

Formal Submission – Budget Debate Speech

By Hon. Rodney Cloete/Chief Whip and Shadow Minister of International Relations and Trade Independent Patriots for Change (IPC)

Honourable Speaker,
Honourable Members of Parliament,
Fellow Namibians,

It is with profound humility and a deep sense of responsibility that I rise today to deliver my maiden speech in this esteemed House. I am Rodney Cloete, serving as the Chief Whip of the Independent Patriots for Change and the designated Shadow Minister for International Relations and Trade.

I wish to express my sincere gratitude to the Almighty and to the Namibian people who exercised their democratic right and entrusted us with a renewed mandate. I also acknowledge and appreciate the guidance and leadership of the IPC President, Dr. Panduleni Itula, whose emphasis on a constructive, rule-based parliamentary approach has shaped our engagement.

Honourable Speaker,
The national budget of N\$106.3 billion for the 2025/26 financial year reveals the government's priorities amidst significant trade-offs. Personnel expenditure alone is estimated at N\$30–40 billion, representing approximately 32–43% of the budget. Combined with a debt servicing cost of N\$13.7 billion, this leaves limited fiscal space for developmental programmes.

This situation creates a sobering narrative for the average Namibian household. It mirrors a family spending nearly half its income on salaries and loan repayments, with little left for investments in their future.

Turning to the Ministry of International Relations and Trade: this Ministry, newly restructured to include the trade function, plays a central role in Namibia's global engagement. The Honourable Minister, Selma Ashipala-Musavyi, has rightly stated that this structural integration aims to "enhance our effectiveness in positioning Namibia as a competitive player in the region and on the global stage." While IPC supports this objective, we caution that merging departments is not the achievement delivering measurable outcomes is.

The Ministry's allocation of N\$1.2 billion in this financial year, and N\$3.8 billion over the MTEF, represents an increase from N\$964.9 million in 2024/25. However, with this representing slightly over 1% of the national budget, we must question whether this reflects the true strategic value of diplomacy and trade in our national development.

Namibia maintains diplomatic relations with approximately 150 countries, but has resident missions in only 31. These consume nearly 80% of the Ministry's budget, primarily in foreign currencies. The IPC supports expanding our diplomatic presence only where it makes strategic or economic sense. Each mission should be evaluated on cost-benefit principles. Missions that do not pass this test should be reconsidered or consolidated.

Diplomacy must serve the Namibian citizen whether through securing contracts for businesses or ensuring that students abroad receive effective consular support. We therefore urge greater engagement with Namibians living abroad through formal diaspora networks, turning them into strategic partners for investment and trade promotion.

Honourable Speaker,

We are debating this vote during a time of global trade turbulence. The announcement by U.S. President Donald Trump of a 21% tariff on Namibian exports effective 9 April 2025 is deeply concerning. This retaliatory measure, citing Namibia's 42% tariff on American goods, threatens key export sectors: diamonds, uranium, fish, beef, lamb, grapes, and blueberries. Namibia exported approximately N\$5.1 billion worth of goods to the U.S. in 2024. A 10–20% drop in demand due to tariffs will undermine economic stability.

Moreover, this challenge is compounded by the fact that neighbouring countries face steeper tariffs Lesotho (50%), Botswana (37%), South Africa (30%), and Angola (32%). The absence of a coordinated response threatens regional trade integrity. Yet, I note with concern the absence of explicit budgetary allocations for the implementation of the African Continental Free Trade Area (AfCFTA), a vital strategic alternative given its market of 1.3 billion people and GDP of \$3.4 trillion.

Honourable Speaker,

Critique is of little value without proposals. The IPC recommends the following:

1. The Ministry should formally engage the U.S. administration to negotiate tariff exemptions or reductions, in coordination with other African nations.
2. Accelerate efforts to open alternative markets Europe, Asia, and across the AfCFTA region.
3. Reevaluate the proportion of the national budget allocated to international relations, in light of its growing importance.

In conclusion, Honourable Speaker,

This Ministry must be empowered with more than administrative restructuring; it requires the strategic direction and financial muscle to drive results. The IPC stands ready to support initiatives that will elevate Namibia's position globally while directly benefiting our citizens.

We reaffirm our commitment to offering principled oversight and practical policy alternatives as we work toward a foreign policy rooted in integrity, economic benefit, and national dignity.

I thank you.