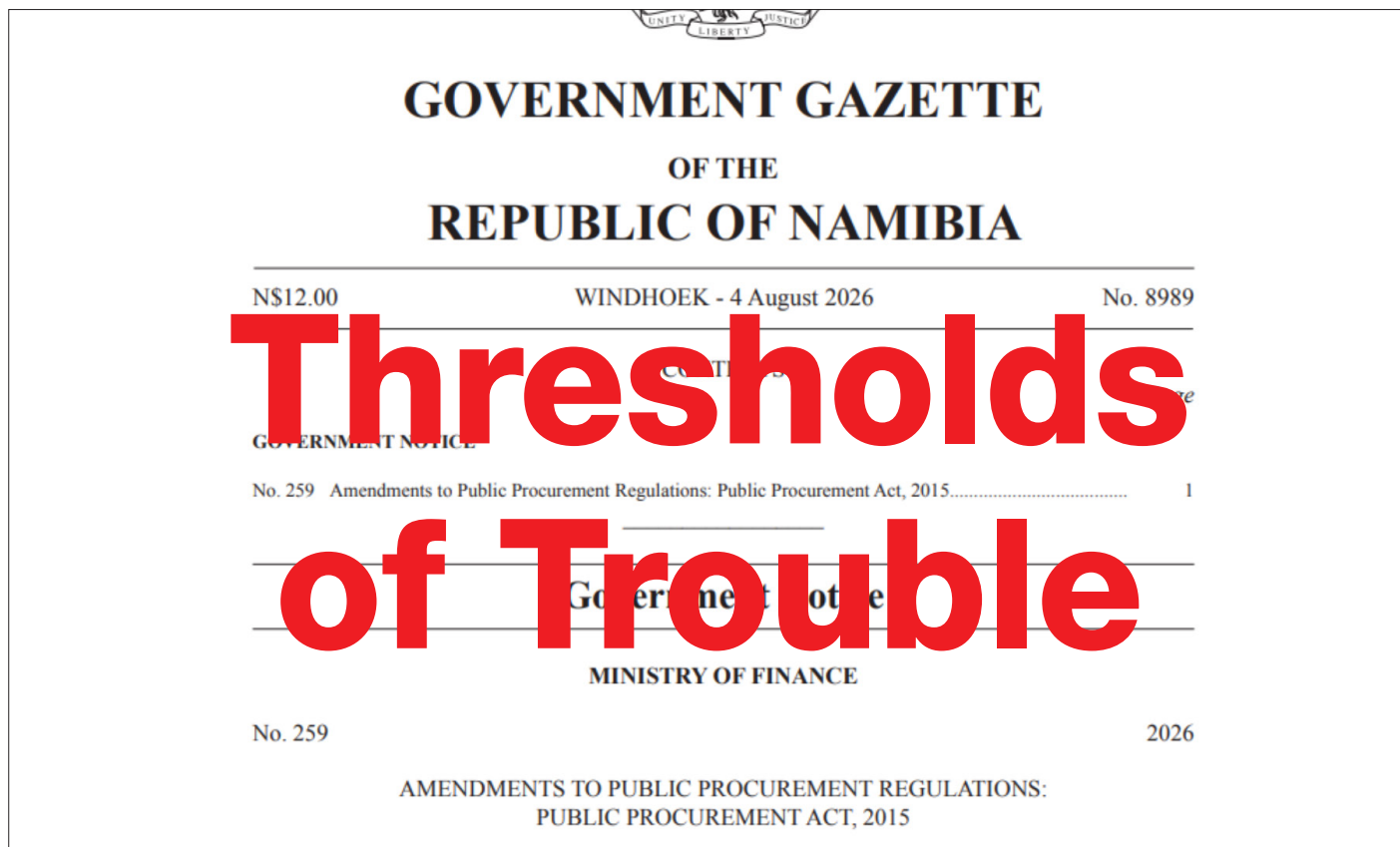




New procurement rules expand discretion faster than oversight

On 4 August 2026 the Ministry of Finance quietly [gazetted amendments](#) to the 2017 regulations of the Public Procurement Act of 2015.

The following day, on 5 August, finance minister Ericah Shafudah issued [a state-wide notice](#) informing all accounting officers of the new regulations.

The notice states that “key amendments are as follows: (a) Revision of Procurement Thresholds; (b) Categorisation and Re-categorisation of Public Entities; (c) Introduction of High-Value Public Entities Category”.

As for a justification for the amendments, legal support and compliance deputy director in the Procurement Policy Unit (PPU), Amalia Shikongo, [was quoted in the media](#) stating that the “overall objective of adjusting this threshold (sic) is really to promote efficient allocation of procurement activity or responsibilities, while maintaining appropriate levels of accountability, transparency and value for money in public spending”.

Other [government-linked commentators](#) have argued that

the new regulations are a “significant update to the country’s public procurement rules, giving government offices, municipalities, and other public bodies clearer authority to manage their own purchasing, while keeping strong checks in place for the biggest deals”.

The new regulations have also been touted as a way to decongest Central Procurement Board of Namibia (CPBN) processes.

The problem with these government-linked statements is that, on-the-face of it, these regulations do not appear to enable “appropriate levels of accountability, transparency” nor “keeping strong checks in place”.

Raising risks

That is because the increased autonomy to conduct relatively high value procurement transactions as per the new regulations comes with increased integrity risks within public entities.

TO PAGE 2

With the public procurement landscape characterised by wholesale poor compliance and weak enforcement and oversight, the increased thresholds and discretionary decision-making power increases exposure to political pressure, patronage, and collusion.

The corruption risks are elevated at present because of an executive urgency to implement ruling party election commitments from 2024.

To be clear, with most public entities afflicted by weak internal controls and low capacity, and with the whistleblower protection and access to information laws not implemented, the expanded autonomy and higher thresholds do not come with “appropriate levels of accountability, transparency” nor “strong checks”, as far as Procurement Tracker could ascertain.

The introduction of these new regulations turns a blind-eye to the reality that across the board entity-level procurement gov-

ernance has been a perennial searing headache ever since the Public Procurement Act of 2015 framework was implemented starting April 2017.

Some commentators have pointed to the fact that the new regulations provision that the “Policy Unit may conduct compliance and contract audits” as evidence for “strong checks”. However, it should be noted that may audit is not the same as must audit. So, even in this regard discretion is enabled without the PPU having to justify a decision not to audit. Importantly this power to audit only applies when “High Value Public Entities”, of which there are seven (7), engage in a procurement matter that exceeds a category 1 threshold.

Against this backdrop, in a weak capacity, compliance and oversight context, such as Namibia’s public procurement landscape, these new regulations come across as inappropriate against systemic challenges and institutional realities.

Risk map of the new threshold framework

Risk Area	How the new thresholds change it	Integrity impact
Central vs entity control	More procurements handled directly by entities; CPBN steps in only above thresholds	Higher speed, but more room for uneven practice and local capture
Threshold levels	Category 1 thresholds raised (e.g. up to N\$45m, N\$60m works, etc.)	Larger contracts can be awarded without CPBN running the process - risk shifts to entity systems
High-value entities & PPU oversight	New “high-value public entity” category with mandatory plans, reports, and audit powers for PPU	Stronger visibility for big deals, but depends on PPU capacity and independence
Procurement methods vs value	Methods (open international, restricted, quotations, RFP) now tied explicitly to value bands	Reduces method shopping, but mis-estimation of values becomes a key vulnerability
Transition rules	Old cases at CPBN continue under previous framework	Short-term dual regime can create confusion and loopholes if not well communicated

Systemic integrity risks

Discretion without matching controls	Entities now control more value; if internal audit, procurement committees, and conflict-of-interest rules are weak, risk rises.
Capacity gaps	Smaller or rural entities may lack trained procurement staff, making them vulnerable to manipulation by suppliers or local elites
Data opacity	If procurement plans and post-award reports are not published or shared, external oversight (media, CSOs, Parliament) is limited
Enforcement asymmetry	Rules exist, but sanctions for non-compliance are rare or selective, undermining deterrence.

Old vs New Category Thresholds

Category	Old thresholds	New Thresholds
1	Goods not exceeding N\$25 Million Works not exceeding N\$35 Million Consultancy services not exceeding N\$20 Million Non-consultancy services not exceeding N\$15 Million	Goods not exceeding N\$45 Million Works not exceeding N\$60 Million Consultancy services not exceeding N\$35 Million Non-consultancy services not exceeding N\$25 Million
2	Goods not exceeding N\$20 Million Works not exceeding N\$30 Million Consultancy services not exceeding N\$15 Million Non-consultancy services not exceeding N\$10 Million	Goods not exceeding N\$35 Million Works not exceeding N\$55 Million Consultancy services not exceeding N\$30 Million Non-consultancy services not exceeding N\$20 Million
3	Goods not exceeding N\$15 Million Works not exceeding N\$20 Million Consultancy services not exceeding N\$10 Million Non-consultancy services not exceeding N\$5 Million	Goods not exceeding N\$30 Million Works not exceeding N\$40 Million Consultancy services not exceeding N\$20 Million Non-consultancy services not exceeding N\$10 Million

Out of the shadows, but still opaque

New regulations [gazetted on 4 August 2026](#) brought to light a host of state-owned entities that had not previously been listed as procuring entities.

Some of these entities have been registered and operating for years, while others have been deregistered, including at least two deregistered more than a decade ago, but have now been revived. And some appear to not have been registered at all with the Business and Intellectual Property Authority (BIPA) at the time of the gazetting, according to some reporting.

With this new list the number of procuring state entities has ballooned to about 260, up from about 176 over recent years.

The introduction of more non-regulator state-owned enterprises on the public procurement landscape increases the corruption risks considerably, given that the landscape is marked by a lack of transparency, rampant non-compliance, poor governance and weak oversight.

Most of the new names on the procuring entity list fall among category 3 procuring entities, meaning they operate under the lowest procurement value thresholds. One is among category 2 entities, while the defence industrial conglomerate August 26 Holding Company (Pty) Ltd and its largest subsidiaries are among category 1 entities.

Interestingly, one of August 26 Holding Company (Pty) Ltd's lesser known subsidiaries, [Agro-Tour Company](#), appears on the original 2017 list of categorised procuring entities, in category 3 of [the 2017 regulations](#). Agro-Tour Company is joined by a sister company, Agrotour Development Initiative (Pty) Ltd, on the 2026 category 3 list.

The fact that Agro-Tour Company has been listed as a procuring entity since the beginning of the implementation of the Public Procurement Act of 2015 framework, but appears to have never submitted an annual procurement plan to the Procurement Policy Unit (PPU) for publicising is emblematic of the rampant non-compliance and lack of transparency that marks the public procurement landscape. It is by no means the only one of the newly-listed entities that appears to be guilty of this, for the same can be said of all of the other August 26 companies and all of the new entries on the 2026 list.

This especially applies to those non-regulator entities that are known to have been operational or active over the last

10 years, such as Namfisa subsidiary Metropol (Pty) Ltd and the National Youth Council of Namibia commercial arm, Bridgehead Group Holdings (Pty) Ltd, or the University of Namibia's Inceptus Holding (Pty) Ltd, or the Namibia Qualifications Authority's property holding company, BV Investment Six Hundred and Forty-Five (Pty) Ltd, to name just some.

That these commercial entities now appear on the list of regulated procuring entities suggests that they have conducted their procurement in the shadows up till now.

Interestingly, two state-owned enterprises that [were deregistered as companies](#) at the same time in 2013 appear on the 2026 list among category 3 entities, namely Namibia Bricks Enterprises (Pty) Ltd and Star Protection Services (Pty) Ltd. Against this backdrop, a relevant government authority, such as the Prime Minister or the finance minister, needs to step forward and provide the following:

- An explanation for why the list of procuring entities has expanded considerably?
- An entity-by-entity explainer of the new non-regulator procuring entities?
- An explanation for why specific entities appear in specific categories?

Governance and oversight implications

Some of the non-regulator entities that now appear in the new procurement threshold categories that were gazetted in early August 2026 have been operational or active for years, but have never publicised or submitted annual procurement plans. This means that:

- Oversight bodies could not track its planned procurement activities;
- Journalists and CSOs could not monitor risks;
- Suppliers could not anticipate bidding opportunities;
- Parliament could not assess compliance;
- The public could not scrutinise spending intentions.

Why this was allowed to happen needs to be openly explained.

What's become of the Public Procurement Amendment Bill 2025?

The Bill appeared ready for tabling in parliament in late 2025, following stakeholder consultations earlier in the year. However, with less than three months left in 2026, and possibly just a month or so on the parliamentary calendar for the year, the Bill is nowhere to be seen and probably will not be making it to parliament this year, or even before the end of the 2026/27 financial year, which ends March 2027.

This is because the Bill appears to be still in the drafting

phase, with a substantive draft not yet close to completion. This was confirmed by a contact in the Procurement Policy Unit, who indicated that the intention had been to have a Bill ready for tabling in parliament this year, but they were still awaiting a substantive draft from the Ministry of Justice and Labour Relations.

For overviews of the Public Procurement Amendment Bill 2025, see *Procurement Tracker* [29](#) and [30](#).

Public procurement in numbers

The following data has been gathered from information available through the e-Procurement Client System operated by the Procurement Policy Unit in the Ministry of Finance.

Annual Procurement Plans 2026/2027

By end-September 2026, halfway through the 2026/2027 government financial year, only **84 annual procurement plans for 2026/2027** were viewable via the [e-Procurement Portal](#) of the Procurement Policy Unit (PPU).

According to [new regulations](#) published on 4 August 2026, there now appears to be about **260** procuring public entities, all of which should have submitted their annual procurement plans to the Procurement Policy Unit (PPU).

This would mean that only **32%** of public procuring entities have submitted plans to the PPU for the **2026/27 financial year**.

If for the current financial year **only the 176** public procuring entities that had previously been reported are being considered, then only about **48%** had submitted their plans to the PPU for **2026/27**.

According to **Section 25 (4)(a)** of the Public Procurement Amendment Act of 2022, public entities must submit their plans to the PPU **“at least three months before the commencement of each financial year”**.

This means plans have to reach the PPU **by the end of December of every year**, as the financial year of the government ends at the end of March the following year.

Of the 84 procurement plans viewable via the e-Procurement Portal **only 8** were submitted to the PPU before the end of December 2025, which would mean that **less than 5%** of all plans **were submitted on time**.

The 2026/2027 financial year is the **10th year of implementation** of the Public Procurement Act of 2015 framework.

Over the 10 years the public service **has failed to achieve an adequate level of compliance** with the handling of annual procurement plans.