

MOTIVATION OF THE 2026/27 BUDGET: HON GAUDNTIA KRÖHNE.

Honourable Speaker,

Honourable Members of Parliament,

I rise to provide a formal motivation for the support and approval of the 2026/27 National Budget, a document that represents not just a financial plan, but an unbreakable contract between the State and its people. This budget is presented during a period of moderate but fragile economic recovery, necessitating a strategy that balances development ambitions with the discipline required for macroeconomic stability.

At the heart of this budget is the theme: "People, Productivity, and Prudence". I urge this August House to support this budget based on three fundamental pillars:

1. Nurturing Our People through Unprecedented Social Investment.

With N\$54.3 billion, or 61.7% of the overall budget (not including interest payments), the social sector continues to be our top focus. By endorsing this budget, we are casting our votes for:

Education: N\$28 billion will be set aside to prepare our children, with N\$2.8 billion going toward subsidised postsecondary education and reducing school overcrowding.

Health: N\$13.1 billion will be used to hire necessary medical personnel and modernise public health facilities to meet private sector standards.

Social Safety Nets: Providing immediate assistance by increasing the old-age pension by N\$100 and supporting our veterans with N\$1.5 billion.

2. Driving Productivity and Economic Growth

This budget prioritises high-impact investments that will boost the actual economy rather than just consumption. Acceptance of these projections will enable:

Infrastructure Development: Important investments in water security (N\$1.0 billion) and transport (N\$2.1 billion state-funded) to guarantee that our resources and logistics support industrial expansion.

Energy Security: To guarantee that no Namibian is left behind in the contemporary economy, N\$320 million will be used to expedite rural electrification.

Youth Empowerment: Ongoing assistance for the National Youth Development Fund (NYDF), which offers young entrepreneurs in the green economy and industrialisation financing without collateral.

3. Entrenching Fiscal Prudence and Sustainability

We are at a crucial financial juncture. The goal of this budget is to put our debt-to-GDP ratio on a downward trajectory toward the 60 percent SADC standard and restore a positive primary fiscal balance for the 2026–2027 term. By endorsing this budget, we support:

Operational Reforms: To guarantee that every Namibian dollar generates quantifiable value, a thorough evaluation of personnel establishments and the application of Outcome-Based Budgeting (OBB) are being implemented.

Efficiency: By cutting down waste and wasteful spending, we have already found N\$2.3 billion in savings.

Tax Relief and Fairness: Modernising VAT to support key industries like agriculture and modifying income tax brackets to lessen fiscal burden.

Honourable Speaker, Hon members

Restoring equilibrium between the demands of the present and the commitment of the future is the goal of this budget. It serves as a road map for changing Namibia's economy from one that is fragile to one that is resilient and grows inclusively. Therefore, I propose that the Appropriations Bill for the fiscal year 2026–2027 be adopted so that we can keep working to create a thriving Namibia for everybody.

I thank you.