



INTEGRATED STRATEGIC BUSINESS PLAN

2023/24 – 2027/28





Procuring with Integrity

INTEGRATED STRATEGIC BUSINESS PLAN

2023/24 – 2027/28

CONTENT

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PREAMBLE

The world is presently experiencing uncertainty, disruption and volatility attributed to the impact of the COVID-19 pandemic, the War in the Ukraine, increasing global geo-political tensions, and the adverse impact of climate change. We must therefore be aware of the consequences on our economy and our collective effort needed to optimise national systems and processes to stimulate economic recovery and socio-economic development.

Namibia is a small open economy with the external trade to GDP openness index of about 100 percent. This makes the economy highly vulnerable to shocks such as the events mentioned above, mainly through the trade channel and pass-through effects on public revenue. According to the Namibia Statistics Agency (NSA), the Namibian economy expanded by 4.6% in 2022, compared to 3.5% recorded in 2021. According to the Bank of Namibia, the improved growth for 2022 is largely based on higher production volumes from the diamond mining sector. Going forward growth is expected to moderate further to 2.9 percent in 2024.

The Bank of Namibia maintains that risks to the domestic economic outlook in the medium term continue to be dominated by the ongoing Russia-Ukraine conflict, global supply chain disruptions and high prices of oil and food. This may cause inflation to persist for longer and prompt further interest rates tightening beyond what is currently expected. Other risks include rising probability of a global economic recession, climatic swings, the possibility of new COVID-19 variants, animal disease outbreaks within the region, other infectious diseases as well as continued geo-political tensions.

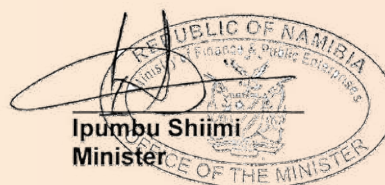
According to the NSA, Namibia's average inflation rate for the year 2022 rose by 6.1% compared to 3.6% registered in the year 2021. The continued rise in inflation was predominantly driven by higher transport inflation, on the account of international oil prices that remained elevated. Overall inflation declined slightly to 7.1 percent during September 2022 from 7.3 percent in August 2022. Namibia's average overall inflation for 2023 is projected to leverage around 5.3 percent, up from 4.9 percent initially projected by the Bank of Namibia's Monetary Policy Committee.



It is against this financial distressing context that Namibia needs to improve the public procurement system and to align the procurement function with the national development agenda. The Public Procurement Act was enacted in April 2017 and emphasizes, inter alia, transparency, accountability and value for money. This Act constituted the CPBN, creating opportunities for Namibia's industrial and trade policy development to drive intervention on domestic productive capacity and industrialisation.

The purpose of this strategic plan is indeed to identify procurement risks and inefficiencies with the primary purpose to achieve exponential improvements in the process and mechanisms of procurement with the ultimate goal of ensuring that valuable national resources are best invested and accounted for.

Let us recognise the collective effort required to mitigate the current financial and socio-economic risks that we face on a national and global scale. I want to encourage all stakeholders of the CPBN to be conscientious and discerning during the process of implementing the strategic plan and to work together to ensure that it optimally executes its mandate in the interest of the Namibian nation.



Ipumbu Shiimi
 Minister

ACKNOWLEDGEMENTS

It is my distinct honour to present the pioneering five-year CPBN's Strategic Plan 2023/24-2027/28 which is aligned to the high-level statements and strategic imperatives of the Republic of Namibia. This strategic plan aspires to ensure that the public procurement and disposal system in Namibia achieves the best value for money, in a transparent and ethical manner, ensuring equitable and sustainable economic growth.

However, we acknowledge that the vision, to be a vibrant dynamic procuring agent that enables sustainable growth, requires collaboration and the support of all our strategic stakeholders. Our success hinges on our ability to humbly serve our stakeholders effectively and efficiently and to allow for objective feedback on our journey of continual improvement. We are in our infancy as an organisation and expect to learn a great deal over the next five years.

I, therefore, wish to convey the Board's appreciation to our stakeholders for their precious collaboration and support. A special word of appreciation is extended to our Board members and the staff of the CPBN for their dedication in crafting this strategic plan and in pledging their commitment to the execution thereof. We are unwavering in our resolve to persevere and in establishing a reputable organisation in the interest of our beloved country.



A handwritten signature in black ink, appearing to read 'Amon Ngavetene', written over a horizontal line.

Mr. Amon Ngavetene
Chairperson

ABBREVIATIONS

CPBN:	Central Procurement Board of Namibia
FENATA:	Federation of Namibia Tourism Association
GDP:	Gross Domestic Product
ICT:	Information Communication Technology
IFPRI:	International Food Policy Research Institute
IPP:	Individual Procurement Plan
KPI	Key Performance Indicator
MTEF:	Medium-term Expenditure Framework
NDP5:	Fifth National Development Plan
NSA:	Namibia Statistics Agency
NTB:	Namibian Tourism Board
O/M/A's:	Offices, Ministries and Agencies
PESTLE:	Political, Economic, Social, Technological, Legal and Environmental Analysis
PPA:	Public Procurement Act, 2015 (Act No. 15 of 2015), as amended
PPPA:	Public-Private Partnership Act (Act No. 4 of 2017)
PPU:	Procurement Policy Unit
SACU:	Southern African Customs Union
SADC:	Southern African Development Community
SME:	Small Medium Enterprise
SWOT:	Strengths, Weakness, Opportunities and Threats Analysis
WTO:	World Trade Organisation

EXECUTIVE SUMMARY

The CPBN engaged a participatory strategic planning process to define its five (5) year Strategic Plan 2023/24 – 2027/28 aligned to its mission and the Republic of Namibia's strategic imperatives as defined in all relevant and appropriate national planning documents. Cognizance was also taken of the United Nations' Seventeen Sustainable Development Goals and African Union Agenda 2063 which focuses, inter alia, on good governance, socio-economic progression and institutional integrity.

The CPBN defined its vision as: **"To be a vibrant dynamic procuring agent that enables sustainable growth"**. How this should be achieved will be through the organisation's mission: **"To ethically and efficiently manage procurement on behalf of public entities"**.

However, the CPBN also acknowledged that it would need to achieve its mission by working within an acceptable behaviour framework which is expressed through the six foundational values:

- i) Teamwork,**
- ii) Integrity**
- iii) Accountability**
- iv) Transparency**
- v) Responsiveness**
- vi) Value for Money.**

The CPBN shall focus on six (6) strategic objectives defined within four (4) Perspectives:

- i) Stakeholder Satisfaction**
- ii) Financial Stewardship**
- iii) Procurement Excellence**
- iv) Organisational Capacity over the next five years.**

The performance of the organisation will be measured through nine (9) strategic performance indicators and twelve (12) strategic projects, which should be sufficiently resourced, executed and monitored. The projected monetary resource requirements to implement the various strategic initiatives over the full strategic period of five years, as reflected in the Strategic Scorecard, are estimated at N\$ 405,064,272 of which N\$338,474,272 are required from the Operational Budget and N\$66,590,000 from the Developmental Budget.

1

HIGH-LEVEL STATEMENTS

1.1 Mandate

The CPBN has been established by Section 8 of the Public Procurement Act, 2015 (Act No. 15 of 2015), as amended with the primary objectives to:

- Conduct the bidding process on behalf of public entities for the award of contracts for procurement or disposal of assets that exceed the threshold prescribed for public entities;
- Enter into contracts for procurement or disposal of assets on its own behalf or on behalf of public entities awarded by the Board as contemplated in the above paragraph; and
- Direct and supervise accounting officers in managing the implementation of procurement contracts awarded by the Board.

The CPBN started its operations on 1 April 2017.



1.2 VISION

The vision of CPBN was defined as:

To be a vibrant dynamic procuring agent that enables sustainable growth.



1.3 MISSION

How this should be achieved will be through the CPBN's mission:

To ethically and efficiently manage procurement on behalf of public entities.



1.4 THE CORE VALUES

The CPBN acknowledged that it would need to achieve its mission by working within an acceptable behaviour framework which is expressed through the six foundational values:

Core Values	Descriptions
Teamwork	We value the unique contribution of each team member and shall support one another.
Value for Money	We consider cost, quality and sustainability in all our actions and decisions.
Integrity	We conduct ourselves in a trustworthy manner and shall account for our decisions and behaviour in line with good governance principles.
Transparency	We ensure that the procurement and asset disposal processes are open and clear.
Accountability	We shall be answerable for all our actions and decisions.
Responsiveness	We value all stakeholders and shall ensure efficient service delivery in relation to set standards.

The background of the page is a warm orange color. It features a large, semi-transparent target graphic with concentric circles. In the center of the target is a white circle containing the number '2'. A hand is shown holding a pen, positioned as if about to write on a document. The document has some faint lines and text, and a red line graph is visible on the right side. The overall theme is strategic analysis and planning.

2

SITUATIONAL ANALYSIS

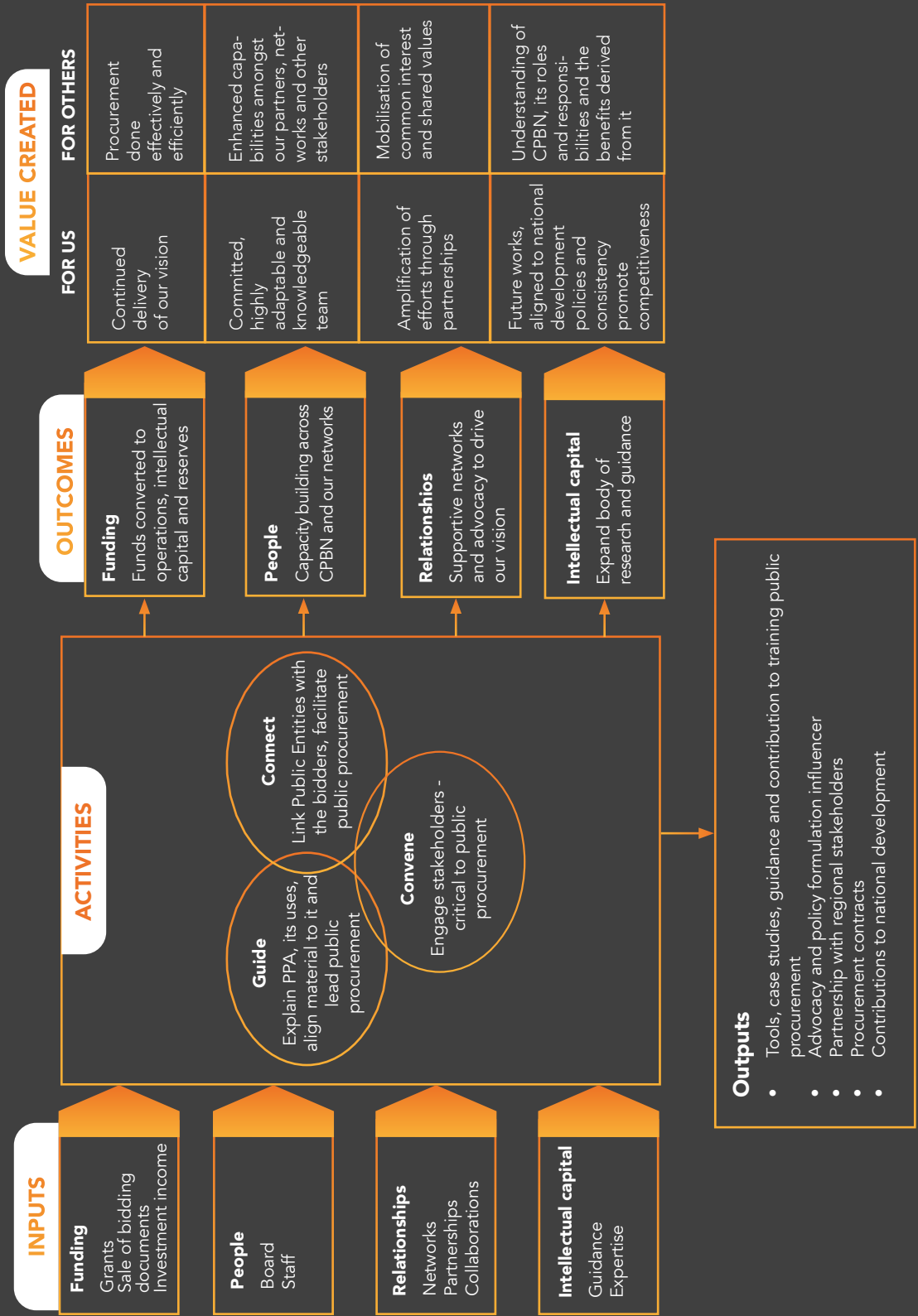
2.1 Performance Overview

CPBN was established as a result of a procurement transformation process which government embarked upon. According to the Minister of Finance at the time, the procurement transformation intended that “the new regime under the Public Procurement Act will greatly usher in expertise, ethical and effective leadership, public accountability and legitimacy as well as a system of internal control and evaluation mechanisms which are above reproach, transparent and achieve greater value for money so that the intended developmental goals are optimized.”

The CPBN value proposition is illustrated hereunder:

CENTRAL PROCUREMENT BOARD OF NAMIBIA (CPBN):

BUSINESS MODEL



The CPBN faced numerous challenges since its inception given that there was significant public pressure to effectively and efficiently execute its mandate on the one hand, while it also needed to establish and capacitate the organisation on the other. This resulted in a progressive ramping up on the service delivery curve seeing that the CPBN's mandate included to establish a sustainable organisation and to deal with matters related to the repealed Tender Board of Namibia.

The CPBN achieved the following milestones amidst a recession, the COVID-19 pandemic, geo-political tensions, years of drought and slow economic growth.

Year	IPP's Approved	Contract Extensions / Increases / Variations	Direct Procurement Awards	Procurement Awards
2017/18	N\$ 2.4 Billion	N\$ 1.6 Billion	N\$ 0.46 Billion	N\$ 0.11 Billion
2018/19	N\$ 8.7 Billion	N\$ 1.6. Billion	N\$ 1.0 Billion	N\$ 0.32 Billion
2019/20	N\$5.5 Billion	N\$ 1.8 Billion	N\$ 0.98 Billion	N\$ 1.0 Billion
2020/21	N\$ 0.8 Billion	N\$ 0.96 Billion	N\$ 1.0 Billion	N\$1.95 Billion

2.2 National Alignment

The CPBN aligned its strategic imperatives to the principles and aspirational objectives of national strategies including Vision 2030, Harambee Prosperity Plan II and the Fifth National Development Plan (NDP5).

The national, regional and global development themes are similar with an emphasis on, poverty, quality education, energy, water and sanitation, zero hunger, climate change and oceans.

CPBN is a critical contributor to Vision 2030: "As it promotes an open, dynamic, competitive and diversified economy that provides sustained economic growth, the basis for availing resources for the fulfilment of major national objectives like poverty reduction, human resource development (skills development), employment creation, and the provision of adequate social services and infrastructural facilities."

The NDP5 framework is organised around four (4) pillars and consequently, the CPBN should align its strategic thinking to support this. The four pillars are Economic Transformation, Social Transformation, Environmental Sustainability and Good Governance.

These pillars are reflected in specific Goals namely:

• Goal 1	Achieve inclusive, sustainable and equitable economic growth.
• Goal 2	Build capable and healthy human resources.
• Goal 3	Ensure Sustainable use of natural resources.
• Goal 4	Promote good governance through effective institutions.

2.3 Regional - and International Alignment

The national strategic documents are in turn contributing to the African Union Agenda 2063 and the United Nations Sustainable Development Goals, inter alia.

Furthermore, it is critical that the following legislation(s), policies and instruments are taken into consideration in the implementation of the CPBN Strategic Plan:

- **Southern African Customs Union (SACU)**

The SACU principles of fair competition in the union are compatible with the ideas and principles of the CPBN. In addition, CPBN will promote economic diversification, technology transfer and adaptation as well as industrialisation. This will ultimately lead to investments in Namibia.

- **Southern African Development Community (SADC) Trade Protocol**

The SADC Trade Protocol was passed by SADC in 1996. The protocol aims to liberalise inter-regional trade by creating mutually beneficial trade agreements thereby improvising investments and productivity in the region. CPBN will operate within the ambit of this protocol to ensure especially that rules of origin are enforced in public procurement.

- **Bilateral and Multilateral Instruments**

In addition to the consideration that will be undertaken in terms of major international instruments, Namibia from time to time engage the international community by way of bilateral and multilateral agreements. These agreements will be honoured.

- **World Trade Organisation (WTO)**

Namibia is a product of the international community and solidarity in political, social and economic spheres. On its part, WTO is not oblivious to the needs of developing countries for which Namibia is one. In the procurement process, CPBN will ensure that the country benefits from international instruments offered by WTO. Trade

agreements under WTO's sphere seek to protect the environment and enhance competition among others.

2.4 Economic Overview

Namibia's economic recovery reached 3.5% in 2022, but it has been uneven, with several sectors lagging. Real GDP growth increased to 5.3% Y-o-Y in Q1 - supported by stronger activity in the mining, manufacturing, and financial service sectors - but has since slowed. Momentum in mining was sustained into the second quarter, with diamond production increasing by 50% in the first half of 2022. The effects of the pandemic on economic activity have waned, with all remaining COVID-19-related restrictions removed in July 2022. GDP growth for 2023 is projected at 3.2%.

Leading up to 2015, Namibia's economy experienced strong growth, averaging nearly 5% annually, fueled by investment and enabled by prudent economic management. Growth stagnated from 2016 onwards, and three of the last five years have been marked by recession, with a sharp contraction in 2020 amid the COVID-19 crisis.

Before the pandemic, the growth slowdown was caused by severe drought, lower commodity prices, reduced public investment, weaker growth in neighboring countries, and persistent structural rigidities. Public investment has historically been an important driver of growth, but elevated debt levels constrain fiscal space, making it important to encourage greater investment and participation from the private sector.

Global and regional developments are important drivers of Namibia's economic performance, as well as fiscal and external positions, as the country is highly reliant on commodity exports and Southern African Customs Union (SACU) transfers. The twin shocks of the pandemic and spillovers from the war in Ukraine have negatively affected socio-economic progress and raised food insecurity risks (World Bank, 6 October 2022).

2.5 Stakeholder Analysis

The strategic stakeholder categories are illustrated hereunder.



Government's offices, ministries and agencies are critical strategic stakeholders which include the Ministry of Finance and Public Enterprise, Office of the President, Ministry of Environment and Tourism, Ministry of Home Affairs and Immigration, Ministry of Industrialisation and Trade, Ministry of Works and Transport, Regional Councils and Local Authorities, Public Enterprises, Office of the Attorney General, Office of the Auditor-General, Anti-Corruption Commission, inter alia. All these stakeholders require prudent financial and resource management, integrity, transparency, accountability, empowerment of Namibians and compliance to relevant and appropriate legislation.

2.7 SWOT Analysis

The SWOT Analysis, based on the Pareto Principle, is reflected hereunder.

STRENGTHS

- S1:** Governance and ethical practices.
- S2:** Competent Board with requisite skills.
- S3:** Enabling legislative framework.
- S4:** Capacitated with competent and experienced staff.
- S5:** Access to best practices through strategic partnerships.

WEAKNESSES

- W1:** Operational inefficiencies.
- W2:** Stakeholder engagement and relations.
- W3:** Information- and knowledge management.
- W4:** Conducive working environment for optimal performance.
- W5:** Information and Communication Technology infrastructure.

OPPORTUNITY

- Q1:** Implementation of E-Procurement System.
- Q2:** Implementation of ISO 9001 quality assurance system.
- Q3:** Legislative review: strengthen enforcement and consequences.
- Q4:** Changing funding model to include a revenue model.
- Q5:** International networking to leverage support.

THREATS

- T1:** Safety and security of employees.
- T2:** Insufficient funding from government.
- T3:** Economic recession and volatility of markets and currencies.
- T4:** Lack of commitment from public entities to support mandate.
- T5:** Limited empowerment opportunities for Namibians.




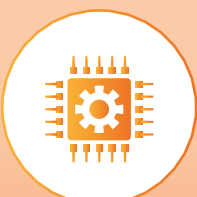


2.8 SWOT Analysis Strategies

Having due regard of the SWOT Analysis, we developed strategies to leverage our strengths to reduce our weaknesses and capitalise on our opportunities to leverage and mitigate our weaknesses and threats as indicated in the Table below.

Internal Strengths:		Internal Weaknesses
S1. Governance and ethical practices		W1. Operational inefficiencies
S2. Competent Board with requisite skills		W2. Stakeholder engagement and relations
S3. Enabling legislative framework		W3. Information- and knowledge management
S4. Capacitated with competent and experienced staff		W4. Conducive working environment for optimal performance
S5. Access to best practices through strategic partnerships		W5. Information and Communication Technology infrastructure
External Opportunities	SO - Strategies	WO- Strategies
O1. Implementation of E-Procurement System	SO1. Partnership with recognized international bodies to share best practices (S1, S5: O5)	WO1. Business Processes Re-engineering (Automation) (W1: O1, O2)
O2. Implementation of ISO 9001 quality assurance system	SO2. Identify the gaps in the existing laws and legislation to advise the Minister on addressing the shortcoming (S2, S3, S3, S4: O3)	WO2. Build positive image and reputation to strengthen stakeholders relations (W2, W3: S4,S5)
O3. Legislative review: strengthen enforcement and consequences	SO3. Mitigate risks and enhanced consistency, efficiency, and improvement (S4: O1& O2)	WO3. Build robust ICT infrastructure to leverage E- Procurement and Quality Assurance system (W5: O1, O2).
O4. Changing funding model to include a revenue model	SO4. Identify/explore funding models to improve revenue and reduce funding dependency on government (S4, S5: O4, T2)	WO4. Creating a working environment for optimal performance (W4, W1: O1 & O2)
O5. International networking to leverage support		
External Threats	ST- Strategies	WT - Strategies
T1. Safety and security of employees	ST1. Replicate best practices to improve employee safety and security (T1: S5)	WT1. Improve Stakeholders engagement to collaborate through strategic partnership to manage volatility through procurement cycle (T3: W2, W3, W5)
T2. Insufficient funding from government	ST2. Identify/explore funding models to improve revenue and reduce funding dependency on government (S4, S5: T2, T3)	
T3. Economic recession and volatility of markets and currencies	ST3. Build positive image and reputation to strengthen stakeholders' relations (S4, S2: T4)	
T4. Lack of commitment from public entities to support mandate	ST4. Lobbying for the enforcement of laws and legislations to increase empowerment of Namibians. (S2, S3:T5)	
T5. Limited empowerment opportunities for Namibians		

The strategies identified in the Table above, have been appropriately captured in the Strategic Initiatives, for instance, WT1 which is to improve stakeholder engagement to collaborate through strategic partnerships to manage volatility through procurement cycle is addressed by strategic initiatives 1.2 and 1.4.

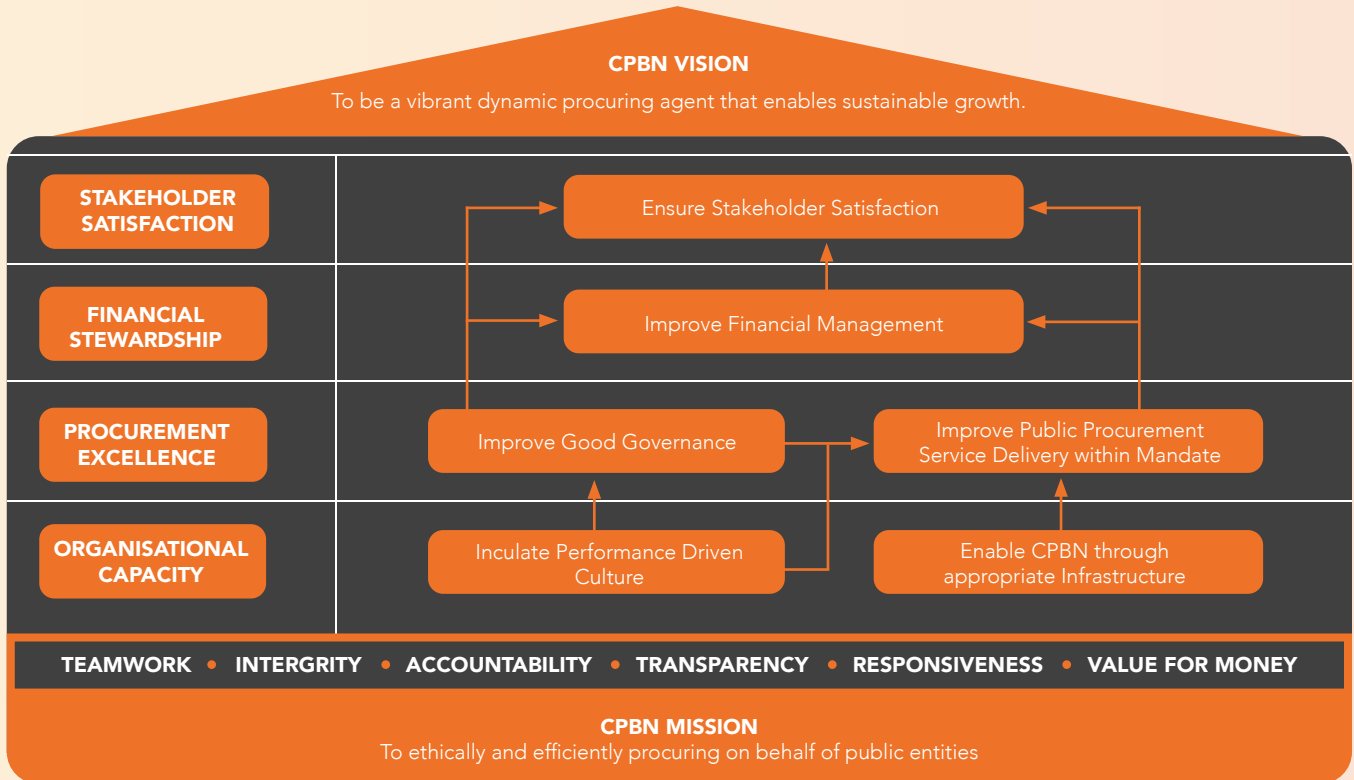
2.9 PESTLE Analysis

POLITICAL		<ul style="list-style-type: none"> • There is political will to support the improvement of the public procurement system. • The national development agenda focuses on supporting national businesses and hence encourages empowerment of Namibians. • The current national leadership philosophy enables transparent procurement processes whereby the importance of governance, integrity and accountability is amplified. 	P
ECONOMICAL		<ul style="list-style-type: none"> • The Namibian- and global economy is presently in distress which translates into a scenario whereby more needs to be done with less available resources. • Increased national debt poses a fiscal risk. • Small Namibian economy results in lack of competition, difficulty to attract suppliers and high price inflation. • Currency fluctuations results into high cost of projects. 	E
SOCIAL		<ul style="list-style-type: none"> • High public expectation on CPBN to perfect the procurement system and the stigma of unethical behaviour to be managed. • The financial literacy and discipline in society poses a risk for empowerment of Namibians. • The present economic distress translates into a scenario whereby critical socio-economic development initiatives must be prioritized, and support mechanisms be implemented to mitigate risks associated with potential deepening of poverty, unemployment, increase in crime and the general poor health of citizens. 	S
TECHNOLOGICAL		<ul style="list-style-type: none"> • Modern technological innovations and the need for enhanced efficiency poses an opportunity to implement an E-Procurement system. • Systems integration and the ability to leverage Big Data should be explored. • Social media platforms and enhanced Web-technology should be leveraged to engage the public and stakeholders in general to disseminate relevant information and to change public perception. • Cloud-based data and information management can be explored. 	T
LEGAL		<ul style="list-style-type: none"> • Namibia has a well established independent judicial system supported by relevant legislation to enable a free, democratic society. • The CPBN needs to influence the review of the PPA to ensure that enforcement- and penalty provisions are included. The review of statutes and regulations should also address conflicting legal instruments and streamline the procurement framework. • Requirements for Environmental Impact Assessment compliance should also be addressed, inter alia. 	L
ENVIRONMENTAL		<ul style="list-style-type: none"> • The vast geographical footprint of Namibia affects procurement and transport costs. • There is an opportunity to implement Green Procurement (paperless system). • Safety, Health and Environment requirements should be integrated in the bidding process. 	E

3

**STRATEGY
MAP**

The CPBN high-level statements, strategic themes and objectives are illustrated in the Strategy Map hereunder together with cause-and-effect linkages. The objectives are aligned to the four perspectives of the Balanced Scorecard: (i) Organisational Capacity, (ii) Business Processes, (iii) Financial Stewardship and (iv) Stakeholders.





4

**STRATEGIC
MEASURES
AND TARGETS**

The CPBN will continuously monitor and report on the following nine (9) KPI's and targets as illustrated hereunder:

- Achieve 90 percent stakeholder satisfaction by 2025/26 and maintain as minimum standard thereafter.
- Consistently achieve an annual 5 percent budget variance through effective and efficient financial management.
- Consistently close out at least 85 percent of critical internal audit findings, annually.
- Empower Namibians through ensuring that 80 percent of annual bids are awarded to Namibians.
- Ensure that 100 percent of bids are finalised within the 120 days Procurement Cycle.
- Ensure that 100 percent of procurement contracts awarded are executed on time and within budget by 2027/28.
- Achieve an Employee Engagement score of 85 percent by 2027/28 which would make CPBN one of the best companies to work for.
- Ensure that 90 percent of staff achieve their performance targets by 2027/28.
- Ensure that 95 percent of the comprehensive ICT Strategy is completed by 2027/28.

PERSPECTIVE	#	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WEIGHT	BASELINE	TARGETS				
						2023/24	2024/25	2025/26	2026/27	2027/28
STAKEHOLDER	S1	Ensure Stakeholder Satisfaction	Stakeholder Satisfaction (%)	10	New	80	85	90	90	90
FINANCIAL STEWARDSHIP	F1	Improve Financial Management	Budget Variance (%)	10	25% Under	5	5	5	5	5
PROCUREMENT EXCELLENCE	P1	Improve Good Governance	Critical Internal Audit Findings Closed Out (%)	10	50	85	85	85	85	85
	P2	Improve Public Procurement Service Delivery within Mandate	Bids awarded for empowerment of Namibians (%)	10	80	80	80	80	80	80
			Procurement Cycle (within 120 days) (%)	20	235 days	100	100	100	100	100
			Procurement contracts awarded executed on time and within budget (%)	10	38	80	80	90	95	100
ORGANISATION-AL CAPACITY	C1	Inculcate performance driven Culture	Employee Engagement (%)	10	New	60	70	75	80	90
			Staff Achieving Performance Targets (%)	10	New	80	82	84	86	90
	C2	Enable CPBN through appropriate Infrastructure	Execution rate of ICT Strategy (%)	10	New	20	40	60	80	95

5

**STRATEGIC
INITIATIVES**

PERSPECTIVE	#	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	STRATEGIC INITIATIVE	
STAKEHOLDER	S1	Ensure Stakeholder Satisfaction	Stakeholder Satisfaction (%)	S1.1	Develop a Stakeholders Engagement Policy
				S1.2	Conduct annual Stakeholders Satisfaction Survey
				S1.3	Develop and Implement Marketing and Communication Strategy.
FINANCIAL STEWARDSHIP	F1	Improve Financial Management	Budget Variance (%)	F1.1	Implement Efficiency Measures
PROCUREMENT EXCELLENCE	P1	Improve Good Governance	Critical Internal Audit Findings Closed Out (%)	P1.1	Secure Unqualified Audit
				P2.1	Contribute and enforce the development of preferential policy framework
	P2	Improve Public Procurement Service Delivery within Mandate	Bids awarded for empowerment of Namibians (%)	P2.2	Develop and Implement Customer Service Charter
				P2.3	Implement Process Improvement Programme (Business Process Mapping)
				P2.4	Implement ISO 9001 Certification
ORGANISATIONAL CAPACITY	C1	Inculcate performance driven Culture	Employee Engagement (%)	C1.1	Develop and Implement Human Capital Strategy
				C1.2	Develop and implement Performance Management Framework
	C2	Enable CPBN through appropriate Infrastructure	Execution rate of ICT Strategy (%)	C2.1	Develop and Implement Five-Year ICT Strategy (including E-Procurement System, MIS, inter alia)

It must be emphasised that each of the strategic initiatives are in fact projects that require detailed individual project plans by each of the initiative owners. Each initiative hence includes all relevant functional aspects. For instance; project C1.1 “Develop and implement Human Capital Strategy” will include a comprehensive five-year people strategy that addresses aspects of structure, recruitment and selection, remuneration, performance management, reward and recognition, talent management, employee wellness, organisational development, training and development, employee relations, inter alia. The initiative owner should include all relevant operational details in the detailed project plan and cascaded departmental operational scorecard. This principle will apply to all departmental initiatives.

In most instances, like with initiative F1.1 “Implement Efficiency Measures”, requires research and benchmarking processes to identify appropriate modalities within the framework of relevant legislation. Hence, the solution might not be known at this juncture however, leadership has identified this as a strategic requirement. The functional experts now need to engage relevant research and submit strategies for consideration, approval and implementation.

This principle is amplified by initiative P2.3 “Implementation Process Improvement Programme”. Research needs to be conducted in terms of best practices on internal process effectiveness and efficiencies to identify standards to inform the business process mapping and reengineering process.

It must be emphasised that the implementation timeframe of the twelve strategic projects is five years and therefore leadership will implement initiatives according to priority with some projects that will be implemented over the full five year period like P2.5 “Implement ISO 9001 Certification”.

Progress on each initiative should be reported on at least quarterly in terms of the detailed project plan milestones.

6

STRATEGY
CPBN

STRATEGIC
SCORECARD

SEARCH

PLAN

IDEAS

ACTION

PERSPECTIVE	#	STRATEGIC OBJECTIVE	KEY PERFORMANCE INDICATOR	WEIGHT	BASELINE	TARGETS					STRATEGIC INITIATIVE	FINANCIAL RESOURCES		
						2023/24	2024/25	2025/26	2026/27	2027/28		OPERATIONAL	DEVELOPMENTAL	ACCOUNTABLE
STAKEHOLDER	S1	Ensure Stakeholder Satisfaction	Stakeholder Satisfaction (%)	10	New	80	85	90	90	90	S1.1 Develop a Stakeholders Engagement Policy S1.2 Conduct annual Stakeholders Satisfaction Survey S1.3 Develop and Implement Marketing and Communication Strategy.	6,919,949	0	Office of the CEO
						85	85	85	85	85				
						85	85	85	85	85				
FINANCIAL STEWARDSHIP	F1	Improve Financial Management	Budget Variance (%)	10	25% Under	5	5	5	5	F1.1	202,767	0	Executive: Finance and Administration	
	P1	Improve Good Governance	Critical Internal Audit Findings Closed Out (%)	10	50	85	85	85	85	P1.1	12,113,576	0	Executive: Finance and Administration	
PROCUREMENT EXCELLENCE	P2	Improve Public Procurement Service Delivery within Mandate	Bids awarded for empowerment of Namibians (%)	10	80	80	80	80	80	80	P2.1 Contribute and enforce the development of preferential policy framework P2.2 Develop and Implement Customer Service Charter P2.3 Implement Process Improvement Programme (Business Process Mapping)	39,695,480	0	Executive: Public Procurement Management
						80	80	80	80	80				
						80	80	80	80	80				
ORGANISATIONAL CAPACITY	C1	Inculcate performance driven Culture	Procurement contracts awarded executed on time and within budget (%)	10	38	80	80	90	95	100	P2.4 Implement ISO 9001 Certification	231,211,095	0	Executive: Public Procurement Management
						80	80	80	80	80				
						80	80	80	80	80				
ORGANISATIONAL CAPACITY	C2	Enable CPBN through appropriate Infrastructure	Staff Achieving Performance Targets (%)	10	New	80	82	84	86	90	C1.1 Develop and Implement Human Capital Strategy C1.2 Develop and implement Performance Management Framework C2.1 Develop and Implement Five-Year ICT Strategy (including E-Procurement System, MIS, inter alia)	48,331,405	66,590,000	Office of the CEO
						80	80	80	80	80				
6 Strategic Objectives						100						338,474,272	66,590,000	405,064,272



7

**HUMAN
CAPITAL
PROJECTIONS**

Strategic plans are dynamic and hence need to be reviewed annually and adjusted to the realities at the time. Hence, the Human Capital projections will be re-aligned following the annual strategic plan review outcome to ensure that the CPBN is capacitated with the expertise to execute its mandate.

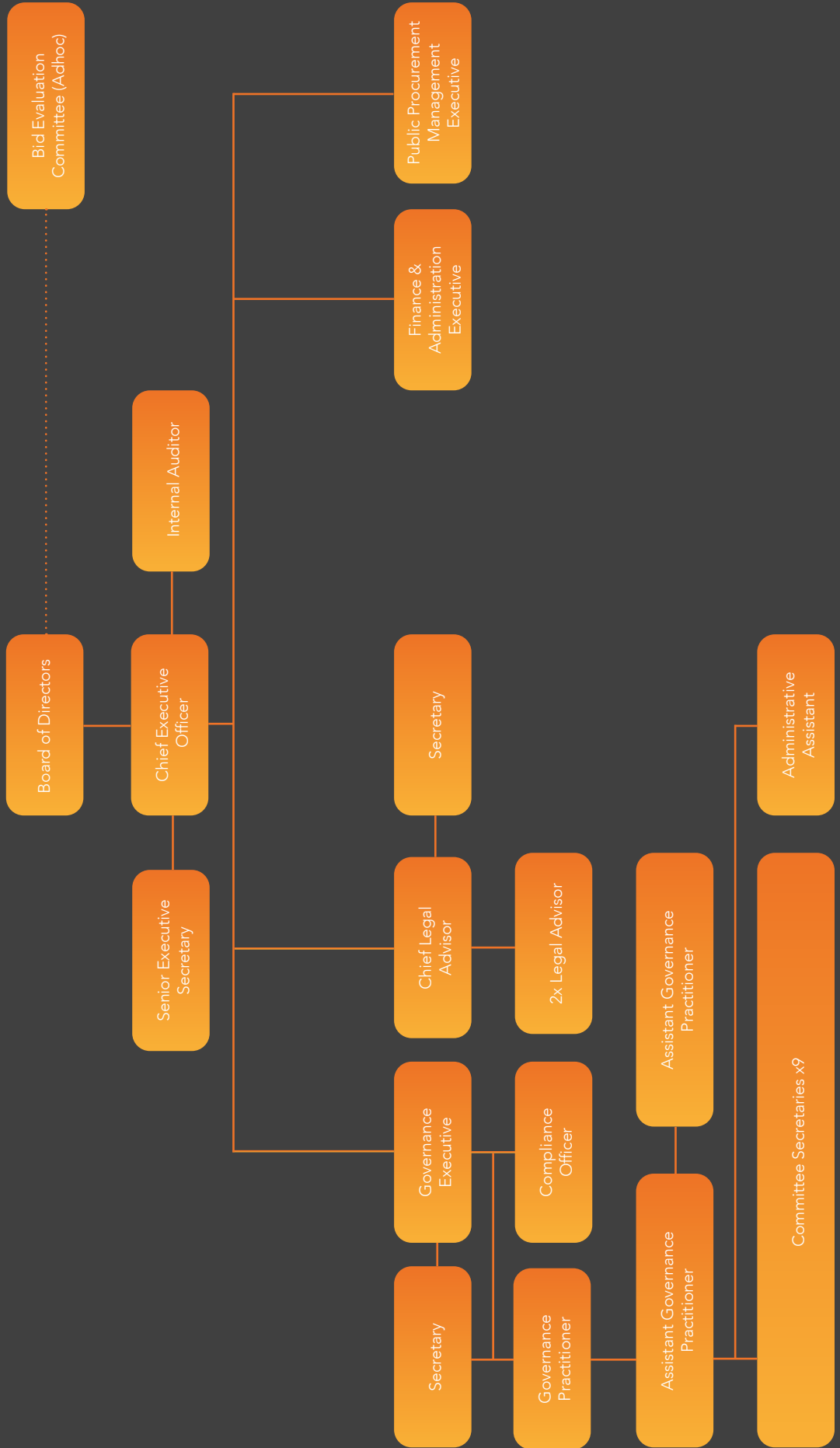
The table hereunder illustrates the current and anticipated labour requirements for the next five years.

It must be noted that the approved complement of 65 staff members shall not increase over the next five years. The CPBN has adopted a conservative recruitment strategy whereby the complement will be filled based on a needs basis. It is anticipated that only 51 employees (77% of authorised complement) would be required by 2025/26.

Employment Category	2021/22 Approved positions	Filled	Current Vacancies	Labour Projections			
				2023/24	2024/25	2025/26	2026/27
Chief Executive Officer	1	0	1	1	1	1	1
Executives	4	0	4	0	4	4	4
Management & Professional	11	9	2	11	11	11	11
Skilled / Supervisory	37	26	17	30	30	33	33
General Administration / Staff	12	5	1	5	5	5	5
TOTAL	65	40	25	47	51	54	54

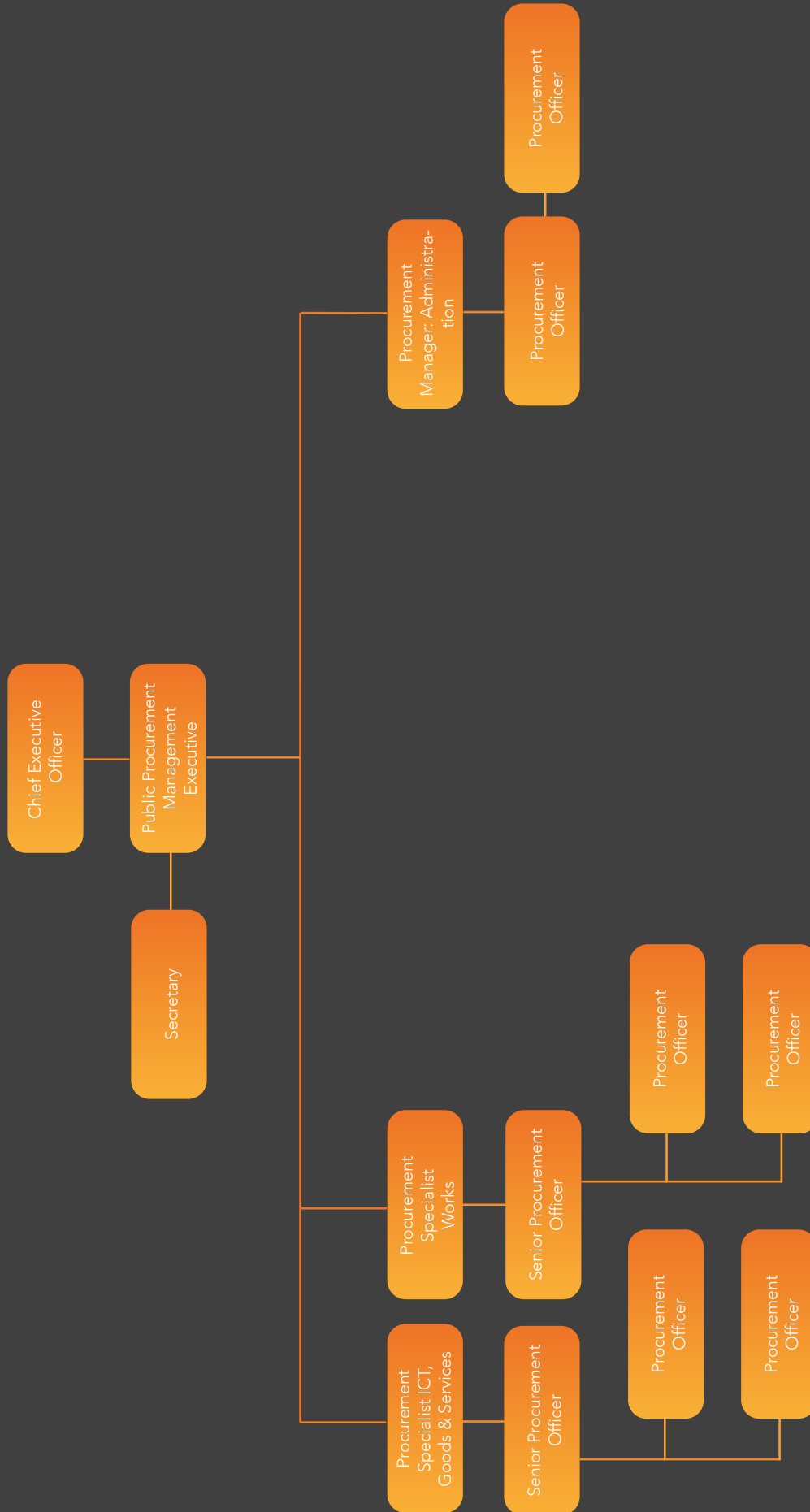
CENTRAL PROCUREMENT BOARD OF NAMIBIA (CPBN)

ORGANISATION STRUCTURE
TOTAL POSTIONS: 65



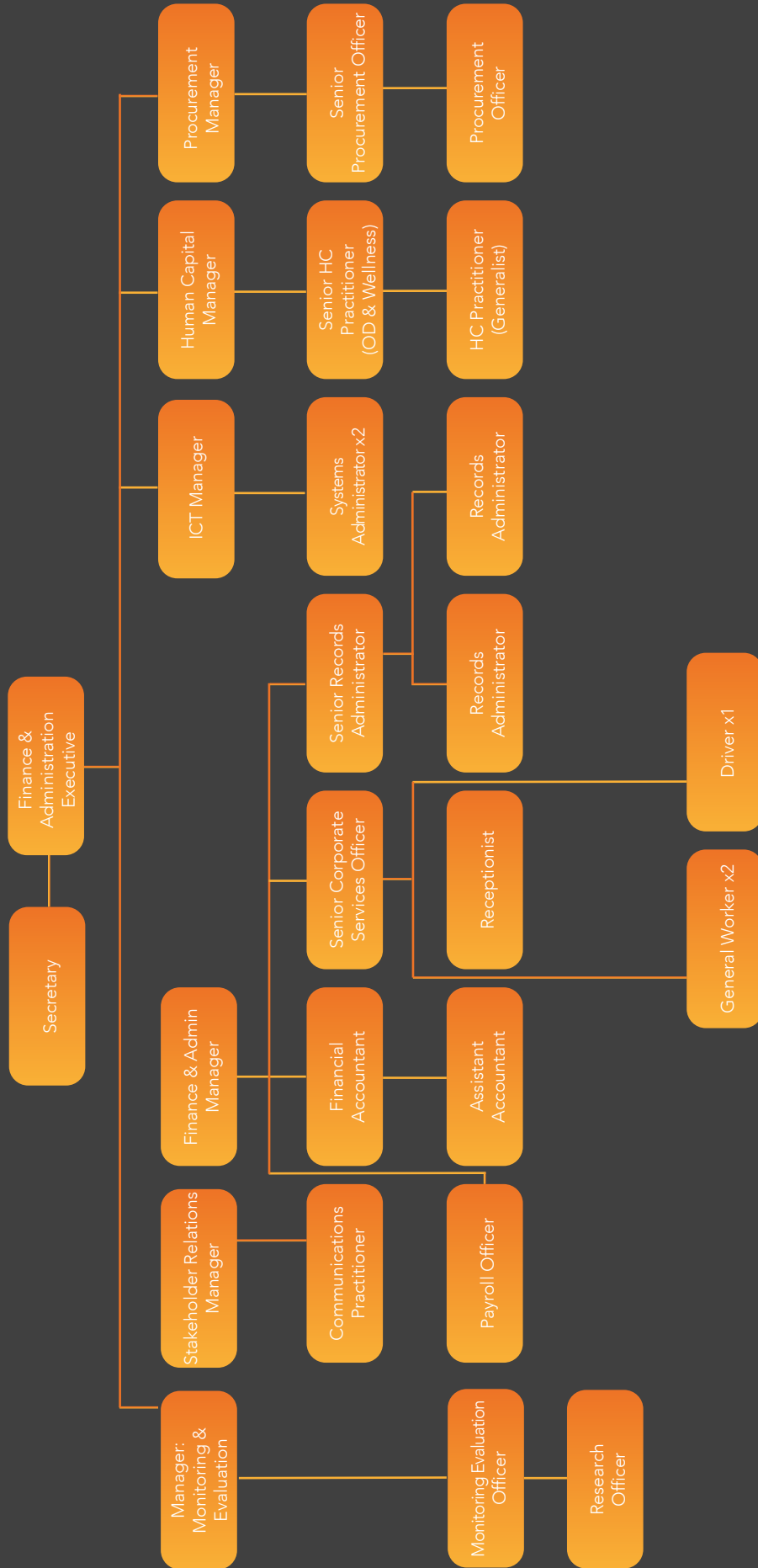
CENTRAL PROCUREMENT BOARD OF NAMIBIA (CPBN)

PUBLIC PROCUREMENT MANAGEMENT UNIT



CENTRAL PROCUREMENT BOARD OF NAMIBIA (CPBN)

FINANCE AND ADMINISTRATION UNIT



The CPBN recognises that employees are their greatest asset and hence the Human Capital Strategy shall, apart from attracting talented employees, also focus on creating an environment in which employees can feel that they belong, are valued and can perform to the best of their abilities. Therefore, the CPBN aspires to be recognised as the “best company to work for in Namibia”. This means that the organisation shall implement programmes and practices that would support employee engagement and satisfaction. These programmes shall include performance management, talent management, professional development, team development, employee wellness, succession planning and proactive employee relations practices to address concerns before it leads to attrition of employees.



8

FINANCIAL PROJECTIONS

The financial projections of the CPBN are illustrated hereunder. However, it becomes clear that CPBN is dependent on a government grant to sustain its operations in the absence of alternative sources of funding. The institution was essentially created by the State with a sole intend to procure on behalf of public entities and its functions and operations are directed through statutes. Therefore it is confined to operate within statutory regulations. It is salient to emphasise that the mandated functions cannot be commercialized, however leadership is exploring potential revenue generating mechanisms such as charging “bid administration fees”.

CPBN had funds available from reserves over the years however this has since depleted and hence the need to fully depend on the Government grant. The projected increase in the Government grant is due to the operational and capital (funding of office buildings) expenditures.

Labour costs are projected to increase due to the need to fill vacant positions on the approved organization structure. The current filled positions are forty (40) and the human capital plan is to increase to forty-seven (47) and up to fifty-four (54) at the end of the ISBP period. The intention is not to fill in all the sixty-five (65) positions from the onset, but rather to recruit systematically over a period having due regard to all factors such as employee cost, automation, and volume of procurement projects.

There has been low level of compliance by public entities regarding the provisions of the Public Procurement Act. However, the Public Policy Unit has been enforcing compliance with regard to holding Public Entities’ executive accountable, thus compelling entities to collaborate with CPBN on relevant procurement processes. Hence, the organization needs to be capacitated with competent talent.

PROFIT AND LOSS PROJECTIONS

Description	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26	Financial Year 2026/27	Financial Year 2027/28
REVENUE					
Government Grant required	41,200,000	59,936,000	70,000,000	103,000,000	103,000,000
Sales of Bidding documents	656,000	680,000	700,000	720,000	740,000
Total Revenue	41,856,000	60,616,000	70,700,000	103,720,000	103,740,000
OPERATING COSTS					
Employee costs	36,144,554	44,489,873	46,714,133	50,877,098	51,585,436
Board and Board Committee fees	4,230,220	4,335,975	4,444,374	4,666,593	4,899,923
Bid Evaluation Committees	1,100,000	1,133,000	1,166,990	1,225,340	1,286,606
Conferences and meetings	850,000	873,900	898,477	943,401	990,571
Consulting & Professional fees	2,640,000	1,213,500	1,259,175	1,307,134	1,357,490
Information dissemination	1,350,000	1,383,750	1,415,813	1,486,603	1,560,933
Office expenses	9,973,322	10,053,013	9,869,975	10,363,474	10,881,648
Legal fees	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000
Travel and Accomodation	739,200	760,660	793,693	833,378	875,047
Total Operating costs	58,027,296	65,293,672	67,662,631	72,853,020	74,637,655
Other income	672,000	271,521	95,837	107,333	141,962
Operating surplus/ (loss)	(15,499,296)	(4,406,151)	3,133,206	30,974,313	29,244,308

CASHFLOW PROJECTIONS

CASH INFLOW	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26	Financial Year 2026/27	Financial Year 2027/28	TOTALS
Opening Balance		9,050,704	3,194,554	3,577,760	4,732,073	-
CPBN/BWK - Call Deposit Account	28,000,000					28,000,000
CPBN/BWK - Current Account						-
CPBN/BWK - Bid Account						-
Government Grant required	41,200,000	59,936,000	70,000,000	103,000,000	103,000,000	377,136,000
Sale of Bids	656,000	680,000	700,000	720,000	740,000	3,496,000
Interest Received	672,000	271,521	95,837	107,333	141,962	1,288,653
Total Cash inflow	70,528,000	69,938,225	73,990,390	107,405,092	108,614,035	409,920,653
CASH OUTFLOW						
Employee costs	36,144,554	44,489,873	46,714,133	50,877,098	51,585,436	229,811,095
Board and Board Committee fees	4,230,220	4,335,975	4,444,374	4,666,593	4,899,923	22,577,085
Bid Evaluation Committees	1,100,000	1,133,000	1,166,990	1,225,340	1,286,606	5,911,936
Conferences and meetings	850,000	873,900	898,477	943,401	990,571	4,556,349
Consulting & Professional fees	2,640,000	1,213,500	1,259,175	1,307,134	1,357,490	7,777,299
Information dissemination	1,350,000	1,383,750	1,415,813	1,486,603	1,560,933	7,197,099
Office expenses	9,973,322	10,053,013	9,869,975	10,363,474	10,881,648	51,141,433
Legal fees	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000	5,500,000
Travel and Accomodation	739,200	760,660	793,693	833,378	875,047	4,001,977
Capital Acquisitions	3,450,000	1,450,000	2,750,000	29,820,000	29,120,000	66,590,000
Total Cash outflow	61,477,296	66,743,672	70,412,631	102,673,020	103,757,655	405,064,272
Closing Balance	9,050,704	3,194,554	3,577,760	4,732,073	4,856,380	4,856,380

OPERATING EXPENDITURE PROJECTIONS

Description	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26	Financial Year 2026/27	Financial Year 2027/28
OPERATING EXPENDITURES					
Employee costs	36,144,554	44,489,873	46,714,133	50,877,098	51,585,436
Board and Board Committee fees	4,230,220	4,335,975	4,444,374	4,666,593	4,899,923
Bid Evaluation Committees	1,100,000	1,133,000	1,166,990	1,225,340	1,286,606
Conferences and meetings	850,000	873,900	898,477	943,401	990,571
Consulting & Professional fees	2,640,000	1,213,500	1,259,175	1,307,134	1,357,490
Information dissemination	1,350,000	1,383,750	1,415,813	1,486,603	1,560,933
Office expenses	9,973,322	10,053,013	9,869,975	10,363,474	10,881,648
Legal fees	1,000,000	1,050,000	1,100,000	1,150,000	1,200,000
Travel and Accomodation	739,200	760,660	793,693	833,378	875,047
Total OPEX	58,027,296	65,293,672	67,662,631	72,853,020	74,637,655

CAPITAL EXPENDITURE PROJECTIONS

Description	Financial Year 2023/24	Financial Year 2024/25	Financial Year 2025/26	Financial Year 2026/27	Financial Year 2027/28
Capital Acquisitions					
Computer Equip- ment	500,000	150,000	150,000	800,000	100,000
Computer Software (ERP System)	2,120,000	1,000,000	500,000	500,000	500,000
Office Furniture	400,000	200,000	200,000	200,000	200,000
Motor Vehicle	350,000	-	1,800,000	-	-
Office Equipment	80,000	100,000	100,000	100,000	100,000
Building	-	-	-	28,220,000	28,220,000
Total CAPEX	3,450,000	1,450,000	2,750,000	29,820,000	29,120,000

9

STRATEGIC RISKS

STRATEGY



The table hereunder presents key strategic risks that would require proactive mitigation strategies to ensure the successful execution of the CPBN Strategic Plan.

Strategic Objectives	Risks	Mitigation Measures
Ensure stakeholder satisfaction	Negative public perception	<ul style="list-style-type: none"> • Improve stakeholder relations through regular engagements • Timeous information dissemination
Improve financial management	Insufficient funding from government	<ul style="list-style-type: none"> • Inculcate a habit of doing more with less • Invest excess funds in higher interest bearing investments until it is needed
Improve transparency and good governance	<p>Non-compliance to legislations and policies</p> <p>Risk management practices not effective</p>	<ul style="list-style-type: none"> • Create awareness amongst stakeholders on compliance • Constant monitoring and reporting on compliance to Board and authorities • Review effectiveness of risk management practices through internal audit • Report on risk management to Audit and Risk Committee quarterly • Ensure staff are kept accountable
Improve public procurement service delivery within CPBN's mandate	<p>Procurement awarding delays</p> <p>Execution rate of contractors</p> <p>Lack of commitment from public entities</p>	<ul style="list-style-type: none"> • Manage procurement cycle against benchmarks • Engage public entities and bid evaluators to review processes and practices annually • Monitor and evaluate execution of contracts • Engage public entity and contractor's regularly to address challenges immediately • Engage public entities in planning and execution of procurement projects • Disseminate information relating to public entities timeously • Develop user guides and templates to facilitate procurement
Inculcate performance driven culture	Operational inefficiencies	<ul style="list-style-type: none"> • Review process flows and practices to improve workflow • Follow performance management process • Create professional development opportunities
Enable CPBN through appropriate infrastructure	Conducive working environment	<ul style="list-style-type: none"> • Assess working environment regularly and optimise use of infrastructure • Review ICT strategy and utilisation of ICT annually and make adequate adjustments to serve stakeholders effectively

10

**CRITICAL
SUCCESS
FACTORS**

The following critical success factors were identified to ensure successful strategy execution:

- Leadership commitment at all levels;
- Ability to attract, develop and retain highly motivated employees;
- Ability to connect public entities with competent bidders at fair and reasonable prices;
- Reduction of procurement cycle to acceptable timelines;
- Improve stakeholder engagement and timeous information dissemination;
- Improve operational efficiency through automation;
- Leverage collaborative stakeholder relationships;
- Ability to mitigate strategic risks; and
- Availability of adequate financial resources.



11

CONCLUSION

Perhaps the greatest challenge that any organisation faces in a time characterised by uncertainty, discontinuance and constant disruption is the ability to be strategically discerning, to embrace change and to have the courage to make difficult decisions to ensure survival.

This is indeed our reality and we are confident that the CPBN has the required leadership and unwavering commitment to ensure the longevity of the organisation.

However, we cannot achieve success in isolation. The CPBN commits to collaborate with all stakeholders on our journey towards achieving our vision: To be a vibrant dynamic procuring agent that enables sustainable growth.







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