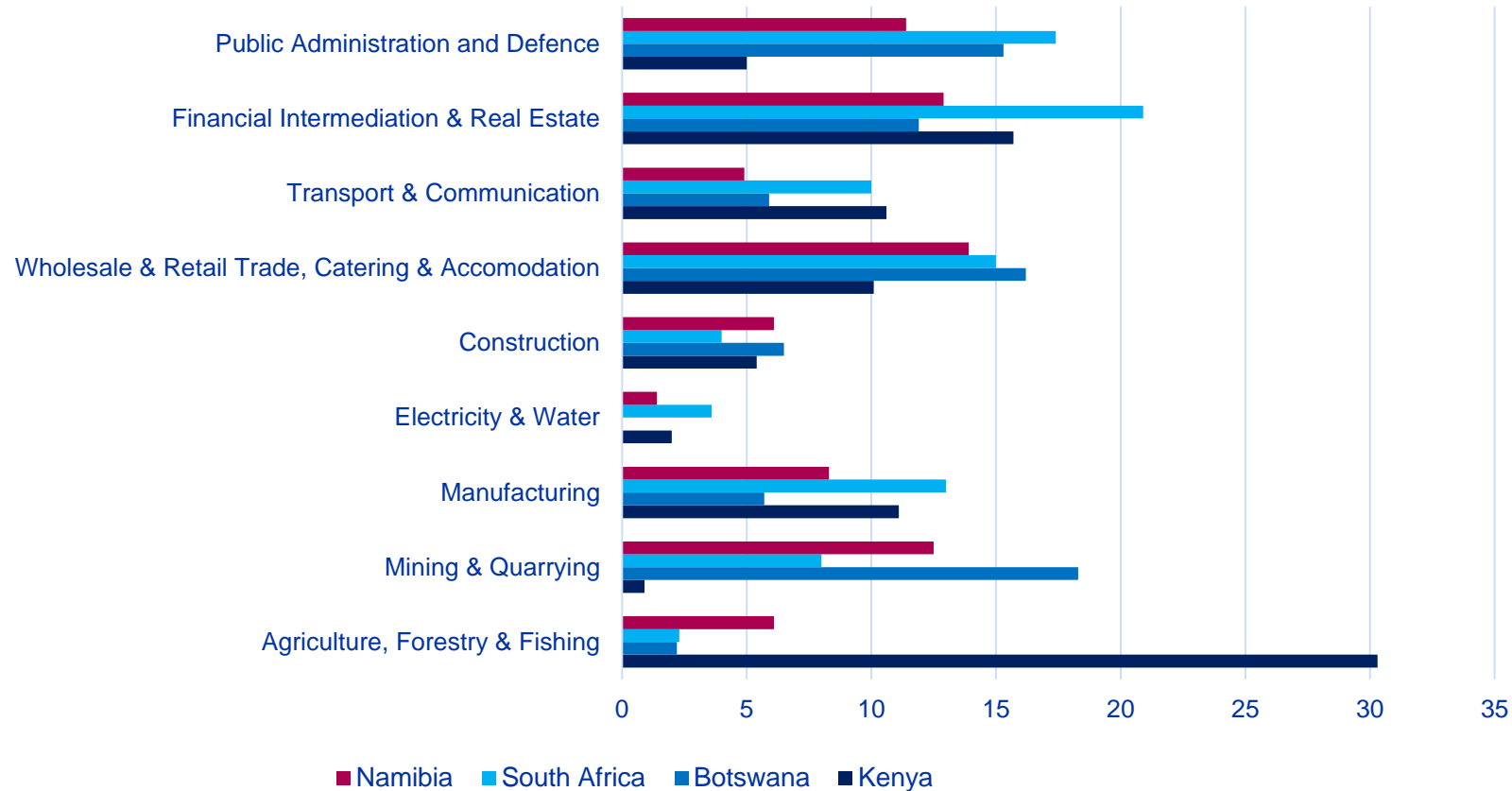
## Nominal GDP 2015 (USD bn)



# ECONOMIC GROWTH VS. PEERS



## Real GDP by sector 2015 (%)



■ Namibia ■ South Africa ■ Botswana ■ Kenya



NAMIBIA



SOUTH AFRICA



BOTSWANA

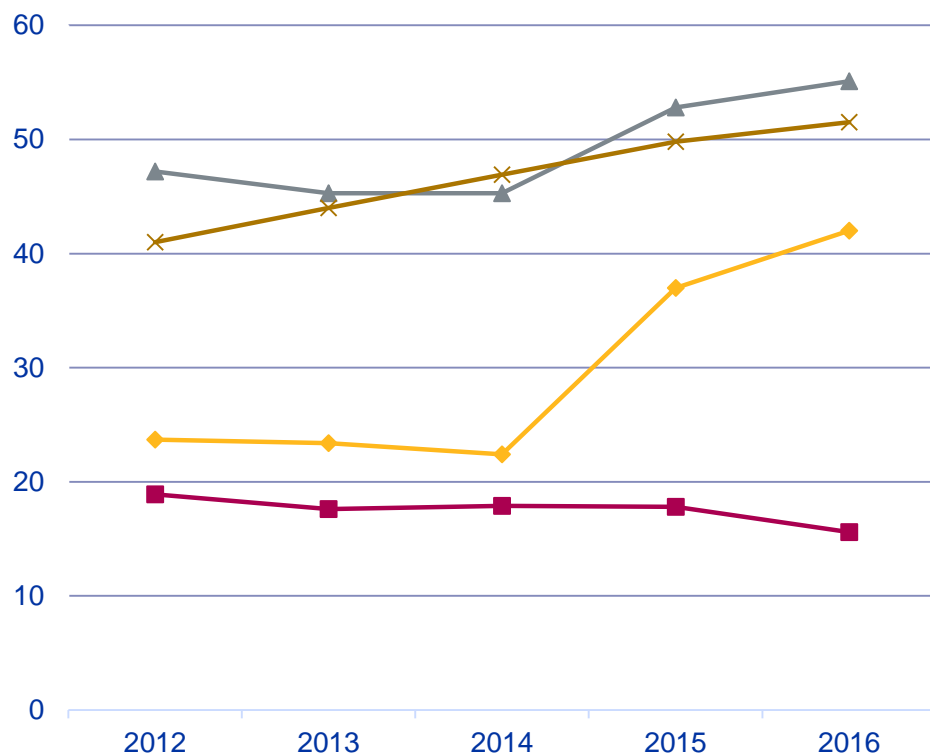


KENYA

# ECONOMIC GROWTH VS. PEERS



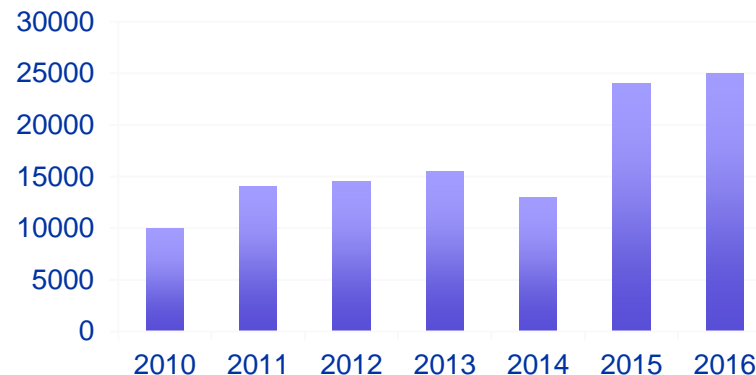
## Regional Debt to GDP (%)



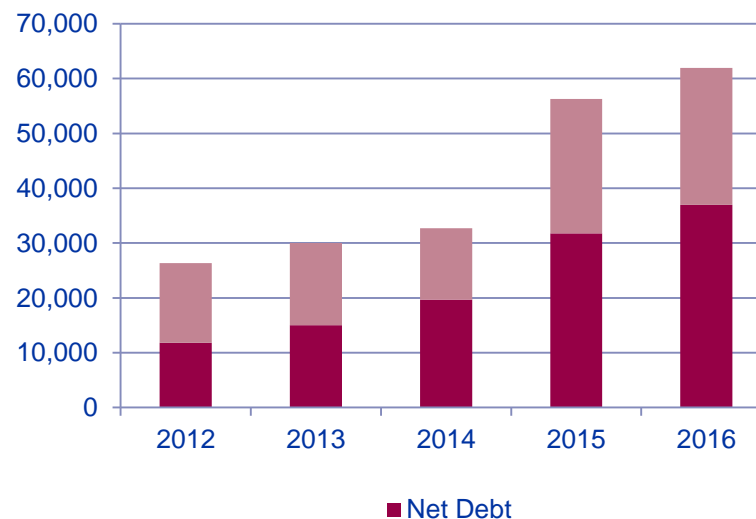
◆ Namibia 
 ■ Botswana 
 ▲ Kenya 
 ✕ South Africa



## Foreign Reserves (NAD million)



## Total Government Debt (NAD million)



# GOVERNMENT FINANCES



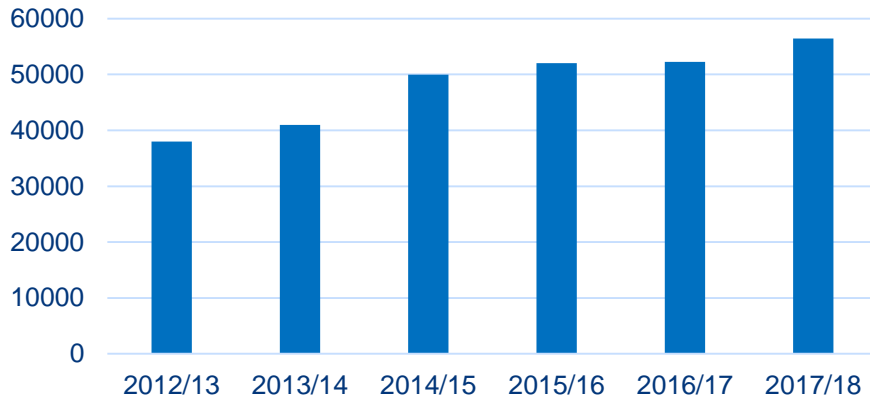
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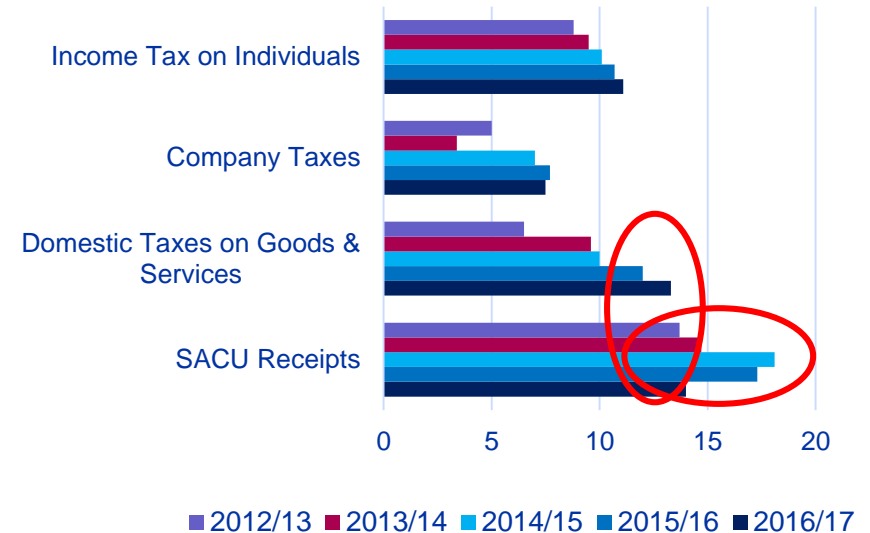
# FISCAL OVERVIEW: REVENUE



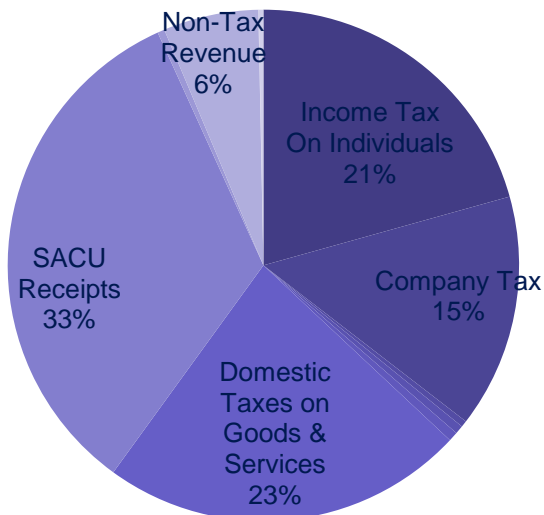
## Revenue (NAD million)



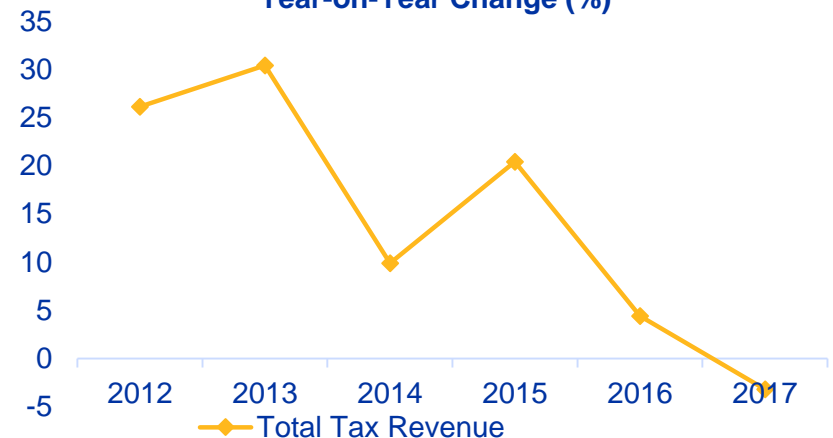
## Main Revenue Categories (NAD bn)



## Composition of Government Revenue (2015/16)



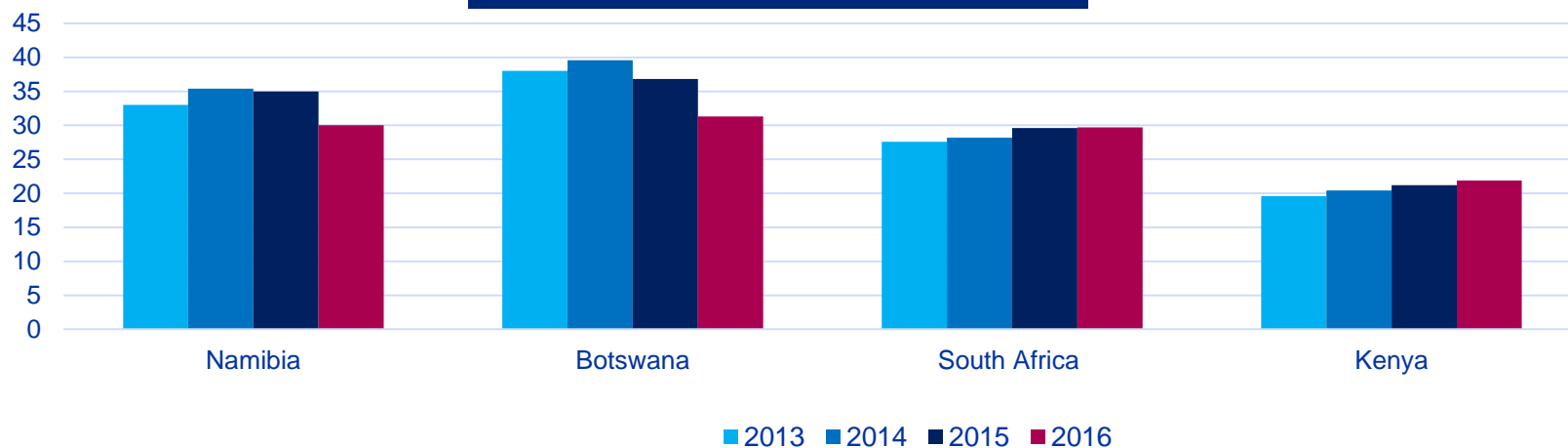
## Year-on-Year Change (%)



# FISCAL OVERVIEW: REVENUE VS. PEERS



## Revenue as % of GDP



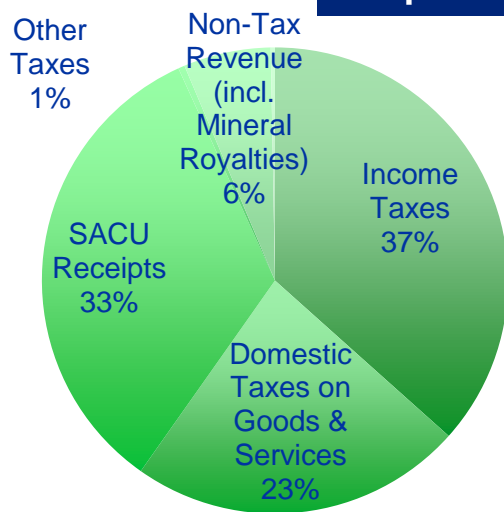
## Composition of Revenue (2015/16)

### Namibia



Total Revenue & Grants

**N\$52.22 Bn**

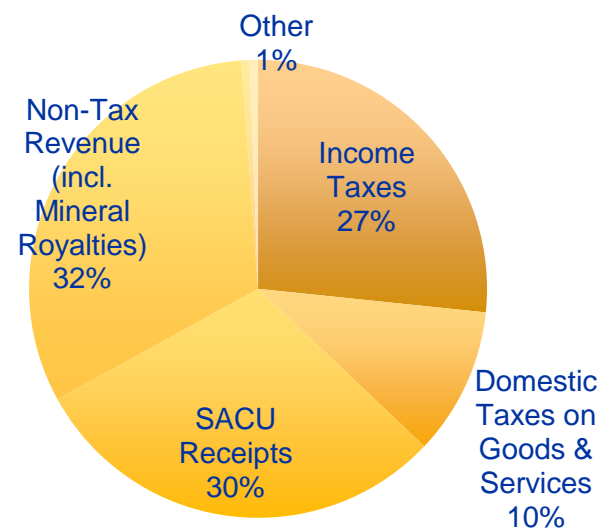


### Botswana



Total Revenue & Grants

**N\$64.79 Bn**

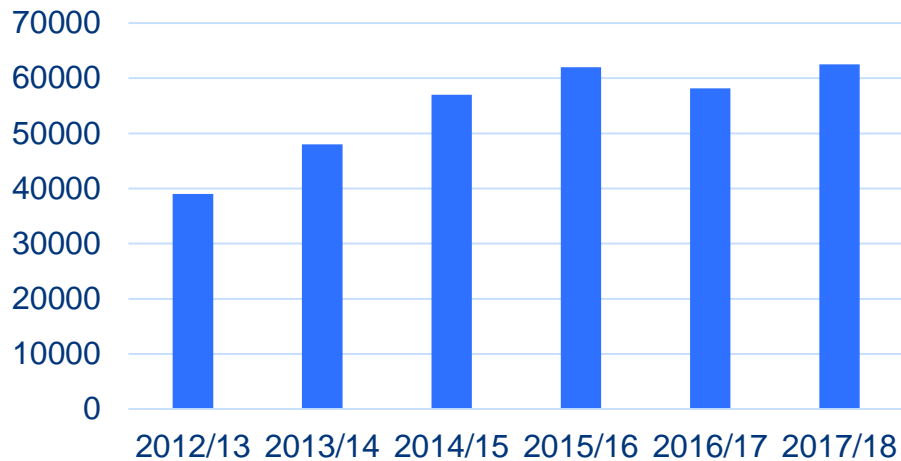




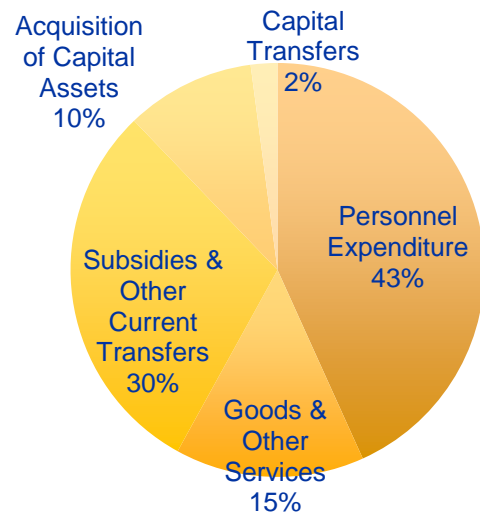
# FISCAL OVERVIEW: EXPENDITURE



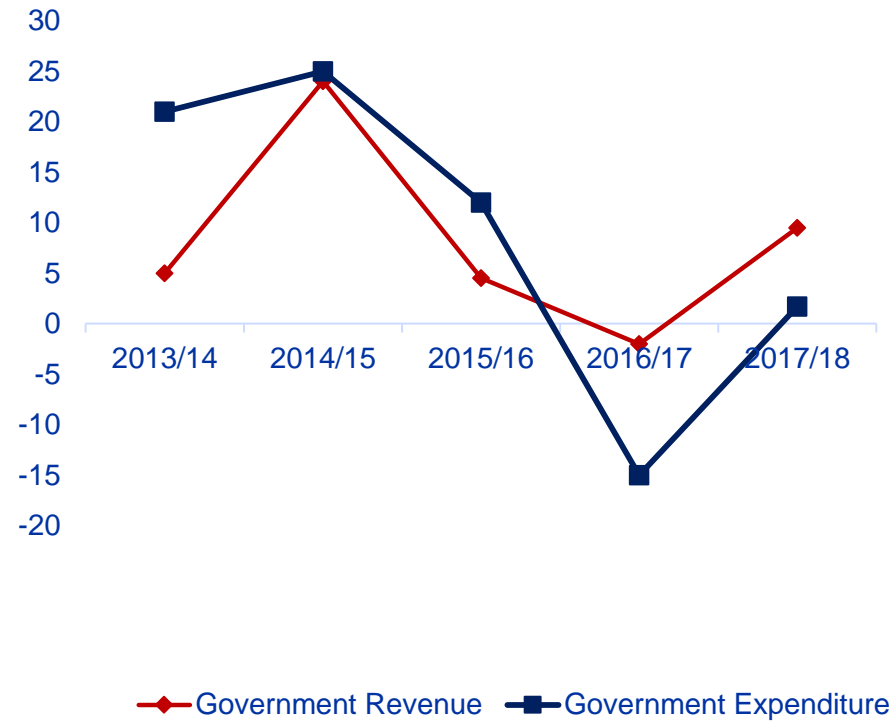
## Expenditure (NAD millions)



## Composition of Government Expenditure (2016/17)



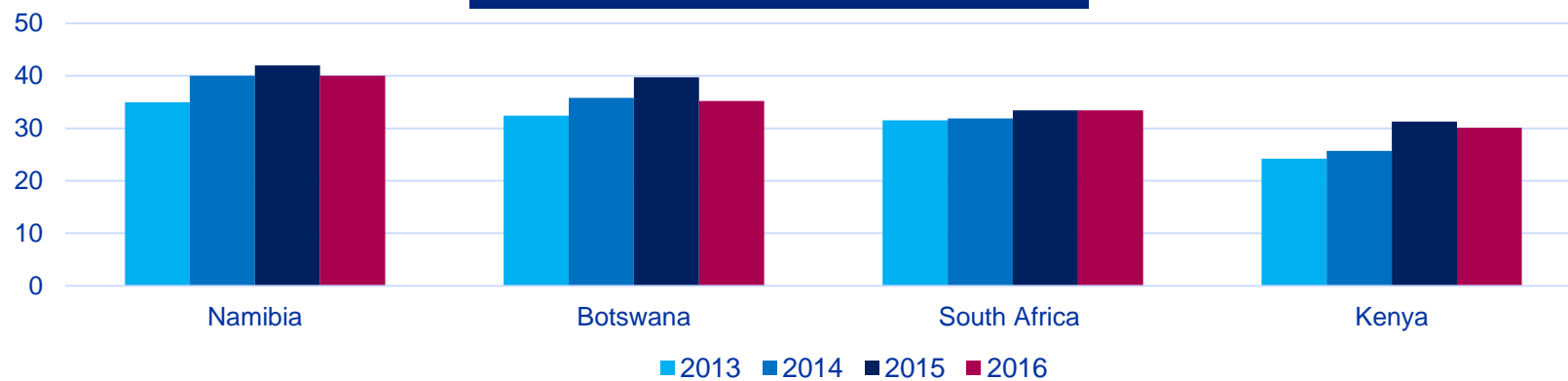
## Revenue & Expenditure Year-on-Year Change (%)



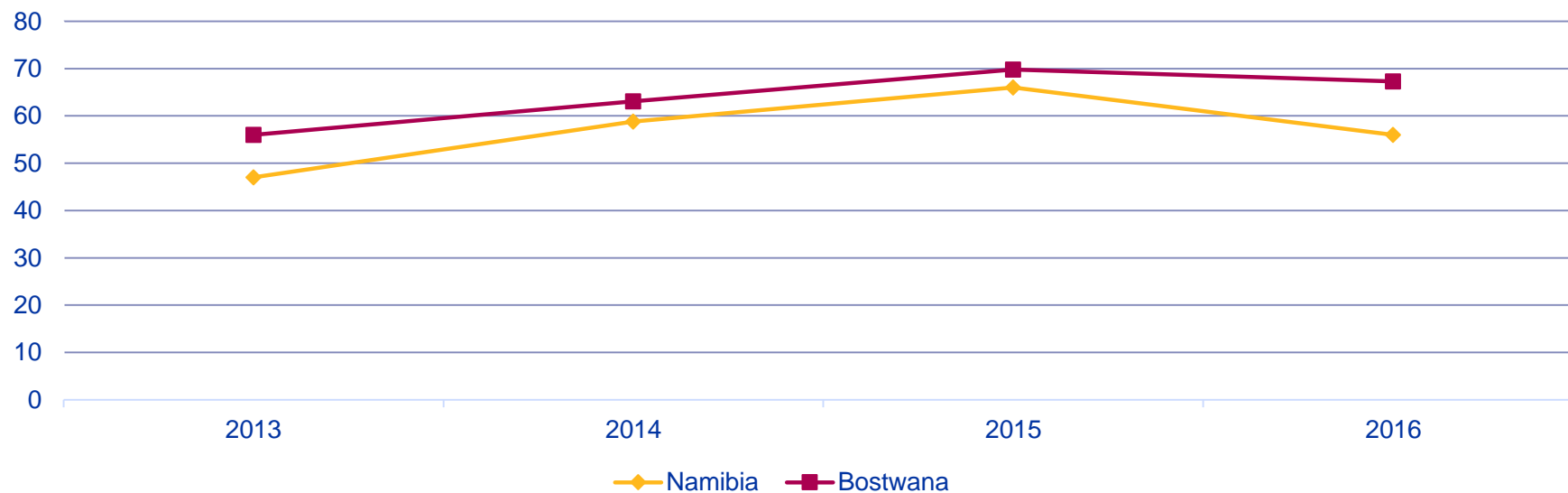
# FISCAL OVERVIEW: EXPENDITURE



## Expenditure as % of GDP



## Total Expenditure (NAD bn)





# FISCAL OVERVIEW: BUDGET ALLOCATIONS

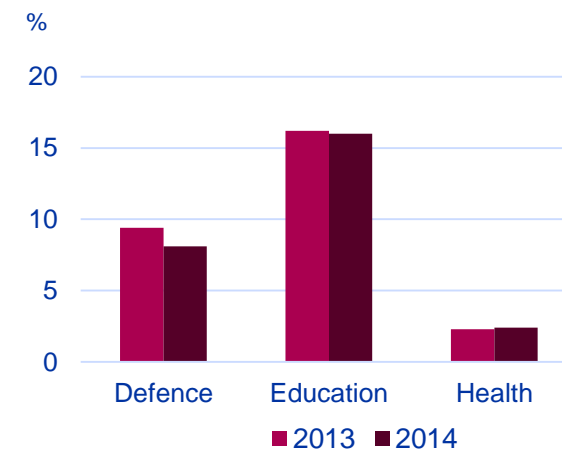
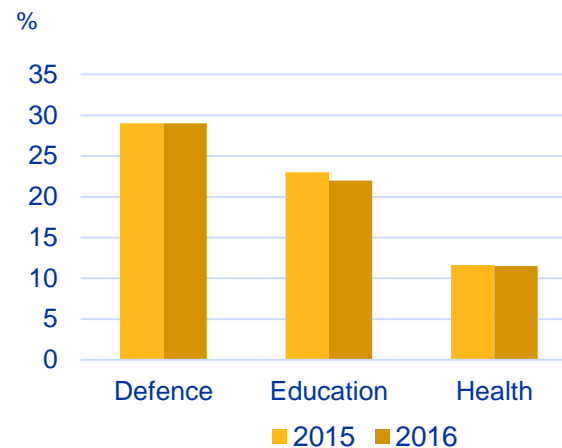
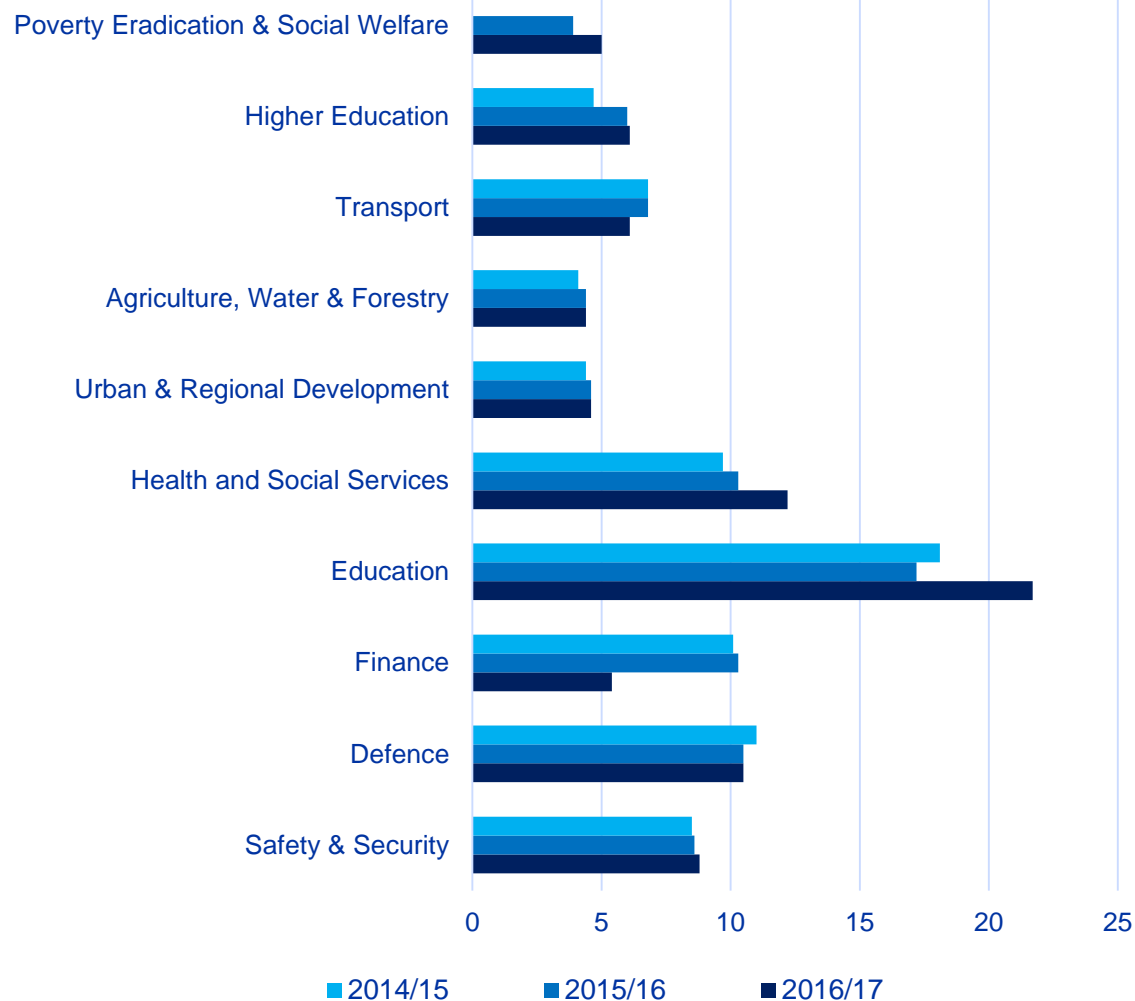


Botswana



BOTSWANA

## Main Ministerial Allocations (% of Expenditure)



Kenya

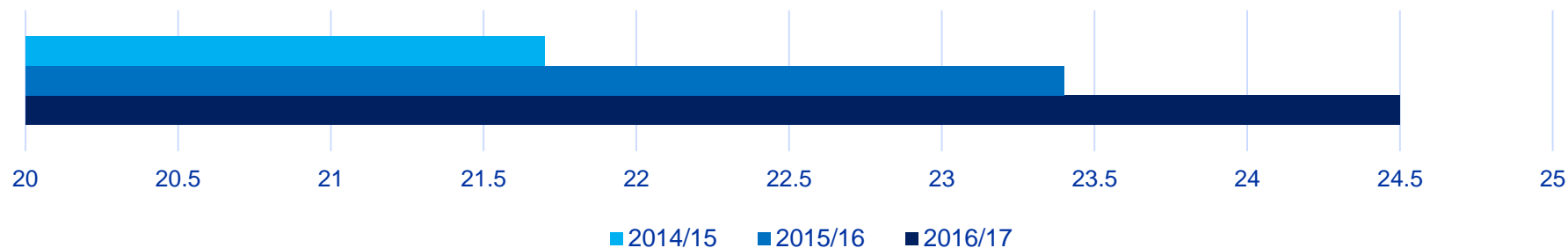


KENYA

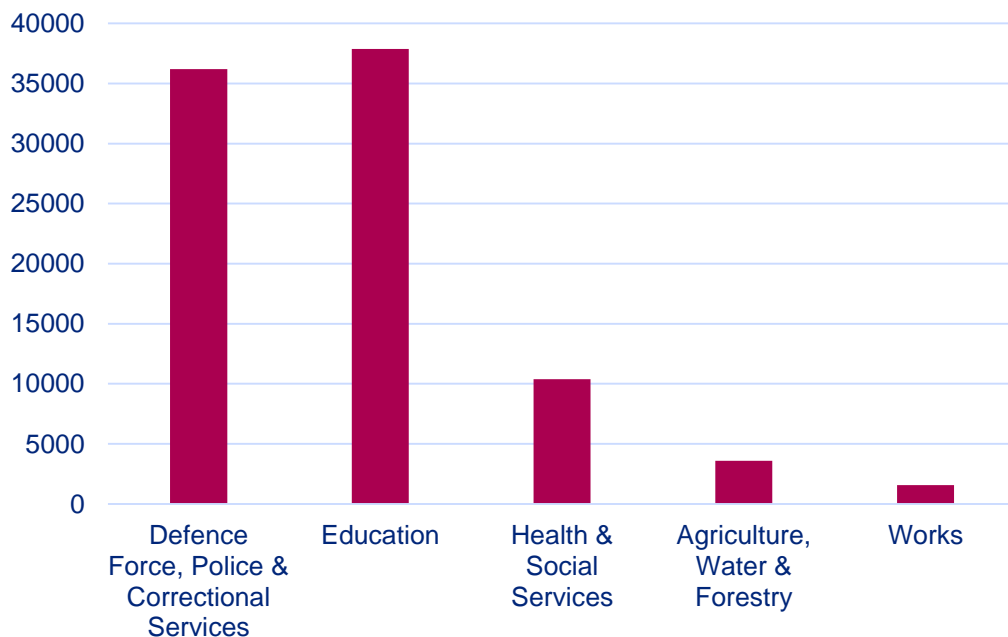
# FISCAL OVERVIEW: WAGE BILL



## Personnel Expenditure (NAD bn)



## Public Servants (2015/16)



## Namibia



## Botswana

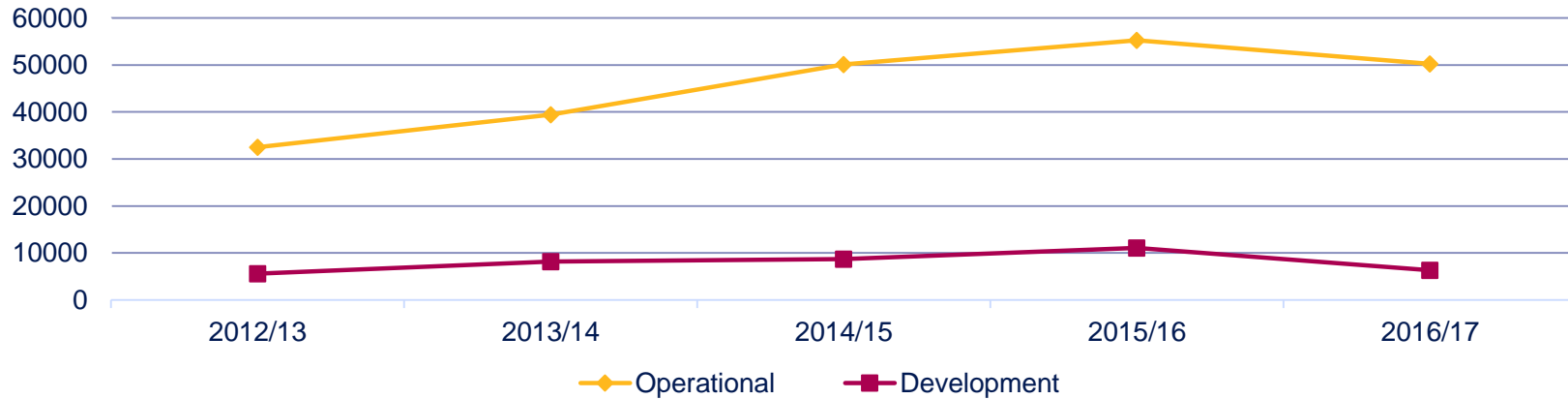




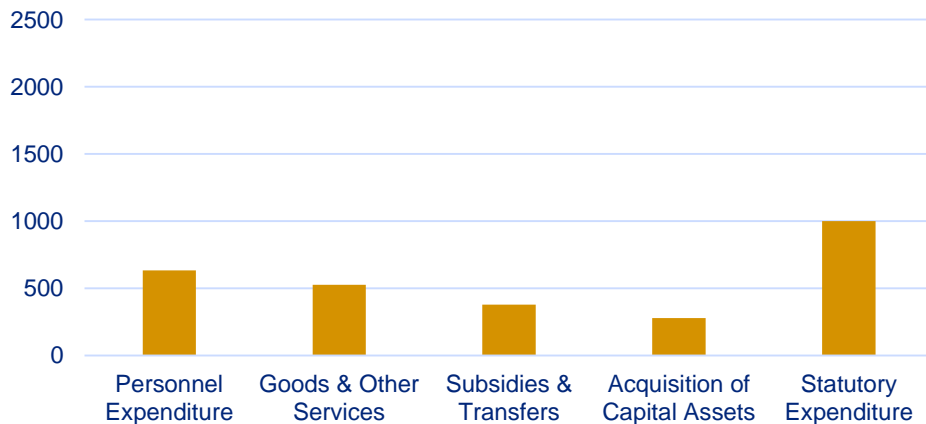
# OPERATIONAL VS. DEVELOPMENT BUDGET



## Operational & Development Expenditure (NAD million)

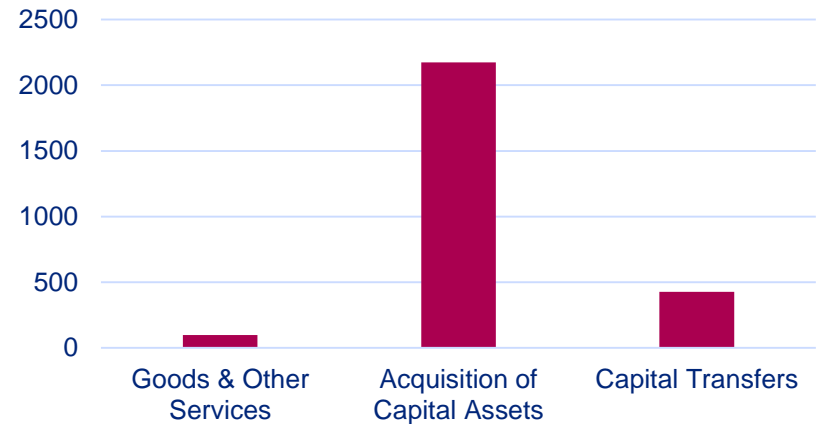


### 2016/17 Mid-Year Suspensions to the Operational Budget (NAD million)



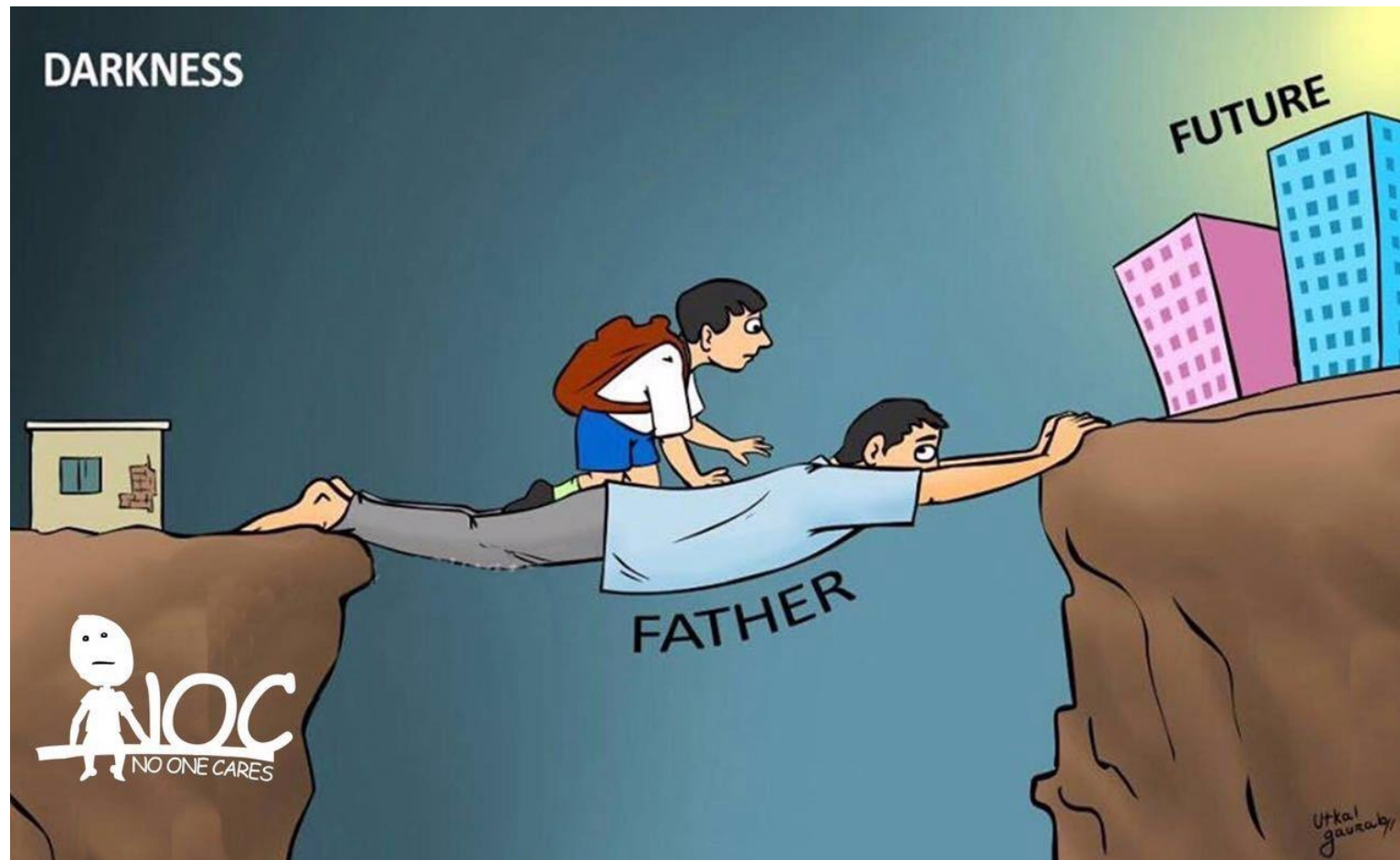
Total Operational Budget cut by **N\$2.82 Billion**

### 2016/17 Mid-Year Suspensions to the Development Budget (NAD million)



Total Development Budget was cut by **N\$2.7 Billion**

# Necessary Pains for A Secure Future



## 2017/18 BUDGET



Foundations for A Secure Future	Budget 2017/2018	Yes/ No
Reduce Wage Bill	Continue with Mid-Term Reforms: freezes in civil service, Performance Contracts, Revise PSEMAS	x
Policy Certainty (NEEEF, PPP)	PPP legislation introduced in parliament. NEEEF undergoing revisions after 2016 public consultations.	?
Reprioritize Expenditure	N\$9 billion allocated to Development Expenditure, increase from N\$ 6.3 allocated in previous financial year	?
Essential Infrastructure Spending (Water, Energy, Social Housing)	Development Infrastructure prioritized includes: Railway Rehabilitation, Expansion of Walvis Bay Port, Mass Land Servicing & Housing, and Water & Storage Infrastructure	?
SOEs Reform & Divestiture	Public Management Reforms	x
Budget Deficit & Debt	Budget Deficit projected to decrease from 6.3% (2016/17) to 3.5% Debt to GDP projected to remain consistent at 42%	✓
Measures taken to stimulate increased industrial & economic activity (agriculture, tourism, etc.)	?	?





THANK YOU

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