

## 2024/25 Budget Overview

### Budget Snapshot

1. The significant policy priorities include:
  - N\$2.5 billion is set aside for development of the railway network and a total of N\$6.6billion over the MTEF ;
  - A capital budget of N\$970 million was provided to the Ministry of Education, Arts and Culture for the construction and renovation of classrooms and other school infrastructures;
  - A total of N\$700 million is made available for the upgrade of the informal settlements, land servicing and other programmes to improve access to housing opportunities.
  - N\$200 million in FY2024/25 and N\$200 million in FY2025/26 is allocated to support NamPower in funding the development of the Otjikoto Biomass Power Station.

2. Due to improved tax administration as well as the domestic economic recovery, revenue collections amounts to 90.6% over the first 10 months of the financial year and revenue is subsequently revised upwards for FY2023/23 by N\$2.5 billion to N\$81.1 billion. The collection rates are as follows:
  - Corporate income tax: 109.6%
  - Value Added Tax: 89.7% and
  - Withholding tax on services and royalties: 130% each
- Year to date, N\$2.5 billion was collected on other categories through the Tax Amnesty Program between April 2023 and January 2024.

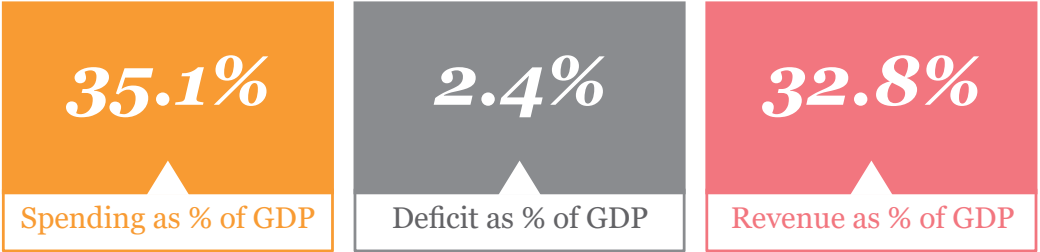
3. More than N\$700 million has been set aside for transfers to public enterprises that are under pressure. Some of the most significant contributions are
  - Meatco - N\$212 million
  - Transnamib - N\$300 million
  - Agribank - N\$77 million

4. Interest payments amounts to N\$12.8 billion, equivalent to 14.2 percent of revenues and 4.7 percent of GDP. The total debt stock ratio is estimated to reduce to 60.1% of GDP.

5. The Old Age Grant and the Disability Grant will be increased from N\$1,400 to N\$1,600 per month effective on 01 April 2024.

6. A significantly improved budget deficit of 3.2% for FY2023/24 is projected, compared to the 4.2% projection at the midterm review.

### Fiscal targets 2024/25



### Operational Expenditure

