Investment Plan

Leveraging innovative public finance to scale up low carbon and climate resilient investments through environmental levies in Namibia

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

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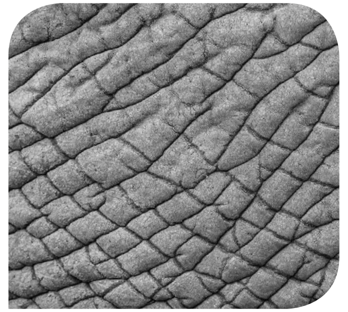

Glossary of Terms

CBNRM	Community based Natural Resource Management
EIF	Environmental Investment Fund of Namibia
HPP	Harambee Prosperity Plan
NCCI	Namibia Chamber of Commerce and Industry
NDP5	Fifth National Development Plan
NPV	National Solid Waste Management Strategy
NSWMS	Net Present Value
SMEs	Small and Medium sized Enterprises

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Vision

A recognized leader in the development of and application of innovative financing mechanisms to support environmentally technologically sound development in Namibia

Mission

To promote the sustainable economic development of Namibia through investment in and promotion of activities that protect and maintain the natural environmental resources for the benefit of all Namibians

Executive summary

The Environmental Investment Fund of Namibia (''the Fund") has been considering the introduction of new environmental levies for the purpose of financing environmental expenditures. An environmental levy is designed to generate revenue and to reduce the impact of environmentally damaging consumption or production activities.

The introduction of environmental levies is an important strategic focus area of the Fifth National Development Plan (NDP5), which targets the mobilization of N$570 million from environmental levies for re-investment in environmental protection during the Fifth National Development Plan (NDP5) implementation. The introduction of environmental levies also contributes to the strategic pillar of effective governance and service delivery under the Harambee Prosperity Plan and broader environmental fiscal reform will open up alternative revenue streams for Government. In line with the priorities announced by the Minister of Finance, Honourable Calle Schlettwein in his 2018/19-budget speech, these environmental levies could become part of a broader package of 'environmental fiscal reform' aimed at improved alignment of taxes and tax-like instruments with environmental damages coupled with socially productive ways of using revenues raised.[1]

Government has since 11 July 2016 imposed carbon emission duties and specific environmental duties on selected electric filament lamps and new, re-treaded or used pneumatic tyres. The revenue collected, approximated around N$157.5 million annually, is however credited to the State Revenue Fund and not earmarked for any environmental applications.

The Environmental Investment Fund Act No 13 of 2001 ("the Act") provides the legislative authority to procure 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:

1. The sustainable use and management of environmental and natural resources;
2. The maintenance of the natural resource base and ecological processes;
3. The maintenance of biological diversity and ecosystems for the benefit of all Namibians; and
4. Economic improvements in the use of natural resources for sustainable rural and urban development.

1 OECD (2017), "Environmental Fiscal Reform – Progress, Prospects and Pitfalls".

Section C of the Act also gives the Minister of Environment and Tourism, with the concurrence of the Minister of Finance and on the recommendation of the Board of Directors of the Fund, the mandate to develop regulations relating to the determination and imposition of environmental levies. The Fund has looked into three (3) products for environmental levies - lubricant oils, batteries, and electronic and electrical merchandise.

This investment plan provides a preliminary summary of the proposed products and their impact on Namibia's environment and human health; proposes suitable financial instruments to guide reinvestments on collected environmental levies and prioritizes investments in targeted sectors of the Namibian economy. It further identifies finance and project related risks and provides ways of mitigating these and lays out an implementation timeline inclusive of all stakeholders. The investment plan focuses on investment in three strategic areas considered as urgent national development priorities as per table below:

Product Spread	%	Investment (N$)
Waste management and recycling	52%	80.000,000
Biodiversity conservation and ecosystem management	24%	37,500,000
Low carbon and resilient investment	24%	37,500,000
Total	100%	N$ 155,000,000

Each of these three priorities target job-rich, future-oriented sectors which have the potential to thrive, and target actors that are committed to the creation of quality jobs and the promotion of more sustainable and equal societies. In this way, the generation of these levies and their re-investment into these priority areas will make an important contribution towards the achievement of Namibia's Vision 2030 to improve the quality of life of our people and to diversify the economy and make it resilient to external shocks.

1 Introduction

The Environmental Investment Fund of Namibia (Hereafter referred as the Fund) was established under the Environmental Investment Fund of Namibia Act No 13 of 2001 with the purpose of raising financial resources for direct investment in environmental protection, natural resource management activities and projects that support the sustainable economic development of Namibia. The Fund is not just a pool for conservation activities - it pursues a broader investment portfolio by providing economic opportunities and a stake in the use of natural resources to the poorest sectors of society.

The Mission of the Fund is to promote the sustainable economic development of Namibia through the investment in and promotion of activities and projects that protect and maintain the natural and environmental resources of the country. The objectives of the Fund, according to section 4 of the Act, are to procure 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:

1. the sustainable use and management of environmental and natural resources;
2. the maintenance of the natural resource base and ecological processes;
3. the maintenance of biological diversity and ecosystems for the benefit of all Namibians; and
4. economic improvements in the use of natural resources for sustainable rural and urban development.

Provisions for a market-based environmental levy system were included in the Environmental Investment Fund Act to drive environmental integrity in addressing sustainable development in Namibia. The Fund has carried out an assessment of the economic impacts on the proposed environmental levies. Revenue raised will be ringfenced for environmental projects to support the Fund's objectives by funding investments in the area of recycling, waste management, nature based tourism, renewable energy and biodiversity conservation.

The investment plan is urgently required in order to avoid a long period of economic stagnation, social decline and continued dependence on an ecologically destructive economic model.

Objectives

The plan is developed to guide investment decisions of the proceeds from environmental levies towards targeted environmental and economic benefits associated with pollution prevention, waste reduction, re-use and recycling.

It is therefore envisaged that the investments will:

- Contribute to achieving environmental protection in a coherent and consistent manner; it will help reach unlocked investments that are currently difficult and crowd-in private actors that would otherwise invest less or not at all in these areas.
- Target socio-economic sectors and in particular waste management, renewable energy, water, low carbon transport, social infrastructure, human capital, and provide finance in favour of micro, small and medium-sized enterprises with a particular focus on job creation.
- Catalyse in developing economically and financially viable projects to attract private sector investment.

Rationale

The Fund has identified several funding interventions marked by market failure in the economy. These are investments in communal areas, mainly Community Based Natural Resource Management (CBNRM), Tourism Concessions Investments, and Green Industries and Technologies.

Market failure manifests itself, from private banks and investors' perspective, in the lack of secure tenure rights continuing to reduce the appetite for financing projects on communal land. Even the current leasehold regime is not adequate enough to reduce the risk perspective involved. As a result rural-based and communal organizations and aspiring Small and Medium Enterprises (SMEs) lack the requisite equity/development capital to engage into joint ventures to derive benefits from the opportunities related to environmental enterprising.

Moreover the risk premium of such investments is increased further by the long cash flow gestation character of ecological investments. Most private funders are funding themselves through short-term liabilities such as deposits, they are averse of engaging in long term credit type of sectors such as community-based tourism.

The major deterrent towards capital flows to green industries are mainly very low investment returns as well as the long holding period required. This creates major uncertainty for commercial and development banks, thereby creating a financing gap for such opportunities. In addition, the low carbon market such as renewable energy and green technologies is considered high risk as these products are still maturing, particularly in Africa.. Furthermore, financial lending institutions have relatively small loan portfolios to finance high capital demanding projects such as renewable energies and therefore concentration risk becomes a prevailing challenge.

Decision Making Process

Th Fund has created an internal operational structure that facilitates lending products, grants management, risk management and investments; ably supported by an enabling internal policy framework. A credit committee, risk management committee, and a Technical Advisory Panel for grants and loans review and allocation is also in place to guide strategic allocation issues. This framework has enabled the Fund to manage close to 70 grants and 4 concessional loans since 2013, overseeing a total investment portfolio of close to N$ 45 million.

There has been a much greater emphasis placed on a better understanding of the investment cycle of environmental levies in order to address challenges related to the source of revenue. A systematic needs analysis was undertaken by the Fund during its inception phase to assess the investment demands within the environmental sector with emphasis on initiating interventions through market based and recycling of investments. In the context of the environmental challenges faced by the country, waste management poses the largest single challenge and will thus take up a bigger percentage of proposed investments from environmental levies, followed by environmental protection, and low carbon investment solutions.

Guiding principles for delivery of the environmental levies investment plan

- Incorporation of environmental, social and governance issues into investment analysis and decision-making processes,
- Seeking of appropriate disclosure on environmental, social and governance issues by the entities in which we invest,
- Investment decisions guided by effective financial oversight, adaptive management and participatory decision-making,
- Clear and firm investment criteria,
- Alignment to national strategic priorities,
- Positive contributions and impacts to source sectors where levies are derived from,
- Transparent reporting of all investments,
- Ongoing and robust green impact evaluation to inform adaptive management.

2 Proposed products

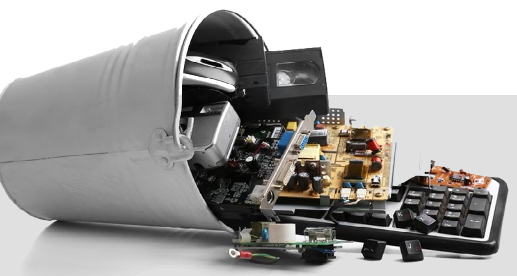
The Fund in concurrence with Section of C of its legislatove mandate proposes a levy to be placed on the three (3) products namely:

- Electronic and electrical products,
- Lubricant oil;
- Batteries..

The body of work as identified in the introduction, has recognised these products/sectors due to their negative impact on the environment. An estimate of the Namibian electrical and electronic waste market (e-waste) shows that the per capita waste generated is 4.57 kilogramme and as a whole the country generates 9,871 metric tonnes of e-waste.

In terms of waste oil, it is estimated that the motor vehicle population of Namibia generates roughly 7.4 million litres of waste oil annually. Namibia also lags behind many countries when it comes to ensuring that these two products/sectors do not have a negative impact on the environment.

There are very little recycling platforms for e-waste generated in Namibia, and most end up in landfills. Nascent platforms are evident for waste oil, but these are geographic and very concentrated and therefore lacks as a national efforts or initiative. It must be noted that there are also structural barriers evident in these subsectors that hinder the development of appropriate recycling solutions. Some of these barriers include inadequate policy frameworks or legislation, finance and business infrastructure to handle the environmental waste that accrues. Human capital and technology are also identified barriers.



Electronic and electrical appliances

Product obsolescence has become more rapid since the speed of innovation and the dynamism of product manufacturing/marketing has resulted in a short life span for many computer products. Short product life span coupled with exponential increase at an average of 15% per year has resulted in the doubling of the volume of e-waste in Namibia.

- Namibia imports a total of **N$ 4.1 billion** worth of electronic and electrical products annually (Namibia Statistics Agency 2015)
- The average life span of electrical and electronic products is 2 years, (CTA, 2014).)
- An average of **9,871 metric tonnes** of e-waste is generated by Namibia annually (TransWorld Cargo, 2015).

Lubricant Oil

Namibia has no refinery capacity and therefore imports all her refined products from South Africa through the Walvis Bay harbour..

- Namibia imports **N$12,268 million** in mineral fuels and oils in 2016 (Namibia Statistics Agency),
- Namibia's motor vehicle population generates about **7.4 million litres of waste oil** annually,

Batteries

- Namibian landfills fill up an average of **95,000 of dead batteries** annually, (City of Windhoek Solid Waste audit 2016);
- Currently **120 tonnes of dead batteries** are sent to South Africa every quarter. No recycling of batteries is done locally.

"Namibia generates an average of 9,871 metric tonnes of e-waste annually" (TransWorld Cargo, 2015).

Proposed environmental levies

Product	Categories	Charging mode or rate	Collection point	Incentive-based mechanism[2]	Estimated collection (per annum)
Electronic and electrical appliances	Electricals and Electronic as per Namibia Statistics Agency's codes.	Charge of N$ 1.00 per unit as determined by the Custom & Excise Act of 1998, inflation indexed	At point of import and point of sale	Incentives for both consumers and producers through: • Partial refunds on the purchase or manufacturing of environmentally-friendly products; • Introduction of deposit facilities for recyclables.	N$ 70,000,000
Lubricant oil	All forms of mechanical oils and lubricants.	Charge of N$ 0.30 per unit as determined by the Custom and Excise Act of 1998, inflation indexed	At point of sale	Incentives for producers/retailers and extended distributor responsibilities. A system will be developed to provide incentive for used oil collectors linked to targets.	N$ 60,000,000
Batteries	• Lead Acid Batteries (Car Batteries, Traction Batteries), • Lithium batteries and; • Alkaline batteries	Charge 5% environmental levy per unit (averages N$ 50 per car car battery). To be charged inline with the operational system of the Directorate of Custom and Excise.	At point of import to Namibia	• Incentives for Hazardous Waste Management Businesses that handle batteries • Introduction of a 30% deposit once battery is returned to recyclers	N$ 25,000,000
Total					**N$ 155,000,000**

2. Creating an incentive mechanism for environmental levies is a means of encouraging appropriate industry practices and consumer behaviour. The Fund will identify industry incentive mechanisms that constitute a partial refund of the levy as well as incentive schemes recognising the removal of environmental hazardous products from the environment.

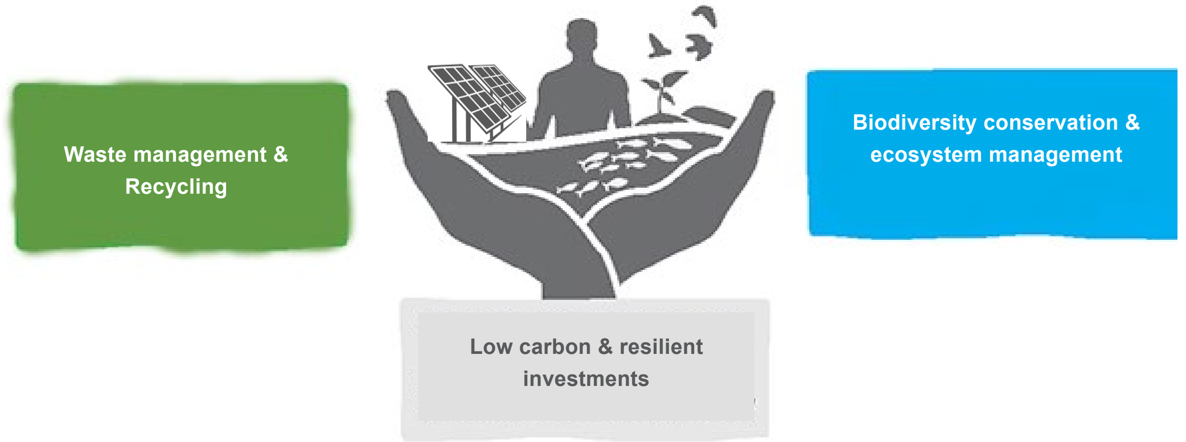
3 Priority investment areas

The Plan focuses investment on three priority areas in order to achieve Namibia's added value for a transition towards more equal and more sustainable societies. All three priorities comprise job-rich, future-oriented sectors which have the potential to thrive, and target actors that are committed to the creation of quality jobs and the promotion of more sustainable and equal societies.

All three focal areas are congruent with the stated objectives of environmental conservation and areas of recycling and pollution prevention, which are much closer to the proposed levies, are covered adequately in the Strategic Plan of the Fund. Moreover at the portfolio level, the Fund has developed a feasibility study and business plan on e-waste national centre.

Additionally, the financing of oil recycling by indigenous private entrepreneurs will be promoted. As evident in the last three (3) years, the Fund will continue, through the promotion of environmental research focus area, to support further studies on environmental levies. Strategic implementation of some of the targeted projects through Public Private Partnership will be desired.

Investment Plan Priority Areas



4 Financial instruments and fiscal incentives

Traditionally, waste management and energy related infrastructure investments have been financed with public funds, with the government being the main actor in this field. However, public deficits, increased public debt to GDP ratios and, at times, the inability of the public sector to deliver efficient investment spending, have led to a reduction in the level of public funds allocated to these sectors.

The plan will finance projects through a number of instruments aimed at facilitating concessional credit demand and supply for SMEs, local authorities, conservancies, and individual entrepreneurs. Moreover, funding of socio-environmental projects with little or no income generation will be delivered through grants. For example clean up campaigns, anti poaching activities, environmental awareness, ecosystem restorations, and community based natural resource management.

To ensure the uptake of the financial instruments, services (information, skills, legal and business advice) that strengthen their non-financial capacity to innovate have to be supported.

These financial instruments must be demand-driven and market-based, however criteria to ensure that investment goes into innovation, sustainability must be introduced. Of the total allocation of financial instruments, a third could be allocated to waste management and the remaining towards eco-innovation (low carbon investments) such as renewable and energy efficiency technologies, ecosystem integrity and biodiversity conservation.

In summary project delivery will be through:

- Providing **loans (debt instruments), grants, development capital, line of credit, revolving facilities, guarantees, counter-guarantees** to projects oriented towards recycling, resource efficiency and environmental sustainability;
- Developing **mezzanine finance and equity instruments**, including **seed and early stage financing, business incubators** and **technology transfer**, for supporting innovative start-ups as an alternative to loans, for clean-tech and sustainable new businesses;

Loans, Lines of credit & revolving facilities

Concessional credit in support of SMEs, local authorities & private sector for renewable energy, waste oil recycling, tourism concessions on state land etc.

Grants & development capital

In support of projects oriented towards recycling, resource efficiency and environmental sustainability

Mezzanine finance & equity instruments, (seed and early stage financing)

In support of innovative start-ups as an alternative to loans for clean-tech and sustainable new businesses; also provides funding for business incubators and technology transfer

Investment Priority 1: Waste Management and Recycling

Despite heavy municipal spending on solid waste management, most towns in Namibia fail to provide efficient, reliable, universal collection services or environmentally safe disposal - at high costs to public health and the environment. Financing should emphasize strategic service planning, better institutional arrangements, more efficient management and finances, and environmental protection. In most town councils, however, solid waste services consume between 20 and 50 percent of operating budgets for municipal services yet are unreliable, do not reach everyone, and do not provide safe disposal because of high investment demand. Project that will be supported includes, waste management, recycling facilities, waste to energy, water recycling, E waste facilities, oil recycling facilities and sewerage systems.

Apart from municipalities and local authorities, this investment window will finance SMEs in the recycling sector, primarily those dealing with E waste, used oil, and batteries. In order to have a bigger impact on the environment, waste management facilities of town councils and municipalities will be financed to attain the necessary required standards as per the Environmental Management Act of 2007. Small collection facilities will be financed for individual entrepreneurs to receive out of life electronic products in return make a deposit refund for such product.

In planning this component, more emphasis should be placed on questions of financing, pricing, and cost recovery. To finance capital investments, local authorities prefer three principal options: loans from existing financial intermediaries, special loan or grant programs through the central government, and municipal sinking funds.

Targeted project	Financing mechanism	Project description	CAPEX
City Of Windhoek (Kupferberg dumping Site)	• Concessional debt • Blending	• 5 MW waste to energy project	N$ 55,000,000
National Electronic Recycling Facility	• Concessional Debt • Equity	• National Recycling Center to be based in Karibib • Satellite centers through SME financing in Ondangwa, Windhoek, Keetmanshoop	N$ 44,000,000
National Oil Recycling Plant	• Concessional Debt • Equity	• National Recycling Center to be based in Karibib • Satellite centers through SME financing in Ondangwa, Windhoek, Keetmanshoop	N$ 35,000,000
Tyre Recycling Plant	• Blending • Debt • Equity	• A national tyre recycling plant with satellite feeders from the regions to be financed	N$ 28,000,000
Ondangwa Landfill	• Concessional debt • Blending	• Upgrading of facilities to include recycling	N$ 20,000,000
Katima Mulilo Landfill	• Concessional debt • Blending	• Upgrading of facilities to include recycling	N$ 20,000,000
Rundu Landfill	• Concessional debt • Blending	• Upgrading of facilities to include recycling and sewer treatment for agriculture	N$ 20,000,000

Investment Priority 2: Biodiversity Conservation

The investment plan outlays the potential programmes and sectors that could benefit from the raised levies. Supporting Community Based Natural Resource Management (CBNRM) will still remain a priority in Namibia. Furthermore, the Fund will finance SMEs that are undertaking nature-based enterprises. This includes strengthening of value chains and market access – local, regional and international - for such natural resource-based products/services, which are identified as being commercially viable.

These may include products that are in demand in regional and international markets such as honey, moringa tree products, cammiphora resin, marula oil, fish products, processed baobab pulp as a food supplement, and furniture from bush encroachment.

Additionally, the Fund will finance through appropriate instruments the projects that promotes Nature based enterprises optimal land use, water efficiency technologies, environmental waste management systems, recycling, green value chains, anti poaching, wildlife management, forestry management, and wildlife infrastructure.

The envisaged package of support must anot only include requisite training on the technical aspects of operating each specific business but also include general business management and accounting skills. The Fund will collaborate closely with Namibian Chamber of Commerce and Industry (NCCI) in unlocking market access.

Targeted project	Financing mechanism	Project description	CAPEX
Concessions within conservancies and national parks	• Concessional debt • Blending	• Will finance six (6) concessions tourism establishment, trophy hunting enterprises	N$ 50,000,000
Development of a Non Timber Forest products Factory in Rundu/Ondangwa[3]	• Concessional Debt • Equity	• This will be investment towards value addition of natural products	N$ 20,000,000
Educational Grants and Research	• Grants	• Bursaries/Scholarships • Research	N$ 300,000

3. The Fund will seek to finance SMEs undertaking nature-based enterprises; such as the expansion of the Eudafano Women's Cooperative in Ondangwa. This includes strengthening of value chains and market access – local, regional and international - for such natural resource-based products/services, which are identified as being commercially viable.

Investment Priority 3: Low carbon and resilient investment

The Fund has already set investment objectives in the climate and low carbon package. These targets cover renewable energy generation and supply capacity, electricity distribution networks, mobile telecommunication infrastructure, energy efficiency in building renovation and urban mobility.

Several financing tools need to be combined to tailor risk-sharing devices for investments in each of these sectors. Moreover this investment window will also finance innovative services that address vulnerabilities such as climate insurance products and incentive based financing.

In line with development priorities as outlined in the Harambee Prosperity Plan (HPP), grants will be made available on an annual basis in order to finance renewable energy installations for rural institutions such as schools and clinics. This investment option will provide a springboard to catalyze development in rural areas of Namibia.

Targeted project	Financing mechanism	Project description	CAPEX
Financing Facility for Independent Power Producers Licence Holders	• Concessional Lending • Equity	• Renewable energy plants (Solar, Wind, Biomass) • Landfill gas	N$ 80,000,000
Renewable Energy Revolving Fund	• Revolving Line of credit	• Home solar systems and pumps for farmers	N$ 10,000,000
Disaster Reduction Insurance Scheme	• Concessional Lending • De-risking Subsidies	• This will be used to cover crop failure and livestock	N$ 10,000,000
Early-warning ICT Infrastructure	• Concessional debt • Blending	• Investment in the construction of Telecommunication Transmission towers	N$ 40,000,000
Renewable Energy for Public Schools and Clinics	• Grants	• In line with HPP, the Fund will provide renewable energy investments for 20 rural schools and 15 clinics	N$ 30,000,000

5 Project investment risks

In the context of the Investment Plan, each proposed investment is subject to a risk assessment as part of the investment identification and prioritization steps in the Integrated Investment Planning Framework. The following risk dimensions are evaluated for each proposed investment:

- Risk to Mandate Outcomes
- Reputation/Image Risk
- Environmental Risk
- Risk to Asset Integrity
- Financial Risk
- Health and Safety Risk
- Regulatory Risk

The risk assessment and mitigation measure for each investment is available for each proposed investment. Like the risks for the overall Investment Plan, Project Managers will monitor these risks on an ongoing basis with reports to the EIF's Risk and Investment Committee on an ongoing basis.

risk- mitigating interventions

The Fund's Risk and Investment Committee will be guided by internal Risk Analysis unit in employing risk mitigants, which are targeted interventions aimed at reducing, re-assigning or re-apportioning the different investment risks above.

Risk mitigants will increase the attractiveness and acceptability of investments by providing coverage for risks which are new and are not currently covered by financial actors, or are simply too costly.

Regulatory risk

Risk to asset integrity

Health & safety risk

Financial risk

Risk to mandate outcomes

Reputation/image risk

Environmental risk

Depending on the individual project and financing type used, these risk mitigants could include:

- Loan loss reserves,
- Guarantees,
- Insurance,
- Warehousing,
- Securitisation.

Project management efficiencies 6

Performance management will form a key element of the approach to help ensure that the investment plan achieves its intended results. Project performance management is conducted under the direction of the Funds' Investment Management Committee.

Investment planning performance at the Fund will be managed on two levels:

- Project Management Effectiveness
- Investment Planning Results

Project Management Efficiencies

The Fund has a strong track record of very rigorous monthly project progress reporting. On a monthly basis, the Fund reviews the budget, scope, timeline and risks associated with every planned and ongoing investment. Projects showing issues on any of these dimensions are required to report to the appropriate committee regarding the causes, mitigations and proposed solutions on a project-by-project basis. In this way project issues are identified as early as possible and highlighted to Senior Management for attention, decision and remedial action.

Investment Planning Process

On an annual basis, the Fund's Resource Management and Financial Allocations team (which is responsible for the preparation of the project pipelines) conducts debriefing sessions with Integrated Investment Planning process participants and stakeholders, and revise the process as necessary to ensure that it is meeting the planning needs of the Fund. Process effectiveness will also be assessed through targeted performance indicators that will be reported to the Fund.

The measures are designed to inform senior management as to whether the Investment Plan is achieving intended effects by demonstrating both internally and externally: good governance, stewardship, accountability, sound decision-making, and effectiveness of planning activities.

7 Expected returns

Since environmental levies are normally passed on to the consumer, accountability to taxpayers is a priority. The Fund will measure the performance of the investments using a range of metrics, which generally focus on investment and economic results or climate-related outcomes.

A high level cost-benefit computation shows some simple analytics of what the expected developmental returns are. Using Namibian discount rate of 7.2% derived from a recent study, the expected Net Present Value (NPV) is positive. The Internal Rate of Return is also positive and it is 9%.

The simple analytics are built around providing funding to CBNRM through blended finance mechanisms (grants, development capital and equity) with an expected 3% return. The assumption of the Tourism Concession is that the Fund's investment will help increase the current N$3 million revenue to N$10 million. The lending investments will be priced, where feasible at the Central Bank's current Bank Rate.

As a result we expect funding to support at least 10-15 Conservancies, creating an additional 50-60 direct and permanent employment opportunities. In the concessions, we expect another 25 permanent jobs. Indirect benefits to accrue are captured in the positive Economic NPV and it captures items such as household meat distributions, development infrastructure in communal areas.

Low Carbon and Resilient Investment projects on the above targeted investments could create up to 250 permanent jobs. This excludes the bigger investments and possible lines of credit relationships that the Fund could explore to catalyze projects in this area.

Waste management investments have demonstrated to create more jobs as the majority of the labour demands are unskilled or semi-skilled. The Fund used the Rent-a-Drum facility in Windhoek to benchmark the number of jobs that could be created and concluded that about 130 permanent jobs could be created for each landfill financed. It is therefore estimated that a total of more than 3,000 jobs could be created within two to three years.

social & environmental impacts

3,000

Minimum number of permanent jobs expected to be created through investments in the waste management sector over the next 3 years.

5

Number of Local Authority landfill sites to have piloted waste sorting and recycling onsite by 2020 (as per National Solid Waste Management Strategy targets, 2017)

45

Minimum number of rural schools and clinics fitted with offgrid renewable energy through grants, in line with HPP. (20 rural schools and 15 clinics).

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8 Conclusions

Given the coverage discussed in the precedent sections, the following has been established:

- The Fund in consultation with the Ministry of Justice proposed draft regulations to guide the process of implementing environmental levies on the products proposed.
- A legal opinion on the Fund's Act has been issued by the Office of the Attorney General; reconfirming the Fund's mandate to identify products for the imposition of levies;
- The Fund has engaged in consultations with public and private sector entities in the industry segments proposed;
- The Fund also spearheaded an inter-Ministerial Taskforce chaired by the Ministry of Environment and Tourism as instructed by Treasury to look into policy issues regarding the three (3) products proposed for levies. The Taskforce comprising of representatives of the Ministries of Mines and Energy, Agriculture, Water and Forestry, Economic Planning, Finance and the Office of the Attorney General; endorsed the environmental levies.

Notes

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