



Environmental **Investment** Fund  
of **Namibia** | ensuring sustainability

# ANNUAL REPORT | **2018/2019**

# CONTENTS

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## **1 ABOUT EIF**

Outline of the Fund's objectives and business strategy.....4

## **2 CHAIRPERSON'S OVERVIEW**

Chairperson's overview of the Director's responsibilities and accountability report, and an outline of the governance structure of the Fund.....7

## **3 CEO'S REPORT**

Overview of the Fund's operations.....13

## **4 HIGHLIGHTS OF 2018-2019**

Highlights of the Fund's activities.....18

## **5 OPERATIONS**

Summary of organizational operations.....22

## **6 PROJECTS & PROGRAMMES**

A snapshot of the programmes and projects hosted at the Fund.....24

## **7 RESOURCE MOBILISATION**

Summary of financial resources mobilised from national, international and multilateral funding agencies.....40

## **8 OUR PEOPLE**

Changes in the human resource structure.....42

## **9 FINANCE AND ADMINISTRATION**

An overview of the financial activities.....44

## **10 CORPORATE CITIZENSHIP**

Overview of the corporate social investments.....46

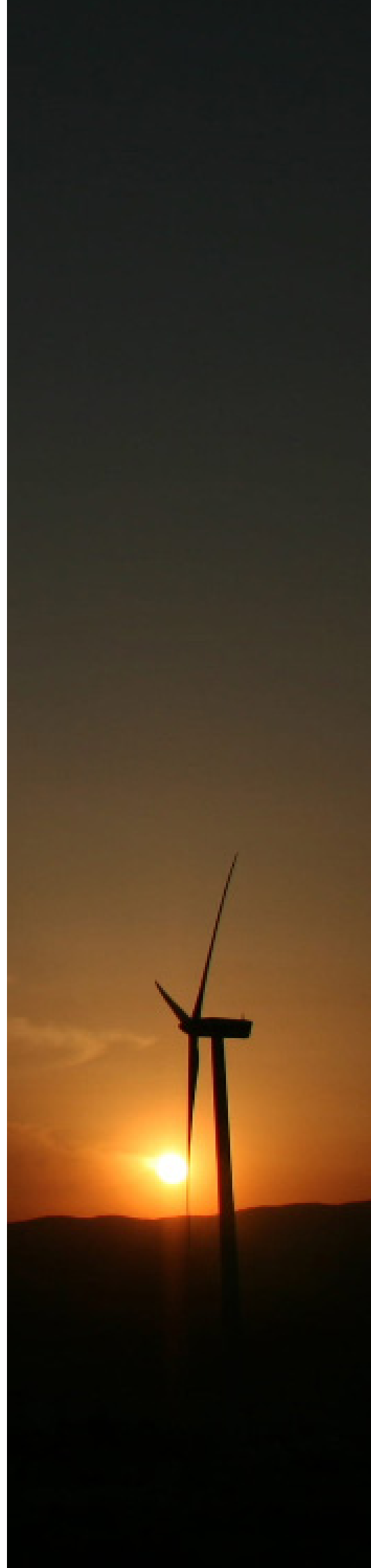
## **11 FINANCIAL STATEMENTS**

Audited annual financial statements comprising of the statement of financial position, the statement of comprehensive income, statement of changes in equity and statement of cash flows.....48

# ACRONYMS

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<b>AFD</b>	- Agence Française de Développement
<b>APR</b>	- Annual Performance Report
<b>BDO</b>	- Binder Dijker Otte
<b>CAC</b>	- Communal Area Conservancies
<b>CBOs</b>	- Community-Based Organisations
<b>CBNRM</b>	- Community-Based Natural Resource Management
<b>CFs</b>	- Community Forests
<b>CRAVE</b>	- Climate Resilient Agriculture in three Vulnerable Extreme Northern-Crop Growing Regions
<b>DWN</b>	- Development Workshop Namibia
<b>DYRH</b>	- Drive Your Rubbish Home
<b>EBA</b>	- Ecosystem-Based Adaptation
<b>EBS</b>	- Events Book System
<b>EDA</b>	- Enhanced Direct Access
<b>EIF</b>	- Environmental Investment Fund
<b>ESS</b>	- Environmental and Social Safeguards
<b>FAA</b>	- Funded Activity Agreement
<b>FMC</b>	- Funds Management Committee
<b>GCF</b>	- Green Climate Fund
<b>GEF</b>	- Global Environment Facility
<b>GPTF</b>	- The Game Products Trust Fund
<b>GRN</b>	- Government of the Republic of Namibia
<b>IRDNC</b>	- Integrated Rural Development and Nature Conservation
<b>IREMA</b>	- Improving Rangeland and Ecosystem Management
<b>MAWF</b>	- Ministry of Agriculture, Water and Forestry
<b>MCRACE</b>	- Centre of Excellence in Climate Resilience in Agriculture
<b>MET</b>	- Ministry of Environment and Tourism
<b>MME</b>	- Ministry of Mines and Energy
<b>MoF</b>	- Ministry of Finance
<b>NACSO</b>	- Namibian Association of CBNRM Support Organisations
<b>NCE</b>	- Namibia Chamber of Environment
<b>NDA</b>	- National Designated Authority
<b>NDP</b>	- National Development Plan
<b>NDP5</b>	- Fifth National Development Plan
<b>NGPs</b>	- Non-Governmental Organisations
<b>N\$</b>	- Namibian Dollar
<b>PMU</b>	- Project Management Unit
<b>PSC</b>	- Project Steering Committee
<b>SAP</b>	- Simplified Approval Process
<b>SADC</b>	- Southern African Development Community
<b>SETs</b>	- Solar Energy Technologies
<b>SGP</b>	- Small Grants Programme
<b>SSHf</b>	- Small-Scale Horticulture Farmers
<b>SUNREF</b>	- Sustainable Utilization of Natural Resources and Energy Financing
<b>TAP</b>	- Technical Advisory Panel
<b>UNDP</b>	- United Nations Development Programme
<b>UNICEF</b>	- United Nations International Children's Fund
<b>UNFCCC</b>	- United Nations Framework Convention on Climate Change



# 1 ABOUT THE EIF

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Outline of the Fund's strategic objectives and business strategy



The Environmental Investment Fund of Namibia (hereafter “The Fund”) was established by the Environmental Investment Fund of Namibia Act, 2001 (Act No. 13 of 2001). The Fund is a statutory entity outside the public service with distinct and separate roles and functions distinct from any government body or entity. The Fund is an investment institution set up under Namibian law to provide sources of funding for environmentally sound development in Namibia and to do so in a manner that complements programmes and actions of both public and private sectors.

The Fund is mandated to raise financial resources for direct investment in environmental protection and natural resource management activities and projects, which supports the sustainable economic development of Namibia.

The Fund not only finances conservation activities, but also pursues a broader investment portfolio by providing economic opportunities and a stake in the use of natural resources for the poorest sections of society by improving their quality of life and economic well-being. The Fund also focuses on reducing activities that degrade Namibia’s fragile environment and waste and/or over-utilise natural resources.

The Fund invests in and supports projects and activities that promote the national development strategies of the Government of the Republic of Namibia (GRN) such as poverty alleviation.

Poverty is in itself directly linked to inaccessibility to natural resources and the skewed distribution of ownership. This ultimately drives environmental degradation and the inefficient use of those resources as well as an unending cycle of poverty and natural resource destruction.



Mr. Benedict Libanda, CEO of the EIF signs the Climate Action Agreement with the Green Climate Fund in Katowice, Poland 2018

## VISION

To be a recognised leader in the development and application of innovative financing mechanisms to support environmentally and climate-resilient development pathways in Namibia.

## MISSION

To promote the sustainable economic development of Namibia through investment in and the promotion of activities and projects that protect and maintain the natural and environmental resources of the country.

## VALUES

Complementarity  
Professionalism  
Accessibility  
Gradualism  
Polluter Pays Principle  
Integrity  
Transparency and Accountability  
Teamwork.

# STRATEGIC FOCUS

The strategic aim is to mobilise sustainable financing in support of our investment strategy, spanning across four focus areas in Namibia.

## 1. NATURAL RESOURCES MANAGEMENT & UTILISATION

- Biodiversity-based business
- Community-based natural resources management
- Land use management and models
- Community-based climate change adaptation projects and plans
- Value addition to natural resources
- Sustainable agricultural practices

## 2. GREEN TECHNOLOGIES, LOW CARBON & CLIMATE CHANGE

- Climate adaptation techniques
- Renewable energy
- Water efficiency
- Waste management and recycling
- Sustainable water treatment
- Biogas and biomass
- Sustainable transport
- Sustainable waste management

## 3. TOURISM DEVELOPMENT

- Eco-tourism development
- Tourism concessions on state land financing

## 4. RESEARCH, TRAINING & CAPACITY BUILDING

- Climate Change adaptation and mitigation research/awareness
- Multidisciplinary research
- Tertiary education study grants.



# 2

# CHAIRPERSON'S OVERVIEW

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Chairperson's overview of the  
Directors' responsibilities and accountability report and an outline  
of the governance structure





# TEOFILUS NGHITILA

Board Chairperson

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I am honoured and delighted to present the annual report for the 2018/19 financial year on behalf of the Board of Directors of the Environmental Investment Fund of Namibia. The Financial year was marked as another year of progress at the Fund despite the prevailing economic challenges felt on both the domestic and global fronts. Presented briefly in this report are the key milestones attained, opportunities encountered and challenges experienced by the Fund during the period from 1st April 2018 to 31st March 2019.



The Fund's efforts were focused on two programmatic areas: the first programme involved focusing its efforts on initiatives seeking to address the impacts of climate change on the livelihoods of the most vulnerable communities who mainly depend on natural resources and the surrounding ecosystems for survival. In this respect, the emphasis was on unlocking opportunities for increasing resilience while reducing vulnerability to the adverse impacts of climate change as espoused in the National Climate Change Policy, National Comprehensive Conservation Agriculture Programme and the Fifth National Development Plan (NDP5). The second programme related to resource mobilisation aimed at increasing the financial stability of the Fund as well as securing financial resources for investment into eligible initiatives in line with the Fund's mandate. These efforts saw results achieved for domestic environmental levies and the securing of a fourth project funded through the Green Climate Fund (GCF).

In December 2018, the Fund signed the Funded Activity Agreement (FAA) with the GCF for the project approved by the GCF Board at its 19th sitting in April 2018. This is the Fund's third successful project mobilised for Namibia through the GCF and it is earmarked for the exclusive benefit of the highly drought-threatened livestock farmers of the Kunene Region. Preparations for the kick-off of the project are at an advanced stage.

Secondly, the GCF Board at its 22nd sitting in February 2019, approved the Fund's fourth climate change adaptation project which is worth the equivalent of US\$9.1 million. This project seeks to invest in ecosystem-based adaptation initiatives in eight communal area landscapes and is anticipated to directly impact on 200,000 people.

These two projects bring Namibia's tally of GCF projects to four and demonstrate the country's ability to take maximum advantage of resources made available under the United Nations Framework Convention on Climate Change (UNFCCC) and Paris Agreement to build the climate change resilience of vulnerable communities while reducing their vulnerabilities to the impact of climate change.

Supported by MET, the Fund managed to secure Cabinet approval for the earmarking of 30% of the proceeds from environmental levies to the EIF as well as 100% of taxes levied on "once-off use" polluting products, especially plastic bags. The Ministry of Finance (MoF) is to disburse these proceeds every six months. To this end, the Fund did receive the first disbursement of environmental levies in December 2018. The modalities for the collection and disbursement of the levies on plastic bags are currently a subject of discussion with the MoF. These transformative cabinet decisions and the concomitant disbursement represent the dawn of a new era concerning the requisite capitalisation of the Fund. The Fund is currently revising and updating its Investment Plan and building the necessary internal capacity with the ultimate aim of establishing and rolling out a framework for investing the proceeds of the environmental levies in eligible green enterprises such as recycling, local authority-level solid waste management, conservation agriculture and sustainable tourism.

During the reporting period, the Fund experienced reduced government funding due to the prevailing economic challenges and this has been a major constraint to both the pursuit of the Fund's mandate as well to investing in the required institutional growth.

One of the key strategic issues still requiring conclusion is the construction of the EIF Headquarters that needs government intervention under the capital project allocation. The Fund is currently renting office space and the costs being incurred by the growing institutional structure are becoming economically unviable.

In conclusion, the Board and the Fund are sincerely grateful for the strong support received from the MET. This has been of immense value to the Fund and has contributed greatly to the milestones highlighted in the report. With continued support, the Fund can only grow stronger and make bigger impacts nationally.



Teofilus Nghitila  
Chairperson

## BOARD OF DIRECTORS

Section 7 (1) of the Environmental Investment Fund of Namibia Act, 2001 (Act No. 13 of 2001) establishes the composition of the Board of Directors of the Fund. The Board consists of five members who are, as far as practicable, gender representative and are appointed by the Minister of Environment and Tourism. The powers and functions of the Board of Directors are to accountably, efficiently and properly manage and control the affairs and properties of the Fund.

The Board composition is as follows:

- A staff member employed in connection with the administration of environmental affairs in the Ministry;
- A staff member of the Ministry of Agriculture, Water and Forestry designated by the Minister of that Ministry;
- A staff member of the Ministry of Mines and Energy designated by the Minister of that Ministry;
- A person representing community-based organizations having sustainable environmental and natural resources and community-based tourism management as their main object; and
- A person, having expertise in financial matters, representing financial institutions.



**MR. TEOFILUS NGHITILA**  
(Chairperson)

Mr. Teofilus Nghitila, Executive Director of the Ministry of Environment and Tourism and Chairperson of the Fund's board of Directors



**MS. KAREN NOTT**  
(Vice-Chairperson)

Ms. Nott is the Vice-Chairperson of the Board. She is the Coordinator for High Value Plant Programs at the Integrated Rural Development and Nature Conservation (IRDNC), and comes with vast experience in education, nature conservation and CBNRM.



**MS. JOHANNA ANDOWA**  
(Director/Chairperson of Technical Advisory Panel)

Ms. Andowa is the Director of Agricultural Research and Development (DARD) in the Ministry of Agriculture, Water and Forestry. She serves on the Board as the Chairperson of the Technical Advisory Panel.



**MR. ISRAEL HASHEELA**  
(Director / Chairperson of Human Resource and Audit Committee)

Mr. Hasheela is a Deputy Director in the Geological Survey Directorate of the Ministry of Mines and Energy. He serves on the Board as the Chairperson of the Human Resource and Audit Committee.



**MR. TITUS NDOVE**  
(Director / Chairperson of Risk and Investment Committee)

Mr. Ndove is the Head: Public Sector and Market Intelligence at Standard Bank of Namibia and serves as the Chairperson of the Fund's Risk and Investment Committee.

## DIRECTORS EMOLUMENTS 2018/2019

BOARD MEMBER	ANNUAL FEE	BOARD	HUMAN RESOURCE & AUDIT COMMITTEE	RISK & INVESTMENT COMMITTEE	TECHNICAL ADVISORY PANEL (TAP)	SITTING ALLOWANCE	SITTING ALLOWANCE
		4	3	0	2		
Teofilus Nghitila (Board Chairperson)	31,012.00	4	N/A	N/A	N/A	18,356.00	49,368.00
Titus Ndove (Risk & investment Chair person)	25,333.00	3	N/A	N/A	N/A	9,024.00	34,357.00
Johanna Andowa (TAP Chairperson)	25,333.00	3	N/A	N/A	2	13,250.00	38,583.00
Israel Hasheela (HR & Audit Chairperson)	25,333.00	3	3	N/A	N/A	15,363.00	40,696.00
Karin Nott	25,333.00	3	N/A	N/A	N/A	9,024.00	34,357.00

### RISK AND INVESTMENT COMMITTEE

Titus Ndove (Chairperson), Nicolas Mukasa, Benedict Libanda, Isoldah Hijamutiti and Karl Aribeb.

The purpose of the Committee is to provide the strategic review and approval of the Fund's investment strategy and policy as well as to address challenges about the performance and effective management of compliance, reputation and liquidity risk throughout the Fund in support of the strategy. The overall function of the Committee is to oversee and support the Board in fulfilling its duties to supervise and set appropriate risk management and control principles. The Committee is chaired by a full Board member with financial expertise and comprises of the CEO, Director of Operations, Director of Finance and Administration and an independent financial expert. The Committee meets quarterly or on a needs basis and reports its recommendations and findings directly to the Board of Directors through the Chief Executive Officer.

### HUMAN RESOURCE, FINANCE AND AUDIT COMMITTEE

Israel Hasheela (Chairperson), Barbara Seibes, Benedict Libanda, Raymond Vilander and Isoldah Hijamutiti.

As the Fund continues to grow, the need to strategically manage the Fund's principal asset, human capacity is required. For this purpose, the Fund established the Human Resource, Finance and Audit Committee, which advises on matters on staffing at the Fund, staff remuneration and related issues. The purpose of this Committee is to assist the Board in fulfilling its obligations relating to human resource and compensation matters and to establish a plan of continuity and development of staff. The Committee provides a focus on governance that will enhance the performance of the Fund as well as its code of ethics and audits. It further assesses and makes recommendations regarding Board effectiveness.

### TECHNICAL ADVISORY PANEL

Johanna Andowa (Chairperson), Mutjinde Katjiua, Taleni Katoma, Petrus Muteyauli, Olga Katjioungua, Hans Sauer and Jacob Nyambe.

Section 11 of the Environmental Investment Fund of Namibia Act, 2001 (Act No. 13 of 2001) establishes the Technical Advisory Panel and outlines its constitution and defines its functions. This Panel comprises of experts from different sectors such as biodiversity conservation, natural resource economics, community-based tourism and natural resources, loan and grants appraisal, and risk management. The TAP is established with the primary function of advising the Fund's Board with technical matters related to the objects of the Fund. Specifically, the TAP appraises, assesses, evaluates and monitors proposals, projects and institutions applying to receive financing from the Fund. The TAP also makes recommendations of a technical nature to the Board and has no policy or implementing function.

The reconstitution of TAP members was completed and the following are members of the Panel:



**DR. MUTJINDE KATJIUA**

**Date of Appointment:**

29th August 2018

**Institution:**

Namibia University of Science and Technology



**MR. PETRUS MUTEYAULI**

**Date of Appointment:**

29th August 2018

**Institution:**

Ministry of Environment and Tourism



**MS. OLGA KATJIUONGUA**

**Date of Appointment:**

29th August 2018

**Institution:**

Social Security Commission



**MR. HANS SAUER**

**Date of Appointment:**

29th August 2018

**Institution:**

Bank Windhoek



**MS. JOHANNA ANDOWA**

**Date of Appointment:**

March 2015

**Institution:**

Ministry of Agriculture, Water and Forestry



**DR. JACOB M. NYAMBE**

**Date of Appointment:**

8th February 2016

**Institution:**

University of Namibia



**MS. TALENI N. KATOMA**

**Date of Appointment:**

16th June 2016

**Institution:**

Agricultural Bank of Namibia

TAP members are appointed for three years subject to renewal and approval by the Fund's Board of Directors. The terms for Dr. Nyambe and Ms. Katoma are due to expire in mid-2019 and a submission will be prepared for the Board's consideration.

**MEETINGS**

**The Board of Directors held meetings on the following dates:**

Meeting 29 - 20 April 2018

Meeting 30 - 29 August 2018

Meeting 31 - 23 November 2018

Meeting 32 - 27 February 2019

**The Technical Advisory Panel (TAP) held meetings on the following dates:**

12 March 2019

13 March 2019

14 March 2019

**The Risk and Investment Committee held meetings on the following dates:**

12 March 2019

13 March 2019

14 March 2019

**The Human Resource, Finance and Audit Committee held meetings on the following dates:**

28 May 2018

21 November 2018

13 March 2019

# 3 CEO'S REPORT

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Overview of the Fund's operations



# BENEDICT LIBANDA

Chief Executive Officer

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I am delighted and humbled by the opportunity to present the 2018/2019 Annual Report on behalf of the Environmental Investment Fund of Namibia. This report allows me to present a summary of the strategic and operational achievements made during the reporting period. During the period under review, the strategic and operational achievements include initiatives that are strategic to achieving the Government's agenda as well as standing services contributing to economic development and environmental sustainability.

## **FACILITATE THE AMENDMENT TO THE ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA ACT, 2001 (ACT NO. 13 OF 2001)**

The draft Amendment Bill was submitted for consideration to the Minister of Environment and Tourism on Monday, 18th February 2019 during the consultative meeting with the Board of Directors the Fund. A draft memo was also part of the submission. The Fund awaits the completion of activities and procedures that need to be followed towards the process of amendment of the Act and we are hopeful that it will be concluded soon.

## **MOBILISE RESOURCES FROM BOTH DOMESTIC AND INTERNATIONAL FACILITIES**

The Chief Executive Officer was tasked to lead the expansion of the revenue optional pool for the Fund to diversify its sources. A framework for revenue generation was designed and a Resource Mobilisation Strategy was approved by the Board. To date, the Fund has mobilised about N\$1.3 billion of which N\$560 million is from the Green Climate Fund; as grant funding while the balance is from multiple services rendered through management fees and other developmental partners. During the year under review, the Fund reached an agreement with the Ministry of Finance on environmental levies sharing formula as well as access funding from the Green Climate Fund. The two sources are detailed next:

Environmental levies or taxes: Cabinet as recommended by the Cabinet Committee on Trade and Economic Development, endorsed the introduction of an environmental levy on plastic carrier bags, with 100% of the revenue from this levy accruing to the Fund for re-investment in improved waste management practices. Furthermore, the Cabinet approved the allocation of 30% of funds collected through environmental levies to the Fund.

In February 2019, the Green Climate Fund (GCF) approved a grant of approximately N\$124.6 million (US\$ 8.9 million) for the implementation of a climate change adaptation project entitled "Building resilience of communities living in landscapes threatened under climate change through an ecosystem-based adaptation approach".

## **FINANCIAL SUPPORT TO PROJECTS THROUGH GRANTS AND LOANS**

The Fund has a Financial and Risk Management Framework in place. The overall aim of the risk framework within the Fund is to ensure that the Fund's capabilities and resources are utilized efficiently and effectively to manage its internal strengths and weaknesses and its external opportunities and threats.

Due to cash flow challenges, the Fund suspended its loan and grant programmes. However, there has been a continuation of bursary financing and the Summer Desertification Programme that continues to benefit 28 young professionals. Moreover, through the Sustainable Utilization of Natural Resources and Energy Financing (SUNREF), the Fund has managed to approve two projects worth N\$70 million with 35 jobs created. Furthermore, through the Enhanced Direct Access Project funded by the Fund, a call for proposals was advertised in September 2018. A total of sixty-two (62) grant applications were received for the three investment windows. It is envisaged that N\$93 million worth of grant financing for CBNRM will be approved by the end of April 2019. These funds will benefit more than 70,000 people and create 390 jobs.

## **INTRODUCTION TO ENVIRONMENTAL LEVIES INCLUDING COLLECTIONS AND USAGE OF SUCH REVENUE**

The identification and introduction of environmental levies were a prime focus of both the Ministry of Environment and Tourism and the Fund during 2018/19. Three (3) products were added to the current schedule of environmental levies (electrical/electronic appliances, lubricant oil, and car batteries) and regulations governing the collection and use of the levies were developed. The Department of Customs and Excise (MoF) will be introducing the taxes while disbursement will be made as per the established arrangements between the two institutions.

In December 2018, the Fund received its first payment of environmental levies (N\$7 million) from the Ministry of Finance. Another N\$7 million payment was received by the end March 2019.

## **FINANCIAL MANAGEMENT EFFICIENCY AND FIDUCIARY RESPONSIBILITIES**

### **Financial Management and Internal Controls**

The Fund continuously invests in strengthening its internal control processes and introduced the SAGE X3 financial and procurement system during the period under review. The Fund has put in place an adequate system of internal financial control commensurate with its size and the nature of its business, which helps in ensuring the orderly and efficient conduct of its business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safe-guarding of assets of the Fund, prevention and detection of frauds, accuracy and completeness of accounting records and ensuring compliance with corporate policies. As a means to further strengthen the control environment, the Fund's processes were benchmarked with industry practices to identify any gaps and remedial measures were taken.

### **External and Internal Audit**

The Fund replaced PWC auditors with BDO. The 2017/18 external audits were qualified for the seventh year in succession. The Fund appointed Ernest and Young as the Internal Auditor with a dedicated internal audit staff appointed to facilitate all internal audit activities of the Fund. Internal audits were undertaken; including the Governance Audit, Procurement Audit and Funds Account Audit. The Audit Committee reviews adherence to internal control systems and internal audit reports. Furthermore, the Board annually reviews the effectiveness of the Fund's internal control system.

### **Governance**

During the year under review, several additional governance policies and implementation guidelines were developed and updated to achieve accountability and transparency. The Board approved the updated Procurement Policy, Appeals and Grievance Procedures and IT Policy.

### **Corporate Reporting**

Section 17 (1) and Section 26 of the Environmental Investment Fund of Namibia Act, 2001 (Act No. 13 of 2001) requires the submission of an annual report on the affairs and activities of the Fund. The Fund had major challenges to finalise its report timely due to the poor service and less prioritisation by the external auditors. The challenge was communicated to the Board, which resolved that the Fund pursue new external auditors.

## **LEAD THE DEVELOPMENT OF THE FUND'S BUSINESS PLAN**

A new five-year Strategic Plan for the Environmental Investment Fund of Namibia (2018-2023) was approved by the Board of Directors during the meeting that took place on the 3rd of November 2018. The Strategic Plan is currently under implementation.

## **IMPLEMENT RISK-MANAGEMENT FRAMEWORK FOR THE FUND THAT CLEARLY ARTICULATES DECISION-MAKING MECHANISMS**

The Fund has a Financial and a Risk Management Framework in place that aims to ensure that the Fund's capabilities and resources are utilised efficiently and effectively to manage the Fund's internal strengths and weaknesses as well as external opportunities and threats. The Framework sets out the conceptual foundations of the Fund's financial risk management framework, as well as monitoring and evaluation instruments for financial risk and the governance framework under which financial risks will be managed. In addition, the Risk and Investment Committee manages and monitors the risks. There is improvement required in this area.



## **INSTITUTIONAL AND PUBLIC IMAGE RATING**

The Fund has been active on social media with more than 5,000 followers on Facebook while the website has more than 800 visits per month, of which 150 are new visitors. In addition, the Fund has not been in the news for the wrong reasons due to the good governance systems that are in place to avoid such bad publicity. The Fund has also been responsive to the issues raised and is constantly engaged on the various social media platforms. This is a clear testimony that stakeholder engagement remains key in the attainment of the mandate of the Fund.


## **SECURING APPROPRIATE OFFICE SPACE FOR THE FUND**

The Fund moved its head office to Heinitzberg Heights - occupying the entire building. The new offices can accommodate all of the Fund and Project Staff members with the exception of the staff members that are accommodated at the respective Ministries. The building has the capacity to accommodate 63 staff members. It is noteworthy that there is an option to purchase the building should the Fund be willing.

## **CONCLUSION**

In conclusion, my appreciation goes out to the Ministry of Environment and Tourism under the leadership of Hon. Pohamba Shifeta and the entire staff for their continuous support and guidance to the Fund towards the attainment of its mandate. I also wish to thank the Board of Directors, Management and Staff for their continuous backbreaking work and contribution towards the achievement of the objectives of the Fund.

Overall, the Fund continues to grow from strength to strength. However, there is a need for strategic engagement at the higher level, specifically with policy-makers to position the Fund as one of the biggest organisations in the region. The Board will be engaged to facilitate meetings with key strategic Offices in the country, to assist the Fund to continue attracting investments and delivering tangible benefits to the country and sustainably using our resources for the benefit of all Namibians now and future generations.



Benedict Libanda  
Chief Executive Officer

# 4 HIGHLIGHTS OF 2018-2019

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Highlights of the Fund's activities



## GREEN CLIMATE FUND (GCF) HOSTS A GCF STRUCTURED DIALOGUE FROM 3RD-6TH APRIL 2018

The GCF hosted a structured dialogue with African countries in collaboration with the Government of Mali. The event brought together nearly 250 key stakeholders from 49 countries to increase the engagement of African countries with the GCF. The gathering also helped to accelerate the design and implementation of ambitious projects and programmes that conform to countries' climate action aspirations and the GCF mandate. The high-level segment on the first day was chaired by Malian President Ibrahim Boubacar Keita. The gathering concluded with measures that are necessary to deal with the climate change implications of socio-economic development and investment in Africa and discussed the transitioning of Africa towards a low-emission and climate-resilient future.



Delegates at the GCF Structured Dialogue hosted by the Green Climate Fund, Mali, 2018

## SUNREF NAMIBIA LAUNCHED ON 24TH MAY 2018

The Sustainable Utilization of National Resources and Energy Financing programme (SUNREF Namibia), a three-year initiative by the French Development Agency (AFD) dedicated to promoting a new renewable energy finance programme in Namibia, was launched on the 24th of May 2018.



Stakeholders at the launch of SUNREF Namibia, May 2018

## THE FUND PARTICIPATES IN THE GREEN CLIMATE FUND'S SECOND EMPOWERING DIRECT ACCESS WORKSHOP 29TH MAY - 1ST JUNE 2018

The GCF's second empowering direct access workshop took place in Songdo, Republic of Korea. The workshop attracted over 90 participants. These participants included members of Direct Access Entities and National Designated Authorities (focal points), which represent the national governments of developing countries interacting with the GCF. The workshop supported organisations seeking Direct Access Entity accreditation and helped accredited Direct Access Entities develop high-quality projects or programmes to submit to the GCF, based on their alignment with national priorities. The workshop also covered the simplified approval process and updates concerning GCF policies and procedures. The representatives of the Fund to the gathering emphasized the importance of close cooperation with Namibia's National Designated Authority, the Ministry of Environment and Tourism, was in selecting national priorities that best fit GCF's funding criteria. The Fund was a star attraction at the workshop and many participants were keen to learn about its experience in becoming the first Direct Access Entity to be approved for both GCF's Simplified Approval Process (SAP) and Enhanced Direct Access programme.



Delegates at the Green Climate Fund's Second Empowering Direct Access Workshop, Songdo, Republic of Korea, 2018

## CBNRM EDA EMPOWERS LOCAL COMMUNITIES THROUGH CAPACITY BUILDING DURING MAY 2018

In May 2018, the Fund commissioned a series of training workshops in climate change adaptation awareness and basic project proposal writing techniques using the Fund's project template as a basis for the proposal writing component of the training. The Namibia Development Trust (NDT) was contracted to facilitate the workshops, which took place in Opuwo, Ondangwa, Katima Mulilo, Otjiwarongo and Keetmanshoop. A total of five hundred and sixty-four (564) participants from Conservancies and Community forest organisations took part in the workshops. Of these participants, three hundred and twelve (312) or 55% were women.

The training modules covered the following thematic climate change areas:

- Climate change and impacts on communities
- The EDA Project and its funding windows
- Grant application and approval process
- The EIF project proposal template
- Monitoring and Evaluation - Planning and Reporting
- Environmental and Social Safeguards
- The Grant Contract

## **CBNRM EDA CALLS FOR PROPOSAL LAUNCHED IN JULY 2018**

The Minister of Environment and Tourism, Hon. Pohamba Shifeta, officially launched the call for Proposals on Climate Change Grants in support of the Empower to Adapt: Creating Climate Change Resilient Livelihoods through a CBNRM conference event in Windhoek on the 30th of July 2018. Through the grant facility created under the designated national authority, the Fund intended to invest up to US\$8 Million (an estimated N\$100 million) into an envisaged thirty-three (33) grants to successful grantees across three investment windows: Climate-resilient Agriculture, Climate proof infrastructure and Ecosystem-Based Adaptation. Individual grant sizes ranged between US\$50 000 and US\$400 000 (N\$1.2 million and N\$ 5.3 million) and the project duration is expected to be between 1-3 years.



Hon. Pohamba Shifeta, Minister of Environment and Tourism launched the first call for proposals for the CBNRM EDA Project, July 2018

## **THE FUND HOSTS STAKEHOLDERS ENGAGEMENT WORKSHOPS FROM OCTOBER – NOVEMBER 2018**

One of the key guiding principles of the National Policy on Climate Change for Namibia 2011 is Awareness generation, education, training and capacity building. The EIF together with the Ministry of Environment and Tourism through the Green Climate Fund Readiness support project conducted a series of consultative workshops across Namibia from the 29th of October to the 15th of November 2018. The workshops targeted all 14 regions of Namibia and brought together stakeholders including representatives of all levels of government, community-based organisations, indigenous communities and traditional authorities with the aim to:

- Increase awareness and knowledge on climate change, climate policy-making, climate finance, climate change adaptation and mitigation; and
- Identify transformative climate change adaptation and mitigation projects for submissions to the Green Climate Fund from a broad group of stakeholders from all 14 regions of Namibia.

# 5 OPERATIONS

## Summary of activities of the Operations Department



## Green Climate Fund Project Support

The GCF project institution support team was set up with the Department of Operation playing a crucial role to ensure successful implementation of the GCF project. Weekly meetings are held with all project staff for progress updates and weekly planning purposes.

## Environmental and Social Safeguards (ESS) and Gender

The development of the Environmental and Social Safeguards (ESS) monitoring and evaluation system was outsourced to FPM Consulting Services under the provision of strengthening the Fund's monitoring and evaluation capacity for ESS processes. An ESS excel-based system was developed together with an ESS tool-kit user manual. The system will be piloted during the 2019/20 financial year. The department has been engaged with South-South North organisation using the created platform to share the Fund's experiences on gender mainstreaming and gender requirements for the GCF accreditation and project development process in the SADC Region.

## Green Concession Loans

The loan book portfolio at the end of the financial year was valued at N\$ 12,938,190.93. Due to stringent financial situation affecting all sectors, no new additions were made to the portfolio.

## Green Soft Loans

The Green Soft Loans, which used to be administered under the SME Bank, has been on hold since the closure of the said Bank. The institution will wait for the conclusion of the liquidation process and plans are underway to administer the product internally.

## Grant Portfolio

Due to budgetary constraints, no new grants were approved under the Fund's grant portfolio over the reporting period. Nevertheless, the reviewing of the operational manual was completed, and approval was granted as planned. Furthermore, the department continues to oversee the GCF Grant projects that are currently being implemented in various regions.



# 6 PROJECTS AND PROGRAMMES

A snapshot of the projects and programmes realised under the supervision of EIF





No new grants were awarded by the EIF during the reporting period under its normal grant-making instrument. Furthermore, the Fund also awarded no new loans under the Green Concessional Loan Scheme but continued to service existing four (4) loans on the loan book. This state of affairs is ascribed to the current financial constraints affecting the public sector as the Fund relies exclusively on government funding for capitalising these products.

The Fund continued to host (two) 2 funding instruments on behalf of the Ministry of Environment and Tourism and implemented a portfolio of three (3) Green Climate Fund (GCF) funded projects. The hosting of the Sustainable Utilisation of Natural Resources and Energy Finance (SUNREF) Programme, which is a partnership between the Environmental Investment Fund (EIF) and the French Development Agency (AFD), also continued during the reporting period.

#### 6.1. HOSTED PROGRAMME AND FUND

- The UNDP GEF Small Grants Programme (SGP)
- The Game Products Trust Fund (GPTF)

#### 6.2. GCF-FUNDED PROJECTS

- CBNRM EDA Project: Empower to Adapt
- Climate Resilient Agriculture in three Vulnerable Extreme Northern-Crop Growing Regions (CRAVE) Project.

#### 6.3. THE SUSTAINABLE UTILISATION OF NATURAL RESOURCES AND ENERGY FINANCE (SUNREF)



Completion of the Mashare Climate Resilient Agriculture Centre of Excellence solar plant financed through EIF

# THE UNDP GEF SMALL GRANTS PROGRAMME



## 1.1 WHAT IS SGP?

SGP is the Small Grants Programme of the Global Environment Facility (GEF). In Namibia, the SGP is implemented through the United Nations Development Programme (UNDP). The goal of the SGP is to help find solutions to environmental problems worldwide.



**NICKEY //GASEB**

National Coordinator  
SGP



**RAUNA NGHATANGA**

Programme Assistant  
SGP

The SGP provides funding to community-based projects in developing countries that conserve the environment while improving the livelihoods of rural communities and alleviating poverty through sustainable activities such as income-generating projects.

The SGP aims to help communities help themselves by supporting projects that benefit the community and help to reduce damage to the natural environment.

### WHO CAN APPLY?

Community Based Organisations (CBOs) and Non-Governmental Organisations (NGOs).

### WHAT ARE THE SIZES OF THE GRANTS?

SGP gives grants of up to USD50,000.

### WHAT IS THE MAXIMUM LENGTH OF THE PROJECTS?

Projects can last up to two (2) years

## Activities between April 2018 – March 2019

During this period, the SGP was operating under the Operation Phase 6 Years 3 and 4 respectively. The National Steering Committee met on the 5th of July 2018 and approved projects to the tune of N\$3,267,843.74 of which (six) 6 are full grants and nine (9) are planning grants.

Funding per focal area – full grants only:

FOCAL AREA	TOTAL FULL GRANTS
Biodiversity Conservation	1
Climate Change Mitigation and Adaptation	3
Land Degradation and Sustainable Forest Management	0
Capacity Development	1
Other – Indigenous People and Community Conserve areas	1
<b>TOTAL</b>	<b>6</b>

## SOME SUCCESSFUL PROJECTS WITHIN THE REPORTING PERIOD HAVE BEEN:

### 1) Development Workshop Namibia (DWN)

This research-based capacity development project aimed at improving the urban environment by developing and testing low cost sanitary solutions for Namibia’s informal settlements. It was implemented in three towns, namely Okahao, Oshakati and Karibib. The project benefited approximately 6,000 urban low-income residents who now have access to latrine, conservancy tank and septic tank building plans as well as subsidised bricks to facilitate construction.

The project achieved the following:

- Reviewed appropriate low-cost sanitation solutions in Namibia’s informal settlements and international best practice experience.
- Identified best practice solutions such as Okakedi pit latrine, eco-solution pit latrine, conservancy tanks, septic tanks and improved communal toilets.
- Developed best practice guide for low-cost sanitation that includes building plans and building instructions as well as how to implement low-cost projects.
- Built sanitation centres at the three towns.

Local authorities in the three towns are supporting the results of the project and are actively promoting low-cost sanitation solutions identified and tested through the project. It is noteworthy that UNICEF has built on the results of this project by implementing a larger Windhoek informal settlement sanitation programme through the DWN and the Namibian Chamber of Environment (NCE).

### 2) Solar electrification of rural communities in Namibia: Satamab Suid and !Gaus

The project aimed at providing rural under-served communities with an empowering, community based solar electrification model. Approximately two-hundred (200) households received solar lighting systems in the communities of Satamab Suid and !Gaus in Erongo region, replacing the use of kerosene and other non-eco-friendly practices through access to green, clean energy.

Five local women without formal education were trained in India on colour-coded solar equipment making, it easier for them to assemble the systems as well as to repair them. The women were tasked to install the systems in the two villages.

General challenges encountered during the implementation of the projects included:

- In the case of the solar project, lack of a warehouse where the equipment can be stored and repaired.

# GAME PRODUCTS TRUST FUND (GPTF)

GAME PRODUCTS TRUST FUND (GPTF)

The Game Products Trust Fund (GPTF) was established by the Game Products Trust Fund Act, 1997 (Act 7 of 1997). This Act provides for the establishment of the GPTF in support of the conservation and management of wildlife resources, and of rural development in Namibia, and provides for the management and control of that Fund by the Game Products Trust Fund Board.



The GPTF was established to meet the following objectives:

1. To make grants to emerging conservancies and wildlife councils for the purposes of implementing and maintaining projects and programmes, approved by the Board in consultation with the Minister of Environment and Tourism, regarding wildlife conservation and management and rural development;
2. To allocate funds, subject to the provisions of the Game Products Trust Fund Act, to conservancies, wildlife councils and protected areas, and to persons, organisations and institutions approved by the Minister, to be used by those conservancies, wildlife councils, protected areas, persons, organisations and institutions in connection with projects and programmes regarding wildlife conservation and management and rural development;

3. To support measures aimed at improving the relationship between people and wildlife; and

4. To support improvements in the monitoring, management, protection, sustainable use and development of wildlife resources in rural areas.

The Game Products Trust Fund is annually capitalised with funds collected from:

- The sale of trophy hunting concessions,
- The removal of problem animals,
- The head levies on the live export of animals,
- The live auction of game/wildlife,
- Lease of animals, and
- Grants/donations 36



Hon. Pohamba Shifeta (centre), Minister of Environment and Tourism with the GPTF board members

During the year under review the GPTF committed funding to the following activities to the tune of N\$ 5,581,858.25:



The GPTF's role has become more important than ever. It has stepped in and filled the void that has been left by a lack of funding from the Government. It is thus imperative that it is supported and strengthened for it to achieve its goals of providing funding for wildlife management and protection to promote the co-existence of people and wildlife.

# CBNRM EDA PROJECT: EMPOWER TO ADAPT



The project titled “Empower to Adapt - Creating Climate Change Resilient Livelihoods through Community Based Natural Resource Management in Namibia” (CBNRM EDA) Project” is funded to the tune of USD 10 million by the GCF through Enhanced Direct Access (EDA) with the National Designated Authority (NDA) being the Ministry of Environment and Tourism. The Project is implemented by the Fund, as the accredited entity to the GCF, through a Project Management Unit (PMU) for 5 years (2017-2021).



**SELMA SHITILIFA**

Project Manager  
CBNRM-EDA Project



**LOUIS MUNGENDJE**

Accountant  
CBNRM-EDA Project



**JOHANNA KWEEDHI**

Grants Officer  
CBNRM-EDA Project



**CHARITY SIHOPE**

M&E Officer  
CBNRM-EDA Project

The project aims to ensure that local communities within CBNRM areas have reduced vulnerability and increased resilience to the anticipated impacts of climate change by incorporating climate adaptation response strategies into local practices so that assets, livelihoods and ecosystem services are protected from climate-induced risks associated with expected droughts, seasonal shifts and other climate disaster events.

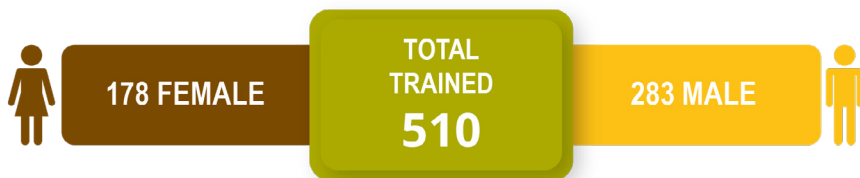
## 1: CAPACITY BUILDING AND COMMUNITY SUPPORT

Climate change awareness among CBNRM leaders and members increased as all of the activities planned under climate change awareness were achieved. This was expected to guarantee increased climate change awareness among stakeholders.

During the reporting period, climate change awareness materials such as posters and brochures, training manuals were developed and distributed to all key stakeholders at a 100% success rate. Furthermore, the development of training materials on climate change adaptation, development of project proposals and reporting in line with the Fund's requirements were achieved. A total of 21 climate change awareness events were recorded against the 16 events planned for the financial year. These involved a total of 510 participants (comprising 178 women and 283 men) who were trained during regionally-clustered training workshops with participants from all Community-Based Organizations (CBOs), Communal Area Conservancies (CAC), Community Forests (CFs), NACSO members, NGOs and Government Ministries.

The said training is a prerequisite for accessing funds under the project's grant facility. Additionally, the development of the project webpage was successfully completed and is now accessible. There was progress made towards the development and verification of a climate monitoring system with a performance rate of 50% compared to the 70% that was planned, amounting to a total expenditure of N\$ 755 402.48. The terms of reference for developing the local climate monitoring system were approved by the Project Steering Committee (PSC) and a consultant was contracted. In addition, through consultative engagements with technical experts, climate change-related components which need to be integrated into the improved Events Book System (EBS) were established. The improved EBS will equip the local CBOs (CACs and CFs) to carry out local-level climate monitoring incorporating a feedback loop. Due to a prolonged procurement process, other related planned activities such as CBOs national workshop/training are yet to be carried out.

### COMMUNITY TRAINED ON CLIMATE CHANGE AWARENESS AND PROPOSAL DEVELOPMENT 2018/19



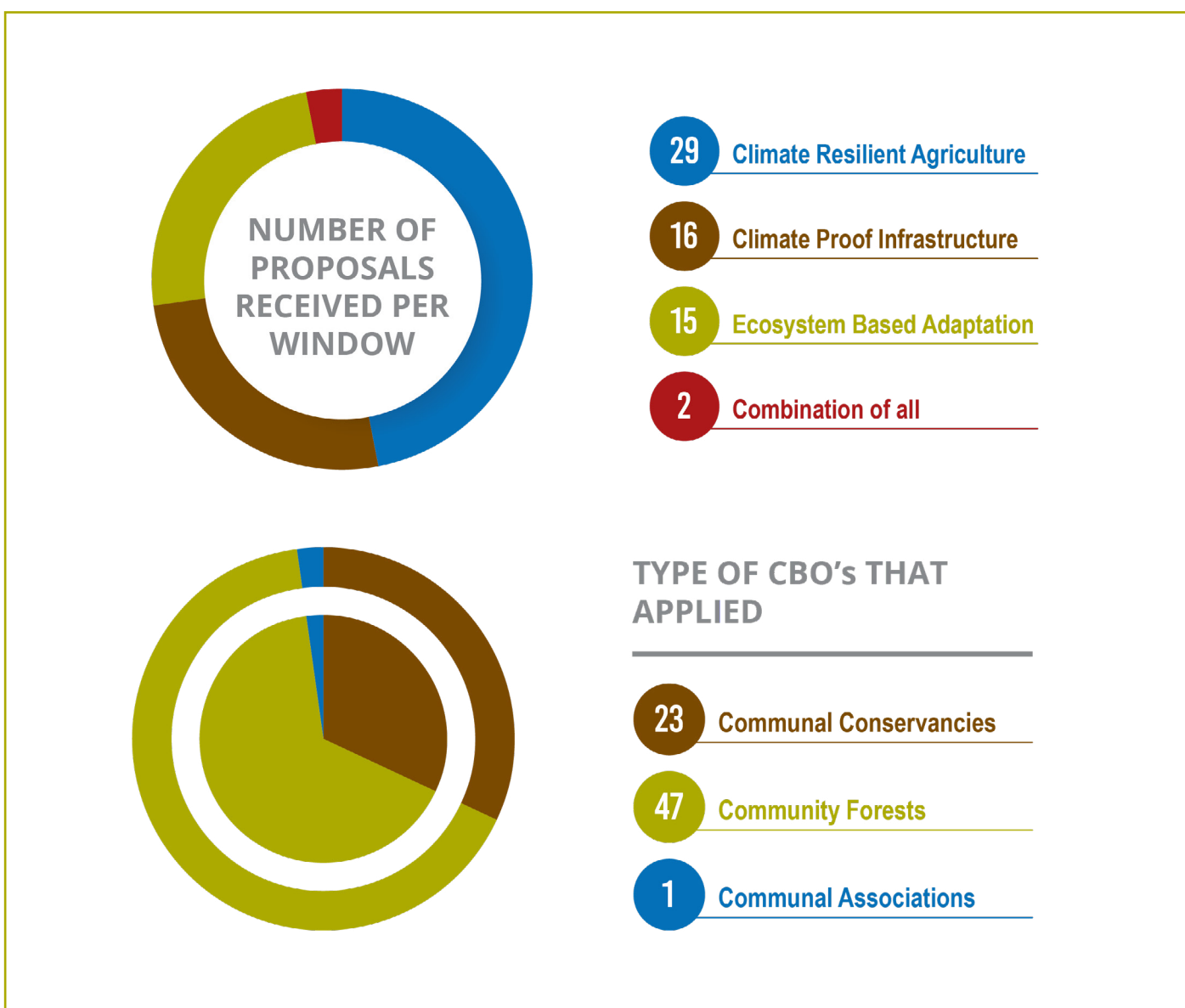
Ms. Selma Shitilifa (left) seen with CBO's members during staff training in Katima Mulilo, November 2018

## 2: RESILIENT CBNRM LIVELIHOODS GRANTS FACILITY

Under the “Resilient CBNRM Livelihoods grants facility”, the Project Management Unit (PMU) noted a delay in the procurement process as well as in reviewing of the received proposals due to unavailability of members of the relevant review structures. This hampered the implementation of planned activities. However, the consultants were hired to develop an online application system for the project grants facility, leading to the approval of the online application system by the PSC. The said online system is functional and hosted on the project webpage.

The first call for proposals was officially launched by the Minister of Environment and Tourism. The call yielded a total of sixty-two (62) grants proposals (of which 55 were hand-delivered and 7 submitted through the online application system). A total of twenty-nine (29) proposals were received for the Climate Resilient Agriculture investment window, sixteen (16) were received for the Climate Proof Infrastructure investment window, fifteen (15) for Ecosystem-Based Adaptation (EBA) investment window and two (2) were for combined investment windows. Five (5) proposals were declined on administrative grounds.

The project proposal administrative screening was conducted by the PMU in December 2018, while the ESS and gender assessments were conducted in January 2019. During the reporting period, the Fund Management Committee held four (4) meetings to technically assess the 57 proposals in January and February 2019 of which 23 applications were recommended for the TAP review that was held in mid-March 2019. The awarding and implementation of grants is scheduled for the 2019/20 financial year.







Mr. Jason Nepililo, Chairperson of the Oshaampula Community Forest, demonstrating how to operate a dilapidated hand-dug well

## MONITORING AND EVALUATION OF PROJECT ACTIVITIES UNDERTAKEN

Two (2) due diligence site visit missions were successfully conducted as per the FMC and TAP recommendations, whereby eleven (11) potential grant sites were visited in seven (7) regions of the country. The development of the monitoring and evaluation tools for planning and reporting for grantees as well as training of successful grantees on monitoring and evaluation and the technical and financial reporting activities were postponed to the 2019/20 financial year as these were delayed by the review of received proposals.

During the 2018/19 financial year, three (3) quarterly review meetings were held. Quarterly financial reports were submitted to the Fund and the Annual Performance Report (APR) was submitted to GCF. The PMU documented best practices and lessons learnt from the regional CC training and the call for proposals. No auditing activities were undertaken due to lengthy procurement processes. On the other hand, monitoring and evaluation visits with the PSC were rescheduled to 2019/20 when grants are awarded. The PMU organised and held three (3) ordinary PSC meetings over the reporting period.



Mr. Temus Iyambula (left), community leader of the Uukwaludhi Conservancy, shows a rehabilitated borehole to a community member

# CLIMATE RESILIENT AGRICULTURE IN THREE OF THE VULNERABLE EXTREME (CRAVE) NORTHERN CROP-GROWING REGIONS



The Climate Resilient Agriculture in the three Vulnerable Extreme Project is funded by the Green Climate Fund (GCF) to the tune of N\$150 million over a period of 5 years. It is aimed at increasing the climate resilience and reducing the food insecurity of subsistence farmers in Namibia. It targets the vulnerable north-eastern small-scale subsistence farming communities in Zambezi, Kavango East and Kavango West Regions.



**MKWETU MWEUTOTA**

Project Manager  
CRAVE Project



**AKTOFEL AMALUNGU**

M&E Officer  
CRAVE Project



**NELSON HASHOLO**

Accountant  
CRAVE Project

## 1: INCREASED ADAPTIVE CAPACITY AND ENHANCED CLIMATE CHANGE RESILIENCE

### Mashare Climate Resilient Agriculture Centre of Excellence operationalized

The upgrading and refurbishment of the existing Mashare Agricultural Development Institute (MADI) into a Centre of Excellence in Climate Resilience in Agriculture (MCRACE) started. The architects amended the design for the centre as per the required scope. The bidding process commenced and bid evaluation and contracting are to be concluded in May 2019. Upon completion, the Centre of Excellence will serve the rest of the country on issues of climate change, climate-resilient agriculture and conservation agriculture as from January 2020. The centre's operations will be guided by the developed MCRACE Business Model (5-Year Strategic Plan and Resource Mobilisation Strategy) to achieve long-term positive impacts in terms of increased climate resilience in the agriculture sector and enhanced knowledge and management of climate change.

## FIELD RESEARCH, TRIAL AND DEMONSTRATION SITES (GUANO) AND ORGANIC FERTILISERS

### Demonstration sites at MCRACE

A total of 24.5 ha was put under rain-fed production on three (3) different demarcated plots:

- 1st plot: Mahangu (Pear millet) Seed production = 11.55 ha (The purpose was to rotate with cow pea comes during the following cropping season).
- 2nd Plot: Cow pea = 5.6 ha (The purpose was to rotate with pear millet during the following cropping season).
- 3rd Plot: Intercropping of Mahangu (Pear millet) and Cow pea = 7 ha (7ha area to set as a trial on crop performance under the inter-cropping system).

### Community based demonstration sites

A total of 20 ha demonstration sites (10ha Kavango West – 2 ha horticulture and 8 ha Dryland; 10 ha Zambezi on dry land) were approved and 53 ha for Kavango East is to be finalised in the 2019/20 financial year. A total of 112 beneficiaries (41 male and 71 female) were directly linked to the two (2) approved community-based demonstration sites.



Horticulture farmers in Kavango-West inspect their plantation

## **2: REDUCED EXPOSURE TO RISKS AND STRENGTHENED ADAPTIVE CAPACITY TO CLIMATE CHANGE ADAPTATION**

### **Small-Scale Horticulture Farmers' (SSHF) cropping practices and production technologies strengthened**

A total of eight (8) tractors and eight (8) rippers were procured and availed to the regions focusing on horticultural farmers, targeting 30ha for this season. A total of 300 beneficiary horticultural farmers (183 female vs 117 male) were supported with training, inputs (vegetable seeds and fertilizer) and CA oriented garden tools.

### **SSF cropping practices and production technologies strengthened**

A total of ten (10) tractors and ten (10) rippers were used in rain-fed production. A total of 186 ha was ripped during the (2018/19) production season. A total of 181 (109 female and 72 male) rain-fed farmers were supported with training and inputs.

### **Scope the establishment and management mechanism for a suitable micro-crop insurance scheme targeting vulnerable and small-scale farmers**

A Micro incentive-based Crop Insurance Scheme was designed and was rolled out to 81 (39 female and 42 male) out of the 120 rain-fed small-scale farmers identified on 259 ha in total.



The CRAVE Programme availed tractors and rippers to regions focusing on horticulture farmers

## **3: SOLAR ENERGY TECHNOLOGIES & SOLAR WATER PUMPING PROMOTED AND WIDELY ADOPTED**

### **Facilitate farmer's access to acquire alternative energy technologies**

An assessment of the horticultural farmers' needs (i.e. designs for irrigation systems and other SETs) was completed and drawings for irrigation layouts were completed. The procurement process for irrigation sets for 120 identified farmers (with a need for micro-drip irrigations) commenced.

## Diversification and Alternative Sustainable Livelihoods Adaptation Facility

A total of 91 (31 female and 60 male) jobs were created, with one (1) business under Crop Insurance Scheme so far established with a work-force of 14 professionals from different disciplines. Up to 42 local suppliers and service providers were supported for the provision of professional consultancies, inputs, office and agricultural equipment as well as training/meetings/workshop facilities and catering services.

### 4: CROSS-CUTTING: KNOWLEDGE MANAGEMENT AND LEARNING

The Underground and Surface Water study was undertaken, Knowledge, Attitude, Behaviours and Practices (KABPs) and baseline Study is 80% complete. Through awareness creation events, regional workshops, meetings, forums, training, council offices and Ministry of Agriculture, Water and Forestry offices, 6,000 farmers from the project targeting regions are aware of the CRAVE Project.



Underground and surface water study was conducted under the CRAVE Project, 2018

### Challenges faced during the 2018/19 reporting period


The PMU noted the following challenges:

1. Different understanding of various concepts of the documents by the implementing partners.
2. The Slow pace of procurement due to the conditions of procurement procedures within the system.
3. Late and poor rainfall for the season which ruined the provision of ripping services to the targeted beneficiaries.


# THE SUSTAINABLE UTILISATION OF NATURAL RESOURCES AND ENERGY FINANCE (SUNREF)



The Sustainable Utilisation of Natural Resources and Energy Finance (SUNREF) programme is a global green finance label of the Agence Française de Développement (AFD). In the context of energy and environmental transition, SUNREF helps private actors in the southern hemisphere to seize the opportunities of this transition via an innovative approach and encourages local banks to finance it.

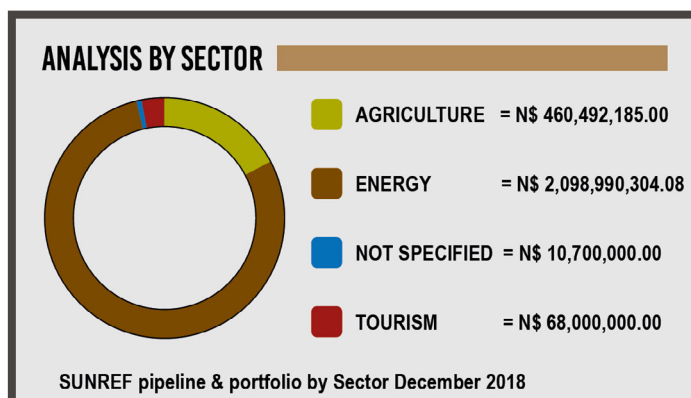
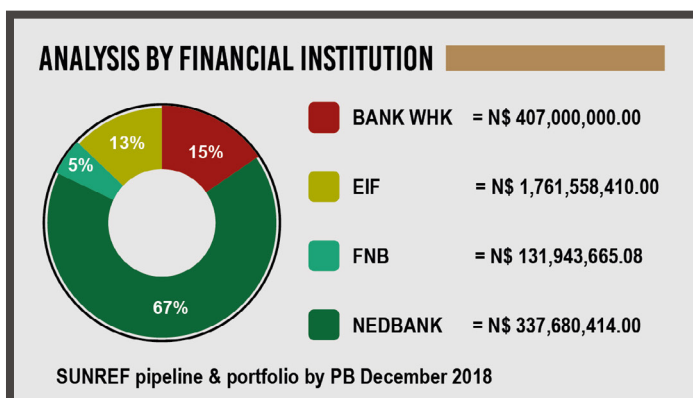


**JOSE LUIS BOBES**  
Team Leader  
SUNREF Namibia TAF



**COSMOS SHADUKA**  
Programme Assistant  
SUNREF Namibia

42 SUNREF projects have been successfully implemented Since 2006, in partnership with 70 local banks in some 30 countries of operation, with a total commitment of over EUR 2.5bn of loans allocated by AFD, of which EUR 1.2bn has been disbursed.





Hon. Pohamba Shifeta with other dignitaries at the launch of the SUNREF Programme Namibia

In Namibia, the SUNREF is a 3-year programme, developed by the AFD, mobilises Namibian commercial banks to finance private sector investments in green technologies in the sustainable agriculture, tourism, renewable energy and energy efficiency market segments. First National Bank Namibia, Bank Windhoek and Nedbank are the commercial banks that provide this green line of credit to project sponsors, with the Fund providing technical assistance to the three participating banks.

The SUNREF Namibia aims to facilitate access to affordable green technologies, thereby guaranteeing the development of a low carbon environmental footprint and contributing to the reduction of the causes of climate change and other environmental disturbances in Namibia.



Solar power plant in Karibib financed through the SUNREF Programme

# 7 RESOURCE MOBILISATION

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Summary of financial resources mobilized from national, international and multilateral funding agencies





The Fund's Resource Mobilisation Strategy aims at achieving adequate, more predictable and sustainable financial resources. The objective is to realise the mission of the Fund by broadening its donor base and facilitating the consolidation of available and projected resources.

## DOMESTIC SOURCES

### Government grants and project administration fees

The Fund mobilised more than N\$23 million from domestic sources and environmental investments. The Government contributed around N\$11 million. An additional N\$660 million was derived from donations and contributions and over N\$11 million was generated from administration fees of projects administered by the Fund.



The implementation of the Resource Mobilisation Strategy realised remarkable achievements over the financial year. Two additional projects were approved by the GCF with a total value of about N\$300,000,000.

The projects are:

1. Improving rangeland and ecosystem management practices of smallholder farmers under conditions of climate change (IREMA) in Sesfontein, Fransfontein and Warmquelle areas, at a cost of US\$9,300,000 and
2. Building resilience of communities living in landscapes threatened under climate change through an ecosystem-based adaptation (EBA), at a cost of US\$8,904,000.

### Fiduciary Standard View

A review of the institutional fiduciary standards was carried out in order to assess and enhance the Fund's systems and processes. The objective was to upgrade its accreditation status with the Green Climate Fund (GCF). MMG Global Company undertook the assessment. A report was shared and the Executive Committee's final approval of the report is still pending.



# 8 OUR PEOPLE

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Changes in human resource structure at the Fund during the reporting period



## HUMAN RESOURCE

The Human Resources function at the Fund is responsible for overseeing the implementation of human resources policies and operations that cover the following issues:

- Recruitment
- Training
- Payroll and Benefits
- Industrial Relations
- Organisational Development
- Employee Wellness, Safety and Security
- Performance Management

### RECRUITMENT AND ADMINISTRATION FUNCTIONS

Over the reporting period, the Human Resources department advertised eleven (11) positions. The department made good progress in ensuring that the recruitment process was done effectively and timeously.

Below is a summary of the positions that were advertised and filled over the reporting period:

#### Crave Project

- Project Liaison Officer (Kavango West)
- Project Administrator

#### Finance and Administration

- Procurement Officer
- Finance and Administration Assistant
- Security Officer
- Cleaners

#### SAP001

- Project Manager
- Regional Technical Officer
- Monitoring and Evaluation Officer
- Project Accountant.

#### Human Resources

- Human Resources Assistant

### BURSARIES AND STAFF TRAINING

The administration of existing bursaries continued and there were no new intakes during the financial year.

However, it is important to highlight the fact that all 33 bursary holders under the Fund have graduated.

The staff training moratorium remained in place and no staff development was recorded over the financial year owing to limited funds.

### HUMAN RESOURCES POLICY

Concerning the policies and legal framework, the HR Department was unable to review the HR policy because of other commitments. A new strategy will be developed during the 2019/20 financial year for this activity.

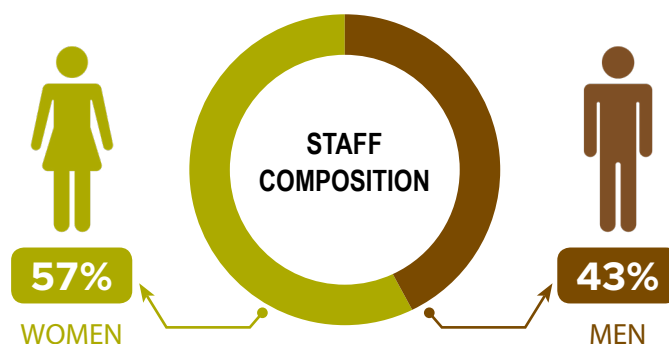
### HUMAN RESOURCES AWARDS

Over the reporting period, the Head of Human Resources won the 'IPM HR Practitioner of the year 2018' award. She is warmly congratulated for this great achievement.



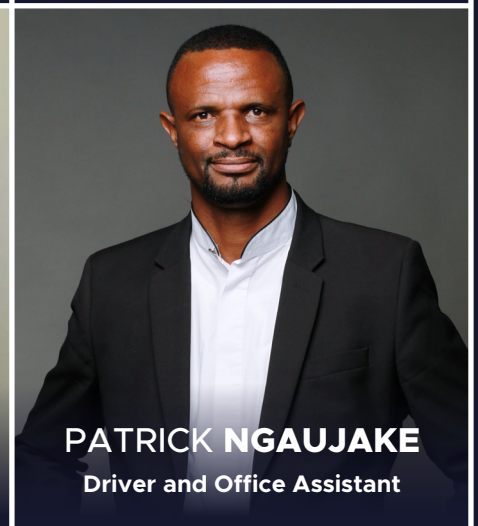
Lizl Timbo, Head of Human Resources was recognised as HR Practitioner of the Year 2018 by IPM

Staff representation by gender during the period under review;



# 9 FINANCE AND ADMINISTRATION

An overview of the financial activities



The Finance and Administration department is responsible for overseeing the overall finance, procurement, and administration of the organisation by ensuring sound financial/procurement management practices in the institution and implementing an accounting system that is transparent, efficient, and effective in administering the institution's finances and resources. Furthermore, the department also evaluates financial reporting systems, accounting, and collection procedures; makes recommendations for changes to such procedures, operating systems; budgets, and other financial control functions. This department also serves to oversee the operational transactions of the organisation. These include:

- Overseeing projects and ensuring sound financial management of project grants
- The development and implementation of effective loan management systems
- Development and successful implementation of Finance and procurement policies
- Ensuring that Audit reports are a true reflection of the status quo and are produced promptly
- Oversee the Debtors and Creditors control functions
- Asset Management of the organisation
- Insurance
- Budget formulation and monitoring
- Development and implementation of internal institutional control systems
- Financial Management of projects and grantees
- Custodian for General Office Administration

Additionally, during the 2018/2019 period, the department carried out internal audits on financial reporting and asset management. This department facilitated the review, concentrated on the financial policy manual and procedure for the Fund. The review centred around the following areas:

- Governance/policies and procedures
- Month-end closing process
- Creditors
- Bank Reconciliation
- General journals
- Budgeting and forecasting
- Reporting
- Segregation of duties
- Asset maintenance procedures
- Asset purchase and disposal process

During the period under review, a procurement unit was established under the Finance and Administration Department. The establishment of the procurement unit is in line with the requirements of the Public Procurement Act of 2015, that requires all entities of the state and government to establish such units. Subsequently, a Procurement Officer was appointed.

# 10 CORPORATE CITIZENSHIP

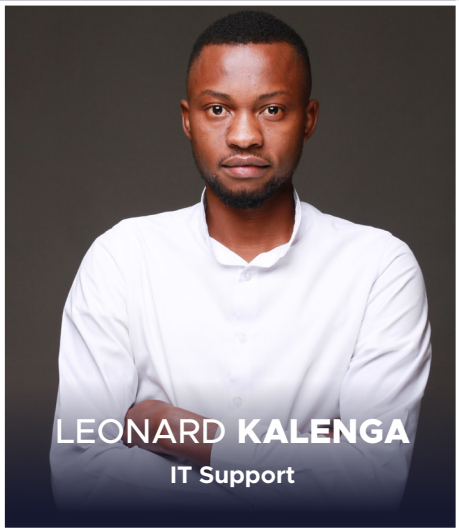
An overview of the corporate social investments



**LAZARUS NAFIDI**  
Head: Communication and  
Corporate Services



**TIREE NGAUJAKE**  
Corporate Communications  
Assistant



**LEONARD KALENGA**  
IT Support

## COMMUNICATION AND STAKEHOLDER ENGAGEMENT STRATEGY

The revision of the communication strategy was completed with the inclusion of new stakeholders. The strategy would guide the Fund's involvement in the broader Namibian society and help guide activities such as sponsorships, community investments, training and capacity building.

## COMMUNICATION OUTREACH

The Fund published two newsletters (Green Viewpoint) during the reporting period. The copies were distributed electronically via the Fund's official website. Such action was taken to promote the relevance and organic growth of the Organisation. Furthermore, the website was also revamped. Links of the web pages of the projects hosted by the Fund were incorporated into the website and a more user-friendly platform was developed. The principal motive was to enhance interaction between the Fund and its stakeholders.

## TRAINING AND CAPACITY-BUILDING

The Fund continues to be a prime breeding ground for Namibian graduates and entry-level professionals. The Fund hired interns and young professionals in all of its projects and business units with the total number reaching four (4) in the reporting period. Such internships provide a valuable learning experience in the fields of project management, biodiversity conservation, community liaison and finance.

## COMMUNITY DONATIONS

The Fund also sponsored the World Food Day celebration in Kavango West by donating food items to vulnerable communities that had experienced failed harvests due to severe droughts.

## AWARENESS RAISING

The department's initial target was to organize one event quarterly, but due to budget constraints, the communications unit was only able to carry out one activity during the reporting period. The awareness-raising campaign (Zero Litter campaign) was completed as planned. The "Drive your rubbish home (DYRH)" campaign was organized in response to the increase in roadside littering countrywide. This was an innovative campaign, aimed at changing road users' behaviour towards littering. Through this initiative, garbage bags were distributed to bus drivers, and reusable bags imprinted with special messages on the importance of keeping litter off our national roads and beautiful countryside were also given to passengers.



Drive your rubbish home campaign participants in action at one of the transport terminals, Windhoek 2018

# 11 FINANCIAL STATEMENTS

Audited annual financial statements comprising of the statement of financial position, the statement of comprehensive income, statement of changes in equity and statement of cash flows





# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## INDEX

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

Index	Page
General Information.....	50
Board Members' Responsibilities and Approval.....	51
Independent Auditor's Report.....	52- 54
Directors' Report.....	55- 57
Statement of Financial Position.....	58
Statement of Comprehensive Income.....	59
Statement of Changes in Equity.....	60
Statement of Cash Flows.....	61
Accounting Policies.....	62 - 66
Notes to the Annual Financial Statements.....	67 - 75
The following supplementary information does not form part of the annual financial statements and is unaudited:	
Detailed Income Statement.....	76 - 77
Supplementary Information.....	78
Notes.....	80 - 81

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## GENERAL INFORMATION

<b>Country of incorporation and domicile:</b>	Namibia
<b>Nature of business and principal activities:</b>	Procurement of moneys for maintenance of an endowment fund that will generate income in perpetuity and to allocate such income to activities and projects aimed at promoting sustainable development.
<b>Directors</b>	J. Andowa K. Nott T. Ndove T. Nghitila I. Hasheela
<b>Business address</b>	8933 Heinitzburg Heights Klein Windhoek Windhoek Namibia
<b>Postal address</b>	Postal address P.O. Box 28157 Auas Valley Windhoek Namibia
<b>Bankers</b>	Bank Windhoek Limited
<b>Secretary</b>	Benedict Libanda
<b>Auditors</b>	BDO Namibia Registered Accountants and Auditors Chartered Accountants (Namibia)

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## BOARD MEMBER'S RESPONSIBILITIES AND APPROVAL

The board members are required by the Environmental Investment Fund of Namibia Act of 2001, to maintain 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 fund 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 the International Financial Reporting Standard for Small and Medium-sized Entities. The external auditor's is engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities 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 fund and place considerable importance on maintaining a strong control environment. To enable the board members to meet these responsibilities, the board members set 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 fund and all employees are required to maintain the highest ethical standards in ensuring the fund's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the fund is on identifying, assessing, managing and monitoring all known forms of risk across the fund. While operating risk cannot be fully eliminated, the fund 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.

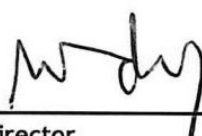
The board members have reviewed the fund's cash flow forecast for the year to 31 March 2020 and, in the light of this review and the current financial position, they are satisfied that the fund has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor's are responsible for independently auditing and reporting on the fund's annual financial statements. The annual financial statements have been examined by the fund's external auditor's and their report is presented on pages 4 to 6.

The annual financial statements set out on pages 7 to 25, which have been prepared on the going concern basis, were approved by the board of directors on 27 September 2019 and were signed on its behalf by:



Director  
Windhoek



Director

Friday, 27 September 2019

## INDEPENDENT AUDITORS' REPORT

### To the Minister of Environment and Tourism

#### Opinion

We have audited the annual financial statements of Environmental Investment Fund of Namibia set out on pages 9 to 23, which comprise the statement of financial position as at 31 March 2019, and the statement of 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.

In our opinion, the annual financial statements present fairly, in all material respects, the financial position of Environmental Investment Fund of Namibia as at 31 March 2019, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Environmental Investment Fund of Namibia Act of 2001.

#### Basis of 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 company in accordance with sections 290 and 291 of the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Revised July 2016), parts 1 and 3 of the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (Revised July 2018) and other independence requirements applicable to performing audits of annual financial statements in Namibia. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and in accordance with other ethical requirements applicable to performing audits in Namibia. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other information

The directors are responsible for the other information. The other information comprises the Directors' Report as required by the Environmental Investment Fund of Namibia Act of 2001 and the supplementary information relating to the detailed income statement and trust accounts, which we obtained prior to the date of this report. Other information does not include the annual financial statements and our auditor's report thereon.

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 directors for the annual financial statements**

The directors are responsible for the preparation and fair presentation of the Annual Financial Statements in accordance with International Financial Reporting Standard for Small and Medium-sized Entities and the requirements of the Environmental Investment Fund of Namibia Act of 2001, and for such internal control as the directors 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 directors are responsible for assessing the fund'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 directors either intend to liquidate the fund or to cease operations, or have no realistic alternative but to do so.

### **Auditors' 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.

As part of an audit in accordance with ISAs, 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 fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 Fund'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 fund 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 directors 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.



**BDO (Namibia)**

**Registered Accountants and Auditors**

**Chartered Accountants (Namibia)**

**Per: A Musarurwa**

**Partner**

**Windhoek**

**03 October 2019**

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## DIRECTORS' REPORT

The directors have pleasure in submitting their report on the annual financial statements of Environmental Investment Fund of Namibia for the year ended 31 March 2019.

### 1. Incorporation

The fund was established in Namibia on 22 December 2001 in terms of the Environmental Investment Fund of Namibia Act, 2001.

### 2. Nature of business

The fund is engaged in procurement of moneys for the maintenance of an endowment fund that will generate income in perpetuity and to allocate such income to activities and projects aimed at promoting sustainable development and operates in Namibia.

In July 2018, the Environment Investment Fund initiated legal proceedings against Greenfields Organic Fertilizer and Benz Manufacturing Woodwork CC for defaulting on repayments in terms of the agreements signed. The loans to Benz Manufacturing Woodwork CC amounting to N\$ 1,332,221 have been fully impaired. A settlement agreement was implemented for Greenfield Organic Fertilizer.

There have been no material changes to the nature of the fund'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 Standard for Small and Medium-sized Entities and the requirements of the Environmental Investment Fund of Namibia Act of 2001. 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 fund are set out in these annual financial statements.

### 4. Going concern

We draw attention to the fact that at 31 March 2019, fund's current liabilities of N\$ 113,260,680 (2018 : N\$ 58,241,022) exceed current assets of N\$ 108,033,369 (2018 : N\$ 51,284,721) by N\$ 5,227,311 (2018 : N\$ 6,956,301). The fund is in a net asset position of N\$ 4,603,536.

The fund 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 ability of the fund to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the fund from the Ministry of Environment and Tourism and that the operations of the fund are scaled according to the available cash resources.

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## DIRECTORS' REPORT

### 5. 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.

### 6. Property, plant and equipment

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

At 31 March 2019 the company's investment in property, plant and equipment amounted to N\$24,524,919 (2018:N\$23,654,640), of which N\$1,383,168 (2018: N\$3,427,514) was added in the current year through additions.

### 7. Directors

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

DIRECTORS	DESIGNATION	NATIONALITY
J. Andowa	Non-executive Namibian	Namibian
K. Nott	Non-executive Namibian	Namibian
T. Ndove	Non-executive Namibian	Namibian
T. Nghitila	Non-executive Namibian	Namibian
I. Hasheela	Non-executive Namibian	Namibian

### 8. Secretary

The company secretary is Benedict Libanda.

Business address

8933 Heinitzburg Heights  
Corner of Heinitzburg Street and Burg Street  
Klein Windhoek  
Windhoek  
Namibia.



# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## DIRECTORS' REPORT

### 9. Auditors

BDO Namibia will continue in office as auditors for the fund for the 2020 financial year.

### 10. Date of authorisation for issue of financial statements

The annual financial statements have been authorised for issue by the directors on Friday, 27 September 2019. No authority was given to anyone to amend the financial statements after the date of issue.

### 11. Directors' interests in contracts

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

### 12. Acknowledgements

Thanks and appreciation are extended to all of our project partners, donors, staff, suppliers and the government for their continued support of the fund.

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	Notes	2019 (N\$)	
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	2	24,524,919	23,654,640
Other financial assets	3	9,317,956	5,131,851
		<b>33,842,875</b>	<b>28,786,491</b>
<b>Current Assets</b>			
Trade and other receivables	4	1,258,779	645,707
Other financial assets	3	1,880,399	2,238,654
Cash and cash equivalents	5	104,894,191	48,400,360
		108,033,369	51,284,721
<b>Total Assets</b>		<b>141,876,244</b>	<b>80,071,212</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Retained income		4,603,536	(1,483,503)
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
Deferred income	7	24,012,028	23,313,693
<b>Current Liabilities</b>			
Trade and other payables	8	112,377,790	57,599,041
Deferred income	7	512,889	340,946
Provisions	9	301,035	301,035
		113,260,680	58,241,022
<b>Total Liabilities</b>		137,272,708	81,554,715
<b>Total Equity and Liabilities</b>		141,876,244	80,071,212

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## STATEMENT OF COMPREHENSIVE INCOME

	Notes	2019 (N\$)	
Revenue	11	23,049,730	14,186,905
Other income	12	4,214,723	-
Operating expenses		(22,353,486)	(20,940,672)
<b>Operating profit (loss)</b>	13	4,910,967	(6,753,767)
Investment revenue	14	1,176,072	1,213,924
<b>Deficit for the year</b>		6,087,039	(5,539,843)
Other comprehensive income		-	-
<b>Total comprehensive income (loss) for the year</b>		<b>6,087,039</b>	<b>(5,539,843)</b>

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## STATEMENT OF CHANGES IN EQUITY

	Retained Income (N\$)	Total Equity (N\$)
<b>Balance at 01 April 2017</b>	4,056,340	4,056,340
Loss for the year	(5,539,843)	(5,539,843)
Other comprehensive income	-	-
<b>Total comprehensive loss for the year</b>	<b>(5,539,843)</b>	<b>(5,539,843)</b>
<b>Balance at 01 April 2018</b>	<b>(1,483,503)</b>	<b>(1,483,503)</b>
Surplus for the year	6,087,039	6,087,039
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>6,087,039</b>	<b>6,087,039</b>
<b>Balance at 31 March 2019</b>	<b>4,603,536</b>	<b>4,603,536</b>

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## STATEMENT OF CASH FLOWS

	Notes	2019 (N\$)	2018 (N\$)
<b>Cash flows from operating activities</b>			
Cash generated from operations	16	56,314,054	48,246,207
Interest income		1,176,072	1,213,924
<b>Net cash from operating activities</b>		<b>57,490,126</b>	<b>49,460,131</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	2	(1,383,168)	(3,427,514)
Sale of financial assets		386,873	186,455
<b>Net cash from investing activities</b>		<b>(996,295)</b>	<b>(3,241,059)</b>
<b>Total cash movement for the year</b>		<b>56,493,831</b>	<b>46,219,072</b>
Cash at the beginning of the year		48,400,360	2,181,288
<b>Total cash at end of the year</b>		<b>104,894,191</b>	<b>48,400,360</b>

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## ACCOUNTING POLICIES

### 1. PRESENTATION OF ANNUAL FINANCIAL STATEMENTS

The annual financial statements have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and the Environmental Investment Fund of Namibia Act of 2001. The annual financial statements have been prepared on the historical cost basis, except for biological assets at fair value less point of sale costs, and incorporate the principal accounting policies set out below. They are presented in Namibia Dollar.

These accounting policies are consistent with the previous period.

#### 1.1 Significant judgements and sources of estimation uncertainty

Critical judgements in applying accounting policies

Management did not make critical judgements in the application of accounting policies, apart from those involving estimations, which would significantly affect the annual financial statements.

#### Key sources of estimation uncertainty

##### Useful lives of property, plant and equipment

The fund reviews the estimated useful lives of plant and equipment at the end of the financial year.

##### Impairment testing

The fund reviews and tests the carrying value of property, plant and equipment and intangible 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.

##### Provisions

Provisions were raised and management determined an estimate based on the information available.

##### Financial assets measured at cost and amortised cost

The fund assesses its financial assets measured at cost and amortised cost for impairment at each reporting period date. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the fund makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

The impairment for financial assets measured at cost and amortised cost is calculated on a portfolio basis, based on historical loss ratios, adjusted for national and industry-specific economic conditions and other indicators present at the reporting period that correlate with defaults on the portfolio. These annual loss ratios are applied to loan balances in the portfolio and scaled to the estimated loss emergence period.

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## ACCOUNTING POLICIES

### 1.2 Property, plant and equipment

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Cost include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided using the straight-line method to write down the cost, less estimated residual value over the useful life of the property, plant and equipment as follows:

Motor vehicles	Straight line	4 years
Office equipment	Straight line	3 years
IT equipment	Straight line	3 years

If the major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to its major components and each such component is depreciated separately over its useful life.

Land is not depreciated.

The residual value, depreciation method and useful life of each asset are reviewed only where there is an indication that there has been a significant change from the previous estimate.

### 1.3 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

Intangible assets are initially recognised at cost and subsequently at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is provided to write down the intangible assets, on a straight-line basis, as follows:

Item	Useful life
Computer software	3

The residual value, amortisation period and amortisation method for intangible assets are reassessed when there is an indication that there is a change from the previous estimate.

### 1.4 Financial instruments

#### Financial instruments at amortised cost

These include loans, trade receivables and trade payables. Those debt instruments which meet the criteria in section 11.8(b) of the standard, are subsequently measured at amortised cost using the effective interest method. Debt instruments which are classified as current assets or current liabilities are measured at the undiscounted amount of the cash expected to be received or paid, unless the arrangement effectively constitutes a financing transaction.

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## ACCOUNTING POLICIES

At each reporting date, the carrying amounts of assets held in this category are reviewed to determine whether there is any objective evidence of impairment. If there is objective evidence, the recoverable amount is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

### 1.5 Impairment of assets

The fund assesses at each reporting date whether there is any indication that property, plant and equipment or intangible assets may be impaired.

If there is any such indication, the recoverable amount of any affected asset (or group of related assets) is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset (or group of assets) in prior years. A reversal of impairment is recognised immediately in profit or loss.

### 1.6 Tax

#### Tax exemption

The fund is exempt from income tax in terms of the Environmental Investment Fund of Namibia Act of 2001.

### 1.7 Provisions and contingencies

Provisions are recognised when the fund has an obligation at the reporting date as a result of a past event; it is probable that the fund will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

### 1.8 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.



# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## ACCOUNTING POLICIES

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.

### 1.9 Government grants

Government grants are recognised when there is reasonable assurance that:

- the fund 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.

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.

Grants that do not impose specified future performance conditions are recognised in income when the grant proceeds are receivable.

Grants that impose specified future performance conditions are recognised in income only when the performance conditions are met.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets. Government grant is initially recognised as deferred income and it is recognised to income at the same time that depreciation is recognised.

Grants are measured at the fair value of the asset received or receivable.

Grants related to income are presented as a credit in the income statement (separately).

### 1.10 Revenue

Revenue is recognised to the extent that the fund has transferred the significant risks and rewards of ownership of goods to the buyer, or has rendered services under an agreement provided the amount of revenue can be measured reliably and it is probable that economic benefits associated with the transaction will flow to the fund. Revenue is measured at the fair value of the consideration received or receivable, excluding sales taxes and discounts.

Interest is recognised, in profit or loss, using the effective interest rate method.

Administration fee revenue is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Donation income is recognised when the donation is received, and is measured at fair value of the donation.

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## ACCOUNTING POLICIES

### 1.11 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Operating leases – lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term unless:

- another systematic basis is representative of the time pattern of the benefit from the leased asset, even if the payments are not on that basis, or
- the payments are structured to increase in line with expected general inflation (based on published indexes or statistics) to compensate for the lessor's expected inflationary cost increases.

Any contingent rents are expensed in the period they are incurred.

### 1.12 Foreign exchange

#### Foreign currency transactions

Exchange differences arising on monetary items are recognised in profit or loss in the period in which they arise.

The foreign exchange component of a non-monetary item is recognised consistently with any other gains or losses on those items, in other comprehensive income or in profit or loss.

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2019 (N\$)	2018 (N\$)
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### 1. PROPERTY, PLANT AND EQUIPMENT

	2019			2018		
	Cost	Accumulated Depreciation	Carrying Value	Cost	Accumulated Depreciation	Carrying Value
Buildings	23,441,806	-	23,441,806	22,387,451	-	22,387,451
Furniture and fixtures	1,062,835	(512,755)	550,080	870,559	(413,700)	456,859
Motor vehicles	563,953	(563,953)	-	563,953	(563,953)	-
Office equipment	328,747	(272,438)	56,309	312,701	(236,608)	76,093
IT equipment	1,889,675	(1,424,853)	464,822	1,769,184	(1,048,833)	720,351
Camping equipment	20,242	(8,340)	11,902	20,242	(6,356)	13,886
<b>Total</b>	<b>27,307,258</b>	<b>(2,782,339)</b>	<b>24,524,919</b>	<b>25,924,090</b>	<b>(2,269,450)</b>	<b>23,654,640</b>

#### Reconciliation of property, plant and equipment - 2019

	Opening Balance	Additions	Depreciation	Total
Land & Buildings	22,387,451	1,054,355	-	23,441,806
Furniture and fixtures	456,859	192,277	(99,056)	550,080
Office equipment	76,093	16,046	(35,830)	56,309
IT equipment	720,351	120,490	(376,019)	464,822
Camping equipment	13,886	-	(1,984)	11,902
	<b>23,654,640</b>	<b>1,383,168</b>	<b>(512,889)</b>	<b>24,524,919</b>

#### Reconciliation of property, plant and equipment - 2018

	Opening Balance	Additions	Depreciation	Total
Land & Buildings	19,709,608	2,677,843	-	22,387,451
Furniture and fixtures	429,751	108,895	(81,787)	456,859
Office equipment	23,034	73,984	(20,925)	76,093
IT equipment	389,675	566,792	(236,116)	720,351
Camping equipment	16,004	-	(2,118)	13,886
	<b>20,568,072</b>	<b>3,427,514</b>	<b>(340,946)</b>	<b>23,654,640</b>

#### Details of Properties

<b>Erf Number 2503, Windhoek</b>			
Measuring 1570 square metres			
- Land purchase price: 5 November 2014		5,700,000	5,700,000
- Additions 2016		5,012,526	5,012,526
- Additions 2017		8,997,082	8,997,082
- Additions 2018		2,677,843	2,677,843
- Additions 2019		1,054,355	-
		<b>23,441,806</b>	<b>22,387,451</b>

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2019 (N\$)	2018 (N\$)
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### 2. OTHER FINANCIAL ASSETS

#### At amortised cost

Loans to projects	12,530,576	12,928,267
SME Bank	6,494,126	6,494,126

Environmental Investment Fund has lent funds to the SME Bank to be used by the SME Bank to provide soft loans to successful recipients for Green Investment Projects at the soft Green Scheme Interest Rate. Relevant financing will comply with the criteria as agreed upon by the parties.

The loan is receivable from the SME Bank in the following terms:

Loan outstanding paid to EIF in equal installments arrears bi-annually. First payment made on the 37th month from the first utilisation. Interest rate is charged to recipients at prime rate less 4.25% per annum or 4.75% whichever is greater and this is to be split 80:20 between SME Bank and EIF respectively. Interest is payable on the 7th month from the first utilisation. The loan is not secured.

	19,024,702	19,422,393
Impairment loss on other financial assets	(7,826,347)	(12,051,888)

**11,198,355**    **7,370,505**

#### Loans to projects

Environmental Investment Fund has lent funds to the following entities;

##### Benz Manufacturing Woodwork CC

The loan bears interest of prime rate minus 2% per annum, for a period of 54 months and the monthly installment is N\$18,162.39. As security for the proper and timeous performance by the CC of the secured obligations, the member out cedes, in securitatem debiti ("Cession"), transfers and makes over to the Lender it's right, title and interest, and to present and future, in and in the proceeds from the member's life cover policy with death and disability benefits to the value of N\$ 1,000,000.00. However, this loan has been fully impaired due to the pending lawsuit against Benz Manufacturing Woodwork CC.

##### Greenfields Organic Fertilizer

The loan bears interest of prime rate minus 3.5% per annum for a period of 120 months and the monthly installment is N\$54,667.01. The loan is secured by the insurance of premises and any buildings constructed thereon as owned by the CC against fire and other damage to the value of N\$ 2,000,000.00. However, this loan has been fully impaired due to the pending lawsuit against Greenfields Organic Fertilizer

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### Guinea Fowl Investments

The loan bears interest of prime rate minus 2% per annum, for a period of 120 months and the monthly installment is N\$53,306.57. As security the borrower shall maintain insurance cover in relation to the assets for their full reinstatement value of a type an in an amount as is usual for prudent companies carrying on a business such as that carried on by the borrower and will record the lender as the first loss payee on such insurances. the borrower also pledges to the lender all of the members interest held by the member("Pledge") and cedes in securitatem debiti to the lender all of his right, title and interest in and to the members interest("Cession").

### Ngunga Investments

The loan bears interest of prime rate less 4% per annum, for a period of 60 months and the monthly installment is N\$19,812.52. As security for the proper and timeous performance by the borrower of it's secured obligations, the member hereby pledges to the lender all of the members interest held by the member("Pledge") and cedes in securitatem debiti to the lender all of his right,title and interest in and to the members interest("Cession"). In addition, the borrower shall maintain insurance cover in relation to the assets for their full reinstatement value of a type an in an amount as is usual for prudent companies carrying on a business such as that carried on by the borrower and will record the lender as the first loss payee on such insurances.

### Green Grazing Solutions CC

The loan bears interest rate of prime rate less 2% per annum, for a period of 120 months and the monthly installment is N\$41,512.22. As security members consents to the registration of the Surety Mortgage Bond as a sixth covering bond over the Property in favour of the Lender as security for the fulfillment of the Secured Obligations. In addition, as security for the proper and timeous performance by the Borrower of it's Secured Obligations, Member One hereby cedes in securitatem debiti to the Lender all of his right, title and interest in and to the Sanlam Risk and Life Insurance Policy ("Life insurance Cession").

### 3. NON-CURRENT ASSETS

At amortised cost	9,317,956	5,131,851
At amortised cost	1,880,399	2,238,654
	11,198,355	7,370,505

### 4. TRADE AND OTHER RECEIVABLES

Trade receivables	1,258,779	645,707
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### 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of:	-	49
Cash on hand	172,113	214,655
Bank balances	716,797	2,440,316
Short-term deposits	104,005,281	45,745,340
Trust accounts (Projects)	<b>104,894,191</b>	<b>48,400,360</b>

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### Restricted cash

Included in the cash and cash equivalents is an amount of N\$ 104,005,281 (2018: N\$ 45,745,340) relating to specific projects. The funds are held in a designated bank deposit account to be used only for the purpose of the specific projects. (Refer to supplementary information.)

### 6. FINANCIAL ASSETS BY CATEGORY

2019	Loans and receivables	Total
Other financial assets	6,983,632	6,983,632
Trade and other receivables	1,258,779	1,258,779
Cash and cash equivalents	888,910	888,910
	<b>9,131,321</b>	<b>9,131,321</b>

2018	Loans and receivables	Total
Other financial assets	7,370,506	7,370,506
Trade and other receivables	645,707	645,707
Cash and cash equivalents	2,655,020	2,655,020
	<b>10,671,233</b>	<b>10,671,233</b>

The carrying amount approximates fair value.

### 7. DEFERRED INCOME

This amount presents the government grant used for the funding of assets.

Government grants are recognised as deferred income, and released to the income statement over the useful life of the purchased assets.

	2019 (N\$)	2018 (N\$)
Opening balance	23,654,638	<b>20,568,072</b>
Grants received during the year	1,383,168	<b>3,427,512</b>
Release to the income statement	(512,889)	<b>(340,946)</b>
	<b>24,524,917</b>	<b>23,654,638</b>
Non-current liabilities	24,012,028	23,313,693
Current liabilities	512,889	340,946
	<b>24,524,917</b>	<b>23,654,639</b>

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 7. DEFERRED INCOME (continued)

	2019 (N\$)	2018 (N\$)
Trade payables	5,309,494	8,804,519
Grants control account	2,613,480	2,502,136
Trust Accounts (Projects)	104,005,281	45,745,340
Accrued leave pay	334,567	260,851
Accrued bonus	114,872	286,099
Other payables	96	96
	<b>112,377,790</b>	<b>57,599,041</b>

### 8. PROVISIONS

Reconciliation of provisions - 2019

	Opening Balance	Additions	Total
Provision for severance pay	<b>301,035</b>	<b>68,966</b>	<b>370,001</b>

Reconciliation of provisions - 2018

	Opening Balance	Additions	Total
Provision for severance pay	<b>225,256</b>	<b>75,779</b>	<b>301,035</b>

2019	Financial liabilities at amortised cost	Total
Trade and other payables	<b>7,922,974</b>	<b>7,922,974</b>

2018	Financial liabilities at amortised cost	Total
Trade and other payables	<b>11,306,655</b>	<b>11,306,655</b>

The carrying amount approximates fair value.

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2019 (N\$)	2018 (N\$)
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### 9. REVENUE

Government grant and levies	11,129,722	6,913,433
Donations and contributions	660,540	918,924
Administration fees	11,259,468	6,354,548
	<b>23,049,730</b>	<b>14,186,905</b>

### 10. OTHER INCOME

Impairment reversal	4,214,723	-
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### 11. OPERATING PROFIT (LOSS)

Operating profit (loss) for the year is stated after accounting for the following:

#### Operating lease charges

Premises

Contractual amounts	3,367,179	1,590,006
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Depreciation on property, plant and equipment	512,889	340,946
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Employee costs	9,893,010	9,115,534
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### 12. INVESTMENT REVENUE

Interest revenue		
Loans	979,773	1,091,255
Bank	196,299	122,669

**1,176,072**      **1,213,924**

### 13. AUDITOR'S REMUNERATION

External Audit Fees	462,800	178,250
Internal Audit Fees	-	487,612

**462,800**      **665,862**



# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2019 (N\$)	2018 (N\$)
<b>15. CASH GENERATED USED IN OPERATIONS</b>		
Surplus / (Deficit) for the year	6,087,039	(5,539,843)
Adjustments for:		
Depreciation and amortisation	512,889	340,946
Interest received	(1,176,072)	(1,213,924)
Movements in provisions	68,966	75,779
Impairment of financial assets	-	5,557,762
Reversal of impairment	(4,214,723)	-
Changes in working capital:		
Trade and other receivables	(613,072)	2,610,741
Trade and other payables	54,778,749	43,328,179
Deferred income	870,278	3,086,567
	<b>56,314,054</b>	<b>48,246,207</b>

## 16. RELATED PARTIES

### Relationships

Line Ministry	Ministry of Environment and Tourism
Directors	J. Andowa K. Nott T. Ndove T. Nghitila I. Hasheela
Members of key management	B. Libanda I. Hijamutiti K. Aribeb

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2019 (N\$)	2018 (N\$)
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### 17. RELATED PARTY TRANSACTIONS WITH RELATED PARTIES

#### Related party transactions

##### Compensation paid to key management

Directors emoluments	333,267	237,518
Remuneration of key management	3,122,130	3,386,168
Government grants received		
Ministry of Environment and Tourism-revenue	4,129,722	6,913,433
Ministry of Environment and Tourism-deferred income	870,278	3,427,512
Ministry of Finance - Environmental levy	7,000,000	-

### 18. COMMITMENTS

#### Authorised capital expenditure

Not yet contracted for and authorised by directors	1,440,000	845,000
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#### Loans and grants

The fund has made commitments to students for bursaries and loans payable to them as follows:

##### Minimum payments due

- within one year	8,752,000	1,620,000
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##### Minimum lease payments due

- within one year	5,457,600	3,706,284
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Operating lease payments represent rentals payable by the fund for certain of its office properties. Leases are negotiated for an average term of seven years and rentals are fixed for an average of three years. No contingent rent is payable.

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### 17. GOING CONCERN

We draw attention to the fact that at 31 March 2019, fund's current liabilities of N\$ 113,260,680 (2018 : N\$ 58,241,022) exceed current assets of N\$ 108,033,369 (2018 : N\$ 51,284,721) by N\$ 5,227,311 (2018 : N\$6,956,301). The fund is in a net asset position of N\$ 4,603,536.

The fund's 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 ability of the fund to continue as a going concern is dependent on a number of factors. The most significant of these is that the directors continue to procure funding for the ongoing operations for the fund from the Ministry of Environment and Tourism and that the operations of the fund are scaled according to the available cash resources.

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## DETAILED INCOME STATEMENT

	Notes	2019 (N\$)	2018 (N\$)
<b>Revenue</b>			
Government grant and levies		11,129,722	6,913,433
Donations and contributions		660,540	918,924
Administration fee		11,259,468	6,354,548
		<b>23,049,730</b>	<b>14,186,905</b>
	11		
<b>Other income</b>			
Impairment reversal		4,214,723	-
Interest received	14	1,176,072	1,213,924
		<b>5,390,795</b>	<b>1,213,924</b>
<b>Expenses (Refer to page 76)</b>		<b>(22,353,486)</b>	<b>(20,940,672)</b>
<b>Profit (loss) for the year</b>		<b>6,087,039</b>	<b>(5,539,843)</b>

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

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## DETAILED INCOME STATEMENT

	Notes	2019 (N\$)	2018 (N\$)
<b>Operating expenses</b>			
Advertising		(55,045)	(9,476)
Auditors remuneration		(462,800)	(665,862)
Awareness raising programs		(715,308)	-
Bad debts		(213,007)	(5,582,972)
Bank charges		(51,428)	(28,610)
Computer expenses		(855,526)	(116,814)
Consulting and professional fees		(664,386)	(162,220)
Corporate sponsorship		(210,511)	(141,311)
Depreciation, amortisation and impairments		(512,889)	(340,946)
Educational support		(286,545)	(301,792)
Employee costs		(9,893,010)	(9,115,534)
Entertainment		(20,000)	(15,385)
General office supplies		(936,986)	(37,686)
IT expenses		(166,489)	(51,418)
Insurance		(94,894)	(66,736)
Lease rentals on operating lease		(3,367,179)	(1,590,006)
Legal expenses		(196,686)	(145,118)
Motor vehicle expenses		(113,949)	(70,490)
Printing and publication		(618,059)	(173,450)
Repairs and maintenance		(266,919)	(179,078)
Sustainable development awards		(359,501)	(309,313)
Telephone and fax		(330,971)	(246,876)
Training		(196,645)	(344,970)
Travel - local		(1,664,488)	(1,155,048)
Vocational educational and training levy		(100,265)	(89,561)
		<b>(22,353,486)</b>	<b>(20,940,672)</b>

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

# ENVIRONMENTAL INVESTMENT FUND OF NAMIBIA

Annual Financial Statements for the year ended 31 March 2019

## SUPPLEMENTARY INFORMATION

### 1. DETAILED TRUST ACCOUNT

The Fund administers some accounts that are used to finance certain projects on behalf of the Government and multilateral organisations. The accounts are opened and operated by the Environmental Investment Fund. The Environmental Investment Fund had recorded those accounts as restricted cash with corresponding amounts included in the reconciliation below;

Heading	2019	2018
Bank charges	14,148	(16,287)
UNFCCC	163,795	163,795
UNEP - Brown Agenda	(668,412)	(667,554)
Namibia Customs Smelters	-	-
Kunene SAP001	(259)	-
ICEMA	509,810	-
NIP	(245,904)	755,062
SGP	(490,448)	269,746
Bank Windhoek	235,477	751,000
INDC	(323,956)	(260,706)
UNCCD	(65,270)	59,098
UNCCD - NBSAP	(8,902)	(8,902)
UNCCD Umbrella Project	569,200	-
MET-CPP	(16,767)	(16,767)
OPM-NEDF	149,929	149,929
EIA	-	-
PDMP Closure Audit	302,005	415,969
Nagoya Protocol	7,406	70,511
PCB Elimination Project	509,184	530,587
Bio Diversity Management & Climate Change	920,504	1,435,355
World Environmental Day	26,389	26,389
Kalahari Namib Project	3,652	36,167
African Draught Conference	56,467	56,467
Bio Diversity Strategy	252,755	235,389
EIF / EDA (Green Climate Fund)	97,465,634	2,879,538
EIF / Green Climate Fund (Readiness Project)	818,005	2,795,670
EIF / CRAVE (Green Climate Fund)	3,820,838	36,084,884
	<b>104,005,280</b>	<b>45,745,340</b>
<b>Balance at the end of the year is made up as follows:</b>		
Balance at the beginning of the year	45,745,340	1,063,073
Advances during the year	109,532,668	55,450,378
Payments during the year	(51,272,728)	(10,768,111)
	<b>104,005,280</b>	<b>45,745,340</b>

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



## NOTES



## NOTES

### Environmental Investment Fund Annual Report 2018 - 2019

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