



# **WATANI BROKERAGE & CONSULTANCY SERVICES CC**

September 2013

## **UNDP NAMIBIA COUNTRY OFFICE VENDOR BASELINE MAPPING REPORT**

Promoting women's equal access to mainstream services is about mainstreaming gender into all services to ensure that women and men benefit equitably

# UNDP NAMIBIA COUNTRY OFFICE BASELINE REPORT: GENDER RESPONSIVE PROCUREMENT NAMIBIAN PROJECT

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## 1. Background

### The Constitution of the Republic of Namibia

The Constitution of the Republic of Namibia in Article 23(2) and Article 95(a) mandates Parliament to enact legislation providing directly or indirectly for the advancement of persons within Namibia who have been socially, economically and educationally disadvantaged by past discriminatory laws or practices; and enact legislation to ensure equality of opportunity for women;

Article 23(3) is quoted hereunder for ease of reference:

*“In the enactment of legislation and the application of any policies and practices contemplated by Sub-Article (2) hereof, it shall be permissible to have regard to the fact that women in Namibia have traditionally suffered special discrimination (emphasis supplied) and that they need to be encouraged and enabled to play a full, equal and effective role in the political, social, economic (emphasis supplied) and cultural life of the nation”.*

Article 95(a) of the Constitution of the Republic of Namibia under Promotion of the Welfare of the People further states that:

“The State shall actively promote and maintain the welfare of the people by adopting, inter alia, policies aimed at the following:

*“enactment of legislation to ensure equality of opportunity for women (emphasis supplied), to enable them to participate fully in all spheres of Namibian society; in particular, the Government shall ensure the implementation of the principle of non-discrimination in remuneration of men and women; further, the Government shall seek, through appropriate legislation, to provide maternity and related benefits for women”.*

Both these articles of the Constitution of the Republic of Namibia legally mandate the Parliament of the Government of the Republic of Namibia to enact legislation that will ensure that equal opportunities are created for women and to apply policies and practices which will enable women to play meaningful roles in the economic development of the nation. The underlying principle is the recognition that women have traditionally been subjected to unfair treatment and blatant discrimination, and that women have always occupied a less favourable economic and social standing relative to men.

The Constitution of the Republic of Namibia therefore advocates for the enactment of legislation and the implementation of policies and procedures which are gender responsive, in the sense that the intended legislative and policy framework deliberately targets women as a form of positive affirmation.

### **Vision 2030**

Vision 2030 was established with the aim of crafting a long-term planning framework for Namibia that would create an industrialised nation by the year 2030. The principle of sustainable development forms the basis on which the strategies for the realisation of Vision 2030 hinge, with gender equality as one of the driving forces.

One of the objectives of Vision 2030 is to facilitate equity in access to social services and facilities, as well as access to productive resources of the country, and to ensure equity between men and women.

### **Fourth National Development Plan (NDP4)**

One of the key mandates of NDP4 is to expedite and ensure the effective implementation of the identified development strategies of the country. One of the predominant goals adopted by NDP4 is to increase income equality.

There is a general acknowledgement that gender equality is a prerequisite for sustainable development and that it permeates all spheres of life.

It is therefore a prerequisite of NDP4 to create and promote an enabling environment in which gender equality and the empowerment of women are realised. Emphasis is hence placed on mainstreaming a gender perspective in the principal strategies identified for the achievement of key NDP4 outcomes.

*“In considering gender issues and their impact on women, it is useful to distinguish between ‘women’s condition’ – their material state, including poverty, excessive work burdens, and lack of access to resources; and ‘women’s’ position – their social and economic standing relative to men. This distinction between condition and position leads to a differentiation of practical gender needs versus strategic gender interests. The practical gender needs of women (and men) derive in part from their need to provide a livelihood for themselves and their families. They must accomplish this within the roles allocated to them by the gender-based division of labour that prevails in their society”.*

*“Strategic gender interests are related to the need of women [and men] for a milieu that allows them to be self-confident, to articulate their views and to acquire more say in decision making, an improved negotiating position, and access to power structures. Strategic gender interests, unlike practical gender needs, cannot be observed; they must be deduced by analysing the position of women in a given society. This involves making ethical and cultural judgements about equity and social justice”.*

(Hilhorst and Oppenoorth (1992)

## Tender Board of Namibia

The Tender Board of Namibia is charged with the responsibility to procure goods and services on behalf of the Government of the Republic of Namibia. One of the objectives of Government procurement contracts is to offer business opportunities and encourage the entry of previously disadvantaged Namibians into the economic mainstream. These economic development opportunities contribute to the creation of employment opportunities, wealth, entrepreneurship, poverty alleviation and economic self-empowerment. It is generally a manner in which the state creates opportunities for the equitable distribution of economic opportunities and as well as the fair distribution of wealth and resources.

Tender Board Preferences are equally aimed at advancing the interest of local Namibians, by addressing issues relating to gender, disability, youth, rural development and local content in respect of locally manufactured goods, in order to redress social, economic and educational imbalances within the Namibian society, and to encourage job creation and industrial development in line with Vision 2030.

*“Deliberate steps are being taken to increase the participation of more Namibians in the local economy. One of the initiatives towards this end involves the review of the public procurement system through the amendment of the current legislation.*

*The proposed amendments that will be tabled soon will address issues such as reservation of certain public tenders for targeted beneficiaries including youth, women and SMEs; and the provision for the Tender Board to delegate some of its powers to the Regional Councils”.*

President Hifikepunye Pohamba: State of the Nation Address (April 27, 2011)

## 2. Introduction

Although women entrepreneurs are continuously trying to enter the economic market, women owned businesses still struggle due to lack of capital and markets and the domination by men owned and/or managed businesses.

The purpose of the Gender-Responsive Procurement Namibian Project (GRP-Namibian Project) is to economically empower women through a deliberate effort whereby procurement by the government and development agencies, are encouraged to benefit women owned and/or managed enterprises. It is envisaged that the project will significantly, promote gender equality, and women's economic participation and empowerment in Namibia. In view of the plight of women, the project seeks to empower women entrepreneurs by creating markets for their services, goods and works. It is the aim of the project to encourage the government, development agencies and other stakeholders to ensure that they procure goods, services and civil works from business owned and/or managed by women. This will directly or indirectly benefit women entrepreneurs and expedite progress towards the attainment of the Millennium Development Goal (MDGs).

The Ministry of Gender Equality and Child Welfare (MGE CW) in collaboration with UNDP UN Women and NCCI are piloting the implementation of a Gender-Responsive Procurement Project which seeks to introduce engendered procurement as one of the strategies towards gender equality and the empowerment of women.

The project envisions achieving its objectives through:

- Firstly, establishing a baseline on the percentage of goods, services and civil works procured by the UNDP Namibia Country Office from companies owned and/or managed by women from the period 2009 to December 2012. The baseline will help UNDP and UN Women to make evidence-based decisions on empowering women, through procurement.

The output will be an analytical report with emphasis on some of the following outputs and variables:

- How many companies across Namibia did the UNDP Namibia Country Office do business with?
- How many of these companies are predominantly owned by women?
- Was the business significant in terms of contract or transactional value?
- From which Regions do these companies mostly originate from?
- What is the predominate nationality of ownership of the companies doing business with UNDP Namibia Country Office?
- What are the core business activities which dominated the procurement agenda of UNDP Namibia Country Office, and what are the main business sectors?
- What is the general level of business experience in terms of the number of years of uninterrupted business ownership and management?

This analytical report will inform UNDP Namibia Country Office the extent to which its historical procurement practices and procedures for the periods January 2009 to December 2012 were gender responsive. It will also guide UNDP Namibia Country Office to take corrective measures where necessary to increase its level of procurement from businesses owned by women.

### 3. Discussion

#### Overview

One of the primary objectives of the UNDP Namibia Country Office Vendor Baseline Mapping Report is to establish a baseline on the percentage of goods, services and civil works procured by the UNDP Namibia Country Office from companies owned and/or managed by women for the periods January 2009 to December 2012. The outcome of this baseline is expected to assist UNDP and UN Women to make evidence-based decisions on empowering women, through procurement.

#### Methodology/Work approach

Meetings were held with the relevant office bearers from the UNDP Namibia Country Office with specific emphasis on information pertaining procurement, overall work approach for the completion of the project reports, contact and liaison arrangements and the collection of the information required for vendor baseline mapping report.

A request was forwarded to the procurement office for the specific type of information required to capture the data for the vendor baseline mapping report. The information had to be compiled in a manner that would be guided by the principles of gender equality, gender mainstreaming and gender sensitive procurement, so as to permit gender-disaggregated analysis.

The following ten disaggregated data-headings were identified for the purposes of the vendor baseline mapping report:

- Nationality
- Gender
- Type of business sector
- Core business activity
- Level of ownership
- Type of company
- Region

- Contract value
- Number of years in business
- Ownership of business premises

The illustration below is a sample of the actual data obtained from the procurement office of the UNDP Namibia Country Office. It is evident from the table that disaggregated data analysis could not be performed from the data. Only the contract value and type of service could validly be determined from the data, as well as the Region in the few instances where the name of the town is provided in respect of the street address or postal box number.

Name 1	Contact Details	Physical Address	Type of Service Rendered	Monetary Value Year 2009	Monetary Value Year 2010	Monetary Value Year 2011	Monetary Value Year 2012
<a href="#">DIESEL ELECTRIC (PTY) LTD</a>	<a href="mailto:D.E.NAM@mweb.com.na">D.E.NAM@mweb.com.na</a> 061-224056	7 Mandume Ndemufayo Avenue	Mechanics	1,595.80	-	-	-
<a href="#">DIE REPUBLIKEIN</a>	<a href="http://www.republikein.com.na">www.republikein.com.na</a> 061-371100	11 Omarumba Road, Eros	Media	203,106.74	271,321.55	90,324.43	71,939.31
<a href="#">DENU DISTRIBUTORS</a>	061-217628	54 MARCONI STREET	Stationery	48,873.04	98,807.92	87,873.83	16,664.58
<a href="#">DESERTAIR (PTY) LTD</a>	<a href="mailto:reservations@desertair.com.na">reservations@desertair.com.na</a> 061-228101	P.O. BOX 11624, WINDHOEK	Air Services	-	-	-	-
<a href="#">(PTY) LTD</a>		P.O. BOX 25924, WINDHOEK	Designers	3,277.50	24,814.17	99,258.80	-
<a href="#">DYNAMIC CATERERS</a>		P.O. BOX 25235, Windhoek	Catering	11,478.20	-	1,569.75	-
<a href="#">DIE BLUMENECKE</a>		CARL LUST BUILDING, INDEPENDENCE AVENUE	Blumist	-	-	-	-
<a href="#">DOWNTOWN ADVERTISING AGENCY</a>		2228 ROBERT MUGABE AVENUE	Marketers	-	-	-	-
<a href="#">DEBUT DESIGNS</a>	<a href="mailto:debutnam@yahoo.com">debutnam@yahoo.com</a> 081-211-8743	SUREET THORN STREET, ERF 1339	Designers	-	-	-	-
<a href="#">DIRECT COMMODITY DISTRIBUTION SERVICES</a>		P.O. BOX 11801, K/Windhoek	ITC	-	-	-	-
<a href="#">DV8 SAATCHI&amp;SAATCHI</a>		P.O. BOX 9485, Windhoek	Consultancy	-	-	30,383.00	-
<a href="#">DIAL-A-DRIVER CC</a>	<a href="mailto:dial-dad@namibiasafaris.com">dial-dad@namibiasafaris.com</a> 061-259677	NO. 22 KRUPP STREET	Delivery	-	-	-	-
<a href="#">DIMENSION DATA</a>		C/D TALAND GARDEN STREET	ITC	-	32,328.51	-	-
<a href="#">DEFINITY TELECOM</a>		NAMKOM CORNER, SNYMAN CIRCLE, 71 REHOBOTHE ROAD	Communic.	33,178.71	-	-	-
<a href="#">Digital Photo CENTRE</a>		P O Box 31891 Pionierspark, 246 Independence Avenue	Photography	-	13,700.00	-	-
<a href="#">DROP ZOANE CC</a>		3 WEBER STREET, WINDHOEK		-	-	-	-

### Illustration: Sample vendor data

The rest of the information had to be obtained from the Registrar of Companies at the Ministry of Trade and Industry. This information mostly related to ownership, nationality, gender, core business from the main objects of the company, business sector, etc. All company information prior to 2010 is archived in a warehouse in Prosperita Industrial Area of Windhoek.

A request is made at the Registry in respect of all searches regarding company information. The requested company files are then collected by internal staff at the central archive in Prosperita Industrial Area, upon which a notification is sent that the requested company file is available for perusal at the Registry. This entire process takes approximately five working days on average.

The information regarding close corporations is computerised, but any request for information on any close corporation should also be routed through the Registry. This process can take between three working days to seven working days, as there are officials solely dedicated to only attend to such requests from the general public.

SPSS data analysis software was used to capture, disaggregate and analyse data.

### Challenges encountered

The process of data collection took much longer than anticipated due to circumstances beyond our control.

- At the onset, the project inception meeting that was supposed to take place on the 9<sup>th</sup> of July 2013 was delayed and only took place on the 18<sup>th</sup> of July 2013, more than a week later.
- The last batch and the remainder of the company data in respect of companies with names starting with alphabetical letters K-Z was received on the 1<sup>st</sup> of August 2013.
- Part of the outstanding information was received from the Registry only on the 11<sup>th</sup> of September 2013.
- The SPSS data analysis for the baseline mapping report was forwarded to the UNDP Namibia Country Office already on the 18<sup>th</sup> of September 2013, with a written request for a meeting to present same on the 20<sup>th</sup> of September 2013.
- Most of the data received from the procurement office of the UNDP Namibia Country Office was incomplete, missing or irrelevant.

- The information obtained from the Registrar of Companies was also in some instances incomplete or simply missing. For example, no shareholding information exists for private limited companies in respect of automated data. More than one member is allocated 100% membership in some instances in respect of close corporations. Unknown citizenships are also recorded in various instances (12.1% of the companies analysed).

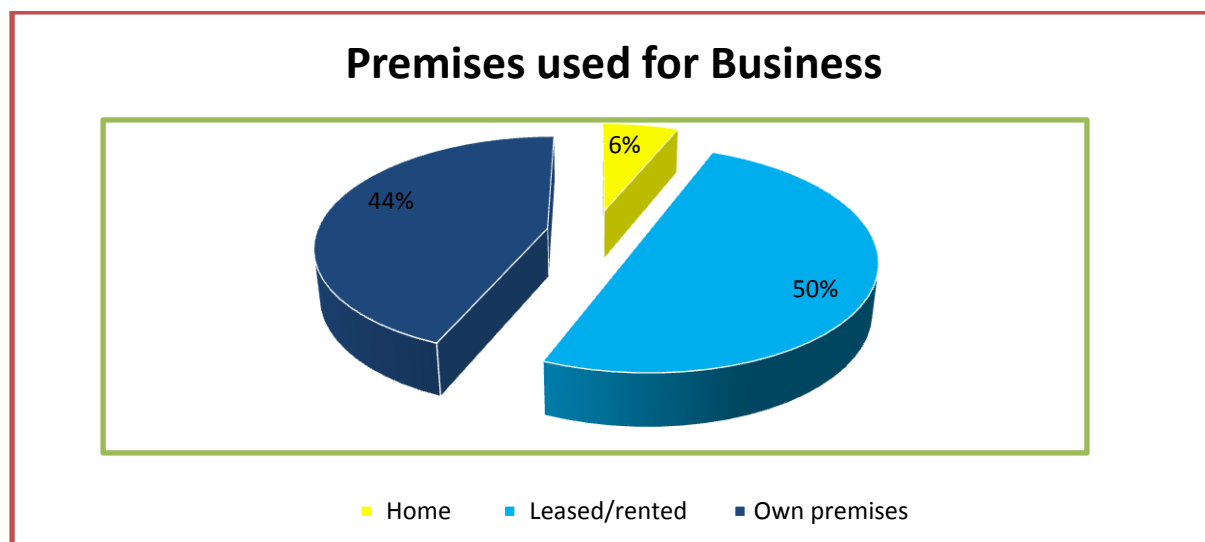
**Table 1: Ownership of Business Premises**

Ownership of Business Premises					
Premises used for Business		Frequency	Percentage	Valid Percentage	Cumulative Percentage
<b>Valid</b>	Home-based	11	6.2	6.3	6.3
	Leased or rented premises	88	49.4	50.0	56.3
	Operating from own premise	77	43.3	43.8	100.0
	Total	176	98.9	100.0	
<b>Missing</b>	System	2	1.1		
<b>Total</b>		178	100.0		

A total number of 178 businesses conducted business with the UNDP Namibia Country Office during the period January 2009 to December 2012. Over 43% (77) of these companies operated from company owned premises. The majority, approximating 49% (88) operated from leased or rented premises, and about 6% (11) had home-based operations. It can be deduced from the above that the UNDP Namibia Country Office mostly conducted business with formal companies (92.7%), since only about 6% of the companies operated from home.

Two companies or about 1.1% of the total companies could not be classified with absolute certainty as either operating from home, on leased/rented premises or operating from own premises.

This scenario is graphical presented hereunder for ease of reference:

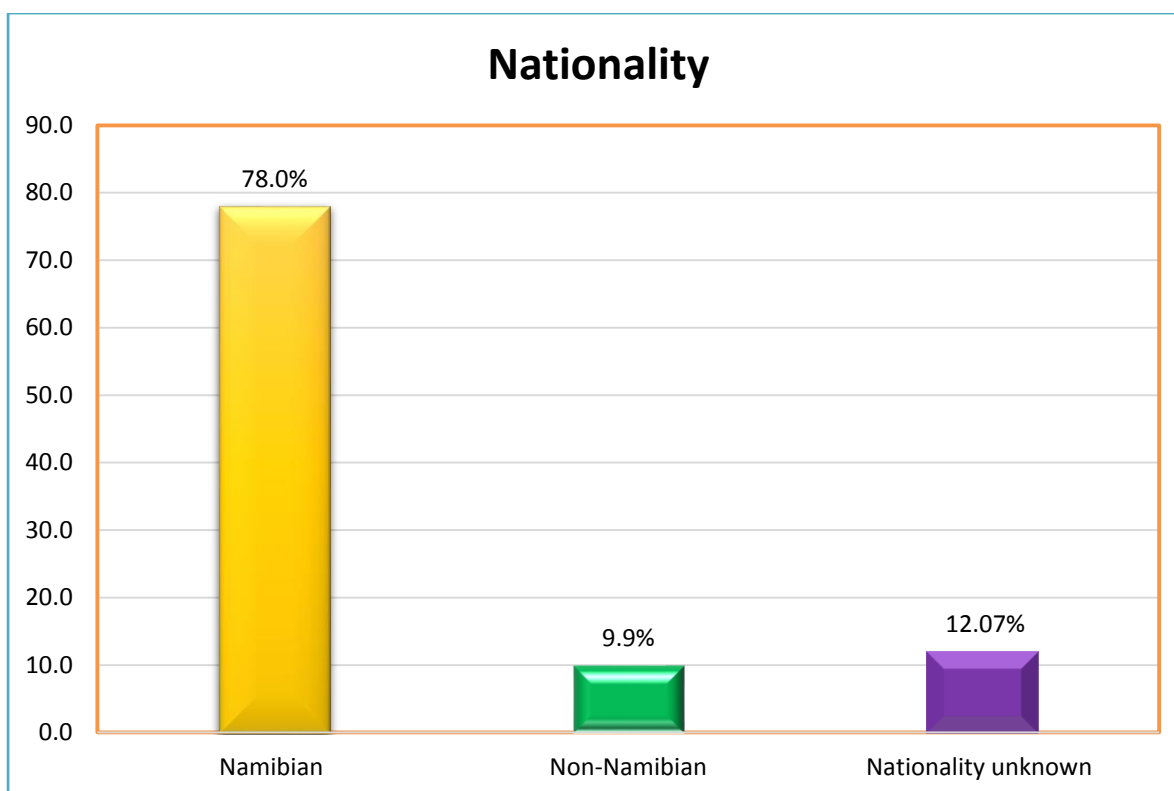


**Chart 1: Ownership of business premises**

**Table 2: Nationality**

Namibian	Non-Nam	Citizenship unknown
78.0	9.9	12.1
181	23	28.0

A total number of 232 persons had various levels of ownership in the companies which conducted business with the UNDP Namibia Country Office. Namibians were in majority, accounting for a total of 181 persons. Ownership of these companies also vested with non-Namibians, totalling 23 persons. The nationality of 28 individuals could not be determined with absolute certainty, as it is not captured on the company documents available at the Registrar of Companies.



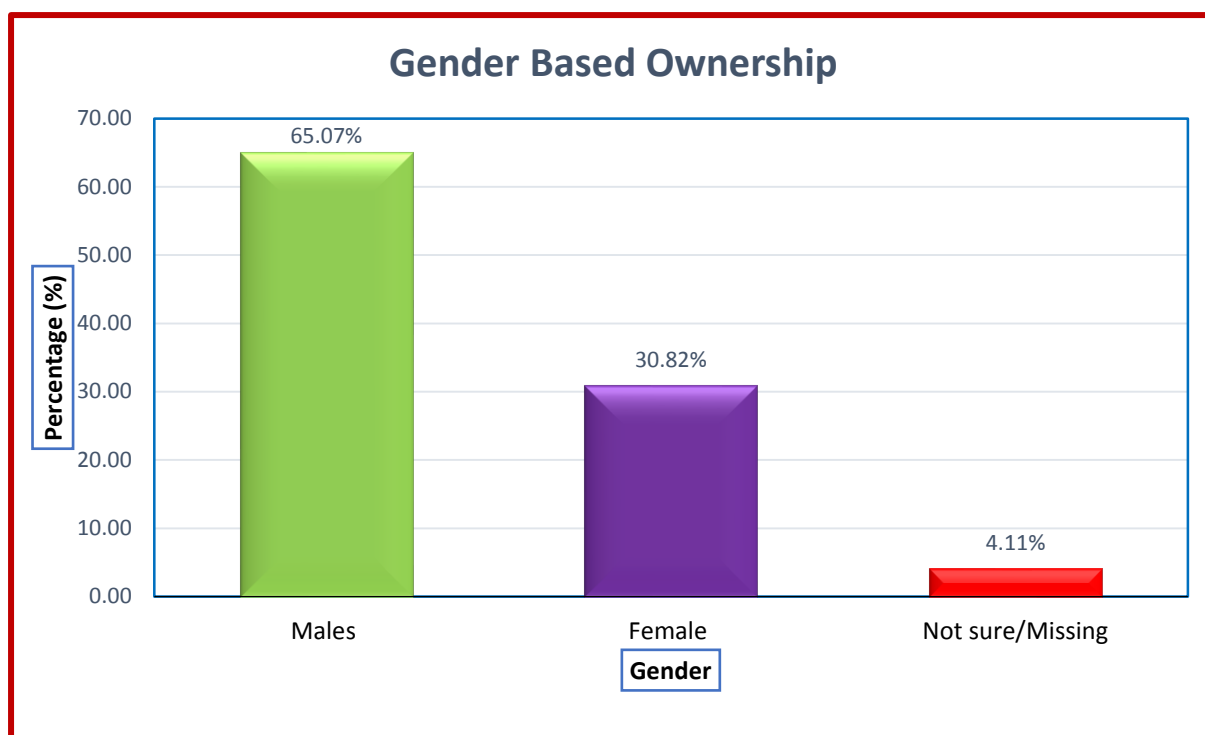
**Chart 2: Nationality**

The majority of company ownership vested with Namibians, accounting for a total of 78%, whereas non-Namibians were about 10%. The nationalities of over 12% of company ownership could not be established with absolute certainty.

**Table 3: Gender**

Male	Female	Not sure/Missing
151	72	9

A total of 72 women had some degree of ownership in companies which UNDP Namibia Country Office conducted business with, which is less than half of the number of men, totalling at 151. The gender of nine shareholders could not be established with absolute certainty from the available data.



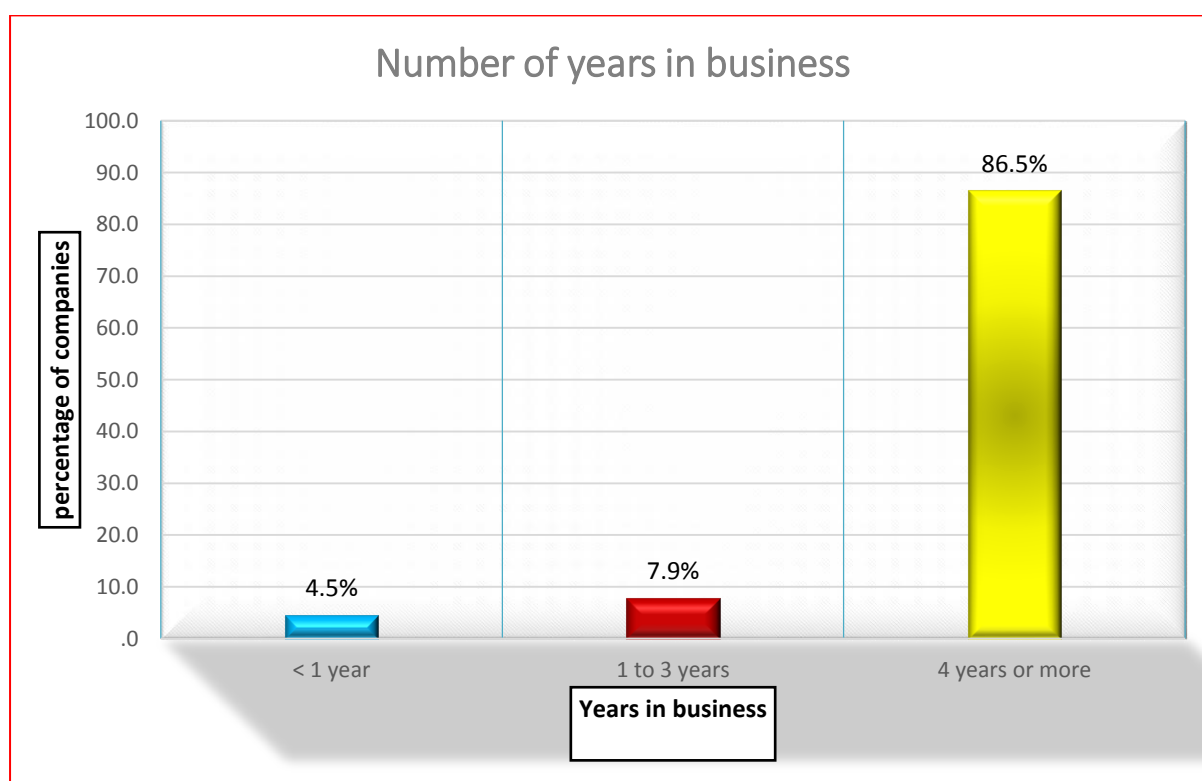
**Chart 3: Gender**

A total of just over 65% of men had shareholding in companies which did business with the UNDP Namibia Country Office, compared to approximately 31% of women. The gender of a total of about 4% of the shareholders could not be established with absolute certainty from the available information.

**Table 4: Number of years in business**

Number of years in business					
	Number of Years	Frequency	Percentage	Valid Percentage	Cumulative Percentage
<b>Valid</b>	< 1 year	8	4.5	4.5	4.5
	1 to 3 years	14	7.9	8.0	12.5
	4 years or more	154	86.5	87.5	100.0
	Total	176	98.9	100.0	
<b>Missing</b>	System	2	1.1		
<b>Total</b>		178	100.0		

The majority of the companies totalling 154 were in business for four years or more. Another 14 companies were in business for between one to three years. This equates to a total number of 168 of companies which were in business for at least one year. Only about 8 companies were in business for less than one year, and two companies could not be determined with absolute certainty as to the number of years that they were in business.



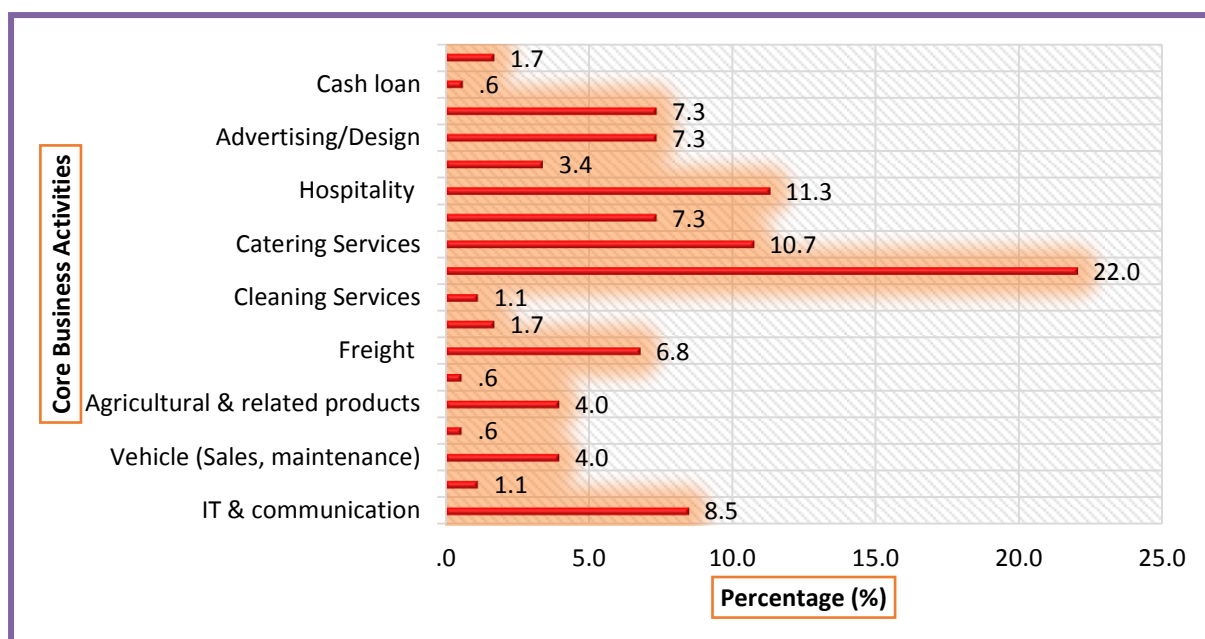
**Chart 4: Number of years in business**

It is recorded that the number of companies which were in business for four years or more represents about 87% of the total number of companies which conducted business with the UNDP Namibia Country Office. Only about 5% of companies were in business for less than one year, and about 8% of the companies were in business for between one year and three years. The total number of companies which were in business for more than one year is approximately 95%.

**Table 5: Core business activities**

		Frequency	Percentage	Valid Percentage	Cumulative Percentage
<b>Valid</b>	IT & communication	15	8.4	8.5	8.5
	Stationery	2	1.1	1.1	9.6
	Vehicle (Sales, maintenance)	7	3.9	4.0	13.6
	Financial Management (Audit firms)	1	.6	.6	14.1
	Agricultural & related products	7	3.9	4.0	18.1
	Air Travel	1	.6	.6	18.6
	Freight (e.g. Shipments etc.)	12	6.7	6.8	25.4
	Security Services	3	1.7	1.7	27.1
	Cleaning Services	2	1.1	1.1	28.2
	Consultancy Services	39	21.9	22.0	50.3
	Catering Services	19	10.7	10.7	61.0
	Printing	13	7.3	7.3	68.4
	Hospitality (Hotels, lodges)	20	11.2	11.3	79.7
	Construction	6	3.4	3.4	83.1
	Advertising/Design/fashion	13	7.3	7.3	90.4
	Not Defined (various)	13	7.3	7.3	97.7
	Cash loan	1	.6	.6	98.3
	Transport	3	1.7	1.7	100.0
	Total	177	99.4	100.0	
<b>Missing</b>	System	1	.6		
<b>Total</b>		178	100.0		

The UNDP Namibia Country Office engaged consulting firms more frequently than any other business sector. A total of 39 consultancy firms were engaged over this period. The next highest engagement amounting to frequency of 20 was for lodging which seems to be consistent with the use of consultants. Catering services (19), IT and communication (15) are next in the rank, with advertising (13), printing (13) and undefined core business activities tie at 13.



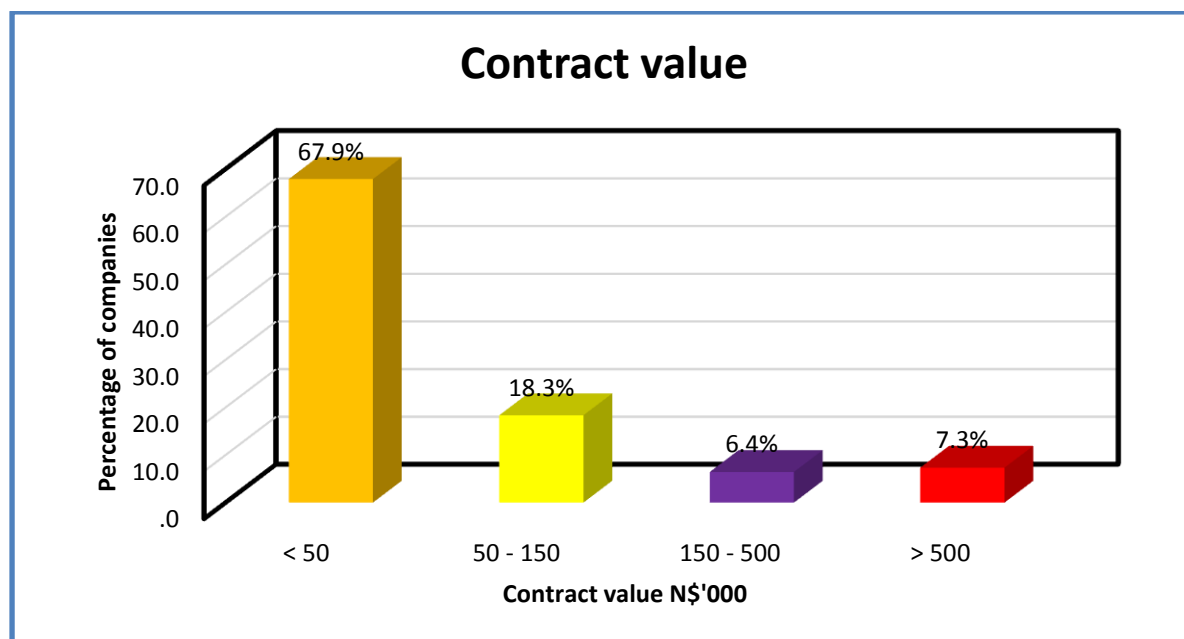
**Chart 5: Core business activities**

Approximately 22% of all the companies which conducted business with the UNDP Namibia Country Office over the period under review were consultancy firms, followed by the hospitality business at 11.3% and catering services at 10.7%. Catering for delegates at conferences or workshops as well as their accommodation are business activities closely associated with consulting work.

**Table 6: Contract value**

Contract Value	Percentage of Companies
< N\$50,000	67.9
N\$50,000 – N\$150,000	18.3
N\$150,000 – N\$500,000	6.4
> N\$500,000	7.3

The majority of the companies which conducted business with the UNDP Namibia Country Office were contracted to render services or supply goods for less than N\$50,000. In fact companies which were contracted for less N\$150,000 over the period under review were 94 in total. Only eight companies were contracted for business of which the contract values were in excess of N\$500,000.



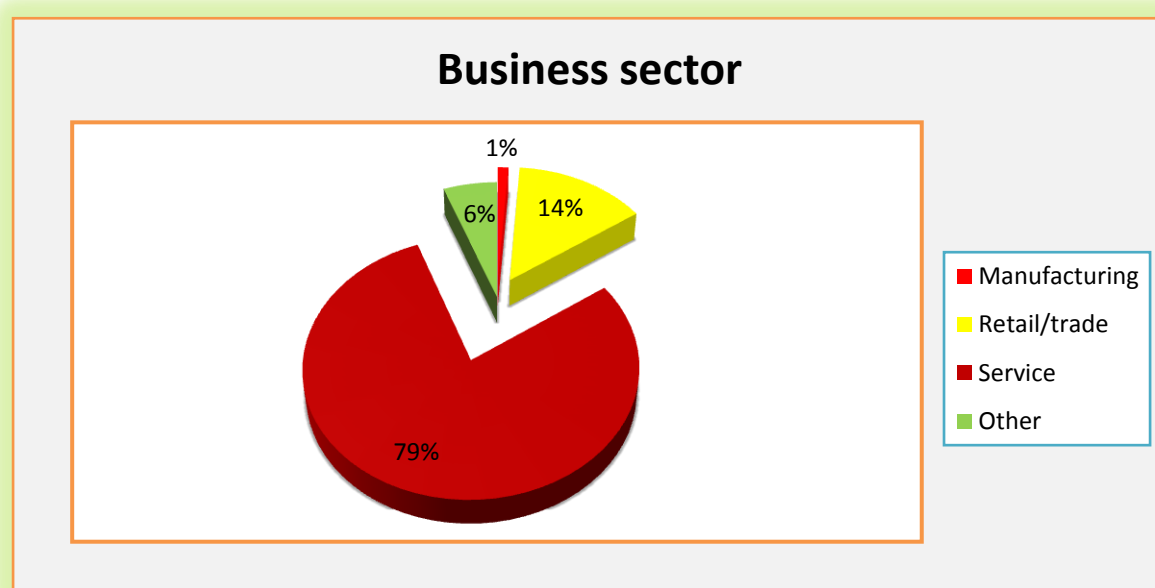
**Chart 6: Contract value**

A total of 86.2% of all the companies which had a business engagement with the UNDP Namibia Country Office was contracted for a contract value of less than N\$150,000. Only about 7.3% of the companies had contracts valued at more than N\$500,000, and about 6% of the companies had contracts valued between N\$150,000 and N\$500,000. Over 92% of all the companies which conducted business with the UNDP Namibia Country Office during the period under review had contracts valued at less than N\$500,000.

**Table 7: Type of business sector**

Type of business sector					
Business type		Frequency	Percentage	Valid Percentage	Cumulative Percentage
<b>Valid</b>	Manufacturing	2	1.1	1.1	1.1
	Retail/trade	25	14.0	14.1	15.3
	Service	140	78.7	79.1	94.4
	Other	10	5.6	5.6	100.0
	Total	177	99.4	100.0	
<b>Missing</b>	System	1	.6		
<b>Total</b>		178	100.0		

The majority of the companies totalling 140 originated from the services business sector such as consultancy services, cleaning services, catering, hospitality, etc. Businesses in the retail trade were 25 in total, with companies in the manufacturing sector being the least at 2 in total.



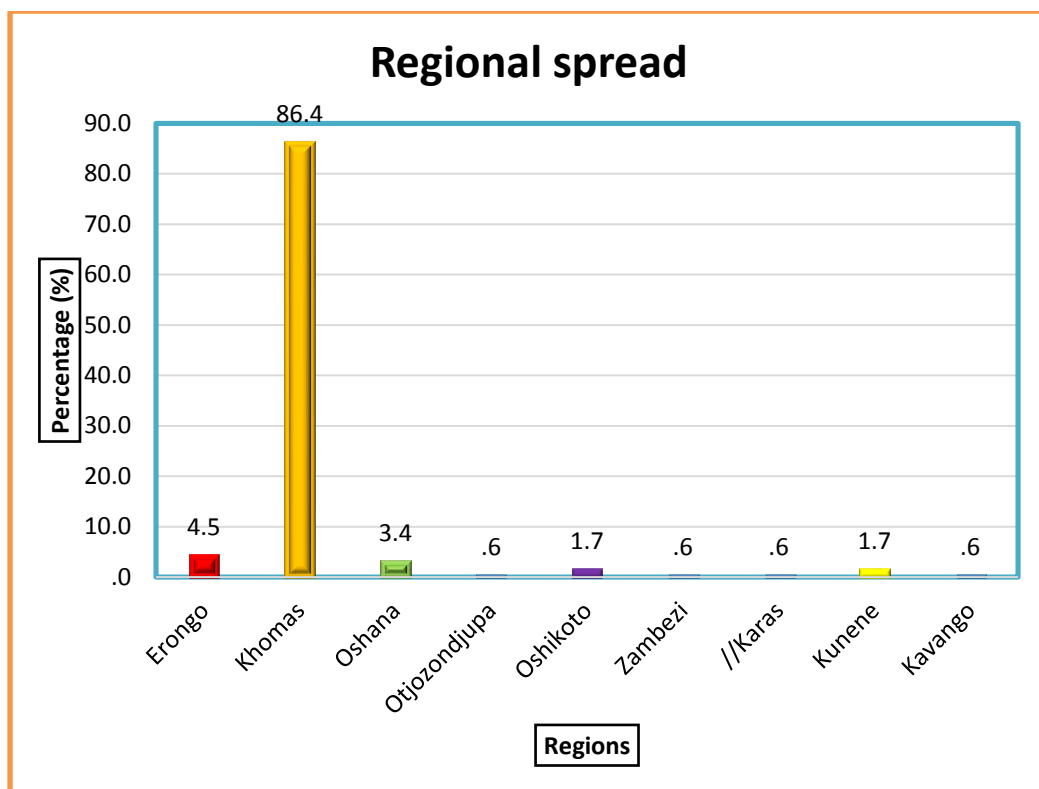
**Chart 7: Type of business sector**

A total of 79% of companies are in the services industry, with 14% in the retail trade. Manufacturing companies are the least at about 1%. Companies not classified in any of the types of business sector make about 6%.

**Table 8: Regional spread**

Regional spread					
Regions		Frequency	Percentage	Valid Percentage	Cumulative Percentage
<b>Valid</b>	Erongo	8	4.5	4.5	4.5
	Khomas	152	85.4	86.4	90.9
	Oshana	6	3.4	3.4	94.3
	Otjozondjupa	1	.6	.6	94.9
	Oshikoto	3	1.7	1.7	96.6
	Zambezi	1	.6	.6	97.2
	//Karas	1	.6	.6	97.7
	Kunene	3	1.7	1.7	99.4
	Kavango	1	.6	.6	100.0
	Total	176	98.9	100.0	
<b>Missing</b>	System	2	1.1		
<b>Total</b>		178	100.0		

The overriding majority of the businesses with which the UNDP Namibia Country Office conducted business were located in the Khomas, also the Region in which it is headquartered. These companies were 152 in total. Eight companies were from the Erongo Region, with the Oshana Region next in line with 6 companies.



**Chart 8: Regional spread**

The companies in the Khomas Region make up about 86% of the total companies with which UNDP Namibia Country Office had conducted business. The Erongo Region and Oshana Region made up 4.5% and 3.4% respectively, with the rest of the other Regions making up the remaining 5.7%. The UNDP Namibia Country Office therefore sources almost all its required goods and services from the Khomas Region where it is also located.