



**MILLENNIUM**  
CHALLENGE CORPORATION  
UNITED STATES OF AMERICA

QUARTERLY STATUS REPORT



# Namibia Compact

AS OF SEPTEMBER 2012

## COMPACT GOAL

The Compact goal is to increase the competence of the Namibian workforce through knowledge and skills, as well as to increase the productivity of agricultural and nonagricultural enterprises in rural areas.



## COMPACT AT A GLANCE

Compact Signed	<b>07-28-2008</b>
Entry Into Force	<b>09-16-2009</b>
Compact End Date	<b>09-16-2014</b>
Compact Total	<b>\$304,500,000</b>
Amount Committed	<b>\$212,493,781</b>
Amount Expended	<b>\$104,855,431</b>
Estimated Program Beneficiaries	<b>1,063,413</b>
Estimated Increase in Household Income	<b>\$240,500,000</b>

## % OF TOTAL COMPACT BUDGET (USD MILLIONS)

<b>48%</b>	<b>Education Project</b>	<b>\$144.9</b>
<b>22%</b>	<b>Tourism Project</b>	<b>\$66.9</b>
<b>16%</b>	<b>Agriculture Project</b>	<b>\$47.5</b>
<b>13%</b>	<b>Program Administration</b>	<b>\$38.4</b>
<b>2%</b>	<b>Monitoring and Evaluation</b>	<b>\$6.5</b>

■ Project Preparation ■ Project Implementation

## Education Project

### PROJECT COST

**\$144,976,556**

### TOTAL CONTRACT COMMITMENTS

**\$118,568,294**

### TOTAL PROJECT EXPENDITURES<sup>1</sup>

**\$52,830,107**

The Education Project will improve the quality of and access to education and training for under-served groups, enhancing the quality of the country's labor force and increasing employment opportunities for youth.

### Projected Long-Term Results (Up to 20 years)

ESTIMATED BENEFICIARIES

**1,063,413**

ESTIMATED INCREASE IN HOUSEHOLD INCOME

**\$165,000,000**

### PROJECTED RESULTS BY END OF COMPACT

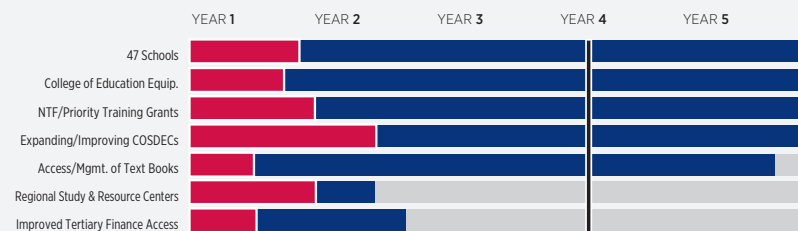
Increase percentage of learners attaining "Basic Achievement" or higher on the Grade 5 National Standardized Achievement Test from 30% to 40% in English and 44% to 54% in math; increase net enrollment in vocational training programs from 4,619 to 10,197; train 100 educators as textbook management trainers and 100 as textbook utilization trainers.

### PROGRESS TO DATE

Infrastructure contract commitments to date amount to \$82.7 million USD for constructing 3 regional libraries, renovating 7 COSDECs and expanding 45 schools; works have been completed and computer equipment provided at 23 schools thus far; over \$6.5 million USD in vocational training grants, or nearly four times the annual target, was awarded in FY2012.

### PROJECT ACHIEVEMENTS

Participating employers have been enrolled in the National Training Fund's (NTA) levy pilot, which is lodged against company payrolls and is used to pay for vocational training nationwide. Through a vocational training grant provided to the NTA, trainees are being selected for certificate-based programs with 9 training providers across multiple fields. Textbooks are being procured for second tranche of textbook provision.



Tourism Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES <sup>†</sup>				
	<b>\$66,959,291</b>	<b>\$30,220,316</b>	<b>\$13,526,262</b>				
<p>The Tourism Project will improve the management and infrastructure of Etosha National Park, enhance the marketing of Namibian tourism, and develop the capacity of communal conservancies to attract investments in ecotourism and increase their revenue.</p> <hr/> <p style="text-align: center;"><b>Projected Long-Term Results</b> (Up to 20 years)</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; text-align: center;">ESTIMATED BENEFICIARIES</td> <td style="width: 50%; text-align: center;">ESTIMATED INCREASE IN HOUSEHOLD INCOME</td> </tr> <tr> <td style="text-align: center;"><b>168,661</b></td> <td style="text-align: center;"><b>\$43,700,000</b></td> </tr> </table>	ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	<b>168,661</b>	<b>\$43,700,000</b>	<p style="text-align: right; font-size: small;">DDCCENT</p>		
ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME						
<b>168,661</b>	<b>\$43,700,000</b>						
	<p><b>PROJECTED RESULTS BY END OF COMPACT</b></p> <p>Increase annual gross revenue to conservancies from approximately \$4.4 million to \$4.8 million; increase Etosha National Park revenue from approximately \$2.7 million to \$2.9 million; increase number of North American businesses offering tours to Namibia from 106 to 131.</p>	<p><b>PROGRESS TO DATE</b></p> <p>Etosha National Park Final Design Contract design work nearing completion; 12 new US Tour Operators are marketing Namibia as a tourism destination; 181 rare animals translocated to six conservancies; second exclusive access tourism concession in Etosha awarded to the Gobaub Community Association; third joint venture grant with Omatendeka conservancy to expand the Etendeka Mountain Camp awarded.</p>	<p><b>PROJECT ACHIEVEMENTS</b></p> <p>All funding conditions required to initiate construction of Etosha National Park infrastructure satisfied; tourism business development and wildlife management training underway in 30 conservancies; online marketing efforts underway; 17 grants to support conservancies approved for funding; Namibia selected to host the 2013 Adventure Travel World Summit as a result of MCA-funding.</p>				

Agriculture Project	PROJECT COST	TOTAL CONTRACT COMMITMENTS	TOTAL PROJECT EXPENDITURES <sup>†</sup>				
	<b>\$47,550,008</b>	<b>\$43,990,212</b>	<b>\$18,407,066</b>				
<p>The Agriculture Project focuses on increasing the economic performance of the agricultural sector by: 1) improving land tenure security and rangeland management practices, 2) improving animal health services and livestock marketing, and 3) increasing revenues to small and medium-sized enterprises from sustainable harvesting of natural products.</p> <hr/> <p style="text-align: center;"><b>Projected Long-Term Results</b> (Up to 20 years)</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%; text-align: center;">ESTIMATED BENEFICIARIES</td> <td style="width: 50%; text-align: center;">ESTIMATED INCREASE IN HOUSEHOLD INCOME</td> </tr> <tr> <td style="text-align: center;"><b>750,220</b></td> <td style="text-align: center;"><b>\$31,800,000</b></td> </tr> </table>	ESTIMATED BENEFICIARIES	ESTIMATED INCREASE IN HOUSEHOLD INCOME	<b>750,220</b>	<b>\$31,800,000</b>			
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	<p><b>PROJECTED RESULTS BY END OF COMPACT</b></p> <p>Forty-five northern communal grazing areas engage in combined herding; tag one million cattle; train 7,000 members of Indigenous Natural Products Producer Groups; and ensure 1.1 million cattle receive annual veterinary checkups.</p>	<p><b>PROGRESS TO DATE</b></p> <p>CBRLM underway w/ 365 participating households &amp; 36 grazing areas applying combined herding; 6,027 natural products producers trained and mobilized (55% are women); 58 Producer &amp; Processor Groups with signed Service Agreements; 906 land board officials &amp; traditional authorities, including 269 women, trained on land tenure security and land management; 1382 land certificates issued; 1,289,118 cattle tagged</p>	<p><b>PROJECT ACHIEVEMENTS</b></p> <p>Refined land registration procedures to increase efficiency and ensure community participation; introduced forms to allow joint registration of spouses. 3,672 traditional land parcels mapped and verified, 48 villages mapped; US\$ 4,177,066 committed under Marketing Efficiency Fund and US\$ 1,487,255 of the INP Innovation Fund committed; construction of 5 new State Veterinarian Offices and rehabilitation of 2 Quarantine Camps underway.</p>				

<sup>†</sup>Expenditures are the sum of cash outlays and quarterly accruals for work completed but not yet paid or invoiced.