

# Counting Every Dollar

Strengthening Budget Oversight  
and Citizen Participation



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## Executive Summary

Budget transparency and public accountability are fundamental principles of democratic governance and effective public financial management. They ensure that governments are accountable for how public resources are raised, allocated, and spent. This paper examines the state of budget transparency and accountability in Namibia, focusing on the accessibility of fiscal information, the effectiveness of parliamentary oversight, and the role of civil society in monitoring public finances.

Using evidence from the International Budget Partnership's Open Budget Survey (OBS) and national public finance frameworks, the paper evaluates Namibia's progress toward fiscal openness since independence. Namibia has made notable improvements in publishing key budget documents and improving fiscal reporting systems. However, significant challenges remain in areas such as public participation, parliamentary scrutiny of the budget, and the implementation of audit recommendations.

In the latest [Open Budget Survey](#) released in June 2026, Namibia scored 53 out of 100 on budget transparency, 17 on public participation, and 48 on oversight. The results indicate moderate transparency but limited opportunities for citizen engagement and oversight. These findings suggest that while Namibia has taken steps toward improving fiscal transparency, institutional and structural constraints continue to limit the effectiveness of accountability mechanisms.

The paper concludes that strengthening Namibia's budget accountability ecosystem requires reforms that improve access to fiscal information, enhance legislative capacity, institutionalise public participation mechanisms, and strengthen the independence and effectiveness of audit institutions. Such reforms are essential for improving fiscal governance, strengthening public trust, and ensuring that public resources contribute to sustainable national development. This paper employs a qualitative, comparative, and institutional analytical approach to examine budget transparency and public accountability in Namibia. The research design is informed by the need to assess both formal fiscal transparency mechanisms and their effectiveness in promoting accountability outcomes.

## Introduction

Public budgets are the primary instruments through which governments translate policy priorities into resource allocation and service delivery. The budget determines how public funds are mobilized through taxation and borrowing and how those funds are allocated to various sectors such as health, education, infrastructure, and social protection. As a result, transparency and accountability in the management of public finances are critical in ensuring that governments use public resources effectively and in the public interest.

Budget transparency refers to the extent to which governments provide timely, accessible, and comprehensive information about fiscal policies, revenues, expenditures, and debt. Transparency allows citizens, legislators, and oversight institutions to monitor government actions and hold public officials accountable for financial decisions.<sup>1</sup> When citizens have access to reliable fiscal information, they are better able to participate in policy debates and advocate for spending priorities that reflect societal needs.

Namibia has made significant progress in establishing a stable public financial management system since independence in 1990. The government has introduced several reforms aimed at strengthening fiscal governance, including improved budget reporting and enhanced oversight by the Office of the Auditor-General. However, concerns remain about the accessibility of budget information, the strength of parliamentary oversight, and the level of citizen engagement in fiscal decision-making throughout the budget cycle.

Global assessments provide useful benchmarks for evaluating Namibia's progress in this area. The latest Open Budget Survey conducted by the International Budget Partnership (IBP) measures transparency, public participation, and oversight in national budget systems across 82 countries. According to the 2025 survey, Namibia scored 53 out of 100 on budget transparency, indicating moderate levels of public access to fiscal information but falling short of the threshold of 61 that indicates sufficient transparency to support informed public debate. Namibia also scored 17 out of 100 on public participation and 48 out of 100 on oversight, suggesting that opportunities for citizen engagement and institutional scrutiny remain limited.

This paper provides a critical analysis of budget transparency and public accountability in Namibia. It examines the institutional framework governing public finance, evaluates the accessibility and quality of budget information, and assesses the roles of Parliament, the Auditor-General, and civil society in ensuring fiscal accountability. The paper also identifies key challenges and proposes policy recommendations to strengthen Namibia's fiscal transparency framework.

<sup>1</sup> <https://www.imf.org/external/np/fad/trans/Code2019.pdf>

## Budget Transparency

Building a government budget is a continuous, year-round process that involves four interconnected phases: formulation, legislative approval, execution, and audit. The process is typically coordinated by the Ministry of Finance in collaboration with line ministries and, increasingly, through public participation mechanisms involving citizens and civil society.<sup>2</sup> During the formulation phase, government priorities are aligned with projected revenues, expenditure needs, debt obligations, and broader development goals to create a sustainable fiscal framework. The proposed budget is then submitted to Parliament during the legislative phase, where it is reviewed, debated, and approved into law. Once approved, the execution phase begins, during which government ministries, offices and agencies (OMAs) implement programmes and spend allocated funds while monitoring financial performance and adjusting to economic conditions where necessary. The final phase, audit and evaluation, involves independent oversight institutions reviewing government expenditure to assess legal compliance, efficiency, and accountability. Together, these four phases form a complete budget cycle that ensures that public resources are planned, allocated, implemented, and monitored within a system of democratic oversight and fiscal accountability.<sup>3</sup>

### The Concept of Budget Transparency

Budget transparency has become a central component of modern public financial management systems. According to the International Monetary Fund, fiscal transparency involves the openness of government structures, fiscal policies, and public accounts so that stakeholders can understand how public resources are managed.<sup>4</sup> Transparency enables citizens to monitor government spending and reduces opportunities for corruption and mismanagement. Scholars argue that transparency enhances accountability by reducing information asymmetry between governments and citizens. When fiscal information is publicly available, policymakers are more likely to act responsibly because their decisions can be scrutinized by the public and oversight institutions. Studies have also shown that greater transparency is associated with improved fiscal discipline, lower borrowing costs, and better public service delivery.<sup>5</sup>

### The Open Budget Framework

The Open Budget Survey is one of the most widely used global tools for measuring fiscal transparency. Conducted every two years by the IBP, the survey assesses whether governments provide the public with access to eight key budget documents and whether they offer opportunities for public participation in the budget process.

The survey evaluates countries across three main dimensions:

1. Budget transparency
2. Public participation
3. Budget oversight by legislatures and supreme audit institutions

Countries are scored on a scale from 0 to 100 based on the availability, timeliness, and comprehensiveness of fiscal information. According to the OBS 2025 round, a score of 61 or higher indicates that a country provides sufficient budget information to support informed public debate.

### Budget Transparency in Africa

Across Africa, progress toward fiscal transparency has been uneven. Countries such as South Africa have developed relatively strong transparency frameworks that include detailed budget documentation, participatory budgeting processes, and robust parliamentary oversight mechanisms. In contrast, many other countries continue to struggle with limited public access to fiscal information and weak accountability institutions. Research suggests that a few factors influence fiscal transparency in African countries, including political commitment to openness, the strength of democratic institutions, and the capacity of oversight bodies. Weak institutional capacity and centralized decision-making often limit the effectiveness of transparency reforms.

<sup>2</sup> [https://fiscaltransparency.net/documents/Gral\\_Stewards\\_Meeting\\_Aug2020/Public%20Participation/Mainstreaming%20citizen%20engagement%20in%20PFM.pdf](https://fiscaltransparency.net/documents/Gral_Stewards_Meeting_Aug2020/Public%20Participation/Mainstreaming%20citizen%20engagement%20in%20PFM.pdf)

<sup>3</sup> <https://ajates-scholarly.com/index.php/ajates/article/view/30/28>

<sup>4</sup> <https://www.imf.org/-/media/files/conferences/2019/feb-2019-african-fiscal-forum/theme-1-fiscal-transparency-and-managing-fiscal-risks-sailendra-pattanayak-eng.pdf>

<sup>5</sup> <https://www.ruthcarlitz.com/pdf/BudgetProcesses.pdf>

## Budget Transparency in Namibia

Namibia's public financial management system has evolved gradually since independence. The country has adopted several reforms aimed at strengthening fiscal governance, including improvements in budget reporting and audit oversight. Civil society organisations and research institutions have also played an important role in monitoring fiscal transparency and advocating for improved public access to budget information.<sup>6</sup>

Despite these improvements, the Survey indicates that Namibia still faces challenges related to parliamentary capacity, limited public participation, and delays in fiscal reporting. The Open Budget Survey highlights both progress and remaining gaps in Namibia's transparency framework, suggesting that further reforms are needed to strengthen accountability mechanisms.<sup>7</sup>

## Namibia's Public Finance Architecture

Namibia's public finance system is governed by a centralised budget framework managed primarily by the Ministry of Finance. The ministry is responsible for preparing the national budget, managing public revenues and expenditures, and ensuring compliance with fiscal policies.

The national budget process typically follows four main stages:

1. Budget formulation
2. Legislative approval
3. Budget implementation
4. Audit and oversight

During the formulation stage, government ministries submit expenditure proposals to the Ministry of Finance, which consolidates them into the national budget proposal. This proposal is then presented to Parliament for debate and approval.

Parliament is supposed to play an important role in reviewing and approving the national budget. However, its ability to influence fiscal policy is constrained by institutional limitations, including limited analytical capacity and the absence of an independent parliamentary budget office (PBO).

Following approval, the budget is implemented by government ministries, offices and agencies (OMAs). The Office of the Auditor-General subsequently audits government accounts to ensure that public funds have been used in accordance with the law.

## Accessibility and Quality of Budget Information

Transparency requires governments to provide citizens with access to comprehensive and timely fiscal information. Namibia publishes several key budget documents, including:

- The Executive's Budget Proposal (EBP)
- The Enacted Budget (EB)
- The Citizens Budget (CB)
- In-Year Reports (IYR)
- Mid-Year Reviews (MYR)
- Year-End Reports (YER)
- Audit Reports (AR)

These documents provide information on government revenues, expenditures, fiscal policies, and economic assumptions.<sup>8</sup>

According to the OBS, Namibia's transparency score of 53 out of 100 reflects moderate access to fiscal information. This score indicates that Namibia publishes several important budget documents but does not yet provide sufficient information to support fully informed public debate. Some reports are published late, and others lack detailed information on fiscal performance. Improving the accessibility and comprehensiveness of budget information could significantly strengthen fiscal transparency. Publishing budget data in open and machine-readable formats, for example, would make it easier for researchers, journalists, and civil society organisations to analyse government spending.

<sup>6</sup> <https://ippr.org.na/wp-content/uploads/2024/10/Civil-Society-The-Budget-web.pdf>

<sup>7</sup> <https://internationalbudget.org/sites/default/files/country-surveys-pdfs/2023/open-budget-survey-namibia-2023-en.pdf>

<sup>8</sup> <https://internationalbudget.org/open-budget-survey>

The following displays the sequence of published documents in Namibia over the years:

### Public availability of budget documents in Namibia

| KEY                         |                                                                                                           |                                                                                                                                                              |                                                                                          |                                                                                   |                                                                                   |                                                                                     |
|-----------------------------|-----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|
|                             |  Available to the Public |  Published Late, or Not Published Online, or Produced for Internal Use Only |  None |                                                                                   |                                                                                   |                                                                                     |
| Document                    | 2015                                                                                                      | 2017                                                                                                                                                         | 2019                                                                                     | 2021                                                                              | 2023                                                                              | 2025                                                                                |
| Pre-Budget Statement        |                          |                                                                             |         |  |  |  |
| Executive's Budget Proposal |                          |                                                                             |         |  |  |  |
| Enacted Budget              |                          |                                                                             |         |  |  |  |
| Citizens Budget             |                          |                                                                             |         |  |  |  |
| In-Year Reports             |                          |                                                                             |         |  |  |  |
| Mid-Year Review             |                          |                                                                             |         |  |  |  |
| Year-End Report             |                          |                                                                             |         |  |  |  |
| Audit Report                |                          |                                                                             |         |  |  |  |

Source: OBS, 2025

### Parliamentary Oversight of the Budget (Part 1)

Legislative oversight is a critical component of democratic governance. Parliament is responsible for reviewing the government's budget proposals, approving fiscal policies, and monitoring the implementation of public spending programmes.

In Namibia, the National Assembly debates the budget and approves expenditure allocations for each government ministry. Parliamentary committees are also responsible for reviewing budget proposals and monitoring government spending. Despite these formal responsibilities, many factors limit the effectiveness of parliamentary oversight. These include limited technical expertise among legislators, insufficient research support, and limited time for reviewing complex budget documents.

The OBS indicates that Namibia's oversight score of 48 out of 100 reflects limited oversight by Parliament and the Auditor-General. Strengthening parliamentary oversight would require greater investment in legislative research capacity, including the establishment of a parliamentary budget office (PBO) that could provide independent analysis of fiscal policies.

### Civil Society and Public Participation

Public participation is an essential component of budget accountability. When citizens are able to participate in the budget process, governments are more likely to allocate resources in ways that reflect public priorities. In Namibia, civil society organisations, academic institutions, and policy research groups aspire to play an important role in promoting fiscal transparency. Some of these organisations conduct budget analysis, monitor government spending, and advocate for greater transparency in public finance. Despite these efforts, opportunities for citizen participation in the budget process remain limited. The OBS reports that Namibia scored 17 out of 100 on public participation, indicating that formal mechanisms for citizen engagement are relatively weak.<sup>9</sup> This compares to a score of 20 in the previous OBS. In past Surveys, Namibia scored zero for public participation. The improvement came as a result of increased advocacy from civil society which nudged the Ministry of Finance towards holding more structured consultation meetings. Strengthening public participation would require the government to create institutional mechanisms for consulting citizens during the budget formulation process and allowing civil society organisations to provide more input into fiscal policy decisions.

<sup>9</sup> <https://internationalbudget.org/open-budget-survey/country-results/2025/namibia>

## The Role of the Auditor-General and Accountability Institutions

The Office of the Auditor-General is one of the most important accountability institutions in Namibia's public finance system. Its primary responsibility is to audit government accounts and ensure that public funds are used in accordance with legal and financial regulations. Audit reports provide valuable insights into government financial management practices, including cases of financial irregularities, weak procurement controls, and inefficient use of public resources. However, the effectiveness of the audit process depends on whether audit findings are followed up and corrective actions are implemented, which they usually are not. In Namibia, delays in addressing audit findings have sometimes limited the impact of audit reports on improving financial management. Strengthening accountability would require improved coordination between the Auditor-General, Parliament, and law enforcement agencies to ensure that audit findings result in meaningful corrective action.

## Challenges to Fiscal Transparency in Namibia

Despite progress in improving budget transparency, several challenges continue to limit fiscal accountability in Namibia. First, centralised decision-making processes limit the ability of Parliament and civil society to influence budget priorities. Second, institutional capacity constraints affect the ability of oversight institutions to effectively scrutinise government spending. Third, limited public participation mechanisms restrict opportunities for citizens to engage in fiscal decision-making. Finally, delays in publishing fiscal reports reduce the ability of stakeholders to monitor government performance in real time. Addressing these challenges in Namibia will require sustained institutional reforms and stronger political commitment to transparency.

## Theoretical Framework: Principal-Agent Theory and Fiscal Transparency

A useful theoretical lens for analysing budget transparency and accountability is principal-agent theory, widely applied in public finance and governance studies. The theory explains the relationship between citizens (principals) and government officials (agents) who manage public resources on their behalf. In democratic governance, citizens delegate authority to elected officials to collect taxes and allocate public funds through the national budget. However, this delegation creates information asymmetry, meaning that government officials often possess significantly more information about fiscal decisions than citizens or oversight institutions. This imbalance creates opportunities for inefficiency, corruption, or misuse of public funds if accountability mechanisms are weak.<sup>10</sup>

Budget transparency reduces this information asymmetry by making fiscal information publicly available and accessible. When citizens and oversight institutions have access to reliable budget information, they are better able to monitor government performance and hold officials accountable for their decisions. Transparency mechanisms serve as monitoring tools that align the incentives of agents with the interests of principals. Public disclosure of budget documents, independent audits, and parliamentary oversight are institutional mechanisms designed to reduce agency problems in public finance systems.

In the Namibian context, the principal-agent relationship is particularly relevant because the government controls significant public resources through taxation, borrowing, and revenues from natural resources. Ensuring transparency in the management of these funds is essential for preventing misuse and ensuring that fiscal decisions reflect the interests of citizens. Budget transparency initiatives such as the Open Budget Survey provide external benchmarks that encourage governments to disclose fiscal information and strengthen accountability institutions. However, transparency alone is insufficient; effective oversight by Parliament, audit institutions, and civil society is necessary to translate transparency into meaningful accountability.

<sup>10</sup> <https://orbi.uliege.be/bitstream/2268/63609/1/IMFwp06204.pdf>

## Namibia's Legislative Framework for Public Financial Management

Budget transparency and accountability in Namibia are governed by a range of legal and institutional frameworks that regulate public financial management.

### 1. The Namibian Constitution

The Constitution of Namibia establishes the fundamental principles of public financial management. It requires that public funds be managed in a manner that promotes accountability and transparency. The Constitution also provides for the establishment of oversight institutions such as the Office of the Auditor-General, which is responsible for auditing government accounts.<sup>11</sup>

### 2. State Finance Act

The State Finance Act of 1991 has historically been the primary legislation governing the management of public funds in Namibia. The Act regulates:

- The preparation and approval of government budgets
- The management of government revenues and expenditures
- Accounting and financial reporting procedures
- The responsibilities of government accounting officers

The Act requires ministries and government agencies to maintain proper financial records and ensures that public expenditures are subject to audit by the Auditor-General. However, the Act has been widely criticised for being outdated and insufficiently aligned with modern public financial management standards.<sup>12</sup>

### 3. Public Finance Management Bill

In response to these limitations, Namibia has been implementing reforms aimed at replacing the State Finance Act with a more modern Public Finance Management Act (PFMA). The PFMA aims to strengthen fiscal governance by introducing clearer rules for:

- Budget preparation and reporting
- Performance-based budgeting
- Internal financial controls
- Accountability of public officials for financial mismanagement

The PFMA also seeks to enhance transparency by improving reporting requirements and strengthening the oversight role of Parliament and the Auditor-General.

## Trends in Budget Transparency: Open Budget Survey Scores (2012–2025)

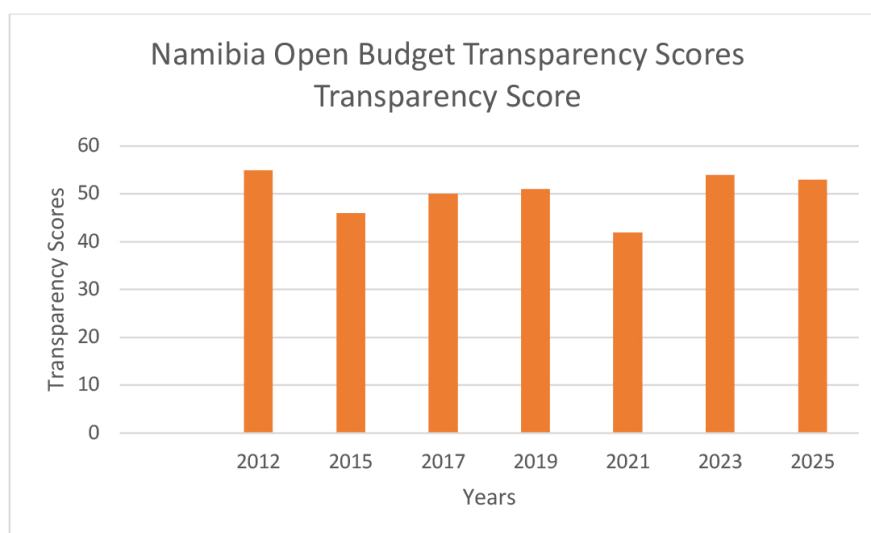
The Open Budget Survey provides a useful benchmark for evaluating Namibia's progress in fiscal transparency. The survey assesses the availability and quality of budget information as well as opportunities for public participation and oversight.

**Table 1: Namibia Open Budget Transparency Scores**

| Year | Transparency Score |
|------|--------------------|
| 2012 | 55                 |
| 2015 | 46                 |
| 2017 | 50                 |
| 2019 | 51                 |
| 2021 | 42                 |
| 2023 | 54                 |
| 2025 | 53                 |

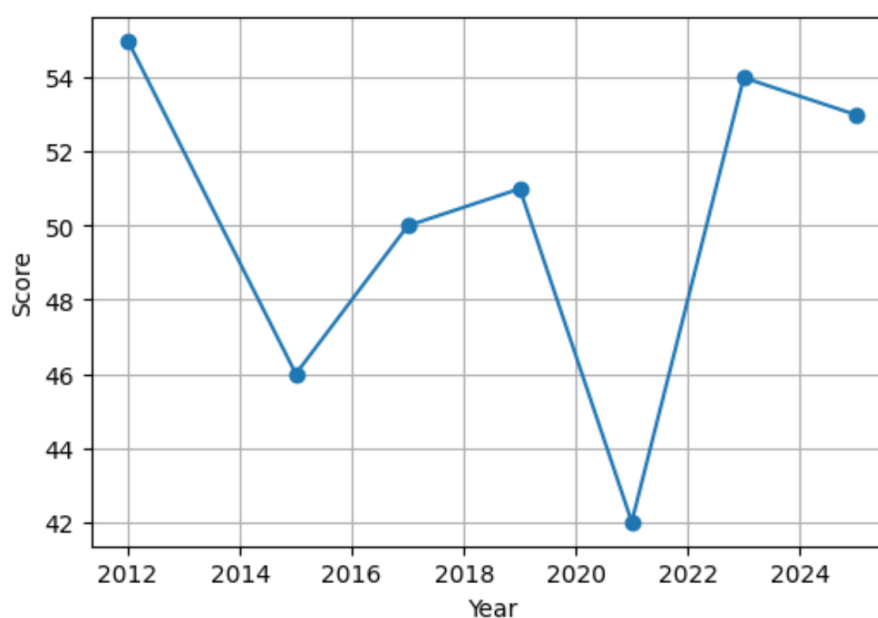
<sup>11</sup>. <https://www.lac.org.na/laws/annoSTAT/Namibian%20Constitution.pdf>

<sup>12</sup>. <https://www.lac.org.na/laws/annoSTAT/State%20Finance%20Act%2031%20of%201991.pdf>



Source: Open Budget Survey, 2012-2025

#### Namibia Open Budget Survey Transparency Scores (2012 - 2025)



Source: Open Budget Survey, 2012-2025

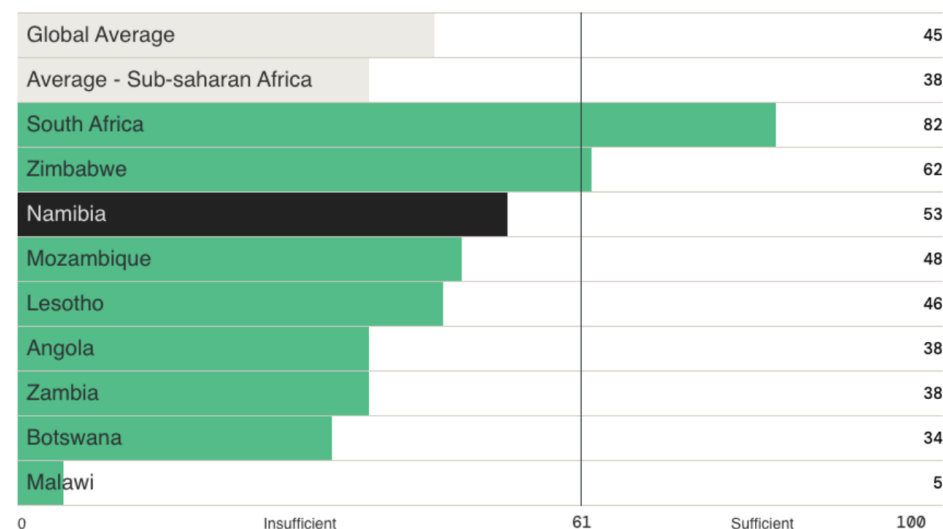
Namibia's transparency score has fluctuated over the past decade but has generally remained within the moderate transparency range (41–60).

The decline in Namibia's transparency score in 2021 was partly due to delays in publishing certain key budget documents, including the Year-End Report. Improvements in the publication of fiscal information contributed to the recovery of Namibia's score to 54 in the 2023 survey. Although Namibia performs better than several countries in the region, it still falls below the global transparency threshold of 61, which indicates sufficient information for meaningful public debate on fiscal policy. These results highlight both progress and continuing challenges in Namibia's fiscal transparency framework.

## Regional Comparisons: Namibia, South Africa, Botswana, and Zambia

Comparing Namibia's performance with other Southern African countries provides useful insights into regional trends in fiscal transparency.

### Transparency in Namibia compared to others



Source: OBS, 2025

### South Africa

South Africa is widely regarded as a regional leader in budget transparency. According to the Open Budget Survey, South Africa scored 82 on budget transparency in 2025, reflecting a high level of public access to fiscal information. Several factors contribute to South Africa's strong performance:

- A well-established parliamentary budget office<sup>13</sup>
- Strong legislative oversight mechanisms
- Comprehensive publication of budget documents
- Institutionalised public participation mechanisms

South Africa's transparency framework demonstrates how strong institutional capacity can support fiscal accountability.

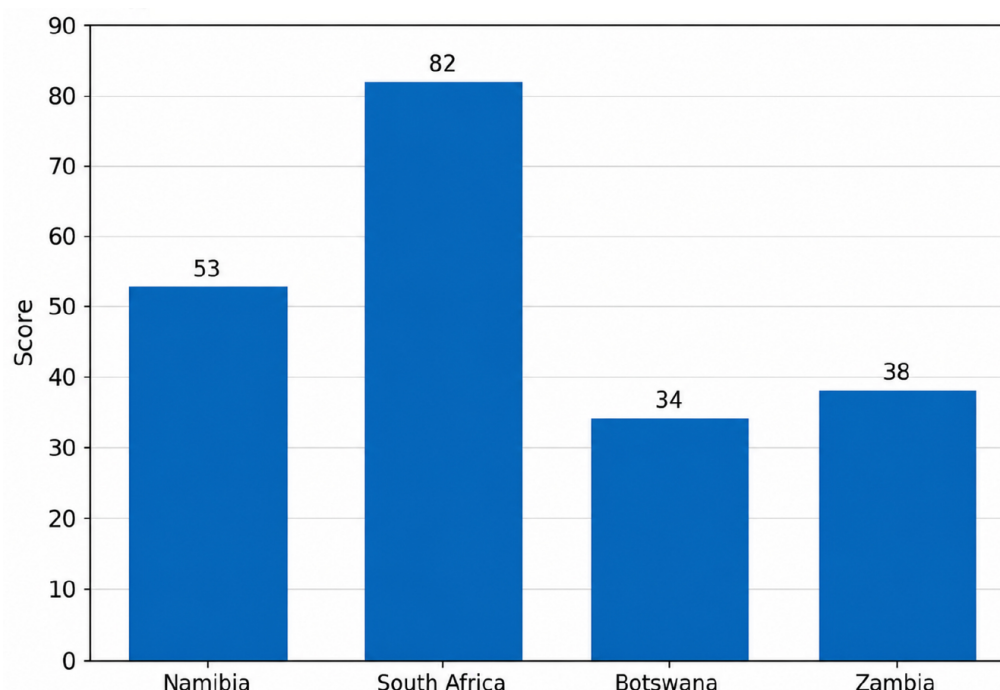
### Botswana

Botswana scored 34 on the transparency index, indicating lower levels of public access to budget information compared to Namibia. Despite Botswana's reputation for relatively strong governance, its fiscal transparency framework remains less developed than Namibia's. Limited publication of budget documents and weak public participation mechanisms contribute to this lower score.

<sup>13</sup> <https://www.parliament.gov.za/parliamentary-budget-office>

### Zambia

Zambia scored 38 on the transparency index, placing it below Namibia and several other countries in the region. Zambia's lower score reflects challenges related to fiscal reporting, public access to budget information, and institutional capacity for oversight.



Source: OBS, 2025

### Implications for Namibia

Namibia's transparency score places it in the middle of the regional spectrum. While the country performs better than Botswana and Zambia in terms of transparency, it still lags behind South Africa, which has established stronger institutional frameworks for fiscal accountability. These comparisons suggest that Namibia could benefit from adopting some of the institutional innovations used in South Africa, particularly the establishment of a Parliamentary Budget Office (PBO) and stronger mechanisms for citizen participation in the budget process.

### Case Study: Transparency Challenges in the Extractive Sector in Namibia

Namibia's emerging extractive sector provides an important case study for the relationship between natural resource governance, fiscal transparency, and public accountability. As the country expands its mining, oil, and gas industries, extractive activities are generating increasingly complex revenue streams, including royalties, corporate taxes, licensing fees, and other fiscal payments to the State.

However, the reporting of these revenues remains largely aggregated, with limited project level or company specific disclosure. This lack of disaggregated reporting constrains public understanding of the actual scale and distribution of extractive revenues, making it difficult for citizens and oversight institutions to effectively monitor how much income is generated and how it is utilised. Transparency challenges are further compounded by limited disclosure of extractive contracts, many of which contain critical fiscal provisions such as tax arrangements, royalty structures, and production-sharing agreements.

In many cases, these contracts are not fully accessible to the public, reducing opportunities for scrutiny and increasing the risk of agreements that may not adequately safeguard national interests. At the same time, state-owned enterprises operating within the extractive sector are assuming a growing role in resource governance, yet their financial disclosures and reporting practices remain limited, contributing to additional obscurity in the management of public resource revenues. These transparency gaps amplify broader governance risks within the sector.

The extractive industry intensifies principal-agent problems due to the large and volatile nature of resource revenues, the technical complexity of contractual arrangements, and limited public understanding of the sector's operations. According to Kolstad and Wiig (2009), such conditions increase the likelihood of elite capture, corruption, and inefficient allocation of public resources, particularly in resource-dependent economies where oversight institutions may lack sufficient capacity. In the Namibian context, strengthening transparency mechanisms in the extractive sector will therefore be essential to ensuring that future resource wealth contributes to sustainable development and public accountability rather than fiscal obscurity and governance risks.

### Policy Implications

To strengthen extractive sector transparency, Namibia should:

1. Adopt and implement Extractive Industries Transparency Initiative (EITI) standards
2. Publish project level revenue data
3. Ensure full contract disclosure
4. Strengthen parliamentary oversight of extractive revenues

Such reforms would enhance accountability and ensure that resource wealth contributes to sustainable development.

### Case Study: Fiscal Transparency and Sovereign Wealth Funds in Namibia

Namibia's anticipated oil and gas revenues have intensified discussions around the potential of the Welwitschia Sovereign Wealth Fund (WSWF) as a strategic mechanism for managing future resource wealth. In resource-dependent economies, sovereign wealth funds are commonly used to stabilise fiscal revenues during periods of economic volatility, save wealth for future generations, and mitigate the macroeconomic risks associated with fluctuating commodity prices. These objectives are particularly relevant for Namibia, which is entering a potentially transformative phase of natural resource development.

If properly governed, the WSWF could serve as an important instrument for promoting long-term fiscal sustainability and intergenerational equity. However, international experience demonstrates that sovereign wealth funds can also introduce significant transparency and accountability challenges when governance frameworks are weak. Without clear legal rules, strong oversight institutions, and transparent reporting systems, SWFs risk becoming off-budget financial vehicles that operate outside normal parliamentary scrutiny and public accountability mechanisms. In some cases, SWFs have been vulnerable to political interference, opaque investment decisions, and weak financial disclosure practices, thereby undermining fiscal discipline and public trust.

According to the International Monetary Fund (2018), poorly governed sovereign wealth funds can weaken fiscal transparency and increase opportunities for corruption and inefficient resource allocation. Comparative international experience provides important lessons for Namibia. Countries such as Norway are widely regarded as global examples of best practice in sovereign wealth fund governance due to their strong transparency frameworks, regular public reporting, independent audits, and robust parliamentary oversight systems. In contrast, countries with weaker institutional arrangements have experienced challenges related to political influence, lack of accountability, and limited public access to information regarding resource revenues and investment decisions.

These contrasting experiences highlight the importance of institutional design in determining whether sovereign wealth funds contribute to sustainable development or fiscal opacity. For Namibia, the establishment or expansion of the WSWF should therefore be guided by several key governance principles. First, there must be legal clarity regarding the rules governing deposits, withdrawals, and investment strategies to prevent discretionary or politically motivated use of resource revenues. Second, transparency mechanisms should ensure the regular publication of financial statements, investment performance reports, and operational data. Third, accountability structures must include oversight by Parliament, independent audit institutions, and other monitoring bodies to ensure public scrutiny and fiscal discipline. Finally, the SWF should be fully integrated into the national budget framework rather than operating as a parallel or off-budget structure.

The integration of sovereign wealth funds into Namibia's broader fiscal transparency system will be critical for ensuring accountability in the management of future resource revenues. This includes transparent reporting of all revenues entering the fund, clear disclosure of transfers between the fund and the national budget, and public access to information regarding investment decisions and fund performance. Failure to integrate the SWF into the broader public financial management framework could weaken overall budget transparency, reduce parliamentary oversight, and create new risks of fiscal opacity. As Namibia prepares for a future shaped increasingly by extractive revenues, the governance of sovereign wealth funds will become a critical test of the country's commitment to transparency, accountability, and sustainable resource management.

## Parliamentary Oversight of the Budget in Namibia (Part 2)

The Namibian Parliament derives its oversight mandate from the Constitution of Namibia, which vests legislative authority in the National Assembly and National Council. Parliament is responsible for:

- Approving the national budget
- Authorising public expenditure
- Reviewing government financial performance
- Holding the executive accountable for the use of public funds

The budget must be tabled annually by the Minister of Finance and approved by Parliament before implementation. This process provides a formal opportunity for legislative scrutiny of fiscal policy. Namibia's fiscal year officially runs from 1 April to 31 March of the following calendar year. The national budget is typically tabled in Parliament during the first quarter of the calendar year and is framed within a three-year Medium-Term Expenditure Framework (MTEF), which guides fiscal planning and expenditure prioritisation. Following its tabling, Members of Parliament (MPs) engage in debates on:

- Macroeconomic assumptions
- Revenue projections
- Sectoral expenditure allocations

These debates provide an important platform for raising concerns about fiscal priorities and resource distribution. However, the time allocated for debate is often limited, reducing the depth of scrutiny that MPs can apply to complex budget documents. Parliamentary committees play a crucial role in detailed budget scrutiny. Key committees include:

- Standing Committee on Economy, Industry, Public Administration and Planning
- Standing Committee on Budget and Finance
- Public Accounts Committee (PAC)

The Public Accounts Committee is particularly vital, as it reviews audit reports from the Office of the Auditor-General and investigates cases of financial mismanagement.

Despite their importance, parliamentary committees face several constraints:

- Limited technical expertise in fiscal analysis
- Inadequate research support
- Weak follow-up mechanisms on recommendations

These challenges reduce the effectiveness of committees in holding the executive accountable. After debates and committee reviews, Parliament votes to approve the national budget. In practice, this process tends to be largely procedural, with limited amendments to the executive's proposal. This reflects the dominance of the executive in fiscal policymaking and the relatively weak institutional position of Parliament in the budget process. Essentially Parliamentary oversight is not supposed to end with budget approval. It should extend to monitoring the implementation of the budget throughout the fiscal year. However, in Namibia, parliamentary engagement during the execution phase is often limited. This reduces the ability of Parliament to identify and address deviations from approved budget allocations in real time.

The Public Accounts Committee plays an important role as oversight body within Parliament. Its primary responsibilities include:

- Reviewing audit reports submitted by the Auditor-General
- Investigating financial irregularities
- Making recommendations for corrective action

The PAC serves as a critical link between audit findings and parliamentary accountability.

However, several challenges limit its effectiveness:

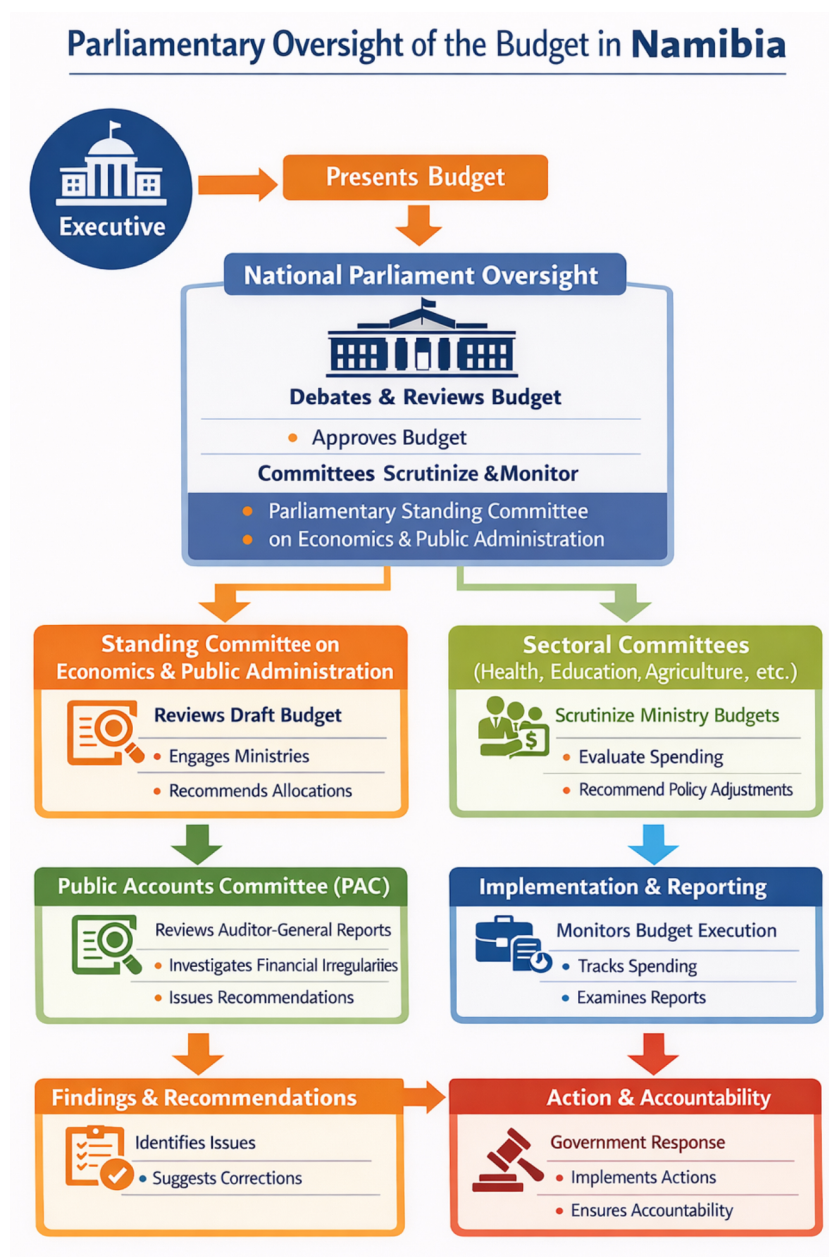
- Delays in reviewing audit reports
- Limited enforcement of recommendations
- Weak coordination with law enforcement agencies

As a result, many audit findings are not fully addressed, reducing the impact of oversight efforts.

## Key Challenges in Parliamentary Oversight

Budget analysis requires specialised expertise in economics, public finance, and data analysis. Many MPs lack access to such expertise, limiting their ability to engage effectively with complex fiscal information. The absence of a Parliamentary Budget Office (PBO) further exacerbates this challenge, as MPs do not have access to independent fiscal analysis. Namibia's budget process is characterised by strong executive control over fiscal policy. Parliament's role is largely reactive, focusing on reviewing and approving proposals rather than shaping them. This imbalance reflects a broader structural issue in many parliamentary systems, where the executive has greater access to information and resources. The time allocated for budget review and debate is often insufficient for thorough scrutiny. Parliamentary committees are supposed to make recommendations based on audit findings, but there are limited mechanisms to ensure that these recommendations are implemented. This weakens the accountability loop and reduces the effectiveness of oversight.

## The Operations of Parliament in Namibia



Infographic 1: Parliamentary Oversight of the Budget in Namibia (Process Flow)

This infographic depicts the desired budget oversight process in Namibia from the presentation of the national budget by the executive to the scrutiny by parliament, implementation, and accountability. It emphasises the process whereby Parliament can review and approve the budget and at various points committees can hold meetings both prior to and after expenditure. The idea is that the process ends with a set of audit results and government responses, highlighting that auditing is a continuous process of review, monitoring and corrective action.



**Infographic 2: Parliamentary Committees Overseeing the Budget (Institutional Roles)**

The infographic above gives a detailed description of the three important parliamentary committees responsible for parliamentary oversight of the budget, and their specific role in Namibia. The Standing Committee on Public Accounts is responsible for audit review and investigation to ensure accountability after the budget, the Standing Committee on Economy, Industry, Public Administration and Planning has a cross-cutting function to monitor economic policy, state-owned enterprises and public administration, while the Standing Committee on Budget and Finance is responsible for ex-ante scrutiny of budget proposals and fiscal policy. These committees are the institutional pillars of parliamentary oversight.

## The Fiscal Calendar and Its Implications for Budget Oversight in Namibia

Namibia's fiscal year runs from 1 April to 31 March, with the national budget typically tabled in Parliament in February or March, only weeks before the beginning of the new financial year. While this timeline ensures continuity in government operations, it creates significant institutional and governance challenges for effective budget scrutiny and implementation.

One of the main concerns is that Parliament is often given insufficient time to deliberate the budget in depth before it must be approved. Budget documents are complex and extensive, covering macroeconomic assumptions, revenue forecasts, sectoral allocations, debt servicing obligations, and policy priorities across multiple ministries and agencies. Members of Parliament (MPs), particularly those without specialized fiscal or economic expertise, may struggle to review and interrogate these documents adequately within the limited timeframe provided. This compressed review period weakens the effectiveness of ex-ante oversight, which is the stage at which Parliament should critically assess government spending priorities before funds are authorized. In practice, parliamentary debate often becomes procedural rather than substantive, limiting the opportunity for MPs and committees to engage meaningfully with the content of the budget.

The short timeline also affects parliamentary committees such as the Standing Committee on Budget and Finance, which is mandated to examine the Estimates of Revenue and Expenditure, the Mid-Term Expenditure Framework (MTEF), Appropriation Bills, and public debt. Because of time constraints, these committees may not be able to conduct extensive consultations with ministries, independent experts, civil society organisations, or the public before the budget is passed.

As a result, there are rarely substantial amendments or changes made to the final budget during the parliamentary process. This can be attributed by some factors:

### 1. Executive Dominance

The executive branch, particularly the Ministry of Finance, controls budget formulation and typically presents a near-final fiscal package to Parliament. This leaves little room for legislative input beyond debate and formal approval.

### 2. Party Discipline and Political Dynamics

In Namibia's parliamentary system, the majority party usually supports the executive's budget proposals. MPs may be reluctant to challenge allocations or policies proposed by their own party leadership, reducing the likelihood of amendments.

### 3. Limited Technical Capacity

Parliament lacks an independent Parliamentary Budget Office (PBO) or similar technical support institution to provide MPs with independent fiscal analysis, costing estimates, and alternative budget scenarios. This makes it difficult for MPs to formulate evidence-based amendments.

### 4. Legal and Procedural Constraints

Namibia's legal framework provides Parliament with authority to approve or reject the budget but offers limited mechanisms for detailed line-item amendments or restructuring of allocations.

The consequence of this system is that Parliament's role often becomes one of rubber stamping rather than actively shaping fiscal policy. This undermines democratic accountability and weakens public confidence in the budget process.

## Key Insights

The analysis provides several important insights into the state of budget transparency and public accountability in Namibia. First, while Namibia has achieved moderate levels of fiscal transparency, this progress is undermined by low levels of public participation, revealing a structural imbalance within the accountability system. The availability of budget information alone is insufficient if citizens and civil society have limited opportunities to influence fiscal decision-making processes. Second, the paper demonstrates that institutional capacity plays a critical role in strengthening accountability outcomes.

Comparative analysis shows that countries with stronger institutional frameworks and oversight mechanisms, such as South Africa, tend to achieve higher levels of fiscal transparency and more effective parliamentary scrutiny. Third, the growing importance of Namibia's extractive sector, particularly in oil and gas, presents a significant governance challenge. The anticipated increase in resource revenues heightens the need for stronger transparency and accountability mechanisms to reduce the risks of corruption, elite capture, and resource mismanagement. Finally, the establishment of fiscal institutions such as a sovereign wealth fund presents both opportunities and risks. While such a fund could support long-term fiscal stability and intergenerational equity, its effectiveness will ultimately depend on the strength of the legal, institutional, and governance frameworks that regulate its management and oversight, which is still to be sorted in Namibia.

## Conclusion

Budget transparency and public accountability are essential components for democratic governance and sound public financial management. Namibia has made significant progress in improving fiscal transparency since independence, particularly in the publication of budget documents and the strengthening of audit oversight.

However, challenges remain in areas such as parliamentary oversight, public participation, and the implementation of audit recommendations. Comparative analysis with other Southern African countries suggests that Namibia has achieved moderate transparency but still has significant room for improvement. Strengthening Namibia's fiscal transparency framework will require institutional reforms that enhance access to budget information, strengthen legislative oversight, and promote meaningful citizen participation in fiscal decision making for every part of the budget cycle. Such reforms will not only improve accountability but also strengthen public trust in government institutions and support Namibia's long-term development goals.

Parliamentary oversight is a critical pillar of budget transparency and public accountability in Namibia. While the institutional framework provides for legislative scrutiny of the budget, the effectiveness of oversight is constrained by capacity limitations, executive dominance, and weak enforcement mechanisms. Strengthening Parliament's role in the budget process will require both institutional reforms and political commitment. Enhancing legislative capacity, improving access to fiscal information, and strengthening accountability mechanisms will be essential for ensuring that public resources are managed in a transparent and accountable manner.

## Policy Recommendations, strengthening Fiscal Transparency in Namibia

Several reforms could strengthen budget transparency and accountability in Namibia.

1. Government should improve access to fiscal information by publishing budget documents in machine-readable and open data formats and ensuring that all reports are released on time.
2. Parliament should strengthen its oversight capacity by establishing a parliamentary budget office (PBO) and expanding technical support for legislative committees. A PBO would provide independent fiscal analysis and support MPs in evaluating budget proposals.
3. Government should institutionalise public participation mechanisms during the budget formulation process, allowing civil society organisations and citizens to contribute to policy discussions meaningfully.
4. Stronger mechanisms are needed to ensure that audit findings are implemented and that officials responsible for financial mismanagement are held accountable.
5. Strengthening committee capacity by investing in training and technical support for parliamentary committees, particularly the Public Accounts Committee and the Budget and Finance Committee.
6. Enhance access to information by ensuring that Parliament receives timely and comprehensive budget documents, including disaggregated fiscal data.
7. Improve follow-up mechanisms by introducing systems for tracking the implementation of audit recommendations and parliamentary resolutions.
8. Expand public engagement by allowing civil society organisations to participate in parliamentary hearings and budget discussions.

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## Notes

## About the Author

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Martha Nangolo is an IPPR Research Associate whose recent work has focused on fiscal transparency, budget analysis, extractive industry governance, SME financing, critical raw minerals and green energy. She holds a bachelor's degree in economics and an Honours degree in Business Administration from the Namibia University of Science and Technology. She is a Chevening alumna and in 2022 she graduated from Bournemouth University in the United Kingdom with a master's degree in international finance and economics.

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