

2022/2023
ANNUAL REPORT



Procuring with Integrity





Procuring with
INTEGRITY



GENERAL INFORMATION

Country of Incorporation and Domicile	Namibia
Nature of Business and Principal	To conduct the bidding process on behalf of public entities for the award of contracts for the procurement or disposal of assets that exceeds the threshold prescribed for public entities.
Board of Directors	Mr. A. Ngavetene (Acting Chairperson) Ms. J. !Garus-Oas Ms. E. Nghiidipaa Ms. H. Herman Mr. O. A. Nangolo Mr. E. P. Shilongo Mr. M. Kambulu Ms. M. Shiimi
Business Address	Central Procurement Board of Namibia Erf 8161 Julius Nyerere Street, Southern Industry, Windhoek, Namibia
Postal Address	P O Box 23650 Windhoek Namibia
Banker	Bank Windhoek 3rd Floor, Capricorn House, 119 Independence Avenue PO Box 15, Windhoek, Namibia Tel: +264 61 299 1480
Auditor	PKF-FCS Auditors 3 Kerby Street Tel: +264 387800 Fax: +264 387801 P O Box 9779, Windhoek, Namibia



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ACRONYMS

ALI	African Leadership Institute	NCS	Non-Consultancy Services
ARC	Audit and Risk Committee	ONB	Open National Bidding
APP	Annual Procurement Plans	OIB	Open International Bidding
BDs	Bidding Documents	OMAs	Offices, Ministries and Agencies
BEC	Bid Evaluation Committee	PEs	Public Entities
CIPS	Chartered Institute of Procurement & Supply	PPA	Public Procurement Act
CPBN	Central Procurement Board of Namibia	PPU	Procurement Policy Unit
DP	Direct Procurement	PPR	Public Procurement Regulations
FY	Financial Year	RB	Restricted Bidding
HRC	Human Resources Committee	SBD	Standard Bidding Documents
IPP's	Individual Procurement Plans	TC	Technical Committee
M & E	Monitoring and Evaluation	VET	Vocational Education Training
MoF	Ministry of Finance	VOs	Variation Orders
NMC	Namibia Medical Care		



1

ACTING CHAIRPERSON'S REVIEW

▶ **Mr A. Ngavetene**

Acting Chairperson, Central Procurement Board of Namibia

1. CHAIRPERSON'S REVIEW

”
We have developed and implemented a human capital development strategy and a performance management framework to achieve this goal.
”

Dear Stakeholders

It is my distinct honor to present the 6th annual report of the Central Procurement Board of Namibia for the financial year 2022/2023. The Board is a critical pillar in our country, focusing on providing services to the public to ensure the government and its agencies can deliver essential services to the populace.

Our priorities are efficiency, transparency, accountability, and integrity. Throughout the year, we have conducted numerous procurement processes vital to national development goals. Although the turnaround time from bid advertisement to award has been unsatisfactory, we have implemented measures to improve efficiency. One key

measure is ensuring the first BEC report is presented within 30 days from the bid closure date. We have also restructured BEC incentives to further remunerate re-evaluations.

A key strategic initiative for improving service delivery has been fostering a performance-driven culture. We have developed and implemented a human capital development strategy and a performance management framework to achieve this goal.

To achieve organizational excellence, we rely on deploying human capital, financial resources, information technology, and stakeholder engagement. We have adopted these initiatives to ensure our continued success.

During the year, we conducted and approved 23 procurement awards, resulting in 86 procurement contracts worth N\$2,367,353,849. Notably, 99% of these awards went to wholly Namibian-owned entities.

We remain steadfast in our commitment to serving the Namibian public and contributing to national development goals. We pledge to ensure high returns on socio-economic investments for the Namibian people.

Sincerely,



Mr. A. Ngavetene

Acting Chairperson, Central Procurement Board of Namibia



EXECUTIVE SUMMARY

▶ Central Procurement Board of Namibia

2. A: EXECUTIVE SUMMARY

2.1 Overview

The 2022/23 financial year has been a period of substantial growth and improvement for the Central Procurement Board of Namibia (CPBN). Our focus has been on enhancing procurement processes, strengthening stakeholder engagement, and ensuring transparency and efficiency in public procurement. This executive summary provides a concise overview of our key operational activities, successes, challenges, and strategic initiatives during the reporting period.

2.1.1 Key Operational Activities

2.1.1.1 Review and Approval of Individual Procurement Plans (IPPs) and Bidding Documents (BDs):

- CPBN reviewed and approved 12 IPPs and BDs, a 33% increase from the previous year, demonstrating our expanded role in facilitating strategic procurement projects.

2.1.1.2 Procurement Awards:

- There was a significant increase in procurement awards through Open National Bidding (ONB), with a 150% rise in the number of awards and a 258% increase in value compared to the previous year, reflecting our commitment to competitive procurement methods.

2.1.1.3 Contract Variation Orders and Price Increases:

- Improved contract management and oversight have led to better control over cost increases, despite the number of variation orders remaining stable.

2.1.1.4 Monitoring and Evaluation:

- The number of active procurement contracts nearly doubled from 49 to 95, indicating a 94% growth. The majority of these contracts are progressing well, with only a small percentage requiring remedial actions.

2.1.1.5 Successes

2.1.1.5.1 Enhanced Stakeholder Engagement:

- Our proactive approach to engaging stakeholders has significantly improved relationships and cooperation, leading to a better understanding of the procurement process.

2.1.1.5.2 Increased Transparency and Accountability:

- Regular communication and detailed reporting on procurement activities have fostered a culture of transparency and accountability, building trust in our processes.

2.1.1.5.3 Improved Procurement Efficiency:

- The notable increase in the number of IPPs and BDs reviewed and approved, coupled with the rise in competitive procurement awards, highlights our improved efficiency in handling procurement processes.

2.1.1.5.4 Socio-Economic Impact:

- High-value procurement projects have positively impacted socio-economic conditions, particularly in job creation and service delivery improvement. The construction of schools and vocational training centers has provided significant benefits to local communities.

2.2 Monitoring and Evaluation Findings

2.2.1 Contract Growth:

The number of active contracts significantly increased from 49 to 95, a 94% growth between the 2021/2022 and 2022/2023 reporting periods.

2.2.2 Contract Status:

- 4.2% (4 contracts) have been completed and are currently in the defect liability period.
- 61.1% (58 contracts) are progressing well and on track with the execution of works.
- 10.5% (10 contracts) have fallen behind schedule, and remedial actions are being implemented.
- 18.9% (18 contracts) are within the initial 3-month implementation phase.
- Reports for 5.3% (5 contracts) were not received during the reporting period.

2.2.3 Contract Termination:

- The Board approved the termination of one procurement contract due to non-performance, as recommended by Public Entities.

2.2.4 Challenges and Proposed Actions

2.2.4.1 Delayed Payment of Invoices:

- Contractors and service providers expressed frustration with delayed payments. To address this, responsible entities should streamline the invoice approval process and ensure timely payments.

2.2.4.2 Delayed Project Completion:

- Delayed payments have led to project delays. Close collaboration between responsible entities and contractors, along

with regular meetings and follow-ups, are necessary to address this issue.

2.2.4.3 Strained Relationships:

- Transparent communication and regular meetings are essential to manage expectations and foster better relationships between contractors, service providers, and government entities.

2.2.4.4 Non-Compliance with Specifications:

- Engaging non-compliant service providers and reinforcing adherence to specifications and labor standards are crucial measures to address this challenge.

2.2.5 Strategic Initiatives

2.2.5.1 Process Refinements:

- Streamlined invoice approval processes to ensure timely payments and mitigate project delays.

2.2.5.2 Strengthened Monitoring and Evaluation:

- Enhanced mechanisms to track the progress of procurement projects more effectively, including regular follow-ups and remedial actions.

2.2.5.3 Enforcement of Compliance:

- Strict measures to ensure compliance with specifications and labor standards, including engaging non-compliant service providers.

2.2.5.4 Educational Initiatives:

- Workshops aimed at educating bidders and BEC members to improve the quality of bid submissions and the overall evaluation process.

2.3 Fiduciary Duties and Responsibilities

Effective governance is crucial for any business. It comprises the rules, regulations, practices, and procedures guiding how the board of directors manages the institution. The core purpose of corporate governance is to ensure effective and prudent management that supports long-term sustainability.

Our Board places a high value on good corporate governance. It ensures that executives manage business operations effectively while providing oversight and probity to minimize financial risks. The Board oversees the identification and management of significant risks facing the company and reviews annual operating plans and budgets presented by management.

Additionally, the Board's oversight and a strong compliance culture have helped maintain a positive reputation with stakeholders. During the period under review, the Board has issued a revised strategic business plan aimed at setting a sustainable long-term value for the business. This plan underscores the Board's commitment to integrity, accountability, and teamwork.

Aligned with the spirit and ethos of Namcode and the principles of the King Report on good

corporate governance, the Board regularly conducts timely audits and issues integrated reports. To enhance its governance structure, the Board has established several committees:

This governance framework ensures our institution's resilience and continued success.

2.4 Public Procurement

Public procurement is the core mandate of the Central Procurement Board of Namibia (CPBN) as stipulated in Section 8 of the Public Procurement Act (PPA) as amended. The principal objective is to manage the bidding process for public entities, awarding contracts for procurement or disposal of assets exceeding the prescribed threshold.

2.4.1 Individual Procurement Plans (IPP's)

During the reporting period, the Board approved twelve (12) Individual Procurement Plans (IPPs) totaling N\$932,194,833. While there was an increase in the number of approved IPPs, there was a decrease in their overall value compared to the previous period.

Table 1: Individual Procurement Plans

	2020/2021 (N\$)	2021/2022 (N\$)	2022/2023 (N\$)
Individual Procurement Plans (IPP)	794,159,456	2,046,643,930	932,194,833
Number of Public Entities	6	8	12

2.4.2 Procurement Awards

The table below outlines the various procurement methods and the total value of awards under each method. The systematic increase in the value of procurement through open advertised bidding over the years reflects the Board's commitment to the objectives of the PPA, which include promoting competitive supply, fair dealings, consistency, and legality. It is evident that fewer procurements were conducted through non-competitive methods, and these instances were due to compelling reasons or circumstances.

Table 2: Procurement Awards

Procurement Method	2020/2021	2021/2022	2022/2023
Open Advertised Bidding	1,953,805,157	1,024,509,075	2,247,519,963
Restricted Bidding	0	0	30,625,566
Direct Procurement (includes Entity to Entity)	1,030,056,782	3,488,259,098	89,208,320
Total	2,983,861,939	4,512,768,173	2,367,353,849

2.4.3 Variation Orders, Price Increases and Contract Extensions

The table below illustrates the values of contract variation orders, price increases, and contract extensions. Public entities typically request variations to a contract when unforeseen conditions, such as force majeure, arise. Overall, there has been a noticeable reduction in these variations. This reduction indicates improved initial contract planning and management, ensuring that projects stay within their original scope and budget.

Table 3: Variation Orders, Price Increases and Contract Extensions

Other Awards	2020/2021	2021/2022	2022/2023
Contract Variation Orders	0	0	12,584,496
Price Increases	69,492,559	28,053,716	23,062,402
Contract Extensions	889,069,108	568,191,170	296,827,755
Total	958,561,667	596,244,886	332,474,653



2.5 Stakeholders

Understanding stakeholder needs is crucial for making informed decisions and delivering efficient and effective services. During the reporting period, CPBN hosted a one-day stakeholder engagement event with accounting officers from various Offices, Ministries, and Agencies (OMAs). The aim was to strengthen working relationships, provide a platform for OMAs to voice their concerns, and create a dialogue on improving public procurement collaboratively.

2.6 Outlook

Public procurement plays a vital role in our country. The current legislative framework is essential for ensuring public service delivery and promoting fair and efficient public institutions. The Act introduces normative values such as openness, transparency, fairness, integrity, and accountability, which are critical to our operations.

The challenges within the procurement legislative framework should be viewed as opportunities to improve the system rather than criticizing it. The Board remains committed to fully implementing this contemporary legislative framework, defending and enhancing it to ensure the best outcomes for public procurement.

Conclusion

The 2022/23 financial year has been marked by significant progress for CPBN. Enhanced stakeholder engagement, improved transparency and accountability, and refined procurement processes have yielded positive results. The increase in the number and value of procurement awards, along with effective contract management, underscores our commitment to excellence in public procurement.

Our strategic focus on high-value procurements and their socio-economic impacts demonstrates our dedication to Namibia's development. The creation of employment opportunities and improved service delivery to local communities are testament to the positive outcomes of our procurement activities.

As we move forward, we remain committed to continuous improvement and innovation in our procurement processes. By building on the successes of the past year and addressing the challenges identified, we aim to further enhance our efficiency and effectiveness. Our ultimate goal is to ensure that public procurement in Namibia is conducted in a manner that promotes fairness, transparency, and value for money, thereby contributing to the overall well-being and development of our nation.



2

STRATEGY

▶ Central Procurement Board of Namibia

2. B: STRATEGY

The Central Procurement Board of Namibia (CPBN) was established as a juristic person under the Public Procurement Act, 2015 (Act 15 of 2015) as amended, with the following mandate:

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

To effectively translate this mandate into tangible results, the Board has formulated the following **Mission, Vision, and Values**:




MISSION

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









VISION

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



VALUES

Core Value	Description
 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.
 Teamwork	We value the unique contribution of each team member and shall support one another.



3

CORPORATE GOVERNANCE

▶ Central Procurement Board of Namibia

3. CORPORATE GOVERNANCE



3.1 Board Fees

The Board members receive remuneration in the form of board fees, in accordance with the legislative framework governing public enterprises in Namibia. Specifically, the payment of board fees is provided for under Section 18(1) of the Public Procurement Act, 15 of 2015, as amended, read together with Section 18 of the Public Enterprises Governance Act, 1 of 2019.

Table 4: Board Fees

Name	Fees Paid (N\$) Excluding Tax	Salaries
Mr. A. Ngavetene	29,531	1,607,400
Ms. J. !Garus-Oas	559,064	N/A
Ms. H. Herman	550,329	N/A
Mr. E. P. Shilongo	583,912	N/A
Ms. E. Nghiidipaa	552,879	N/A
Mr. O. A. Nangolo	288,270	N/A
Mr. M. Kambulu	615,200	N/A
Ms. M. Shiimi	492,774	N/A
Dr. L. Namoloh	43,298	N/A
TOTAL	2,425,923	



3.2 Risk Management

The Board appointed a consultant to assist with the implementation of its Risk Management framework. A risk register was developed, implemented, and managed on a quarterly basis.

CPBN’s risk assessment identified four key categories: Strategy, Operations, Reporting, and Compliance.

- **Strategic Risks:** These emerged as the most critical area, highlighting the need for robust mitigation plans.
- **Operational Risks:** These require close monitoring and effective mitigation measures.
- **Reporting Risks:** These are moderate and manageable.
- **Compliance Risks:** Our exceptional compliance record signifies a strong commitment to regulations.

This structured approach ensures that CPBN remains proactive in managing risks, safeguarding its operations, and upholding its responsibilities.

Table 5: Meeting attendance

Name	Adjudication	Governance	ARC	HRC	TC
Total Meetings	51	4	6	5	4
Mr. A. Ngavetene	50/51	4/4	6/6	5/5	2/4
Ms. J. !Garus-Oas	49/51	4/4	6/6	N/A	N/A
Ms. H. Herman	46/51	3/4	6/6	N/A	N/A
Mr. E. P. Shilongo	50/51	4/4	N/A	5/5	N/A
Ms. E. Nghiidipaa	49/51	4/4	N/A	N/A	4/4
Mr. O. A. Nangolo	47/51	3/4	N/A	N/A	2/4
Mr. M. Kambulu	51/51	4/4	6/6	N/A	4/4
Ms. M. Shiimi	45/51	4/4	N/A	1/5	2/4
Dr. L. Namoloh	N/A	N/A	N/A	5/5	N/A

CPBN BOARD MEMBERS

1 MARCH 2022 TO 31 MARCH 2023





4

CPBN OPERATIONS

▶ Central Procurement Board of Namibia

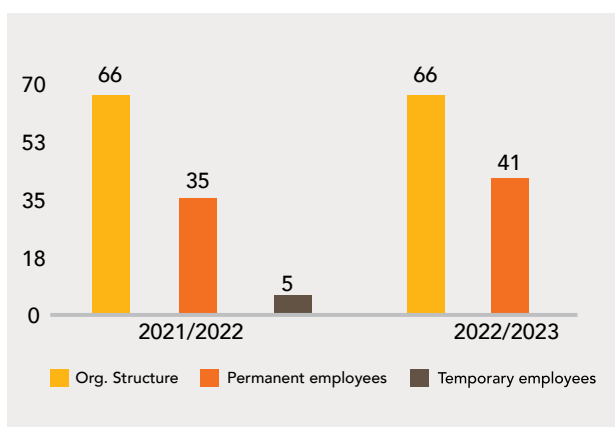
4. CPBN OPERATIONS

4.1 Human Capital

4.1.1 Organisational Structure

During the period under review, the permanent staff complement increased from 35 to 41 employees. Additionally, five (5) temporary employees on short-term contracts were offered permanent employment. This expansion reflects CPBN's commitment to strengthening its human capital to better achieve its mandate.

Graph 1: Staff Compliment



4.1.2 Staff Turnover

Staff turnover refers to the percentage of employees leaving the organization over a specified period. During the reporting period, no staff turnover was recorded. This indicates a high level of employee satisfaction with the Board's growth and development opportunities, a healthy and conducive work environment, and strong relationships and engagement among employees.

4.1.3 Training & Development

During the reporting period, CPBN invested N\$809,236 in staff development. A total of twenty-one (21) employees participated

in various skills development programs. Additionally, six employees at the management level successfully completed the Management Development Programme Africa through the University of Stellenbosch Business School Executive Development Programme. This program enhances managerial skills and business acumen while promoting integration across different business units in an empowering way.

In addition to the Management Development Programme Africa, six (6) employees completed the Corporate Award Practitioner Programme through collaboration with the Chartered Institute for Procurement and Supply (CIPS) during the reporting period.

4.1.4 Organizational Development

During the reporting period, several organizational development initiatives were undertaken:

4.1.4.1 Job Description Review

The Board engaged HITO HR and Training Consultants to conduct a comprehensive review of job descriptions across the organization. The objective was to assess the functions and responsibilities of CPBN's business units and ensure that management and supervisors possess the knowledge and competencies to develop detailed and results-oriented job descriptions. Updated job descriptions will aid in evaluating and grading each position. This review is expected to be completed in the first quarter of the 2023/2024 financial year.

4.1.4.2 Human Capital Policies Development and Review

Policies are vital in shaping workplace culture,

operations, and overall effectiveness. During the reporting period, the Board engaged PricewaterhouseCoopers (PwC) to develop and review twelve (12) Human Capital Policies. These policies are expected to be finalized and implemented in the 2023/2024 financial year.

The primary objective of this initiative is to ensure that CPBN's human capital practices meet both current and future employee needs and align with the organization's human capital strategy, which emphasizes attracting, developing, and retaining talented employees.

Additionally, the updated policies will help create an environment where employees feel valued, supported, and able to perform at their best, as outlined in the organization's Integrated Business Plan. The review process for these Human Capital Policies is anticipated to be completed by the second quarter of the 2023/2024 financial year.

4.1.4.3 Performance Management Implementation

Performance management is essential for CPBN to achieve its goal of becoming a high-performing organization. It serves as a key tool for monitoring, evaluating, and rewarding high performers, while also supporting and developing those who need improvement. This enhances accountability and drives the achievement of business outcomes and objectives.

During the reporting period, the Board engaged HIKA Consulting, an expert in

performance and change management, to facilitate training for management and staff in implementing the performance management framework. This initiative includes cascading Tier 2 departmental/unit objectives to Tier 3 individual level objectives.

A key deliverable will be the creation of individual scorecards and performance agreements for each employee, which will be used to measure performance.

The performance management system and its inaugural performance cycle are expected to be rolled out from the third quarter of the 2023/2024 financial year. This process will include quarterly performance reviews at the departmental/unit level and bi-annual individual performance reviews.

4.1.4.4 Remuneration Benchmarking and Grading

During the reporting period, the Board initiated a procurement process to engage a consultant for an institutional benchmarking exercise, followed by a grading and remuneration benchmarking exercise. The goal was to align CPBN's remuneration practices with the Integrated Strategic Business Plan's objective of attracting and retaining the right talent to fulfill its mandate.

However, the process did not achieve the desired outcome as none of the local consultants (PWC, Deloitte, Ernst & Young, and KPMG) submitted responsive proposals. The search for a suitable consultant is expected to be completed in the 2023/2024 financial year.



4.1.4.5 Employee Wellness

During the reporting period, CPBN undertook several wellness initiatives in collaboration with Namibia Medical Care (NMC), Team Building Namibia, NUST, and the Africa Institute of Leadership (ALI) to enhance employee wellbeing:

- Corporate Health and Lifestyle Screenings: Screening for lifestyle diseases such as hypertension, glucose levels, BMI, and cholesterol.
- Team Building Sessions: Focused on improving team dynamics, mental agility, trust, personal finances, stress management, values and ethics, and emotional intelligence.
- Breakfast Run: Promoted physical wellbeing through regular physical activity.
- Employee Appreciation Day: Held on the first Friday of March to recognize and express gratitude for employees' contributions.

The total investment in employee wellbeing programs amounted to N\$121,550 during the reporting period.



4.2 Internal Procurement Management Unit

The Internal Procurement Management Unit (PMU) oversees CPBN's internal procurement process for self-consumption. During the reporting period, CPBN awarded one hundred and thirty-five (135) bids, totaling N\$8,9 million. This amount represents 88% of the approved Annual Procurement Plan (APP) budget of N\$10,1 million, reflecting a strong execution rate.

Table 6: Value of Procurement Awards Per Procurement Method

Procurement Methods	Amount Spent N\$
Small Value Procurement	577,452
Direct Procurement	5,238,794
Request for Sealed Quotation	2,459,373
Entity to Entity	15,200
Request for Proposal	638,303
Total	8,929,123

4.2.1 Comparative Analysis of Awarded Procurements: FY 2021/2022 vs. FY 2022/2023

The number of procurements conducted in the financial year (FY) 2022/2023 increased by 4% compared to FY 2021/2022. This trend is illustrated in the table and graph below:

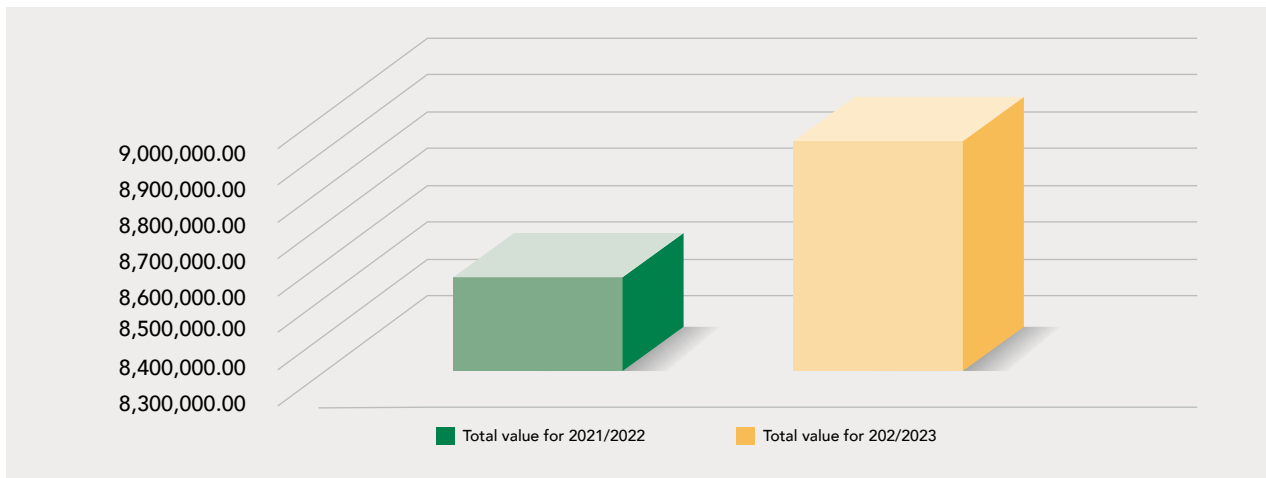
Table 7: Comparative Analysis of Awarded Procurements: FY 2021/2022 vs. FY 2022/2023

This comparison highlights a positive growth in procurement activity over the two fiscal years.

Procurement Method	2021/2022 (N\$)	2022/2023 (N\$)
Small Value Procurement	341,342	577,452
Request for Sealed Quotation	4,183,502	2,459,373
Request for Proposal	198,803	638,303
Execution by Public Entities	26,920	15,200
Direct Procurement	3,808,805	5,238,795
Emergency Procurement	-	-
Total	8,559,372	8,929,131



Graph 2: Comparison 2021/2022 & 2022/2023



4.2.2 Cancelled Bids

During the reporting period, six (6) bids were canceled in accordance with Section 54 (1) (a) of the procurement regulations.

4.2.3 Achievements

There has been a notable improvement in the execution rate of the Annual Procurement Plan. The execution rate reached 88% for the financial year 2022/2023, up from 45% in the financial year 2021/2022. This improvement underscores enhanced efficiency and effectiveness in procurement activities.

4.3 Financial Management

4.3.1 Revenue

4.3.1.1 Government Grant

In the financial year 2022/2023, CPBN received a government grant of N\$40 million, representing a 25% increase from the N\$32 million received in the financial year 2021/2022. The government grant constituted 94% of total revenue for both 2022/2023 and 2021/2022, reflecting its consistent and significant contribution to CPBN's financial resources.

Graph 3: Revenue Graph (in millions)

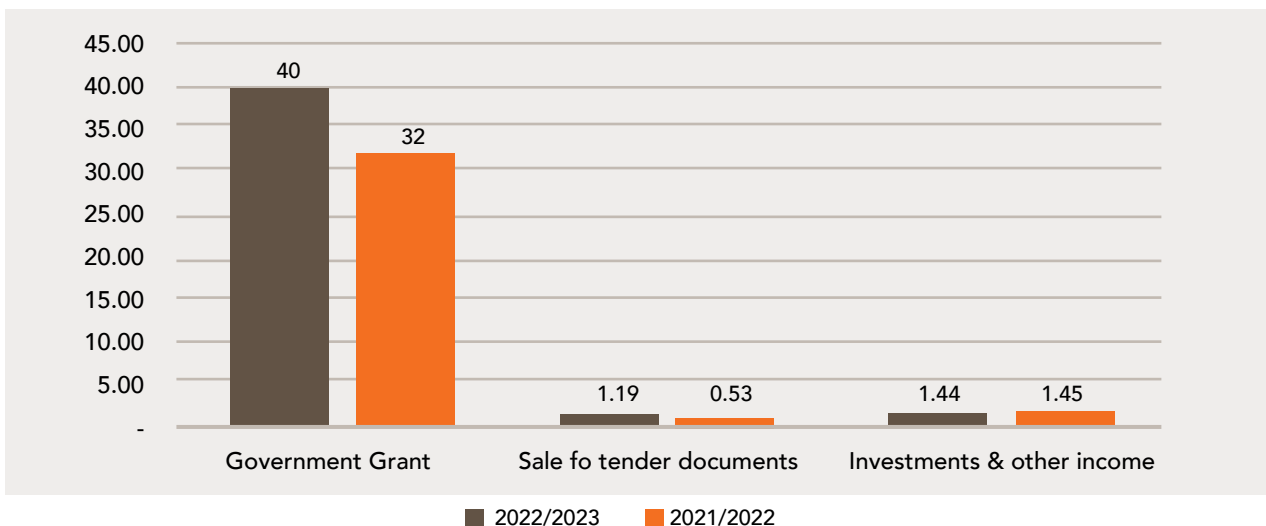




Table 8: Revenue Contribution

Government grant	94%	94%
Sale of tender documents	3%	2%
Investment & other income	3%	4%
	100%	100%

4.3.2.2 Sale of Bidding Documents

Revenue from the sale of bidding documents in the year 2022/2023 amounted to N\$1,186,702, representing a 125% increase from N\$527,400 in the previous year. This revenue constituted 3% of total revenue in 2022/2023, compared to 2% in 2021/2022.

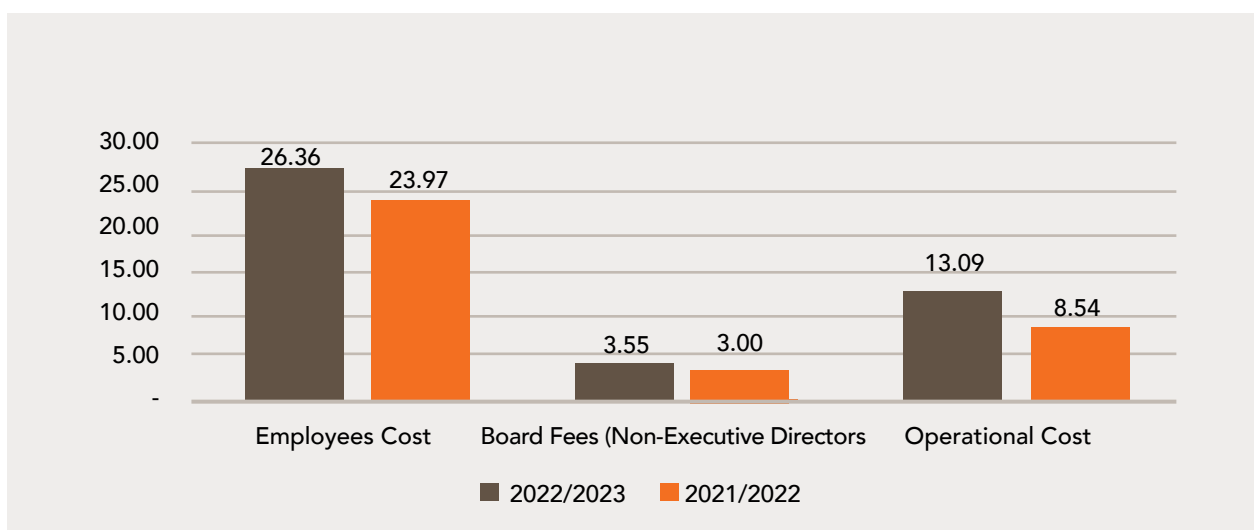
4.3.2.3 Investment & Other Income

Investment income for 2022/2023 increased by 2% compared to the previous year. The investment income as a percentage of cash balance as of 31 March 2023 was 4%, consistent with the prior year. This increase is attributed to higher interest rates, with the average repo rate rising to 7.0% in March 2023 from 4.25% in March 2022.

Other income, primarily from VET levy claims, decreased by 26% in 2022/2023 compared to 2021/2022. Together, investment and other income accounted for 3% of total revenue in 2022/2023, down from 4% in 2021/2022.

4.3.2 Expenditure

Graph 4: Expenditure (in millions)



4.3.2.1 Employee Costs

Employee costs increased by 10% in the financial year 2022/2023 compared to 2021/2022. These costs accounted for 61% of total expenditures in 2022/2023, down from 68% in the previous year. As of 31 March 2023, CPBN employed forty-three (43) staff members, up from forty (40) as of 31 March 2022.

4.3.2.2 Board Fees

Board fees increased by 10% in the financial year 2022/2023 compared to the previous year. They constituted 8% of total operating expenditures in 2022/2023, up from 8% in 2021/2022.

The increase is attributed to the rise in the number of Board meetings, with 70 meetings held in 2022/2023 compared to 51 in the prior year. This rise in Board fees is due to the need for additional meetings to ensure compliance with the amendments to the Public Procurement Act, specifically Section 55(4)(a), which allows bidders, other than the successful ones, to apply for reconsideration of the Board's decisions.

4.3.2.3 Operational Costs

General operational costs increased by 53% in the financial year 2022/2023 compared to the previous year. These costs accounted for 30% of total expenditures in 2022/2023, up from 24% in 2021/2022. Depreciation represents the largest portion, comprising 11% of total expenditures. This includes depreciation on property, plant, equipment, and office leases. Other operational costs are allocated as follows:

- Training and development, software annual subscriptions and IT expenses, consulting and professional fees, and small assets not capitalized each account for 2%.
- The remaining costs constitute 1% or less.

4.3.3 Asset Growth

Total assets decreased by 10% to N\$42.9 million in 2022/2023, from N\$47.8 million in 2021/2022. The primary component of total assets in both years is Cash & Cash Equivalents.

4.4 Public Procurement Management

4.4.1 Individual Procurement Plans & Bidding Documents

In accordance with Section 8(a), read together with Section 9(1)(f) of the amended PPA,

public entities are required to submit their Individual Procurement Plans (IPPs) and Bidding Documents (BDs) to CPBN for approval and procurement of projects exceeding their prescribed thresholds.

Individual Procurement Plans (IPPs): These documents represent the business case of the public entity and include:

- Procurement scope
- Procurement method
- Cost estimate
- Project timelines
- Suggested evaluators

Bidding Documents (BDs): These contain critical information for bidders, including:

- Instructions to bidders
- Technical specifications
- Scope of service
- Terms and conditions of the proposed contract
- Contract forms
- Evaluation criteria

Below is an outline of the IPPs and BDs approved by the Board during the reporting period.

During the reporting period, there was a notable increase in the number of Individual Procurement Plans (IPPs) and Bidding Documents (BDs) submitted by public entities, rising from eight (8) to twelve (12). This represents a 33% increase in the number of IPPs.

However, the total value of IPPs decreased significantly, from N\$2,046,643,930 in FY 2021/2022 to N\$932,194,833 in FY 2022/2023, reflecting a 55% decrease. It is important to note that the value of Item #12 in the table above is included in the N\$1.4 billion procurement of pharmaceutical products reported in FY 2021/2022.



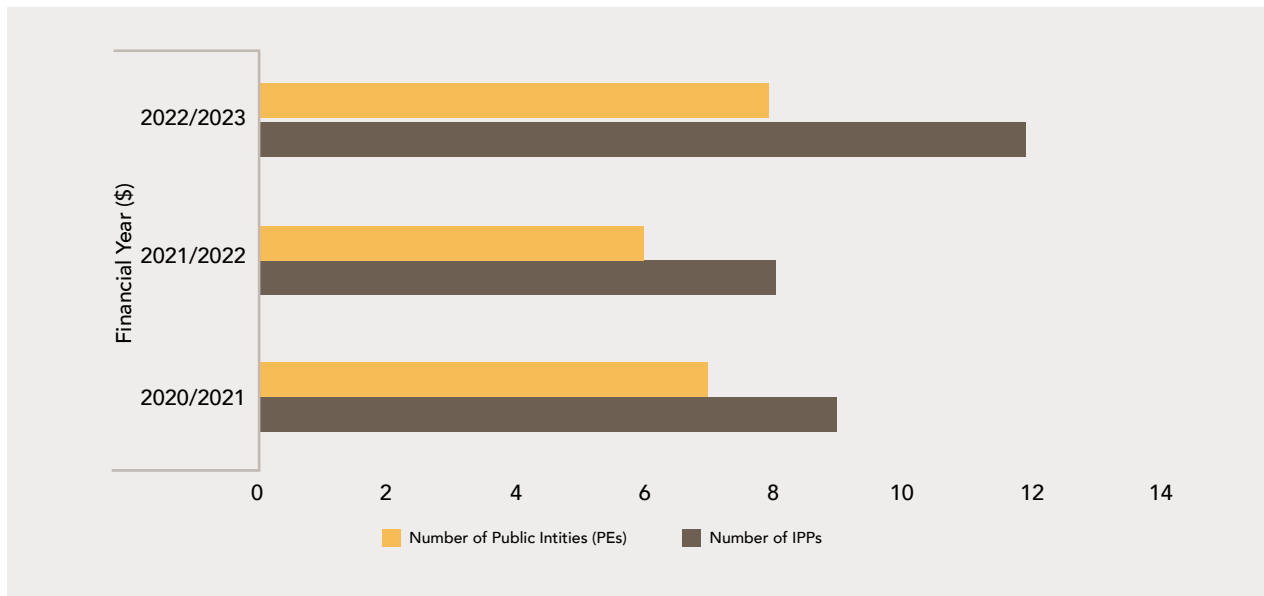
Table 9 below provides a comparative analysis of the number and value of IPPs for the past three financial years:

Table 9: Comparative Analysis of Procurements for the Past Three Financial Years

Item Description	Financial Year(s)		
	2020/21	2021/22	2022/23
Number of IPPs	9	8	12
Value of IPPs (N\$)	794,159,457	2,046,643,930	932,194,833
Number of Public Entities (PEs)	7	6	8

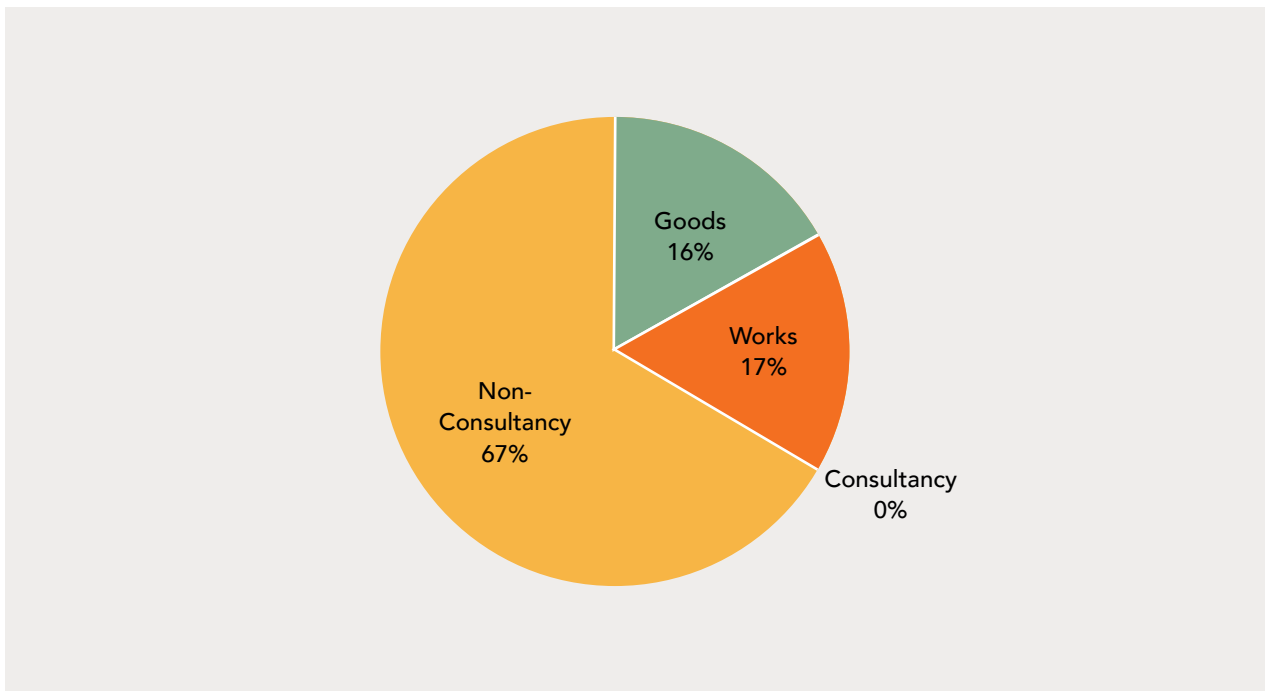
The table indicates a 33% increase in the number of public entities procuring through CPBN during the 2022/2023 financial year. This increase suggests that public entities and central government are now dedicating more resources to social and infrastructure development projects, following the impact of the Covid-19 pandemic on the previous two financial years.

Graph 5: Number of Approved IPPs and BDs vs Number of Public Entities Over Three Financial Year (2020/21-2022/23)





Graph 6: Analysis of IPPs and BDs (Projects) Received Per Procurement Category



The breakdown of procurement projects received by CPBN during the reporting period is as follows:

- **Non-Consultancy Services:** 67%
- **Works:** 17%
- **Goods:** 16%

This distribution highlights that the majority of approved procurements were for non-consultancy services, with works and goods constituting smaller portions of the total procurement projects.

4.4.2 Procurement Awards

The Board predominantly employs Competitive Procurement Methods, such as Open National Bidding (ONB), Open International Bidding (OIB), and Restricted Bidding (RB), unless special or compelling circumstances dictate otherwise. These methods are designed to promote competition and provide open market offers, as stipulated in the PPA.

4.4.2.1 Open National Bidding (ONB)

Open National Bidding (ONB) is a procurement method specified in Section 29 of the PPA, targeting Namibian citizens or registered entities. Consequently, all awards under this method are granted to Namibian nationals. Below is a list of procurement awards based on ONB for the period under review. It should be noted that some awards may have originated from previous financial years and, in certain cases, may involve multiple contracts due to the lot allocation system.

Table 10: Procurement Awards Per Category

Item No.	Public Entity	Bid Description	Procurement Category	Awarded Amount (N\$)	Awarded Bidder(s)
1	Telecom Namibia	Procurement of Vehicle on Full Maintenance Lease Basis and Provision of Fleet Management Services.	NCS	The bid was rate-based.	Zeda Namibia (Pty) Ltd, T/A Avis Fleet
				11,695,744	Lot 1: Rimota Group CC
2	University of Namibia (UNAM)	Procurement of the Provision of Cleaning Services for the University of Namibia (UNAM)	NCS	2,999,558	Lot 2&7: Lizma Trading Enterprises CC
				2,694,458	
				2,402,219	Lot 3: Zayson Trading Enterprises CC
				1,814,400	Lot 4&9: Chipipa Trading Enterprises CC
				2,592,000	
				2,017,722	Lot 5&6: Nova Investments CC
3	Roads Authority (RA)	Procurement of the Gravel Roads: Re-gravelling Contract in the Oshakati Region	Works	1,960,760	
				4,038,528	Lot 8&12: LYPA Investments CC
				3,224,815	
				5,670,000	Lot 10&11: Shilimela Construction CC
5,292,000					
78,404,165	Odjove Trading & Construction CC JV Royal Contractors CC				
4	Ministry of Health and Social Services (MoHSS)	Procurement of the Construction of Aussenkher Health Centre in the //Karas Region	Works	70,651,946	Ongoma Trading Enterprises CC

Item No.	Public Entity	Bid Description	Procurement Category	Awarded Amount (N\$)	Awarded Bidder(s)
5	City of Windhoek (CoW)	Procurement of the Operations and Maintenance of the Kuperberg General and Hazardous Waste Disposal Site	Works	38,712,018	Frontier Multi Industries CC
6	Ministry of Gender Equality, Poverty Eradication & Social Welfare (MoGEPESW)	Provision of Security Services to MoGEPESW premises in Khomas, Ohangwena, Omusati, Oshana, Oshikoto, Kavango East, Kavanago West, Otjozoniupa, Zambezi, Erongo, Kunene, Omaheke, Hardap, & Karas Regions	NCS	4,801,032	Lot 1: Nahole Security & Debt Collection Services
				3,856,896	Lot 2: Six Thousand Security Services
				4,892,544	Lot 3: Chief Nangolo Security Services
				4,787,640	Lot 4: Triple One Investments CC
				5,293,054	Lot 5: Nelito Investments CC
				2,742,681	Lot 6: PIS Security Services CC
7	NamWater	Procurement of the Provision of Security Services and Cash in Transit to NamWater	NCS	3,883,680	Lot 6: Sirka Investments CC
				9,009,792	Lot 2 & 3: PIS Security Services CC
				9,885,888	
				5,232,254	Lot 1 & 4: EASS Investment CC
8	Roads Authority (RA)	Procurement of the Periodic Maintenance of Gravel Roads: Re-gravelling in the Otjiwarongo Region	Works	89,909,535	Lot 1: Octagon Construction (Pty) Ltd
				85,217,412	Lot 2: John Namusheshe Construction & Investments CC

Item No.	Public Entity	Bid Description	Procurement Category	Awarded Amount (N\$)	Awarded Bidder(s)
9	Roads Authority (RA)	Procurement of the Development Contracts for the Blading of Gravel Roads in the Windhoek Region	Works	95,736,120	DC-WHK 07 & DC-WHK 06: John Namusheshe Construction & Investments CC
				51,548,750	
				75,774,420	DC-WHK 02: Earth Ethics Construction CC
				76,965,734	DC-WHK 04: Globex Investments CC
				58,226,892	DC-WHK 03: Earth Ethics Construction CC
10	University of Namibia (UNAM)	Procurement of Provision of Landscaping & Gardening Services	NCS	1,189,275	Lot 3 & Lot 9: Bertlyne Investments CC
				2,397,389	
				1,331,214	Lot 5: Roots Nursery & Garden Centre CC
				1,450,250	Lot 7 & Lot 8: Namibia Landscapes
				927,270	Lot 10: Ba Sharon Trading Enterprises CC
				2,120,280	

Item No.	Public Entity	Bid Description	Procurement Category	Awarded Amount (N\$)	Awarded Bidder(s)
11	Kavango West Regional Council	Rendering of Security Services to Kavango West Regional Council- Directorate of Education, Arts and Culture	NCS	10,077,926	Onyeka Protection Services CC
12	Roads Authority (RA)	Nominated SME Sub-Contracts for the Blading of Gravel Roads in the Windhoek Region	Works	14,685,274	GU-WHK 39: Kunene River Construction and Electrical CC
				15,571,955	GU-WHK 43: Fillemon Investments and Trucks CC
				16,267,900	GU-WHK 42: Kai Engineering and Fabrication CC
				14,234,505	GU-WHK 20: Sumseno Contracting CC
				14,708,489	GU-WHK 19: Omuve Construction Technologies CC
				14,660,976	GU-WHK 31: Illimite Investment CC
				14,000,539	GU-WHK 34: NDES Civil Works Construction CC And NDES Trading Enterprises CC JV
				14,376,426	GU-WHK 37: J. O Opitome Trading Enterprises CC
				15,760,267	GU-WHK 10: Shiveli Trading Enterprises CC

Item No.	Public Entity	Bid Description	Procurement Category	Awarded Amount (N\$)	Awarded Bidder(s)
13	Telecom Namibia	Procurement of the Provision of Security Services and Cash in Transit to Telecom Namibia	NCS	1,612,396	Lot 1: Six Thousand Security Services
				4,251,789	Lot 2: Omeya Investments CC
				3,250,872	Lot 3: Chief Nangolo Security Services
				2,347,643	Lot 4: Nahole Security Services and Debt Collection CC
				4,572,288	Lot 5: PIS Security Services CC
				1,580,256	Lot 6: Torra Investments CC
				421,978	
				487,944	
				585,533	Lot 7-10: Namibia Protection Services (Pty) Ltd
				585,533	
14	Ministry of Education, Arts and Culture	Procurement of the Establishment of Hostels at Onkumbula Combined School in the Oshikoto Region- Phase 1	Works	70,071,462	iBuild Supplies (Pty) Ltd
15	Municipality Council of Swakopmund	Procurement of Rendering of Security Services to Municipality Council of Swakopmund	NCS	3,142,656	Lot 1-Zone 1: Omle Security Services CC
				3,437,838	Lot 2-Zone 2: Triple One Investments CC
				3,142,565	Lot 3-Zone 3: Nelito Investments CC
				3,490,484	Lot 4-Zone 4: PIS Security Services CC

Item No.	Public Entity	Bid Description	Procurement Category	Awarded Amount (N\$)	Awarded Bidder(s)
16	Roads Authority (RA)	Procurement of Development Contracts for The Blading of Gravel Roads in The Keetmanshoop Region.	Works	57,462,246	Luka Roads Rails & Civils CC
				74,484,511	Ndakalimwe CC JV Zero Six Five Trading CC
				94,575,675	James & Young Enterprises CC
				94,197,242	Quiver Tree Investments 13 (Pty) Ltd
				97,811,008	Namibia Welding Building & Civil
				70,117,455	Brandberg Construction CC
17	Roads Authority (RA)	Development Contracts for the Blading of Gravel Roads in the Otjiwarongo Region on behalf of Roads Authority	Works	84,192,823	Nexus Civil (Pty) Ltd
				83,496,760	Maritz Transport CC
				83,889,704	LA Van Wyk Grading and Construction CC
				86,504,206	Nexus Civils (Pty) Ltd
				14,604,718	Sash Trading and Earthworks CC
18	Roads Authority (RA)	Procurement of Nominated SME Sub-Contracts for The Blading of Gravel Roads In The Keetmanshoop Region	Works	14,877,550	Dynamite Contractors (Pty) Ltd
				14,667,120	Namshine Investments CC
				15,710,104	Namibia Solutions Services Cc
				15,204,656	Tandii Trading Cc
				14,941,391	Potenza Investments Cc
				14,638,224	Hibachi Investment Holdings (Pty) Ltd
				15,830,647	Capital Technical Services Cc
				15,841,572	Volt Investment Cc JV Bonga Trading Cc

Item No.	Public Entity	Bid Description	Procurement Category	Awarded Amount (N\$)	Awarded Bidder(s)
19	Roads Authority (RA)	Nominated SME-Sub-contractors for the Blading of Gravel Roads in the Otjiwarongo Region on behalf of Roads Authority	Colleagues, this whole allocations under Otjiwarongo is wrong. It need to be revised. Works	14,562,726	Omidi Trading CC
				14,036,629	Venmart Investment CC
				14,269,097	Iplak Investment CC
				13,929,266	Amakalu Construction CC
				13,776,126	Ekondjitho Engineering Group
				14,125,427	Tuyapeni Trading Enterprises CC
				14,268,182	Truth Investments CC
				16,098,752	O'Brien & Fortune Investments CC
				15,980,334	Capital Grow Number Three
				15,918,806	Highway Trading CC
20	Roads Authority (RA)	Procurement Of Nominated SME Sub-Contracts for The Blading of Gravel Roads in the Oshakati Region	Works	16,422,621	N'Olune – Tangeni JV
				17,381,566	Efindano Maintenance and Construction Services CC
				17,704,135	Wecca Investments CC
Total (N\$)				2,243,313,424	

Table 11: Restricted Bidding Process (RBP)

	Public Entity	Procurement Title	Type of Procurement	Value (N\$)	Bidder
1	Namibia Training Authority (NTA)	Emergency Procurement for the Completion of Works of Nkure-nkuru Vocational Training Centre	Works	30,625,566	Betonstein Construction CC
Total Value (RB)				30,625,566	

4.4.2.3 Direct Procurements (DP)

Direct Procurement, as defined under section 36 of the PPA, 2015 (as amended), is a procurement method employed under specific conditions outlined by the Act. This method is utilized in situations where competitive procurement is not feasible due to particular circumstances.

Table 12: List of Direct Procurements undertaken in 2022/23 Financial Year

Item No.	Public Entity	Bid Description	Value (N\$)	Successful Bidder	Provision in the PPA
1	Roads Authority	Request for the amendment & extension of the contract between Roads Authority (RA) & Nexus Civil (Pty) Ltd for the Continuation of the upgrading of DR3546/3547/3575: Impalila Island access roads to low-volume seal road standards in the Zambezi Region (25km)	55,214,848	Nexus Civils (Pty) Ltd	Section 36
2	Telecom Namibia	Procurement and the Maintenance and Support Services of the Mobile System from Whale Cloud for 17 months	33,993,472	Whale Cloud	Section 36 (2) (b)
TOTAL VALUE (N\$)			89,208,320		



The table above details the number and value of procurements awarded through the Direct Procurement method for FY 2022/23. This method is used in scenarios where the usual competitive methods are not applicable, ensuring procurement is still conducted in a transparent and justifiable manner under the prescribed conditions of the PPA.

4.4.3 Comparative Analysis of Procurement Awards for the Past Three Financial Years

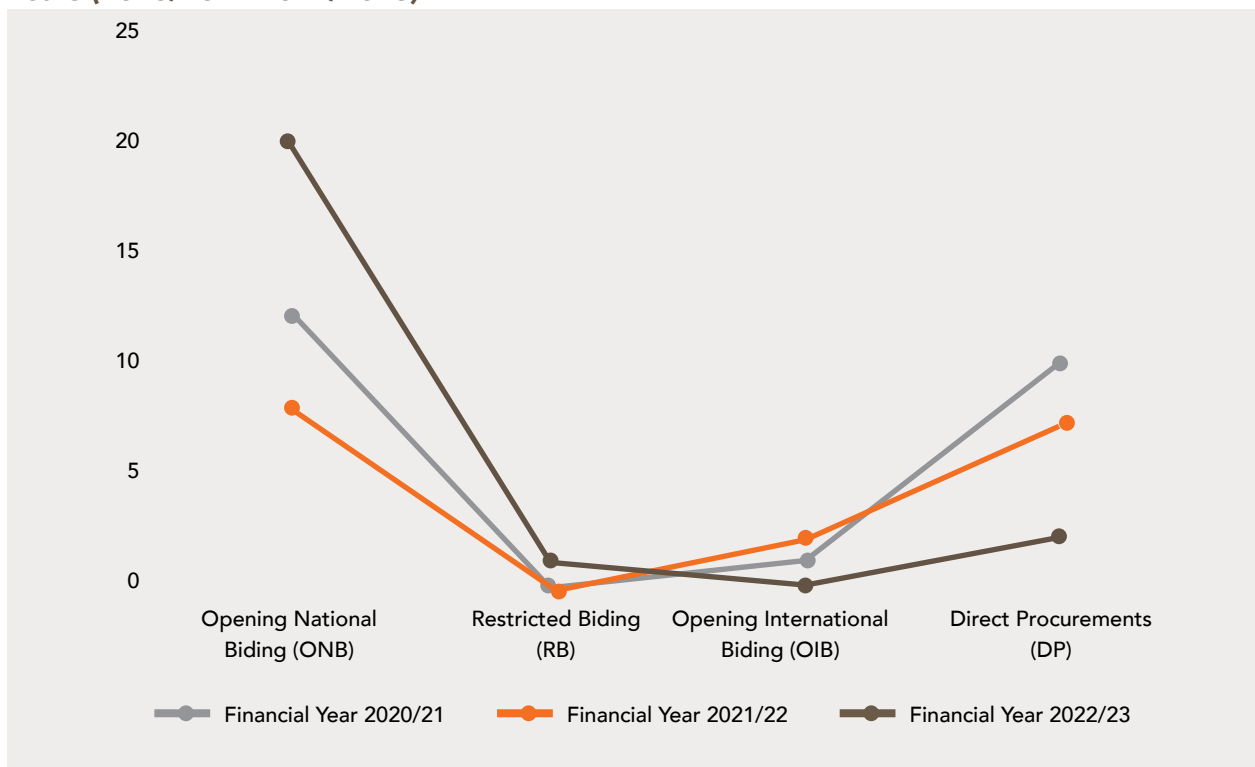
4.4.3.1 Breakdown of Procurement Awards by Procurement Method:

This section presents a detailed breakdown of procurement awards by method, both in terms of number and value, over the past three financial years: 2020/2021, 2021/2022, and 2022/2023. The analysis includes tables and graphs illustrating the distribution of awards across different procurement methods.

Table 13: Breakdown of Procurement Awards by Procurement Method:

Procurement Methods	FINANCIAL YEARS					
	2020/21		2021/22		2022/23	
	Count	Value (N\$)	Count	Value (N\$)	Count	Value (N\$)
Open National Bidding (ONB)	12	1,324,004,013	8	627,972,328	20	2,243,313,424
Restricted Bidding (RB)	0	0	0	0	1	30,625,566
Open International Bidding (OIB)	1	629,801,144	2	396,536,747	0	0
Direct Procurements (DP)	10	1,030,056,782	7	3,488,259,098	2	89,208,320

Graph 7: Count of Procurement Awards by Procurement Methods over Three Financial Years (2020/2021-2022/2023)





Graphs depicting the number and value of procurement awards across different methods for each financial year will be provided below.

This comparative analysis offers insights into trends and shifts in procurement practices over the specified periods.

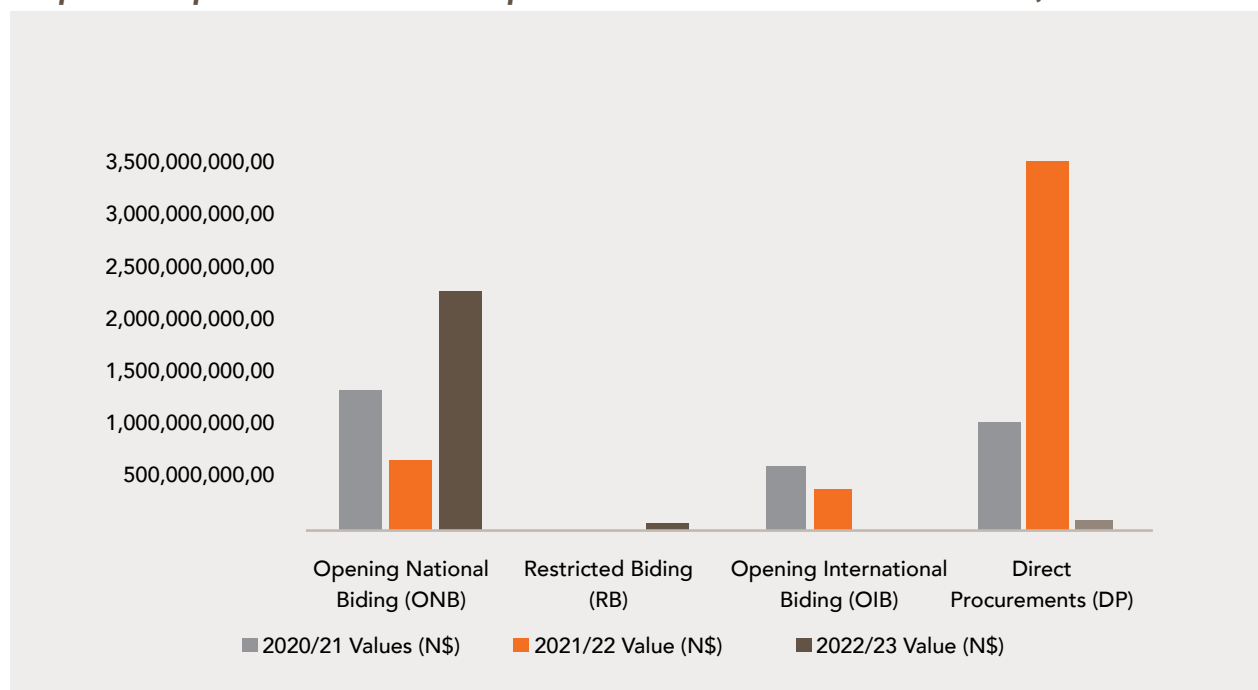
4.4.3.2 Analysis of Procurement Awards Trends

Based on table 13 and graph 7 above:

- **Open National Bidding (ONB):** There was a significant increase in both the number (150%) and value (258%) of awards under the ONB method when comparing FY 2021/2022 to FY 2022/2023. This indicates a substantial rise in the use of ONB for procurement, reflecting a heightened focus on competitive and transparent processes.
- **Open International Bidding (OIB) and Direct Procurement (DP):** In contrast, both OIB and DP methods showed a decreasing trend over the three financial years. This decline suggests a reduction in the use of these methods, possibly due to shifts in procurement strategy or changes in procurement needs and priorities.

This analysis highlights a notable shift towards more competitive procurement practices, particularly through ONB, while other methods like OIB and DP have seen reduced utilization.

Graph 8: Comparison of Value of Competitive Bids Over Three Financial Years (2020/21-2022/23)





4.4.3.3 Procurement Awards by Category for FY 2022/23

This section provides a breakdown of procurement awards for the 2022/23 financial year by procurement category. It highlights the most frequently sourced types of procurement categories during this period.

Table 14: Procurement Awards by Category for FY 2022/23

Procurement Category	FY: 2022/23	
	Count	Contract Ext Value
Goods	0	0
Works	14	2,172,846,475
Consultancy		0
Non-Consultancy Services	9	190,300,834
Totals	23	2,363,147,309

The table 14 above represent the distribution of procurement awards across different categories for FY 2022/23.

The breakdown reveals the predominant procurement categories for the year. The most frequently sourced type of procurement category can be identified from the highest number of awards and value. This insight is essential for understanding procurement priorities and trends for the year.

The data reveals that:

- **The works category** was the most frequently awarded category with 14 procurements amounting to **N\$2,172,846,476**.
- **Non-Consultancy Services** followed with 9 procurements amounting to **N\$190,300,834**.

This distribution indicates a strong focus on works-related procurements, reflecting substantial investment in infrastructure and construction projects during the fiscal year.

4.4.4 Contract Variation Orders and Price Increases

Variation Orders (VOs) are adjustments made to existing contracts due to changes in scope, price escalations, value engineering, or time extensions that impact project costs. These adjustments are governed by sections 56 and 62 of the PPA and the relevant contract clauses.

Key Points:

- Purpose of Variation Orders: To accommodate changes that affect the original contract terms, including scope modifications, cost increases, or time extensions.
- Authorization Process: Public entities must inform the Board and seek authorization before varying any contract signed by the Board.

**Table 15: Summary of Contract Variation Orders and Price Increases**

Item No.	Public Entity	Bid Description	Service Provider(s)	Value (N\$)
1	Ministry of Education, Arts and Culture (MoEAC)	Request for Contract Price Increase for the Construction of a Primary School at Otuzemba in Opuwo in the Kunene Region	Adaptive Building Construction	6,761,144
2	Ministry of Works & Transport	Request for a Variation order for the Mechanical & Electrical Sub-contractors cost for the Northern Railway Extension Phase 3 between Ondangwa & Oshakati: Construction of Station building, platforms & civil works	Tatiana Trading Enterprises CC JV Ongushe Trading	5,823,352
3	Ministry of Gender Equality, Poverty Eradication and Social Services	Request for Price adjustment and statutory price increase on Tender M33-2/2016: Rendering of Services to Effect Cash Payment of the Basic Grants & Allowances to Beneficiaries to MoGEPESW	Epupa Investments Technology (Pty) Ltd	2,180,418
4	Ministry of Health and Social Services	Request for Annual Price Increase of 6.6% for the Contract for Rendering of Catering services to the Ministry of Health and Social Services from 1st June 2022 to 31st May 2023	Pamo Trading Enterprises; Nutrifood; Independence Caterers; Seal Caterers; Tulipamwe Catering Services; OKG Food Services; Kunene Catering Services; Clouds; Trading Enterprises	8,225,869
5	Ministry of Works and Transport	Request for approval of outstanding payment of service fee adjustment of a price increase to Jo-Vat Investment CC- Provision of Security Services to the Garage in Windhoek from 01 January 2017 to September 2017	Jo-Vat Investment CC	71,619
TOTAL VALUE (N\$)				23,062,402

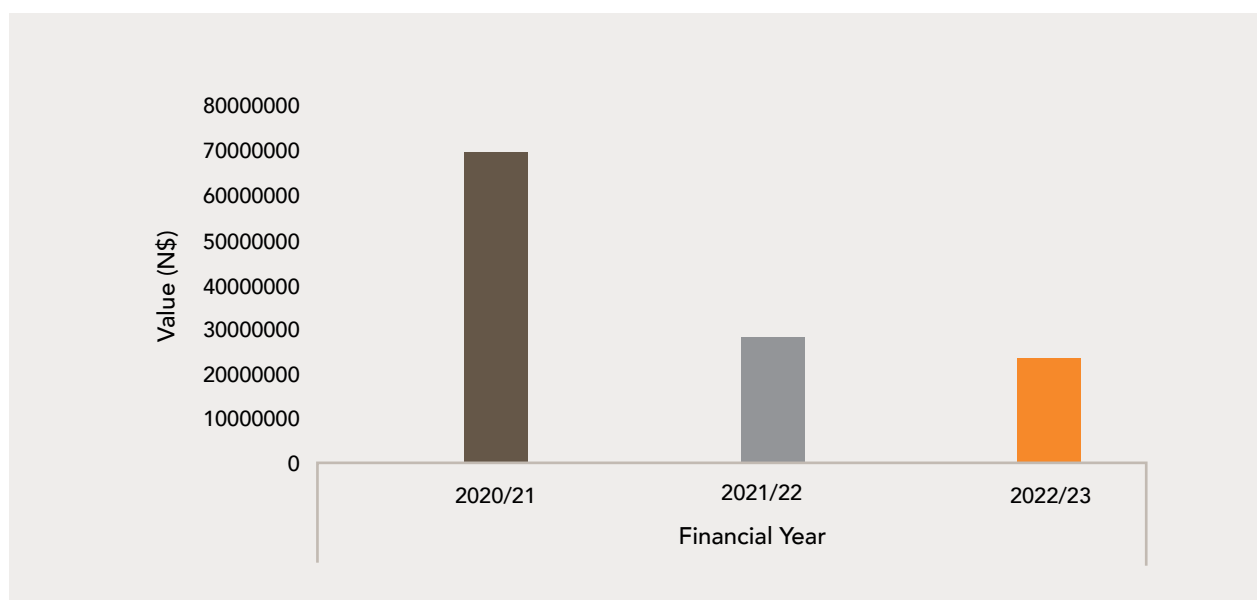


Variation Orders ensure that changes in contract terms are managed transparently and in accordance with the PPA. This process maintains contractual integrity and adherence to legal requirements, allowing for necessary adjustments while safeguarding the interests of all parties involved.

Table 16: Tabulation of the Number and Values of Variation Orders and Price Increases over three (3) Financial Years 2020/21 to 2022/23

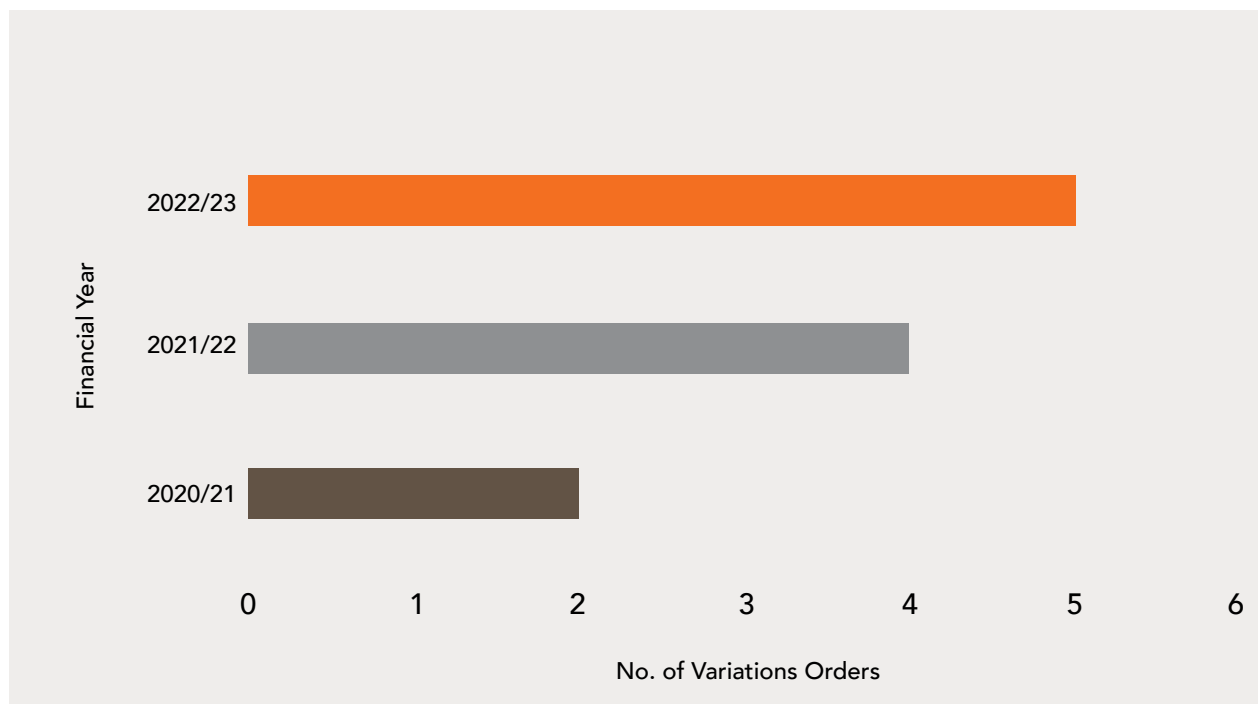
	2020/21	2021/22	2022/23
Counts	2	4	5
Values	69,492,559	28,053,716	23,062,402

Graph 9: Comparison of the value of Variation Orders/Price Increase Over the three Financial Years (2020/21-2022/23)





Graph 10: Number of Variation Orders/Price Increase Over three Financial Years (2020/21-2022/23)



4.4.4.1 Comparative Analysis of Variation Orders and Price Increases

The analysis of Variation Orders (VOs) and price increases over three financial years reveals the following trends:

- 1. Value Trends:** There has been a noticeable decrease in the values of Variation Orders and price increases over the three fiscal years. This suggests effective cost management and control during contract implementation.
 - 2. Count Trends:** While the total values have decreased, the number of Variation Orders and price increases has remained relatively stable. This indicates that while the frequency of changes remains consistent, their financial impact has been reduced.
- **Decreasing Values:** The reduction in the monetary value of Variation Orders and price increases reflects improved management of contract costs and better control over project budgets.
 - **Stable Counts:** The consistent number of Variation Orders and price increases indicates that changes and adjustments are still necessary but are being managed more cost-effectively.

Overall, these trends suggest that the Board has successfully implemented strategies to control and manage costs effectively during contract execution.

4.4.5 Contract Extensions

Contract extensions may be necessary during the implementation phase due to various circumstances, as outlined in section 62 of the PPA. However, the Board generally discourages frequent contract extensions due to their potential to undermine competition, create monopolistic conditions, and foster complacency among current service providers.



Permissible Circumstances for Extensions:

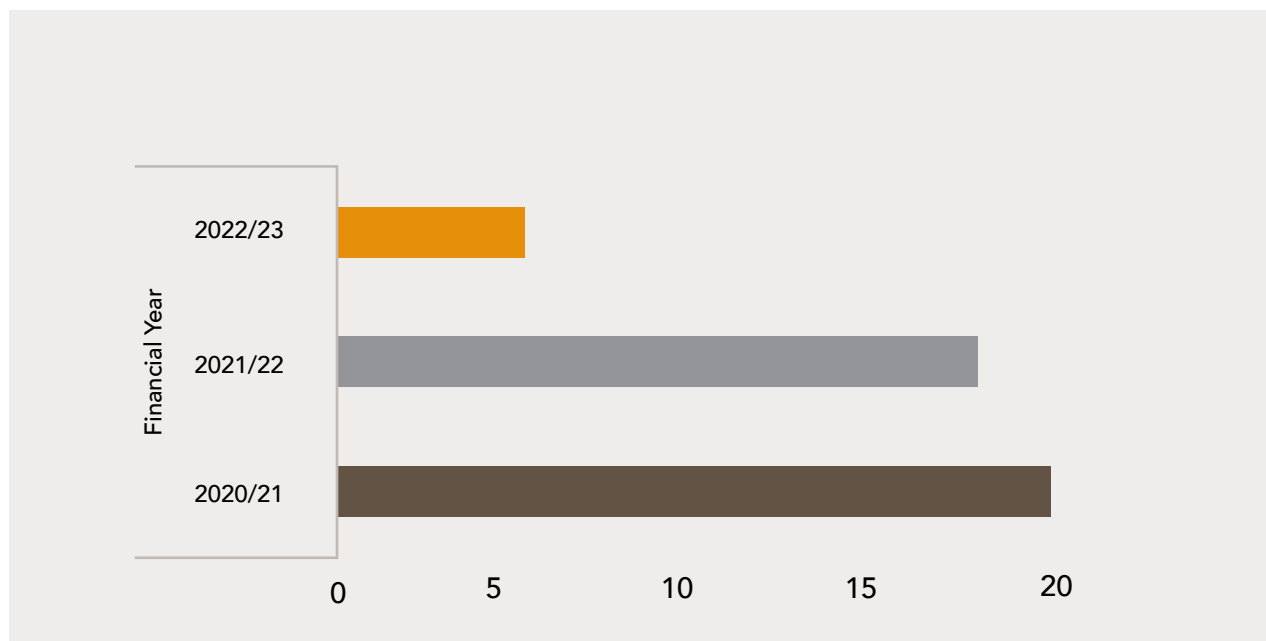
- **Need for Further Research:** When additional time is required for thorough research and benchmarking.
- **Ongoing Evaluation:** If the evaluation or bidding process is still in progress and further time is needed to complete it.

Table17: Comparative Analysis of Approved Contract Extensions for FY 2022/23

	FINANCIAL YEARS		
	2020/21	2021/22	2022/23
Number of Contract Extensions	19	17	5
Nationality of Beneficiaries	25	35	6
Namibian Entities Foreign Entities	1	1	0
Value (N\$)	889,069,107.00	568,191,170	296,827,755

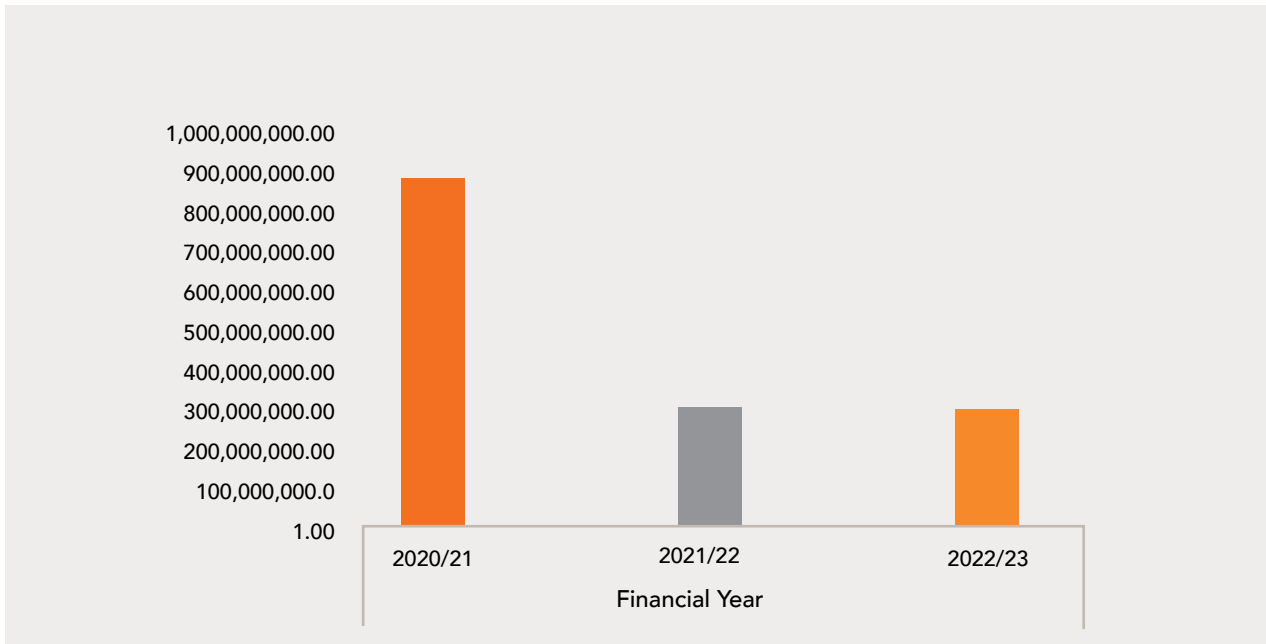
While the Board aims to minimize contract extensions to promote competitive practices and avoid entrenching existing service providers, it does recognize the need for extensions in specific cases. The list of approved contract extensions for the period under review is provided above, reflecting instances where extending the contract was deemed necessary and justified.

Graph 11: Comparison of Number of Approved Contract Extensions over Three Years (2020/21-2022/23)





Graph 12: Comparison of Value of Approved Contract Extensions Over the three Financial Years (2020/21-2022/23)



4.4.5.1 Analysis of Contract Extensions

The data presented in the table and graphs indicate a positive trend in contract management over the past three financial years:

1. **Decreased Number and Value:** Both the number and value of contract extensions have decreased significantly, with a 48% reduction in the number of extensions during the 2022/23 financial year.
 2. **Improved Procurement Management:** This decrease reflects improvements in procurement planning and execution. The Board's enhanced processes have contributed to more timely and effective procurement, reducing the need for contract extensions.
- **Trend Analysis:** The reduction in both the number and value of contract extensions signifies a more efficient and proactive approach to procurement.
 - **Improved Practices:** The decrease demonstrates the Board's success in refining procurement strategies and planning, leading to better management and fewer extensions.

Overall, these trends highlight the effectiveness of the Board's procurement management improvements, resulting in better planning and more efficient contract execution.

4.4.6 Cancelled Bids

The primary objective of any procurement process is to successfully award contracts to ensure the provision of goods and services to beneficiaries. However, while cancellations are not the ideal outcome, they are sometimes necessary. According to the ITBs and Section 54 of the PPA, cancellations can occur under specific circumstances.



Key Points:

- **Cancellation Circumstances:** Bids may be canceled before acceptance by the Board or public entity. Such cancellations are governed by procurement regulations and are necessary under certain conditions.
- **Procurement Integrity:** Despite the best efforts, cancellations can be a part of the procurement process, ensuring compliance with regulations and maintaining the integrity of the procurement system.

Procurement cancellations, while not desirable, are a recognized part of the procurement process and are managed according to established guidelines to maintain the integrity and effectiveness of procurement practices.

Table 18: List of bids cancelled during 2022/23 Financial Year

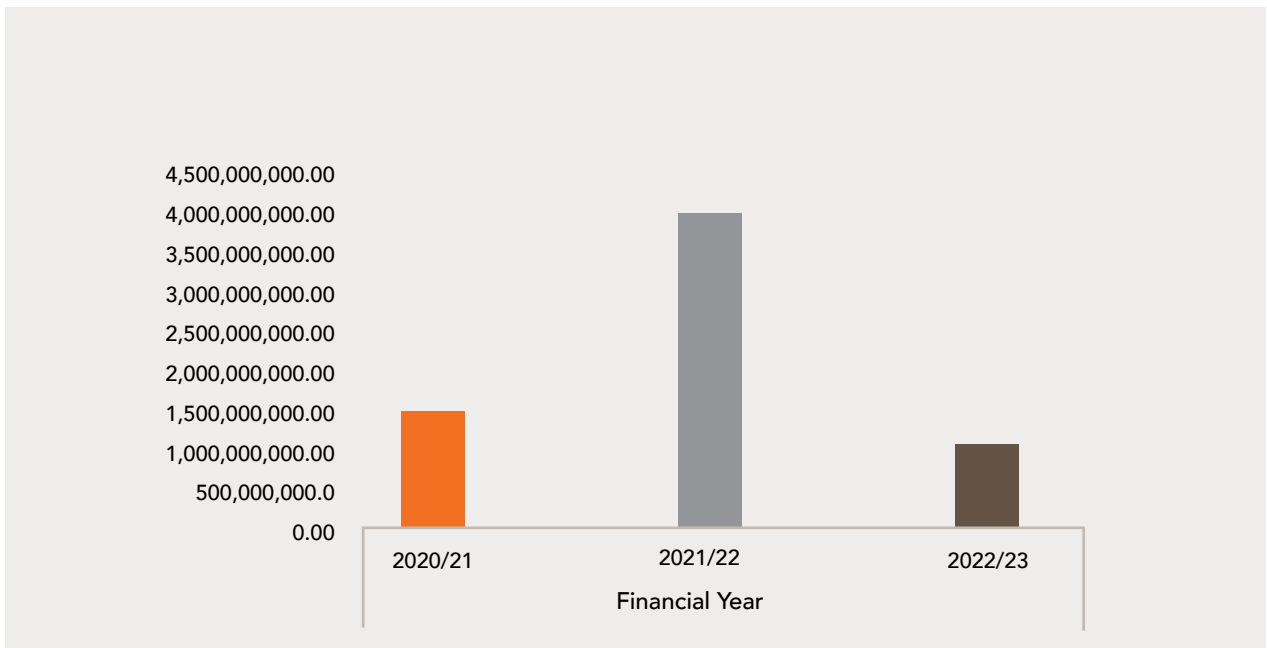
Item No.	Public Entity	Bid Description	IPP Cost Estimate (N\$)	Reason for Cancellation
1	Namibia Training Authority (NTA)	Procurement of the Provision of Security Services NTA	12,813,300	An irregularity that warrants the cancellation of the bidding process occurred and does not create or achieve the expected outcome in terms of Section 54 (1)(e) and (g) of the PPA, as amended.
2	Telecom Namibia	Provision of Security Services to Telecom Namibia	64,137,640	The Review Panel ordered that the procurement proceedings be terminated and started afresh in terms of Section 60 (f) of the PPA., as amended.
3	City of Windhoek (CoW)	Provision of Security Services to City of Windhoek	36,184,380	It does not create or achieve the expected outcome Section 54 (1) (g) of the PPA, as amended.
4	Ministry of Health and Social Services (MoHSS)	Procurement of Supply and Delivery of Clinical Products	400,000,000	The lowest evaluated bid is substantially above the applicable cost estimate in terms of Section 54 (1)(b) of the PPA, as amended.
5	Namibia Civil Aviation Authority (NCAA)	Procurement of Billing Services for the Regulator and the Air Navigation Service Provider for a period of Eight (8) Years	24,000,000	It is not economically viable to proceed with the bid and it does not create or achieve the expected outcome in terms of Section 54 (1) (f) & (g) of the PPA, as amended.
TOTAL VALUE (N\$)			537,135,320	



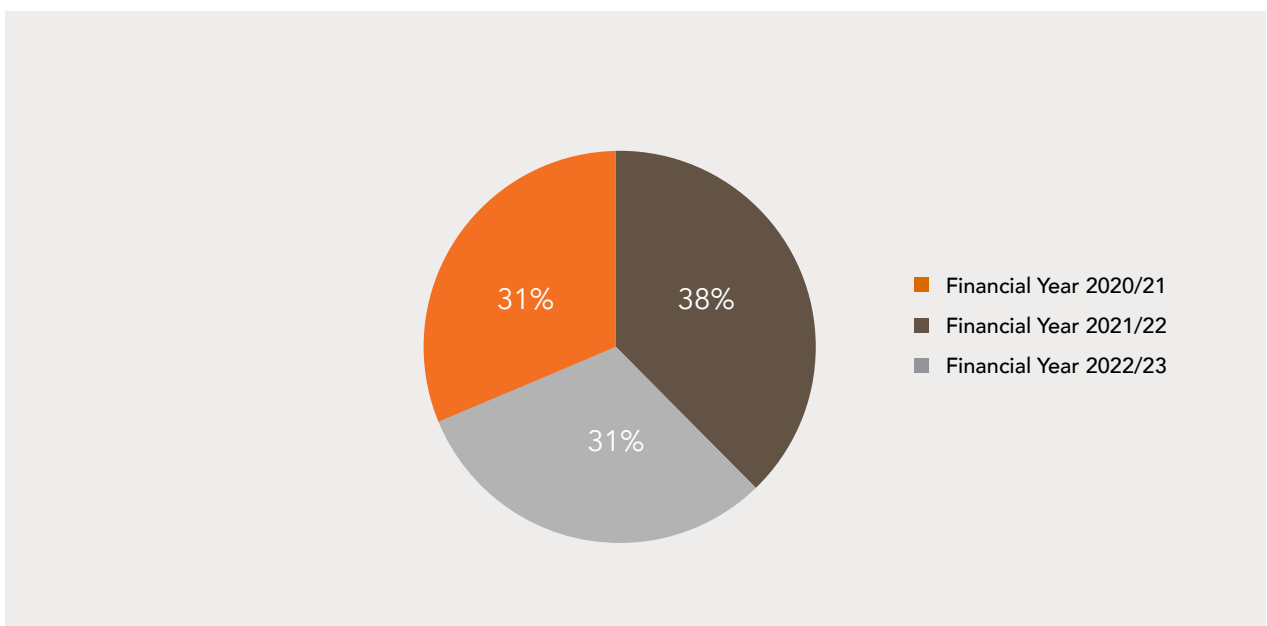
Table 19: Comparative Analysis of Bid Cancellation over three (3) FYs.

	Financial Year		
	2020/21	2021/22	2022/23
Number of Bids Cancelled	6	5	5
Value (N\$)	1,458,225,849	3,949,207,858	537,135,320

Graph 13: Comparison of Value of Bids Cancelled Over three Financial Years (2020/21-2022/23)



Graph 14: Number of Bids Cancelled Over three Financial Years (2020/21-2022/23)





Over the past three financial years, the number of cancelled bids has remained relatively constant. However, the value of these cancellations varies year to year, influenced by the cost estimates of the canceled procurements.

Key Points:

- **Cancellation Trends:** The frequency of bid cancellations has been stable across the three years. Variations in value are due to the differing costs of the canceled procurements.
- **Reasons for Cancellation:** Bids may be cancelled due to:
 - ▶ Failure of the Procurement Process: This includes instances where no responsive bids are received or irregularities affect the process.
 - ▶ Review Panel Orders: Cancellations can also occur based on orders from the Review Panel as stipulated in Section 60(f) of the PPA.

While the number of cancelled bids has been consistent, the associated values fluctuate depending on the circumstances of each cancellation. Key reasons include procurement process failures and orders from the Review Panel, reflecting the complexity and oversight inherent in maintaining a robust procurement system.

4.5 Legal Matters

4.5.1 Review Panel Matters

Under Section 59(1) of the PPA, any bidder dissatisfied with the Board's or Public Entity's conduct or decisions related to the award of a procurement contract may request a review by the Review Panel. During the period under review, the following matters were brought before the Review Panel by concerned bidders

Table 20: Review Panel Appeals

Bid	Applicant	Respondent	Public Entity	Reasons for Review	Relief Sought	Review Panel Order
1	NCS/ONB/ CPBN- 05/2019 Provision of Security Services to the Ministry of Health and Social Services	CPBN (Central Procurement Board of Namibia)	Ministry of Health and Social Services	<p>The bidder's bid was disqualified because it submitted an expired or invalid Social Security Commission (SSC) Good Standing Certificate.</p> <p>The bidder argued that the grounds of its disqualification were unfair as the law did not prescribe the expiry date for the SSC Good Standing Certificate and the Certificate did not indicate the expiry date.</p>	<p>The bidder sought the following relief from the Review Panel:</p> <p>An order directing the CPBN to re-evaluate the Applicant's bid.</p>	<p>The Review Panel ordered that the CPBN's decision to disqualify the Applicant's bid was unlawful and is therefore set aside in whole and the matter is referred back for reconsideration within the limitations of the following specific instructions:</p> <ol style="list-style-type: none"> 1. That the CPBN re-evaluates the Applicant's bid and any other bid that contained a Social Security Good Standing Certificate issued during the bid opening period if the procurement contract or the framework agreement contemplated under section 60(c) of the PPA did not come into force; and 2. Where the procurement contract or the framework agreement contemplated under section 60(c) has taken effect, in that instance, what happened in the cases of Chico/Octagon Venture v Road Authority & Others and CPBN v Ono Nangolo would befall the Applicant and any other bidder that finds itself in the same situation.

Item No.	Bid	Applicant	Respondent	Public Entity	Reasons for Review	Relief Sought	Review Panel Order
2	NCS/OAB/CPBN-02/2021 Procurement of provision of cleaning Services of the University of Namibia	BA Sharon Trading Enterprises CC And; Adaptic Investment CC	CPBN (Central Procurement Board of Namibia)	University of Namibia	The bidder was disqualified as it failed to submit a letter of intent from any registered financial institution to the value of three (3) months as required under Financial Evaluation criteria, Item 5.1 page 37 of the bid document.	The bidder sought the following relief from the Review Panel: An order in terms of section 60(f) of the Act directing that the procurement process be started afresh.	The Review Panel found that the bids were evaluated according to the methodology and criteria set out in the bidding document. With the above mentioned the Panel confirmed the decision of the CPBN to disqualify the Applicants' bids in accordance with section 60(e) of the PPA.
3	W/OAB/CPBN-08/2021 Construction of Aussenkher Health Centre in the /Kharas Region	Omatende Trading CC Ongoma Trading	CPBN (Central Procurement Board of Namibia)	Ministry of Health and Social Services	Omatende Trading CC the bidder submitted a list of equipment and plant and hire from Unik Construction Engineering to complete the proposed works however, they did not indicate as to whether they will own, or lease two dumpers as listed on page 43 of the bidding document as per evaluation score 1.4 item No.2. Regarding Ongoma Trading, this bidder was not disqualified but according to the executive summary it was not the lowest evaluated substantially responsive bid. In terms of Section 51(4) that as the bid opening session the name of the bidder and total ad discount is read out and recorded and a copy is made available or any bidder the awarded bidder has no record of a discount indicated on the cover of its bid at the time of bid opening.	The bidder sought the following relief from the Review Panel: An order directing the CPBN to re-evaluate the bidders' bid.	Regarding Omatende Trading CC, there are no points/marks availed/allocated for each equipment and no indication that if one equipment is listed the bidder will be deemed to be non-responsive. Due to the above mentioned, in terms of Section 60(c) of the Public Procurement Act, 2015 (act No. 15 of 2015), the Review Panel hereby sets aside the decision of the Board as it is not in compliance with Section 51(4) and Section 52(9) of the Act. That the Board must re-evaluate all bidders in accordance with Section 52(9) of the Public Procurement Act, 2015 (Act No. 15 of 2015) and must adhere to ITB 26.3, ITB 15.3 and understand what is stated on the Letter of Bid of the bidding document.

Item No.	Bid	Applicant	Respondent	Public Entity	Reasons for Review	Relief Sought	Review Panel Order
4	W/OAB/CPBN-04/2021 Construction of the New Mix Settlement Primary School at the Mix Settlement, In Brakwater, Khomas Region – Phase 1	Shatty Construction CC	CPBN (Central Procurement Board of Namibia)	Ministry of Education, Arts and Culture	The bidder claimed that the Board failed to comply with the Review Panel order dated 28 December 2023, and the re-evaluation of the bids was not in compliance with the Review Panel order. As the submission of scanned documents was a criteria for disqualification.	The bidder sought the following relief from the Review Panel: An order directing the CPBN to re-evaluate the bidders' bid.	In terms of Section 60(c) of the PPA, the Review Panel directed the CPBN to re-evaluate all bids in accordance with all criteria set in the bidding document.
5	NCS/OAB/CPBN-05/2022 Providing of Security Services and Cash-In-Transit Services to Telecom Namibia 36 Months	Windhoek Security Services CC	CPBN (Central Procurement Board of Namibia)	Telecom Namibia	The bidder was disqualified for not initialing the table of content, list of towns where services were rendered and one testimonial letter as required on page 29, Item 2.2 ITB 19.2 of the bidding documents.	The bidder sought the following relief from the Review Panel: An order setting aside the Board's decision to disqualify the bidders bid and directing the Board to "rectify" their bid in terms of ITB 27(2). An order directing the Board to disqualify Bidder No.3, Bidder No.7, Bidder No.12 and Bidder No.18 for conflict of interest as contemplated in ITB 6.1(6). In the alternative, an order cancelling the bid and directing that the procurement process be started afresh.	The Review Panel confirmed the decision of the CPBN in terms of section 60(e) of the Act based on the following: That the bidder failed to comply with ITB 19.2, Item 2.2 on page 29 of the bidding document, the ITB requires all the pages of the bid be signed and/or initialed.

Item No.	Bid	Applicant	Respondent	Public Entity	Reasons for Review	Relief Sought	Review Panel Order
6	G/OAB/CPBN-02/2022 Procurement of Supply and Delivery of Clinical Products for the Ministry of Health and Social Services	Morgan & Queen Medical Supplies CC	CPBN (Central Procurement Board of Namibia)	Ministry of Health and Social Services	This bidder did not duly complete the Bud Submission Form as required by Item 2.3 of the Preliminary Evaluation Criteria on page 244 of the bidding document, the bidder did not fill in its amounts.	The bidder sought the following relief from the Review Panel: An order reviewing and setting aside the CPBN's decision to award certain items to the successful bidders, as set out in the Notice of Selection for Procurement Award. An order declaring the bidder's bid is substantially responsive and that its bid should not have been disqualified for the reasons stated in the Executive Summary.	Since CPBN has issued a cancellation of this bid. The bidder's concession to the mootness of the review proceedings and the provisional withdrawal of the application as discussed, the Review Panel could not determine section 60 of the Act.
7	NCS/OAB/CPBN-05/2019 Provision of Security of Security Services and Cash-In-Transit Services for the University of Namibia	Nahole Security & Debt Collection Services	CPBN (Central Procurement Board of Namibia)	University of Namibia	Based on the Executive Summary the bidder was disqualified based its company name quoted under bidder 22, Chief Nahole Security Services & Debt Services CC which had not submitted a bid and because of certificate of registration as a bono-fide security services provider with the Namibian police was not submitted	The bidder sought the following relief from the Review Panel: An order reviewing and setting aside the Notice of Selection for Procurement Award and directing that the procurement process be started afresh.	The Review Panel ordered in terms of section 60(c) of the Act that the CBPN re-evaluates all bids in terms of section 52(9) of the Act. The Panel established that it was a human error which resulted in the bidder being disqualified for further evaluations.

Item No.	Bid	Applicant	Respondent	Public Entity	Reasons for Review	Relief Sought	Review Panel Order
8	W/OAB/CPBN-02/2022 Nominated SME Contractors for the Blading of Gravel Roads in Windhoek Region on Behalf of Roads Authority	Pisces Investment Holdings Number Eight Cc	CPBN (Central Procurement Board of Namibia)	Roads Authority	The bidder was disqualified based on the current ratio allegedly not > 1 (equal or greater than 1) required by Section III under financial evaluation criteria 2.2.2 of the Evaluation and Qualification criteria in the bidding document. The bidder claimed that their average current ratio meets the requirements in terms of criteria 2.2.2, above cited	The bidder sought the following relief from the Review Panel: An order directing the CPBN to re-evaluate the bidders bid.	The Review Panel found that Applicant's average current ratio for the last three years was indeed 1.18 and that Applicant has complied with the requirement. In terms of Section 60 (c) of the Act, the Review Panel sets aside the decision of the CPBN and refers the matter back with the following instructions: The CPBN must re-evaluate all bids in terms of Section 52(9) of the Public Procurement Act 15 of 2015.
9	NCS/OAB/CPBN-03/2021 Procurement of Provision of Landscaping Services to the University of Namibia for the Period of Three (3) Years	AJ Visagie t/a Andre's Landscaping Economic Gardens Maintenance CC	CPBN (Central Procurement Board of Namibia)	University of Namibia	The bidder was disqualified due to the fact it submitted a certified copy of a driver's licence and not a certified copy of the identification document of the shareholder. Regarding, Andre's Landscaping, the bidder was disqualified for not attaching its founding statement as required in the bidding document.	The bidder sought the following relief from the Review Panel: An order referring the matter back to the CPBN for re-evaluation.	The Review Panel found that the BEC evaluated Economic Gardens Maintenance CC's bid according to the evaluation criteria and methodology set out in the bidding document and in line with section 52(9) of the Act. Consequently, the Review Panel dismissed the review application in terms of section 60(a) and confirmed the decision of the CPBN in terms of section 60(e) of the Act. Regarding, Andre's Landscaping, the Review Panel found that the CPBN erred in disqualify the bidder and ordered the CPBN to re-evaluate all bidders that were disqualified due to the misinterpretation of the types of legal entities subjected to have founding statements or other arrangements

Item No.	Bid	Applicant	Respondent	Public Entity	Reasons for Review	Relief Sought	Review Panel Order
10	NCS/OAB/ CPBN- 03/2021 Procurement of Provision of Landscaping Services to the University of Namibia for the Period of Three (3) Years	Roots Nursery & Garden Centre CC	CPBN (Central Procurement Board of Namibia)	University of Namibia	The bidder alleged that it could not respond to the extension of the bid validity period as they were excluded from the email set to bidders.	The bidder sought the following relief from the Review Panel: An order referring the matter back to the CPBN for re-evaluation.	Review Panel made the following order: In terms of Section 60 (c) of the Act, the Panel set aside the decision of the CPBN and the matter was referred back with the following instructions: The CPBN must re-evaluate the bidders bid for further evaluation.
11	NCS/OAB/ CPBN- 03/2022 Provision of Security Services to the Ministry of Gender Equality, Poverty Eradication and Social Welfare	Rubicon Security Services CC	CPBN (Central Procurement Board of Namibia)	Ministry of Gender Equality, Poverty Eradication and Social Welfare	The bidder was not disqualified but not selected for award as it was not the lowest evaluated substantially responsive bidder. The bidder alleged that the selected bidders did not meet the minimum statutory requirements for remuneration of security officers.	The bidder sought the following relief from the Review Panel: The decision to award Lots 1,2,4 and 5 be set aside and that the Review Panel award these lots in question to bidder.	In terms of Section 60(a) and (e) of the Act, the Review Panel dismissed the application and confirms the decision of the Board.

Item No.	Bid	Applicant	Respondent	Public Entity	Reasons for Review	Relief Sought	Review Panel Order
12	W/OAB/CPBN-01/2022) Procurement for the Development Contracts for the Blading of Gravel Roads in the Windhoek Region Part-A	La Van Wyk Grading and Construction CC Nexus Civil (Pty) Ltd	CPBN (Central Procurement Board of Namibia)	Roads Authority	The bidder alleged that the Board misinterpreted its financial statements in finding its average current ratio calculated at 0.7 contrary to criteria 2.2.2 of the bidding document which requires a ratio ≥ 1 .	The bidder sought the following relief from the Review Panel: An order directing the CPBN to re-evaluate its bid.	The Review Panel made the following order: 1.The Board correctly calculated the bidder's current ratio by using the information found in the financial statements submitted by the bidder. 2.As per the information submitted by the bidder the average current ratio for the last 3 years is 0.76 and less than 1. With the above mentioned and in terms of Section 60(a) and (e) of the Act, the Review Panel dismissed the application and confirms the decision of the Board

Bidders have exercised their right to seek a review of procurement decisions through the Review Panel, reflecting the system's commitment to transparency and accountability in procurement practices.



4.5.2 High Court Matters

The PPA, in Section 59(4), allows bidders to challenge decisions made by the Central Procurement Board of Namibia (CPBN) or public entities in the High Court. However, it is required that bidders exhaust all internal remedies before pursuing legal action. During the period under review, four procurement matters were escalated to the High Court of Namibia.

The escalation of matters to the High Court underscores the importance of maintaining rigorous internal processes and providing avenues for redress within the procurement framework. The CPBN remains committed to upholding legal and procedural standards in its procurement activities.

Table 21: High Court Appeals

Item No.	Case No	Applicant/ Plaintiff/ Appellant	Respondent/ Defendant	Public Entity	Relief Sought	Court Orders & Status	Comments
1	HC-MD-CIV-ACT-DEL-2020/02891	Pamo Trading Enterprises CC and Two Others	Tender Board of Namibia & Two Others	Ministry of Education Arts & Culture	Delictual claim for damages for the loss of profit in the amount of N\$143 573 715,00. They further claim the financial losses that they incurred and suffered as a result of their 'survey' expenses, which amounted to N\$ 35 220, as well as interest and costs	The Applicants brought a claim for damages following the judgment of the Supreme Court in their favour. In the Supreme Court Appeal the court found that the tender was unreasonably cancelled. The Applicants issued a fresh summons in the High Court on 23 July 2020 claiming damages. In an interlocutory application Court upheld exceptions raised on behalf of the Tender Board with costs. The Plaintiffs filed a Notice for Leave to Appeal to the Supreme Court against the Order and Judgment upholding the exception. The Notice to Appeal the Exception was filed on 17/12/2021 and leave to appeal was granted to the Applicants	The matter is not finalized
2	HC-MD-CIV-MOT-GEN-2021/00112	Sistemas Avanzados De Tecnologia, S.A. (SATEC)	Chairperson of the CPBN & 21 Others	Telecom Namibia	An order reviewing and setting aside the decision of the Review Panel to dismiss the applicant's review application. An order referring the Applicant's review application back to the Review Panel and ordering the CPBN to release the stage one bid evaluation results to the applicant for purposes of considering the applicants review application on the merits. An order directing the Review Panel to consider the merits of the review application and if the review application is successful that the Review Panel directs the CPBN to proceed to stage two of the bidding process by inviting those bidders who scored 80% or more in stage one of the bidding process to submit commercial proposals together with a varied technical proposal, if required. An order reviewing and setting aside and or correcting the decision of the CPBN to cancel the bidding process. An order interdicting and restraining the Minister of Finance to grant Telecom Namibia exemption to conduct direct procurement. Interdicting and restraining CPBN and Telecom from readvertising a bid	The matter was set down for delivery of judgment on 23 May 2022. The Applicant however withdrew the application on 16 May 2022 before judgment was delivered. The matter is thus removed from the roll and deemed finalized	
3	HC-MD-CIV-MOT-REV-2019/00496	Global Diamond Valuers (Pty) Ltd	Central Procurement Board of Namibia ("CPBN") & 13 Others	Ministry of Mines & Energy	An order reviewing and setting aside the decision to award the procurement contract	The application is dismissed with costs, such costs to include an instructed and instructing legal practitioner where applicable The matter is removed from the roll and regarded as finalized	

Item No.	Case No	Applicant/ Plaintiff/ Appellant	Respondent/ Defendant	Public Entity	Relief Sought	Court Orders & Status	Comments
4	HC-MD-CIV-MOT-REV-2021/00422	Pamo Trading Enterprises CC	Central Procurement Board of Namibia ("CPBN") & 125 Others	Ministry of Education, Arts & Culture	An order reviewing and setting aside the CPBN's decision to cancel the procurement process.	<p>In the applicant's main application 1 The 1st respondent's decision, purportedly 1.1 taken on 7 October 2021, set out in the Notice of Bid of Cancellation purportedly signed by the 2nd respondent on 12 October to cancel the bidding process of Procure-, 2021 :ment Reference Number G/ONB/CPBN-01/2020 (Procurement of Supply of Foodstuffs to Government School Hostels), is hereby reviewed and set aside The 1st respondent is ordered to re-evalu- 1.2 ate the bids in Procurement Reference Num- :ber G/ONB/CPBN-01/2020 (Procurement of Supply of Foodstuffs to Government School Hostels) in full compliance with the order of the 5th respondent decided on 18 March 2021 The 1st and 2nd respondents are ordered 1.3 to pay the applicant's costs of one instructing .and two instructed counsel In the fifty-seventh respondent's conditional 2 :counter-application The 1st respondent's decision that the 57th 2.1 respondent's bid is invalid, taken on or about December 2021, is hereby reviewed and set 17 .aside The 1st respondent is ordered to re-evalu- 2.2 ate the bids, including the bid of the 57th respondent, in Procurement Reference No G/ ONB/CPBN-01/2020 (Procurement of Supply of Foodstuffs to Government School Hostels) in full compliance with the following order of the 5th respondent of 18 March 2021, :namely That the 1st respondent re-evaluates the bids" that contained Social Security Commission's Good Standing Certificates "; issued in respect of this bid The 1st respondent is ordered to pay the .2.3 57th respondent's costs occasioned by this application, such costs to include the costs of .one instructing and one instructed counsel The matter is removed from the roll, and 3 .regarded as finalised</p>	

Item No.	Case No	Applicant/ Plaintiff/ Appellant	Respondent/ Defendant	Public Entity	Relief Sought	Court Orders & Status	Comments
5	HC-MD-CIV-MOT-REV-2021/00294	Bertha Security Services CC	The Review Panel, Chairperson of the CPBN, the CPBN & 82 Others	Ministry of Health & Social Services	An order reviewing and setting aside the Review Panel decision of 09 July 2021. An order restraining and interdicting the CPBN and the MoHSS from implementing the Review Panel Order. An order restraining and interdicting the successful bidders from executing work under the procurement contracts that were awarded. An order remitting the matter back to the Review Panel for re-hearing or alternatively sent back to the CPBN for re-evaluation. In the same matter Namibia Protection Services (NPS) brought a counter application for the reviewing and setting aside of the Review Panel's decision and that the matter be remitted back to the CPBN for re-evaluation. NPS also seeks a declaratory order in respect of sections 51(4), 52(5) and 55(1) of the PPA. Further, that the Court compel the CPBN to provide NPS with respect to all 80 bidders, the name and the total corrected amount of each bid alternatively the unit price of every bidder, for each and every of the three years .and for each and every one of the 13 lots	The application succeeds. The decision of the Review Panel of 9 July 2021, is reviewed and set aside. The review application submitted to the Review Panel is remitted to the Review Panel for a hearing. The CPBN is ordered to pay the costs of the applicant, such costs to include the costs of one instructed and one instructing counsel. The counter application filed by NPS is dismissed. NPS is ordered to pay the costs of the CPBN, such costs to include the costs of one instructed counsel and one instructing counsel. Such costs are to include attendance up to the point of drafting the heads of argument but excluding costs of appearance by instructed counsel at the hearing. The applications are removed from .the roll and are regarded finalized	The Review Panel convened a hearing as ordered by the High Court on 16 May .2022
6	HC-MD-CIV-MOT-REV-2022/00074	Stream Two Properties CC	Chairperson of the Review Panel, Chairperson of the Central Procurement Board of Namibia & 33 .Others	Ministry of Education, Arts and Culture	An order reviewing, correcting and setting aside the findings of the Review Panel relating to the alleged conflict of interest. An order declaring that the Review Panel acted unfairly and unreasonably when it considered grounds which were not relied upon by the CPBN when it disqualified the bid. An order reviewing and correcting the CPBN's decision to disqualify the Applicant's bid and directing the CPBN to consider them from stage 1 to stage 6 of the bid evaluation and to make a .fresh decision thereafter	The matter was heard on 13 April 2022. The Ruling was delivered on 12 May 2022. The High Court referred the matter back to the CPBN and directed that the CPBN proceed and consider Stream Two Properties CC from Stage 1 to 6 of the bid evaluation and to make a fresh decision regarding the allocation of bids thereafter	

Item No.	Case No	Applicant/ Plaintiff/ Appellant	Respondent/ Defendant	Public Entity	Relief Sought	Court Orders & Status	Comments
7	HC-MD-CIV-MOT-REV-2022/00190	iBuild (Pty) Ltd	Chairperson of the Review Panel, Chairperson of the Central Procurement Board of Namibia & Others	Ministry of Education, Arts and Culture	That the decision of the Review Panel dated 18 March 2022 be reviewed and set aside and an order interdicting and restraining the CPBN from implementing the Review Panel Order	The matter was heard on 28 April 2022 and judgment was delivered on 23 May 2022. The High Court interdicted and restrained the CPBN from implementing the Review Panel Order dated 18 March 2022 pending the determination of Part B of the review application before the High Court In delivering the judgment in Part B of the application the High Court found that the decision of the CPBN, to not select Kambwa Construction for award, was not procedurally fair and therefore the decision of the Review Panel to set it aside and remit the matter back to the CPBN is correct. Thus, the Review Panel Order was upheld and stands to be implemented	The CPBN implemented the Review Panel Order as directed by the High Court
8	HC-MD-CIV-MOT-GEN-2022/00256	Afripharm Investment (Pty) Ltd	Central Procurement Board of Namibia, Government of the Republic of Namibia and Two Others	Ministry of Health & Social Services	Declaring condition ITB 7.4(b) at page 39 of the bid documents as well as condition GCC 6.1 at page 61 of the bid documents as unlawful, unreasonable, unfair and irrational, and setting them aside. Declaring the requirements introduced by the NMRC during June 2022 as unlawful and irrational, and setting aside	The matter was heard on 22 June 2022. The application was refused for lack of urgency and struck from the roll with costs	
9	HC-MD-CIV-MOT-REV-2022/00524	Nahole Security & Debt Collection Services	Chairperson of the Review Panel & Others	University of Namibia	An order reviewing and correcting the decision of the Review Panel on the 30th of September 2022, ordering that the CPBN shall re-evaluate all the bids, be set aside for being inconsistent with Article 18 of the Namibian Constitution An order declaring the decision of the CPBN to disqualify the Applicant from the entire bidding process as unlawful and inconsistent with Article 18 of the Namibian Constitution and setting such decision aside to the extent where necessary	The parties entered into a settlement agreement. The settlement agreement was made an order of court on 20 March 2023. In terms of the settlement agreement the parties agreed to have the matter remitted to the Review Panel. The matter is finalised and removed from the roll	

Item No.	Case No	Applicant/ Plaintiff/ Appellant	Respondent/ Defendant	Public Entity	Relief Sought	Court Orders & Status	Comments
10	HC-MD-CIV-MOT-REV-2022/00298	Neu Olulya Trading CC	Namibia Training Authority, Mutua Scriba Architects, The Central Procurement Board of Namibia, The Minister of Finance	Namibia Training Authority	An order setting aside the adjudication in relation to the dispute regarding the determination of the procurement contract for the construction of the Nkukerenkuru Vocational Training Centre in its entirety. The further seek an order setting aside the decision of the adjudicator and ordering the parties to proceed with dispute resolution processes as provided for in the provisions of the Special Conditions of Contract. The Applicant also seeks an order interdicting the CPBN and the NTA from implementing the decision of the adjudicator and from appointing another bidder to complete the works pending the outcome of the dispute resolution process	The matter is undergoing judicial case management, with a date for the hearing to be determined	

4.5.3 Debarment Applications

Under Section 68(1) of the Public Procurement Act, the Review Panel has the authority to suspend or debar a bidder or supplier from participating in procurement proceedings based on specified grounds, including misconduct, collusion, and failure to fulfill contractual obligations. During the period under review, CPBN initiated a debarment application for one bidder, detailed as follows: The debarment process is a crucial measure to ensure integrity and compliance within the procurement system. It serves as a deterrent against unethical practices and reinforces the commitment to maintaining high standards in procurement activities.

Table 22: Debarment Application

	Bid	Applicant	Respondent	Public Entity	Relief Sought	Review Panel Order
1	Construction of Nkurenkuru Vocational Training Centre (W/ONB/CPBN-08/2019)	CPBN	Neu-Olulya Trading Enterprise CC	Namibia Training Authority	The CPBN applied for the debarment of the Neu-Olulya Trading Enterprise CC for misconduct relating to the execution of the procurement contract in terms of section 68(1)(d).	That on the strength of Section 68(1)(d) of the Act, the Respondent is suspended and debarred from participating in procurement activities with all public entities, effective from 2nd August 2022 to 2nd February 2023.

4.6 Monitoring and Evaluation

In accordance with Section 8(c) of the Public Procurement Act, the Board is responsible for directing and supervising accounting officers in the management and implementation of procurement contracts awarded by the Board. This section provides an update on the progress of procurement awards as of 31 March 2023.

4.6.1 Progress with the Awards Implementations as of 31 March 2023

During the reporting period, CPBN managed a total of ninety-five (95) active procurement contracts, categorized as follows:

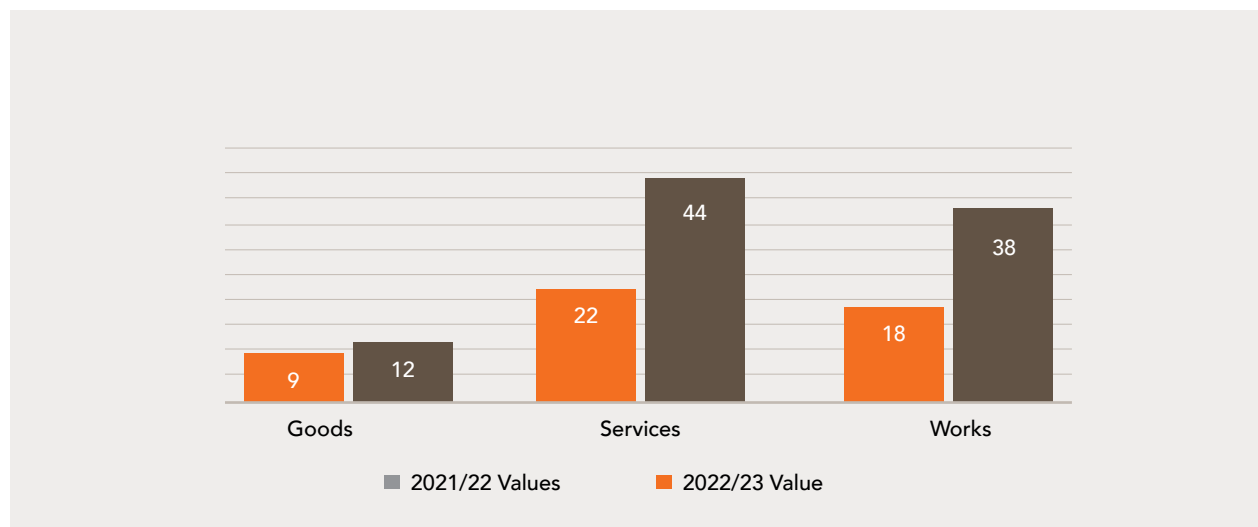
- **Works:** 38 contracts
- **Goods:** 12 contracts
- **Consultancy Services:** 1 contract
- **Non-Consultancy Services:** 44 contracts



The chart below illustrates the distribution of active procurement projects for the financial years 2021/2022 and 2022/2023.

The provided data offers a snapshot of CPBN's ongoing procurement activities and underscores the Board's efforts to effectively manage and supervise the implementation of contracts.

Graph 14: Procurement Projects under Implementation per Financial Years (2020/21-2022/23)



The number of active contracts has risen significantly, from 49 to 95, marking a remarkable 94% growth between the 2021/2022 and 2022/2023 reporting periods. Analyzing the M&E reports reveals the following:

- **Completed Contracts:** 4.2% (4 contracts) have been completed and are currently in the defect liability period.
- **On-Track Contracts:** 61.1% (58 contracts) are progressing well and remain on schedule.
- **Delayed Contracts:** 10.5% (10 contracts) have fallen behind schedule; remedial actions are being implemented to address these delays.
- **Initial Implementation Phase:** 18.9% (18 contracts) are within the initial 3-month implementation phase.
- **Unreported Contracts:** Reports for 5.3% (5 contracts) were not received during the reporting period.

Notably, during the review period, the Board approved the termination of one procurement contract due to non-performance, based on the recommendation of the Public Entities and in accordance with the contract terms.

4.6.2 Values of Active Procurement Contracts by region on 31 March 2023

Additionally, during the review period, the Board approved the termination of one procurement contract due to non-performance, in line with the contract terms and the public entity's recommendation.



Table 23: Values of Active Procurement Projects by Regional and National Level.

Region of Operation	SUM of Project Value (N\$)
Erongo	618,456,938
Hardap	92,847,591
Karas	190,524,763
Kavango East	56,188,138
Kavango West	59,810,181
Khomas	834,795,624
Kunene	121,074,050
Ohangwena	113,983,770
Omaheke	13,496,969
Omusati	233,954,072
Oshana	534,712,469
Oshikoto	40,563,278
Otjozondjupa	1,007,137,609
Zambezi	90,929,980
National	1,212,684,402
Grand Total	5,221,159,834

4.6.3 The Impact of Procurement Projects

The CPBN focuses on managing high-value procurement projects that have significant socio-economic impacts on the communities where they are implemented. These impacts are evident in various aspects:

1. Improved Service Delivery:

- Education: The construction of schools in remote villages has greatly improved access to education for children in those areas. This development ensures that education services are available to communities that previously lacked such facilities.

2. Employment Opportunities:

- Local Employment: Procurement projects have generated substantial employment opportunities, contributing to job creation both locally and from other parts of the country. During the reporting period, a total of 3,776 employment opportunities were created through construction projects, as well as cleaning and security services across different regions.
- Local Hiring: One of the key criteria in bid

submissions and evaluations is the requirement for bidders to source unskilled labor from the local areas where the project is being carried out. This practice supports local economies and ensures that the benefits of the projects are distributed within the community.

3. Vocational Training Centers:

- Skills Development: The construction and upgrading of vocational training centers have enhanced access to vocational education. These centers enable youth to acquire valuable skills for employment or entrepreneurship, which is crucial for their personal and professional development.

4. Economic Impact:

- Local Economy: The funds injected into local economies through salaries and local procurement of building materials contribute to the overall economic development of the region. Many projects have an implementation period ranging from 18 to 36 months, extending the economic benefits beyond the immediate project duration.

5. Community Participation:

- **Food Supply Chain:** The procurement for the provision of maize meal, blending, packaging, and transportation to regional distributors for the Ministry of Education, Arts and Culture engages local communities, including farmers and food producers. This fosters community participation and stimulates local economic development.
- **Challenges:** Despite these benefits, there is a challenge in the local supply chain for blending maize meal. Protein supplies needed for blending are still sourced from South Africa, which limits opportunities for local farmers and affects potential local economic gains.

The procurement of feeding program supplies for primary school learners in Namibia demonstrates profound social impacts:

i. Improved Nutrition:

- **Health Benefits:** By providing essential food supplies, the program significantly enhances the nutrition and overall health of primary school learners. This is crucial for their growth, development, and ability to concentrate in school.

ii. Support for Education:

- **Increased School Attendance:** Adequate nutrition directly contributes to higher school attendance rates. When students

are well-nourished, they are more likely to attend school regularly and perform better academically.

iii. Promotion of Social Equity:

- **Equal Opportunities:** The feeding program helps address disparities in access to nutritious food, promoting social equity among students from different socio-economic backgrounds.

iv. Community Engagement:

- **Local Involvement:** The program fosters community involvement by engaging local suppliers and service providers, thereby stimulating local economic development and reinforcing community ties.

v. Overall Health Improvement:

- **National Health Profile:** By improving the health of school-aged children, the program contributes to the country's overall health profile, potentially leading to long-term benefits for public health.

4.6.4 Performance Monitoring

Table 1 below provides a detailed report of contract progress for the period from 01 April 2022 to 31 March 2023. This table includes specific updates on the implementation status of various procurement contracts.

TABEL 24: PROJECTS PROGRESS UPDATES AT 31 MARCH 2023

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in NS	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
1	W/RB/CPBN-02/2018: Upgrading/Expansion of Valombola VTC	Namibia Training Authority	Africa Civil Engineering CC JV China State Construction Engineering Corporation	Namibian JV Chinese	26-Apr-19	979	1-Apr-21	Dec-21	27,695,420	29,10 (105%)	1099	112%	100%	Works		Project completed and inaugurated in June 2022, Defect liability period ends April 2023
2	W/RB/CPBN-01/2018: Upgrading/Expansion of Nakayale VTC	Namibia Training Authority	Africa Civil Engineering CC JV China State Construction Engineering Corporation	Namibian JV Chinese	Apr-19	1191	Apr-21	Jul-22	37,780,312	49,40 (130%)	1345	113%	100%	Works		Defect liability period ends Apr 2023 Expenditure is inclusive of consultant fees
3	W/ONB/CPBN-07/2019: Construction of Kunene VTC	Namibia Training Authority	Adaptive Building and Land Construction CC	Namibian	Sep-20	992	Sep-22	May-23	42,795,107	7.30	931	94%	93%	Works	55	The project completion was revised to end of May 2023 due to delays from the design team to deliver information to the contractor.
4	W/RB/CPBN-04/2018: Upgrading of Okakarara VTC	Namibia Training Authority	Octagon Construction	Namibian	Apr-19	1194	Apr-21	Jul-22	64,251,259	48,01 (75%)	1437	120%	90%	Works	63	The contractor failed to complete the project on the revised completion date of end of July 2022. On 09 February 2023, the Board approved the contract termination as recommended by the client due to non-performance. The client did not implement the Board resolution on the contract termination and the status update is waited for from the client.

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
5	G/OIB/CPBN-04/2018: MANUFACTURING, DELIVERY, TESTING AND INSTALLATION OF POWER TRANSFORMERS AT BRAKWATER, RUBY/SWAKOP-MUND & TARMARISK SUBSTATION	Nampower	Powermax Co.Ltd	Korea	Jan-20	1165	Jan-21	Mar-23	107,029,877	107,02 (100%)	1166	100%	100%	Goods		All 15 Units were successfully delivered and taken over
6	G/OIB/CPBN-05/2018: MANUFACTURING, DELIVERY, TESTING AND INSTALLATION OF POWER TRANSFORMERS AT BRAKWATER	Nampower	SGB-SMIT Power Matla (PTY) Ltd	South African	Dec-19	1146	Dec-20	Jan-23	89,895,000	88,82 (98.81%)	1212	106%	100%	Goods		All 10 Transformers under this contract were delivered, assembled, tested takeover by end of April 2023. An amount of N\$ 1,069,770.00 is withheld waiting for all operating and maintenance manuals submission.
7	G/OIB/CPBN-06/2018: MANUFACTURING, DELIVERY, TESTING AND INSTALLATION OF POWER TRANSFORMERS AT BRAKWATER & HARDAP SUBSTATION	Nampower	Hyosung Heavy Industries Corporation	Korea	Dec-19	860	Sep-20	Apr-22	77,017,766	77.01 (100)	860	100%	100%	Goods	70	Project Completed on 13 April 2022. Project period was extended with 535 days due to COVID-19 impact on the world supply chain
8	G/OIB/CPBN-01/2019: PROCUREMENT OF DESIGN, MANUFACTURING, TESTING AND DELIVERING OF TWO MOBILE SUBSTATIONS	Nampower	ABB South Africa (PTY) LTD	South African	Jan-20	1623	Jul-21	Jun-24	46,680,150	4.67 (10%)	1166	72%	80%	Goods		Fire incident at the factory on the 07 March 2021 impacted both mobile substations. Nampower rejected both Transformers and instructed ABB to procure from a different factory. The re-design of unit A's transformer was received on 26 January 2023.

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
9	W/OIB/CPBN-01/2019 PROCUREMENT OF AN ENGINEERING AND CONSTRUCTION (EPC) CONTRACTOR FOR THE OMBURU POWER PLANT	NamPower	Hopsol Africa (Pty) Ltd and Tuilve Private Equity Ltd JV	Namibian	Jan-21	425	Nov-21	Mar-22	317,171,060	317.17 100%	792	186%	100%	Works		Project was taken over by Nampower on 29 March 2022 and is in operation. The plant will be operated by Nampower under the supervision of the contractor for two years during the Defect notification period (DNP).
10	Procurement Contract for the maintenance service of the electronic border management system	Ministry of Home Affairs and Immigration	Syntax Technologies	Namibian	May-22	731	May-24	N/A	32,653,681	15.94 48.8%	328	45%	45%	Services		The project was initially awarded for 3 years in 2019 which ended end of March 2022 and was extended for two more years. From May 2022 - May 2024. Average completion calculated on time lapsed of 11 months of 24 months as at 31 March 2023
11	Bureau services for the supply and Personalization of Driving License cards	Roads Authority	Business Connexion Namibia (Pty) Ltd JV Zidentity	Namibian JV South African	Mar-19	1798	Feb-24	N/A	111,083,076	17.14 (15%)	1491	83%	93%	Services	16	The project is in year one of the Production phase with 50 % completion. Expenditure and completion is as at 30 September 2022.
12	NCS/ONB/CPBN-02/2018: Procurement of Government Diamond Valuers	Ministry of Mines & Energy	Gem Diamond Namibia (Pty) Ltd	Namibian	Sep-19	1796	Aug-24	N/A	480,000,000	206.5 (43%)	1307	73%	73%	Non-Consultancy Services		Average completion is calculate on time lapsed(43 months of 60 Months) Actual cost is at 31 Dec 2022.

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
13	W/OIB/CPBN-06/2019: Reconstruction of canal section between Mahenehe Border post and Olushandja Dam: Part A (Olushandja Section)	NamWater	Radial Truss Industries Ltd JV Imperative Construction & Engineering CC	Namibian	Feb-21	631	Nov-22	Feb-23	41,575,067	27.3 (66%)	771	122%	97%	Works	41	The Contractor completed 97% of the concrete works and 85% of joint-sealing. The remaining works requires the canal to be shutdown for a period of one week, that can not happen in this dry season and thus an arrangement has to be made by the client and the contractor for when to shutdown.
14	Reconstruction of canal section between Mahenehe Border post and Olushandja Dam: Part B (Olushandja Section)	NamWater	Bramar Construction CC	Namibian	Feb-21	631	Nov-22	Feb-23	51,913,110	24.2 (60%)	771	122%	99%	Works	35	
15	W/ONB/CPBN-04/2019: The Construction of a New Otuzemba Primary School in Opuwo, in the Kunene Region Phase 1	Ministry of Education, Arts and Culture	Adaptive Building and Land Construction CC	Namibian	Aug-20	545	Feb-22	N/A	51,730,969	36.8 (71.2%)	737	100.0%	100%	Works		Project is completed and handed over to the client on 25 November 2022. Closeout report waited for with the final expenditures
16	NCS/ONB/CPBN-03/2019: The Provision of Cleaning Services to The Namibia University of Science and Technology	Namibia University of Science and Technology (NUST)	Adaptic Investment CC	Namibian	Nov-20	1094	Oct-23	N/A	8,367,561	6.7 (80.5%)	880	80.4%	80%	Non-Consultancy Services	45	Average completion % is based on time lapsed ,
17	NCS/ONB/CPBN-03/2019: The Provision of Cleaning Services to The Namibia University of Science and Technology	Namibia University of Science and Technology (NUST)	Lypa Investment CC	Namibian	Nov-20	1094	Oct-23	N/A	9,615,2012	7.9 (80%)	880	80.4%	80%	Non-Consultancy Services	50	Project commenced 1 November 2020. Average completion % is calculated on time lapsed, actual cost is as at 31 December 2022.

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion percentage	Average completion percentage	Procurement Category	Number of people employed by the project	Comments
18	NCS/ONB/CPBN-01/2020 (LOT3) Procurement of rendering Security and Fidelity Trasito Services to the MOF	Ministry of Finance	Omeya Investment CC	Namibian	Nov-20	1094	Oct-23	N/A	4,842,012	3.09 (63.9%)	880	80.4%	80%	Non-Consultancy Services	127	Project commenced 1 November 2020, average completion is calculated on time elapsed. actual cost is as at 30 September 2022
19	NCS/ONB/CPBN-01/2020 (LOT2 &4) Procurement of Rendering Security and Fidelity Trasito Services to the MOF	Ministry of Finance	Omle Security Services CC	Namibian	Feb-21	1094	Jan-24	N/A	25,342,632	13.9 (55%)	788	72.0%	72%	Non-Consultancy Services		Project commenced 1 February 2021, average completion is calculated on time elapsed. actual cost is as at 30 September 2022
20	W/ONB/CPBN-01/2020 Northern Railway Extension Phase3 b/w Ondangwa and Oshakati: Construction of Station Buildings and Civil Works	Ministry of Work and Transport	Tatian Trading Enterprises, Ongushe Investment JV	Namibian	May-21	802	May-23	Jul-23	46,424,179	28.3 (60.9%)	688	85.8%	74%	Works	70	The Project is set to complete on 12 May 2023 Extension of time of 72 days has been granted by the PM. The revised completion date is 23 July 2023.
21	NCS/ONB/CPBN-02/2019 (LOT 1 & 2) Provision of Security Guarding Services to NUST	Namibia University of Science and Technology (NUST)	PIS Security Services CC	Namibian	May-21	1095	Apr-24	N/A	28,303,698	15.4 (55%)	699	63.8%	64%	Non-Consultancy Services	78	Actual expenditures as at December 31, 2022 and average completion is calculated on time elapsed.
22	G/OIB/CPBN-01/2020: Design & Construction of Auas-Gerus 400KV Transmission line	Nampower	Power Line Africa (Pty) Ltd	Namibian	May-21	725	Nov-22	May-23	642,732,410	589.4 (91.7%)	680	93.8%	97%	Goods	210	Design is 100% complete Procurement & delivery of Materials is at 100% and Construction Activities at 90% , falling behind schedule but currently addressed by the contractor and the clients Average completion is at 96.7% 6 months EOT was approved without additional time related cost

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23	W/OIB/CPBN-03/2020 : Design & Construction of Kunene& Omatando Substations	Nampower	Sinohydro Corporation Limited and Adaptive Building Land Construction CC JV	Namibian JV Foreign Firm	Jun-21	692	Feb-23	Apr-23	340,808,287	241.61 (71%)	662	95.7%	90%	Works	81	Contractor has been granted extension of time upto 30 April 2023
24	W/ONB/CPBN-09/2020: Construction of the Sekelduin Substation	Nampower	Nexus Building Contractor (Pty) Ltd	Namibian	Jul-21	637	Jan-23	Mar-23	66,250,272	60.08 (90.7%)	637	100.0%	98%	Works	85	Contractor completed major work and snag-list items are being attended to. Site rehabilitation and de-establishment of contractor's camp planned for April 2023
25	SC/RFP/CP- BN-02/2020: Technical Advisory and Project Management Services for the Otjikoto Biomass Power Station	Nampower	1. Fichter GmbH & Co. KG 2. Lund Consulting Engineers CC 3.Pregon Consulting Engineers (Pty) Ltd	Namibian JV Foreign Firms	Jul-21	2185	Jun-27	N/A	55,728,460	8.15 (14.62%)	633	29%	29%	Consultancy Services		Project Commenced 06 July 2021, average completion is calculated on project time elapsed
26	W/ONB/CPBN/-04/2020:Periodic Maintenance of roads: re-gravelling contract in the Windhoek region: LOT 1	Roads Authority	Adaptive Building Land Construction C	Namibian	Aug-21	729	Aug-23	N/A	91,536,827	51.62 (56.4%)	592	81%	63%	Works	77	The Contractor is utilizing weekends, holidays and additional working hours to improve production rates
27	W/ONB/CPBN/-04/2020:Periodic Maintenance of roads: re-gravelling contract in the Windhoek region: LOT 2	Roads Authority	Namibbeton (Pty) Ltd	Namibian	Jul-21	729	Jul-23	N/A	84,951,314	36.88 (43.4%)	612	84%	35%	Works		Average completion and actual cost at 30 November 2022, no report for the reporting period.

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28	G/OIB/CP-BN-03/2020:Supply and Delivery of Anti-Retroviral Medicine (ARV5) Products (Nampharm (Pty) Ltd)	Ministry of Health and Social services	Africare Pharmaceuticals Namibia	Namibian	Dec-22	182	Jun-23	N/A	350,355,623	166.63 48%	110	60%	60%	Goods		The initial procurement contract came to an end in June 2022. The Contract was extended with six (6) months until December 2022 to allow for the new Procurement process to be finalized. CPBN advertised the new procurement by 30/09/2022. Contract was further extended for 6 more months from Dec 22 - June 23. New PO has been issued during the reporting period and delivery is expected in the current quarter (April - June)
29	G/OIB/CP-BN-03/2020:Supply and Delivery of Anti-Retroviral Medicine (ARV5) Products (Africare Pharmaceuticals Namibia)	Ministry of Health and Social services	Nampharm (Pty) Ltd	Namibian	Dec-22	182	Jun-23	N/A	1,605,747	1.16 72%	110	60%	60%	Goods		The initial procurement contract ended in June 2022. The Contract was extended with six (6) months until December 2022 to allow for the new Procurement process to be finalized. CPBN advertised the new procurement by 30/09/2022. Contract was further extended for 6 more months from Dec 22 - June 23. New PO has been issued during the reporting period and delivery is expected in the April - June 23 quarter.

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30	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Khomas region- LOT 1	Ministry of Health and Social services	Vicmac Security Services CC	Namibian	Nov-21	1093	Oct-24	N/A	63,877,248	37.18 (58.2%)	515	47%	47%	Services	487	Average completion based on the time lapsed. Actual cost is at 31 March 2023. Contract value revised from N\$ 63,885, 600.00 to N\$ 63,877,248.00
31	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in //Karas region- LOT 2	Ministry of Health and Social services	Ombandje Security Services CC	Namibian	Nov-21	1093	Oct-24	N/A	17,023,392	6.27 (36.9%)	515	47%	47%	Services	98	Average completion based on the time lapsed. Actual cost is at 31 March 2023 Contract Value revised from N\$ 36,574,120.00 to N\$ 17,023,392.00 Poor service delivery expressed by the client. recommendation for guards training was given to the service provider
32	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Hardap region- LOT 3	Ministry of Health and Social services	Windhoek Security Services CC	Namibian	Nov-21	1093	Oct-24	N/A	8,154,432	3.66 (44.9%)	515	47%	47%	Services	49	Average completion based on the time lapsed. Client is satisfied with the service provisions.
33	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Otjozondupa region- LOT 5	Ministry of Health and Social services	Khaibasen Security Services CC	Namibian	Nov-21	1093	Oct-24	N/A	16,404,120	7.44 (45.4%)	515	47%	47%	Services	150	Service provision is affected by delayed / non payment of worker's salaries and lack of guards supervision. Improvement were only observed in the first month after the quarterly meeting with the client and it was not sustained for the subsequent months

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34	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Oshikoto region- LOT 6	Ministry of Health and Social services	Premiere Investment No.25	Namibian	Nov-21	1093	Oct-24	N/A	16,673,040	10.09 (60.8%)	515	47%	47%	Services	155	Service provision is going on well, the client expressed satisfaction with the service.
35	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Oshana region- LOT 7	Ministry of Health and Social services	Omeya Investment CC	Namibian	Nov-21	1093	Oct-24	N/A	10,253,563	5.78 (56.4%)	515	47%	47%	Services	103	The expenditures are 9% more than the time lapsed. CPBN is yet to find /explore the causes of that
36	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Zambezi region- LOT 8	Ministry of Health and Social services	Independent Security Service CC	Namibian	Nov-21	1093	Oct-24	N/A	18,073,080	9.01 (49.9%)	515	47%	47%	Services	100	average completion based on the time lapsed. Contract Value revised from N\$ 35,553,600.00 to N\$ 18,073,080.00
37	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Kavango East & West region- LOT 9	Ministry of Health and Social services	Mukwe Security Service CC	Namibian	Nov-21	1093	Oct-24	N/A	29,158,224	14.78 (50.7%)	515	47%	47%	Services	169	average completion based on the time lapsed. Contract value revised from N\$ 57,360,441.60 to N\$ 29,158,224.48
38	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Kunene region- LOT 10	Ministry of Health and Social services	Nelito Investment CC	Namibian	Nov-21	1093	Oct-24	N/A	15,331,330	6.84 (44.6%)	515	47%	47%	Services	90	Contract Signed 12 October 2021 average completion based on the time lapsed. Contract Value revised from N\$ 15,582,663.36 to N\$ 15,331,330.08

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39	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Omaheke region- LOT 11	Ministry of Health and Social services	Namibia Protection Services (Pty) Ltd	Namibian	Nov-21	1093	Oct-24	N/A	8,698,707.36	3.18 (36.6%)	515	47%	47%	Services		Average completion based on the time lapsed, however there was an error on expenditure reported by PE at 30 september 2022, which was rectified bringing a reduction from 47.2% to 31.2 % expenditure at 31 December 2022
40	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Omusati region- LOT 12	Ministry of Health and Social services	Triple one Investment CC	Namibian	Nov-21	1093	Oct-24	N/A	20,383,272	9.89 (48.5%)	515	47%	47%	Services	136	Contract Signed 12 October 2021 average completion based on the time lapsed. Contract Value revised from N\$ 40, 098, 240.00 to 20,383,272.00
41	NCS/ONB/CPBN-05/2019: Rendering of Security Services to the Ministry of Health and Social Services in Ohangwena region- LOT 13	Ministry of Health and Social services	Shikuvule Trading CC	Namibian	Nov-21	1093	Oct-24	N/A	9,178,401	4.77 (52%)	515	47%	47%	Services	84	Service provision is going on well, the client expressed satisfaction with the service.
42	W/ONB/CPBN-02/2020: Upgrading, Renovations & Emergency Repairs to Tubuis Primary School- Phase 1	Ministry of Education, Arts and Culture	Radial Truss Industries (Pty) Ltd	Namibian	Feb-22	919	Aug-24	N/A	68,969,852	6.36 (9.22%)	409	45%	11%	Works	17	The contractor keeps making mistake on the issued drawing and specifications by ignoring information on issued drawings and specifications thus further loosing more time due to rectifications of such mistakes. Contractor submitted a 3 months (April - June) catch-up that the PA is monitoring on a monthly to track progress on the project

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43	W/ONB/CPBN-08/2020: Construction of New Primary School at Swakopmund in the Erongo Region	Ministry of Education, Arts and Culture	I.D Building Contractors CC	Namibian	May-22	730	May-24	N/A	49,504,972	18.51 (37.4%)	325	45%	27%	Works	36	Contract Signed : 08 December 2021, the site handover was delayed, only handedover on 10 May 2022. The delays resulted from the finalization of the drawings from the initial site that become a residential areas to the new site.
44	Tender No. F1/17-5/2011 Support and Maintenance for the Integrated Tax Administration System	Namibia Revenue Agency (NAMRA)	Profile Investment PTY (LTD) JV Beijing CS & S-CA Software Technologies Co. LTD	Namibian JV Chinese	Feb-22	1095	Feb-25	N/A	49,500,000	1.3 (2.7%)	399	36%	36%	Services	5	Contract Signed 25 February 2022. Average completion calculated on time lapsed. Actual cost is at 30 September 2022, no report received for the period under review
45	W/OAB/CPBN-06/2021: Procurement of Upgrading and Extension of Oshikunde Combined School -Phase 2 in Oshikunde, Ohangwena Region	Ministry of Education, Arts and Culture	ETN Technical Services CC	Namibian	Apr-22	1090	Apr-25	N/A	68,719,461	7.51 (10.9%)	358	33%	45%	Works	48	Expenditure is at 31 December 2022, the expenditure updates is waited for from PE with the current quarter report
46	W/ONB/CPBN-07/2020: Procurement of construction of Otavi Primary School in Otavi, Otjozondjupa Region	Ministry of Education, Arts and Culture	I.D Building Contractors CC	Namibian	Apr-22	571	Oct-23	N/A	51,166,019	29.54 (57.74%)	358	63%	58%	Works	40	Contract Signed: 28 March 2022 Progress onsite is remarkable, the Contractor is ahead of the program.
47	Construction of Hostels Nationwide: Pendukeni Iivula Ithana Secondary School	Ministry of Education, Arts and Culture	NGC Investment CC JV Neu-Olulya Trading CC	Namibian	May-22	1086	Apr-25	N/A	44,823,933	1.121 (3%)		0%	2%	Works		The site has been handed over to the Contractor in June 2022

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
48	Construction of Hostels Nationwide: Pendukeni Iivula Ithana Secondary School	Ministry of Education, Arts and Culture	NGC Investment CC JV Neu-Olulya Trading CC	Namibian	Jun-22	845	Oct-24	N/A	44,823,933	6.01 (14%)	275	33%	15%	Works		The contractor is behind schedule in comparison to the time lapse. Report not received for the period under review
49	G/ONB/CPBN-03/2020: Procurement for the Provision of Maize meal, Blending, Packaging and Transportation to Regional Distributors : LOT1, 3, 4 & 12	Ministry of Education, Arts and Culture	New Success Investments CC	Namibian	3-Jun-22	1095	Jun-25	N/A	48,873,318	6.48 (13.3%)	301	27%	50%	Goods		Average completion Percentage is calculated on the delivered order for the reporting period Total bags ordered : 139, 438 delivered bags: 69,028
50	G/ONB/CPBN-03/2020: Procurement for the Provision of Maize meal, Blending, Packaging and Transportation to Regional Distributors : LOT 5 & 11	Ministry of Education, Arts and Culture	Sash Trading and Earthworks CC	Namibian	3-Jun-22	1095	Jun-25	N/A	34,868,54	5.86 (16.8%)	301	27%	56%	Goods		Average completion Percentage is calculated on the delivered order for the reporting period Total bags ordered : 54, 000 delivered bags: 30,435
51	G/ONB/CPBN-03/2020: Procurement for the Provision of Maize meal, Blending, Packaging and Transportation to Regional Distributors: LOT 7, 9, & 14	Ministry of Education, Arts and Culture	Aishaa Investments CC	Namibian	3-Jun-22	1095	Jun-25	N/A	26,140,749.14	2.35 (9%)	301	27%	70%	Goods		Average completion Percentage is calculated on the delivered order for the reporting period Total bags ordered : 67,666 delivered bags: 47,447
52	G/ONB/CPBN-03/2020: Procurement for the Provision of Maize meal, Blending, Packaging and Transportation to Regional Distributors: LOT 8 & 10	Ministry of Education, Arts and Culture	Kaptau Consumables Supplies CC	Namibian	22-Jun-22	1095	Jun-25	N/A	66,921,850.86	10.20 (15.3%)	282	26%	100%	Goods		Average completion Percentage is calculated on the delivered order for the reporting period Total bags ordered : 112,457 delivered bags: 112,457

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion percentage	Average completion percentage	Procurement Category	Number of people employed by the project	Comments
53	W/OAB/CPBN-04/2020: Procurement for the Provision of Maize meal, Blending, Packaging and Transportation to Regional Distributors: LOT2,6 & 13	Ministry of Education, Arts and Culture	Alason Trading Enterprises CC	Namibian	13-May-22	1095	May-25	N/A	16,522,351	2.91 (17,6%)	322	29%	100%	Goods		Average completion Percentage is calculated on the delivered order for the reporting period Total bags ordered :88,218 delivered bags: 88,218
54	W/OAB/CPBN-04/2021: Procurement for Construction of a New Primary School at Mix Settlement, Brakwater	Ministry of Education, Arts and Culture	James and Young Trading Enterprise CC	Namibian	9-Jan-23	665	4-Nov-24	N/A	56,647,200	1.07 (2%)	81	12%		Works		Contract Signed: 07 Jul-2022: Site handover was done on 9 December 2022, and work commenced on 09 January 2023.
55	NCS/OAB/CPBN-01/2022: Procurement of Vehicle on full Maintenance Lease Basis and Provision of Fleet Management Services to Telecom Namibia for the period of 5 years	Telecom Namibia Ltd	Zeda Namibia (Pty) Ltd T/A Avis Fleet	Namibian	14-Jul-22	731	Jul-24	N/A	27,672,348	4.89 (17,6%)	260	36%	36%	Services		Contract Signed: 14 Jul-2022, average completion percentage calculated on the time lapsed, Actual cost at 31 December 2022
56	W/OAB/CPBN-01/2021: Procurement of Periodic Maintenance of Gravel Roads: Re-graveling Contract in the Keetmanshoop Region GRU-KHP-01	Roads Authority Namibia	Adaptive Building and Land Construction CC	Namibian	18-Aug-22	731	18-Aug-24	N/A	95,916,074	18.06 (18,8%)	225	31%	16%	Works	42	Physical Progress and Actual expenditures are as at 28 February 2023
57	W/OAB/CPBN-03/2021: Procurement of Periodic Maintenance of Gravel Roads: Re-graveling Contract in the Oshana Region GRU-Osh-02	Roads Authority Namibia	Odjove Trading and Construction CC JV Royal Contractors CC	Namibian	1-Aug-22	730		N/A	78,404,164	9.81 (12,5%)	242	33%	12%	Works	122	The Contractor is one month behind schedule. Contractor was advised to increase production and catch up with the program

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
58	NCS/OAB/CPBN-02/2021: Provision of Cleaning Services for UNAM: WHK main Campus, LOT 1	University of Namibia (UNAM)	Rimota Group CC	Namibian	1-Oct-22	1095	30-Sep-25	N/A	11,695,744	2.36 (20.23%)	181	17%	17%	Services	75	Contract Signed: 26 Jul- 2022-Work started October 2022.Actual cost at 31 March 2023
59	NCS/OAB/CPBN-02/2021: Provision of Cleaning Services for UNAM:Komasdal & Neudamm LOT 2 &7	University of Namibia (UNAM)	Lizma Trading Enterprises CC	Namibian	1-Oct-22	1095	30-Sep-25	N/A	5,694,01	1.23 (18%)	181	17%	17%	Services	30	Contract Signed: 26 Jul- 2022-Work started October 2022.Actual cost at 31 March 2023
60	NCS/OAB/CPBN-02/2021: Provision of Cleaning Services for UNAM: Oshakati, LOT 3	University of Namibia (UNAM)	Zayson Trading Enterprises CC	Namibian	1-Oct-22	1095	30-Sep-25	N/A	2,402,219	0.43 (10%)	181	17%	17%	Services	11	Contract Signed: 26 Jul- 2022-Work started October 2022 and average completion calculated on time lapsed.
61	NCS/OAB/CPBN-02/2021: Provision of Cleaning Services for UNAM: Ogongo & Ongwediva HP, LOT 4 &9	University of Namibia (UNAM)	Chippa Trading Enterprises CC	Namibian	1-Oct-22	1095	30-Sep-25	N/A	4,406,400	0.73 (16.7%)	181	17%	17%	Services	30	Contract Signed: 26 Jul- 2022-Work started October 2022 and average completion calculated on time lapsed.
62	NCS/OAB/CPBN-02/2021: Provision of Cleaning Services for UNAM, Henties Bay & Keetmans, LOT 5 & 6	University of Namibia (UNAM)	Nova Investments CC	Namibian	1-Oct-22	1095	30-Sep-25	N/A	3,978,482	0.63 (15.9%)	181	17%	17%	Services	21	Contract Signed: 26 Jul- 2022-Work started October 2022 and average completion calculated on time lapsed.
63	NCS/OAB/CPBN-02/2021: Provision of Cleaning Services for UNAM, Hage Giengob and Jose Eduardo, LOT 8 & 12	University of Namibia (UNAM)	Lypa Investments CC	Namibian	1-Oct-22	1095	30-Sep-25	N/A	7,263,342.	1.26 (17.4%)	181	17%	17%	Services	39	Contract Signed: 26 Jul- 2022-Work started October 2022 and average completion calculated on time lapsed.
64	NCS/OAB/CPBN-02/2021: Provision of Cleaning Services for UNAM: Katima & Rundu, LOT 10 & 11	University of Namibia (UNAM)	Shilmela Construction and CC	Namibian	1-Oct-22	1095	30-Sep-25	N/A	10,962,000	1.83 (16.7%)	181	17%	17%	Services	29	Contract Signed: 26 Jul- 2022-Work started October 2022 and average completion calculated on time lapsed.

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mill (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
65	W/OAB/CPBN-03/2022: Operations and Maintenance of the Kupferberg General and Hazardous Waste Disposal Site for Three (3) Years	City of Windhoek (CoW)	Frontier Multi Industries CC	Namibian	5-Aug-22	727	Aug-24	N/A	38,712,178	3.22 (8.3%)	238	33%	33%	Services	67	Contract Signed: 5 Aug- 2022, average completion calculated on time lapsed.
66	W/OAB/CPBN-08/2021:- Construction of the New Health Centre at Aussenkehr, in the //Karas Region	Ministry of Health and Social Services	Ongoma Trading Enterprises CC	Namibian	5-Oct-22	574	May-24	N/A	70,651,946	10.39 (14.7%)	177	31%	14%	Works	64	Contract Signed:22 July 2022 and site handover 5 October 2022
67	NCS/OAB/CPBN-03/2022:Pro-curement of the provision of security services to the ministry of gender equality,Poverty eradication and social welfare-LOT 1	Ministry of Gender Equality,Poverty Eradication and Social Welfare	Nahole Security and Debt Collection Cc	Namibian	1-Nov-22	1064	30-Sep-25	N/A	4,801,032	0.52 (10.75%)	185	17%	17%	Services	30	Contract Signed:23 September 2022 , First Report expected from PE by 10 April 2023
68	NCS/OAB/CPBN-03/2022:Pro-curement of the provision of security services to the ministry of gender equality,Poverty eradication and social welfare-LOT 2	Ministry of Gender Equality,Poverty Eradication and Social Welfare	Six Thousand Security Services CC	Namibian	1-Nov-22	1064	30-Sep-25	N/A	3,856,896	0.34 (8.93%)	185	17%	17%	Services	20	Contract Signed:23 September 2022. Work commenced 1 Nov 2022
69	NCS/OAB/CPBN-03/2022:Pro-curement of the provision of security services to the ministry of gender equality,Poverty eradication and social welfare-LOT 3	Ministry of Gender Equality,Poverty Eradication and Social Welfare	Chief Nangolo Security Services Cc	Namibian	1-Nov-22	1064	30-Sep-25	N/A	4,892,544	0.47 (9.58%)	185	17%	17%	Services	32	Contract Signed:23 September 2022 Work commenced 1 Nov 2022

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
70	NCS/OAB/CPBN-03/2022:Pro-curement of the provision of security services to the ministry of gender equality,Poverty eradication and social welfare-LOT 4	Ministry of Gender Equality,Poverty Eradication and Social Welfare	Tripple One Investment Cc	Namibian	1-Nov-22	1064	30-Sep-25	N/A	4,787,640	0.48 (10.06%)	185	17%	17%	Services	35	Contract Signed:07 October 2022. Work commenced 1 Nov 2022
71	NCS/OAB/CPBN-03/2022:Pro-curement of the provision of security services to the ministry of gender equality,Poverty eradication and social welfare-LOT 5	Ministry of Gender Equality,Poverty Eradication and Social Welfare	Nelito Investment Cc	Namibian	1-Nov-22	1064	30-Sep-25	N/A	5,293,054	0.57 (10.70%)	185	17%	17%	Services	45	Contract Signed:26 September 2022 Work commenced 1 Nov 2022
72	NCS/OAB/CPBN-03/2022:Pro-curement of the provision of security services to the ministry of gender equality,Poverty eradication and social welfare-LOT 6	Ministry of Gender Equality,Poverty Eradication and Social Welfare	PIS Security Services Cc	Namibian	1-Nov-22	1064	30-Sep-25	N/A	2,742,261	0.29 (10.75%)	185	17%	17%	Services	19	Contract Signed:23 September 2022 Work commenced 1 Nov 2022
73	NCS/OAB/CPBN-03/2022:Pro-curement of the provision of security services to the ministry of gender equality,Poverty eradication and social welfare-LOT 7	Ministry of Gender Equality,Poverty Eradication and Social Welfare	Sirka Investment Cc	Namibian	1-Nov-22	1064	30-Sep-25	N/A	3,883,680.00	0.54 (13.97%)	185	17%	17%	Services	26	Contract Signed:27 September 2022 Work commenced 1 Nov 2022

#	Projects in Execution	Public Entity's Name	Contractor/ Service Provider	Contractor/ Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
74	W/RB/CPBN-01/2022: Completion of the remaining Works at Nkurenkuru VTC	Namibia Training Authority	Betonsein Construction CC	Namibian	10-Nov-22	599	1-Jul-24	N/A	30,625,566		141	24%	30%	Works		Contract signed 20 October 2022. Expenditure report is waited for from PE
75	NCS/OAB/CPBN-02/2022- Rendering of Security Services and Cash -in-transit to NamWater for a period of 36 Months-LOT 1 &LOT4	NamWater	EASS Investment	Namibian	1-Jan-23	1095	31-Dec-25	N/A	7,305,336	0.50 6.9%	89	8%	8%	Non-Consultancy Services	26	Contract signed 08 November 2022. Contract value revised from N\$ 8,348,572.80 to N\$ 7,305,336.00
76	NCS/OAB/CPBN-02/2022- Rendering of Security Services and Cash -in-transit to NamWater for a period of 36 Months-LOT 2 &LOT 3	NamWater	PIS Security Services	Namibian	1-Jan-23	1095	31-Dec-25	N/A	19,914,335	1.37 6.9%	89	8%	8%	Non-Consultancy Services	125	Contract signed 04 November 2022. Contract value revised from N\$ 18,895,680.00 to N\$ 19,914,334.79
77	W/OAB/CPBN-02/2021-Periodic Maintenance of Roads: Re-Gravelling Contract in the Otjiwarongo Region-GRU-OTJ1: LOT 1	Roads Authority	Octagon Construction (Pty) Ltd	Namibian	2-Feb-23	731	2-Feb-25	N/A	89,909,535		57	8%		Works		Contract Signed on 01 December 2022, Site handover was 02 February 2023. work is behind schedule due to delayed site handover, attributed to the Builder's holiday.
78	W/OAB/CPBN-02/2021-Periodic Maintenance of Roads: Re-Gravelling Contract in the Otjiwarongo Region Area No LOT2-GRU-OTJ02	Roads Authority	John Namusheshe Construction & Investment CC	Namibian	23-Jan-23	730	22-Jan-25	N/A	85,217,412	0.68 0.8%	67	9%		Works	18	Contract Signed on 16 November 2022, Site handover was 23 January 2023. work is behind schedule due to delayed site handover, attributed to the Builder's holiday.

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
79	W/OAB/CPBN-01/2022- Blanding of gravel road in the Windhoek Region contract area No.DC-WHK 06 an DC-WHK 07	Roads Authority	John Namusheshe Construction & Investment CC	Namibian	2-Dec-22	1845	21-Dec-27	N/A	147,284,870		119	6%		Works		Contract Signed on 21 December 2022. No report received from PE
80	W/OAB/CPBN-01/2022- Blanding of gravel road in the Windhoek Region contract area No.DC-WHK 04	Roads Authority	Globex investment Cc	Namibian	2-Dec-22	1845	21-Dec-27	N/A	76,965,734		119	6%		Works		Contract Signed on 2 December 2022. Report not received from PE
81	Provision of Security Services to the Kavango West Region for a period of thirty-six (36) months	Kavango West Regional Council	Onyeka Protection Services CC	Namibian	16-Jan-23	1096	15-Jan-26	N/A	10,077,926		74	7%		Services		Contract Signed on 16 January 2023
82	Provision of Landscaping and Gardening Services (UNAM) LOT 3 & 9 Oshakati & HP Campus	University of Namibia (UNAM)	Bertlyne Investment CC	Namibian	24-Jan-23	1096	23-Jan-26	N/A	3,586,664		66	6%		Services		Contract Signed on 24 January 2023
83	Provision of Landscaping and Gardening Services (UNAM) LOT 10 Katima mulilo Campus	University of Namibia (UNAM)	Ba Sharon	Namibian	27-Jan-23	1096	26-Jan-26	N/A	2,120,280		63	6%		Services		Contract Signed on 27 January 2023
84	Provision of Landscaping and Gardening Services (UNAM) LOT 5 Herries Bay	University of Namibia (UNAM)	Roots Nursery & Garden Centre CC	Namibian	20-Jan-23	1096	19-Jan-26	N/A	1,331,214		70	6%		Services		Contract signed 20 January 2023
85	Provision of Landscaping and Gardening Services (UNAM) LOT 7 & 8 Khomasdal & Hage Geingob campus	University of Namibia (UNAM)	Namibia Landscapes CC	Namibian	20-Jan-23	1096	19-Jan-26	N/A	2,377,520		70	6%		Services		Contract Signed on 20 January 2023

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Comment (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
86	Development Contract for the Blading of Gravel Roads in the Windhoek Region	Roads Authority Namibia	Earth Ethicks Construction CC	Namibian	30-Jan-23	1825	29-Jan-28	N/A	75,774,420		60	3%		Works		Contract Signed on 30 January 2023
87	Nominated SME-subcontractors for the Blading and Gravel Roads in the Windhoek Region	Roads Authority Namibia	NDES Civil Works Construction CC and NDES Trading Enterprises CC JV	Namibian	30-Jan-23	1825	29-Jan-28	N/A	14,000,539		60	3%		Works		Contract Signed on 30 January 2023
88	Nominated SME-subcontractors for the Blading and Gravel Roads in the Windhoek Region	Roads Authority Namibia	J. O. Opitome Trading CC	Namibian	30-Jan-23	1825	29-Jan-28	N/A	14,376,426		60	3%		Works		Contract Signed on 30 January 2023
89	Nominated SME-subcontractors for the Blading and Gravel Roads in the Windhoek Region	Roads Authority Namibia	Omuve Construction Technologies CC	Namibian	30-Jan-23	1825	29-Jan-28	N/A	14,708,489		60	3%		Works		Contract Signed on 30 January 2023
90	Nominated SME-subcontractors for the Blading and Gravel Roads in the Windhoek Region	Roads Authority Namibia	Sumseno Contracting CC	Namibian	30-Jan-23	1825	29-Jan-28	N/A	14,234,505		60	3%		Works		Contract Signed on 30 January 2023
91	Nominated SME-subcontractors for the Blading and Gravel Roads in the Windhoek Region	Roads Authority Namibia	Illimite Investment CC	Namibian	30-Jan-23	1825	29-Jan-28	N/A	14,660,976		60	3%		Works		Contract Signed on 30 January 2023
92	Nominated SME-subcontractors for the Blading and Gravel Roads in the Windhoek Region	Roads Authority Namibia	Kunene River Construction and Electrical CC	Namibian	30-Jan-23	1825	29-Jan-28	N/A	14,685,274		60	3%		Works		Contract Signed on 30 January 2023
93	Nominated SME-subcontractors for the Blading and Gravel Roads in the Windhoek Region	Roads Authority Namibia	Kai Engineering and Fabrication CC	Namibian	30-Jan-23	1825	29-Jan-28	N/A	16,267,900		60	3%		Works		Contract Signed on 30 January 2023

#	Projects in Execution	Public Entity's Name	Contractor/Service Provider	Contractor/Service Provider Nationality	Commencement (Contract Signing Date/site handover)	Duration in days	Envisaged completion	Revised Completion	Total Budget / Contract Value in N\$	Actual Cost to date N\$ Mil (%)	Time Lapse in days	Expected completion Percentage	Average completion Percentage	Procurement Category	Number of people employed by the project	Comments
94	Nominated SME-subcontractors for the Blading and Gravel Roads in the Windhoek Region	Roads Authority Namibia	Fillemon Investments and Trucks CC	Namibian	3-Feb-23	1821	29-Jan-28	N/A	15,571,955		56	3%		Works		Contract Signed on 30 January 2023
95	Upgrading of Dr3546/3547/3575: Impallia Islands Access Roads to Low Volume Seal Road Standards in the Zambezi Region (25km) – Phase 3	Roads Authority	Nexus Building Contractor (Pty) Ltd	Namibian	3-Feb-23	180	2-Aug-23	N/A	55,214,847		56	3%		Works		Contract was signed on 03 February 2023
									5,221,159,831						3776	

#	Legends	Description	Number of Contracts	% of Total Contracts
1		On track: Deviation of <10% acceptance	58	61.1%
2		Fallen behind/ Off Track : Deviation of >10% but < 25%	10	10.5%
3		Less than 3 months into Contract implementation	18	18.9%
4		Practically completed/on defect liability period	4	4.2%
5		Reports not received	5	5.3%
			95	100%

4.6.5 Challenges experienced during award implementation and proposed Actions

1. Delayed Payment of Invoices

- Challenge: Contractors and service providers have reported delays in the payment of their invoices, impacting their cash flow and financial stability.
- Proposed Actions:
 - ▶ Streamline Invoice Approval: Ministry of Education, Art, and Culture and the Department of Works (Ministry of Works and Transport) should improve the efficiency of the invoice approval process to ensure timely payments.
 - ▶ Establish Communication Channels: Set up effective communication channels to provide regular updates to contractors about the status of their invoices.

2. Delayed Project Completion

- Challenge: Delayed payments can result in extended project timelines, affecting the timely completion of construction projects.
- Proposed Actions:
 - ▶ Enhanced Collaboration: Responsible entities (Ministry of Works and Transport and Ministry of Education, Art, and Culture) should work closely with contractors, clarifying their roles and responsibilities.
 - ▶ Regular Monitoring: Conduct regular meetings and follow-ups to monitor the status of invoices and ensure prompt payments.

3. Strained Relationships

- Challenge: Frustrations from payment delays can damage relationships between contractors, service providers, and government entities.
- Proposed Actions:
 - ▶ Transparency in Communication: Provide clear and regular updates on invoice status and any potential delays.
 - ▶ Foster Engagement: Hold regular meetings to address concerns, manage expectations, and improve relationships.

4. Non-Compliance with Specifications

- Challenge: Some service providers, especially in cleaning services, do not adhere to the specifications outlined in standard bidding documents.
- Proposed Actions:
 - ▶ Engage Non-Compliant Providers: CPBN should engage with non-compliant service providers to address and rectify violations of contract clauses.

5. Non-Adherence to Minimum Wages

- Challenge: Certain contractors and service providers are found to underpay their workers, violating agreed-upon labour standards.
- Proposed Actions:
 - ▶ Enforce Labour Standards: Implement strict measures to ensure adherence to minimum wage standards.
 - ▶ Collaborate and Rectify: CPBN should collaborate with clients to engage non-compliant contractors and re-emphasize the importance of adhering to labour standards.

4.7 Stakeholders Engagement

Engaging with stakeholders is crucial for aligning organizational goals with their expectations and addressing their concerns. During the reporting period, CPBN focused on enhancing stakeholder engagement through various initiatives.

4.7.1 Bid Evaluation Committee Workshop

The Bid Evaluation Committee (BEC) plays a critical role in the procurement process, responsible for evaluating bids and ensuring successful project completion. To strengthen this role, CPBN organized a workshop for current and prospective BEC members:

- Date and Location: 29 April 2022, Windhoek Country Club.
- Attendance: Over fifty participants.

Objectives of the Workshop:

1. Enhance Understanding and Capacity:

- Improve the knowledge and skills of BEC members as key stakeholders in the procurement cycle.

2. Identify Challenges and Areas for Improvement:

- Engage with BEC members to identify challenges and suggest improvements in the bid evaluation process and bidding documents from their perspective.

3. Share Best Practices:

- Expose BEC members to best practices, ethical principles, and methodological processes for evaluating and examining bids at CPBN.

4. Document Lessons and Experiences:

- Collect CPBN's lessons and experiences to refine processes, improve timelines, and enhance facilities for future evaluations.

5. Ensure Compliance:

- Promote compliance with legal timelines as specified in Regulation 7(2) & (3) of the Public Procurement Act.

This summary effectively communicates the workshop's purpose and outcomes, emphasizing the importance of BEC members in the procurement process and CPBN's commitment to improving procurement practices.



4.7.2 CPBN Stakeholders Engagement with Executive Directors

The Central Procurement Board of Namibia (CPBN) hosted the CPBN Stakeholders Engagement Forum under the theme "Improving Public Procurement Through Partnership" on 25th October 2022 at the Windhoek Country Club. Attended by Executive Directors and senior officials from various government Offices, Ministries, and Agencies (OMAs), the engagement aimed to achieve several key objectives:

- **Clarification of Roles and Responsibilities:** The forum sought to

increase understanding and clarify roles, emphasizing that Public Entities (PEs) are responsible for building business cases for their procurements, and that CPBN should not be perceived merely as a standards authority. This distinction is crucial for ensuring that PEs take ownership of their procurement processes.

- **Breaking Institutional Barriers:** The event aimed at breaking down institutional barriers and fostering normalization of relationships between CPBN and PEs. By building these relationships, the forum aimed to create synergies that would ultimately improve service delivery to the Namibian citizenry.

- **Role Ambiguity Resolution:** Clarification of the roles and responsibilities of the Ministry of Finance (MoF), CPBN, and OMAs/PEs in public procurement in Namibia was a key focus. This clarity is essential for effective collaboration and smooth functioning of the procurement process.
- **Enhancing CPBN's Image and Reputation:** The platform was intended to build and enhance the positive image and reputation of CPBN among key and influential public service sectors, such as the Executive Directors of public service institutions. A positive perception of CPBN is vital for fostering trust and cooperation among stakeholders.

During the engagement, participants discussed various aspects of the procurement process, shared their experiences, and explored opportunities for improving public procurement practices. The forum facilitated open dialogue, allowing for the exchange of ideas and identification of potential areas for improvement.

Overall, the CPBN Stakeholders Engagement Forum was a significant step towards strengthening partnerships, enhancing mutual understanding, and fostering a collaborative environment for better public procurement outcomes in Namibia.



4.7.3 Bidders Education Workshop

The Bidders Education Workshop held in Ongwediva on 30th August 2022 achieved its objectives effectively:

1. **Sharing Knowledge and Experiences:** The workshop provided an opportunity to share insights and lessons learned regarding common challenges faced by bidders in the competitive bidding process. This exchange of knowledge aimed to help bidders better navigate the procurement landscape.

2. **Platform for Bidders' Feedback:** Bidders were given a platform to voice their expectations and challenges regarding CPBN's procurement mandate. This feedback loop allowed CPBN to understand and address the concerns of the bidders more effectively.

- 3. Highlighting Future Opportunities:** The workshop highlighted upcoming business opportunities within CPBN's procurement activities, helping bidders to plan and position themselves for future projects.
- 4. Enhancing Stakeholder Relations:** By educating bidders on CPBN's procurement process and bidding documents, the workshop aimed to improve the bid-

ders' understanding and increase their chances of success in competitive bidding. This also fostered stronger relationships between CPBN and the bidding community.

The workshop's success in achieving these objectives underscores its importance in promoting a more informed and competitive bidding environment.



4.7.4 Engagement with the media

The media conferences hosted during the reporting period were instrumental in enhancing transparency and public awareness regarding CPBN's procurement activities. These conferences served several key purposes:

1. Updating Media on Procurement Matters:

The events provided journalists with updates on the progress of procurement matters managed by CPBN. This ensured that the media was well-informed about current developments and activities related to public procurement.

2. Creating Engagement Opportunities:

The conferences offered a platform for journalists to engage directly with the Administrative Head of CPBN. This facilitated the clarification of any questions or concerns related to procurement processes and outcomes.

3. Enhancing Public Awareness: By addressing the media, CPBN ensured that important information and updates reached a broader audience. The media's coverage of the conferences helped in disseminating relevant procurement information to the public, thereby enhancing transparency.

4. Addressing Newsworthy Issues: The conferences allowed for the discussion of procurement issues that were making news headlines. This not only provided clarifications but also helped manage public perception and understanding of CPBN's role and operations.

Overall, these media engagements were crucial in fostering transparency, improving communication, and building trust between CPBN and the public.



Conclusion

The Central Procurement Board of Namibia (CPBN) has made significant strides in improving procurement processes and outcomes over the past financial year. This conclusion will highlight the successes, changes, and key operational activities, emphasizing our commitment to transparency, efficiency, and socio-economic impact.

Successes and Achievements

- 1. Growth in Active Contracts:** The number of active contracts has surged from 49 in 2021/2022 to 95 in 2022/2023, reflecting a 94% increase. This growth indicates enhanced capacity and a broader reach in addressing the procurement needs of various public entities.
- 2. Effective Contract Management:**
 - **Completed Contracts:** 4.2% of contracts (4 contracts) have been completed and are in the defect liability period, showcasing our ability to see projects through to fruition.
 - **On-Track Contracts:** 61.1% of contracts (58 contracts) are progressing as planned, indicating strong project management and execution capabilities.
- 3. Addressing Delays and Non- Performance:**
 - **Delayed Contracts:** 10.5% of contracts (10 contracts) are behind schedule. We have implemented remedial actions to bring these projects back on track, demonstrating our proactive approach to challenges.
 - **Contract Termination:** The Board approved the termination of one procurement contract due to non-performance, underscoring our commitment to accountability and quality.
- 4. Initial Implementation and Reporting:**
 - **Initial Phase Contracts:** 18.9% of contracts (18 contracts) are in the initial 3-month implementation phase, reflecting ongoing project initiation and execution.

- **Unreported Contracts:** We are addressing the issue of missing reports for 5.3% of contracts (5 contracts) to ensure complete transparency and accountability.

Key Changes and Improvements

- 1. Enhanced Stakeholder Engagement:**
 - **Bid Evaluation Committee Workshop:** A workshop was held to improve the understanding and capacity of Bid Evaluation Committee members, promoting best practices in bid evaluation.
 - **Executive Directors' Engagement:** A forum was conducted to clarify roles and foster better relationships between CPBN and Public Entities (PEs), aimed at improving service delivery.
- 2. Bidders Education Workshop:**
 - **Educating Bidders:** A workshop in Ongwediva focused on educating bidders about the competitive bidding process, sharing knowledge, and highlighting future business opportunities.
- 3. Media Engagement:**
 - **Media Conferences:** Two media conferences were hosted to update journalists on procurement matters and create a platform for engagement and clarification.
- 4. Operational Improvements:**
 - **Streamlined Payment Processes:** Efforts have been made to address the issue of delayed payments to contractors and service providers, ensuring smoother cash flow and project execution.
 - **Compliance and Standards:** Engaging non-compliant service providers and enforcing adherence to labour standards and specifications have been key priorities.

Socio-Economic Impact

- 1. Employment Opportunities:** The implementation of various procurement projects has created 3,776 employment opportunities, contributing to job creation and economic development across different regions.
- 2. Community Development:**
 - **Construction of Schools and Vocational Training Centres:** These projects have provided access to education and skills training, fostering socio-economic growth.
 - **Feeding Program for Primary Schools:** The procurement of feeding program supplies has improved nutrition, education, and community engagement, enhancing the well-being of learners and their families.
- 3. Local Economic Stimulation:**
 - **Sourcing from Local Suppliers:** The injection of funds into the local economy through salaries and the procurement of building materials has stimulated regional economic growth.
 - **Engaging Local Communities:** Initiatives like the Provision of Maize Meal project have involved local farmers and food producers, fostering community participation and economic development.

Challenges and Mitigation Measures

- 1. Delayed Payment of Invoices:**
 - **Impact:** Delayed payments have affected contractors' cash flow and project time-

lines.

- **Mitigation:** Streamlining the invoice approval process and enhancing communication with contractors to ensure timely payments.
- 2. Non-Compliance with Specifications and Wages:**
 - **Impact:** Non-compliance has led to issues in service quality and worker satisfaction.
 - **Mitigation:** Engaging non-compliant providers, enforcing adherence to specifications, and ensuring compliance with labour standards.
 - 3. Strained Relationships:**
 - **Impact:** Delayed payments and non-compliance have strained relationships between contractors and government entities.
 - **Mitigation:** Fostering transparency, holding regular meetings, and maintaining clear communication channels to manage expectations and build trust.

The CPBN has made significant progress in enhancing procurement processes, stakeholder engagement, and socio-economic impact. The increase in active contracts and successful project completions reflect our commitment to efficiency and effectiveness. While challenges remain, our proactive measures and strategic initiatives demonstrate our dedication to continuous improvement and excellence in public procurement. We look forward to building on these successes and further advancing our mission to serve the Namibian citizenry with integrity and professionalism.



5

FINANCIAL STATEMENTS

Central Procurement Board of Namibia



Republic of Namibia



OFFICE OF THE AUDITOR-GENERAL

Tel: (264) (061) 2858000

Fax: (264) (061) 224301

Private Bag
13299
WINDHOEK
9000

AUDIT COMPLIANCE CERTIFICATE

ON THE ACCOUNTS

OF THE CENTRAL PROCUREMENT BOARD OF NAMIBIA

FOR THE YEAR ENDED 31 MARCH 2023

The documentation as compiled by the firm PKF-FCS Auditors which is registered in terms of the Public Accountant's and Auditor's Act, 1951, who was appointed by the Central Procurement Board of Namibia, has been examined by Officials of the Office of the Auditor-General.

In terms of reference as agreed by Office of the Auditor-General and the Central Procurement Board of Namibia, I certify that the above-mentioned audit of the annual financial statements for the year ended 31 March 2023 has been carried out to my satisfaction.

JUNIAS ETUNA KANDJEKE
AUDITOR-GENERAL

WINDHOEK, February 2024



CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

GENERAL INFORMATION

Country of incorporation and domicile	Namibia
Nature of business and principal activities	To conduct the bidding process on behalf of public entities for the award of contracts for the procurement or disposal of assets that exceeds the threshold of prescribed for public entities.
Directors	Mr. A. Ngavetene (Executive Director) (Acting Chairperson and Acting Administrative Head) Ms. H. Herman (Independent Non-Executive Director) (Chairperson of Audit and Risk Committee) Mr. E. P. Shilongo (Independent Non-Executive Director and Chairperson of the Human Resources Committee) Ms. J. !Garus-Oas (Independent Non-Executive Director) Ms. E. Nghiidipaa (Independent Non-Executive Director) Mr. O. A. Nangolo (Independent Non-Executive Director) (Chairperson of the Technical Committee) Mr. M. Kambulu (Independent Non-Executive Director) Ms. M. Shiimi (Independent Non-Executive Director)
Business address	Erf 8161 Southern Industry Julius K Nyerere Street Windhoek Namibia
Postal address	P.O. Box 23650 Windhoek Namibia
Bankers	Bank Windhoek Limited
Auditors	PKF-FCS Auditors Registered Accountants and Auditors Chartered Accountants (Namibia)
Secretary	Ms. E. Shiponeni (Board Secretary)



CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

CONTENTS

The reports and statements set out below comprise the annual financial statements presented to the shareholder:

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The following supplementary information does not form part of the annual financial statements and is unaudited:

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CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
BOARD MEMBERS' RESPONSIBILITIES AND APPROVAL

The board members are required in terms of the public Procurement Act 15 of 2015 to maintain adequate adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the Board as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the annual financial statements

The annual financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

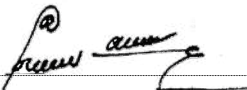
The board members acknowledge that they are ultimately responsible for the system of internal financial control established by the Board and place considerable importance on maintaining a strong control environment. To enable the board members to meet these responsibilities, the board members sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Board and all employees are required to maintain the highest ethical standards in ensuring the Board's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management by the board members' is on identifying, assessing, managing and monitoring all known forms of risk across the Board. While operating risk cannot be fully eliminated, the board members endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints. The board members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.


The board members have reviewed the Board's cash flow forecast for the year to 31 March 2024 and, in light of this review and the current financial position, they are satisfied that the Board has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the board's annual financial statements. The annual financial statements have been examined by the board's external auditors and their report is presented on pages 100 to 102.

The annual financial statements set out on pages 103 to 145, which have been prepared on the going concern basis, were approved by the board members on **13 October 2023** and were signed on their behalf by:

Approval of financial statements


Mr. A. Ngavatene
Board member


Ms. H. Herman
Board member


Ms. J. !Garus-Oas
Board member

INDEPENDENT AUDITOR'S REPORT

To the Board of Central Procurement Board of Namibia

Opinion

We have audited the annual financial statements of Central Procurement Board of Namibia (the Board) set out on pages 107 to 108, which comprise the statement of financial position as at 31 March 2023, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the annual financial statements, including a summary of significant accounting policies and the board members' report.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Central Procurement Board of Namibia as at 31 March 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Public Procurement Act 15 of 2015.

Basis for Opinion

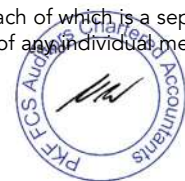
We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report. We are independent of the Board in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of annual financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The board members are responsible for the other information. The other information comprises the information included in the document titled "Central Procurement Board of Namibia annual financial statements for the year ended 31 March 2023", which includes the the supplementary information (detailed income statement) as set out on pages 144 to 145. The other information does not include the annual financial statements and our auditor's report thereon.

Assurance | Forensic Services | Due Diligence Investigations

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INDEPENDENT AUDITOR'S REPORT

Our opinion on the annual financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the annual financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board Members for the Annual Financial Statements

The board members are responsible for the preparation and fair presentation of the annual financial statements in accordance with International Financial Reporting Standards and the requirements of the Public Procurement Act 15 of 2015, and for such internal control as the board members determine is necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

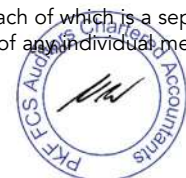
In preparing the annual financial statements, the board members are responsible for assessing the board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board members either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

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CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
INDEPENDENT AUDITOR'S REPORT

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board members.
- Conclude on the appropriateness of the Board members' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

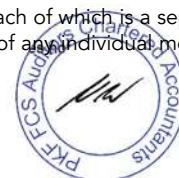
We communicate with the board members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.


PKF FCS Auditors
Registered Accountants and Auditors
Chartered Accountants (Namibia)
Per: Uwe Wolff
Partner

18 January 2024
Windhoek

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CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
BOARD MEMBERS' REPORT

The board members have pleasure in submitting their report on the annual financial statements of Central Procurement Board of Namibia for the year ended 31 March 2023.

1. Incorporation

The board was incorporated and brought into force with effect on 01 April 2017 by Government Gazette 46/2017 (GG6255).

The board is domiciled in Namibia where it is incorporated as a state owned enterprise under the Public Procurement Act 15 of 2015. The address of the registered office is set out on page 97.

2. Nature of business

Central Procurement Board of Namibia was incorporated in Namibia with interests in the public procurement sector. The board operates in Namibia.

The principal objectives of the Central Procurement Board of Namibia are:

- 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;
- to enter into contracts for procurement or disposal of assets on its own behalf or on behalf of public entities awarded by the Board;
- to direct and supervise accounting officers in managing the implementation of procurement contracts awarded by the Board.

There have been no material changes to the nature of the Board's business from the prior year.

3. Review of financial results and activities

The annual financial statements have been prepared in accordance with International Financial Reporting Standards and the requirements of the Public Procurement Act 15 of 2015. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the Board are set out in these annual financial statements.

CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
BOARD MEMBERS' REPORT

4. Board members

The board members in office at the date of this report are as follows:

Board Members	Nationality	Changes
Ms. H. Herman (Independent Non-Executive Director) (Chairperson of Audit and Risk Committee)	Namibian	
Mr. E. P. Shilongo (Independent Non-Executive Director)	Namibian	
Ms. J. !Garus-Oas (Independent Non-Executive Director)	Namibian	
Ms. E. Nghiidipaa (Independent Non-Executive Director)	Namibian	
Mr. O. A. Nangolo (Independent Non-Executive Director) (Chairperson of the Technical Committee)	Namibian	
Mr. M. Kambulu (Independent Non-Executive Director)	Namibian	
Mr. A. Ngavetene (Executive Director) (Acting Chairperson and Head Administrative)	Namibian	
Ms. M. Shiimi (Independent Non-Executive Director)	Namibian	Appointed 28 May 2022
Ms. L. Kazetjikuria (Independent Non-Executive Director)	Namibian	Appointed 01 April 2023

CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
BOARD MEMBERS' REPORT

5. Board Members' interests in contracts

During the financial year, no contracts were entered into which board members or officers of the Board had an interest and which significantly affected the business of the Board.

6. Property, plant and equipment

There was no change in the nature of the property, plant and equipment of the Board or in the policy regarding their use.

At 31 March 2023 the Board's net investment in property, plant and equipment amounted to N\$ 6,145,351 (2022: N\$ 4,877,992), of which N\$ 2,927,062 (2022: N\$ 2,451,600) was added in the current year through additions.

7. Events after the reporting period

The board members are not aware of any material event which occurred after the reporting date and up to the date of this report.

8. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The board members believe that the board has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The board has satisfied itself that the organisation is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The board members are not aware of any new material changes that may adversely impact the board. The board members are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the board.

9. Litigation statement

The Board becomes involved from time to time in various claims and lawsuits incidental to the ordinary course of business. The Board is not currently involved in any such claims or lawsuits, which individually or in the aggregate, are expected to have a material adverse effect on the business or its assets.



CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
BOARD MEMBERS' REPORT

10. Secretary

The company secretary is Ms. E. Shiponeni (Board Secretary).

11. Statement of disclosure to the company's auditors

With respect to each person who is a Board member on the day that this report is approved:

- there is, so far as the person is aware, no relevant audit information of which the board's auditors are unaware; and
- the person has taken all the steps that he/she ought to have taken as a Board member to be aware of any relevant audit information and to establish that the board's auditors are aware of that information.

12. Terms of appointment of the auditors

PKF-FCS Auditors were appointed as the board's auditors for the 2023 financial year on 22 July 2022 in terms of a letter of acceptance of Bid in terms of Public Procurement Act 15 of 2015 (section 55) and continued its appointment for the 2023 financial year.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

Figures in Namibia Dollar	Note(s)	2023	2022
Assets			
Non-Current Assets			
Property, plant and equipment	3	6,145,351	4,877,992
Right-of-use assets	4	4,979,014	8,513,834
		11,124,365	13,391,826
Current Assets			
Trade and other receivables	5	40,368	47,330
Cash and cash equivalents	6	31,747,951	34,344,266
		31,788,319	34,391,596
Total Assets		42,912,684	47,783,422
Equity and Liabilities			
Equity			
Retained income		35,083,112	35,450,823
Liabilities			
Non-Current Liabilities			
Lease liabilities	4	5,195,330	8,601,893
Current Liabilities			
Trade and other payables	7	2,634,242	3,730,706
Total Liabilities		7,829,572	12,332,599
Total Equity and Liabilities		42,912,684	47,783,422



CENTRAL PROCUREMENT BOARD OF NAMIBIA

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Figures in Namibia Dollar	Note(s)	2023	2022
Revenue	8	1,186,702	527,400
Other operating income	9	40,087,182	32,118,396
Other operating gains / (losses)	10	7,572	(36,528)
Operating expenses		(42,569,946)	(34,791,868)
Operating loss	11	(1,288,490)	(2,182,600)
Investment income	12	1,351,428	1,328,572
Finance costs	13	(430,648)	(678,259)
Total comprehensive loss for the year		(367,710)	(1,532,287)



CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
STATEMENT OF CHANGES IN EQUITY

Figures in Namibia Dollar	Retained income	Total equity
Balance at 31 March 2021	36,983,110	36,983,110
Total comprehensive Loss for the year	(1,532,287)	(1,532,287)
Balance at 31 March 2022	35,450,822	35,450,822
Total comprehensive Loss for the year	(367,710)	(367,710)
Balance at 31 March 2023	35,083,112	35,083,112

CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
STATEMENT OF CASH FLOWS

Figures in Namibia Dollar	Note(s)	2023	2022
Cash flows from operating activities			
Cash receipts from customers		41,280,846	32,632,473
Cash paid to suppliers and employees		(39,019,300)	(33,778,722)
Cash generated from/(used in) operations	15	2,261,546	(1,146,249)
Interest income	12	1,351,428	1,328,572
Finance costs	13	(430,648)	(678,259)
Net cash from operating activities		3,182,326	(495,936)
Cash flows from investing activities			
Purchase of property, plant and equipment	3	(2,927,062)	(2,451,600)
Proceeds from sale of property, plant and equipment	3	7,572	-
Movement to right of-use-assets	4	547,412	(9,298,127)
Net cash from investing activities		(2,372,078)	(11,749,727)
Cash flows from financing activities			
Net movement on lease liabilities	4	(3,406,563)	6,750,974
Total cash movement for the year		(2,596,315)	(5,494,689)
Cash and cash equivalents at the beginning of the year		34,344,266	39,838,955
Cash and cash equivalents at the end of the year	6	31,747,951	34,344,266

CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
ACCOUNTING POLICIES

Corporate information

Central Procurement Board of Namibia is a state owned enterprise incorporated and domiciled in Namibia.

1. Significant accounting policies

The principal accounting policies applied in the preparation of these annual financial statements are set out below.

1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Standards Interpretations Committee ("IFRS IC") interpretations issued and effective at the time of preparing these annual financial statements and the Public Procurement Act 15 of 2015.

The annual financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in Namibia Dollars, which is the board's functional currency.

These accounting policies are consistent with the previous period.

1.2 Significant judgements and sources of estimation uncertainty

The preparation of annual financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Critical judgements in applying accounting policies

The critical judgements made by management in applying accounting policies, apart from those involving estimations, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

Lease classification

The Board is party to leasing arrangements, as a lessee. The treatment of leasing transactions in the annual financial statements is mainly determined by whether the lease is considered to be an operating lease or a finance lease. In making this assessment, management considers the substance of the lease, as well as the legal form, and makes a judgement about whether substantially all of the risks and rewards of ownership are transferred.

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Key sources of estimation uncertainty

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Board uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Board's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

Fair value estimation

Several assets and liabilities of the Board are either measured at fair value or disclosure is made of their fair values.

Impairment testing

The Board reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

Useful lives of property, plant and equipment

The Board assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on board replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters. The useful life of manufacturing equipment is assessed annually based on factors including wear and tear, technological obsolescence and usage requirements.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

1.3 Property, plant and equipment

Property, plant and equipment are tangible assets which the Board holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Board, and the cost of the item can be measured reliably.

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Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Board and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Board. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Furniture and fixtures	Straight line	5 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years
Computer software	Straight line	3 years
Network infrastructure	Straight line	8 years

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in profit or loss to bring the carrying amount in line with the recoverable amount.

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An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in profit or loss when the item is derecognised.

1.4 Financial instruments

Financial instruments held by the Board are classified in accordance with the provisions of IFRS 9 Financial Instruments.

Broadly, the classification possibilities, which are adopted by the Board, as applicable, are as follows:

Financial assets which are equity instruments:

- Mandatorily at fair value through profit or loss; or
- Designated as at fair value through other comprehensive income.

Financial liabilities:

- Amortised cost; or
- Mandatorily at fair value through profit or loss.; or
- Designated at fair value through profit or loss.

Note 17 Financial instruments and risk management presents the financial instruments held by the Board based on their specific classifications.

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Board are presented below:

Trade and other receivables

Classification

Trade and other receivables, excluding, when applicable, VAT and prepayments, are classified as financial assets subsequently measured at amortised cost (note 5).

They have been classified in this manner because their contractual terms give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Board's business model is to collect the contractual cash flows on trade and other receivables.

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Recognition and measurement

Trade and other receivables are recognised when the Board becomes a party to the contractual provisions of the receivables. They are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

Application of the effective interest method

For receivables which contain a significant financing component, interest income is calculated using the effective interest method, and is included in profit or loss in investment income (note 12).

The application of the effective interest method to calculate interest income on trade receivables is dependent on the credit risk of the receivable as follows:

- The effective interest rate is applied to the gross carrying amount of the receivable, provided the receivable is not credit impaired. The gross carrying amount is the amortised cost before adjusting for a loss allowance.
- If a receivable is a purchased or originated as credit-impaired, then a credit-adjusted effective interest rate is applied to the amortised cost in the determination of interest. This treatment does not change over the life of the receivable, even if it is no longer credit-impaired.
- If a receivable was not purchased or originally credit-impaired, but it has subsequently become credit-impaired, then the effective interest rate is applied to the amortised cost of the receivable in the determination of interest. If, in subsequent periods, the receivable is no longer credit impaired, then the interest calculation reverts to applying the effective interest rate to the gross carrying amount.

Impairment

The Board recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The Board measures the loss allowance for trade and other receivables at an amount equal to lifetime expected credit losses (lifetime ECL), which represents the expected credit losses that will result from all possible default events over the expected life of the receivable.

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Measurement and recognition of expected credit losses

The Board makes use of a provision matrix as a practical expedient to the determination of expected credit losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality. Details of the provision matrix is presented in note 5.

An impairment gain or loss is recognised in profit or loss with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in operating expenses in profit or loss as a movement in credit loss allowance (note 11).

Write off policy

The Board writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Board recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Credit risk

Details of credit risk are included in the trade and other receivables note (note 5) and the financial instruments and risk management note (note 17).

Derecognition

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Trade and other payables

Classification

Trade and other payables (note 7), excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

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Recognition and measurement

They are recognised when the Board becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any. They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in profit or loss in finance costs (note 13).

Trade and other payables expose the Board to liquidity risk and possibly to interest rate risk. Refer to note 17 for details of risk exposure and management thereof.

Derecognition

Refer to the "derecognition" section of the accounting policy for the policies and processes related to derecognition.

Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

Derecognition

Financial assets

The Board derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Board neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Board recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Board retains substantially all the risks and rewards of ownership of a transferred financial asset, the Board continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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Financial liabilities

The Board derecognises financial liabilities when, and only when, the Board obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Reclassification

Financial assets

The Board only reclassifies affected financial assets if there is a change in the business model for managing financial assets. If a reclassification is necessary, it is applied prospectively from the reclassification date. Any previously stated gains, losses or interest are not restated.

The reclassification date is the beginning of the first reporting period following the change in business model which necessitates a reclassification.

Financial liabilities

Financial liabilities are not reclassified.

1.5 Leasehold property

When the Board holds property under a long term prepaid lease agreement, the lease is classified as a finance lease or an operating lease in accordance with the provisions of IAS 17 Leases. Refer to the accounting policy on leases. When these leases are classified as finance leases, the property is capitalised as leasehold property, and is depreciated over the lease term.

1.6 Tax

Tax expenses

Board is exempt from income tax.

1.7 Leases

The Board assesses whether a contract is, or contains a lease, at the inception of the contract.

A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

In order to assess whether a contract is, or contains a lease, management determine whether the asset under consideration is "identified", which means that the asset is either explicitly or implicitly specified in the contract and that the supplier does not have a substantial right of substitution throughout the period of use. Once management has concluded that the contract deals with an identified asset, the right to control the use thereof is considered. To this end, control over the use of an identified asset only exists when the Board has the right to substantially all of the economic benefits from the use of the asset as well as the right to direct the use of the asset.

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In circumstances where the determination of whether the contract is or contains a lease requires significant judgement, the relevant disclosures are provided in the significant judgments and sources of estimation uncertainty section of these accounting policies.

Board as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the Board is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the Board recognises the lease payments as an operating expense (note 11) on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The various lease and non-lease components of contracts containing leases are accounted for separately, with consideration being allocated to each lease component on the basis of the relative stand-alone prices of the lease components and the aggregate stand-alone price of the non-lease components (where non-lease components exist).

However as an exception to the preceding paragraph, the Board has elected not to separate the non-lease components for leases of land and buildings.

Details of leasing arrangements where the Board is a lessee are presented in note 4 Leases (Board as lessee).

Lease liability

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Board uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed lease payments, including in-substance fixed payments, less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the Board under residual value guarantees;
- the exercise price of purchase options, if the Board is reasonably certain to exercise the option;
- lease payments in an optional renewal period if the Board is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability (or right-of-use asset). The related payments are recognised as an expense in the period incurred and are included in operating expenses (note 4).

The lease liability is presented as a separate line item on the Statement of Financial Position.

ACCOUNTING POLICIES

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs (note 13).

The Board remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) when:

- there has been a change to the lease term, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change in the assessment of whether the Board will exercise a purchase, termination or extension option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- there has been a change to the lease payments due to a change in an index or a rate, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- there has been a change in expected payment under a residual value guarantee, in which case the lease liability is remeasured by discounting the revised lease payments using the initial discount rate;
- a lease contract has been modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised payments using a revised discount rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recognised in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Right-of-use assets

- Right-of-use assets are presented as a separate line item on the Statement of Financial Position. Lease payments included in the measurement of the lease liability comprise the following:
 - the initial amount of the corresponding lease liability;
 - any lease payments made at or before the commencement date;
 - any initial direct costs incurred;
 - any estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, when the Board incurs an obligation to do so, unless these costs are incurred to produce inventories; and
 - less any lease incentives received.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. However, if a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Board expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation starts at the commencement date of a lease.

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For right-of-use assets which are depreciated over their useful lives, the useful lives are determined consistently with items of the same class of property, plant and equipment. Refer to the accounting policy for property, plant and equipment for details of useful lives.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate. Each part of a right-of-use asset with a cost that is significant in relation to the total cost of the asset is depreciated separately.

The depreciation charge for each year is recognised in profit or loss unless it is included in the carrying amount of another asset.

1.8 Impairment of assets

The Board assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Board estimates the recoverable amount of the asset.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in profit or loss. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated. The increased carrying amount of an asset other than goodwill attributable to a reversal of an impairment loss does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in profit or loss. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

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1.9 Employee benefits

Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of profit sharing and bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

1.10 Provisions and contingencies

Provisions are recognised when:

- the Board has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

Contingent assets and contingent liabilities are not recognised.

1.11 Government grants

Government grants are recognised when there is reasonable assurance that:

- the Board will comply with the conditions attaching to them; and
- the grants will be received.

Government grants are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate.



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A government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs is recognised as income of the period in which it becomes receivable.

Government grants related to assets, including non-monetary grants at fair value, are presented in the statement of financial position by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset.

Grants related to income are presented as a credit in the profit or loss (separately).

Repayment of a grant related to an asset is recorded by increasing the carrying amount of the asset or reducing the deferred income balance by the amount repayable. The cumulative additional depreciation that would have been recognised to date as an expense in the absence of the grant is recognised immediately as an expense.

1.12 Revenue from contracts with customers

The Board recognises revenue from the following major sources:

- Sales of tender documents

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Board recognises revenue when it transfers control of a product or service to a customer.

Sales of tender documents

For sales of tender documents, revenue is recognised when control of the goods or service has transferred to the customer.

Revenue is recognised at a point in time for sales of tender documents.

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2. New Standards and Interpretations

2.1 Standards and interpretations effective and adopted in the current year

In the current year, the Board has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 1	01 January 2022	The impact of the amendments is not material.
• Reference to the Conceptual Framework: Amendments to IFRS 3	01 January 2022	The impact of the amendments is not material.
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IFRS 9	01 January 2022	The impact of the amendments is not material.
• Property, Plant and Equipment: Proceeds before Intended Use: Amendments to IAS 16	01 January 2022	The impact of the amendments is not material.
• Onerous Contracts - Cost of Fulfilling a Contract: Amendments to IAS 37	01 January 2022	The impact of the amendments is not material.
• Annual Improvement to IFRS Standards 2018-2020: Amendments to IAS 41	01 January 2022	The impact of the amendments is not material.

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2.2 Standards and interpretations not yet effective

The Board has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the Board's accounting periods beginning on or after 01 April 2023 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
• Lease liability in a sale and leaseback	01 January 2023	Unlikely there will be a material impact
• Initial application of IFRS 17 and IFRS 9 - Comparative information	01 January 2023	Unlikely there will be a material impact
• Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	01 January 2023	Unlikely there will be a material impact
• Disclosure of accounting policies: Amendments to IAS 1 and IFRS Practice Statement 2.	01 January 2023	Unlikely there will be a material impact
• Definition of accounting estimates: Amendments to IAS 8	01 January 2023	Unlikely there will be a material impact
• Classification of Liabilities as Current or Non-Current - Amendment to IAS 1	01 January 2023	Unlikely there will be a material impact
• IFRS 17 Insurance Contracts	01 January 2023	Unlikely there will be a material impact

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Figures in Namibia Dollar	Note(s)	2023	2022
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3. Property, plant and equipment

	2023			2022		
	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Furniture and fixtures	2,123,394	(484,695)	1,638,699	1,716,204	(87,650)	1,628,554
Motor vehicles	1,357,528	(579,212)	778,316	1,357,528	(362,007)	995,521
Office equipment	847,441	(303,889)	543,552	454,186	(155,300)	298,886
IT equipment	2,057,750	(934,221)	1,123,529	2,169,623	(702,377)	1,467,246
Computer software	497,215	(110,348)	386,867	47,224	(34,538)	12,686
Leasehold improvements	736,502	(251,345)	485,157	504,793	(29,694)	475,099
Network infrastructure	1,544,731	(355,500)	1,189,231	-	-	-
Total	9,164,561	(3,019,210)	6,145,351	6,249,558	(1,371,566)	4,877,992

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Transfers	Depreciation	Total
Furniture and fixtures	1,628,554	407,190	-	(397,045)	1,638,699
Motor vehicles	995,521	-	-	(217,205)	778,316
Office equipment	298,886	393,255	-	(148,589)	543,552
IT equipment	1,467,246	1,444,918	(1,366,981)	(421,654)	1,123,529
Computer software	12,686	449,990	-	(75,809)	386,867
Leasehold improvements	475,099	231,709	-	(221,651)	485,157
Network infrastructure	-	-	1,366,981	(177,750)	1,189,231
	4,877,992	2,927,062	-	(1,659,703)	6,145,351

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	3,255	1,709,595	-	(84,296)	1,628,554
Motor vehicles	1,212,725	-	-	(217,204)	995,521
Office equipment	217,817	150,937	(3,268)	(66,600)	298,886
IT equipment	1,691,943	86,275	(33,260)	(277,712)	1,467,246
Computer software	28,427	-	-	(15,741)	12,686
Leasehold improvements	-	504,793	-	(29,694)	475,099
	3,154,167	2,451,600	(36,528)	(691,247)	4,877,992

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Other information

The property, plant and equipment represents actual acquisitions. Assets received from the Ministry of Finance are not accounted for in the accounting records for the year ended 31 March 2023.

4. Leases (board as lessee)

Details pertaining to leasing arrangements, where the board is lessee are presented below:

	Cost or revaluation	Accumulated depreciation	Carrying value	Cost or revaluation	Accumulated depreciation	Carrying value
Buildings	4,979,014	-	4,979,014	8,513,834	-	8,513,834

Net carrying amounts of right-of-use assets

The carrying amounts of right-of-use assets are included in the following line items:

Buildings	4,979,014	8,513,834
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Additions to right-of-use assets

Buildings	547,412	9,045,948
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Depreciation recognised on right-of-use assets

Depreciation recognised on each class of right-of-use assets, is presented below. It includes depreciation which has been expensed in the total depreciation charge in profit or loss (note 11), as well as depreciation which has been capitalised to the cost of other assets.

Buildings	2,987,408	2,389,387
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Other disclosures

Interest expense on lease liabilities	430,648	678,259
Leases of low value assets included in operating expenses	-	83,116

At 31 March 2023, the board is committed to N\$3,021,857 (2022: N\$ 2,853,032) for short-term leases. This differs from the portfolio of leases for which an expense was recognised in the current financial period, because of a 12 month lease agreement for 10 photocopier machines which was entered into in the last month of the financial period.

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Lease liabilities

The maturity analysis of lease liabilities is as follows:

Within one year		3,021,857	2,853,032
Two to five years		2,173,473	5,748,861
		5,195,330	8,601,893
Non-current liabilities		5,195,330	8,601,893

Exposure to liquidity risk

Refer to note 17 Financial instruments and risk management for the details of liquidity risk exposure and management.

5. Trade and other receivables

Non-financial instruments:

Prepayments		40,368	47,330
Total trade and other receivables		40,368	47,330

Split between non-current and current portions

Current assets		40,368	47,330
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Financial instrument and non-financial instrument components of trade and other receivables

Non-financial instruments		40,368	47,330
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Exposure to credit risk

Trade receivables inherently expose the Board to credit risk, being the risk that the Board will incur financial loss if customers fail to make payments as they fall due. As at year end, there are no trade debtors outstanding, therefore no credit risk exposure.

There have been no significant changes in the credit risk management policies and processes since the prior reporting period.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

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Fair value of trade and other receivables

The fair value of trade and other receivables approximates their carrying amounts.

6. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances		31,747,951	34,344,266
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Credit quality of cash at bank and short-term deposits, excluding cash on hand

The credit quality of cash at bank and short-term deposits, excluding cash on hand that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or historical information about counterparty default rates:

Credit rating

AA (Na) / A1+		31,747,951	34,344,266
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Exposure to currency risk

The Board is not exposed to currency risk related to certain bank accounts as no accounts are denominated in a foreign currency.

Namibia Dollar amount

Namibia Dollar		31,747,951	34,344,266
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7. Trade and other payables

Financial instruments:

Trade payables	818,608	1,222,052
Provision for leave pay	1,118,156	947,619
Provision for retirement gratuity	137,184	-
Accrued expenses: Staff PAYE	560,294	1,561,035
	2,634,242	3,730,706

Financial instrument and non-financial instrument components of trade and other payables

At amortised cost	2,634,242	3,730,706
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Fair value of trade and other payables

The fair value of trade and other payables approximates their carrying amounts.

8. Revenue

Revenue from contracts with customers

Sale of tender documents	1,186,702	527,400
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Disaggregation of revenue from contracts with customers

The Board disaggregates revenue from customers as follows:

Sale of tender documents

Sale of tender documents	1,186,702	527,400
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Timing of revenue recognition At a point in time

Sale of tender documents	1,186,702	527,400
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9. Other operating income

Other income - Sundry income		64,368	118,396
VET relief		22,814	-
Government grant		40,000,000	32,000,000
		40,087,182	32,118,396

10. Other operating gains / (losses)

Gains / (losses) on disposals

Property, plant and equipment	3	7,572	(36,528)
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11. Operating profit (loss)

Operating loss for the year is stated after charging (crediting) the following, amongst others:

Auditor's remuneration - external

Audit fees		468,285	599,909
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Remuneration, other than to employees

Annual report costs		135,183	144,530
Consulting and professional services		647,364	226,154
		782,547	370,684

Employee costs

Salaries, wages, bonuses and other benefits		30,222,593	26,458,208
Termination benefits		137,184	511,770
Total employee costs		30,359,777	26,969,978

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Leases

Operating lease		-	83,116
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Depreciation and amortisation

Property, plant and equipment		1,659,703	691,247
Right-of-use assets		2,987,408	2,389,387
Total depreciation and amortisation		4,647,111	3,080,634

Expenses by nature

The total cost of sales, selling and distribution expenses, marketing expenses, general and administrative expenses, research and development expenses, maintenance expenses and other operating expenses are analysed by nature as follows:

Employee costs		30,359,777	26,969,978
Lease expenses		-	83,116
Depreciation, amortisation and impairment		4,647,111	3,080,634
Other expenses		7,563,058	4,658,140
		42,569,946	34,791,868

12. Investment income

Interest income

Investments in financial assets:

Bank and other cash		1,351,428	1,328,572
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13. Finance costs

Lease liability		430,648	184,965
Lease liability - prior year adjustment		-	493,294
Total finance costs		430,648	678,259

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14. Taxation

No provision has been made for 2023 tax as the board is exempt from taxation.

15. Cash generated from/(used in) operations

Loss before taxation		(367,710)	(1,532,287)
Adjustments for non-cash items:			
Depreciation, amortisation, impairments and reversals of impairments		4,647,111	3,080,634
(Gains) losses on sale of assets and liabilities		(7,572)	36,528
Adjust for items which are presented separately:			
Interest income		(1,351,428)	(1,328,572)
Finance costs		430,648	678,259
Changes in working capital:			
(Increase) decrease in trade and other receivables		6,962	(13,323)
Increase (decrease) in trade and other payables		(1,096,465)	(2,067,488)
		2,261,546	(1,146,249)

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16. Board Members' emoluments

Board members

2023			
Board Members' emoluments		Emoluments	Total
Ms. H. Herman (Independent Non-Executive Director) (Chairperson of Audit and Risk Committee)		550,329	550,329
Mr. E.P. Shilongo (Independent Non-Executive Director)		583,912	583,912
Ms. J. !Garus-Oas (Independent Non-Executive Director)		559,064	559,064
Ms. E. Nghiidipaa (Independent Non-Executive Director)		552,879	552,879
Mr. O. Nangolo (Independent Non-Executive Director) (Chairperson of the Technical Committee)		288,270	288,270
Mr. M. Kambulu (Independent Non-Executive Director)		615,200	615,200
Ms. M. Shiimi (Independent Non-Executive Director)		492,774	492,774
Ms L. Namoloh (Co-opted Member)		43,298	43,298
		3,685,726	3,685,726

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Figures in Namibia Dollar	Note(s)	2023	2022
2022			
Board Members' emoluments		Emoluments	Total
Ms. H. Herman (Independent Non-Executive Director) (Chairperson of Audit and Risk Committee)		487,442	487,442
Mr. E.P. Shilongo (Independent Non-Executive Director)		465,987	465,987
Ms. J. !Garus-Oas (Independent Non-Executive Director)		498,179	498,179
Ms. E. Nghiidipaa (Independent Non-Executive Director)		492,625	492,625
Mr. M. Kambulu (Independent Non-Executive Director)		535,054	535,054
Mr. A. Ngavetene (Independent Non-Executive Director) (Chairperson of Human Resource Committee)		485,047	485,047
Ms. A.L. Namoloh (Advisor: Human Resource Committee)		38,066	38,066
		3,002,400	3,002,400

Executive management

2023			
Board Members' emoluments	Directors' fees	Annual motor vehicle allowance	Total
Services as director or prescribed officer			
Mr. A. Ngavetene (Independent Non-Executive Director) (Chairperson of Human Resource Committee)	1,500,000	107,400	1,607,400
	1,500,000	107,400	1,607,400

CENTRAL PROCUREMENT BOARD OF NAMIBIA
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Executive management

2022			
Board Members' emoluments	Basic salary	2021 motor vehicle allowance	Total
Services as director or prescribed officer			
Mr. P.P. Swartz (Executive Director) (Chairperson of the Board and Administrative Head of Central Procurement Board of Namibia)	1,500,000	214,800	1,714,800
Ms. L. Ramakhutla (Executive Director) (Deputy Chairperson of the Board and Deputy Administrative Head of Central Procurement Board of Namibia)	1,300,000	183,763	1,483,763
	2,800,000	398,563	3,198,563

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17. Financial instruments and risk management

Categories of financial instruments

Categories of financial assets

2023					
	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other receivables	5	-	40,368	40,368	40,368
Cash and cash equivalents	6	31,747,951	-	31,747,951	31,747,951
		31,747,951	40,368	31,788,319	31,788,319

2022					
	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other receivables	5	-	47,330	47,330	47,330
Cash and cash equivalents	6	34,344,266	-	34,344,266	34,344,266
		34,344,266	47,330	34,391,596	34,391,596

Categories of financial liabilities

2023					
	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	7	-	2,634,245	2,634,245	2,634,245
Finance lease obligations	4	-	5,195,330	5,195,330	5,195,330
		2,634,245	5,195,330	7,829,575	7,829,575

2022					
	Note(s)	Amortised cost	Leases	Total	Fair value
Trade and other payables	7	3,730,706	-	3,730,706	3,730,706
Finance lease obligations	4	-	8,601,893	8,601,893	8,601,893
		3,730,706	8,601,893	12,332,599	12,332,599

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Pre tax gains and losses on financial instruments

Gains and losses on financial assets

2023			
	Note(s)	Amortised cost	Total
Recognised in profit or loss:			
Interest income	12	1,351,428	1,351,428

2022			
	Note(s)	Amortised cost	Total
Recognised in profit or loss:			
Interest income	12	1,328,572	1,328,572

Gains and losses on financial liabilities

2023			
	Note(s)	Leases	Total
Recognised in profit or loss:			
Finance costs	13	(430,648)	(430,648)

2022			
	Note(s)	Leases	Total
Recognised in profit or loss:			
Finance costs	13	(678,259)	(678,259)

Capital risk management

Lease liabilities		5,195,330	8,601,893
Trade and other payables	7	2,634,245	3,730,706
Total borrowings		7,829,575	12,332,599

CENTRAL PROCUREMENT BOARD OF NAMIBIA
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Figures in Namibia Dollar	Note(s)	2023	2022
Cash and cash equivalents		(31,747,951)	(34,344,266)
Net borrowings		(23,918,376)	(22,011,667)
Equity		35,083,110	35,450,822
Gearing ratio		(68)%	(62)%

Financial risk management

Overview

The Board is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

The board members have overall responsibility for the establishment and oversight of the Board's risk management framework. The board has established the risk committee, which is responsible for developing and monitoring the Board's risk management policies. The committee reports quarterly to the Board on its activities.

The Board's risk management policies are established to identify and analyse the risks faced by the Board, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Board's activities.

The Board Audit Committee oversees how management monitors compliance with the risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Board. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee and the risk committee.

Credit risk

Credit risk is the risk of financial loss to the Board if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

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The Board is exposed to credit risk on trade and other receivables and cash and cash equivalents. None of these exist at the moment and the related credit risk is assessed as very low.

Credit risk for exposures other than those arising on cash and cash equivalents, are managed by making use of credit approvals, limits and monitoring. The Board only deals with reputable counterparties with consistent payment histories. Sufficient collateral or guarantees are also obtained when necessary. Each counterparty is analysed individually for creditworthiness before terms and conditions are offered. The analysis involves making use of information submitted by the counterparties as well as external bureau data (where available). Counterparty credit limits are in place and are reviewed and approved by credit management committees. The exposure to credit risk and the creditworthiness of counterparties is continuously monitored.

Credit risk exposure arising on cash and cash equivalents is managed by the board through dealing with well-established financial institutions with high credit ratings.

Credit loss allowances for expected credit losses are recognised for all debt instruments, but excluding those measured at fair value through profit or loss. Credit loss allowances are also recognised for loan commitments and financial guarantee contracts.

The maximum exposure to credit risk is presented in the table below:

	Note(s)	2023			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost / fair value	Gross carrying amount	Credit loss allowance	Amortised cost / fair value
Trade and other receivables	5	40,368	-	40,368	47,330	-	47,330
Cash and cash equivalents	6	31,747,951	-	31,747,951	34,344,266	-	34,344,266
		31,788,319	-	31,788,319	34,391,596	-	34,391,596

Liquidity risk

The Board is exposed to liquidity risk, which is the risk that the Board will encounter difficulties in meeting its obligations as they become due.

The Board manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through cash generated from operations and government grant received. The monetary value of government grant received to support effective and efficient operating activities of the Board is dependent on the annual budget allocation approved. The board members are aware of the liquidity risk associated to the reliance by the Board on the government grants as income.

There have been no significant changes in the liquidity risk management policies and processes since the prior reporting period. The current liquidity risk is assessed as very low.

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Foreign currency risk

The Board is not exposed to foreign currency risk.

Interest rate risk

Fluctuations in interest rates impact on the value of investments and financing activities, giving rise to interest rate risk.

The Board policy with regards to financial assets, is to invest cash at floating rates of interest and to maintain cash reserves in short-term investments in order to maintain liquidity, while also achieving a satisfactory return for board.

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

Interest rate profile

The interest rate profile of interest bearing financial instruments at the end of the reporting period was as follows:

	Note	Average effective interest rate		Carrying amount	
		2023	2022	2023	2022
Variable rate instruments:					
Assets					
Trade and other receivables	5	- %	- %	17,554	47,330
Cash and cash equivalents	6	5.75 %	3.75 %	31,747,951	34,344,266
				31,765,505	34,391,596

Liabilities

Trade and other payables	7	- %	- %	(5,195,330)	(3,730,709)
Net variable rate financial instruments				26,570,175	30,660,887

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Interest rate sensitivity analysis

The following sensitivity analysis has been prepared using a sensitivity rate which is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. All other variables remain constant. The sensitivity analysis includes only financial instruments exposed to interest rate risk which were recognised at the reporting date. No changes were made to the methods and assumptions used in the preparation of the sensitivity analysis compared to the previous reporting period.

	2023	2023	2022	2022
Increase or decrease in rate	Increase	Decrease	Increase	Decrease
Impact on profit or loss:				
Cash and cash equivalents 1% (2022: 1 %)	317,480	(317,480)	343,443	(343,443)

Price risk

The Board is not exposed to any price risk.

18. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The board members believe that the Board has adequate financial resources to continue in operation for the foreseeable future and accordingly the annual financial statements have been prepared on a going concern basis. The board members are satisfied that the Board is in a sound financial position and that it has continued access to government grant funding to meet its foreseeable cash requirements in terms of the Public Procurement Act 15 of 2015. The board members are not aware of any new material changes that may adversely impact the Board. The board members are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the Board.

The board members have reviewed the budgets and cash flow forecast for the next 12 months, as well as the current liquidity and solvency position of the Board and believe that the Board has adequate financial resources to continue in operation for the foreseeable future. The annual financial statements have accordingly been prepared on the going concern basis.



CENTRAL PROCUREMENT BOARD OF NAMIBIA
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19. Events after the reporting period

The Board is not aware of any material event which occurred after the reporting date up to the date of this report which may have an impact on the financial statements.

CENTRAL PROCUREMENT BOARD OF NAMIBIA
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023
DETAILED INCOME STATEMENTS

Revenue

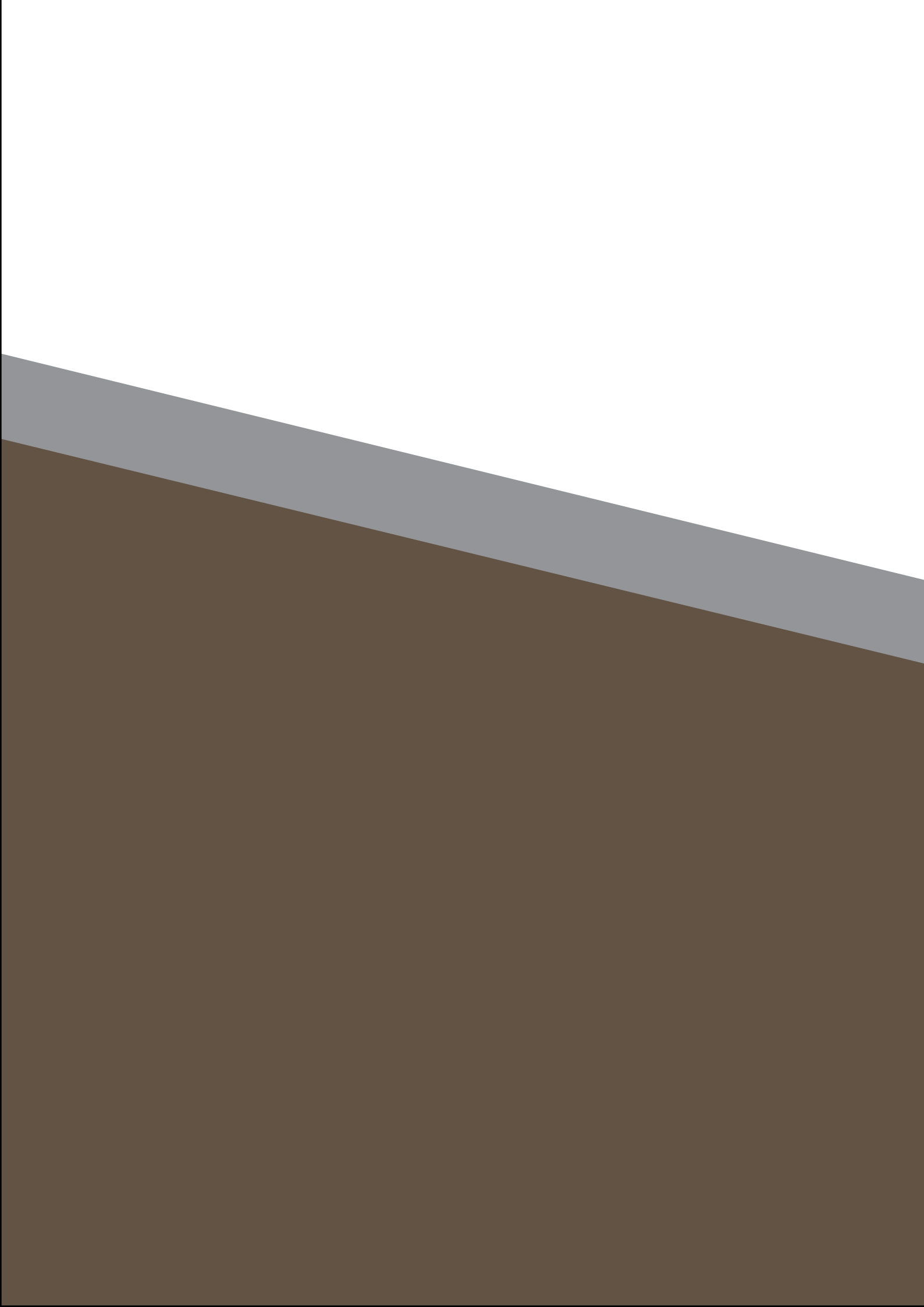
Sale of tender documents		1,186,702	527,400
Other operating income			
Other income - Sundry income		64,368	118,396
Other income - NTA		22,814	-
Government grant		40,000,000	32,000,000
	9	40,087,182	32,118,396
Other operating gains/(losses)			
Gains / (losses) on disposal of assets or settlement of liabilities		7,572	(36,528)
Expenses (Refer to page 145)		(42,569,946)	(34,791,868)
Operating loss	11	(1,288,490)	(2,182,600)
Investment income	12	1,351,428	1,328,572
Finance costs	13	(430,648)	(678,259)
Total comprehensive loss for the year		(367,710)	(1,532,287)

The supplementary information presented does not form part of the annual financial statements and is unaudited.

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DETAILED INCOME STATEMENT

Figures in Namibia Dollar	Note(s)	2023	2022
Other operating expenses			
Accounting fees		(3,450)	-
Advertising		(625,907)	(276,857)
Annual report costs		(135,183)	(144,530)
Auditor's remuneration - external audit	11	(468,285)	(599,909)
Bank charges		(33,015)	(19,043)
Bid Evaluation Committee fees		(572,117)	(460,650)
Cleaning		(74,323)	(39,467)
Computer expenses		(74,578)	-
Conference and meeting fees		(186,866)	(55,495)
Consulting and professional fees - human resources and marketing		(643,914)	(21,224)
Consulting and professional fees - legal fees		-	(204,930)
Consumables		(101,455)	(73,046)
Corporate events		-	(25,655)
Depreciation		(4,647,111)	(3,080,634)
Employee costs		(30,359,777)	(26,969,978)
Fines and penalties		(29,441)	-
Insurance		(146,026)	12,612
Lease rentals on operating lease		-	(83,116)
Motor vehicle expenses		(95,176)	(29,471)
Municipal expenses		(374,160)	(271,477)
Office refreshments		(7,324)	(11,674)
Office relocation		-	(43,350)
Postage		(440)	(440)
Printing and stationery		(614,519)	(376,131)
Repairs and maintenance		(117,520)	(28,952)
Security		(71,265)	(22,678)
Small assets not capitalised		(640,277)	(369,612)
Software annual subscription and IT expenses		(656,776)	(349,791)
Staff recruitment costs		(5,580)	-
Staff welfare		(125,550)	-
Stakeholder engagement costs		(370,071)	(55,641)
Subscriptions		(46,625)	(76,340)
Telephone and fax		(378,716)	(326,881)
Training		(699,027)	(720,058)
Travel - local		(58,871)	-
Year-end function		(206,601)	(67,450)
		(42,569,946)	(34,791,868)

The supplementary information presented does not form part of the annual financial statements and is unaudited.



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Procuring with Integrity