



Kunene Regional Development Profile 2015

The Ultimate Frontier



Foreword

The Kunene Regional Development Profile is one of the regional strategic documents which profiles who we are as the Great Kunene Region, what we can offer in terms of current service delivery (strengths), our regional economic performances, opportunities, challenges and constraints.

In my personal capacity as the Regional Governor of Kunene Region and a Regional Political Head Representative of the government, I strongly believe that the initiation of the Kunene Regional Development Profile exposes our region's position and highlights the need to join forces with our development partners locally and internationally through outlined government programmes and regional activities.

When it comes to our Great Kunene Region, big and vast as the name sounds, there are critical issues that need to be given serious attention and this requires the cooperation of

all regional stakeholders. These issues include, rural infrastructural development, poverty and hunger, unemployment, especially youth, regional economic growth, HIV/AIDS pandemic, domestic or gender based violence and illegal poaching of our wildlife.

It must be understood clearly to all of us as inhabitants of this Great Kunene, and Namibians at large, that our regional vision has been aligned with our national vision. Taking into account the current impact of development in our region, we have a lot that we need to achieve within a limited period of time, hence commitment from Central and Regional Government is of the essence, especially regarding financial resource allocation and sound management of our available resources.

As a joint team, we should own this document and use it as a guide to addressing our regional needs, with the view to a prosperous region. As you are aware, the Kunene Region has a great responsibility not only to our

inhabitants and wildlife, but to areas beyond our region, through exploring and exposing everything Kunene has to offer.

I believe that if we rally together as a team, the aspirations and ambitions of our inhabitants outlined in this document can be easily transformed into successful implementation of socio and economic development in our region, which will guarantee job creation, economic growth, peace and political stability.

With these remarks, it is my honor and indeed a great pleasure to pronounce that this assembled piece of work will facilitate and direct visionary men and women from all corners of life to discover Kunene Region as the ultimate frontier to live, visit, invest and develop in Namibia.

Hon. Angelika Muharukua
GOVERNOR: KUNENE REGION

Executive Summary

The regional profile provides information on the development needs of the region for planning, budgeting and prioritization, to facilitate the development and management of the region's inhabitants in a way that ensures their well-being.

This regional development profile consists of five (5) chapters, namely; 1) Introduction to Kunene Region, 2) Regional Key Statistics, 3) Regional Development Areas, 4) Regional and Local Government and 5) Regional Competitive and Comparative Advantages.

Chapter one gives the background and location of the region. The region sees itself as the most ethnically and demographically diversified region, home to Namibia's indigenous ethnic groups, the Ovahimba, Ovavue and Ovazemba, whose lifestyle, tradition, values and culture have never changed to modernity even after centuries of colonialism. The name Kunene is derived from Kunene River, which forms the Northern boundary of the region and also the border between Namibia and Angola. Kunene Region is the second largest region in Namibia after //Karas Region and covers an area of 115, 293 KM² with 86 856 inhabitants.

The climate of the region is very dry during most of the year and temperatures during the summer period reach up to 35 degree centigrade on average. The region's landscape is mountainous in some parts, while other parts are hilly and undulating with some flat plains towards the Namib Desert. In chapter two, regional key statistics that show the population size, literacy rate and sex ration of the

region are highlighted. The number of households with access to safe water, number of households with access to health facilities and sanitation are also shown in this chapter.

Chapter three is the main chapter of the profile as it provides the regional development areas in terms of the economic and social sectors, infrastructure and private sector services. In Kunene Region, livestock production is one of the main sources of livelihood to many rural households. The trading of livestock during formal auctions especially in Outjo, Kamanjab, Khorixas and informal sales in Opuwo creates a source of income to many farmers in the region. In order to improve the livestock production, many programmes and initiatives are under way, such as the Community Based Rangeland and Livestock Management, Mentorship Programme, Namibia German Special Initiatives programme as well as the Breeding Animal Scheme.

Tourism is one of the growing sectors in the region due to its variety of scenery and wildlife. Kunene region boasts the presence of the big four, namely, the *Leopard*, *Elephant*, *Rhino* and the *Lion*, which can be found roaming freely in their natural environment. The mining sector is also rising significantly, particularly with minerals such as Iron ore at Orumana, Copper at Otuvani, Diamonds at Otjinungwa and Rare Earth at Khorixas. The infrastructure, specifically with regards to the roads network, is clearly illustrated in the map which indicates that only a distance of 550km of roads are tarred in the region, while the rest are gravel roads. The railway line distance in the region is only about 35 km that is from

Otjiwarongo in the Otjozondjupa region to Outjo. The Rural Electrification programme is moving at a slow pace due to the vastness of the region as well as the high cost of the programme, which makes it difficult for most places to be electrified. This is clearly indicated on the On-grid Power line network map.

Chapter four deals with the Regional and Local Government structures, giving information about the governing and administrative organs of the constituencies, and local authorities in the region. The region has seven constituencies and one municipality which is Outjo Municipal Council, while Khorixas and Opuwo are Town Councils. The region has one village council which is the Kamanjab Village Council. Kunene Regional Council administers three Settlement Areas namely Fransfontein Settlement Area, Okangwati Settlement Area and Sesfontein Settlement Area, as local authority areas according to the Local Authority Act of 1992 as amended.

Chapter five, which is the last chapter of this profile, discusses the competitive and comparative advantages of the region, which assist the region in leveraging its advantages for development. Kunene region sees itself as a tourist haven because of its wildlife and beautiful scenery as well as the traditions and culture of the indigenous groups of Ovahimba and Ovazemba.

There are opportunities for infrastructure development in the region such as the planned Baynes Hydro power plant and the envisaged Agra Fria Harbor.



Acknowledgements

I would like to express my gratitude and appreciation first to the prolific National Planning Commission for initiating and facilitating the compilation of Regional Development Profiles in Namibia, geared towards the creation of a repository for strategic regional information systems aimed at informing decision makers and development partners on key areas requiring intervention.

This document is a result of team work at its best, without which nothing was going to be achieved within the given timeframe. Kunene Regional Development Profile has been prepared, compiled and documented by a joint team of competent regional government officials and professional consultants under the guidance of their excellent political leadership.

Special thanks goes to the profile secretariat whose sleepless nights, strategic programming and coordination, undivided attention and stimulating suggestions led to the finalization of this profile. I would also like

to acknowledge, with much appreciation, the crucial role of all the stakeholders that constituted the implementation committee and high level committee whose sector knowledge and wisdom played a pivotal role in the discovery of tangible information that was needed in crafting this profile.

Special thanks to Cornerstone Joe Public Consultants for their editorial input, compilation of the comparative and competitive advantages and development of the brand strategy for Kunene Region. All institutions that provided various datasets of different formats are also recognized and acknowledged as critical path factors for providing on-time, tangible and systematic information relevant to the Kunene Region profile. Finally, I would like to recognize the participation of the Regional Inhabitants for their readership of this document.

Hon. Cllr. T.D. Murorua
CHAIRMAN: KUNENE REGIONAL COUNCIL

Kunene Regional Vision

“To be the fastest developing region that provides quality and accessible services and a hub for sustainable investments in Namibia by 2030”.

Kunene Regional Manifesto

“Welcome to the
Ultimate frontier;
bursting with originality,
raw soul and vast
opportunity. Welcome
to the **ultimate place
to explore**, live in, invest
and develop. Be the first
to experience the best.
Discover the best of
everything in Kunene.”

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Acronymns

KRC	Kunene Regional Council	CAA	Catholic Aids Action
KDP	Kunene Development Profile	PLWHIV	People Living with HIV
SEP	Sectoral Execution Plans	HIV/AIDS	Human Immune Virus/Acquired Immune Deficiency Syndrome
O/M/A's	Offices, Ministries and Agencies	RACOC	Regional AIDS Coordinating Committee
GIS	Geographical Information Systems	CACOCs	Constituency AIDS Coordinating Committees
IRDNC	Integrated Rural Development and Nature Conservation	MGECEW	Ministry of Gender Equality and Child Welfare
NTB	Namibia Tourism Board	OVC	Orphaned and Vulnerable Children
TSA	Tourism Satellite Account	GBV	Gender Based Violence
OROI	One Region One Initiative	MRLHRD	Ministry of Regional and Local Government, Housing and Rural Development
NHIES	National Household Income and Expenditure Survey	RDC	Rural Development Centre
CBRLM	Community Based Rangeland and Livestock Management	MoE	Ministry of Education, Arts and Culture
MAWF	Ministry of Agriculture, Water and Forestry	UNAM	University of Namibia
LPF	Livestock Producers Forum	COSDEC	Community Skills Development Centre
NCA	Northern Communal Areas	ATM	Automatic Teller Machine
NGSIP	Namibian German Special Initiative Programme	MoSS	Ministry of Safety and Security
ZPC	Zakumuka Producers Cooperative	CEO	Chief Executive Officer
MCA	Millennium Challenge Account	GDP	Gross Domestic Product
SME	Small Medium Enterprise	NamPol	Namibian Police
PPP	Public Private Partnerships	CAO	Control Administrative Officer
FMC	Forest Management Committees	ASEP	Annual Sectoral Execution Plans
NAC	Namibia Airports Company		
MWT	Ministry of Works and Transport		
SRF	Solar Revolving Fund		
MME	Ministry of Mines and Energy		
OGEMP	Off-Grid Energisation Master Plan for Namibia		
GIPF	Government Institution Pension Fund		
MTC	Mobile Telecommunications		
MICT	Ministry of Information, Communication and Technology		
NSA	Namibia Statistics Agency		
DBTP	Decentralised Build Together Programme		
BTP	Build Together Programme		
MHP	Mass Housing Programme		
MoHSS	Ministry of Health and Social Services		
PHC	Primary Health Care		
HEWs	Health Extension Workers		
HBC	Home Based Care		
NGOs	Non-Governmental Organisations		

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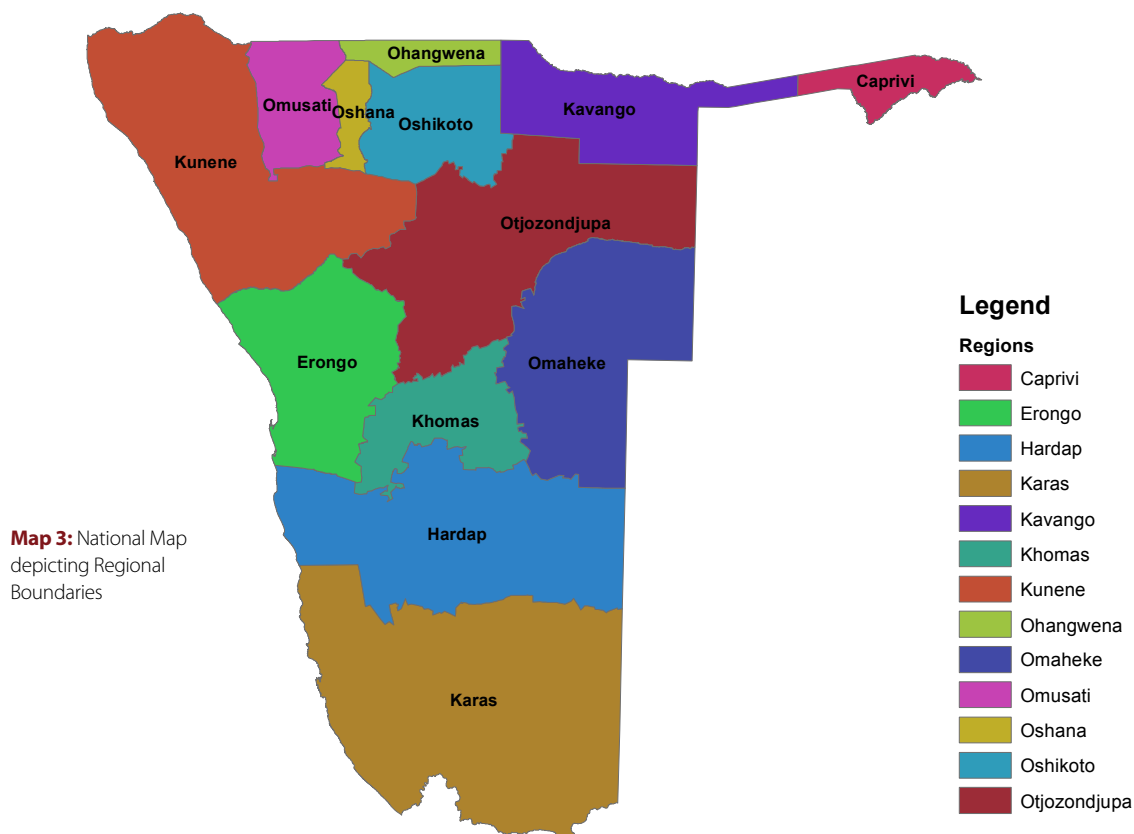




The Kunene River in the



northern part of the region forms an international boundary with Angola. Nationally, Kunene region borders Omusati Region to the east and south-east of Etosha National Park. In the south it forms the southern boundary bordering Erongo and Otjozondjupa regions respectively.



1.3 Size of the Region

The Kunene Region covers an area of 115,293 km² of the total Namibian land. This figure shows a population density of 1.6 persons per km². Kunene Region is the second largest region in Namibia after //Karas Region.

1.4 Population Demography

Kunene Region is home to 86,856 inhabitants (Census, 2011), representing 4% of the Namibian population. The region's population has grown by 26% since the 2001 census. The region is one of five regions with a population less than 100,000.

Table 1: Regions of Namibia: Total Population, Census 2011 (Namibia Statistics Agency)

	Total population
Namibia	2 113 077
Caprivi	90 596
Erongo	150 809
Hardap	79 507
Karas	77 421
Kavango	223 352
Khomas	342 141
Kunene	86 856
Ohangwena	245 446
Omaheke	71 233
Omusati	243 166
Oshana	176 674
Oshikoto	181 973
Otjozondjupa	143 903

A total of 44,968 (52%) inhabitants live in the northern parts of the region. This relative concentration of people in the northern constituencies is largely a result of communal land use and better conditions for animal husbandry and small-scale crop farming, compared to southern Kunene, which is predominately communal with some commercialized parts.

1.5 Age and Gender Distribution

The region's total population of 86,856 is made up of 43,253 female inhabitants and 43,603 male inhabitants. The male/female population ratio is 50:49 (Census, 2011:30).

Table 2: Population and percentage distribution by sex and area (Census 2011: 29)

Area	Total	Female	Percent	Male	Percent
Namibia	2 113 077	1 091 165	51.6	1 021 912	48.4
Urban	903 434	100	51.3	440 334	48.7
Rural	1 209 643	628 065	51.9	581 578	48.1
Caprivi	90 596	46 497	51.3	44 099	48.7
Erongo	150 809	70 986	47.1	79 823	52.9
Hardap	79 507	38 935	49.0	40 572	51.0
Karas	77 421	38 014	49.1	39 407	50.9
Kavango	223 352	118 591	53.1	104 761	46.9
Khomas	342 141	172 469	50.4	169 672	49.6
Kunene	86 856	43 253	49.8	43 603	50.2
Ohangwena	245 446	133 316	54.3	112 130	45.7
Omaheke	71 233	34 016	47.8	37 217	52.2
Omusati	243 166	133 621	55.0	109 545	45.0
Oshana	176 674	96 559	54.7	80 115	45.3
Oshikoto	181 973	94 907	52.2	87 066	47.8
Otjozondjupa	143 903	70 001	48.6	73 902	51.4

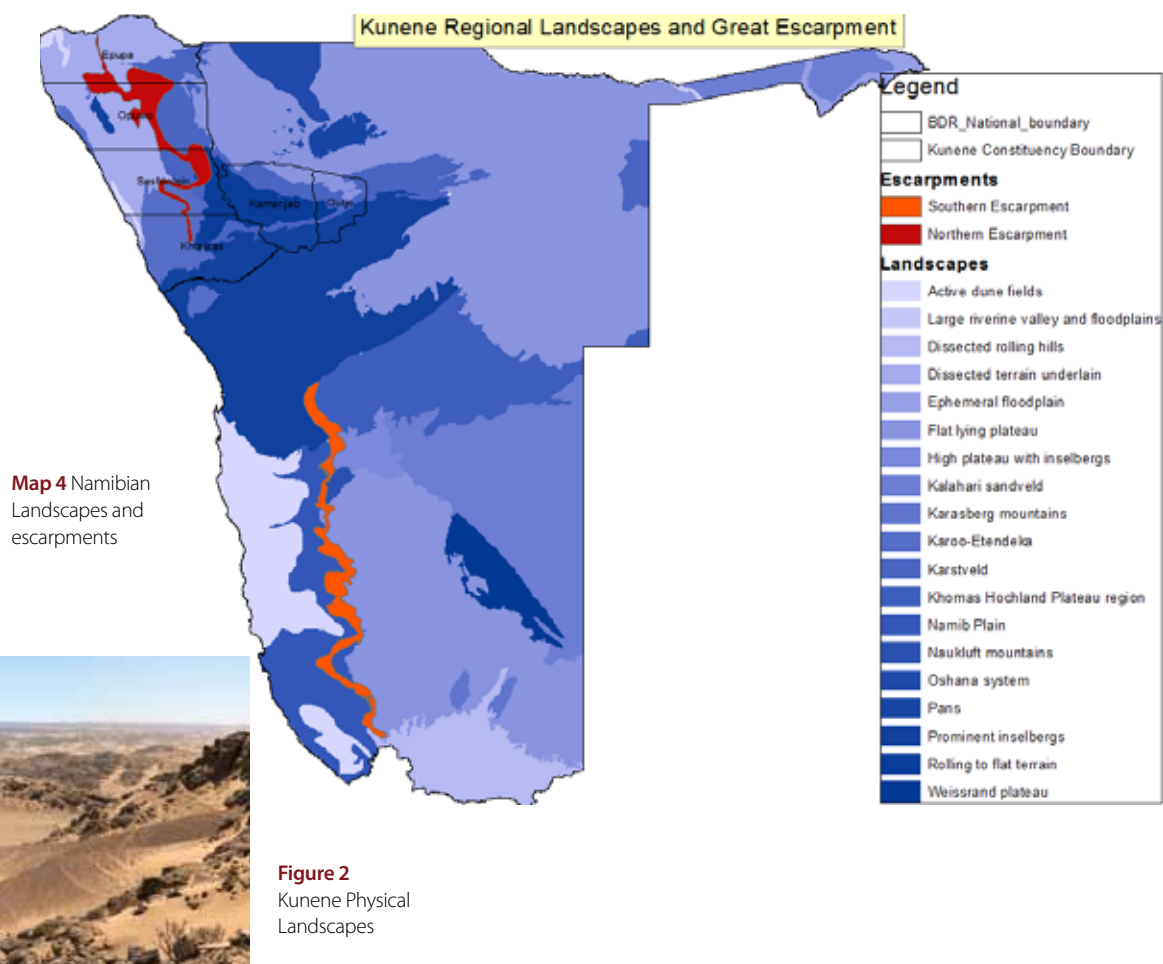
The Opuwo and Outjo constituencies are the most densely populated areas (Map 2) of the region. The region is predominantly young with a median age of 19, (Census, 2011). The same report indicates that the median age for the region's urban inhabitants

is 24 years, which is higher than the rural population. This is due to the migration of the working age population to urban areas.

1.6 Landscape

Kunene Region's physical geography is one of the virgin landscapes in the entire country. The natural mountainous landscape, rocks, minerals, soil, underground water, springs and rivers represent the region's valuable resources. Rock formation presents some mining potential that could benefit the region economically. The soil, underground aquifers, springs and perennial rivers have a major influence on agricultural production and tourism in the region.

Kunene Region is a paradise of geological formations dating back to 250 million years, with interesting spectacular rock formations that are clearly exposed. The region consists of a great variety of rock formations, most of them exposed in landscapes of valleys, escarpments, mountains and open plains.

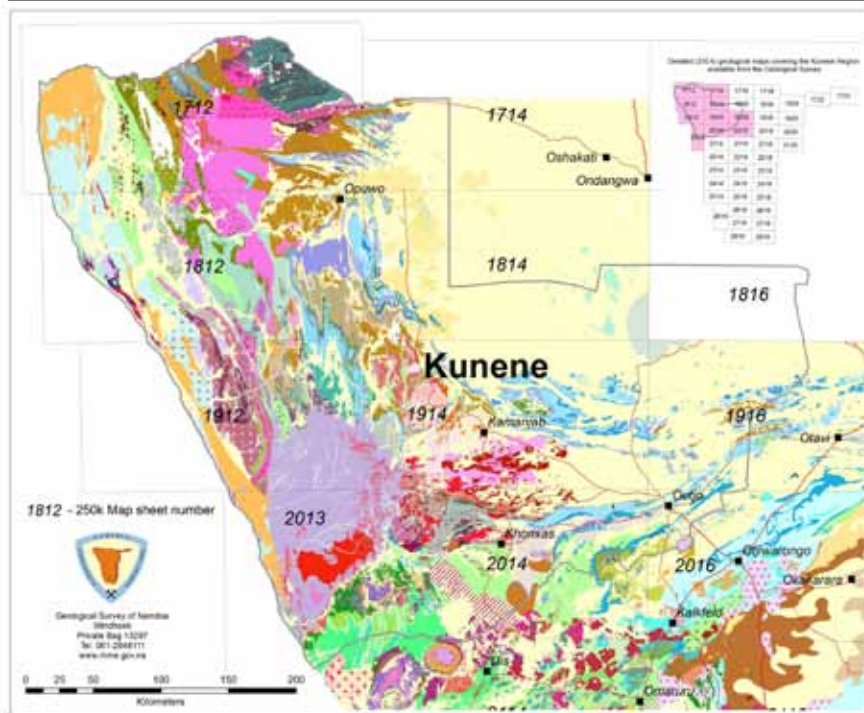


1.7 Climate

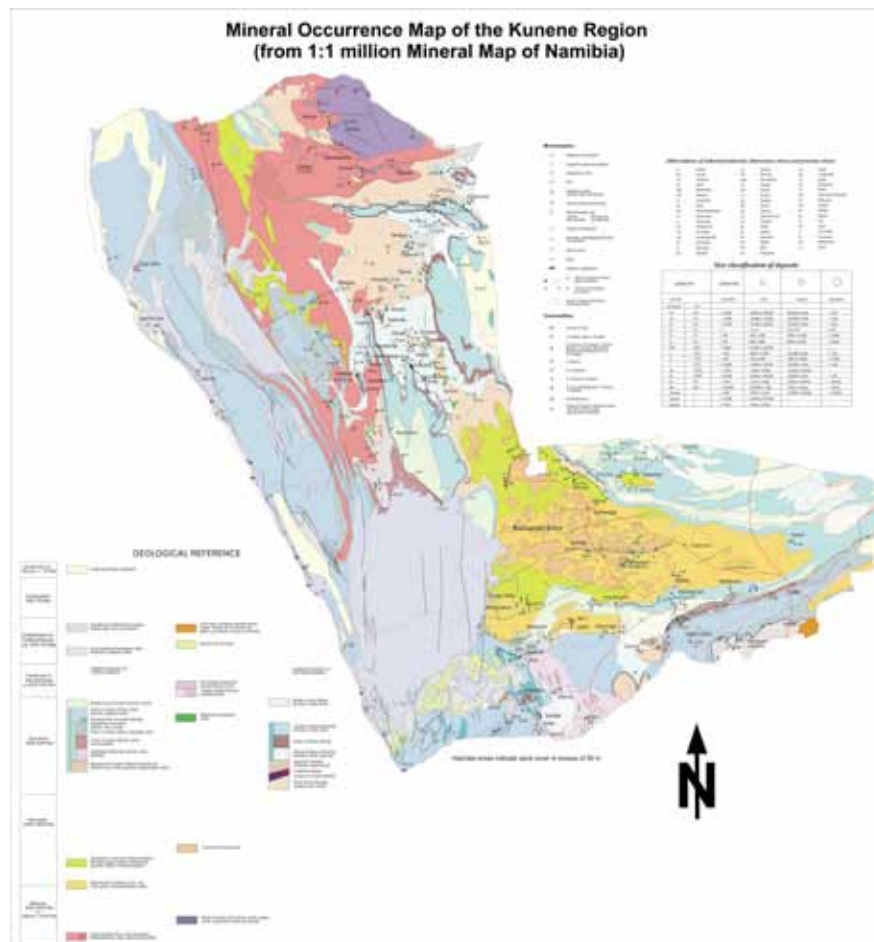
Annual rainfall figures increase from the west (Namib Desert) towards the eastern part of the region from less than 50 mm to 415 mm per annum and are very sporadic. Like the rest of the country, the region has an arid climate and a very short wet season, mainly extending from February to April. Rainfall also tends to decline from north to south. The first rains, though very little, usually fall in October and November followed by a dry spell in December. The western parts of the region usually receive fewer rains than the eastern parts.

The climate of the region is dry for most of the year and characterized by dust storms especially from August to October (Citation: MoHSS). The terrain is semi-arid and gradually becomes desert land towards the skeleton coast.

Summer day temperatures are often very hot reaching up to 35 degrees centigrade with minimum temperatures of 14 degrees centigrade on average. During winter months, the temperatures can range from an average of 5 to 26 degrees centigrade.



Map 5A: Geological map of Namibia



Map 5B: Geological map of Namibia

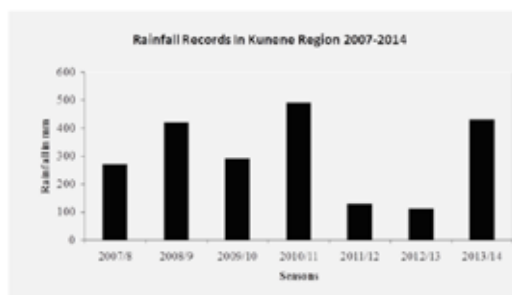


Figure 3: Kunene Region Rainfall Records

Climate change observations in the region are indicative of on-going natural variability. Changes in rainfall patterns in the last few years have had great impact on the livelihood of the inhabitants.

1.8 Fog belt

Fog is prevalent along the coastline, predominantly in the winter months. The eastern boundary is about 20 kilometres from the coast. The fog comes from a southerly direction off the cool Benguela current. Fog can on occasion extend up to 60 kilometres inland. An anti-cyclonic, high pressure cell overlying the South Atlantic Ocean normally drives west winds up to the escarpment preventing moist air masses that come from the east from penetrating the western desert areas. Only when the westerly winds and temperature inversion subside can rain clouds that have managed to cross this far across the continent from the Indian Ocean penetrate the desert areas to bring patchy thunder showers. During winter, the influence of the Atlantic high-pressure cell weakens and an extremely dry east wind blows (Mendelsohn et al., 2012).

1.9 Governance and Planning Structure

For effective development planning and administration, the region is subdivided into constituencies. Kunene Regional Council is a democratically elected institution positioned in the statutory and constitutional frameworks of the Republic of Namibia, headed by councilors, each representing their electorates at constituency level. The Council forms the highest governing board of the Region. In addition to the elected council, the Special Advisors and Regional Governors Act (Act No. 15 of 2010) makes provision for the appointment of the Regional Governor as a representative of the President at regional level. This process paves the way for good governance and plays a pivotal role in development needs assessment and analysis, identifying and articulating the needs and aspirations of the people at grassroots level as well as coordinating their efforts with the various line ministries with a view to finding solutions to local problems.



Governor: Hon. Angelika Muharukua
Kunene Region



Chairman: Hon. Cllr. T.D. Murorua
Kamanjab Constituency



Hon. Cllr. S.I. !Gobs
Khorixas Constituency



Hon. Cllr. N.J.P. Muharukua
Epupa Constituency



Hon. Cllr. A. Job
Outjo Constituency



Hon. Cllr. K. Tjeundo
Opuwo Constituency



Hon. Cllr. H. Gaobaeb
Sesfontein Constituency

Figure 4: Kunene Region Governance Structure

In Namibia, planning is “for the people” and is engineered to advance the wellbeing and socio-economic aspirations of the region’s inhabitants. Regional planning takes place at many levels and scales of governance. Development planning follows both top-down and bottom-up planning processes. The top-down planning strategy is focused on keeping the decision making process at the highest governance level (e.g. Cabinet directives such as regional rural sanitation and mass housing). The scale of governance varies from a cabinet directive through to a regional council and/or local authority resolution.

On the other hand, bottom-up planning makes provision for the lowest localities to get involved in initiating projects, where each area includes their distinctive needs. In Kunene Region, bottom-up planning starts at locality level, Settlement Development Committee level, Constituency Development Committee level, Regional Development Committee Level and is channeled to the line Ministries for recommendations, and Parliament for approval.

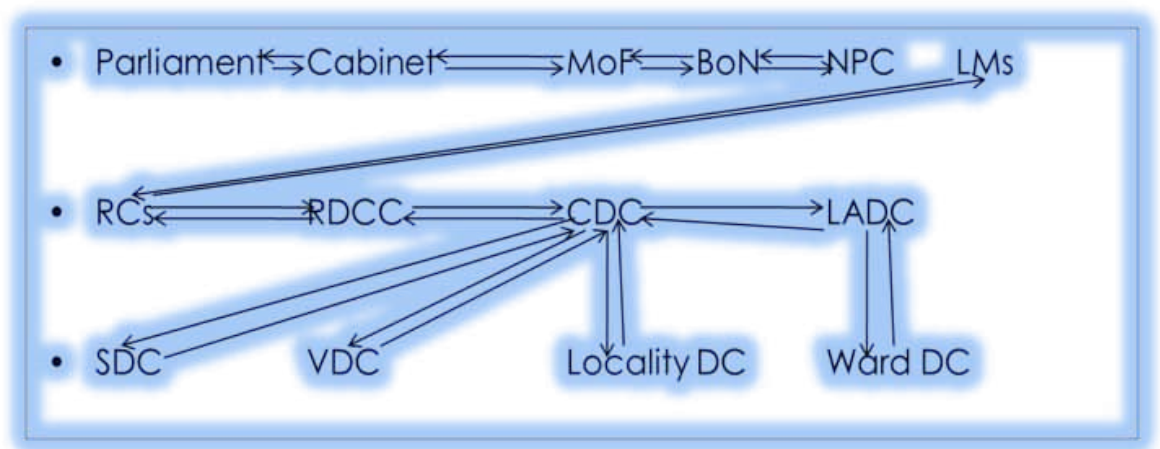


Figure 5: Namibia Planning Structure

1.10 Methodology

This profile adopted a descriptive and explanatory research approach that attempts to describe systematically and clarify Kunene Region’s planning, budgeting and the prioritization of regional services as well as highlight competitive and comparative advantages of the region in order to attract investment.

A multidisciplinary methodology for primary and secondary data collection, analysis and profile write-up was utilized in order to reach desired results. A Desktop review of all the latest available secondary data/information related to the region was conducted, the procedure included direct observation of data from exclusive electronic sectoral media, literature and the application of formal objective data measurement technical know-how.

The use of Geographical Information Systems (GIS) to describe the spatial characteristics of each constituency and urban localities’ demographic, socio-economic, developmental projects/programmes and/or bottlenecks and their comparative and competitive advantages played a pivotal role in exhibiting such information at a high level of abstraction. The objective here is to develop spatial understanding and awareness in order for stakeholders to have clear geographical reference points of development in the region as well as resource location based potential analysis. Moreover, the use of GIS improves the understanding of spatial planning, development programming and resource availability aimed at attracting potential developmental and investment partners whose knowledge of Kunene Region and its geo-constituency areas is limited.

Stakeholders were engaged for reviewing and confirming the validity of facts.



Chapter 2

Regional Key Statistics

2.1 Introduction

This section mainly focuses on key statistics to summarize the entire region, including statistics on the unemployment rate, and households with access to safe water, health facilities and sanitation.

Table 3: Kunene Region Census Selected Indicators (Regional Profile 2011: iii)

	2011	2001		2011	2001
Population size			Labour force, 15+ years, %		
Total	86 856	68 735	In labour force	67	57
Females	43 253	34 237	Employed	64	77
Males	43 603	34 487	Unemployed	36	23
Sex ratio: Males per 100 females	101	101	Outside labour force	24	37
Age composition %			Student	30	19
Under 5 years	17	15	Homemaker	30	56
5-14 years	25	26	Retired, too old, etc.	40	25
15-59 years	51	48	Housing conditions, %		
60+ years	7	7	Household with		
Marital status: 15+years, %			Safe water	67	73
Never married	56	52	No toilet facility	63	65
Married with certificate	13	12	Wood/charcoal for cooking	32	22
Married traditionally	18	17		51	81
Married consensually	9	13	Main source of income, %		
Divorced/Separated	2	2	Household main income		
Widowed	3	4	Farming	32	35
Private households			Wage & salaries	41	37
Number	18 495	12 489	Cash remittance	5	7
Average size	4.6	5.3	Business, non-farming	8	7
Head of household, %			Pension	12	10
Females	40	40	Disability, %		
Males	60	60	With disability	4	5
Literacy rate, 15+ years, %	65	59			
Education, 15+ years, %					
Never attended school	37	40			
Currently at school	9	23			
Left school	50	34			

Table 4: Unemployment Statistics of the Kunene Region**Unemployment Statistics of the Kunene Region (Regional Profile, 2011)**

AREA	In Labour Force		Unemployed and looking for a job			Percent			
	Total	Female	Male	Total	Female	Male	Total	Female	Male
Kunene	32 937	15 303	17 634	7 851	4 172	3 679	23,8	27,3	20,9
Urban	10 845	5 751	5 094	3 529	2 003	1 526	32,5	34,8	30,0
Rural	22 092	9 552	12 540	4 322	2 169	2 153	19,6	22,7	17,2
Epupa	4 994	2 540	2 454	762	378	384	15,3	14,9	15,6
Kamanjab	4 032	1 532	2 500	600	377	223	14,9	24,6	8,9
Khorixas	5 310	2 526	2 784	1 601	825	776	30,2	32,7	27,9
Opuwo	9 479	4 649	4 830	2 647	1 316	1 331	27,9	28,3	27,6
Outjo	6 074	2 643	3 431	1 394	825	569	23,0	31,2	16,6
Sesfontein	3 048	1 413	1 635	847	451	396	27,8	31,9	24,2

Table 4 above shows that the total labour force available for work totals 32,937 in the Kunene Region. A total of 23,8% of the region's labour force is unemployed. The constituency with the highest unemployment figures is Khorixas with 30% unemployment, followed by Opuwo (27,9%) and Sesfontein (27,8%) unemployment. The region's unemployment figures also show that there are more women who are unemployed compared to men.

2.2 Households with access to Safe Water

According to table 5 below, approximately 67% of the households in the region have access to safe water. The majority of those with safe water (94%) are found in the urban areas of the region. Only 54% of the rural population has access to safe drinking water. 44% of the rural population is reliant on unsafe water for cooking and drinking (e.g. unprotected wells, boreholes with open tanks, rivers, dams, streams and canals).

This is not safe for human consumption, as the inhabitants are then prone to water borne diseases. The population and housing census (Census, 2011) shows that 13% of Epupa Constituency relies on unsafe water provision for their household consumption.

Table 5: Distribution of Households by main source of water (Regional Profile, 2011)

Area	Households	Piped Water Inside	Piped Water Outside	Public Pipe	Borehole with Tank Covered	Well Protected	Safe water	Borehole with Open Tank	River/ Dam/ Stream	Canal	Well Un-protected	Other
Kunene	18 495	13.3	19.0	16.2	16.6	2.0	67.1	8.3	18.0	0.1	4.0	2.5
Urban	5 716	31.0	28.7	34.2	0.1	0.1	94.1	0.1	0.2	0.0	0.6	5.0
Rural	12 779	5.4	14.6	8.2	24.0	2.8	55.0	12.0	25.9	0.1	5.6	1.4
Epupa	2 781	1.2	2.8	3.2	18.9	2.7	28.7	11.3	46.5	0.1	13.3	0.0
Kamanjab	2 391	13.8	40.1	11.5	17.1	0.4	82.8	5.8	10.0	0.0	0.0	1.3
Khorixas	3 132	24.6	25.4	14.2	13.5	0.4	78.1	4.1	14.4	0.1	0.1	3.2
Opuwo	5 178	8.7	14.6	19.2	15.0	4.2	61.6	11.4	15.1	0.0	6.2	5.6
Outjo	3 279	23.7	19.4	30.3	15.2	0.8	89.4	5.0	4.8	0.2	0.2	0.4
Sesfontein	1 734	6.1	16.6	11.8	25.1	1.4	61.0	11.5	23.0	0.2	2.5	1.8

2.3 Households with access to Health Facilities

Table 6 : Health Facilities in Kunene Region

Description/Type	Quantity	Ownership
Hospital	3	GRN
Health Centre	3	GRN
Clinics	22	GRN
Health Districts	3	

2.4 Sanitation (flush toilets)

The Kunene Regional Profile shows that approximately 63% of the Kunene Region's population does not have access to proper toilet facilities and 27% have access to flushing toilets. 15% of the rural population has access to flushing toilets, compared to 55% in the urban areas. Epupa constituency has the most households without flushing toilet facilities (91%).

Table 7: Percentage Distribution of Households by Type of Main Toilet Facility and Area

Area	Households	Private Flush Connected to Sewer	Shared Flush Connected to Sewer	Private Flush Connected Septic/Cesspool	Shared Flush Connected Septic/Cesspool	Pit with Ventilation Septic/Pipe	Covered Pit Latrine without Ventilation Pipe	Uncovered Pit Latrine without Ventilation Pipe	Bucket Toilet	No Toilet Facility	Other
Kunene	18 495	16.2	7.0	2.3	1.8	4.3	1.8	1.0	1.7	63.2	0.7
Urban	5 716	38.8	13.4	1.9	0.9	5.8	1.3	1.0	1.2	34.9	0.7
Rural	12 779	6.1	4.2	2.5	2.3	3.7	2.0	0.9	1.9	75.8	0.7
Epupa	2 781	0.9	0.3	0.6	0.5	2.7	0.3	1.1	1.0	91.9	0.6
Kamanjab	2 391	15.4	13.2	6.7	6.4	2.2	2.6	1.2	1.4	49.1	1.8
Khorixas	3 132	34.7	11.4	0.9	1.0	3.5	2.4	0.8	2.8	42.3	0.2
Opuwo	5 178	9.2	6.4	0.4	0.6	4.6	1.4	1.5	1.5	73.8	0.6
Outjo	3 279	28.8	6.3	5.3	2.6	6.3	1.1	0.2	1.7	47.3	0.4
Sesfontein	1 734	5.8	4.6	1.2	1.8	6.7	4.0	0.7	1.3	72.6	1.3



Chapter 3

Regional Development Areas

3.1 Introduction

This chapter focuses on providing an overview of the current development areas of the Kunene Region on economic and social sectors, infrastructure and private sector services. It further expands on the agricultural, mining and tourism sectors of the region.

3.2 Section A Economic Sector

The 2011 census report shows that the sources of income in the Kunene Region are derived from farming, business activities, wages and salaries, old-age pension, cash remittances, retirement funds, grants for orphans and vulnerable children (OVCs) and grants for people living with disabilities. The main source of income in the region (41%) is derived from salaries and wages, while the lowest is derived from orphan grants (0,5%). In the urban areas, 53,6% of households reported that their main source of income is derived from wages and salaries, while farming (42,9%) dominated as a source of income in the rural areas (Census, 2011).

Table 8: Labour force participation rate table, (Regional Profile 2011: 29)

Area	Population	In labour Force		Labour Force participation rate			Total	Female	Male		
		Total	Female	Male	Total	Female				Male	
Kunene		49 117	24 515	24 602		32 937	15 303	17 634	67,1	62,4	71,7
Urban		15 001	8 155	6 846		10 845	5 751	5 094	72,3	70,5	74,4
Rural		34 116	16 360	17 756		22 092	9 552	12 540	64,8	58,4	70,6
Epupa		8 242	4 502	3 740		4 994	2 540	2 454	60,6	56,4	65,6
Kamanjab		5 194	2 257	2 937		4 032	1 532	2 500	77,6	67,9	85,1
Khorixas		7 752	3 833	3 919		5 310	2 526	2 784	68,5	65,9	71,0
Opuwo		15 115	7 816	7 299		9 479	4 649	4 830	62,7	59,5	66,2
Outjo		8 063	3 844	4 219		6 074	2 643	3 431	75,3	68,8	81,3
Sesfontein		4 751	2 263	2 488		3 048	1 413	1 635	64,2	62,4	65,7

Table 8 above shows a labour participation rate of 67,1% of the region's inhabitants; this rate is higher for males (71,7%) than females (62,4%). The labour force participation rate is higher in the urban areas when compared to rural areas. The report also indicates that at a constituency level, Kamanjab (77,6%) has the highest labour participation rate and Epupa (60,6%) the lowest.

The main industries of employment in the region are found in the Agriculture, Forestry and Fishing sectors (11,283), followed by administrative and support services (1,648), then the education sector (1,126) then the wholesale and retail trade and finally repair of motor vehicles (1,59). The Fishing industry is, however, less prevalent in the Region.

3.2.1 Agriculture

3.2.1A Livestock Production and Programmes for Sustainability

In Kunene Region, livestock production is one of the key sources of livelihood to many rural households. The trading of animals during formal auctions especially in Outjo, Kamanjab, Khorixas and informal sales in Opuwo, creates a source of income for farmers residing in these constituencies.

The exportation of animals from Kunene Region to neighboring countries continues to boost the economy of the region. In support of the industry, the Government established 5 Quarantine camps to improve the quality and health of animals marketed:

namely, at Swartbooi Drift, Ehomba, Khwarib, Condor, Palmwag, Otjakati and Omutambo-maowe, which is situated in Omusati region but under the jurisdiction of Opuwo state veterinary office.

3.2.1B Livestock Improvement Programmes

There are various livestock programmes currently being run in the region to support farmers. Some of the programmes are discussed below:

3.2.1B1 Community Based Rangeland and Livestock Management (CBRLM)

This is a project of the Ministry of Agriculture, Water and Forestry (MAWF) spearheaded by IRDNC. CBRLM is based on the collective planning and management of natural resources, livestock and skilled herders. It is proven, that CBRLM will lead to improved rangeland management which will increase livestock production and in turn improve farmer livelihoods.

The CBRLM project is predominantly implemented in the Kunene North with 14 grazing areas, namely, Erora, Otjombande, Outokotorua, Ejara, Okasuviro, Rooidrom, Orunguru, Otjomitjira, Omisema, Ondundombapa, Okanandjira, Otjijarua and Otjitungane.

3.2.1B2 Mentorship Programme by Livestock Producers Forum through the Meat Board of Namibia

The Meat Board of Namibia provides information on the Farmers Mentorship Programme, which can be traced back to the Livestock Producers Forum's (LPF) decision to extend support to livestock producers in the Northern Communal Areas (NCAs). The programme's long term goal is to transform traditional communal livestock keepers in the NCAs to market-driven or commercially-oriented livestock producers capable of producing premium quality meat for export markets.

According to the information from the Meat Board and Livestock Producers Forum (LPF), Kunene Region has 17 mentees and received amongst other things, training on animal welfare and supplementary feeding, with the aim to ultimately meet the objectives of the programme.

3.2.1B3 Namibian German Special Initiative Programme (NGSIP)

The Namibian German Special Initiative Programme (NGSIP) has donated goats to beneficiaries in the region. The beneficiaries were mainly from Outjo, Khorixas and Sesfontein constituencies. The total goats allocated were approximately 200 to 110 beneficiaries.

3.2.1B4 Bull Scheme

The main aim of the Scheme is to assist communal livestock farmers to improve the genetic quality of their herds. Through this scheme the MAWF provided 30 bulls and 10 rams in the region during the 2013/14 financial year.

3.2.1C Livestock Marketing Strategies

Livestock marketing co-operatives such as Zakumuka Producers Cooperatives were established in Kunene Region. These co-operatives are now functional and have facilitated several auctions during previous financial years, bringing in commission earnings.

3.2.1C1 Auctions

In the region, livestock auctions take place in Kamanjab, Khorixas Outjo, Opuwo, Sesfontein and Epupa constituencies. The organization and programming of auctions is usually the responsibility of auctioneers and agents whose reason for existence is to bring sellers and potential buyers together. Prices are determined through demand and supply mechanisms.

Some prominent auction kraals in the region have fixed scales or in most cases the auctioneers carry mobile scales that allow the trader (buyer and seller) to determine the exact weight of the animals on offer. Traditionally, the quantity and diversity of livestock on offer attracts more buyers, resulting in fierce competition leading to better prices. Auctioneer commissions are payable by the farmer and are deducted from the selling price. This commission varies between auctioneers of which, in the region, ranges from 4-6%. Upon selling, farmers receive their money immediately, animals change ownership and full responsibility thereafter rests with the buyer. The prominent auctioneers in the region are Meatco, Agra, Karoo and Blauwberg.

3.2.1C2 Permit Days

Permit days in the region are mostly executed by Meatco; particularly in Sesfontein, Opuwo and Epupa constituencies. During permit days, Meatco purchases livestock at pre-determined prices on a given day at a given venue. On the day of sale, animals are

weighed by a Meatco procurement officer and the pre-determined price for that specific type (male, female, age, etc.) and weight category is immediately paid out to the farmer. The farmers have the right to accept or reject the price offer. Ownership of the animal/s changes immediately upon completion of the transaction.

3.2.1C3 Speculators

Speculators are informal traders that move around and buy livestock according to their individual needs and this trend is prevalent in constituencies such as Sesfontein, Opuwo and Epupa respectively. The majority of speculators in Kunene Region (north-western) don't make use of scales, animal prices are based on verbal negotiations between the buyer and seller.

3.2.1C4 Barter System

Barter system is common in most communal areas of the Kunene Region. However, this system is practiced on a very small scale, notably at village level.

3.2.1D Development of Marketing Infrastructures

Livestock marketing in the region, especially in Sesfontein, Opuwo and Epupa constituencies has been a major problem due to lack of proper livestock marketing facilities. The Ministry of Agriculture, Water and Forestry (MAWF) embarked upon a national project known as Support to Livestock Marketing Infrastructure development in Communal Areas in order to increase livestock off-take (meaning: to encourage farmers to sell more and keep less). The objective of the project was to construct and/or upgrade livestock marketing facilities in communal areas as well as train farmers to manage and maintain their livestock marketing facilities.

MAWF constructed a state of the art auction kraal in Opuwo (Otjorongondo Auction Kraal), which was an investment of N\$3 million. In addition, the MAWF in collaboration with Millennium Challenge Account (MCA) upgraded Otjokavare auction kraal to a modern kraal with ablution facilities, offices and electronic scales, at a cost of N\$3 million. The ministry also made budgetary provisions to build a modern auction kraal at Anker in Sesfontein constituency.



3.2.1E Programmes for the Directorate of Veterinary Services

3.2.1E1 CBPP and FMD Freedom Programme

This programme is aimed at eradicating diseases in the Northern Communal Areas (NCAs), in order to create markets for livestock at regional and international levels.

The Namibia livestock identification and traceability system is being implemented to create the ability to track and trace animals for the purposes of:

- Managing animal disease surveillance and control programmes,
- Validating animal health status claims and meat safety guarantees, and
- Facilitating regional and international trade

3.2.1E2 Crushpen Construction and Repairs

These facilities are aimed at improving animal handling, thus contributing to better disease surveillance and better animal health.

3.2.1F Crop Production and Management

Currently, most of the crop production is seasonal except Benny Ganuseb Crop Garden in Sesfontein, which is producing on limited scale throughout the year, but requires financial injection in order to address the needs of the region in terms of food security.

The Kunene Region has good zones for agricultural crop productions, such as maize, wheat, carrots, pumpkins, beans etc. The places with high potential for Green Scheme and small-medium crop productions are in Warmquelle, Khowarib, Kaoko–Otavi, Ehomba, Otjandjasemo, Tsumamas, Swartbooi Drift, Otjinungua, Queen Sophia and Eersbegin.

In support of the sector's economic activities, Kunene Regional Council has sponsored Outjo Pig Farming and Kaoko-Otavi irrigation and Water supply through Small Capital Project.



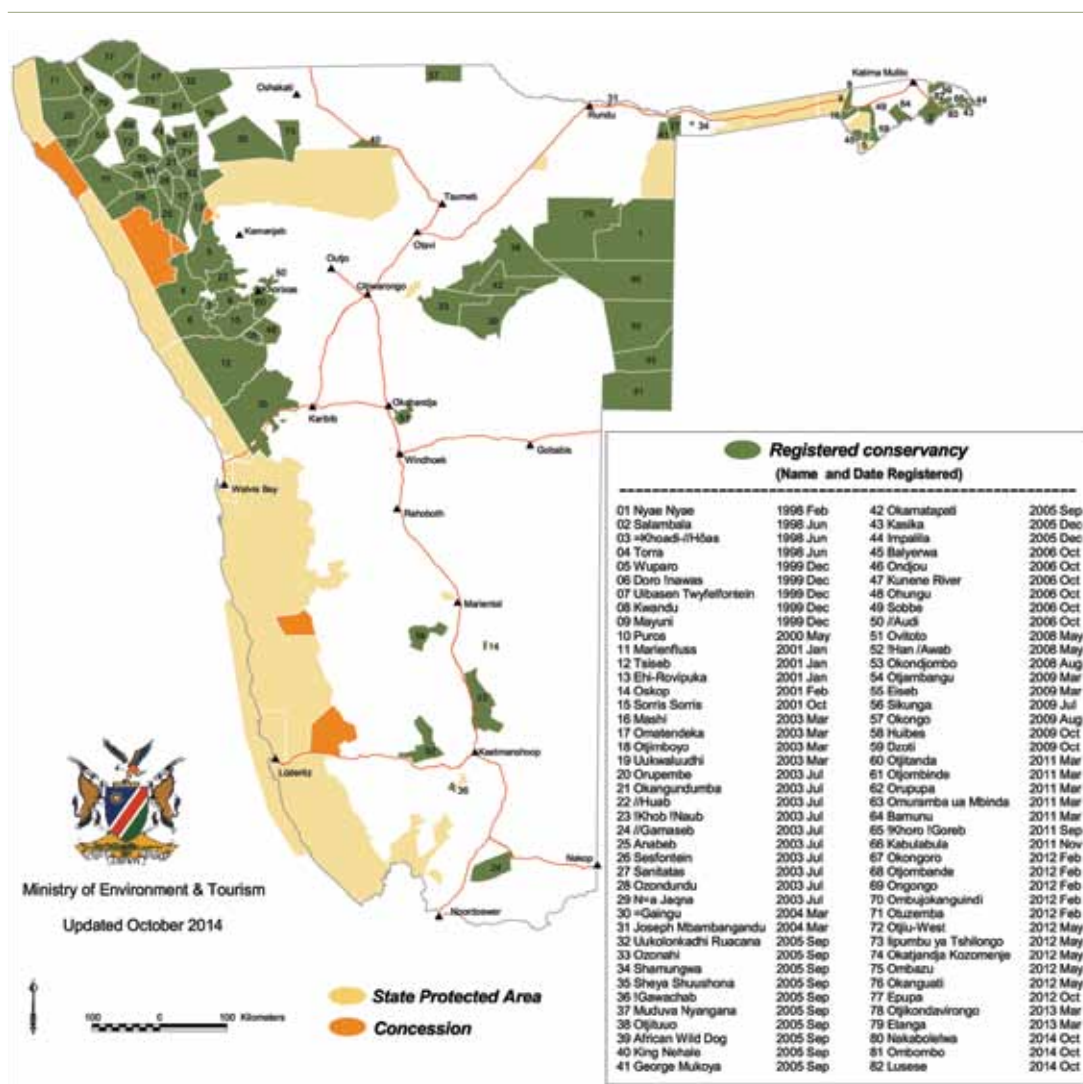
3.2.2 Tourism and Wildlife

Kunene region is classified as a prime tourist destination due to its rugged landscapes and ancient traditional diversity and practices. Tourism has been identified as a key economic sector for the region, predominated by wild animals in national parks and conservancies. The potential for further tourism development is very high due to its scenic beauty, wildlife and the culture of its inhabitants.



Eco-tourism in joint operations with community-based natural resource management is likely to be one of the region's major economic drivers. This is due to the continuous increase in the region's wildlife numbers, which has led to the region becoming a major eco-tourism destination (Citation: Integrated Rural Development and Nature Conservation - IRDNC). Although previously disadvantaged groups are not exposed in this sector, the potential of reducing rural poverty through Eco-tourism, in many parts of the region, is high. The creation of conservancies has boosted direct economic benefit to the communities' region-wide, in particular to the communal areas of Kunene Region. There are currently 79 registered communal conservancies in the country of which 37 are in the Kunene Region, representing 46% (MET). The conservancies generate approximately N\$70 million per annum (Citation: Namibia Tourism Expo) through consumptive use of their wildlife, sustained by well conserved forests.





The number of tourists has drastically increased due to intensive regional marketing by the Namibian Tourism Board (NTB). The most popular tourism hot spots are located in Opuwo town (i.e. Ovahimba and Ovazemba traditional attires), Kunene River (Epupa Falls), Khorixas (Twyfelfontein– World Heritage Site, the Burned Mountain, Organ Pipes, and the Petrified Forest), Kamanjab (VingerKlip), Sesfontein (Ugab River Mouth, Warmquelle-hot springs, Skeleton Coast) and Epupa (Swartbooi Drift – Dorsland Trekkers).



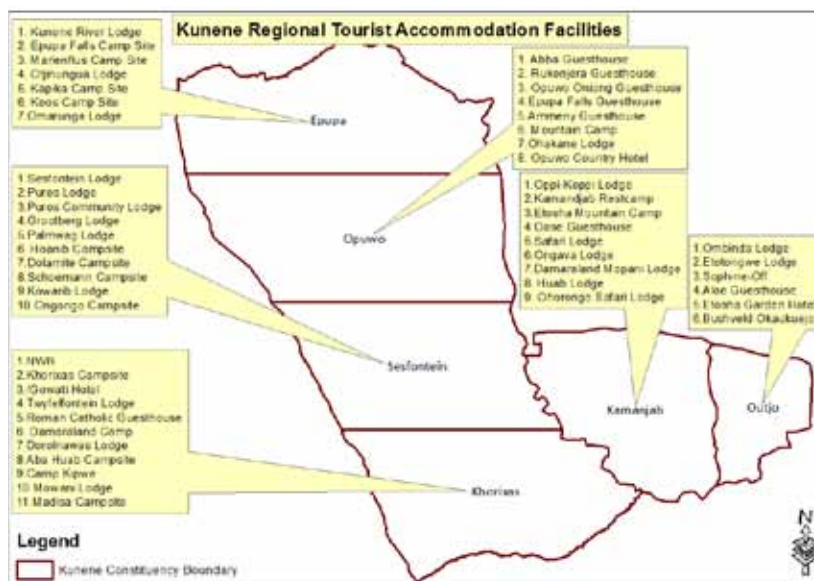
The popular tourist routes are Hartmann's and Marienflus Valleys, steep Van Zyl's Pass, Hoarusib (Puros) and Hoanib Rivers, and Sesfontein route.



Map 7: Popular Tourist Routes

3.2.2A Popular Accommodation Facilities

Tourist accommodation establishments in the region include the following:



3.2.2B Tourism Development Challenges

- Lack of institutionalized regional tourism marketing strategy
- Lack of regional Tourism Board Satellite Offices
- Limited coordination of funds for regional advertisement of tourism products and services
- Insufficient tourism information centers in the region

3.2.2 C Investment Potential in the Tourism Sector

Kunene Region is a hub for tourism activities and investments due to the geography and population demographics. The coastal areas of the region present the greatest potential for investment in tourism accommodation facilities, recreational tour facilities, game and landscape tourism as well as cultural/traditional tourism venture investments. The places in the region with potential for tourism facilities and accommodation are Opuwo Town, Kamanjab Village, Outjo Town, Okangwati Settlement Area, Sesfontein

Settlement Area, Fransfontein Settlement, Swartbooi Drift, Skeleton Coast, Khorixas Town, and Epupa Water Falls.

In support of the tourism industry, Kunene Regional Council has supported the following tourism projects through Micro financing and One Region One initiative (OROI):

- Zebra Camp site- Sesfontein Constituency
- Ekoto Camp site- Opuwo Constituency
- Youth Camp site - Epupa Constituency

3.2.3 Trade and Industrial Development

Trading activities in the region are predominately confined to retailing businesses and are geographically spread across the region. The development and expansion of SME Parks in urban areas will radically boost the economy by attracting investors in the region. Primary and secondary industries found in urban areas are:

- Butcheries
- Charcoal processing plant
- Toilet paper factory
- Brick-making plants
- Small-scale mining

The setting up of industries requires the intervention of private sector investments through special purpose vehicles (SPVs) and public private partnerships (PPPs). These industries will boost the regional economy by creating employment, and supporting value-addition to the region's resources.

3.2.4 Forestry

Kunene is a region with virgin and unspoiled biomes such as forests and coastal areas. The unspoiled ecology of the region is a result of conservation efforts by the community, through the establishment of community based land management systems.

It is important to note that exploitation of existing woodlands for domestic and commercial use is already resulting in environmental degradation. Moreover, the establishment of cattle posts and homesteads in conservancies has increased the incidences of wildlife conflict in the region, especially in the areas of Sesfontein, Opuwo, Epupa and Khorixas constituencies.

3.2.4A Raw Materials

- Gums for *Commiphora wildii* (local name Omumbiri)
- *Colophospermum mopane* seeds (local name Omutati)

The above raw materials are subsequently transformed into products such as:

- Body lotion
- Perfumed oil

The harvesting of the below forest products in the region requires permits issued by traditional authorities and Directorate of Forestry.

- Firewood
- Poles, and
- Droppers

3.2.5 Mining

Kunene Region offers great opportunities for mineral exploration due to its rock and mountainous formations, which are pivotal for regional economic growth and development. Exploration and discovery of mineral resources is at an advanced stage and if found economically viable, could contribute significantly to the economic growth of the region.

According to the Namibia Chamber of Mines' 2013 annual review, the Koako Base Metals Project have discovered Okanihova Copper targets and confirmed that there is a body of Iron-Ore at Otuziru (e.g. Lead, Zinc and Silver deposits). In addition, Teck Namibia Limited have also been exploring for Copper in the Kunene Region.

The region is host to large reserves of mineral deposits and resources due to ancient geological formations. Extensive mineral exploration activities are underway in and around mountainous areas in the region and preliminary results show the following mineral deposits as prevalent in the region:

- Iron ore - Orumana, Otjondeka
- Copper – Otuari and Ohamaremba
- Diamonds – Kunene Mouth and coastal area
- Gemstones – Otjinungwa, Swartbooi Drift
- Semi-precious stone – Khorixas area
- Rare Earth – Khorixas area

A large number of concessions and claims for small-scale mining are registered, but many remain unexplored. Currently, small-scale mining activities in the region are operating in Opuwo rural, Epupa and Khorixas constituencies. International investors within the mining sector are encouraged to engage in Public Private Partnerships (PPPs) with local communities, thereby addressing the inequitable distribution of mineral resources in the region.

3.2.6 Fisheries and Marine Resources

The fishing activities in Kunene Region are observed at:

- Terrace bay
- Mowe Bay
- Along Kunene River

In addition, the Ministry of Fisheries has also established aqua-culture projects in Fransfontein and Okandombo.

3.3 Section B Social Sector

3.3.1 Introduction

The constitution makes provision for every citizen to have the right to adequate housing and it is the state's responsibility to put measures in place to realize this right. Kunene Region shows that out of a population of 86,856 people only 18,495 households have an average size of 4 people per household. The NSA population and housing census 2011 shows that 41% of the houses are traditional dwellings. In addition, 16.8% of households in urban areas live in shacks (impoverished housing units).

3.3.2 Housing

Under the decentralization policy, the Kunene Regional Council and Local Authorities were mandated to coordinate and construct Decentralized Build Together Programme (DBTP) houses in their respective jurisdiction. Many inhabitants living in towns and settlement areas benefited from this programme.

The DBTP created many temporary employment opportunities for the youth, in each locality. The demand for housing has increased, especially in towns such as Opuwo, which is the capital of the Kunene Region, however the lack of serviced plots poses one of the major challenges for the region.

Types and Statistics of Housing Structure

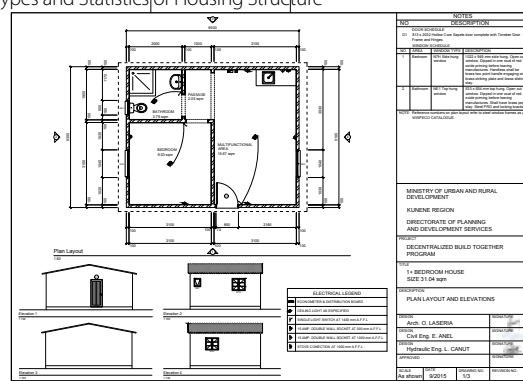


Figure 13: DBTP Housing Model

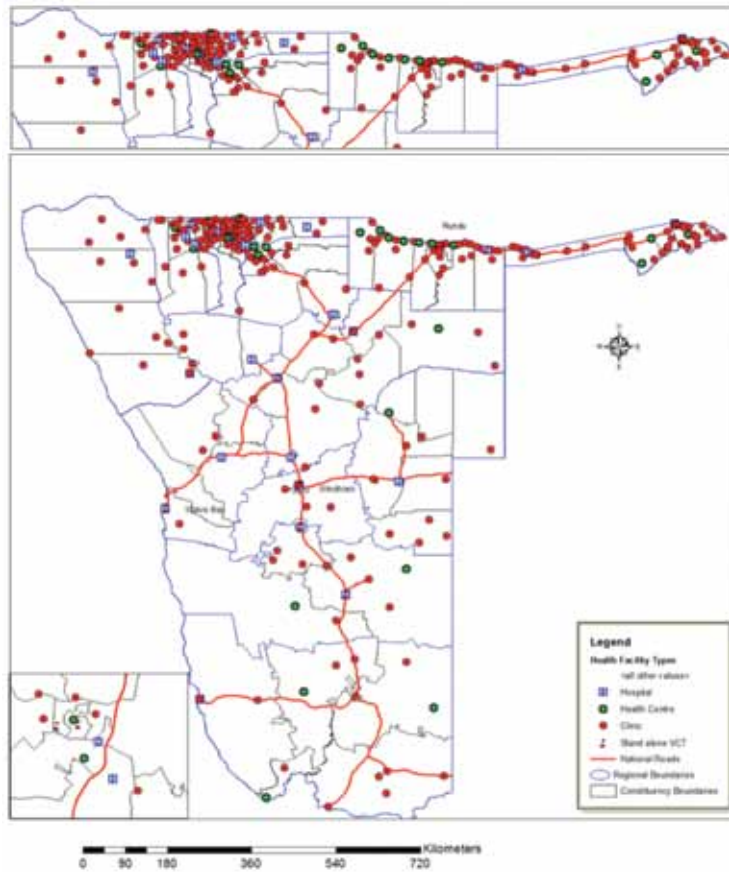
The introduction of the Mass Housing Programme (MHP) is aimed at fast-tracking the process of land and housing delivery, of which Kunene Region is a beneficiary. In order to address the housing back-log, the Government plans to invest 2.9 Billion Dollars for the construction of 10,000 houses during phase 1. Kunene Region benefited from the construction of 73 Houses in Opuwo, 20 houses in Outjo, 189 houses in Khorixas, which formed part of the pilot project.

3.3.2A Housing Challenges

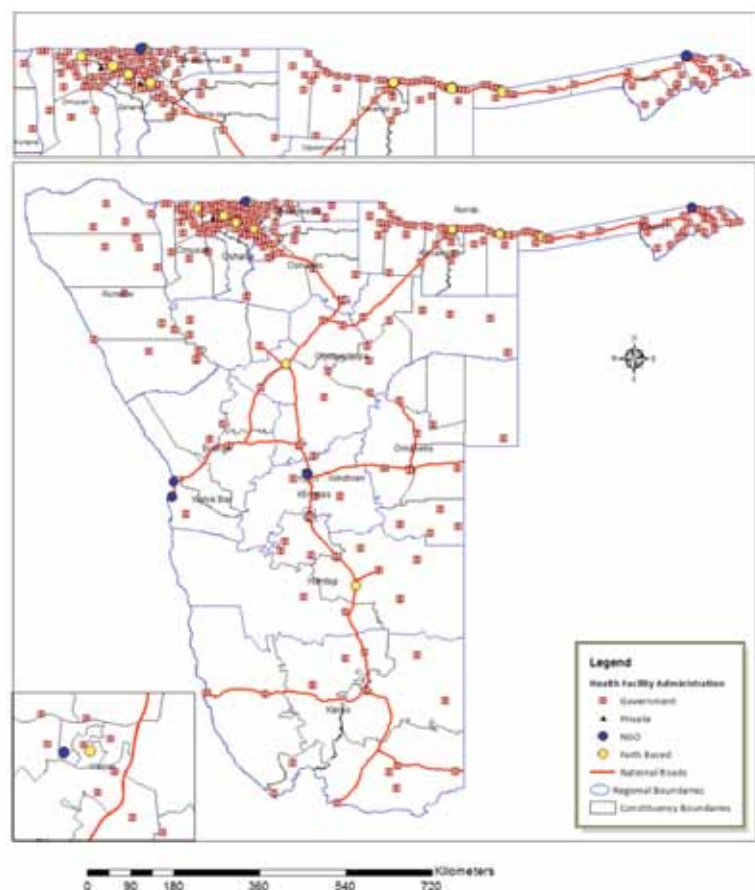
- The cost of building houses is expensive and there is a mismatch between home loans allocated vs. the cost of construction material
- Low repayment rates, especially from beneficiaries employed by private sectors and self-employed
- Vastness of the region in terms of supplying building materials to settlement areas.
- Un-serviced plots in settlement areas and urban areas

3.3.2B Potential Investment in the Housing Sector

- Servicing of land for residential, business and industrial purposes
- Construction of houses under the mass housing programme
- Mortgage financing schemes through private banking systems.
- Production and supply of concrete products and services



Map 9:
Health Administration
per region in Namibia



3.3.3 Health and Social Services

The Regional Health Directorate Office is stationed in Opuwo town. The mission of the Ministry is to provide accessible, affordable, equal and quality health and social welfare services that are responsive to the needs of the population in the region.

The Ministry of Health and Social Services (MoHSS) has 3 district hospitals situated in Opuwo, Khorixas and Outjo towns, and 3 health centres in Okanguati and Sesfontein settlement areas and Kamanjab village. The ministry has 22 Primary Health Care (PCH) clinics and 201 outreach points that provide health services for both preventative and curative services across the region. In fulfilling its ministerial mandate, the ministry has designed the following programs across the region:

- Special Programmes (HIV and AIDS prevention, treatment, care and support)
- Family Health
- Nursing and Dental services
- Environmental Health Services
- Health Information System and disease surveillance Services
- Disability prevention and rehabilitation services
- Social welfare service (With social workers in all 3 district hospitals)

In linking health service delivery between the ministry and the community, the ministry has developed various community based programmes that included Health Extension Workers (HEWs) who are based at community level, and Home Based Care (HBC) programmes that link the ministry, the community and other NGOs, including the Red Cross Society, Catholic AIDS Action (CAA) and People Living With HIV (PLWHIV) support groups.

The Ministry is also collaborating with the Kunene Regional Council to facilitate the implementation of the HIV and AIDS multi-sectoral response strategy. There is a Regional Coordinating Committee called Regional AIDS Coordinating Committee (RACOC) with 6 constituency committees called Constituency AIDS Coordinating Committees (CACOCs). These structures are mandated to coordinate and manage the HIV and AIDS response in the region.

3.3.3A Health and Social Services Challenges

- Shortage of human resources (doctors and other health workers)
- Remote and hard to reach areas
- Lack of public transport to health facilities
- Lack of specialized health services and practitioners

3.3.3B Potential Investments in Health and Social Services

- Development of private health facilities
- Training institutions in the health sector
- Demand for specialized medical services and practitioners

3.3.4 Gender Equality and Development

The Ministry of Gender and Child Welfare (MGEWCW) is charged with gender development and mainstreaming programmes and mandates in the country. The regional headquarters of the Ministry is based in Opuwo town, with sub offices in each constituency. Orphans and Vulnerable Children's (OVCs) programs per constituencies include:

- Early childhood development programmes,
- OVC social grants, and
- Income generating projects (e.g. micro funding).

3.3.4A Challenges in this sector

- Male domination in O|M|A's in Kunene Region, which ultimately lead to
- Gender Based Violence (GBV)
- Cultural barriers delay the execution of governmental programmes.
- Lack of national documentation leads to delays in the implementation of OVC programmes.

3.3.4B Potential Investment Opportunities

Potential exists in leveraging diversity in the region through gender mainstreaming. This inclusion is related to seeing equal gender representation in all government structures of the Kunene Region.

3.3.5 Rural Development

Rural Development is complex and an overarching concept covering nearly all sectors and therefore the systematic coordination of development planning and implementation varies from situations and issues affecting the lives of the rural population.

The Ministry of Regional and Local government, Housing and Rural Development (MRLHRD) has funded rural programmes and projects in the region through the Regional Council's Division of Rural Services. The following programmes are being implemented at the regional level: Cash/food for work, Microfinance, One Region One Initiative, Rural Employment, Food Security and Nutrition; Rural Sanitation and the Rural Development Centre.

The aim of the "Cash/food Programme for work" is to create rural infrastructure and temporary employment for rural inhabitants. The Microfinance programme is aimed at empowering rural communities to become more self-reliant with regards to generating income, and the One Region One Initiative is aimed at promoting unique products from the region e.g. Otjize, wild tea, and dates.

The Rural Development Centre aims to create opportunities to enhance social welfare through providing appropriate technology and facilities. This center will consist of components such as hospitality facilities, vocational centers and conference facilities. The Kunene Regional Council recently implemented the sanitation project, where the investment totaled 14 million Namibian dollars during the 2011/13 and 2013/14 financial years.



Figure 14: Tsumamas garden



Figure 15: Food for work Programme

3.3.5A Challenges

- Lack of adequate human resources
- Insufficient financial resources



Figure 16: Inhabitants enjoying watermelon



3.3.5B Potential Investment Opportunities

- Funding assistance for rural programmes and projects
- Rural service provision
- Availability of water and land for agricultural production

3.3.6 Education and Training

3.3.6A Basic Education

The mandate of the Regional Education Directorate is to provide access to quality education to all inhabitants. This sector has been identified as the priority social service in the region due to its fundamental importance in improving the quality of life of the inhabitants. The Directorate is currently running 64 formal schools and 37 mobile units. There are 3 Circuit Offices namely: Opuwo; Kamanjab and Outjo. The Directorate is in the process of establishing the 4th circuit office, which will be in the Epupa Constituency. Non-formal education is divided into the following districts: Outjo district (13 centres); Khorixas district (17 centres); Kamanjab district (10 centres); Opuwo South district (22 centres); Opuwo North district (34 centres) and Sesfontein district (11 centres). The 6 Literacy centres are managed by District Literacy Officers.

The education function has been delegated to the Kunene Regional Council. The Education Directorate head office is currently based in Khorixas. There are Teachers Resource Centers and Community Learning Development Centers in Khorixas and Opuwo. The Ondao mobile school is a special type of school only known to Kunene Region, catering for the marginalized and nomadic communities. Initially the mobile schools moved as the communities relocated, seeking better grazing for their animals.

The majority of the teaching and learning takes place in tents, traditional huts and corrugated iron sheets. The regional performance at Junior Secondary level is satisfactory; however Senior Secondary education needs to be improved. Namibia College of Open Learning (NAMCOL) provides learning opportunities for adults and out of school youth.

3.3.6B Post-Secondary Training

The Polytechnic of Namibia has established a distance education center in Opuwo, and the University of Namibia's (UNAM) center is located in Khorixas. Community Skills Development Centre (COSDEC) based in Opuwo is responsible for vocational training through the provision of short courses in the fields of hospitality, brick laying, plumbing, joinery, diesel mechanics and office administration.

3.3.6C Challenges and Opportunities in Education and Training

- The Directorate is faced with transport and financial constraints
- High staff turnover in the Directorate
- Staff accommodation shortages
- Shortage of qualified teachers
- Bad road infrastructure and vast distances that need to be travelled in the region
- Lack of school infrastructure
- High adult illiteracy
- Poor telecommunication network coverage
- Shortage of portable water and electricity at some schools
- Limited tertiary institutions

3.3.7 Law and Justice

Core functions of the regional police stations are to protect life and property as well as maintain law and order. There are 16 Police stations in Kunene Region and each constituency has a police station.

Opuwo has a class A station, serving as the regional headquarters, Okangwati settlement area has a class C police station which is under construction, Sesfontien settlement area has a class C station, Kamanjab village has a class B station, Khorixas town has a class A station and Outjo town has a class B station, reporting under police demarcation in Otjozondjupa Region. The region also has checkpoints at Werda, Palmwag, Omakange, and border posts along the Kunene River bordering Angola. The Ministry of Safety and Security has embarked upon the following programs in the region to facilitate law and order enforcement:

-
- The women and men against crime
 - Small arms and light weapons
 - Education on domestic and gender-based violence

3.3.7A Justice Services

The Ministry of Justice is fully operational within the region and has the following courts.

- Khorixas Regional and District Court
- Outjo District Lower Court including Kamanjab,
- Opuwo Regional court

3.3.7B Challenges

Lack of transport in the region is a problem due to the vastness of the region. Currently most stations are only allocated two to three vehicles. Police stations are not sufficient to cater for the region's needs, which puts pressure on the limited human resources working around the clock.

3.4 Section C Infrastructure Development

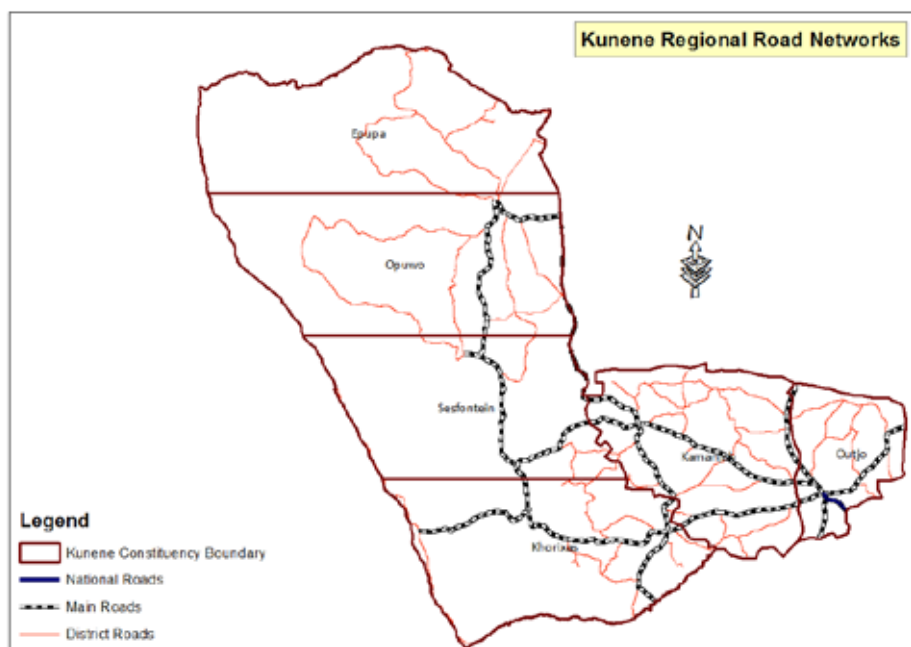
3.4.1 Transport Infrastructure

Road networks play a major role in the transportation of goods and services between centres and rural areas of the region. Kunene Region has coverage of 545 kilometres of tarred road connecting all major towns such as Outjo, Khorixas, Kamanjab and Opuwo.

3.4.1A Road Networks

Some areas in the region are not accessible due to poor road infrastructure and the lack of bridges along river channels contributes to transport challenges during rainy seasons. The landscape of the region is mountainous making it difficult to reach communities living in up-hill and valley areas. As a result, these challenges hamper the delivery of services in remote areas of the region.

All the bridges in the region were constructed using outdated models and are inadequate, thus, the region's bridges require up-grades to allow water to flow freely during the rainy seasons and enable easy access to areas connected by the bridges.



Map 10: Kunene Regional Road Networks

3.4.1B Strategies / Programmes

The Central Government made provisions under FY2014/2015 MTEF budget for the development and construction of the Henties Bay to Kamanjab road to be completed in a three-year cycle. The Omakange-Ruacana road is currently under construction and is expected to be completed in 2015.

3.4.1C Potential Investment in Road Infrastructure

PROPOSED ROADS FOR TARRING

- Khorixas road via Sesfontein to Angra Fria
- Opuwo road through Puros to Angra Fria.
- The road from Okanguati to Baines.
- The road from Opuwo to Epupa Water fall.
- Opuwo to Sesfontein road.
- The road from Uis to Sorri -Sorris through Twyfelfontein branching to Bethanie leading to Khorixas and Sesfontein.

PROPOSED ROADS REQUIRING GRAVELLING

- Onyuva via Otjinukua up to Kunene river mouth.
- The road from Ruacana on the river side down to Epupa falls needs to be upgraded as well as bridges built.
- The road from Kamdesha Veterinary Gate via Onguta to Otjokavare
- Gravel upgrading of Kaoko-Otavi via Ongango to Otjikondavirongo.
- The road from Otjakati to Ongongo.
- The road from Ovinjange to Etoto and Otjiaandjasemo via Otjitanda to Van Zyl pass.
- The road from Otjomatemba to Otjapitjapi

3.4.1D Potential Investments in Cross Border Bridges

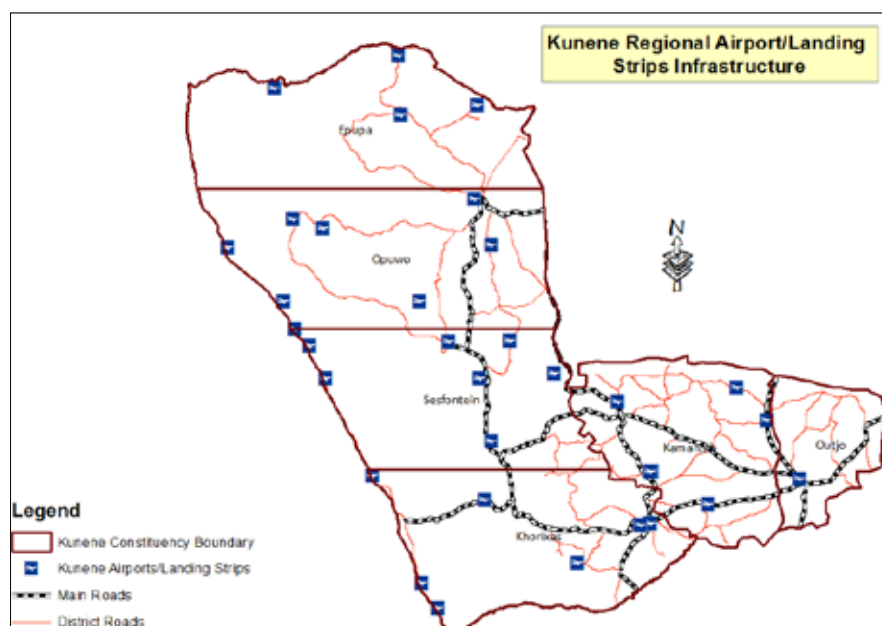
There is high potential for the development of two cross-border bridges at sites indicated below.

- Swartbooidrift to Angola
- Marinefluss (Oshinungua)- Angola

The bridges will enhance trade between two countries (Namibia and Angola) as well as improve the transportation of goods and services in the region. The building of the bridges will also curb the illegal movement of people from Angola, as immigration border post services will be provided. In addition, cross border education and health services, amongst others, will benefit Angolan nationals.

3.4.2 AERODROME INFRASTRUCTURE

3.4.2A Kunene Region Airports & Landing Strips



Map 11: Landing Strips Distribution

3.4.2B Strategic Airport Development

Plans to relocate Opuwo landing strip to Alfa are at an advanced stage and the project is estimated to be completed in 24 months. Budgetary provision by the Ministry of Works and Transport (MWT) was made during the 2014/2015 financial years. The necessary feasibility studies, design and documentation are underway. In addition consultative meetings with the Namibia Airports Company (NAC) for the upgrading of the aerodrome to airport standards are planned during the FY 2014/2015.

3.4.2C Aerodrome Strip Challenges

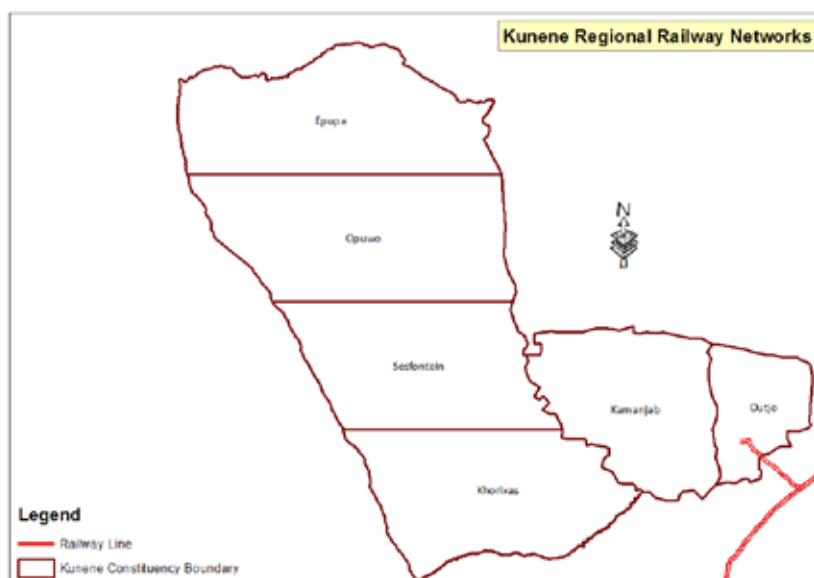
- There are no standardized airports in the region, considering the influx of tourists into the region.
- There are only small chartered planes available, that are not conducive for air transportation of goods and services.

3.4.2D Potential Investment in Aerodrome

- Commercialization of air transportation in the region in order to ensure faster delivery of goods and services
- Upgrading of Okanguati and Khorixas landing strip
- Development JV in Budget Airlines

3.4.3 RAILWAY INFRASTRUCTURE

3.4.3A Kunene Railway Infrastructure



Map 12: Railway Line Network in Kunene Region

3.4.3B Railway Challenges

- Maintenance of roads in the region is very expensive
- Terrain for roads is very harsh and a railway line is needed to assist the current transportation system

3.4.3C Potential Investment for Railway Infrastructure

- Development of Iron Ore Mine
- Development of Angra Fria Port
- Transformation of Kunene Region into a logistical hub
- Aluminium Smelter to be developed at Angra Fria proposed port
- A strategic railway network route from Outjo via Kamanjab to Opuwo linking Angra Fria to Oshikango via Ondangwa railway line.

3.4.4 WATER INFRASTRUCTURE

3.4.4A Strategic Programmes

A water pipeline network system feasibility study from Ruacana via Omakange to Opuwo is currently underway. The Ministry of Agriculture, Water and Forestry (MAWF) are spearheading the process. Communities within a 10 kilometre radius from the pipeline will benefit. Another water pipeline from Alfa (Okarundukondiho) to Okondaunue exists. Pipelines exist from Bergpost to Fransfontein, and Braunfels and Gainatseb to Khorixas.

3.4.4B Water Pipeline Challenges

Kunene terrain makes it comprehensively difficult to supply portable water to communities in the region. Accessibility to portable water for communities along the river channels and fountains is one of the issues, due to costs that have delayed the implementation and sourcing of appropriate infrastructure.

3.4.4C Potential Investment into Water Pipeline Networks

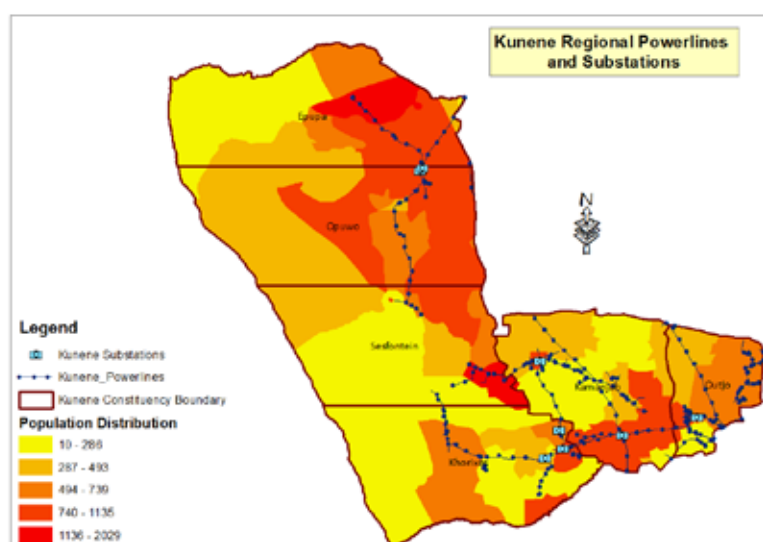
Potential exists to tap and purify water from the Kunene River to communities along the river and inland. This development will lead to the reduction of water borne diseases such as Cholera.

Human and crocodile conflicts will be minimized for communities living on the riverbanks. Sesfontein, Kaoko-Otavi, Fransfontein, Okorosave, Oruvandje (two villages), Bersig, Otjikondavirongo and Tsumamas water fountains, require infrastructure to improve the quality of water to ensure that the water consumed is suitable for human consumption.

3.4.5 ENERGY INFRASTRUCTURE

3.4.5A On-Grid Power Line Networks and Substations

A large part of the Kunene Region is not covered by on-grid electrification network, as a result there is a high potential for off-grid (renewable energy) power generation. The northern part of Kunene is negatively affected by the lack of on-grid networks due to the physical terrain.



Map 13: On-Grid Power Line Networks and Sub-stations

3.4.5A1 Energy Sector Challenges

- The On-Grid power line in rural areas is not accessible to communities (how)
- Unfairness in power line network distribution and development as many communities were left out (substantiate)
- The Ministerial directive prioritizes government institutions to be electrified first.
- Vastness of the region creates a problem for on-grid electricity provision

3.4.5A2 Potential Investment in the Energy Sector

- There is a high demand for rural localities to access on-grid power networks, especially in areas where there is existing infrastructure in use for Government institutions.
- Electrification of growth points in each Constituency with tangible economic potential.

3.4.5B Off-Grid (Renewable Energy) Power Generation

Kunene Region has high potential for the development of solar power (the use of renewable energy technology) due to the amount of sun in the region, closely linked to its climatic conditions statistics.

Renewable energy programmes such as the Solar Revolving Fund (SRF), by the Ministry of Mines and Energy (MME) exist. The SRF is a credit facility established by MME to stimulate demand for the utilization of renewable energy technologies in rural areas, especially for communities living in off-grid areas. The SRF is an element of the Off-Grid Energisation Master Plan for Namibia

(OGEMP), whose objective is to provide access to appropriate energy technologies to rural areas. Other programmes includes Kongalend Green Energy loan program, a private equity investment programme funded by the Government Institution Pension Fund (GIPF).

3.4.5B1 Renewable Energy Challenges

- Safety of solar panels in the rural communities is the main issue, stalling the advancement of renewable energy technology in the region.
- Renewable technology awareness geared towards attracting community interests is non-existent in the Kunene region.
- Lack of renewable energy vendors in the Kunene region, at the moment potential clients source the product from neighboring regions.
- Lack of qualified technicians in renewable energy installations and maintenance.

3.4.5B2 Potential Renewable Energy Investments

Kunene Region has potential for large-scale solar power plants along the Namib Desert due to the high radiation from the sun. There is free accessibility to large hectares of land and abundant sunshine suitable for renewable energy along the desert areas in the region. Other renewable energy technologies, such as wind energy, along Kunene coastal lines, require feasibility studies and tangible investments.



Figure 17: Solar power plant model

3.4.5C Baynes Hydropower Plant

The Baynes Site situated in the Kunene Region has the potential to be Namibia's largest hydropower plant. Once completed it is estimated that the Baynes Hydro-power plant will approximately generate 600MW of electricity, higher than the current power generation demand for Namibia.

This project will create developmental spin-offs such as employment, regional economic upliftment, self-reliance to meet the objectives of Vision 2030, and enable access to power supply for local communities and for industrial development in the region. Bulk water generated from the power plant can be channeled inland into the Kunene Region for the green scheme irrigation system and livestock husbandry.

3.4.6 WATER AND SANITATION

3.4.6A Strategic Programmes

The water pipeline network system feasibility study from Ruacana via Omakange to Opuwo is currently underway. The Ministry of Agriculture, Water and Forestry (MAWF) is spearheading the process. Communities within a 10 Kilometer radius from the pipeline will benefit. A water pipeline from Alfa (Okarundukondiho) to Okondaunue already exists. Pipelines exist from Bergpost to Fransfontein, and Braunfels and Gainatseb to Khorixas.

3.4.6B Water Pipeline Challenges

Kunene terrain makes it difficult to supply portable water to communities in the region. Due to costs, accessibility to portable water for communities along the river channels and fountains is one of the issues that have delayed the implementation and sourcing of appropriate infrastructure.

3.4.6C Potential Investments in Water Pipeline Networks

Potential exists to tap and purify water from the Kunene River to communities along the river and inland. This development will lead to the reduction of water borne diseases such as Cholera.

3.4.7 Telecommunications Infrastructure

Kunene Region has network coverage of all (mobile and landline) major telecommunication network providers such as Mobile Telecommunication Network (MTC) and Telecom Namibia. The region is linked to the external world through the existing telecommunication systems e.g. voice, data and mail.

The fixed landline network is limited to urban areas only, making the availability of mobile telecommunication the best form of telecommunication in the region. However, Telecom Namibia has a satellite based wireless network system engineered for rural and/or areas where there is no fiber cabling network.

The Ministry of Information and Communication Technology (MICT) plans to rollout broadband network systems throughout the region. This system will improve Internet communication speed for both voice and data. It will also expand the usage capacity of Internet systems in the region. The introduction of the digital terrestrial broadcasting will improve accessibility of radio, television and Internet services.

Kunene has fifty percent (50%) of radio and television coverage; and MICT plans to reach 65% by June 2014. MICT through the Namibian Broadcasting Cooperation aims to reach 100% coverage by 2015 through satellite transmission of radio and television signals. Radio coverage should improve in the whole region due to DTT.

3.4.7A Telecommunication Challenges

- Kunene regional landscape, poses critical challenges to communication due to varying frequency (how).
- Lack of adequate coverage of network towers is hampering the tourism industry as well as the hard to reach communities in the region.

3.4.7B Potential Opportunities in Telecommunication

There is high potential for advanced installation of telecommunication infrastructure in the region. The number of tourists who require Internet to keep in contact with their families can justify the demand and it will facilitate payment methods in the region. Other industries that require better telecommunication technologies include the mining sectors that require technology to run operations. Lastly the growing population in the region is predominantly due to fact that many of the people working in the region are not from the region, they need technology to do their work and also keep in contact with their families in other regions. To attract investment, technology is required. These services will be utilized in the education, health, police and business communities within the entire region.

3.5 Section D

Private Sector Services

3.5.1 Introduction

The private sector plays a major role in bridging services within the region geared towards economic development and growth. The spin-offs are upliftment of the inhabitants' living conditions. The sector includes necessary institutions within finance, insurance, medical services, retail and wholesale.

3.5.2 Financial Services

The financial institutions are found in urban centres such as Outjo, Opuwo and Khorixas. Although banking institutions such as Standard bank, First National bank and Bank Windhoek are functional, there is a need for other financial institution to open fully fledged and satellite branches. However, there are also some shops that offer banking services, especially the mini ATMs, found in remote areas such as Kamanjab and Sesfontein, serving larger communities and tourists.

There are existing micro lending institutions offering short term loans to the inhabitants. Banks and other institutions also offer insurance as a product available to the region's inhabitants.

3.5.3 Other Services

3.5.3A Retail

Retail business plays a significant role in providing needed goods and services to the local communities and tourists. Retail outlets available in the region include Woermann Hyper, Agra, OK Groceries, PEP stores, Power Save, Opuwo Building Supplies and retail, Arsenal Mini-market, OK Value and others.

Key services related to vehicle repairs are also available in the region, but only in Opuwo and Outjo.

These businesses employ people in the community, translating into the improvement of the inhabitants' livelihood.

3.5.3B Medical Services

The region has private health practitioners providing health services of which 3 are in Opuwo town, 2 in Outjo and 1 who visits Khorixas town twice every week (i.e. Monday and Friday). One dentist is available in both Opuwo and Outjo. Private pharmacies are available in Opuwo (1) and in Outjo (1), and one mobile pharmacy is available in Khorixas.





Chapter 4

Regional and Local Government

4.1 Summary

Each local authority in the region is subdivided into seven (7) administrative constituencies, namely Epupa, Kamanjab, Khorixas, Opuwo Rural, Opuwo Urban, Outjo, and Sesfontein. Each constituency is administered and governed by a democratically elected Regional Councillor. The region is home to four local authorities (e.g. Outjo Municipality, Khorixas Town Council, Opuwo Town Council and Kamanjab Village Council), which are autonomous in governance and administration. Each local authority in Kunene region as per legislature (LA Act, 23 of 1992 as amended), in the entire country, is governed and administered by elected political representatives, whose mandate is to craft the political and developmental agenda of each specific local authority. Local authority councils are the third level of government in Namibia.

A non-executive elected mayor governs and heads the local authority, whilst a Chief Executive Officer (CEO) heads up the administration. Type 2 Municipalities & Town Councils have seven council members, whereas Village Councils consist of five (5) elected officials. The mayor is the Chairperson of the Council in terms of the Local Authorities Act, No. 23 of 1992.

Kunene Regional Council established and promulgated three (3) settlement areas; namely Fransfontein, Sesfontein and Okanguati. These settlements were established mainly to provide services in a systematic and coordinated manner aimed at uplifting the socio-economic aspirations of the communities. Settlement areas are pre-urban in form, and the foundation for urbanization and urban proclamation by the line Ministry.

4.2 Constituency and Urban Profiling

4.2.1 Constituency Organisational Structure

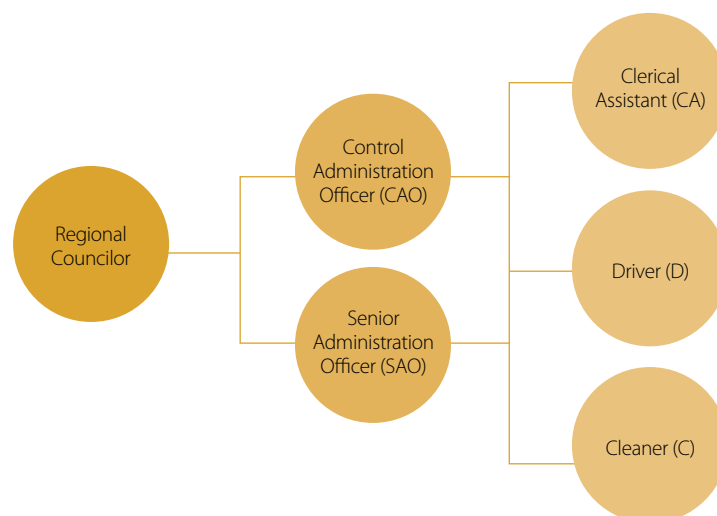


Figure 18: Constituency Organisational Structure

4.2.2 Governance Structure for the Local Authorities (Towns and Municipalities)

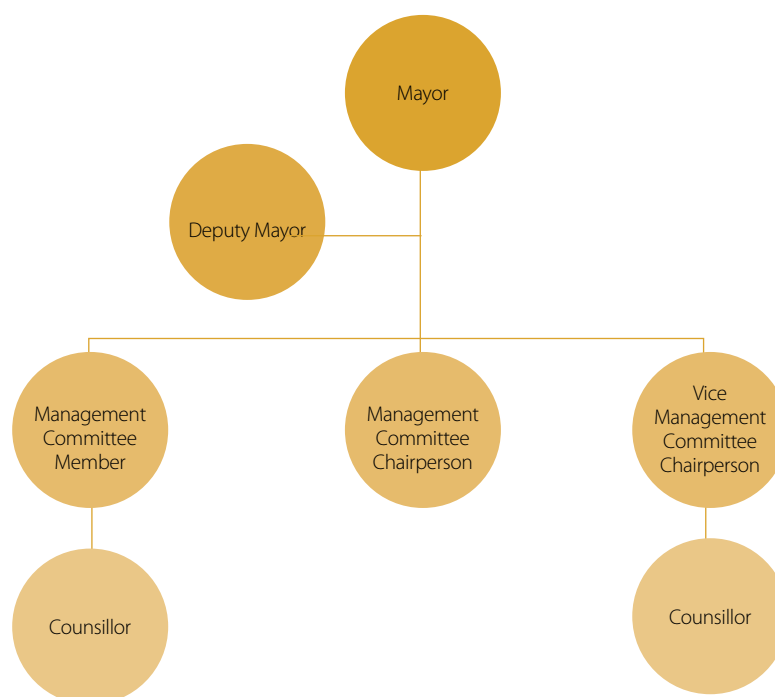


Figure 19: Local Authority Governance Structure

4.3 Kamanjab Constituency

4.3.1 Introduction

Kamanjab Constituency is geographically located in the south-central part of Kunene Region bordering three constituencies, Outjo to the East, Khorixas to the South and Sesfontein to the West. The total area size of Kamanjab Constituency is 17,130 square kilometres and it has a population of 8,441, with a population density of 0.5 inhabitants, ultimately the least populated constituency in the region.

Kamanjab constituency has a high male population of 54%. The constituency has a high literacy rate of 75% of people aged 15 years and above, an increase of 8% since 2001, of which the highest proportion is attributed to female as compared to male population.

4.3.2 Economic Activities

A total of 77,6% of the population is economically active in the constituency. 75% of the population derives its main source of income from wages and salaries, followed by farming 9% and pension 7%. Agriculture and tourism are the major economic activities in the constituency. Animal husbandry is the largest agricultural activity and there are three animal auction kraals in Kalkrand, Loskop and Witklip. Animals sold at auctions are mostly live cattle, goats, sheep and donkeys.

Crop production is practiced on a very small scale due to low rainfall. The arid, mountainous and rocky landscape, and lack of crop farming skills are the major contributing factors towards low crop farming yields. The constituency has only one Agriculture Development Centre (ADC), which provides services to all the farmers.

Table 9: Kamanjab Percentage Distribution of Households Engaged in own Account Agricultural Activity

Area	Household	Livestock	Crop	Poultry	Other
Kamanjab	2 391	17.1	10.1	7.2	0.1

Source: NSA Regional Profile

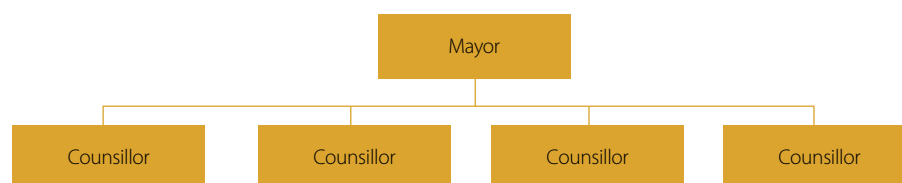
4.3.3 Potential Areas of Investment

With the current high-level plans to revamp and construct the road from Henties Bay to Kamanjab to bitumen standards within the next 24 months, Kamanjab constituency will be strategically positioned to become the Kunene region's logistical hub for goods and services. The constituency has a four-dimensional road interconnection infrastructure connecting the Northern regions, and beyond, to the coastal transportation network and the Eastern regions to the Western part of the region and vice versa. Potential areas for investment in Kamanjab Constituency include:

- Tannery
- Tourism accommodation and other facilities
- Green Schemes (Tsumamis and Kainatseb localities)
- Transport infrastructure and services
- Trophy hunting

4.3.4 Kamanjab Village Council

4.3.4.1 Governing Structure (Village Councils)



4.3.4.2 Introduction

Kamanjab Village is a semi-urban area located 113km from the town of Khorixas, 155km from Outjo municipality, 254km from Sesfontein area and 255km from Opuwo town. Kamanjab is also known as the “heart of the great Kunene” it is currently the only local Authority in Kunene that has “village” status. The Kamanjab Village Council was proclaimed in 1958. Kamanjab is the gateway to newly completed Galton gate (+- 70 km), which is the western entrance to Etosha (Dolomite Camp). Based on the 2011 population and household census, Kamanjab's population is about 3,500 inhabitants of which 1,720 are male and 1,480 are female.

4.3.4.3 Economic Activities and Potential Areas for Investment

The main economic activities in and around the Village are tourism and farming. There are close to 30 lodges and hunting farms around Kamanjab, for example Huab Lodge, Porcupine Camp, Himba Village, Rock Paintings and Cheetah farm. The farming community is also large in this area, as a large number of commercial farms are situated in the surrounding areas. There are also communal farmers from the former Damaraland reserve, Erwee and Anker.

Kamanjab has the most diverse inhabitants and this has greatly contributed to local people being fluent in more than two to three local vernaculars. Potential areas for investment in Kamanjab Constituency include:

- Business, clothing and retailing (in products such as fodder and domestic animal health);
- Meat and meat product processing;
- Hospitality industry;
- Harvesting and packaging of natural products (Mopani worms, wood and wood products);
- Quarry to provide stone products would also be ideal as there are natural products in abundance;
- Shoe Manufacturing;
- Housing and property development;
- Shopping malls and retail trading;
- Cargo and dry port facilities;

4.3.4.4 Comparative and Competitive Advantages of Kamanjab Village

Based on the information above, this area depicts the following advantages, which are not necessarily completely exclusive to the Kamanjab village:

-
- Tourism - A number of tourism accommodation establishments and tourist visiting spots are prevalent in the Kamanjab constituency.
 - The cheetah farm is an advantage as many tourists visiting Namibia would be interested in travelling to the area to see the cheetahs.
 - The strength of the agricultural sector in this region is evident with the constituency housing a few commercial and communal farms. This can be key to developing the inhabitants' skills in the agricultural sector, translating to revenue and skills development.
 - Diverse inhabitants are a great advantage for this village. The profile cites the inhabitants of this area, being fluent in more than one vernacular. This strength can be harnessed in tourism and ultimately lead to revenue generation.
 - The western entrance to the Etosha National Park.

4.4 Outjo Constituency

4.4.1 Introduction

The Outjo Constituency is located in the South Eastern part of Kunene Region, bordering Kamanjab to the West, Otjiwarongo constituency to the South, Otavi Constituency to the East and Omuthiyagwiipundi constituency to the North. The total area size of Outjo Constituency is 7,466 square kilometers and has a population of 12,447, with a population density of 1.7 per square kilometre, making it the most populous constituency in the region. Sixty one percent (61%) of the population is aged between 15 - 59 years old. The constituency has a fairly high literacy rate of 78% and 65% of the population have already left school.

4.4.2 Economic Activities

Outjo forms the entry point for consumer goods and services distributed throughout the region to towns such as Opuwo, Khorixas, Kamanjab and Ruacana to the north. These regional urban areas are connected by tarred roads, making transportation services one of the best in the country with low traffic flow and minimal vehicle accidents. According to SADCbiz.com, Outjo forms the communication and transport hub of the Kunene Region. It is serviced by rail and tarred road from Otjiwarongo and Usakos.

Outjo constituency has a 75% economically active population, were 66% are formally employed in the constituency and 35% are unemployed. 66% of the residents' main source of income is derived from wages and salaries, followed by 10% pensions and 9% cash remittances. About 89% of the households have access to safe water, 47% have no access to toilet facilities (lower than other constituencies in the region) and 48% use electricity for lighting.

4.4.3 Potential Investment Areas

Outjo constituency is the commercial hub of Kunene Region, characterized by commercial farming activities, charcoal production, tourism facilities, meat processing and retailing. Potential areas for investment in Outjo Constituency include:

- Land and Real Estate Development
- Abattoir and Meat processing
- Tannery
- Tourism Facilities and Infrastructure

4.4.4 Outjo Municipality

The Municipality of Outjo is situated in the North Western part of Namibia. Outjo is the only town with a status of a municipality in the Kunene Region and received its municipal status, in 1944. The town covers an area of about 10 764 hectares with a steady growing population of 8,445 inhabitants and 2,132 households (average household size = 4.2) (NSA, 2011). Outjo lies on the junction of C38 and C39, 112km south of the world famous Etosha National Park. It serves as the shortest gateway to the Etosha National Park, as well as to various tourism attractions such as the Ugab Terraces, the Rock finger, the volcanic mountain area and the rock engravings at Twyfelfontein, the Petrified Forest, the Epupa Waterfalls and many more in the north west of Namibia.

4.4.4.1 Comparative and Competitive Advantages of Outjo Municipality

The following competitive advantages are ascribed to the Outjo Constituency and town:

- Outjo is the communication and transport hub of the region. It is the entrance to the Kunene Region and all primary goods have to go through Outjo as they are transported to the other parts of the region;
- The town is also a gateway to the Etosha National Park, and offers the shortest route from the northwest to the famous national park. This could be an attraction to many tourists to visit the region.
- It is a logistical gateway to the Kunene Region's most popular tourist attraction areas.
- The constituency hosts the only town with municipal status in the region.

4.5 Sesfontein Constituency

4.5.1 Introduction

Sesfontein Constituency is located Central West of Kunene Region, bordering Opuwo Rural Constituency to the North; Khorixas Constituency to the South and Kamanjab Constituency to the East. The constituency covers an area of 20,198 square kilometres with a population of 8,434 of which 52% are male. Sesfontein has the lowest population (0.4 per square kilometre) density in Kunene Region. The constituency has a high literacy rate of 72%, with 60% having left school. Approximately 64% of the inhabitants in the constituency are economically active of which 54% are formally employed and 46% unemployed.

4.5.2 Economic Activities

About 37% of the constituency's main source of income is derived from wages and salaries, followed by 30% farming and 17% pensions (NSA, 2011). The census report shows that 61% of the households in this constituency have access to safe water, 73% have no toilet facilities and 57% still use wood/charcoal for daily upkeep.

Sesfontein is home to:

- ± 10 privately owned lodges
- 6 (six) campsites owned by Communal Conservancies and one (1) community member
- 5 (five) Communal Conservancies administered by Conservancy management committees. These conservancies have a variety of wildlife such as *Desert Elephants, Rhinos, Lions, Giraffe, Ostrich, Oryx, Springbok, Jackals and diverse birds.*

4.5.3 Potential Investment Areas

Sesfontein Constituency has potential for mass crop production and eco-tourism because of the adequate availability of fertile soil and water supply. Potential areas for investment in Sesfontein Constituency include:

- Green Scheme crop production
- Increased tourism facilities and infrastructure
- Road Infrastructure Development
- Education and health infrastructure (Both Private and GRN)
- Telecommunication infrastructure
- Urban development

4.5.4 Sesfontein Settlement Area

Sesfontein is the capital of the Sesfontein Constituency located 298km from Khorixas, 250km from Kamanjab and 150 km from the regional capital Opuwo. The name Sesfontein originates from six fountains identified within the vicinity of the settlement area. Sesfontein was proclaimed as a settlement area by the Kunene Regional Council on the 14th of July 2005 and covers an area of 116,301 hectares. The settlement area is governed and administered by the Kunene Regional Council, with a satellite office responsible for day-to-day management and administration of the settlement. Sesfontein settlement area is the gateway to Cape and Angra Fria, places earmarked for the development of the next harbour, and the Kunene mouth, where diamonds are mined.

4.5.4.1 Economic Activities and Investment Potential

As the only peri-urban area in the entire constituency, Sesfontein settlement area is the heart of all modern economic and business activities and transactions. The settlement area boasts the presence of mini-supermarkets, lodges, a fuel station and a small shopping mall for commercial activities and trading. Agriculture (e.g. Crop Production and Animal Husbandry), Tourism and Conservancies (Game hunting) are the major sources of income for the inhabitants of the Settlement area.

Potential areas of investment include:

- Mini-green Schemes
- Additional Tourism Facilities
- Urban Infrastructure Development (e.g. Sewer, Water, Electricity, Roads etc).
- Housing and Real Estate
- Secondary and senior schools
- Telecommunication infrastructure
- GRN institutions

4.5.4.2 Comparative and Competitive Advantages of the Sesfontein Settlement Area

The competitive advantages of the Sesfontein Constituency and settlement area, include the following:

- Tourism is the advantage that stands out in this constituency, considering the number of conservancies and tourist establishment. The add-on should be the services offered to assist the establishments function at their best. This will include providing top notch establishments for different target audiences at value for money.
- Sesfontein Constituency has an eco-tourism, geo-exploration and green scheme advantage in the Kunene Region.
- The availability of fertile soil and water supply is an advantage, for the Green Scheme and thereby contribute to making Namibia a country that is self-sufficient.
- The wildlife in the communal conservancies is also an advantage, as four of the big five are found in this constituency. This is definitely an attraction for Sesfontein.

4.6 Opuwo Rural Constituency

4.6.1 Introduction

Opuwo Rural Constituency is one of the most remote constituencies in Kunene Region. This constituency was established after Opuwo Constituency was divided into two constituencies (Opuwo Urban and Opuwo Rural Constituencies) by the Delimitation Commission of 2012. The Constituency has the population size of 14,850 with the capacity of 25,758 Square kilometres. Opuwo Rural Constituency is located between Opuwo Urban and Sesfontein Constituency, it borders Omusati Region to the East, Sesfontein to the South, Atlantic Ocean to the West, Epupa Constituency on the Northwest and Opuwo Urban to the North.

The administration center is located at Otuani Informal Settlement where Kunene Regional Council intends to proclaim the area as a “Proclaimed Settlement”.

4.6.2 Economic Activities

Opuwo Rural Constituency’s main economic activities are in agriculture – communal livestock farming, conservancies – trophy hunting, and copper mining at Otuani. The communal farmers generally sell their livestock through MeatCo auctions and day-to-day bargaining with Angolans and local people from the northern urban areas who are engaged in “Kapana” businesses. The constituency is rich in minerals (gems/precious natural stones, copper and iron ore, but they are not yet fully explored to the benefit of the local people, for example in job creation and value addition).

4.6.3 Potential Investment Areas

Opuwo Rural Constituency has great potential of becoming the mining hub of the Kunene region through setting up or establishing a copper processing plant at Otuani. Other potential investments are accommodation (B&B) and other tourist facilities, housing, butchery and tannery factory, service stations and shopping center/s.

4.7 Opuwo Urban Constituency

4.7.1 Introduction

Opuwo Urban Constituency is the constituency that hosts the regional capital – Opuwo Town. It stretches its boundaries as far as Oukongo, Otjongeka and Omakange T-junction road in Kunene Region. This Constituency was established after Opuwo Constituency was divided into two (Opuwo Urban and Opuwo Rural Constituencies) by the Delimitation Commission of 2012. The constituency has the population of 12,421, with the landscape of 25,758 Square kilometres.

Opuwo Urban Constituency is situated northwest of Kunene Region, and borders the Epupa Constituency in the North, Omusati Region in the East, South is Opuwo Rural Constituency, while the Atlantic Ocean borders this constituency in the West. Opuwo Urban Constituency is regarded as Kunene North's business center, tourist hub and gate to the Epupa Constituency and former Karokoland Areas. Business potential in this area is high due to the natural beauty (landscape or scenery), and the Ovahimba people and their culture, who make this constituency stand out from among the other Kunene constituencies. Opuwo Town is recognized and proclaimed as the Regional Capital and the Head Administration Center for the Regional Government of the Kunene Region.

4.7.2 Economic Activities

Most of the economic activities in Opuwo Urban Constituency take place in Opuwo town, which is the urban center and the business hub for the Regional Capital.

The main economic activities in the constituency are agriculture, focusing mainly on communal livestock farming, retail, and accommodation, as well as tourist facilities. The communal farmers sell their livestock through MeatCo auctions and day-to-day sale bargaining with Angolans and local people from Northern urban areas who are engaged in "Kapana" businesses (Kapana business is a small business, where the owner sells grilled meat in small pieces, i.e. barbeque style). The constituency is rich in minerals (gems/precious natural stones, copper and iron ore), which are yet to be explored and processed in the constituency for job creation and value addition for local products.

4.7.3 Potential Investment Areas

Opuwo Urban Constituency has great potential of becoming the industrial hub of Kunene Region due to its strategic location and it being the home to the region's capital, Opuwo. Due to the increase in business and infrastructural development, the Regional Council proclaimed this area a formal settlement. Potential areas of investment lie in land servicing and property development, industrial zoning, accommodation and tourists facilities (Lodges, Hotels and Bed and Breakfast – B&B), housing, shopping malls and service stations at Omakange.

4.7.4 Opuwo Town

4.7.4.1 Introduction

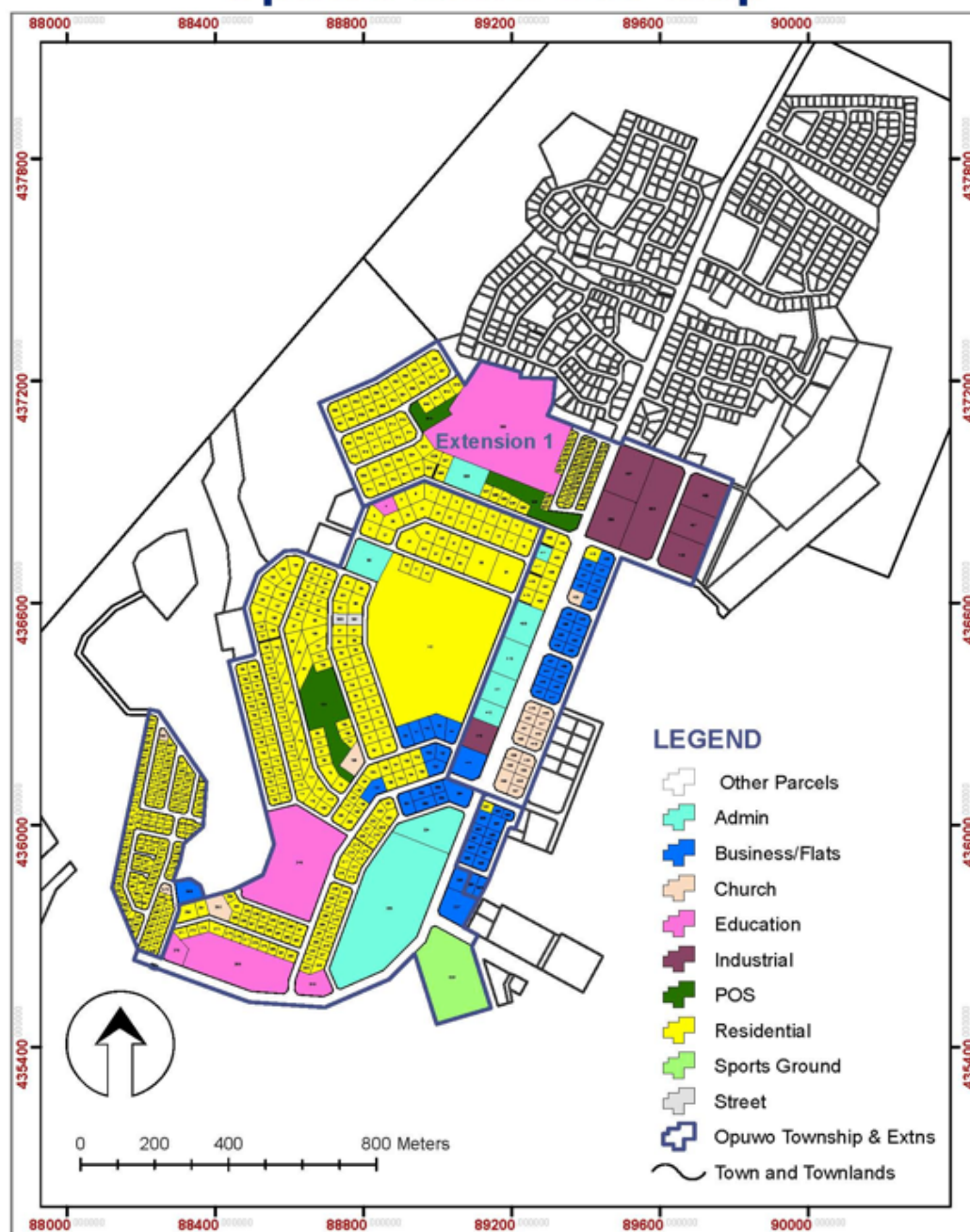
Opuwo town was founded in the 1920s and over years developed into an informal settlement that provided services to the surrounding villages in the area. Opuwo was proclaimed as a town in 1992, gazetted in 1995 and became autonomous in 2000. Opuwo is the regional capital of the Kunene Region and is located about 720 km from the City of Windhoek, 230 km from Oshakati and 255 km from Kamanjab Village.

Opuwo Town is located on the North Western part of Namibia in the Kunene Region, and is recognized as a regional capital and administration head of the Regional Government and other O/M/As, providing various government services to the region's inhabitants. Opuwo Town is one of the fast developing towns in northern Namibia, targeted and earmarked by investors and developers in the country. Currently, as per the 2011 population and housing census, the regional capital has a population of 7,657 inhabitants.

Opuwo Town, as the regional capital, is faced with urbanisation challenges. The town cannot accommodate the population and economic growth, due to lack of serviced land and financial constraints, hindering the development of basic services. Presently, Opuwo depends on government subsidies to continue supplying essential municipal services. As a result, illegal construction is hampering the appropriate administration of the Opuwo Town Council.

4.7.4.2 Economic Activities

The discovery of iron ore and copper in the mountains around Opuwo town has put the town in a favourable position for the establishment of processing plants and industrial areas. This will result in job creation and value addition for its products, such as steel factories and others.



Map 14: Opuwo Land Use Map

4.7.4.3 Potential areas of investment

The discovery of iron ore in the mountain of Opuwo District and the idea of constructing the Agra-Fria and Baynes Hydro Power station have increased the potential for Opuwo Town to become the industrial hub of Kunene Region.

4.7.4.4 The critical potential areas of investment are:

- Land servicing and property development
- Industrial zoning and plant structures
- Accommodation and tourists facilities (Lodge, Hotels B&Bs)
- Housing
- Shopping malls
- Warehousing
- SME Stalls
- Truck port/dry port
- Abbatoir and Butchery – value addition for local beef and other meat products

4.7.4.5 Comparative and Competitive Advantages of Opuwo Town

The competitive advantages of this town include:

- The area is rich in mineral resources, that can be translated into fast tracking the development of the town and her people (iron ore and copper). This advantage can also translate in the constituency adding Geo-tourism to its tourism basket.
- Huge opportunity for small scale mining.
- The Ovahimba people are an advantage as the town will lend itself to greater cultural tourism. Potential to expand cultural tourism is currently being realised through marketing and customer service.

4.8 Epupa Constituency

4.8.1 Introduction

Epupa Constituency is situated in the far northern area of Kunene Region, the Northwest of Namibia. This is the constituency which borders Angola on the North, Omusati Region on the East, Opuwo Urban Constituency on the South, Opuwo Rural Constituency on the Southwest, while Atlantic Ocean is on the western side of Epupa Constituency.

The Epupa Constituency has a population of 17,696 inhabitants (Population and Housing Census Profile Kunene Region, 2011) of which there are more female (9,318) residents in the area than male. The area has a literacy rate of 29% of the total population of the area, 70% of the children from this constituency never attended school. The area has a 60% labor force participation rate, it is the lowest labor participation rate and the least developed in the Region.

Epupa Constituency has one Proclaimed Settlement – Okangwati which is 120kms from Opuwo, and several growth points such as Etanga, Etoto, Ohandungu. Okangwati Settlement Area is regarded as the Business and Administration Center of the Constituency.

4.8.2 Economic Activities

The main economic activity in Epupa Constituency is agriculture – communal farming and crop production. 77% of the population depends on farming as their main source of income. The Government also contributes to the source of income in the constituency, and it has been recorded that Epupa has 81% employment rate and 19% unemployment rate. (8%) derive their income from pensions while 6% derive their income from wages and salaries (low figures for the number of employed people).

4.8.3 Potential Investment Areas

Epupa Constituency has potential to become a tourist hub as it hosts some of the tourism hot spots in the region, such as the Epupa falls, Otjandjasemo Hot Spring, Swartbooi Graves – Great Trek for Germans, Otjinungua Valleys and lodges and Kapika Traditional Homestead.

Apart from that, the Epupa Constituency has potential to become a national income (economic) source for the country, by the construction of Baynes Hydro Power Station and Agra-Fria Harbour. This will be an advantage to Namibia as currently, according to the 2011 Census, Epupa has 78% of residents still depending on wood, for cooking and lighting.

Other areas of potential Investment include:

- Tourism Facilities – Lodges, Hostels and Camping sites
- Construction of roads and bridges
- Construction of schools
- Rural Electrification – Off Grid and On-grid electricity
- Construction of a service station at Epupa Falls

4.8.4 Okangwati Settlement Area

4.8.4.1 Introduction

Okangwati is a proclaimed Settlement in the north of Kunene Region, which is approximately 120 km from Opuwo, the regional capital. Okangwati Settlement is regarded as the Administration center for Epupa Constituency since the constituency office is situated in Okangwati.

This settlement area has 434 surveyed plots and hosts approximately 554 residents, 434 and 266 of the residents have benefited from the Build Together Program (BTP).

4.8.4.2 Economic Activity

The economic activity in Okangwati Settlement primarily revolves around Agriculture and retail. The main source of income is derived from animal sales (livestock). Other sources of income include salaries and wages and government social grants.

4.8.4.3 Potential Investment Areas

Okangwati Settlement is the gateway to the Epupa Falls and it has potential to become a tourist destination, (something missing) accommodation and tourism facilities are (they are going to be constructed or they are already) constructed in the settlement.

Other Areas for potential investment include:

-
- Construction of houses in the settlement – Mass Housing Project
 - Construction of a service station in Okangwati
 - Construction of a shopping complex
 - Industrial park for emerging local investors

4.8.4.4 Comparative and Competitive Advantages of the Okangwati Settlement Area

The competitive advantages of the Epupa Constituency and Okangwati Settlement Areas include the following:

- The constituency borders Angola, a fast developing country in Africa. The area, if developed can create opportunities for the constituency, in terms of trade and tourism.
- The constituency borders the Atlantic Ocean and it can provide a holiday destination to the Angolans who live in the Southern part of Angola.
- Okangwati settlement is a gateway to the Epupa falls. Epupa falls can provide higher returns for the region, than what it currently provides.
- The natural resources in this constituency will be used to further develop Namibia's infrastructure (electricity), should the projects be approved and implemented.

4.9 Khorixas Constituency

4.9.1 Introduction

The Khorixas Constituency is one of the seven constituencies in Kunene region and covers an area of 21,328 square kilometres. Khorixas is located in the southern part of Kunene bordering Kamanjab to the East and Sesfontein to the North. The constituency's name is derived from Khor tree, which is found in the Khorixas area only. The constituency has a population of 12,566, of which the majority of the inhabitants are male. The constituency also has a high literacy rate of 84%, of which 72% have already completed school.

4.9.2 Economic Activities

The constituency has 68,5% labour force participation rate where 59% are formally employed and 41% are unemployed. 46% of these constituency inhabitants derive their main income from wages and salaries, followed by pensions (21%) and then farming, which constitutes 12% of income generation. This constituency has a high safe water supply, where the Kunene Region Profile Census report (2011) shows 78% of its population has safe water supply.

4.9.3 Potential Investment Areas

The Khorixas Constituency has a high investment potential for industrial development and tourism. It hosts major tourist sites such as, The World Heritage Site, Petrified Forest, Burned mountain, and rock paintings – white lady.

Other areas of potential investment include:

- Tourism Facilities – Lodges, Hostels and Camping sites
- Construction of Roads and Bridges
- Construction of schools (Government and Private)
- Rural Electrification – Off Grid and On-grid electricity
- Construction of a service station
- Small scale mining and processing
- Industrial development (Rare Earth and Marble)
- Meat processing

4.9.4 Khorixas Town

4.9.4.1 Introduction

Khorixas Town is one of the local authorities of Namibia, which was proclaimed in 1998. Khorixas covers an area of 7,300 hectares with a population of 6,796 inhabitants. Khorixas town is situated 400 km northwest of Windhoek, 140 km west of Outjo, 154 km from /Uis Village and 121 km from Kamanjab village. The Town has emerged from a feisty bustling farming community that used to be a trading post called Nuwe Dorp, it went through three name changes, including Welwitschia. The town has evolved into a tourism growth point with future mining potential in the constituency.

4.9.4.2 Economic Activities

- Tourism,
- Agriculture, and
- Retailing and general dealers

4.9.4.3 Potential Areas of Investment

- Property and real estate development (e.g. Shopping mall, housing etc)
- Industrial development
- Infrastructure development and servicing
- Banking services
- Vocational and Training Centre, and Higher Education facilities (GRN and Private)
- Telecommunication infrastructure

4.9.4.4 Comparative and Competitive advantages of the Khorixas Town

The competitive advantages of the Khorixas Constituency and town include the following:

- Khorixas is home to elephants, a real tourist attraction.
- The Khorixas town is the last town with primary goods before venturing off into the tourist attraction areas, the Petrified Forest and others.

- The constituency houses some of the most unique tourism attractions in the world. The Namibian Petrified forest is one of two in the world.
- Competitive advantage is predominantly towards tourism.

4.9.5 Fransfontein Settlement Area

4.9.5.1 Introduction

The early history of Fransfontein dates back to the 1870s but Fransfontein was first settled in permanently from 1880. Fransfontein Settlement area celebrates at least 135 years in existence in 2015. The settlement area has a township boundary covering 244,566 hectares. The 2011 National Housing and Population Census estimated the total population at 553 of which females are 304 and males 249.

The Fransfontein Settlement area was proclaimed and declared through the government gazette by the Government of the Republic of Namibia in 2007. Settlement areas need to be developed in order to ease the burden of migration of people from settlement areas to towns in search of jobs and greener pastures.

4.9.5.2 Economic Activities and Potential Areas for Investment

Communal farmers surround the Fransfontein settlement and agriculture is the main economic activity. Other sources of income include salaries and wages, pensions and social grants, and remittances. Potential investment opportunities include:

- Tourism facilities
- Service station
- Housing and land development
- Mineral water purification
- Aqua-Culture
- Retail and Shopping centres

4.9.5.3 Comparative and Competitive Advantages of the Fransfontein Settlement

- The Fransfontein settlement is known to have a number of underground and on land streams.

In the Kunene Region, livestock production is one of the key sources of livelihood to many rural households. The trading of animals during formal auctions especially in Outjo, Kamanjab, Khorixas and informal sales in Opuwo create a source of income to farmers residing in these constituencies.



Chapter 5

Regional Competitive and Comparative Advantages

5.1 Introduction

Competitive and Comparative advantages are discussed below in this part of the document, these will assist the region in understanding what makes them different and which assets the region can leverage for development.

5.1.1 Competitive Advantage

A competitive advantage is defined as “an advantage that a firm has over its competitors, allowing it to generate greater sales or margins and/or retain more customers than its competition. There can be many types of competitive advantages including the firm’s cost structure, product offerings, distribution network and customer support.” Any organisation, company or city with a competitive advantage buys itself an edge over its rivals and thus an ability to generate greater value for itself and shareholders. “The more sustainable the competitive advantage, the more difficult it is for competitors to neutralize the advantage.”

In the case of a regional council there is a limited budget, which different regions must vie for. The Kunene Region must show its competitive advantages that can be leveraged for growth and budget. There are two types of competitive advantages; namely, comparative and differential advantages.

5.1.2 Comparative advantage

“Comparative advantage, or cost advantage, is a firm’s ability to produce a good or service at a lower cost than its competitors, which gives the firm the ability to sell its goods or services at a lower price than its competition or to generate a larger margin on sales.”

5.1.3 Differential advantage

“A differential advantage is created when a firm’s products or services differ from its competitors and are seen as better than a competitor’s products by customers.”

5.2 Kunene Regional Competitive Advantages

The identification of the region’s competitive advantages aims to provide the region with an understanding of the advantages that set them apart from other regions as well as showcase the opportunities available for the Regional Council to leverage. This will also promote the region and identify the untapped business potential in the region.

5.2.1 Tourism Haven

The region is a tourism haven. According to the Tourist Exit Survey 2012, tourists predominantly visit Namibia for game viewing, nature and landscape viewing as well as adventure sports. The Kunene Region lends itself to the needs of this segment.

The region is home to the big four (*lion, elephant, rhinoceros, buffalo*) that roam freely in the area, and to 46% of the conservancies in Namibia, putting it in a good position to meet the tourist needs for game and nature/landscape viewing. The region is known for its beauty, wildlife and its tranquility.

The region is also home to a World Heritage site, the Petrified Forest and the Ovahimba people.

Kunene Region is however, not on the top of the list in terms of places to visit but its potential is definitely worth investigating and realising to derive more benefits for the region. In essence, the region can leverage its ecological, cultural and geological assets to derive more income and development for the region.

5.2.2 Number of Conservancies

The Kunene Region is home to approximately 46% of the total conservancies in Namibia. Conservancies are a form of conserving the environment and thereby providing income to the residents of the region and developing skills that are necessary for the region's development.

The large number of conservancies provides the region with a competitive advantage over the other regions, opening doors for other economic opportunities within the tourism sector (e.g. adventures, geo-tourism, cultural) in the region.

5.2.3 Eco-Tourism

According to sources, Kunene Region represents one of the last true wildernesses in Africa, thus offering the Kunene with an opportunity to conserve the ecosystem in the area and through that, enhance the region's residents' quality of life (nature.org).

Sources describe the ecosystem "worth preserving" as follows: *"The frigid waters of the southern Atlantic collide with the world's oldest desert, the Namib, along the infamous Skeleton Coast, named for countless shipwrecked sailors who perished among its baking dunes. The harsh Skeleton Coast gives life to many uniquely adapted animals and plants, many of which survive by siphoning precious moisture from sea fog". Further inland lies Etosha National Park, one of the world's largest wildlife refuges. The Etosha Pan, a dry lakebed left behind when the Kunene River changed course long ago, offers a fleeting oasis during the rainy season for myriad wildlife, including enormous flocks of flamingoes. But for most of the year, the park's resident animals survive on waterholes fringing the pan"* (nature.org, 2014)

The region's community and government lands link the Skeleton Coast and Etosha national parks to form one of the world's largest conservation areas reaching across more than 15 million acres. The Kunene's rocky desert, arid grasslands and dry riverbeds provide a sparsely populated corridor for iconic wildlife:

- The desert-dwelling black rhinoceros finds its last free-ranging stronghold in the Kunene. A surprisingly agile mountaineer, the rhino often climbs onto ledges in search of succulent plants and cool Atlantic breezes.
- Here also lives the massive desert elephant, led by herd matriarchs with intimate knowledge of the dunes' scarce food and water sources. By digging waterholes during dry periods, these elephants may even help other animals survive. (Reference, nature.org 2014)

The above description of the region makes it the place to visit for tourists interested in viewing the area and all it has to offer.

5.2.4 Kunene is under-developed and tranquil

There is a seeming contradiction in that the region's wide-open spaces and limited development gives it a competitive advantage. This is the region's key strength, the main reason many are drawn to it. The region's authenticity is an advantage especially when people are looking for an authentic experience.

These authentic experiences can be found in the region's Ovahimba people, the ecology, geology and mountain formations, which give an opportunity to package the region's underdevelopment as a phenomenon worth exploring.

The brand "Kunene" is attractively positioned as a place to live in, a place to invest in, a place to develop and a place to visit. The strategy must be implemented for the region to derive benefits.

5.2.5 Infrastructural Development

Although the underdeveloped nature of the region is an advantage, there is still need for development, creating additional infrastructure will add value to the region, which will assist in boosting tourism as well as services that are much needed for the sector.

The infrastructure that is already underway for road development, airports, ports (dry and wet), telecommunications and water supply adds to the competitive advantage of a region that has a large tourism capability.

The development of the Angra Fria harbour, (smelting plants for the transportation of heavy cargo), railway lines, the plans for the extension of the TransKunene highway development, and the Baynes Hydro Power Plan are all examples of the development that is tabled for Kunene Region's development.

5.2.6 Agriculture / Livestock

There is a potential comparative advantage where livestock is concerned as the majority of the farmers focus mainly on livestock. The report cites that there are large numbers of different livestock auctioned in the Kunene. The comparative advantage is based on the possibility of

the region's farmers offering a better trade price than other farmers in Namibia.

5.3 Opportunities

There are opportunistic advantages that the region can maximize on. These are not necessarily competitive advantages but are worth listing in this document for consideration.

5.3.1 Opportunity in Tourism

The idea is to present the Kunene Region as a region offering a full tourist experience in the four areas of tourism, namely Geo-tourism, eco-tourism (that is already being exploited, through the conservancies), adventure tourism and cultural tourism (exploited through the Ovahimba people). A description of Geo-tourism and Adventure-tourism is discussed below:

5.3.1.1 Geo-Tourism

This is a tool that is used around the world primarily to develop the local and regional communities of an area. It is defined as *“sustainable tourism with a primary focus on experiencing the earth's geological features, in a way that fosters environmental and cultural understanding, appreciation and conservation, and is locally beneficial”* (Dowling, 2010).

The natural resources must include landscapes, rock outcrops, rock types, sediments, soils and crystals. The tourism part alludes to visiting, learning from, appreciating and engaging geo-sites (Dowling, 2010). The offering of this form of tourism in the region can form part of the appeal of the different conservancies, depending on where the most breathtaking geo-sites are, but can also be offered as a stand-alone feature from the region.

The target audiences for this type of tourism, include geology experts, geology specialists (they have a geology degree and technical interest), geology amateurs, interested visitors, aware visitors and the unaware visitors. This is a form of tourism that is mostly underexposed in Namibia.

Where the Kunene can leverage this, it will provide an authentic and beautiful experience for visitors to the region. This must be done in a cost effective way, adding value to the area and the visitor.

5.3.1.2 Adventure Tourism

This form of tourism includes geology and scenery as the backdrop to mountaineering, rock climbing, and some extreme sporting activities. The Kunene Region would be an ideal place to travel for adventure.

Adventure tourism is niche tourism, involving exploration or travel to remote areas, where the traveler should expect the unexpected. This form of tourism is rapidly growing in popularity as tourists seek unusual holidays different from the conventional holidays. Examples of adventure tourism include Mountaineering expeditions; trekking, bungee jumping, rafting and rock climbing.

This form of tourism, as mentioned, would attract tourists that are looking for something different.

5.3.1.3 Tourism Investment Opportunities

Investment opportunities exist in providing services to tourists visiting the region. Tourists have sited the bad customer service in Namibia as a turnoff. The region can position itself to offer services that will place them in a league of their own.

These services can be investigated in the form of accommodation establishments, roads to facilitate provision of services to other towns, tyres for off-road travels, bottled water, and other necessary services for the tourists.

5.3.1.4 Small Scale Mining

There is an opportunity for small-scale mining to take place in the region for the empowerment of the people in the region, through this type of mining and the creation of a market for the selling of local gemstones from the region. The market will be similar to the Uiba Oas Crystal market (Erongo Region). The income is generated by the miners themselves and they build on respective businesses.

This is an opportunity to deal with the unemployment rate in the region, over and above the tourism opportunities. Studies show that there are tangible benefits to the community through small-scale mining

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