

Safari Court
Hotel &
Conference
Centre

March 2017



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Stronger Together

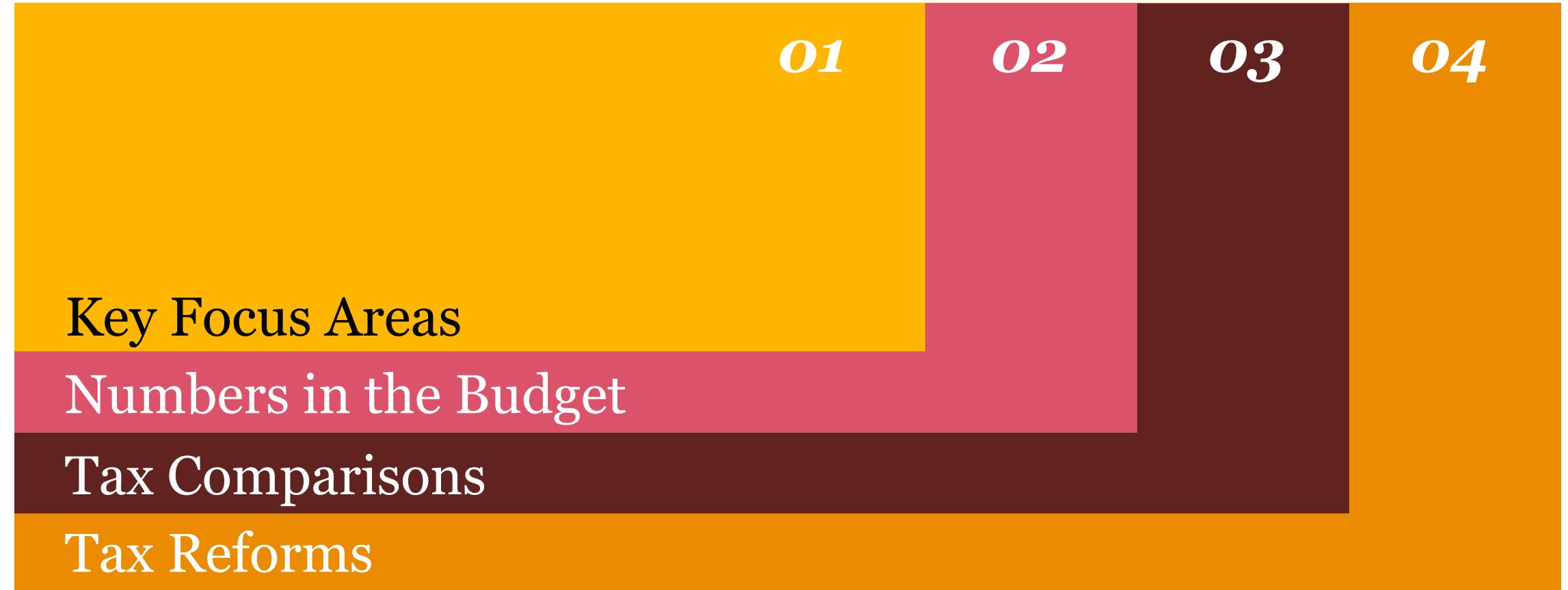
Namibia Budget Review

2017/2018



pwc

Budget Review 2017/2018



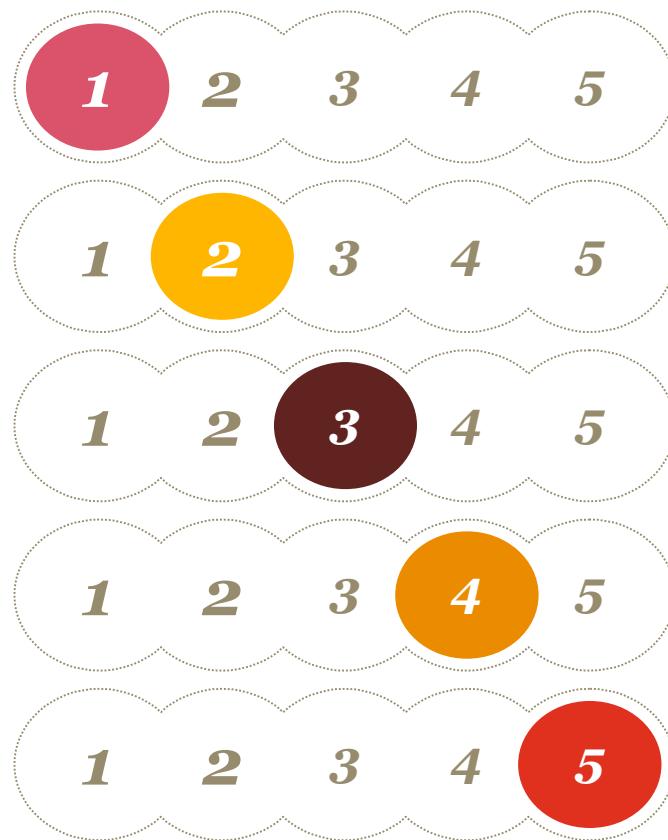
Key Focus Areas

1



Key Focus Areas

“Maintaining Pro-growth Fiscal Consolidation: Making Impact where it Matters”



Macroeconomic Fundamentals & Fiscal Buffers

Inclusive Growth & Economic Diversification

Poverty Eradication

Harambee Prosperity Plan

Improved Public Service Delivery

Public Finance Reforms

1

**Mid-Year
Budget
Review**

2

**Macro-
Economic
Modelling**

3

**Public
Procurement
Act**

4

**PPP
Legislation**

5

**Public
Finance
Management
Bill**

6

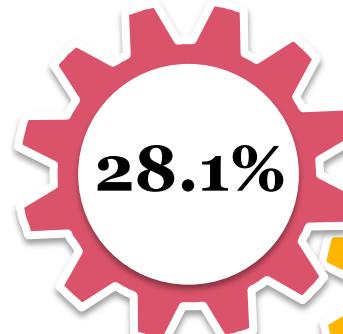
**Civil Service
Wage Bill**

7

**Public
Expenditure
Reviews**

Namibian Economic Statistics

Unemployment at
March 2017

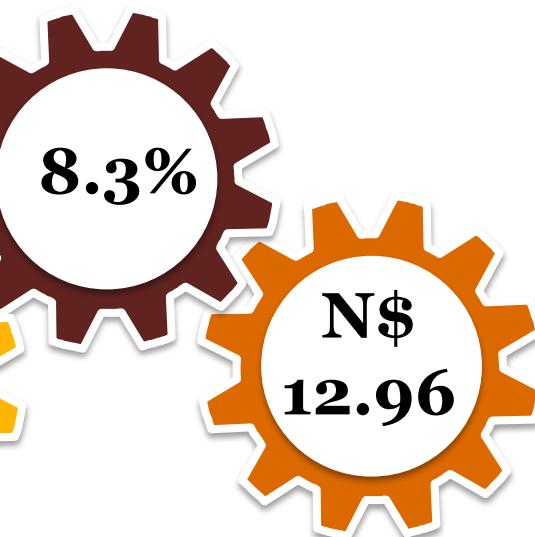


Inflation at
January 2017



GDP Growth

USD: NAD
Exchange Rate

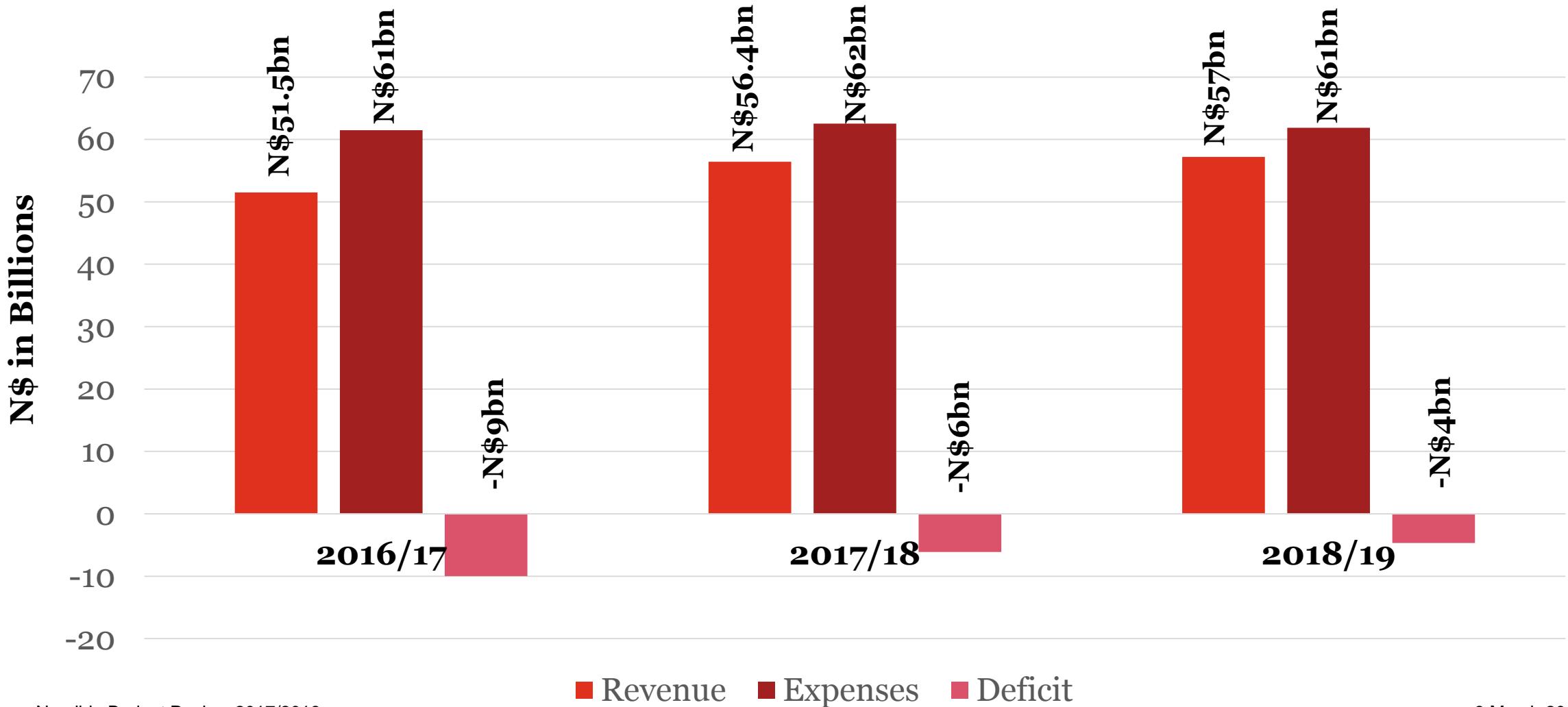


The Numbers

2



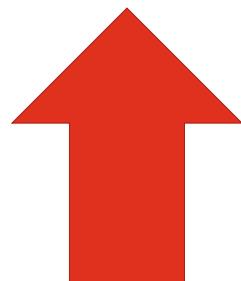
Revenue vs. Expenditure



Debt Stock as % of GDP

N\$71.67bn

2017/2018

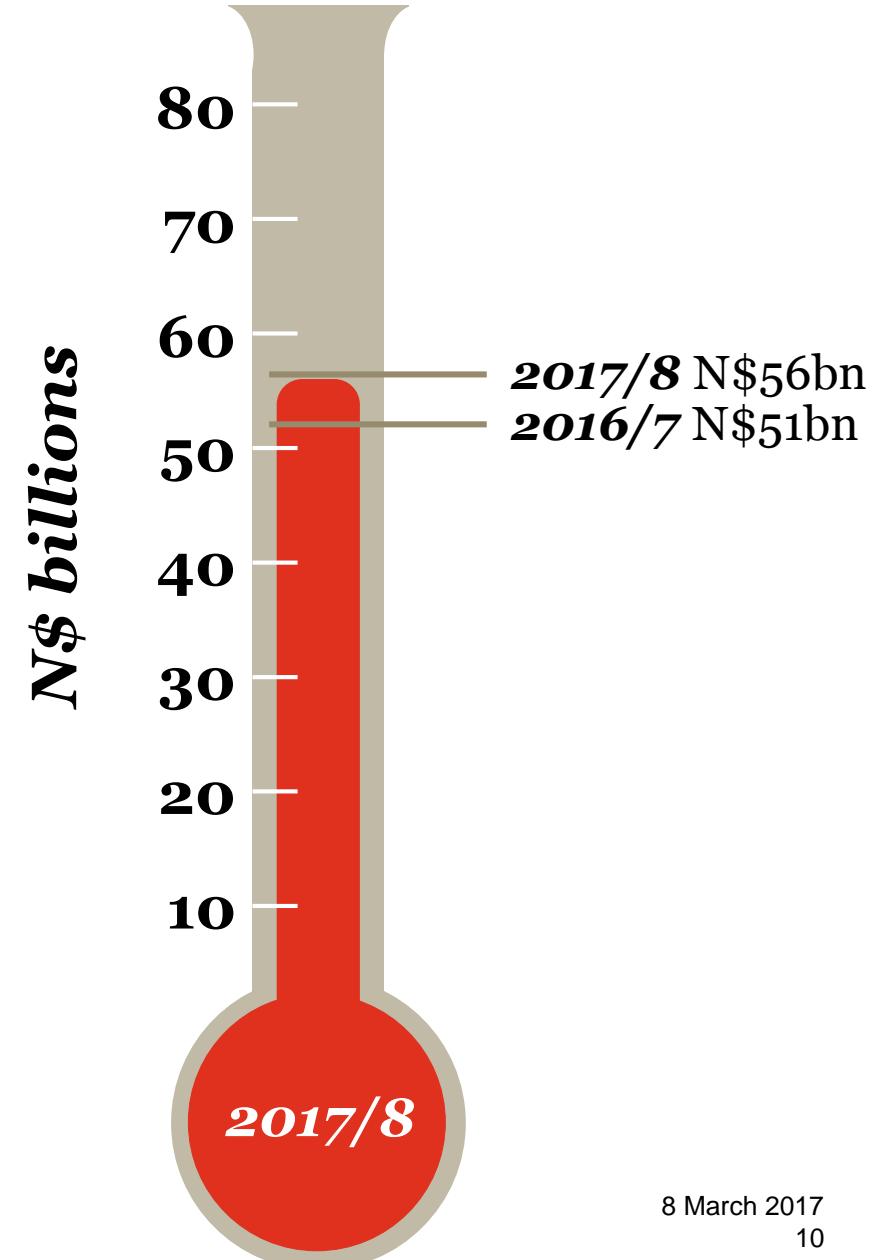
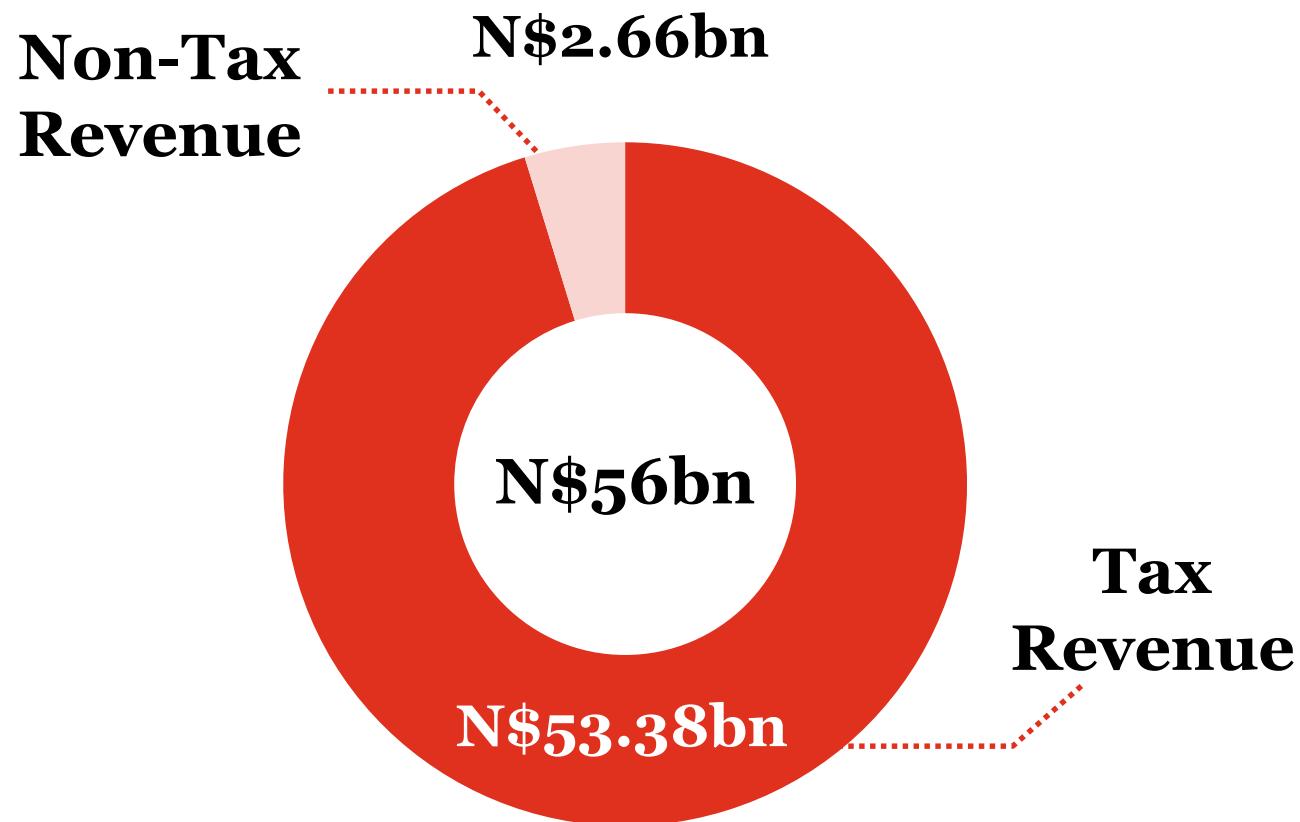


N\$75.22bn

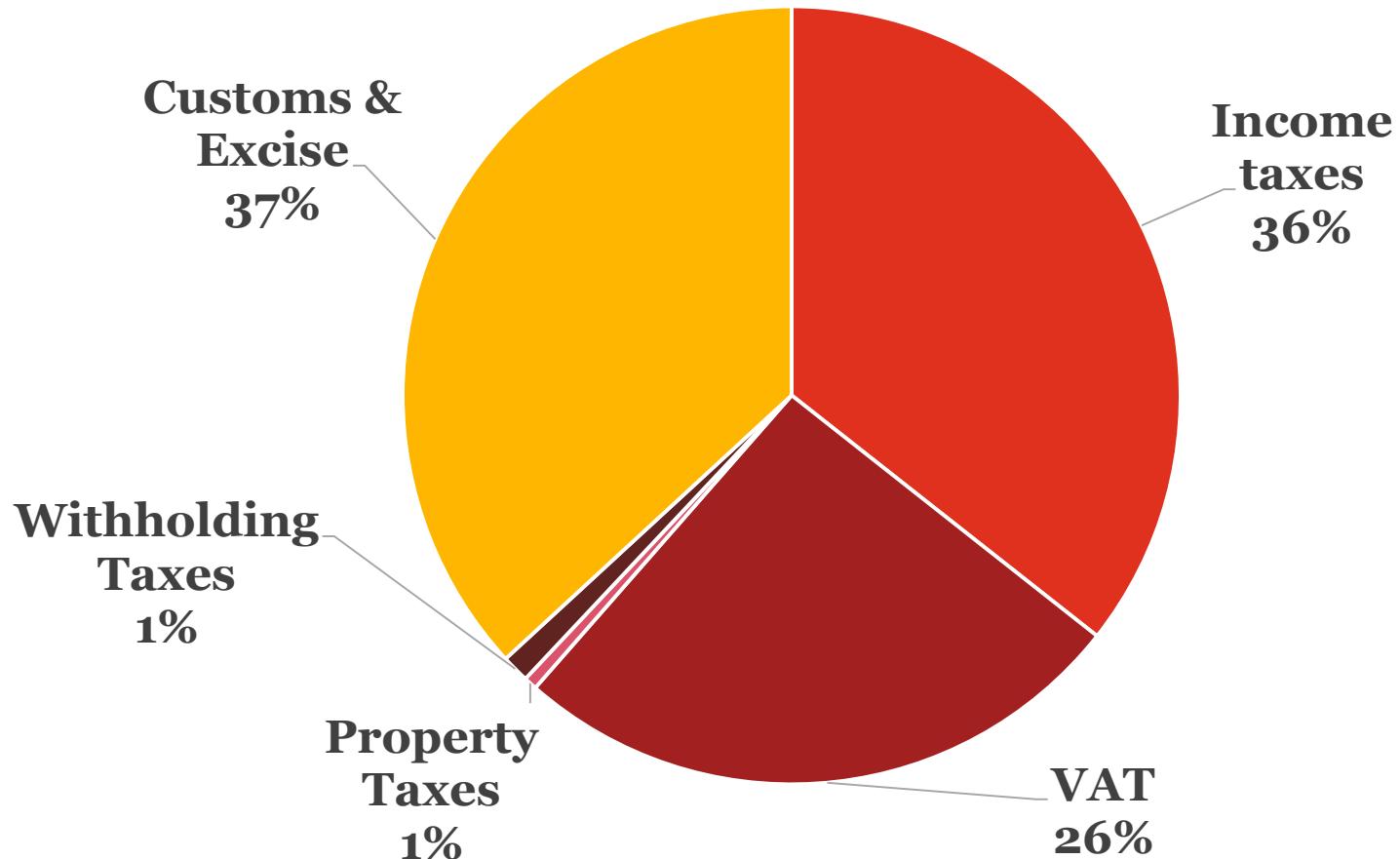
2019/2020

42%

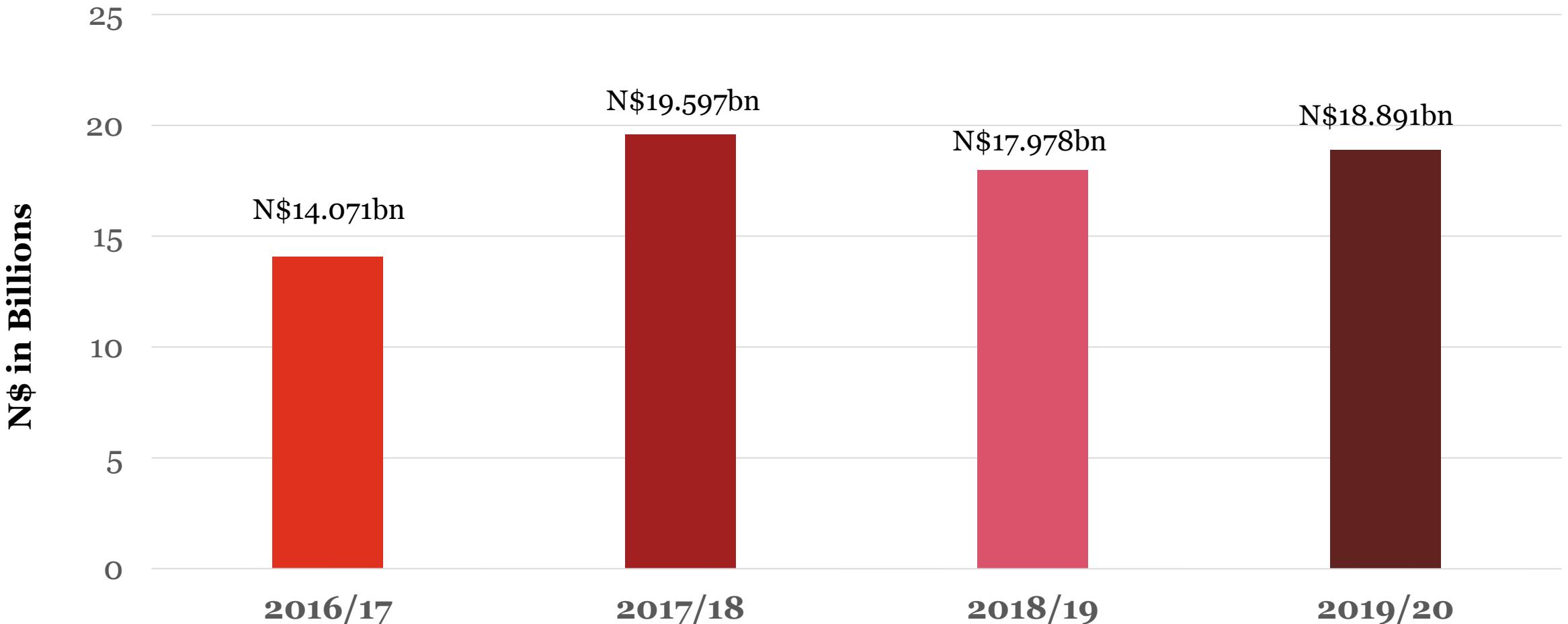
Tax Revenue vs. Non-Tax Revenue



Total Tax Revenue (N\$ 53.38 billion)



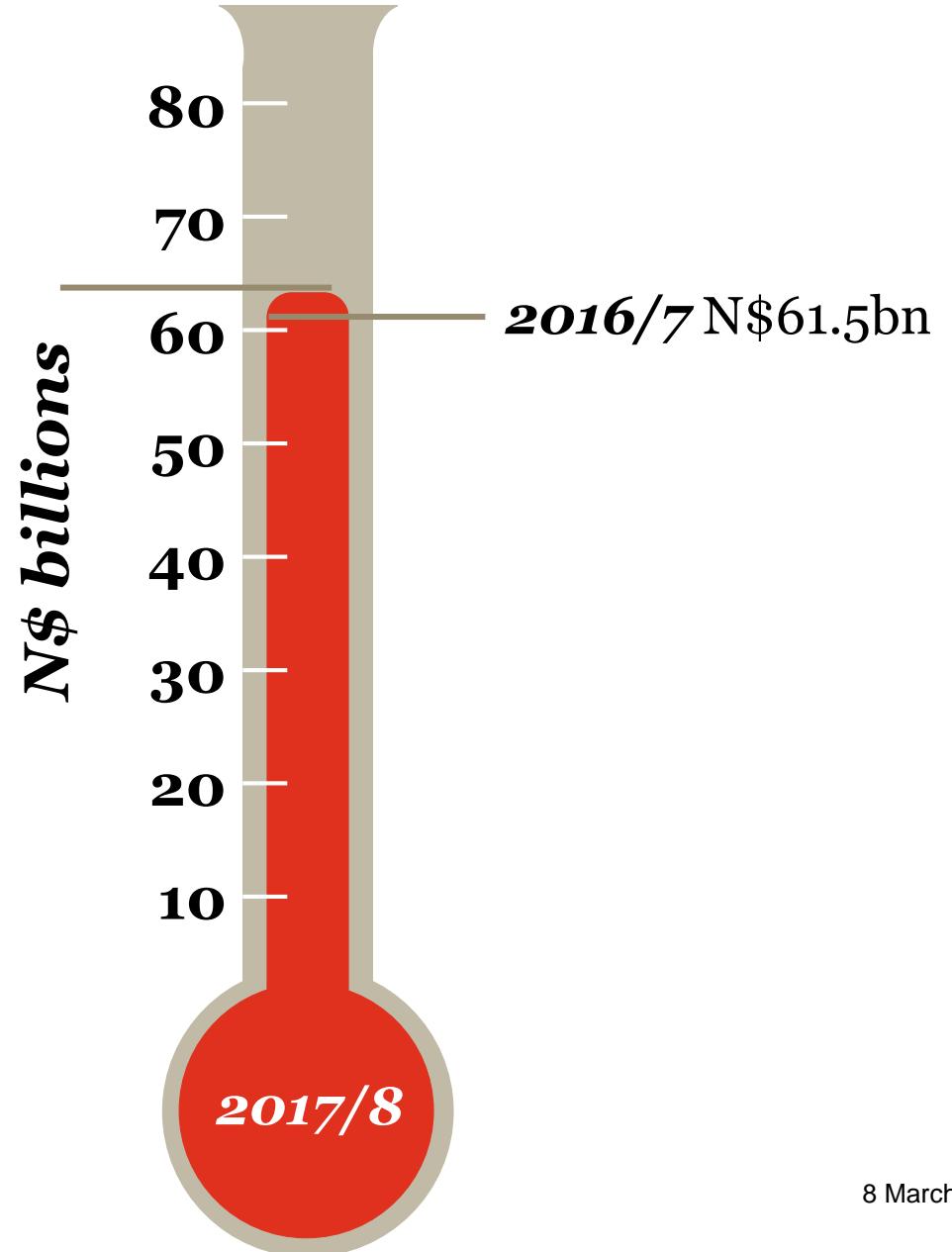
SACU Receipts



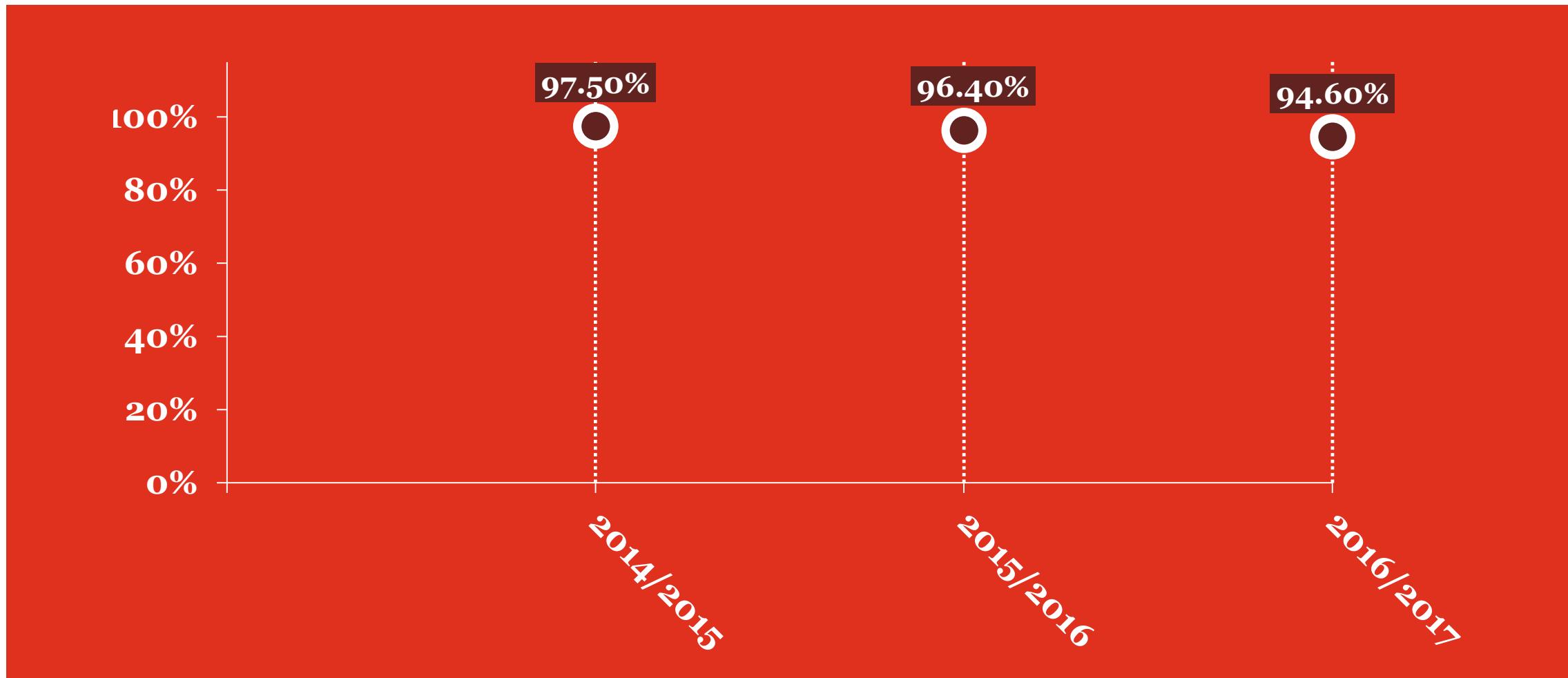
Spending Comparison



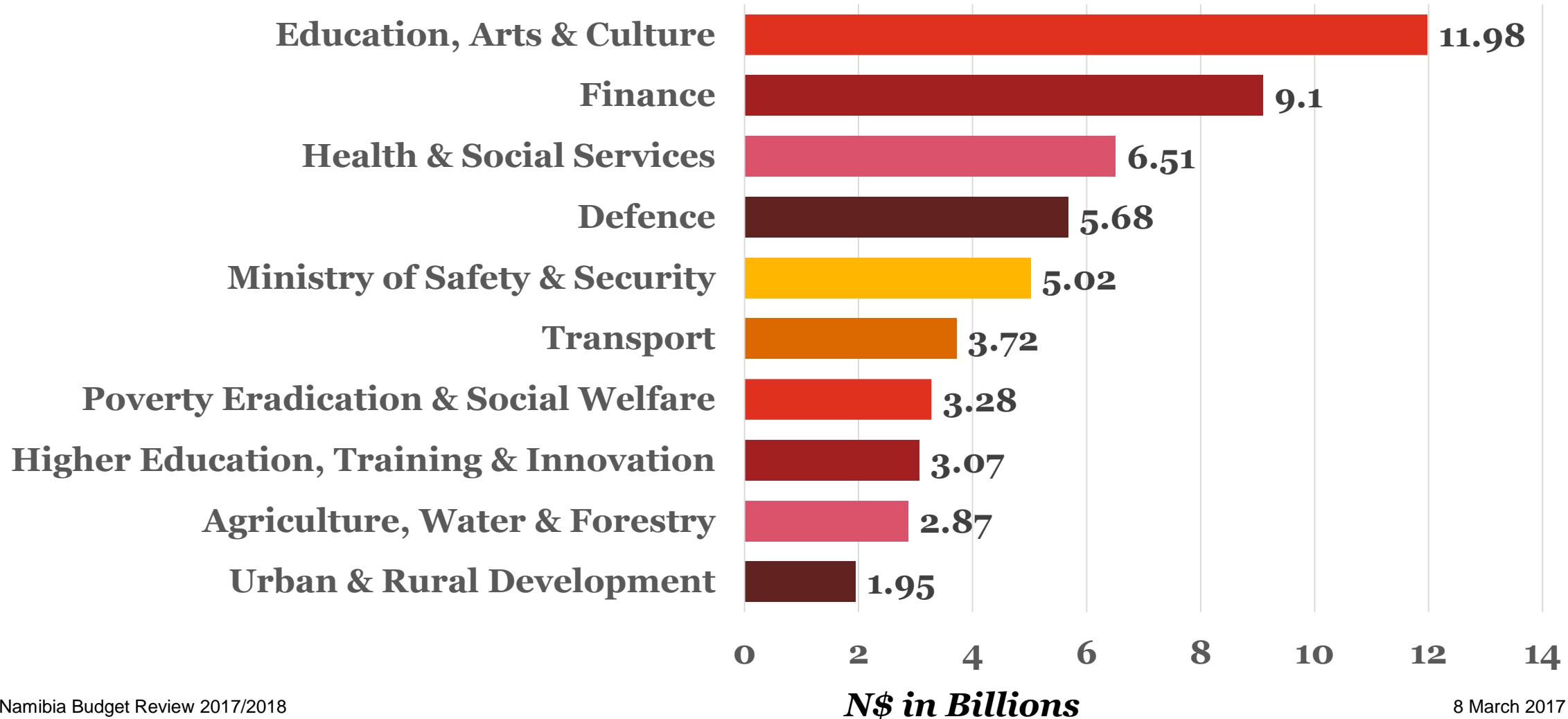
2017/8 N\$62.5bn



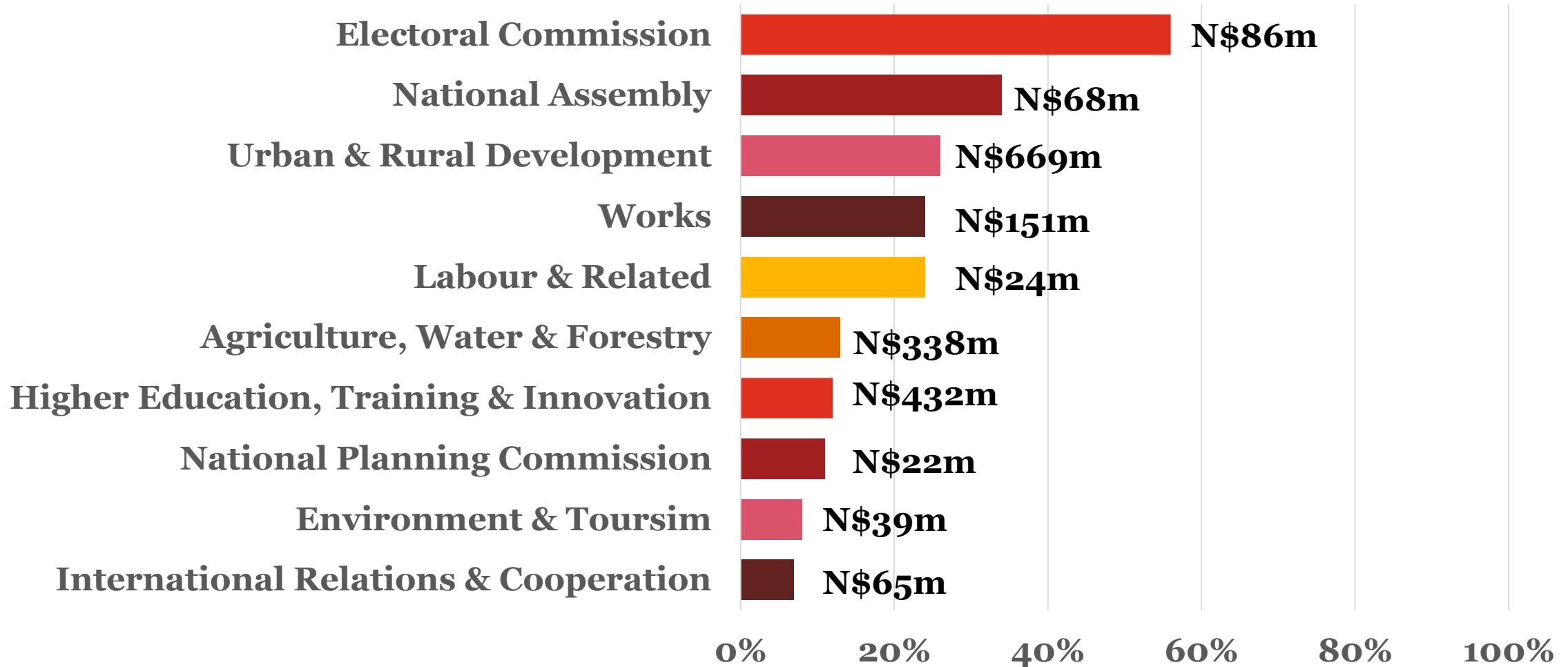
Expenditure Execution Rates



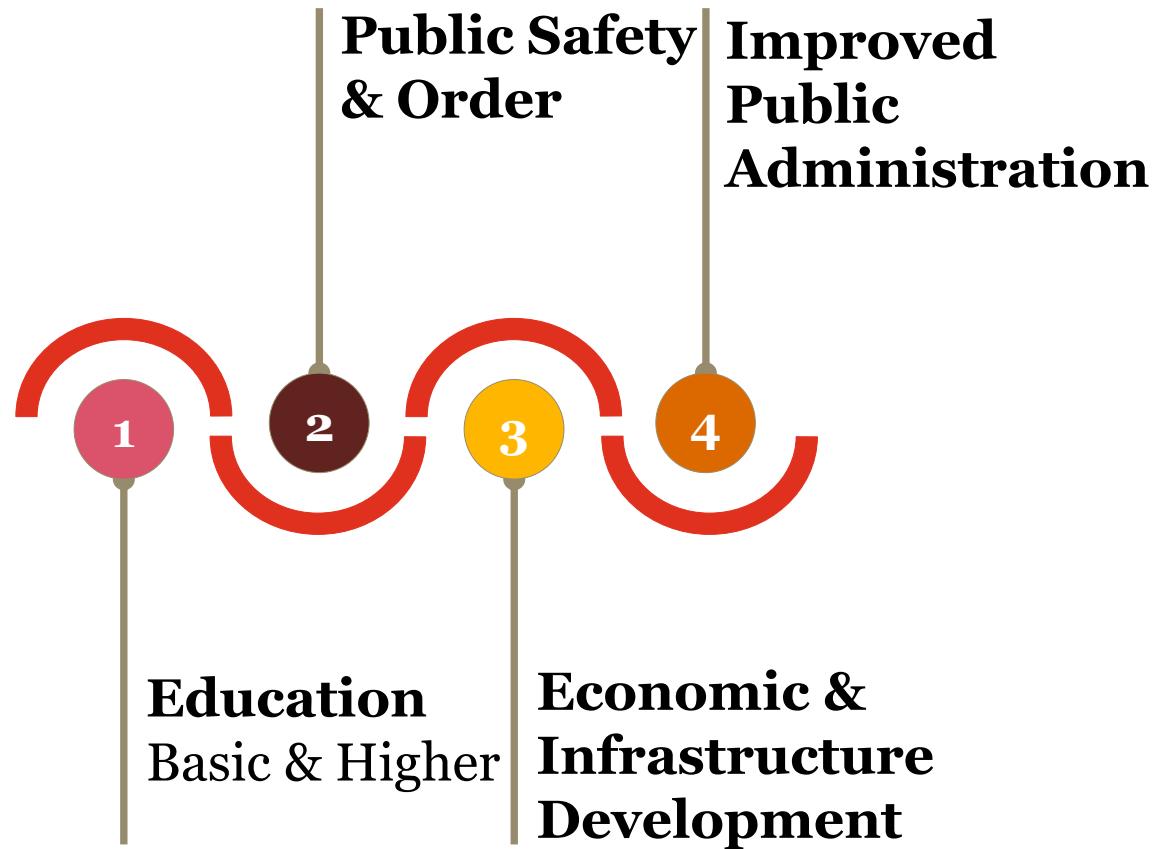
Top 10 Budget Allocations



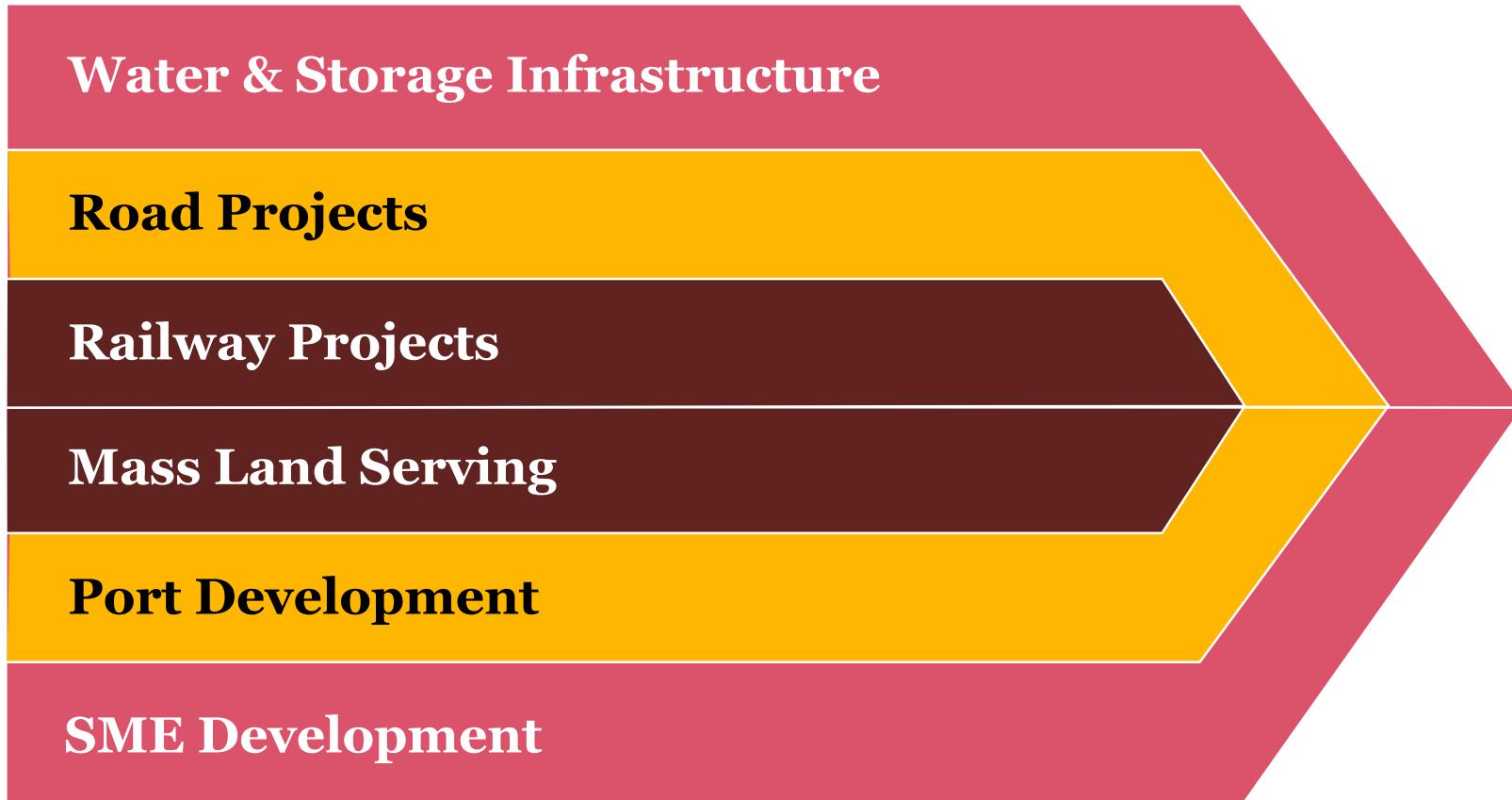
Top 10 Budget Cuts



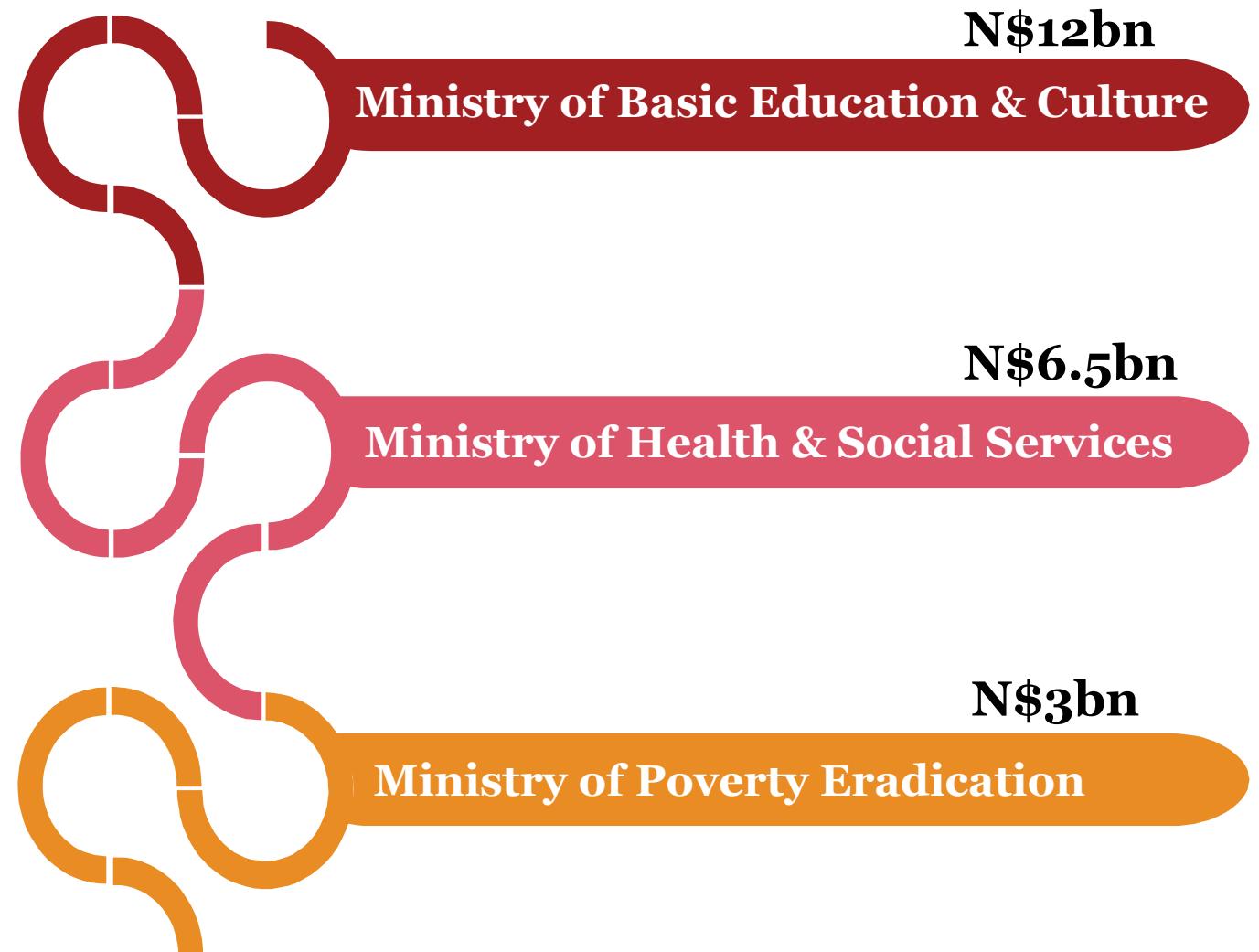
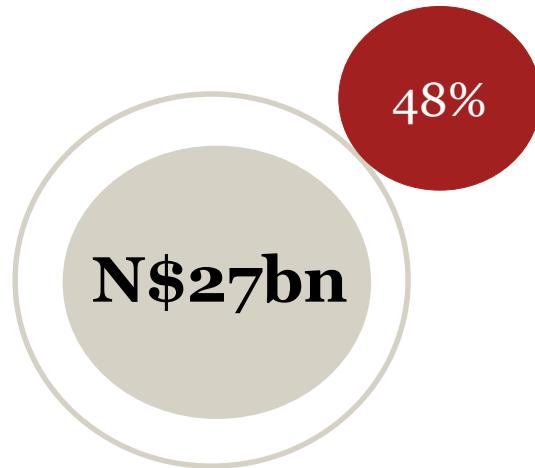
Spending Priorities



Infrastructure Development



Social Sector Investment

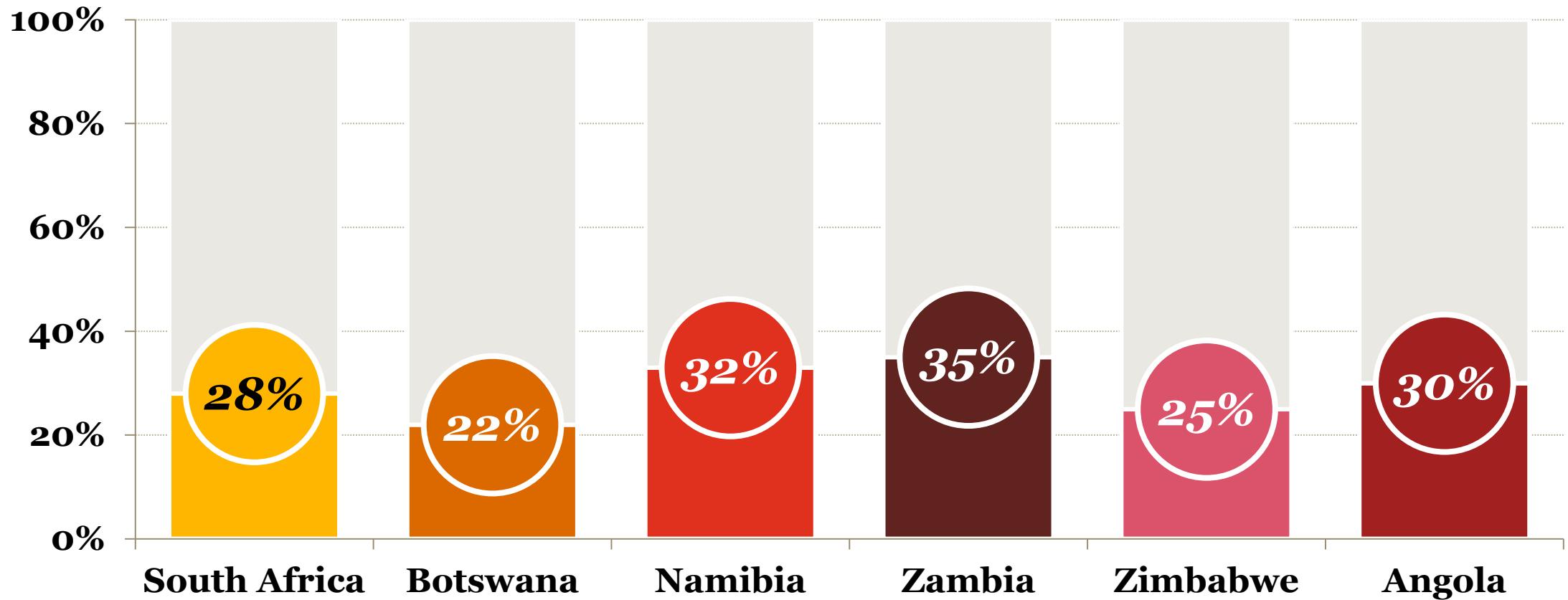


Tax Comparisons

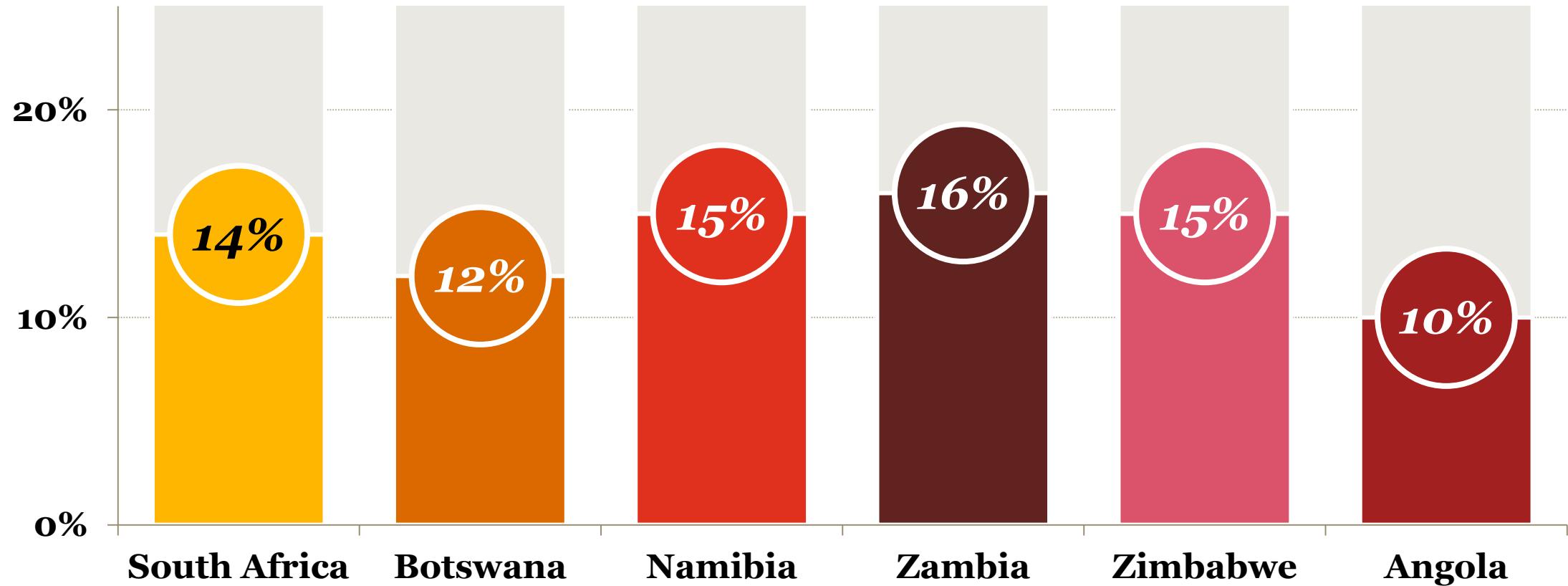
3



Comparisons: Corporate Tax Rates

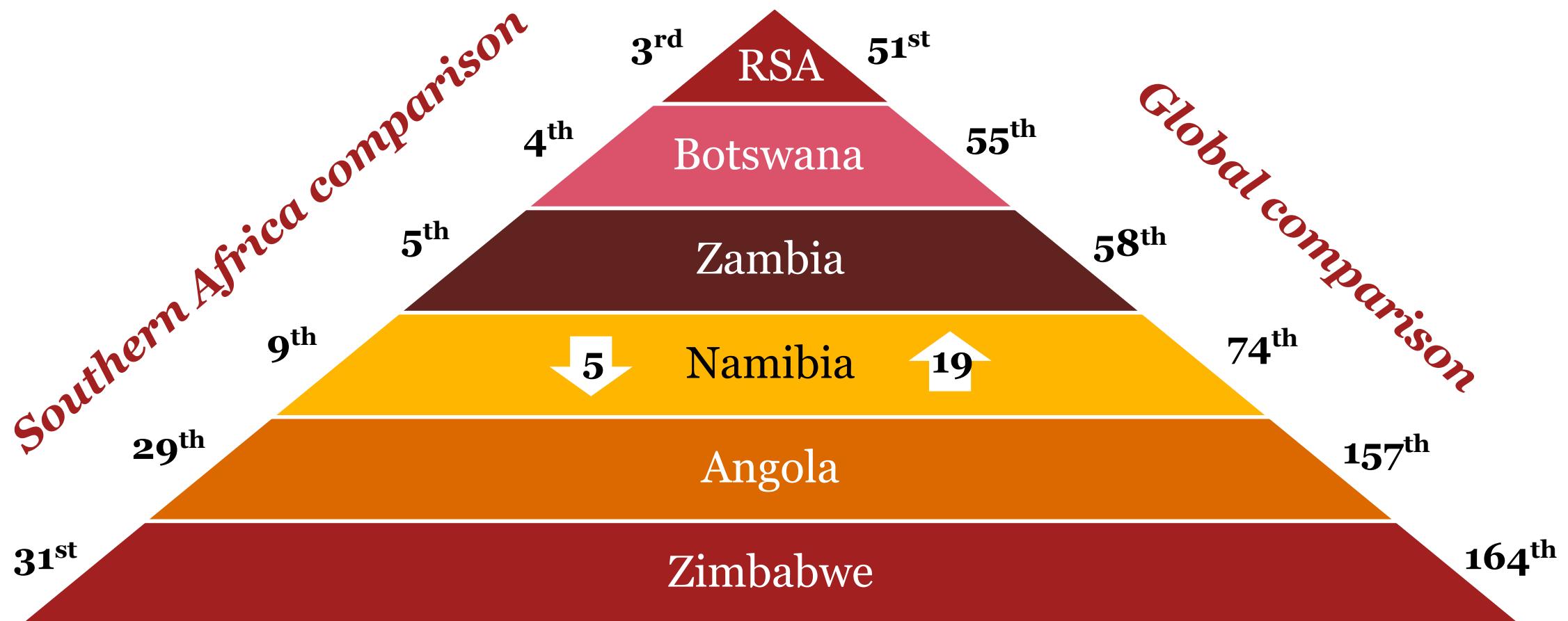


Comparisons: VAT Rates



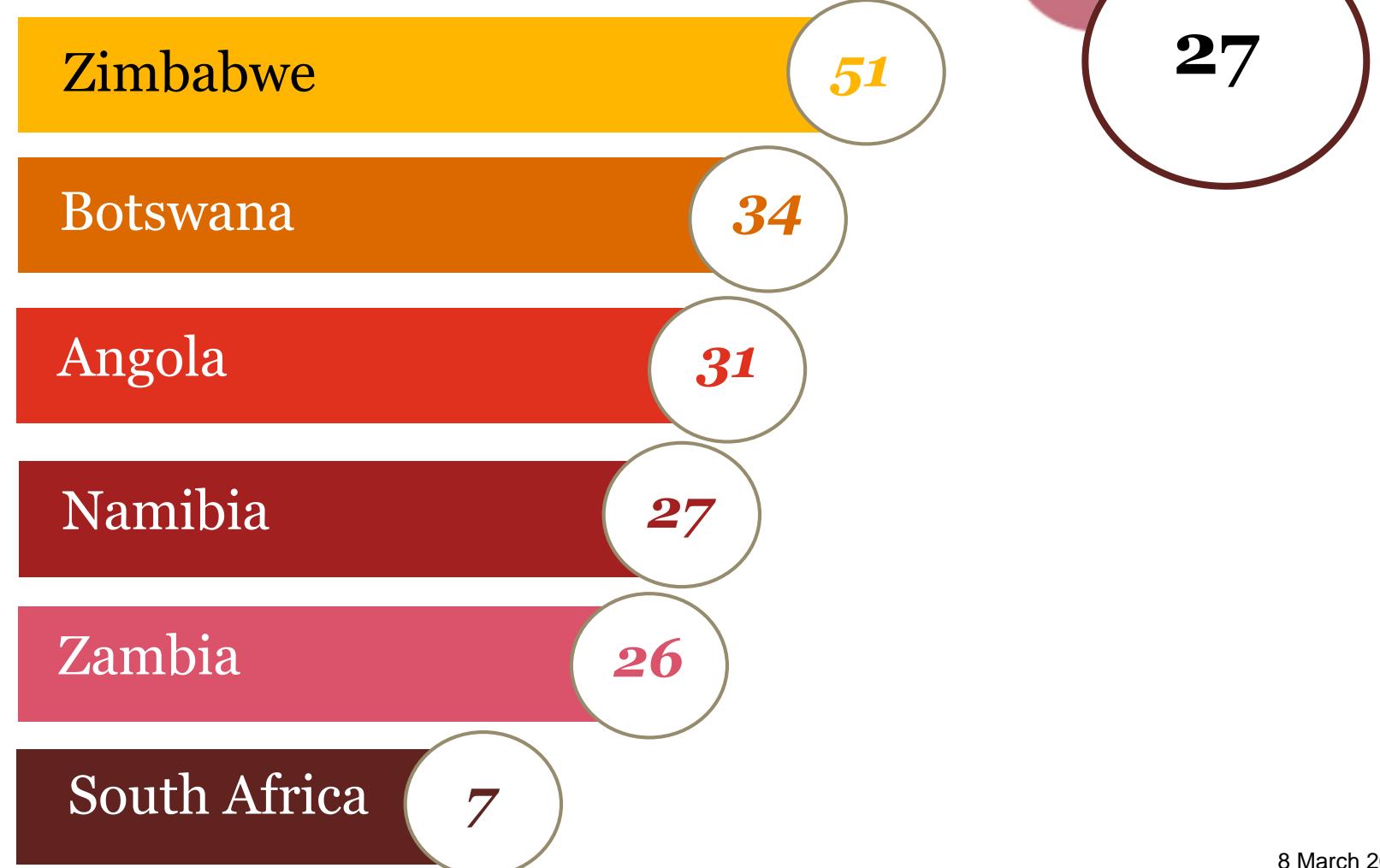
World Bank Report 2017

Ease of paying taxes



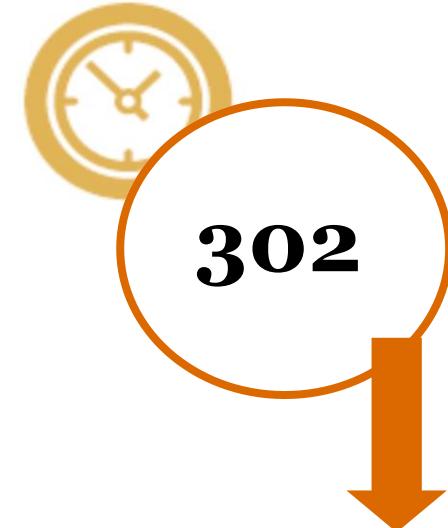
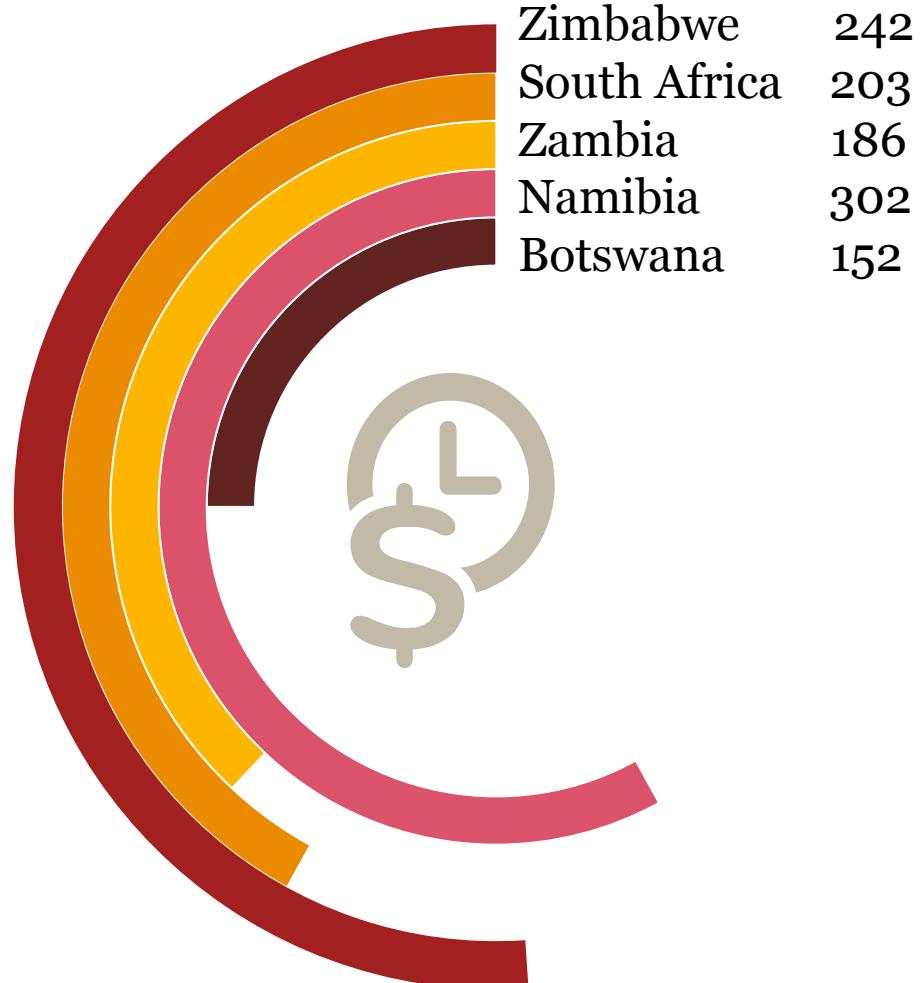
World Bank Report 2017

Number of Tax Payments
required to be compliant



World Bank Report 2017

*Amount of
hours required
to be compliant*

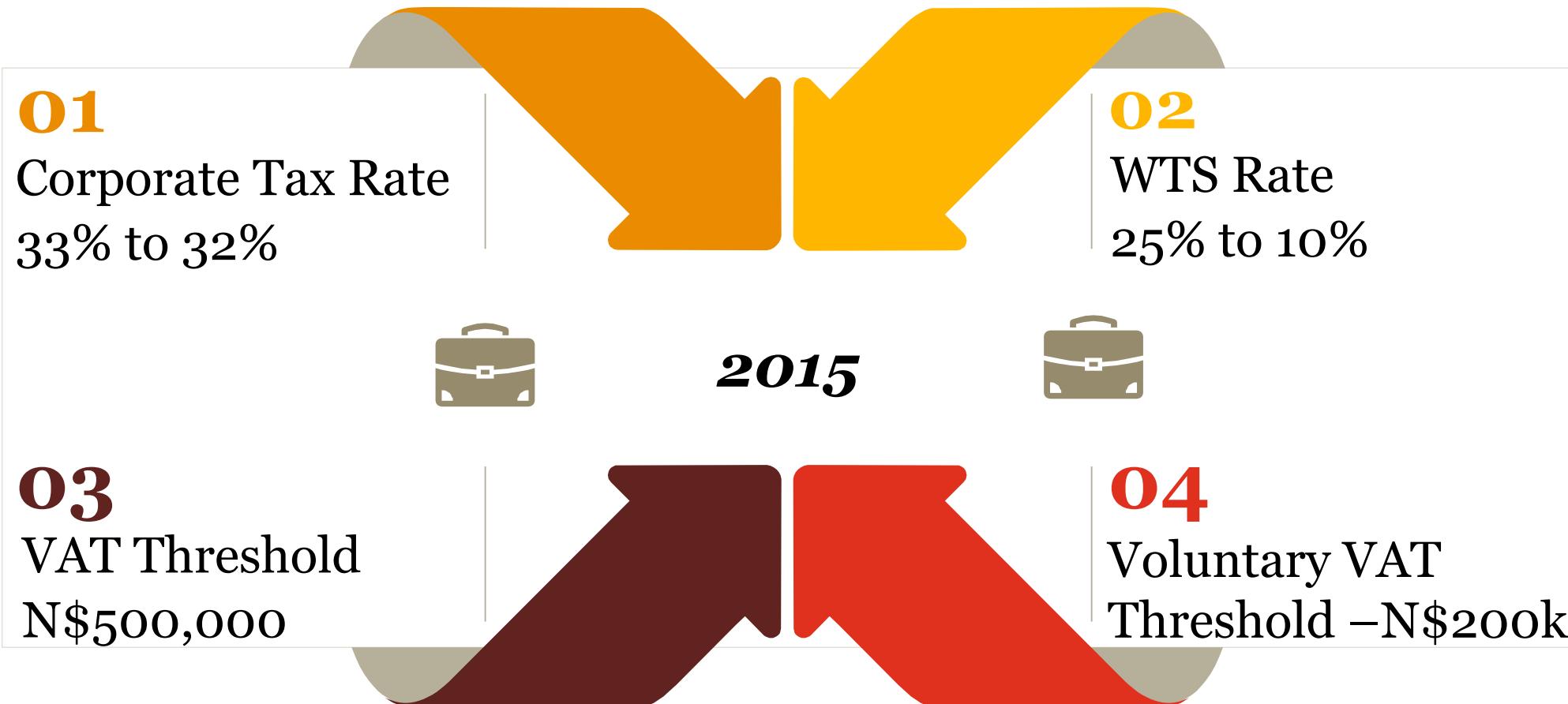


Tax Reforms

4



Tax Amendments



Tax Amendments

05

Restraint of Trade
payment taxation



2015

06

Recovery of tax
debts (provisions)



07

PAYE on directors
fees

08

Lifting of corporate
veil

Tax Amendments

01 **Environmental Duties:**



2016

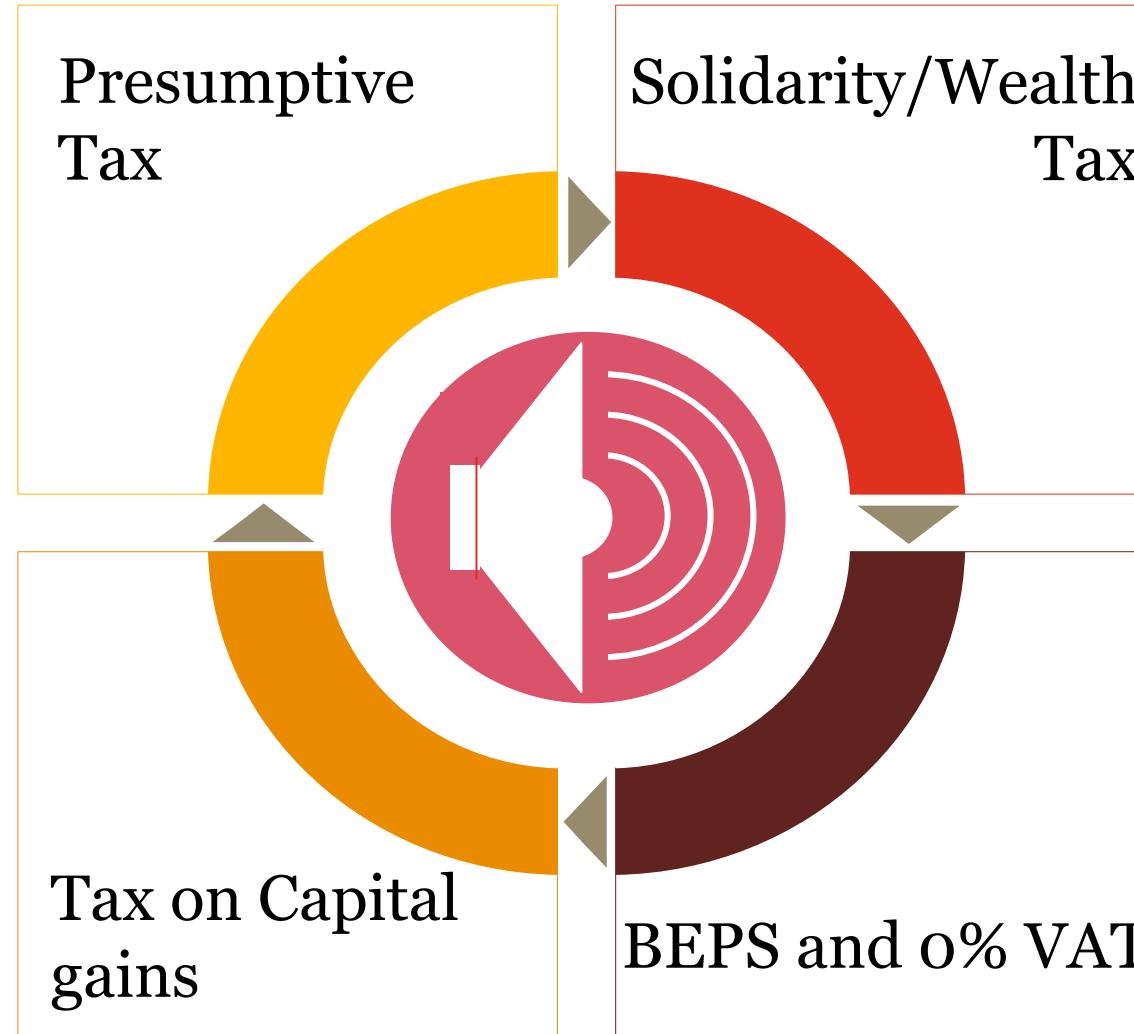
- Light bulbs
- Tyres
- CO₂ emissions

02 **WTS: 10% to 25%**



- Directors fees
- Foreign entertainers

Tax Proposals – 2017/2018



Promulgated but not yet effective



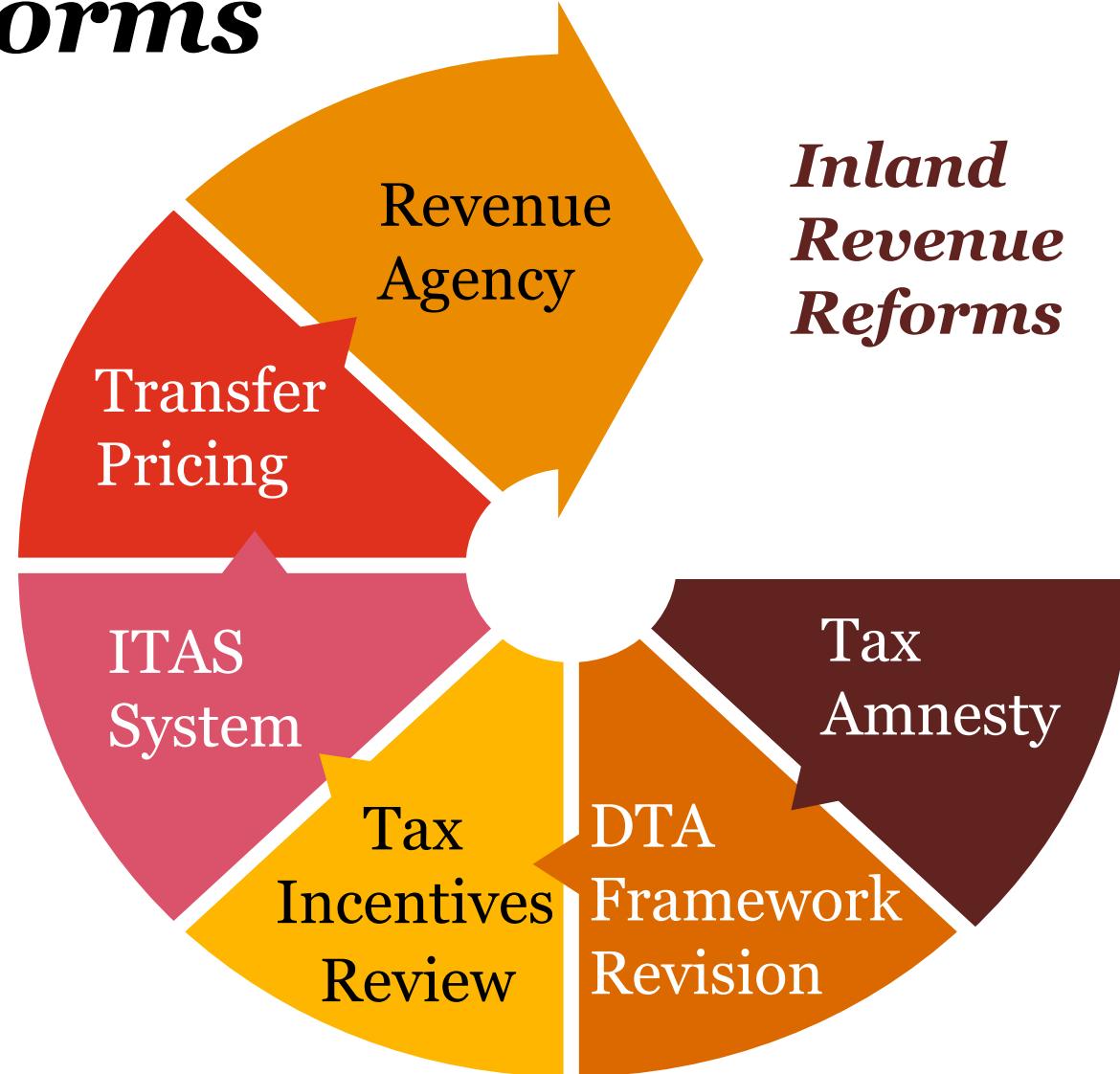
SACU Excise Duty Increases

Sin Taxes effective 22 February 2017



Rise in tobacco and alcohol excise duties:	Increase	New Duty
340 ml malt beer	N\$0.12	N\$1.36
750 ml bottle of unfortified wine	N\$0.23	N\$2.71
750 ml bottle of sparkling wine	N\$0.70	N\$8.60
750 ml bottle of spirits (whiskey, brandy, vodka etc.)	N\$4.43	N\$52.56
Pack of 20 cigarettes	N\$1.06	N\$14.30
340 ml bottle ciders & alcoholic fruit beverages	N\$0.12	N\$2.22

Other Reforms



Stronger Together



“True equality means holding everyone accountable in the same way, regardless of race, gender, faith, ethnicity – or political ideology”

Hon. Minister of Finance, Mr. Calle Schlettwein quoting Monica Crowley

Thank you

The Budget Speech and presentations
are available on:

www.pwc.com.na

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