

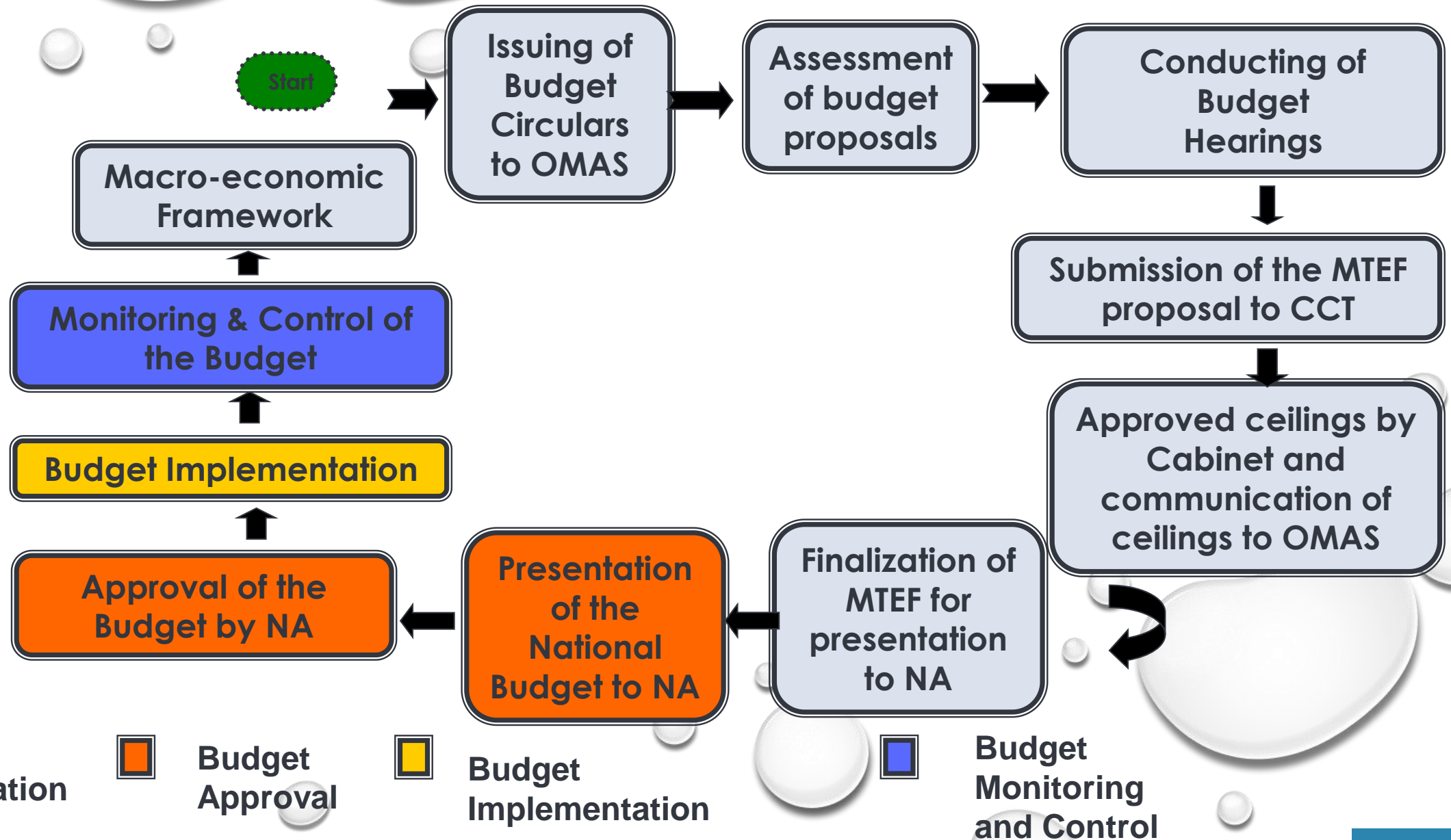
Republic of Namibia
National Planning Commission

DEVELOPMENT BUDGET Preparation Process

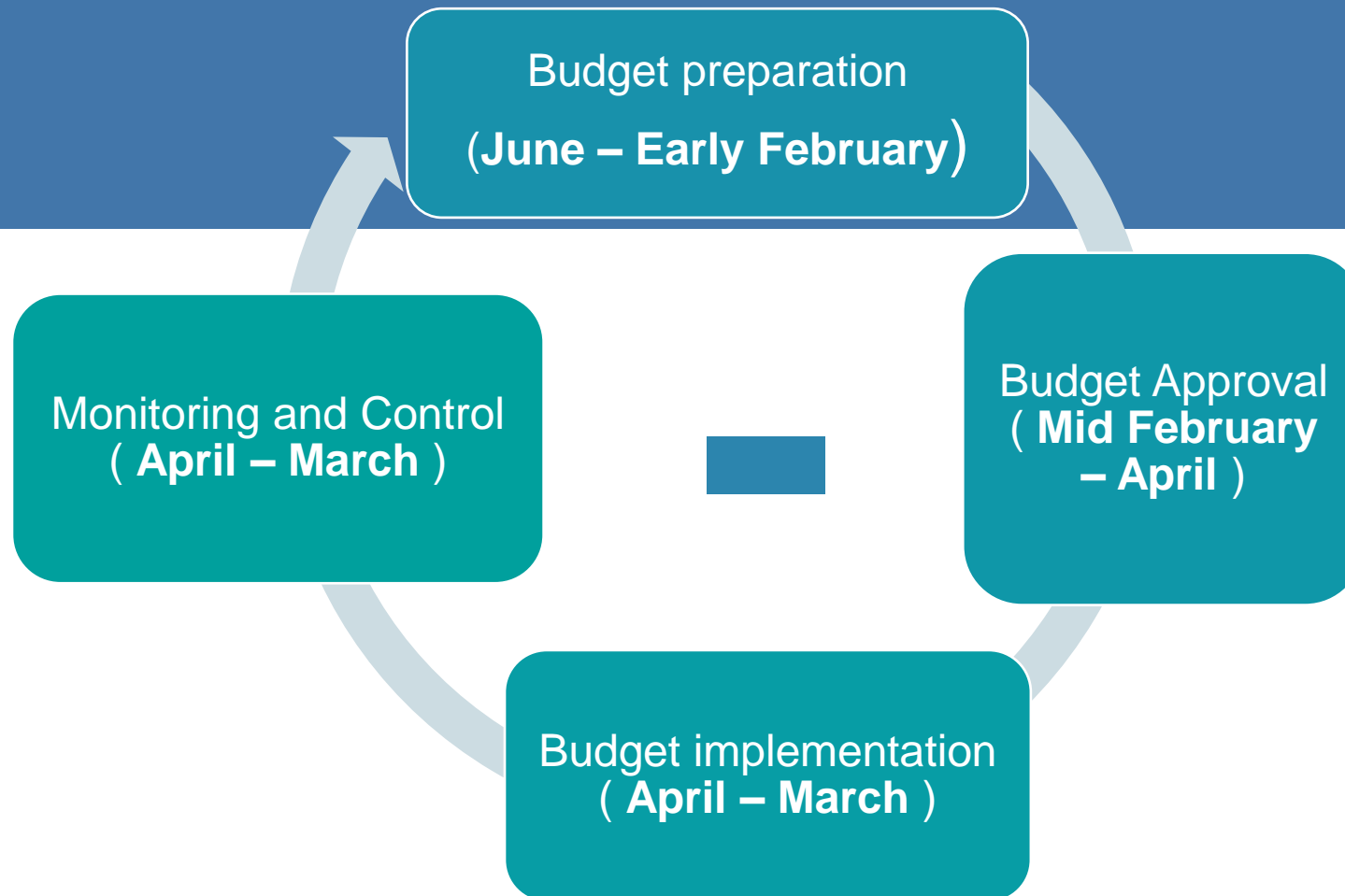
PRESENTATION OUTLINE

- ✓ NATIONAL BUDGET CYCLE AND CALENDER
- ✓ PROJECT CYCLE
- ✓ PROJECT PLANNING APROACHES
- ✓ DEVELOPMENT BUDGET FORMULATION PROCESSES

NATIONAL BUDGET CYCLE



BUDGET CYCLE CALENDER



BUDGET PREPARATION STAGES

Month	Activity	Responsible Institution
June	Preparation of Macro Economic Framework	NPC, MoF & BoN
July/ August	Budget circular to O/M/As	MoF & NPC
September/October	Deadline of submission for project proposals (PIFs)	O/M/As
September/ October	Budget Assessment	MoF & NPC
October / November	Budget Hearing	NPC & MoF

BUDGET PREPARATION STAGES CONT'D

Month	Activity	Responsible Institution
November	Votes to incorporate comments and suggestions made during the budget hearings	O/M/As
November/ December	Ministerial Consultations	MOF
November/ December	Submission of the proposed National Budget Ceilings to CCT and Cabinet	Ministry of Finance

BUDGET PREPARATION STAGES CONT'D

Month	Activity	Responsible Institution
Mid December/ Early January	Ministry of Finance communicate provisional ceilings to NPC	Ministry of Finance
Mid December/ Early January	Communication of ceilings to votes and adjustment of votes submissions to be within the set ceilings.	NPC and O/M/As
Mid-January/ February	NPC submits the Development Budget to Ministry of Finance	NPC
Mid-February	Ministry of Finance consolidate and prepare the National Budget	Ministry of Finance

APPROVAL STAGE (MID FEB – APRIL)

Month	Activity	Responsible Institution
Mid-February/ Early March	Printing of the Development Budget book	NPC
Mid-February/ Early March	Tabling of the National Budget	Hon. Minister of Finance
March-June	Approval and Enactment National Budget	National Assembly and National Council

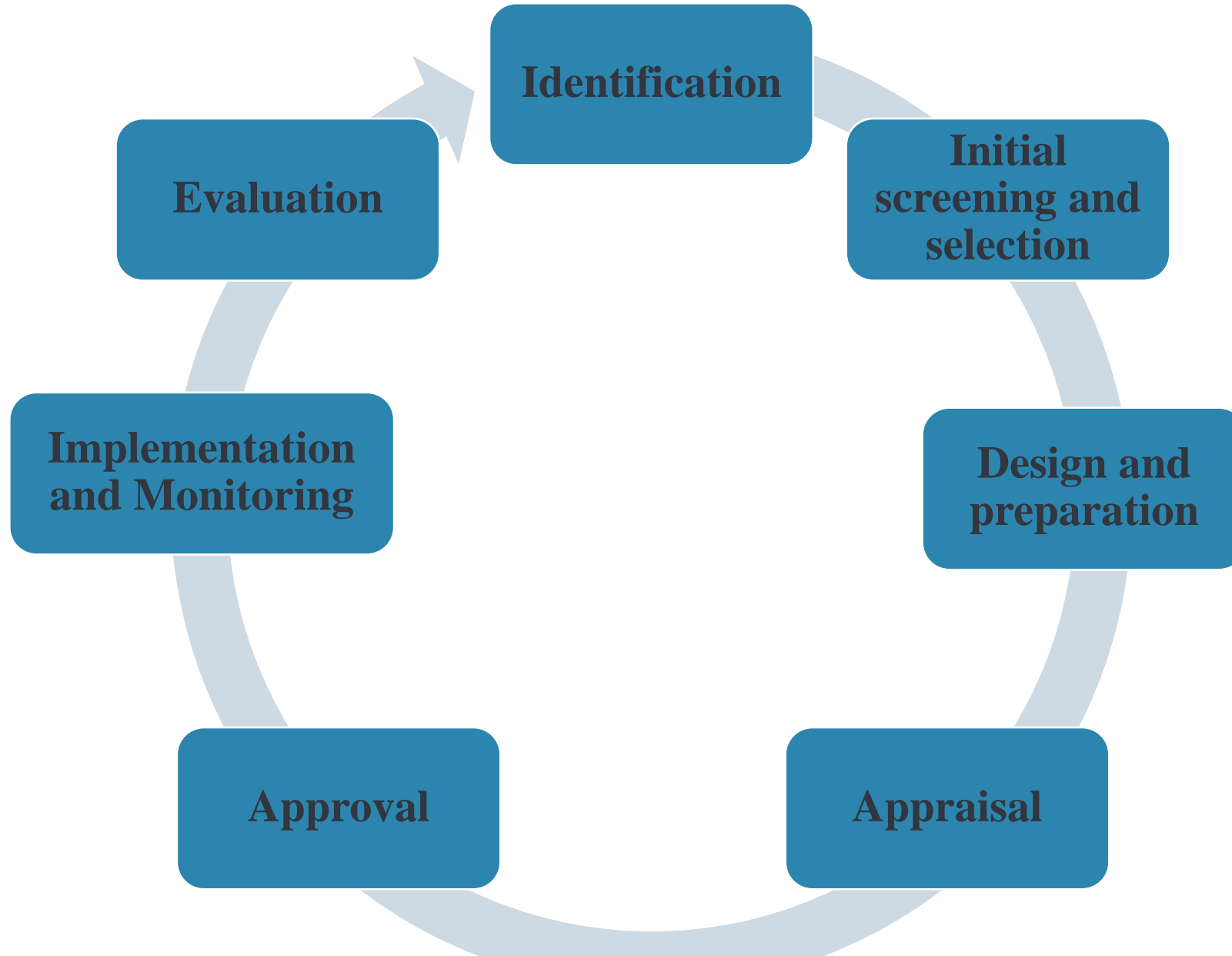
IMPLEMENTATION STAGE (APRIL - MARCH)

Month	Activity	Responsible Institution
April – March next Year	Implementation of Projects by Line Ministries, Regional Councils and Local Authorities	OMA's

Monitoring & Control Stage (April – March)

Month	Activity	Responsible Institution
April – March next Year	Monitoring and Control of National Budget Execution	Implementing Agencies, NPC, NA, Public

THE PROJECT CYCLE



IDENTIFICATION

- ❑ Developing the project concept, including defining objectives and various options for achieving them.
- ❑ Effective project identification involves a process of negotiation and agreement between:
 - Those proposing the project.
 - Those likely to implement the project.
 - Those likely to benefit from the project.

INITIAL SCREENING AND SELECTION

Takes place once the concept of the project exists, to see if;

- The project is in line with National Development Objectives
- The project is considered in principal in respect of the following:
 - What is its likely impact?
 - What options are there to achieve an acceptable result?
- What can be achieved within existing resource constraints?
- Is the environment ready for this type of project and the level of risk acceptable?

DESIGN AND PREPARATION

- ❑ Undertaken if project options pass the initial screening tests.
- ❑ This phase should result in the production of a “Project Design Document” (PDD).

The Design Document can consist of either the following:

- Concept Designs and preliminary cost estimates of the project,
- Working drawings, Bills of Quantities and Tender Documents.

APPRAISAL

- Asses the project to determine the contribution to National Development Plans.
- Deciding whether resources should be committed to the project.
- Financial capacity to deliver the required outputs.
- Are the supporting documents attached ?

APPROVAL

The process is finalized if the project passes appraisal.

Approval happens at different stages:

Regional -RDCC

Ministerial

Cabinet

At NPC/ MOF level : Projects can be recommended for funding.

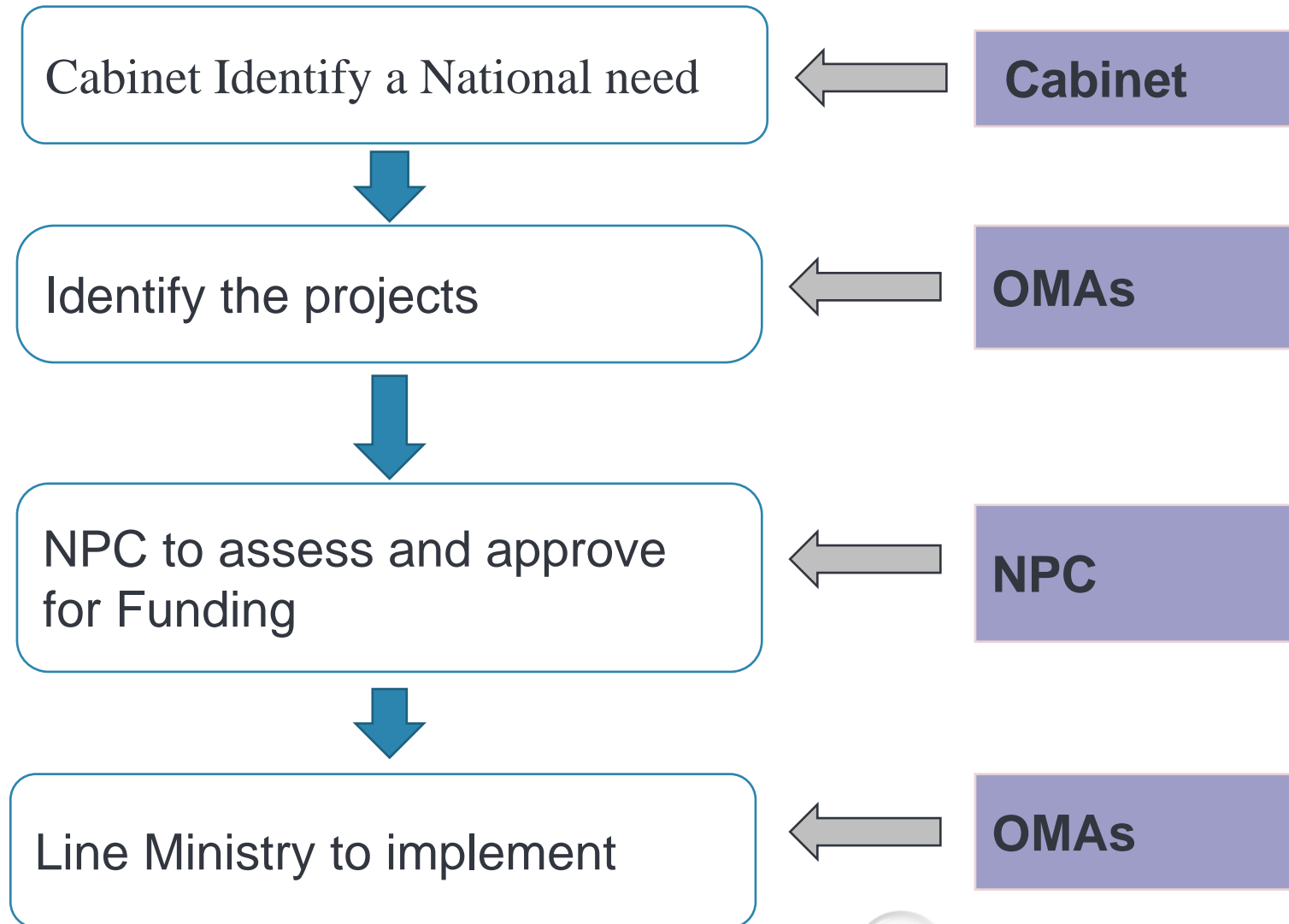
IMPLEMENTATION AND MONITORING

- ❑ The implementing agency has a direct responsibility for implementation and managing the project.
- ❑ Planners are involved in the management and monitoring of projects to ensure that projects meet their original objectives and to assist project implementers in resolving implementation problems.
- ❑ Monitoring of Capital projects can be done by NPC, Parliamentarian and General Public.

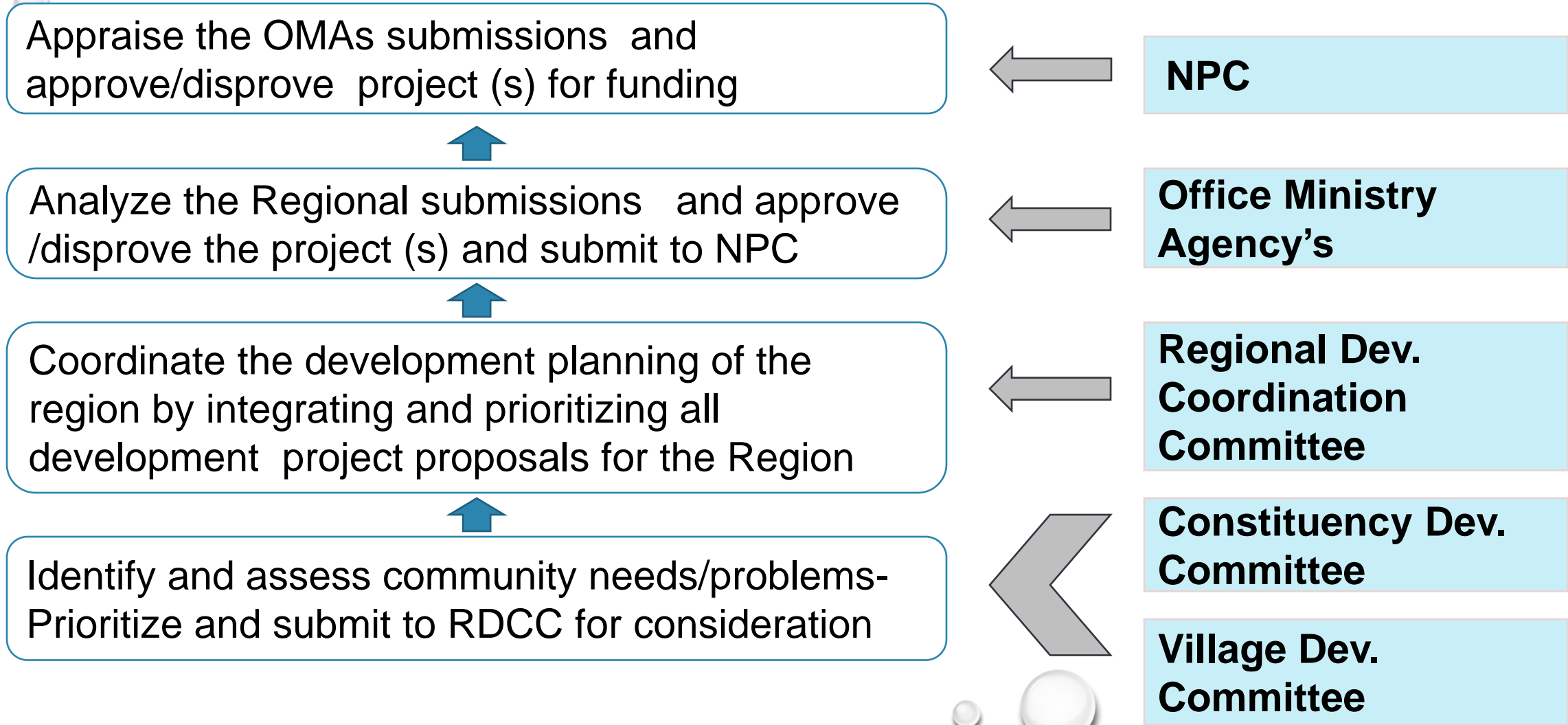
EVALUATION

- ❑ Measuring how far the project's objectives have been achieved and any other impacts that it has had.
- ❑ The evaluation should be results oriented and thus focus on outputs (short term results), outcomes (medium term results) and impacts (long term results).

PROJECT PLANNING : TOP DOWN APPROACH



PROJECT PLANNING : BOTTOM UP APPROACH



Source of information to guide the budget formulation Process

- General ledger reports & FDC reports (Ministry of Finance)
- Annual & Quarterly reports from OMA's
- Capital projects progress reports (Ministry of Works and O/M/As)
- MTEF Development Budget Books (2022/23- 2024/2025)
- Project Annual Implementation Plan from OMA's
- Projects Contracts signed
- Mid- Year Budget Review reports
- Virementation Reports

Determination of the Dev. budget allocations per Vote

- Budget Submission Request from OMA's (Projects being implemented and Projects scope)
- Expenditure for ongoing projects
- Projects with greater socio-economic impact
- Alignment to National Development objectives
- Projects with contractual obligation
- Project implementation phase

APPRAISAL of New Capital Projects

NPC will look at the following in appraising projects;

- If the project is aligned to NDP goals/objectives
- Proof of land ownership
- If feasibility study is viable/feasible
 - Financial Analysis
 - Socio-Economic Analysis
 - Risk Analysis
- if all required documents are attached
- Multi criteria Analysis for Ranking of Projects

APPRAISAL of ongoing Capital Projects

- ❑ Provided there is a deviations from the original parameters, Funding requirements, Timeframe, Scope of work
- ❑ However, if the additional request for funding is due to cost overruns or an increase in the scope of the project which was not part of the original planning documentation, a clear explanation and motivation needs to be submitted.

The image features a white background with several decorative elements. In the top-left and bottom-right corners, there are blue squares. Scattered throughout the background are numerous white, 3D-rendered bubbles of various sizes, some with soft shadows. The central focus is the text "Thank you!" written in a vibrant blue, cursive script. The word "Thank" is on the top line, and "you!" is on the bottom line, with the exclamation point being a simple vertical line with a dot.

Thank you!