

REPUBLIC OF NAMIBIA

ROAD FUND ADMINISTRATION

# Five-Year Business Plan

April 2021 to March 2026

FINAL DRAFT

Chief Executive Officer

Road Fund Administration

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WINDHOEK

Final Draft Version

15 December 2020

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## PREAMBLE

This Business Plan of the Road Fund Administration, for the period from 1 April 2021 to 31 March 2026, is being prepared in terms of Section 21 of the Road Fund Administration Act, 1999 (Act No. 18 of 1999), with an extended in scope to additionally include the information required in terms of clause 6 of the Governance Agreement between the Minister of Finance and the Board of Directors of the Road Fund Administration.

The Business Plan was adopted by the Board of Directors of the Road Fund Administration on 15 December 2020, in compliance with Section 21 of the Road Fund Administration Act.

The final Business Plan has subsequently been prepared in compliance with Section 14 of the Public Enterprise Governance Act (Act No. 1 of 2019). Copies of the final version have been submitted to the Minister of Finance and the Minister of Public Enterprises for comment in compliance with the Public Enterprises Governance Act.

Before finalisation and adoption of this Business Plan, consultations as provided for in Section 21 (5) of the Road Fund Administration Act were held with interested and affected parties (stakeholders) at a public stakeholders' meeting on 10 November 2020. Substantial responses received at this meeting have been accommodated in this Business Plan.

The Business Plan is presented as a budget of revenue, including loans, and expenditure for road sector projects and programmes of which the funding is authorised by the provisions of Section 17 of the Road Fund Administration Act. On an annual basis, deficits have been allowed to the extent that they can be covered by Road Fund cash assets and through loans, and surpluses have been budgeted for as required to replenish the Fund's cash assets and redeem loans in compliance with loan agreements.

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DR EMMA HAIYAMBO  
CHAIRPERSON

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DATE

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## DEFINITIONS

<b><u>Term</u></b>	<b><u>Definition</u></b>
Administration	Infers the Road Fund Administration established by Section 2 of the RFA Act.
Business Plan	The Road Fund Administration's business plan in terms of Section 21 of the Road Fund Administration Act, 1999.
FY	Financial year. The RFA financial years begin on 01 April and end on 31 March of the following year. The numbering of financial years as referred to in the Business Plan follows the accounting practice of numbering financial years by the calendar year in which a financial year ends (for example FY2019/2020 is reflected as FY2020, and so forth).
ISBP	The Integrated Strategic Business Plan in terms of Section 13 of the Public Enterprises Governance Act, 2019.
MDC	Mass-distance Charge
MDCS	Mass-distance Charging System
MLTRMP	Medium- to-Long-Term Roads Master Plan of the Roads Authority.
MWT	Ministry of Works and Transport
NaTIS	Namibian Traffic Information System
RA	Roads Authority, established by the Roads Authority Act, (Act 17 of 1999).
RA Act	Roads Authority Act, 1999 (Act 17 of 1999).
RFA	Road Fund Administration, established by the Road Fund Administration Act, (Act 18 of 1999).
RFA Act	Road Fund Administration Act, 1999 ( Act 18 of 1999).
Road Fund	Also denoted "Fund", established under Section 16 of the RFA Act.
RUCs	Road User Charges
PE	Public Enterprise
PEG	Public Enterprises Governance
PEGA Act	Public Enterprises Governance Amendment Act, 2019.
TLE	Traffic Law Enforcement are agencies that enforce the provisions of the Road Traffic and Transport Act (Act 22 of 1999) to regulate road traffic and enhance road safety, including the control of overloading of vehicles.

## EXECUTIVE SUMMARY

### **Introduction**

The Road Fund Administration Act, 1999 (Act 18 of 1999, hereinafter referred to as the “RFA Act”), envisaged that the RFA should regulate funding to the road sector according to a Government policy of full cost recovery from road users for the economically justified cost of road sector projects and programmes as defined in the Act. Such regulatory function was to be performed by managing the road user charging system, as defined in Section 1 of the RFA Act, and which explicitly entails full cost recovery from road users. Management of the road user charging system was defined as entailing the determining the amount and manner of funding for such projects and programmes, and determining the road user charges to be levied to secure the determined amounts.

The Government has subsequently assumed the regulation of road user charges, and the RFA now only fulfils an advisory function in this respect.

As a result, the amount of funding determinations as envisaged in terms of Section 20(4)(a) no longer have any effect in respect of the determination of road user charges. The RFA, however, continues to include amount of funding determinations in the Business Plan as a reference point against which to assess the savings that need to be imposed to achieve “manner of funding” determinations in alignment with sustainable Road Fund revenues.

The Business Plan accordingly sets out amount and manner of funding determinations that the Administration has made with respect to budgets submitted to it for funding in terms of Section 20 of the RFA Act.

### **Summary of Business Plan**

#### **Funding constraints**

Whereas the RFA Act had envisaged revenue determinations to follow funding determinations, revenue considerations are now placed first, as these constrain the feasible funding determinations. For the 5-year period of this Business Plan, the manner of funding is constrained by the projected revenue over this period, as summarised on the following page (the amounts are rounded from Table 5, as reflected in Appendix and slight differences may occur due to rounding).

**Table 1: Revenue**

Revenue Inside Road User Charging System	FY2020	FY2021		FY2022		Business Plan Total	
Revenue by Source [N\$ million]	Actual	Original Budget	Revised Budget	RUCS	GRN	RUCS	GRN
<b>Road User Charges Revenue</b>	2,290	2,199	2,206	2,238	0	11,751	0
<i>Fuel levies Collected (gross before refunds)</i>	1,551	1,461	1,469	1,494	0	7,694	0
<i>Less Fuel Levies Refunds</i>	303	278	279	284	0	1,376	0
<b>Fuel Levies Collected (nett after refunds)</b>	1,248	1,183	1,190	1,210	0	6,318	0
<i>Vehicle License Fees</i>	685	641	641	646	0	3,327	0
<i>Non-RUC Fees</i>	44	79	79	80	0	411	0
<i>Entry Fees</i>	160	129	129	125	0	645	0
<i>Mass-Distance Charges</i>	143	155	155	165	0	987	0
<i>Abnormal Load Charges</i>	9	11	11	11	0	57	0
<i>Road Carriers Permits</i>	1	1	1	1	0	6	0
<b>Additional Revenue</b>	73	268	268	418	0	762	0
<i>Government co-funding</i>	0	0	0	0	0	0	0
<i>Financing Instruments</i>	42	268	268	418	0	762	0
<i>Remainder of minor revenue sources</i>	31	0	0	0	0	0	0
<b>Total</b>	<b>2,363</b>	<b>2,467</b>	<b>2,474</b>	<b>2,656</b>	<b>0</b>	<b>12,513</b>	<b>0</b>

\*Please note that the RUC revenue figure of N\$2.474 billion for the FY2020/21 is based on the forecast on the current approved budget compared to the initial budget of N\$2.467 billion. The forecasted figure is mainly used for the purpose of forward projection over the 5-year period.

\* The two tranches of N\$241 million each of the KfW 2017 Loan were received in FY2019 and FY2020. They subsequently increased the revenue in FY2022. The funds are ring-fenced and kept in reserve for the rehabilitation of TR1/3 Keetmanshoop-Mariental: Section between intersections to Tses-Gochas. The construction of the road will commence soon, and the reserve is debited to make the funds available in FY2021 and FY2022. The revenue figure of N\$2.656 billion for FY2022 is overstated; simply by the shifting & availing of the second N\$241 million. Similar deduction was done in FY2020 to understate the revenue.

### Amount and manner of funding of projects and programmes

#### Budgets received

Amount and manner of funding determinations are based on budgets submitted to the Administration. The following budgets were received:

1. Roads Authority:
  - (a) Management of the national road network, including administrative expenses of the Authority;
  - (b) National traffic information system; and
  - (c) Vehicle and driver testing.
2. Local Authorities and Regional Councils:
  - (a) Traffic related maintenance of urban roads.
3. Namibian Police and some Local Authorities:
  - (a) Traffic law enforcement.
4. National Road Safety Council:



(a) National Road Safety Council projects and road safety initiatives.

With a view to the Business Plan presenting a comprehensive picture of the funding of national road network projects, the Roads Authority has also communicated to the Administration a list of projects that are to be funded entirely through Government's budgetary allocations to the Ministry of Works and Transport. Such projects are not subject to the amount and manner of funding determinations made by the Administration, and they are accordingly reported as funded outside the road user charging system. A list of these projects is provided in **Table 2**, as reflected in the Appendix. The budgeted amounts for these projects should be regarded as indicative, as they are subject to budgetary allocation decisions made by Government, which are not necessarily communicated to the Administration.

#### Amount of funding determinations

##### *Purpose*

Amount of funding determinations reflect the amount of funding that **should be allocated** to each project and programme for which the Roads Authority and approved authorities have submitted a budget request to the RFA. They are based mainly on economic efficiency principles, and additional considerations as stated in the RFA Act.

The RFA has framed Rules and Principles in terms of Section 19(2) of the RFA Act to stipulate the economic and auxiliary principles to be applied in amount of funding determinations.

##### *Projects and programmes pertaining to the Management of the National Road Network*

Amount of funding determinations for projects and programmes have been based on economic analysis information provided by the Roads Authority, and the recommendations of the Roads Authority's Medium-to-Long-Term Roads Master Plan (MLTRMP) of 2012. Part I of the Rules and Principles is applied in making these determinations, as well as in determinations pertaining to concomitant expenses that are mainly of an administrative nature.

##### *Other programmes of the Roads Authority*

*Amount of funding determinations were made for the:*

- Traffic information system – applying Part IV of the Rules and Principles; and
- Vehicle and driver testing – applying Part VI of the Rules and Principles.

It should be noted that the overload control function performed by the Roads Authority in terms of the Roads Authority Act, 1999 (Act 17 of 1999), is statutorily part of the Authority's function of "management of the national road network", and is not to be regarded as a traffic law enforcement function as envisaged in the RFA Act.

##### *Local Authority programmes*

*Amount of funding determinations were made for the:*

- Traffic related maintenance of urban roads – applying Part III of the Rules and Principles; and
- Traffic law enforcement functions performed by some of the larger municipalities – applying Part V of the Rules and Principles.

##### *Namibian Police Traffic Law Enforcement Programmes*

Amount of funding determinations were made for the traffic law enforcement functions performed by the Namibian Police – applying Part V of the Rules and Principles.

In the cases of urban roads maintenance and traffic law enforcement, the Administration was not able to evaluate programmes based strictly on economic efficiency principles, and applied Subsection 17 (2) of the RFA Act to determine types and maximum amounts of funding.

## National Road Safety Council

The RFA Act does not require amount and manner of funding determinations for expenditure referred to in Section 15 of the National Road Safety Act, 1972 (Act No. 9 of 1972). In terms of Section 15(4) of this Act, the Minister of Works and Transport is authorised to make funding determinations based on budgets submitted to the Minister by the National Road Safety Council. Consequently, the RFA has not framed applicable Rules and Principles for such determinations.

Amount of funding determinations are tabulated in **Table 3**, as reflected in the Appendix.

### Manner of funding determinations

#### *Purpose*

Manner of funding determinations are to be made to determine the funding that **can be allocated** to each project and programme subject to the availability of funds from the road user charging system and funds from other sources channelled through the Road Fund.

A summary of the amount of funding determinations, compared to the manner of funding determinations that are feasible within the ruling funding constraints, is tabulated below (the amounts are rounded from **Table 4**, as reflected in the Appendix and slight differences may occur due to rounding).

**Table 2: Expenditure**

Expenditure Inside RUCS	Budget		Amount of Funding		Manner of Funding		Funding Gap	
	FY2021 [N\$ mil.]	FY2022 [N\$ mil.]	FY2022 [N\$ mil.]	BP Total [N\$ mil.]	FY2022 [N\$ mil.]	BP Total [N\$ mil.]	FY2022 [N\$ mil.]	BP Total [N\$ mil.]
<b>RA Administration</b>	362	293	1,592	375	2,010	82	418	
<b>RA Administration Projects</b>	24	51	281	51	281	0	0	
<b>RA Management Functions</b>	75	123	578	89	387	(34)	(191)	
<b>NaTIS Administration</b>	129	133	762	133	714	0	(48)	
<b>NaTIS Functions</b>	109	264	1,249	49	335	(215)	(914)	
<b>RFA Administration</b>	129	139	726	133	715	(6)	(11)	
<b>Road Fund Account</b>	88	102	316	87	243	(16)	(74)	
<b>Road Fund Financing</b>	121	0	0	117	776	117	776	
<b>Road Research Studies</b>	1	1	5	1	5	0	0	
<b>Other Expenditure Approved by Minister</b>	40	40	40	50	50	10	10	
<b>National Roads</b>	<u>1,233</u>	<u>2,450</u>	<u>12,101</u>	<u>1,426</u>	<u>6,290</u>	<u>(1,024)</u>	<u>(5,811)</u>	
<b>Maintenance</b>	1,050	2,014	11,665	1,095	5,553	(919)	(6,111)	
<b>Rehabilitation</b>	181	380	382	329	657	(51)	275	
<b>Development</b>	2	55	55	2	80	(54)	25	
<b>Urban Roads Maintenance</b>	122	182	876	112	553	(71)	(322)	
<b>Traffic Law Enforcement</b>	35	88	413	31	147	(57)	(265)	
<b>National Road Safety Council</b>	0	2	13	2	2	0	(11)	
<b>TOTAL</b>	<b>2,468</b>	<b>3,868</b>	<b>18,952</b>	<b>2,656</b>	<b>12,508</b>	<b>(1,212)</b>	<b>(6,443)</b>	

*\*Please note the following for the above table:*

**RA Administration:** Staff expenditure incl. contributions (medical & pension) and welfare (training & bursaries) and Subsistence & Travel.

**RA Administration Projects:** RA Head Office Development, RA Regional Offices Development & Maintenance, RA IT Systems Development. From FY2021 The RA Post-Retirement Medical Benefits has been settled and is zero.

**RA Management Functions:** Operations of Divisions Network Planning & Consultations; Road Management Systems; and Road Traffic and Transport Inspectorate (incl. provision of weighbridges).

**NaTIS Administration:** All Staff related expenditure of NaTIS.

**NaTIS Operations:** Operations of NaTIS including the Land Acquisition for One-Stop NaTIS Centre in Windhoek.

**Road Fund Financing:** Financing of RFA’s KfW Loans (i.e. capital, interest & other charges) and transfers to the Reserve Fund.

Manner of funding determinations are tabulated in **Table 4**, as reflected in the Appendix.

Assets and Liabilities of the Road Fund

*Financing of the funding shortfall*

As indicated in the tables above, additional financing is however required to bridge the funding constraints within the period of this Business Plan.

The KfW loan - 2017 is to finance the rehabilitation of TR1/3 between Keetmanshoop and Mariental (Section A: 87.3km between the intersections to Tses and Gochas).

The loan amount is N\$482 million and was disbursed in two tranches. The first tranche of N\$241 million was disbursed in May 2018 and the second and final tranche of N\$241 million was paid out last year in May 2019.

The annual financial statements of the Road Fund account for the 2020 financial year indicate the following cash position for the Road User Charging System:

- In the 2020 financial year, the total assets at the disposal of the Road Fund amounted to N\$1,225 million; total liabilities at N\$1,191 million; and accumulated surplus to the tune of N\$34 million.

Although the Business Plan projects a nominal surplus at the end of the financial year 2021, the unfavourable economic conditions exacerbated by the COVID-19 pandemic, will necessitate the RFA budgeting for a surplus of revenue over expenditure in the financial year 2022, amounting to a projected break-even amount of about N\$1.1 million.

Furthermore, the RFA created a reserve fund to make allowances for the capital redemption of the loan undertakings. Subsequently, this Business Plan yields an amount of N\$164 million over the implementation period.

A summary of the estimated revenue and expenditure, assets and liabilities of the Road Fund is tabulated in **Table 6**, as reflected in Appendix.

Determination of levels of road user charges

The RFA no longer performs the determination of road user charges as envisaged in the RFA Act. However, the RFA generally advises the Minister of Finance that road user charges increases should be granted annually at least in line with consumer price inflation. With such increases being based on levels of road user charges that have remained inadequate ever since the establishment of the Road Fund, it is not possible to achieve the aim of an economically efficient road sector as envisaged in the RFA Act.

Increases in the rates of road user charges were most recently granted in July 2020, as tabulated below.

**Table 3: Road User Charges Increases**

Road User Charge	Approved Increases July 2020
Fuel Levies on petrol and diesel	4.0% (current levy at 141 c/l)
License Fees	4.0%
Entry Fees / Cross Border Charges	4.0%
Mass Distance Charges	4.0%

### **Implications of the Business Plan**

It remains evident that the amount of funding that can be collected through the road user charging system is substantially inadequate to achieve the object of the RFA Act of a “safe and efficient road sector”.

The direct result of constraints on the increases of road user charges is that the Road Fund as from the financial year 2022 (i.e. ending in March 2022) will only be able to fund the following expenses:

- a) The maintenance of the national road network (N\$1.095 billion), albeit only at a suboptimal level;
- b) The rehabilitation of the national road network, including bridges structures (N\$329 million);
- c) A contribution to the maintenance of urban streets and rural road networks (N\$112 million), likewise at a suboptimal level;
- d) The operation of the Namibian Traffic Information System (N\$171 million);
- e) A contribution to traffic law enforcement (N\$31 million);
- f) A contribution to projects of the National Road Safety Council (N\$2.1 million);
- g) The servicing, including capital redemption, of a KfW loan to the Road Fund, signed in November 2015 (KfW Loan 2015);
- h) The servicing, including capital redemption, of a KfW loan to the Road Fund signed in December 2017 (KfW Loan 2017);
- i) The administrative expenses of the RA (N\$426 million);
- j) The administrative expenses of the RFA (N\$133 million);
- k) The road fund expenses of the RFA, such as
  - MDC Automation Project (N\$30 million); and
  - ICT System Development – ERP (N\$18 million).
- l) The land acquisition, development and construction of a ONE STOP NaTIS Centre in Windhoek (N\$10.8 million);
- m) A contribution to the maintenance of roads in the Etosha National Park (N\$50 million).

# 1 INTRODUCTION

## 1.1 Economic Context

The global economy is projected to contract by 4.9% percent in 2020 and recovering in 2021 with growth projected to climb to 5.4%, however, the ascent will likely be long, uneven, and uncertain. Both the advanced and the emerging markets and developing economies are expected to contract during 2020, in line with downward revisions in consumption growth and investment spending in most economies.

Economies in Sub-Saharan Africa are expected to contract by 3.2% in 2020, before improving to positive growth of 3.4% in 2021, with South Africa, the biggest economy in SSA, expected to contract by 8.0% in 2020, whilst Nigeria and Angola contracting by 5.4% and 4.0%, respectively.

The Namibian economy is projected to contract by 6.6% in 2020 before recovering to a positive growth of 0.8% and 1.5% in 2021 and 2022, respectively. The most affected sectors include hotels and restaurants; mining; transport and storage; manufacturing; wholesale and retail trade; financial and insurance services and construction. Although Government has responded with a variety of fiscal countermeasures, these have reduced widespread bankruptcies and have saved some jobs.

Based on the economic backdrop, disposable income has been severely affected, resulting in reduced consumer demand and transport demand as people adjust to working from home. These factors have eroded revenues derived from Road User Charges. Accordingly, the RFA revised its revenue forecasts downwards by 5.2% in June 2020 and projects further 2% decline in RUCs. These revenue pressures have limited road maintenance funding and as a result maintenance projects funded under the current Business Plan have been severely constrained, and therefore the most urgent maintenance projects can be funded under the current economic climate.

### 1.1.1 Statistics on road user charging instruments

Of primary importance are actual growth statistics underlying the road user charging instruments of the RFA, which include most notably road user charges on fuel consumed on-road and license fees. This requires prudence in the assumptions to be made regarding the growth of vehicle registrations and on-road fuel consumption.

Growth in the domestic economic is expected to weaken further in 2020 before rebounding slowly with nominal growth below 1% in 2021 and doubling in 2022, respectively. Therefore, the following is forecasted for the financial year 2021/22:

- Vehicle population increases by 0.8% pa
- Foreign vehicles contracts by 2.9% pa
- Fuel consumption grows by 0.8% pa.

The economic developments will ultimately flatten vehicle population growth to a mere 1.5% over the 2020 and 2021 period. With stagnant vehicle population growth, caused by weak economic prospects, fuel demand for both petrol and diesel suffers over the short term, but more so to petrol.

Fuel consumption during 2020 has decreased by 0.8% year-on-year, driven largely by falling petrol demand. This trend is driven by a combination of falling disposable incomes and increased vehicle fuel efficiencies.

As export growth continues to recover from 2025 onwards, economic growth lifts to 1.5% and new employment opportunities begin to emerge. This lifts disposable incomes at a time when interest rates

are low, and inflation is within the target band (3% - 6%). Collectively, these factors push vehicle population growth higher.

## **1.2 State of the National Road Network**

Due to persistent under funding over the years, the quality of the network is deteriorating due to sub-optimal maintenance work. According to the Road Management System, the absolute minimum road maintenance under constrained economic climate is N\$3.9 billion for routine maintenance, reseal, rehabilitate, regravell and upgrade the national road network. However, the RFA was only able to fund N\$2.6 billion under the Business Plan. Thus, resulting in a funding shortfall of N\$1.3 billion in the current financial year. As a result, 43% of the gravel road network is in an unacceptable condition, whilst 10% of the paved road network is in an unacceptable condition.

Poor condition of the road network costs road users an additional N\$3.9 billion annually in the form of increased wear and tear on their vehicles, vehicle accidents and damage to tyres. Thus, a more intensive regravelling programme is required to rebuild the gravel road network. Intensifying the regravelling programme will restore the gravel roads to the original design specifications, improve driveability and reduce vehicle maintenance costs. Consequently, the number of Gravelling Maintenance Units (GRUs) will increase, thereby creating much needed economic and employment opportunities in our rural communities, whilst preserving our N\$101 billion road network.

The paved road network also needs attention in the form of increased resealing to restore the roads that are presently in an unacceptable condition. TR2/3 Omaruru-Karibib is one such road, which was built in 1974 and has only seen one section rehabilitated over its 46-year lifespan. After 15 years, the bitumen surface becomes brittle and permeable allowing water to infiltrate the sub-base and form potholes.

Therefore, the resealing programme needs to be accelerated from the current 351km per annum to 660km per annum, whilst the regravelling programme needs to be accelerated from the current 236km per annum to 1,610km. Based on 2019 unit costs, the periodic maintenance costs should increase by N\$915 million annually, thus resulting in a 42% increase in road user charges. However, the RFA understands that a 42% increase is unaffordable to the road user, under the current economic climate. Therefore, a 5.3% RUCs increase is seen as the absolute minimum for the RFA to reduce the rate of deterioration on the national road network and minimise road asset erosion. Comparative studies continue to show that Namibian fuel levies remain regionally competitive at N\$1.41/litre versus N\$3.77/litre in Lesotho and R3.61/litre in South Africa.

## **1.3 Economic Efficiency Statements**

The overall Government policy for the transport sector (as per the White Paper on Transport Policy, June 1995), which has in part been implemented through the RFA Act, is that a system of road user charges for Namibia should be implemented to promote the economic objectives of Government. In managing the road user charging system, the RFA is bound by the objective to comply with the specific Government policies underlying the road user charges determinations to be made by the RFA, which are:

1) “User pay” principle:

- a) the determination of the economically justified real stable expenditure level on road sector projects and programmes, mainly for the provision and preservation of the national road network, which is the regulatory function to be exercised by the RFA;
- b) the determination of the rates of road user charges to fully recover from road users the associated costs;

2) “Efficiency” principle:

- a) promote economic efficiency and the efficient utilisation of resources by minimising the total costs of road transport to society, such costs consisting mainly of the sum of road infrastructure costs and vehicle operating costs;

3) “Equity” principle:

- a) not have the effect that a certain part of the community is taxed to provide a facility which they largely do not use or that one group of road users subsidises another group of road users;
- b) not unfairly impact on road/rail competition; and

4) “Non-discrimination” principle:

- a) provide for charges on foreign-based operators and take cognisance of road user charging systems in neighbouring countries.

The policy with respect to charges on foreign-based operators, which is harmonised with the SADC policy on cross-border transport, provides that:

- (a) There should be recovery of road costs from foreign vehicles;
- (b) Transit charges for the recovery of such costs should be non-discriminatory, and
- (c) Transit charging systems should facilitate regional transport and trade.

## 1.4 Stakeholder Consultation

A stakeholder consultation workshop was held on 10 November 2020 in compliance with the aforementioned requirements. The stakeholders’ key issues and recommendations are listed hereunder:

- **KEY ISSUES:**

- Stakeholders were concerned about vehicle owners registering their vehicles in foreign countries as they felt it was cheaper to do so.
- Greater focus on Road safety is required in the RFA Business Plan beyond the allocations towards Traffic Law Enforcement Agencies.
- The National Road Safety Council wanted an explanation of its allocation under the Business Plan and why it was only allocated funding for two financial years.
- Traffic Law Enforcement should be listed as a key funding priority within the Business Plan document, as opposed to it being listed under other priorities.
- Prioritise road safety research within the Business Plan, as road safety research has not received sufficient attention under the current Business Plan.
- The City of Windhoek wanted an explanation regarding the reduction of their TLE allocation.
- The meeting proposed that roads engineer consult TLE agencies when designing roads, to ensure that road designs are practically safe.
- The meeting proposed that the Inter-Ministerial committee be revived as a platform to jointly decide on the fuel levy and thus harmonise the views the respective role players.
- There has not been a road sector review for many years now and the meeting proposed that it be reintroduced.
- The Business Plan must focus on reversing the poor condition of the gravel road network.
- The RFA must proactively advise government on prioritising road preservation.

- The Business Plan places too much reliance on the of fuel levy, include alternative funding strategies to supplement the current fuel levy.
- The Ministry of Public Enterprises advised the RFA to align the BP document to PEGA
- The meeting also suggested that the RFA increase rural access roads to increase road access to all rural communities.
- The meeting requested a regional breakdown of the of the maintenance funding to ensure equitable distribution of funding allocations to the fourteen regions.
- Stakeholders enquired how the Funding allocation model allocates funding to the respective towns, regions and traffic law enforcement agencies.
- The Roads Authority requested that the role of the Road Management System is highlighted in the Business Plan in the prioritisation of maintenance projects
- The Ministry of Public Enterprises requested that project completion rates are included in the Business Plan Document.
- The meeting also requested more detail on Technical audits and any additional measure the RFA has implemented to assure quality workmanship and value for money on the maintenance projects and programs.
- Various stakeholders requested more funding to research and the Ministry of Public Enterprises highlighted the global benchmark of allocating 1% of revenues to research.
- Provisions for non-motorised transport needs to be included in the Business Plan.
- The meeting wanted to know what the RFA is doing to shift some of the bulky loads from the road network and onto the rail network.
- The meeting asked that the RFA clarify the funding determinations made under the Business Plan and also how economic and non-economic roads are determined.
- The meeting requested what the RFA is doing to harmonise road user tariffs within SADC
- Stakeholders requested that the RFA strives to get government to commit to full cost recovery of road user charges and fully reinstate the user pay principle

- **RECOMMENDATIONS:**

- Greater focus on Road Safety funding
- TLE should be elevated to a key priority
- Prioritise road safety research
- Revive inter-ministerial committee to collectively review levies on fuel
- Bring back road sector review
- Focus on reversing the poor condition of the gravel road network
- Advise government on prioritising road preservation
- Include alternative funding strategies in the Business Plan
- Align Business Plan document to PEGA
- Include regional breakdown of the maintenance funding
- Include the role of the Road Management System in the prioritisation of maintenance projects
- Include project completion rates and project management plans
- Include more detail on Technical audits and quality assurance
- Allocate more funding to research
- Non-motorised transport needs to be prioritised
- Include road to rail strategy in BP
- Clarify funding determinations and non-economic roads
- Provide further insight into the harmonisation of road user tariffs within SADC
- Get Government to commit to full cost recovery of road maintenance costs from the road user.



This Business Plan responds to the concerns and recommendations identified from the stakeholder consultative workshop.

## **1.5 Background to the Preparation of the Business Plan**

This Five-Year Business Plan for the period from 1 April 2021 to 31 March 2026 has been prepared in pursuance of Section 21 of the RFA Act, which obliges the RFA to prepare a Business Plan based on its funding determinations made in accordance with Section 20(4) of the Act, and estimated revenues accruing to the Road Fund in terms of Section 16 of the Act.

Funding determinations are based on budgets submitted to the RFA by the RA and other Approved Authorities in accordance with Section 20(1) of the Act. It is therefore important to note that the RFA does not on its own accord budget for projects and programmes included in this Business Plan, other than those relating to the management of the road user charging system and Road Fund, which are managed by the RFA. The Business Plan is therefore almost entirely based on budgets and programmes submitted for funding by the RA and other Approved Authorities. These funding determinations comprise the expenditure part of the Business Plan.

After having made its funding determinations, Section 18 of the Act requires the RFA to determine the rates of road user charges and impose such charges such as to ensure the raising of adequate revenue to cover the funding determinations made. These determinations, together with other revenue accruing to the Road Fund in terms of Section 16 of the Act, comprise the revenue part of the Business Plan.

## **2 OBJECTIVES AND STRATEGIES OF THE RFA FOR THE BUSINESS PLAN**

### **2.1 Levels of the Road User Charges**

Over the past two decades, both diesel and petrol levies have lagged key economic indicators. Diesel and petrol levies have increased by 3.4% and 2.7% respectively, whilst the overall price level in Namibia, as measured by the Consumer Price Index, has increased by 5.9%, disposable income has increased by 9.7% and GDP 9.9%. This has effectively eroded the share of wallet that is dedicated to road maintenance, which is a key enabler for economic growth. As such, the petrol levy, currently stands at N\$1.41 per litre, is well below the inflation adjusted benchmark of N\$2.42. The perennial under funding of N\$1.2 billion, increases overall transport costs by a staggering N\$3.9 billion and thus resulting in a N\$2.7 billion net loss to society or 1.5% of GDP. This loss is reflected in higher vehicle operating costs, increased tyre damage, damaged suspensions and increased traveling times. Therefore, it is imperative that the optimal level of road maintenance is restored through a comprehensive review of the current levels of road user charges and the applicability thereof, to maintain the extent and quality of the road asset. The RFA has, however made a submission to the Minister of Finance for further increases in the rates of road user charges, for the Minister of Finance's consideration.

The RUCs were increased by 4% and subsequently came into effect in July 2020. These increases have been taken into account in estimating revenue for the financial year 2021, but no subsequent increases have been considered in the revenue estimations.

### **2.2 Strategic Development of the RUCs**

Consistent with the object of the RFA Act, to secure adequate funding for the achievement of a safe and efficient road sector, the overarching strategy of the RFA aims at eventually achieving optimum funding for the road sector as provided for in the Act and the MLTRMP.

A key strategic priority of the organisation is to introduce various instruments to boost its revenue, during this Business Plan the RFA shall investigate additional revenue streams based on best practises. Business processes re-engineering and acquisition of Enterprise Resource Planning (ERP) System solutions are to be implemented during the course of this Business Plan. The MDC-Automation project will be developed and implemented to increase the revenue collection base. Subject to funding constraints resulting from inadequate levels of the rates of road user charges, the RFA adopts the following strategies to increase funding towards road maintenance:

- Re-assess the level of the RUCs. The current RUC rates were determined in 1999 and have been adjusted from time to time, albeit at sub-optimum levels. According to the NamRUC Model, the fuel levy should be N\$2.20/litre, but is currently N\$1.41/litre in Namibia, versus N\$3.61/ litre in South Africa and R3.70/ litre in Lesotho.
- Align annual increases in the level of RUCs to the producer price inflation for roadworks, as measured by Statistics South Africa. This will ensure that the levels of the RUCs keep up with the cost of road maintenance works.
- Introduce distance-based RUCs, starting with the automation of Mass Distance Charges, which will provide the platform to calculate actual distances travelled by heavy vehicles and eventually rolling it over to all vehicle categories.
- Furthermore, the RFA will ensure that all new road construction to include a maintenance plan, with the additional maintenance costs being added to the existing RUCs to ensure sufficient maintenance funding is adequately budgeted for.
- Debt financing for once-off investments such as for the Low Volume Sealed Roads strategy.

These interventions are thus designed to lift the level of optimal funding from 41% to 65% to address the preservation and rehabilitation needs of the N\$101 billion national road network. A safe and efficient road network will facilitate efficient transportation of goods and services, provide connectivity the country's citizens, and ensure access to social services and thereby ensure that the network remains a key enabler for economic growth and prosperity.

### **2.3 Prioritisation of funding through the RUCs**

The RFA has under the prevailing funding constraints prioritised the allocation of funds within the Business Plan period as follows:

#### **Priority 1: Road Maintenance**

- National road network: the manner of funding to be as close as possible to the determined amount of funding, reduced by only the minimum amount required for the Road Fund to be able meet the financial needs;
- Urban road maintenance: the manner of funding to be as close as possible to the determined amount of funding;

**Priority 2:** Rehabilitation of the national road network, including bridge structures, to the extent that this is feasible within existing funding constraints;

**Priority 3:** Continuation of administrative expenditure of the RA and RFA, the operational expenditure of the Namibian Traffic Information System (NATIS) as well as the development and construction of a ONE STOP NATIS Centre in Windhoek.

**Priority 4:** Servicing of existing loan obligations;

- This currently includes the KfW loan agreement between the RFA and KfW signed in November 2015.

- Furthermore, it includes the KfW loan agreement between the RFA and KfW signed in December 2017.

## **2.4 Funding Objectives for the Business Plan**

The specific objective for the five-year planning period the Business Plan is to secure road sector funding inside the road user charging system. This includes contributions to be budgeted by Government that are deemed to be inside the road user charging system, because of being allocated to projects and programmes, which are also co-funded by the road user charging system.

The particulars of funding provided for the period from 1 April 2021 to 31 March 2022 in this Business Plan constitute the approved budget of the RFA for the financial year 2021. The particulars provided for the subsequent four financial years constitute an estimate of future income and expenditure, subject to various conditions and assumptions that will be discussed further on in the Business Plan. The particulars provided for the financial years from 2022 to 2026 therefore do not constitute an authorisation for incurring any commitments for these financial years, other than continuing commitments resulting from expenditure authorised in the financial year 2021 and previous financial years.

### **2.4.1 Regular Blading**

Regular blading of the unpaved road network is necessary as part of routine maintenance. The objective is to blade 2.5 million km per annum, which essentially translates to a weekly blading frequency on all unpaved roads at a unit cost of N\$198.81 per blade kilometre. Under the financial constraints it is critical that the blade kilometre cost be managed as follows:

- Reclaiming of gravel driven off the roads instead of regravelling, expected cost reduction of 50% has been estimated.
- Use of effective additives to reduce gravel loss and dust, using commercial clays or nano-silane products.
- Introduction of towed graders and tyre dragging to maintain riding quality on the very low trafficked roads, whilst reducing the unit cost of a motor grader.

These interventions should thus reduce the cost of regular maintenance of the gravel road network, under the current financial constrained revenues.

### **2.4.2 Regravelling Strategy**

Regravelling forms part of the periodic maintenance programme for the unpaved road network, to replace the material lost from driving and blading. Gravel roads built with a 150mm imported wearing course and require regravelling at 75mm thickness, however, estimates show that the gravel base has eroded to 17mm on average and is thus in need of urgent regravelling. The current level is insufficient to maintain the gravel road network and the effort has to be increased to 2,700km per annum.

### **2.4.3 Low Volume Seal Strategy**

Namibia has a road network of almost 49 000 km, of which about 90% is unpaved. Due to budgetary constraints, it has become a serious challenge to adequately maintain the unpaved road network, thus the road network is in poor condition and continuously deteriorating, indications are that the situation will culminate to a point where 75% of the unpaved in a poor-to-very poor condition in 2025. Sealing of low trafficked roads where appropriate to improve the level of service and to preserve scarce road building materials. Low Volume Sealed Roads (LVSRs) differ from standard bitumen roads as they are normally of lower geometric standards and designed for less than a 20-year pavement design life.

This is in line with the global and regional shift from gravel roads towards LVSRs, which are approximately 25% of the cost of standard bitumen roads the benefits lie in a significant reduction in maintenance costs plus the value of the road after the 20-year period.

**2.4.4 Reseal Strategy**

Resealing is done to improve the drive quality of the paved road and also extend the life of the road beyond its original design life. The road deterioration model shows that 830km of roads needs to be resealed annually.

**2.4.5 Overview of Revenues and Expenditures**

Revenue estimates were based on the economic forecasts provided by FirstRand Namibia, whereby the economy grows by 0.8% in 2021, 1.1% in 2022 and 1.5% in 2022. In addition, in-house projections for fuel consumption, cross border traffic volumes and vehicles subject to licensing, were used. As a result, revenues from RUCs increase by 2.35% annually over the business plan period from N\$2.27 billion in FY2022 to N\$2.5 billion in FY2026. This is supplemented with debt financing from the KfW Loan and the loan against the RA Building.

Expenditures were based on the funding requests obtained from the Approved Authorities. Funding determinations were made based on the economic efficiency of the funding requests and finally adjusted to fit within the available revenues. To this end, N\$3.9 billion was requested in FY2022, the full N\$3.9 billion was deemed economically efficient as Approved Authorities were notified beforehand of the funding constraints. However, only N\$2.6 billion could be funded, thus leaving a funding shortfall of N\$1.3 billion.

The main underlying planning parameters affecting the revenue and expenditure estimates presented hereafter are tabulated below.

**Table 4: Main Planning Parameters**

Main Planning Parameters	2021 Rates	2021 Amt	2022 Growth	Growth After
Fuel road user charge (petrol & diesel avg.)	N\$ 1.41 / l	1469.1 mil.	0%	0%
Diesel consumption	n/a	668.4 MI	0.80%	1.10%
Petrol consumption	n/a	382.7 MI	0.80%	0.80%
Vehicles licensed	n/a	386,669	0.80%	1.1% - 2.2%
Vehicles subject to MDC	n/a	N/A	0.80%	1.1% - 2.2%
Roadworks Cost Escalation Rate (indicative)	n/a	n/a	4% - 5%	4% - 5%

Estimated revenue and expenditure, assets and liabilities inside the Road User Charging System are tabulated on the following pages. The tabulated allocations for the ensuing financial year ending March 2022 constitute the budget of the Road Fund.

<b>A. SUMMARY ESTIMATE OF REVENUE INSIDE THE ROAD USER CHARGING SYSTEM FROM 1 APRIL 2021 TO 31 MARCH 2026 (EXCL. GOVERNMENT CO-FUNDING - Note 1)</b>							
Revenue Heading	Current Year	Business Plan Period Revenue Projection [N\$]					
	Financial Year:	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
<b>Road User Charges</b>	<b>2,206,430,395</b>	<b>2,238,586,550</b>	<b>2,275,818,825</b>	<b>2,351,611,340</b>	<b>2,415,730,070</b>	<b>2,468,668,540</b>	<b>11,750,415,325</b>
Road User Charges on Fuel used On-road (nett less levy refunds)	1,189,943,395	1,210,103,550	1,230,857,825	1,256,639,340	1,296,567,070	1,323,632,540	6,317,800,325
Revenue from Vehicle License Fees	640,913,030	646,040,000	653,090,000	662,704,000	675,522,000	689,622,000	3,326,978,000
Revenue from Non-RUC Fees	79,213,970	79,848,000	80,719,000	81,907,000	83,492,000	85,234,000	411,200,000
Revenue from Entry Fees	129,053,000	125,259,000	127,027,000	128,926,000	130,797,000	132,668,000	644,677,000
Revenue from Mass-Distance Charges	154,682,000	164,711,000	171,500,000	208,810,000	216,727,000	224,887,000	986,635,000
<i>Local-registered Heavy Vehicles</i>	<i>122,363,000</i>	<i>131,037,000</i>	<i>136,219,000</i>	<i>165,981,000</i>	<i>172,247,000</i>	<i>178,801,000</i>	<i>784,285,000</i>
<i>Foreign-registered Heavy Vehicles</i>	<i>32,319,000</i>	<i>33,674,000</i>	<i>35,281,000</i>	<i>42,829,000</i>	<i>44,480,000</i>	<i>46,086,000</i>	<i>202,350,000</i>
Revenue from Abnormal Load Charges	11,344,000	11,344,000	11,344,000	11,344,000	11,344,000	11,344,000	56,720,000
Revenue from Road Carriers Permits	1,281,000	1,281,000	1,281,000	1,281,000	1,281,000	1,281,000	6,405,000
<b>Additional Revenue Inside the Road User Charging System</b>	<b>268,477,500</b>	<b>418,477,500</b>	<b>256,800,000</b>	<b>28,000,000</b>	<b>29,000,000</b>	<b>30,000,000</b>	<b>762,277,500</b>
Monies appropriated by Parliament	0	0	0	0	0	0	0
Sale of Assets of the RFA	0	0	0	0	0	0	0
Sale of Assets of the RA	0	0	0	0	0	0	0
Returns on Investments / (Overdraft Charges)	27,600,000	27,600,000	26,800,000	28,000,000	29,000,000	30,000,000	141,400,000
Donations and Grants (no financing obligations)	0	0	0	0	0	0	0
Loans obtained by the RFA	240,877,500	390,877,500	200,000,000	0	0	0	590,877,500
Compensation for damaging of roads	0	0	0	0	0	0	0
Fines for contravention of overloading	0	0	0	0	0	0	0
From any other source	0	0	0	0	0	0	0
Drawings on Road Fund Reserve Investments	0	0	30,000,000	0	0	0	30,000,000
<b>GRAND TOTAL REVENUE PER FINANCIAL YEAR</b>	<b>2,474,907,895</b>	<b>2,657,064,050</b>	<b>2,532,618,825</b>	<b>2,379,611,340</b>	<b>2,444,730,070</b>	<b>2,498,668,540</b>	<b>12,512,692,825</b>

<b>B. SUMMARY OF MANNER OF FUNDING INSIDE THE ROAD USER CHARGING SYSTEM FROM 1 APRIL 2021 TO 31 MARCH 2026 (EXCL. GOVERNMENT CO-FUNDING - Note 1)</b>							
Expenditure Heading	Current Year	Business Plan Period Expenditure Projection [N\$]					
	Financial Year:	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
<b>01 Management of the National Road Network RFA Act s. 17(1)(a)</b>	<b>1,693,988,224</b>	<b>1,940,707,057</b>	<b>1,821,724,185</b>	<b>1,666,723,116</b>	<b>1,737,245,239</b>	<b>1,800,352,689</b>	<b>8,966,752,286</b>
01.01 RA Administration	385,778,224	425,653,517	441,292,445	457,518,536	474,350,859	490,687,049	2,289,502,406
01.02 Network Planning and Consultation	32,300,000	31,960,000	30,872,000	28,139,000	26,774,000	5,774,000	123,519,000
01.03 Roadworks - Maintenance	1,049,713,000	1,095,439,040	1,012,641,740	1,006,907,080	1,186,051,380	1,252,405,640	5,553,444,880
01.04 Roadworks - Rehabilitation	181,300,000	329,077,500	226,800,000	101,077,500	0	0	656,955,000
01.05 Roadworks - Development	2,000,000	1,500,000	49,500,000	29,000,000	0	0	80,000,000
01.07 Road Management System	21,859,000	27,635,000	31,682,000	28,450,000	32,795,000	32,574,000	153,136,000
01.08 Overload Control	21,038,000	29,442,000	28,936,000	15,631,000	17,274,000	18,912,000	110,195,000
<b>02 Administrative Expenditure of the RFA &amp; RUCS RFA Act s. 17(1)(b)</b>	<b>337,693,714</b>	<b>337,551,274</b>	<b>351,154,739</b>	<b>347,788,374</b>	<b>335,821,264</b>	<b>361,678,816</b>	<b>1,733,994,467</b>
02.01 RFA Administration Account	128,901,714	133,413,274	138,082,739	142,915,634	147,917,682	153,094,800	715,424,129
02.02 Road Fund Account	87,714,000	86,738,000	44,905,000	41,708,000	21,359,000	47,966,000	242,676,000
09 Financing of Loans assigned by GRN	0	0	0	0	0	0	0
10 Financing of Loans obtained by RFA	106,078,000	102,400,000	152,357,000	146,501,000	138,981,000	131,566,000	671,805,000
11 Financing of Reserve Fund	15,000,000	15,000,000	15,810,000	16,663,740	27,563,582	29,052,015	104,089,337
<b>03 Urban Roads Contributions RFA Act s. 17(1)(c)</b>	<b>122,418,326</b>	<b>111,747,500</b>	<b>110,387,700</b>	<b>110,387,700</b>	<b>110,387,700</b>	<b>110,387,700</b>	<b>553,298,300</b>
03.02 Local Authority Roads	113,916,972	104,096,300	102,736,500	102,736,500	102,736,500	102,736,500	515,042,300
03.03 Regional Council Roads	8,501,353	7,651,200	7,651,200	7,651,200	7,651,200	7,651,200	38,256,000
04 Operation of Traffic Information System RFA Act s. 17(1)(d)	165,475,388	171,179,027	177,100,293	183,222,703	189,552,967	195,096,996	916,151,985
05 Traffic Law Enforcement and Adjudication RFA Act s. 17(1)(e)	35,410,567	30,861,000	29,132,000	29,132,000	29,132,000	29,132,000	147,389,000
06 Vehicle Testing Stations and Driving Testing RFA Act s. 17(1)(f)	72,000,000	10,800,000	41,028,000	40,270,000	40,529,000	0	132,627,000
07 Road Research RFA Act s. 17(1)(g)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
08 National Road Safety Council RFA Act s. 17(1)(h)	0	2,100,000	0	0	0	0	2,100,000
12 Compensation for RA Damage Liability RFA Act s. 17(1)(l)	0	0	0	0	0	0	0
13 Insurance against Damage Liability RFA Act s. 17(1)(m)	0	0	0	0	0	0	0
14 Other Expenditure Approved by Minister RFA Act s. 17(1)(n)	40,000,000	50,000,000	0	0	0	0	50,000,000
<b>GRAND TOTAL EXPENDITURE PER FINANCIAL YEAR</b>	<b>2,467,986,219</b>	<b>2,655,945,857</b>	<b>2,531,526,916</b>	<b>2,378,523,893</b>	<b>2,443,668,170</b>	<b>2,497,648,201</b>	<b>12,507,313,038</b>

**C. ESTIMATE OF ROAD FUND BALANCE INSIDE ROAD USER CHARGING SYSTEM FROM 1 APRIL 2021 TO 31 MARCH 2026 (EXCL. GOVERNMENT CO-FUNDING - Note 1)**

Assets and Liabilities	Current Year	Business Plan Period Balances Projection [N\$]					TOTAL B/PLAN	
	Financial Year:	FY2021	FY2022	FY2023	FY2024	FY2025		FY2026
<b>ASSETS</b>		<b>477,354,677</b>	<b>493,472,869</b>	<b>510,374,778</b>	<b>528,125,966</b>	<b>556,751,447</b>	<b>586,823,801</b>	<b>586,823,801</b>
<b>General Fund Cash and Short-Term Investments</b>								
<b>Opening balance</b>		<b>410,433,000</b>	<b>417,354,677</b>	<b>418,472,869</b>	<b>419,564,778</b>	<b>420,652,226</b>	<b>421,714,125</b>	<b>417,354,677</b>
<i>Grand Total Revenue for the year</i>		2,666,907,895	2,696,564,050	2,664,118,825	2,379,611,340	2,444,730,070	2,498,668,540	
<i>Grand Total Expenditure for the year</i>		-2,659,986,219	-2,695,445,858	2,663,026,916	2,378,523,893	2,443,668,170	2,497,648,201	
<b>Closing Balance</b>		<b>417,354,677</b>	<b>418,472,869</b>	<b>419,564,778</b>	<b>420,652,226</b>	<b>421,714,125</b>	<b>422,734,464</b>	<b>422,734,464</b>
<b>Reserve Fund Investments (for medium-term fund flows balancing)</b>								
<b>Closing Balance</b>		<b>60,000,000</b>	<b>75,000,000</b>	<b>90,810,000</b>	<b>107,473,740</b>	<b>135,037,322</b>	<b>164,089,337</b>	<b>164,089,337</b>
<b>Sinking fund</b>								
<b>Opening balance</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Deposits</i>		0	0	0	0	0	0	
<i>Drawdowns</i>		0	0	0	0	0	0	
<i>Sinking fund</i>		0	0	0	0	0	0	
<b>Closing Balance</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>LIABILITIES</b>		<b>834,930,904</b>	<b>787,838,904</b>	<b>690,034,904</b>	<b>592,230,904</b>	<b>494,426,904</b>	<b>396,622,904</b>	<b>396,622,904</b>
<b>RFA 16 Loan Stock</b>								
<b>Closing Balance</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>KfW 2009 Loan</b>								
<b>Opening balance</b>		<b>0</b>	<b>0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>	<b>0</b>
<i>Disbursement</i>		0	0	0	0	0	0	
<i>Redemption</i>		0	-0	-0	0	0	0	
<b>Closing Balance</b>		<b>0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>
<b>KfW 2015 Loan</b>								
<b>Opening balance</b>		<b>400,267,904</b>	<b>353,175,904</b>	<b>306,083,904</b>	<b>258,991,904</b>	<b>211,899,904</b>	<b>164,807,904</b>	<b>353,175,904</b>
<i>Disbursement</i>		0	0	0	0	0	0	
<i>Redemption</i>		-47,092,000	-47,092,000	-47,092,000	-47,092,000	-47,092,000	-47,092,000	-235,460,000
<b>Closing Balance</b>		<b>353,175,904</b>	<b>306,083,904</b>	<b>258,991,904</b>	<b>211,899,904</b>	<b>164,807,904</b>	<b>117,715,904</b>	<b>117,715,904</b>
<b>KfW 2017 Loan</b>								
<b>Opening balance</b>		<b>240,877,500</b>	<b>481,755,000</b>	<b>481,755,000</b>	<b>431,043,000</b>	<b>380,331,000</b>	<b>329,619,000</b>	<b>481,755,000</b>
<i>Disbursement</i>		240,877,500	0	0	0	0	0	
<i>Redemption</i>		0	0	-50,712,000	-50,712,000	-50,712,000	-50,712,000	-202,848,000
<b>Closing Balance</b>		<b>481,755,000</b>	<b>481,755,000</b>	<b>431,043,000</b>	<b>380,331,000</b>	<b>329,619,000</b>	<b>278,907,000</b>	<b>278,907,000</b>
<b>NET BALANCE OF ROAD FUND ASSETS AND LIABILITIES</b>		<b>-357,576,227</b>	<b>-294,366,035</b>	<b>-179,660,126</b>	<b>-64,104,938</b>	<b>62,324,544</b>	<b>190,200,898</b>	<b>190,200,898</b>

## 2.4.6 Overview of Deficit Financing

The RFA is required to present a Business Plan that must throughout its whole period be executable within the amount of revenues projected to become available from road user charges collected, plus any committed co-funding, loans and grants.

In this context, deficit financing pertains to loans to which financing institutions, the RFA and Government (e.g. in the form of a Government guarantee) have committed themselves, for the purpose of bridging a temporary deficit between the revenues that the RFA can collect, and expenses on projects and programmes that are warranted to be incurred after taking into account the cost of loans to cover such expenses.

### 2.4.6.1 Deficits and surpluses

The annual financial statements of the Road Fund account for the 2020 financial year indicate the following cash position for the Road User Charging System:

- In the 2020 financial year, the assets at the disposal of the Road Fund amounts to about **N\$1.225 billion**; Total liabilities amounted to **N\$1.191 billion**;
- Therefore, the Fund experienced a monetary assets surplus of about **N\$34 million**.

The projected nominal surplus at the end of the financial year 2021 has necessitated the RFA budgeting for a surplus of revenue over expenditure in the financial year 2022, amounting to **N\$1.1 million**.

Furthermore, the RFA has created a reserve fund to make allowances for the capital redemption of the loan undertakings. Subsequently, this Business Plan yields an amount of **N\$164 million** over the implementation period.

### 2.4.6.2 RFA loan stock and loans

The RFA, and Government through having issued the required loan guarantees, are currently committed to the following deficit financing instruments:

- In November 2015, the RFA, supported by a loan guarantee from Government, signed an agreement with the KfW loan to the amount of ZAR 447 million (denominated in South African Rand), at an interest rate of 7.81%. This loan funded the rehabilitation of a section of TR1/6 between Windhoek and Okahandja.
- In December 2017, the RFA, supported by a loan guarantee from Government, signed an agreement with the KfW loan to the amount of ZAR 482 million (denominated in South African Rand), at an interest rate of 7.5%. This loan funded the rehabilitation of a section of TR1/3 between Tses and Gochas.

Pursuant to finding ways to bridge the funding gap for the maintenance of the national road network, the RFA will leverage its assets and obtain a N\$350 million loan against the RA Head Office building. This amount is distributed over two financial years with the first N\$150 million tranche budgeted in the FY2022 and the second tranche of N\$200 million earmarked for expenditure in the FY2023.

### 2.4.6.3 Interest and charges obligations with respect to loan stock and loans

The KfW loan of N\$ 447 million obtained in November 2015, the total of interest and charges is projected to be about N\$ 241 million up to the financial year 2027.

Furthermore, the total of interest and charges for the additional KfW loan of N\$ 482 million obtained in December 2017, is projected to be about N\$ 254 million up to the financial year 2030.



#### **2.4.6.4 Capital redemption obligations with respect to loan stock and loans**

The KfW loan of N\$ 447 million, the total redemption would be the same as the loan principal, payable in 19 semi-annual amounts of about N\$ 23 million each. The last instalment is due in June 2027.

On the additional KfW loan of N\$ 482 million, the total redemption would be the same as the loan principal, payable in 19 semi-annual amounts of about N\$ 25 million each. The last instalment is due in May 2030.

### **3 EXPECTED PERFORMANCE OF THE ROAD FUND FOR THE NEXT FINANCIAL YEAR**

The ISBP is presented as a strategic roadmap for the RFA over the next five years which includes key elements pertaining to budget of revenue, including loans, and expenditure for road sector projects and programmes of which the funding is authorised by the provisions of Section 17 of the RFA Act.

To ensure successful implementation of the ISBP, funding has been allocated towards effective implementation thereof, which shall be continuously monitored through a robust performance management system.

#### **3.1 Relation to the ISBP**

Due to the deterioration in the economic performance of the country, lower RUCs have been projected. Under the Covid-19 Crisis, RFA revenues are expected to contract by N\$1.36 billion over the current Business Plan period, due to falling industry and consumer fuel demand, falling disposable incomes, production slowdown/shutdown, weak new vehicle demand and drastically reduced travel. In order to avoid substantial deficits on the Fund, the expenditures in the current Business Plan were realigned to fit within the revenue estimates. N\$182 million was cut from the current financial year and at total of N\$ 1.36 billion revenue was cut from the entire Business Plan.

This has eroded the RFA ability to deploy strategic resources to maintain the national road network. Despite reduced revenues, the RFA remains the best cost service provider, maintaining the highest quality roads network at competitive road user charges in Africa, in support of the national logistics hub strategy.

#### **3.2 Material Deviation from ISBP**

Further economic pressures have reduced the revenue estimates by an additional 4% in the proposed business plan. As a result, deep expenditure cuts were made to align expenditures to the constrained revenue. As a result, there is insufficient revenues to execute the ISBP as listed below:

- Achieving the revenue growth of 7% year-on-year by 2024, is no longer feasible under the prevailing economic climate, where revenues have been cut by 9.4% pa over the business plan horizon.
- The RFA's ability to increase the level of funding from 41% to 55% by the financial year ending 2022 has been severely constrained by the economic climate and increasing road maintenance costs.
- Road maintenance expenditure was cut by N\$72 million from the unpaved road maintenance budget and thus reducing the optimal funding level towards road maintenance well below the 65% target set in the ISBP by 2024. Further cuts to achieve a balanced 5-year budget are inevitable.

- The research budget was suspended in the financial year ending 2021, along with the introduction of electric or hybrid vehicles into the RFA fleet, until the funding position improves.

These changes are transitory, as the Fund adjusts to the new economic context, whilst accelerating the need for the Fund to develop blue ocean revenue streams.

## **4 PARTICULARS AND ANALYSIS OF THE BUSINESS PLAN**

### **4.1 Introduction to the Analysis**

The analysis of the financial plan broadly follows the relevant provisions of Section 21 of the RFA Act, requiring an analysis to be made of:

- (a) The determinations made by the RFA under Section 20(4) in respect of the ensuing financial year;
- (b) The estimated income accruing to the Road Fund;
- (c) The proposed rates of road user charges;
- (d) Contributions made by Government (or any other source) towards the funding of traffic information systems, vehicle and driving testing, and road research;
- (e) The estimated administrative expenditure of the RFA;
- (f) Any factors which may affect the implementation of the plan concerned and the measures which will be taken to counter the effects of such factors; and
- (g) Such other matters as may be required by the Minister of Finance.

### **4.2 Determinations made by the Administration**

The following budgets were received:

1. Roads Authority:
  - (a) Management of the national road network, including administrative expenses of the Authority;
  - (b) National traffic information system; and
  - (c) Vehicle and driver testing.
2. Local Authorities and Regional Councils:
  - (a) Traffic related maintenance of urban roads.
3. Namibian Police and some Local Authorities:
  - (a) Traffic law enforcement.

The RFA Act requires the RFA to perform amount of funding determinations with regard to the budgets as presented.

#### **4.2.1.1 Government allocations outside the road user charging system**

The Government has budgeted for parliamentary allocations to be made to road projects managed by the Roads Authority.

With a view to the Business Plan of the Road Fund presenting a complete overview of expenditure on projects and programmes in the road sector, the RA has in addition to its budget request to the RFA

also informed the RFA of such Government funded projects and the amounts budgeted. A list of these projects, to which RFA's funding determinations are not applicable and which are marked as being funded outside the road user charging system. The budgeted amounts for these projects should be regarded as indicative, as they are subject to budgetary allocation decisions made by Government, which would not necessarily be communicated to the Administration. The information is presented in the interest of completeness of information on road sector expenditure only, and does not imply a financial obligation to the road user charging system.

In providing an economically safe and efficient road sector, the RFA is required to recover the full road network cost from the road user. Such cost also includes the RA's administration and the managing of the RUCS by the RFA. The administration of the RA extends to Government funded projects which are outside the RUCS, i.e. road development, upgrading and rehabilitation, including assigned functions. It is noted that shifting Government funded projects administrative responsibilities the RA places additional burden on the RUCS revenue.

Historically, between FY2001 - FY2016 total RFA expenditure for the RUCS amounted to N\$16.669 billion. The outlay from the Government during the same period was N\$9.467 billion, representing 36.2%. The Government funds were spent on rehabilitation and development which equated to 48.1% spend directly on the national road network. Hence, the Government's share of the administration cost for FY2001-FY2016 is estimated at N\$ 1.96 billion. Using the same proportion for the period FY2017-FY2020, the Government share of administration cost is of the order N\$ 1.03 billion.

For FY2022 only, the budget amount submitted by the RA for Government funded projects is N\$3.09 (53.7%). The proposed RA Administration budget for FY2022 is N\$375 million, implying that potentially Government administration obligation will be valued at N\$201 million.

#### **4.2.1.2 Amount of funding determinations (RFA Act s. 20(4)(a))**

These essentially require a check on the economic viability of projects and programmes, and verification (including stakeholder consultations) of the justification of amounts budgeted for administrative expenses. In the case of the budget request for the management of the national road network, the RFA has satisfied itself that this is overall in line with the roads funding needs projected in the Medium-to-Long-Term Roads Master Plan.

In the case of budget requests for road maintenance in urban areas and villages, the budgets received have been submitted reasonably in accordance with the guidelines issued to the respective authorities, and for the smaller authorities have been assessed as reasonable in relation to their respective road networks.

In the case of budget requests for traffic law, the budgets received have been submitted reasonably in accordance with the guidelines issued to the respective authorities.

#### **4.2.1.3 Manner of funding determinations (RFA Act s. 20(4)(b))**

The manner of funding was guided by the budget requests received, and the revenues that the RFA projects as being feasible to collect in each of the financial years of the Business Plan. Due to the inadequate financial means of the Road Fund, expenditures needed to be realigned to the revenue outlook. The RFA has consequently made the following considerations:

- The road user charging system is no longer able to fully fund the most highly economically efficient road maintenance and rehabilitation expenses to the extent warranted. For example:
  - The funding of national road network maintenance, which the RUCS is estimated to provide in the financial year 2022, will be at a level of approximately 40% of the optimum level as determined in the Medium-to-Long-Term Roads Master Plan;

- The funding of urban road maintenance in particularly the larger municipalities, the vehicle traffic of which generates a significant portion of road user charges, remains underfunded.
- A maintenance backlog of N\$919 million is estimated for the financial year ending 2022 and N\$6.1 billion over the Business Plan period.
- Means of funding traffic law enforcement through budgetary allocations from public funds exist to the extent that the performance of these functions is not dependent on funding from the road user charging system, unlike, for example, the funding of national road network maintenance and rehabilitation;

The manner of funding determinations as indicated in the Business Plan reflect that the RFA intends to adopt a strategy of increasing (in real terms):

- The level of road maintenance funding towards the optimal level, within the RA's means of increasing industry capacity in road maintenance over the next years; and
- The level of urban road maintenance funding, commencing with the major municipalities, and gradually also at smaller municipalities, subject to capacity improvement measures.

### **4.3 Particulars of Contributions from Sources other Than the Road Fund**

#### **4.3.1 Traffic Information System**

In the FY2020 revenue collected from NaTIS was N\$729.5 million of which approximately N\$685 million (93.9%) was derived from licence and registration fees. The remaining N\$44.5 million (6.1%) termed Non-RUC revenue was collected from roadworthy testing and certification, learner and driving testing, and licensing.

The budget for NaTIS for FY2022 is N\$182 million comprising of N\$133 million for administration, N\$38 million for operations and N\$11 million for the One-Stop Centre in Windhoek. About 61% of the total budget is for Non-RUC expenditure which will amount to N\$111 million. Ideally the N\$111 million would be the cost-portion to be compensation by the Government.

#### **4.3.2 Vehicle and Driver Testing**

This expense item pertains to work performed by the RA mainly as an agent of the Ministry of Works and Transport and is thus mainly funded by revenue collected from the performance of these functions and the corresponding costs associated with this function. To this end, the road user continues to subsidise NaTIS operations, as the revenues collected do not cover the operational costs of NaTIS.

At the bare minimum, thus the level of the Vehicle and Driver Testing fees need to be reviewed and aligned to the cost of delivering the service.

#### **4.3.3 Road Research Studies**

Road research studies are budgeted for under the proposed Business Plan to the tune of N\$1 million for FY2022 and N\$5 million over the Business Plan period. Through collaboration with the institutions of higher learning, academia and regional Road Funds, this funding will go a long way to research new funding methodologies to sustain the Road Fund towards distance-based road user charges. It could be argued that at least 1% of an institution's budget should be earmarked for research and development.

### **4.4 Particulars of handling Surpluses and Deficits**

The handling of surpluses and deficits has already been comprehensively dealt with under Subsection 2.4.6.1.

#### 4.5 Particulars of Subsidy / Grants

The five-year business plan assumes an injection of N\$171 million from the Government of the Republic of Namibia for the period FY 2022 – 2026. These budgetary provisions are to be recognised in the Medium-Term Expenditure Framework.

This Government subsidy is primarily allocated towards the co-funding of the rehabilitation of rehabilitation works of TR1/3: Keetmanshoop and Mariental (Section A: 87.3km, between Tses to Gochas).

#### 4.6 Particulars of Loans

The Fund is currently servicing two loans, i.e. KfW loan of 2015 amounting to N\$447 million and KfW loan of 2017 amounting to N\$482 million.

The KfW Loans are guaranteed by the Government, with the 2017 loan facility geared towards the rehabilitation works of TR1/3:Keetmanshoop and Mariental (Section A: 87.3km, between Tses to Gochas).

##### 4.6.1 KfW Loan obtained by RFA in November 2015

In November 2015, the RFA signed an agreement with the KfW loan to the amount of N\$ 447 million denominated in South African Rand, at an interest rate of 7.81%. This loan will be required to finance the rehabilitation of a portion of TR1/6 between Windhoek and Okahandja. The RFA funded these works as from the financial year 2015, by drawing down the RFA Loan Stock Sinking Fund reserves with the approval of Government.

Cumulative capital drawings, redemptions, and interest and charges payments as projected are graphically depicted below.

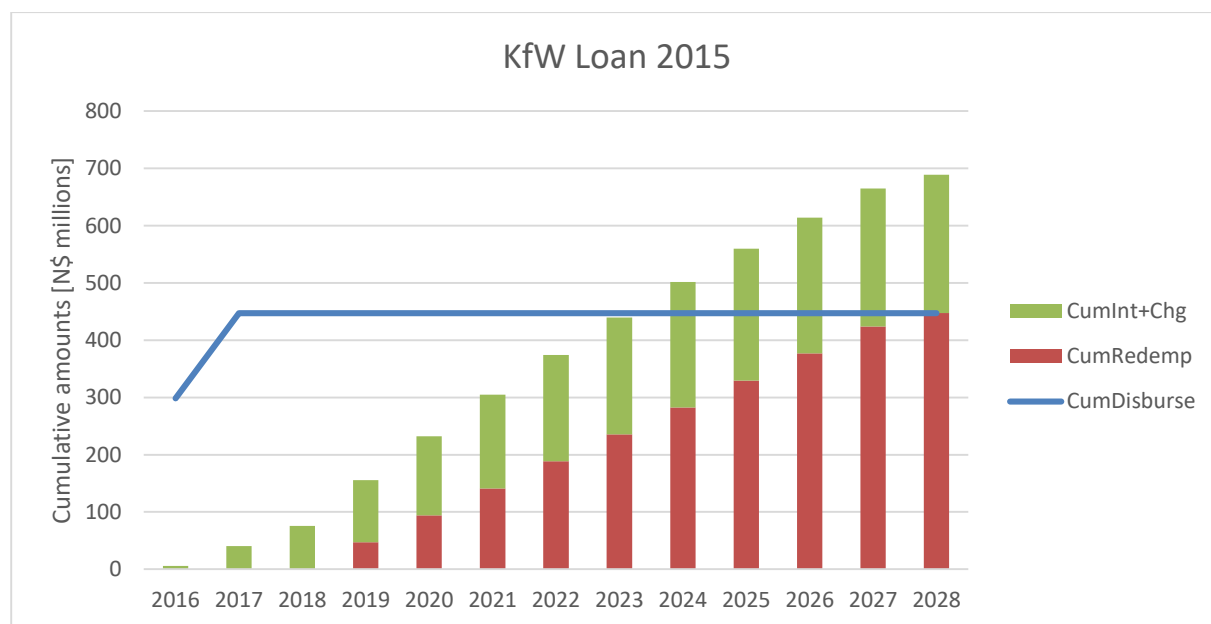


Figure 1: KfW Loan 2015

#### 4.6.2 KfW Loan obtained by RFA in December 2017

In December 2017, the RFA signed an agreement with the KfW loan to the amount of N\$ 482 million denominated in South African Rand, at an interest rate of 7.505%. This loan will be required to finance the rehabilitation of a portion of TR1/3: Keetmanshoop and Mariental.

Cumulative capital drawings, redemptions, and interest and charges payments as projected are graphically depicted below.

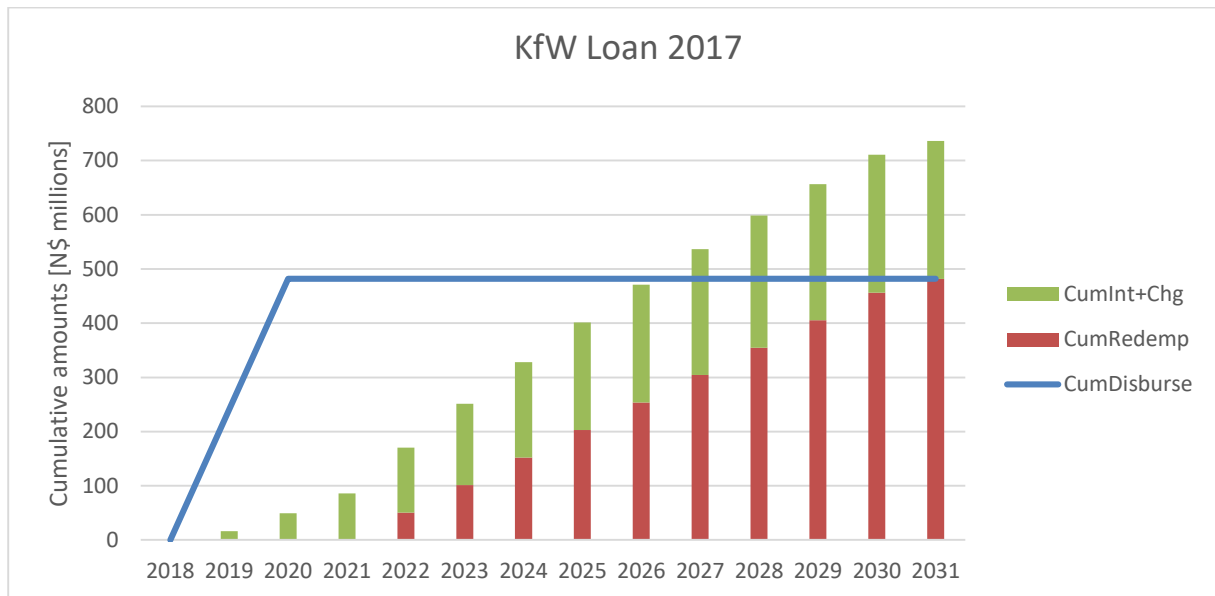


Figure 2: KfW Loan 2017

#### 4.6.3 Financing of the Low Volume Sealed Roads Strategy

The Roads Authority investigated alternative maintenance strategies to optimise the available funding and to be more effective and efficient. As a result of the increasing funding gap, serious challenges due to inadequate maintenance, rapid and deterioration of the gravel road network, depletion of available gravel material and the high cost of gravel road upgrading, amongst others, the RA presented its Low Volume Sealed Strategy in October 2020.

The sealing of low trafficked roads to improve the level of service and to preserve scarce road building materials was identified. These low Volume Sealed Roads (LVSRs) differ from standard bitumen roads as they are normally of lower geometric standards and designed for less than a 20-year pavement design life. Although the initial cost of upgrading to LVSR is higher than repair and regravell costs, the benefits are higher in the form of a significant reduction in maintenance costs, higher asset value after the 20-year period and an internal Rate of Return (IRR) of 11.1%.

Current estimates indicate that Namibia should upgrade 315km to LVSR per annum at a cost of N\$923 million pa. Under the current funding constraints, the RFA can only afford to spend N\$350 million over the next two years to upgrade to LVSR. Consequently, the RFA intends to approach the market with a view to raise capital against the RA Head Office in order to fund the LVSR strategy in the FY2022. This medium-term loan of N\$350 million will be sourced locally at a rate of 7.5%. The indicative loan period is 8 years for full redemption in FY2028/29. Although not budgeted for under the current Business Plan, the repayment would amount to N\$60 million per annum. This amount could be financed from the cost savings from gravel road maintenance or alternatively from an increase in the level of road user charges.

Thus, the LVSR Strategy presents a viable solution to the preservation of gravel roads by upgrading the roads to an appropriate surface standard, at a cost of 25% lower than a standard bitumen road, resulting in cost saving and improved condition and service level. Over the 5-year Business Plan period, the following sections of road have been classified and prioritised as Class 1 Roads under the LVSR strategy to be funded from the RUCS in FY2022 and FY2023:

- DR3425: Shanduko – Km87 (87km): Kavango East Region
- DR3427: Kambumbu Settlement – Pahuka Village (33km): Kavango East Region
- DR3605: Ondangwa (MR92) – MR67 (230km): Oshana Region
- DR3406 & DR3444: Nkurenkuru – Nepara Clinic (25km): Kavango West
- MR33: Stampriet – Mata Mata (254km): Hardap Region
- MR27: Keetmanshoop – Aroab (163km): Hardap Region

#### **4.7 Particulars and Analysis of Business Plan Critical Factors**

The main factor determining the achievement of the objectives of this and subsequent Business Plans is increasing rates of road user charges to keep up with inflation in mainly road works costs.

From the analysis it is evident that a comprehensive review of the applicable levels of RUCs, is required to close the funding gap and align the road user fees to the cost of maintaining the national road network towards the economically efficient optimum be feasible.

Unless RUC fuel levies are realigned to the cost of preserving the national road network, achieving optimal road maintenance funding will be impossible, and thus accelerate the rate at which the road network value deteriorates from N\$101 billion. This will continue until the value of the road network is commensurate with the level of the road user charges, which is estimated to be around N\$39 billion.

##### **4.7.1.1 Summary**

Taking into account all of the above information, the RFA has used the planning parameters tabulated on the following page in preparing its Business Plan.

PLANNING PARAMETERS								
BUSINESS PLAN FIRST FINANCIAL YEAR ENDING:		31 March	2022					
Planning period	Prev Year	Current Year	Business Plan Period					
	2020	2021	2022	2023	2024	2025	2026	
<b>Financial Rates during Financial Year:</b>	<b>GDP</b>	<b>-1.10%</b>	<b>-6.60%</b>	<b>0.80%</b>	<b>1.10%</b>	<b>1.50%</b>	<b>2.00%</b>	<b>2.20%</b>
Roadworks Cost Escalation rate	Roads Authority budgets include contractual and estimated cost escalation.							
RFA 16 Loan Stock interest rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Medium- to long-term investment interest rate	6.00%	5.34%	4.34%	4.34%	4.34%	4.34%	4.34%	4.34%
Cash and short-term investment interest rate	1.80%	4.02%	3.52%	3.52%	3.52%	3.52%	3.52%	3.52%
EUR / NAD exchange rate	0.0645	0.0645	0.0556	0.0556	0.0556	0.0556	0.0556	0.0556
<b>Road User Charges Rates escalation in Financial Year:</b>								
Mass-distance charges	4.30%	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Abnormal load charges	4.30%	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Road carriers permits	4.30%	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cross-border charges	4.30%	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Licence fees	4.30%	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Diesel levy	4.30%	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Petrol levy	4.30%	4.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<b>Fuel Levy Refund Administration:</b>								
Estimated % of gross revenue to be refunded	19.51%	19.00%	19.00%	18.50%	18.00%	17.00%	17.00%	17.00%
<b>Volume Growth Estimate during Financial Year:</b>								
Volume Growths pertaining to Mass-Distance Charges:								
<i>Number of local-registered vehicles</i>	-1.10%	-6.60%	0.80%	1.10%	1.50%	2.00%	2.20%	2.20%
<i>Average travelling distance of local vehicles</i>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
<i>Number of foreign-registered vehicles</i>	6.86%	2.52%	-2.94%	1.37%	1.47%	1.45%	1.45%	1.45%
<i>Average travelling distance of foreign vehicles</i>	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Growth in vehicles subject to Abnormal Load Charges	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Growth in vehicles subject to Road Carriers Permits	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Growth in vehicles subject to Cross-Border Entry Fees	6.86%	2.52%	-2.94%	1.37%	1.47%	1.45%	1.45%	1.45%
Growth in vehicles subject to Licensing	7.58%	2.45%	0.80%	1.10%	1.50%	2.00%	2.20%	2.20%
Growth in consumption of Diesel	5.72%	-0.12%	0.80%	1.10%	1.50%	2.00%	2.20%	2.20%
Growth in consumption of Petrol	5.09%	-1.52%	0.80%	1.10%	1.50%	2.00%	2.20%	2.20%
<b>Volumes:</b>								
Vehicles subject to Mass-Distance Charges:								
<i>Number of local-registered vehicles</i>	N/A	N/A						
<i>Average travelling distance of local vehicles</i>	N/A	N/A						
<i>Transits of foreign-registered vehicles</i>	N/A	N/A						
<i>Average travelling distance of foreign vehicles</i>	N/A	N/A						
Abnormal Load Charges Permits	N/A	N/A						
Cross-Border Transits	N/A	N/A						
Vehicles subject to Licensing	384,139	386,669						
Gross Fuel Consumption:								
<i>Diesel - Q1</i>	188,466,199	169,620,000						
<i>Diesel - Q2</i>	182,814,371	164,533,000						
<i>Diesel - Q3</i>	194,759,460	172,605,000						
<i>Diesel - Q4</i>	170,914,409	161,628,000						
<i>Petrol - Q1</i>	101,093,652	90,984,000						
<i>Petrol - Q2</i>	108,688,367	97,820,000						
<i>Petrol - Q3</i>	105,969,148	101,604,000						
<i>Petrol - Q4</i>	89,311,174	92,338,000						
<b>Road User Charges:</b>								
Fuel Levies:								
<i>Diesel - Q1</i>	1.36	1.36						
<i>Diesel - Q2</i>	1.36	1.41						
<i>Diesel - Q3</i>	1.36	1.41						
<i>Diesel - Q4</i>	1.36	1.41						
<i>Petrol - Q1</i>	1.36	1.36						
<i>Petrol - Q2</i>	1.36	1.41						
<i>Petrol - Q3</i>	1.36	1.41						
<i>Petrol - Q4</i>	1.36	1.41						
<b>RUC Revenues:</b>								
Mass-distance charges - local	107,453,500	122,363,000						
Mass-distance charges - foreign	35,459,652	32,319,000						
Abnormal load charges	9,397,926	11,344,000						
Road carriers permits	1,326,623	1,281,000						
Cross-border entry fees	160,269,891	129,053,000						
Licence fees	685,025,924	640,913,030						
Non RUC fees	44,466,131	79,213,970						
RUC collection on diesel (gross)	1,000,814,840	933,943,260						
RUC collection on petrol (gross)	550,091,540	535,122,660						

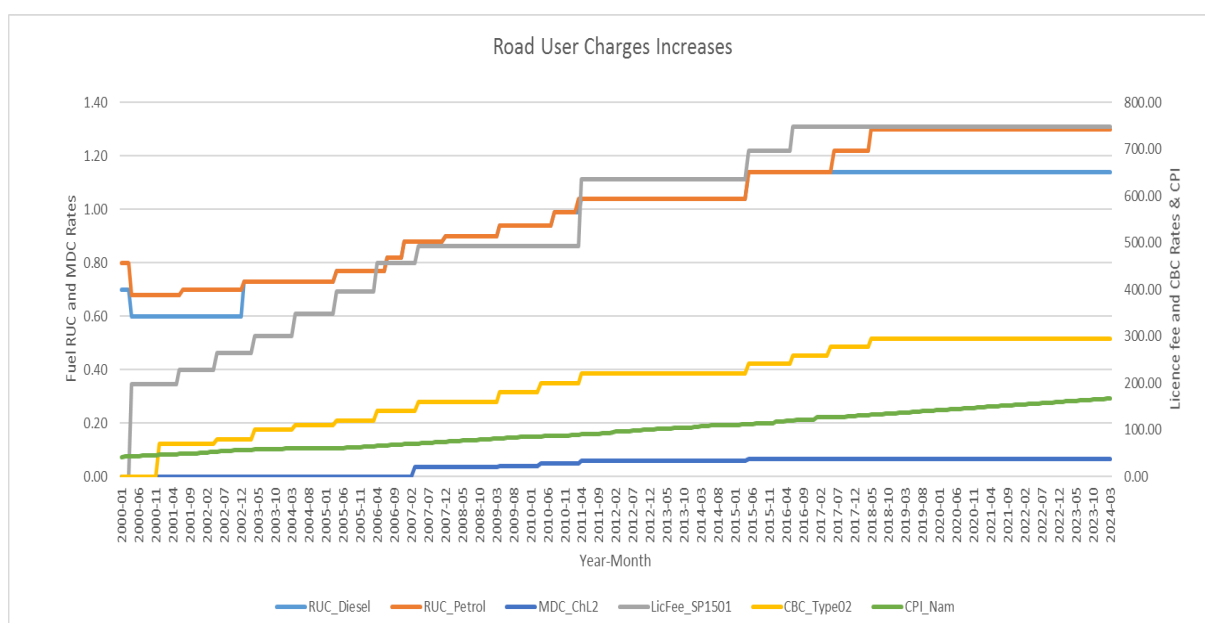


#### 4.7.2 Rates of Road User Charges

The rates of road user charges on fuel continue to lag behind the CPI growth rate. This is of particular concern, noting that:

- More than 60% of all road user charges revenue is from fuel levies;
- If fuel levies are not increased with inflation, it is impossible to maintain revenue in line with inflation by only increasing the other road user charges;
- Compensated for inflation from FY2001 to FY2019, the rate should now be about N\$2.20 / litre (average for both levies, considering their somewhat different initial rates and increases), instead of the current rate of N\$1.41 /litre.

The other road user charges have on average reasonably kept pace with inflation. The growth of road user charges rates is graphically shown below.



**Figure 3: RUC Increases**

The RFA received a road user charges adjustment of 4% in July 2020. However, the charges continue to remain below the full cost recovery levels, resulting in sub-optimal funding amounting to N\$1.5 billion in the current FY2021.

Therefore, an average 5.3% increase in RUCs has been proposed for the FY2022 against the backdrop of persistent underfunding resulting in the accelerated deterioration of the national road network.

It is further motivated that:

- Sustainably N\$2.7 billion is required for the upkeep of the national road network, however the RUCS can only advance N\$1.2 billion of that amount.
- As a result, 43% of the gravel road network is in an unacceptable condition, whilst 10% of the paved road network is in a poor condition.
- Poor road network and riding quality costs the road user an additional N\$3.9 billion annually.

- The urgent need to accelerate the resealing programme from the current 351km per annum to 660km per annum. Similarly, with only less than half of the average 150mm wearing course material remaining on the gravel network, the need to fast-track the regravelling programme from the current 236km per year to 1,610km.
- Rehabilitation of key economic corridor routes on the network, of which Karibib-Omaruru was built in 1974 and has only had one section rehabilitated in its 46-year life.

#### **4.8 Objectives for the Management of the Road Fund**

Section 16(1) of the RFA Act establishes the Road Fund, into which shall be paid (numbered below like in Section 16(1) the RFA Act):

- (a) all moneys collected in respect of road user charges;
- (b) moneys appropriated by Parliament;
- (c) moneys accruing to the Fund through the sale of any assets of the Administration;
- (d) moneys paid to the Fund by the Authority in respect of the proceeds of the sale of any assets of the Authority;
- (e) capital gains made and interest or dividends earned on investments;
- (f) donations or grants made in respect of any project or programme;
- (g) moneys received in respect of a loan obtained by the Administration;
- (h) moneys payable in terms of a judgement relating to compensation for the damaging of a road managed by the Roads Authority;
- (i) fines imposed in respect of any contravention of, or failure to comply with, any provision of a law relating to the overloading of vehicles; and
- (j) moneys which, with the consent of the Minister of Finance, may accrue to the Fund from any other source.

Section 17(1) permits road user charging system funds to be expensed on the types of expenditure that are listed below and numbered as in Section 17(1):

- (a) Management of the national road network as provided for in Section 16(1) of the Roads Authority Act, Act 17 of 1999, including the administrative expenditure of the Roads Authority and the payment of compensation referred to in Section 65 of the Roads Ordinance, 1972;
- (b) Administrative expenditure of the Road Fund Administration, including expenditure relating to the management of the road user charging system;
- (c) The cost of:
  - (i) Planning, design, construction and maintenance of any major urban arterial road, which has been designated as such by the Minister of Finance by notice in the Government Gazette;
  - (ii) Traffic related maintenance in respect of any road in any local authority area, as defined in Section 1 of the Local Authorities Act, or any settlement area, as defined in Section 1 of the Regional Councils Act, not being a road which is part of the national road network;
- (d) Operation of any traffic information system established and maintained in terms of the road traffic laws;

- (e) Traffic law enforcement and adjudication functions performed by any competent authority for purposes of promoting a safe and efficient road system, including the control of the overloading of vehicles;
- (f) Operation of any vehicle testing station or driving testing centre, subject to the approval of the Minister of Finance;
- (g) Road research studies carried out by any person approved by the Administration;
- (h) Expenditure referred to in Section 15 of the National Road Safety Act, 1972 (Act No. 9 of 1972);
- (i) Payments, as the Minister of Finance may determine, in respect of the capital, interest and incidental costs or charges of any loan obtained by the Government of Namibia, before the commencement of this Act, for any purpose related to the national road network;
- (j) Payments in respect of the capital, interest and incidental costs or charges of loans obtained by the Road Fund Administration;
- (k) Reserve fund to bridge discrepancies between annual revenues and expenditure and protect the liquidity of the Road Fund;
- (l) Payment of compensation due to any damages arising out of the performance of the functions conferred upon or entrusted to the Roads Authority by or under any law, except where such damage is due to a deficiency in standards as determined by the Minister responsible for Transport;
- (m) Insurance against any claim for damage referred to above;
- (n) Any other expenditure related to the achievement of the objects of the Road Fund Administration Act as approved by the Minister of Finance.

Specific statutory objectives are that the RFA shall manage the Road Fund:

- In accordance with sound principles of financial management; and
- Such as to protect the liquidity of the Fund.

#### **4.9 Responsibilities of the RFA with respect to the Achievement of Objectives**

Firstly, the RFA is responsible for determining the amount of funding required to achieve a safe and efficient road sector. For this purpose, the RFA must receive budgets from the RA and other Approved Authorities for projects and programmes to be funded from the Road Fund. The RFA then scrutinises the submitted projects and programmes for compliance with the provisions of the RFA Act. This includes specifically verifying whether prescribed safety standards have been adhered to, where applicable, and a verification of the economic warrants for funding claimed for these projects and programmes.

**It is important to note that in terms of the RFA Act, the onus for proving the economic warrants of projects and programmes rests on applicants, and not on the RFA.** The RFA Act does not envisage that the RFA should duplicate the onerous and costly studies and calculations often involved in preparing the requisite proof.

**Instead, the RFA is responsible for applying an independent review to the submitted proof to determine that such proof is founded on generally accepted technical, transportation economic, and financial practice.**

The management of the road user charging system such as to meet the objectives as per the RFA Act had envisaged that the amount of funding determination should be a regulatory determination. Accordingly, having made such determination, the RFA would be responsible for determining road user

charges accordingly so that the full determined amount of funding for a five-year Business Plan period is collected by means of road user charges within such period.

However, since the rates of road user charges are in practice not determined by the RFA, but by Government at rates below the levels required for full cost recovery, this statutory objective has not been implementable. In practice, therefore, the RFA performs the amount of funding determination only as a benchmark against which to compare the amount of funding which can feasibly be collected depending on the rates road user charges as determined by Government.

Secondly, the RFA is responsible for analysing the funding and road user charging implications of raising the optimal amount of funds as per the amount of funding determination and make determinations regarding the manner of funding. This includes formulating a strategy for setting the rates of road user charges and taking into account the funds that will be available to the Road Fund from collecting road user charges in accordance with the strategy and from other sources. Such other sources can include grants from Government and donors and monies borrowed for the account of the Road Fund.

Regarding the formulation of a strategy for setting the rates of road user charges, the arrangement adopted in practice is that the RFA only performs an advisory function to the Government.

Thirdly, the RFA is required to publish the rates of road user charges, as determined by Government, by means of public notices in the Government Gazette.

Fourthly, the RFA must collect and deposit into the Road Fund all road user charges and other monies, such as donor loans and funding allocations made by Parliament, manage the Road Fund in accordance with generally accepted accounting principles, and make payments out of the Road Fund to the RA and other Approved Authorities in accordance with the manner of funding determinations set out in the RFA Business Plan.

Lastly, Subsection 15 (1) (e) of the RFA Act provides the following powers to the RFA regarding the monitoring of the Roads Authority and other approved authorities:

“to implement appropriate measures for the effective monitoring of compliance -

- (i) by the RA, with the provisions of a procedures agreement contemplated in Section 17 of the RA Act; and
- (ii) by an approved authority, with the conditions on which funding has been provided to it under this Act”.

The procedures agreement between the RFA and the RA is a document, which the RA must prepare and in which it essentially must set out the management and financial systems to be implemented by the RA, the principles to be applied in budgeting for administrative expenditure, and the procedures to be followed by the Authority in the awarding of tenders. It is therefore essentially a document that provides the RFA with assurances that the RA will act in a publicly accountable manner. However, the responsibility for the performance of the RA rests with the Minister responsible for transport, with whom the Authority must conclude a performance agreement in accordance with Section 18 of the RA Act.

Regarding the funding conditions, under which the RFA will provide funding to Approved Authorities generally, the practice adopted by the RFA has been to impose conditions similar to those in the Procedures Agreement with the RA, but simplified in a manner appropriate to the needs.

## 5 OBJECTIVES AND STRATEGIES OF THE RFA FOR THE BUSINESS PLAN PERIOD

### 5.1 Introduction

The RFA recognises that Government's Vision 2030, the National Development Plans, NDP5, Medium-Term Expenditure Framework, Harambee Prosperity Plan and Annual Budgets are of particular application applicable to the portion of road user charging system funds allocated to the Management of the National Road Network.

### 5.2 Objectives of the Business Plan

Based on the submitted budget, the RFA determines an amount of funding that is feasible to collect and contribute from road user charges within the constraints of the road user charges rates as determined by Government. These resources are allocated towards the priority maintenance projects identified to maximise value for money under the financial constraints. The RFA has under the prevailing funding constraints prioritised the allocation of funds within the Business Plan period as follows:

**Priority 1:** Road Maintenance, road safety and traffic law enforcement. The road maintenance budget for FY2022 is N\$1.095 billion of which N\$681 million is for unpaved road maintenance. The portion of the unpaved allocation to be dedicated to blading should amount to N\$495 million. Road safety interventions of which traffic law enforcement plays a pivotal role, has a budgeted amount of N\$33.1 million for FY2022.

- 2.5 million blade kilometres
- Ensure full utilisation of TLE budget
- Reduce festive season crashes by 5%

**Priority 2:** Rehabilitation of the national road network, including bridge structures, to the extent that this is feasible within existing funding constraints. Rehabilitation of the national network is envisaged to cost N\$329 million in FY2022. N\$241million (73%) is for the rehabilitation of TR1/3 Keetmanshoop-Mariental: Section Tses-Gochas. The remainder of the budget estimates are depicted below.

- Rehabilitate 243km (estimated cost N\$1,482 million)
- Reseal 600km (estimated cost N\$660 million)
- Regravel 960km (estimated cost N\$398 million)

**Priority 3:** Continuation of administrative expenditure of the RA and RFA, the operational expenditure of the Namibian Traffic Information System (NATIS) as well as the development and construction of a ONE STOP NATIS Centre in Windhoek. The administration cost of the RA and RFA is budgeted at N\$375 million and N\$ 133million for the FY2022, respectively. The increase from the current FY2021 to the next is within the allowable limit. Similarly, an amount of N\$133 million is earmarked for NaTIS administration for FY2022.

- Limit admin increases to 3.5%

**Priority 4:** Servicing of existing loan obligations;

- Allocate N\$15 million to the Reserve Fund.

### 5.3 Strategies for the RFA Business Plan

### 5.3.1 Revenue growth

The RFA aims to grow the revenue base to secure adequate funding for the achievement of a safe and efficient road sector, with the overarching strategy to progressively increase road maintenance funding to optimum levels. A key strategic priority of the organisation is to introduce various instruments to boost its revenue, whereby the RFA shall investigate additional revenue streams in its transition to distance-based road user charges and tolling.

- The MDC-Automation project will increase the revenue collection base, by replacing the self-administered logbook system, with an electronic system, thereby increasing efficiency, accuracy and compliance.
- A new Windhoek NaTIS facility will service the population, increasing service levels and fee revenue.
- RUCS review will determine the economically efficient levels of the RUCs, given the nature, extent and quality of the national road network.
- RFA shall continue to investigate new Distance-Based Road User Charging Systems (DBRUCs) enabled by technological advancements. Business processes re-engineering and acquisition of Enterprise Resource Planning (ERP) System solutions are to be implemented to accommodate DBRUCs as an alternative to the fuel levy.
- The implementation of tolling in Namibia as documented in the Tolling Feasibility study has the potential to increase revenues by an additional N\$3.9 billion over a five-year period.

These interventions will close the funding gap and move the RFA closer to the optimal funding level, where roads are maintained to their original design specifications.

### 5.3.2 Cost diligence

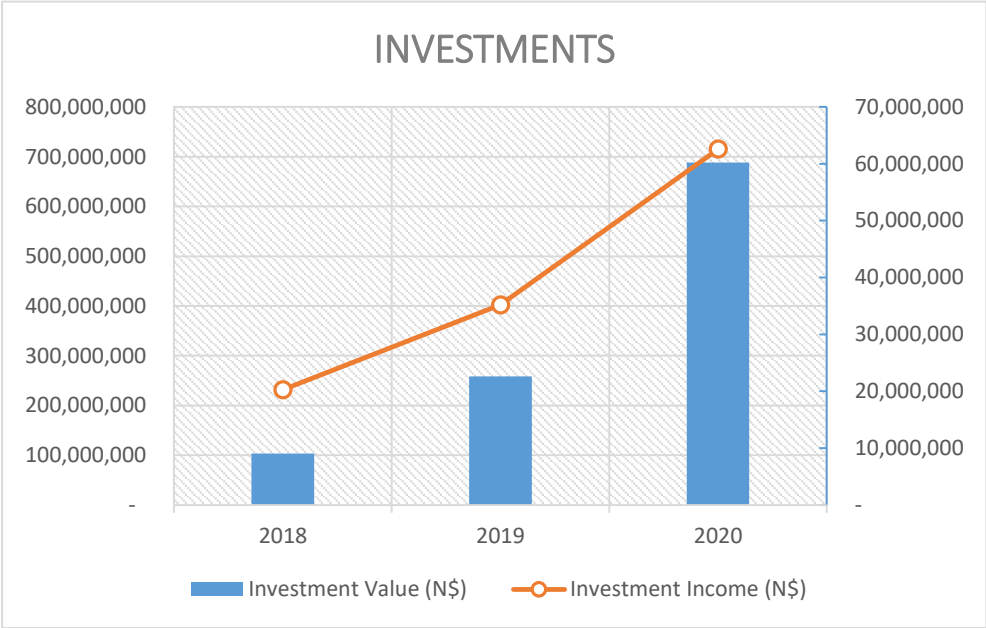
Three major programs consume the lion's share of the road maintenance program, which includes blading, regravelling and regravelling. Furthermore, the RFA has completed the Road Maintenance Costing Study and have baseline unit costs. Accordingly, the following unit costs targets have been set for the financial year ending 2022, adjustable by the South African producer price index for road construction services:

- Blading           N\$198/km
- Regravelling   N\$415,000/km
- Reseal            N\$1,100,000/km

## 6 PARTICULARS AND ANALYSIS OF ROAD FUND INVESTMENTS

The Fund has reviewed its current investment policy in an effort to drive off efficiency within the defined framework of its risk appetite.

The Fund held investments to the value of N\$687 million as at 31 March 2020. The investment trend can be outlined below over the past three years for the Fund. The investments were held in call, money market and fixed-term instruments across various asset managers.



## **7 PARTICULARS CONCERNING THE ROAD FUND ADMINISTRATION**

### **7.1 Operational and Capital Budget of the Road Fund Administration for the Next Financial Year**

This section details the particulars and analysis of the estimated expenditure of the RFA during this Business plan period. The operational and capital budget assumes a lot of activities planned for the coming year that would contribute towards the efficient management of the Road User Charging System (RUCS).

Key initiatives for the operational and capital budget relates to:

- Review of the current levels road user charges (RUCs);
- Develop a Procedures Agreement and Manual for traffic law enforcement agencies;
- Mapping and alignment of the business continuity process;
- Development and strengthen stakeholder engagement strategies;
- Staff Development and Empowerment initiatives in line with the #SHINE programme;
- Extend corporate re-branding to CBC Offices and RFA Villages;
- Automation of some revenue collection techniques (Mass Distance Charges Charges);
- Introduce the concept of distance-based RUCs;
- Development of the Enterprise Resource Planning (ERP) System and Information Communication Technology (ICT) solutions;
- Institute research and development and enhance collaboration;

Furthermore, the capital budget is committed towards:

- Improvement and maintenance of staff accommodation housing units
- Office establishments at various strategic locations



## 7.2 Past and Future Financial Statements of the Road Fund Administration

The Fund realised Revenue of N\$2.60 billion for the 2020 Financial Year, with expenses being N\$2.4 billion. Despite the depressed economic environment complicated, RFA's FY2019/20 performance remain solid and consistent with its approved five-year strategic plan and business plan.

The key highlights attributing to the good performance include:

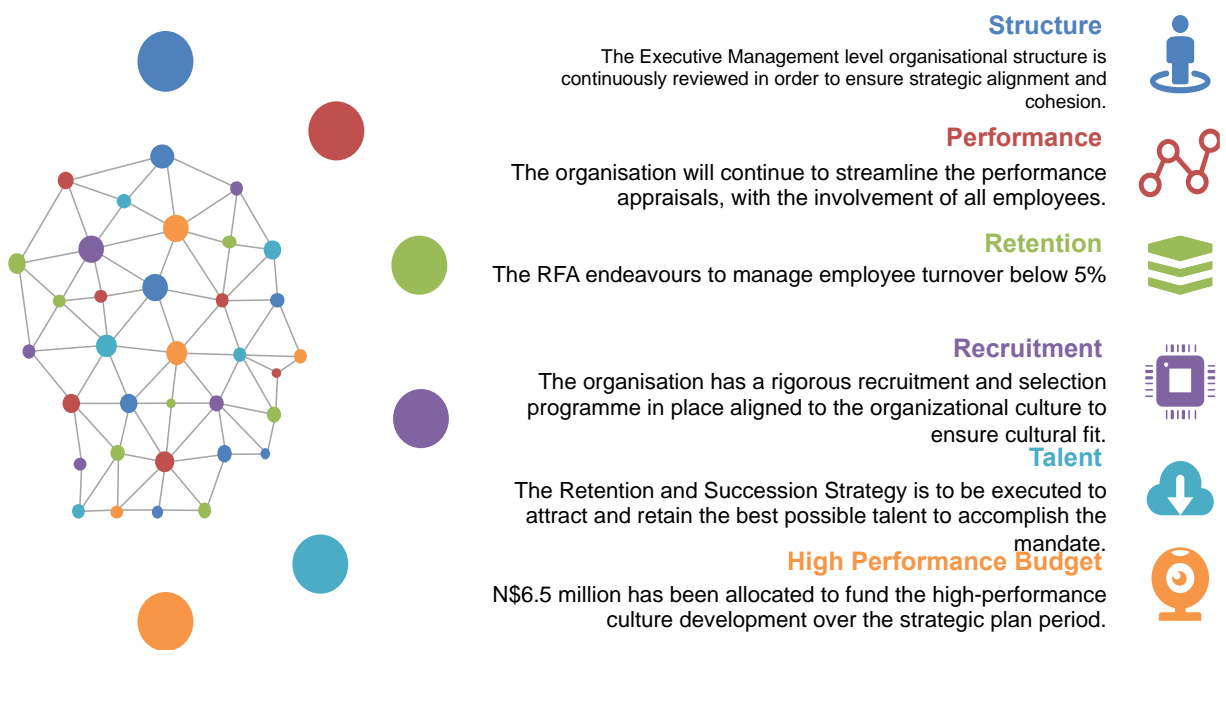
- Revenue increased year-on-year from N\$2.50 billion to N\$2.60 billion (4.0% increase) complimented by annual RUCs tariff increase.
- Fully funded all programmed road maintenance work on national road network as well as urban roads & traffic related law enforcement.
- Expenditure on the Road Projects amounted to N\$1.77 billion (2019 N\$1.72 billion) – direct support of economic activity in the road sector.
- A N\$500 million loan facility was raised on behalf of the Government for expenditure towards road capital projects. The facility was repaid by the Government in the same FY2020.

### 7.3 Management Plan: Organisational Structure and Staffing of the Road Fund Administration

The RFA theme of High Performance Culture (HPC), as embedded in the organisation’s Strategic Plan, embraces the theory of the human capital as the essential asset of any institution. It is based on this statement that the RFA continues to engage its employees.

To drive the high-performance culture, the RFA will intensify needs-based training programmes to upskill staff in its quest to execute the organisation service charter. A total of N\$6.5 million has been allocated to fund the high-performance culture development over the strategic plan period. This will equip staff with the requisite skills to respond to dynamic customer demands, whilst ensuring a pleasant customer experience.

To achieve the HPC, the following interventions will be undertaken:



## 8 GOVERNANCE, LEGAL AND COMPLIANCE

The governance, legal and compliance framework has been established to ensure that the RFA is managed to ensure that the overall legal risk is minimised.

During the current financial year, various statutory compliance functions were identified according to a risk matrix rating the compliance matters from high to low. This risk matrix has been elevated to the Audit, Investment, Risk and Compliance Committee of the Board for mandatory monitoring and evaluation purposes. An update is provided to the Committee each quarter on compliance to the legislative provisions flagged. This enables the RFA to manage compliance issues that are high risk in nature pro-actively.

Furthermore, the RFA Amendment Act Project has reached an advanced stage (85% complete), which includes a Position Paper that was approved by the RFA Board of Directors, and the Honourable Minister of Finance. The Amendments to the Bill has been finalised, however these amendments need to be translated so that there is a new Bill for consideration integrating the amendments. The next stage of the project is to conclude the stakeholder engagements to discuss the amendments and receive inputs. Thereafter the final drafting instructions will be finalised.

From a governance perspective the RFA has adopted the NAMCode as its governance framework. In order to aid the implementation of the NAMCode an assessment was made with regards to the state of governance within the RFA. The implementation matrix was implemented and is regularly being tracked, focusing on those areas in which the RFA is not yet fully compliant and which are of risk to the institution, for remedial mitigation measures.

## 9 CORPORATE OVERVIEW

### 9.1 Stakeholder Management and Engagement

The RFA engages with a multitude of stakeholders in the execution of its mandate and committed to its strategic objective of bringing about strong stakeholder engagement across all sectors.

It is a priority for the RFA that its stakeholders have trust and confidence in the organisation. For this reason, the process of identifying and fulfilling stakeholder's expectations, creating platforms and means to communicate with them is managed in a structured and methodical manner.

In alignment with NDP5, Harambee Prosperity Plan and Vision 2030; the RFA participates at strategic fora, which includes Africa Roads Maintenance Funds Association (ARMFA), Namibia Chamber of Commerce and Industry (NCCI), International Road Federation (IRF), Walvis Bay Corridor Group (WBCG) and various road subsector role players regularly.

The Board and Executive Management focused on strengthening and maintaining key stakeholder relations through proactive engagements. This afforded them with the opportunity to share collective views, perceptions, expectations and concerns relating to the RFA's operational context.

In order to attain this strategic objective, the RFA will embark upon interventions to improve the corporate identity and the institutional brand.

Key stakeholder engagements that will receive specific attention will include, *inter alia*, the following:

- Formation of strategic alliances through the Public Enterprises (PE) CEO Forum, NCCI, WBCG, Joint RFA and RA Management Committee, ARMFA and the Namibia Working Group for Intelligent Transport Systems;
- Annual stakeholder consultation on the RFA Business Plan;
- Technical Workshop for Traffic Law Enforcement entities;
- Annual General Meeting with the Minister of Finance in collaboration with the Minister of Public Enterprise;
- Participation at Annual Trade Fairs.
- Participation in Road Safety Campaigns at selected roadblocks on the national road network with National Road Safety Council and the Motor Vehicle Accident Fund;
- Internal stakeholder engagements, namely greenest RFA Village House Competition;
- Stakeholder engagement session with the fuel majors;
- Media stakeholder engagement sessions;
- Launch of the Customer Service Charter;
- RFA annual Awards and Staff Year-end Function.

## **9.2 Code of Ethics**

The RFA core values provide the framework which enables the organisation to execute its mission whilst driving towards its vision. These values govern the behaviour of employees within the workplace as well as with all external stakeholders.

In view of the foresaid RFA recognises employees' outstanding performance, through annual prize award recognitions. As part of the PE sector RFA will participate in the Annual SOE games to be hosted in Lüderitz in June 2019.

## **9.3 Corporate Social Investment**

As a responsible Corporate Social Citizen, the RFA will continue to participate in the annual Cycle Classic, Rotary Club Windhoek event and the annual Clash Calendar in support of the hearing-impaired children. In addition, RFA will continue to commit itself as a strategic corporate social partner in communities, such as at border post, where it is operational.

## **9.4 Information Communication Technology's (ICT) Strategic Perspective**

A number of new and additional opportunities which are anticipated in the coming year, will be implemented. The implementation of the RFA Enterprise Resource Planning System (ERP) has faced several challenges and has consequently fallen behind schedule. However, management will continue to drive the implementation of this project to ensure the organisation has supportive IT systems to support the organisational strategy and beyond.

The RFA plans to introduce new digital platforms that will allow staff, clients and stakeholder to interact more easily with one another and build stronger relationships between staff, clients and stakeholders. Integrating disparate systems at NaTIS, RFA and RA to provide a seamless experience whilst providing valuable information where it is needed.

Furthermore, the organisation has implemented Namibia's corporate governance code, namely NamCode, in order to improve and align the RFA's ICT governance framework. Additional to the NamCode governance framework, the organisation will be implementing COBIT 5 Framework to fully support the governance of ICT principles at a global level.

## **Appendix**

### **Financial Tables of the Business Plan for the Financial Years 2022 to 2026**

**A. SUMMARY ESTIMATE OF REVENUE INSIDE THE ROAD USER CHARGING SYSTEM FROM 1 APRIL 2021 TO 31 MARCH 2026 (EXCL. GOVERNMENT CO-FUNDING - Note 1)**

Revenue Heading	Current Year	Business Plan Period Revenue Projection [N\$]					TOTAL B/PLAN	
	Financial Year:	FY2021	FY2022	FY2023	FY2024	FY2025		FY2026
<b>Road User Charges</b>		<b>2,206,430,395</b>	<b>2,238,586,550</b>	<b>2,275,818,825</b>	<b>2,351,611,340</b>	<b>2,415,730,070</b>	<b>2,468,668,540</b>	<b>11,750,415,325</b>
Road User Charges on Fuel used On-road (nett less levy refunds)		1,189,943,395	1,210,103,550	1,230,857,825	1,256,639,340	1,296,567,070	1,323,632,540	6,317,800,325
Revenue from Vehicle License Fees		640,913,030	646,040,000	653,090,000	662,704,000	675,522,000	689,622,000	3,326,978,000
Revenue from Non-RUC Fees		79,213,970	79,848,000	80,719,000	81,907,000	83,492,000	85,234,000	411,200,000
Revenue from Entry Fees		129,053,000	125,259,000	127,027,000	128,926,000	130,797,000	132,668,000	644,677,000
Revenue from Mass-Distance Charges		154,682,000	164,711,000	171,500,000	208,810,000	216,727,000	224,887,000	986,635,000
<i>Local-registered Heavy Vehicles</i>		<i>122,363,000</i>	<i>131,037,000</i>	<i>136,219,000</i>	<i>165,981,000</i>	<i>172,247,000</i>	<i>178,801,000</i>	<i>784,285,000</i>
<i>Foreign-registered Heavy Vehicles</i>		<i>32,319,000</i>	<i>33,674,000</i>	<i>35,281,000</i>	<i>42,829,000</i>	<i>44,480,000</i>	<i>46,086,000</i>	<i>202,350,000</i>
Revenue from Abnormal Load Charges		11,344,000	11,344,000	11,344,000	11,344,000	11,344,000	11,344,000	56,720,000
Revenue from Road Carriers Permits		1,281,000	1,281,000	1,281,000	1,281,000	1,281,000	1,281,000	6,405,000
<b>Additional Revenue Inside the Road User Charging System</b>		<b>268,477,500</b>	<b>418,477,500</b>	<b>256,800,000</b>	<b>28,000,000</b>	<b>29,000,000</b>	<b>30,000,000</b>	<b>762,277,500</b>
Monies appropriated by Parliament		0	0	0	0	0	0	0
Sale of Assets of the RFA		0	0	0	0	0	0	0
Sale of Assets of the RA		0	0	0	0	0	0	0
Returns on Investments / (Overdraft Charges)		27,600,000	27,600,000	26,800,000	28,000,000	29,000,000	30,000,000	141,400,000
Donations and Grants (no financing obligations)		0	0	0	0	0	0	0
Loans obtained by the RFA		240,877,500	390,877,500	200,000,000	0	0	0	590,877,500
Compensation for damaging of roads		0	0	0	0	0	0	0
Fines for contravention of overloading		0	0	0	0	0	0	0
From any other source		0	0	0	0	0	0	0
Drawings on Road Fund Reserve Investments		0	0	30,000,000	0	0	0	30,000,000
<b>GRAND TOTAL REVENUE PER FINANCIAL YEAR</b>		<b>2,474,907,895</b>	<b>2,657,064,050</b>	<b>2,532,618,825</b>	<b>2,379,611,340</b>	<b>2,444,730,070</b>	<b>2,498,668,540</b>	<b>12,512,692,825</b>

**B. SUMMARY OF MANNER OF FUNDING INSIDE THE ROAD USER CHARGING SYSTEM FROM 1 APRIL 2021 TO 31 MARCH 2026 (EXCL. GOVERNMENT CO-FUNDING - Note 1)**

Expenditure Heading	Financial Year:	Business Plan Period Expenditure Projection [N\$]						TOTAL B/PLAN
		FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	
<b>01 Management of the National Road Network RFA Act s. 17(1)(a)</b>		<b>1,693,988,224</b>	<b>1,940,707,057</b>	<b>1,821,724,185</b>	<b>1,666,723,116</b>	<b>1,737,245,239</b>	<b>1,800,352,689</b>	<b>8,966,752,286</b>
01.01 RA Administration		385,778,224	425,653,517	441,292,445	457,518,536	474,350,859	490,687,049	2,289,502,406
01.02 Network Planning and Consultation		32,300,000	31,960,000	30,872,000	28,139,000	26,774,000	5,774,000	123,519,000
01.03 Roadworks - Maintenance		1,049,713,000	1,095,439,040	1,012,641,740	1,006,907,080	1,186,051,380	1,252,405,640	5,553,444,880
01.04 Roadworks - Rehabilitation		181,300,000	329,077,500	226,800,000	101,077,500	0	0	656,955,000
01.05 Roadworks - Development		2,000,000	1,500,000	49,500,000	29,000,000	0	0	80,000,000
01.07 Road Management System		21,859,000	27,635,000	31,682,000	28,450,000	32,795,000	32,574,000	153,136,000
01.08 Overload Control		21,038,000	29,442,000	28,936,000	15,631,000	17,274,000	18,912,000	110,195,000
<b>02 Administrative Expenditure of the RFA &amp; RUCS RFA Act s. 17(1)(b)</b>		<b>337,693,714</b>	<b>337,551,274</b>	<b>351,154,739</b>	<b>347,788,374</b>	<b>335,821,264</b>	<b>361,678,816</b>	<b>1,733,994,467</b>
02.01 RFA Administration Account		128,901,714	133,413,274	138,082,739	142,915,634	147,917,682	153,094,800	715,424,129
02.02 Road Fund Account		87,714,000	86,738,000	44,905,000	41,708,000	21,359,000	47,966,000	242,676,000
09 Financing of Loans assigned by GRN		0	0	0	0	0	0	0
10 Financing of Loans obtained by RFA		106,078,000	102,400,000	152,357,000	146,501,000	138,981,000	131,566,000	671,805,000
11 Financing of Reserve Fund		15,000,000	15,000,000	15,810,000	16,663,740	27,563,582	29,052,015	104,089,337
<b>03 Urban Roads Contributions RFA Act s. 17(1)(c)</b>		<b>122,418,326</b>	<b>111,747,500</b>	<b>110,387,700</b>	<b>110,387,700</b>	<b>110,387,700</b>	<b>110,387,700</b>	<b>553,298,300</b>
03.02 Local Authority Roads		113,916,972	104,096,300	102,736,500	102,736,500	102,736,500	102,736,500	515,042,300
03.03 Regional Council Roads		8,501,353	7,651,200	7,651,200	7,651,200	7,651,200	7,651,200	38,256,000
04 Operation of Traffic Information System RFA Act s. 17(1)(d)		165,475,388	171,179,027	177,100,293	183,222,703	189,552,967	195,096,996	916,151,985
05 Traffic Law Enforcement and Adjudication RFA Act s. 17(1)(e)		35,410,567	30,861,000	29,132,000	29,132,000	29,132,000	29,132,000	147,389,000
06 Vehicle Testing Stations and Driving Testing RFA Act s. 17(1)(f)		72,000,000	10,800,000	41,028,000	40,270,000	40,529,000	0	132,627,000
07 Road Research RFA Act s. 17(1)(g)		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
08 National Road Safety Council RFA Act s. 17(1)(h)		0	2,100,000	0	0	0	0	2,100,000
12 Compensation for RA Damage Liability RFA Act s. 17(1)(l)		0	0	0	0	0	0	0
13 Insurance against Damage Liability RFA Act s. 17(1)(m)		0	0	0	0	0	0	0
14 Other Expenditure Approved by Minister RFA Act s. 17(1)(n)		40,000,000	50,000,000	0	0	0	0	50,000,000
<b>GRAND TOTAL EXPENDITURE PER FINANCIAL YEAR</b>		<b>2,467,986,219</b>	<b>2,655,945,857</b>	<b>2,531,526,916</b>	<b>2,378,523,893</b>	<b>2,443,668,170</b>	<b>2,497,648,201</b>	<b>12,507,313,038</b>
<b>SURPLUS / (DEFICIT) PER FINANCIAL YEAR (EXCL. GRN CO-FUNDING)</b>		<b>6,921,677</b>	<b>1,118,193</b>	<b>1,091,909</b>	<b>1,087,447</b>	<b>1,061,900</b>	<b>1,020,339</b>	<b>5,379,787</b>



**C. ESTIMATE OF ROAD FUND BALANCE INSIDE ROAD USER CHARGING SYSTEM FROM 1 APRIL 2021 TO 31 MARCH 2026 (EXCL. GOVERNMENT CO-FUNDING - Note 1)**

Assets and Liabilities	Financial Year:	Current Year	Business Plan Period Balances Projection [N\$]					TOTAL B/PLAN
		FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	
<b>ASSETS</b>		<b>477,354,677</b>	<b>493,472,869</b>	<b>510,374,778</b>	<b>528,125,966</b>	<b>556,751,447</b>	<b>586,823,801</b>	<b>586,823,801</b>
<b>General Fund Cash and Short-Term Investments</b>								
	Opening balance	410,433,000	417,354,677	418,472,869	419,564,778	420,652,226	421,714,125	417,354,677
	Grand Total Revenue for the year	2,666,907,895	2,696,564,050	2,664,118,825	2,379,611,340	2,444,730,070	2,498,668,540	
	Grand Total Expenditure for the year	-2,659,986,219	-2,695,445,858	-2,663,026,916	-2,378,523,893	-2,443,668,170	-2,497,648,201	
	<b>Closing Balance</b>	<b>417,354,677</b>	<b>418,472,869</b>	<b>419,564,778</b>	<b>420,652,226</b>	<b>421,714,125</b>	<b>422,734,464</b>	<b>422,734,464</b>
<b>Reserve Fund Investments (for medium-term fund flows balancing)</b>								
	<b>Closing Balance</b>	<b>60,000,000</b>	<b>75,000,000</b>	<b>90,810,000</b>	<b>107,473,740</b>	<b>135,037,322</b>	<b>164,089,337</b>	<b>164,089,337</b>
<b>Sinking fund</b>								
	Opening balance	0	0	0	0	0	0	0
	Deposits	0	0	0	0	0	0	0
	Drawdowns	0	0	0	0	0	0	0
	Sinking fund	0	0	0	0	0	0	0
	<b>Closing Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>LIABILITIES</b>		<b>834,930,904</b>	<b>787,838,904</b>	<b>690,034,904</b>	<b>592,230,904</b>	<b>494,426,904</b>	<b>396,622,904</b>	<b>396,622,904</b>
<b>RFA 16 Loan Stock</b>								
	<b>Closing Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>KfW 2009 Loan</b>								
	Opening balance	0	0	-0	-0	-0	-0	0
	Disbursement	0	0	0	0	0	0	0
	Redemption	0	-0	-0	0	0	0	0
	<b>Closing Balance</b>	<b>0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>	<b>-0</b>
<b>KfW 2015 Loan</b>								
	Opening balance	400,267,904	353,175,904	306,083,904	258,991,904	211,899,904	164,807,904	353,175,904
	Disbursement	0	0	0	0	0	0	0
	Redemption	-47,092,000	-47,092,000	-47,092,000	-47,092,000	-47,092,000	-47,092,000	-235,460,000
	<b>Closing Balance</b>	<b>353,175,904</b>	<b>306,083,904</b>	<b>258,991,904</b>	<b>211,899,904</b>	<b>164,807,904</b>	<b>117,715,904</b>	<b>117,715,904</b>
<b>KfW 2017 Loan</b>								
	Opening balance	240,877,500	481,755,000	481,755,000	431,043,000	380,331,000	329,619,000	481,755,000
	Disbursement	240,877,500	0	0	0	0	0	0
	Redemption	0	0	-50,712,000	-50,712,000	-50,712,000	-50,712,000	-202,848,000
	<b>Closing Balance</b>	<b>481,755,000</b>	<b>481,755,000</b>	<b>431,043,000</b>	<b>380,331,000</b>	<b>329,619,000</b>	<b>278,907,000</b>	<b>278,907,000</b>
<b>NET BALANCE OF ROAD FUND ASSETS AND LIABILITIES</b>		<b>-357,576,227</b>	<b>-294,366,035</b>	<b>-179,660,126</b>	<b>-64,104,938</b>	<b>62,324,544</b>	<b>190,200,898</b>	<b>190,200,898</b>

**Note 1:** GRN co-funding pertains to projects and programmes that are jointly funded by the RFA and GRN, inside the road user charging system.

PROJECTS AND PROGRAMMES TO BE FUNDED INSIDE THE ROAD USER CHARGING SYSTEM			PREVIOUS YEAR REQUEST (Note 1)		CURRENT YEAR REQUEST		BUDGET REQUESTS RECEIVED FOR BUSINESS PLAN PERIOD (RFA Act s. 20(2))											
Budget Category / Subcategory / Item	Exp. Class	Funding Responsib.	FY2020		FY2021		FY2022		FY2023		FY2024		FY2025		FY2026		Total Amount of Funding - RUCS	Total Co-funding - GRN/Donors
			RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors		
<b>Budget Headings, Items and Funding Responsibilities</b>			<b>Budget Request Detail of Administrative Expenditure, Projects and Programmes [N\$]</b>															
<b>01 Management of the National Road Network RFA Act s. 17(1)(a)</b>			3,115,169,338	622,600,000	2,068,310,052	177,000,000	3,048,987,019	95,000,000	2,260,871,811	0	2,909,094,990	0	3,436,951,273	0	3,657,914,287	0	15,313,819,379	95,000,000
<b>01.01 RA Administration</b>			654,973,630	0	558,630,960	0	476,879,817	0	500,703,808	0	525,718,399	0	551,983,101	0	579,560,401	0	2,634,845,525	0
NARA2001-M01	Adm	RFA	573,112,870	0	529,300,498	0	426,053,030	0	447,355,682	0	469,723,466	0	493,209,639	0	517,870,121	0	2,354,211,937	0
NARA2004-T01	Proj	RFA	2,000,000	0	2,500,000	0	515,000	0	530,450	0	546,364	0	562,754	0	579,637	0	2,734,205	0
NARA2004-T02	Proj	RFA	16,450,000	0	4,242,000	0	2,100,170	0	2,215,479	0	2,336,861	0	2,464,632	0	2,599,118	0	11,716,260	0
NARA2009-T01	Proj	RFA	39,455,760	0	22,588,462	0	47,211,617	0	49,572,198	0	52,050,808	0	54,653,348	0	57,386,016	0	260,873,987	0
NARA2018-T03	Adm	RFA	23,955,000	0	0	0	1,000,000	0	1,030,000	0	1,060,900	0	1,092,727	0	1,125,509	0	5,309,136	0
<b>01.02 Network Planning and Consultation</b>			57,826,000	0	41,000,000	0	46,960,000	0	81,872,009	0	63,138,874	0	41,773,554	0	15,773,554	0	249,517,991	0
NARA2001-M02	Prog	RFA+GRN	57,826,000	0	41,000,000	0	46,960,000	0	81,872,009	0	63,138,874	0	41,773,554	0	15,773,554	0	249,517,991	0
<b>01.03 Roadworks - Maintenance</b>			1,863,388,219	0	1,126,781,519	0	2,014,470,297	0	1,619,678,399	0	2,261,157,496	0	2,778,126,068	0	2,991,094,027	0	11,664,526,287	0
NARA2001-M03	Prog	RFA	1,035,580,075	0	735,555,316	0	956,481,264	0	877,694,688	0	1,227,870,537	0	1,574,205,937	0	1,690,062,405	0	6,326,314,831	0
NARA2001-M04	Prog	RFA	614,253,871	0	226,129,826	0	839,202,581	0	510,656,993	0	731,830,750	0	882,002,603	0	952,562,811	0	3,916,255,738	0
NARA2009-M01	Prog	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2001-M05	Prog	RFA+GRN	213,554,273	0	165,096,377	0	218,786,452	0	231,326,718	0	301,456,209	0	321,917,528	0	348,468,811	0	1,421,955,718	0
<b>01.04 Roadworks - Rehabilitation</b>			465,000,000	622,600,000	285,000,000	177,000,000	380,100,000	0	1,500,000	0	0	0	0	0	0	0	381,600,000	0
NARA2015-T10	Proj	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2017-T02	Proj	RFA	90,000,000	309,600,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2011-T01	Proj	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2011-T02	Proj	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2012-T01	Proj	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2016-T04	Proj	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2016-T05	Proj	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2017-T01	Proj	RFA	18,000,000	0	1,500,000	0	700,000	0	0	0	0	0	0	0	0	0	700,000	0
NARA2015-T02	Proj	RFA	1,000,000	0	7,000,000	0	24,500,000	0	1,500,000	0	0	0	0	0	0	0	26,000,000	0
NARA2018-T01	Proj	RFA	77,000,000	104,000,000	109,000,000	77,000,000	77,000,000	0	0	0	0	0	0	0	0	0	77,000,000	0
NARA2018-T02	Proj	RFA	0	0	0	0	27,500,000	0	0	0	0	0	0	0	0	0	27,500,000	0
NARA2019-T02	Proj	RFA	59,000,000	100,000,000	0	0	44,000,000	0	0	0	0	0	0	0	0	0	44,000,000	0
NARA2019-T01	Proj	RFA	170,000,000	109,000,000	166,000,000	100,000,000	206,400,000	0	0	0	0	0	0	0	0	0	206,400,000	0
NARA2020-T02	Proj	RFA	50,000,000	0	1,500,000	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>01.05 Roadworks - Development</b>			1,000,000	0	2,000,000	0	55,000,000	95,000,000	0	0	0	0	0	0	0	0	55,000,000	95,000,000
NARA2003-T05	Proj	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2010-T14	Proj	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2020-T01	Proj	RFA	1,000,000	0	2,000,000	0	55,000,000	95,000,000	0	0	0	0	0	0	0	0	55,000,000	95,000,000
<b>01.07 Road Management System</b>			45,744,000	0	22,859,477	0	27,635,000	0	46,681,500	0	43,449,650	0	47,794,615	0	52,574,077	0	218,134,842	0
NARA2001-M06	Prog	RFA	45,744,000	0	22,859,477	0	27,635,000	0	46,681,500	0	43,449,650	0	47,794,615	0	52,574,077	0	218,134,842	0
NARA2015-T01	Proj	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>01.08 Overload Control</b>			27,237,489	0	32,038,096	0	47,941,905	0	10,436,095	0	15,630,571	0	17,273,935	0	18,912,228	0	110,194,734	0
NARA2015-T11	Proj	RFA	15,000,000	0	20,000,000	0	18,500,000	0	0	0	0	0	0	0	0	0	18,500,000	0
NARA2015-T12	Proj	RFA	0	0	1,500,000	0	500,000	0	0	0	0	0	0	0	0	0	500,000	0
NARA2015-T13	Proj	RFA	0	0	1,500,000	0	19,000,000	0	0	0	0	0	0	0	0	0	19,000,000	0
NARA2001-M07	Prog	RFA	12,237,489	0	9,038,096	0	9,941,905	0	10,436,095	0	15,630,571	0	17,273,935	0	18,912,228	0	72,194,734	0
<b>02 Administrative Expenditure of the RFA &amp; RUCS RFA Act s. 17(1)(b)</b>			242,050,000	0	252,923,000	0	241,416,101	0	236,934,942	0	195,863,201	0	182,206,875	0	186,077,709	0	1,042,498,827	0
<b>02.01 RFA Administration Account</b>			119,441,000	0	129,810,000	0	138,972,888	0	142,030,292	0	145,154,958	0	148,348,367	0	151,612,031	0	726,118,536	0
NRFA2001-M01	Adm	RFA	119,441,000	0	129,810,000	0	138,972,888	0	142,030,292	0	145,154,958	0	148,348,367	0	151,612,031	0	726,118,536	0
<b>02.02 Road Fund Account</b>			122,609,000	0	123,113,000	0	102,443,213	0	94,904,650	0	50,708,243	0	33,858,508	0	34,465,678	0	316,380,292	0
NRFA2014-T01	Proj	RFA	500,000	0	1,700,000	0	2,000,000	0	0	0	0	0	0	0	0	0	2,000,000	0
NRFA2014-T02	Proj	RFA	7,400,000	0	7,500,000	0	500,000	0	0	0	0	0	0	0	0	0	500,000	0
NRFA2004-T01	Proj	RFA	2,000,000	0	1,300,000	0	1,300,000	0	0	0	0	0	0	0	0	0	1,300,000	0
NRFA2016-M01	Adm	RFA	3,000,000	0	2,000,000	0	2,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	6,000,000	0
NRFA2016-M02	Adm	RFA	19,150,000	0	34,848,000	0	28,607,500	0	29,179,650	0	29,763,243	0	30,358,508	0	30,965,678	0	148,874,579	0
NRFA2018-T01	Proj	RFA	10,776,000	0	5,465,000	0	0	0	0	0	0	0	0	0	0	0	0	0
NRFA2019-T01	Proj	RFA	7,000,000	0	10,000,000	0	6,330,000	0	4,725,000	0	945,000	0	0	0	0	0	12,000,000	0
NRFA2019-T02	Proj	RFA	64,383,000	0	54,400,000	0	54,000,000	0	60,000,000	0	19,000,000	0	2,500,000	0	2,500,000	0	138,000,000	0
NRFA2019-T03	Proj	RFA	500,000	0	0	0	150,000	0	0	0	0	0	0	0	0	0	150,000	0
NRFA2019-T04	Proj	RFA	7,900,000	0	6,200,000	0	7,555,713	0	0	0	0	0	0	0	0	0	7,555,713	0
<b>03 Urban Roads Contributions RFA Act s. 17(1)(c)</b>			123,043,263	0	205,414,358	0	182,418,879	0	166,210,094	0	171,914,000	0	176,489,445	0	178,522,149	0	875,554,567	0
<b>03.02 Local Authority Roads</b>			113,861,077	0	192,179,152	0	172,611,016	0	156,097,282	0	161,416,141	0	165,601,593	0	167,201,496	0	822,927,527	0
LAAR2005-M01	Prog	RFA	462,197	0	4,208,584	0	837,146	0	843,843	0	862,407	0	878,793	0	898,126	0	4,320,315	0
LAAS2005-M01	Prog	RFA	748,458	0	11,587,349	0	832,485	0	850,800	0	866,965	0	886,039	0	898,039	0	4,262,168	0
LAAB2005-M01	Prog	RFA	723,627	0	2,572,447	0	2,486,805	0	1,484,615	0	1,633,077	0	1,796,385	0	1,976,023	0	9,376,906	0

PROJECTS AND PROGRAMMES TO BE FUNDED INSIDE THE ROAD USER CHARGING SYSTEM			PREVIOUS YEAR REQUEST		CURRENT YEAR REQUEST		BUDGET REQUESTS RECEIVED FOR BUSINESS PLAN PERIOD (RFA Act s. 20(2))											
			(Note 1)				FY2022		FY2023		FY2024		FY2025		FY2026		Total Amount of Funding - RUCS	Total Co-funding - GRN/Donors
			FY2020	GRN/Donor	FY2021	GRN/Donor	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors		
Budget Category / Subcategory / Item	Exp. Class	Funding Responsib.	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors		
LAOY2009-M01	Prog	RFA	709,900	0	1,054,949	0	867,480	0	874,420	0	893,657	0	910,637	0	930,671	0	4,476,864	0
LAON2005-M01	Prog	RFA	2,121,164	0	7,237,372	0	2,253,420	0	2,271,447	0	2,321,419	0	2,365,526	0	2,417,568	0	11,629,380	0
LAOV2005-M01	Prog	RFA	2,004,485	0	6,408,824	0	2,611,380	0	2,862,920	0	3,143,920	0	3,312,120	0	3,616,520	0	15,546,860	0
LAOP2005-M01	Prog	RFA	786,800	0	1,315,814	0	1,081,988	0	1,090,644	0	1,114,638	0	1,135,816	0	1,160,804	0	5,583,892	0
LAOD2014-M01	Prog	RFA	2,978,311	0	5,151,518	0	11,092,556	0	11,190,686	0	12,464,335	0	11,556,194	0	10,983,719	0	57,287,490	0
LAOS2005-M01	Prog	RFA	4,821,000	0	5,815,761	0	4,782,277	0	4,820,535	0	4,926,587	0	5,020,192	0	5,130,637	0	24,680,229	0
LAOK2010-M01	Prog	RFA	671,000	0	1,087,780	0	1,249,674	0	1,338,755	0	1,405,693	0	1,475,978	0	1,549,776	0	7,019,876	0
LAOI2005-M01	Prog	RFA	3,807,798	0	1,060,535	0	872,074	0	879,050	0	898,389	0	915,459	0	935,599	0	4,500,570	0
LAOT2005-M01	Prog	RFA	2,709,600	0	4,309,279	0	3,543,503	0	3,571,851	0	3,650,432	0	3,719,790	0	3,801,625	0	18,287,201	0
LAOU2005-M01	Prog	RFA	1,006,000	0	1,881,443	0	1,193,099	0	1,202,644	0	1,229,102	0	1,252,455	0	1,280,009	0	6,157,310	0
LAOO2005-M01	Prog	RFA	1,389,530	0	1,599,023	0	1,314,871	0	1,325,390	0	1,354,548	0	1,380,289	0	1,410,651	0	6,785,744	0
LARE2005-M01	Prog	RFA	3,936,398	0	10,836,723	0	3,205,959	0	3,783,032	0	4,312,656	0	4,312,656	0	4,312,656	0	19,926,959	0
LARA2009-M01	Prog	RFA	780,600	0	3,429,526	0	3,333,063	0	3,429,717	0	3,436,203	0	3,436,203	0	3,436,203	0	20,684,857	0
LARU2005-M01	Prog	RFA	16,569,116	0	7,163,300	0	5,890,353	0	5,937,476	0	6,068,101	0	6,183,394	0	6,319,429	0	30,398,753	0
LAST2005-M01	Prog	RFA	721,237	0	1,302,686	0	796,584	0	802,957	0	820,622	0	836,213	0	854,610	0	4,110,986	0
LASW2005-M01	Prog	RFA	7,613,101	0	5,553,948	0	4,566,989	0	4,603,525	0	4,704,802	0	4,794,194	0	4,899,666	0	23,569,176	0
LATS2005-M01	Prog	RFA	718,869	0	884,880	0	796,584	0	802,957	0	820,622	0	836,213	0	854,610	0	4,110,986	0
LATB2005-M01	Prog	RFA	4,864,795	0	3,818,747	0	14,419,520	0	14,419,520	0	10,978,959	0	10,408,918	0	8,838,603	0	59,106,186	0
LAUS2005-M01	Prog	RFA	880,950	0	1,314,549	0	1,080,948	0	1,089,596	0	1,113,567	0	1,134,725	0	1,159,689	0	5,578,524	0
LAWB2005-M01	Prog	RFA	7,027,725	0	8,011,559	0	9,769,860	0	10,098,450	0	10,490,775	0	10,951,738	0	11,486,803	0	52,797,626	0
LAWK2005-M01	Prog	RFA	0	0	0	0	14,445,000	0	14,560,560	0	14,880,892	0	15,163,629	0	15,497,229	0	74,547,311	0
LAWI2009-M01	Prog	RFA	896,082	0	1,410,889	0	758,276	0	764,342	0	781,158	0	796,000	0	813,512	0	3,913,287	0
LABU2016-M01	Prog	RFA	640,230	0	1,392,453	0	1,531,698	0	1,531,698	0	1,684,868	0	1,853,355	0	2,038,690	0	8,501,065	0
LANE2016-M01	Prog	RFA	823,828	0	1,830,338	0	1,672,510	0	1,756,135	0	1,843,942	0	1,936,139	0	2,032,946	0	9,241,671	0
LAOG2018-M01	Prog	RFA	640,301	0	457,513	0	834,269	0	89,714	0	941,865	0	988,958	0	1,038,406	0	3,893,212	0
LATA2018-M01	Prog	RFA	671,000	0	160,683	0	344,071	0	371,597	0	390,177	0	409,685	0	430,170	0	1,945,700	0
LADI2018-M01	Prog	RFA	299,542	0	943,510	0	835,370	0	918,907	0	1,010,798	0	1,111,877	0	1,223,065	0	5,100,017	0
LAOB2018-M01	Prog	RFA	645,400	0	322,983	0	908,623	0	992,370	0	992,370	0	788,644	0	830,912	0	4,286,497	0
<b>03.03 Regional Council Roads</b>			<b>9,182,186</b>	<b>0</b>	<b>13,235,206</b>	<b>0</b>	<b>9,807,864</b>	<b>0</b>	<b>10,112,812</b>	<b>0</b>	<b>10,497,859</b>	<b>0</b>	<b>10,887,853</b>	<b>0</b>	<b>11,320,653</b>	<b>0</b>	<b>52,627,040</b>	<b>0</b>
RCCA2012-M01	Prog	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RCER2012-M01	Prog	RFA	928,503	0	1,025,375	0	843,162	0	849,907	0	868,605	0	885,109	0	904,581	0	4,351,365	0
RCHA2012-M01	Prog	RFA	645,762	0	719,207	0	591,401	0	596,133	0	609,248	0	620,823	0	634,481	0	3,052,086	0
RCKA2011-M01	Prog	RFA	668,454	0	927,652	0	561,804	0	566,298	0	578,757	0	589,753	0	602,728	0	2,899,339	0
RCKO2012-M01	Prog	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RCKW2017-M01	Prog	RFA	472,500	0	668,771	0	1,376,600	0	1,514,260	0	1,665,686	0	1,832,255	0	2,015,480	0	8,404,281	0
RCKE2017-M01	Prog	RFA	600,516	0	667,661	0	601,000	0	601,100	0	601,200	0	601,300	0	601,400	0	3,006,000	0
RCKH2012-M01	Prog	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RCKU2012-M01	Prog	RFA	635,250	0	63,224	0	552,669	0	557,090	0	569,346	0	580,163	0	592,927	0	2,852,195	0
RCOH2012-M01	Prog	RFA	832,354	0	934,391	0	774,493	0	791,532	0	806,571	0	824,315	0	842,315	0	3,965,256	0
RCOM2012-M01	Prog	RFA	998,023	0	3,315,880	0	554,496	0	558,932	0	571,228	0	582,081	0	594,887	0	2,861,624	0
RCOI2012-M01	Prog	RFA	688,814	0	743,919	0	426,157	0	460,250	0	483,262	0	507,425	0	532,796	0	2,409,890	0
RCOS2012-M01	Prog	RFA	602,795	0	993,116	0	553,582	0	558,011	0	570,287	0	581,122	0	593,907	0	2,856,909	0
RCOO2011-M01	Prog	RFA	618,200	0	1,390,211	0	1,510,193	0	1,596,137	0	1,675,943	0	1,759,741	0	1,847,728	0	8,389,742	0
RCOT2011-M01	Prog	RFA	1,013,979	0	1,119,248	0	927,716	0	948,126	0	966,140	0	987,395	0	1,008,610	0	4,749,730	0
RCZA2019-M01	Prog	RFA	477,036	0	666,550	0	548,101	0	552,486	0	564,641	0	575,369	0	588,027	0	2,828,623	0
<b>04 Operation of Traffic Information System RFA Act s. 17(1)(d)</b>			<b>162,915,758</b>	<b>0</b>	<b>170,281,568</b>	<b>0</b>	<b>180,363,382</b>	<b>0</b>	<b>188,541,551</b>	<b>0</b>	<b>197,103,429</b>	<b>0</b>	<b>206,067,444</b>	<b>0</b>	<b>215,452,926</b>	<b>0</b>	<b>987,528,732</b>	<b>0</b>
<b>04.01 Traffic Information System</b>			<b>162,915,758</b>	<b>0</b>	<b>170,281,568</b>	<b>0</b>	<b>180,363,382</b>	<b>0</b>	<b>188,541,551</b>	<b>0</b>	<b>197,103,429</b>	<b>0</b>	<b>206,067,444</b>	<b>0</b>	<b>215,452,926</b>	<b>0</b>	<b>987,528,732</b>	<b>0</b>
NARA2001-M08	Prog	RFA	41,000,000	0	37,719,800	0	42,000,000	0	43,260,000	0	44,557,800	0	45,894,534	0	47,271,370	0	222,983,704	0
NARA2020-M08	Adm	RFA	121,915,758	0	132,561,768	0	138,363,382	0	145,281,551	0	152,545,629	0	160,172,910	0	168,181,556	0	764,545,028	0
<b>05 Traffic Law Enforcement and Adjudication RFA Act s. 17(1)(e)</b>			<b>59,713,322</b>	<b>0</b>	<b>55,772,742</b>	<b>0</b>	<b>87,979,808</b>	<b>0</b>	<b>80,253,279</b>	<b>0</b>	<b>81,068,386</b>	<b>0</b>	<b>82,924,389</b>	<b>0</b>	<b>80,440,403</b>	<b>0</b>	<b>412,666,265</b>	<b>0</b>
<b>05.01 Traffic Law Enforcement</b>			<b>59,713,322</b>	<b>0</b>	<b>55,772,742</b>	<b>0</b>	<b>87,979,808</b>	<b>0</b>	<b>80,253,279</b>	<b>0</b>	<b>81,068,386</b>	<b>0</b>	<b>82,924,389</b>	<b>0</b>	<b>80,440,403</b>	<b>0</b>	<b>412,666,265</b>	<b>0</b>
NPOL2009-M01	Prog	RFA	11,007,000	0	16,439,140	0	49,692,200	0	51,312,200	0	51,074,200	0	52,101,900	0	48,225,647	0	252,406,147	0
LAHB2004-M01	Prog	RFA	407,400	0	431,035	0	354,439	0	331,251	0	324,000	0	317,844	0	324,837	0	1,652,371	0
LAKP2004-M01	Prog	RFA	3,273,411	0	750,979	0	2,799,998	0	3,422,063	0	4,106,335	0	4,516,968	0	4,968,665	0	19,814,031	0
LAOT2010-M01	Prog	RFA	4,769,959	0	1,283,000	0	792,000	0	740,200	0	723,900	0	710,100	0	700,000	0	3,666,200	0
LASW2004-M01	Prog	RFA	10,964															

PROJECTS AND PROGRAMMES TO BE FUNDED OUTSIDE THE ROAD USER CHARGING SYSTEM	CURR. BUDG.		EXPENDITURE ESTIMATE FOR BUSINESS PLAN PERIOD				
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	Total for 5 Years
	GRN	GRN	GRN	GRN	GRN	GRN	GRN
<b>Budget Category / Subcategory / Item</b>							
<b>Budget Headings, Items and Funding Contributions</b>			<b>Funding of Projects and Programmes</b>				
<b>01 Management of the National Road Network</b>	<b>1,457,410,000</b>	<b>3,059,771,178</b>	<b>207,989,000</b>	<b>35,886,500</b>	<b>1,000,000</b>	<b>0</b>	<b>3,304,646,678</b>
<b>01.04 Roadworks - Rehabilitation</b>	<b>1,063,000,000</b>	<b>1,536,271,178</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,536,271,178</b>
TR1/6: Windhoek-Okahandja (97km)	291,000,000	330,000,000	0	0	0	0	330,000,000
TR2/1 Swakopmund - Walvis Bay road rehabilitation (30 km)	0	0	0	0	0	0	0
TR1/5: Windhoek - Rehoboth, (10km out of 84 km)	0	0	0	0	0	0	0
TR1/11: Ongwediva - Ondangwa - Omuthiya (142km)	0	0	0	0	0	0	0
TR9/1: Windhoek - HKIA (Phase 1, 2A & 2B) (44km)	587,000,000	940,671,178	0	0	0	0	940,671,178
MR44: Swakopmund - Walvis Bay road upgrading (44km)	185,000,000	265,600,000	0	0	0	0	265,600,000
TR1/4 Rehoboth - Mariental road rehabilitation, Phase 1(180 km)	0	0	0	0	0	0	0
Grunau - Keetmanshoop- Mariental road rehabilitation (386 km) (Sect. A: Tses - Gochas (87.8km))	0	0	0	0	0	0	0
Oshikango by-pass road rehabilitation (20km)	0	0	0	0	0	0	0
Onhuno- Eenhana road rehabilitation (47 km)	0	0	0	0	0	0	0
T0203: Omaruru - Karibib - Usakos - Arandis - Swakopmund (222 km)	0	0	0	0	0	0	0
MR92: Oshakati-Oshikuku-Outapi-Ruacana (161 km)	0	0	0	0	0	0	0
Contracts Claims	0	0	0	0	0	0	0
<b>01.05 Roadworks - Development</b>	<b>394,410,000</b>	<b>1,523,500,000</b>	<b>207,989,000</b>	<b>35,886,500</b>	<b>1,000,000</b>	<b>0</b>	<b>1,768,375,500</b>
<b>Paved Roads:</b>	<b>298,108,000</b>	<b>1,160,500,000</b>	<b>122,000,000</b>	<b>13,000,000</b>	<b>1,000,000</b>	<b>0</b>	<b>1,296,500,000</b>
MR91: Gobabis- Aminuis- Aranos(245 km) (N\$1,240,952,576.39)	90,000,000	265,000,000	122,000,000	13,000,000	1,000,000	0	401,000,000
Gobabis - Otjinene - Grootfontein :231 km( N\$1,097,377,511.54)	0	0	0	0	0	0	0
MR 121: Eenhana - Oshigambo:48.3km (N\$203,648,459.39)	0	0	0	0	0	0	0
DR 3603: Onayena - Okankolo:23 km (N\$114,411,157.93)	0	0	0	0	0	0	0
MR125: Liselo - Linyanti - Kongola:205km(N\$860,498,979.75)	0	0	0	0	0	0	0
DR3611 Oshikuku- Okalongo (Wa Kasamane Gate):8km ( N\$ 38,561,701.49)	0	0	0	0	0	0	0
MR118: Oranjemund- Rosh Pinah: 100km (N\$614,478,940.76)	0	0	0	0	0	0	0
DR 3608: Omafo- Ongenga- Outapi: 98 km (N\$852,546,044)	0	0	0	0	0	0	0
MR67: Omakange- Ruacana: 85 km ( N\$532,034,888.35)	0	0	0	0	0	0	0
DR3609: Oshakati - Ongenga:37km(N\$196,409,470)	0	0	0	0	0	0	0
MR57, 59, 60 & MR112: Okahandja - Hochfeld - Otjizondou - Okondjatu road upgrading (240km)	1,000,000	2,500,000	0	0	0	0	2,500,000
MR115: Okakarara-Okondjatu (100 km)	0	2,500,000	0	0	0	0	2,500,000
TR10/2: Phase 1 and 2 Rundu-Elundu- Eenhana Upgrading to Bitumen Standards (25 km)	0	0	0	0	0	0	0
Swakopmund- Henties Bay- Kamanjab road upgrading 402 km(134 km phase 1)	116,108,000	366,000,000	0	0	0	0	366,000,000
Upgrading of Omaruru-Karibib – Usakos – Swakopmund (222km) to 2+1 Cross Section	0	0	0	0	0	0	0
Upgrading of 1635 Du Plessis Plaas – 1688 Epukiro Post 3 to Bitumen (47km)	0	68,500,000	0	0	0	0	68,500,000
TR/12 Oshikango via Odibo - TR10/2 Ohengobe Road Upgrading (35.8)	0	0	0	0	0	0	0
Construction and surfacing of the road from Opuwo to Epupa (180km)	0	2,500,000	0	0	0	0	2,500,000
Construction and surfacing of the road from Opuwo to Sesfontein	0	68,500,000	0	0	0	0	68,500,000
Ngoma-Muyako-Bukalo Road upgrading to bitumen standards (55km)	0	0	0	0	0	0	0
MR27: Keetmanshoop-Aroab-Klein Menasse upgrading (204km)	0	0	0	0	0	0	0
Divundu-Muhembo road upgrading to bitumen standards (32.3km)	0	95,000,000	0	0	0	0	95,000,000
DR3063 Onathing- Onayena (10km)	0	0	0	0	0	0	0
MR121 Onethindi-Oshigambo (23km)	0	0	0	0	0	0	0
MR120: Onunho - Endola - Okatana road upgrading + (Dual Carriageway) (36km + 4km)	0	0	0	0	0	0	0
MR 121: Eenhana - Oshigambo: 48.3km (N\$203,648,459.39)	0	0	0	0	0	0	0
MR74: Grootfontein - Tsumke (240km)	1,000,000	2,500,000	0	0	0	0	2,500,000
Oshakati - Ondombe	0	0	0	0	0	0	0
Tsandi - Onesi - Epalela upgrading (48km)	0	65,000,000	0	0	0	0	65,000,000
<b>Low Volume Seal Roads:</b>	<b>90,000,000</b>	<b>222,500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>222,500,000</b>
DR3524 Izimwe - Ngoma - Nakabolelwa - Kasika Phase 2: 30km	0	17,000,000	0	0	0	0	17,000,000
DR3545 & DR357: Impalila Island Road (20 km)	0	17,000,000	0	0	0	0	17,000,000
DR3625: Ncaute - Karakuisa gravel road construction	0	55,000,000	0	0	0	0	55,000,000
Kamupupu - Mbururu: 19.9km (N\$28,982,605.16) (33km)	0	29,500,000	0	0	0	0	29,500,000
DR 3508:Namalubi-Isize - Sifuha - Malindi - Luhonono (Schuckmannsburg)upgrading to bitumen standard (55km)	90,000,000	100,000,000	0	0	0	0	100,000,000
DR3406 & DR3444 Nkurenkuru - Nepara Clinic (25km)	0	2,000,000	0	0	0	0	2,000,000
Ndonga Linena - Ngco - Shakambu	0	2,000,000	0	0	0	0	2,000,000



PROJECTS AND PROGRAMMES TO BE FUNDED OUTSIDE THE ROAD USER CHARGING SYSTEM	CURR. BUDG.		EXPENDITURE ESTIMATE FOR BUSINESS PLAN PERIOD				
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	Total for 5 Years
	GRN	GRN	GRN	GRN	GRN	GRN	GRN
<b>Budget Category / Subcategory / Item</b>							
<b>Budget Headings, Items and Funding Contributions</b>			<b>Funding of Projects and Programmes</b>				
<b>Gravel Roads:</b>	<b>36,250,000</b>	<b>183,500,000</b>	<b>41,639,000</b>	<b>22,886,500</b>	<b>0</b>	<b>0</b>	<b>248,025,500</b>
DR3524 Ngoma - Nakabolelwa: 18km (N\$52,899,627.56)	0	0	0	0	0	0	0
Tjova (TR8/4) - Divayi: 24.7km( N\$40,566,804.07)	0	0	0	0	0	0	0
DR3649 Onelulago - Epembe -DR3602: 42km( N\$59,661,901.28)	0	0	0	0	0	0	0
DR3673 Omuthiya - Onanke: 33.4km ( N\$ 44,801,459.99)	0	0	0	0	0	0	0
DR3657: Oshapapa (Oshali) - Epumbu: 33km (N\$47,775,824.02)	0	0	0	0	0	0	0
Onayena -(Onankali) Omahenge: 24.4km (N\$51,376,652.64)	0	0	0	0	0	0	0
Amwaanda - Omutambo Maowe gravel road construction (111km)	0	0	0	0	0	0	0
Masokotwani (MR125) -Machita gravel road construction (32km)	0	1,000,000	0	0	0	0	1,000,000
Okathitu - MR123 road gravelling (12km)	0	1,000,000	0	0	0	0	1,000,000
TR10/2 Oupili - Onkumbula gravel road construction (40km)	1,000,000	6,000,000	1,000,000	0	0	0	7,000,000
DR3650: Onakalunga-Epinga gravel road construction (12km)	10,250,000	33,000,000	0	0	0	0	33,000,000
Endola - Eembo gravel road construction (19km)	0	45,000,000	1,000,000	0	0	0	46,000,000
Mpora (TR8/3) - Bravo - TR15/1 gravel road construction (137km)	0	1,000,000	0	0	0	0	1,000,000
DR4107: Ongwediva- Endola gravel road construction (17 km)	0	0	0	0	0	0	0
DR3671: Onamutai-Ongwediva	0	0	0	0	0	0	0
DR3424: Mungunda (TR8/4) - Shakambu gravel road construction (36.6km)	0	23,500,000	0	0	0	0	23,500,000
DR3672: TR1/11 - Mangetti West quarantine camp gravel road const Phase 2 (50 Km)	20,000,000	53,000,000	20,000,000	0	0	0	73,000,000
TR10/2: Enyana - Olukula (47.4km)	0	4,000,000	12,000,000	18,747,500	0	0	34,747,500
MR15/1: Tsintsabis - DR3444: Gava (130km)	0	1,500,000	0	0	0	0	1,500,000
Uukwiyuushona (DR3605) -Ompundja gravel road construction (35.5km)	5,000,000	1,500,000	0	0	0	0	1,500,000
DR3654: Omuthiya - Elambo (DR3630) gravel road construction (48.8km)	0	6,000,000	0	0	0	0	6,000,000
TR 102 Omukukutu - Ombothe gravel road construction	0	0	0	0	0	0	0
Ohneileiwa - Onedute gravel road construction (12km)	0	1,500,000	0	0	0	0	1,500,000
DR3624: TR 10/2 - Omundaungilo gravel road construction (16km)	0	5,500,000	7,639,000	4,139,000	0	0	17,278,000
DR3678: Ondjungulume-Uuvudhiya-Eengombe-Opona (30km)	0	0	0	0	0	0	0
<b>Labour-based Roads:</b>	<b>60,052,000</b>	<b>165,000,000</b>	<b>22,350,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>223,850,000</b>
MR111 Epato (MR111) - Onkani (Onaushe): 46km (N\$66,836,508.12)	0	0	0	0	0	0	0
Uukwiyuushona -Omuntele ( Amilema): 80.7km (N\$61,458,862.35)	0	0	0	0	0	0	0
Eembahu (TR10/2) - Oshiweda :32km( N\$ 58,551,023.64)	0	0	0	0	0	0	0
Etomba (DR3639) - Omundaungilo: 71km	0	0	0	0	0	0	0
TR15/1 - Luwaya (50km)	0	0	0	0	0	0	0
DR3619: Onaanda - Otamanzi (28km)	0	16,500,000	20,000,000	0	0	0	36,500,000
DR3662: Tsandi (MR123) - lipanda school (28km)	30,000,000	29,000,000	1,250,000	0	0	0	30,250,000
DR3622: Omukukutu - Omboloka (25km)	1,000,000	21,500,000	1,000,000	0	0	0	22,500,000
Access Roads to Schools and Clinics	29,052,000	80,000,000	100,000	0	0	0	80,100,000
MR 92 (Ombathi) - MR111 (Epato) gravel road construction (32.7)	0	0	0	0	0	0	0
Lizauli-Sachona	0	0	0	0	0	0	0
Roving Betterment Unit	0	0	0	0	0	0	0
Maintenance of Roads: Flood Damaged Infrastructure Repair	0	0	0	0	0	0	0
DR3624: Omundaungilo - Omboloka (86km)	0	6,000,000	0	0	0	0	6,000,000
DR3446: Cassava refugee camp TR8/3 - Elavi (TR15/1)	0	4,500,000	0	0	0	0	4,500,000
DR3469: Matende (TR0/1) - Elago	0	0	0	0	0	0	0
Manyando - Charlie Cutline	0	0	0	0	0	0	0
DR3445: Mpungu - Oshimolo Extension	0	1,500,000	0	0	0	0	1,500,000
Elavi - Namsira	0	1,500,000	0	0	0	0	1,500,000
DR3470: Rooidag - Kanu Vlei	0	1,500,000	0	0	0	0	1,500,000
Harapembbe - Charlie Cutline	0	1,500,000	0	0	0	0	1,500,000
Mbururu - Caliwako Extension	0	1,500,000	0	0	0	0	1,500,000
<b>Bridges:</b>	<b>0</b>	<b>14,500,000</b>	<b>22,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>36,500,000</b>
Construction of bridges linking Okahandja to Ovitoto	0	0	0	0	0	0	0
Construction of Oute Bridge - Opuwo to Etanga road	0	14,500,000	22,000,000	0	0	0	36,500,000
<b>Grand Total</b>	<b>1,457,410,000</b>	<b>3,059,771,178</b>	<b>207,989,000</b>	<b>35,886,500</b>	<b>1,000,000</b>	<b>0</b>	<b>3,304,646,678</b>

**NOTE:** This table has been prepared from latest information provided by the Roads Authority. Funding is entirely provided by and amendments are at the discretion of the Government of the Republic of Namibia.

PROJECTS AND PROGRAMMES TO BE FUNDED INSIDE THE ROAD USER CHARGING SYSTEM			PREVIOUS DETERMINATION		AMOUNT OF FUNDING DETERMINATION FOR BUSINESS PLAN PERIOD - INCLUDING COST ESCALATION ESTIMATE (RFA Act s. 20(4)(a))										TOTAL BUS. PLAN PERIOD		TOTAL - PROJECTS ONLY	
Budget Category / Subcategory / Item	Exp. Class	Funding Responsib.	Pre-FY2022 (Projects only)		FY2022		FY2023		FY2024		FY2025		FY2026		Total Amount of Funding - RUCS	Total Co-funding - GRN/Donors	Total Amount of Funding - RUCS	Total Co-funding - GRN/Donors
			RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors				
<b>Budget Headings, Items and Funding Responsibilities</b>																		
<b>01 Management of the National Road Network RFA Act s. 17(1)(a)</b>			339,330,000	100,000,000	3,048,987,000	95,000,000	2,260,872,000	0	2,909,096,000	0	3,436,954,000	0	3,657,915,000	0	15,313,824,000	95,000,000	1,094,564,000	195,000,000
<b>01.01 RA Administration</b>			29,330,000	0	476,880,000	0	500,703,000	0	525,718,000	0	551,984,000	0	579,561,000	0	2,634,846,000	0	309,964,000	0
NARA2001-M01	RA Administration Operations	Adm RFA	0	0	426,053,000	0	447,356,000	0	469,723,000	0	493,210,000	0	517,870,000	0	2,354,212,000	0	0	0
NARA2004-T01	RA Head Office Development	Proj RFA	2,500,000	0	515,000	0	530,000	0	546,000	0	563,000	0	580,000	0	2,734,000	0	5,234,000	0
NARA2004-T02	RA Regional Offices Devel. & Maint.	Proj RFA	4,242,000	0	2,100,000	0	2,215,000	0	2,337,000	0	2,465,000	0	2,599,000	0	11,716,000	0	15,958,000	0
NARA2009-T01	RA IT Systems Development	Proj RFA	22,588,000	0	47,212,000	0	49,572,000	0	52,051,000	0	54,653,000	0	57,386,000	0	260,874,000	0	283,462,000	0
NARA2018-T03	RA Post Retirement Medical Benefits	Adm RFA	1,030,000	0	1,000,000	0	1,061,000	0	1,093,000	0	1,126,000	0	1,162,000	0	5,310,000	0	5,310,000	0
<b>01.02 Network Planning and Consultation</b>			0	0	46,960,000	0	81,872,000	0	63,139,000	0	41,774,000	0	15,774,000	0	249,519,000	0	0	0
NARA2001-M02	Network Planning and Consultation	Prog RFA+GRN	0	0	46,960,000	0	81,872,000	0	63,139,000	0	41,774,000	0	15,774,000	0	249,519,000	0	0	0
<b>01.03 Roadworks - Maintenance</b>			0	0	2,014,470,000	0	1,619,679,000	0	2,261,158,000	0	2,778,127,000	0	2,991,094,000	0	11,664,528,000	0	0	0
NARA2001-M03	Unpaved Road Maintenance	Prog RFA	0	0	956,481,000	0	877,695,000	0	1,227,871,000	0	1,574,206,000	0	1,690,062,000	0	6,326,315,000	0	0	0
NARA2001-M04	Paved Road Maintenance	Prog RFA	0	0	839,203,000	0	510,657,000	0	731,831,000	0	882,003,000	0	952,563,000	0	3,916,257,000	0	0	0
NARA2009-M01	Structures maintenance and repair works	Prog RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2001-M05	Miscellaneous Road Maintenance	Prog RFA+GRN	0	0	218,786,000	0	231,327,000	0	301,456,000	0	321,918,000	0	348,469,000	0	1,421,956,000	0	0	0
<b>01.04 Roadworks - Rehabilitation</b>			285,000,000	100,000,000	380,100,000	0	1,500,000	0	0	0	0	0	0	0	381,600,000	0	666,600,000	100,000,000
NARA2015-T10	TR1/6: Windhoek Okahandja road rehab. Section 3 (Phase I, 10km)	Proj RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2017-T02	TR1/6: Windhoek Okahandja road rehab. (Phase II : Sect 4A, 28km)	Proj RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2011-T01	Bridge no. 157 on TR1/4: Rehoboth Mariental	Proj RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2011-T02	Bridge no. 2312 on TR1/4: Rehoboth Mariental	Proj RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2012-T01	Bridge no. 158 on MR 1/4: Rehoboth Mariental	Proj RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2016-T04	TR8/4: Rundu road safety improvements	Proj RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2016-T05	MR120 Oshakati - Okatana (4.4 km) rehab.	Proj RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2017-T01	TR2/2: Road over Rail Bridge, Swakopmund	Proj RFA	1,500,000	0	700,000	0	0	0	0	0	0	0	0	700,000	0	2,200,000	0	
NARA2015-T02	Bridge no. 250 on DR210: Homs River Bridge, Warmbad	Proj RFA	7,000,000	0	24,500,000	0	1,500,000	0	0	0	0	0	0	26,000,000	0	33,000,000	0	
NARA2018-T01	TR10/2: Enhana - Onhuno road rehabilitation (47 km)	Proj RFA	109,000,000	0	77,000,000	0	0	0	0	0	0	0	0	77,000,000	0	186,000,000	0	
NARA2018-T02	TR2/3: Omaruru - Karibib - Usakos - Arandis - Swakopmund (222 km)	Proj RFA	0	0	27,500,000	0	0	0	0	0	0	0	0	27,500,000	0	27,500,000	0	
NARA2019-T02	TR2/3: Omaruru - Karibib (61 km)	Proj RFA	0	0	44,000,000	0	0	0	0	0	0	0	0	44,000,000	0	44,000,000	0	
NARA2019-T01	TR1/3: Keetmanshoop - Mariental (Sect. A: Tses - Gochas) (87.8km)	Proj RFA	166,000,000	100,000,000	206,400,000	0	0	0	0	0	0	0	0	206,400,000	0	372,400,000	100,000,000	
NARA2020-T02	TR8/2: Grootfontein urban carriageway (3km)	Proj RFA	1,500,000	0	0	0	0	0	0	0	0	0	0	1,500,000	0	1,500,000	0	
<b>01.05 Roadworks - Development</b>			2,000,000	0	55,000,000	95,000,000	0	0	0	0	0	0	0	55,000,000	95,000,000	57,000,000	95,000,000	
NARA2003-T05	MR120: Onunho - Endola - Okatana road upgrading (36km)	Proj RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2010-T14	DR 3615: Onamutuku - Oshikuku road upgrading (16km)	Proj RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2020-T01	DR 3403: Divundu - Muhembo road upgrading (32.3km)	Proj RFA	2,000,000	0	55,000,000	95,000,000	0	0	0	0	0	0	0	55,000,000	95,000,000	57,000,000	95,000,000	
<b>01.07 Road Management System</b>			0	0	27,635,000	0	46,682,000	0	43,450,000	0	47,795,000	0	52,574,000	0	218,136,000	0	0	0
NARA2001-M06	Road Management System	Prog RFA	0	0	27,635,000	0	46,682,000	0	43,450,000	0	47,795,000	0	52,574,000	0	218,136,000	0	0	0
NARA2015-T01	RMS Development Project	Proj RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>01.08 Overload Control</b>			23,000,000	0	47,942,000	0	10,436,000	0	15,631,000	0	17,274,000	0	18,912,000	0	110,195,000	0	61,000,000	0
NARA2015-T11	Weighbridge: Keetmanshoop	Proj RFA	20,000,000	0	18,500,000	0	0	0	0	0	0	0	0	18,500,000	0	38,500,000	0	
NARA2015-T12	Weighbridge: Otjiwarongo/ Otavi	Proj RFA	1,500,000	0	500,000	0	0	0	0	0	0	0	0	500,000	0	2,000,000	0	
NARA2015-T13	Weighbridge: Rundu	Proj RFA	1,500,000	0	19,000,000	0	0	0	0	0	0	0	0	19,000,000	0	20,500,000	0	
NARA2001-M07	Road Traffic and Transport Inspectorate	Prog RFA	0	0	9,942,000	0	10,436,000	0	15,631,000	0	17,274,000	0	18,912,000	0	72,195,000	0	0	0
<b>02 Administrative Expenditure of the RFA &amp; RUCS RFA Act s. 17(1)(b)</b>			86,265,000	0	241,417,000	0	236,935,000	0	195,863,000	0	182,207,000	0	186,078,000	0	1,042,500,000	0	247,771,000	0
<b>02.01 RFA Administration Account</b>			0	0	138,973,000	0	145,155,000	0	148,348,000	0	148,348,000	0	151,612,000	0	726,118,000	0	0	0
NRFA2001-M01	RFA Administration Operations	Adm RFA	0	0	138,973,000	0	142,030,000	0	145,155,000	0	148,348,000	0	151,612,000	0	726,118,000	0	0	0
<b>02.02 Road Fund Account</b>			86,265,000	0	102,444,000	0	94,905,000	0	50,708,000	0	33,859,000	0	34,466,000	0	316,382,000	0	247,771,000	0
NRFA2014-T01	RFA Windhoek Office Improvements	Proj RFA	1,700,000	0	2,000,000	0	0	0	0	0	0	0	0	2,000,000	0	3,700,000	0	
NRFA2014-T02	CBC Accommodation Construction	Proj RFA	7,500,000	0	500,000	0	0	0	0	0	0	0	0	500,000	0	8,000,000	0	
NRFA2004-T01	Development of RUCS	Proj RFA	1,000,000	0	1,300,000	0	0	0	0	0	0	0	0	1,300,000	0	2,300,000	0	
NRFA2016-M01	Road Fund Equipment	Adm RFA	0	0	2,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	6,000,000	0	0	0
NRFA2016-M02	Road Fund Other Expenses	Adm RFA	0	0	28,608,000	0	29,180,000	0	29,763,000	0	30,359,000	0	30,966,000	0	148,876,000	0	0	0
NRFA2018-T01	Technical Assistance towards Approved Authorities	Proj RFA	5,465,000	0	0	0	0	0	0	0	0	0	0	0	0	5,465,000	0	
NRFA2019-T01	Regional Office Construction & Renovations	Proj RFA	10,000,000	0	6,330,000	0	4,725,000	0	945,000	0	0	0	0	12,000,000	0	22,000,000	0	
NRFA2019-T02	MDC Automation Project	Proj RFA	54,400,000	0	54,000,000	0	60,000,000	0	19,000,000	0	2,500,000	0	2,500,000	0	138,000,000	0	192,400,000	0
NRFA2019-T03	RFA Act Amendment Project	Proj RFA	0	0	150,000	0	0	0	0	0	0	0	0	150,000	0	150,000	0	
NRFA2019-T04	RFA ICT System Development (ERP)	Proj RFA	6,200,000	0	7,556,000	0	0	0	0	0	0	0	0	7,556,000	0	13,756,000	0	
<b>03 Urban Roads Contributions RFA Act s. 17(1)(c)</b>			0	0	182,419,000	0	166,211,000	0	171,916,000	0	176,487,000	0	178,525,000	0	875,558,000	0	0	0
<b>03.02 Local Authority Roads</b>			0	0	172,612,000	0	156,100,000	0	161,418,000	0	165,600,000	0	167,205,000	0	822,935,000	0	0	0
LAAR2005-M01	Arandis Town	Prog RFA	0	0	837,000	0	844,000	0	862,000	0	879,000	0	898,000	0	4,320,000	0	0	0
LAAS2005-M01	Aranos Town	Prog RFA	0	0	826,000	0	832,000	0	851,000	0	867,000	0	886,000	0	4,262,000	0	0	0
LAAB2005-M01	Aroab Village	Prog RFA	0	0	2,487,000	0	1,485,000	0	1,633,000	0	1,796,000	0	1,976,000	0	9,377,000	0	0	0
LABA2006-M01	Berseba Village	Prog RFA	0	0	703,000	0	709,000	0	724,000	0	738,000	0	754,000	0	3,628,000	0	0	0
LABE2009-M01	Bethanie Village	Prog RFA	0	0	1,789,000	0	1,968,000	0	2,164,000	0	2,381,000	0	2,619,000	0	10,921,000	0	0	0
LAEE2005-M01	Eenhana Town	Prog RFA	0	0	3,936,000	0	4,189,000	0	4,398,000	0	4,618,000	0	4,849,000	0	21,990,000	0	0	0
LAGN2005-M01	Gibeon Village	Prog RFA	0	0	709,000	0	714,000	0	744,000	0	744,000	0	760,000	0	3,657,000	0	0	0
LAGO2005-M01	Gobabis Municipality	Prog RFA	0	0	4,291,000	0	4,506,000	0	4,731,000	0	4,967,000	0	5,216,000	0	23,711,000	0	0	0
LAGS2005-M01	Gochas Village	Prog RFA	0	0	723,													

PROJECTS AND PROGRAMMES TO BE FUNDED INSIDE THE ROAD USER CHARGING SYSTEM	Exp. Class	Funding Responsib.	PREVIOUS DETERMINATION		AMOUNT OF FUNDING DETERMINATION FOR BUSINESS PLAN PERIOD - INCLUDING COST ESCALATION ESTIMATE (RFA Act s. 20(4)(a))										TOTAL BUS. PLAN PERIOD		TOTAL - PROJECTS ONLY	
			Pre-FY2022 (Projects only)		FY2022		FY2023		FY2024		FY2025		FY2026		Total Amount of Funding - RUCS	Total Co-funding - GRN/Donors	Total Amount of Funding - RUCS	Total Co-funding - GRN/Donors
			RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors				
LAOY2009-M01	Prog	RFA	0	0	867,000	0	874,000	0	894,000	0	911,000	0	931,000	0	4,477,000	0	0	0
LAON2005-M01	Prog	RFA	0	0	2,253,000	0	2,271,000	0	2,321,000	0	2,366,000	0	2,418,000	0	11,629,000	0	0	0
LAOV2005-M01	Prog	RFA	0	0	2,611,000	0	2,663,000	0	3,144,000	0	3,312,000	0	3,617,000	0	15,547,000	0	0	0
LAOP2005-M01	Prog	RFA	0	0	1,082,000	0	1,091,000	0	1,115,000	0	1,136,000	0	1,161,000	0	5,585,000	0	0	0
LAOD2014-M01	Prog	RFA	0	0	11,093,000	0	11,191,000	0	12,464,000	0	11,556,000	0	10,984,000	0	57,288,000	0	0	0
LAOS2005-M01	Prog	RFA	0	0	4,782,000	0	4,821,000	0	4,927,000	0	5,020,000	0	5,131,000	0	24,681,000	0	0	0
LAOK2010-M01	Prog	RFA	0	0	1,250,000	0	1,339,000	0	1,406,000	0	1,476,000	0	1,550,000	0	7,021,000	0	0	0
LAOI2005-M01	Prog	RFA	0	0	872,000	0	898,000	0	898,000	0	915,000	0	936,000	0	4,500,000	0	0	0
LAOT2005-M01	Prog	RFA	0	0	3,544,000	0	3,572,000	0	3,650,000	0	3,720,000	0	3,802,000	0	18,288,000	0	0	0
LAOU2005-M01	Prog	RFA	0	0	1,193,000	0	1,203,000	0	1,229,000	0	1,252,000	0	1,280,000	0	6,157,000	0	0	0
LAOO2005-M01	Prog	RFA	0	0	1,315,000	0	1,325,000	0	1,355,000	0	1,380,000	0	1,411,000	0	6,786,000	0	0	0
LARE2005-M01	Prog	RFA	0	0	3,206,000	0	3,783,000	0	4,313,000	0	4,313,000	0	4,313,000	0	19,928,000	0	0	0
LARA2009-M01	Prog	RFA	0	0	3,733,000	0	4,130,000	0	4,330,000	0	4,336,000	0	4,553,000	0	20,685,000	0	0	0
LARU2005-M01	Prog	RFA	0	0	5,890,000	0	5,937,000	0	6,068,000	0	6,183,000	0	6,319,000	0	30,397,000	0	0	0
LAST2005-M01	Prog	RFA	0	0	797,000	0	803,000	0	821,000	0	836,000	0	855,000	0	4,112,000	0	0	0
LASW2005-M01	Prog	RFA	0	0	4,567,000	0	4,604,000	0	4,705,000	0	4,794,000	0	4,900,000	0	23,570,000	0	0	0
LATS2005-M01	Prog	RFA	0	0	797,000	0	803,000	0	821,000	0	836,000	0	855,000	0	4,112,000	0	0	0
LATB2005-M01	Prog	RFA	0	0	14,460,000	0	14,420,000	0	10,979,000	0	10,409,000	0	8,839,000	0	59,107,000	0	0	0
LAUS2005-M01	Prog	RFA	0	0	1,081,000	0	1,090,000	0	1,114,000	0	1,135,000	0	1,160,000	0	5,580,000	0	0	0
LAWB2005-M01	Prog	RFA	0	0	9,770,000	0	10,098,000	0	10,491,000	0	10,952,000	0	11,487,000	0	52,798,000	0	0	0
LAWK2005-M01	Prog	RFA	0	0	14,445,000	0	14,561,000	0	14,881,000	0	15,164,000	0	15,497,000	0	74,548,000	0	0	0
LAWI2009-M01	Prog	RFA	0	0	758,000	0	764,000	0	781,000	0	796,000	0	814,000	0	3,913,000	0	0	0
LABU2016-M01	Prog	RFA	0	0	1,392,000	0	1,532,000	0	1,685,000	0	1,853,000	0	2,039,000	0	8,501,000	0	0	0
LANE2016-M01	Prog	RFA	0	0	1,673,000	0	1,756,000	0	1,844,000	0	1,936,000	0	2,033,000	0	9,242,000	0	0	0
LAOG2018-M01	Prog	RFA	0	0	834,000	0	90,000	0	942,000	0	989,000	0	1,038,000	0	3,893,000	0	0	0
LATA2018-M01	Prog	RFA	0	0	344,000	0	372,000	0	390,000	0	410,000	0	430,000	0	1,946,000	0	0	0
LADI2018-M01	Prog	RFA	0	0	835,000	0	919,000	0	1,011,000	0	1,112,000	0	1,223,000	0	5,100,000	0	0	0
LAOB2018-M01	Prog	RFA	0	0	909,000	0	993,000	0	789,000	0	993,000	0	831,000	0	4,287,000	0	0	0
<b>03.03 Regional Council Roads</b>					<b>9,807,000</b>	<b>0</b>	<b>10,111,000</b>	<b>0</b>	<b>10,498,000</b>	<b>0</b>	<b>10,887,000</b>	<b>0</b>	<b>11,320,000</b>	<b>0</b>	<b>52,623,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
RCCA2012-M01	Prog	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RCER2012-M01	Prog	RFA	0	0	843,000	0	850,000	0	869,000	0	885,000	0	905,000	0	4,352,000	0	0	0
RCHA2012-M01	Prog	RFA	0	0	591,000	0	609,000	0	609,000	0	621,000	0	634,000	0	3,051,000	0	0	0
RCKA2011-M01	Prog	RFA	0	0	562,000	0	566,000	0	579,000	0	590,000	0	603,000	0	2,900,000	0	0	0
RCKO2012-M01	Prog	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RCKW2017-M01	Prog	RFA	0	0	1,377,000	0	1,514,000	0	1,666,000	0	1,832,000	0	2,015,000	0	8,404,000	0	0	0
RCKE2017-M01	Prog	RFA	0	0	601,000	0	601,000	0	601,000	0	601,000	0	601,000	0	3,005,000	0	0	0
RCKH2012-M01	Prog	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
RCKU2012-M01	Prog	RFA	0	0	553,000	0	557,000	0	569,000	0	580,000	0	593,000	0	2,852,000	0	0	0
RCOH2012-M01	Prog	RFA	0	0	768,000	0	774,000	0	792,000	0	807,000	0	824,000	0	3,965,000	0	0	0
RCOM2012-M01	Prog	RFA	0	0	554,000	0	559,000	0	571,000	0	582,000	0	595,000	0	2,861,000	0	0	0
RCOI2012-M01	Prog	RFA	0	0	426,000	0	460,000	0	483,000	0	507,000	0	533,000	0	2,409,000	0	0	0
RCOS2012-M01	Prog	RFA	0	0	554,000	0	558,000	0	570,000	0	581,000	0	594,000	0	2,857,000	0	0	0
RCOO2011-M01	Prog	RFA	0	0	1,510,000	0	1,596,000	0	1,676,000	0	1,760,000	0	1,848,000	0	8,390,000	0	0	0
RCOT2011-M01	Prog	RFA	0	0	920,000	0	948,000	0	966,000	0	966,000	0	987,000	0	4,749,000	0	0	0
RCZA2019-M01	Prog	RFA	0	0	548,000	0	552,000	0	565,000	0	575,000	0	588,000	0	2,828,000	0	0	0
<b>04 Operation of Traffic Information System RFA Act s. 17(1)(d)</b>					<b>180,363,000</b>	<b>0</b>	<b>188,542,000</b>	<b>0</b>	<b>197,104,000</b>	<b>0</b>	<b>206,068,000</b>	<b>0</b>	<b>215,453,000</b>	<b>0</b>	<b>987,530,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>04.01 Traffic Information System</b>					<b>180,363,000</b>	<b>0</b>	<b>188,542,000</b>	<b>0</b>	<b>197,104,000</b>	<b>0</b>	<b>206,068,000</b>	<b>0</b>	<b>215,453,000</b>	<b>0</b>	<b>987,530,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
NARA2001-M08	Prog	RFA	0	0	42,000,000	0	43,260,000	0	44,558,000	0	45,895,000	0	47,271,000	0	222,984,000	0	0	0
NARA2020-M08	Adm	RFA	0	0	138,363,000	0	145,282,000	0	152,546,000	0	160,173,000	0	168,182,000	0	764,546,000	0	0	0
<b>05 Traffic Law Enforcement and Adjudication RFA Act s. 17(1)(e)</b>					<b>87,979,000</b>	<b>0</b>	<b>80,252,000</b>	<b>0</b>	<b>81,068,000</b>	<b>0</b>	<b>82,924,000</b>	<b>0</b>	<b>80,442,000</b>	<b>0</b>	<b>412,665,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>05.01 Traffic Law Enforcement</b>					<b>87,979,000</b>	<b>0</b>	<b>80,252,000</b>	<b>0</b>	<b>81,068,000</b>	<b>0</b>	<b>82,924,000</b>	<b>0</b>	<b>80,442,000</b>	<b>0</b>	<b>412,665,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
NPOL2009-M01	Prog	RFA	0	0	49,692,000	0	51,312,000	0	51,074,000	0	52,102,000	0	48,226,000	0	252,406,000	0	0	0
LAHB2004-M01	Prog	RFA	0	0	354,000	0	331,000	0	324,000	0	318,000	0	325,000	0	1,652,000	0	0	0
LAKP2004-M01	Prog	RFA	0	0	2,800,000	0	3,422,000	0	4,106,000	0	4,517,000	0	4,969,000	0	19,814,000	0	0	0
LAOT2010-M01	Prog	RFA	0	0	792,000	0	740,000	0	724,000	0	710,000	0	700,000	0	3,666,000	0	0	0
LASW2004-M01	Prog	RFA	0	0	11,956,000	0	12,554,000	0	13,182,000	0	13,841,000	0	14,533,000	0	66,066,000	0	0	0
LAWB2004-M01	Prog	RFA	0	0	2,302,000	0	2,151,000	0	2,104,000	0	2,064,000	0	2,110,000	0	10,731,000	0	0	0
LAWK2004-M01	Prog	RFA	0	0	19,384,000	0	9,116,000	0	8,916,000	0	8,746,000	0	8,939,000	0	55,101,000	0	0	0
LAMK2020-M01	Prog	RFA	0	0	699,000	0	626,000	0	638,000	0	626,000	0	640,000	0	3,229,000	0	0	0
<b>06 Vehicle Testing Stations and Driving Testing RFA Act s. 17(1)(f)</b>					<b>83,800,000</b>	<b>5,000,000</b>	<b>91,028,000</b>	<b>5,150,000</b>	<b>67,270,000</b>	<b>5,305,000</b>	<b>14,5</b>							

PROJECTS AND PROGRAMMES TO BE FUNDED INSIDE THE ROAD USER CHARGING SYSTEM			PREVIOUS YEAR ACTUAL		CURRENT YEAR APPROVED		MANNER OF FUNDING DETERMINATION FOR BUSINESS PLAN PERIOD - INCLUDING COST ESCALATION ESTIMATE (RFA Act s. 20(4)(b))											
Budget Category / Subcategory / Item	Exp. Class	Funding Responsib.	FY2020		FY2021		FY2022		FY2023		FY2024		FY2025		FY2026		Total for 5 Years	
			RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors
<b>Budget Headings, Items and Funding Responsibilities</b>			<b>Funding Summary of Projects, Programmes, Administrative Expenditure and Financing Instruments (including estimated cost escalation) [N\$]</b>															
<b>01 - 08, 12 - 14: Adjusted Total Administrative, Projects and Programmes Expenditure</b>			2,102,192,492	1	2,346,908,219	192,000,000	2,538,545,857	39,500,000	2,363,359,916	131,500,000	2,215,359,153	0	2,277,123,588	0	2,338,156,186	0	11,732,544,700	171,000,000
01 - 08, 12 - 14: Total Specified Administrative, Projects and Programmes Expenditure			2,102,192,492	1	2,346,908,219	192,000,000	2,538,545,857	39,500,000	2,363,359,916	131,500,000	2,215,359,153	0	2,277,123,588	0	2,338,156,186	0	11,732,544,700	171,000,000
Adjustment: Estimated current year transfers to Roads Authority, not specified otherwise (Note 1)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Adjustment: Estimated current year expenditure - Other (Note 1)			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>09 Financing of Loans assigned by GRN RFA Act s. 17(1)(j)</b>			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>09.01 Capital redemption</b>			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NRFA2001-M03 KfW 2009 Loan Capital			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>09.02 Interest &amp; Other Charges</b>			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NRFA2001-M04 KfW 2009 Loan Charges			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>10 Financing of Loans obtained by RFA RFA Act s. 17(1)(j)</b>			110,452,253	0	106,078,000	0	102,400,000	0	152,357,000	0	146,501,000	0	138,981,000	0	131,566,000	0	671,805,000	0
<b>10.01 Capital redemption</b>			47,092,096	0	47,092,000	0	47,092,000	0	97,804,000	0	97,804,000	0	97,804,000	0	97,804,000	0	438,308,000	0
NRFA2001-M05 RFA16 Loan Stock Capital			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NRFA2016-M05 KfW 2015 Loan Capital			47,092,096	0	47,092,000	0	47,092,000	0	47,092,000	0	47,092,000	0	47,092,000	0	47,092,000	0	235,460,000	0
NRFA2017-M05 KfW 2017 Loan Capital			0	0	0	0	0	0	50,712,000	0	50,712,000	0	50,712,000	0	50,712,000	0	202,848,000	0
<b>10.02 Interest &amp; Other Charges</b>			63,360,157	0	58,986,000	0	55,308,000	0	54,553,000	0	48,697,000	0	41,177,000	0	33,762,000	0	233,497,000	0
NRFA2001-M06 RFA16 Loan Stock Charges			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NRFA2016-M06 KfW 2015 Loan Charges			29,433,221	0	25,750,000	0	22,072,000	0	18,394,000	0	14,751,000	0	11,038,000	0	7,360,000	0	73,615,000	0
NRFA2017-M05 KfW 2017 Loan Charges			33,926,936	0	33,236,000	0	33,236,000	0	36,159,000	0	33,946,000	0	30,139,000	0	26,402,000	0	159,882,000	0
<b>11 Financing of Reserve Fund RFA Act s. 17(1)(j) &amp; 17(1)(k)</b>			0	0	15,000,000	0	15,000,000	0	15,810,000	0	16,663,740	0	27,563,582	0	29,052,015	0	104,089,337	0
<b>11.01 Capital transfers to reserves</b>			0	0	15,000,000	0	15,000,000	0	15,810,000	0	16,663,740	0	27,563,582	0	29,052,015	0	104,089,337	0
Deposits to Reserve Fund			0	0	15,000,000	0	15,000,000	0	15,810,000	0	16,663,740	0	27,563,582	0	29,052,015	0	104,089,337	0
Deposits to RFA Loan Stock Sinking Fund			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL OF EXPENDITURE INSIDE THE ROAD USER CHARGING SYSTEM (incl. adjustments where appl.)</b>			<b>2,212,644,745</b>	<b>1</b>	<b>2,467,986,219</b>	<b>192,000,000</b>	<b>2,655,945,857</b>	<b>39,500,000</b>	<b>2,531,526,916</b>	<b>131,500,000</b>	<b>2,378,523,893</b>	<b>0</b>	<b>2,443,668,170</b>	<b>0</b>	<b>2,498,774,201</b>	<b>0</b>	<b>12,508,439,038</b>	<b>171,000,000</b>
<b>Budget Headings, Items and Funding Responsibilities</b>			<b>Funding Detail of Administrative Expenditure, Projects and Programmes (including estimated cost escalation) [N\$]</b>															
<b>01 Management of the National Road Network RFA Act s. 17(1)(a)</b>			1,770,766,271	0	1,693,988,224	177,000,000	1,940,707,057	39,500,000	1,821,724,185	131,500,000	1,666,723,116	0	1,737,245,239	0	1,801,478,689	0	11,732,544,700	171,000,000
<b>01.01 RA Administration</b>			N/A	0	385,778,224	0	425,653,517	0	441,292,445	0	457,518,536	0	474,350,859	0	490,687,049	0	2,290,628,406	171,000,000
NARA2001-M01 RA Administration Operations			N/A	0	362,151,224	0	374,826,517	0	387,945,445	0	401,523,536	0	415,576,859	0	430,122,049	0	2,009,994,406	0
NARA2004-T01 RA Head Office Development			N/A	0	0	0	515,000	0	530,000	0	546,000	0	563,000	0	580,000	0	2,734,000	0
NARA2004-T02 RA Regional Offices Devel. & Maint.			N/A	0	2,539,000	0	2,100,000	0	2,215,000	0	2,337,000	0	2,465,000	0	2,599,000	0	11,716,000	0
NARA2009-T01 RA IT Systems Development			N/A	0	21,088,000	0	47,212,000	0	49,572,000	0	52,051,000	0	54,653,000	0	57,386,000	0	260,874,000	0
NARA2018-T03 RA Post Retirement Medical Benefits			N/A	0	0	0	1,000,000	0	1,030,000	0	1,061,000	0	1,093,000	0	1,126,000	0	5,310,000	0
<b>01.02 Network Planning and Consultation</b>			N/A	0	32,300,000	0	31,960,000	0	30,872,000	0	28,139,000	0	26,774,000	0	5,774,000	0	123,519,000	0
NARA2001-M02 Network Planning and Consultation			N/A	0	32,300,000	0	31,960,000	0	30,872,000	0	28,139,000	0	26,774,000	0	5,774,000	0	123,519,000	0
<b>01.03 Roadworks - Maintenance</b>			N/A	0	1,049,713,000	0	1,095,439,040	0	1,012,641,740	0	1,006,907,080	0	1,186,051,380	0	1,252,405,640	0	5,553,444,880	0
NARA2001-M03 Unpaved Road Maintenance			N/A	0	674,637,000	0	681,137,000	0	593,411,740	0	599,025,580	0	731,330,380	0	738,133,640	0	3,343,038,340	0
NARA2001-M04 Paved Road Maintenance			N/A	0	230,980,000	0	311,666,040	0	314,703,000	0	307,825,500	0	339,003,000	0	398,203,000	0	1,671,400,540	0
NARA2009-M01 Structures maintenance and repair works			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2001-M05 Miscellaneous Road Maintenance			N/A	0	144,096,000	0	102,636,000	0	104,527,000	0	100,056,000	0	115,718,000	0	116,069,000	0	539,006,000	0
<b>01.04 Roadworks - Rehabilitation</b>			N/A	0	181,300,000	177,000,000	329,077,500	38,000,000	226,800,000	38,000,000	101,077,500	0	0	0	0	0	656,955,000	76,000,000
NARA2015-T10 TR1/6: Windhoek Okahandja road rehab. Section 3 (Phase I, 10km)			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2017-T02 TR1/6: Windhoek Okahandja road rehab. (Phase II : Sect 4A, 28km)			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2011-T01 Bridge no. 157 on TR1/4: Rehoboth Mariental			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2011-T02 Bridge no. 2312 on TR1/4: Rehoboth Mariental			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2012-T01 Bridge no. 158 on MR 1/4: Rehoboth Mariental			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2016-T04 TR8/4: Rundu road safety improvements			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2016-T05 MR120 Oshakati - Okatana (4.4 km) rehab.			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NARA2017-T01 TR2/2: Road over Rail Bridge, Swakopmund			N/A	0	1,500,000	0	700,000	0	0	0	0	0	0	0	0	0	700,000	0
NARA2015-T02 Bridge no. 250 on DR210: Homs River Bridge, Warmbad			N/A	0	7,000,000	0	1,500,000	0	23,000,000	0	1,500,000	0	0	0	0	0	26,000,000	0
NARA2018-T01 TR10/2: Eenhana - Onhuno road rehabilitation (47 km)			N/A	0	0	77,000,000	39,000,000	0	38,000,000	0	0	0	0	0	0	0	77,000,000	0
NARA2018-T02 TR2/3: Omaruru - Karibib - Usakos - Arandis - Swakopmund (222 km)			N/A	0	0	0	3,000,000	0	24,500,000	0	0	0	0	0	0	0	27,500,000	0
NARA2019-T02 TR2/3: Omaruru - Karibib (61 km)			N/A	0	0	0	44,000,000	0	0	0	0	0	0	0	0	44,000,000	0	
NARA2019-T01 TR1/3: Keetmanshoop - Mariental (Sect. A: Tses - Gochas) (87.8km)			N/A	0	171,300,000	100,000,000	240,877,500	38,000,000	141,300,000	38,000,000	99,577,500	0	0	0	0	481,755,000	76,000,000	
NARA2020-T02 TR8/2: Grootfontein urban carriageway (3km)			N/A	1	1,500,000	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>01.05 Roadworks - Development</b>			N/A	0	2,000,000	0	1,500,000	1,500,000	49,500,000	93,500,000	29,000,000	0	0	0	0	80,000,000	95,000,000	
NARA2003-T05 MR120: Onunho - Endola - Okatana road upgrading (36km)			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2010-T14 DR 3615: Onamatuku - Oshikuku road upgrading (16km)			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
NARA2020-T01 DR 3403: Divundu - Muhembo road upgrading (32.3km)			N/A	0	2,000,000	0	1,500,000	1,500,000	49,500,000	93,500,000	29,000,000	0	0	0	0	80,000,000	95,000,000	
<b>01.07 Road Management System</b>			N/A	0	21,859,000	0	27,635,000	0	31,682,000	0	28,450,000	0	32,795,000	0	32,574,000	0	153,136,000	0
NARA2001-M06 Road Management System			N/A	0	21,859,000	0	27,635,000	0	31,682,000	0	28,450,000	0	32,795,000	0	32,574,000	0	153,136,000	0
NARA2015-T01 RMS Development Project			N/A	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
<b>01.08 Overload Control</b>			N/A	0	21,038,000	0	29,442,000	0	28,936,000	0	15,631,000	0	17,274,000	0	18,912,000	0	110,195,000	0
NARA2015-T11 Weighbridge: Keetmanshoop			N/A	0	9,000,000	0	18,500,000											





PROJECTS AND PROGRAMMES TO BE FUNDED INSIDE THE ROAD USER CHARGING SYSTEM			PREVIOUS YEAR ACTUAL		CURRENT YEAR APPROVED		MANNER OF FUNDING DETERMINATION FOR BUSINESS PLAN PERIOD - INCLUDING COST ESCALATION ESTIMATE (RFA Act s. 20(4)(b))											
Budget Category / Subcategory / Item	Exp. Class	Funding Responsib.	FY2020		FY2021		FY2022		FY2023		FY2024		FY2025		FY2026		Total for 5 Years	
			RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors	RUCS	GRN/Donors
<b>12 Compensation for RA Damage Liability RFA Act s. 17(1)(l)</b>			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>12.01 Compensation for RA Damage Liability</b>			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NRFA2001-M10	Adm	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>13 Insurance against Damage Liability RFA Act s. 17(1)(m)</b>			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>13.01 Insurance against Damage Liability</b>			0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NRFA2001-M08	Adm	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>14 Other Expenditure Approved by Minister RFA Act s. 17(1)(n)</b>			0	0	40,000,000	10,000,000	50,000,000	0	0	0	0	0	0	0	0	0	0	50,000,000
<b>14.01 Expenditure Approved by Minister</b>			0	0	40,000,000	10,000,000	50,000,000	0	0	0	0	0	0	0	0	0	0	50,000,000
NRFA2001-M09	Prog	RFA	0	0	40,000,000	10,000,000	50,000,000	0	0	0	0	0	0	0	0	0	0	50,000,000
<b>Total Specified Expenditure</b>			<b>2,102,192,492</b>	<b>1</b>	<b>2,346,908,219</b>	<b>192,000,000</b>	<b>2,538,545,857</b>	<b>39,500,000</b>	<b>2,363,359,916</b>	<b>131,500,000</b>	<b>2,215,359,153</b>	<b>0</b>	<b>2,277,123,588</b>	<b>0</b>	<b>2,338,156,186</b>	<b>0</b>	<b>11,732,544,700</b>	<b>171,000,000</b>

**NOTES:**

(1) The adjustment is required due to: (i) previous projects/programmes not continued in this BP; (ii) expenditure data for individual projects/programmes not available from RA and RFA accounting systems, and therefore accounted for as a lump sum.



SUMMARY ESTIMATE OF REVENUE INSIDE THE ROAD USER CHARGING SYSTEM			PREVIOUS YEAR ACTUAL		CURRENT YEAR ESTIMATE		ESTIMATE FOR BUSINESS PLAN PERIOD											
Budget Category / Subcategory / Item	RFA Act Sec.	Funding	FY2020		FY2021		FY2022		FY2023		FY2024		FY2025		FY2026		Total for 5 Years	
			RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor
<b>Revenue from Road User Charges</b>			2,291,709,973		2,206,430,395		2,238,586,550		2,275,818,825		2,351,611,340		2,415,730,070		2,468,668,540		11,750,415,325	
Revenue from Fuel Levies Collected (nett after refunds)	18(1)(d)	RFA	1,248,310,326		1,189,943,395		1,210,103,550		1,230,857,825		1,256,639,340		1,296,567,070		1,323,632,540		6,317,800,325	
Revenue from Vehicle License Fees	18(1)(c)	RFA	685,025,924		640,913,030		646,040,000		653,090,000		662,704,000		675,522,000		689,622,000		3,326,978,000	
Revenue from Non-RUC Fees	18(1)(c)	RFA	44,466,131		79,213,970		79,848,000		80,719,000		81,907,000		83,492,000		85,234,000		411,200,000	
Revenue from Entry Fees	18(1)(b)	RFA	160,269,891		129,053,000		125,259,000		127,027,000		128,926,000		130,797,000		132,668,000		644,677,000	
Revenue from Mass-Distance Charges	18(1)(a)	RFA	142,913,152		154,682,000		164,711,000		171,500,000		180,810,000		190,217,000		199,727,000		986,635,000	
Revenue from Abnormal Load Charges	18(1)(a)	RFA	9,397,926		11,344,000		11,344,000		11,344,000		11,344,000		11,344,000		11,344,000		56,720,000	
Revenue from Road Carriers Permits	0	RFA	1,326,623		1,281,000		1,281,000		1,281,000		1,281,000		1,281,000		1,281,000		6,405,000	
<b>Additional Revenue Inside the Road User Charging System</b>			73,061,792	0	268,477,500	192,000,000	418,477,500	39,500,000	256,800,000	131,500,000	28,000,000	0	29,000,000	0	30,000,000	0	762,277,500	171,000,000
Sale of Assets of the RFA	16(1)(c)	RFA	0		0		0		0		0		0		0		0	
Sale of Assets of the RA	16(1)(d)	RFA	0		0		0		0		0		0		0		0	
Returns on Investments / (Overdraft costs)	16(1)(e)	RFA, GRN	41,662,137	0	27,600,000	0	27,600,000	0	26,800,000	0	28,000,000	0	29,000,000	0	30,000,000	0	141,400,000	0
Monies appropriated by Parliament	16(1)(b)	GRN, KFW	0	0	0	192,000,000	0	39,500,000	0	131,500,000	0	0	0	0	0	0	0	171,000,000
Loans obtained by the RFA	16(1)(b)	RFA	0		240,877,500		390,877,500		200,000,000		0		0		0		590,877,500	
Compensation for damaging of roads	16(1)(h)	RFA	0		0		0		0		0		0		0		0	
Fines for contravention of overloading	16(1)(f)	RFA	0		0		0		0		0		0		0		0	
From any other source (KFW interest)	16(1)(j)	RFA	31,399,655	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Drawings on Road Fund Reserve Investments	17(1)(k)	RFA	0		0		0		30,000,000		0		0		0		30,000,000	
<b>GRAND TOTAL REVENUE INSIDE THE ROAD USER CHARGING SYSTEM</b>			2,364,771,765	0	2,474,907,895	192,000,000	2,657,064,050	39,500,000	2,532,618,825	131,500,000	2,379,611,340	0	2,444,730,070	0	2,498,668,540	0	12,512,692,825	171,000,000
<b>SUMMARY ESTIMATE OF EXPENSE INSIDE THE ROAD USER CHARGING SYSTEM</b>			<b>PREVIOUS YEAR ACTUAL</b>		<b>CURRENT YEAR ESTIMATE</b>		<b>ESTIMATE FOR BUSINESS PLAN PERIOD</b>											
<b>01 Management of the National Road Network</b>	17(1)(a)		0		1,693,988,224	177,000,000	1,940,707,057	39,500,000	1,821,724,185	131,500,000	1,666,723,116	0	1,737,245,239	0	1,800,352,689	0	8,966,752,286	171,000,000
01.01 RA Administration		RFA	N/A	0	385,778,224	0	425,653,517	0	441,292,445	0	457,518,536	0	474,350,859	0	490,687,049	0	2,289,502,406	0
01.02 Network Planning and Consultation		RFA + GRN	N/A	0	32,300,000	0	31,960,000	0	30,872,000	0	28,139,000	0	26,774,000	0	5,774,000	0	123,519,000	0
01.03 Roadworks - Maintenance		RFA + GRN	N/A	0	1,049,713,000	0	1,095,439,040	0	1,012,641,740	0	1,006,907,080	0	1,186,051,380	0	1,252,405,640	0	5,553,444,880	0
01.04 Roadworks - Rehabilitation		RFA	N/A	0	181,300,000	177,000,000	329,077,500	38,000,000	226,800,000	38,000,000	101,077,500	0	0	0	0	0	656,955,000	76,000,000
01.05 Roadworks - Development		RFA	N/A	0	2,000,000	0	1,500,000	1,500,000	49,500,000	93,500,000	29,000,000	0	0	0	0	0	80,000,000	95,000,000
01.07 Road Management System		RFA	N/A	0	21,859,000	0	27,635,000	0	31,682,000	0	28,450,000	0	32,795,000	0	32,574,000	0	153,136,000	0
01.08 Overload Control		RFA	N/A	0	21,038,000	0	29,442,000	0	28,936,000	0	15,631,000	0	17,274,000	0	18,912,000	0	110,195,000	0
<b>02 Administrative Expenditure of the RFA &amp; RUC</b>	17(1)(b)		209,657,221	0	216,615,714	0	220,151,274	0	182,987,739	0	184,623,634	0	169,276,682	0	201,060,800	0	958,100,129	0
02.01 RFA Administration Account		RFA	116,495,813	0	128,901,714	0	133,413,274	0	138,082,739	0	142,915,634	0	147,917,682	0	153,094,800	0	715,424,129	0
02.02 Road Fund Account		RFA	93,161,408	0	87,714,000	0	86,738,000	0	44,905,000	0	41,708,000	0	21,359,000	0	47,966,000	0	242,676,000	0
<b>03 Urban Roads Contributions</b>	17(1)(c)		0	0	122,418,326	0	111,747,500	0	110,387,700	0	110,387,700	0	110,387,700	0	110,387,700	0	553,298,300	0
03.02 Local Authority Roads		RFA	N/A	0	113,916,972	0	104,096,300	0	102,736,500	0	102,736,500	0	102,736,500	0	102,736,500	0	515,042,300	0
03.03 Regional Council Roads		RFA	N/A	0	8,501,353	0	7,651,200	0	7,651,200	0	7,651,200	0	7,651,200	0	7,651,200	0	38,256,000	0
<b>04 Operation of Traffic Information System</b>	17(1)(d)	RFA	N/A	0	165,475,388	0	171,179,027	0	177,100,293	0	183,222,703	0	189,552,967	0	195,096,996	0	916,151,985	0
<b>05 Traffic Law Enforcement and Adjudication</b>	17(1)(e)	RFA	13,400,847	0	35,410,567	0	30,861,000	0	29,132,000	0	29,132,000	0	29,132,000	0	29,132,000	0	147,389,000	0
<b>06 Vehicle Testing Stations and Driving Testing</b>	17(1)(f)	RFA + GRN	N/A	0	72,000,000	5,000,000	10,800,000	0	41,028,000	0	40,270,000	0	40,529,000	0	0	0	132,627,000	0
<b>07 Road Research</b>	17(1)(g)	RFA	0	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	1,000,000	0	5,000,000	0
<b>08 National Road Safety Council</b>	17(1)(h)	RFA	0	0	0	0	2,100,000	0	0	0	0	0	0	0	0	0	2,100,000	0
<b>09 Financing of Loans assigned by GRN</b>	17(1)(i)		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
09.01 Capital redemption		RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
09.02 Interest & Other Charges		RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>10 Financing of Loans obtained by RFA</b>	17(1)(j)		110,452,253	0	106,078,000	0	102,400,000	0	152,357,000	0	146,501,000	0	138,981,000	0	131,566,000	0	671,805,000	0
10.01 Capital redemption		RFA	47,092,096	0	47,092,000	0	47,092,000	0	97,804,000	0	97,804,000	0	97,804,000	0	97,804,000	0	438,308,000	0
10.02 Interest & Other Charges		RFA	63,360,157	0	58,986,000	0	55,308,000	0	54,553,000	0	48,697,000	0	41,177,000	0	33,762,000	0	233,497,000	0
<b>11 Financing of Reserve Fund</b>	17(1)(j) & 17(1)(k)	RFA	0	0	15,000,000	0	15,000,000	0	15,810,000	0	16,663,740	0	27,563,582	0	29,052,015	0	104,089,337	0
<b>12 Compensation for RA Damage Liability</b>	17(1)(l)	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>13 Insurance against Damage Liability</b>	17(1)(m)	RFA	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>14 Other Expenditure Approved by Minister</b>	17(1)(n)	RFA	0	0	40,000,000	10,000,000	50,000,000	0	0	0	0	0	0	0	0	0	50,000,000	0
<b>GRAND TOTAL OF EXPENDITURE INSIDE THE ROAD USER CHARGING SYSTEM (incl. adjustments where appl.)</b>			2,212,644,745	1	2,467,986,219	192,000,000	2,655,945,857	39,500,000	2,531,526,916	131,500,000	2,378,523,893	0	2,443,668,170	0	2,497,648,201	0	12,507,313,038	171,000,000
<b>SURPLUS / (DEFICIT)</b>			152,127,020	-1	6,921,677	0	1,118,193	0	1,091,909	0	1,087,447	0	1,061,900	0	1,020,339	0	5,379,787	0
<b>ROAD FUND BALANCE FROM TRANSACTIONS INSIDE THE RUCS</b>			<b>PREVIOUS YEAR ACTUAL</b>		<b>CURRENT YEAR ESTIMATE</b>		<b>ESTIMATE FOR BUSINESS PLAN PERIOD</b>											
<b>Assets and Liabilities</b>	<b>RFA Act Sec.</b>	<b>Funding</b>	FY2020		FY2021		FY2022		FY2023		FY2024		FY2025		FY2026		Total for 5 Years	
			RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor
<b>ASSETS</b>			N/A	-1	477,354,677	0	493,472,869	0	510,374,778	0	528,125,966	0	556,751,447	0	586,823,801	0	586,823,801	0
Road Fund Reserves	15(2) & 16(1)		N/A	-1	477,354,677	0	493,472,869	0	510,374,778	0	528,125,966	0	556,751,447	0	586,823,801	0	586,823,801	0
General Fund Cash and Short-Term Investments		RFA																
Opening balance			258,306,114	0	410,433,000	0	417,354,677	0	418,472,869	0	419,564,778	0	420,652,226	0	421,714,125	0	417,354,677	0
Increase:			2,364,771,765	0	2,474,907,895	192,000,000	2,657,064,050	39,500,000	2,532,618,825	131,500,000	2,379,611,340	0	2,444,730,070	0	2,498,668,540	0	12,512,692,825	171,000,000
Grand																		

ROAD FUND BALANCE FROM TRANSACTIONS INSIDE THE RUCS			PREVIOUS YEAR ACTUAL		CURRENT YEAR ESTIMATE		ESTIMATE FOR BUSINESS PLAN PERIOD											
Assets and Liabilities	RFA Act Sec.	Funding	FY2020		FY2021		FY2022		FY2023		FY2024		FY2025		FY2026		Total for 5 Years	
			RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor	RUCS	GRN/Donor
Opening balance			0		0		0		-0		-0		-0		-0		0	
Increase:			0		0		0		0		0		0		0		0	
Loan Disbursements			0		0		0		0		0		0		0		0	
Decrease:			0		0		0		0		0		0		0		0	
Loan Capital Redemption			0		0		0		0		0		0		0		-0	
Closing Balance			0		0		-0		-0		-0		-0		-0		-0	
<b>KFW 2015 Loan</b>		KFW																
Opening balance			447,360,000		400,267,904		353,175,904		306,083,904		258,991,904		211,899,904		164,807,904		353,175,904	
Increase:			0		0		0		0		0		0		0		0	
Loan Disbursements			0		0		0		0		0		0		0		0	
Decrease:			47,092,096		47,092,000		47,092,000		47,092,000		47,092,000		47,092,000		47,092,000		47,092,000	
Loan Capital Redemption			47,092,096		47,092,000		47,092,000		47,092,000		47,092,000		47,092,000		47,092,000		47,092,000	
Closing Balance			400,267,904		353,175,904		306,083,904		258,991,904		211,899,904		164,807,904		117,715,904		117,715,904	
<b>KFW 2017 Loan</b>		KFW																
Opening balance			0		240,877,500		481,755,000		481,755,000		431,043,000		380,331,000		329,619,000		1,445,265,000	
Increase:			240,877,500		240,877,500		0		0		0		0		0		0	
Loan Disbursements			240,877,500		240,877,500		0		0		0		0		0		0	
Decrease:			0		0		0		50,712,000		50,712,000		50,712,000		50,712,000		50,712,000	
Loan Capital Redemption			0		0		0		50,712,000		50,712,000		50,712,000		50,712,000		50,712,000	
Closing Balance			240,877,500		481,755,000		481,755,000		431,043,000		380,331,000		329,619,000		278,907,000		278,907,000	
<b>NET BALANCE OF ROAD FUND ASSETS AND LIABILITIES</b>		N/A		-1	-357,576,227	0	-294,366,035		-179,660,126		-64,104,938		62,324,544		190,200,898		190,200,898	0



## PREAMBLE

This Business Plan of the Road Fund Administration, for the period from 1 April 2021 to 31 March 2026, is being prepared in terms of Section 21 of the Road Fund Administration Act, 1999 (Act No. 18 of 1999), with an extended in scope to additionally include the information required in terms of clause 6 of the Governance Agreement between the Minister of Finance and the Board of Directors of the Road Fund Administration.

The Business Plan was adopted by the Board of Directors of the Road Fund Administration on 15 December 2020, in compliance with Section 21 of the Road Fund Administration Act.

The final Business Plan has subsequently been prepared in compliance with Section 14 of the Public Enterprise Governance Act (Act No. 1 of 2019). Copies of the final version have been submitted to the Minister of Finance and the Minister of Public Enterprises for comment in compliance with the Public Enterprises Governance Act.

Before finalisation and adoption of this Business Plan, consultations as provided for in Section 21 (5) of the Road Fund Administration Act were held with interested and affected parties (stakeholders) at a public stakeholders' meeting on 10 November 2020. Substantial responses received at this meeting have been accommodated in this Business Plan.

The Business Plan is presented as a budget of revenue, including loans, and expenditure for road sector projects and programmes of which the funding is authorised by the provisions of Section 17 of the Road Fund Administration Act. On an annual basis surpluses have been budgeted for to strengthen the financial position of the fund, whilst additional contributions to the Sinking Fund have are budgeted to make provisions for the redemption of existing loans in compliance with loan agreements.



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DR EMMA HAIYAMBO

CHAIRPERSON

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15/12/20

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DATE

SUMMARY  
ROAD FUND OTHER EXPENSES

	FY 2021/22
<b>1. Budgeted Amount (rounded NS '000)</b>	<b>26,458,000</b>
<b>2. Actual Expenditure to Date</b>	
<b>3. Department Budgets</b>	<b>26,457,500</b>
<b>3.1 Strategic Services</b>	6,550,000
<b>3.2 ICT</b>	5,777,500
<b>3.3 FUND</b>	8,850,000
<b>3.4 Legal and Compliance</b>	2,900,000
<b>3.5 PMPA</b>	2,380,000
<b>3.6 Audit and Risk</b>	0
<b>3.1 Strategic Services</b>	<b>6,550,000</b>
Public Notices / Tender Adverts	
Quarterly Advertorials - Selected Publications	
RFA Adverts - Marketing Campaign	
Festive Season Campaign	
RFA Customer Service Charter	
Branding of CBC Offices	
Communication and Marketing Strategy	
Property Valuation	
Annual RUC Increase Campaign	
MDC Automation	
Annual Stakeholder - RFA B/Plan	
Amendments RFA Act	
RFA Annual Report 2019/2020	550,000
Ongwediva Annual Trade Fair	
Windhoek Agricultural Show 2018	
Erongo - SWAITEX 2018	1,000,000
Zambezi Bream and Cultural Expo	
Okakarara Trade Fair	
Keetmanshoop Agricultural Show	
Annual Key Stakeholder Dinner	
Rebranding and <b>signage</b> - CBC/MDC	300,000
Branding at RFA Villages	
Rebranding Consultancy and Creative Design,	1,000,000

Additional RFA House Signage	
Media Engagement	
Top Score 7-a-side Tournament	
Public Enterprises Sports Day	
Pick and Pay Cycle Classic	
Corporate Uniforms	1,000,000
Subscription	1,000,000
Corporate items	1,700,000
<b>3.2 ICT</b>	<b>5,777,500</b>
New ERP Licence and Support Services	
Ebizframe Annual Maintenance	3,277,500
New ERP Disaster Recovery System (Solution)	1,100,000
Records Management (EDRMS)	1,000,000
Cloud Security - MS 365	
Computer Hardware	400,000
Requirements Gathering	0
Software	0
Hardware and storage	0
<b>3.3 FUND</b>	<b>8,850,000</b>
Interim Fuel Levy Refund Rate Review	150,000
Basic Police/Law Enforcement Course for Inspectors	150,000
Mobile Weighting Device Trailer	250,000
Bank Charges, Annual Audit, Depreciation	8,300,000
<b>3.4 Legal and Compliance</b>	<b>2,900,000</b>
Legal Fees	2,200,000
Professional Fees	500,000
Advertising	50,000
Seminars and Conferences	150,000
<b>3.5 PMPA</b>	<b>2,380,000</b>
Consultancy services Toll fees/TLE	100,000
Technical Audit	430,000
Road Safety Research	1,000,000
Road Costing Study	-
Renewable Energy (Energy reduction & efficiency)	700,000
GIS Proposal on Approved Authorities	150,000
<b>3.6 Audit and Risk</b>	<b>0</b>
Licence Renewal	0