

# YOUR Money, YOUR Budget.



MINISTRY  
OF  
FINANCE  
NAMIBIA

## 2011/12 Citizens Guide to the National Budget

### NEW...

The Budget shows how the Namibian Government is going to spend the money you contributed in taxes. It is important that you know where this money is being spent and this guide to the budget highlights some of the key spending areas.

For more detailed information about the budget please visit:

<http://www.mof.gov.na/budget.htm>



### What is the Budget?

The national budget primarily reveals how the government will raise money and how this money will be spent.

Government can collect money through a variety of ways, such as income tax, mining tax, Value Added Tax (VAT), grants or trade taxes (for example, taxes on certain goods imported into Namibia). The budget outlines how much money will be collected from each source.

The budget then explains how the Government will spend this money towards meeting the national development objectives, from nurses to social grants to roads and schools. Given that funds are limited, the Government has to make hard choices on what is not only best for today's generation, but also what is best for future generations.

The budget is prepared by Namibia's Treasury, which falls under the Ministry of Finance and is in charge of controlling the money that Government collects from taxes, fines and other sources. However, all Government institutions are responsible for delivering on the Government's commitments in the budget.

### Budget Cycle

The Budget is split into 4 key stages as shown in the diagram below. This cycle is repeated every year.

At the planning stage, the Government estimates the overall amount of money available and discusses with all government institutions (for instance education, health, police) how much money they would need and how much money is available.

Once the Cabinet has approved the budget, the Minister of Finance presents it in the National Assembly, followed by debate at the National Council as well as committee level.

Following approval, the budget is formally implemented so that plans can be carried out.

The final stage is the monitoring and auditing of the budget, to assess progress against the targets outlined in the budget.

